

2016-2018 YEG CITY BUDGET



C O N T E N T S

- WHO WE ARE AND HOW WE GOT HERE 3
- FINDING BALANCE IN THE BUDGET 4
- VALUE THROUGH IMPROVEMENT & INNOVATION 5
- BREAKING DOWN THE BUDGETS 6
- A GREAT CITY AT WORK 8
- DEBT 12

A more immersive look at the budget can be found
and shared at YEGCityBudget.ca

WHERE WE ARE AND HOW WE GOT HERE

The great city we see emerging before our eyes is a result of the ongoing progress we are making on our long-term vision. We are transforming the way we develop and renew our neighborhoods. We are connecting Edmontonians to one another and to the things that excite them. We are integrating new transit options to move us around our city. We are fostering a diverse, resilient and powerful economy that attracts talent and investment. We are making environmental sustainability a priority. We are focused on continuous improvement, value and innovation in the services we deliver.

Edmonton is a place of unprecedented growth and renewal. With careful investment in the beauty and function of our city, we are keeping up with our new sense of civic identity. We can see that pride and identity reflected in our city every day as we pull into renewed neighbourhoods, visit a downtown that is experiencing an unparalleled level of investment and as we enjoy new City facilities that enrich our lives. As a city government, we strive every day to improve what it means to live and grow in Edmonton together.

As part of serving one of Canada's strongest economies, we will continue to deliver value to Edmonton's citizens. With tens of thousands of new Edmontonians joining us every year, providing quality services, vibrant facilities and properly maintained infrastructure is key to maintaining our momentum.

But that's not enough – as we develop and as we grow, the City needs to be more innovative and more efficient every year, keeping a vigilant eye on our budget to make sure each dollar goes as far as it can.

Inside this document you will find how the City provides everyday value to its citizens and how we are achieving what Edmontonians want and need from their City.

FINDING BALANCE IN THE BUDGET

Everyone in Edmonton has felt the momentum of the last several years. We see our city growing and changing around us, drawing in new citizens every year. The City must maintain that momentum responsibly.

How are we striking the balance between providing Edmonton with what it needs to thrive without placing a heavy financial burden on our citizens?

We are **delivering on the infrastructure and program commitments** that we've made in previous years. We cannot risk falling behind on fulfilling and maintaining these commitments as we have in previous decades. In this budget, we will continue with eight neighbourhood renewal projects every year; maintain and renew our arterial roads; and maintain and reconstruct our hundreds of kilometres of sewer lines.

The City is **setting priorities** - in this economic climate, we need to show good fiscal management and restraint. Not all of our priorities can be funded right now – in the 2016 budget, there are \$59.1 million worth of initiatives that the City is recommending not be funded and be considered instead for future years.

The City is **maintaining the wide range of services** Edmontonians rely on every day. From road maintenance to waste collection, from recreation and leisure programs to police and fire rescue services, from major sporting events to reuniting people with stray pets, from affordable housing to environmental preservation, from fighting homelessness to celebrating the arts – we deliver all of this and more on a balanced budget every year.

WHY A THREE YEAR BUDGET?

The move to a multi-year operating budget enables stability, flexibility, better strategic planning.

This follows the multi-year approach to our capital budget. We are transparent about where we are going, but can still adjust each year with changing


economic situations and emerging issues, while also being able to defer funding projects to a subsequent budget year if needed or appropriate.



VALUE THROUGH IMPROVEMENT & INNOVATION

Innovation, efficiency and effectiveness are fundamental values of the City of Edmonton's Council and Administration. To deliver true value, the City of Edmonton is committed to constantly reviewing and improving its operations.

To foster this commitment in all City staff, the City has actively developed a culture of innovation and support for innovative practices among all staff members. As a result, staff have been bringing forward innovative and bold ideas of how the City can serve citizens better, such as switching to a paperless system for our Assessment Review Board to make the process simpler and more efficient; optimizing our bus routes, resulting in significant capital savings; and using sophisticated social marketing around waste diversion to help achieve our sustainability goals.



Since the City of Edmonton began actively supporting innovation and improvement initiatives, the City **has saved over \$178 million** from the net operating budget over five years.

