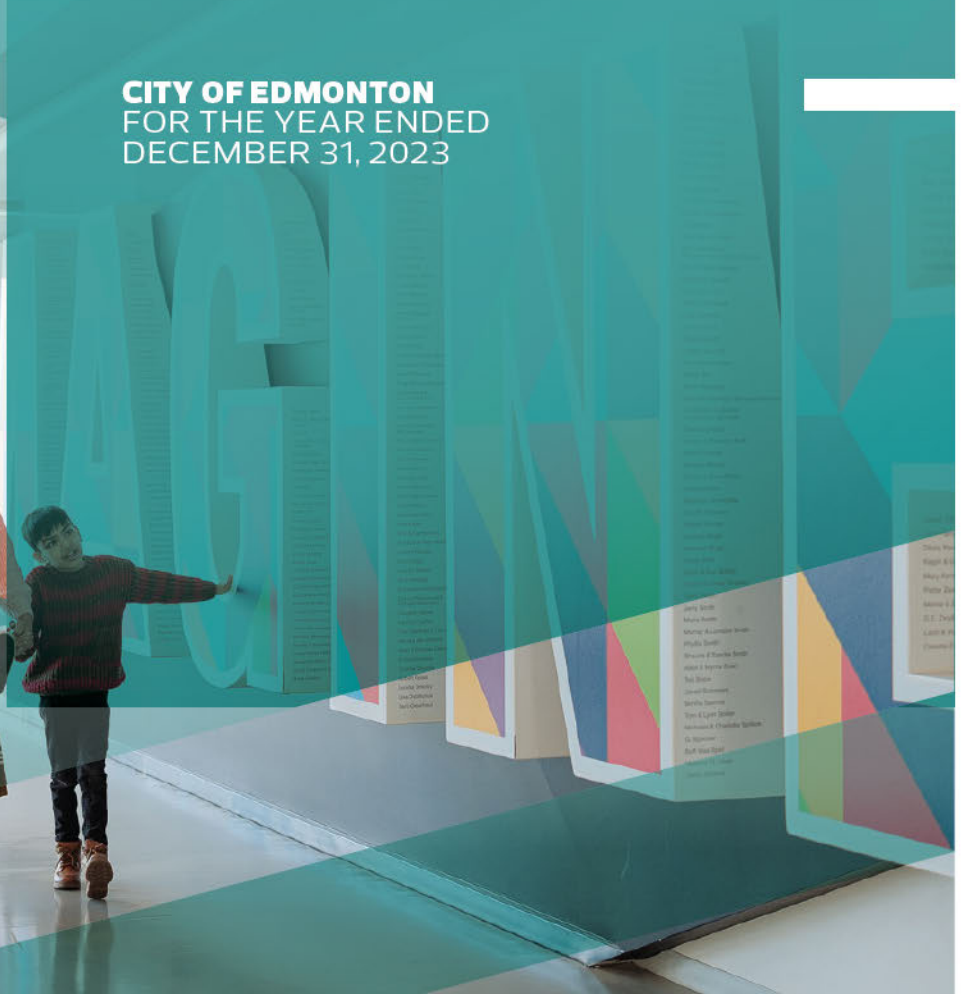




FINANCIAL REPORT TO RESIDENTS 2023

Edmonton

CITY OF EDMONTON
FOR THE YEAR ENDED
DECEMBER 31, 2023



FINANCIAL REPORT TO RESIDENTS 2023

The Financial Report to Residents provides highlights of the 2023 Annual Report and includes information on the 2023 financial results, operating and capital budgets, the economy and significant City accomplishments. The complete 2023 Annual Report is available at edmonton.ca/annualreport.

More detailed information on the planning and budgeting process is available at edmonton.ca/budget.

The financial information presented in this report is consistent with the 2023 Annual Report, which includes the consolidated financial statements (financial statements) for the City, prepared in accordance with Canadian public sector accounting standards (PSAS).



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MESSAGE FROM CITY COUNCIL

City Council oversaw significant change in 2023, with a focus on making decisions that meet Edmontonians' needs today and into the future.

This was the first year of the 2023–2026 budget cycle, which allowed Council to focus City spending on key priorities like maintaining and improving core services, improving public transit, tackling the housing crisis and responding to climate change.



Back Row (left to right): Keren Tang – Ward Karhilo, Michael Janz – Ward papastew, Karen Principe – Ward tastawiyiniwak, Mayor Amarjeet Sohi, Tim Cartmell – Ward pihësiwin, Ashley Salvador – Ward Métis, Sarah Hamilton – Ward sipiyiniwak
Front Row (left to right): Andrew Knack – Ward Nakota Isga, Jennifer Rice – Ward Ipiihkoohkanipiaohsi, Anne Stevenson – Ward O-day min, Jo-Anne Wright – Ward Sspomitapi, Erin Rutherford – Ward Anirniq, Aaron Paquette – Ward Dene

MESSAGE FROM CITY COUNCIL

Like many Edmontonians, the City faced rising costs, and we worked hard with Administration to keep taxes and user fees manageable while continuing to deliver the services so many rely on. We invested in core services like increased snow and ice control, and updated a funding formula to provide stable funding to the Edmonton Police Service. The City opened its first major park in decades, adding 190 acres to the River Valley park system in northeast Edmonton. Council also passed a new Zoning Bylaw, the first overhaul of the City's zoning rules and regulations in 60 years. The new bylaw will enable more diverse housing options in all areas of the city and decrease the number of zones and land uses which will reduce redundancies and create clarity. It will ensure growth is in line with The City Plan, our shared vision for the future of a healthy, urban and climate resilient city of a million more people.

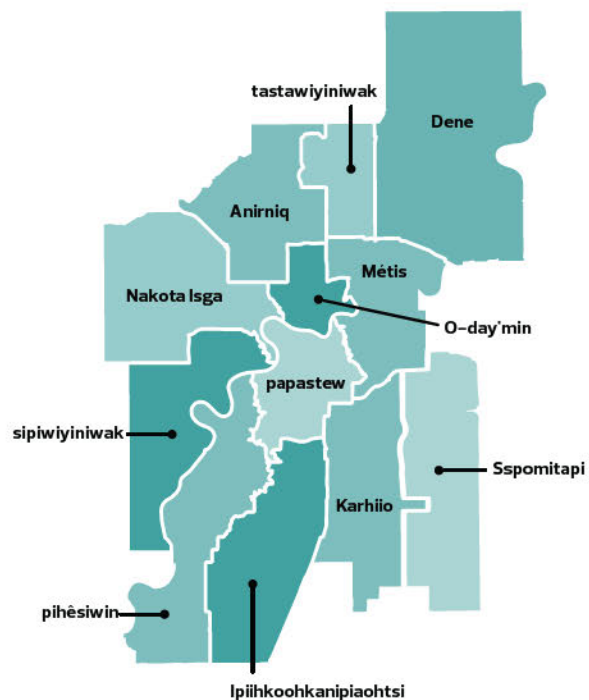
In 2023, Edmonton's transit system underwent a major transformation. Council was pleased to make On Demand Transit permanent in 2023, helping to connect riders to every corner of Edmonton. We invested in transit safety and cleanliness, and saw bus ridership return to pre-pandemic levels. We celebrated the reopening of the modernized Stadium Station—one of our first LRT stations—and the opening of the Valley Line Southeast, Edmonton's first low-floor LRT line. We also accelerated work to expand Edmonton's active transportation network. These efforts will help offer the sustainable transportation options Edmontonians need as the city grows.

Edmonton is a compassionate city, and we made strides on making it more accessible, safe and inclusive. The City added hundreds of affordable and supportive housing units in 2023. We invested in the community through grants that supported downtown vibrancy and safety, and anti-racism. Edmonton opened kihcihkaw askî-Sacred Land, the first urban Indigenous cultural and ceremonial grounds of its kind in Canada. The site provides a safe place for Indigenous and non-Indigenous people to access and share knowledge in Edmonton.

The City continues to be a climate change leader. The 2023–2026 Budget included more than \$376 million in new funding for services and construction projects to help reduce emissions and make Edmonton more resilient in the face of climate change. In 2023, we advanced work on energy retrofits to our facilities, building our emissions-neutral fleet and naturalizing areas. We also took a meaningful step in waste reduction with the passing of a new single-use bylaw, with an aim to reduce single-use items (like plastic cups, straws and shopping bags) in Edmonton by 20 per cent per person in four years.

None of this would have been accomplished without our people. Thank you to City Administration for their steadfast commitment to delivering excellent services and construction projects for residents. Together with Administration, our partners in the community, other municipalities and other orders of government, we have made positive strides in making Edmonton a great place to live.

Edmonton has 12 municipal wards, as outlined on this map. One councillor represents each ward. The mayor is elected across all wards.



INTRODUCTION



As we delve into this year's report, we find ourselves reflecting on the milestones and achievements that have shaped Edmonton over the past year. This report not only serves as a testament to our successes but also underscores the City's commitment to prudent financial management, which is particularly crucial amidst the economic and social challenges faced by Canadian cities.

