

# OPERATING FINANCIAL UPDATE

## September 30, 2023

## Table of Contents

|   |           |
|---|-----------|
| <b>1. Tax-Supported Operations Summary</b> .....  | <b>3</b>  |
| <b>2. Tax-Supported Operations (excluding Edmonton Police Services) - By Department:</b>                                      |           |
| a. Community Services (Includes Branches).....  | 7         |
| b. City Operations (includes Branches).....   | 12        |
| c. Financial and Corporate Services.....  | 17        |
| d. Integrated Infrastructure Services.....  | 19        |
| e. Urban Planning and Economy.....  | 20        |
| f. Office of the City Manager.....  | 23        |
| g. Mayor and Councillor Offices.....  | 25        |
| h. Office of the City Auditor.....  | 25        |
| i. Boards and Authorities.....  | 25        |
| j. Corporate Programs.....  | 26        |
| <b>3. Enterprise and Utility Operations</b> .....   | <b>32</b> |
| <b>4. Community Revitalization Levy Operations</b> .....  | <b>35</b> |
| <b>5. Reserves Update</b> .....   | <b>37</b> |
| <b>6. Traffic Safety and Automated Enforcement Reserve Schedule</b> .....   | <b>39</b> |
| <b>7. Edmonton Police Service (Tax-Supported Operations) - Budget Variance for the Period Ending September 30, 2023</b> ..... | <b>40</b> |

## Supplemental Information

- Table: Tax-Supported Operations by Branch - September 30, 2023 Year-to-Date Results and Year-End Projections

## Legend

- Favourable budget variance,  $\geq 0\%$
- Unfavourable budget variance, between  $0\%$  and  $(10)\%$
- Unfavourable budget variance,  $> (10)\%$

**Tax-Supported Operations (excluding Edmonton Police Services)**  
**Summary Year-to-Date Results and Year-End Projections**  
**September 30, 2023**  
(in \$000's)

**Net Position Budget Variance - Summary [Favorable/ (Unfavorable)]**

| Year-to-Date |           |           |             |   |                |
|--------------|-----------|-----------|-------------|---|----------------|
|              | Budget    | Actual    | Variance \$ |   | %              |
| Revenue      | 2,735,318 | 2,740,897 | 5,579       | ● | 0.2            |
| Expense      | 2,084,393 | 2,091,327 | (6,934)     | ● | (0.3)          |
| Net Position | 650,925   | 649,570   | (1,355)     | ● | <b>(0.1)</b> * |

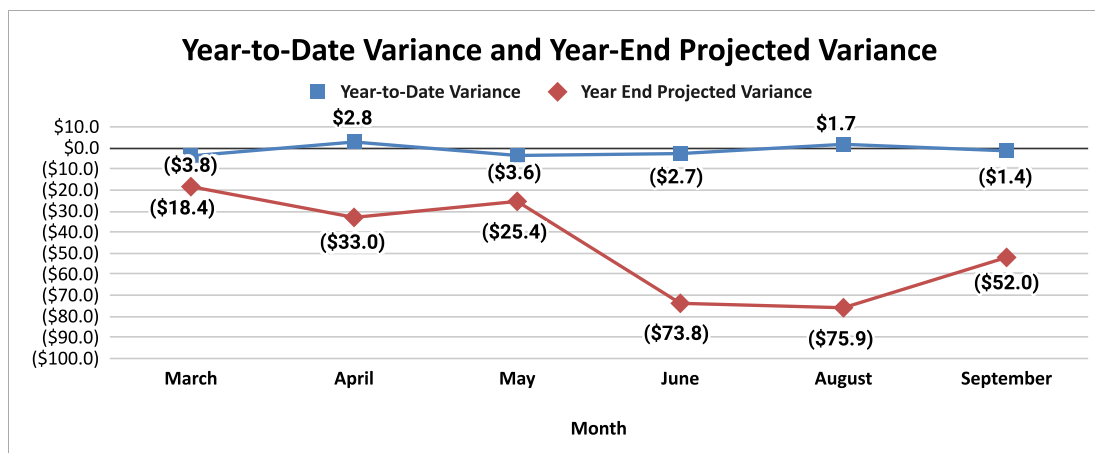
\* Net position percentage based on year-to-date expense budget

| Projected Year-End |           |           |             |   |                |
|--------------------|-----------|-----------|-------------|---|----------------|
|                    | Budget    | Projected | Variance \$ |   | %              |
| Revenue            | 3,303,035 | 3,267,263 | (35,772)    | ● | (1.1)          |
| Expense            | 2,887,579 | 2,903,821 | (16,242)    | ● | (0.6)          |
| Net Position       | 415,456   | 363,442   | (52,014)    | ● | <b>(1.8)</b> * |

\* Net position percentage based on year-end expense budget

**Year-to-Date Variance** - Tax-supported operations reflect a year-to-date unfavourable budget variance of \$1.4 million, or 0.1% of the overall expense budget. This is due to an unfavourable budget variance resulting from salary settlements, less than budgeted transit fare revenue mainly due to shifts in fare purchasing behavior and related changes to travel patterns, lower ATCO Gas Franchise fees resulting from charging lower rates to customers and warmer than anticipated weather, increased fleet and facility services contractor and materials costs, and other unfavourable budget variances. This is partially offset with lower personnel costs due to unfilled vacancies across various City departments, higher memberships and admissions revenue as recreation and attraction facilities achieved higher than expected demand for programs and services, and lower than budgeted costs for LRT operations.

**Projected Year-End Variance** - A net unfavourable year-end position of \$52.0 million is projected for tax-supported operations, equivalent to a 1.8% variance when compared to the overall expense budget. This is due to an unfavourable budget variance resulting from salary settlements, less than budgeted transit fare revenue due to shifts in fare purchasing behavior and related changes to travel patterns, reduced ATCO Gas Franchise fees resulting from charging lower rates to customers and warmer than anticipated weather, increased fleet and facility services contractor and material costs, and lower On-Street Construction and Maintenance (OSCAM) revenue due to reduced demand/duration of permits. This is partially offset with lower personnel costs due to unfilled vacancies across various City departments, and higher memberships and admissions revenue as recreation and attraction facilities achieved higher than expected demand for programs and services.



Following are highlights of Year-to-Date (YTD) variances and/or Year-End Projected variances, greater than \$2,500, that contribute to the net tax-supported variance:

| Net Position Budget Variance - Details |   |   |
|--|---|---|
| YTD Variance<br>(in millions \$)       | Year-End Projected Variance<br>(in millions \$) | Variance Explanations   |
| (23.5)                                 | (43.0)  | <b>Salary Settlements</b> ( <i>Corporate Expenditures, Corporate Programs</i> )<br>YTD & Projected - Unfavourable budget variance resulting from salary settlements.  |
| (8.4)                                  | (11.7)  | <b>Transit Fare Revenue</b> ( <i>Edmonton Transit, City Operations</i> )<br>YTD & Projected - Transit ridership has recovered to pre-pandemic levels for conventional bus service; however, ridership gains are still needed for paratransit and LRT service in order to achieve full ridership recovery. Transit revenue recovery takes a bit longer than ridership recovery due to shifts in fare purchasing behaviour and related changes in travel patterns. There is a year-end projection of approximately \$11.7 million unfavourable for transit revenues. In addition, when comparing year-to-date 2022 to the same timeframe in 2023, sales volumes for adult, youth and Ride Transit monthly passes, youth and seniors tickets, U-Pass, and cash fares have increased. |
| (8.2)                                  | (8.4)   | <b>Gas Franchise Fees</b> ( <i>Corporate Revenues, Corporate Programs</i> )<br>YTD & Projected - Lower than expected franchise fee revenues as a result of lower distribution rates charged by ATCO to customers. The City collects the gas franchise fee based on delivery tariff revenues resulting from the distribution charges. Furthermore, January to March 2023 was warmer than forecasted resulting in lower actual delivery tariff and franchise fee revenue for those three months compared to assumptions used in the budget.   |
| (7.7)                                  | (10.3)  | <b>Contract Costs</b> ( <i>Fleet and Facility Services, City Operations</i> )<br>YTD & Projected - Increased contract work due to unplanned callouts including for aging infrastructure, increased vandalism, inflation pressure on contract costs, enhanced cleaning requests and more work being contracted out due to vacancies.   |
| (4.4)                                  | (6.6)   | <b>Material Costs</b> ( <i>Fleet and Facility Services, City Operations</i> )<br>YTD & Projected - Higher maintenance, parts and material costs due to inflationary cost pressures.   |
| (3.8)                                  | (4.9)   | <b>Safety Measures</b> ( <i>Edmonton Transit, City Operations</i> )<br>YTD & Projected - Higher costs for additional safety measures and enhanced cleaning at transit stations and transit centres.   |
| (2.6)                                  | (2.6)   | <b>Personal Protective Equipment</b> ( <i>Corporate Procurement and Supply Services, Financial &amp; Corporate Services</i> )<br>YTD & Projected - Unbudgeted costs related to the disposal of expired COVID Personal Protective Equipment (PPE).   |
| (2.5)                                  | (2.5)   | <b>Tax Appeals</b> ( <i>Taxation Expenditures, Corporate Programs</i> )<br>YTD & Projected - Higher than expected tax appeal losses due to an increase in the number of appeals partially due to market value increases.  |
| (2.5)                                  | (1.7)   | <b>Insurance Claims</b> ( <i>Corporate Expenditures, Corporate Programs</i> )<br>YTD & Projected - Unfavourable insurance claims due to higher than expected confidential property and third party claims.  |
| (1.7)                                  | (2.0)   | <b>Public Washroom Costs</b> ( <i>Parks and Road Services, City Operations</i> )<br>YTD & Projected - Higher public washroom costs due to Shigella outbreak and associated response. On December 15, 2022, Alberta Health Services (AHS) formally requested the City continue providing hygiene resources until the Shigella outbreak is declared over until spring of 2024 as a preventative measure. The province has not provided funding for these additional safety measures. City Administration is delivering the unfunded shigella response until April 30, 2024 at a projected cost of \$1.5 million in 2023 and \$0.3 million in 2024.  |
| (1.5)                                  | (6.5)   | <b>Permit Fee Revenue</b> ( <i>Parks and Road Services, City Operations</i> )<br>YTD & Projected - Lower than budgeted permit fees, mainly due to lower than expected On-Street Construction and Maintenance (OSCAM) revenue, as well as lower Traffic Control Fees such as pods, developer signs, moving permits and detours.  |

|        |        |   |
|--------|--------|---|
| 0.0    | 4.0    | <b>Not for Profit Affordable Housing Tax Grant</b> ( <i>Corporate Expenditures, Corporate Programs</i> )<br><i>Projected</i> - Not for Profit Affordable Housing Tax Grant is a new grant program offered to property owners who provide affordable housing to citizens of which no less than 25% is allocated as affordable housing. Individual property owners are eligible for a grant of up to a maximum of \$0.25 million based on decision making criteria. This is the first year of this grant program therefore time is required to implement and establish the program as well as raise awareness with the public. As such the budgeted \$6.0 million for this grant is not expected to be fully utilized in 2023. Administration is anticipating actual grants awarded will be approximately \$2.0 million in 2023 based on best estimates, resulting in \$4.0 million lower than budgeted grant expenses. |
| 3.3    | 1.5    | <b>Environment &amp; Climate Resilience programs</b> ( <i>Planning &amp; Environment Services, Urban Planning and Economy</i> )<br><i>YTD &amp; Projected</i> - Delay of consulting and contract work in various Environment & Climate Resilience programs and Mobility projects.   |
| 6.2    | 0.0    | <b>Renewable Energy Certificates</b> ( <i>Planning &amp; Environment Services, Urban Planning and Economy</i> )<br><i>YTD</i> - Timing of Renewable Energy Certificates. The purchase contract is in progress and will be finalized before the end of 2023.   |
| 7.5    | 2.5    | <b>LRT Operating costs</b> ( <i>Edmonton Transit, City Operations</i> )<br><i>YTD</i> - Lower than budgeted costs for LRT operations due to delay of the Valley Line South East LRT.<br><i>Projected</i> - Lower than budgeted costs for LRT operations due to delay of the Valley Line South East LRT, that are partly offset with a lower transfer from the LRT Reserve that will occur at year end.  |
| 8.0    | 9.7    | <b>Memberships &amp; Admissions Revenue</b> ( <i>Community Recreation And Culture, Community Service</i> )<br><i>YTD &amp; Projected</i> - Higher than budgeted revenues due to recreation and attraction facilities achieving higher than expected demand for programs and services.   |
| 15.3   | 16.5   | <b>Personnel Costs, net of discounting and significant recoveries</b> ( <i>All Departments</i> )<br><i>YTD &amp; Projected</i> - Favourable personnel budget variance mainly due to unfilled vacancies across various City departments, including Fleet and Facility Services, and Community Standard and Neighbourhoods. The projected personnel budget variance is 1.3% of the overall tax-supported personnel budget.  |
| (16.1) | (16.1) | <b>Alberta Wildfire Response Costs</b> ( <i>Fire Rescue Services, Office of the City Manager</i> )<br><i>YTD &amp; Projected</i> - Additional costs incurred by the City in 2023 for wildfire support, including \$2.7 million additional personnel costs and \$13.2 million for materials and equipment.   |
| 16.1   | 16.1   | <b>Alberta Wildfire Response Reimbursement</b> ( <i>Fire Rescue Services, Office of the City Manager</i> )<br><i>YTD &amp; Projected</i> -Expected cost recovery from the impacted communities for Alberta and Northwest Territories Wildfire assistance provided by the City of Edmonton in 2023.  |
| 25.1   | 14.0   | Other net cumulative variances across tax-supported areas.  |
| (1.4)  | (52.0) | <b>Total Net Position Budget Variance</b>   |
| (0.1)% | (1.8)% | <b>Total Net Position Budget Variance Percentage (based on expense budget)</b>  |

Edmonton Police Services financial results are reflected in the "Edmonton Police Service - Budget Variance for the Period Ending September 30, 2023" section of this report.

| <b>Net Position Budget Variance - by Department</b> |   |   |
|---|---|---|
| <b>YTD Variance<br/>(in millions \$)</b>            | <b>Year-End Projected Variance<br/>(in millions \$)</b> | <b>Department</b>                         |
| <b>14.9</b>   | <b>13.9</b>   | <i>Community Services</i>                 |
| <b>(5.7)</b>  | <b>(27.1)</b>   | <i>City Operations</i>                    |
| <b>3.7</b>  | <b>2.8</b>  | <i>Financial and Corporate Services</i>   |
| <b>3.4</b>  | <b>2.4</b>  | <i>Integrated Infrastructure Services</i> |
| <b>14.0</b>   | <b>5.8</b>  | <i>Urban Planning and Economy</i>         |
| <b>2.0</b>  | <b>(0.9)</b>  | <i>Office of the City Manager</i>         |
| <b>0.7</b>  | <b>0.5</b>  | <i>Mayor and Councillor Offices</i>       |
| <b>0.3</b>  | <b>0.4</b>  | <i>Office of the City Auditor</i>         |
| <b>1.3</b>  | <b>0.0</b>  | <i>Boards and Authorities</i>             |
| <b>(36.0)</b>                                       | <b>(49.9)</b>   | <i>Corporate Programs</i>                 |
| <b>(1.4)</b>  | <b>(52.0)</b>   | <b>Total Net Position Budget Variance</b> |

### **Potential Impacts to Year-End Results**

Projected operating year-end results for tax-supported operations reflect the information available to date. Certain items involve a greater degree of uncertainty. Administration continues to monitor the following matters and update projections as necessary:

- Employee contracts for CSU 52\*, and ATU 569-DATS\* expired in December 2020 and December 2021 respectively, and are in bargaining. The collective agreement with the EFFU\* expired in December 2018 and is scheduled for arbitration in November. The City has been served notice to commence collective bargaining for EPA\* and ATU Main\*, both expiring at the end of this year.
- Snow and ice control expenditures are weather dependent and difficult to predict. Greater snowfall than average may further impact the Snow and Ice Control program projected results.
- Volatility in energy commodity prices may result in utility cost variances. Material and equipment prices may be impacted by delivery timelines, supply-side constraints and/or demand-side fluctuations, resulting in cost variances. Material and equipment cost variances may also be impacted by unexpected exchange rate fluctuations.

\* Civic Service Union 52 (CSU 52), Amalgamated Transit Union Local 569, DATS Unit (ATU 569-DATS), Edmonton Fire Fighters' Union (EFFU), Edmonton Police Association (EPA), Amalgamated Transit Union Local 569 (ATU Main)

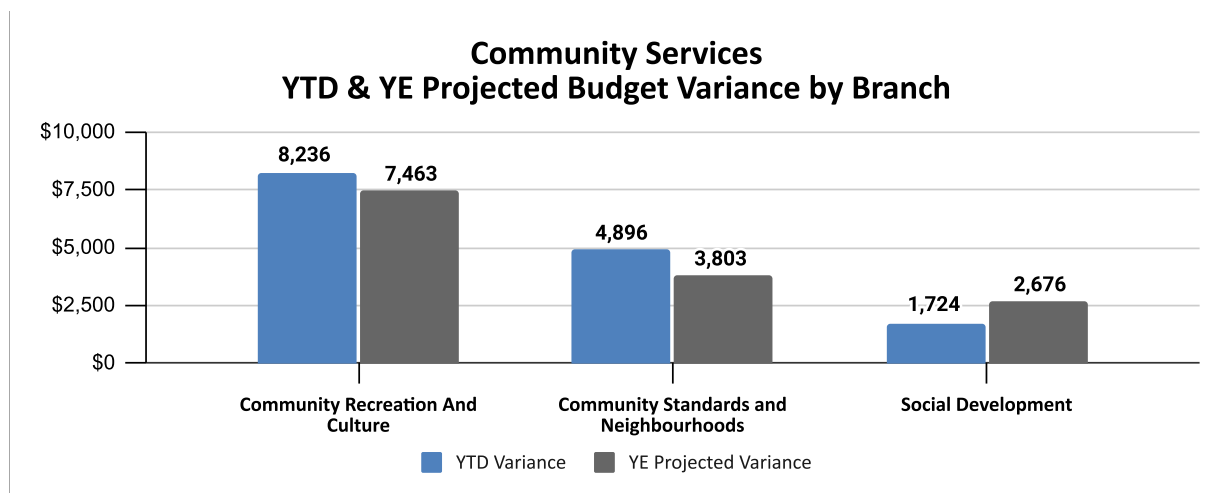
Tax-Supported Operations - By Department  
**Year-to-Date Results and Year-End Projections**  
**September 30, 2023**  
(in \$000's)

**Community Services**

| Year-to-Date        |                  |                  |               |   |             |
|---------------------|------------------|------------------|---------------|---|-------------|
|                     | Budget           | Actual           | Variance \$   |   | %           |
| Revenue             | 92,770           | 101,468          | 8,698         | ● | 9.4         |
| Expense             | 215,970          | 209,812          | 6,158         | ● | 2.9         |
| <b>Net Position</b> | <b>(123,200)</b> | <b>(108,344)</b> | <b>14,856</b> | ● | <b>12.1</b> |

| Projected Year-End  |                  |                  |               |   |            |
|---------------------|------------------|------------------|---------------|---|------------|
|                     | Budget           | Projected        | Variance \$   |   | %          |
| Revenue             | 159,101          | 150,097          | (9,004)       | ● | (5.7)      |
| Expense             | 347,424          | 324,478          | 22,946        | ● | 6.6        |
| <b>Net Position</b> | <b>(188,323)</b> | <b>(174,381)</b> | <b>13,942</b> | ● | <b>7.4</b> |



*Explanations are provided for Year-to-Date (YTD) and/or Year-End Projected variances greater than \$1,500 by branch, that contribute to the net tax-supported variance (amounts below \$1,500 are not specifically addressed):*

|  |
|--|
| <b>Community Services - Community Recreation and Culture</b> |
|--|

|                     |          |          |             |             |
|---------------------|----------|----------|-------------|-------------|
| <b>Year-to-Date</b> |          |          |             |             |
|                     | Budget   | Actual   | Variance \$ | %           |
| Revenue             | 44,060   | 53,738   | 9,678       | 22.0        |
| Expense             | 106,884  | 108,326  | (1,442)     | (1.3)       |
| Net Position        | (62,824) | (54,588) | 8,236       | <b>13.1</b> |

|                           |          |           |             |            |
|---------------------------|----------|-----------|-------------|------------|
| <b>Projected Year-End</b> |          |           |             |            |
|                           | Budget   | Projected | Variance \$ | %          |
| Revenue                   | 65,255   | 71,787    | 6,532       | 10.0       |
| Expense                   | 146,559  | 145,628   | 931         | 0.6        |
| Net Position              | (81,304) | (73,841)  | 7,463       | <b>9.2</b> |

|   |  |  |
|---|--|--|
| <b>Net Position Budget Variance - Details</b> |  |  |
|---|--|--|

| YTD Variance<br>(in millions \$) | Year-End Projected Variance<br>(in millions \$) | Variance Explanations   |
|----------------------------------|---|---|
| <b>Revenue</b>                   |   |   |
| 8.0                              | 9.7   | <b>Memberships &amp; Admissions Revenue</b><br><i>YTD &amp; Projected</i> - Higher than budgeted revenues due to recreation and attraction facilities achieving higher than expected demand for programs and services.  |
| 1.5                              | 2.3   | <b>Special Events and Concert Revenue</b><br><i>YTD &amp; Projected</i> - Higher than expected special events and concert revenue.  |
| 0.0                              | (5.0)   | <b>Project Funding - Transfer from Financial Stabilization Reserve (FSR)</b><br><i>Projected</i> - Project funded by FSR is delayed resulting in lower than budgeted transfer from FSR. This variance is fully offset by the reduced grant expenditure related to the project.        |
| 0.2                              | (0.5)   | Other net cumulative variances  |
| <b>9.7</b>                       | <b>6.5</b>                                      | <b>Revenue Budget Variance</b>  |
| <b>Expense</b>                   |   |   |
| 1.6                              | 1.2   | <b>Utilities Expense</b><br><i>YTD &amp; Projected</i> - Lower than expected utility costs due to milder weather conditions.  |
| 0.0                              | 5.0   | <b>Grant Funding</b><br><i>Projected</i> - Lower than budgeted grant payment due to project delay, fully offset by reduced transfer from FSR.   |
| (1.5)                            | (1.8)   | <b>Special Events and Concert Costs</b><br><i>YTD &amp; Projected</i> - special event and concert expenses fully offset by revenue.   |
| (2.1)                            | (1.6)   | <b>Personnel Costs</b><br><i>YTD &amp; Projected</i> - Higher than expected personnel costs due to increased staffing requirement to meet higher than expected attendance and demand for registered programs. This is partially offset with personnel vacancies and delays in hiring. |
| 0.5                              | (1.8)   | Other net cumulative variances  |
| <b>(1.5)</b>                     | <b>1.0</b>                                      | <b>Expense Budget Variance</b>  |
| <b>8.2</b>                       | <b>7.5</b>                                      | <b>Total Net Position Budget Variance - Community Recreation and Culture</b>  |
| 13.1%                            | 9.2%  | <i>Total Net Position Budget Variance Percentage<br/>(based on annual expense budget)</i>   |



|  |
|--|
| <b>Community Services - Community Standards and Neighbourhoods</b> |
|--|

| <b>Year-to-Date</b> |                 |                 |                |             |
|---------------------|-----------------|-----------------|----------------|-------------|
|                     | Budget          | Actual          | Variance \$    | %           |
| Revenue             | 6,943           | 5,674           | (1,269) ●      | (18.3)      |
| Expense             | 44,485          | 38,320          | 6,165 ●        | 13.9        |
| <b>Net Position</b> | <b>(37,542)</b> | <b>(32,646)</b> | <b>4,896 ●</b> | <b>13.0</b> |

| <b>Projected Year-End</b> |                 |                 |                |            |
|---------------------------|-----------------|-----------------|----------------|------------|
|                           | Budget          | Projected       | Variance \$    | %          |
| Revenue                   | 9,840           | 8,080           | (1,760) ●      | (17.9)     |
| Expense                   | 58,885          | 53,322          | 5,563 ●        | 9.4        |
| <b>Net Position</b>       | <b>(49,045)</b> | <b>(45,242)</b> | <b>3,803 ●</b> | <b>7.8</b> |

|   |  |  |
|---|--|--|
| <b>Net Position Budget Variance - Details</b> |  |  |
|---|--|--|

| YTD Variance<br>(in millions \$) | Year-End Projected Variance<br>(in millions \$) | Variance Explanations   |
|----------------------------------|---|---|
| <b>Revenue</b>                   |   |   |
| (1.3)                            | (1.8)   | Other net cumulative variances  |
| <b>(1.3)</b>                     | <b>(1.8)</b>                                    | <b>Revenue Budget Variance</b>  |
| <b>Expense</b>                   |   |   |
| 3.6                              | 3.8   | <b>Personnel Costs</b><br><i>YTD &amp; Projected</i> - Favourable budget variance due to hiring delays for new positions and leaves of absence. |
| 2.6                              | 1.8   | Other net cumulative variances  |
| <b>6.2</b>                       | <b>5.6</b>                                      | <b>Expense Budget Variance</b>  |
| <b>4.9</b>                       | <b>3.8</b>                                      | <b>Total Net Position Budget Variance - Community Standards and Neighbourhoods</b>  |
| 13.0%                            | 7.8%  | <i>Total Net Position Budget Variance Percentage<br/>(based on annual expense budget)</i>   |

|  |
|--|
| <b>Community Services - Social Development</b> |
|--|

**Year-to-Date**

|                     | Budget          | Actual          | Variance \$  |          | %          |
|---------------------|-----------------|-----------------|--------------|----------|------------|
| Revenue             | 41,767          | 42,056          | 289          | ●        | 0.7        |
| Expense             | 64,601          | 63,166          | 1,435        | ●        | 2.2        |
| <b>Net Position</b> | <b>(22,834)</b> | <b>(21,110)</b> | <b>1,724</b> | <b>●</b> | <b>7.6</b> |

