

BUDGET HIGHLIGHTS 2024

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

CITY OF EDMONTON
APRIL 2024

TABLE OF CONTENTS

2024-2026 Budget Summary	3
Tax-Supported Operations - Operating Budget	4
2024-2026 Approved Budget - Tax-supported Operations by Category	4
2024-2026 Approved Budget - Financial Reporting vs. Budgeting Basis	5
Approved Tax Increases	8
Where the Money Comes From	10
Where the Money is Spent	11
Impact on a Typical Homeowner	12
Waste Services Utility - Operating Budget	13
2024 Approved Budget - Waste Services Utility by Program	13
Financial Impact to Waste Services Residential Customers	14
Blatchford Renewable Energy Utility - Operating Budget	16
Approved Customer Rates and Infrastructure Fees for 2024	16
Capital Budget - 2024-2026	17
Capital Budget Funding Sources	17
Capital Budget by Service Category	18
Carbon Budget - 2024-2026	19
Community Carbon Budgeting	19
Corporate Carbon Budgeting	21
Supplemental Schedules - Updated May 2024	23
Spring Supplemental Operating Budget Adjustment (SOBA)	23
Schedule of Spring SOBA Changes	24

2024 Budget Highlights

2024-2026 Budget Summary

Every four years, the City of Edmonton sets multi-year capital and operating budgets in accordance with City Policy C578, Multi-year Budgeting Policy. This provides for longer term and more stable planning of infrastructure projects, and municipal programs and services. In November 2023, City Council met to deliberate and approve the 2024-2026 budgets. This document provides highlights of the 2024 budget, which is the second year in the approved 2023-2026 budget cycle.

The following table summarizes the approved revenue and expenses for tax-supported operations, municipal enterprises and community revitalization operations and utilities, along with the City's capital plan from 2024 to 2026, as approved by City Council in November 2023. Further details are available in the individual sections of this document and full budget documents are available at www.edmonton.ca/budget.

	2023 Adjusted Budget			2024 Budget			2025 Budget			2026 Budget		
(\$millions)	Revenue	Expenditure	Net	Revenue	Expenditure	Net	Revenue	Expenditure	Net	Revenue	Expenditure	Net
Tax-Supported Operations	3,403.6	3,403.6	-	3,484.0	3,484.0	-	3,619.6	3,619.6	-	3,736.5	3,736.5	-
Municipal Enterprises	101.3	73.9	27.4	63.2	52.0	11.2	115.1	99.0	16.1	87.3	70.7	16.6
Community Revitalization Levies (CRLs)	49.6	49.6	-	67.7	67.7	-	60.1	60.1	-	69.0	69.0	-
Waste Services Utility	229.0	223.4	5.6	235.5	230.9	4.6	239.2	237.5	1.7	243.4	241.8	1.6
Blatchford Renewable Energy Utility	3.1	3.1	-	1.8	3.5	(1.7)	1.2	4.1	(2.9)	2.8	4.9	(2.1)
Total Approved Operating Budget	3,786.6	3,753.6	33.0	3,852.2	3,838.1	14.1	4,035.2	4,020.3	14.9	4,139.0	4,122.9	16.1
Tax-Supported Operations	2,841.2	2,841.2	-	2,208.5	2,208.5	-	2,290.1	2,290.1	-	1,733.4	1,733.4	-
Waste Services Utility	70.1	70.1	-	44.8	44.8	-	27.1	27.1	-	21.0	21.0	-
Blatchford Renewable Energy Utility	41.5	41.5	-	7.9	7.9	-	8.8	8.8	-	14.5	14.5	-
Total Approved Capital Budget	2,952.8	2,952.8	-	2,261.2	2,261.2	-	2,326.0	2,326.0	-	1,768.9	1,768.9	-
Total	6,739.4	6,706.4	33.0	6,113.4	6,099.3	14.1	6,361.2	6,346.3	14.9	5,907.9	5,891.8	16.1

Note: Capital budget for Municipal Enterprises and Community Revitalization Levies (CRLs) are included under Tax-Supported Operations.

2024 Budget Highlights

Tax-Supported Operations - Operating Budget

The following table summarizes the 2024-2026 tax-supported operating budget by major revenue and expense categories as approved on November 28, 2023, by City Council.

2023-2026 Budget - Tax-supported Operations by Category

(\$000)	2023				
	2022 Actual	Adjusted Budget	2024 Budget	2025 Budget	2026 Budget
Revenue and Transfers					
Taxation Revenues	1,779,917	1,900,313	2,061,298	2,198,158	2,326,997
User Fees, Fines, Permits, etc.	386,185	372,687	383,723	381,901	380,212
Franchise Fees	208,465	213,701	216,827	220,620	223,710
EPCOR Dividends	181,348	185,000	193,000	193,000	193,000
Transit Revenue	82,446	110,526	120,662	124,289	126,776
Transfer from Reserves	281,760	193,896	146,660	139,517	122,227
Other Revenue	99,913	126,276	126,280	127,047	127,423
Operating Grants	192,552	112,574	121,947	120,604	120,075
Investment Earnings and Dividends for Capital	80,363	83,291	113,594	114,450	116,055
One-time Items	-	105,331	-	-	-
Total Revenue and Transfers	\$3,292,949	\$3,403,595	\$3,483,991	\$3,619,566	\$3,736,475
Net Expenditure and Transfers					
Personnel	1,614,215	1,681,152	1,750,167	1,775,965	1,796,346
Materials, Goods, and Supplies	275,576	234,059	237,185	238,781	238,781
External Services	290,532	363,179	402,503	396,652	454,169
Fleet Services	(30,439)	(31,604)	(29,833)	(29,506)	(29,595)
Intra-municipal Charges	134,178	65,680	66,188	67,016	65,409
Debt	302,370	347,270	386,179	433,852	480,841
Utilities and Other Charges	386,571	463,203	513,083	540,853	540,697
Transfer to Reserves	493,834	366,086	360,031	398,706	391,200
Intra-municipal Recoveries	(255,380)	(198,035)	(201,512)	(202,753)	(201,373)
One-time Items	-	112,605	-	-	-
2022 Surplus/(Deficit)	81,492	-	-	-	-
Total Net Expenditure and Transfers	\$3,292,949	\$3,403,595	\$3,483,991	\$3,619,566	\$3,736,475
Total Net Operating Requirement	-	-	-	-	-
Full-time Equivalents					
Boards and Commissions					
Explore Edmonton	556.0	556.0	556.0	556.0	556.0
Police Service	2,833.7	2,914.6	2,999.1	3,020.6	3,022.6
Public Library	529.6	540.2	540.2	547.5	547.5
GEF Seniors Housing	-	-	-	-	-
Other Boards and Commissions	56.0	63.5	63.5	63.5	63.5
Civic Departments					
Community Services	1,510.1	1,589.0	1,629.0	1,646.8	1,673.2
City Operations	4,746.8	5,021.0	5,133.2	5,211.1	5,221.3
Corporate Expenditures and Revenues	-	-	-	-	-
Financial and Corporate Services	1,201.3	1,203.6	1,211.6	1,213.1	1,212.1
Integrated Infrastructure Services	521.3	554.7	552.3	552.3	552.3
Mayor and Councillor Offices	50.0	51.0	51.0	51.0	51.0
Office of the City Auditor	17.0	17.0	17.0	17.0	17.0
Office of the City Manager	1,969.9	1,934.6	1,953.6	1,960.6	1,985.1
Urban Planning and Economy	594.3	634.8	659.3	654.9	654.9
One-time Items	46.4	18.2	-	-	-
Total Full-time Equivalents	14,632.4	15,098.2	15,365.8	15,494.4	15,556.5

Financial Reporting vs. Budgeting Basis

The City of Edmonton prepares its budget on a modified accrual basis, while its basis of accounting used to prepare the City's financial statements is a full accrual basis. Under the modified accrual basis budgets are developed with a focus on ensuring the City raises sufficient funding to support to build and operate the City. Differences between the reporting are in expenses where the legislative statements include non-cash expenses such as amortization and exclude transfers to and from reserves, transfers between operating and capital, and principal debt payments.

The following is a representation of the 2023-2026 Operating Budget reflected in the format used for legislated financial reporting. Budgets reflected in the consolidated City of Edmonton financial statements from 2023 to 2026 will differ due to updates to annual budgets approved through supplemental budget adjustments throughout the four-year budget cycle, along with adjustments required for public sector accounting requirements.