2023 marked the beginning of a new four-year budget cycle. The 2023–2026 Budget outlines our financial strategies for investing property taxes and other resources to meet the evolving needs of our growing community, while navigating economic pressures and continuing recovery efforts from the pandemic.

In 2023, over 10,000 City of Edmonton staff members delivered a diverse range of services and construction projects. Encouragingly, Edmontonians returned to transit and recreation centres in numbers reminiscent of pre-pandemic levels. Major milestones punctuated the year, including the inauguration of the Valley Line Southeast LRT, the establishment of an expansive new park in northeast Edmonton and the unveiling of kihcihkaw aski, Canada's first urban Indigenous ceremonial grounds. Furthermore, after over five years of meticulous planning, the completion of the Zoning Bylaw Renewal Initiative represented a significant step towards aligning Edmonton's growth with The City Plan.

In collaboration with City Council and our diverse network of partners, Administration made considerable strides in addressing urgent issues such as affordable housing, community safety and climate change. Stepping up during wildfire season, we provided vital support to thousands of evacuees from Alberta and the Northwest Territories. These accomplishments reflect the City's unwavering dedication to enhancing the quality of life for all Edmontonians and progressing towards our vision of becoming a vibrant, prosperous and climate-resilient city of two million residents.

The 2023 Financial Report to Residents provides an overview of the City's financial performance in 2023. We hope to provide residents with valuable insights into our financial management and help to foster a deeper understanding of the City's financial health.

ECONOMIC OVERVIEW

Robust population growth, driven by high net migration, buoyed the Edmonton and census metropolitan area (CMA) economies in 2023. However, the impact of an extended period of inflation and a dramatic rise in interest rates materialized in the second half of the year with sluggish growth in retail sales, a softening labour market, and a delayed response to an influx of housing demand from new home construction.

DEMOGRAPHICS

Edmonton's population was estimated to have grown 4.8 per cent in 2023, reaching 1,140,336 as of July 1, 2023. Between 2022 and 2023, Edmonton welcomed an estimated 52,533 new residents, a number that was more than 1.5 times its previous record since at least 2002. Edmonton's population growth between 2022 and 2023 was driven by a surge in net interprovincial and international migration, and was the fastest growth in over 20 years.



ECONOMIC OVERVIEW

EDMONTON AREA IN SQUARE KILOMETRES AND POPULATION



782.47¹

Edmonton area in square km

1,140,336

Edmonton area population,
City of Edmonton Fall 2023
Economic Outlook

% OF POPULATION AGE 14 AND UNDER

(as of July 1, 2023)



17.6%

Edmonton²



15.4%

Canada³

1 City of Edmonton Urban Planning and Economy Department
2 City of Edmonton Fall 2023 Economic Outlook
3 Statistics Canada. Table 17-10-0005-01

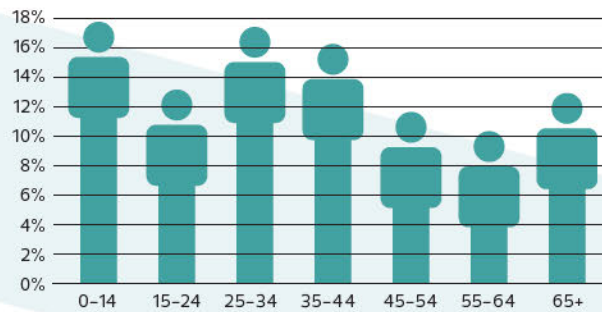
AVERAGE AGE⁴

(as of May 11, 2021)

Edmonton	38.4
Alberta	39.0
Canada	41.9

EDMONTON POPULATION AGE DISTRIBUTION⁵

(as of July 1, 2023)



MEDIAN TOTAL INCOME, ALL FAMILIES⁶

\$108,390

Edmonton CMA

\$106,960

Alberta

\$98,390

Canada



4 2021 Federal Census of Population
5 City of Edmonton Fall 2023 Economic Outlook
6 Statistics Canada. Table 11-10-0009-01

EMPLOYMENT

Overall, the Edmonton CMA labour market was encouragingly resilient in 2023 in the face of a population surge that pushed its working age population growth by year end to a rate that topped all other major centres in Canada.

This significant growth was despite various challenges for economic growth such as elevated consumer inflation reducing household consumption and the highest interest rates seen in over 20 years, weighing on business confidence. Edmonton CMA labour force (+5.4 per cent) and employment (+5.1 per cent) growth both comparatively increased in 2023, leaving the unemployment rate (6.1 per cent) only slightly higher than 2022.

Employment gains in 2023 were driven by a 5.2 per cent increase in full-time employment, with gains across all broad age groups. Full-time employment growth was much stronger for men (+6.2 per cent) than women (+4.1 per cent) in 2023. Part-time employment also grew, but unlike full-time employment, growth was almost entirely driven by women, as part-time employment levels for men were virtually unchanged in 2023. Across all age groups, labour force growth in the Edmonton CMA was stronger in 2023 compared to 2022. For the 15-24 year and 25-54 year age groups, labour force growth in 2023 moved closely with population growth.

However, for the 55+ year age group, 2023 labour force growth (+5.5 per cent) exceeded population growth (+1.5 per cent), reversing course from negative growth in 2022 but not yet returning to 2021 participation levels.

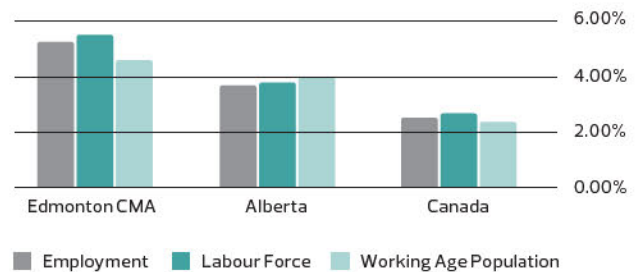


5.2%

Increase in full-time employment in Edmonton census metropolitan area (CMA)

Labour Market Developments – 2023 Annual Change

Source: Statistics Canada



Edmonton CMA employment growth was primarily driven by the services sector, which more than offset a contraction in goods sector employment in 2023. Goods sector employment weakened in 2023 and shed 3,200 people, which translates to a contraction of almost two per cent over 2022. This was largely due to construction employment, and likely reflecting softer activity in the sector in 2023. Services sector employment grew 7.0 per cent in 2023, with the transportation and warehousing (+18.3 per cent) and professional, scientific and technical services (+14.8 per cent) sectors seeing the strongest growth rates.

National and provincial labour markets both saw labour force growth outpacing employment growth in 2023, although only slightly as both rates tracked closely together. This resulted in the national and Alberta unemployment rates being virtually unchanged. In 2023, the national unemployment rate averaged 5.4 per cent. In Alberta, the unemployment rate averaged 5.9 per cent in 2023.

ECONOMIC OVERVIEW



Edmonton has more than 2,300 hours of sunshine on average annually, allowing solar to play a major role in the City's quest for sustainability. The City looks at any new build as an opportunity to incorporate solar panels.

Percentage of Employment by Industry for Edmonton CMA
Source: Statistics Canada 2023

Industry	%
Wholesale and retail trade	16.3
Health care and social assistance	13.8
Construction	10.2
Professional, scientific and technical services	9.5
Educational services	6.7
Public administration	6.6
Manufacturing	6.0
Transportation and warehousing	5.6
Finance, insurance, real estate, rental and leasing	5.6
Accommodation and food services	5.5
Other *	14.2

* Other includes industries such as mining and oil & gas, administration, information, and culture and recreation.

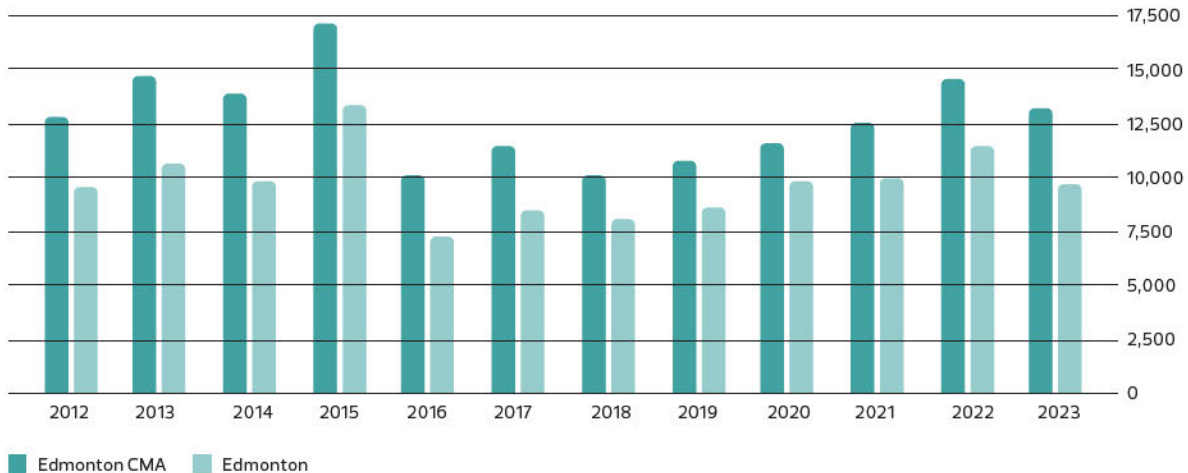
RESIDENTIAL CONSTRUCTION

Challenged by construction prices that climbed over 50 per cent since 2020, buyers facing higher borrowing costs and strained household finances, residential construction in Edmonton was markedly weaker than the previous year for most of 2023. This was evident in both building permit values and housing starts. In 2023, the value of residential building permits issued in Edmonton was \$1.9 billion, a contraction of about 24 per cent over 2022. Specific to new construction, the value of building permit values contracted about 28 per cent in 2023 over 2022, with double-digit contractions for all dwelling types except row units (-1.5 per cent). Including non-residential structures, the total value of building permits in Edmonton was \$3.3 billion in 2023, 12 per cent lower than 2022. In contrast to residential building construction intentions, values for commercial and industrial building permits posted double-digit gains in 2023.