Today, the most visible innovation and improvement program is the *Council's 2%* initiative. Throughout the year, City of Edmonton leadership and management review City programs with a goal of finding approximately \$20-25 million in Operating Budget efficiencies that can be reallocated to other parts of the budget, and therefore won't be collected as property taxes.

BREAKING DOWN THE BUDGETS

OPERATING BUDGET

The Operating Budget is part of your everyday interaction with the City.

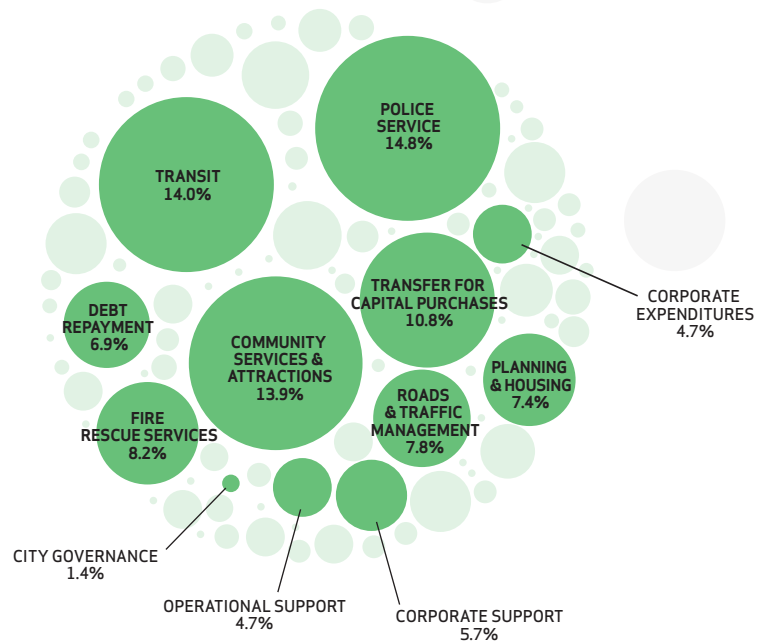
Whenever you talk to a City employee on the phone, pull over for firefighters rushing to an emergency, see a Council meeting on the news, renew your pet licence or read a City publication—this is the Operating Budget in action.

The City of Edmonton's Operating Budget projects the revenues and guides the spending for our civic services and programs. These are essential to the operations of our city and include police, fire rescue, snow clearing, pothole repair, libraries, park maintenance and recreation centres, as well as many others. The Operating Budget ensures that we have lifeguards, accountants, librarians, detectives, engineers, city planners, bylaw officers, receptionists and a host of other employees to make the City work for you.

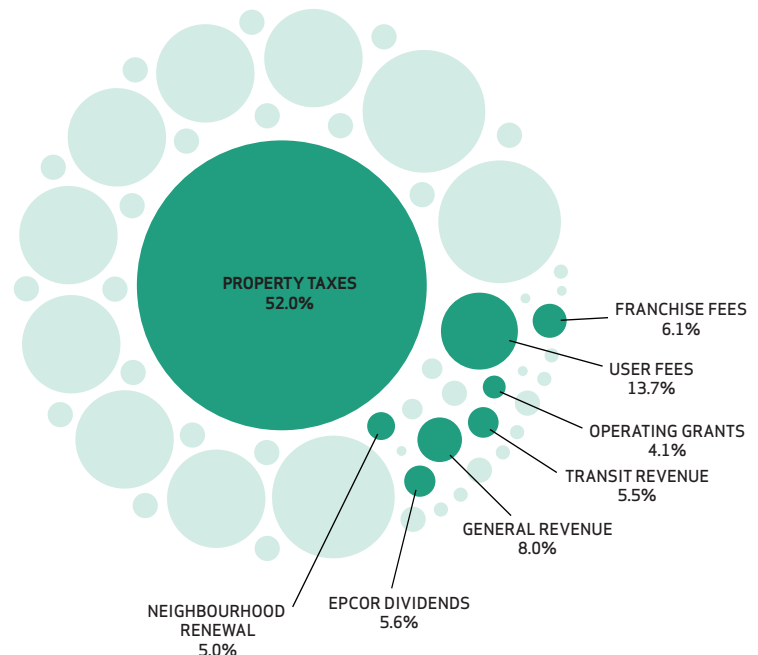
The City of Edmonton does not budget for a deficit or plan for surpluses. The taxes we collect are required to provide the essential amenities and level of service that Edmontonians expect from our prosperous, growing city.