The budget figures in the financial statement presentation reflect the 2023-2026 budgets for tax-supported, enterprise, utility and community revitalization operations. Also included are external capital funding sources (shown in other revenues) in the 2023-2026 Capital Budget.



2024 Budget Highlights

(\$000)	2023 Budget	2024 Budget	2025 Budget	2026 Budget
Revenue				
Net Taxes available for municipal purposes	1,931,287	2,008,986	2,129,456	2,244,349
User Fees and sale of goods and services	668,996	646,601	699,509	672,518
Franchise Fees	213,701	216,945	220,714	224,615
Investment Earnings	107,898	109,016	111,233	113,213
Government Transfers - operating	112,881	107,240	106,496	106,165
Licences & Permits	79,400	79,082	83,407	82,242
Fines & Penalties	65,695	63,463	61,582	60,017
Developer & Customer Contributions - Operating	36,459	35,269	32,590	32,543
Subsidiary Operations	340,990	-	-	-
Total Revenue	3,557,307	3,266,601	3,444,988	3,535,662
Expenses				
Administration				
Corporate Administration	255,065	259,757	272,477	267,664
Fleet Services	38,360	161,875	163,655	161,814
General Municipal	345,759	374,132	409,556	459,242
Ed Tel	4,657	4,703	4,744	4,783
Community Services				
Community & Family	68,837	65,171	62,319	63,001
Convention & Tourism	74,266	96,042	94,615	94,484
Public Library	68,712	70,507	69,631	69,538
Parks & Recreation	260,106	205,654	207,037	210,980
Planning	215,666	178,372	170,091	172,879
Public Housing	107,723	57,351	55,706	43,939
Protective Services				
Bylaw Enforcement	77,774	71,111	73,099	73,112
Fire Rescue	224,607	227,125	230,123	238,508
Police	523,715	528,149	526,905	530,611
Transportation Services				
Bus & LRT	536,604	520,760	524,232	522,676
Roadways & Parking	524,095	466,677	465,672	466,199
Utilities & Enterprise				
Blatchford Utility	3,071	1,941	1,962	1,987
Land Enterprise	73,873	52,114	99,091	70,815
Waste Services	219,521	208,397	208,452	208,621
Total Expenses	3,622,411	3,549,838	3,639,368	3,660,855
Excess/(shortfall) before Other Revenues	(65,104)	(283,237)	(194,380)	(125,192)
Other Revenues				
Government Transfers - capital	1,980,274	889,909	661,744	372,426
Developer contributed tangible capital assets	119,343	119,343	119,343	119,343
Developer and customer contributions - capital	82,476	15,358	13,675	17,542
Local improvements	12,317	20,576	20,576	20,576
Net position/ (loss)	2,129,306	761,949	620,958	404,695

2024 Budget Highlights

Notes

- The budget presentation will be adjusted in the year-end legislated financial statements as follows:
 - Adherence to public sector accounting requirements, including the elimination of internal revenues and other transactions (i.e. EPCOR and Ed Tel Endowment fund dividends), recognition of EPCOR's budgeted net income, elimination of debt principal payments, reversal of annual contributed asset depreciation and consolidation of other entities controlled by the City but not included in the budgeting process (i.e. Ed Tel Endowment Fund).
 - The original approved operating budget reported in legislated financial reporting is considered to be the budget approved by Council at the end of the year preceding the budget year(s), that provides authority to spend, plus any other adjustments approved through the Spring Operating Budget Adjustment report (including carryforward items) in April of the reporting year, prior to setting the mill rate.
 - Amortization expenses, depreciation of contributed assets, and gain and loss on disposal of assets will be presented within area expense budgets within legislated financial reporting. Amortization and depreciation of contributed assets are not reflected in the tax-supported operations branch budgets as they are non-cash items that should not be considered for tax-levy purposes. Amortization and depreciation of contributed assets are shown separately within the 2023-2026 Operating Budget.
- External capital revenues used as capital project funding sources are approved through the capital budget cycle and are included in legislated financial reporting. They reflect the related capital funding sources in the 2023-2026 budget, plus capital carryforwards from the previous year.
- Net taxes available for municipal purposes reflected within the legislated financial statements include property taxation revenue for tax-supported operations, community revitalization areas and supplementary taxes. The net taxes figure is reduced by tax appeals and allowances.
- Corporate Administration reflects budgeted expenses related to support services, including Office of the City Manager, Financial and Corporate Services and Employee and Legal Services Division. This line item also includes the Office of the City Auditor.
- General Municipal includes areas more of a corporate nature, including certain sections of the Fleet and Facility Services branch, Corporate Expenditures and Revenues program, and Integrated Infrastructure Services department.
- The expenses are reflected by functional areas for financial statement reporting purposes, which may differ from the City's organizational hierarchy as reflected in the budget.

Approved Tax Levy Increases

The budget is the plan for how tax dollars and other funding is allocated to provide the services Edmontonians use every day, including maintaining the roads, bridges, pathways and public transit that move people; delivering the emergency services and social supports people count on, and activating attractions, recreation centres, sports fields and parks that make Edmonton a great place to live, work and play. This budget focuses on maintaining the excellent services that Edmontonians rely on, delivering transformational projects and the priority areas of climate action and energy transition, community safety and well-being, transit, active transportation, and affordable housing and homelessness.

The following table summarizes the changes to the approved tax levy increase for each year of the multi-year budget cycle. In subsequent years, Administration and Council will meet twice per year to adjust the budgets as needed.

Tax-Supported Operating Budget	Approval Date	2023	2024	2025	2026
2023 - 2026 Operating Budget <i>Original Approved Budget</i>	Dec 16, 2022	4.96%	4.96%	4.95%	4.39%
2024 Operating Budget as Adjusted					
<i>Fall 2023 Supplemental Adjustment</i>	Nov 28, 2023	n/a	6.6%	5.3%	4.7%

Adjustments made throughout the process resulted in a tax levy increase of 6.6 per cent in 2024, 5.3 per cent increase in 2025, and 4.7 per cent increase in 2026.