Annual Housing Starts

Source: Canada Mortgage and Housing Corporation



In the new home market, a decline of almost 30 per cent in single-family starts drove total starts in Edmonton down over 15 per cent in 2023, with only row housing seeing an increase in activity (+17 per cent). However, there was a surge in starts at the end of the year that softened the decline for the year as a whole. Potentially assisted by unseasonably warm weather, total housing starts versus the same month in 2022 were over 80 per cent higher in November 2023 and almost 125 per cent higher in December as they hit a monthly high for the year, a first for December going back to 1990. Starts for apartments led the surge, but all housing types (except semi-detached) saw starts in both November and December higher than the monthly averages over January to October 2023. Single-detached and apartment starts reached monthly highs for the year in December 2023.

Similar to developments in new home construction, the market for existing homes in Greater Edmonton Area was generally softer in 2023 compared to 2022, though sales activity picked up over the second half of the year. Multiple Listing Service® (MLS®) residential sales for 2023 in the Greater Edmonton Area decreased 8.0 per cent year-

over-year, while the number of new listings was 10.4 per cent lower. The MLS® Home Price Index composite benchmark price in the region averaged \$370,100 in 2023, down almost 4.2 per cent from an average of \$386,308 in 2022.

In Edmonton's rental market, conditions markedly tightened between October 2022 and 2023. According to the Canada Mortgage and Housing Corporation (CMHC), a combination of strong net migration, including a surge in temporary residents, and rising ownership costs were factors that lifted rental demand in Edmonton. The rise in rental demand more than offset a 3.8 per cent increase in purpose-built rental apartment supply between 2022 and 2023, which brought the vacancy rate in Edmonton below three per cent. The vacancy rate across all bedroom types for purpose-built rental apartments declined from 4.5 per cent in October 2022 to 2.6 per cent in October 2023. The average rental rate for a two-bedroom purpose-built rental apartment in Edmonton was \$1,392 per month in October 2023, compared to \$1,304 per month in October 2022. The CMHC's measure of the market movement in average rent for a two-bedroom purpose-built rental apartment was growth of 6.0 per cent in October 2023.

ECONOMIC OVERVIEW



The City of Edmonton launched its first business census, collecting data from local businesses to help shape how the City supports businesses, attracts investment and improves services.

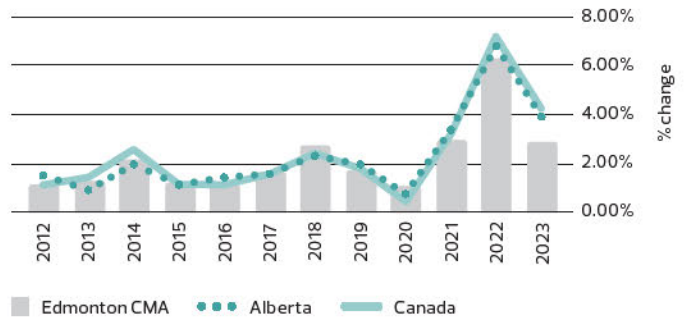
INFLATION

Annual average inflation for 2022 (+6.3 per cent) was the highest observed in the Edmonton CMA in four decades. Annualized inflation, however, started moderating by July 2022, and 2023 saw that trend continue. Edmonton CMA annualized inflation dropped below two per cent for the first time in over two years in June 2023. This helped to bring annual average inflation in the Edmonton CMA to 2.8 per cent in 2023, the slowest growth across the 16 CMAs tracked by Statistics Canada. Despite these improvements, there has not been any meaningful deflation across components of the Consumer Price Index (CPI) at the Edmonton CMA or provincial level relative to 2021, leaving households still managing elevated prices across almost all goods and services. Shelter price inflation, which includes rented and owned accommodation, along with utilities, was elevated in the Edmonton CMA for most months in 2023. Rented accommodation inflation, specifically, accelerated in the second half of 2023, whereas owned accommodation inflation was elevated throughout the year. Reflecting the pressures from a rapid surge in population, both owned and rented accommodation annualized inflation closed 2023 in excess of 6.5 per cent.

Following 37 per cent price growth in 2022, West Texas Intermediate (WTI), the North American benchmark oil price, was lower than the previous year throughout 2023, leaving the annual average price for WTI 17 per cent below its 2022 average. This, combined with the pause in the provincial government's collection of its fuel tax and lower gasoline prices in the Edmonton CMA, contributed to easing pressures on headline consumer inflation over 2023.

Annual Consumer Price Index

Source: Statistics Canada



The Edmonton Valley Zoo welcomed 341,000 visitors in 2023. The zoo's education team interacted with more than 238,000 visitors in 2023 by offering:

- + 643 school and group programs**
- + 227 birthday parties**
- + 26 day camps**
- + 271 days of drop-in activities, and**
- + 38 Pay It Forward for the Planet classes**

OPERATING BUDGET

In 2023, the City began the first year of the 2023–2026 multi-year operating budget. The 2023 operating budget saw a tax levy increase of 4.96 per cent, which includes 4.56 per cent for municipal services and 0.4 per cent tax for Edmonton Police Services. The 2023 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.

CAPITAL BUDGET

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 supporting the planning and delivery of new infrastructure.

4

2023–2026 BUDGETS

Guided by Edmonton's Strategic Planning Framework, the 2023–2026 operating and capital budgets assist Council in making strategic decisions about how to allocate City resources. This multi-year approach allows the City to align strategic plans, business plans and operating and capital budgets to ensure dollars are directed to achieving Council's vision. It also allows for better alignment with Council's election terms, providing the foundation for more informed and strategic financial decision-making. Funding can be reallocated across different years of the budget and needs can be assessed over a longer term to allow for more prudent and informed financial decision-making, while building stable program and service delivery, and infrastructure development.

The operating budget identifies how resources for the day-to-day costs required to run the City are allocated for services such as maintaining roads, public transit, police, bylaws, fire rescue services, and parks. The approved budget resulted in a 4.96 per cent general property tax increase in 2023.

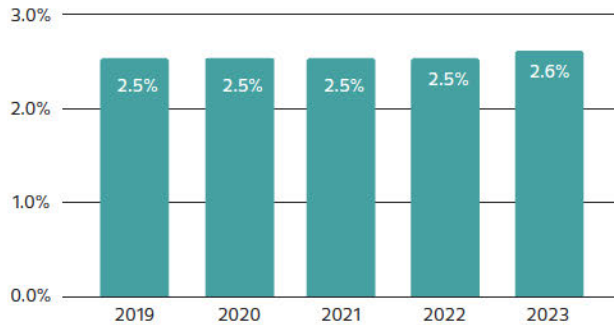
The capital budget strikes a balance between investments in infrastructure growth and the requirement to maintain and renew existing City assets. It determines the investment in Edmonton's hard infrastructure, including the construction of buildings such as recreation centres and libraries, and transportation assets including LRT lines and bridges. The foundation of the 2023–2026 Capital Budget is the 2023–2032 Capital Investment Outlook, a high level overview of the City's capital investment requirements over the next 10 years that supports the strategic direction of Council.

2023 FINANCIAL HIGHLIGHTS



The City launched the Downtown Vibrancy Fund and Meet Me Downtown Grant, committing an additional \$6.5 million to support projects that increase vibrancy and improve downtown safety by attracting people to live, work, play and visit the heart of our city.

Municipal Property Tax as a % of Median Family Income



Notes:

- 1 Property tax calculated for median assessed value of a single detached house.
- 2 Data Source: Statistics Canada Table 11-10-0009-01; Estimates for 2022 and 2023 calculated by City of Edmonton.

COST OF CITY SERVICE TO EDMONTONIANS

According to the City's analysis of the most recent Statistics Canada data from 2021, the average monthly expenditure for a typical Edmonton household was \$9,403. This includes all expenses to live and enjoy life in Edmonton: food, shelter, household operations, clothing, transportation, health care, education and personal care, recreation and entertainment, insurance payments, and pension contributions and taxes.

The average household spent \$3,259 per month on taxes, duties, premiums, levies and fees to all orders of government in Canada, amounting to 35 per cent of their monthly expenditure. Of this taxation expenditure, 66 per cent accrued to the federal government, 26 per cent accrued to the provincial government and the remaining eight per cent accrued to the City's eight per cent share (\$278) comprises municipal property tax of \$231 and municipal waste utility fees of \$47, which are paid for through EPCOR bills.

