

Information Brief



Council Meeting date: July 7, 2025

Referred by: Administrative Committee – June 4, 2025
 Audit Committee – June 17, 2025

Prepared by: Kristen Young, Manager, Financial Control & Reporting/City Controller
 Department: Finance

TRI-ANNUAL MANAGEMENT REPORT FOR THE PERIOD ENDING APRIL 30, 2025

FOR INFORMATION ONLY

The City provides Municipal Services (including Infrastructure) to its residents and surrounding area. It operates enterprise business units offering rate-based utility and energy production activities as well as land development and real estate. The April 2025 Tri-Annual Management Report brings together the financial results of these activities including the impact on reserves and the investment portfolio.

It is recommended, through the Administrative Committee and Audit Committee, that Council receives the Tri-annual Management Report for the period ending April 30, 2025, for information.

STRATEGIC ALIGNMENT

Innovation <input type="checkbox"/>	Economic Evolution <input type="checkbox"/>	Service Orientation <input type="checkbox"/>
Partnerships & Governance <input type="checkbox"/>	Community Wellness <input type="checkbox"/>	Resiliency & Sustainability <input checked="" type="checkbox"/>

RELEVANT LEGISLATION / PREVIOUS COUNCIL MOTIONS

There are no previous Council motions or directions.

BACKGROUND / ANALYSIS

Operations

	As at April 30, 2025 (in millions of dollars)			Projected to December 31, 2025 (in millions of dollars)		
	Budget Net Surplus (Deficit)	Actual Net Surplus (Deficit)	Variance from Budget	Budget Net Surplus (Deficit)	Actual Net Surplus (Deficit)	Variance from Budget
TOTAL TAX SUPPORTED SURPLUS / (DEFICIT)	(28.0)	(33.7)	(5.7)	0.0	(3.3)	(3.3)
TOTAL LAND DEVELOPMENT & REAL ESTATE EBITDA	(0.8)	(0.6)	0.2	(0.8)	(0.7)	0.1
TOTAL RATE BASED UTILITIES EBITDA	6.3	8.3	2.0	41.5	43.0	1.5
TOTAL ENERGY PRODUCTION EBITDA	18.8	12.9	(5.9)	40.9	42.2	1.3

Tax Supported (Municipal Services):

The net deficit is \$33.7 million which is higher than budget by \$5.7 million at April 30, 2025. This is due to a realized loss related to investment currency hedging, lower court fine revenue due to new Provincial legislation and less than anticipated investment revenue as a result of lower than anticipated investment balance and lower interest rates. This variance is offset by timing of investment fees from external portfolio managers and delayed spending on contracted services, which will be incurred as the weather gets warmer. The deficit at December 31, 2025 is projected to be \$3.3 million unfavourable as investment income and court fine revenue continue to be lower

than budget, higher costs in Parks and Recreation due to unbudgeted salaries and wages and encampment clean up, higher than budgeted wages in Fire and Emergency Services due to higher than anticipated contract settlements and unbudgeted legal fees related to Freedom of Information and Privacy (FOIP) requests.

Land Development & Real Estate:

Earnings before interest, taxes, depreciation and amortization (EBITDA) is a deficit of \$.6 million, which is favourable by \$0.2 million at April 30, 2025. This is primarily due to higher than budgeted residential land sales. This variance is projected to be \$0.1 million favourable at year end.

Rate Based Utilities:

Earnings before interest, taxes, depreciation, and amortization (EBITDA) are \$8.3 million at April 30, 2025, which is higher than budget by \$2.0 million. This is primarily due to the one-time sale of recycling carts, switching suppliers for chemicals at sewer, the delay in opening of the solids handling facility (expected to be operational June 1, 2025) offset by unbudgeted employee benefits. EBITDA variance is forecasted to be \$1.5 million favourable as these variances continue.

Energy Production:

Earnings before interest, taxes, depreciation, and amortization (EBITDA) are \$12.9 million at April 30, 2025, which is lower than budget by \$5.9 million. This is primarily due to lower electric pool prices in a highly competitive market, and lower gas commodity pricing in an oversupplied market. EBITDA is forecasted to be \$1.3 million higher than budget at December 31, 2025, due to lower costs in Electric Generation as a result of lower gas commodity prices.

Capital

The total approved capital budget of \$743.9 million consists of current year as well as prior year carry forwards.

Tangible Capital Asset (TCA) Activity	Approved budget (\$000's)	Spent to date (\$000's)	Estimated amount to spend to complete (\$000's)	Estimated cost at completion (\$000's)	Variance from budget (\$000's)
TOTAL TAX SUPPORTED TCA	\$ 139,959	\$ 66,308	\$ 73,437	\$ 139,745	\$ 214
TOTAL LAND DEVELOPMENT & REAL ESTATE TCA	\$ 132,471	\$ 86,995	\$ 45,475	\$ 132,471	\$ -
TOTAL RATE BASED UTILITIES TCA	\$ 159,363	\$ 77,032	\$ 80,384	\$ 157,416	\$ 1,947
TOTAL ENERGY PRODUCTION TCA	\$ 312,128	\$ 141,515	\$ 119,565	\$ 261,080	\$ 51,048
TOTAL CITY TCA	\$ 743,921	\$ 371,850	\$ 318,862	\$ 690,712	\$ 53,209

At April 30, 2025, \$371.9 million of the approved budget has been spent or committed. The remaining amount to spend to complete the projects is \$318.9 million and the total estimated cost to complete the current outstanding projects is \$690.7 million, which is \$53.2 million less than budget. The positive variance is primarily due to lower than expected costs in gas production abandonments and the Clear Horizon project.

Budget Amendments and Contingency Spending

1. Council

At April 30, 2025, Council has approved three budget amendments: two operating totaling \$4.0 Million and one capital for \$0.7 million.

Budget Amendments	Approved budget (\$000's)	Capital/Operating	Funding Source	Tax Impact
Growing Canada's Community Canopies (GCCC) Tree Planting Program	\$3,460	Operating	Grant/Operating Reserves	0.10%
Property Tax Bylaw Growth Revenue Shortfall	\$520	Operating	Operating Reserves	0.03%
Saamis Solar Detailed Due Diligence	\$675	Capital	Energy Transition Reserve	0.00%
Total	\$4,655			0.13%

2. City Manager

At April 30, 2025, the City Manager (CAO) has approved three budget reallocations: two operating and one capital. These allocations are between departments and have a zero dollar net effect.

City Manager Approved Budget Reallocations	Approved budget (\$000's)	Approved Reallocation (\$000's)	Adjusted Budget (\$000's)	Capital/Operating
Corporate Planning & Performance - Asset and Project Manag	\$350	(\$35)	\$315	Operating
City Manager - Strategic Opportunity & Analysis Program - En	\$1,686	\$35	\$1,721	Operating
Medicine Hat Public Library (MHPL) Excess Budget	\$2,709	(\$43)	\$2,666	Operating
General Municipal Revenues - Contracted Services	\$0	\$43	\$43	Operating
Police - Negotiator Throw Phone	\$60	(\$33)	\$27	Capital
Police - Firearm Replacements	\$225	\$33	\$258	Capital
Total	\$5,030	\$ -	\$5,030	

The CAO also approved one critical budget amendment related to the Energy division approving \$3.1 million.

City Manager Approved Critical Budget Amendments	Approved budget (\$000's)	Approved Reallocation (\$000's)	Adjusted Budget (\$000's)	Funding Source
Unit 11 Turbine Overhaul & Unit 14 Hot Section Replacement	\$ 17,581	\$ 3,100	\$ 20,681	Working Capital

3. Contingency

At April 30, 2025, there was one briefing note approved in which the City Manager Operating Contingency was used, but was re-paid by a grant, resulting in a nil net effect.