**Projected Year-End**

|                     | Budget          | Projected       | Variance \$  |          | %          |
|---------------------|-----------------|-----------------|--------------|----------|------------|
| Revenue             | 84,006          | 70,230          | (13,776)     | ●        | (16.4)     |
| Expense             | 141,980         | 125,528         | 16,452       | ●        | 11.6       |
| <b>Net Position</b> | <b>(57,974)</b> | <b>(55,298)</b> | <b>2,676</b> | <b>●</b> | <b>4.6</b> |

**Net Position Budget Variance - Details**

| YTD Variance<br>(in millions \$) | Year-End Projected Variance<br>(in millions \$) | Variance Explanations  |
|----------------------------------|---|--|
| <b>Revenue</b>                   |   |  |
| 0.0                              | (5.8)   | <b>CMHC Renewal Funding</b><br><i>Projected</i> - Lower than budgeted funding recognized from Canada Mortgage and Housing Corporation (CMHC) for renewal projects with subsidies to be distributed between 2023 and 2026. This variance is fully offset by corresponding subsidy expense variance below.   |
| (0.2)                            | (3.2)   | <b>Day Services &amp; Transit Outreach Team</b><br><i>YTD &amp; Projected</i> - Funding for Day Services (\$2.2 million) and Community Outreach Transit Team (\$1.0 million) was approved from the Financial Stabilization Reserve (FSR). Expenses are expected to be incurred over 2024 and 2025, therefore, the transfer from the FSR is not required in 2023. The lower than budgeted transfer from the FSR is offset with lower than budgeted Day Services and Transit Outreach program expenses below.  |
| (0.2)                            | (4.4)   | <b>Affordable Housing Subsidies</b><br><i>YTD &amp; Projected</i> - Lower than expected transfer from the Affordable Housing Reserve to pay for affordable housing subsidies related to the Affordable Housing Investment Program (\$3.1 million) and the Ogilvie Site Servicing Subsidy (\$1.25 million). The subsidies are not being provided as expected due to slower than anticipated construction progress by funding partners. The funding for this program is released from the Affordable Housing Reserve as construction milestones are met. The lower than budgeted transfer from the Affordable Housing Reserve is offset with lower than budgeted subsidy expenses below. |
| 0.7                              | (0.4)   | Other net cumulative variances   |
| <b>0.3</b>                       | <b>(13.8)</b>                                   | <b>Revenue Budget Variance</b>   |

| <b>Expense</b> |             |  |
|----------------|-------------|--|
| 1.1            | 1.6         | <b>Personnel Costs</b><br><i>YTD &amp; Projected</i> - Favourable personnel variance due to unfilled vacancies.  |
| 0.2            | 4.4         | <b>Affordable Housing Subsidies</b><br><i>YTD &amp; Projected</i> - Subsidies for the Affordable Housing Investment Program (\$3.1 million) and Ogilvie Site Servicing (\$1.25 million) are lower than budgeted due to progression of construction projects by funding partners. |
| 0.2            | 3.2         | <b>Day Services &amp; Transit Outreach Team</b><br><i>YTD &amp; Projected</i> - Expenses for Day Services and the Transit Outreach Team are expected to be incurred in 2024 and 2025.  |
| 0.0            | 5.8         | <b>CMHC Renewal Subsidies</b><br><i>Projected</i> - CMHC Renewal subsidies to be distributed between 2023 and 2026. This variance is fully offset by corresponding CMHC Renewal funding revenue variance above.  |
| (0.1)          | 1.5         | Other net cumulative variances   |
| <b>1.4</b>     | <b>16.5</b> | <b>Expense Budget Variance</b>   |
| <b>1.7</b>     | <b>2.7</b>  | <b>Total Net Position Budget Variance - Social Development</b>   |
| 7.6%           | 4.6%        | <i>Total Net Position Budget Variance Percentage<br/>(based on annual expense budget)</i>  |

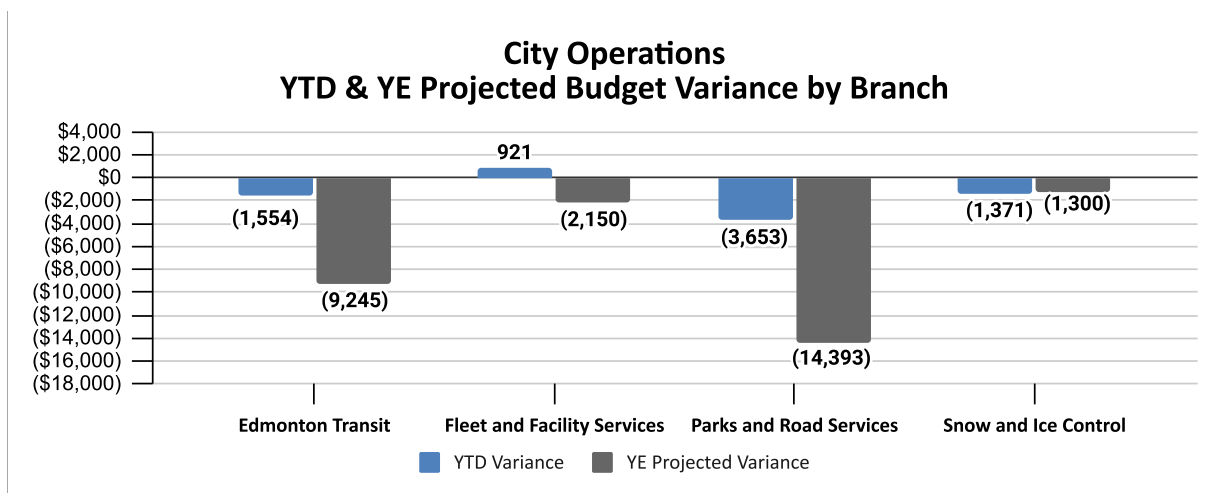
Tax-Supported Operations - By Department  
**Year-to-Date Results and Year-End Projections**  
**September 30, 2023**  
 (in \$000's)

**City Operations**

| <b>Year-to-Date</b> |                  |                  |                  |              |
|---------------------|------------------|------------------|------------------|--------------|
|                     | Budget           | Actual           | Variance \$      | %            |
| Revenue             | 117,438          | 104,101          | (13,337) ●       | (11.4)       |
| Expense             | 560,641          | 552,961          | 7,680 ●          | 1.4          |
| <b>Net Position</b> | <b>(443,203)</b> | <b>(448,860)</b> | <b>(5,657) ●</b> | <b>(1.3)</b> |

| <b>Projected Year-End</b> |                  |                  |                   |              |
|---------------------------|------------------|------------------|-------------------|--------------|
|                           | Budget           | Projected        | Variance \$       | %            |
| Revenue                   | 192,803          | 162,829          | (29,974) ●        | (15.5)       |
| Expense                   | 750,366          | 747,480          | 2,886 ●           | 0.4          |
| <b>Net Position</b>       | <b>(557,563)</b> | <b>(584,651)</b> | <b>(27,088) ●</b> | <b>(4.9)</b> |



*Explanations are provided for Year-to-Date (YTD) and/or Year-End Projected variances greater than \$1,500 by branch, that contribute to the net tax-supported variance (amounts below \$1,500 are not specifically addressed):*

## City Operations - Edmonton Transit

### Year-to-Date

|              | Budget    | Actual    | Variance \$ | %      |
|--------------|-----------|-----------|-------------|--------|
| Revenue      | 83,023    | 73,767    | (9,256) ●   | (11.1) |
| Expense      | 307,650   | 299,948   | 7,702 ●     | 2.5    |
| Net Position | (224,627) | (226,181) | (1,554) ●   | (0.7)  |

### Projected Year-End

|              | Budget    | Projected | Variance \$ | %      |
|--------------|-----------|-----------|-------------|--------|
| Revenue      | 132,512   | 115,162   | (17,350) ●  | (13.1) |
| Expense      | 419,769   | 411,664   | 8,105 ●     | 1.9    |
| Net Position | (287,257) | (296,502) | (9,245) ●   | (3.2)  |

### Net Position Budget Variance - Details

| YTD<br>Variance<br>(in millions \$) | Year-End<br>Projected<br>Variance<br>(in millions \$) | Variance Explanations  |
|-------------------------------------|---|--|
| <b>Revenue</b>                      |   |  |
| (8.4)                               | (11.7)  | <p><b>Transit Fare Revenue</b><br/> <i>YTD &amp; Projected</i> - Transit ridership has recovered to pre-pandemic levels for conventional bus service; however, ridership gains are still needed for paratransit and LRT service in order to achieve full ridership recovery. Transit revenue recovery takes a bit longer than ridership recovery due to shifts in fare purchasing behaviour and related changes in travel patterns. There is a year-end projection of approximately \$11.7 million unfavourable for transit revenues. In addition, when comparing year-to-date 2022 to the same timeframe in 2023, sales volumes for adult, youth and Ride Transit monthly passes, youth and seniors tickets, U-Pass, and cash fares have increased.</p> |
| (0.9)                               | (5.7)   | Other net cumulative variances   |
| <b>(9.3)</b>                        | <b>(17.4)</b>   | <b>Revenue Budget Variance</b>   |
| <b>Expense</b>                      |   |  |
| 7.5                                 | 2.5   | <p><b>LRT Operating Costs</b><br/> <i>YTD</i> - Lower than budgeted costs for LRT operations due to delay of the Valley Line South East LRT.<br/> <i>Projected</i> - Lower than budgeted costs for LRT operations due to delay of the Valley Line South East LRT, that are partly offset with a lower transfer from the LRT Reserve that will occur at year end.</p>   |
| 1.7                                 | 2.1   | <p><b>Smart Fare</b><br/> <i>YTD &amp; Projected</i> - Favourable budget variance due to lower costs associated with the new phased-in timelines for fare products moving to the new system.</p>   |
| 1.6                                 | 2.3   | <p><b>Higher Capital Recoveries</b><br/> <i>YTD &amp; Projected</i> - Favourable budget variance due to higher recoveries from capital related to Light Rail Vehicle (LRV) capital repair work.</p>  |
| 1.6                                 | 1.7   | <p><b>DATS Contract costs</b><br/> <i>YTD &amp; Projected</i> - Favourable budget variance for DATS contract costs resulting from lower trip volumes.</p>  |
| (0.9)                               | (1.6)   | <p><b>Fleet Maintenance costs</b><br/> <i>YTD &amp; Projected</i> - Higher fleet maintenance costs resulting from parts and shop supply price inflation.</p>   |
| (1.3)                               | (1.4)   | <p><b>Facility Maintenance costs</b><br/> <i>YTD &amp; Projected</i> - Higher facility maintenance costs due to increased service calls for vandalism, graffiti and increased cost of maintenance due to inflation.</p>  |
| (3.8)                               | (4.9)   | <p><b>Safety Measures</b><br/> <i>YTD &amp; Projected</i> - Higher costs for additional safety measures and enhanced cleaning at transit stations and transit centres.</p>   |

|              |              |   |
|--------------|--------------|---|
| 1.3          | 7.4          | Other net cumulative variances  |
| <b>7.7</b>   | <b>8.1</b>   | <b>Expense Budget Variance</b>  |
| <b>(1.6)</b> | <b>(9.3)</b> | <b>Total Net Position Budget Variance - Edmonton Transit</b>                              |
| (0.7)%       | (3.2)%       | <i>Total Net Position Budget Variance Percentage<br/>(based on annual expense budget)</i> |

### City Operations - Fleet and Facility Services

#### Year-to-Date

|              | Budget   | Actual   | Variance \$ |   | %          |
|--------------|----------|----------|-------------|---|------------|
| Revenue      | 6,577    | 6,025    | (552)       | ● | (8.4)      |
| Expense      | 56,046   | 54,573   | 1,473       | ● | 2.6        |
| Net Position | (49,469) | (48,548) | 921         | ● | <b>1.9</b> |

#### Projected Year-End

|              | Budget   | Projected | Variance \$ |   | %            |
|--------------|----------|-----------|-------------|---|--------------|
| Revenue      | 8,663    | 7,928     | (735)       | ● | (8.5)        |
| Expense      | 74,302   | 75,717    | (1,415)     | ● | (1.9)        |
| Net Position | (65,639) | (67,789)  | (2,150)     | ● | <b>(3.3)</b> |

### Net Position Budget Variance - Details

| YTD Variance<br>(in millions \$) | Year-End Projected Variance<br>(in millions \$) | Variance Explanations   |
|----------------------------------|---|---|
| <b>Revenue</b>                   |   |   |
| (0.6)                            | (0.7)   | Other net cumulative variances  |
| <b>(0.6)</b>                     | <b>(0.7)</b>                                    | <b>Revenue Budget Variance</b>  |
| <b>Expense</b>                   |   |   |
| 4.7                              | 6.5   | <b>Facility Maintenance Services Recoveries</b><br><i>YTD &amp; Projected</i> - Higher Facility Maintenance Services recoveries from various areas due to increased client requests, including unplanned repairs for aging infrastructure, significant incidences of vandalism, and for additional cleaning service requests. |
| 3.7                              | 4.0   | <b>Personnel Costs</b><br><i>YTD &amp; Projected</i> - Lower than budgeted personnel costs due to unfilled vacancies, partially offset by increased overtime as a result of after hour call-outs.   |
| 3.4                              | 3.5   | <b>Municipal Fleet and Transit Maintenance Recoveries</b><br><i>YTD &amp; Projected</i> - Higher Municipal Fleet and Transit Fleet maintenance recoveries due to higher prices for parts and materials from increased inflation.  |
| (4.4)                            | (6.6)   | <b>Material Costs</b><br><i>YTD &amp; Projected</i> - Higher maintenance, parts and material costs due to inflationary cost pressures.  |
| (7.7)                            | (10.3)  | <b>Contract Costs</b><br><i>YTD &amp; Projected</i> - Increased contract work due to unplanned callouts including for aging infrastructure, increased vandalism, inflation pressure on contract costs, enhanced cleaning requests and more work being contracted out due to vacancies.  |
| 1.8                              | 1.5   | Other net cumulative variances  |
| <b>1.5</b>                       | <b>(1.4)</b>                                    | <b>Expense Budget Variance</b>  |
| <b>0.9</b>                       | <b>(2.1)</b>                                    | <b>Total Net Position Budget Variance - Fleet and Facility Services</b>   |
| 1.9%                             | (3.3)%  | <i>Total Net Position Budget Variance Percentage<br/>(based on annual expense budget)</i>   |

## City Operations - Parks and Road Services

| <b>Year-to-Date</b> |                  |                  |                  |              |
|---------------------|------------------|------------------|------------------|--------------|
|                     | Budget           | Actual           | Variance \$      | %            |
| Revenue             | 27,794           | 24,084           | (3,710) ●        | (13.3)       |
| Expense             | 157,254          | 157,197          | 57 ●             | 0.0          |
| <b>Net Position</b> | <b>(129,460)</b> | <b>(133,113)</b> | <b>(3,653) ●</b> | <b>(2.8)</b> |

| <b>Projected Year-End</b> |                  |                  |                   |               |
|---------------------------|------------------|------------------|-------------------|---------------|
|                           | Budget           | Projected        | Variance \$       | %             |
| Revenue                   | 51,357           | 39,468           | (11,889) ●        | (23.1)        |
| Expense                   | 194,847          | 197,351          | (2,504) ●         | (1.3)         |
| <b>Net Position</b>       | <b>(143,490)</b> | <b>(157,883)</b> | <b>(14,393) ●</b> | <b>(10.0)</b> |

### Net Position Budget Variance - Details

| YTD<br>Variance<br>(in millions \$) | Year-End<br>Projected<br>Variance<br>(in millions \$) | Variance Explanations   |
|-------------------------------------|---|---|
| <b>Revenue</b>                      |   |   |
| 0.0                                 | (1.6)   | <b>Asphalt and Concrete Restoration Program</b><br><i>Projected</i> - Lower asphalt and concrete revenues due to the cancellation of the asphalt and concrete restoration (utility cut) program.  |
| (1.5)                               | (6.5)   | <b>Permit Fee Revenue</b><br><i>YTD &amp; Projected</i> - Lower than budgeted permit fees, mainly due to lower than expected On-Street Construction and Maintenance (OSCAM) revenue, as well as lower Traffic Control Fees such as pods, developer signs, moving permits and detours.   |
| (2.7)                               | (2.4)   | <b>Safe Mobility Program Funding - Transfer from TSAER</b><br><i>YTD &amp; Projected</i> - Lower than budgeted transfer from the Traffic Safety and Automated Enforcement Reserve (TSAER) as result of lower Safe Mobility program expenses noted below.  |
| 0.5                                 | (1.4)   | Other net cumulative variances  |
| <b>(3.7)</b>                        | <b>(11.9)</b>   | <b>Revenue Budget Variance</b>  |
| <b>Expense</b>                      |   |   |
| 2.7                                 | 2.4   | <b>Safe Mobility Program Expenses</b><br><i>YTD &amp; Projected</i> - Lower Safe Mobility program expenses due to timing of program implementation, resulting in lower than expected costs for staffing and procurement of materials.   |
| (1.7)                               | (1.6)   | <b>Spring Sweep Program</b><br><i>YTD &amp; Projected</i> - Higher than budgeted spring sweep costs due to early start to sweeping season as a result of favourable weather.  |
| (1.7)                               | (2.0)   | <b>Public Washroom Costs</b><br><i>YTD &amp; Projected</i> - Higher public washroom costs due to Shigella outbreak and associated response. On December 15, 2022, Alberta Health Services (AHS) formally requested the City continue providing hygiene resources until the Shigella outbreak is declared over until spring of 2024 as a preventative measure. The province has not provided funding for these additional safety measures. City Administration is delivering the unfunded shigella response until April 30, 2024 at a projected cost of \$1.5 million in 2023 and \$0.3 million in 2024. |
| 0.7                                 | (1.3)   | Other net cumulative variances  |
| <b>0.0</b>                          | <b>(2.5)</b>  | <b>Expense Budget Variance</b>  |
| <b>(3.7)</b>                        | <b>(14.4)</b>   | <b>Total Net Position Budget Variance - Parks and Road Services</b>   |
| <b>(2.8)%</b>                       | <b>(10.0)%</b>  | <i>Total Net Position Budget Variance Percentage<br/>(based on annual expense budget)</i>   |

|   |
|---|
| <b>City Operations - Snow and Ice Control</b> |
|---|

| <b>Year-to-Date</b> |                 |                 |                |          |              |
|---------------------|-----------------|-----------------|----------------|----------|--------------|
|                     | Budget          | Actual          | Variance \$    |          | %            |
| Revenue             | 44              | 225             | 181            | ●        | 411.4        |
| Expense             | 39,691          | 41,243          | (1,552)        | ●        | (3.9)        |
| <b>Net Position</b> | <b>(39,647)</b> | <b>(41,018)</b> | <b>(1,371)</b> | <b>●</b> | <b>(3.5)</b> |

| <b>Projected Year-End</b> |                 |                 |                |          |              |
|---------------------------|-----------------|-----------------|----------------|----------|--------------|
|                           | Budget          | Projected       | Variance \$    |          | %            |
| Revenue                   | 271             | 271             | -              | ●        | -            |
| Expense                   | 61,448          | 62,748          | (1,300)        | ●        | (2.1)        |
| <b>Net Position</b>       | <b>(61,177)</b> | <b>(62,477)</b> | <b>(1,300)</b> | <b>●</b> | <b>(2.1)</b> |

