



Fall 2020 Supplemental Capital Budget Adjustment

Edmonton

*City Council
November 16, 2020*

Approved 2019-2022 Capital Budget (\$M's)

Tax-Supports Operations	2019 to 2022	2023 & Beyond	Total
Approved 2019 - 2022 Capital Budget	\$4,755	\$1,006	\$5,761
Previous Adjustments	2,296	1,383	3,679
Total Adjusted Budget Prior to Spring 2020 SCBA	\$7,051	\$2,389	\$9,440
Waste Utility	2019 to 2022	2023 & Beyond	Total
Approved 2019 - 2022 Capital Budget	\$210	\$13	\$223
Previous Adjustments	(\$7)	-	(\$7)
Total Adjusted Waste Utility Budget	\$203	\$13	\$216
Blatchford and Downtown District Energy Utility	2019 to 2022	2023 & Beyond	Total
Approved 2019 - 2022 Capital Budget	\$1	-	\$1
Previous Adjustments	38	-	38
Total Adjusted Blatchford DESS Budget	\$39	-	\$39
TOTAL APPROVED CAPITAL BUDGET PRIOR TO FALL 2020 SCBA	\$7,293	\$2,402	\$9,695

Overview of Recommended Adjustments

Category		Net Impact to Approved Capital Budget (\$ millions)
New Profiles Recommended for Funding (Attachment 4)		1.3
Scope Changes		14.5
Recosting		(6.3)
Transfers from Capital to Operating		(1.4)
Municipal Stimulus Program Adjustments:		
Total funding allocation	115.6	
Less: MSP applied to previously approved capital projects (Arterial Renewal and Neighbourhood Renewal)	(49.9)	
Net increase in capital projects funded with MSP		65.7
Grand Total		73.8

Status of Available Capital Funding

(\$ millions)	Total
Funding Balance - Spring 2020 SOBA	(4.5)
<i>Funding adjustments since Spring 2020 SCBA</i>	
Forecast Adjustments (Investment earnings and other)	(10.6)
Administrative Adjustments - Fall 2020	1.2
Funding Balances Prior to Fall 2020 SCBA	(13.9)
<i>Funding adjustments recommended in Fall 2020 SCBA</i>	
Funding Releases - Snow Plow Clearing, Bus Safety and Security Enhancements	6.4
Funding Balances Subsequent to Fall 2020 SCBA	(7.5)

Emerging Items

Emerging Items (Attachment 6)	Unfunded Amount (\$millions)	Category
50th Street CPR Grade Separation	18.1	Emerging Item
New School Park Site Development	6.0	Emerging Item
North East Pedestrian Bridge Project	1.1	Emerging Item
Total Emerging Items	25.2	

Council Initiated Requests

Council Initiated Requests (Attachment 9)	Estimate (\$millions) / Action	Category
Neighbourhood Renewal Sidewalk Construction	No changes	Referred back to Administration (Fall 2020 SCBA)
Ambleside Service Yard	Deferred to Spring 2021 SCBA	Report on Efficiencies (Fall 2020 SCBA)
Land Acquisition - Metro LRT Blatchford to Campbell	\$17.5	Council Request for Profile (Fall 2020 SCBA)
Affordable Housing - Capital Grants Adjustment	Adjustment included in Attachment 3 of SCBA	Budget Adjustment (Fall 2020 SCBA)
Coronation Community Recreation Centre Project	Build to Budget- \$0 Build to Scope - \$36	Council Request for Profile (Fall 2020 SCBA)
LRT Station Winterization	\$0.2 - \$1.5	Council Request for Profile (Fall 2020 SCBA)