Average Monthly Household Spending	Monthly \$
Federal Taxes	2,136
Shelter	1,633
Household Operations	1,216
Food	934
Transportation	863
Provincial Taxes	845
Health Care, Education & Personal Care	614
Recreation & Entertainment	485
Municipal Property Tax	231
Insurance Payments & Pension Contributions	213
Clothing	186
Municipal Waste Utility Fees	47
Total	9,403

Notes:

- 1 A typical household is defined as a dual-income earning, owner-occupied household, with primary earner earning 69% of gross household employment income, and the secondary earner earning 31% of gross household employment income. This split was determined by Statistics Canada census data (Table 98-10-0083-01).
- 2 Data Sources: Statistics Canada Survey of Household Spending in 2021 for Edmonton Census Subdivision; Statistics Canada Table 11-10-0028-01; Calculations by City of Edmonton.
- 3 Federal Taxes include federal income tax, goods and services tax, Canada Pension Plan contributions, Employment Insurance premiums, Federal carbon tax, and excise taxes on fuel, alcohol, tobacco, gaming and cannabis (excise taxes are calculated based on consumption data from the 2021 Survey of Household Spending).
- 4 Provincial Taxes include provincial income tax, education property tax, Emergency 911 levy, excise duties on cannabis returned to the Province, and excise taxes on fuel, alcohol, tobacco, and gaming (excise taxes are calculated based on consumption data from the 2019 Survey of Household Spending).
- 5 The Statistics Canada tax amounts have been adjusted by the City to identify the municipal property tax portion separately.

FINANCIAL HIGHLIGHTS

WHERE YOUR MUNICIPAL TAX DOLLARS GO PER MONTH

\$231
Per month²



\$36

Police Service



\$13

Transfer to Capital (Pay-As-You-Go)



\$25

Transit Service



\$11

Community Recreation and Neighborhood Services



\$22

Debt Repayment



\$7

Planning and Development Services



\$21

Neighbourhood Renewal



\$6

Fleet and Facility Services



\$20

Fire Rescue Services



\$5

Funding for Boards, Agencies, and Commissions (Excluding Police and Library)



\$19

Support Services¹



\$5

Public Library



\$18

Parks and Roads Services



\$5

Social Development



\$14

General Expenses³



\$4

Governance and Oversight

¹ Support Services includes Financial and Corporate Services, and others such as Talent Management, and Workforce Safety and Employee Health

² Distribution is based on the 2023 approved operating budget

³ General Expenses includes Automated Enforcement, Capital Project Financing, and corporate wide expenditures

STATEMENT OF OPERATIONS

For the year ended December 31, 2023

(millions of \$)

	2023 Budget	2023 Actual	2022 Actual Restated*	2021 Actual	2020 Actual
Operating Revenues	\$ 3,557.3	\$ 3,674.1	\$ 3,433.8	\$ 3,358.5	\$ 3,170.6
Capital Revenues	2,194.4	762.5	633.5	527.1	717.4
Operating Expenses	3,622.4	3,658.7	3,426.0	3,093.5	3,023.5
Excess of Revenues over Expenses	\$ 2,129.3	\$ 777.9	\$ 641.3	\$ 792.1	\$ 864.5

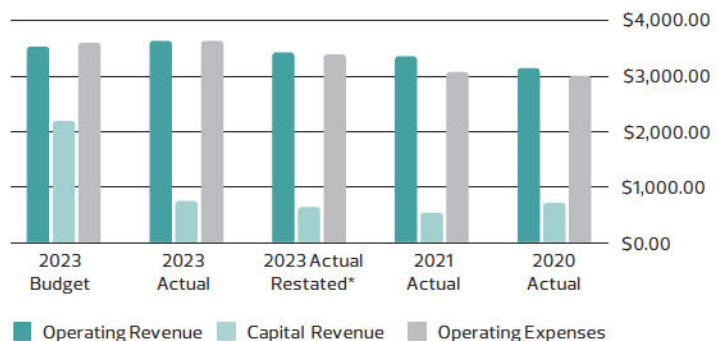
*2022 is restated due to a new accounting standard implemented in 2023.

For further details see Note 1t in the 2023 City of Edmonton Consolidated Financial Statements

The Statement of Operations provides a summary of how much was earned (revenues) and spent (expenses) over the course of the fiscal year. The Excess of Revenues over Expenses has been positive over the past four years. The revenues include capital revenues that are used for funding assets, such as roadway systems and buildings, for which the related expenses will be reported in future years as the assets are used. The Excess of Revenues over Expenses includes the results for the consolidated reporting entity, including general government tax-supported departments, enterprises, utilities and various other boards and organizations. General government (tax-supported) operations ended the year with a \$40.6 million deficit (1.1 per cent of budgeted tax-supported expenses) relative to the operating budget. The deficit is primarily the result of higher-than anticipated salary settlements, decreased transit fare revenue due to changing purchasing behaviours and travel patterns, reduced ATCO Gas Franchise fees resulting from lowered customer rates and milder weather, and increased expenses for fleet and facility services contractors and materials. These were partially offset by increased membership and admissions revenue driven by strong demand for recreational and attraction facilities and lower-than-forecasted costs for snow and ice programs due to decreased snowfall in the last quarter of the year.

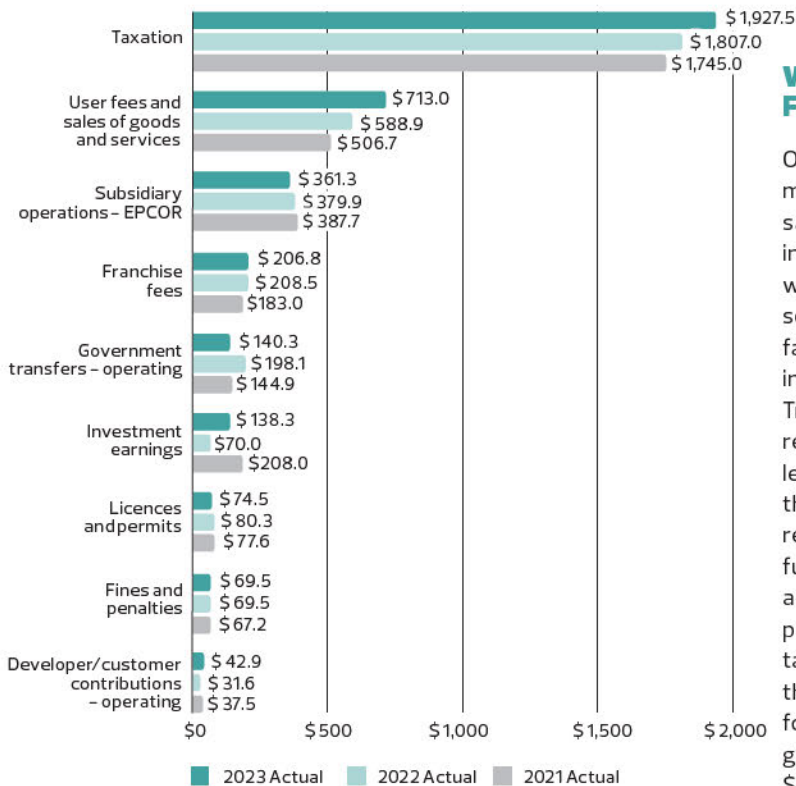
Over the past four years, operating revenue has been trending upward with a majority of revenue coming from property taxes, user fees, the City's investment in EPCOR (an incorporated Utility wholly owned by the City of Edmonton), franchise fees and government transfers. Capital revenues vary from year to year based on fluctuations in development activities and timing of significant capital projects. Expenses over the past four years reflect the demand for additional services and infrastructure that comes with a rapidly growing population, with 2020 and 2021 being a notable exception when numerous City facilities and services were operating under health restrictions (including facility closures) due to enhanced COVID-19 safety measures.

Revenues and Expenses (millions of \$)



OPERATING REVENUES

Where does the money come from?
Year-over-year comparison (millions of \$)



WHAT CHANGED FROM LAST YEAR?

Overall, operating revenues increased by \$240.3 million from the prior year due higher user fees and sales of goods and services, which saw a sharp increase as the post-pandemic recovery continued, with demand for services returning to normal and in some cases being higher than expected. Recreation facility and attractions revenue was higher due to increased attendance and demand for programs. Transit fare revenue was also higher as ridership reached pre-pandemic levels. Although ridership levels have returned for conventional bus service, there has been slower than expected revenue recovery due to LRT and paratransit ridership not fully recovering, increased demand for discounted and subsidized fare products, and shifts in travel patterns and fare purchasing behaviour. Property taxes collected increased by \$120.5 million from the prior year due a 4.96 per cent tax increase for 2023 approved by Council and assessment growth. As well, investment earnings increased by \$68.3 million compared to the prior year benefiting from higher interest rates. This was partially offset by lower government transfers, as the prior year included a one-time injection of \$67.0 million from the Government of Canada's Transit COVID-19 Funding Support (RESTOR funds).