*No individually significant Year-to-Date and Projected variances to report.*



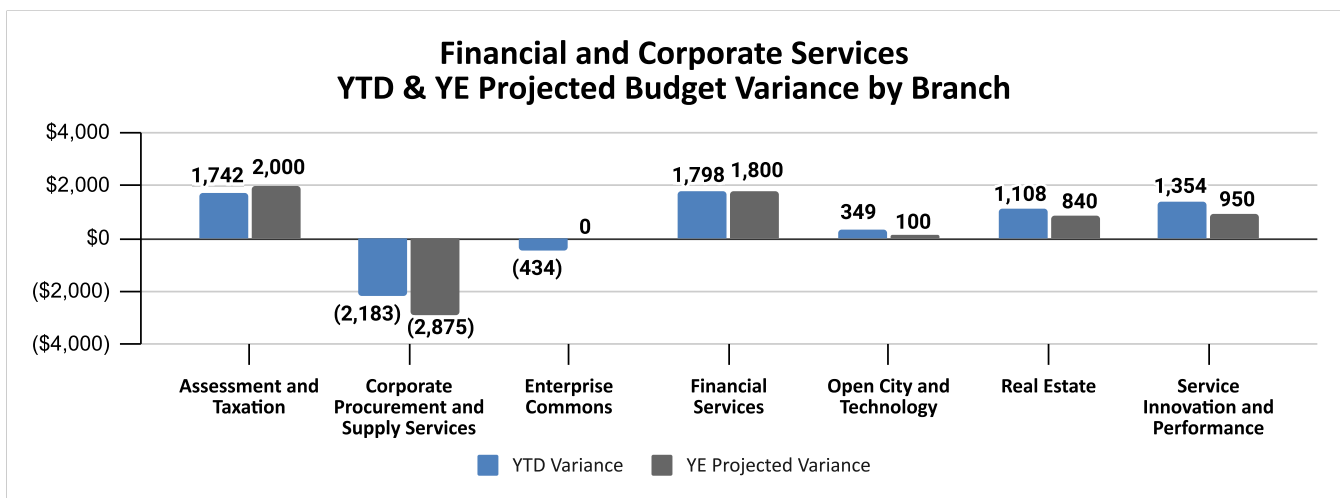
Tax-Supported Operations - By Department  
**Year-to-Date Results and Year-End Projections**  
**September 30, 2023**  
 (in \$000's)

**Financial and Corporate Services**

| <b>Year-to-Date</b> |                  |                  |              |          |            |
|---------------------|------------------|------------------|--------------|----------|------------|
|                     | Budget           | Actual           | Variance \$  |          | %          |
| Revenue             | 8,050            | 8,286            | 236          | ●        | 2.9        |
| Expense             | 130,492          | 126,994          | 3,498        | ●        | 2.7        |
| <b>Net Position</b> | <b>(122,442)</b> | <b>(118,708)</b> | <b>3,734</b> | <b>●</b> | <b>3.0</b> |

| <b>Projected Year-End</b> |                  |                  |              |          |            |
|---------------------------|------------------|------------------|--------------|----------|------------|
|                           | Budget           | Projected        | Variance \$  |          | %          |
| Revenue                   | 10,694           | 10,950           | 256          | ●        | 2.4        |
| Expense                   | 171,953          | 169,394          | 2,559        | ●        | 1.5        |
| <b>Net Position</b>       | <b>(161,259)</b> | <b>(158,444)</b> | <b>2,815</b> | <b>●</b> | <b>1.7</b> |



*Explanations are provided for Year-to-Date (YTD) and/or Year-End Projected variances greater than \$1,500 by branch, that contribute to the net tax-supported variance (amounts below \$1,500 are not specifically addressed):*

|   |
|---|
| <b>Financial and Corporate Services - Corporate Procurement and Supply Services</b> |
|---|

| <b>Year-to-Date</b> |                |                 |                |          |               |
|---------------------|----------------|-----------------|----------------|----------|---------------|
|                     | Budget         | Actual          | Variance \$    |          | %             |
| Revenue             | 300            | 562             | 262            | ●        | 87.3          |
| Expense             | 9,918          | 12,363          | (2,445)        | ●        | (24.7)        |
| <b>Net Position</b> | <b>(9,618)</b> | <b>(11,801)</b> | <b>(2,183)</b> | <b>●</b> | <b>(22.7)</b> |

| <b>Projected Year-End</b> |                 |                 |                |          |               |
|---------------------------|-----------------|-----------------|----------------|----------|---------------|
|                           | Budget          | Projected       | Variance \$    |          | %             |
| Revenue                   | 400             | 700             | 300            | ●        | 75.0          |
| Expense                   | 13,031          | 16,206          | (3,175)        | ●        | (24.4)        |
| <b>Net Position</b>       | <b>(12,631)</b> | <b>(15,506)</b> | <b>(2,875)</b> | <b>●</b> | <b>(22.8)</b> |

| <b>Net Position Budget Variance - Details</b> |   |   |
|---|---|---|
| YTD<br>Variance<br>(in millions \$)           | Year-End<br>Projected<br>Variance<br>(in millions \$) | Variance Explanations   |
| <b>Revenue</b>                                |   |   |
| 0.3   | 0.3   | Other net cumulative variances  |
| <b>0.3</b>                                    | <b>0.3</b>  | <b>Revenue Budget Variance</b>  |
| <b>Expense</b>                                |   |   |
| (2.6)   | (2.6)   | <b>Personal Protective Equipment</b><br><i>YTD &amp; Projected</i> - Unbudgeted costs related to the disposal of expired COVID Personal Protective Equipment (PPE). |
| 0.1   | (0.6)   | Other net cumulative variances  |
| <b>(2.5)</b>                                  | <b>(3.2)</b>  | <b>Expense Budget Variance</b>  |
| <b>(2.2)</b>                                  | <b>(2.9)</b>  | <b>Total Net Position Budget Variance - Corporate Procurement and Supply Services</b>   |
| (22.7)%                                       | (22.8)%   | <i>Total Net Position Budget Variance Percentage<br/>(based on annual expense budget)</i>   |

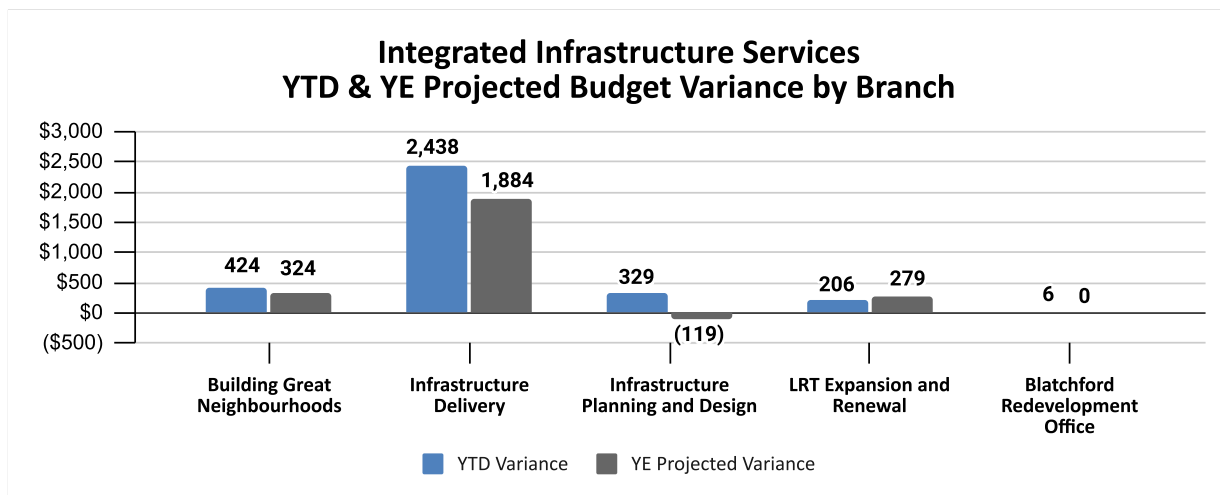
Tax-Supported Operations - By Department  
**Year-to-Date Results and Year-End Projections**  
**September 30, 2023**  
 (in \$000's)

**Integrated Infrastructure Services**

| Year-to-Date        |                 |                 |                |             |
|---------------------|-----------------|-----------------|----------------|-------------|
|                     | Budget          | Actual          | Variance \$    | %           |
| Revenue             | 2,637           | 2,189           | (448) ●        | (17.0)      |
| Expense             | 20,289          | 16,438          | 3,851 ●        | 19.0        |
| <b>Net Position</b> | <b>(17,652)</b> | <b>(14,249)</b> | <b>3,403 ●</b> | <b>19.3</b> |

| Projected Year-End  |                 |                 |                |             |
|---------------------|-----------------|-----------------|----------------|-------------|
|                     | Budget          | Projected       | Variance \$    | %           |
| Revenue             | 4,568           | 3,910           | (658) ●        | (14.4)      |
| Expense             | 23,485          | 20,459          | 3,026 ●        | 12.9        |
| <b>Net Position</b> | <b>(18,917)</b> | <b>(16,549)</b> | <b>2,368 ●</b> | <b>12.5</b> |



Explanations are provided for Year-to-Date (YTD) and/or Year-End Projected variances greater than \$1,500 by branch, that contribute to the net tax-supported variance (amounts below \$1,500 are not specifically addressed):

No individually significant Year-to-Date and Projected variances to report.

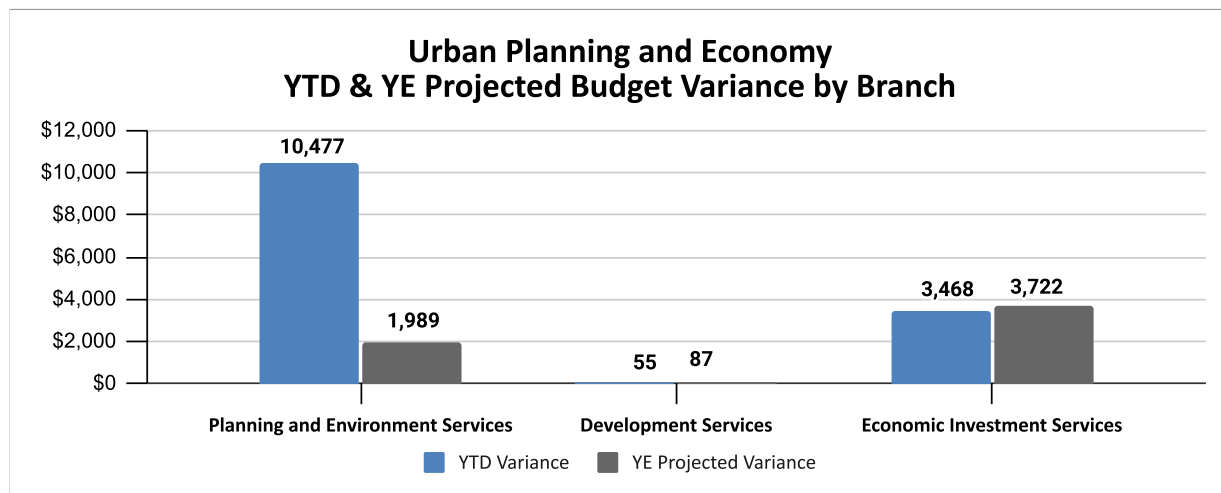
Tax-Supported Operations - By Department  
**Year-to-Date Results and Year-End Projections**  
**September 30, 2023**  
 (in \$000's)

**Urban Planning and Economy**

| <b>Year-to-Date</b> |                 |                 |               |   |             |
|---------------------|-----------------|-----------------|---------------|---|-------------|
|                     | Budget          | Actual          | Variance \$   |   | %           |
| Revenue             | 95,725          | 103,058         | 7,333         | ● | 7.7         |
| Expense             | 143,817         | 137,150         | 6,667         | ● | 4.6         |
| <b>Net Position</b> | <b>(48,092)</b> | <b>(34,092)</b> | <b>14,000</b> | ● | <b>29.1</b> |

| <b>Projected Year-End</b> |                 |                 |              |   |            |
|---------------------------|-----------------|-----------------|--------------|---|------------|
|                           | Budget          | Projected       | Variance \$  |   | %          |
| Revenue                   | 137,326         | 139,484         | 2,158        | ● | 1.6        |
| Expense                   | 204,800         | 201,160         | 3,640        | ● | 1.8        |
| <b>Net Position</b>       | <b>(67,474)</b> | <b>(61,676)</b> | <b>5,798</b> | ● | <b>8.6</b> |



*Explanations are provided for Year-to-Date (YTD) and/or Year-End Projected variances greater than \$1,500 by branch, that contribute to the net tax-supported variance (amounts below \$1,500 are not specifically addressed):*

**Urban Planning and Economy - Planning and Environment Services**

| Year-to-Date |          |          |             |   |             |
|--------------|----------|----------|-------------|---|-------------|
|              | Budget   | Actual   | Variance \$ |   | %           |
| Revenue      | 26,766   | 39,401   | 12,635      | ● | 47.2        |
| Expense      | 59,630   | 61,788   | (2,158)     | ● | (3.6)       |
| Net Position | (32,864) | (22,387) | 10,477      | ● | <b>31.9</b> |

| Projected Year-End |          |           |             |   |            |
|--------------------|----------|-----------|-------------|---|------------|
|                    | Budget   | Projected | Variance \$ |   | %          |
| Revenue            | 34,927   | 46,320    | 11,393      | ● | 32.6       |
| Expense            | 76,141   | 85,545    | (9,404)     | ● | (12.4)     |
| Net Position       | (41,214) | (39,225)  | 1,989       | ● | <b>4.8</b> |

**Net Position Budget Variance - Details**

| YTD Variance (in millions \$) | Year-End Projected Variance (in millions \$) | Variance Explanations   |
|-------------------------------|--|---|
| <b>Revenue</b>                |  |   |
| 7.1                           | 7.7  | <b>Sanitary Servicing Strategy Fund (SSSF)</b><br><i>YTD &amp; Projected</i> - Favourable variance due to higher Sanitary Servicing Strategy Fund permit revenue and SSSF interest income.  |
| 4.9                           | 3.0  | <b>Developer Contributions</b><br><i>YTD &amp; Projected</i> - Favourable variance is primarily from higher cash-in-lieu development levies collected on municipal reserves (Parkland Purchase Reserve Account and the Funds in Lieu Reserve).  |
| 0.6                           | 0.7  | Other net cumulative variances  |
| <b>12.6</b>                   | <b>11.4</b>                                  | <b>Revenue Budget Variance</b>  |
| <b>Expense</b>                |  |   |
| 6.2                           | 0.0  | <b>Renewable Energy Certificates</b><br><i>YTD</i> - Timing of Renewable Energy Certificates. The purchase contract is in progress and will be finalized before the end of 2023.  |
| 3.3                           | 1.5  | <b>Environment &amp; Climate Resilience Programs</b><br><i>YTD &amp; Projected</i> - Delay of consulting and contract work in various Environment & Climate Resilience programs and Mobility projects.  |
| (4.9)                         | (3.0)  | <b>Developer Contributions</b><br><i>YTD &amp; Projected</i> - Unfavourable variance in transfer to the municipal reserves from higher developer contributions received to purchase and develop parkland.   |
| (7.1)                         | (7.7)  | <b>Sanitary Servicing Strategy Fund (SSSF)</b><br><i>YTD &amp; Projected</i> - Unfavourable expenses related to the delivery of SSSF projects, which is mainly due to revisions of the construction plan, as well as an increased transfer to reserve due to the increase in permit revenue and SSSF interest income. |
| 0.4                           | (0.2)  | Other net cumulative variances  |
| <b>(2.1)</b>                  | <b>(9.4)</b>                                 | <b>Expense Budget Variance</b>  |
| <b>10.5</b>                   | <b>2.0</b>                                   | <b>Total Net Position Budget Variance - Planning &amp; Environment Services</b>   |
| 31.9%                         | 4.8%   | <i>Total Net Position Budget Variance Percentage (based on annual expense budget)</i>   |

**Urban Planning and Economy - Economic Investment Services**

| Year-to-Date |         |         |             |   |             |
|--------------|---------|---------|-------------|---|-------------|
|              | Budget  | Actual  | Variance \$ |   | %           |
| Revenue      | 18,578  | 10,924  | (7,654)     | ● | (41.2)      |
| Expense      | 27,492  | 16,370  | 11,122      | ● | 40.5        |
| Net Position | (8,914) | (5,446) | 3,468       | ● | <b>38.9</b> |

| Projected Year-End |          |           |             |   |             |
|--------------------|----------|-----------|-------------|---|-------------|
|                    | Budget   | Projected | Variance \$ |   | %           |
| Revenue            | 24,083   | 13,527    | (10,556)    | ● | (43.8)      |
| Expense            | 42,303   | 28,025    | 14,278      | ● | 33.8        |
| Net Position       | (18,220) | (14,498)  | 3,722       | ● | <b>20.4</b> |

**Net Position Budget Variance - Details**

| YTD Variance<br>(in millions \$) | Year-End Projected Variance<br>(in millions \$) | Variance Explanations   |
|----------------------------------|---|---|
| <b>Revenue</b>                   |   |   |
| (0.7)                            | (4.4)   | <b>Brownfield Phase III Grant - Transfer from Brownfield Redevelopment Reserve</b><br><i>YTD &amp; Projected</i> - Lower than budgeted transfer from the Brownfield Redevelopment Reserve due to lower than budgeted Brownfield Phase III grant payments which are dependent on project completion.   |
| (7.0)                            | (6.2)   | <b>Grant and Subsidy Payments - Transfer from Financial Stabilization Reserve (FSR)</b><br><i>YTD &amp; Projected</i> - Lower than budgeted transfer from FSR is due to timing of cashflow and delays in issuing grant and subsidy payments that are dependent on project completion including programs such as Edmonton Edge Fund, Downtown Vibrancy and the Economic Action Plan Grant.   |
| <b>(7.7)</b>                     | <b>(10.6)</b>                                   | <b>Revenue Budget Variance</b>  |
| <b>Expense</b>                   |   |   |
| 9.2                              | 9.6   | <b>Grant and Subsidy Payments</b><br><i>YTD &amp; Projected</i> - Delays in issuing grant and subsidy payments that are dependent on project completion including programs such as Edmonton Edge Fund, Downtown Vibrancy and the Economic Action Plan Grant (some of which is funded by the FSR).   |
| 0.7                              | 4.4   | <b>Brownfield Phase III Grant</b><br><i>YTD &amp; Projected</i> - Lower than budgeted Brownfield Phase III grant payments which include \$3.8 million for a significant project which is currently working its way through the lifecycle process of the grant program. This process takes several years as deliverables are reviewed, feedback is provided, and the applicant works to satisfy the various steps and conditions of the grant. |
| 1.3                              | 0.3   | Other net cumulative variances  |
| <b>11.2</b>                      | <b>14.3</b>                                     | <b>Expense Budget Variance</b>  |
| <b>3.5</b>                       | <b>3.7</b>                                      | <b>Total Net Position Budget Variance - Economic Investment Services</b>  |
| 38.9%                            | 20.4%   | <i>Total Net Position Budget Variance Percentage<br/>(based on annual expense budget)</i>   |

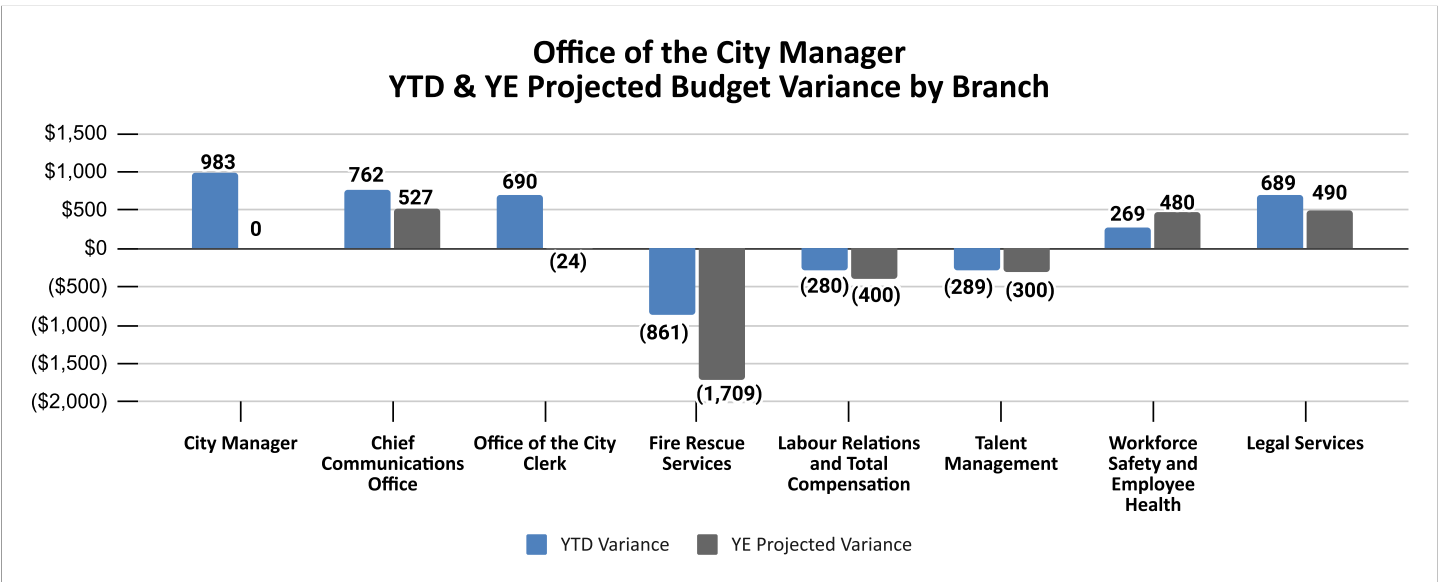
Tax-Supported Operations - By Department  
**Year-to-Date Results and Year-End Projections**  
**September 30, 2023**  
 (in \$000's)

**Office of the City Manager**

| <b>Year-to-Date</b> |                  |                  |              |   |            |
|---------------------|------------------|------------------|--------------|---|------------|
|                     | Budget           | Actual           | Variance \$  |   | %          |
| Revenue             | 3,615            | 18,783           | 15,168       | ● | 419.6      |
| Expense             | 229,881          | 243,086          | (13,205)     | ● | (5.7)      |
| <b>Net Position</b> | <b>(226,266)</b> | <b>(224,303)</b> | <b>1,963</b> | ● | <b>0.9</b> |

| <b>Projected Year-End</b> |                  |                  |              |   |              |
|---------------------------|------------------|------------------|--------------|---|--------------|
|                           | Budget           | Projected        | Variance \$  |   | %            |
| Revenue                   | 6,521            | 21,766           | 15,245       | ● | 233.8        |
| Expense                   | 305,587          | 321,768          | (16,181)     | ● | (5.3)        |
| <b>Net Position</b>       | <b>(299,066)</b> | <b>(300,002)</b> | <b>(936)</b> | ● | <b>(0.3)</b> |



*Explanations are provided for Year-to-Date (YTD) and/or Year-End Projected variances greater than \$1,500 by branch, that contribute to the net tax-supported variance (amounts below \$1,500 are not specifically addressed):*

## Office of the City Manager - Fire Rescue Services

| Year-to-Date |           |           |             |           |
|--------------|-----------|-----------|-------------|-----------|
|              | Budget    | Actual    | Variance \$ | %         |
| Revenue      | 1,485     | 17,906    | 16,421      | ● 1,105.8 |
| Expense      | 167,545   | 184,827   | (17,282)    | ● (10.3)  |
| Net Position | (166,060) | (166,921) | (861)       | ● (0.5)   |

| Projected Year-End |           |           |             |         |
|--------------------|-----------|-----------|-------------|---------|
|                    | Budget    | Projected | Variance \$ | %       |
| Revenue            | 1,980     | 18,503    | 16,523      | ● 834.5 |
| Expense            | 223,378   | 241,610   | (18,232)    | ● (8.2) |
| Net Position       | (221,398) | (223,107) | (1,709)     | ● (0.8) |

## Net Position Budget Variance - Details

| YTD Variance<br>(in millions \$) | Year-End Projected Variance<br>(in millions \$) | Variance Explanations   |
|----------------------------------|---|---|
| <b>Revenue</b>                   |   |   |
| 16.1                             | 16.1  | <b>Alberta Wildfire Response Reimbursement</b><br><i>YTD &amp; Projected</i> - Expected cost recovery from the impacted communities for Alberta and Northwest Territories Wildfire assistance provided by the City of Edmonton in 2023.       |
| 0.3                              | 0.4   | Other net cumulative variances  |
| <b>16.4</b>                      | <b>16.5</b>                                     | <b>Revenue Budget Variance</b>  |
| <b>Expense</b>                   |   |   |
| (16.1)                           | (16.1)  | <b>Alberta Wildfire Response Costs</b><br><i>YTD &amp; Projected</i> - Additional costs incurred by the City in 2023 for wildfire support, including \$2.7 million additional personnel costs and \$13.2 million for materials and equipment. |
| (1.2)                            | (2.1)   | Other net cumulative variances  |
| <b>(17.3)</b>                    | <b>(18.2)</b>                                   | <b>Expense Budget Variance</b>  |
| <b>(0.9)</b>                     | <b>(1.7)</b>                                    | <b>Total Net Position Budget Variance - Fire Rescue Services</b>  |
| (0.5)%                           | (0.8)%  | <i>Total Net Position Budget Variance Percentage<br/>(based on annual expense budget)</i>   |



Tax-Supported Operations - By Department  
**Year-to-Date Results and Year-End Projections**  
**September 30, 2023**  
(in \$000's)

**Mayor and Councillor Offices**

| <b>Year-to-Date</b> |         |         |             |   |             |
|---------------------|---------|---------|-------------|---|-------------|
|                     | Budget  | Actual  | Variance \$ |   | %           |
| Revenue             | -       | -       | -           | ● | -           |
| Expense             | 5,348   | 4,681   | 667         | ● | 12.5        |
| Net Position        | (5,348) | (4,681) | 667         | ● | <b>12.5</b> |

| <b>Projected Year-End</b> |         |           |             |   |            |
|---------------------------|---------|-----------|-------------|---|------------|
|                           | Budget  | Projected | Variance \$ |   | %          |
| Revenue                   | -       | -         | -           | ● | -          |
| Expense                   | 7,052   | 6,552     | 500         | ● | 7.1        |
| Net Position              | (7,052) | (6,552)   | 500         | ● | <b>7.1</b> |

No individually significant Year-to-Date and Projected variances to report.