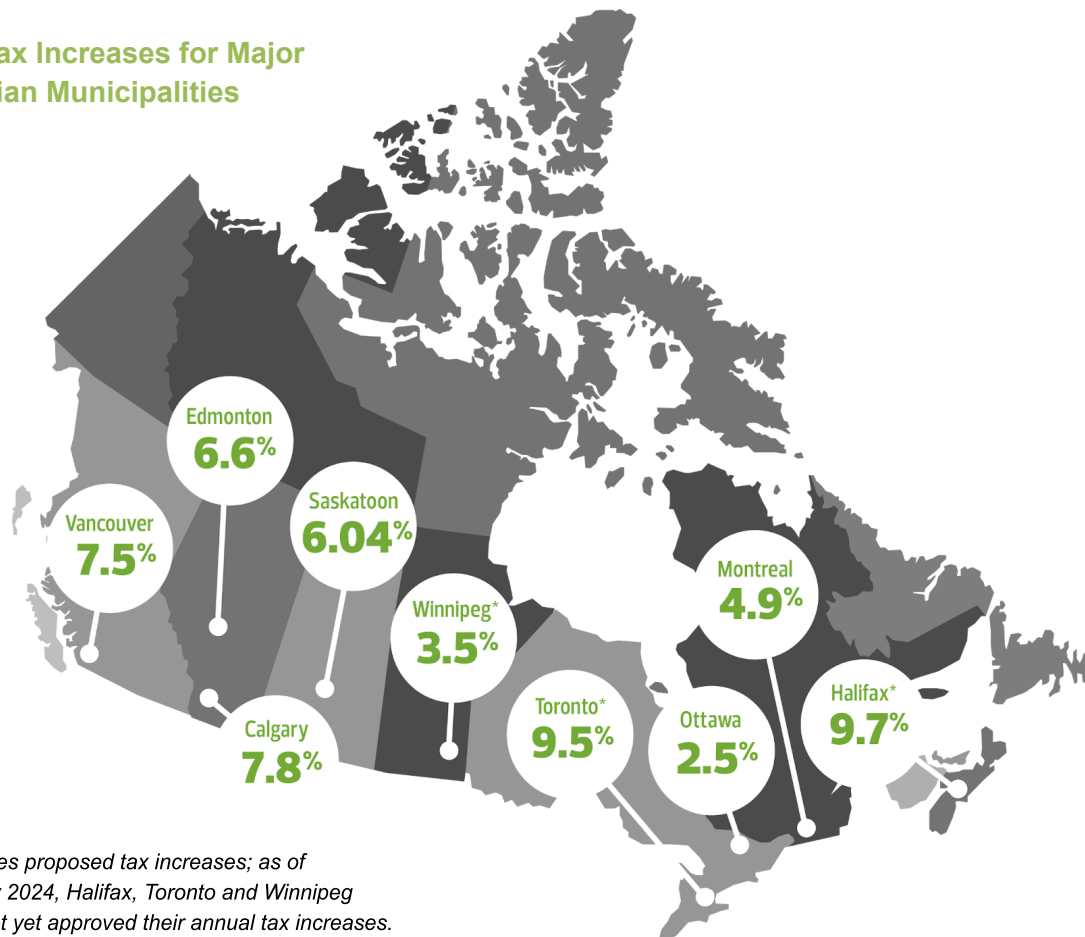
2024 Budget Highlights

As a result of these increases, Edmonton households can expect to pay about \$747 in 2024 for every \$100,000 of assessed home value, which is an increase of \$46 from 2023. These increases are a result of:

- Funding for new infrastructure and previously approved projects.
- Maintaining and improving existing infrastructure and core services.
- Higher debt servicing costs as a result of new debt-financed capital projects and rising interest rates for previously approved debt-financed projects that are currently under construction or yet to commence.
- Enhancements to existing public transit services.
- Identified pressures in the existing budget, including personnel increases for wage progression.
- Operating impacts of capital related to new capital projects.
- Higher energy prices, which increased natural gas and utility costs.
- Funding for the Edmonton Police Service, including arbitrated salary settlements.

In the previous budget cycle, taxes were kept low and were not enough to cover inflationary pressures from a growing population. The 2024-2026 Budget is focused on making investments and creating equity in our city. The 2024 tax increase falls within the middle range of tax increases amongst major Canadian municipalities. This increase will allow the City to maintain and continue to improve core public services while also carrying out previous commitments and transformational projects, allowing the City to be able to manage its capital plan for 2024.

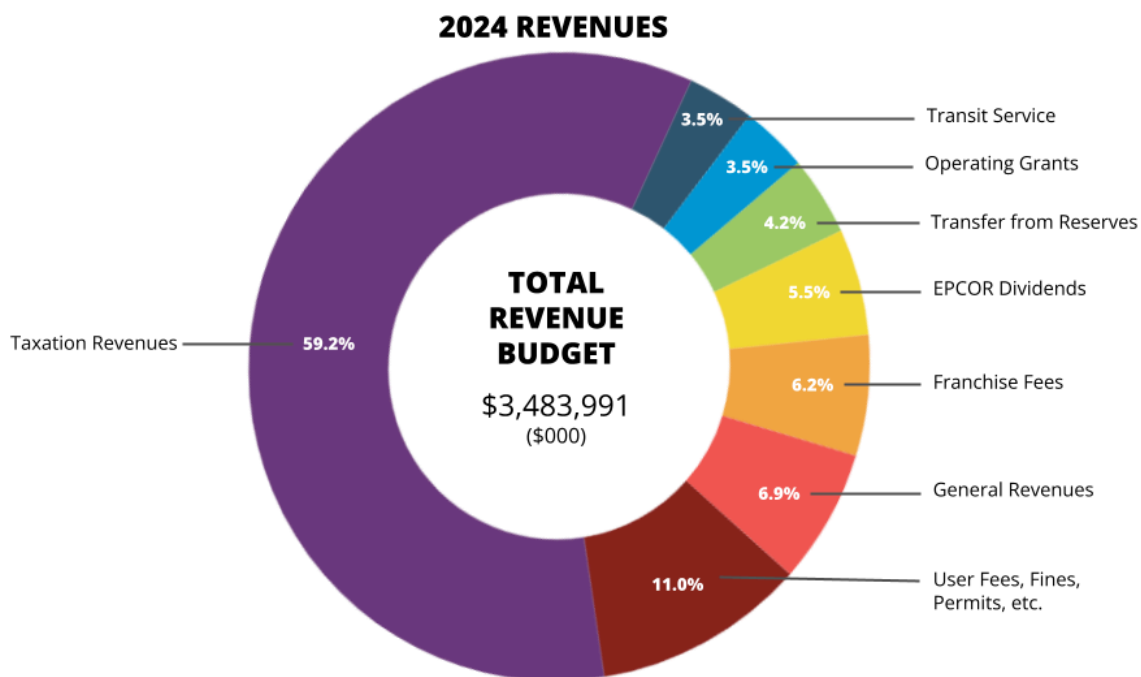
2024 Tax Increases for Major Canadian Municipalities



Where the Money Comes From

Property taxes are distributed proportionally based on an individual owner’s property value within the residential and non-residential tax categories. Each property owner pays a share of the total tax revenue required in the operating budget, based on the value of their property relative to all others. For 2024, taxes collected from residential and non-residential properties make up 59 per cent of the total revenue needed for the operating budget, up from 57 per cent of total revenue in 2023. User fees fund 11 per cent of the budget, including recreation facility admissions, parking, building fees and other permits. Aligned to Council Policy C624 - Fiscal Policy for Revenue Generation, user fees are designed to partially recover costs from people who individually and directly benefit from using the service. The chart below reflects the revenue sources for the approved budget in 2024. There will be a similar distribution of revenue sources in 2025 and 2026.

2024 Revenue Budget



¹ **General Revenues** grouping consists of multiple revenue categories:

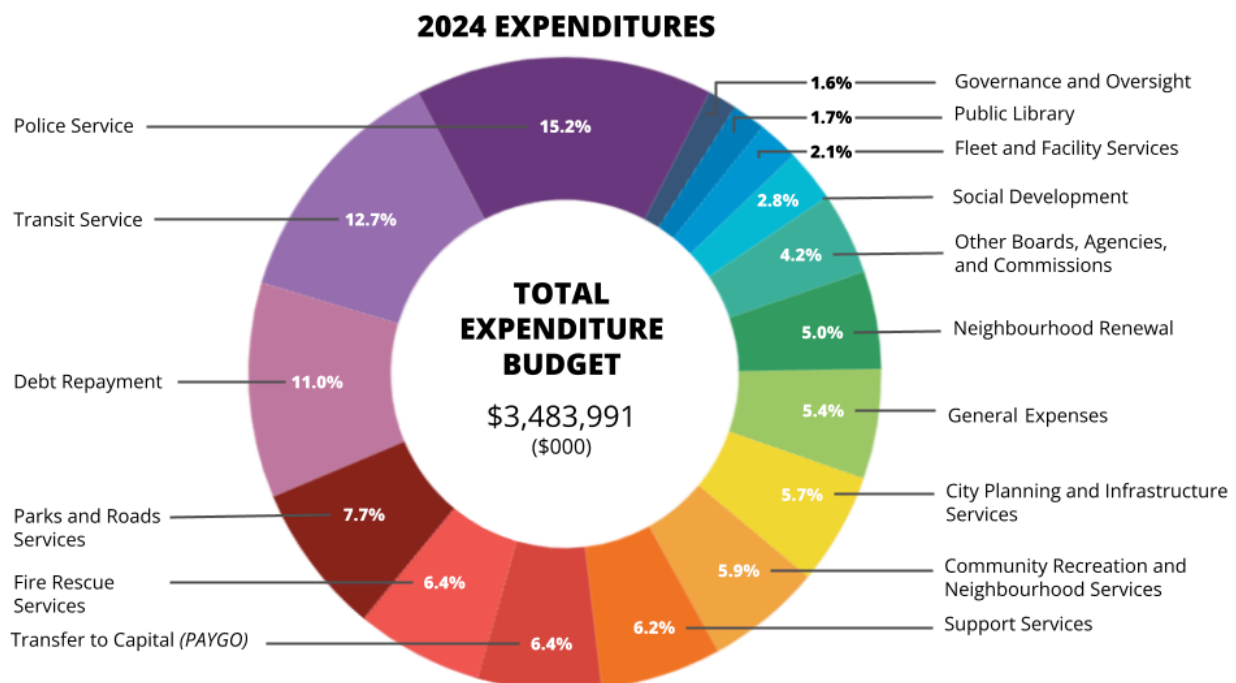
- **Investment Earnings and Dividends for Capital Financing** includes dividends from the Ed Tel Endowment Fund
- **Other Revenue** includes revenues from Downtown Arena (Non CRL), External Debt Recovery, Local Improvements, and other Taxation revenues

2024 Budget Highlights

Where the Money is Spent

The chart below shows the total tax-supported expenditures for each major category. The portion of the City's budget that is spent on providing police, transit and debt repayment accounts for 38.9 per cent. The percentages shown in the chart below reflect the spending categories for the budget in 2024. There will be a similar distribution of spending in 2025 and 2026.