Property tax is the primary source of revenue available to the City to pay for municipal services. In 2023, net taxes available for municipal services of \$1,927.5 million accounted for 52.5 per cent of total operating revenues—slightly lower than the 52.6 per cent in 2022.

Net taxes for municipal services are collected annually to support operations, with certain amounts directed towards specific programs such as neighbourhood renewal, community revitalization and LRT expansion. The remaining tax revenues are applied generally across all departments.



The City actively worked on more than 200 projects with a total 2023–2026 capital budget of \$9.3 billion. These projects directly employed over 4,600 people from the Edmonton region.

FINANCIAL HIGHLIGHTS



The City's newest fire station, **Windermere Fire Station**, boasts enough energy generation and reduction features to produce the same amount of renewable energy that is used by the building on an annual basis.

These features include:

- + Solar array with 382 modules at 375W each
- + Total rated solar capacity of 143 kW
- + Geothermal field of 35 boreholes at 70m in depth
- + Exterior wall insulation of R-35, Roof insulation of R-50, underslab insulation of R-20
- + Double-glazed Low-E windows
- + LED lighting with occupancy sensors
- + 6 side-folding bay doors

HOW DO RESULTS COMPARE TO BUDGET?

Operating revenues were higher than budgeted by \$116.8 million, or 3.3 per cent of the revenue budget. This was due to a variety of higher than budgeted revenues during the year, including:

Higher than budgeted user fees, and sales of goods and services due to an expected recovery through the provincial Disaster Recovery Program of \$16.5 million in costs for wildfire responses.

Recreation and attraction facilities achieving higher than budgeted demand for programs and services, and more than expected conference and convention revenue as conferences returned to pre-pandemic levels.

Higher Government transfers due to increased federal and provincial transfers, including the new federal 2 Billion Trees Program, the Alberta Mental Health Urban Strategy Grant provided to Edmonton Police Services and federal Rapid Housing Initiative funding to support affordable housing.

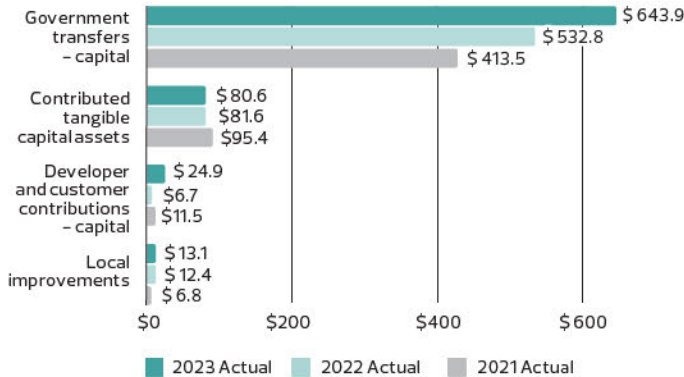
Higher than budgeted EPCOR income (wholly owned by the City) due to substantially higher U.S. construction revenues, as well as higher rates and customer growth.

investment earnings were higher than expected due to improved market conditions as inflation decreased and investor confidence rose.

These favourable variances were partially offset by decreased transit fare revenue, which was lower than budgeted due to changing purchasing behaviours and travel patterns.

CAPITAL REVENUES

Where does the money come from?
Year-over-year comparison (millions of \$)



Capital revenues are composed of funding sources for capital projects as approved by City Council through the capital budget process.

WHAT CHANGED FROM LAST YEAR?

Capital revenues increased from the prior year by \$129.0 million, mostly due to higher government transfers from an overall increase in capital activity in 2023 across numerous capital projects including LRT construction on Valley Line West, Valley Line Southeast, Metro Line and the Capital Line South extension. There was also significant advancement on the Yellowhead Trail Freeway Conversion project, 50 Street Canadian Pacific Railway Grade Separation, Edmonton EXPO Centre and Edmonton Convention Centre Rehabilitation, which also contributed to the increased use of government capital revenues. Revenue is recognized as expenses incurred on these projects with significant advancement made on these projects during 2023.



The City provided 61 days of operational support for approximately 12,400 evacuees, 20,000 meals and 2,000 pets displaced by out-of-control wildfires.

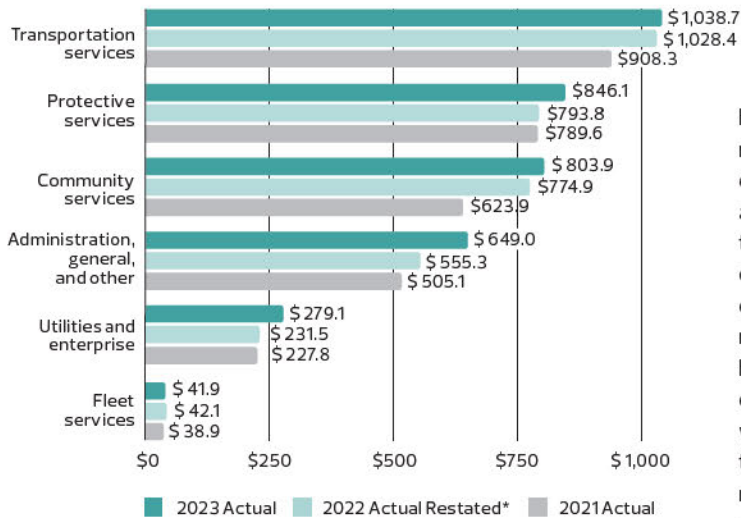
HOW DO RESULTS COMPARE TO BUDGET?

Capital revenues of \$762.5 million were \$1,431.9 million lower than budgeted during the year primarily as a result of lower Government transfers due to timing of LRT projects (Metro Line: NAIT to Blatchford, Century Line: Century to Heritage Valley and Valley Line West) and recognition of the Investing Canada Infrastructure Program (ICIP) grant used to fund a portion of the LRT projects. These LRT projects are still in the design phase or early stages of construction. Of the utility work and enhancements to Fort Edmonton Park and the Yellowhead Freeway Conversion, grant eligible spending funded through the Building Canada Fund program has occurred at a slower rate than originally planned with expected completion now in 2024. Developer and customer contributions were lower than budgeted largely due to the timing of capital expenditures that are partner or developer funded, such as the Edmonton-Strathcona County Pedestrian Bridge. Finally, contributed tangible capital assets were lower, as the amount of land and developer contributed assets related to roadway assets varies depending on how the neighbourhood develops.

OPERATING EXPENSES

Where does the money go?

Year over year comparison (millions of \$)



*2022 is restated due to a new accounting standard implemented in 2023. For further details see Note 1t in the 2023 City of Edmonton Consolidated Financial Statements

The City of Edmonton provides a full range of local government services: maintaining the roads and public transit that move people; police, bylaws and fire rescue services to keep people safe; parks and waste management to keep our communities clean and healthy; and social programs and leisure activities to make Edmonton a great place in which to live, work and visit.

WHAT CHANGED FROM LAST YEAR?

Operating expenses increased by \$232.7 million compared to the prior year. Administration, general and other costs increased over the prior year mainly due to salary settlements, higher interest costs due to the timing of borrowing and higher costs within financial strategies, which are used to manage risk and provide flexibility for unknown amounts. Protective services (fire rescue services, police and bylaw) experienced higher costs due to salary settlements as well as

higher wage costs due to an increase in overtime related to higher demand for services. Utilities and enterprise (non-tax levy funded operations such as Waste) costs were higher mainly due to the timing of land sales and increases in related costs of land sold. Community services costs increased over the prior year largely due to post-pandemic recovery. Recreation facilities also experienced higher overall operating costs due to higher than expected demand at facilities. These operating costs were partially offset by a decrease in expenses, as the prior year included transfer of land and assets related to permanent supportive housing of an approximate value of \$70 million to Homeward Trust.

HOW DO RESULTS COMPARE TO BUDGET?

Operating expenses of \$3,658.7 million were higher than budgeted by \$36.3 million, or 1.0 per cent of the consolidated expenses budget. Administration, general and other costs were higher than budget due salary settlements, and higher interest costs due to the timing of borrowing. Additionally, Protective services expenses—which includes Edmonton Fire Rescue Services—was higher than budgeted primarily due to the Alberta wildfire response costs comprising \$16.5 million in additional personnel and materials & equipment. The City expects to be fully reimbursed for these costs through the provincial Disaster Recovery Program and through mutual aid agreements with impacted communities. Transportation services expenses were lower than budgeted due to lower snow and ice clearing costs as a result of less than expected snowfall in the last quarter of the year, as well as lower LRT operating costs due to the delay in opening of the Valley Line Southeast line, which opened on November 4, 2023.

FINANCIAL HIGHLIGHTS

STATEMENT OF FINANCIAL POSITION

As at December 31, 2023
(millions of \$)

	2023	2022 Restated*	2021	2020	2019
Financial Assets	\$ 8,873.7	\$ 8,511.1	\$ 8,093.8	\$ 7,527.5	\$ 7,284.0
Liabilities	6,041.7	5,804.0	5,370.8	5,027.5	4,796.5
Non-Financial Assets	15,161.7	14,443.7	13,839.1	13,272.9	12,441.0
Accumulated Surplus	\$ 17,993.7	\$ 17,150.8	\$ 16,562.1	\$ 15,772.9	\$ 14,928.5

The Statement of Financial Position is a summary of what the City owns (assets) and owes (liabilities) at the end of each year. Accumulated surplus is an indicator of the City's overall financial viability that reflects the net economic resources the City has built up over time. The City ended 2023 with a total accumulated surplus of \$17,993.7 million, an increase of 4.9 per cent compared to the prior year.

