

September 30, 2025 Operating and Capital Financial Update

City Council
December 8, 2025

Edmonton

Economic Update

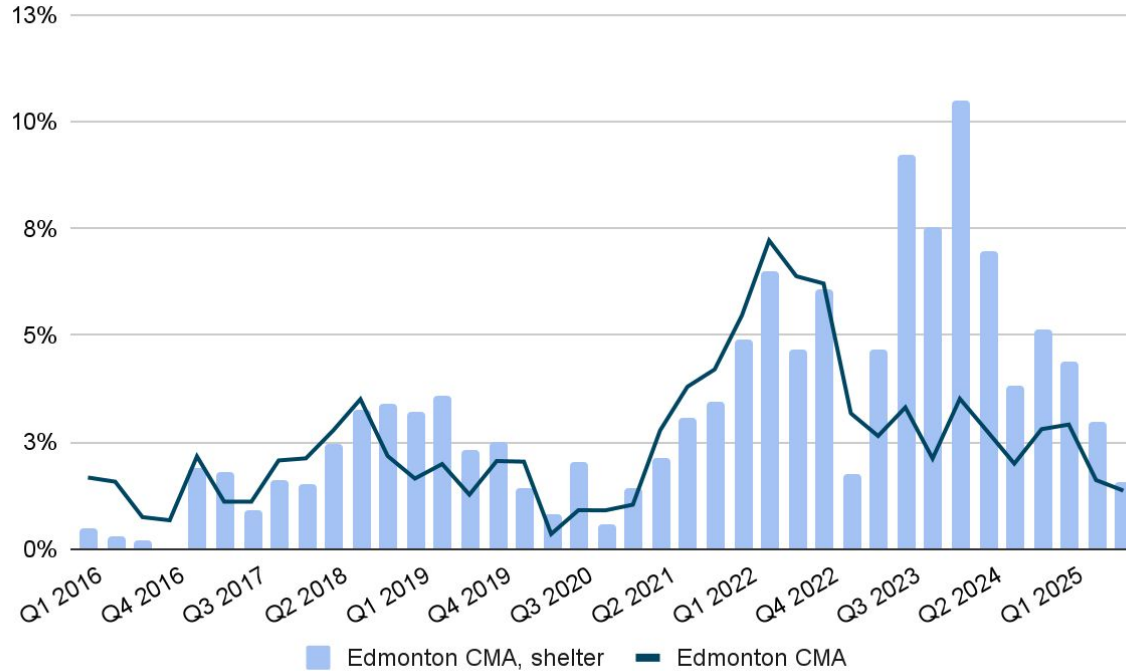
Annualized employment growth - Edmonton CMA



Source: Statistics Canada

Economic Update

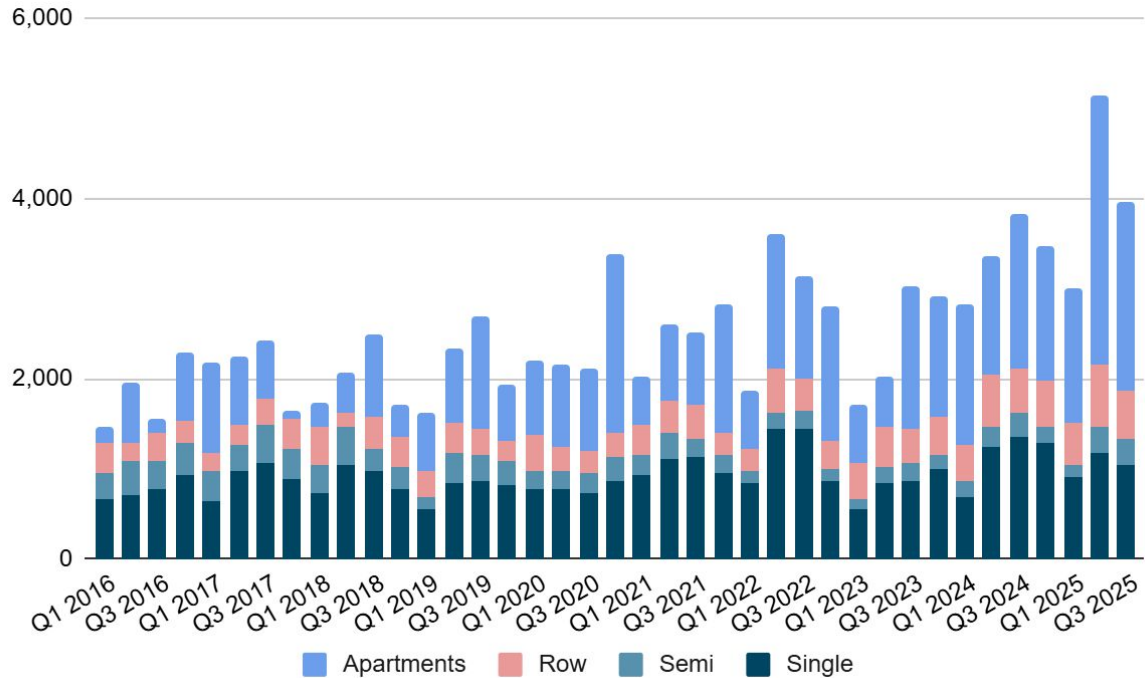
Annualized consumer inflation - Edmonton CMA