2024 Expenditure Budget



² Certain Expenditure Budget groupings consist of multiple departments:

- **Governance and Oversight** includes Offices of the City Auditor, City Manager, City Clerk, and Mayor and Council
- **City Planning and Infrastructure Services** includes Urban Planning and Economy and Integrated Infrastructure Services
- **Community Recreation and Neighbourhood Services** includes Community Recreation and Culture, and Community Standards and Neighbourhoods
- **General Expenses** includes Automated Enforcement, Capital Project Financing, and corporate wide expenditures
- **Support Services** includes Financial and Corporate Services, and others such as Talent Management, and Workforce Safety and Employee Health

2024 Budget Highlights

Impact on a Homeowner

The average Edmonton household will pay approximately \$747 in municipal property taxes for every \$100,000 of their assessed home value in 2024, an increase of \$46 compared to last year. These funds help maintain the roads, pathways and public transit that move people. They support Edmontonians' safety and well-being through bylaw enforcement, fire rescue, police and social programs. They also facilitate attractions, leisure activities and parks that make Edmonton a great place to live, work and visit.

Impact of the approved 2024 to 2026 municipal tax increases per \$100,000 of assessment value, residential

	2023 Budget	2024 Budget	Annual Impact	2025 Budget	Annual Impact	2026 Budget	Annual Impact
Municipal Services	548	583	35	619	36	655	36
Police Services	153	164	11	168	4	169	1
Per \$100K of assessment value, residential	\$701	\$747	\$46	\$787	\$40	\$824	\$37

Municipal Services is based on a 5% tax increase for 2024, 4.8% for 2025 and 4.5% for 2026, including assessment growth.

Police Services is based on a tax increase of 1.6% in 2024, 0.5% in 2025 and 0.2% in 2026.

	Impact of the Approved Tax Increase		
	2024	2025	2026
Municipal Services	5.0	4.8	4.5
Police Services	1.6	0.5	0.2
	6.6%	5.3%	4.7%

2024 Budget Highlights

Waste Services Utility - Operating Budget

Waste Services plays an integral role in the day-to-day lives of Edmontonians by collecting, processing and disposing of solid waste for residential and non-residential customers. The branch is committed to providing efficient and sustainable waste utility services.

Waste Services is operated as a regulated public utility and is governed by City Council's Utility Committee with oversight provided by an independent Utility Advisor. All residential waste services are covered through the monthly utility rate and waste disposal fees charged to residents. Property taxes are not used for any waste services residents receive. The utility operates under the Council approved Waste Management Utility Fiscal Policy C558B and the Waste Services Bylaw 18590.

Branch - Waste Services

2024 Approved Budget - Waste Services Utility by Program

(\$000)	2023						
	2021 Actuals	2022 Approved Budget	2023 Approved Budget Changes	2023 Approved Budget	2024 Approved Budget	2025 Forecasted Budget	2026 Forecasted Budget
Revenue & Transfers							
Rate Revenue	199,145	205,949	6,458	212,407	218,247	221,986	225,465
Program Revenue	14,682	13,017	3,161	16,178	17,277	17,193	17,897
Grant Revenue	8,067	-	400	400	-	-	-
Total Revenue & Transfers	\$221,894	\$218,966	\$10,019	\$228,985	\$235,524	\$239,179	\$243,362
Net Expenditure & Transfers							
Collection Services	75,208	81,672	9,060	90,732	93,863	96,842	98,945
Processing & Disposal Services	125,803	124,505	8,188	132,693	137,014	140,613	142,808
Total Net Expenditure & Transfers	\$201,009	\$206,177	17,248	\$223,425	\$230,877	\$237,455	\$241,753
Net Income/(Loss)	\$20,885	\$12,789	(\$7,229)	\$5,560	\$4,647	\$1,724	\$1,609

Waste Services revenue is largely made up of monthly utility rates charged to single unit and multi-unit ratepayers, and tip fees charged for specific types of waste materials at Eco Stations and other drop-off facilities. Program revenues come from tip fees from private haulers, the sale of recyclable materials, Eco Station tip fees and investment earnings. Waste Services has a 0.9 per cent rate increase in 2024. Program revenues are increasing due to an expected increase in investment earnings and Commercial Collection revenue. Overall, expenditures increase from the implementation of the three-stream Communal Collection program, customer growth and higher than average inflation.

Financial Impact to Waste Services Residential Customers

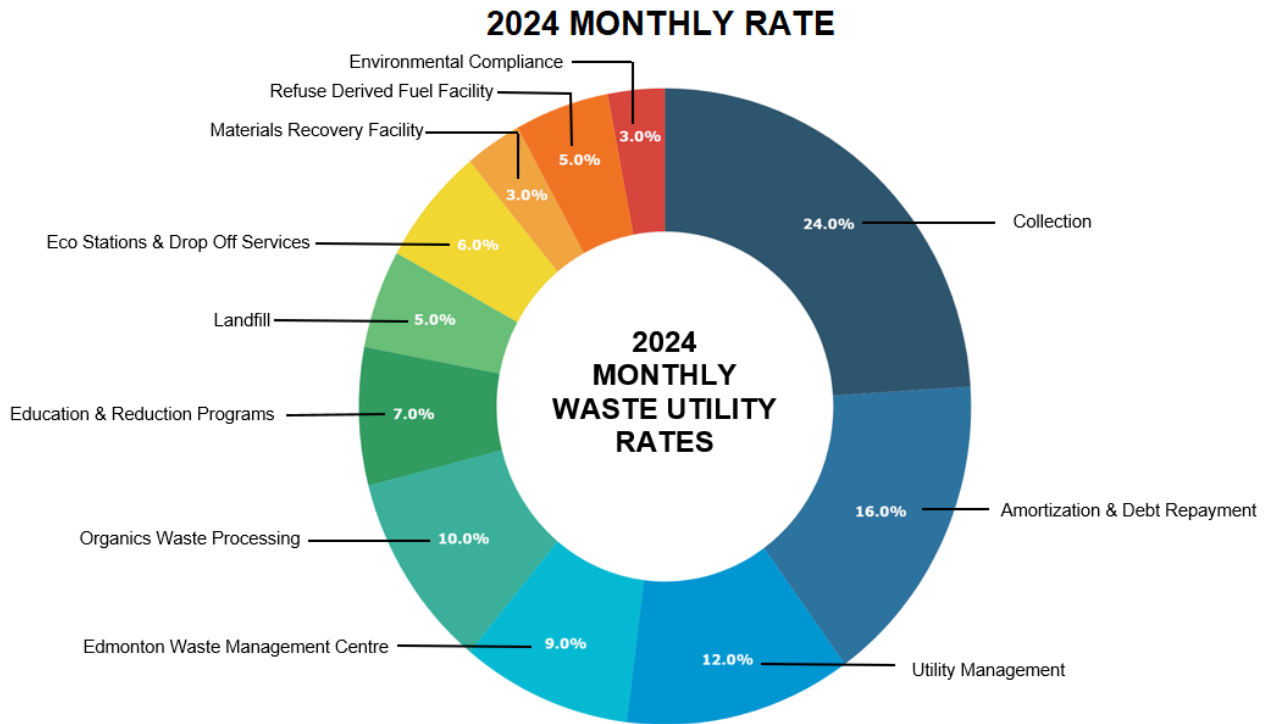
Type of Residence	2023 Actual Monthly Rate	2024 Approved Monthly Rate	Approved Monthly Rate Increase	Annual Increase
Curbside 120L Garbage Cart	\$43.75	\$44.19	\$0.44	\$5.28
Curbside 240L Garbage Cart	\$48.75	\$49.19	\$0.44	\$5.28
Curbside 360L Garbage Cart	\$58.75	\$59.19	\$0.44	\$5.28
Multi-Unit	\$30.97	\$31.25	\$0.28	\$3.36

Waste Services has a 0.9 per cent rate increase for 2024 while continuing to deliver significant and transformational change. 2022 was the first year of operation for the Edmonton Cart Rollout for over 250,000 residential households that receive curbside collection. In 2023 the City began the phase-in of mandatory three-stream communal collection to approximately 167,000 residential households at almost 3,400 properties. This will continue for the next several years. Also in 2023, the Single-use Item Reduction Charter Bylaw took effect on July 1, 2023.

