

Fall 2025 Supplemental Budget Adjustment - additional information

Dec 1, 2025 City Council

Financial and Corporate Services

FCS03158 - Fall 2025 Supplemental Operating Budget Adjustment

FCS03159 - Fall 2025 Supplemental Capital Budget Adjustment

FCS03160 - Fall Carbon Budget Update

Changes since Budget Presentation

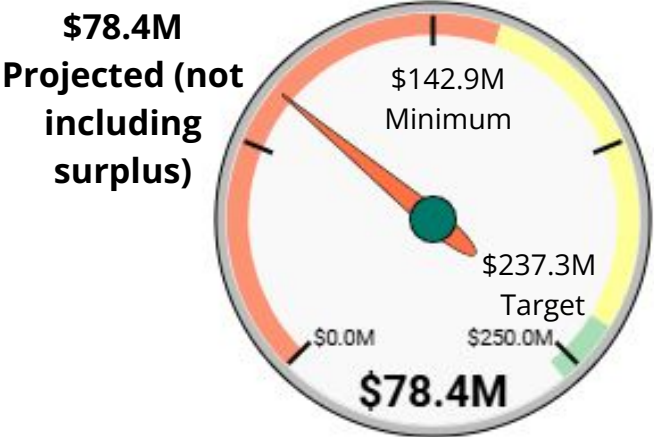
Operating

- Moved two SBV items from private attachment 4 to public attachment 3 (Overtime in Edmonton Fire Rescue Services, Security costs for parkades in Parks and Roads Services)
- Updated River Valley Trail Strategy service package from ongoing to one-time

Capital

- Addition of attachment 10, unfunded capital profile 27-61-3624 - Growth Buses
- Corrections for two minor clerical errors

Financial Stabilization Reserve - Below the Minimum



\$78.4M
Projected (not including surplus)

- Above target balance
- Above minimum balance & below target balance
- Below minimum balance

PayGo Reductions: Capital Impacts of Operating Decisions

2024 Fall Supplemental Operating Budget - Amendment 4:

Decreased Pay-As-You-Go transfer to capital by \$15,000,000 in 2025 on an ongoing basis.

Implications:

Lowered the tax levy by .7% in 2025 by removing capital funding from the cycle

2023 - 2026 Capital Budget:

\$30 Million



2027 - 2030 Capital Budget:

\$60 Million



Renewal Program Funding Levels

Original Approved 2023 - 2026 Capital Budget

- Ideal renewal investment - \$3.58 billion
- Approved renewal budget - \$1.95 billion

Additional renewal funding through SCBAs - \$110 million

- Fall 2023 SCBA - \$15 million
- Spring 2024 SCBA - \$95 million

2023-2026 Capital Budget Renewal Funding Gap: \$1.52 billion

Updated Renewal Program Funding Level (Total)

57.5%

**Updated Renewal Program Funding Level
(Unconstrained less Bridges)**

35.4%

Repay, Replenish, Renew

FSR

5 year repayment
(2029)

2025: ↑ .5%

2026: ↑ .6%

PayGo

Repay and
replenish
(2030)