**Office of the City Auditor**

| <b>Year-to-Date</b> |         |         |             |   |             |
|---------------------|---------|---------|-------------|---|-------------|
|                     | Budget  | Actual  | Variance \$ |   | %           |
| Revenue             | -       | -       | -           | ● | -           |
| Expense             | 2,262   | 1,929   | 333         | ● | 14.7        |
| Net Position        | (2,262) | (1,929) | 333         | ● | <b>14.7</b> |

| <b>Projected Year-End</b> |         |           |             |   |             |
|---------------------------|---------|-----------|-------------|---|-------------|
|                           | Budget  | Projected | Variance \$ |   | %           |
| Revenue                   | -       | -         | -           | ● | -           |
| Expense                   | 2,978   | 2,534     | 444         | ● | 14.9        |
| Net Position              | (2,978) | (2,534)   | 444         | ● | <b>14.9</b> |

No individually significant Year-to-Date and Projected variances to report.

**Boards and Authorities\***

| <b>Year-to-Date</b> |           |           |             |   |            |
|---------------------|-----------|-----------|-------------|---|------------|
|                     | Budget    | Actual    | Variance \$ |   | %          |
| Revenue             | 60,142    | 59,192    | (950)       | ● | (1.6)      |
| Expense             | 161,793   | 159,534   | 2,259       | ● | 1.4        |
| Net Position        | (101,651) | (100,342) | 1,309       | ● | <b>1.3</b> |

| <b>Projected Year-End</b> |           |           |             |   |       |
|---------------------------|-----------|-----------|-------------|---|-------|
|                           | Budget    | Projected | Variance \$ |   | %     |
| Revenue                   | 88,761    | 88,110    | (651)       | ● | (0.7) |
| Expense                   | 210,700   | 210,049   | 651         | ● | 0.3   |
| Net Position              | (121,939) | (121,939) | -           | ● | -     |

No individually significant Year-to-Date and Projected variances to report.

\* Boards and Authorities include: Edmonton Arts Council, Edmonton Combative Sports Commission, Explore Edmonton Corporation (previously Edmonton Economic Development Corporation), Edmonton Unlimited, Edmonton Federation of Community Leagues, Fort Edmonton Management Company, Greater Edmonton Foundation Seniors Housing, Edmonton Heritage Council, REACH Edmonton Council for Safe Communities, Edmonton Space & Science Centre Foundation, Edmonton Public Library

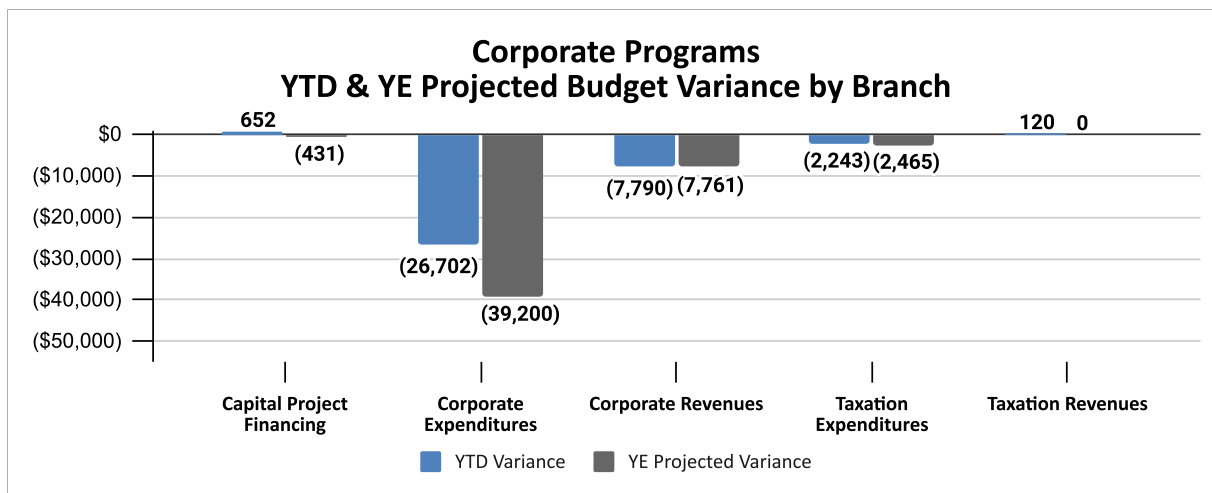
Tax-Supported Operations - By Department  
**Year-to-Date Results and Year-End Projections**  
**September 30, 2023**  
 (in \$000's)

**Corporate Programs**

| Year-to-Date        |                  |                  |                 |   |              |
|---------------------|------------------|------------------|-----------------|---|--------------|
|                     | Budget           | Actual           | Variance \$     |   | %            |
| Revenue             | 2,354,941        | 2,343,820        | (11,121)        | ● | (0.5)        |
| Expense             | 613,900          | 638,742          | (24,842)        | ● | (4.0)        |
| <b>Net Position</b> | <b>1,741,041</b> | <b>1,705,078</b> | <b>(35,963)</b> | ● | <b>(2.1)</b> |

| Projected Year-End  |                  |                  |                 |   |              |
|---------------------|------------------|------------------|-----------------|---|--------------|
|                     | Budget           | Projected        | Variance \$     |   | %            |
| Revenue             | 2,703,261        | 2,690,117        | (13,144)        | ● | (0.5)        |
| Expense             | 863,234          | 899,947          | (36,713)        | ● | (4.3)        |
| <b>Net Position</b> | <b>1,840,027</b> | <b>1,790,170</b> | <b>(49,857)</b> | ● | <b>(2.7)</b> |



Explanations are provided for Year-to-Date (YTD) and/or Year-End Projected variances greater than \$1,500 by branch, that contribute to the net tax-supported variance (amounts below \$1,500 are not specifically addressed):

|   |
|---|
| <b>Corporate Programs - Capital Project Financing</b> |
|---|

| <b>Year-to-Date</b> |           |           |             |   |
|---------------------|-----------|-----------|-------------|---|
|                     | Budget    | Actual    | Variance \$ | %   |
| Revenue             | 87,776    | 79,538    | (8,238)     | (9.4) <span style="color: yellow;">●</span> |
| Expense             | 336,472   | 327,582   | 8,890       | 2.6 <span style="color: green;">●</span>    |
| Net Position        | (248,696) | (248,044) | 652         | 0.3 <span style="color: green;">●</span>    |

| <b>Projected Year-End</b> |           |           |             |   |
|---------------------------|-----------|-----------|-------------|---|
|                           | Budget    | Projected | Variance \$ | %   |
| Revenue                   | 268,318   | 259,487   | (8,831)     | (3.3) <span style="color: yellow;">●</span> |
| Expense                   | 493,149   | 484,749   | 8,400       | 1.7 <span style="color: green;">●</span>    |
| Net Position              | (224,831) | (225,262) | (431)       | (0.2) <span style="color: yellow;">●</span> |

| <b>Net Position Budget Variance - Details</b> |   |                       |
|---|---|-----------------------|
| YTD<br>Variance<br>(in millions \$)           | Year-End<br>Projected<br>Variance<br>(in millions \$) | Variance Explanations |

| YTD<br>Variance<br>(in millions \$) | Year-End<br>Projected<br>Variance<br>(in millions \$) | Variance Explanations   |
|-------------------------------------|---|---|
| <b>Revenue</b>                      |   |   |
| (9.0)                               | (9.4)   | <b>Investments Earnings</b><br><i>YTD &amp; Projected</i> - Net investment earnings are lower than budgeted due to adverse capital market conditions in the second half of the year.  |
| 0.8                                 | 0.6   | Other net cumulative variances  |
| <b>(8.2)</b>                        | <b>(8.8)</b>  | <b>Revenue Budget Variance</b>  |
| <b>Expense</b>                      |   |   |
| 9.0                                 | 9.4   | <b>Transfer to Pay-as-you-go Reserve</b><br><i>YTD &amp; Projected</i> - Lower than budgeted transfer to capital due to lower investment earnings. Investment earnings are transferred to the Pay-as-you-go Reserve to support the capital program. |
| (0.1)                               | (1.0)   | Other net cumulative variances  |
| <b>8.9</b>                          | <b>8.4</b>  | <b>Expense Budget Variance</b>  |
| <b>0.7</b>                          | <b>(0.4)</b>  | <b>Total Net Position Budget Variance - Capital Project Financing</b>   |
| 0.3%                                | (0.2)%  | <i>Total Net Position Budget Variance Percentage<br/>(based on annual expense budget)</i>   |

|  |
|--|
| <b>Corporate Programs - Corporate Expenditures</b> |
|--|

| <b>Year-to-Date</b> |                 |                 |                 |          |                |
|---------------------|-----------------|-----------------|-----------------|----------|----------------|
|                     | Budget          | Actual          | Variance \$     |          | %              |
| Revenue             | 388             | 357             | (31)            | ●        | (8.0)          |
| Expense             | 21,181          | 47,852          | (26,671)        | ●        | (125.9)        |
| <b>Net Position</b> | <b>(20,793)</b> | <b>(47,495)</b> | <b>(26,702)</b> | <b>●</b> | <b>(128.4)</b> |

| <b>Projected Year-End</b> |                 |                  |                 |          |               |
|---------------------------|-----------------|------------------|-----------------|----------|---------------|
|                           | Budget          | Projected        | Variance \$     |          | %             |
| Revenue                   | 3,185           | 1,785            | (1,400)         | ●        | (44.0)        |
| Expense                   | 102,063         | 139,863          | (37,800)        | ●        | (37.0)        |
| <b>Net Position</b>       | <b>(98,878)</b> | <b>(138,078)</b> | <b>(39,200)</b> | <b>●</b> | <b>(39.6)</b> |

| <b>Net Position Budget Variance - Details</b> |   |  |
|---|---|--|
| YTD<br>Variance<br>(in millions \$)           | Year-End<br>Projected<br>Variance<br>(in millions \$) | Variance Explanations  |
| <b>Revenue</b>                                |   |  |
| 0.0   | (1.4)   | Other net cumulative variances   |
| <b>0.0</b>                                    | <b>(1.4)</b>  | <b>Revenue Budget Variance</b>   |
| <b>Expense</b>                                |   |  |
| 0.0   | 4.0   | <b>Not for Profit Affordable Housing Tax Grant</b><br><i>Projected</i> - Not for Profit Affordable Housing Tax Grant is a new grant program offered to property owners who provide affordable housing to citizens of which no less than 25% is allocated as affordable housing. Individual property owners are eligible for a grant of up to a maximum of \$0.25 million based on decision making criteria. This is the first year of this grant program therefore time is required to implement and establish the program as well as raise awareness with the public. As such the budgeted \$6.0 million for this grant is not expected to be fully utilized in 2023. Administration is anticipating actual grants awarded will be approximately \$2.0 million in 2023 based on best estimates. |
| 0.0   | 1.6   | <b>Edmonton Economic Recovery Construction Grant Program</b><br><i>Projected</i> - Lower than expected grant payments related to the Downtown Construction Grant due to supply chain delays resulting in slower construction progress.   |
| (2.5)   | (1.7)   | <b>Insurance Claims</b><br><i>YTD &amp; Projected</i> - Unfavourable insurance claims due to higher than expected confidential property and third party claims.  |
| (23.5)  | (43.0)  | <b>Salary Settlements</b><br><i>YTD &amp; Projected</i> - Unfavourable budget variance resulting from salary settlements.  |
| (0.7)   | 1.3   | Other net cumulative variances   |
| <b>(26.7)</b>                                 | <b>(37.8)</b>   | <b>Expense Budget Variance</b>   |
| <b>(26.7)</b>                                 | <b>(39.2)</b>   | <b>Total Net Position Budget Variance - Corporate Expenditures</b>   |
| (128.4)%                                      | (39.6)%   | <i>Total Net Position Budget Variance Percentage<br/>(based on annual expense budget)</i>  |

|  |
|--|
| <b>Corporate Programs - Corporate Revenues</b> |
|--|

| <b>Year-to-Date</b> |                |                |                  |            |
|---------------------|----------------|----------------|------------------|------------|
|                     | Budget         | Actual         | Variance \$      | %          |
| Revenue             | 339,417        | 331,627        | (7,790) ●        | (2.3)      |
| Expense             | 70             | 70             | - ●              | -          |
| <b>Net Position</b> | <b>339,347</b> | <b>331,557</b> | <b>(7,790) ●</b> | <b>2.3</b> |

| <b>Projected Year-End</b> |                |                |                  |            |
|---------------------------|----------------|----------------|------------------|------------|
|                           | Budget         | Projected      | Variance \$      | %          |
| Revenue                   | 502,644        | 494,883        | (7,761) ●        | (1.5)      |
| Expense                   | 93             | 93             | - ●              | -          |
| <b>Net Position</b>       | <b>502,551</b> | <b>494,790</b> | <b>(7,761) ●</b> | <b>1.5</b> |

|   |  |  |
|---|--|--|
| <b>Net Position Budget Variance - Details</b> |  |  |
|---|--|--|

| YTD Variance<br>(in millions \$) | Year-End Projected Variance<br>(in millions \$) | Variance Explanations   |
|----------------------------------|---|---|
| <b>Revenue</b>                   |   |   |
| (8.2)                            | (8.4)   | <b>Gas Franchise Fees</b><br><i>YTD &amp; Projected</i> - Lower than expected franchise fee revenues as a result of lower distribution rates charged by ATCO to customers. The City collects the gas franchise fee based on delivery tariff revenues resulting from the distribution charges. Furthermore January to March 2023 was warmer than forecasted resulting in lower actual delivery tariff and franchise fee revenue for those three months compared to assumptions used in the budget. |
| 0.4                              | 0.6   | Other net cumulative variances  |
| <b>(7.8)</b>                     | <b>(7.8)</b>                                    | <b>Revenue Budget Variance</b>  |
| <b>(7.8)</b>                     | <b>(7.8)</b>                                    | <b>Total Net Position Budget Variance - Corporate Revenues</b>  |
| 2.3%                             | 1.5%  | <i>Total Net Position Budget Variance Percentage (based on annual expense budget)</i>   |

|   |
|---|
| <b>Corporate Programs - Taxation Expenditures</b> |
|---|

| <b>Year-to-Date</b> |                |                |                |          |               |
|---------------------|----------------|----------------|----------------|----------|---------------|
|                     | Budget         | Actual         | Variance \$    |          | %             |
| Revenue             | 3,652          | 3,960          | 308            | ●        | 8.4           |
| Expense             | 6,496          | 9,047          | (2,551)        | ●        | (39.3)        |
| <b>Net Position</b> | <b>(2,844)</b> | <b>(5,087)</b> | <b>(2,243)</b> | <b>●</b> | <b>(78.9)</b> |

| <b>Projected Year-End</b> |                |                 |                |          |               |
|---------------------------|----------------|-----------------|----------------|----------|---------------|
|                           | Budget         | Projected       | Variance \$    |          | %             |
| Revenue                   | 5,432          | 5,432           | -              | ●        | -             |
| Expense                   | 13,074         | 15,539          | (2,465)        | ●        | (18.9)        |
| <b>Net Position</b>       | <b>(7,642)</b> | <b>(10,107)</b> | <b>(2,465)</b> | <b>●</b> | <b>(32.3)</b> |

|   |  |  |
|---|--|--|
| <b>Net Position Budget Variance - Details</b> |  |  |
|---|--|--|

| YTD<br>Variance<br>(in millions \$) | Year-End<br>Projected<br>Variance<br>(in millions \$) | Variance Explanations  |
|-------------------------------------|---|--|
| <b>Revenue</b>                      |   |  |
| 0.3                                 | 0.0   | Other net cumulative variances   |
| <b>0.3</b>                          | <b>0.0</b>  | <b>Revenue Budget Variance</b>   |
| <b>Expense</b>                      |   |  |
| (2.5)                               | (2.5)   | <b>Tax Appeals</b><br><i>YTD &amp; Projected</i> - Higher than expected tax appeal losses due to an increase in the number of appeals partially due to market value increases. |
| <b>(2.5)</b>                        | <b>(2.5)</b>  | <b>Expense Budget Variance</b>   |
| <b>(2.2)</b>                        | <b>(2.5)</b>  | <b>Total Net Position Budget Variance - Taxation Expenditures</b>  |
| (78.9)%                             | (32.3)%   | <i>Total Net Position Budget Variance Percentage<br/>(based on annual expense budget)</i>  |

|   |
|---|
| <b>Corporate Programs - Traffic Safety and Automated Enforcement (TSAE)</b> |
|---|

| <b>Year-to-Date</b>                    |          |          |             |          |          |
|--|----------|----------|-------------|----------|----------|
|  | Budget   | Actual   | Variance \$ |          | %        |
| Revenue                                | 18,195   | 22,705   | 4,510       | ●        | 24.8     |
| Net transfer to/(from)<br>TSAE Reserve | 18,195   | 22,705   | (4,510)     | ●        | (24.8)   |
| <b>Net Position</b>                    | <b>-</b> | <b>-</b> | <b>-</b>    | <b>●</b> | <b>-</b> |

| <b>Projected Year-End</b>              |          |           |             |          |          |
|--|----------|-----------|-------------|----------|----------|
|  | Budget   | Projected | Variance \$ |          | %        |
| Revenue                                | 23,369   | 28,217    | 4,848       | ●        | 20.7     |
| Net transfer to/(from)<br>TSAE Reserve | 23,369   | 28,217    | (4,848)     | ●        | (20.7)   |
| <b>Net Position</b>                    | <b>-</b> | <b>-</b>  | <b>-</b>    | <b>●</b> | <b>-</b> |

|   |  |  |
|---|--|--|
| <b>Net Position Budget Variance - Details</b> |  |  |
|---|--|--|

| YTD<br>Variance<br>(in millions \$) | Year-End<br>Projected<br>Variance<br>(in millions \$) | Variance Explanations  |
|-------------------------------------|---|--|
| <b>Revenue</b>                      |   |  |
| 4.5                                 | 4.8   | <b>Traffic Safety and Automated Enforcement Fines</b><br><i>YTD &amp; Projected</i> - Higher than budgeted traffic safety and automated enforcement revenues due to higher incidents of speed violations and higher average fines per ticket. The increase in fines per tickets were due to overall better road conditions and more incidents in high speed areas. |
| <b>4.5</b>                          | <b>4.8</b>  | <b>Revenue Budget Variance</b>   |
| <b>Expense</b>                      |   |  |
| (4.5)                               | (4.8)   | <b>Traffic Safety and Automated Enforcement Reserve (TSAER) Transfer</b><br><i>YTD &amp; Projected</i> - Higher than budgeted transfer to the TSAER as a result of increased Traffic Safety and Automated Enforcement fines.   |
| <b>(4.5)</b>                        | <b>(4.8)</b>  | <b>Expense Budget Variance</b>   |
| <b>0.0</b>                          | <b>0.0</b>  | <b>Total Net Position Budget Variance - Traffic Safety and Automated Enforcement</b>   |
| 0.0%                                | 0.0%  | <i>Total Net Position Budget Variance Percentage<br/>(based on annual expense budget)</i>  |

**Enterprise and Utility Operations**  
**Year-to-Date Results and Year-End Projections**  
**September 30, 2023**  
(in \$000's)

*Utility and Enterprise revenue and expense variances are explained where individual variances for revenues, expenses, recoveries and transfers to/from reserves exceed \$1,000. Variances below this amount are not specifically addressed.*

**Waste Services**

|              | Year-to-Date |         |             |        | Projected Year-End |           |             |             |
|--------------|--------------|---------|-------------|--------|--------------------|-----------|-------------|-------------|
|              | Budget       | Actual  | Variance \$ | %      | Budget             | Projected | Variance \$ | %           |
| Revenue      | 173,003      | 175,390 | 2,387       | ● 1.4  | Revenue            | 228,985   | 230,916     | 1,931 ● 0.8 |
| Expense      | 162,366      | 142,699 | 19,667      | ● 12.1 | Expense            | 219,519   | 212,404     | 7,115 ● 3.2 |
| Net Position | 10,637       | 32,691  | 22,054      | ● 13.6 | Net Position       | 9,466     | 18,512      | 9,046 ● 4.1 |

