

**Summary of Reserve Accounts Activities**

\* Projections are as at September 30, 2024, and reflect impacts of adjustments proposed in the Fall 2024 Supplemental Budget Adjustments.  
(\$ millions)

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Affordable Housing	<b>Opening Balance</b>	\$ 31.8	\$ 48.5	\$ 69.1	\$ 59.5	\$ 55.8	\$ 49.7
	<i>Additions:</i>						
	Transfer from operations- Affordable Housing and Other Program operating surplus	\$ 23.5	\$ 23.5	\$ 23.5	\$ 23.6	\$ 6.0	\$ 6.0
	Transfer from operations - First Place Program Operating surplus	\$ 0.4	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.7	\$ 0.8
	<i>Withdrawals:</i>						
	Transfer to operations - funding of Affordable Housing and other grants expenses	\$ (24.8)	\$ (40.6)	\$ (44.5)	\$ (14.4)	\$ (2.9)	\$ (0.7)
	First Place surplus site admin fee	\$ (0.1)	\$ (0.1)	\$ (0.1)	\$ (0.1)	\$ (0.1)	\$ -
	<b>Closing Balance</b>	\$ 30.8	\$ 31.8	\$ 48.5	\$ 69.1	\$ 59.5	\$ 55.8

**Additional Information:** Due to the nature of Affordable Housing Projects, the City commits tax levy grant funding in the year it is budgeted to non profit agencies to build affordable housing. The grants are paid to the agencies as construction is completed which can take a number of years. Spending in 2024 and future years is anticipated to be higher largely due to the tax levy AHIP budget increasing from \$6M per year to \$23.5M per year in the 2023-2026 budget cycle. The \$30.8 million remaining at the end of 2026 is for affordable housing projects that were awarded funding in the 2023-2026 budget cycle, which have not hit the key construction milestones required to have funding released.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Brownfield Redevelopment	<b>Opening Balance</b>	\$ (5.5)	\$ (5.2)	\$ (2.0)	\$ (3.1)	\$ (2.9)	\$ (2.3)
	<i>Additions:</i>						
	Transfer from operations - incremental tax-levy	\$ 0.5	\$ 0.5	\$ 0.5	\$ 2.7	\$ 0.1	\$ 0.4
	<i>Withdrawals:</i>						
	Transfer to operations - offset Brownfield grant expense	\$ (0.8)	\$ (0.8)	\$ (3.7)	\$ (1.6)	\$ (0.3)	\$ (1.0)
	<b>Closing Balance</b>	\$ (5.8)	\$ (5.5)	\$ (5.2)	\$ (2.0)	\$ (3.1)	\$ (2.9)

**Additional Information:** To facilitate implementation of City Policy C571 Brownfield Remediation and Redevelopment Support, the reserve supports Phase III Brownfield Redevelopment grant payments to qualified developers under the program to help finance developer costs related to environmental testing, remediation and/or exposure control in preparation for redevelopment. The reserve will accumulate timing differences between recognition of the City's liability (expense) to provide funds to the grant applicant for Phase III redevelopment work and receipt of future municipal tax uplift from the redevelopment. Upon approval of the Phase III Grant Funding Agreement by City Council, a liability is recognized by the City. The liability and related expense will be up to the lesser of 100 per cent of the total Phase III remediation costs or the projected net municipal tax uplift, as calculated by the City Assessor.

On September 13, 2023, City Council approved an increase in the scope of the reserve to accommodate timing differences for Brownfield Phase I, II and IV grants as well. It may take several years for applicants to complete remediation and redevelopment work, and to fulfill the criteria of the Grant Funding Agreement for Phase I, II, and IV grants. The grants are only provided once the applicant has fulfilled all the criteria of the Grant Funding Agreement. This may result in a delay between when the grant and related budget are approved and when the grant is actually distributed to the applicant. The approved change would have the reserve accumulate any timing differences between when applicants enter a Grant Funding Agreement and the budget is approved and when they fulfill the criteria for grant payment.

The Brownfield reserve will be repaid through future incremental municipal tax uplift from the redevelopment and remediation of Brownfield sites. As at December 31, 2023 this reserve had a deficit balance of \$(2.0) million. The deficit forecast for this reserve is dependent on the number and dollar amount of new agreements for Phase III Brownfield sites. The reserve is projecting a deficit balance of \$(5.2) million as at December 31, 2024 and \$(5.8) million as of December 31, 2026. The deficit balance will be recovered through municipal tax uplift for signed Phase III grant agreements. Slower economic conditions could result in lower than expected redevelopment and incremental property taxes from brownfield sites. Ultimately, if future revenue streams are not realized or conditions of the agreement are not met, payments are not made to the developer and hence repayment of the reserve is delayed.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Cemetery (Previously Perpetual Care)	<b>Opening Balance</b>	\$ 3.0	\$ 4.6	\$ 6.4	\$ 5.5	\$ 4.7	\$ 3.6
	<i>Additions:</i>						
	25% of Sales from plots, niches, gardens and foundations	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.6	\$ 0.6	\$ 0.5
	<i>Withdrawals:</i>						
	Transfer to capital	\$ (0.3)	\$ (2.3)	\$ (2.5)	\$ -	\$ -	\$ (0.2)
	<i>Interest Earned:</i>						
		\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.3	\$ 0.2	\$ 0.8
	<b>Closing Balance</b>	\$ 3.4	\$ 3.0	\$ 4.6	\$ 6.4	\$ 5.5	\$ 4.7

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Commercial Revitalization	<b>Opening Balance</b>	\$ 6.0	\$ 6.6	\$ 7.1	\$ 6.1	\$ 4.8	\$ 1.6
	<i>Additions:</i>						
	Transfer from operations - Tax Levy	\$ -	\$ -	\$ -	\$ 1.0	\$ 1.3	\$ 3.2
	<i>Withdrawals:</i>						
	Transfer to operations - Grant payments	\$ (0.1)	\$ (0.6)	\$ (0.5)	\$ -	\$ -	\$ -
	<i>Interest Earned:</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Closing Balance</b>	\$ 5.9	\$ 6.0	\$ 6.6	\$ 7.1	\$ 6.1	\$ 4.8

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Commonwealth Stadium	<b>Opening Balance</b>	\$ 2.2	\$ 2.2	\$ 2.2	\$ 2.1	\$ 2.0	\$ 1.9
	<i>Additions:</i>						
	Transfer from operations - Concession Revenue	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.3	\$ 0.4	\$ 0.3
	Transfer to operations - Tax Levy	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2
	<i>Withdrawals:</i>						
	Transfer to capital	\$ (0.5)	\$ (0.5)	\$ (0.5)	\$ (0.3)	\$ (0.4)	\$ (0.4)
	Transfer to operations	\$ (0.2)	\$ (0.2)	\$ (0.2)	\$ (0.2)	\$ (0.1)	\$ -
		<i>Interest Earned:</i>	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ -
	<b>Closing Balance</b>	\$ 2.2	\$ 2.2	\$ 2.2	\$ 2.2	\$ 2.1	\$ 2.0