The monthly utility rate is used to support Waste Collection Services, which provides efficient and effective waste collection and drop-off services including an Assisted Waste Collection program for residents with mobility restrictions. Residents have access to a number of facilities where large items can be dropped off for recycling, reuse or disposal including Eco Stations, Community Recycling Depots, Big Bin Events and the Reuse Centre. It also supports Sustainable Waste Processing, which receives and sorts residential waste at the Edmonton Waste Management Centre. This is a unique collection of advanced processing and diversion facilities focused on recovering valuable resources and minimizing the amount of waste going to landfills.

2024 Budget Highlights

The following chart reflects what single unit residents receive for their 2024 monthly rate.



Blatchford Renewable Energy Utility

Blatchford Renewable Energy has been established to help achieve the City of Edmonton’s long-term goal of 100 per cent renewable energy and carbon neutrality for the Blatchford community.

Blatchford Renewable Energy owns and operates the community’s District Energy Sharing System (DESS), which provides heating, cooling and hot water services. The DESS delivers energy efficiently from a centralized source using ambient (room temperature) water that is then upgraded by heat pumps which provide both heating and cooling. The DESS will tie into renewable energy sources including geexchange and sewer heat recovery.

Blatchford Renewable Energy operates as a municipal owned utility under the Blatchford District Energy Utility Fiscal Policy C597A and the Blatchford Renewable Energy Utility Bylaw 17943. In 2024, the utility will continue its growth in alignment with land development and builder activities in the community. This will include the further development of the distribution piping system and the extension of the community’s first Energy Centre to its full capacity.

Blatchford Renewable Energy Utility Approved Fees and Charges for 2024

Type of Building	Townhouse Lot Residential	Multi-unit Lot Residential	Multi-unit Lot Commercial
Fixed Charge	\$1.88 / day	\$12.84 / kW peak capacity / month	
Variable Charge	\$0.0325 / kWh	\$0.0325 / kWh	
Infrastructure Fee	\$1,947.03 / unit	\$1,947.03 / unit	\$22.24 / m ²

2024 Budget Highlights

Capital Budget - 2023-2026

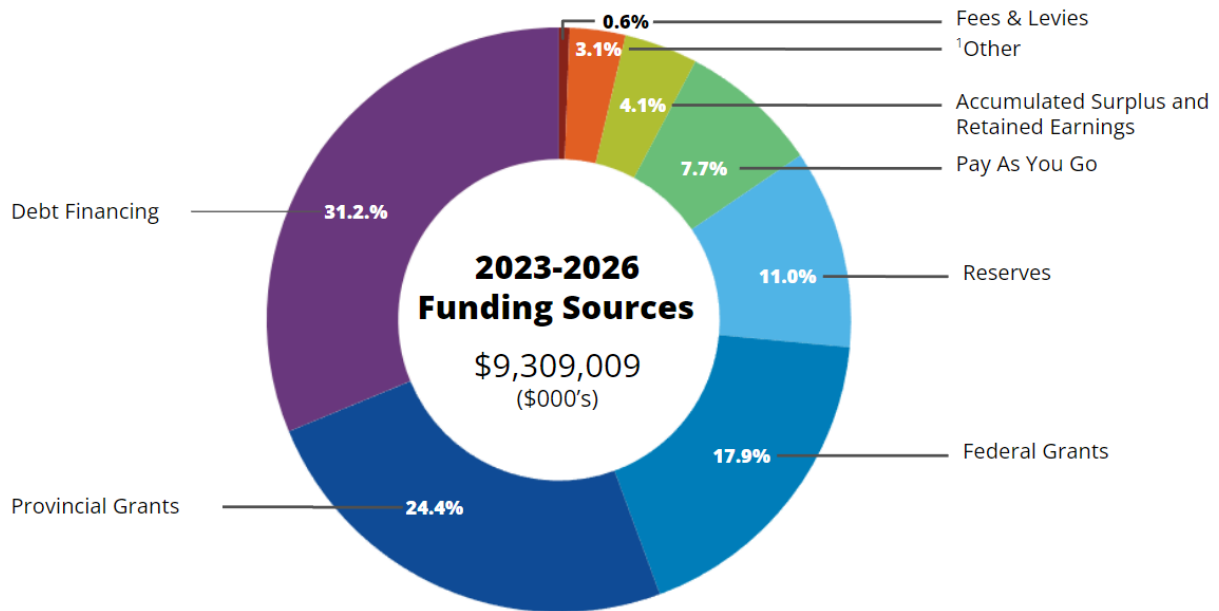
The foundation of the 2023-2026 Capital Budget is the 2023-2032 Capital Investment Outlook (CIO), a high-level overview of the City's capital investment requirements over the next 10 years.

The 2023-2026 Capital Budget aims to balance renewal and growth projects so that capital investment maximizes benefits, reduces risk and provides service levels that meet the public's expectations. Approximately 30 per cent of 2023-2026 capital investment is earmarked for renewing roads, neighbourhoods, parks, City-owned buildings and transit vehicles, with the remaining 70 per cent to support planning and delivery of new infrastructure.

(\$000)	2023	2024	2025	2026	Total 2023 to 2026	2027 & Beyond	Total Approved Budget
Tax Supported Operations	2,841,210	2,208,457	2,290,080	1,733,432	9,073,179	1,004,573	10,077,752
Waste Services Utility	70,122	44,759	27,137	21,016	163,034	101	163,135
Blatchford Renewable Energy Utility	41,519	7,973	8,817	14,486	72,795	57,121	129,917
Total Approved Capital Budget	2,952,851	2,261,189	2,326,034	1,768,935	9,309,009	1,061,795	10,370,804

The following chart provides the funding sources for the 2023-2026 Capital Budget.

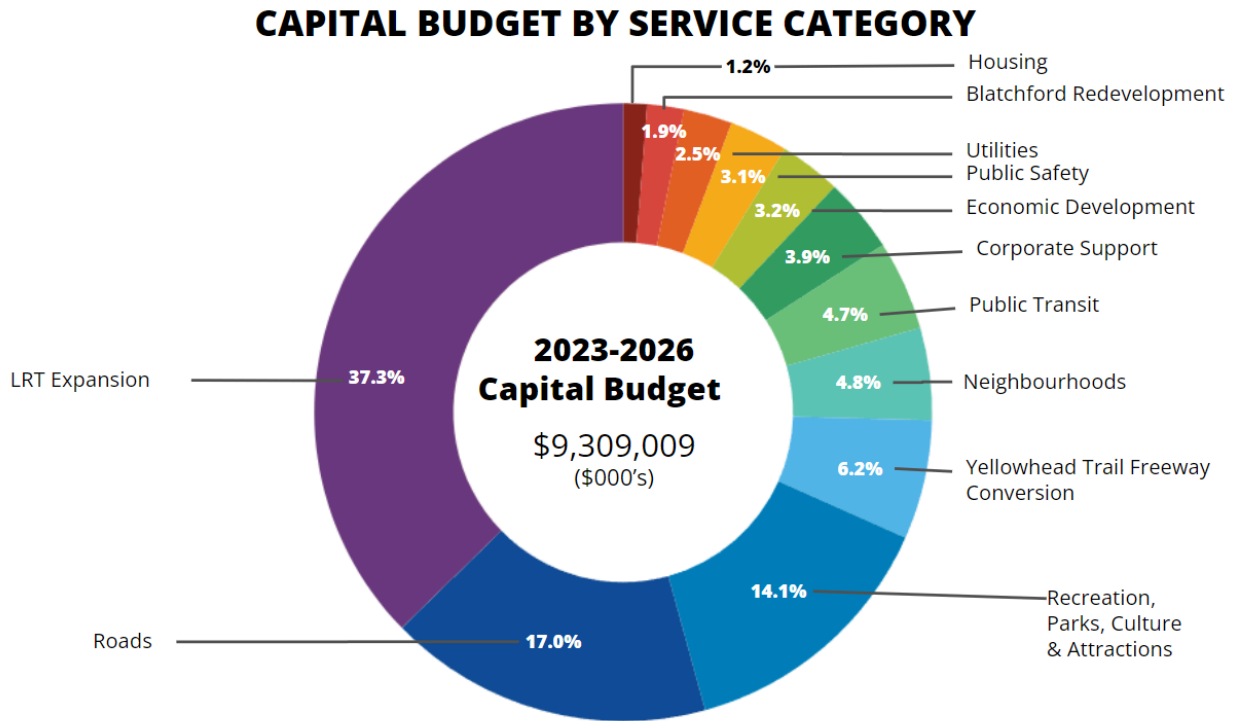
CAPITAL BUDGET FUNDING SOURCES



¹ Other includes partnership funding, developer financing, Edmonton Police Service Pay-As-You-Go and Edmonton Public Library Pay-As-You-Go

