

Capital and Operating Financial Update December 31, 2019

Edmonton

City Council
March 9, 2020

CAPITAL

Capital Reporting

- Total Approved 2019-22 Capital Budget is \$9.7 billion
 - \$2.4 billion relates to 2023 and beyond.
 - \$7.3 billion relates to 2019-2022
 - Budget cycle actual expenditures of \$1.3 billion as of December 31, 2019
 - Capital expenditures in 2015 (beginning of the previous budget cycle) were \$879.5 million

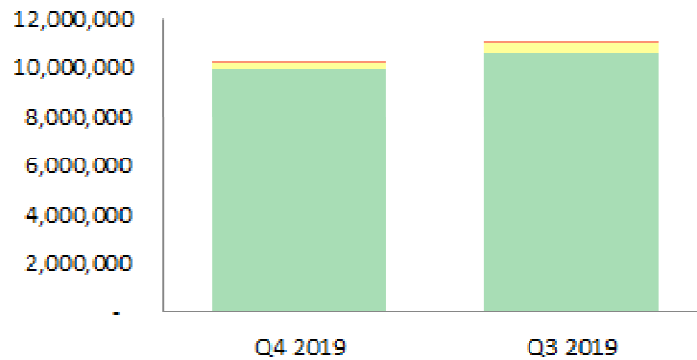
Capital Reporting

- Significant Projects Overview
 - 75 Capital Profiles reported in December 2019, providing 88% coverage of the total \$9.7 billion approved Capital Budget.
 - 87 Capital Profiles reported in September 2019, providing 90% coverage of the total approved \$10.2 billion Capital Budget.
- 5 significant profiles added since the last report
- 10 significant profiles are now complete and have been removed from the report
- 7 significant profiles have been removed as a result of the Fall Supplementary Capital Budget Adjustment

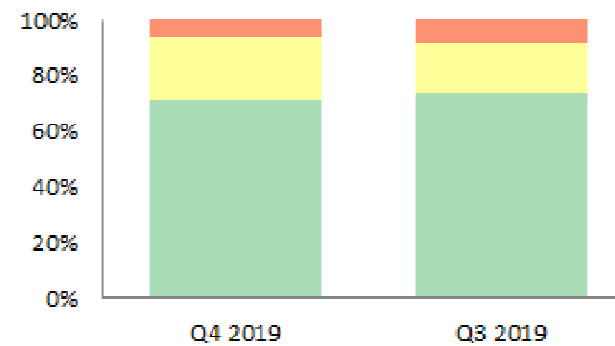
Capital Reporting

Capital Project Status Summary

Approved Budget \$ by Budget Status (000's)