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Community Revitalization Levy - Belvedere	<b>Opening Balance</b>	\$ (18.5)	\$ (17.8)	\$ (16.4)	\$ (15.2)	\$ (14.2)	\$ (11.0)
	<i>Additions:</i>						
	Transfer from operations - annual CRL surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<i>Withdrawals:</i>						
	Transfer to operations - offset annual CRL deficit	\$ (0.4)	\$ (0.7)	\$ (1.4)	\$ (1.2)	\$ (1.0)	\$ (3.2)
	<i>Interest Earned:</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Closing Balance</b>	\$ (18.9)	\$ (18.5)	\$ (17.8)	\$ (16.4)	\$ (15.2)	\$ (14.2)

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Community Revitalization Levy - Downtown	<b>Opening Balance</b>	\$ (31.9)	\$ (23.5)	\$ (10.5)	\$ (10.2)	\$ (11.7)	\$ (13.8)
	<i>Additions:</i>						
	Transfer from operations - annual CRL surplus	\$ -	\$ -	\$ -	\$ -	\$ 1.5	\$ 2.1
	<i>Withdrawals:</i>						
	Transfer to operations - offset annual CRL deficit	\$ (19.7)	\$ (8.4)	\$ (13.0)	\$ (0.3)	\$ -	\$ -
	<i>Interest Earned:</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Closing Balance</b>	\$ (51.6)	\$ (31.9)	\$ (23.5)	\$ (10.5)	\$ (10.2)	\$ (11.7)

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Community Revitalization Levy - Quarters	<b>Opening Balance</b>	\$ (26.3)	\$ (22.7)	\$ (19.3)	\$ (16.4)	\$ (14.2)	\$ (12.2)
	<i>Additions:</i>						
	Transfer from operations - annual CRL surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<i>Withdrawals:</i>						
	Transfer to operations - offset annual CRL deficit	\$ (2.8)	\$ (3.6)	\$ (3.4)	\$ (2.9)	\$ (2.2)	\$ (2.0)
<i>Interest Earned:</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	<b>Closing Balance</b>	\$ (29.1)	\$ (26.3)	\$ (22.7)	\$ (19.3)	\$ (16.4)	\$ (14.2)

**Additional Information:** The City invests in public infrastructure within a CRL area, which is intended to attract private investment, redevelopment and revitalization within the defined CRL area. The property and education property tax revenue from the new development, along with any revenue from these taxation sources attributing to the lift in the value of existing property within the area, is directed to paying the costs of the infrastructure, including financing costs, for up to twenty years. Timing differences between incurring costs and the collection of CRL tax revenues has resulted in deficit balances in the CRL reserves. Future CRL tax revenues will offset the existing shortfalls.

As of December 31, 2023, existing Community Revitalization Levy reserves are for the Belvedere, Capital City Downtown, and Quarters areas and the deficit balances for each are \$(16.4) million, \$(10.5) million and \$(19.3) million, respectively.

An annual update report on how the CRLs are expected to perform long-term is presented to City Council or Executive Committee each year. On March 20, 2024 the 2024 Annual Community Revitalization Levy Update - Downtown, the Quarters, and Belvedere (report UPE02234) was presented to Executive Committee. The report provided the following update on each CRL:

Revenue projections for the CRLs had decreased from the previous years to reflect current economic conditions. Ongoing municipal tax revenues would cover the shortfall projected by each CRL.  
 Belvedere CRL - A shortfall of \$12.9 million is projected over the 20-year CRL term from January 1, 2012 to December 31, 2032. Ongoing municipal tax revenues in the area would cover this shortfall by 2037.  
 Quarters CRL - A shortfall of \$47.9 million is projected over the 20-year CRL term from January 1, 2012 to December 31, 2031. Ongoing municipal tax revenues would cover this shortfall by 2036.  
 Downtown CRL - A shortfall of \$75.9 million is projected over the 20-year CRL term from January 1, 2015 to December 31, 2034. Ongoing municipal tax revenues would cover this shortfall by 2036.

Updated Financial forecasts for each CRL will be provided to Executive Committee as part of the annual CRL update in the first quarter of 2025. Administration will also present reports outlining options to extend the end date of the Capital City Downtown CRL and options to extend both the end date and boundary of the Quarters and Belvedere CRLs to Executive Committee in the first quarter of 2025. Administration will continue to adjust the long-term assumptions for assessment growth based on new market information on an annual basis.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Community Safety and Well-Being	<b>Opening Balance</b>	\$ -	\$ -	\$ 10.2	\$ -	\$ -	\$ -
	<i>Additions:</i>						
	Unspent Funds from various Community and Safety Well Being initiatives	\$ -	\$ -	\$ -	\$ 7.4	\$ -	\$ -
	Transfer Financial Stabilization - Appropriated Reserve	\$ -	\$ -	\$ -	\$ 2.8	\$ -	\$ -
	<i>Withdrawals:</i>						
Transfer to Operations - Various Community and Safety Well Being initiatives	\$ -	\$ -	\$ (10.2)	\$ -	\$ -	\$ -	
	<b>Closing Balance</b>	\$ -	\$ -	\$ -	\$ 10.2	\$ -	\$ -

**Additional Information:** Community Safety and Well-Being (CSWB) receives \$21.9 millions per year budgeted directly in the branches managing CSWB initiatives. Funds approved for CSWB initiatives not spent by year-end, due to timing of expenditures, will be held within the reserve to offset expenses when they are incurred in future years.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Developer Recoveries	<b>Opening Balance</b>	\$ 7.0	\$ 8.6	\$ 12.8	\$ 10.5	\$ 11.0	\$ 11.8
	<i>Additions:</i>						
	Transfer from operations - Developer Fees	\$ -	\$ -	\$ -	\$ 2.1	\$ 0.4	\$ -
	<i>Withdrawals:</i>						
	Transfer to capital	\$ (2.0)	\$ (2.0)	\$ (4.7)	\$ -	\$ (1.0)	\$ (0.8)
<i>Interest Earned:</i>	\$ 0.2	\$ 0.4	\$ 0.5	\$ 0.2	\$ 0.1	\$ -	
	<b>Closing Balance</b>	\$ 5.2	\$ 7.0	\$ 8.6	\$ 12.8	\$ 10.5	\$ 11.0

**Additional Information:** This reserve is funded from fees collected from external developers where the City was the initial developer constructing the arterial roadway. The funds collected can then be used to fund future arterial roadway recoverable projects as approved by City Council through the capital budget. Most of the current funding in the reserve is committed in capital projects, and as funding is recovered from past Arterial Roadway Assessment (ARA) projects, the City can consider funding new recoverable ARA projects in the future as the initial developer.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Edmonton Police Service	<b>Opening Balance</b>	\$ -	\$ -	\$ (1.1)	\$ 0.3	\$ (2.9)	\$ 7.0
	<i>Additions:</i>						
	Operating Surplus	\$ -	\$ -	\$ 1.1	\$ -	\$ 3.2	\$ -
	<i>Withdrawals:</i>						
	Transfer to operations	\$ -	\$ -	\$ -	\$ (1.4)	\$ -	\$ (9.9)
	<b>Closing Balance</b>	\$ -	\$ -	\$ -	\$ (1.1)	\$ 0.3	\$ (2.9)

**Additional Information:** The balance in the EPS Operating Reserve as at December 31, 2023 is a deficit of \$1.1 million. In accordance with C605 Edmonton Police Reserve, 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. On April 24, 2024 City Council approved Edmonton Police Commission report that the EPS Operating Reserve be replenished by management of EPS operating expenditures from 2024 to 2026. It is anticipated that the deficit will be replenished at the end of 2024.