2027: ↑ .5%

2028: ↑ .5%

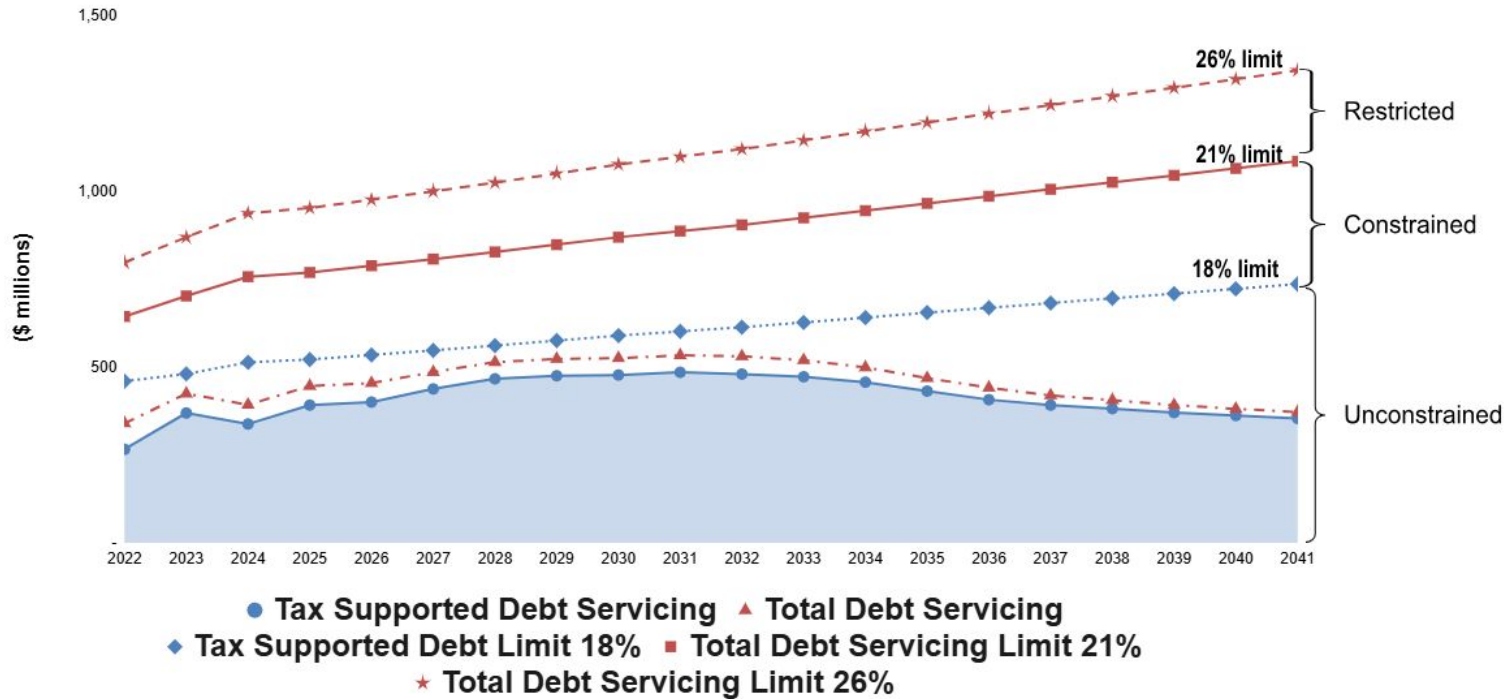
2029: ↑ .5%

Dedicated Renewal Fund

(2031)

2030: ↑ .75%

Tax-Supported Debt Considerations



Previous Decisions With Funding Implications

Operating Decisions that Require funding in 2027

- Replenishment of Pay-As-You-Go
- Collective Bargaining Settlements - 2027 and beyond to be incorporated
- Operating Impacts of Capital:
 - Valley Line West and Capital Line South extension
 - Lewis Farms Recreation Centre

Service Package Impacts Beyond 2026

Incremental Net Tax Levy Impact	2026		2027		2028	
	<i>\$ millions</i>	<i>Tax change (%)</i>	<i>\$ millions</i>	<i>Tax change (%)</i>	<i>\$ millions</i>	<i>Tax change (%)</i>
Funded						
EPS Body Worn Video and Digital Evidence Management	6.9	0.29	2.4	0.10	3.2	0.12
Funded Service Packages	6.9	0.29	2.4	0.10	3.2	0.12
Council Directed						
Transit Peace Officers Optimal Deployment Plan	6.4	0.27	13.0	0.52	(0.5)	(0.02)
Bus Service Growth OIC	0.4	0.02	6.9	0.28	0.2	0.01
Community Standards Peace Officers Contingent	5.8	0.25	(1.5)	(0.06)	0.2	0.01
Improved Accessibility - Active Pathway Snow Removal and Sidewalk Repair	9.9	0.42	(2.0)	(0.08)	0.0	0.00
Unfunded Service Packages (Ongoing)	22.6	0.96	16.4	0.66	(0.0)	(0.00)

Risk Management

Financial Stabilization Reserve & Financial Strategies

Financial Stabilization Reserve (FSR)	Financial Strategies
<ul style="list-style-type: none">• Used to address unforeseen emergent budget pressures - revenue instability/unexpected costs	<ul style="list-style-type: none">• Used to manage volatility in budget line items over the 4 year budget cycle and to centralize budgets until department transfers are known
<ul style="list-style-type: none">• One-time budget pressures	<ul style="list-style-type: none">• Ongoing budget pressures
<ul style="list-style-type: none">• Main funding source is tax-supported surplus	<ul style="list-style-type: none">• Funded through the tax-levy (Corporate Programs)
<ul style="list-style-type: none">• Minimum and target balances - risk based• If balance falls below minimum - strategy required to reach minimum balance within 3 years	<ul style="list-style-type: none">• Balance is based on:<ul style="list-style-type: none">○ volatility in budgeted items held central○ Known expenses where amounts are estimates.

Ongoing Operating Funding Options



Increase
Property Taxes



EPCOR Dividend



Financial
Strategies

Thank you
Questions?

The logo for the City of Edmonton, featuring the word "Edmonton" in white text on a blue square background.

Edmonton