

2025-2026 Operating Budget Changes

REPLACEMENT Attachment 1 - revised for carried Council amendments

Tax Supported Operations ((\$000s))	2025				2026			
	Revenue	Expense	Net	Tax Change %	Revenue	Expense	Net	Tax Change %
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	-	-	-	-	31,174	31,174	-	0.0
Amended Tax Supported Operations	3,710,252	3,710,252	-	7.0	3,887,464	3,887,464	-	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 Power Franchise Fees	9,679	-	(9,679)	(0.5)	3,544	-	(3,544)	(0.2)
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)	-	-	-	-
---------------------------------	-------	-----	---------	-------	---	---	---	---

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	-	-	-	-
---	---	--------	--------	-----	---	---	---	---

46,595	20,149	(26,446)	(1.2)	7,079	27	(7,052)	(0.3)
---------------	---------------	-----------------	--------------	--------------	-----------	----------------	--------------

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	-	-	-	-
--------------------------	-------	-------	-------	-----	---	---	---	---

Changes to WCB Premiums

* Corporate Expenditures	-	1,500	1,500	0.1	-	-	-	-
--------------------------	---	-------	-------	-----	---	---	---	---

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	-	-	-	-
--------------------------	---	-----	-----	-----	---	---	---	---

2,067	12,416	10,349	0.5	-	-	-	-
--------------	---------------	---------------	------------	----------	----------	----------	----------

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 Wihkwêntôwin Renaming Project

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

-	-	-	-	-	-	-	-
----------	----------	----------	----------	----------	----------	----------	----------

4. Impacts Managed Internally

Ongoing adjustments to address structural budget variances

Parks and Roads Services

* 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	-	-	-	-

2025-2026 Operating Budget Changes

REPLACEMENT Attachment 1 - revised for carried Council amendments

Tax Supported Operations (\$000s)	2025				2026			
	Revenue	Expense	Net	Tax Change %	Revenue	Expense	Net	Tax Change %
<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)	-	-	-	-
<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
<u>In Private (see attachment 4)</u>	-	(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)	-	-

2025-2026 Operating Budget Changes

REPLACEMENT Attachment 1 - revised for carried Council amendments

Tax Supported Operations (\$000s)	2025				2026			
	Revenue	Expense	Net	Tax Change %	Revenue	Expense	Net	Tax Change %
Fleet and Facility Services								
Hydrogen Pilot Project - Emissions Reduction Alberta Grant Funding	1,994	1,994	-	-	2,589	2,589	-	-
Development Services								
One-Time Servicing Study (requires exemption to Policy C610)	1,281	1,281	-	-	(140)	(140)	-	-
Shift funding of membership fees for FCM and Alberta Municipalities								
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)								
Edmonton Police Services								
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	-	23,478	23,478	1.1	-	4,058	4,058	0.2
Total Operating Budget Changes - Proposed Fall SOBA	45,315	69,895	24,580	1.1	(3,301)	21,015	24,316	1.1

7. Council approved amendments

OP 1	Corporate Expenditures - Release EPCOR Power FF held in Financial Strategies to tax levy	-	(9,679)	(9,679)	(0.5)	-	(3,544)	(3,544)	(0.2)
OP 2	Corporate Expenditures - Reduce the 1% FSR Repayment to 0.5% in 2025 and to 0.6% in 2026 (5-Year repayment)	-	(10,742)	(10,742)	(0.5)	-	(9,339)	(9,339)	(0.4)
OP 3	Corporate Expenditures - Release EPCOR Dividend held in Financial Strategies to tax levy	-	(8,000)	(8,000)	(0.4)	-	-	-	-
OP 4	Corporate Expenditures - Decrease Pay-As-You-Go operating transfer to capital	-	(15,000)	(15,000)	(0.7)	-	-	-	-
OP 5	Edmonton Transit Service - Reduce ETS Revenue and replace with transfer from LRT Reserve to cover ETS revenue shortfall	(13,000)	-	13,000	-	-	-	-	-
OP 5	Edmonton Transit Service - Reduce ETS Revenue and replace with transfer from LRT Reserve to cover ETS revenue shortfall	13,000	-	(13,000)	-	-	-	-	-
OP 6	Parks and Roads Services - Partially Fund City Centre Optimization (using City staff) Service Package from Financial Strategies	-	3,100	3,100	-	-	-	-	-
OP 6	Corporate Expenditures - Partially Fund City Centre Optimization (using City staff) Service Package from Financial Strategies	-	(3,100)	(3,100)	-	-	-	-	-
OP 7	Parks and Roads Services - Partially Fund Turf and Horticulture Service Package from Financial Strategies	-	400	400	-	-	1,000	1,000	-
OP 7	Corporate Expenditures - Partially Fund Turf and Horticulture Service Package from Financial Strategies	-	(400)	(400)	-	-	(1,000)	(1,000)	-
OP 8	Parks and Roads Services - Fund Tree Pruning Service Package from Financial Strategies	-	861	861	-	-	-	-	-
OP 8	Corporate Expenditures - Fund Tree Pruning Service Package from Financial Strategies	-	(861)	(861)	-	-	-	-	-
OP 9	Federation of Community Leagues - Fund EFCL CLIP Budget Request Service Package from Council Contingency	-	475	475	-	-	(475)	(475)	-

2025-2026 Operating Budget Changes

REPLACEMENT Attachment 1 - revised for carried Council amendments

Tax Supported Operations (\$000s)		2025				2026			
		Revenue	Expense	Net	Tax Change %	Revenue	Expense	Net	Tax Change %
OP 9	Corporate Expenditures - Fund EFCL CLIP Budget Request Service Package from Council Contingency	-	(475)	(475)	-	-	475	475	-
OP 10	Community Standards and Neighbourhoods - Fund Capital City Clean up for BIAs from CSWB	-	850	850	-	-	-	-	-
OP 10	Corporate Expenditures - Fund Capital City Clean up for BIAs from CSWB	-	(850)	(850)	-	-	-	-	-
OP 11	Economic Investment Services - Fund IIAP - Industrial Growth Hub Service Package from Financial Strategies	-	462	462	-	-	1	1	-
OP 11	Corporate Expenditures - Fund IIAP - Industrial Growth Hub Service Package from Financial Strategies	-	(462)	(462)	-	-	(1)	(1)	-
OP 23	Explore Edmonton - Fund Change in Base Budget Service Package from Commercial Revitalization Reserve	-	4,700	4,700	-	-	(4,700)	(4,700)	-
OP 23	Explore Edmonton - Fund Change in Base Budget Service Package from Commercial Revitalization Reserve	4,700	-	(4,700)	-	-	4,700	4,700	-
OP 25	Corporate Expenditures - Workers' Compensation Board premiums for Council members	-	40	40	0.0	-	-	-	-
OP 25	Mayor and Councillor Offices - Workers' Compensation Board premiums for Council members	-	(40)	(40)	(0.0)	-	-	-	-
Total Council Approved Amendments		4,700	(38,721)	(43,421)	(2.0)	-	(12,883)	(12,883)	(0.6)

8. Required adjustments

Adjustment to tax revenue	(18,841)	-	18,841		11,433	-	(11,433)	
Adjusted Tax Supported Operations Budget	3,741,426	3,741,426	-	6.1	3,895,596	3,895,596	-	6.8

* 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.

Municipal Enterprises (\$000s)	2025			2026		
	Revenue	Expense	Net	Revenue	Expense	Net
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