For more on the Operating Budget, please visit: edmonton.ca/budget2016

OPERATING BUDGET EXPENSES



OPERATING BUDGET REVENUES



CAPITAL BUDGET

The Capital Budget pays for everything we build, refurbish and renew.

When we build new recreation centres, replace bus engines to extend their life, lay down new LRT tracks or repave the road in your neighbourhood, that's the Capital Budget.

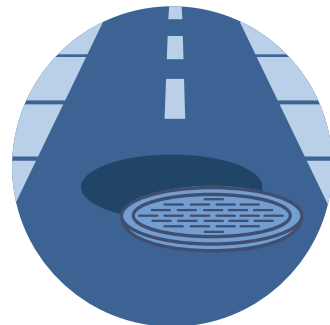
The 2015 - 2018 Capital Budget, passed by Council last year, supports investment in key infrastructure and improvements like public transit, neighbourhood revitalization, libraries, fire and police protection, new parks and recreation facilities — all benefiting Edmontonians and meeting the needs of our transforming city.



DRAINAGE BUDGET

Drainage Services plans for and operates over 3,200 km of sanitary and combined sewers, 1,400 stormwater management facilities, 75 pump stations and runs a construction company that specializes in tunneling. No one wants to experience a flooded basement, so as weather patterns have changed, resulting in more heavy rainfall events, Drainage continues to focus efforts on flood mitigation. These services are paid for through utility rates, not through property taxes.

In 2016, a typical household will pay \$33.08 per month for drainage services as part of its annually set utility rates.



WASTE MANAGEMENT BUDGET

Waste Management Services collects, processes and disposes garbage, recycling and other waste products through the delivery of an integrated waste management system. Edmonton is a global leader in waste management, with one of the most efficient and innovative systems in the world. It is funded by utility rate revenue and by revenue from programs like the sale of recycled commodities, not through property taxes.

In 2016, a typical household will pay \$43 per month for waste management as part of its annually set utility rates.



A GREAT CITY AT WORK

Every day, Edmontonians interact with their municipal government. Unlike other orders of government with an emphasis on policy and programming, the City focuses on services, facilities and infrastructure that people rely on as part of their regular routine. Edmontonians expect their city to work for them seamlessly and effectively in a wide range of ways, from social services and recreation, to transportation and beyond.

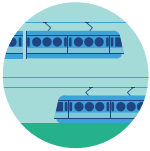
The typical household pays an average of \$194 per month in property taxes for its City services. Here's how some of those costs break down:

2016 Household Impact*

Municipal Services	\$176/month
Neighbourhood Renewal	\$17.08/month
Valley Line LRT	\$1.42/month
Stormwater Drainage rate	\$10.25/month
Sanitary Drainage rate	\$22.83/month
Waste Management rate	\$43/month

*for a typical household, valued at \$401,000

TRANSIT



The Bus and LRT programs are cornerstones of Edmonton's transportation system. Both provide Edmontonians with sustainable, affordable transportation options to get to work, school and around our city, all while reducing congestion for motorists.

Contribution per typical household: \$20.52 per month.
Transit users also contribute through fees.

The \$1.8 billion dedicated to the construction of the Valley Line from SE Edmonton to downtown is the largest single infrastructure project in the City's history.

In 2015, Transit will provide over 2 million service hours and a ridership of approximately 90 million.

SUMMER ROAD MAINTENANCE



Maintenance of our transportation system means keeping roads, sidewalks and public spaces in good repair, clean and free from litter. A transportation system that is well maintained in all seasons promotes economic vitality and a positive city image.

Contribution per typical household: \$7.31 per month

Edmonton City Council has approved that the City spend \$220 million on arterial road improvement as part of the 2015 - 2018 Capital Budget.

As of August 2015, the City of Edmonton has filled approximately 417,000 potholes this year alone.

SNOW CLEARING



Providing snow, ice control and other winter road maintenance helps to minimize economic loss to the community while protecting the environment and ensuring all private, commercial and emergency vehicles will experience safe roads throughout the winter months.