Reserve	Activity	Projection			Actual			
		2026*	2025*	2024*	2023	2022	2021	
Financial Stabilization	<b>Opening Balance</b>	\$ 58.8	\$ 78.2	\$ 151.6	\$ 68.4	\$ 121.7	\$ 129.0	
	<i>Additions:</i>							
	Released FSR Appropriated - funding no longer needed	\$ -	\$ -	\$ 11.7	\$ 15.8	\$ 12.2	\$ 6.5	
	Transfer from operations - prior year tax-supported operating surplus	\$ -	\$ -	\$ -	\$ 81.6	\$ 52.3	\$ 40.4	
	Loan Guarantee released - Edmonton Metropolitan Transit Service Commission	\$ -	\$ -	\$ -	\$ 4.6	\$ -	\$ -	
	Loan Guarantee released - Telus World of Science				\$ 4.0			
	Loan Guarantee released - Fort Edmonton Management Company				\$ 0.7			
	Closure of Enterprise Portfolio Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1.0	
	Other	\$ -	\$ -	\$ -	\$ 3.2	\$ -	\$ 0.3	
	<i>Withdrawals:</i>							
	Transfer to operations - prior year tax-supported operating loss	\$ -	\$ (19.4)	\$ (40.6)	\$ -	\$ -	\$ -	
	Transfer to FSR Appropriated - funding approved from FSR for specific projects by City Council	\$ -	\$ -	\$ (43.8)	\$ (26.7)	\$ (111.4)	\$ (22.9)	
	COVID-19 Funding - Transfer to FSR Appropriated for potential pandemic impacts	\$ -	\$ -	\$ -	\$ -	\$ (6.4)	\$ (25.0)	
	Equity Loan Write off (Waste Management Services non-regulated operations)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7.6)	
	Other	\$ -	\$ -	\$ (0.7)	\$ -	\$ -	\$ -	
		<b>Closing Balance</b>	\$ 58.8	\$ 58.8	\$ 78.2	\$ 151.6	\$ 68.4	\$ 121.7
		<b>Minimum Balance Threshold</b>	\$ 133.8	\$ 133.8	\$ 133.8	\$ 133.8	\$ 123.5	\$ 122.8
		<b>Target Balance</b>	\$ 222.1	\$ 222.1	\$ 222.1	\$ 222.1	\$ 205.1	\$ 203.9

**Minimum/Target:** Minimum reserve balance of 5% of general government expenses, and a target balance of 8.3%, as per City Policy C629A Financial Stabilization Reserve (Proposed), to manage Financial risk exposure to the City.

**Additional Information:** The 2024 projected year-end tax-supported deficit is estimated to be \$19.4 million as of September 30, 2024. This is reflected in the September 30, 2024 Operating Financial Update (Financial and Corporate Services report FCS02724), which will be presented to City Council on December 10, 2024 and available on the December 10, 2024 City Council meeting agenda on November 28, 2024.

Reserve	Activity	Projection			Actual			
		2026*	2025*	2024*	2023	2022	2021	
Financial Stabilization - Appropriated	<b>Opening Balance</b>	\$ 26.0	\$ 37.6	\$ 100.0	\$ 192.4	\$ 181.0	\$ 213.3	
	<i>Additions:</i>							
	Carryforward requests for prior year projects	\$ -	\$ -	\$ 25.8	\$ 20.8	\$ 42.4	\$ 7.8	
	Transfer from FSR Unappropriated - funding approved for specific projects by City Council	\$ -	\$ -	\$ 18.1	\$ 5.9	\$ 69.0	\$ 15.1	
	Private Report - July 4, 2023 CS01929, revised attachment 1	\$ -	\$ -	\$ -	\$ 3.6	\$ -	\$ -	
	Transit COVID Funding Support (RESTOR funds)	\$ -	\$ -	\$ -	\$ -	\$ 67.0	\$ -	
	COVID-19 Funding - Transfer from FSR Unappropriated for potential pandemic impacts	\$ -	\$ -	\$ -	\$ -	\$ 6.4	\$ 25.0	
	COVID-19 Funding - Reallocation of Financial Strategies on a one-time basis to help offset pandemic impacts.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22.9	
	COVID-19 Funding - Transfer from Neighbourhood Renewal Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17.0	
	Annuity Plan Settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13.7	
	Equity Loan Write off (Waste Management Services non-regulated operations)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7.6	
	Air Service Opportunities Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7.3	
	<i>Withdrawals:</i>							
	Funding of operating expenditures	\$ (11.6)	\$ (11.2)	\$ (70.9)	\$ (90.9)	\$ (157.0)	\$ (129.0)	
	Funding of capital expenditures	\$ -	\$ (0.4)	\$ (23.7)	\$ (3.9)	\$ (4.2)	\$ (0.3)	
	Funding released back to unappropriated FSR	\$ -	\$ -	\$ (11.7)	\$ (15.8)	\$ (12.2)	\$ (6.5)	
	Loan Guarantee released - Edmonton Metropolitan Transit Service Commission	\$ -	\$ -	\$ -	\$ (4.6)	\$ -	\$ -	
	Loan Guarantee released - Telus World of Science	\$ -	\$ -	\$ -	\$ (4.0)	\$ -	\$ -	
	Loan Guarantee released - Fort Edmonton Management Company	\$ -	\$ -	\$ -	\$ (0.7)	\$ -	\$ -	
	Transfer to Community and Safety Well Being Reserve	\$ -	\$ -	\$ -	\$ (2.8)	\$ -	\$ -	
	Equity Loan Write off (Waste Management Services non-regulated operations)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7.6)	
	EPCOR Drainage Stranded Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5.3)	
	<b>Closing Balance</b>		\$ 14.4	\$ 26.0	\$ 37.6	\$ 100.0	\$ 192.4	\$ 181.0

