

2025-2026 Operating Budget Changes

REPLACEMENT Attachment 1

Tax Supported Operations	2025				2026			
	Revenue	Expense	Net	Tax Change %	Revenue	Expense	Net	Tax Change %
((\$000s))								
Current Approved Tax Supported Operations	3,710,252	3,710,252	-	7.0	3,856,290	3,856,290	-	6.3
Total operating budget changes from prior years	-	-	-	-	60,216	60,216	-	0.0
Amended Tax Supported Operations	3,710,252	3,710,252	-	7.0	3,916,506	3,916,506	-	6.3

1. Changes to Economic Forecasts

Corporate Expenditures and Revenues

Change due to Assessment Growth	12,069	-	(12,069)	(0.6)	1,885	-	(1,885)	(0.1)
EPCOR Dividend	8,000	-	(8,000)	(0.4)	-	-	-	-
Taxation Penalties	6,166	-	(6,166)	(0.3)	1,650	-	(1,650)	(0.1)
ATCO Gas Franchise Fees	6,342	-	(6,342)	(0.3)	-	-	-	-
EPCOR Water Franchise Fees	1,639	-	(1,639)	(0.1)	-	-	-	-
Utilities (across multiple branches)	-	(2,496)	(2,496)	(0.1)	-	(273)	(273)	(0.0)
Taxation Appeals	-	2,000	2,000	0.1	-	300	300	0.0

Community Recreation and Culture

Community Recreation Facilities	2,700	900	(1,800)	(0.1)	-	-	-	-
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Fleet and Facility Services (to be distributed to various branches)

* Inflationary increases on parts, fuel, materials, tires and contract work	-	19,745	19,745	0.9	-	-	-	-
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36,916	20,149	(16,767)	(0.8)	3,535	27	(3,508)	(0.2)
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2. External Factors/Changes to Legislation

Employee Benefit Plans Rate Changes

Various branches	-	5,198	5,198	0.2	-	(319)	(319)	(0.0)
Edmonton Public Library	-	-	-	-	-	319	319	0.0

Bill 20 Update and 2025 Edmonton Election Budget Adjustment

Office of the City Clerk	2,067	5,167	3,100	0.1	-	-	-	-
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Changes to WCB Premiums

* Corporate Expenditures	-	1,500	1,500	0.1	-	-	-	-
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EPS Funding Formula

Edmonton Police Services	-	880	880	0.0	-	7,046	7,046	0.3
Financial Strategies	-	(880)	(880)	(0.0)	-	(7,046)	(7,046)	(0.3)

Illegal Dumping

Parks and Roads Services	-	551	551	0.0	-	-	-	-
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2,067	12,416	10,349	0.4	-	-	-	-
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3. Council Directed

Citadel Theatre Lease Agreement - Maintenance Costs

Fleet and Facility Services	-	1,361	1,361	0.1	-	-	-	-
Financial Strategies	-	(1,361)	(1,361)	(0.1)	-	-	-	-

Oliver to Wihkwentōwin Renaming Project

Open City and Technology	-	480	480	0.0	-	(480)	(480)	(0.0)
Financial Strategies	-	(480)	(480)	(0.0)	-	480	480	0.0

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4. Impacts Managed Internally								
<i>Ongoing adjustments to address structural budget variances</i>								
<u>Parks and Roads Services</u>								
* Utility Cut Program - Fixed Stranded Costs	(2,045)	-	2,045	0.1	-	-	-	-
Bird Nest Sweeps before and during Turf/Hort season	-	450	450	0.0	-	-	-	-
<u>Community Recreation and Culture</u>								
* CRC Facility Maintenance	-	871	871	0.0	-	-	-	-
* Orange Hub Operating Expenses	-	320	320	0.0	-	-	-	-
<u>Community Standards and Neighbourhoods</u>								
* Parking Enforcement Contract Costs	-	500	500	0.0	-	-	-	-
<u>Open City and Technology</u>								
* Software Licensing and Maintenance Costs	-	-	-	-	-	2,700	2,700	0.1
<u>Real Estate</u>								
* Rent Revenue Operating Costs	-	-	-	-	(624)	641	1,265	0.1
<i>Ongoing reductions to manage structural budget variances and limit tax increase</i>								
<u>Planning and Environment Services</u>								
Reduction of Community Energy Transition Strategy Program	-	(1,800)	(1,800)	(0.1)	-	-	-	-
Reduction of Heritage Program Management by 25%	-	(350)	(350)	(0.0)	-	-	-	-
<u>Development Services</u>								
Shifting the funding source of Landscaping Compliance/Enforcement, Zoning Bylaw Infill Compliance/Enforcement, and Safety Codes Bylaw Enforcement from tax levy to user fees from permits and land development application services (PDBM)	1,745	577	(1,168)	(0.1)	(28)	(31)	(3)	(0.0)
<u>Corporate Expenditures</u>								
Reduction of Management Initiative Fund	-	(1,000)	(1,000)	(0.0)	-	-	-	-
<u>Office of the City Clerk</u>								
Explore alternative options for annual City Manager and City Auditor Performance Reviews	-	(35)	(35)	(0.0)	-	-	-	-
<u>Various branches (held in Financial Strategies)</u>								
Savings in Telus phone contract	-	(250)	(250)	(0.0)	-	-	-	-
<u>Infrastructure Delivery</u>								
Reduction of Material & Equipment	-	(150)	(150)	(0.0)	-	-	-	-
<u>Building Great Neighbourhoods</u>								
Reduction of Contract Work	-	(100)	(100)	(0.0)	-	-	-	-
<u>Chief Communications Office</u>								
Reduction of Software Licenses	-	(100)	(100)	(0.0)	-	-	-	-
<u>Talent Management</u>								
Reduction of External Services - management consulting	-	(20)	(20)	(0.0)	-	-	-	-
<u>In Private (see attachment 4)</u>	-	(3,498)	(3,498)	(0.2)	-	-	-	-