Contribution per typical household: \$5.90 per month

Roadway Maintenance moves —on average—1.2 million cubic metres of snow every winter. If all that snow was piled on the field at Commonwealth Stadium, it would be as tall as the EPCOR Tower.

EDMONTON POLICE SERVICE



The EPS delivers policing services through education, prevention, investigation and enforcement. As a citizen-centred service, the EPS is committed to the safety and security of all those who live in and visit the City of Edmonton.

Contribution per typical household: \$26.79 per month

In 2014 Edmonton Police Service answered 389,093 calls through its 911 line and 540,784 calls to the non-emergency complaint line.

Despite only having 70% of the population within the Capital Region, Edmonton is responsible for 90% of the region's policing costs.

FIRE RESCUE



Edmonton Fire Rescue ensures the safety of Edmontonians through fire suppression, medical response, hazardous material response, public safety and investigations, fire prevention and education, environmental emergency response, training and dispatch.

Contribution per typical household: \$19.48 per month

In 2014 Edmonton Fire Rescue responded to over 42,180 dispatched events including:

- 27,276 medical events
- 9,999 rescue event responses
- 3,225 fires

EDMONTON PUBLIC LIBRARY



Through a network of 17 library locations and over 3,000,000 physical and online library items, the EPL provides valuable services and programs to Edmontonians every day.

Contribution per typical household: \$4.02 per month

The Edmonton Public Library won Library Journal's 2014 Library of the Year award. It's the first Canadian library to receive the award.

RECREATION FACILITIES



The City's Recreation Centres and Attractions provide a valuable outlet for Edmonton's citizens. This category also includes community facilities such as pools, arenas, golf courses, as well as the Edmonton Valley Zoo and Muttart Conservatory.

Edmonton's recreation centres, attractions, leisure facilities, pools and golf courses collectively receive over 19,000 visitors every day.

Contribution per typical household: \$4.38 per month

COMMUNITY & NEIGHBOURHOOD SERVICES



Community and Neighbourhood Services involve Family and Community Support Services, grant management, partnerships and boards & commissions. This also supports parks maintenance and programming.

Between our many kilometres of streets and over 900 parks, the City of Edmonton maintains approximately 309,000 ornamental trees.

Contribution per typical household: \$12.67 per month

COMMUNITY STANDARDS



Community Standards involves animal care, pest management, graffiti management, peace officers, bylaw complaints and investigations, park rangers, program services and public education.

Contribution per typical household: \$2.09 per month

EDMONTON ECONOMIC DEVELOPMENT CORPORATION



The Edmonton Economic Development Corporation is responsible for supporting the City by contributing to the economic growth strategy of the Capital Region and putting it into action.

The Edmonton region is one of Canada's fastest growing economies. In 2014, the number of small and medium sized-businesses in Edmonton grew by 7%.

Contribution per typical household: \$1.75 per month

CITY GOVERNANCE



City Governance includes the operations of the Mayor and Councillors Offices, Offices of the City Manager, Auditor, and City Clerk.

Contribution per typical household: \$3.27 per month

Each year, City Council and its Committees review, debate and make decisions on over 1,300 reports, spend over 500 hours in meetings and often vote on over 2,000 motions.

PLANNING AND HOUSING



Planning and Housing funds all urban planning, housing services, the Environment Office, land management, zoning, building permits and licensing, enforcement of safety codes and site servicing.

Contribution per typical household: \$3.01 per month

Every year, City teams process more than 30,000 applications for development permits, zoning and compliance.

CORPORATE SUPPORT



Corporate Support includes finance, human resources, the operating of 311, Edmonton.ca, legal services, facility security, purchasing, and information technology services.

Contribution per typical household: \$13.51 per month

With an average of 177,233 calls per month, the City's 311 service will receive over 2.12 million calls in 2015 (an average of four calls every minute).

NEIGHBOURHOOD RENEWAL TAX LEVY



The Neighbourhood Renewal Tax Levy is a dedicated portion of your property tax increase that creates a constant revenue source to maintain our commitment to address the City's much needed repair of aging neighbourhood roads, sidewalks and street lights. The intent of the program is to allow all 300 neighbourhoods to receive significant improvements over 30 years.