**Additional Information:** The remaining \$14.4 million at the end of 2026 represents funding for specific projects appropriated within the FSR (as approved by City Council), with spending timelines yet to be determined.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Fleet Services - Vehicle Replacement	<b>Opening Balance</b>	\$ 35.3	\$ 29.3	\$ 35.7	\$ 39.0	\$ 36.4	\$ 25.2
	<i>Additions:</i>						
	Transfer from operations - Fleet replacement charges	\$ 31.2	\$ 29.4	\$ 28.9	\$ 26.4	\$ 25.2	\$ 26.0
	Proceeds on sale of assets	\$ 0.6	\$ 0.5	\$ 0.5	\$ 1.0	\$ 1.1	\$ 2.0
	Other	\$ -	\$ -	\$ -	\$ 1.5	\$ -	\$ -
	<i>Withdrawals:</i>						
	Transfer to capital - funding for fleet replacement	\$ (34.5)	\$ (21.1)	\$ (33.0)	\$ (32.2)	\$ (23.7)	\$ (16.8)
	Transfer to emissions neutral capital	\$ (2.8)	\$ (2.8)	\$ (2.8)	\$ -	\$ -	\$ -
<b>Closing Balance</b>		\$ 29.8	\$ 35.3	\$ 29.3	\$ 35.7	\$ 39.0	\$ 36.4

**Additional Information:** The Fleet Reserve has outstanding purchase commitments from prior years (up to the year 2023) of \$21M due to procurement delays which are not reflected in the reserve closing balance. Once fleet vehicles have been delivered, these outstanding commitments as well as estimated inflationary impacts for 2025 and 2026 purchases, will draw the reserve balance in 2026 down to \$2.4M.

The Fleet Reserve supports over 2,000 fleet assets with an acquisition cost of \$208M and a net book value over \$78.1M.

Fleet Reserve projections are subject to significant assumptions around inflation, foreign exchange, procurement timing and technological change all of which have seen pronounced volatility since the pandemic. The expectation is that this unpredictability will continue in certain aspects for the foreseeable future. Fleet and Facility Services ('FFS') engaged an external consultant to conduct a review of the City's Fleet Replacement Reserve. Work commenced in mid-February 2024 and is still underway. Findings from the study could lead to changes to the fleet funding model and reserve management.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Fort Edmonton Train Maintenance	<b>Opening Balance</b>	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1
	<i>Additions:</i>						
	Transfer from operations - Fort Edmonton Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<i>Withdrawals:</i>						
	Interest Earned:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Closing Balance</b>	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Funds in Lieu	<b>Opening Balance</b>	\$ 31.2	\$ 31.6	\$ 37.6	\$ 35.6	\$ 29.4	\$ 21.9
	<i>Additions:</i>						
	Developer contributions	\$ 5.2	\$ 5.2	\$ 5.6	\$ 7.2	\$ 6.8	\$ 5.5
	Proceed from land sales	\$ -	\$ -	\$ -	\$ 2.8	\$ -	\$ 3.8
	<i>Withdrawals:</i>						
	Transfer to capital	\$ (5.5)	\$ (7.0)	\$ (13.1)	\$ (10.0)	\$ (1.2)	\$ (1.9)
	Other	\$ -	\$ -	\$ -	\$ -	\$ (0.1)	\$ -
	<i>Interest Earned:</i>	\$ 1.4	\$ 1.4	\$ 1.5	\$ 2.0	\$ 0.7	\$ 0.1
	<b>Closing Balance</b>	\$ 32.3	\$ 31.2	\$ 31.6	\$ 37.6	\$ 35.6	\$ 29.4

**Additional Information:** The reserve balance ensures the City can purchase buy parkland in residential areas when opportunities arise. The reserve balance is maintained to facilitate timely land purchases for various public purposes, including parks, recreation areas, and school board needs. A sufficient balance is crucial to capitalize on potential opportunities as they arise within designated areas. The MGA requires that such funds be used for "a public park, a public recreation area, school authority purposes, or to separate areas of land that are used for different purposes".

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Heritage Resources	<b>Opening Balance</b>	\$ 3.0	\$ 5.3	\$ 6.3	\$ 6.0	\$ 5.0	\$ 3.7
	<i>Additions:</i>						
	Transfer from operations - Tax Levy budget for Heritage Conservation Grant	\$ 2.2	\$ 2.5	\$ 2.5	\$ 2.3	\$ 2.3	\$ 2.3
	<i>Withdrawals:</i>						
	Transfer to operations	\$ (4.0)	\$ (4.8)	\$ (3.5)	\$ (2.0)	\$ (1.1)	\$ (1.0)
	Transfer to capital	\$ -	\$ -	\$ -	\$ -	\$ (0.2)	\$ -
	<b>Closing Balance</b>	\$ 1.2	\$ 3.0	\$ 5.3	\$ 6.3	\$ 6.0	\$ 5.0

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Industrial Infrastructure Cost Sharing	<b>Opening Balance</b>	\$ 0.9	\$ 6.1	\$ 12.3	\$ 11.6	\$ 9.5	\$ 2.5
	<i>Additions:</i>						
	Tax Uplift	\$ 4.2	\$ 4.2	\$ 4.2	\$ 5.1	\$ 3.6	\$ 3.9
	Accrued Interest	\$ -	\$ 0.1	\$ 0.4	\$ 0.4	\$ 0.2	\$ -
	Developer Contributions	\$ -	\$ -	\$ -	\$ 0.1	\$ -	\$ -
	Debt Borrowing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3.2
	<i>Withdrawals:</i>						
	Rebate Payment	\$ (1.5)	\$ (8.2)	\$ (9.5)	\$ (4.1)	\$ (0.9)	\$ -
	Debt Repayment	\$ (1.2)	\$ (1.3)	\$ (1.3)	\$ (0.8)	\$ (0.8)	\$ (0.1)
	<b>Closing Balance</b>	\$ 2.4	\$ 0.9	\$ 6.1	\$ 12.3	\$ 11.6	\$ 9.5

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Interim Financing	<b>Opening Balance</b>	\$ (40.9)	\$ (34.0)	\$ (34.8)	\$ (36.1)	\$ (37.8)	\$ (37.8)
	<i>Additions:</i>						
	Downtown Arena (Non-CRL) - rent revenue	\$ 8.3	\$ 8.3	\$ 8.3	\$ 8.3	\$ 8.3	\$ 8.3
	Downtown Arena (Non-CRL) - ticket surcharge revenue less transfer to Rogers Place reserve	\$ 6.2	\$ 6.2	\$ 6.2	\$ 6.2	\$ 6.5	\$ 6.3
	Downtown Arena (Non-CRL) - Northlands Subsidy	\$ 2.7	\$ 2.7	\$ 2.7	\$ 2.7	\$ 2.7	\$ 2.7
	Transfer from Downtown CRL to cover lost parking revenue	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5
	Downtown Arena (Non-CRL) - property tax on parkades	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3
	Annexation Agreement with Leduc County	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5
	<i>Withdrawals:</i>						
	Transfer to operations - Downtown Arena (non-CRL) debt servicing	\$ (18.3)	\$ (18.3)	\$ (18.3)	\$ (18.3)	\$ (18.3)	\$ (18.3)
	Transfer to operations - offset variance for Edmonton Tower lease - tax-levy requirement vs. accounting	\$ (0.8)	\$ (0.8)	\$ (0.8)	\$ (0.8)	\$ (0.8)	\$ (2.2)
	Transfer to capital - Downtown Workspace Optimization	\$ (10.5)	\$ (8.1)	\$ (0.6)	\$ -	\$ -	\$ -
	<b>Closing Balance</b>	\$ (50.0)	\$ (40.9)	\$ (34.0)	\$ (34.8)	\$ (36.1)	\$ (37.8)