The City maintains a stable accumulated surplus balance due to its continued investments in Edmonton's infrastructure, its growing investment in EPCOR and robust reserve management.

*2022 is restated due to a new accounting standard implemented in 2023. For further details see Note 1t in the 2023 City of Edmonton Consolidated Financial Statements



\$8,873.7 FINANCIAL ASSETS

- Cash and cash equivalents
- Receivables
- Portfolio investments
- Land for resale
- Investment in EPCOR



\$6,041.7 LIABILITIES

- Accounts payable and accrued liabilities
- Deferred revenue
- Employee benefit obligations
- Asset retirement obligation
- Long-term debt



\$15,161.7 NON-FINANCIAL ASSETS

- Tangible capital assets
- Inventory of materials and supplies
- Prepays
- Other assets



\$17,993.7 ACCUMULATED SURPLUS

- Equity in EPCOR
- Ed Tel Endowment fund
- Reserves
- Equity invested in tangible capital assets
- Advances for construction
- Accumulated measurement gains/losses

FINANCIAL HIGHLIGHTS



The City received an AA credit rating from S&P Global Ratings.

FINANCIAL ASSETS (WHAT WE OWN)

Financial assets are those that can be used to discharge existing liabilities or finance future operations and are considered to be fairly liquid. The City's financial assets are mainly made up of an investment in EPCOR, portfolio investments, receivables and cash and cash equivalents investments.

In 2023, the City's financial assets were \$8,873.7 million, an increase of \$362.6 million over the prior year. This is mainly due to an increase in the City's investment in EPCOR and portfolio investments, and partially offset by a decrease in cash and cash equivalents, and receivables.

EPCOR UTILITIES

The City's investment in EPCOR Utilities Inc. (wholly owned by the City of Edmonton) was \$4,791.7 million at the end of 2023, a \$230.0 million increase from the prior year. The net increase is due to EPCOR's reported net income of \$361.3 million for 2023 and \$60.5 million of tangible capital assets contributed to EPCOR by the City. These increases were partially offset by EPCOR's other comprehensive income loss of \$3.6 million, \$3.2 million in amortization of contributed assets and a dividend of \$185.0 million paid to the City. EPCOR's financial performance is further discussed in EPCOR's annual report for 2023, which is available on the company's website.

PORTFOLIO INVESTMENTS

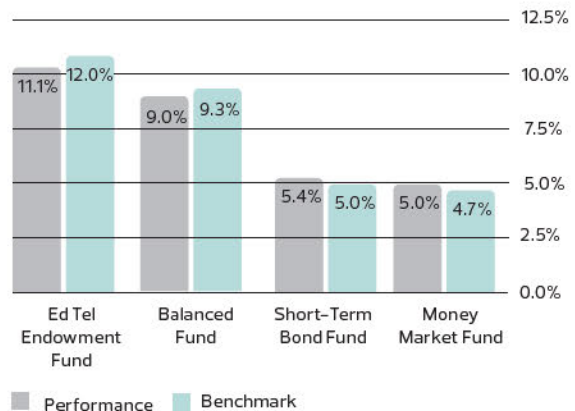
Performance of the City's investment funds ranged from 5.0 per cent (Money Market Fund) to 11.1 per cent (Ed Tel Endowment Fund), reflecting each fund's asset mix.

Overall, in terms of general market conditions, global equities grew 23.5 per cent for the year and U.S. equities gained 26.3 per cent. Canadian equities were up 11.8 per cent as oil prices decreased 11 per cent during the year. The Canadian dollar appreciated 2.3 per cent against the U.S. dollar.

Finally, Canadian fixed income securities went up 6.7 per cent for the year.

As a result, the Ed Tel Endowment Fund and Balanced Fund, both of which are invested in a mix of fixed income and equity markets in accordance with the City's Investment Policy, saw returns of 11.1 per cent and 9.0 per cent, respectively. Conversely, the Money Market Fund and Short-Term Bond Fund, which are invested solely in less volatile fixed income securities, had returns of 5.0 per cent and 5.4 per cent, respectively. Overall, the market value of the City's investment portfolio at year-end was \$2,430.5 million, which includes unrealized gains of \$63.6 million.

2023 Performance vs. Benchmark



Performance ranged from 5.0 per cent (Money Market Fund) to 11.1 per cent (Ed Tel Endowment Fund), reflecting each fund's asset mix.

On a four-year basis, the City has generated strong positive returns and exceeded its policy benchmarks. Reviewing the results on a longer-term 10-year basis, all of the investment funds have continued to outperform their benchmarks while maintaining their upward trend.

The Ed Tel Endowment fund distributed dividends totalling \$44.7 million in 2023. Since its establishment, the fund has paid a cumulative dividend of \$1,013.7 million. By the end of 2023 the fund's market value stood at \$936.5 million.

More detailed information on investment performance and benchmarks is available in the [Investment Committee 2023 Annual Report](#).

LIABILITIES (WHAT WE OWE)

The City ended 2023 with total liabilities of \$6,041.7 million, an increase of \$237.7 million over the prior year, mainly as a result of increased long-term debt and a promissory note. These liabilities were partially offset by lower accounts payable and accrued liabilities, and by deferred revenue.

Tax-supported debt was borrowed to finance various capital projects, including the Valley Line, Metro Line and Capital Line LRT; Yellowhead Trail Freeway Conversion; Terwilligar Drive Expressway; Lewis Farms and Coronation Community Recreation Centres, and continued progression of Downtown and Quarters Community Revitalization levy funded projects.

The City has issued four promissory notes with a combined market value of \$49.4 million, set to mature between March 8th and March 15th, 2024. These notes were issued by the City to manage cash flow requirements.

Accounts payable and accrued liabilities, encompassing trade, and payroll and remittances saw a decrease compared to the previous year. This decline was primarily driven by the conclusion of the Valley Line Southeast LRT project and the substantial completion payment made to TransEd, the P3 partner on the project. However, this decrease was partially counterbalanced by higher trade payables linked to capital infrastructure ventures, and increased payroll and remittance liabilities resulting from arbitrated settlements and the timing of payroll processing.

Deferred revenue is largely made up of government transfers provided to fund operating and capital expenditures and is externally restricted until related expenses are incurred. The year-over-year decrease was mainly due to the Municipal Sustainability Initiative grant program, where funds received in advance of project expenditures

in 2022 were fully recognized by the end of 2023. The decrease is partially offset with deferred Rapid Housing Initiative funding, which is a federal funding program administered by Canada Mortgage and Housing Corporation (CMHC) to rapidly create affordable housing for vulnerable populations.

ASSET RETIREMENT OBLIGATIONS

Asset retirement obligations were identified upon the implementation of the new accounting standard PS3280 Asset Retirement Obligations (ARO), which came into effect in 2023. The City recorded a liability of \$203.9 million as of December 31, 2023, representing the estimated obligation primarily related to the removal of asbestos in its buildings at retirement, landfill closure and post-closure care costs from its Clover Bar and Rundle Park landfill sites, and storage tanks.

DEBT

The City of Edmonton uses debt to finance capital expenditures under principles and limits established within the City's Debt Management Fiscal Policy. The policy is intended to support the City's long-term capital plans and strategies while maintaining long-term financial affordability, flexibility and sustainability.

The City of Edmonton Charter Regulation AR39/2018 allows the City to establish its own debt limits provided the City obtains an external credit rating and develops a Council-approved debt policy. The City obtains a credit rating annually from Standard and Poor's. On November 14, 2022, City Council approved revised Debt Management Fiscal Policy (DMFP) (City Policy C203D).

The City's policies and strategies with respect to debt management are documented in the [2023-2026 Capital Budget](#) available on the City of Edmonton's website. This document comments on the City's use of debt financing to optimize resources dedicated to the acquisition, creation and rehabilitation of infrastructure.

FINANCIAL HIGHLIGHTS



More than 200,000 tonnes of curbside waste and 75,000 tonnes of apartment and condo waste were received at the Edmonton Waste Processing Centre.

From October to December 2023, 191,000 units at 3,200 apartment and condominium sites began receiving three-stream collection of food scraps, garbage and recycling, with all such sites in Edmonton set to receive these services by 2027.

The majority of City borrowing is through the Government of Alberta's department of Treasury Board and Finance, using rates available to large municipalities in the bond market to determine the City's cost of borrowing. Interest rates are established at the time of borrowing and remain constant throughout the term of the debenture, eliminating the risk associated with fluctuating interest rates. The other non-substantial City's borrowings are related to the loan from the Canada Infrastructure Bank for Electric Buses - ZEB Program; the loan from the Federation of Canadian Municipalities for the Commercial Energy Efficient Rebate Program; and the loan from TransEd Partners General Partnership for Valley Line LRT from Millwoods to Downtown. Such borrowings were acquired on a competitive basis and under the most beneficial financing terms for the City.