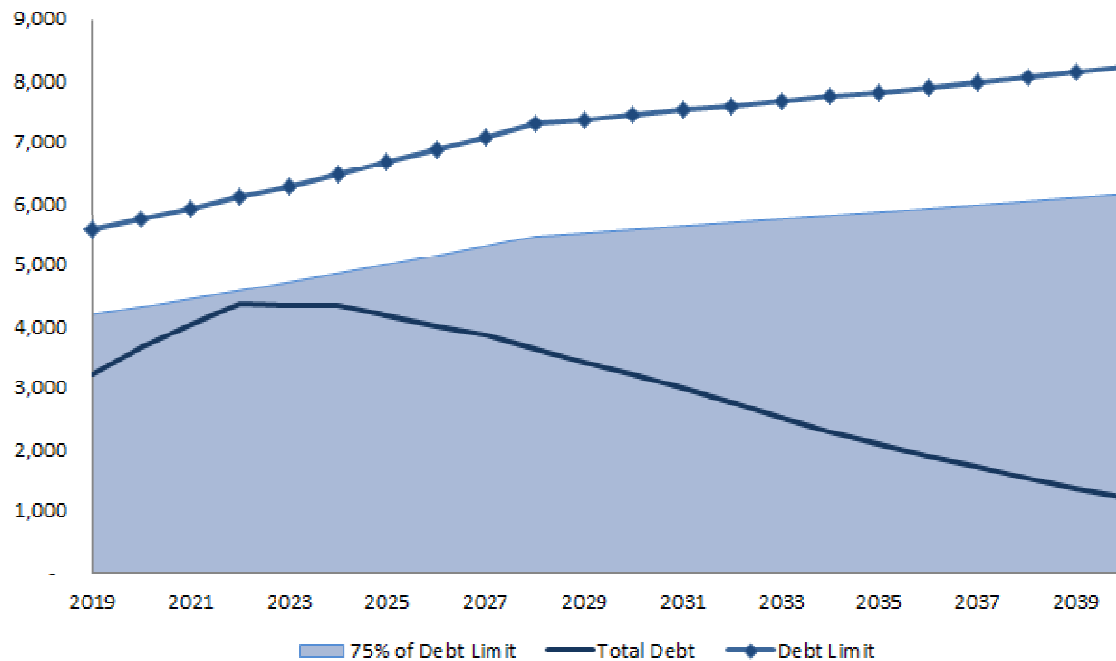
% of Approved Budget by Schedule Status



Debt and Debt Servicing Limits Municipal Government Act

The *Municipal Government Act (MGA)* and related regulations establish limits for municipal debt levels and annual debt servicing costs.

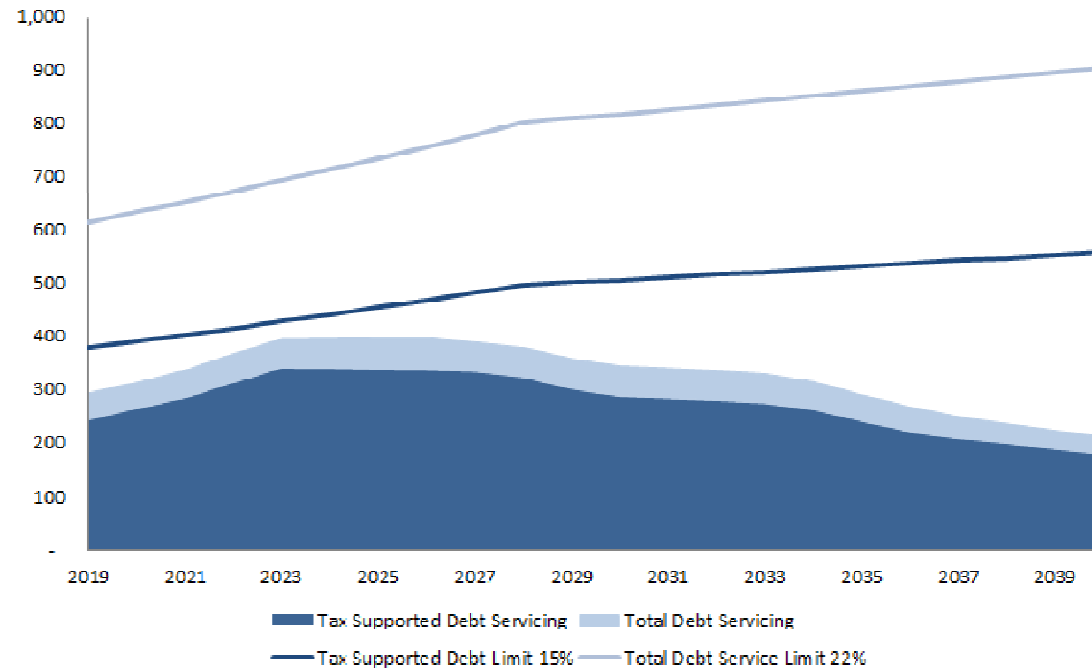
MGA Debt Limit (\$M)



Debt and Debt Servicing Limits Debt Management Fiscal Policy

The internal Debt Management Fiscal Policy (DMFP) sets more conservative debt service limits than those established in the *MGA*.

Debt Management Fiscal Policy Limits (\$M)



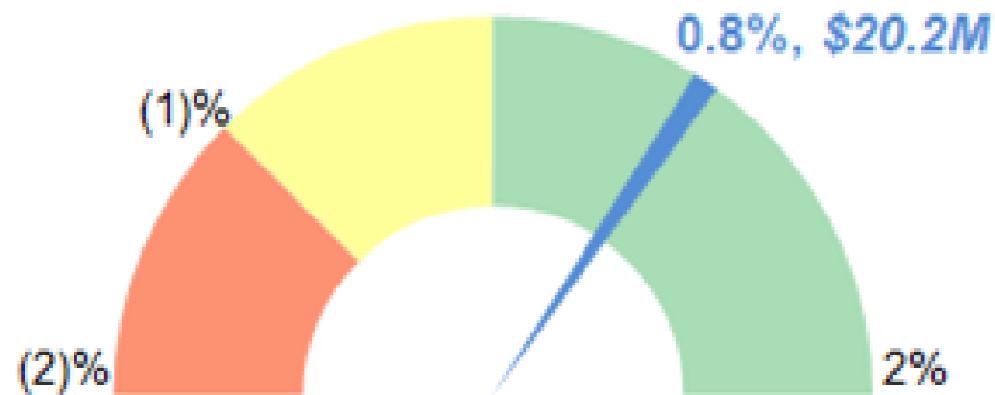
OPERATING

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Tax-Supported Operations

(excluding the Edmonton Police Service)