**Net Position Budget Variance - Details**

| YTD Variance (in millions \$) | Year-End Projected Variance (in millions \$) | Variance Explanations   |
|-------------------------------|--|---|
| <b>Revenue</b>                |  |   |
| 2.7                           | 3.0  | <b>Investment Earnings</b><br>YTD & Projected - Increased investment earnings due to higher than expected interest rates and cash balance on hand.  |
| 1.3                           | 1.3  | <b>Equipment Sales</b><br>YTD & Projected - One-time gain on aggregate equipment sales.   |
| (2.3)                         | (2.7)  | <b>Program Revenue</b><br>YTD & Projected - Lower Material Recovery Facility (MRF) revenues as facility was closed at beginning of year, lower rental revenues at the Biosolids dewatering (DW) facility, and decreased volumes at Eco Stations and Self-haul.  |
| 0.7                           | 0.3  | Other net cumulative variances  |
| <b>2.4</b>                    | <b>1.9</b>                                   | <b>Revenue Budget Variance</b>  |
| <b>Expense</b>                |  |   |
| 6.2                           | 6.1  | <b>Innovation and Science Grant</b><br>YTD & Projected - Due to negotiated contract amendments, Waste Services has finalized the receipt of grant funding from Alberta Innovates that was originally planned to go to a third party in relation to the "Waste to Biofuels Facility".                                    |
| 5.3                           | 5.4  | <b>Contracts Costs</b><br>YTD & Projected - Favourable contract costs due to savings in Collection Services and in the Communal Collection project.<br>Projected - Favourable contract costs due to savings in Collection Services, Communal Collection project costs, and delays in the cost of service study to 2024. |
| 5.2                           | 7.2  | <b>Personnel Costs</b><br>YTD & Projected - Lower personnel costs due to project timing, hiring restraint and position reduction.   |
| 1.2                           | 1.5  | <b>Fleet and Fuel Costs</b><br>YTD & Projected - Fleet savings as the long haul fleet has been replaced with newer units resulting in lower than budgeted maintenance costs. Fuel costs were also lower than budgeted.  |
| 1.2                           | 1.4  | <b>Power Costs</b><br>YTD & Projected - Lower power usage costs as the Residual Dryer Facility was not run in the first quarter of the year as Enerkem (Waste-to-Biofuel) was shut down.  |
| 1.1                           | 0.7  | <b>Consulting costs Costs</b><br>YTD & Projected - Decrease in consulting costs as environmental study will be completed in 2024.   |



|             |            |   |
|-------------|------------|---|
| (2.6)       | (2.8)      | <b>Anaerobic Digester Facility</b><br><i>YTD &amp; Projected</i> - Higher operating costs for the Anaerobic Digester Facility due to an unplanned electrical outage resulting in use of a temporary backup generator. |
| 0.0         | (12.9)     | <b>Post-Closure Liability</b><br><i>Projected</i> - Updated valuation for the Clover Bar Landfill Post-Closure Liability due to inflationary cost impacts and increased complexity in post closure activities.        |
| 2.1         | 0.5        | Other net cumulative variances  |
| <b>19.7</b> | <b>7.1</b> | <b>Expense Budget Variance</b>  |
| <b>22.1</b> | <b>9.0</b> | <b>Total Net Position Budget Variance - Waste Services</b>  |
| 13.6%       | 4.1%       | <i>Total Net Position Budget Variance Percentage<br/>(based on expense budget)</i>  |

### Land Enterprise

|              | Year-to-Date |        |             |          | Projected Year-End |           |             |                    |
|--------------|--------------|--------|-------------|----------|--------------------|-----------|-------------|--------------------|
|              | Budget       | Actual | Variance \$ | %        | Budget             | Projected | Variance \$ | %                  |
| Revenue      | 17,438       | 29,147 | 11,709      | ● 67.1   | Revenue            | 17,440    | 35,907      | 18,467 ● 105.9     |
| Expense      | 9,420        | 17,773 | (8,353)     | ● (88.7) | Expense            | 13,013    | 26,306      | (13,293) ● (102.2) |
| Net Position | 8,018        | 11,374 | 3,356       | ● 35.6   | Net Position       | 4,427     | 9,601       | 5,174 ● 39.8       |

### Net Position Budget Variance - Details

| YTD Variance<br>(in millions \$) | Year-End Projected Variance<br>(in millions \$) | Variance Explanations   |
|----------------------------------|---|---|
| <b>Revenue</b>                   |   |   |
| 8.7                              | 15.6  | <b>Land Sales</b><br><i>YTD &amp; Projected</i> - Favourable budget variance due to the sale of land budgeted to be sold later in the budget cycle, and unbudgeted surplus sales.       |
| 3.0                              | 2.9   | Other net cumulative variances  |
| <b>11.7</b>                      | <b>18.5</b>                                     | <b>Revenue Budget Variance</b>  |
| <b>Expense</b>                   |   |   |
| (5.5)                            | (10.6)  | <b>Cost of land for land sales</b><br><i>YTD &amp; Projected</i> - Unfavourable budget variance due to earlier than budgeted cost of land for land sales, and unbudgeted surplus sales. |
| (2.8)                            | (2.7)   | Other net cumulative variances  |
| <b>(8.3)</b>                     | <b>(13.3)</b>                                   | <b>Expense Budget Variance</b>  |
| <b>3.4</b>                       | <b>5.2</b>                                      | <b>Total Net Position Budget Variance - Land Enterprise</b>   |
| 35.6%                            | 39.8%   | <i>Total Net Position Budget Variance Percentage<br/>(based on expense budget)</i>  |

### Blatchford Redevelopment

| Year-to-Date |        |        |             |          | Projected Year-End |        |           |             |          |
|--------------|--------|--------|-------------|----------|--------------------|--------|-----------|-------------|----------|
|              | Budget | Actual | Variance \$ | %        |                    | Budget | Projected | Variance \$ | %        |
| Revenue      | 73,071 | 56,275 | (16,796)    | ● (23.0) | Revenue            | 83,826 | 57,181    | (26,645)    | ● (31.8) |
| Expense      | 53,227 | 41,493 | 11,734      | ● 22.0   | Expense            | 60,861 | 41,421    | 19,440      | ● 31.9   |
| Net Position | 19,844 | 14,782 | (5,062)     | ● (9.5)  | Net Position       | 22,965 | 15,760    | (7,205)     | ● (11.8) |

### Net Position Budget Variance - Details

| YTD Variance (in millions \$) | Year-End Projected Variance (in millions \$) | Variance Explanations   |
|-------------------------------|--|---|
| <b>Revenue</b>                |  |   |
| (17.4)                        | (26.7)                                       | <b>Land Sales</b><br>YTD & Projected - Unfavourable budget variance due land sales in the prior year that were budgeted for the current year, and timing of land sales within the budget cycle.                                     |
| 0.6                           | 0.1  | Other net cumulative variances  |
| <b>(16.8)</b>                 | <b>(26.6)</b>                                | <b>Revenue Budget Variance</b>  |
| <b>Expense</b>                |  |   |
| 12.0                          | 19.4   | <b>Cost of land for land sales</b><br>YTD & Projected - Favourable budgeted cost of land sales variance due land sales in the prior year that were budgeted for the current year, and timing of land sales within the budget cycle. |
| (0.3)                         | 0.0  | Other net cumulative variances  |
| <b>11.7</b>                   | <b>19.4</b>                                  | <b>Expense Budget Variance</b>  |
| <b>(5.1)</b>                  | <b>(7.2)</b>                                 | <b>Total Net Position Budget Variance - Blatchford Redevelopment</b>  |
| (9.5)%                        | (11.8)%                                      | Total Net Position Budget Variance Percentage (based on expense budget)   |

### Blatchford Renewable Energy Utility

| Year-to-Date |         |         |             |          | Projected Year-End |         |           |             |          |
|--------------|---------|---------|-------------|----------|--------------------|---------|-----------|-------------|----------|
|              | Budget  | Actual  | Variance \$ | %        |                    | Budget  | Projected | Variance \$ | %        |
| Revenue      | 856     | 118     | (738)       | ● (86.2) | Revenue            | 1,141   | 220       | (921)       | ● (80.7) |
| Expense      | 2,302   | 1,386   | 916         | ● 39.8   | Expense            | 3,071   | 2,766     | 305         | ● 9.9    |
| Net Position | (1,446) | (1,268) | 178         | ● 7.7    | Net Position       | (1,930) | (2,546)   | (616)       | ● (20.1) |

No individually significant Year-to-Date and Projected variances to report.

**Community Revitalization Levy Operations**  
**Year-to-Date Results and Year-End Projections**  
**September 30, 2023**  
(in \$000's)

Community Revitalization revenue and expense variances are explained where individual variances for revenues, expenses, recoveries and transfers to/from reserves exceed \$750. Variances below this amount are not specifically addressed.

**Belvedere Community Revitalization Levy**

| Year-To-Date                   |        |        |             |          | Projected Year-End             |         |           |             |         |
|--------------------------------|--------|--------|-------------|----------|--------------------------------|---------|-----------|-------------|---------|
|                                | Budget | Actual | Variance \$ | %        |                                | Budget  | Projected | Variance \$ | %       |
| Revenue                        | 3,715  | 1,720  | (1,995)     | ● (53.7) | Revenue                        | 5,602   | 5,602     | -           | ● -     |
| Expense                        | 3,490  | 1,294  | 2,196       | ● 62.9   | Expense                        | 6,874   | 6,849     | 25          | ● 0.4   |
| Net Income<br>/(Deficit)       | 225    | 426    | 201         | ● 89.3   | Net Income<br>/(Deficit)       | (1,272) | (1,247)   | 25          | ● (2.0) |
| Transfer (to)<br>/from Reserve | (225)  | (428)  | (203)       | ● 90.2   | Transfer (to)<br>/from Reserve | 1,272   | 1,247     | (25)        | ● (2.0) |
| Net Position                   | -      | (2)    | (2)         | ● -      | Net Position                   | -       | -         | -           | ● -     |

**Year-to-Date**

*Revenue* - Lower sales revenue due to delayed land sales.

*Expense* - Lower cost of land sold due to delayed land sales.

**Projected** - No significant variances to report.

**Capital City Downtown Community Revitalization Levy**

| Year-To-Date                   |         |         |             |        | Projected Year-End             |         |           |             |          |
|--------------------------------|---------|---------|-------------|--------|--------------------------------|---------|-----------|-------------|----------|
|                                | Budget  | Actual  | Variance \$ | %      |                                | Budget  | Projected | Variance \$ | %        |
| Revenue                        | 30,310  | 30,389  | 79          | ● 0.3  | Revenue                        | 30,310  | 30,310    | -           | ● -      |
| Expense                        | 23,952  | 23,130  | 822         | ● 3.4  | Expense                        | 33,041  | 30,962    | 2,079       | ● 6.3    |
| Net Income<br>/(Deficit)       | 6,358   | 7,259   | 901         | ● 14.2 | Net Income<br>/(Deficit)       | (2,731) | (652)     | 2,079       | ● (76.1) |
| Transfer (to)<br>/from Reserve | (6,358) | (7,259) | (901)       | ● 14.2 | Transfer (to)<br>/from Reserve | 2,731   | 652       | (2,079)     | ● (76.1) |
| Net Position                   | -       | -       | -           | ● -    | Net Position                   | -       | -         | -           | ● -      |

**Year-to-Date**

*Expense* - Favourable variance due to lower than anticipated tax appeal losses and lower spending in discretionary external services costs.

**Projected**

*Expense* - Favourable variance due to lower than anticipated tax appeal losses and lower spending in discretionary external services costs.

## Quarters Community Revitalization Levy

| Year-To-Date  |         |        |             |   | Projected Year-End |               |           |             |         |   |        |
|---------------|---------|--------|-------------|---|--------------------|---------------|-----------|-------------|---------|---|--------|
|               | Budget  | Actual | Variance \$ | % |                    | Budget        | Projected | Variance \$ | %       |   |        |
| Revenue       | 5,219   | 5,265  | 46          | ● | 0.9                | Revenue       | 5,219     | 5,219       | -       | ● | -      |
| Expense       | 6,228   | 5,717  | 511         | ● | 8.2                | Expense       | 9,664     | 8,577       | 1,087   | ● | 11.2   |
| Net Income    |         |        |             |   |                    | Net Income    |           |             |         |   |        |
| /(Deficit)    | (1,009) | (452)  | 557         | ● | (55.2)             | /(Deficit)    | (4,445)   | (3,358)     | 1,087   | ● | (24.5) |
| Transfer (to) |         |        |             |   |                    | Transfer (to) |           |             |         |   |        |
| /from Reserve | 1,009   | 450    | (559)       | ● | (55.4)             | /from Reserve | 4,445     | 3,358       | (1,087) | ● | (24.5) |
| Net Position  | -       | (2)    | (2)         | ● | -                  | Net Position  | -         | -           | -       | ● | -      |

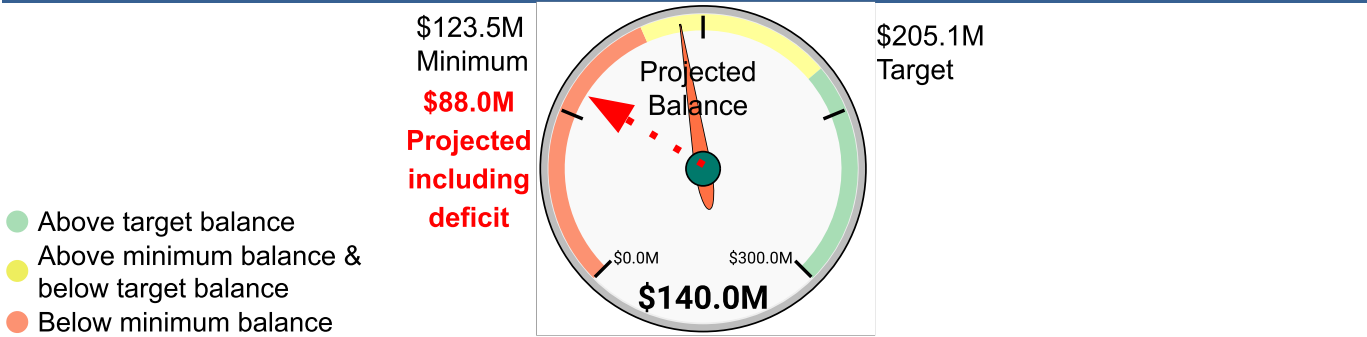
**Year-to-Date** - No significant variances to report.

### Projected

*Expense* - Favourable variance due to lower than anticipated tax appeal losses and lower spending in discretionary external services costs.

**Reserves Update**  
**September 30, 2023**  
(\$ millions)

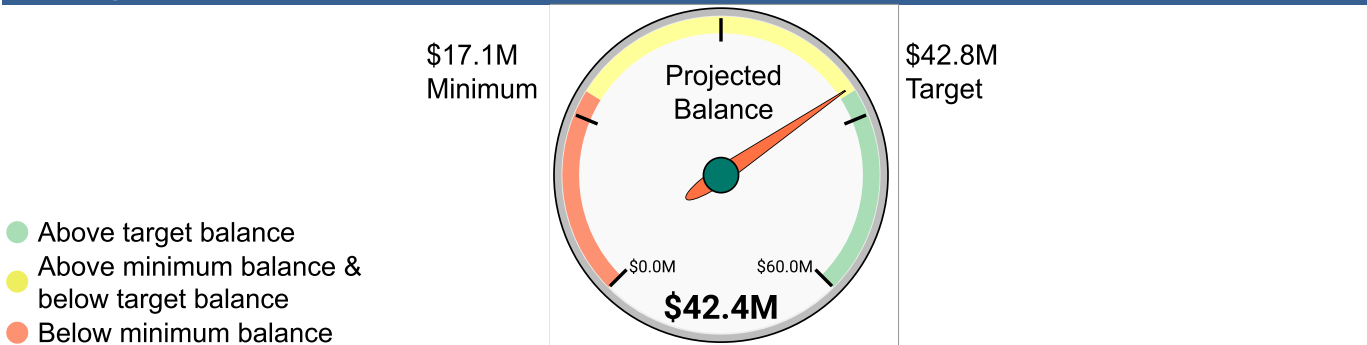
**Financial Stabilization Reserve**



As outlined in City Policy C629, the *Financial Stabilization Reserve (FSR)* is an uncommitted reserve account established for the purpose of providing funding to address significant emergent financial issues. The projected December 31, 2023 year-end balance of the reserve before considering the projected year-end tax-supported deficit is \$140.0 million as reflected by the solid red line, which is above its minimum required balance of \$123.5 million for 2023, but below the target balance of \$205.1 million. After considering the projected tax-supported deficit of \$52.0 million, the projected balance of the reserve is \$88.0 million as reflected by the red dotted arrow, which is below the minimum balance by \$35.5 million. In accordance with the policy, in the event that the unappropriated FSR balance falls below the minimum, a strategy must be adopted to achieve the minimum balance over a period not to exceed three years, starting with the subsequent year's operating budget. Administration will continue to manage spending to reduce the currently projected year-end deficit position. Funding new initiatives from the FSR should be limited to those circumstances with emergent financial needs in accordance with the reserve policy.

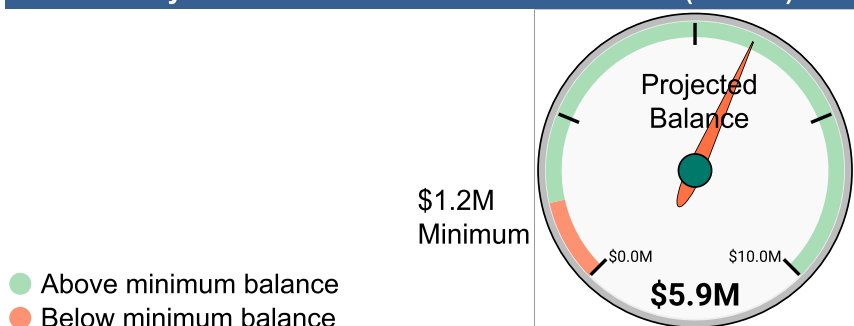
The minimum and target balances, calculated as 5% and 8.3% of general government expenses, excluding non-cash amortization (as reflected in the most recent audited City financial statements), respectively are reviewed every three years using a risk based methodology. The projected FSR balances include all planned funding from the reserve in 2023 and impact of releases from the appropriated FSR.

**Planning and Development Reserve**



In accordance with City Policy C610 *Fiscal Policy for the Planning and Development Business*, the minimum reserve balance is calculated as 30% of budgeted expenditures and the target balance is calculated as 75% of budgeted expenditures. The projected December 31, 2023 year-end reserve balance of \$42.4 million (74.0% of budgeted expenditures) is above its minimum required balance of \$17.1 million for 2023, but below the target balance of \$42.8 million.

## Traffic Safety and Automated Enforcement Reserve (TSAER)



The purpose of the reserve is to address the revenue variability unique to automated traffic enforcement. Automated photo enforcement revenues are transferred to the reserve and used to fund the operating budget for the Safe Mobility section, traffic safety initiatives and other programs approved by City Council through the budget process. This revenue is shared with Parks and Road Services to fund traffic safety measures including technology, engineering measures, signage and signaling.

The projected December 31, 2023 year-end balance of the reserve is \$5.9 million. The minimum balance is calculated as 5% of budgeted annual revenue in accordance with City Policy C579B *Traffic Safety and Automated Enforcement Reserve*. In the event the reserve balance falls below the minimum level, a strategy is required to achieve the minimum level over a period not to exceed three years.

Although a positive balance is projected for the end of 2023, the reserve is anticipated to be in a deficit position at the end of 2024. The projected deficit position is a result of a increased revenue being retained by the Government of Alberta, combined with declining revenue trends as a result of COVID-19 and a greater emphasis on education and awareness. The 2019/2020 provincial budget was released on October 24, 2019 and included a reduction in the City's share of automated enforcement revenues from 73.3% to 60% starting in April 2020 and continuing on an on-going basis. The decrease in revenues must be balanced with continued work to keep motorists, cyclists and pedestrians safe on our roadways.

Through the 2023-2026 budget Council approved increased tax-levy funding of \$32 million in 2025 and \$13 million in 2026 to the reserve to fund traffic safety initiatives as well as maintaining a balance in the reserve above the minimum required by policy. The reserve is forecasted to be above the minimum balance beginning in 2025. Furthermore, the 2023-2026 budget no longer allocates funding to the Traffic Safety Section of Edmonton Police Services from the reserve. Commencing with the 2023-2026 budget, Edmonton Police Service will be funded with tax levy rather than a transfer from the Traffic Safety and Automated Enforcement Reserve. In the Fall 2023 Supplemental Operating Budget Adjustment, an adjustment is being proposed to decrease the tax-levy support to the reserve by \$5 million as the reserve shortfall is less than originally forecasted.

A schedule of the reserve balance including the projected balance for 2023 is included in the "Traffic Safety and Automated Enforcement Reserve Schedule".

**Traffic Safety and Automated Enforcement Reserve Schedule**  
**September 30, 2023**  
(\$ millions)

|  | 2023                         |                     |                                |                             | 2024          | 2025        | 2026         | 2024          | 2025        | 2026         |
|--|------------------------------|---------------------|--------------------------------|-----------------------------|---------------|-------------|--------------|---------------|-------------|--------------|
|  | Approved Budget <sup>1</sup> | Year-End Projection | Year-to-Date Actual (Sept. 30) | Remaining (Budget - Actual) |               |             |              |               |             |              |
| <b>Transfers to the Reserve</b>  |                              |                     |                                |                             |               |             |              |               |             |              |
| Automated Enforcement Revenues   | 23.4                         | 28.5                | 22.9                           | (0.5)                       | 20.8          | 18.7        | 16.8         | 20.8          | 18.7        | 16.8         |
| Tax Levy <sup>2</sup>  | -                            | -                   | -                              | -                           | -             | 27.0        | 8.0          | -             | 32.0        | 13.0         |
|  | 23.4                         | 28.5                | 22.9                           | (0.5)                       | 20.8          | 45.7        | 24.8         | 20.8          | 50.7        | 29.8         |
| <b>Funding from the Reserve</b>  |                              |                     |                                |                             |               |             |              |               |             |              |
| <i>Operating:</i>  |                              |                     |                                |                             |               |             |              |               |             |              |
| Safe Mobility Section  | (17.1)                       | (14.3)              | (9.1)                          | (8.0)                       | (16.5)        | (17.0)      | (16.9)       | (17.5)        | (18.2)      | (18.5)       |
|  | (17.1)                       | (14.3)              | (9.1)                          | (8.0)                       | (16.5)        | (17.0)      | (16.9)       | (17.5)        | (18.2)      | (18.5)       |
| <i>Capital:</i>  |                              |                     |                                |                             |               |             |              |               |             |              |
| Automated Enforcement Asset Renewal (CM-66-2597)                       | (1.1)                        | (0.1)               | -                              | (1.1)                       | (1.9)         | (0.8)       | (0.8)        | (1.0)         | (0.8)       | (0.8)        |
| Regulated Safety Upgrades at Railway Crossings (CM-66-2194)            | (0.6)                        | (0.7)               | -                              | (0.6)                       | (0.3)         | -           | -            | (0.4)         | -           | -            |
| Safe Crossings (previously Crosswalk Safety) (CM-66-2585)              | (7.5)                        | (6.9)               | (2.4)                          | (5.1)                       | (6.9)         | (6.4)       | (6.4)        | (6.4)         | (6.4)       | (6.4)        |
| School Safety (CM-66-2590)   | (0.1)                        | (0.1)               | (0.1)                          | 0.0                         | -             | -           | -            | -             | -           | -            |
| Speed Limit Reduction (CM-66-2580)                                     | (0.2)                        | (0.0)               | (0.0)                          | (0.2)                       | (0.2)         | -           | -            | -             | -           | -            |
| Safe and Livable Community Streets (CM-66-2596)                        | (3.7)                        | (1.5)               | (1.0)                          | (2.7)                       | (6.4)         | (5.0)       | (4.2)        | (4.2)         | (5.0)       | (4.2)        |
|  | (13.2)                       | (9.4)               | (3.5)                          | (9.7)                       | (15.8)        | (12.2)      | (11.4)       | (12.0)        | (12.2)      | (11.4)       |
| Total funding from the reserve   | (30.3)                       | (23.7)              | (12.6)                         | (17.7)                      | (32.3)        | (29.3)      | (28.3)       | (29.5)        | (30.4)      | (29.9)       |
| <b>Annual Surplus/(Deficit)</b>  | <b>(6.9)</b>                 | <b>4.8</b>          | <b>10.3</b>                    |                             | <b>(11.5)</b> | <b>16.4</b> | <b>(3.5)</b> | <b>(8.7)</b>  | <b>20.3</b> | <b>(0.1)</b> |
| Opening Reserve Balance  | 0.9                          | 0.9                 | 0.9                            |                             | 5.7           | (5.8)       | 10.7         | (6.0)         | (14.7)      | 5.6          |
| <b>Closing Reserve balance (Cumulative) <sup>2</sup></b>               | <b>(6.0)</b>                 | <b>5.7</b>          | <b>11.2</b>                    |                             | <b>(5.8)</b>  | <b>10.7</b> | <b>7.1</b>   | <b>(14.7)</b> | <b>5.6</b>  | <b>5.5</b>   |
| Minimum reserve balance - 5% of budgeted revenues                      | 1.2                          | 1.2                 |                                |                             | 1.0           | 0.9         | 0.8          | 1.0           | 0.9         | 0.8          |
| Available funds (closing reserve balance less minimum reserve balance) | -                            | 4.5                 |                                |                             | -             | 9.8         | 6.3          | -             | 4.7         | 4.7          |

**Transfers to the Reserve variance explanation:**

Favourable in revenue due to increased speed violations captured due to arrival of additional traffic counting equipment resulting in increased enforcement capacity at high speed roadways. Additionally, better road conditions and higher average fine per ticket in in Q1 and Q2 contributed to higher revenues collected.