**Additional Information:** The Interim Financing Reserve was originally approved on November 19, 2014 and later amended on November 29, 2016. The purpose of the reserve is to accommodate timing differences between operating impacts of capital projects and related external funding sources, and differences that arise between the timing of cash requirements and recognition of expenses for accounting purposes. Reserve deficit balances will be repaid through external funding sources, or will gradually eliminate over time for those deficits being driven by accounting timing differences.

The reserve currently accommodates timing differences between debt servicing costs related to construction of Downtown Arena and non-tax revenue sources (including lease, ticket surcharge and property tax revenues) intended to fund the debt servicing, as well as temporary differences resulting from the accounting treatment of operating leases relating to the Edmonton Tower lease, and the Leduc Annexation Agreement liability recognition compared to actual payment remittance schedule. The reserve ended 2023 with a cumulative deficit balance of (\$34.8) million and is expected to have a deficit balance of (\$50.0) million on December 31, 2026, the end of the current budget cycle. The reserve is forecasted to reach a positive position in 2036 having offset prior year shortfalls accumulated in the reserve. In 2048 the reserve is projected to accumulate sufficient funds to cover the remaining debt servicing costs to the end of 2051.

A detailed cash flow forecast for the Interim Financing reserve is provided in Attachment 7.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Local Improvements	<b>Opening Balance</b>	\$ 147.1	\$ 145.2	\$ 142.7	\$ 140.6	\$ 138.9	\$ 137.9
	<i>Additions:</i>						
	Local improvement tax revenue	\$ 12.6	\$ 12.2	\$ 12.8	\$ 13.2	\$ 12.4	\$ 11.5
	<i>Withdrawals:</i>						
	Transfer to operations - funding for local improvement debt servicing	\$ (10.5)	\$ (10.3)	\$ (10.4)	\$ (11.0)	\$ (10.7)	\$ (10.5)
	<b>Closing Balance</b>	\$ 149.2	\$ 147.1	\$ 145.2	\$ 142.7	\$ 140.6	\$ 138.9

**Additional Information:** The Local Improvement reserve is funded by a local improvement tax levy and is used to pay off debt incurred for local improvement projects, mainly sidewalk construction. This reserve must maintain a balance sufficient to cover long-term debt (10-25 years) associated with these projects.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
LRT	<b>Opening Balance</b>	\$ 143.0	\$ 150.3	\$ 151.6	\$ 114.8	\$ 86.6	\$ 56.1
	<i>Additions:</i>						
	Tax Levy (dedicated) - Valley Line LRT	\$ 57.10	\$ 57.10	\$ 57.10	\$ 57.10	\$ 57.10	\$ 51.40
	Pre-2015 Tax-Supported Debt Servicing Room	\$ 17.53	\$ 17.53	\$ 13.61	\$ 12.12	\$ 10.29	\$ 6.67
	Tax-levy allocation - original LRT funding	\$ 5.11	\$ 5.11	\$ 5.11	\$ 5.11	\$ 5.11	\$ 5.11
	<i>Withdrawals:</i>						
	Valley Line SE - Debt Service (including P3 capital payments)	\$ (38.31)	\$ (38.31)	\$ (38.31)	\$ (20.28)	\$ (35.10)	\$ (17.27)
	Valley Line SE - Valley Line SE - Service Level payments	\$ (26.59)	\$ (25.93)	\$ (24.82)	\$ (5.24)	\$ - .0	\$ - .0
	Valley Line SE - City O&M and Rehabilitation Costs	\$ (1.62)	\$ (1.62)	\$ (5.54)	\$ (9.02)	\$ (8.12)	\$ (6.61)
	Capital - Cellular Service LRT Tunnels (CM-18-1515)	\$ (0.14)	\$ (2.38)	\$ (2.18)	\$ -	\$ -	\$ -
	Capital - One-time diesel buses purchase (24-61-3623)	\$ -	\$ (14.78)	\$ -	\$ -	\$ -	\$ -
	ETS - Permanent Enhanced Cleaning	\$ -	\$ (2.34)	\$ (1.84)	\$ -	\$ -	\$ -
	Parks and Road Services - Snow and Ice program and 50% City Centre Optimization	\$ -	\$ (0.90)	\$ (3.57)	\$ (2.13)	\$ -	\$ -
	South LRT - excess debt charges over Canada Community-Building Fund grant (formerly federal Gas Tax Fund grant)	\$ -	\$ (0.82)	\$ (0.84)	\$ (0.85)	\$ (0.86)	\$ (0.87)
	Capital - LRT Expansion (11-66-1673 Valley Line LRT)	\$ -	\$ -	\$ -	\$ -	\$ (0.23)	\$ (7.96)
	<b>Closing Balance</b>	\$ 156.0	\$ 143.0	\$ 150.3	\$ 151.6	\$ 114.8	\$ 86.6

**Additional Information:** Administration is currently doing an in-depth review of the LRT reserve now that the Valley Line SE is fully operations. The strategy currently being considered includes allocation of VLSE operational payments and debt service payments from the LRT Reserve to Edmonton Transit Services and Corporate Program respectively, while continuing to use the LRT Reserve for contractually and non-contractually obligated rehabilitation/renewal payments. Part of the analysis considers expanding the scope of the reserve to fund additional future renewal costs to help alleviate the renewal funding gap. Administration will return to City Council in Q2 2025 with a revised LRT strategy and reserve policy with recommendation for use of available funds from the reserve.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Motor Vehicle Insurance	<b>Opening Balance</b>	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5
	<i>Additions:</i> Transfer from operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<i>Withdrawals:</i> Transfer to operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Closing Balance</b>	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Natural Areas	<b>Opening Balance</b>	\$ 3.0	\$ 3.0	\$ 9.3	\$ 8.8	\$ 8.7	\$ 8.8
	<i>Additions:</i> Transfer from operations - Tax Levy for Natural Debt Payments	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0
	<i>Withdrawals:</i> Transfer to operations	\$ (1.1)	\$ (1.1)	\$ (1.1)	\$ (1.0)	\$ (1.1)	\$ (1.1)
	Transfer to capital	\$ -	\$ -	\$ (6.5)	\$ -	\$ -	\$ -
	<i>Interest Earned:</i>	\$ 0.1	\$ 0.1	\$ 0.3	\$ 0.5	\$ 0.2	\$ -
	<b>Closing Balance</b>	\$ 3.1	\$ 3.0	\$ 3.0	\$ 9.3	\$ 8.8	\$ 8.7