Source: Statistics Canada

Economic Update

Housing starts - Edmonton



Source: Canada Mortgage and Housing Corporation

Capital Financial Update

September 30, 2025



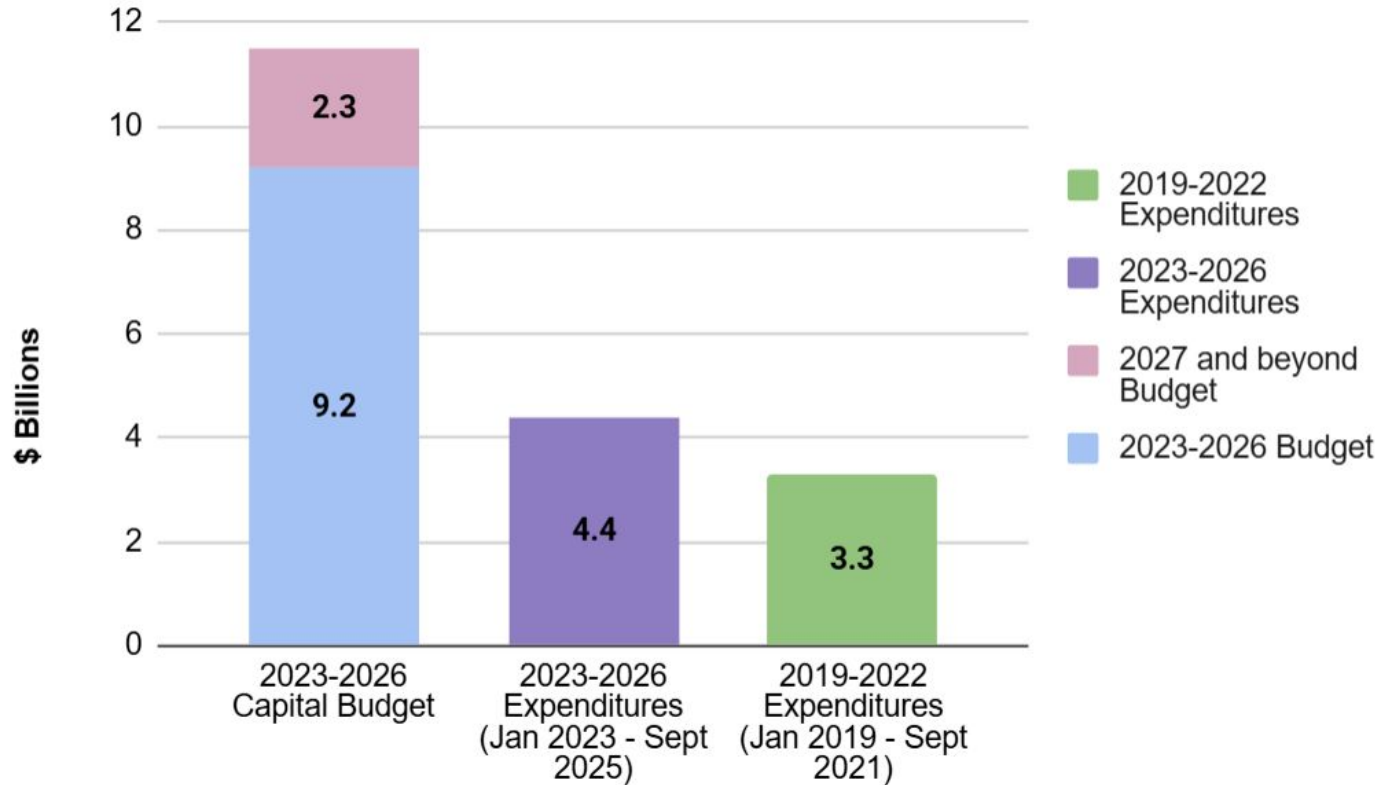
Budget
Cycle
Spend

Significant