**Notes:**

- Funding from the reserve for 2023 is based on the approved 2023-2026 operating and capital budgets, and approved carryforward of unspent 2022 budgets.
- Although a positive balance is projected for the end of 2023, the reserve is anticipated to be in a deficit position at the end of 2024. The projected deficit position is a result of a increased revenue being retained by the Government of Alberta, combined with declining revenue trends as a result of COVID-19 and a greater emphasis on education and awareness. The 2019/2020 provincial budget was released on October 24, 2019 and included a reduction in the City's share of automated enforcement revenues from 73.3% to 60% starting in April 2020 and continuing on an on-going basis. The reserve is expected to return to a positive balance in 2025 as a result of additional tax-levy support. Through the 2023-2026 budget Council approved increased tax-levy funding of \$32 million in 2025 and \$13 million in 2026 to the reserve to fund traffic safety initiatives as well as maintaining a balance in the reserve above the minimum required by policy. As a result, the reserve is forecasted to be above the minimum balance beginning in 2025. Furthermore, the 2023-2026 budget no longer allocates funding to the Traffic Safety Section of Edmonton Police Services from the reserve. Commencing with the 2023-2026 budget, Edmonton Police Service will be funded with tax levy rather than a transfer from the Traffic Safety and Automated Enforcement Reserve.

In the Fall 2023 Supplemental Operating Budget Adjustment, an adjustment is being proposed to decrease the tax-levy support to the reserve by \$5 million as a result of greater than expected photo enforcement revenues in 2023 and revised cash flows for projects funded from the reserve. This adjustment is reflected in the projected tax-levy funding.



## EDMONTON POLICE SERVICE

### REPORT TO THE EDMONTON POLICE COMMISSION

**DATE:** October 30, 2023

**SUBJECT:** Budget Variance for the Period Ending September 30, 2023

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#### RECOMMENDATION(S):

That this report be received for information.

#### INTRODUCTION:

This report provides information and updates to the Edmonton Police Commission (EPC) on the Edmonton Police Service (EPS) current financial position for the period ending September 30, 2023. Year-end forecast reflects organizational decisions and plans known to date and will be updated as additional information becomes available.

#### COMMENTS / DISCUSSION:

##### **Operating**

On August 23, 2023, City Council approved the revised EPS Funding Formula Policy and final decisions about the budget allocation for 2024-2026 will be determined during the Fall Supplemental Operating Budget Adjustment process.

The operating results for the period ending September 30, 2023, indicate a net deficit position of \$31.320 million or 9.6% (revenue surplus of \$3.956 million, offset by an expense overspend of \$35.276 million).

The revenue surplus is due to the recognition of former Police Support Grant revenue, and the new Alberta Mental Health Grant, which is offset by lower than budgeted Traffic Safety Act (TSA) revenue.

The overspend in personnel expense is primarily due to retro payments as a result of the Edmonton Police Association (EPA) collective bargaining settlement, and increased overtime as a result of maintaining minimum staffing levels.

The main causes of the overspend in non-personnel costs are detailed in Attachment II.



## Capital

The 2023-2026 Capital Budget is comprised of 10 active profiles (4 standalone profiles and 6 composite profiles). The total 2023-2026 Capital Budget is \$89.809 million which includes the initial approved budget, 2019-2022 budget carryforward and 2023 Spring and Fall Supplemental Capital Budget Adjustments (SCBA).

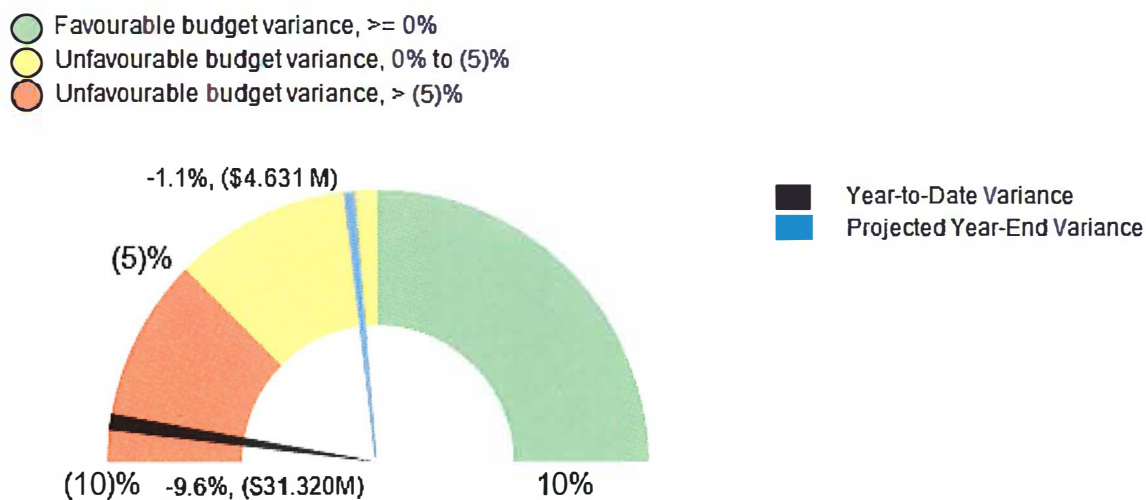
In December 2022, City Council approved approximately 25% of the Commission supported budget requirement for Police Equipment, Radio Lifecycle, IT Applications and IT Infrastructure renewal projects for 2023-2026. For the 2023 Fall SCBA scheduled to be presented to City Council on November 7, 2023, City Administration is recommending funding the 2024 portion of the unfunded renewal profiles of \$10.610 million resulting in \$40.489 million shortfall. If approved by City Council, this will result in 41% of the Commission supported budget requirement for Police Equipment, Radio Lifecycle, IT Applications and IT Infrastructure renewal projects for 2023-2026.

This is the first year of the four-year Capital budget cycle (2023 to 2026) and the results are outlined in attachment III and IV.

### CONCLUSION:

The year-end forecast projects an operating deficit of \$4.631 million (\$4.943 million overspend from current year operations, offset by a \$0.312 million surplus in the operating reserve).

Current projections exclude the impact of collective bargaining settlements. EPS is currently working with the City of Edmonton to determine the total budget to be transferred, and no variance is anticipated.



**ADDITIONAL INFORMATION ATTACHED:**

Attachments:

- I. Operating Budget Variance by Major Category of Revenue & Expenditures
- II. Explanation of Variances by Major Category of Expenditures and Revenues
- III. Capital Budget Performance
- IV. Capital Budget Performance Explanations

Written By: Iryna PYASTA, Director, Financial Management Branch *IP*

Reviewed By: Robert Davidson, Executive Director, Business Development Division *RD*

Approved By: JUSTIN KRIKLER, Chief Administrative Officer, Corporate Services Bureau *JK*

Chief of Police: \_\_\_\_\_

Date: Oct 16, 2019

**Edmonton Police Service**  
**Budget Variance by Major Category of Revenues & Expenditures**  
**For the Period Ending September 30, 2023**  
**(\$000's)**

|   | Current Period   |                  |                   |               | 2022 Year to Date |                   |                 |              | 2023 Year to Date |                   |                    |               | Year End Forecast |                   |                   |              |
|---|------------------|------------------|-------------------|---------------|-------------------|-------------------|-----------------|--------------|-------------------|-------------------|--------------------|---------------|-------------------|-------------------|-------------------|--------------|
|   | Budget           | Actual           | Variance          | %             | Budget            | Actual            | Variance        | %            | Budget            | Actual            | Variance           | %             | Budget            | Projected         | Variance          | %            |
| <b>Revenue</b>  |                  |                  |                   |               |                   |                   |                 |              |                   |                   |                    |               |                   |                   |                   |              |
| Traffic Safety Act Fines (Note 1)                         | \$ 900           | \$ 615           | \$ (285)          | -31.7%        | \$ 8,744          | \$ 5,923          | \$ (2,821)      | -32.3%       | \$ 8,619          | \$ 5,928          | \$ (2,691)         | -31.2%        | \$ 11,060         | \$ 7,753          | \$ (3,307)        | -29.9%       |
| Transfer from Reserve (OTS / FSR) (Note 2)                | 557              | 635              | 78                | 14.0%         | 16,719            | 16,719            | -               | 0.0%         | 1,670             | 1,982             | 312                | 18.7%         | 2,227             | 2,227             | -                 | 0.0%         |
| Provincial Grants (Note 3)                                | 460              | 1,086            | 626               | 136.1%        | 2,775             | 3,344             | 569             | 20.5%        | 4,138             | 9,675             | 5,537              | 133.8%        | 31,757            | 41,566            | 9,809             | 30.9%        |
| Other Revenue (Note 4)                                    | 3,144            | 3,166            | 22                | 0.7%          | 26,459            | 26,767            | 309             | 1.2%         | 26,406            | 27,204            | 798                | 3.0%          | 34,745            | 34,400            | (345)             | -1.0%        |
| Secondments   | 1,083            | 1,184            | 100               | 9.3%          | 10,241            | 10,217            | (24)            | -0.2%        | 10,211            | 10,882            | 671                | 6.6%          | 13,448            | 13,391            | (57)              | -0.4%        |
| Tow Lot   | 596              | 457              | (139)             | -23.3%        | 5,362             | 4,598             | (764)           | -14.3%       | 5,362             | 4,456             | (906)              | -16.9%        | 7,150             | 5,942             | (1,208)           | -16.9%       |
| PICS and Alarm Control                                    | 586              | 625              | 39                | 6.7%          | 5,130             | 4,779             | (350)           | -6.8%        | 4,942             | 5,541             | 599                | 12.1%         | 6,756             | 7,320             | 564               | 8.3%         |
| Extra Duty <sup>1</sup>                                   | 251              | 190              | (61)              | -24.3%        | 2,216             | 2,392             | 176             | 7.9%         | 2,117             | 2,359             | 242                | 11.4%         | 3,217             | 3,217             | -                 | 0.0%         |
| E911 Fees   | 112              | 107              | (5)               | -4.1%         | 1,013             | 999               | (14)            | -1.3%        | 1,005             | 928               | (77)               | -7.6%         | 1,340             | 1,236             | (104)             | -7.8%        |
| School Resource Officer (SRO)                             | 398              | 385              | (13)              | -3.4%         | 818               | 941               | 123             | 15.0%        | 986               | 993               | 7                  | 0.8%          | 950               | 983               | 32                | 3.4%         |
| Other <sup>2</sup>  | 118              | 219              | 101               | 86.0%         | 1,679             | 2,841             | 1,162           | 69.2%        | 1,782             | 2,044             | 262                | 14.7%         | 1,883             | 2,311             | 428               | 22.7%        |
| <b>Total Revenue</b>                                      | <b>5,061</b>     | <b>5,502</b>     | <b>441</b>        | <b>8.7%</b>   | <b>54,697</b>     | <b>52,753</b>     | <b>(1,943)</b>  | <b>-3.6%</b> | <b>40,833</b>     | <b>44,789</b>     | <b>3,956</b>       | <b>9.7%</b>   | <b>79,789</b>     | <b>85,946</b>     | <b>6,157</b>      | <b>7.7%</b>  |
| <b>Expense</b>  |                  |                  |                   |               |                   |                   |                 |              |                   |                   |                    |               |                   |                   |                   |              |
| <b>Personnel</b>  |                  |                  |                   |               |                   |                   |                 |              |                   |                   |                    |               |                   |                   |                   |              |
| Salary and benefits (Note 5)                              | 32,677           | 35,403           | (2,726)           | -8.3%         | 286,401           | 282,008           | 4,393           | 1.5%         | 297,068           | 322,991           | (25,923)           | -8.7%         | 392,713           | 392,339           | 374               | 0.1%         |
| EPS Overtime (Note 6a)                                    | 835              | 1,479            | (643)             | -77.0%        | 7,488             | 11,883            | (4,395)         | -58.7%       | 7,627             | 14,758            | (7,131)            | -93.5%        | 10,368            | 19,232            | (8,864)           | -85.5%       |
| External Overtime (Note 6b)                               | 34               | 66               | (33)              | -97.2%        | 306               | 299               | 7               | 2.3%         | 306               | 422               | (116)              | -37.9%        | 407               | 481               | (74)              | -18.2%       |
|   | <b>33,546</b>    | <b>36,948</b>    | <b>(3,402)</b>    | <b>-10.1%</b> | <b>294,195</b>    | <b>294,190</b>    | <b>5</b>        | <b>0.0%</b>  | <b>305,001</b>    | <b>338,171</b>    | <b>(33,170)</b>    | <b>-10.9%</b> | <b>403,488</b>    | <b>412,052</b>    | <b>(8,564)</b>    | <b>-2.1%</b> |
| <b>Non-Personnel</b>                                      |                  |                  |                   |               |                   |                   |                 |              |                   |                   |                    |               |                   |                   |                   |              |
| Furniture, equipment, IT, materials and supplies (Note 7) | 1,194            | 1,966            | (772)             | -64.7%        | 16,491            | 15,467            | 1,024           | 6.2%         | 14,230            | 16,909            | (2,679)            | -18.8%        | 18,286            | 19,012            | (726)             | -4.0%        |
| Contracts and services (Note 8)                           | 2,692            | 3,285            | (593)             | -22.0%        | 19,386            | 19,084            | 302             | 1.6%         | 20,105            | 21,847            | (1,742)            | -8.7%         | 27,824            | 31,874            | (4,050)           | -14.6%       |
| Vehicles (Note 9)   | 857              | 784              | 73                | 8.5%          | 6,482             | 6,479             | 3               | 0.0%         | 7,379             | 6,995             | 384                | 5.2%          | 9,928             | 9,812             | 116               | 1.2%         |
| Facilities (Note 10)                                      | 1,911            | 2,009            | (98)              | -5.1%         | 16,340            | 15,168            | 1,172           | 7.2%         | 16,221            | 15,064            | 1,157              | 7.1%          | 24,940            | 23,411            | 1,529             | 6.1%         |
| Other Expenditures <sup>1</sup> (Note 11)                 | 358              | 395              | (37)              | -10.2%        | 2,792             | 1,771             | 1,020           | 36.6%        | 3,092             | 2,318             | 774                | 25.0%         | 4,130             | 3,535             | 595               | 14.4%        |
|   | <b>7,012</b>     | <b>8,439</b>     | <b>(1,427)</b>    | <b>-20.3%</b> | <b>61,491</b>     | <b>57,969</b>     | <b>3,521</b>    | <b>5.7%</b>  | <b>61,027</b>     | <b>63,133</b>     | <b>(2,106)</b>     | <b>-3.5%</b>  | <b>85,108</b>     | <b>87,644</b>     | <b>(2,536)</b>    | <b>-3.0%</b> |
| <b>Total Expense</b>                                      | <b>40,558</b>    | <b>45,387</b>    | <b>(4,829)</b>    | <b>-11.9%</b> | <b>355,686</b>    | <b>352,159</b>    | <b>3,526</b>    | <b>1.0%</b>  | <b>366,028</b>    | <b>401,304</b>    | <b>(35,276)</b>    | <b>-9.6%</b>  | <b>488,596</b>    | <b>499,696</b>    | <b>(11,100)</b>   | <b>-2.3%</b> |
| <b>Position before Adjustments</b>                        | <b>35,497</b>    | <b>39,885</b>    | <b>(4,388)</b>    | <b>-12.4%</b> | <b>300,989</b>    | <b>299,406</b>    | <b>1,583</b>    | <b>0.5%</b>  | <b>325,195</b>    | <b>356,515</b>    | <b>(31,320)</b>    | <b>-9.6%</b>  | <b>408,807</b>    | <b>413,750</b>    | <b>(4,943)</b>    | <b>-1.2%</b> |
| Tangible Capital Assets Budget adjustment (Note 12)       |                  |                  |                   |               |                   |                   |                 |              |                   |                   |                    |               | 6,649             | 6,649             | -                 | 0.0%         |
| Transfer to/(from) EPS Reserve (Note 13)                  |                  |                  |                   |               |                   |                   |                 |              |                   |                   |                    |               |                   | (312)             | 312               |              |
| <b>Net Position</b>                                       | <b>\$ 35,497</b> | <b>\$ 39,885</b> | <b>\$ (4,388)</b> | <b>-12.4%</b> | <b>\$ 300,989</b> | <b>\$ 299,406</b> | <b>\$ 1,583</b> | <b>0.5%</b>  | <b>\$ 325,195</b> | <b>\$ 356,515</b> | <b>\$ (31,320)</b> | <b>-9.6%</b>  | <b>\$ 415,456</b> | <b>\$ 420,087</b> | <b>\$ (4,631)</b> | <b>-1.1%</b> |

1 Extra Duty Revenue received from other City Departments is reclassified from expense recovery to revenue.  
2 Other Revenue includes E911 landline fees, fines (Gaming and Liquor, Other Bylaw Violations), and sales of unclaimed goods.

**Edmonton Police Service****Explanation of Variances by Major Category of Expenditures and Revenues – Notes****For the Period Ended September 30, 2023****1. Traffic Safety Act (TSA) Fines Revenue**

Revenue generated by officer issued tickets under the Traffic Safety Act.

**Year to Date** – Under budget because of lower-than-expected number of tickets issued. Traffic members are spending increased time in court to address previous years incidents, which has resulted in a decline of issued tickets. In addition, members are diverted to other operational pressures which further decreases tickets issued.

**Forecast** – Same as year to date.

**2. Transfer from Reserve - Office of Traffic Safety (OTS) and Financial Stability Reserve (FSR)**

In 2022, this was a transfer from the Traffic Safety and Automated Enforcement Reserve (TSAER) and in 2023 the transfer was replaced with tax levy funding (as approved by City Council motion passed on June 7, 2022). On August 15, 2022, City Council approved multi-year one time funding for Healthy Streets Operation Centre (HSOC). Subsequently, FSR was identified as a funding source for 2023 (Budget Deliberations, December 2022).

**Year to Date** – Over budget due to additional reserve funds transferred for the expenditures in the HSOC program.

**Forecast** – No variance is expected.

**3. Provincial Grants**

Provincial Grants include the Policing Support Grant, the E911 Grant, Victim Services Grant, Drug Impairment Grant, and Indigenous Grant.

**Year to Date** – Over budget due to the recognition of revenue from the former Police Officer Grant, and the recognition of revenue from the new Alberta Mental Health and Addiction Grant.

**Forecast** – Projecting to be over budget due to the Alberta Mental Health and Addiction Grant to support several initiatives, including Enhancing Harm Reduction and Recovery Outreach, which will be offset by increased contract and services cost for these initiatives. Additionally, projecting to recognize additional E911 Grant revenue to offset increased overtime in support of Emergency Communication.

**4. Other Revenue**

Other revenue includes Secondments revenue, and revenues associated with user fees for services provided.

Secondments revenue is primarily generated from Alberta Law Enforcement Response Team (ALERT) and Alberta Serious Incident Response Team (ASIRT) for EPS members seconded to these organizations. User fees revenue include Tow Lot revenue, Police Information Check Section (PICS), Alarm Control, Extra Duty, E911 landline fees, School Resource Officers, gaming and liquor fines, other Bylaw violations, and sales of unclaimed goods.

**Year to Date** – The over budget position is mainly due to increased Secondments, PICS and Extra Duty revenue as demand for service requests increases. This is partially offset by decreased Tow Lot revenue due to fewer tows of seized vehicles, which is offset by lower contracts and service expenses.

**Forecast** – Projecting to be under budget due to decreased Tow Lot revenue, partially offset by increased PICS revenue.

**5. Salary and Benefits**

Salary and benefits are for all EPS employees based on collective bargaining agreements. All agreements are unsettled from the start of 2021; the Edmonton Police Association (EPA), the Senior Officers Association (SOA), and Civic Service Union 52 (CSU 52)

Includes base salary, acting pay, shift differential, court time, standby pay, pension, medical, dental, group life insurance, allowances (boot, health care spending), and statutory holiday pay per collective agreements. The salaries and benefits of employees seconded to external organizations are incurred as an expense and recovered through Secondments revenue.

**Year to date** – Over budget due to retro payments made to EPA members as a result of EPA settlements. EPS is currently working with the City of Edmonton (COE) to determine the budget transfer related to settlements.

**Forecast** – Projecting to be under budget due to vacant positions, and increased levels of attrition. Salary projections exclude the impact of settlements due to the anticipated budget transfer from the COE.

The sworn member attrition position for the first nine months of the year is:

| Attrition                   | September | September YTD | Full Year |
|-----------------------------|-----------|---------------|-----------|
| Original Projection         | 7         | 68            | 90        |
| Actual & Updated Projection | 5         | 62            | 96        |

As of October 17th, 2023, thirty-one sworn members have tendered their resignation, forty-one announced retirement, four are deceased, and one was released for an attrition total of seventy-seven. Of these, sixty-two were no longer on the payroll as of September 30, 2023.

### 6a. EPS Overtime

EPS overtime costs are paid in accordance with collective bargaining agreements and primarily related to maintaining minimum staffing or operational requirements.

**Year to date** – Over budget due to maintaining minimum staffing levels in the Community Policing Bureau, and the Emergency Communications Operations Management Branch (ECOMB), which is directly offset by increased revenue as part of the E911 Provincial Grant for emergency communication services. Also contributing to the overspend is increased investigations work within the Investigation and Support Services Bureau.

**Forecast** – The same as year to date.

### 6b. External Overtime

External overtime costs are incurred by employees seconded to external organizations (ALERT, ASIRT, etc.). These costs are recovered through Secondments revenue.