Motion: Budget Analysis for COVID-19 Response

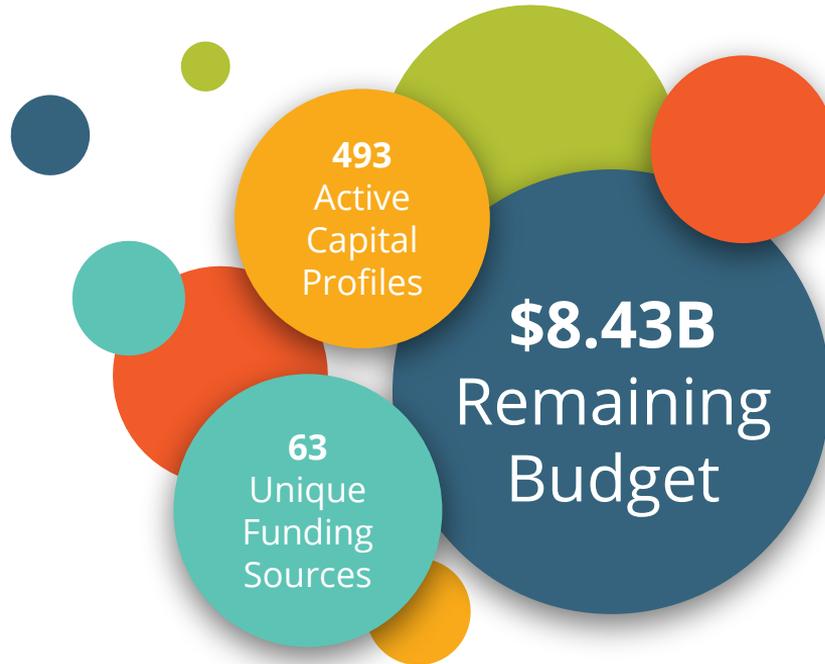
At the May 25-27, 2020, City Council meeting, the following motion was passed:

That Administration:

1. *bring an updated operating and capital budget analysis to include low and high-impact scenarios out to the end of 2020 and 2021 to give multi-year context for budget shortfalls arising from COVID19.*
 2. *analyze the balance of the 2019-2022 Capital Budget and bring forward prioritized infrastructure cutback scenarios to tax-funded discretionary (pay-as-you-go) and debt supported projects to transfer to offset ongoing operating budget shortfalls*
- CAPITAL PRIORITIZATION**
3. *apply the following principles to Part 2. above: that*
 - a. *cuts be prioritized based on growth before renewal and minimizing risk to critical assets like bridges,*
 - b. *the corresponding infrastructure deficit is in cosmetic or lower-risk areas where possible,*
 - c. *facility closures be considered, and*
 - d. *the leverage of discretionary dollars against time and provincial or federal grants be maintained where possible.*
 4. *that the prioritized budgeting process be advanced to provide a prioritized list of programs and services simultaneous with the above.*

Capital Prioritization & Potential Reductions

Starting Point



Capital Prioritization Process - Filters

Starting Point: Total Remaining
2019 to 2022 Capital Budget
493 Profiles

Filter 1: Project Timing

Projects that had incurred greater than 5% of total costs prior to September 2020.

Filter 2: Funding Source

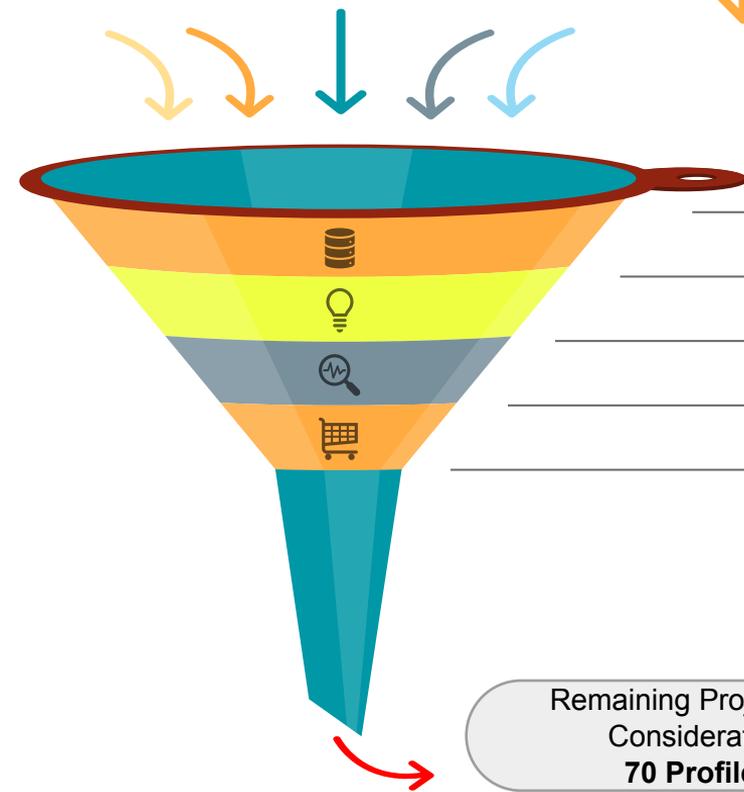
Profiles with restricted funding sources that could not be transferred to the operating budget to assist with COVID-19 operating shortfalls.