Contingency	Approved budget (\$000's)	Spent to date (\$000's)
City Manager Operating Contingency	\$100	\$ -
City Manager Capital Contingency	\$500	\$ -
Capital Grant Contingency	\$500	\$ -

Treasury

At April 30, 2025 the projected cash and investments for the City of Medicine Hat to December 31, 2025 is \$767.1 million with \$151.3 million unrestricted and \$615.8 million restricted for operating, grants/donations, capital, abandonment obligations, energy transition, and the Medicine Hat Endowment Fund. Free cashflow contributions are forecasted to be \$18.7 million at December 31, 2025, which is higher than budget by \$2.1 million. The entire \$767.1 million is invested by Treasury to form the investment portfolio.

As of April 30, 2025 the market value of the investment portfolio is \$765.1 million with an overall return of -0.39%, which is better than the benchmark by 0.24%. The benchmark was set at -0.63%.

The City utilizes debt to finance a portion of its capital program. On April 30, 2025 the City has outstanding debt of \$476.9 million consisting of \$411.8 million in long-term debt, \$63.6 million in letters of credit, \$0.5 million in credit cards and \$1.0 million in loan guarantees with an overall debt-to-revenue percentage of 56% which is below the internal threshold of 70% and the MGA limit of 100%.

FINANCIAL IMPLICATIONS

Financial impact of actual results at April 30, 2025 are described in the background/analysis section above.

INTERNAL AND EXTERNAL ENGAGEMENT CONSIDERATIONS:

Departments have provided information regarding variances, forecasts, operating highlights, and updates on business plan goals. The April Tri-annual report provides the City of Medicine Hat financial information for Council.

PUBLIC PARTICIPATION REQUIRED FOR IMPLEMENTATION

The public will be informed of the City’s financial results as of April 30, 2025.

Inform	Consult	Involve	Collaborate	Empower
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ALTERNATIVE OPTIONS / PROS AND CONS

There are no alternative options related to the presentation of financial information.

IMPLEMENTATION PLAN

This report is for information only.

REVIEWED BY:	Lola Barta Director of Finance	2025-05-22
APPROVED BY:	Jilian Campbell Managing Director, Corporate Services	2025-05-29
ATTACHMENTS:	1: City of Medicine Hat Summary Management Report as of April 30, 2025 2: City of Medicine Hat Detailed Management Report as of April 30, 2025 3: April CFO Report Presentation	

City of Medicine Hat Management Report Summary

For the Period Ended

April 30, 2025

CITY OF MEDICINE HAT
MANAGEMENT REPORT - SUMMARY

For the Period Ended April 30, 2025

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EXECUTIVE SUMMARY

As of April 30, 2025

CORPORATE OVERVIEW - COMBINED SUMMARY (in \$000's)							
Business Units:	Net Year to Date Performance Actual Jan to Apr 2025			Net End of Year Performance Forecasted Jan to Dec 2025			
	Budget	Actual	Variance	Budget	Forecast	Variance	% Variance
TOTAL TAX SUPPORTED SURPLUS / (DEFICIT)	(27,951)	(33,695)	(5,744)	-	(3,339)	(3,339)	-3339%
TOTAL LAND DEVELOPMENT & REAL ESTATE EBITDA	(846)	(645)	202	(823)	(710)	113	14%
TOTAL RATE BASED UTILITIES EBITDA	6,322	8,345	2,023	41,542	43,058	1,516	4%
TOTAL ENERGY PRODUCTION EBITDA	18,797	12,912	(5,885)	40,933	42,207	1,274	3%

Tax Supported (Municipal Services):

The net deficit is \$33.7 million which is higher than budget by \$5.7 million at April 30, 2025. This is due to a realized loss related to investment currency hedging, lower court fine revenue due to new Provincial legislation and less than anticipated investment revenue as a result of lower than anticipated investment balance and lower interest rates. This variance is offset by timing of investment fees from external portfolio managers and delayed spending on contracted services, which will be incurred as weather gets warmer. The deficit at December 31, 2025 is projected to be \$3.3 million unfavorable as investment income and court fine revenue continue to be lower than budget, higher costs in Parks and Recreation due to unbudgeted salaries and wages and encampment clean up, higher than budgeted wages in Fire and Emergency Services due to higher than anticipated contract settlements and unbudgeted legal fees related to Freedom of Information and Privacy (FOIP) requests.

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Corporate Overview
Tax Supported
Non-Consolidated