Project
Results

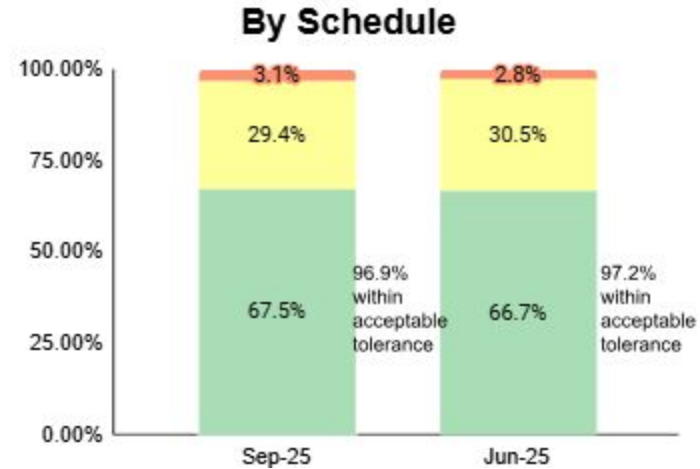
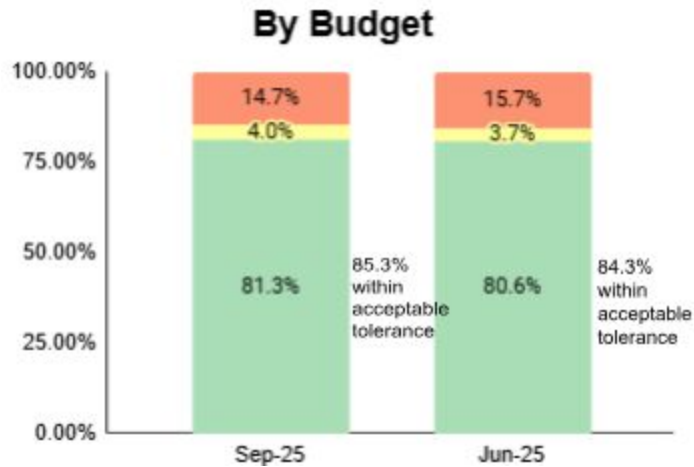


Debt Update

2023-2026 Capital Budget Cycle Expenditures



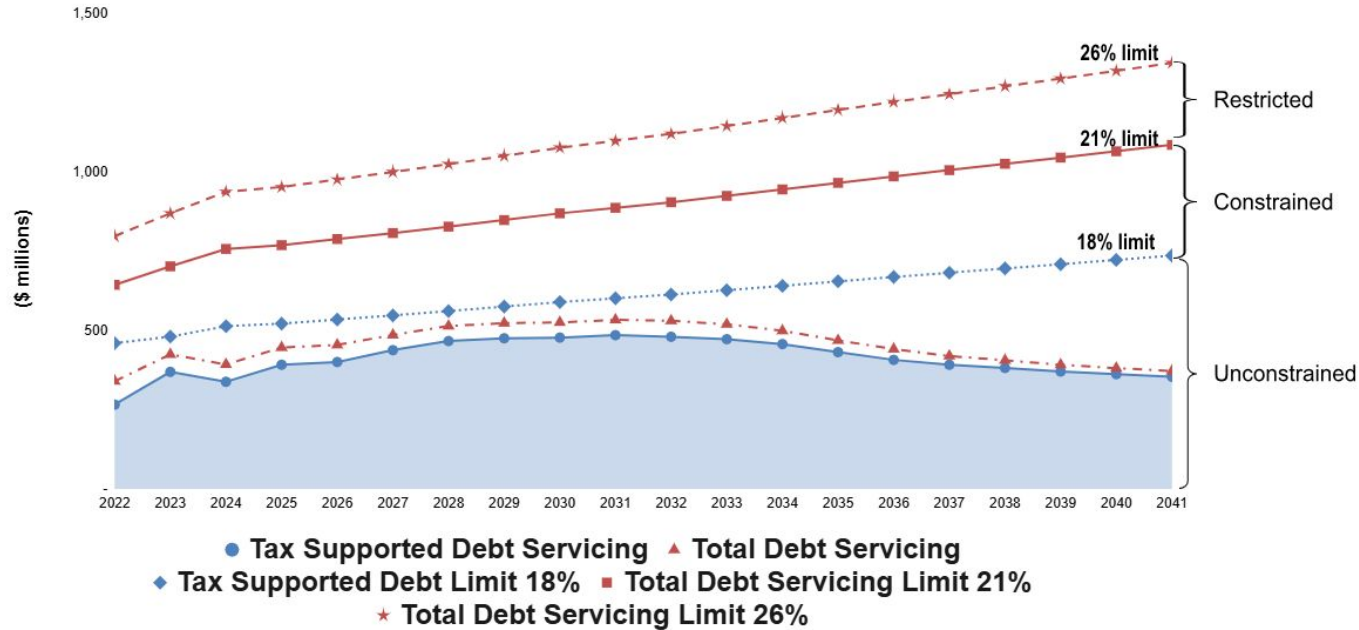
Significant Capital Project Status Summary