Debt Servicing Limits - Debt Management Fiscal Policy (millions of \$)

	2023	2022 Restated*
Total debt service limit (26%)	\$ 871.2	\$ 799.0
Total debt servicing	425.0	341.9
Percentage used (%)	48.8	42.8
Total debt service limit (21%)	\$ 703.7	\$ 645.3
Total debt servicing	425.0	341.9
Percentage used (%)	60.4	53.0
Tax-supported debt service limit (18%)	\$ 481.7	\$ 446.1
Tax-supported debt servicing	369.8	268.8
Percentage used (%)	76.8	60.3



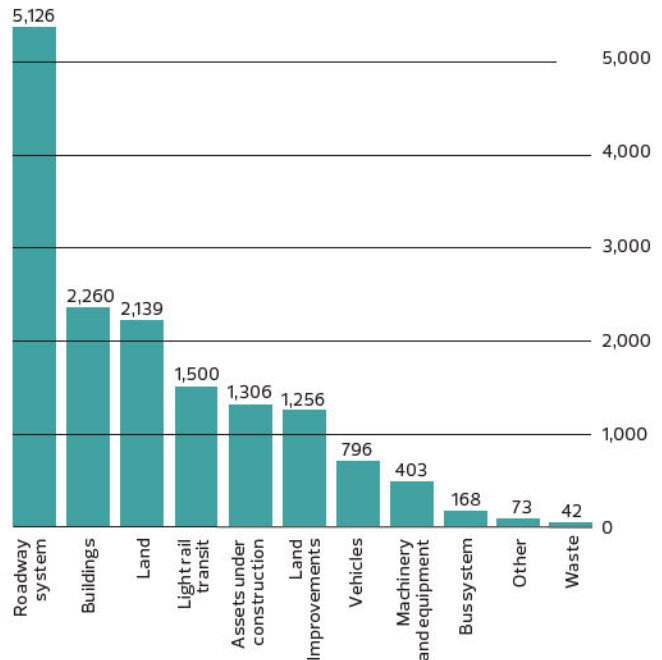
NON-FINANCIAL ASSETS (WHAT WE OWN)

Non-financial assets include physical assets that will be used for future services, such as land and buildings, as well as inventory, and prepaid expenses. Public infrastructure is essential to all residents and businesses in Edmonton and critical to the competitiveness of our economy, quality of life and delivery of public services.

TANGIBLE CAPITAL ASSETS

At the end of 2023, the City owned \$15,068.9 million in capital assets, an increase of \$716.2 million over the prior year with a majority of the assets being roadway systems, buildings, land, assets under construction and light rail transit (LRT). In 2023, capital increased due to the expansion of Terwillegar Drive, Valley Line Southeast and West LRT construction, Capital Line LRT, upgrades to the Coronation Community Recreation Centre and numerous neighbourhood renewal projects. The City also made progress on significant capital projects such as Yellowhead Trail Freeway Conversion, William Hawrelak Park Rehabilitation, Edmonton EXPO Centre Rehabilitation and Lewis Farms Community Recreation Centre and Library.

Net Book Value of Tangible Capital Assets by Category
As at December 31, 2023 (millions of \$)



The City was awarded the Educational Achievement Award from the 2023 Transportation Association of Canada (TAC) Technical Achievement Award for the innovative Electric and Hydrogen Vehicle Expo.

ACCUMULATED SURPLUS (ASSETS MINUS LIABILITIES)

Accumulated surplus is an indicator of the City's overall financial health. The City maintained a strong accumulated surplus, ending 2023 with a total of \$17,993.7 million. The accumulated surplus includes a number of reserves, one of the largest being the Financial Stabilization Reserve.

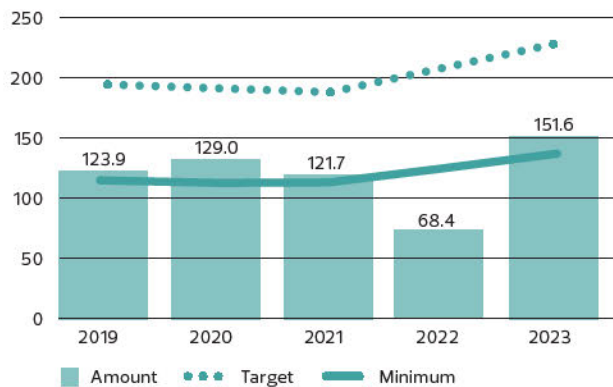
RESERVES

The City's consolidated reserve balance (balances designated for future operating and capital expenditures) is \$1,060.2 million at the end of 2023, an increase of \$67.1 million over the prior year balance of \$993.1 million.

FINANCIAL STABILIZATION RESERVE (FSR)

The FSR provides flexibility in addressing financial risks associated with revenue instability and emergent financial issues and to ensure the orderly provision of services to citizens.

Financial Stabilization Reserve – Unappropriated (millions of \$)



As of December 31, 2023, the unappropriated Financial Stabilization Reserve (FSR) balance stands at \$151.6 million. Throughout the year, several transactions affected this balance:

The 2022 general government surplus of \$81.6 million was transferred to the reserve, with \$20.8 million appropriated within the FSR to fund projects and initiatives scheduled for 2023 that were not completed in 2022.

City Council approved the utilization of \$5.5 million from the unappropriated FSR to support priority initiatives spanning from 2023 to 2026, on a one-time basis.

A total of \$24.6 million in funding previously allocated in the FSR for certain projects was released back to the unappropriated FSR, as it was deemed unnecessary.



Name A Plow was a community competition encouraging Edmontonians to name the city's fleet of snow plows. The winning names: Amarsleet Snowhi, Blizzard of Oz, Blizzard Wizard, Buzz Iceclear, Connor McBlade-It, Ctrl+Salt+Delete, Darth Blader, Fast and Flurrious, Mr. Plow, Peter Parka, Plowasaurus Rex, Plowy McPlowface, Qanniq ("Snowfall" in Inuktitut dialect), Snow-Be-Gone Kenobi, The Big Leplowski.

However, after accounting for the tax-supported deficit of \$40.6 million, additional uses of the FSR to fund Council-approved priorities in 2024 amounting to \$6.0 million, and the Council-approved operating budget carry-forwards totalling \$25.8 million, the projected unappropriated FSR balance for 2024 is estimated at \$79.2 million. This figure falls \$54.6 million below the required minimum balance of \$133.8 million.

In accordance with City policy, in the event the unappropriated FSR balance falls below the minimum, a strategy will be adopted to achieve the minimum balance over a period not to exceed three years, starting with the subsequent year's operating budget. Council will need to approve a strategy in 2024 in order to restore the FSR back to the minimum balance over a period not exceeding three years, starting in 2025. If required, this strategy will be approved through the Fall 2024 Supplemental Operating Budget Adjustment process in November/December 2024.

ACCOMPLISHMENTS

TRANSFORMATIVE CITY: EDMONTON'S ACCOMPLISHMENTS IN 2023

2023 was a transformative year for Edmonton. Together, City Administration and Council responded to and carried out significant change. The City continued to respond to the profound economic and social change caused by the pandemic and other world events.

An extended period of inflation, rising interest rates and high energy costs made the cost of living higher for Edmontonians and made it more expensive to deliver City services and construction projects. Faced with high costs, residents looked to the City to strike a balance between keeping property taxes, user fees and utility rates manageable while continuing to deliver the services and construction projects that matter to them. Edmontonians also looked to the City to lead and take meaningful steps forward on urgent issues like climate change, community safety and well-being, and affordable housing and homelessness. In the midst of these challenges, the City also carried out significant changes such as completing transformational infrastructure projects and finalizing new bylaws that improve how we serve Edmontonians today and will help shape our city for generations to come.

ACCOMPLISHMENTS



Blatchford was named “Best New Community in Canada” by the Canadian Home Builders’ Association.



As of November 2023, the solar power installations on 12 City-owned buildings have reduced greenhouse gas emissions by 617 tonnes of CO₂e.

SERVING EDMONTONIANS

2023 marked the start of a new four-year budget cycle. During the previous cycle, taxes were kept low, including one year with a tax decrease. While this was necessary to support Edmontonians through the pandemic, it was not enough to cover inflationary pressures and serve a growing population. Council approved a 4.96 per cent tax increase in 2023, which was in the middle range of tax increases among major Canadian municipalities. The increase allowed the City to maintain and continue to improve core services, while also advancing the capital plan, including projects like LRT expansion, the Yellowhead Trail Freeway Conversion and the Lewis Farms Recreation Centre. In July, the credit agency Standard and Poor’s (S&P) re-affirmed the City’s AA credit rating. S&P also improved its outlook for the organization from stable to positive due to an expanding economy and prudent fiscal management that will allow the City to continue to make headway on its capital program.

The City continued to offer the 70 services Edmontonians rely on every day. Several services had significant achievements in 2023:

On the transit front, bus ridership reached pre-pandemic levels. On Demand Transit—which provides vital, right-sized service to areas that do not meet thresholds for conventional bus service or are otherwise difficult to access by bus—was made permanent in 2023 and reached one million rides since its launch in 2021.