TAX SUPPORTED	Net Year to Date Performance Actual Jan to Apr 2025				Discussion Current Variance	Net End of Year Performance Forecasted Jan to Dec 2025				Discussion Variance at Yearend
	Budget	Actual	Variance	Variance %		Budget	Forecast	Variance	% Variance	
GENERAL MUNICIPAL										
Property Taxes Revenue	\$ -	\$ (7)	\$ (7)	0%	N/A	\$ 87,976	\$ 87,969	\$ (7)	0%	N/A
	\$ 3,262	\$ 3,082	\$ (180)	-6%	Unfavourable due to lower court fine revenue as a result of new Provincial legislation on automated traffic enforcement, offset by higher interest on arrears taxes, utility penalties, interest on current taxes, and municipal consent and access fees.	\$ 9,917	\$ 9,373	\$ (544)	-5%	Unfavourable variance due to reduction in court fine revenue from new provincial legislation.
Expenses	\$ 1,030	\$ 638	\$ 392	38%	Favourable variance due to investment fees from external managers not yet invoiced, offset by unbudgeted realized foreign exchange losses.	\$ 5,204	\$ 5,159	\$ 45	1%	N/A
Internal Revenue	\$ 798	\$ 800	\$ 2	0%	N/A	\$ 6,438	\$ 6,438	\$ -	0%	N/A
Internal Expenses	\$ 574	\$ 581	\$ (7)	-1%	N/A	\$ 635	\$ 635	\$ -	0%	N/A
TOTAL GENERAL MUNICIPAL	\$ 2,456	\$ 2,856	\$ 200	8%		\$ 98,492	\$ 97,986	\$ (506)	-1%	
GENERAL GOVERNMENT										
MAYOR & COUNCILORS										
Revenue	\$ -	\$ -	\$ -	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Expenses	\$ 280	\$ 276	\$ 4	1%	N/A	\$ 846	\$ 846	\$ -	0%	N/A
Internal Revenue	\$ -	\$ -	\$ -	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Internal Expenses	\$ 163	\$ 163	\$ -	0%	N/A	\$ 164	\$ 164	\$ -	0%	N/A
MAYOR & COUNCILORS NET	\$ (443)	\$ (439)	\$ 4	1%		\$ (1,010)	\$ (1,010)	\$ -	0%	
CITY MANAGER & MANAGING DIRECTORS										
Revenue	\$ -	\$ -	\$ -	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Expenses	\$ 828	\$ 840	\$ (12)	-1%	N/A	\$ 2,515	\$ 2,540	\$ (25)	-1%	N/A
Internal Revenue	\$ 2,516	\$ 2,516	\$ -	0%	N/A	\$ 2,516	\$ 2,516	\$ -	0%	N/A
Internal Expenses	\$ 398	\$ 398	\$ -	0%	N/A	\$ 410	\$ 410	\$ -	0%	N/A
CITY MANAGER & MANAGING DIRECTORS NET	\$ 1,290	\$ 1,278	\$ (12)	-1%		\$ (409)	\$ (434)	\$ (25)	-6%	
CITY SOLICITOR										
Revenue	\$ -	\$ -	\$ -	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Expenses	\$ 359	\$ 359	\$ -	0%	N/A	\$ 1,090	\$ 1,114	\$ (24)	-2%	N/A
Internal Revenue	\$ 1,090	\$ 1,090	\$ -	0%	N/A	\$ 1,090	\$ 1,090	\$ -	0%	N/A
Internal Expenses	\$ 266	\$ 266	\$ -	0%	N/A	\$ 272	\$ 272	\$ -	0%	N/A
CITY SOLICITOR NET	\$ 465	\$ 465	\$ -	0%		\$ (272)	\$ (296)	\$ (24)	-9%	
CITY CLERK										
Revenue	\$ 1	\$ (20)	\$ (21)	-2100%	N/A	\$ 6	\$ 6	\$ -	0%	N/A
Expenses	\$ 359	\$ 451	\$ (92)	-26%	Unfavourable due to unbudgeted legal fees related to Freedom of Information and Protection of Privacy (FOIPP) requests.	\$ 998	\$ 1,157	\$ (159)	-16%	Unfavourable due to unbudgeted legal fees related to Freedom of Information and Protection of Privacy (FOIP) requests.
Internal Revenue	\$ 796	\$ 796	\$ -	0%	N/A	\$ 796	\$ 796	\$ -	0%	N/A
Internal Expenses	\$ 247	\$ 252	\$ (5)	-2%	N/A	\$ 251	\$ 251	\$ -	0%	N/A
CITY CLERK NET	\$ 191	\$ 73	\$ (118)	-62%		\$ (447)	\$ (606)	\$ (159)	-36%	
PEOPLE SERVICES										
Revenue	\$ 45	\$ 77	\$ 32	71%	N/A	\$ 136	\$ 168	\$ 32	24%	N/A
Expenses	\$ 2,376	\$ 1,949	\$ 427	18%	Favourable variance due to lower than budgeted wages from vacant positions and delayed spending on contracted services.	\$ 7,363	\$ 6,563	\$ 800	11%	Favourable variance due to lower than budgeted wages from vacant positions.
Internal Revenue	\$ 5,997	\$ 5,987	\$ (10)	0%	N/A	\$ 6,749	\$ 6,749	\$ -	0%	N/A
Internal Expenses	\$ 862	\$ 859	\$ 3	0%	N/A	\$ 898	\$ 898	\$ -	0%	N/A
PEOPLE SERVICES NET	\$ 2,804	\$ 3,256	\$ 452	16%		\$ (1,376)	\$ (544)	\$ 832	60%	
ECONOMIC DEVELOPMENT										
Revenue	\$ 22	\$ 25	\$ 3	14%	N/A	\$ 65	\$ 65	\$ -	0%	N/A
Expenses	\$ 987	\$ 934	\$ 53	5%	Favourable variance due to timing of contracted services invoicing and lower than budgeted wages as a result of vacant positions.	\$ 1,678	\$ 1,614	\$ 64	4%	Favourable variance due to savings from vacant positions.
Internal Revenue	\$ -	\$ -	\$ -	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Internal Expenses	\$ 432	\$ 430	\$ 2	0%	N/A	\$ 443	\$ 443	\$ -	0%	N/A
ECONOMIC DEVELOPMENT NET	\$ (1,397)	\$ (1,339)	\$ 58	4%		\$ (2,056)	\$ (1,992)	\$ 64	3%	
TOTAL GENERAL GOVERNMENT	\$ 2,910	\$ 3,294	\$ 384	13%		\$ (5,570)	\$ (4,882)	\$ 688	12%	
POLICE SERVICES										
Revenue	\$ 696	\$ 655	\$ (41)	-6%	N/A	\$ 4,585	\$ 4,477	\$ (108)	-2%	Unfavourable due to lower than anticipated ALERT recovery, info check revenue and School Resource Officer funding as a result of delay in the finalization of the contract.
Expenses	\$ 9,558	\$ 9,594	\$ (36)	0%	N/A	\$ 28,091	\$ 27,715	\$ 376	1%	Favourable due to staff vacancies and savings in contracted services (security and DNA services).
Internal Revenue	\$ 65	\$ 54	\$ (11)	-17%	N/A	\$ 197	\$ 186	\$ (11)	-6%	N/A
Internal Expenses	\$ 2,831	\$ 2,819	\$ 12	0%	N/A	\$ 3,867	\$ 3,855	\$ 12	0%	N/A
TOTAL POLICE SERVICES	\$ (11,628)	\$ (11,704)	\$ (76)	-1%		\$ (27,176)	\$ (26,907)	\$ 269	1%	