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	Revenue	Expense	Net	Tax Change %	Revenue	Expense	Net	Tax Change %
<i>Multi-Year and One-Time Reductions to help manage the FSR balance</i>								
<u>Infrastructure Planning & Design</u>								
Reduction of Art Reserve Contribution	-	(550)	(550)	(0.0)	-	-	-	-
<u>Planning and Environment Services</u>								
Reduction of Growth Modelling Platform	-	(150)	(150)	(0.0)	-	150	150	0.0
In Private (see attachment 4)	-	(9,269)	(9,269)	(0.4)	-	9,269	9,269	0.4
<u>Financial Strategies</u>								
Transfer to help manage FSR balance	-	9,969	9,969	0.5	-	(9,419)	(9,419)	(0.4)
	(300)	(4,585)	(4,285)	(0.2)	(652)	3,310	3,962	0.2
5. Administrative Adjustments								
<u>Planning and Environment Services</u>								
SSSF revenue and expenditure adjustments	(8,841)	(8,841)	-	-	(12,187)	(12,187)	-	-
<u>Fleet and Facility Services</u>								
Hydrogen Pilot Project - Emissions Reduction Alberta Grant Funding	1,994	1,994	-	-	2,589	2,589	-	-
<u>Development Services</u>								
One-Time Servicing Study (requires exemption to Policy C610)	1,281	1,281	-	-	(140)	(140)	-	-
<u>Shift funding of membership fees for FCM and Alberta Municipalities</u>								
Office of the City Clerk	-	(515)	(515)	(0.0)	-	-	-	-
Mayor and Councillor Offices	-	515	515	0.0	-	-	-	-
	(5,566)	(5,566)	-	0.0	(9,738)	(9,738)	-	-
6. Other adjustments (for information)								
<u>Edmonton Police Services</u>								
Emergency Communication and Operations Management Branch (ECOMB)	2,211	2,211	-	-	9	9	-	-
Alberta Law Enforcement Response Teams (ALERT)	307	307	-	-	1	1	-	-
	2,519	2,519	-	0.0	10	10	-	-
FSR Repayment Plan	-	21,484	21,484	1.0	-	23,348	23,348	1.0
Adjustment to Financial Strategies	-	13,799	13,799	0.6	-	514	514	0.0
Total Operating Budget Changes	35,636	60,216	24,580	1.1	(6,845)	17,471	24,316	1.0
Adjustment to tax revenue	24,580	-	(24,580)		24,316	-	(24,316)	
Adjusted Tax Supported Operations Budget	3,770,468	3,770,468	-	8.1	3,933,977	3,933,977	-	7.3

* These structural budget variances (originally identified as part of FCS02478 Financial Stability: Addressing Budget and Growth Challenges, presented to Executive Committee on August 14, 2024) have been addressed through reallocating budget during the 2024 Fall SOBA.

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Tax Supported Operations	2025			Tax Change %	2026			Tax Change %
	Revenue	Expense	Net		Revenue	Expense	Net	
(Municipal Enterprises)								
(Municipal Enterprises)								
Blatchford Redevelopment Project	32,108	24,159	7,949		33,946	25,318	8,628	
Total operating budget changes from prior years			-		(3,364)	(2,326)	(1,038)	
Amended Blatchford Redevelopment Project	32,108	24,159	7,949		30,582	22,992	7,590	
Sales/COLS Adjustment	(3,364)	(2,326)	(1,038)		(4,335)	(2,997)	(1,338)	
Total Blatchford Redevelopment Project Changes	(3,364)	(2,326)	(1,038)		(4,335)	(2,997)	(1,338)	
Adjusted Blatchford Redevelopment Project	28,744	21,833	6,911		26,247	19,995	6,252	
Land Development	82,973	74,854	8,119		53,429	45,418	8,011	
Total operating budget changes from prior years			-		(39,527)	(49,709)	10,182	
Amended Land Development	82,973	74,854	8,119		13,902	(4,291)	18,193	
Sales/COLS Adjustment	(39,527)	(49,709)	10,182		38,588	39,108	(520)	
Total Land Development	(39,527)	(49,709)	10,182		38,588	39,108	(520)	
Adjusted Land Development	43,446	25,145	18,301		52,490	34,817	17,673	