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Neighbourhood Renewal	<b>Opening Balance</b>	\$ 0.0	\$ 3.5	\$ 16.1	\$ 24.2	\$ 19.6	\$ 18.5
	<i>Additions:</i> Transfer from operations	\$ 174.4	\$ 174.4	\$ 174.4	\$ 174.4	\$ 166.6	\$ 161.3
	Operating Surplus from Microsurfacing	\$ -	\$ -	\$ -	\$ 0.6	\$ 0.8	\$ 0.2
	<i>Withdrawals:</i> Transfer to capital	\$ (174.4)	\$ (177.9)	\$ (187.0)	\$ (183.0)	\$ (162.8)	\$ (143.5)
	COVID-19 Funding - transfer to FSR - appropriated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (17.0)
	<b>Closing Balance</b>	\$ 0.0	\$ 0.0	\$ 3.5	\$ 16.1	\$ 24.2	\$ 19.6

**Additional Information:** The Neighbourhood Renewal reserve will contain tax funding dedicated to the Neighbourhood Renewal Program net of annual expenditures, as approved through the annual City budget process, as per City Policy C595A Neighbourhood Renewal Program. The transfer from operations for each budget cycle (2023-2026) is fully allocated to the capital program and paving operations.

Use of Neighbourhood Renewal Funding will be limited solely to operating and capital expenditures related to the renewal of neighbourhood residential, industrial and commercial collector, local and alley road right of way surface assets (such as pavements, sidewalks, curbs and gutters, roadway lighting, traffic signals and other transportation-related infrastructure).

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Parkland	<b>Opening Balance</b>	\$ 6.9	\$ 7.3	\$ 16.8	\$ 18.9	\$ 19.6	\$ 18.6
	<i>Additions:</i> Developer Contributions	\$ 1.8	\$ 1.8	\$ 1.4	\$ 3.4	\$ 1.8	\$ 1.0
	Transfer from operations - Proceeds from land sales	\$ -	\$ -	\$ -	\$ -	\$ 0.1	\$ -
	<i>Withdrawals:</i> Transfer to capital - land acquisitions	\$ (2.5)	\$ (2.5)	\$ (11.4)	\$ (6.5)	\$ (3.0)	\$ -
	<i>Interest Earned:</i>	\$ 0.3	\$ 0.3	\$ 0.5	\$ 0.9	\$ 0.4	\$ -
	<b>Closing Balance</b>	\$ 6.5	\$ 6.9	\$ 7.3	\$ 16.8	\$ 18.9	\$ 19.6

**Additional Information:** The reserve balance ensures the City can purchase buy parkland in non-residential areas when opportunities arise. The reserve balance is maintained to facilitate timely land purchases for various public purposes, including parks, recreation areas, and school board needs. A sufficient balance is crucial to capitalize on potential opportunities as they arise within designated areas. The MGA requires that such funds be used for "a public park, a public recreation area, school authority purposes, or to separate areas of land that are used for different purposes".



Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Pay-As-You-Go capital	<b>Opening Balance</b>	\$ 160.9	\$ 127.4	\$ 133.1	\$ 141.0	\$ 180.1	\$ 122.7
	<i>Additions:</i>						
	Transfer from operations	\$ 223.3	\$ 200.4	\$ 148.3	\$ 90.4	\$ 80.8	\$ 137.1
	Transfer from Fleet Reserve	\$ 2.8	\$ 2.8	\$ 2.8	\$ 2.8	\$ -	\$ -
	Proceeds on sale of assets	\$ -	\$ -	\$ -	\$ 2.5	\$ 7.1	\$ 1.9
	<i>Withdrawals:</i>						
	Transfer to capital	\$ (147.1)	\$ (169.7)	\$ (156.8)	\$ (103.2)	\$ (126.9)	\$ (77.1)
	Transfer to operations	\$ -	\$ -	\$ -	\$ (0.4)	\$ (0.3)	\$ (0.2)
	Transfer to Public Art Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4.4)
	<b>Closing Balance</b>	\$ 239.9	\$ 160.9	\$ 127.4	\$ 133.1	\$ 141.0	\$ 180.1

**Additional Information:** Capital forecast has been derived by taking into account capital spend of the approved budget on average with the assumption that unspent budget from the prior year is carried forward. The 2026 ending balance of \$239.9 million is committed to capital projects and the majority of it would expect to be utilized in the few years following 2026.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Pay-As-You-Go capital - Edmonton Police Service	<b>Opening Balance</b>	\$ 1.1	\$ 0.4	\$ 8.2	\$ 13.6	\$ 17.4	\$ 7.0
	<i>Additions:</i>						
	Transfer from operations	\$ 7.4	\$ 7.8	\$ 8.9	\$ 7.7	\$ 4.9	\$ 15.7
	Proceeds on sale of assets	\$ 0.3	\$ 0.3	\$ 0.2	\$ 0.3	\$ 0.4	\$ 0.5
	Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.3
	<i>Withdrawals:</i>						
	Transfer to capital	\$ (7.6)	\$ (7.0)	\$ (16.3)	\$ (12.6)	\$ (8.7)	\$ (8.1)
	Transfer to Pay-As-You-Go capital reserve	\$ (0.2)	\$ (0.4)	\$ (0.5)	\$ (0.8)	\$ (0.4)	\$ -
	<b>Closing Balance</b>	\$ 0.9	\$ 1.1	\$ 0.4	\$ 8.2	\$ 13.6	\$ 17.4

**Additional Information:** The remaining balance represents ongoing commitments.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Planning and Development	<b>Opening Balance</b>	\$ 52.9	\$ 58.4	\$ 45.6	\$ 41.2	\$ 29.6	\$ 16.6
	<i>Additions:</i>						
	Transfer from operations - annual Development Services Branch surplus	\$ -	\$ -	\$ 14.6	\$ 5.7	\$ 12.7	\$ 13.7
	<i>Withdrawals:</i>						
	Transfer to operations - offset annual Development Services Branch deficit	\$ (3.8)	\$ (4.1)	\$ -	\$ -	\$ -	\$ -
	Transfer to capital - IT enhancements	\$ (1.4)	\$ (1.4)	\$ (1.8)	\$ (1.3)	\$ (1.1)	\$ (0.7)
	<b>Closing Balance</b>	\$ 47.7	\$ 52.9	\$ 58.4	\$ 45.6	\$ 41.2	\$ 29.6
	<b>Minimum Balance Threshold</b>	\$ 18.8	\$ 18.7	\$ 18.3	\$ 17.1	\$ 16.3	\$ 15.5
	<b>Target Balance</b>	\$ 47.1	\$ 46.7	\$ 45.7	\$ 42.9	\$ 40.7	\$ 38.8

**Minimum:** Minimum reserve balance of 30% of budgeted reserve funded branch expenses and a target balance of 75%, as per City Policy C610 Fiscal Policy for the Planning and Development Business. The minimum balance is to stabilize the Planning and Development Business across extended periods of time.