Corporate Overview
Tax Supported
Non-Consolidated

TAX SUPPORTED	Net Year to Date Performance Actual Jan to Apr 2025				Discussion Current Variance	Net End of Year Performance Forecasted Jan to Dec 2025				Discussion Variance at Yearend
	Budget	Actual	Variance	Variance %		Budget	Forecast	Variance	% Variance	
CORPORATE SERVICES										
COMMUNICATIONS, ENGAGEMENT & MARKETING										
Revenue	\$ -	\$ 1	\$ 1	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Expenses	\$ 478	\$ 479	\$ (1)	0%	N/A	\$ 1,458	\$ 1,458	\$ -	0%	N/A
Internal Revenue	\$ 1,312	\$ 1,312	\$ -	0%	N/A	\$ 1,312	\$ 1,312	\$ -	0%	N/A
Internal Expenses	\$ 347	\$ 347	\$ -	0%	N/A	\$ 355	\$ 355	\$ -	0%	N/A
COMMUNICATIONS, ENGAGEMENT & MARKETING NET	\$ 487	\$ 487	\$ -	0%		\$ (501)	\$ (501)	\$ -	0%	
FINANCE										
Revenue	\$ 168	\$ 201	\$ 33	20%	N/A	\$ 679	\$ 679	\$ -	0%	N/A
Expenses	\$ 6,444	\$ 6,228	\$ 216	3%	Favourable due to staff vacancies and timing of auditor invoices.	\$ 14,588	\$ 14,283	\$ 305	2%	Favourable variance due to continued anticipated staff vacancies.
Internal Revenue	\$ 9,516	\$ 9,603	\$ 87	1%	Favourable due to higher than budgeted customer care and billing costs.	\$ 12,109	\$ 12,245	\$ 136	1%	Favourable variance due to anticipated increase in customer care and billing costs.
Internal Expenses	\$ 2,209	\$ 2,222	\$ (13)	-1%	N/A	\$ 2,586	\$ 2,586	\$ -	0%	N/A
FINANCE NET	\$ 1,031	\$ 1,354	\$ 323	31%		\$ (4,386)	\$ (3,945)	\$ 441	10%	
FLEET & FACILITIES										
Revenue	\$ 55	\$ 50	\$ (5)	-9%	N/A	\$ 166	\$ 166	\$ -	0%	N/A
Expenses	\$ 5,030	\$ 5,034	\$ (4)	0%	N/A	\$ 15,136	\$ 15,236	\$ (100)	-1%	Unfavourable due to higher contracted services as a result of escalated supplier pricing.
Internal Revenue	\$ 13,905	\$ 13,555	\$ (350)	-3%	Net unfavourable variance due to lower than anticipated lease revenues related to capital asset replacement deferrals and lower recoveries and expenses related to fuel usage and unit repairs.	\$ 27,742	\$ 27,092	\$ (650)	-2%	Unfavourable projected variance due to ongoing capital asset deferrals and decreased unit repair costs.
Internal Expenses	\$ 4,969	\$ 4,813	\$ 156	3%		\$ 11,059	\$ 10,759	\$ 300	3%	
FLEET & FACILITIES NET	\$ 3,961	\$ 3,758	\$ (203)	-5%		\$ 1,713	\$ 1,263	\$ (450)	-26%	
INFORMATION TECHNOLOGY										
Revenue	\$ -	\$ -	\$ -	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Expenses	\$ 3,747	\$ 3,831	\$ (84)	-2%	Unfavourable due to higher than anticipated benefits and unmet vacancy adjustment as well as higher mobility charges.	\$ 11,431	\$ 11,820	\$ (389)	-3%	Unfavourable variance due to anticipated increased salary and wage costs, specifically, unmet vacancy adjustment and benefit costs and increased mobility and postage expenses.
Internal Revenue	\$ 11,088	\$ 11,105	\$ 17	0%	N/A	\$ 11,323	\$ 11,323	\$ -	0%	N/A
Internal Expenses	\$ 720	\$ 724	\$ (4)	-1%	N/A	\$ 764	\$ 764	\$ -	0%	N/A
INFORMATION TECHNOLOGY NET	\$ 6,621	\$ 6,550	\$ (71)	-1%		\$ (872)	\$ (1,261)	\$ (389)	-45%	
CPP-CORPORATE STRATEGY & ANALYSIS										
Revenue	\$ -	\$ -	\$ -	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Expenses	\$ 379	\$ 316	\$ 63	17%	Favourable due to staff vacancies and less utilization of contracted services.	\$ 1,148	\$ 931	\$ 217	19%	Favourable variance due to continued savings relating to less utilization of contracted services.
Internal Revenue	\$ 1,017	\$ 1,017	\$ -	0%	N/A	\$ 1,017	\$ 1,017	\$ -	0%	N/A
Internal Expenses	\$ 227	\$ 225	\$ 2	1%	N/A	\$ 234	\$ 234	\$ -	0%	N/A
CPP-CORPORATE STRATEGY & ANALYSIS NET	\$ 411	\$ 476	\$ 65	16%		\$ (365)	\$ (148)	\$ 217	59%	
TOTAL CORPORATE SERVICES	\$ 12,511	\$ 12,625	\$ 114	1%		\$ (4,411)	\$ (4,592)	\$ (181)	-4%	
DEVELOPMENT & INFRASTRUCTURE										
MUNICIPAL WORKS										
Revenue	\$ 15	\$ 31	\$ 16	107%	N/A	\$ 45	\$ 45	\$ -	0%	N/A
Expenses	\$ 2,438	\$ 2,277	\$ 161	7%	Favourable variance due to vacancies, delayed spending on contracted services and materials until work starts to ramp up from July to December, offset by higher than budgeted salaries and wages due to unbudgeted overtime related to snow and ice control.	\$ 9,107	\$ 9,107	\$ -	0%	N/A
Internal Revenue	\$ -	\$ 2	\$ 2	0%	N/A	\$ 130	\$ 130	\$ -	0%	N/A
Internal Expenses	\$ 2,799	\$ 2,852	\$ (53)	-2%	Unfavourable variance due to higher than budgeted fleet maintenance, fuel, and repair work, and higher than budgeted landfill usage.	\$ 4,775	\$ 4,775	\$ -	0%	N/A
MUNICIPAL WORKS NET	\$ (5,222)	\$ (5,096)	\$ 126	2%		\$ (13,707)	\$ (13,707)	\$ -	0%	
AIRPORT										
Revenue	\$ 232	\$ 239	\$ 7	3%	N/A	\$ 695	\$ 695	\$ -	0%	N/A
Expenses	\$ 406	\$ 341	\$ 65	16%	Favourable due to less security required on site as a result of reducing down to one flight per day, slightly offset by additional overtime required due to weather.	\$ 1,293	\$ 1,318	\$ (25)	-2%	N/A
Internal Revenue	\$ -	\$ -	\$ -	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Internal Expenses	\$ 590	\$ 604	\$ (14)	-2%	N/A	\$ 758	\$ 758	\$ -	0%	N/A
AIRPORT NET	\$ (764)	\$ (706)	\$ 58	8%		\$ (1,356)	\$ (1,381)	\$ (25)	-2%	