2024 Budget Highlights

The following chart reflects the allocation of the 2023-2026 Capital Budget by service category. The budget emphasizes investment in LRT expansion, recreation facilities and parks, roads, neighbourhoods and public transit.



Carbon Budget

Edmonton is one of the first cities in North America to present a carbon budget alongside its financial plans. Unlike the capital, operating and utility budgets, Council does not deliberate or approve the carbon budget. Rather, it is a tool to support decision-making that shows the greenhouse gas (GHG) impacts of budget requests.

Edmonton has set community greenhouse emission reduction targets of 35 per cent by 2025 and 50 per cent by 2030 compared to 2005 emissions, and being emissions neutral by the year 2050 as defined in the Community Energy Transition Strategy. The City of Edmonton is demonstrating its climate leadership by setting the target to be an emissions neutral corporation in 2040, 10 years earlier than the community target.

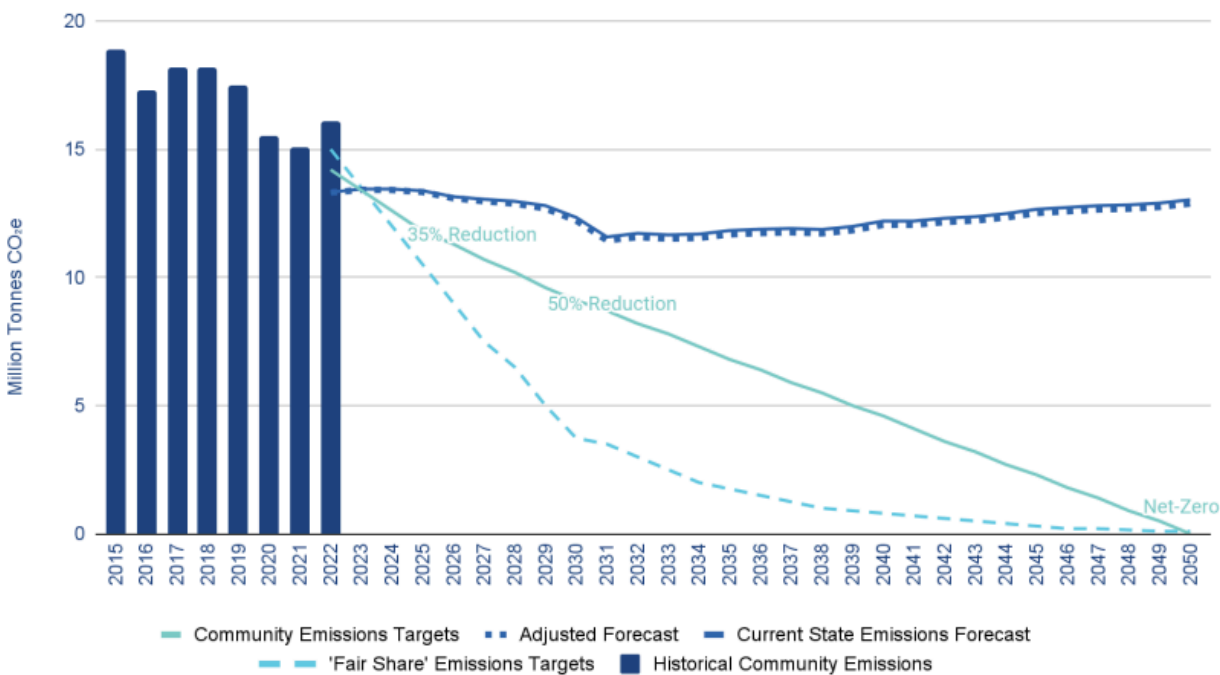
The 2023-2026 Carbon Budget took a greenhouse gas emissions forecast as a starting point and incorporated changes due to the approved capital, operating and utility budgets to form a revised emissions forecast that reflects the impact of council budget decisions. In subsequent years, an annual Carbon Budget Update is presented to Council as part of the fall budget deliberations. The first of these updates was presented in November 2023.

Overall, the fall 2023 capital, operating and utility budget adjustments proposed by Administration were not significantly improving nor contributing to community greenhouse gas (GHG) emissions levels, but did impact corporate GHG levels. The majority of significant climate initiatives that were funded in the four-year budget cycle remain in the carbon budget.

Community Carbon Budget

Based on annual emission reduction targets, Edmonton's community emissions were targeted to be 14.2 million tonnes of carbon dioxide equivalent (CO₂e) or less in 2022. This target was not met, as 2022 community emissions in Edmonton were calculated to be 16.1 million tonnes of CO₂e. As a result of this adjusted forecast, the year when the community carbon budget is forecasted to be depleted is now 2036, one year earlier than forecasted in the 2023-2026 Carbon Budget. This shift was not caused by any of the budgetary decisions made over the course of 2022. It is primarily due to 2022 emissions being higher than expected because of increases in energy use in buildings, and the industrial and transportation sectors. These sectors were impacted by the COVID-19 pandemic, and their emissions have increased as pandemic recovery continues.

2024 Budget Highlights



	Carbon Budget 2023-2050 (Available GHG Emissions)	Year Carbon Budget is Depleted (Based on Adjusted Forecasts)
Community Carbon Budget <i>(targets that align with the Paris Agreement)</i>	160 million tonnes CO ₂ e	2036*

* This is one year earlier than reported in the 2023-2026 Carbon Budget; this shift is due to the 2022 actual emissions being higher than forecasted.

The community carbon target budget, which is the maximum total emissions allowed, is 176 million tonnes CO₂e. Based on the adjusted emissions forecast, including GHG impacts of the quantifiable capital projects and operating service packages approved in the 2023-2026 Budget, the community is forecasted to deplete the allowable emissions by 2036. Edmonton as a community will have an annual carbon deficit of 12.88 million tonnes CO₂e by 2050. This means by 2050 when emissions are expected to be neutral with no net impact on an annual basis, the community will still have GHG emissions of 12.88 million tonnes CO₂e annually.

Based on the current state emissions scenario and impacts quantified from the 2023-2026 Carbon Budget, the cumulative community emissions would be 53.25 million tonnes of CO₂e over 2023-2026. The quantifiable impacts of the decisions made during the fall 2023 budget deliberations increase emissions by 1,400 tonnes. These 2023 budget updates fall below the significance threshold for the community carbon budget, and therefore the carbon deficit of 4,150 thousand tonnes remains unchanged.