Edmontonians returned to the City’s 20 recreation centres at pre-pandemic levels with attendance at 96 per cent of what it was in 2019.

The Valley Zoo was recognized nationally as a leader for education and conservation with multiple awards.

Research showed progress on the City’s Safe Mobility Strategy with a 25 per cent reduction in the number of crashes and a 31 per cent reduction in overall injuries and fatalities since the launch of the 40km/h default speed limit.

SERVING EDMONTONIANS (CONT.)

Several new services and facilities opened in 2023, including:

The Valley Line Southeast LRT was completed and opened. This was a key milestone for LRT expansion in Edmonton. The new 13-kilometre, low-floor LRT line provides a convenient, affordable and environmentally sustainable transportation option for residents travelling between downtown and Mill Woods.

The new 190-acre Northeast River Valley Park added the equivalent of 150 football fields to Edmonton's parks and trails system in the River Valley.

The first permanent urban Indigenous cultural and ceremony grounds of its kind in Canada, kihcihkaw aski, which opened in September.

SUPPORTING EDMONTONIANS

Edmontonians continued to look to the City for leadership and support in 2023, including for businesses, communities and those most vulnerable.

2023 saw Edmontonians returning to downtown and public spaces in a true end to the years of the pandemic. The City invested in creating spaces people felt comfortable in and excited about through many initiatives, including:

The Downtown Vibrancy Fund and Meet Me Downtown Grant committed a combined \$6.5 million to support projects that increase vibrancy and improve safety by attracting people to live, work, play and visit the heart of our city.

The Clean City Initiative dedicated \$2.5 million to increase services to clean and beautify downtown. This included garbage collection and removal, green space maintenance, graffiti clean up and litter pick up.

The Healthy Streets Operations Centre pilot invested \$15.2 million to fund a multi-disciplinary community safety team in three neighbourhoods in the core to support businesses and residents, and to connect vulnerable residents to available supports.

The Transit Safety Plan added additional Transit Peace Officers and Edmonton Police Service officers to transit spaces and contributed to a 19 per cent decrease in drug related incidents and an increase in referral requests to shelter supports. Work also progressed on enhanced cleaning and system-wide security upgrades as part of the Alberta Transit System Cleanup Grant.

Like many cities across Canada, Edmonton faces a housing crisis, and the City of Edmonton responded by creating more affordable housing and housing support options for those experiencing homelessness:

The City invested \$40.3 million in affordable and supportive housing to build 412 new homes and 172 units of supportive and transitional housing and renewed 1,955 older units.

The City created a new affordable housing tax grant to provide all affordable housing units owned or operated by non-profit organizations access to \$27.0 million in funding. The grant offset \$6.0 million in taxes for these properties in 2023.

The City also funded an Affordable Housing Investment Program, offering \$16.7 million in affordable housing grants to help cover construction costs for apartments that provide below-market rents to youth, people with disabilities, Indigenous people and people experiencing homelessness.

Edmonton was ranked first in Canada in the Canadian Home Builders' Association (CHBA) 2022 Municipal Benchmarking Study, which examines how local development processes, approvals and charges affect housing affordability and housing supply in major housing markets across the country.

ACCOMPLISHMENTS

The City also supported the community more broadly in 2023:

The Community Property Safety Team was made a permanent part of the Edmonton Fire Rescue Service. The team helps to secure vacant properties and prevent fires.

A new tax subclass for derelict residential properties in mature neighbourhoods was introduced. Edmonton is the first city in Canada to make a subclass specifically for derelict properties, as part of a larger effort to combat problem properties and encourage community vibrancy.

The City developed an award-winning tool, Lighthouse, to identify and track hate symbols that appear in public places. The images captured are then stored, tracked and analysed to help fight hate in Edmonton.

Fifty-five local organizations were awarded \$10.6 million through the Anti-racism Community Safety Funding Program. These funds were directed to community organizations to support local initiatives and activities that promote anti-racism approaches to community safety.

The Edmonton Edge Fund gave businesses, entrepreneurs and non-profit organizations access to \$5 million in funding. The fund challenged organizations to transform Edmonton and gave opportunities for job creation and investment opportunities.



3,752 volunteers participated in the Root for Trees program planting 34,167 trees and shrubs at 186 events in 2023.



PREPARING FOR THE FUTURE

Guided by The City Plan, the organization continued to lay the groundwork for welcoming a million more residents in the coming decades. The City finalized major bylaws, made strides on its response to climate change and advanced construction projects that will have a lasting impact on Edmonton.

City Council passed two historic new bylaws in 2023:

The Zoning Bylaw which provides a new rulebook for development designed to support more housing everywhere, increase business opportunities and provide development flexibility.

The Single-use Item Reduction Bylaw placed restrictions on certain single-use items. It complements federal restrictions on certain types of single-use plastics like plastic shopping bags and styrofoam. The bylaw aims to reduce waste and litter in Edmonton and will support the City's environmental goals.

The City took significant steps to reduce emissions and become more resilient in the face of climate change:

The City was named Climate Action Leader of the 2023 Carbon Disclosure Project A List, as one of 119 cities around the world that are taking bold leadership on environmental action and transparency despite the pressures of a challenging global economic situation.

In 2023, the City planted more than 180,000 trees and has a target of planting two million trees by 2031 as part of our goal of achieving 20 per cent canopy cover by 2071.

Work continues on the Active Transportation Network implementation and on LRT expansion; both initiatives will add accessible, predictable and sustainable transportation options for residents.



Approximately 23,000 kg of food and \$10,000 cash were collected through the 29th annual Stuff a Bus campaign to support Edmonton's Food Bank.

The City continued to build and renew Edmonton in 2023, advancing construction on 88 transportation projects, 70 facility projects, 40 open space projects, 35 Neighbourhood Renewal projects and two LRT expansion projects. Of note were:

The Yellowhead Trail Freeway Conversion saw work progressing around St. Albert Trail, Fort Road and 66 Street to transform one of the city's key roadways into a freeway with three lanes of free-flowing traffic in each direction.

The William Hawrelak Park Rehabilitation project began with repairs and replacement to critical deep utilities and work on pavilions and park buildings.

Construction progressed on the Valley Line West LRT and the Capital Line South LRT extension. The first phase of the Metro Line Northwest LRT expansion into Blatchford was completed on budget and ahead of schedule.

The Lewis Farms Facility and Park Project saw construction begin in 2023. The facility features a 50-metre pool, twin arena, fitness centre and an Edmonton Public Library branch. Work also continued on the Coronation Park Sports and Recreation Centre.

The Neighbourhood Renewal Program renewed more than 100 kilometres of residential roads and sidewalks and 23 kilometres of alleys in 18 neighbourhoods.

ACCOMPLISHMENTS



The Edmonton Valley Zoo was recognized by Canada's Accredited Zoos and Aquariums' 2023 Annual Awards of Excellence.

ACCOMPLISHMENTS

RECOGNITION FOR ACHIEVEMENT

The City of Edmonton continues to be recognized in the financial sector for a high standard of achievement.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the City of Edmonton for its annual financial report for the fiscal year, ending December 31, 2022. The Canadian Award for Financial Reporting program was established to encourage Canadian municipal governments to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports. To receive this award, a government unit must publish an easily readable and efficiently organized annual financial report that conforms to program standards. Such reports should go beyond the minimum requirements of public sector accounting standards and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments and address user needs. A Canadian Award for Financial Reporting is valid for a period of one-year and in 2023 Edmonton received this award for the 30th consecutive year for its December 31, 2022 annual financial report.

The GFOA established the Popular Annual Financial Reporting Awards Program to recognize local governments that produce high quality summarized annual financial reports. The reports must be readily accessible and easily understandable to the general public and other interested parties without a background in public finance. The City received the Popular Annual Financial Reporting Award for the 2022 Financial Report to Residents for the ninth consecutive year.



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

City of Edmonton

Alberta

For its Annual
Financial Report
for the Year Ended

December 31, 2022

Christopher P. Merrill
Executive Director/CEO



ACCOMPLISHMENTS

DISTINGUISHED BUDGET PRESENTATION

The City also received the GFOA award for Distinguished Budget Presentation for the 2023-2026 fiscal years beginning January 1, 2023 and ending December 31, 2026. To be eligible for this award, a governmental unit must publish a budget document of the highest quality that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Edmonton
Alberta**

For the Quadrennium Beginning
January 01, 2023

Christopher P. Morill
Executive Director

Learn more about the City's financial performance and related information regarding significant financial policies, strategies and events.

[2023 Annual Report
Financial Reports](#)

[Gain insight into investment fund performance and see how the City's investment assets are managed.](#)



For more information about the City of Edmonton, visit edmonton.ca or call 311.

If you have questions about the 2023 Financial Report to Residents, mail or phone:

The City of Edmonton, Financial and Corporate Services
5th Floor, Chancery Hall, 3 Sir Winston Churchill Square
NW, Edmonton, AB, Canada T5J 2C3 Phone: 311



FINANCIAL REPORT TO RESIDENTS 2023