*The budget and schedule status charts above are weighted by the profiles approved budget.

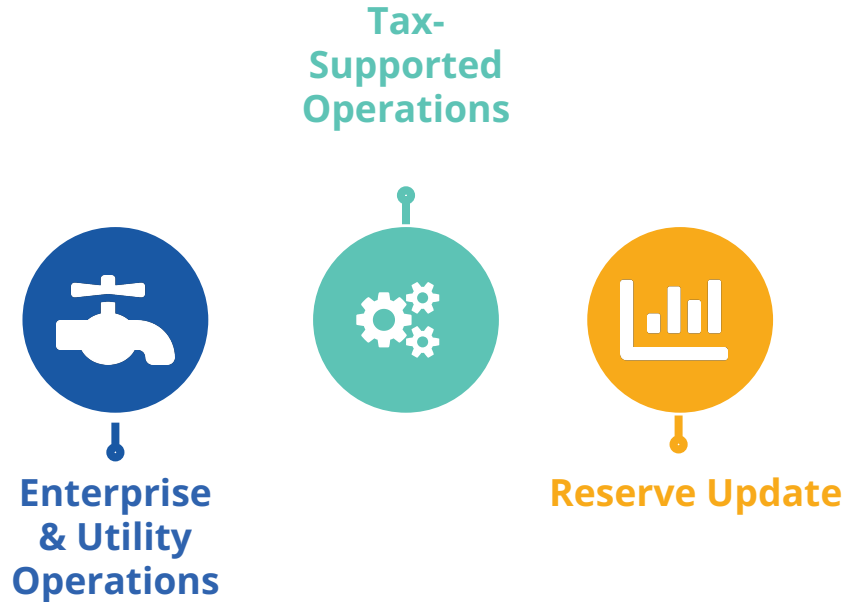
Debt Management Fiscal Policy

Debt Servicing Limits (\$M)










Operating Financial Update

September 30, 2025



Enterprise and Utility Operations

September 30, 2025 - Net Position Budget Variance (in \$ millions)

 Favourable  Unfavourable	YTD Variance	Projected Year-End Variance	
Waste Services	14.0	8.5	
Land Enterprise	0.7	4.0	
Blatchford Redevelopment	0.6	(4.3)	 / 
Blatchford Renewable Energy Utility	0.2	0.3	

Tax-Supported Operations

- Currently projecting a \$15.7 million tax-supported surplus
- Largely a one-time surplus that cannot be used to resolve ongoing financial challenges (structural budget variances)
- Will continue to manage discretionary spending
- The FSR is below its minimum requirement
- Ongoing favourable variances have been adjusted in the Fall 2025 Supplemental Operating Budget Adjustment report
- Recurring unfavourable variances due to providing service levels not appropriately funded
 - Erodes financial sustainability (i.e. FSR)
 - Corporate-wide savings required on an interim basis

Tax-Supported Operations

Budget Variance by Category *(excluding EPS)*

Year-to-date Variance		Projected Year-End Variance		Description	● Favourable ● Unfavourable
18.5	●	18.5	●	Financial Strategies <i>(Corporate Expenditure)</i>	
6.7	●	9.9	●	Memberships & Admissions Revenue <i>(Community Recreation and Culture)</i>	
4.4	●	4.4	●	Power Franchise Fees <i>(Corporate Revenues)</i>	
3.3	●	4.4	●	Tax Penalties <i>(Corporate Revenues)</i>	
3.0	●	4.3	●	Tax Appeals <i>(Taxation Expenditures)</i>	
4.5	●	4.0	●	Downtown Action Plan Fund <i>(Economic & Investment Services)</i>	
3.8	●	3.9	●	Fuel Costs <i>(Edmonton Transit Services)</i>	
2.8	●	3.5	●	Supplemental Municipal Taxes <i>(Taxation Expenditures)</i>	
(3.0)	●	(4.1)	●	Recreation and Attraction Facilities Costs <i>(Community Recreation and Culture)</i>	
(1.0)	●	(4.6)	●	Gas Franchise Fees <i>(Corporate Revenues)</i>	
(3.3)	●	(5.2)	●	Permit Fee Revenue <i>(Parks and Road Service)</i>	
(4.4)	●	(5.4)	●	Advertising Revenue <i>(Edmonton Transit Service)</i>	
(3.5)	●	(6.3)	●	Personnel Costs <i>(All Departments)</i>	
7.5	●	(11.6)	●	Other Cumulative Variances	
39.3	●	15.7	●	Total	
1.8%	●	0.5%	●	Percentage of Annual Expense Budget	