**Year to date** – Slightly over budget.

**Forecast** – Minimal variance to budget is projected.

## 7. Furniture, Equipment, IT, Materials and Supplies

This category includes the purchases of uniforms and clothing, ammunition, stationery, medical supplies, computer software and hardware purchases and maintenance, and furniture and equipment.

**Year to date** - Over budget due to the timing of expenses for the purchases of IT equipment.

**Forecast** – Over budget due to HealthIM software expenses, which are offset by Grant revenue, and increased expenses for Rapid DNA.

## 8. Contracts & Services

This category includes various contracted resources. Examples include Security Commissionaires, Extra Duty, Police Seized Vehicles towing fees, DNA analysis, Human-Centered Engagement Liaison Program (HELP) navigators, Legal Services, and Psychological Counseling.

**Year to date** – Over budget due to increased DNA program expenditures, as well as increased psych counselling expenses, navigators, paramedic and health care practitioners supporting the Alberta Mental Health and Addiction work, which is recovered through the Alberta Mental Health and Addictions Grant.

**Forecast** – The same as year to date.

## 9. Vehicle Costs

This category includes the expenses for vehicle repairs, maintenance, and fuel.

**Year to date** – Under budget due to less helicopter maintenance requirements.

**Forecast** – The same as year to date.

## 10. Facilities

This category includes facility maintenance and custodial expenses for services provided by the City of Edmonton staff, external space rent, power, natural gas, and telephone charges.

**Year to Date** – Under budget due to lower custodial and maintenance charges from the City of Edmonton.

**Forecast** – Under budget due to funds held for the Public Private Partnership (P3) initiative to operate a future Training Facility, offset by increased renovation projects planned for the second half of the year.

## 11. Other Expenditures

This category includes travel and training expenditures, insurance premiums, debt servicing costs, and memberships. Extra Duty Revenue received from other City Departments are reclassified from expense to revenue.

**Year to Date** – Under budget due to delays in travel and training, and recoveries from the COE for the Integrated Call Evaluation and Dispatch Centre.

**Forecast** – The same as year to date.

## 12. Tangible Capital Assets

Budget held to cover capital qualifying expenses for projects such as vehicles.

### 13. Transfer to/from EPS Reserve

On June 26, 2018 City Council approved Policy C605 Edmonton Police Reserve. In accordance with the policy and in the event the reserve falls into a deficit position, a strategy will be developed by the EPS, to be approved by City Council, to achieve a balanced position over a period not to exceed three years, starting with the subsequent year operating budget. The strategy may include replenishing the reserve with any unplanned one-time revenues, adjustments to capital priorities and managing operating expenditures.

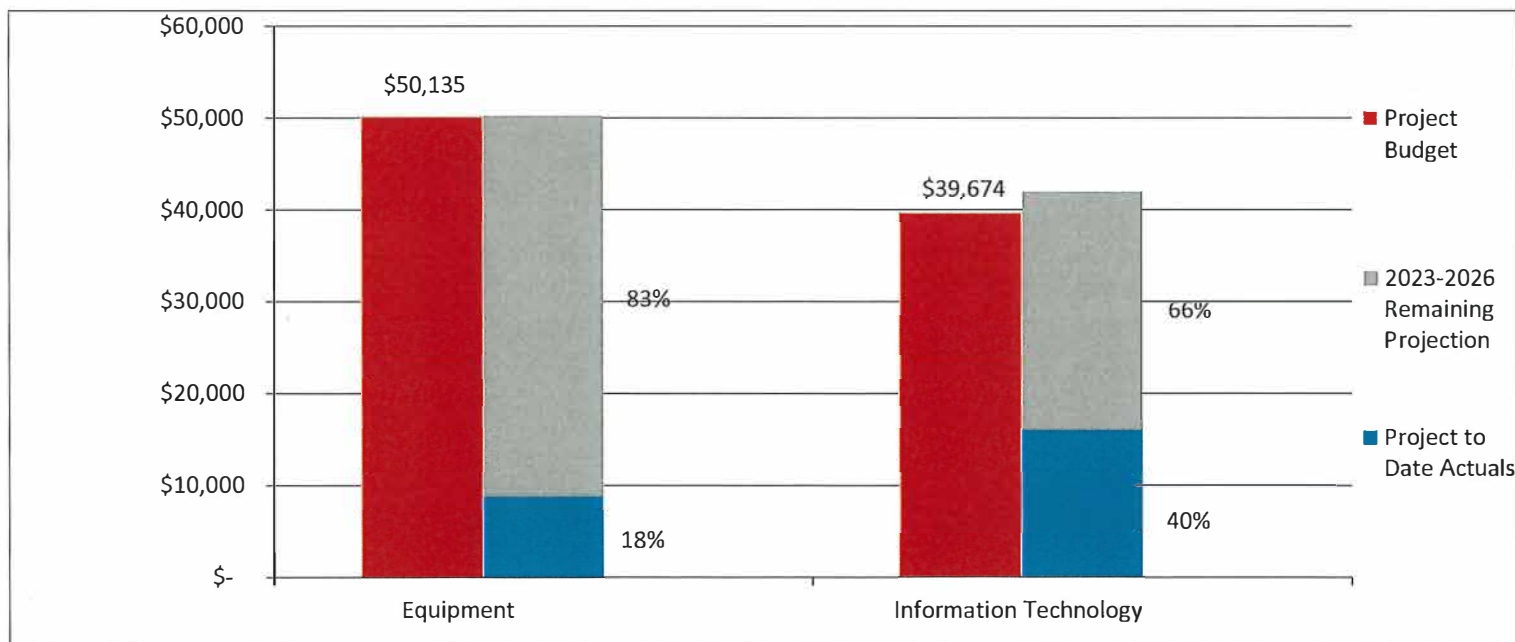
Over the 2019-2022 budget cycle Edmonton Police Service managed significant costs related to the COVID-19 global pandemic and the City of Edmonton Enterprise Commons project with no additional funding. After addressing these unplanned expenditures, the balance in the EPS Operating Reserve as of December 31, 2022, is a surplus of **\$0.312 million**, which is comprised of the following annual results:

- 2018 \$1.162 million
- 2019 \$1.083 million
- 2020 \$2.249 million
- 2021 (\$7.389) million
- 2022 \$3.207 million



Edmonton Police Service  
Capital Budget Performance  
Financial Report for the Period Ending Sep 30, 2023  
(\$'000's)

| Capital Profile  | Project To Date Actuals | 2023-2026 Projection | Total Projection | Approved Budget Prior Years | 2023-2026 Approved Budget | Total Approved Budget | Variance          |
|--|-------------------------|----------------------|------------------|-----------------------------|---------------------------|-----------------------|-------------------|
|  | (A)                     | (B)                  | (C=A+B)          | (D)                         | (E)                       | (F=D+E)               | (G=F-C)           |
| Radio Life Cycle (Note 1, 9)                                     | 131                     | 7,900                | 8,031            | -                           | 8,031                     | 8,031                 | -                 |
| Vehicles (Note 2, 9)   | 6,840                   | 30,308               | 37,148           | -                           | 37,148                    | 37,148                | -                 |
| Police Equipment (Note 3, 9)                                     | 685                     | 3,116                | 3,801            | -                           | 3,801                     | 3,801                 | -                 |
| In Car Video (Note 4)  | 1,201                   | 64                   | 1,265            | 1,040                       | 115                       | 1,155                 | (110)             |
| <b>Equipment</b>   | <b>\$ 8,857</b>         | <b>\$ 41,388</b>     | <b>\$ 50,245</b> | <b>\$ 1,040</b>             | <b>\$ 49,095</b>          | <b>\$ 50,135</b>      | <b>\$ (110)</b>   |
| IT - Infrastructure Sustainment                                  | 2,270                   | 5,475                | 7,745            | -                           | 7,745                     | 7,745                 | -                 |
| IT - Applications Sustainment                                    | 607                     | 4,385                | 4,992            | -                           | 4,992                     | 4,992                 | -                 |
| IT - Applications Enhancement                                    | 876                     | 10,778               | 11,654           | -                           | 11,764                    | 11,764                | 110               |
| IT Systems - Total (Note 6, 9)                                   | <b>3,753</b>            | <b>20,638</b>        | <b>24,391</b>    | <b>-</b>                    | <b>24,501</b>             | <b>24,501</b>         | <b>110</b>        |
| Automated Fingerprint Identification System (Note 5)             | 597                     | 403                  | 1,000            | 459                         | 541                       | 1,000                 | -                 |
| Enterprise Commons (Note 7)                                      | 1,696                   | 2,365                | 4,061            | 163                         | 1,460                     | 1,623                 | (2,438)           |
| CRIMM-CAD-RMS Integration, Modernization & Maximization (Note 8) | 9,955                   | 2,595                | 12,550           | 6,477                       | 6,073                     | 12,550                | -                 |
| <b>Information Technology</b>                                    | <b>\$ 16,001</b>        | <b>\$ 26,001</b>     | <b>\$ 42,002</b> | <b>\$ 7,099</b>             | <b>\$ 32,575</b>          | <b>\$ 39,674</b>      | <b>\$ (2,328)</b> |
| <b>Total</b>   | <b>\$ 24,858</b>        | <b>\$ 67,389</b>     | <b>\$ 92,247</b> | <b>\$ 8,139</b>             | <b>\$ 81,670</b>          | <b>\$ 89,809</b>      | <b>\$ (2,438)</b> |
| Northwest Campus (Note 10)                                       | 117,825                 | 1,650                | 119,475          | 116,971                     | 2,504                     | 119,475               | -                 |



- \* The 2023 budget includes the 2022 approved carryforward.
- \* The 2023 budget includes the approved 2023 Spring and the requested 2023 Fall Supplemental Capital Budget Adjustments.
- \* The 2023 budget also includes the COE recommended capital renewal capital budget adjustments for year 2024, subject to City Council approval.
- \* Project to Date Actuals includes 2023 year to date actuals.
- \* Projections include Q4 2023 to Q4 2026.

## ATTACHMENT IV – EPS

Edmonton Police Service  
Explanation of Variances by Capital Project – Notes  
For the Period Ended September 30, 2023

### 1 Radio Life Cycle

This renewal composite profile is to maintain the two-way radio communications equipment such as portable and mobile radios, radio dispatch consoles, and recording equipment for communication calls. (2023-2026 EPC supported \$13.402 million, City Council approved \$3.407 million, City Recommended additional \$4.493 million, subject to City Council approval during the 2023 Fall Supplemental Capital Budget Adjustment (SCBA), Unfunded \$5.502 million).

**Project to date** – Portable radios have been purchased for the Human Centered Engagement and Liaison Partnership (HELP) program.

**Project forecast** – Plan to purchase approximately 250 radios as part of the 2023 lifecycle plan. A 2023 SCBA of \$0.131 million is requested for radios for the Human Centered Engagement and Liaison Partnership (HELP) program funded by Alberta Mental Health and Addiction Grant. Expected to be on budget at the end of the 4 year budget cycle.

### 2 Vehicles

This renewal composite profile includes the life cycle replacement of owned marked, unmarked and specialty vehicles.

**Project to date** – 14 marked, 20 unmarked and 4 covert vehicles put into service plus 31 marked, 21 unmarked and 1 covert vehicle delivered as of Q3. Some of the 2023 vehicle orders were cancelled by the dealership due to supply chain issues.

**Project forecast** – 95 vehicles are currently on order. Due to supply chain issues and long delivery times, vehicles are needing to be ordered up to 2 years in advance. A 2023 Fall SCBA is requested for vehicles for the Human Centered Engagement and Liaison Partnership (HELP) program funded by Alberta Mental Health and Addiction Grant and bikes for the Healthy Streets Operation Centre (HSOC) funded by the Financial Stabilization Reserve. Expected to be on budget at the end of the 4 year budget cycle.

### 3 Police Equipment

This renewal composite profile is for the replacement of police equipment which includes personal protective equipment, health and safety equipment, and training equipment. (2023-2026 EPC supported \$8.082 million, City Council approved \$2.054 million, City Recommended additional \$1.331 million, subject to City Council approval during the 2023 Fall SCBA, Unfunded \$4.697 million).

**Project to date** – Major expenditures include the wiretap data server, tethering system, firearms examination unit renovation and Integrated Addictions Support Centre renovations.

## ATTACHMENT IV – EPS

Edmonton Police Service  
Explanation of Variances by Capital Project – Notes  
For the Period Ended September 30, 2023

**Project forecast** – Expected to be on budget at the end of the 4 year budget cycle.

#### 4 In-Car Video Pilot Project

This standalone growth profile is a pilot project to equip police vehicles with a video system which will provide an audio/visual record of events within the viewing area of the cameras as they occur.

**Project to date** – The proof of concept continued into early Q2 before it was put on hold due to the Provincial Body Worn Video announcement. Expenditures include personnel resources and hardware equipment.

**Project forecast** – In addition to the requested 2023 Fall SCBA of \$0.071 million, there are some final expenditures and projected overspend is \$0.110 million. A 2024 Spring SCBA will be requested to cover the overspend from IT Applications – Enhancement profile.

#### 5 Police IT Systems

##### Infrastructure-Sustainment

Infrastructure-Sustainment is a composite renewal profile of infrastructure components that maintain the capability of EPS network, server, storage, telephony and security systems deployed in support of police operations. (2023-2026 EPC supported \$28.053 million, City Council approved \$7.131 million, City Recommended additional \$3.293 million, subject to City Council approval during the 2023 Fall SCBA, Unfunded \$17.629 million).

**Project to date** – Equipment has been received for lifecycle replacement of switches, corporate wifi and mobile workstations.

**Project forecast** – A 2023 Fall SCBA is requested to transfer budget of \$2.517 million to operating for data storage solution and associated software and \$2.992 million for Microsoft 365 subscription which includes Microsoft Teams and other infrastructure services. The nature of Information Technology is constantly changing and many vendors are moving to cloud based technologies and different service delivery models. Software as a service and subscription based services are considered an operating expenditure under the accounting rules. Expected to be on budget at the end of the 4 year budget cycle.

## ATTACHMENT IV – EPS

Edmonton Police Service  
Explanation of Variances by Capital Project – Notes  
For the Period Ended September 30, 2023

**Applications - Sustainment**

Applications-Sustainment is a composite renewal profile encompassing various initiatives that maintain the capability of EPS software applications and systems that are deployed in support of police operations. System portfolios include: Dispatch, Operational Records, Operational Video, Administrative and Intelligence. (2023-2026 EPC supported \$18.978 million, City Council approved \$4.824 million, City Recommended additional \$1.493 million, subject to City Council approval during the 2023 Fall SCBA, Unfunded \$12.661 million).

**Project to date** – Major project expenditures include Coveo Cloud Migration project, FOIPNet Replacement project, and PowerApps Application Modernization.

**Project forecast** – A 2023 Fall SCBA is requested to transfer budget of \$1.226 million to operating for project costs that are considered operating expenditures but were originally budgeted as capital. The nature of Information Technology is constantly changing and many vendors are moving to cloud based technologies and different service delivery models. Software as a service and subscription based services are considered operating expenditures under the accounting rules. Expected to be on budget at the end of the 4 year budget cycle.

**Applications – Enhancement**

Applications-Enhancement is a composite growth profile encompassing various initiatives which includes enhancement of existing systems and implementation of new software applications and systems that are deployed in support of police operations. System portfolios include: Dispatch, Operational Records, Operational Video, Administrative and Intelligence. (2023-2026 EPC supported \$14.440 million, City Council approved \$11.835 million, Unfunded \$2.605 million).

**Project to date** – Expenditures include NG911 Voice and Real Time Texting (RTT), Enterprise Analytics-Power BI pilot project, and Body Worn Video Pilot project. Core work on the NG911 Voice and RTT project is underway.

**Project forecast** – The NG911 Voice and RTT and Operational Video Solution project activities will ramp up in Q4. Expected to be on budget at the end of the 4 year budget cycle.

**6 Automated Fingerprint Identification System (AFIS)**

The standalone renewal profile is to upgrade the Automated Fingerprint Identification System (AFIS) which is used to register and store fingerprint transactions for criminal offences.

**Project to date** – Expenditure has been made for the design phase. Data migration work by the vendor has been delayed.

## ATTACHMENT IV – EPS

Edmonton Police Service  
Explanation of Variances by Capital Project – Notes  
For the Period Ended September 30, 2023

**Project forecast** – New hardware will be installed in Q4 and go-live has been delayed to Q1 2024.

## 7 Enterprise Commons

This standalone growth profile is to transition the aging enterprise technology systems to a single, modernized technology system that spans the enterprise core functions including Finance, Human Resources, Supply Chain Management. This project is a City of Edmonton initiative and requires integration with EPS applications.

**Project to date** – Expenditures to date include information technology resources, business resources and integration services with the Alberta Government Justice Online Information Network (JOIN). The project is currently in the build phase.

**Project forecast** – The currently scheduled go-live date is late 2024. There is a projected overspend of \$2.438 million based on current timelines (under review and subject to change).

## 8 CAD-RMS Integration, Modernization & Maximization (CRIMM)

This standalone growth profile is to modernize and upgrade EPS' records management processes and systems which includes the Computer Automated Dispatch System (CAD) and core Records Management System (RMS) functionality.

**Project to date** – Expenditures to date include information technology and business resources, integrations consulting, software licensing and computer hardware.

**Project forecast** – The DataVault project is expected to be complete by Q4 2023 and Property Module is expected to be complete by Q2 2024. There may be a carry forward of \$1.808 million to 2024 for remainder of project scope and issue remediation. Expected to be on budget.

## 9 Composite Projects

Composite projects share similar attributes and activities that are repetitive in nature and completed in shorter timelines. Composite projects may include individual growth projects less than \$2 million or individual renewal projects less than \$5 million with an estimated completion timeline of under two years.

## ATTACHMENT IV – EPS

Edmonton Police Service  
Explanation of Variances by Capital Project – Notes  
For the Period Ended September 30, 2023

**10 Northwest Campus**

This standalone growth profile is for the construction of Northwest Campus.

**Project to date** – The building was substantially completed at the end of 2018. The building experienced a number of roof leaks and a full roof replacement was required. Remaining equipment modifications have been completed.

**Project forecast** – Legal arbitration hearing for the roof replacement is set for Q1 2024.

## Tax-Supported Operations - September 30, 2023 Financial Results and Projections

- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

|  |              | Year-to-Date (YTD) |            |             |           | Projected Year-End |            |             |        |
|--|--------------|--------------------|------------|-------------|-----------|--------------------|------------|-------------|--------|
|  |              | Budget             | Actual     | Variance \$ | %         | Budget             | Projected  | Variance \$ | %      |
| <b>Community Services</b>              |              |                    |            |             |           |                    |            |             |        |
| Community Recreation And Culture       | Revenue      | 44,060             | 53,738     | 9,678 ●     | 22.0      | 65,255             | 71,787     | 6,532 ●     | 10.0   |
|  | Expense      | 106,884            | 108,326    | (1,442) ●   | (1.3)     | 146,559            | 145,628    | 931 ●       | 0.6    |
|  | Net Position | (62,824)           | (54,588)   | 8,236 ●     | 13.1      | (81,304)           | (73,841)   | 7,463 ●     | 9.2    |
| Community Standards and Neighbourhoods | Revenue      | 6,943              | 5,674      | (1,269) ●   | (18.3)    | 9,840              | 8,080      | (1,760) ●   | (17.9) |
|  | Expense      | 44,485             | 38,320     | 6,165 ●     | 13.9      | 58,885             | 53,322     | 5,563 ●     | 9.4    |
|  | Net Position | (37,542)           | (32,646)   | 4,896 ●     | 13.0      | (49,045)           | (45,242)   | 3,803 ●     | 7.8    |
| Social Development                     | Revenue      | 41,767             | 42,056     | 289 ●       | 0.7       | 84,006             | 70,230     | (13,776) ●  | (16.4) |
|  | Expense      | 64,601             | 63,166     | 1,435 ●     | 2.2       | 141,980            | 125,528    | 16,452 ●    | 11.6   |
|  | Net Position | (22,834)           | (21,110)   | 1,724 ●     | 7.6       | (57,974)           | (55,298)   | 2,676 ●     | 4.6    |
| <b>Community Services</b>              |              |                    |            |             |           |                    |            |             |        |
| Revenue                                | 92,770       | 101,468            | 8,698 ●    | 9.4         | 159,101   | 150,097            | (9,004) ●  | (5.7)       |        |
| Expense                                | 215,970      | 209,812            | 6,158 ●    | 2.9         | 347,424   | 324,478            | 22,946 ●   | 6.6         |        |
| Net Position                           | (123,200)    | (108,344)          | 14,856 ●   | 12.1        | (188,323) | (174,381)          | 13,942 ●   | 7.4         |        |
| <b>City Operations</b>                 |              |                    |            |             |           |                    |            |             |        |
| Edmonton Transit                       | Revenue      | 83,023             | 73,767     | (9,256) ●   | (11.1)    | 132,512            | 115,162    | (17,350) ●  | (13.1) |
|  | Expense      | 307,650            | 299,948    | 7,702 ●     | 2.5       | 419,769            | 411,664    | 8,105 ●     | 1.9    |
|  | Net Position | (224,627)          | (226,181)  | (1,554) ●   | (0.7)     | (287,257)          | (296,502)  | (9,245) ●   | (3.2)  |
| Fleet and Facility Services            | Revenue      | 6,577              | 6,025      | (552) ●     | (8.4)     | 8,663              | 7,928      | (735) ●     | (8.5)  |
|  | Expense      | 56,046             | 54,573     | 1,473 ●     | 2.6       | 74,302             | 75,717     | (1,415) ●   | (1.9)  |
|  | Net Position | (49,469)           | (48,548)   | 921 ●       | 1.9       | (65,639)           | (67,789)   | (2,150) ●   | (3.3)  |
| Parks and Road Services                | Revenue      | 27,794             | 24,084     | (3,710) ●   | (13.3)    | 51,357             | 39,468     | (11,889) ●  | (23.1) |
|  | Expense      | 157,254            | 157,197    | 57 ●        | 0.0       | 194,847            | 197,351    | (2,504) ●   | (1.3)  |
|  | Net Position | (129,460)          | (133,113)  | (3,653) ●   | (2.8)     | (143,490)          | (157,883)  | (14,393) ●  | (10.0) |
| Snow and Ice Control                   | Revenue      | 44                 | 225        | 181 ●       | 411.4     | 271                | 271        | - ●         | -      |
|  | Expense      | 39,691             | 41,243     | (1,552) ●   | (3.9)     | 61,448             | 62,748     | (1,300) ●   | (2.1)  |
|  | Net Position | (39,647)           | (41,018)   | (1,371) ●   | (3.5)     | (61,177)           | (62,477)   | (1,300) ●   | (2.1)  |
| <b>City Operations</b>                 |              |                    |            |             |           |                    |            |             |        |
| Revenue                                | 117,438      | 104,101            | (13,337) ● | (11.4)      | 192,803   | 162,829            | (29,974) ● | (15.5)      |        |
| Expense                                | 560,641      | 552,961            | 7,680 ●    | 1.4         | 750,366   | 747,480            | 2,886 ●    | 0.4         |        |
| Net Position                           | (443,203)    | (448,860)          | (5,657) ●  | (1.3)       | (557,563) | (584,651)          | (27,088) ● | (4.9)       |        |