Corporate Carbon Budget

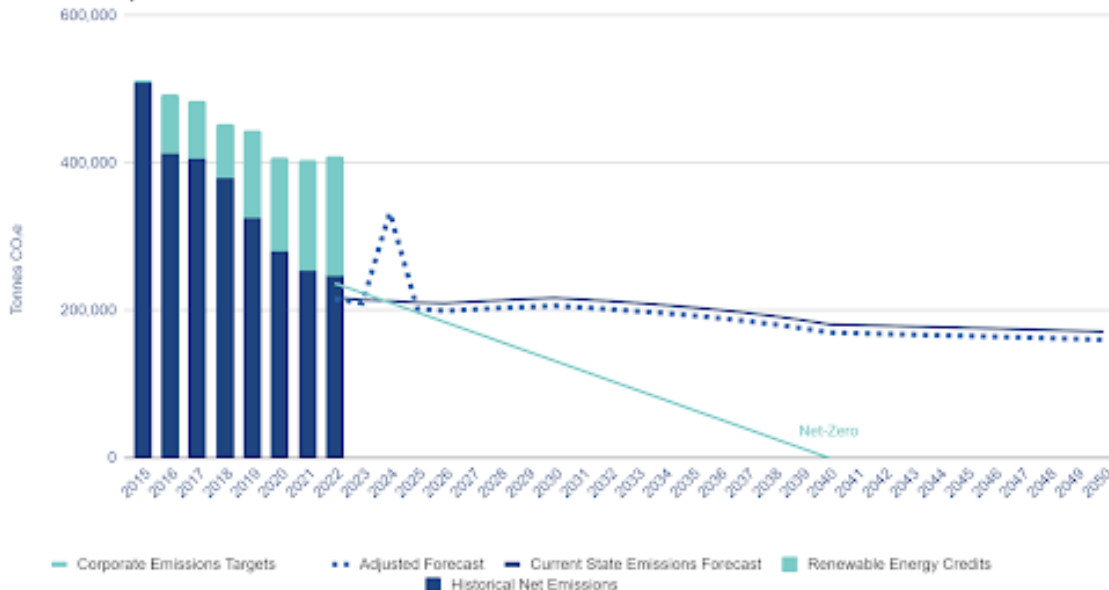
In contrast to the community carbon emissions, which rely primarily on policy, other orders of government and private investment to reduce emissions, the City of Edmonton can directly control its corporate emissions with its investment decisions. The corporate emissions target is to be net neutral by the year 2040, as indicated in the Community Energy Transition Strategy. Similar to the community carbon budget, higher than forecasted emissions cause an accelerated timeline for the depletion of the corporate carbon budget, which is now expected to happen in 2032, one year earlier than reported in the 2023-2026 Carbon Budget.

Two motions were passed during the fall 2023 budget deliberations that impacted the corporate carbon budget.

The first motion was that the operating expenditure budget for Renewable Energy Credits (RECs) be decreased by \$3.3M for 2024 and 2025. Preliminary analysis of a \$3.3M reduction of the REC budget results in the corporation only purchasing about 20 per cent of the RECs needed to offset the corporate electricity GHG emissions in 2024; this would cause corporate CO₂e emissions to spike in that year. However, by 2025, the City's renewable energy contract is expected to be generating revenue that will enable the corporation to purchase the full amount of RECs needed to offset electricity emissions. This will bring the corporate emission forecast back down to the line reported in this year's Carbon Budget Update.

The second motion was to add 50,000 annual bus service hours for Edmonton Transit Service (which involves the addition of approximately 20 diesel buses) in support of the implementation of the mass transit network. The addition of 20 more diesel buses would increase corporate emissions by approximately 1,300 tonnes/year (65 t/y/bus). Roughly 280 cars/year would need to be taken off the road to provide a community GHG reduction equivalent to the GHG impact from the bus increase.

Corporate Carbon Budgeting - 2023 Budget Updates (Inc. forecast REC budget reduction)



2024 Budget Highlights

	Carbon Budget 2023-2040 (Available GHG Emissions)	Year Carbon Budget is Depleted (Based on Adjusted Forecasts)
Corporate Carbon Budget	2.00 million tonnes CO ₂ e	2032*

** This is one year earlier than reported in the 2023-2026 Carbon Budget; this shift is due to the 2022 actual emissions being higher than forecasted.*

The Energy Transition Strategy identified implementing a mass transit network as a “Big Win” action. This service hour growth was previously intended to be met through the purchase of electric buses, however, due to supply issues the necessary increased bus service hours required under the Mass Transit Network Implementation will be met by traditional diesel buses which was not intended until 2027 under previous plans. The City remains committed to transitioning the bus fleet to electric and hydrogen fuel over time as the technical challenges with both technologies are addressed through the City’s pilot projects.

The impacts of these motions do not change the year that the corporate carbon budget is expected to be depleted. However, the motions do move the date closer to 2031 rather than 2032.

The carbon budget highlights that climate change is a collective problem that will take collective action. The City is limited in its ability to directly impact Edmonton’s emissions; its corporate emissions make up about two per cent of Edmonton’s overall emissions. City Administration is actively working to reduce the City’s emissions, but to be carbon neutral by 2050, it will take a much larger collective effort, including collaboration and support from other orders of government, private investment and the actions of all Edmontonians.

2024 Budget Highlights

Spring Supplemental Operating Budget Adjustment (SOBA) - May 2024

The Supplemental Operating Budget Adjustment (SOBA) is part of the City Council approved multi-year budgeting approach to setting the 2023-2026 Operating Budget. The Spring SOBA was approved by City Council on April 23, 2024, and finalized the 2024 tax levy budget.

The following table summarizes the changes to the approved tax levy increase for each year of the multi-year budget cycle. In subsequent years, Administration and Council will meet twice per year to adjust the budgets as needed.

Tax-Supported Operating Budget	Approval Date	2023	2024	2025	2026
2023 - 2026 Operating Budget <i>Original Approved Budget</i>	Dec 16, 2022	4.96%	4.96%	4.95%	4.39%
2024 Operating Budget as Adjusted <i>Fall 2023 Supplemental Adjustment</i>	Nov 28, 2023	n/a	6.6%	5.3%	4.7%
2024 Operating Budget as Adjusted <i>Spring 2024 Supplemental Adjustment</i>	Apr 23, 2024	n/a	8.9%	7.0%	6.3%

Adjustments made throughout the process resulted in a tax levy increase of 8.9 per cent in 2024, 7.0 per cent increase in 2025, and 6.3 per cent increase in 2026.

As a result of these increases, Edmonton households can expect to pay about \$766 in 2024 for every \$100,000 of assessed home value, which is an increase of \$66 from 2023. This means that the average household will pay about \$8.97 a day to help fund 70 City services, including emergency services, parks, trails, roads, bridges, transit, recreation centres, attractions and social supports.

The following schedules below reflect the 2024-2026 operating budget amendments approved by Council through the Spring 2024 Supplemental Operating Budget Adjustment process.

2024-2026 Operating Budget Changes

Attachment 1 - revised for carried Council amendments

Tax Supported Operations (Incremental \$000s)	2024				2025				2026			
	Revenue	Expense	Net	Tax Change %	Revenue	Expense	Net	Tax Change %	Revenue	Expense	Net	Tax Change %
Approved Tax Supported Operations (December 2023)	3,483,991	3,483,991	-	6.6	3,619,566	3,619,566	-	5.3	3,736,478	3,736,478	-	4.7
Total operating budget changes in Q1 2024	91,107	91,107	-	-	5,426	5,426	-	-	5,591	5,591	-	-
Total operating budget changes from prior years	-	-	-	-	62,454	62,454	-	-	88,617	88,617	-	-
Annual Amended Tax Supported Operations	3,575,098	3,575,098	-	6.6	3,687,446	3,687,446	-	5.3	3,830,686	3,830,686	-	4.7

1. Changes to Economic Forecasts

Corporate Expenditures and Revenues

Change due to Assessment Growth	4,037	-	(4,037)	(0.2)	-	-	-	-	-	-	-	-
Grants in Lieu Write-Down	(3,500)	-	3,500	0.2	-	-	-	-	-	-	-	-
Business Licensing revenues	(1,729)	-	1,729	0.1	90	-	(90)	(0.0)	92	-	(92)	(0.0)
Tax-supported Debt Servicing costs	-	(9,411)	(9,411)	(0.5)	-	(16,944)	(16,944)	(0.8)	-	(4,444)	(4,444)	(0.2)
Transfer to Pay-As-You-Go	-	9,411	9,411	0.5	-	16,944	16,944	0.8	-	4,444	4,444	0.2
	(1,192)	-	1,192	0.1	90	-	(90)	(0.0)	92	-	(92)	(0.0)

2. External Factors/Changes to Legislation

Corporate Expenditures and Revenues

Changes to LAPP Premiums	-	(2,524)	(2,524)	(0.1)	-	139	139	0.0	-	136	136	0.0
Changes to WCB Premiums	-	7,422	7,422	0.4	-	-	-	-	-	-	-	-
	-	4,898	4,898	0.3	-	139	139	0.0	-	136	136	0.0