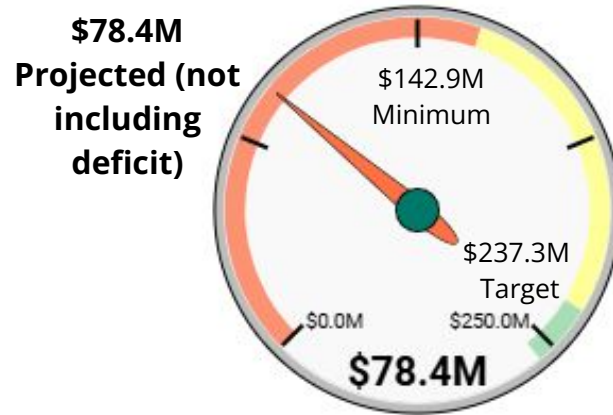
Tax-Supported Operations

Budget Variance by Department *(excluding EPS)*

Net Position Budget Variance - by Department		
YTD Variance (in millions \$)	Year-End Projected Variance (in millions \$)	Department
6.3	2.0	Community Services
(17.0)	(27.0)	City Operations
1.7	0.6	Financial and Corporate Services
2.1	0.0	Integrated Infrastructure Services
10.2	6.7	Urban Planning and Economy
2.4	1.8	Office of the City Manager
0.5	0.0	Mayor and Councillor Offices
0.2	0.3	Office of the City Auditor
(0.9)	0.3	Boards and Authorities
33.9	31.0	Corporate Programs
39.3	15.7	Total Net Position Budget Variance

Reserve Update (\$M)

Financial Stabilization Reserve (unappropriated)



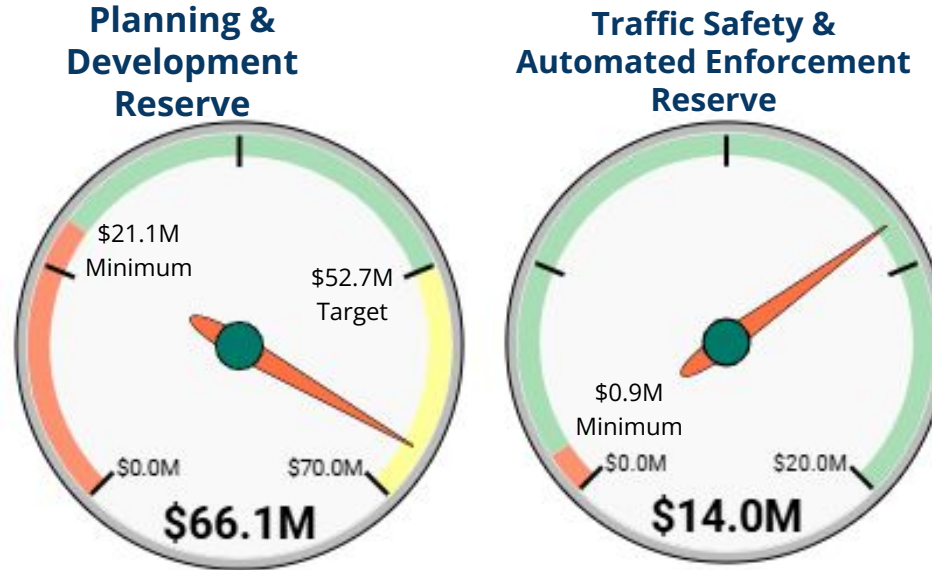
● Above target balance

● Above minimum balance & below target balance

● Below minimum balance

Reserve Update (\$M)

Projected December 31, 2025 Balance



- Above minimum balance & below target balance
- Above target balance (Planning & Development Reserve)
- Below minimum balance

Next Steps

- March 17, 2026 - Preliminary Year-End 2025 Financial Results
 - Carryforwards for approval by City Council
- April 2026 - 2025 Audited Consolidated Financial Statements

Questions?