TAX SUPPORTED	Net Year to Date Performance Actual Jan to Apr 2025				Discussion Current Variance	Net End of Year Performance Forecasted Jan to Dec 2025				Discussion Variance at Yearend
	Budget	Actual	Variance	Variance %		Budget	Forecast	Variance	% Variance	
PLANNING & DEVELOPMENT SERVICES										
Revenue	\$ 837	\$ 1,083	\$ 246	29%	Favourable due to more businesses renewing their licenses at the beginning of the year and two large permit applications received in April.	\$ 2,512	\$ 2,512	\$ -	0%	N/A
Expenses	\$ 1,660	\$ 1,684	\$ (24)	-1%	N/A	\$ 5,048	\$ 5,162	\$ (114)	-2%	Unfavourable due to an adjustment related to prior year software licensing fees and unmet vacancy adjustment.
Internal Revenue	\$ -	\$ 3	\$ 3	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Internal Expenses	\$ 1,180	\$ 1,175	\$ 5	0%	N/A	\$ 1,233	\$ 1,233	\$ -	0%	N/A
PLANNING & DEVELOPMENT SERVICES NET	\$ (2,003)	\$ (1,773)	\$ 230	11%		\$ (3,769)	\$ (3,883)	\$ (114)	-3%	
TOTAL DEVELOPMENT & INFRASTRUCTURE	\$ (7,989)	\$ (7,575)	\$ 414	5%		\$ (18,832)	\$ (18,971)	\$ (139)	-1%	
PUBLIC SERVICES										
FIRE & EMERGENCY SERVICES										
Fire										
Revenue	\$ 208	\$ 172	\$ (36)	-17%	N/A	\$ 456	\$ 471	\$ 15	3%	N/A
Expenses	\$ 5,370	\$ 5,303	\$ 67	1%	Favourable due to delayed spending on materials and software.	\$ 16,317	\$ 16,783	\$ (466)	-3%	Unfavourable due to the vacancy adjustment being higher than the savings associated with annual position vacancies and projected union settlements.
Fire Net	\$ (5,162)	\$ (5,131)	\$ 31	1%		\$ (15,861)	\$ (16,312)	\$ (451)	-3%	
Communication Centre										
Revenue	\$ 516	\$ 478	\$ (38)	-7%	N/A	\$ 1,228	\$ 1,072	\$ (156)	-13%	Unfavourable due to expected decrease in backcheck revenue.
Expenses	\$ 873	\$ 857	\$ 16	2%	N/A	\$ 2,554	\$ 2,605	\$ (51)	-2%	Unfavourable due to rising software costs.
Communication Centre Net	\$ (357)	\$ (379)	\$ (22)	-6%		\$ (1,326)	\$ (1,533)	\$ (207)	-16%	
Internal Revenue	\$ 948	\$ 955	\$ 7	1%	N/A	\$ 948	\$ 977	\$ 29	3%	N/A
Internal Expenses	\$ 2,190	\$ 2,216	\$ (26)	-1%	N/A	\$ 2,913	\$ 2,903	\$ 10	0%	N/A
FIRE & EMERGENCY SERVICES NET	\$ (6,761)	\$ (6,771)	\$ (10)	0%		\$ (19,152)	\$ (19,771)	\$ (619)	-3%	
PARKS & RECREATION										
Big Marble Go Centre										
Revenue	\$ 1,118	\$ 1,357	\$ 239	21%	Favourable due to higher than budgeted admissions, facility rentals and lease agreements.	\$ 3,304	\$ 3,295	\$ (9)	0%	N/A
Expenses	\$ 1,727	\$ 1,753	\$ (26)	-2%	N/A	\$ 5,040	\$ 5,114	\$ (74)	-1%	Unfavourable due to higher than budgeted materials and contracted services.
Big Marble Go Centre Net	\$ (608)	\$ (396)	\$ 213	35%		\$ (1,736)	\$ (1,820)	\$ (83)	-5%	
Pools - Crestwood, Heights, Hill, Strathcona										
Revenue	\$ 64	\$ 96	\$ 32	51%	N/A	\$ 326	\$ 336	\$ 11	3%	N/A
Expenses	\$ 352	\$ 228	\$ 124	35%	Favourable due to lower than budgeted salaries and wages, as some pools are not yet open.	\$ 1,106	\$ 1,106	\$ 0	0%	N/A
Pools - Crestwood, Heights, Hill, Strathcona Net	\$ (288)	\$ (132)	\$ 156	54%		\$ (780)	\$ (770)	\$ 10	1%	
Rinks - Co-op Place, Moose, Hounds, Kinplex										
Revenue	\$ 423	\$ 507	\$ 84	20%	Favourable due to additional tournament bookings.	\$ 1,011	\$ 1,036	\$ 25	2%	N/A
Expenses	\$ 735	\$ 924	\$ (189)	-26%	Unfavourable due to higher than anticipated wages due to additional ice bookings and Medicine Hat Tigers playoff games.	\$ 2,137	\$ 2,109	\$ 28	1%	N/A
Rinks - Co-op Place, Moose, Hounds, Kinplex Net	\$ (312)	\$ (417)	\$ (105)	-34%		\$ (1,125)	\$ (1,072)	\$ 53	5%	
Parks										
Revenue	\$ 598	\$ 402	\$ (196)	-33%	Unfavourable due to fewer than anticipated camping reservations and use of perpetual care fund.	\$ 1,813	\$ 1,825	\$ 12	1%	N/A
Expenses	\$ 2,122	\$ 1,789	\$ 333	16%	Favourable due to timing of seasonal wages and contracted services.	\$ 7,374	\$ 7,713	\$ (339)	-5%	Unfavourable due to additional temporary wages required in Parks and unbudgeted costs related to snow removal and encampment cleanup.
Parks Net	\$ (1,524)	\$ (1,387)	\$ 137	9%		\$ (5,561)	\$ (5,888)	\$ (327)	-6%	
Parks & Recreation - Other										
Revenue	\$ 43	\$ 79	\$ 36	84%	N/A	\$ 348	\$ 397	\$ 49	14%	N/A
Expenses	\$ 1,195	\$ 1,190	\$ 5	0%	N/A	\$ 3,885	\$ 3,840	\$ 45	1%	N/A
Internal Revenue	\$ 70	\$ 124	\$ 54	77%	Favourable due to urban forestry work occurring earlier in the year than anticipated.	\$ 70	\$ 70	\$ -	0%	N/A
Internal Expenses	\$ 6,062	\$ 6,097	\$ (35)	-1%	N/A	\$ 9,467	\$ 9,566	\$ (99)	-1%	Unfavourable due to higher than budgeted watering costs.
Parks & Recreation - Other Net	\$ (7,144)	\$ (7,084)	\$ 60	1%		\$ (12,934)	\$ (12,938)	\$ (5)	0%	
PARKS & RECREATION NET	\$ (9,877)	\$ (9,416)	\$ 461	5%		\$ (22,136)	\$ (22,488)	\$ (352)	-2%	
COMMUNITY DEVELOPMENT										
Culture & Entertainment										
Revenue	\$ 2,116	\$ 2,457	\$ 341	16%	Favourable due to increased food and beverage revenue, offset by fewer hosted events at the Esplanade & Co-op Place.	\$ 5,624	\$ 5,910	\$ 286	5%	Favourable due to increased food and beverage revenue, offset by fewer hosted events at the Esplanade & Co-op Place.
Expenses	\$ 2,659	\$ 3,292	\$ (633)	-24%	Unfavourable due to increased food and wage costs as a result of unbudgeted Medicine Hat Tigers WHL playoff games, which is offset by fewer non-sporting events, resulting in lower artist fees.	\$ 7,882	\$ 8,155	\$ (273)	-3%	Unfavourable due to expected continued decrease in artists fees due to fewer hosted events, offset by increased food and wage costs related to additional sporting events at Co-op Place.
Culture & Entertainment Net	\$ (543)	\$ (835)	\$ (292)	-54%		\$ (2,258)	\$ (2,245)	\$ 13	1%	