**Additional Information:** 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, 2024 year-end reserve balance of \$58.4 million (95.1% of budgeted expenditures) is above its minimum required balance of \$18.4 million for 2024, and above the target balance of \$46.1 million.

Construction activity has continued to exceed expectations, leading to significant revenue favourability and a growing reserve balance. The reserve balance is anticipated to remain above the target level by year end. Administration has developed a strategy to reduce the fund balance over three years, consisting of:

- Shifting ongoing expenses related to enforcement, inspection, and landscape security administration activities directly related to Planning & Development Business Model (PDBM) services to be funded by the PDBM rather than the tax levy.
- Conducting a Cost of Service Study to assess the costs and revenues of services provided by the PDBM to ensure a sustainable business model for the City.
- Ensuring resource allocation is sufficient to meet service levels and demand.
- Maintaining an increase of Fees by 2.1% to account for inflationary growth estimated at the beginning of the budget cycle. While recent inflation has exceeded this figure, the City remains committed to maintaining predictability and minimizing the impact of rising costs on its Edmonton Building Partners.
- Introducing a New Underground Electrical Inspection Fee to cover the inspection of connections between houses and garages that maintains the fee for service principle.

Forecasts for 2026 and 2027 will be reviewed to determine whether further adjustments to fees, expense budgets, or Policy C610 are required to meet PDBM objectives. Progress will be communicated through the Fall 2025 Supplemental Operating Budget Adjustment report.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Public Art	<b>Opening Balance</b>	\$ 1.1	\$ 1.0	\$ 2.9	\$ 4.3	\$ 3.4	\$ -
	<i>Additions:</i>						
	Transfer from capital	\$ 2.5	\$ 2.5	\$ -	\$ -	\$ 0.9	\$ 4.5
	Transfer from operations - Tax Levy	\$ -	\$ -	\$ 0.6	\$ 0.6	\$ -	\$ -
	<i>Withdrawals:</i>						
Transfer to operations	\$ (2.4)	\$ (2.4)	\$ (2.4)	\$ (2.0)	\$ -	\$ (1.1)	
	<b>Closing Balance</b>	\$ 1.2	\$ 1.1	\$ 1.0	\$ 2.9	\$ 4.3	\$ 3.4

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Rogers Place Arena Capital	<b>Opening Balance</b>	\$ 7.4	\$ 11.1	\$ 11.4	\$ 9.9	\$ 8.7	\$ 7.0
	<i>Additions:</i>						
	Ticket surcharge	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5
	<i>Withdrawals:</i>						
	Transfer to capital - capital renewal on Rogers Arena	\$ (5.7)	\$ (5.6)	\$ (2.2)	\$ (0.2)	\$ -	\$ -
	Transfer to operating - Rogers Arena repair	\$ -	\$ -	\$ (0.1)	\$ -	\$ -	\$ -
	<i>Interest Earned:</i>	\$ 0.3	\$ 0.4	\$ 0.5	\$ 0.2	\$ (0.3)	\$ 0.2
	<b>Closing Balance</b>	\$ 3.5	\$ 7.4	\$ 11.1	\$ 11.4	\$ 9.9	\$ 8.7

**Additional Information:** This reserve and the balance at the end of 2026 is to fund the City of Edmonton's capital infrastructure lifecycle responsibilities for the Rogers Place Arena and the associated parkade. Interest earnings are applied to the reserve.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Sanitary Servicing Strategy Fund	<b>Opening Balance</b>	\$ 103.9	\$ 116.7	\$ 103.4	\$ 70.6	\$ 56.0	\$ 56.6
	<i>Additions:</i>						
	User Fees and Utility Contributions	\$ -	\$ -	\$ 12.3	\$ 31.0	\$ 21.3	\$ 22.6
	Other	\$ -	\$ -	\$ -	\$ 0.1	\$ -	\$ 0.3
	<i>Withdrawals:</i>						
	Transfer to Epcor - to fund sanitary sewer trunk capital costs	\$ (4.3)	\$ (16.3)	\$ (5.0)	\$ (2.8)	\$ (8.1)	\$ (23.6)
<i>Interest Earned:</i>	\$ 3.2	\$ 3.5	\$ 6.0	\$ 4.5	\$ 1.4	\$ 0.1	
	<b>Closing Balance</b>	\$ 102.8	\$ 103.9	\$ 116.7	\$ 103.4	\$ 70.6	\$ 56.0

**Additional Information:** Due to the ongoing Sanitary Servicing Strategy Fund (SSSF) Transformation Project, the collection of SSSF charges has been paused pending the completion of the project. There is currently no reserve forecast available at this time as the capital forecast and revenue collection method depend on the project's results.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
St. Francis Xavier	<b>Opening Balance</b>	\$ 3.8	\$ 3.4	\$ 3.0	\$ 2.8	\$ 2.5	\$ 2.2
	<i>Additions:</i>						
	Transfer from operations - Tax Levy	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.3
	<i>Withdrawals:</i>						
	Transfer to capital	\$ -	\$ -	\$ -	\$ (0.1)	\$ -	\$ -
	<i>Interest Earned:</i>	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.1	\$ 0.1	\$ -
	<b>Closing Balance</b>	\$ 4.2	\$ 3.8	\$ 3.4	\$ 3.0	\$ 2.8	\$ 2.5
	<b>Minimum Balance Threshold</b>	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Tax-Supported Debt	<b>Opening Balance</b>	\$ 1.0	\$ 1.0	\$ 1.0	\$ 14.5	\$ 16.7	\$ 5.5
	<i>Additions:</i>						
	Transfer from operations - excess of budgeted tax-supported debt servicing over actual tax-supported debt servicing	\$ 1.0	\$ -	\$ -	\$ -	\$ -	\$ 11.2
	<i>Withdrawals:</i>						
	Transfer to operations - offset shortfall of budgeted tax-supported debt servicing over actual tax-supported debt servicing	\$ -	\$ -	\$ -	\$ (13.5)	\$ (2.2)	\$ -
	<b>Closing Balance</b>	\$ 2.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 14.5	\$ 16.7
	<b>Minimum Balance Threshold</b>	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0