3. Council Directed

Safe and Inclusive Public Spaces

Social Development	-	-	-	-	-	335	335	0.0	-	-	-	-
	-	-	-	-	-	335	335	0.0	-	-	-	-

4. Funded Service Packages

Glenriding Heights Partnership

Community Recreation and Culture	-	6,800	6,800	0.4	-	(6,800)	(6,800)	(0.3)	-	-	-	-
Transfer from Pay-As-You-Go	-	(6,800)	(6,800)	(0.4)	-	6,800	6,800	0.3	-	-	-	-

Sergeant-at-Arms for City Hall

Community Standards	-	108	108	0.0	-	46	46	0.0	-	-	-	-
Transfer from Financial Strategies	-	(108)	(108)	(0.0)	-	(46)	(46)	(0.0)	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-

2024-2026 Operating Budget Changes

Attachment 1 - revised for carried Council amendments

Tax Supported Operations (Incremental \$000s)	2024				2025				2026			
	Revenue	Expense	Net	Tax Change %	Revenue	Expense	Net	Tax Change %	Revenue	Expense	Net	Tax Change %
5. Administrative Adjustments												
<u>Civic Service Union 52 Collective Bargaining Agreement - Retropay and lump sum payment (one-time)</u>												
Various Branches	-	7,800	7,800	0.4	-	(7,800)	(7,800)	(0.36)	-	-	-	-
Transfer from FSR	7,800	-	(7,800)	(0.4)	(7,800)	-	7,800	0.36	-	-	-	-
<u>Civic Service Union 52 Collective Bargaining Agreement - ongoing budget impacts</u>												
Transfer to Edmonton Police Service	-	5,036	5,036	0.3	-	-	-	-	-	-	-	-
Transfer to Edmonton Public Library	-	2,057	2,057	0.1	-	-	-	-	-	-	-	-
Transfer to Fort Edmonton Park	-	159	159	0.0	-	-	-	-	-	-	-	-
Transfer to Civic Departments	-	20,351	20,351	1.1	-	-	-	-	-	-	-	-
Transfer from Financial Strategies	-	(27,603)	(27,603)	(1.4)	-	-	-	-	-	-	-	-
<u>EPS Senior Officer Association Collective Bargaining Agreement</u>												
Transfer to Edmonton Police Services	-	712	712	0.0	-	-	-	-	-	-	-	-
Transfer from Financial Strategies	-	(712)	(712)	(0.0)	-	-	-	-	-	-	-	-
<u>Building Safer Communities Funding</u>												
Social Development	2,063	2,063	-	-	(471)	(471)	-	-	(1,257)	(1,257)	-	-
<u>Housing Accelerator Fund (HAF)</u>												
Social Development	1,500	1,500	-	-	-	-	-	-	-	-	-	-
	11,363	11,363	-	-	(8,271)	(8,271)	-	-	(1,257)	(1,257)	-	-
6. Other adjustments (for information)												
<u>Urban Strategy Grant</u>												
Edmonton Police Services	5,953	5,953	-	-	(1,160)	(1,160)	-	-	(4,793)	(4,793)	-	-
<u>Gun and Gang Violence Action Fund (GGVAF) Grant</u>												
Edmonton Police Services	1,145	1,145	-	-	(103)	(103)	-	-	-	-	-	-
<u>Alberta Law Enforcement Response Teams secondment revenue</u>												
Edmonton Police Services	1,096	1,096	-	-	5	5	-	-	4	4	-	-
	8,194	8,194	-	-	(1,258)	(1,258)	-	-	(4,790)	(4,790)	-	-
Adjustment to Financial Strategies	-	35,483	35,483	1.8	-	34,896	34,896	1.6	-	35,922	35,922	1.7
Total Operating Budget Changes - Proposed Spring SOBA	18,364	59,938	41,573	2.1	(9,439)	25,841	35,280	1.7	(5,955)	30,012	35,966	1.7

2024-2026 Operating Budget Changes

Attachment 1 - revised for carried Council amendments

Tax Supported Operations

(Incremental \$000s)

7. Council approved amendments

		2024				2025				2026			
		Revenue	Expense	Net	Tax Change %	Revenue	Expense	Net	Tax Change %	Revenue	Expense	Net	Tax Change %
OP 2	Community Recreation and Culture - Event Attraction Service Package	-	2,000	2,000	0.1	-	-	-	-	-	-	-	-
OP 3	Parks and Roads Services - Centre City Optimization	-	1,562	1,562	-	-	(1,562)	(1,562)	-	-	-	-	-
OP 3	Financial Strategies - Centre City Optimization	-	(1,562)	(1,562)	-	-	1,562	1,562	-	-	-	-	-
OP 5	Community Standards and Neighbourhoods - Assisted Snow Clearing	-	516	516	0.0	-	323	323	0.0	-	(481)	(481)	(0.0)
Total Council Approved Amendments		-	2,516	2,516	0.1	-	323	323	0.0	-	(481)	(481)	(0.0)

7. Required adjustments

Adjustment to tax revenue		44,089	-	(44,089)		35,603	-	(35,603)		35,485	-	(35,485)	
Annual Adjusted Tax Supported Operations Budget		3,637,552	3,637,552	-	8.9	3,713,609	3,713,609	-	7.0	3,860,217	3,860,217	-	6.3

2024-2026 Operating Budget Changes

Attachment 1

Community Revitalization Levies (CRLs)

(000s)

	2024			2025			2026		
	Revenue	Expense	Net	Revenue	Expense	Net	Revenue	Expense	Net
Belvedere CRL	6,216	6,216	-	2,328	2,328	-	2,333	2,333	-
Total operating budget changes from prior years			-	1,067	1,067	-	-	-	-
Amended Belvedere CRL	6,216	6,216	-	3,395	3,395	-	2,333	2,333	-
Change in CRL Revenue	38	-	38	(103)	-	(103)	(15)	-	(15)
Change in transfer to/from reserve	1,029	-	1,029	(964)	-	(964)	15	-	15
Updated forecast	-	1,067	(1,067)	(1,067)	(1,067)	1,067	-	-	-
Total Belvedere CRL Changes	1,067	1,067	-	(1,067)	(1,067)	-	-	-	-
Adjusted Belvedere CRL	7,283	7,283	-	2,328	2,328	-	2,333	2,333	-
Capital City Downtown CRL	51,029	51,029	-	47,230	47,230	-	56,032	56,032	-
Total operating budget changes from prior years			-	(4,344)	(4,344)	-	(4,415)	(4,415)	-
Amended Capital City Downtown CRL	51,029	51,029	-	42,886	42,886	-	51,617	51,617	-
Change in CRL Revenue	3,936	-	3,936	(8,435)	-	(8,435)	(1,454)	-	(1,454)
Change in transfer to/from reserve	(8,280)	-	(8,280)	8,364	-	8,364	5,461	-	5,461
Updated forecast	-	(4,344)	4,344	-	(71)	71	-	4,007	(4,007)
Total Capital City Downtown CRL Changes	(4,344)	(4,344)	-	(71)	(71)	-	4,007	4,007	-
Adjusted Capital City Downtown CRL	46,685	46,685	-	42,815	42,815	-	55,624	55,624	-
The Quarters Downtown CRL	10,477	10,477	-	10,582	10,582	-	10,632	10,632	-
Total operating budget changes from prior years			-	(979)	(979)	-	(1,136)	(1,136)	-
Amended The Quarters Downtown CRL	10,477	10,477	-	9,603	9,603	-	9,496	9,496	-
Change in CRL Revenue	1,106	-	1,106	(562)	-	(562)	(2,860)	-	(2,860)
Change in transfer to/from reserve	(2,085)	-	(2,085)	405	-	405	3,150	-	3,150
Updated forecast	-	(979)	979	-	(157)	157	-	290	(290)
Total The Quarters Downtown CRL Changes	(979)	(979)	-	(157)	(157)	-	290	290	-
Adjusted The Quarters Downtown CRL	9,498	9,498	-	9,446	9,446	-	9,786	9,786	-

WHERE TO FIND MORE INFORMATION ABOUT THE APPROVED BUDGET

This document is an overview of the City's 2024-2026 Budget that City Council approved in April 2024. For the complete 2024-2026 Budget and other information, visit www.edmonton.ca/budget.