Filter 3: Mandate

Profiles where there was a legislative or contractual agreement in place for the City to deliver the asset.

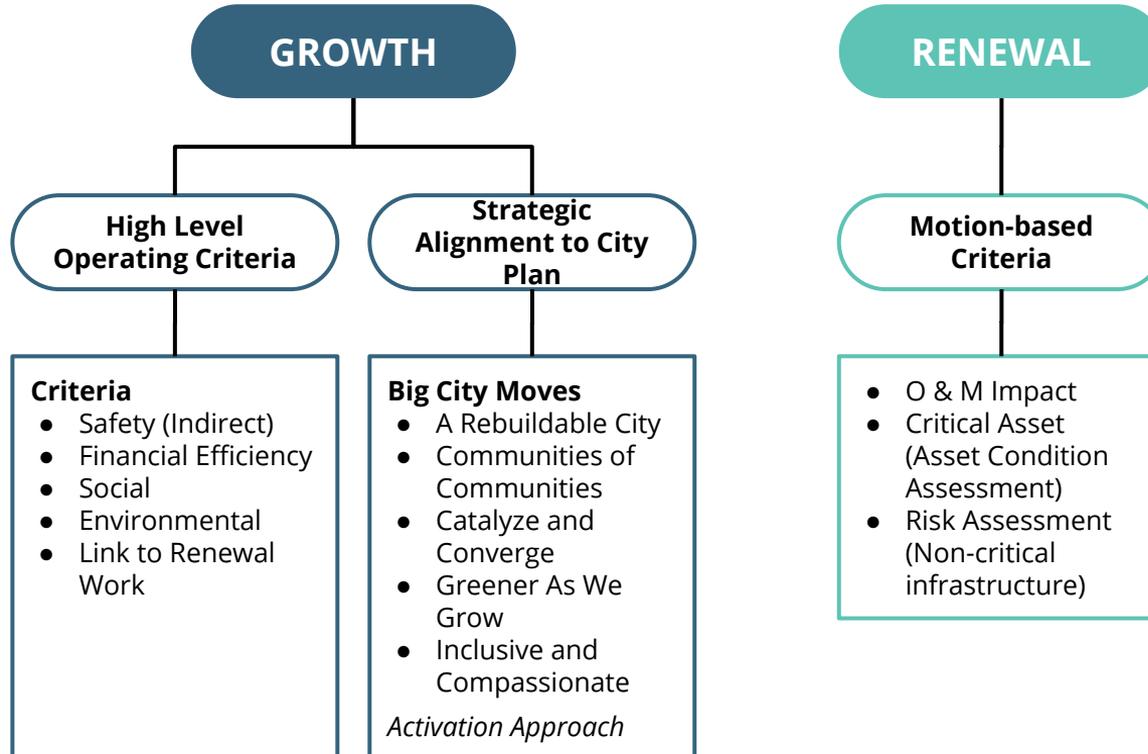
Filter 4: Safety

Profiles where the scope of work related to the immediate physical safety to citizens and employees.



Remaining Projects for
Consideration
70 Profiles

Capital Prioritization Process



Capital Prioritization & Potential Reductions

Results

- Capital growth projects - \$24.3 M
- Neighbourhood Renewal
 - Scenario 1: \$24 M
 - Scenario 2: \$54.5 M
- One-time reductions to the capital budget to provide operating savings to be used to offset COVID-19 impacts
- COVID-19 2021 Financial Update and Funding Strategy report - December 7, 2020

Questions?