## Tax-Supported Operations - September 30, 2023 Financial Results and Projections

- Favourable budget variance, >= 0%  
● Unfavourable budget variance, between 0% and (10)%  
● Unfavourable budget variance, > (10)%

|   | (in \$000's) | Year-to-Date (YTD) |           |             |        | Projected Year-End |           |             |        |
|---|--------------|--------------------|-----------|-------------|--------|--------------------|-----------|-------------|--------|
|   |              | Budget             | Actual    | Variance \$ | %      | Budget             | Projected | Variance \$ | %      |
| <b>Financial and Corporate Services</b>   |              |                    |           |             |        |                    |           |             |        |
| Assessment and Taxation                   | Revenue      | 240                | 162       | (78) ●      | (32.5) | 320                | 320       | - ●         | -      |
|   | Expense      | 15,056             | 13,236    | 1,820 ●     | 12.1   | 19,870             | 17,870    | 2,000 ●     | 10.1   |
|   | Net Position | (14,816)           | (13,074)  | 1,742 ●     | 11.8   | (19,550)           | (17,550)  | 2,000 ●     | 10.2   |
| Corporate Procurement and Supply Services | Revenue      | 300                | 562       | 262 ●       | 87.3   | 400                | 700       | 300 ●       | 75.0   |
|   | Expense      | 9,918              | 12,363    | (2,445) ●   | (24.7) | 13,031             | 16,206    | (3,175) ●   | (24.4) |
|   | Net Position | (9,618)            | (11,801)  | (2,183) ●   | (22.7) | (12,631)           | (15,506)  | (2,875) ●   | (22.8) |
| Enterprise Commons                        | Revenue      | -                  | -         | - ●         | -      | -                  | -         | - ●         | -      |
|   | Expense      | 1,709              | 2,143     | (434) ●     | (25.4) | 2,246              | 2,246     | - ●         | -      |
|   | Net Position | (1,709)            | (2,143)   | (434) ●     | (25.4) | (2,246)            | (2,246)   | - ●         | -      |
| Financial Services                        | Revenue      | 567                | 641       | 74 ●        | 13.1   | 722                | 822       | 100 ●       | 13.9   |
|   | Expense      | 16,722             | 14,998    | 1,724 ●     | 10.3   | 22,049             | 20,349    | 1,700 ●     | 7.7    |
|   | Net Position | (16,155)           | (14,357)  | 1,798 ●     | 11.1   | (21,327)           | (19,527)  | 1,800 ●     | 8.4    |
| Open City and Technology                  | Revenue      | 414                | 391       | (23) ●      | (5.6)  | 553                | 508       | (45) ●      | (8.1)  |
|   | Expense      | 36,883             | 36,511    | 372 ●       | 1.0    | 47,359             | 47,214    | 145 ●       | 0.3    |
|   | Net Position | (36,469)           | (36,120)  | 349 ●       | 1.0    | (46,806)           | (46,706)  | 100 ●       | 0.2    |
| Real Estate                               | Revenue      | 5,187              | 5,433     | 246 ●       | 4.7    | 6,936              | 6,889     | (47) ●      | (0.7)  |
|   | Expense      | 28,769             | 27,907    | 862 ●       | 3.0    | 39,181             | 38,294    | 887 ●       | 2.3    |
|   | Net Position | (23,582)           | (22,474)  | 1,108 ●     | 4.7    | (32,245)           | (31,405)  | 840 ●       | 2.6    |
| Service Innovation and Performance        | Revenue      | 1,342              | 1,097     | (245) ●     | (18.3) | 1,763              | 1,711     | (52) ●      | (2.9)  |
|   | Expense      | 21,435             | 19,836    | 1,599 ●     | 7.5    | 28,217             | 27,215    | 1,002 ●     | 3.6    |
|   | Net Position | (20,093)           | (18,739)  | 1,354 ●     | 6.7    | (26,454)           | (25,504)  | 950 ●       | 3.6    |
| <b>Financial and Corporate Services</b>   | Revenue      | 8,050              | 8,286     | 236 ●       | 2.9    | 10,694             | 10,950    | 256 ●       | 2.4    |
|   | Expense      | 130,492            | 126,994   | 3,498 ●     | 2.7    | 171,953            | 169,394   | 2,559 ●     | 1.5    |
|   | Net Position | (122,442)          | (118,708) | 3,734 ●     | 3.0    | (161,259)          | (158,444) | 2,815 ●     | 1.7    |



## Tax-Supported Operations - September 30, 2023 Financial Results and Projections

- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

|   | Year-to-Date (YTD)                 |          |             |           | Projected Year-End |           |             |        |
|---|------------------------------------|----------|-------------|-----------|--------------------|-----------|-------------|--------|
|   | Budget                             | Actual   | Variance \$ | %         | Budget             | Projected | Variance \$ | %      |
| <b>Integrated Infrastructure Services</b> |                                    |          |             |           |                    |           |             |        |
| Building Great Neighbourhoods             | Revenue                            | -        | -           | - ●       | -                  | -         | - ●         | -      |
|   | Expense                            | 2,480    | 2,056       | 424 ●     | 2,344              | 2,020     | 324 ●       | 13.8   |
|   | Net Position                       | (2,480)  | (2,056)     | 424 ●     | (2,344)            | (2,020)   | 324 ●       | 13.8   |
| Infrastructure Delivery                   | Revenue                            | 928      | 462         | (466) ●   | 1,237              | 619       | (618) ●     | (50.2) |
|   | Expense                            | 6,444    | 3,540       | 2,904 ●   | 5,533              | 3,031     | 2,502 ●     | 45.2   |
|   | Net Position                       | (5,516)  | (3,078)     | 2,438 ●   | (4,296)            | (2,412)   | 1,884 ●     | 43.9   |
| Infrastructure Planning and Design        | Revenue                            | 1,367    | 1,368       | 1 ●       | 2,876              | 2,836     | (40) ●      | (1.4)  |
|   | Expense                            | 10,512   | 10,184      | 328 ●     | 14,250             | 14,329    | (79) ●      | (0.6)  |
|   | Net Position                       | (9,145)  | (8,816)     | 329 ●     | (11,374)           | (11,493)  | (119) ●     | (1.0)  |
| LRT Expansion and Renewal                 | Revenue                            | 342      | 359         | 17 ●      | 455                | 455       | - ●         | -      |
|   | Expense                            | 686      | 497         | 189 ●     | 1,149              | 870       | 279 ●       | 24.3   |
|   | Net Position                       | (344)    | (138)       | 206 ●     | (694)              | (415)     | 279 ●       | 40.2   |
| Blatchford Redevelopment Office           | Revenue                            | -        | -           | - ●       | -                  | -         | - ●         | -      |
|   | Expense                            | 167      | 161         | 6 ●       | 209                | 209       | - ●         | -      |
|   | Net Position                       | (167)    | (161)       | 6 ●       | (209)              | (209)     | - ●         | -      |
| <b>Integrated Infrastructure Services</b> | Revenue                            | 2,637    | 2,189       | (448) ●   | 4,568              | 3,910     | (658) ●     | (14.4) |
|   | Expense                            | 20,289   | 16,438      | 3,851 ●   | 23,485             | 20,459    | 3,026 ●     | 12.9   |
|   | Net Position                       | (17,652) | (14,249)    | 3,403 ●   | (18,917)           | (16,549)  | 2,368 ●     | 12.5   |
| <b>Urban Planning and Economy</b>         |                                    |          |             |           |                    |           |             |        |
| Planning and Environment Services         | Revenue                            | 26,766   | 39,401      | 12,635 ●  | 34,927             | 46,320    | 11,393 ●    | 32.6   |
|   | Expense                            | 59,630   | 61,788      | (2,158) ● | 76,141             | 85,545    | (9,404) ●   | (12.4) |
|   | Net Position                       | (32,864) | (22,387)    | 10,477 ●  | (41,214)           | (39,225)  | 1,989 ●     | 4.8    |
| Development Services                      | Revenue                            | 50,381   | 52,733      | 2,352 ●   | 78,316             | 79,637    | 1,321 ●     | 1.7    |
|   | Net transfer to/(from) P&D Reserve | (1,013)  | 3,662       | (4,675) ● | (1,168)            | 2,932     | (4,100) ●   | 351.0  |
|   | Expense                            | 57,708   | 55,330      | 2,378 ●   | 87,524             | 84,658    | 2,866 ●     | 3.3    |
|   | Net Position                       | (6,314)  | (6,259)     | 55 ●      | (8,040)            | (7,953)   | 87 ●        | 1.1    |
| Economic Investment Services              | Revenue                            | 18,578   | 10,924      | (7,654) ● | 24,083             | 13,527    | (10,556) ●  | (43.8) |
|   | Expense                            | 27,492   | 16,370      | 11,122 ●  | 42,303             | 28,025    | 14,278 ●    | 33.8   |
|   | Net Position                       | (8,914)  | (5,446)     | 3,468 ●   | (18,220)           | (14,498)  | 3,722 ●     | 20.4   |
| <b>Urban Planning and Economy</b>         | Revenue                            | 95,725   | 103,058     | 7,333 ●   | 137,326            | 139,484   | 2,158 ●     | 1.6    |
|   | Expense                            | 143,817  | 137,150     | 6,667 ●   | 204,800            | 201,160   | 3,640 ●     | 1.8    |
|   | Net Position                       | (48,092) | (34,092)    | 14,000 ●  | (67,474)           | (61,676)  | 5,798 ●     | 8.6    |

**Tax-Supported Operations - September 30, 2023 Financial Results and Projections**

- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

|   | (in \$'000's) | Year-to-Date (YTD) |             |             |         | Projected Year-End |             |             |        |
|---|---------------|--------------------|-------------|-------------|---------|--------------------|-------------|-------------|--------|
|   |               | Budget             | Actual      | Variance \$ | %       | Budget             | Projected   | Variance \$ | %      |
| <b>Office of the City Manager</b>       |               |                    |             |             |         |                    |             |             |        |
| City Manager                            | Revenue       | 932                | 487         | (445) ●     | (47.7)  | 2,578              | 1,998       | (580) ●     | (22.5) |
|   | Expense       | 7,415              | 5,987       | 1,428 ●     | 19.3    | 11,115             | 10,535      | 580 ●       | 5.2    |
|   | Net Position  | (6,483)            | (5,500)     | 983 ●       | 15.2    | (8,537)            | (8,537)     | - ●         | -      |
| Chief Communications Office             | Revenue       | 808                | 173         | (635) ●     | (78.6)  | 1,077              | 379         | (698) ●     | (64.8) |
|   | Expense       | 8,277              | 6,880       | 1,397 ●     | 16.9    | 10,901             | 9,676       | 1,225 ●     | 11.2   |
|   | Net Position  | (7,469)            | (6,707)     | 762 ●       | 10.2    | (9,824)            | (9,297)     | 527 ●       | 5.4    |
| Office of the City Clerk                | Revenue       | 390                | 216         | (174) ●     | (44.6)  | 886                | 886         | - ●         | -      |
|   | Expense       | 12,892             | 12,028      | 864 ●       | 6.7     | 15,808             | 15,832      | (24) ●      | (0.2)  |
|   | Net Position  | (12,502)           | (11,812)    | 690 ●       | 5.5     | (14,922)           | (14,946)    | (24) ●      | (0.2)  |
| Fire Rescue Services                    | Revenue       | 1,485              | 17,906      | 16,421 ●    | 1,105.8 | 1,980              | 18,503      | 16,523 ●    | 834.5  |
|   | Expense       | 167,545            | 184,827     | (17,282) ●  | (10.3)  | 223,378            | 241,610     | (18,232) ●  | (8.2)  |
|   | Net Position  | (166,060)          | (166,921)   | (861) ●     | (0.5)   | (221,398)          | (223,107)   | (1,709) ●   | (0.8)  |
| Labour Relations and Total Compensation | Revenue       | -                  | 1           | 1 ●         | -       | -                  | -           | - ●         | -      |
|   | Expense       | 6,243              | 6,524       | (281) ●     | (4.5)   | 8,229              | 8,629       | (400) ●     | (4.9)  |
|   | Net Position  | (6,243)            | (6,523)     | (280) ●     | (4.5)   | (8,229)            | (8,629)     | (400) ●     | (4.9)  |
| Talent Management                       | Revenue       | -                  | -           | - ●         | -       | -                  | -           | - ●         | -      |
|   | Expense       | 9,932              | 10,221      | (289) ●     | (2.9)   | 13,087             | 13,387      | (300) ●     | (2.3)  |
|   | Net Position  | (9,932)            | (10,221)    | (289) ●     | (2.9)   | (13,087)           | (13,387)    | (300) ●     | (2.3)  |
| Workforce Safety and Employee Health    | Revenue       | -                  | -           | - ●         | -       | -                  | -           | - ●         | -      |
|   | Expense       | 6,979              | 6,710       | 269 ●       | 3.9     | 9,173              | 8,693       | 480 ●       | 5.2    |
|   | Net Position  | (6,979)            | (6,710)     | 269 ●       | 3.9     | (9,173)            | (8,693)     | 480 ●       | 5.2    |
| Legal Services                          | Revenue       | -                  | -           | - ●         | -       | -                  | -           | - ●         | -      |
|   | Expense       | 10,598             | 9,909       | 689 ●       | 6.5     | 13,896             | 13,406      | 490 ●       | 3.5    |
|   | Net Position  | (10,598)           | (9,909)     | 689 ●       | 6.5     | (13,896)           | (13,406)    | 490 ●       | 3.5    |
| <b>Office of the City Manager</b>       | Revenue       | 3,615              | 18,783      | 15,168 ●    | 419.6   | 6,521              | 21,766      | 15,245 ●    | 233.8  |
|   | Expense       | 229,881            | 243,086     | (13,205) ●  | (5.7)   | 305,587            | 321,768     | (16,181) ●  | (5.3)  |
|   | Net Position  | (226,266)          | (224,303)   | 1,963 ●     | 0.9     | (299,066)          | (300,002)   | (936) ●     | (0.3)  |
| <b>Mayor and Councillor Offices</b>     | Revenue       | -                  | -           | - ●         | -       | -                  | -           | - ●         | -      |
|   | Expense       | 5,348              | 4,681       | 667 ●       | 12.5    | 7,052              | 6,552       | 500 ●       | 7.1    |
|   | Net Position  | (5,348)            | (4,681)     | 667 ●       | 12.5    | (7,052)            | (6,552)     | 500 ●       | 7.1    |
| <b>Office of the City Auditor</b>       | Revenue       | -                  | -           | - ●         | -       | -                  | -           | - ●         | -      |
|   | Expense       | 2,262              | 1,929       | 333 ●       | 14.7    | 2,978              | 2,534       | 444 ●       | 14.9   |
|   | Net Position  | (2,262)            | (1,929)     | 333 ●       | 14.7    | (2,978)            | (2,534)     | 444 ●       | 14.9   |
| <b>Boards and Authorities</b>           | Revenue       | 60,142             | 59,192      | (950) ●     | (1.6)   | 88,761             | 88,110      | (651) ●     | (0.7)  |
|   | Expense       | 161,793            | 159,534     | 2,259 ●     | 1.4     | 210,700            | 210,049     | 651 ●       | 0.3    |
|   | Net Position  | (101,651)          | (100,342)   | 1,309 ●     | 1.3     | (121,939)          | (121,939)   | - ●         | -      |
| <b>Sub-Total Department Programs</b>    | Revenue       | 380,377            | 397,077     | 16,700 ●    | 4.4     | 599,774            | 577,146     | (22,628) ●  | (3.8)  |
|   | Expense       | 1,470,493          | 1,452,585   | 17,908 ●    | 1.2     | 2,024,345          | 2,003,874   | 20,471 ●    | 1.0    |
|   | Net Position  | (1,090,116)        | (1,055,508) | 34,608 ●    | 3.2     | (1,424,571)        | (1,426,728) | (2,157) ●   | (0.2)  |

## Tax-Supported Operations - September 30, 2023 Financial Results and Projections

- Favourable budget variance, >= 0%  
● Unfavourable budget variance, between 0% and (10)%  
● Unfavourable budget variance, > (10)%

|   | (in \$000's) | Year-to-Date (YTD) |            |             |           | Projected Year-End |            |             |        |
|---|--------------|--------------------|------------|-------------|-----------|--------------------|------------|-------------|--------|
|   |              | Budget             | Actual     | Variance \$ | %         | Budget             | Projected  | Variance \$ | %      |
| <b>Corporate Programs</b>                                       |              |                    |            |             |           |                    |            |             |        |
| Capital Project Financing                                       | Revenue      | 87,776             | 79,538     | (8,238) ●   | (9.4)     | 268,318            | 259,487    | (8,831) ●   | (3.3)  |
|   | Expense      | 336,472            | 327,582    | 8,890 ●     | 2.6       | 493,149            | 484,749    | 8,400 ●     | 1.7    |
|   | Net Position | (248,696)          | (248,044)  | 652 ●       | 0.3       | (224,831)          | (225,262)  | (431) ●     | (0.2)  |
| Corporate Expenditures  | Revenue      | 388                | 357        | (31) ●      | (8.0)     | 3,185              | 1,785      | (1,400) ●   | (44.0) |
|   | Expense      | 21,181             | 47,852     | (26,671) ●  | (125.9)   | 102,063            | 139,863    | (37,800) ●  | (37.0) |
|   | Net Position | (20,793)           | (47,495)   | (26,702) ●  | (128.4)   | (98,878)           | (138,078)  | (39,200) ●  | (39.6) |
| Corporate Revenues  | Revenue      | 339,417            | 331,627    | (7,790) ●   | (2.3)     | 502,644            | 494,883    | (7,761) ●   | (1.5)  |
|   | Expense      | 70                 | 70         | - ●         | -         | 93                 | 93         | - ●         | -      |
|   | Net Position | 339,347            | 331,557    | (7,790) ●   | (2.3)     | 502,551            | 494,790    | (7,761) ●   | (1.5)  |
| Taxation Expenditures   | Revenue      | 3,652              | 3,960      | 308 ●       | 8.4       | 5,432              | 5,432      | - ●         | -      |
|   | Expense      | 6,496              | 9,047      | (2,551) ●   | (39.3)    | 13,074             | 15,539     | (2,465) ●   | (18.9) |
|   | Net Position | (2,844)            | (5,087)    | (2,243) ●   | (78.9)    | (7,642)            | (10,107)   | (2,465) ●   | (32.3) |
| Taxation Revenues   | Revenue      | 1,905,513          | 1,905,633  | 120 ●       | 0.0       | 1,900,313          | 1,900,313  | - ●         | -      |
|   | Expense      | -                  | -          | - ●         | -         | -                  | -          | - ●         | -      |
|   | Net Position | 1,905,513          | 1,905,633  | 120 ●       | 0.0       | 1,900,313          | 1,900,313  | - ●         | -      |
| Traffic Safety and Automated Enforcement                        | Revenue      | 18,195             | 22,705     | 4,510 ●     | 24.8      | 23,369             | 28,217     | 4,848 ●     | 20.7   |
|   | Net transfer | 18,195             | 22,705     | (4,510) ●   | (24.8)    | 23,369             | 28,217     | (4,848) ●   | (20.7) |
|   | Net Position | -                  | -          | - ●         | -         | -                  | -          | - ●         | -      |
| Neighbourhood Renewal Program - Dedicated Tax-Levy Contribution | Revenue      | -                  | -          | - ●         | -         | -                  | -          | - ●         | -      |
|   | Expense      | 174,386            | 174,386    | - ●         | -         | 174,386            | 174,386    | - ●         | -      |
|   | Net Position | (174,386)          | (174,386)  | - ●         | -         | (174,386)          | (174,386)  | - ●         | -      |
| Valley Line LRT - Dedicated Tax-Levy Contribution               | Revenue      | -                  | -          | - ●         | -         | -                  | -          | - ●         | -      |
|   | Expense      | 57,100             | 57,100     | - ●         | -         | 57,100             | 57,100     | - ●         | -      |
|   | Net Position | (57,100)           | (57,100)   | - ●         | -         | (57,100)           | (57,100)   | - ●         | -      |
| <b>Corporate Programs</b>                                       |              |                    |            |             |           |                    |            |             |        |
| Revenue   | 2,354,941    | 2,343,820          | (11,121) ● | (0.5)       | 2,703,261 | 2,690,117          | (13,144) ● | (0.5)       |        |
| Expense   | 613,900      | 638,742            | (24,842) ● | (4.0)       | 863,234   | 899,947            | (36,713) ● | (4.3)       |        |
| Net Position  | 1,741,041    | 1,705,078          | (35,963) ● | (2.1)       | 1,840,027 | 1,790,170          | (49,857) ● | (2.7)       |        |

## Tax-Supported Operations - September 30, 2023 Financial Results and Projections

- Favourable budget variance, >= 0%
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, > (10)%

|                                    | (in \$000's)           | Year-to-Date (YTD) |           |             |       | Projected Year-End |           |             |       |
|------------------------------------|------------------------|--------------------|-----------|-------------|-------|--------------------|-----------|-------------|-------|
|                                    |                        | Budget             | Actual    | Variance \$ | %     | Budget             | Projected | Variance \$ | %     |
| <b>Total</b>                       | <b>Revenue</b>         | 2,735,318          | 2,740,897 | 5,579 ●     | 0.2   | 3,303,035          | 3,267,263 | (35,772) ●  | (1.1) |
| <b>Tax-Supported Operations</b>    | <b>Expense</b>         | 2,084,393          | 2,091,327 | (6,934) ●   | (0.3) | 2,887,579          | 2,903,821 | (16,242) ●  | (0.6) |
| <b>(excluding Police Services)</b> | <b>Net Position</b>    | 650,925            | 649,570   | (1,355) ●   | (0.1) | 415,456            | 363,442   | (52,014) ●  | (1.8) |
| <b>Police Services</b>             | Revenue                | 40,833             | 44,789    | 3,956 ●     | 9.7   | 79,789             | 85,946    | 6,157 ●     | 7.7   |
|                                    | Expense                | 366,028            | 401,304   | (35,276) ●  | (9.6) | 495,245            | 506,345   | (11,100) ●  | (2.2) |
|                                    | Net Position           | (325,195)          | (356,515) | (31,320) ●  | (9.6) | (415,456)          | (420,399) | (4,943) ●   | (1.2) |
|                                    | Net transfer to/(from) | -                  | -         | - ●         | -     | -                  | (312)     | 312 ●       | -     |
|                                    | EPS Reserve            |                    |           |             |       |                    |           |             |       |
|                                    | Net Position           | (325,195)          | (356,515) | (31,320) ●  | (9.6) | (415,456)          | (420,087) | (4,631) ●   | (1.1) |
| <b>Total</b>                       | <b>Revenue</b>         | 2,776,151          | 2,785,686 | 9,535 ●     | 0.3   | 3,382,824          | 3,353,209 | (29,615) ●  | (0.9) |
| <b>Tax-Supported Operations</b>    | <b>Expense</b>         | 2,450,421          | 2,492,631 | (42,210) ●  | (1.7) | 3,382,824          | 3,409,854 | (27,030) ●  | (0.8) |
|                                    | <b>Net Position</b>    | 325,730            | 293,055   | (32,675) ●  |       | -                  | (56,645)  | (56,645) ●  |       |