December 31, 2019 Year-End Variance



- Favourable budget variance, $\geq 0\%$
- Unfavourable budget variance, between 0% and (10)%
- Unfavourable budget variance, $> (10)\%$

Significant Tax-Supported Variances

(in \$ millions)

Variance		Description
15.5		Personnel Costs, net of discounting and recoveries
9.7		Snow and Ice Control Costs
8.3		Financial Strategies
3.5		Tag and Fine Revenues
3.4		Consulting Costs
(3.1)		Transit Fare Revenue
(3.5)		Facility Revenues
(7.2)		Grants in Lieu of Taxes
(8.0)		Benefits Coverage for Staff on Long-Term Disability
1.6		Other cumulative variances
20.2		Total

Utility/Enterprise Operations

(in \$ millions)

Waste Services

Year-End Variance - **\$(32.7)M**

- Landfill post closure liability and ECF write-down

Land Enterprise

Year-End Variance - **\$(5.8)M**

- Due to delayed land sales.

Utility/Enterprise Operations cont.

(in \$ millions)

Blatchford Redevelopment

Year-End Variance - **\$(1.2)M**

- Due to delayed land sales.

Blatchford Renewable Energy Utility

Year-End Variance - **\$0.0M**

- Lower than anticipated revenues from customer billing and power charges offset by lower operating costs

Community Revitalization Levies

(in \$ thousands)

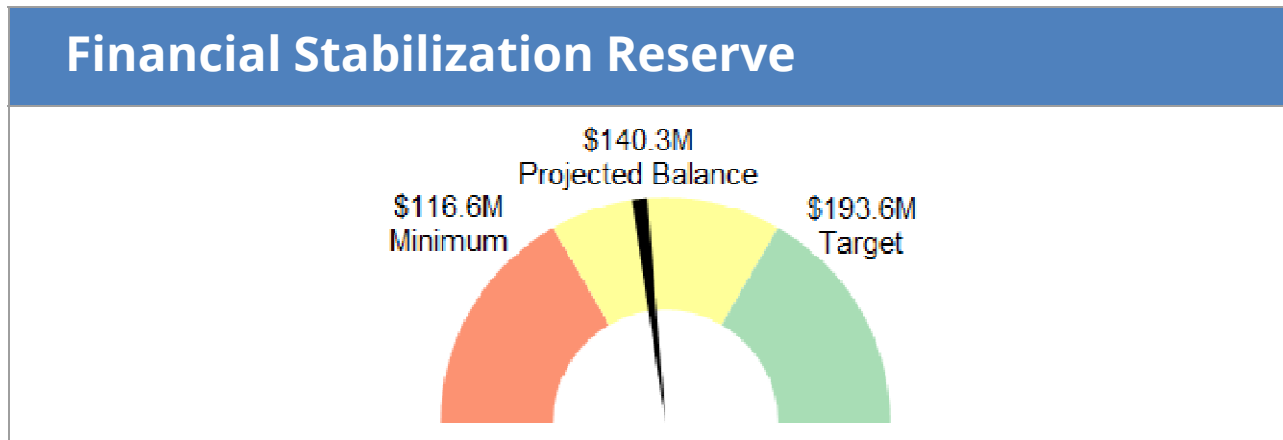
	Belvedere	Capital City Downtown	Quarters
2019 Year-end net position	(\$357)	\$3,312	\$221
Reserve Balance, December 31, 2019 (preliminary)	(\$10,093)	(\$19,872)	(\$8,650)
First year the CRL reserve is projected to have a annual positive surplus	2028	2024	2024
Year reserve is sufficient to cover remaining debt servicing	N/A	2032	2030



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Reserves

(in \$ millions)





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Other Carryforwards

(in \$ millions)

Recommendation	Description	Amount
3	Regional Transit Service Commission project expenditures with matching Alberta Community Partnership Grant revenue	\$0.4
4	Revolving Industrial Servicing Fund program rebates and matching funding from the Revolving Industrial Servicing Fund Reserve	\$9.9
5	41st Ave/QEII Interchange Project expenses and matching external funding	\$1.4

Thank you.

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