Contribution per typical household: \$17.08 per month

The City is now taking on an average of 8 neighbourhood renewal projects each year — a significant increase over the average 2.5 projects per year between 1987 and 2008.

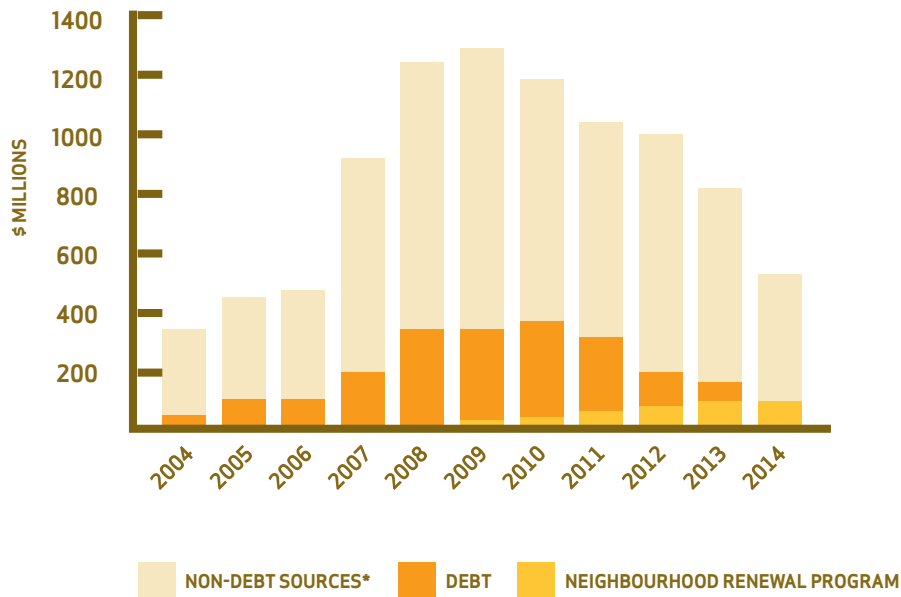
DEBT

The City of Edmonton is growing rapidly with tens of billions already invested in its public infrastructure. Maintaining current and creating new public infrastructure is essential to fostering a growing, prosperous economy and is a key factor in attracting and retaining talent and business in Edmonton. To keep pace, the City must make the right investments at the right time.

However, like a homeowner, the City must determine how much of its revenue can be tied to making debt payments. While the Municipal Government Act sets limits the City must follow for both total debt and debt servicing (principal and interest payments on debt), the City of Edmonton—by policy—chooses to be more conservative than the Act allows.

In order to maintain this balance, the reasonable use of debt is an important part of how Edmonton builds what we need today and protects the infrastructure investments we've already made.

2004–2014 CAPITAL FUNDING



* Provincial and Federal infrastructure grants, Pay-As-You-Go, one-time revenue and investment revenue

For comprehensive information about how the City uses debt, manages its investments and handles franchise fees, please visit edmonton.ca/thewaywefinance and read our whitepapers.

Using debt as part of the funding plan, the City of Edmonton has been able to start the following capital projects since 2004:

ROADS AND TRANSIT

- Valley Line (Mill Woods to Downtown)
- Transit Centers with Park & Ride in Eaux Claires and Lewis Estates
- Whitemud Drive – 34 Street Interchange

RECREATIONAL FACILITIES

- Terwillegar Community Recreation Centre
- Clareview Community Recreation Centre
- The Meadows Community Recreation Centre
- Commonwealth Community Recreation Centre

FIRE/POLICE FACILITIES

- New fire station in Belle Rive
- Southeast District Police Station
- Northwest Police Campus

ECONOMIC DEVELOPMENT AND TRANSFORMATIONAL PROJECTS

- Rogers Place and associated infrastructure
- Blatchford development
- Quarters redevelopment
- Fort Road (Station Pointe) redevelopment
- Northlands Expo Center development
- Shaw Conference Center upgrades

A more complete list is available at YEGCityBudget.ca

YEGCITYBUDGET.CA

For more info visit us at www.edmonton.ca/budget
Inquiries may be directed to citybudget@edmonton.ca
You can also reach us by phone at 780-496-4944

