

## Edmonton Elections Program Budget Increase

Administration recommends an ongoing 2025 budget increase of \$3.1 million to the Edmonton Elections Program in the Office of the City Clerk. There are two driving factors behind the recommended budget increase:

- Municipal Affairs Statutes Amendment Act, 2024 (Bill 20)
- Leveling of the Edmonton Elections Program budget

### A) Municipal Affairs Statutes Amendment Act, 2024 (Bill 20)

The Edmonton Elections will require additional funds to administer the 2025 municipal election. This is due to the anticipated proclamation of Bill 20. On October 2, 2024, Administration presented the Office of the City Clerk report OCC02658 to City Council for information. The report outlines additional expense commitments related to the 2025 election as a result of Bill 20. Attachment 1 of report OCC02658 lists the specific areas where expenses are expected to increase, or where new expenses will need to be incurred in 2025 and 2026.

A summary is provided below:

<b>Impact Area</b>	<b>2025 (Election Year Costs) (\$000)</b>	<b>2026 (Ongoing Costs) (\$000)</b>
Automated Voting Equipment Prohibition	\$2,562	
Permanent Electors Register	1,762	598
Special Ballot Expansion	371	
Election Finance Changes, Candidates, etc.	630	233
Enhanced Election Support Structure	676	153
<b>Subtotal</b>	<b>6,001</b>	<b>984</b>
Less Contract Cost Savings	(1,159)	-
<b>Subtotal</b>	<b>4,842</b>	<b>984</b>
Less School Board Recoveries	(1,937)	(393)
<b>City of Edmonton Bill 20 Related Costs</b>	<b>\$2,905</b>	<b>\$591</b>

The incremental costs required to accommodate full compliance with Bill 20 for the remainder of this budget cycle (2025 and 2026) are \$3.5 million, with \$2.9 million net

additional costs in 2025 (one-time) and \$0.6 million in net additional costs in 2026 (ongoing). This equates to a tax levy per cent increase of 0.14% for 2025 and a net 0.11 per cent decrease for 2026. In the 2027 to 2030 budget cycle, the City's estimated incremental costs associated with Bill 20 are estimated to be \$5.9 million over the four year period, with the majority of these costs being incurred in 2029 during the election year.

### **B) Budget Leveling**

Historically, the Edmonton Elections Program (the Program) budget has been highly variable, with budget levels peaking during election years. Variability in expenses are a result of the periodic nature of elections that result in higher expenses being incurred within the election year. Over a typical four year budget cycle, the Program budget variance can exceed 800 per cent between election years and non-election years.

To address this inherent variability, Administration is recommending funding this program via a consistent annual tax levy contribution of \$3.1 million, beginning in 2025. The \$3.1 million estimate has been calculated to fully fund all Bill 20 related cost increases and provide full funding to administer the Program through this budget cycle and into future budget cycles.

With the approval of stable and consistent annual funding, Administration will no longer be bringing forward election service packages. These financial commitments will be managed within the annual funding envelope provided.

To complement the annual funding increase, Administration is also recommending to manage the program through a new 'Municipal Elections Reserve' (the Reserve). In non-election years, the program budget will be deposited in the reserve, which will be drawn down and used when required during election periods.

The Reserve recommendation will come forward to Council in the upcoming 2024 Reserves Review Council report FCS02667 in December.

A forecast of election expenditures (net of recoveries from School Boards) over 2025 to 2029 is provided below, along with estimated contributions to and draws from the proposed Reserve.

### Attachment 3

	2025	2026	2027	2028	2029
<b>FUNDING</b>					
Program Base (Approved)	591	591	591	591	591
2025 Election (Approved)	4,360	151	-	-	-
Annual Contribution (Proposed)	3,100	3,100	3,100	3,100	3,100
	<b>8,051</b>	<b>3,842</b>	<b>3,691</b>	<b>3,691</b>	<b>3,691</b>
<b>EXPENDITURES</b>					
Program Base	591	591	591	591	591
2025 Election (pre-Bill 20)	4,360	151			
2025 Election (Bill 20 Impacts)	2,905	591	591	591	591
2029 Election			381	2,240	7,265
	<b>7,856</b>	<b>1,333</b>	<b>1,563</b>	<b>3,422</b>	<b>8,447</b>
<b>RESERVE BALANCE</b>					
Transfer from operations	195	2,509	2,128	269	
Transfer to operations					(4,756)
Balance - Surplus / (Deficit)	195	2,704	4,832	5,101	345