



## **Approval of the 2019-2022 City of Edmonton Budget**

### **• I. OVERVIEW**

- On Friday, December 14, 2018, Edmonton City Council approved the 2019-2022 Capital & Operating Budgets.
- In accordance with Edmonton's Multi-year Budgeting Policy, Council has approved both budgets for the next four years (2019, 2020, 2021 & 2022). Supplemental budget deliberations will occur during this four-year timeframe.
- The Capital Budget calls for **\$4.8 billion** in infrastructure spending. This is an increase from \$4.3 billion in the *proposed* Capital Budget.
- The Operating Budget will result in an expected property tax *increase* of **2.6% per year (10.4% total)**.
- Approval was not unanimous, with Councillor Dziadyk voting against the Operating Budget and Councillor Nickel voting against both.
- City Administration received over 400 written questions from Council, prior to budget deliberations.
- Budget deliberations occurred for multiple days over the last few weeks. This included numerous amendments put forward by Council. In past deliberations, amendments were debated on the order in which they were received. The argument was that the amendments near the end faced more scrutiny as the available funds decreased. Therefore, this year, the City Clerk randomized the order of the amendments.
- During the non-statutory budget public hearing, Council heard from an unprecedented number of speakers– including comments from UDI-ER Chair Andrew Usenik.

### **• II. CAPITAL BUDGET HIGHLIGHTS**

- The Capital Budget encompasses the City of Edmonton's spending on infrastructure – both existing and new.
- As stated above, the approved Capital Budget earmarks \$4.8 billion towards infrastructure. This includes:
  - \$2 billion for the renewal of existing infrastructure
  - \$1.8 billion for previously committed projects (e.g. LRT expansion)
  - \$1 billion for new projects

- Council amendments of note (Capital Budget):
  - \$292,871,000 was approved to fund the Lewis Farms Community Recreation Centre and Library, with the following motion attached:
    - “To be held in debt room (abeyance) until a report back in **November 2019**. This report is to include a value engineering exercise with our existing construction manager, options to use offsite levies, pursue opportunities for regional cost sharing on recreation infrastructure through the Intermunicipal Collaboration Framework process, and exploration of new cost allocation models available in new Municipal Government Act and City Charter, and any other relevant information.”

- **III. OPERATING BUDGET HIGHLIGHTS**

- The Operating Budget incorporates the City’s revenues and expenditures for day-to-day operations (i.e. police, fire, transit, snow removal, etc.)
- Council amendments of note (Operating Budget):
  - The City Planning branch budget increased by a total of \$363,000 for the purpose of funding the Phase II/III of the Municipal Development Plan (MDP) / Transportation Master Plan (TMP) and the Zoning Bylaw Renewal.
  - In regards to the City’s largest operating expense, Council approved \$75 million for the Edmonton Police Service - \$12 million less than the requested \$87 million.
  - The Social Development branch budget increased by approximately \$4 million annually with regards to affordable housing:
    - \$3.5 million annually to fund the Affordable Housing Investment Program service package.
    - An increase of \$550,000 (2019) and a decrease of \$210,000 (2020) and \$90,000 (2022), to fund the Affordable Housing Public Information Campaign service package.

- **IV. MOVING FORWARD**

- A number of budget items were deferred to either the spring 2019 or the fall 2019 Supplemental Budget Deliberations.
- UDI-ER will continue to monitor and keep members apprised regarding all relevant aspects of the City of Edmonton Budget moving forward.