Corporate Overview
Tax Supported
Non-Consolidated

TAX SUPPORTED	Net Year to Date Performance Actual Jan to Apr 2025				Discussion Current Variance	Net End of Year Performance Forecasted Jan to Dec 2025				Discussion Variance at Yearend
	Budget	Actual	Variance	Variance %		Budget	Forecast	Variance	% Variance	
Transit										
Revenue	\$ 476	\$ 626	\$ 150	32%	Favourable due to increased ridership due to increased use of low income programs.	\$ 1,381	\$ 1,694	\$ 313	23%	Favourable due to continued anticipated increased ridership due to increased use of low income programs.
Expenses	\$ 1,716	\$ 1,774	\$ (58)	-3%	Unfavourable due to the vacancy adjustment being higher than the savings associated with annual position vacancies.	\$ 5,209	\$ 5,596	\$ (387)	-7%	Unfavourable due to the vacancy adjustment being higher than the savings associated with annual position vacancies.
Transit Net	\$ (1,240)	\$ (1,148)	\$ 92	7%		\$ (3,828)	\$ (3,902)	\$ (74)	-2%	
Community Development - Other										
Revenue	\$ 930	\$ 1,189	\$ 259	28%	Favourable due to higher than budgeted grant revenue.	\$ 1,793	\$ 2,287	\$ 494	28%	Favourable due to higher than anticipated grant funding.
Expenses	\$ 1,084	\$ 1,174	\$ (90)	-8%	Unfavourable due to increased usage of the refugee/fair entry subsidy and grant disbursements.	\$ 3,111	\$ 3,406	\$ (295)	-9%	Unfavourable due to increased costs due to continued growth of the fair entry program.
Internal Revenue	\$ -	\$ 6	\$ 6	0%	N/A	\$ -	\$ 6	\$ 6	0%	N/A
Internal Expenses	\$ 4,749	\$ 4,767	\$ (18)	0%	N/A	\$ 6,840	\$ 6,835	\$ 5	0%	N/A
Community Development - Other Net	\$ (4,903)	\$ (4,746)	\$ 157	3%		\$ (8,158)	\$ (7,948)	\$ 210	3%	
COMMUNITY DEVELOPMENT NET	\$ (6,686)	\$ (6,729)	\$ (43)	-1%		\$ (14,244)	\$ (14,095)	\$ 149	1%	
TOTAL PUBLIC SERVICES	\$ (23,324)	\$ (22,916)	\$ 408	2%		\$ (55,532)	\$ (56,354)	\$ (822)	-1%	
OTHER ORGANIZATIONS										
Revenue	\$ -	\$ -	\$ -	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Expenses	\$ 930	\$ 959	\$ (29)	-3%	N/A	\$ 2,751	\$ 2,766	\$ (15)	-1%	N/A
Internal Revenue	\$ -	\$ -	\$ -	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Internal Expenses	\$ 204	\$ 184	\$ 20	10%	N/A	\$ 314	\$ 305	\$ 9	3%	N/A
TOTAL OTHER ORGANIZATIONS	\$ (1,134)	\$ (1,143)	\$ (9)	-1%		\$ (3,065)	\$ (3,071)	\$ (6)	0%	
ENERGY, LAND & ENVIRONMENT										
ENVIRONMENT, LAND & GAS PRODUCTION - TAX SUPPORTED										
Revenue	\$ 109	\$ 180	\$ 71	65%	Favourable variance due to higher than budgeted Energy Conservation Charges through the Hat Smart program.	\$ 398	\$ 469	\$ 71	18%	Favourable variance due to higher than budgeted Energy Conservation Charges through the Hat Smart program.
Expenses	\$ 808	\$ 709	\$ 99	12%	Favourable variance due to lower than budgeted Hat Smart expenses and contaminated sites spending that will occur later in the year.	\$ 2,522	\$ 2,519	\$ 3	0%	N/A
Internal Revenue	\$ 1,449	\$ 1,449	\$ -	0%	N/A	\$ 1,449	\$ 1,449	\$ -	0%	N/A
Internal Expenses	\$ 363	\$ 366	\$ (3)	-1%	N/A	\$ 367	\$ 367	\$ -	0%	N/A
ENVIRONMENT, LAND & GAS PRODUCTION - TAX SUPPORTED NET	\$ 387	\$ 554	\$ 167	43%		\$ (1,042)	\$ (968)	\$ 74	7%	
ENERGY MARKETING & BUSINESS ANALYSIS										
Revenue	\$ -	\$ -	\$ -	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Expenses	\$ 727	\$ 487	\$ 240	33%	Favourable due to not utilizing consulting fees and savings in salaries and wages due to positional vacancies.	\$ 2,202	\$ 2,002	\$ 200	9%	Favourable due to positional vacancies to date, one of which will remain for the year.
Internal Revenue	\$ 733	\$ 489	\$ (244)	-33%	Unfavourable due to lower recoveries on reduced expenses.	\$ 2,200	\$ 2,002	\$ (198)	-9%	Unfavourable due to lower recoveries on reduced expenses.
Internal Expenses	\$ 263	\$ 262	\$ 1	0%	N/A	\$ 272	\$ 272	\$ -	0%	N/A
ENERGY MARKETING & BUSINESS ANALYSIS NET	\$ (257)	\$ (260)	\$ (3)	-1%		\$ (274)	\$ (272)	\$ 2	1%	
TOTAL ENERGY, LAND & ENVIRONMENT	\$ 130	\$ 294	\$ 164	126%		\$ (1,316)	\$ (1,240)	\$ 76	6%	
TOTAL BEFORE FINANCE ACTIVITIES	\$ (26,068)	\$ (24,469)	\$ 1,599	6%		\$ (17,410)	\$ (18,031)	\$ (621)	-4%	
FINANCE ACTIVITIES										
Interest & principal	(6,803)	(7,979)	(1,176)	0%	Unfavourable due to timing of capital expenditures.	\$ (6,802)	\$ (7,978)	(1,176)	-17%	Unfavourable due to timing of capital expenditures.
Transfer (to)/from reserves	(798)	(791)	7	0%	N/A	\$ (8,882)	\$ (7,745)	1,137	13%	Favourable variance as less investment income results in less money transferred to Medicine Hat Endowment, Energy Transition and Abandonment Obligation reserves.
Investment income	5,718	3,797	(1,921)	-34%	Unfavourable due to lower cash balances resulting in less working capital investments and lower than budgeted interest rates.	\$ 30,094	\$ 23,518	(6,576)	-22%	Unfavourable variance due to continued affects of lower than budget cash balances and interest rates and budget prepared based on total gains.
Gain/Loss on Financial Instruments	-	(4,253)	(4,253)	0%	Unfavourable due to unbudgeted realized investment losses related to currency hedging	\$ -	\$ 3,897	3,897	0%	Favourable as a result of realized gains from selling some equity positions.
Contribution from Utilities	-	-	-	0%	N/A	\$ 3,000	\$ 3,000	-	0%	N/A
TOTAL FINANCE ACTIVITIES	\$ (1,883)	\$ (9,226)	\$ (7,343)	-390%		\$ 17,410	\$ 14,692	\$ (2,718)	-16%	
TOTAL TAX SUPPORTED SURPLUS / (DEFICIT)	\$ (27,951)	\$ (33,695)	\$ (5,744)	-21%		\$ -	\$ (3,339)	\$ (3,339)	0%	

LAND DEVELOPMENT & REAL ESTATE	Net Year to Date Performance				Discussion	Net End of Year Performance				Discussion
	Budget	Actual	Variance	Variance %		Current Variance	Budget	Forecast	Variance	
ENERGY, LAND & ENVIRONMENT										
ENVIRONMENT, LAND & GAS PRODUCTION - LAND										
Revenue	\$ 1,382	\$ 1,600	\$ 218	16%	Favourable variance due to higher than budgeted residential land sales and lease revenue.	\$ 4,126	\$ 3,874	\$ (252)	-6%	Unfavourable variance due to the sales price on multiple lots being less than the budgeted average as a result of Council approved price reductions and the inaccurate budgeting of a lot which is not anticipated to be sold in 2025.
Expenses	\$ 1,401	\$ 1,417	\$ (16)	-1%	N/A	\$ 4,209	\$ 3,843	\$ 366	9%	Favourable variance due to costs being based on square footage, and the projected square footage of lot sales being less than the budgeted average, and the inaccurate budgeting of a lot which is not anticipated to be sold in 2025.
Internal Revenue	\$ -	\$ -	\$ -	0%	N/A	\$ 130	\$ 130	\$ -	0%	N/A
Internal Expenses	\$ 828	\$ 828	\$ (0)	0%	N/A	\$ 870	\$ 870	\$ -	0%	N/A
ENVIRONMENT, LAND & GAS PRODUCTION - LAND EBITDA	\$ (846)	\$ (645)	\$ 202	100%		\$ (823)	\$ (710)	\$ 113	14%	
FINANCE ACTIVITIES										
Interest & principal	(4)	(4)	-	0%	N/A	(4)	(4)	-	0%	N/A
Capital spend (on prior year projects)	38	17	21	55%	N/A	150	150	-	0%	N/A
Free cash flow (transfer (to)/from reserves)	-	-	-	0%	N/A	(2,103)	714	2,817	134%	Favourable at yearend as a result of additional cash flow required to sustain operations.
TOTAL FINANCE ACTIVITIES	\$ 33	\$ 13	\$ 21	62%		\$ (1,957)	\$ 860	\$ 2,817	144%	
TOTAL ENERGY, LAND & ENVIRONMENT	\$ (846)	\$ (645)	\$ 202	100%		\$ (823)	\$ (710)	\$ 113	14%	
TOTAL LAND DEVELOPMENT & REAL ESTATE EBITDA	\$ (846)	\$ (645)	\$ 202	100%		\$ (823)	\$ (710)	\$ 113	14%	