**Minimum:** Minimum reserve balance is \$1.0 as per October 31, 2012 council report *2012 Reserves Review - 2012CA177*, which requires a \$1 million minimum reserve balance to stabilize debt servicing costs within a year. A balance above the minimum can be considered for funding capital on a pay-as-you-go basis.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Traffic Safety and Automated Enforcement	<b>Opening Balance</b>	\$ 18.7	\$ 8.2	\$ 10.5	\$ 0.9	\$ 7.4	\$ 20.3
	<i>Additions:</i>						
	Automated enforcement revenues	\$ 16.8	\$ 18.7	\$ 24.3	\$ 29.3	\$ 29.9	\$ 29.1
	Tax Levy	\$ 8.0	\$ 20.0	-	-	-	-
	<i>Withdrawals:</i>						
	Safe Mobility Section	\$ (17.0)	\$ (17.1)	\$ (15.0)	\$ (12.8)	\$ (8.8)	\$ (13.2)
	Capital - Safe Crossings (CM-66-2585)	\$ (6.4)	\$ (6.4)	\$ (8.6)	\$ (5.3)	\$ (3.5)	\$ (2.0)
	Capital - Safe and Livable Community Streets (CM-66-2596)	\$ (8.5)	\$ (4.1)	\$ (3.1)	\$ (1.5)	\$ (0.3)	\$ (0.2)
	Capital - Automated Enforcement Asset Renewal (CM-66-2597)	\$ (0.8)	\$ (0.8)	\$ -	\$ -	\$ -	\$ -
	Capital - Regulated Safety Upgrades at Railway Crossings (CM-66-2194)	\$ (0.4)	\$ (0.3)	\$ (0.1)	\$ (0.2)	\$ (0.3)	\$ (0.1)
	Capital - Speed Limit Reduction (CM-66-2580)	\$ -	\$ -	\$ (0.1)	\$ (0.0)	\$ (0.2)	\$ (0.3)
	Capital - School Safety (CM-66-2590)	\$ -	\$ -	\$ -	\$ (0.1)	\$ (0.6)	\$ (1.1)
	Edmonton Police Service	\$ -	\$ -	\$ -	\$ -	\$ (22.3)	\$ (22.3)
	Capital - School Safety (CM-66-2590)	\$ -	\$ -	\$ -	\$ -	\$ (0.1)	\$ (0.8)
	Capital - Community Traffic Safety Countermeasures (CM-66-2555)	\$ -	\$ -	\$ -	\$ -	\$ (0.1)	\$ (0.0)
	Community Facility Partner Capital Grant Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1.8)
	Other	\$ -	\$ -	\$ -	\$ (0.1)	\$ (0.2)	\$ (0.2)
	<i>Interest Earned:</i>	\$ 0.7	\$ 0.5	\$ 0.3	\$ 0.4	\$ 0.1	\$ 0.0
	<b>Closing Balance</b>	\$ 11.1	\$ 18.7	\$ 8.2	\$ 10.5	\$ 0.9	\$ 7.4
	<b>Minimum Balance Threshold</b>	\$ 0.8	\$ 0.9	\$ 1.0	\$ 1.2	\$ 1.4	\$ 1.5

**Minimum:** Minimum reserve balance 5% of budgeted revenues, City Policy *C579B Traffic Safety and Automated Enforcement Reserve*, the minimum reserve balance is set to manage the risk associated with the volatility of automated enforcement revenue.

**Additional Information:** As of September 30, 2024, the projected year-end balance of the Traffic Safety and Automated Enforcement Reserve (TSAER) for 2024 is \$8.2 million, which is above the required balance of \$1.0 million. The revenue impact of the provincial policy to ban all photo radar sites from ring roads in both Calgary and Edmonton effective December 1, 2023 is being monitored. Additionally, On June 11, 2024 Alberta Transportation and Economic Corridors Minister shared that Cabinet approved three policy changes to Alberta's Automated Traffic Enforcement program, which is anticipated to come into effect in 2025. The policy changes include: prohibiting automated traffic enforcement on provincial highways or numbered highways, including roads that connect with provincial highways; restricting automated traffic enforcement only to playground, school or construction zones; and limiting Intersection Safety Devices enforcement only to red light running, not speeding.

The Government of Alberta has indicated that the corresponding update to the Automated Traffic Enforcement Technology Guideline will be released in December 2024, at which time, Administration will have access to full implementation details and compliance deadlines. Once the new Guideline is released, Administration will undertake a comprehensive review to identify key changes and impacts to our program, along with financial mitigation options. Once that work is complete, Administration will provide a detailed update to City Council that includes a summary of the changes, impacts, and recommended next steps. The Safe Mobility Section has begun some initial analysis on the possible impacts and is exploring options to address the policy changes. If the policy changes are implemented by the Government of Alberta in December 2024, the impacts will be significant to both safety and revenue. Remaining automated enforcement revenue will be largely eliminated, Administration is exploring options with proposed program changes and budget reductions to ensure the reserve remains above the required balance.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Tree Management	<b>Opening Balance</b>	\$ 9.3	\$ 10.4	\$ 11.8	\$ 8.5	\$ 9.8	\$ 9.5
	<i>Additions:</i>						
	Fees, Permits, and other contributions	\$ 2.9	\$ 2.9	\$ 2.9	\$ 5.9	\$ 3.1	\$ 3.3
	<i>Withdrawals:</i>						
	Transfer to capital	\$ (1.2)	\$ (1.2)	\$ (1.5)	\$ (1.7)	\$ (4.0)	\$ (2.9)
	Transfer to operations	\$ (2.8)	\$ (2.8)	\$ (2.8)	\$ (1.0)	\$ (0.4)	\$ (0.1)
	<b>Closing Balance</b>	\$ 8.2	\$ 9.3	\$ 10.4	\$ 11.8	\$ 8.5	\$ 9.8

**Comment:** Funds are placed in this reserve through equitable compensation for loss in tree canopy, developer fees, insurance claims, and the commemorative tree initiative. The reserve provides funding for the goal of maintaining, protecting, and growing the urban forest. The reserve balance is expected to be depleted over time to support the Greener as We Grow initiative, greater developer activity across the city, specialized work associated with the Elm and Ash private tree inventory, and to address tree supply price increase.

Reserve	Activity	Projection			Actual		
		2026*	2025*	2024*	2023	2022	2021
Vehicle for Hire	<b>Opening Balance</b>	\$ 4.4	\$ 4.7	\$ 4.2	\$ 2.7	\$ 2.0	\$ 2.5
	<i>Additions:</i>						
	Transfer from operations - License fees, accessibility surcharges and per trip fees	\$ 1.9	\$ 1.9	\$ 2.9	\$ 1.5	\$ 0.7	\$ -
	<i>Withdrawals:</i>						
	Transfer to operations - Program Expenses	\$ (2.2)	\$ (2.2)	\$ (2.0)	\$ -	\$ -	\$ (0.5)
	Transfer to capital	\$ -	\$ -	\$ (0.4)	\$ -	\$ -	\$ -
	<b>Closing Balance</b>	\$ 4.1	\$ 4.4	\$ 4.7	\$ 4.2	\$ 2.7	\$ 2.0