

BUDGET AT A GLANCE

December 8, 2020

Edmonton

One-time strategies address COVID financial impacts

What happened at Council

A report on COVID-19 financials went before Council on December 7, 2020 outlining the projected COVID financial implications for the City in 2021 and a proposed funding strategy. Over two years, 2020 and 2021, we are looking at \$304.9 million in lost revenues and increased costs. Funding from the federal and provincial governments to date of \$158.2 million as well as expense reduction strategies will cover the 2020 and 2021 shortfalls. The funding strategy to manage 2021 COVID budget impacts was ultimately approved by Council.

In 2021, the City will continue to face financial impacts of COVID-19

The City has lost revenue from lower transit use and facility closures, at the same time as we are facing additional costs from cleaning, security and support for vulnerable populations.

COVID 2021 – \$152M



Though COVID impacts will continue into 2021, Council and Administration currently consider these to be *one-time* impacts and will use one-time funding strategies to manage them for as long as that is practical. Through careful use of tools such as federal and provincial funding, and expense management such as laying off staff in closed facilities and pausing projects, we have met this challenge with one-time strategies in 2020 and hope to do the same in 2021.

At the same time, the City recognizes the impact that COVID and a slowed economy have had on taxpayers. Efforts to reduce taxes and to focus on the goals of Connect Edmonton and the Corporate Business Plan will involve *permanent* changes to the City's revenue and expenses, from potential service level and staffing changes to possible facility closures.

What's next for budget planning?

The first day of 2021 budget debate at Council will be Wednesday, December 9. This discussion, followed by voting, is how Council will make decisions about the recommendations brought forward by Administration. To watch online, visit edmonton.ca/meetings

Your budget questions for Administration are always welcome at yegcitybudget.ca