RATE BASED UTILITIES	Net Year to Date Performance				Discussion Current Variance	Net End of Year Performance				Discussion Variance at Yearend
	Budget	Actual	Variance	Variance %		Budget	Forecast	Variance	% Variance	
ENVIRONMENTAL UTILITIES										
ENVIRONMENTAL UTILITIES - WATER										
Revenue	\$ 7,044	\$ 7,026	\$ (19)	0%	N/A	\$ 28,035	\$ 28,035	\$ -	0%	N/A
Expenses	\$ 3,652	\$ 3,109	\$ 543	15%	Favourable variance due to cost savings related to chemicals and savings in operating expenses related to the delayed opening of the solids handling facility.	\$ 11,065	\$ 11,131	\$ (66)	-1%	N/A
Internal Revenue	\$ 684	\$ 592	\$ (92)	-14%	N/A	\$ 2,689	\$ 2,597	\$ (92)	-3%	N/A
Internal Expenses	\$ 4,028	\$ 3,890	\$ 138	3%	Favourable variance due to lower than budgeted utilities.	\$ 6,792	\$ 6,654	\$ 138	2%	Favourable variance due to lower than budgeted utilities.
ENVIRONMENTAL UTILITIES - WATER EBITDA										
Interest & principal	(2,983)	(2,727)	256	0%	Favourable variance due to timing of prior years capital expenses and related borrowings.	4,492	4,748	256	6%	Favourable variance expected at year end due to continuation of year to date variance.
Transfer (to)/from reserves	-	-	-	0%	N/A	(3,920)	(3,920)	-	0%	N/A
Capital spend (on prior year projects)	(2,731)	(3,309)	(578)	-21%	Unfavourable variance due to increased capital spend earlier in the year related to the Waste Solids Handling Facility to be completed by June 1.	(8,193)	(8,193)	-	0%	N/A
Capital spend (on current year projects)	(1,406)	(5)	1,401	100%	Favourable variance due to delayed capital spending on multi-year projects.	(4,218)	(4,218)	-	0%	N/A
Free cash flow (transfer (to)/from reserves)	-	-	-	0%	N/A	1,000	2,317	1,317	132%	Favourable variance due more cash flow required in order to sustain business unit.
Miscellaneous	-	(1,641)	(1,641)	0%	Unfavourable variance due to changes in working capital (A/R, A/P & inventory).	-	-	-	0%	N/A
ENVIRONMENTAL UTILITIES - WATER - CHANGE IN CASH										
	\$ (7,072)	\$ (7,064)	\$ 8	0%		\$ 2,027	\$ 3,580	\$ 1,553	77%	
ENVIRONMENTAL UTILITIES - SEWER										
Revenue	\$ 8,047	\$ 8,204	\$ 158	2%	Favourable variance due to higher than expected commercial volumes and timing of an accrual reversal.	\$ 25,224	\$ 25,224	\$ -	0%	N/A
Expenses	\$ 2,595	\$ 2,165	\$ 430	17%	Favourable variance due to more time coded to water than budgeted as a result of distribution issues, reduced material costs related to cancelled contracts and staff vacancies.	\$ 7,782	\$ 7,449	\$ 333	4%	Favourable variance expected at year end due to continuation of year-to-date variances, offset by unbudgeted repairs at the Waste Water Treatment Plant.
Internal Revenue	\$ -	\$ (1)	\$ (1)	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Internal Expenses	\$ 3,120	\$ 3,085	\$ 34	1%	N/A	\$ 5,414	\$ 5,414	\$ -	0%	N/A
ENVIRONMENTAL UTILITIES - SEWER EBITDA										
Interest & principal	2,475	2,855	379	0%	Favourable variance due to timing of prior years capital expenses and related borrowings.	7,880	8,259	379	5%	Favourable variance expected at year end due to continuation of year to date variance.
Transfer (to)/from reserves	-	1	1	0%	N/A	(4,482)	(4,483)	(1)	0%	N/A
Capital spend (on prior year projects)	(1,175)	(318)	857	73%	Favourable variance due to delayed capital spending on multi-year projects.	(3,526)	(3,526)	-	0%	N/A
Capital spend (on current year projects)	(390)	(5)	385	99%	Favourable variance due to delayed capital spending on multi-year projects.	(1,170)	(1,170)	-	0%	N/A
Free cash flow (transfer (to)/from reserves)	-	-	-	0%	N/A	1,396	567	(829)	-59%	Unfavourable variance due to less cash flow required to sustain business unit.
Miscellaneous	-	1,545	1,545	0%	Favourable variance due to changes in working capital (A/R, A/P & inventory).	-	-	-	0%	N/A
ENVIRONMENTAL UTILITIES - SEWER - CHANGE IN CASH										
	\$ 3,242	\$ 7,031	\$ 3,789	117%		\$ 12,126	\$ 12,008	\$ (118)	-1%	
ENVIRONMENTAL UTILITIES - SOLID WASTE										
Revenue	\$ 3,163	\$ 4,034	\$ 872	28%	Favourable variance mainly due to one time sale of recycling carts and increased sump waste volumes.	\$ 9,822	\$ 10,691	\$ 870	9%	Favourable variance expected at year end due to continuation of year to date variance.
Expenses	\$ 1,853	\$ 1,855	\$ (3)	0%	N/A	\$ 4,634	\$ 4,634	\$ -	0%	N/A
Internal Revenue	\$ 817	\$ 919	\$ 102	12%	Favourable variance due to increased landfill revenue from other city departments.	\$ 2,864	\$ 2,966	\$ 102	4%	Favourable variance expected at year end due to continuation of year to date variance.
Internal Expenses	\$ 2,702	\$ 2,442	\$ 260	10%	Favourable variance due to lower than budgeted fleet expenses due to new equipment not yet received.	\$ 5,755	\$ 5,495	\$ 260	0%	Favourable variance expected at year end due to continuation of year to date variance.
ENVIRONMENTAL UTILITIES - SOLID WASTE EBITDA										
Interest & principal	(234)	(234)	-	0%	N/A	(234)	(234)	-	0%	N/A
Transfer (to)/from reserves	-	-	-	0%	N/A	(130)	(130)	-	0%	N/A
Capital spend (on prior year projects)	(164)	(418)	(254)	-155%	Unfavourable due to more than expected capital spend in the first quarter of the year related to the food and waste pilot project.	(493)	(493)	-	0%	N/A
Capital spend (on current year projects)	(60)	(11)	49	82%	N/A	(180)	(180)	-	0%	N/A
Free cash flow (transfer (to)/from reserves)	-	-	-	0%	N/A	(1,934)	(3,165)	(1,231)	-64%	Unfavourable variance due to less cash flow required to sustain business unit.
Miscellaneous	-	322	322	0%	Favourable variance due to changes in working capital (A/R, A/P & inventory).	-	-	-	0%	N/A
ENVIRONMENTAL UTILITIES - SOLID WASTE - CHANGE IN CASH										
	\$ (1,032)	\$ 316	\$ 1,347	131%		\$ (673)	\$ (673)	\$ (0)	0%	
TOTAL ENVIRONMENTAL UTILITIES										
	\$ 1,806	\$ 4,228	\$ 2,422	134%		\$ 27,190	\$ 28,735	\$ 1,545	6%	

RATE BASED UTILITIES	Net Year to Date Performance Actual Jan to Apr 2025				Discussion Current Variance	Net End of Year Performance Forecasted Jan to Dec 2025				Discussion Variance at Yearend
	Budget	Actual	Variance	Variance %		Budget	Forecast	Variance	% Variance	
UTILITY DISTRIBUTION SYSTEMS										
ELECTRIC DISTRIBUTION - OPERATING										
Revenue	\$ 8,134	\$ 8,201	\$ 67	1%	N/A	\$ 24,783	\$ 24,825	\$ 42	0%	N/A
Expenses	\$ 3,432	\$ 3,931	\$ (499)	-15%	Unfavourable variance is primarily due to unbudgeted employee benefits and timing of maintenance activities.	\$ 10,707	\$ 10,842	\$ (135)	-1%	Unfavourable variance is due to unbudgeted employee benefits, partially offset by staffing vacancies.
Internal Revenue	\$ 899	\$ 1,239	\$ 340	38%	Favourable variance is due to higher than budgeted interdepartmental rechargeables for administration overhead due to increased administration expenses.	\$ 2,529	\$ 2,799	\$ 270	11%	Favourable variance expected at year end due to continuation of year to date variance.
Internal Expenses	\$ 3,755	\$ 3,929	\$ (174)	-5%	Unfavourable variance is due to additional reallocation of administration expenses charged from Electric Distribution.	\$ 6,820	\$ 6,955	\$ (135)	-2%	Unfavourable variance expected at year end due to continuation of year to date variance.
ELECTRIC DISTRIBUTION - OPERATING EBITDA	\$ 1,846	\$ 1,580	\$ (266)	-14%		\$ 9,786	\$ 9,828	\$ 42	0%	
Interest & principal	2,144	724	(1,420)	-66%	Unfavourable variance is due to timing of borrowing on multi-year projects.	2,144	724	(1,420)	-66%	Unfavourable variance is due to timing of borrowing on multi-year projects.
Transfer (to)/from reserves	-	-	-	0%	Favourable variance is due to return of working capital from complete capital projects.	(3,983)	(3,983)	-	0%	Favourable variance expected at year end due to return of working capital from complete capital projects.
Capital spend (on prior year projects)	(11,121)	(3,870)	7,251	65%	Favourable variance is due to delayed capital spending on multi-year projects.	(33,363)	(12,675)	20,688	62%	Favourable variance is due to delayed capital spending on multi-year projects.
Capital spend (on current year projects)	(3,861)	(48)	3,813	99%	Favourable variance is due to delayed capital spending on multi-year projects.	(11,583)	(11,617)	(34)	0%	N/A
Free cash flow (transfer (to)/from reserves)	-	-	-	0%	N/A	(1,006)	(879)	127	13%	Favourable at yearend as a result of more cash flow required to sustain operations.
Miscellaneous	-	18	18	0%	N/A	-	-	-	0%	N/A
ELECTRIC DISTRIBUTION - OPERATING - CHANGE IN CASH	\$ (10,992)	\$ (1,597)	\$ 9,396	85%		\$ (38,006)	\$ (18,602)	\$ 19,403	51%	
GAS DISTRIBUTION - OPERATING										
Revenue	\$ 7,470	\$ 7,292	\$ (178)	-2%	Unfavourable variance is due to reduced consumption from Rate Class A & B customers.	\$ 16,468	\$ 16,290	\$ (178)	-1%	Unfavourable variance expected at year end due to continuation of year to date variance.
Expenses	\$ 2,616	\$ 2,435	\$ 181	7%	Favourable variance is due to staff vacancies and time charged to capital projects rather than operating.	\$ 7,958	\$ 7,752	\$ 206	3%	Favourable variance expected at year end due to continuation of year to date variance.
Internal Revenue	\$ 6	\$ 42	\$ 36	594%	N/A	\$ 18	\$ 54	\$ 36	198%	N/A
Internal Expenses	\$ 2,190	\$ 2,362	\$ (171)	-8%	Unfavourable variance is due to additional reallocation of administration expenses charged from Electric Distribution.	\$ 3,963	\$ 4,098	\$ (135)	-3%	Unfavourable variance expected at year end due to continuation of year to date variance.
GAS DISTRIBUTION - OPERATING EBITDA	\$ 2,670	\$ 2,537	\$ (133)	-5%		\$ 4,565	\$ 4,495	\$ (70)	-2%	
Interest & principal	455	3,381	2,926	643%	Favourable variance is due to timing of borrowing on multi-year projects.	455	3,381	2,926	643%	Favourable variance is due to timing of borrowing on multi-year projects.
Transfer (to)/from reserves	-	-	-		N/A	(1,798)	(1,798)	-	0%	N/A
Capital spend (on prior year projects)	(402)	(233)	169	42%	Favourable variance is due to delayed capital spending on multi-year projects.	(1,207)	(1,130)	76	6%	N/A
Capital spend (on current year projects)	(1,579)	(67)	1,512	96%	Favourable variance is due to delayed capital spending on multi-year projects.	(4,737)	(4,697)	40	1%	N/A
Free cash flow (transfer (to)/from reserves)	-	-	-	0%	N/A	(583)	(313)	270	46%	Favourable at yearend as a result of more cash flow required to sustain operations.
Miscellaneous	-	(249)	(249)	0%	Unfavourable variance is due to changes in working capital (A/R, A/P & inventory).	-	-	-	0%	N/A
GAS DISTRIBUTION - OPERATING - CHANGE IN CASH	\$ 1,144	\$ 5,369	\$ 4,225	369%		\$ (3,304)	\$ (63)	\$ 3,241	98%	
TOTAL UTILITY DISTRIBUTION SYSTEMS	\$ 4,516	\$ 4,117	\$ (399)	-9%		\$ 14,351	\$ 14,323	\$ (28)	0%	
TOTAL RATE BASED UTILITIES EBITDA	\$ 6,322	\$ 8,345	\$ 2,023	32%		\$ 41,542	\$ 43,058	\$ 1,516	4%	

ENERGY PRODUCTION	Net Year to Date Performance				Discussion Current Variance	Net End of Year Performance				Discussion Variance Driver
	Budget	Actual Jan to Apr 2024	Variance	Variance %		Budget	Forecasted Jan to Dec 2024	Variance	% Variance	
ENERGY, LAND & ENVIRONMENT										
ELECTRIC GENERATION - OPERATING										
Revenue	\$ 47,233	\$ 45,419	\$ (1,813)	-4%	Unfavourable variance is primarily due to lower sales to the pool, and third party sales, as a result of lower pool prices and a customer having an unexpected extended outage, partially offset by higher sales to retail price than budgeted.	\$ 128,592	\$ 145,488	\$ 16,896	13%	Favourable variance is due to large commercial and industrial customers being on the default market rate from Retail partially offset by third party ancillary sales.
Expenses	\$ 21,868	\$ 25,239	\$ (3,371)	-15%	Unfavourable variance is due to a higher transfer to retail, as a result of the difference between the default market rate and the best of market rate, partially offset by lower cost of fuel.	\$ 73,955	\$ 88,276	\$ (14,321)	-19%	Unfavourable variance is due to a higher transfer to retail, as a result of the difference between the default market rate and the best of market rate, partially offset by lower cost of fuel.
Internal Revenue	\$ 53	\$ 40	\$ (12)	-23%	N/A	\$ 158	\$ 158	\$ -	0%	N/A
Internal Expenses	\$ 3,367	\$ 3,309	\$ 57	2%	N/A	\$ 7,245	\$ 7,245	\$ -	0%	N/A
ELECTRIC GENERATION - OPERATING EBITDA	\$ 22,051	\$ 16,912	\$ (5,139)	-23%		\$ 47,550	\$ 50,125	\$ 2,574	5%	
Interest & principal	(8,012)	(7,491)	521	7%	Favourable variance is due to timing of borrowing on multi-year projects.	(8,012)	(7,491)	521	7%	Favourable variance is due to timing of borrowing on multi-year projects.
Transfer (to)/from reserves	-	-	-	-	N/A	(18,975)	(18,975)	-	0%	N/A
Investment income	-	-	-	-	N/A	-	-	-	-	N/A
Capital spend (on prior year projects)	(15,390)	(11,425)	3,965	26%	Favourable variance is due to delayed capital spending on multi-year projects.	(46,170)	(25,419)	20,751	45%	Favourable variance is due to delayed capital spending on multi-year projects.
Capital spend (on current year projects)	(6,550)	-	6,550	100%	Favourable variance is due to delayed capital spending on multi-year projects.	(19,650)	(1,250)	18,400	94%	Favourable variance is due to delayed capital spending on multi-year projects.
Free Cash Flow (transfer (to)/from reserve)	-	-	-	0%	N/A	(20,563)	(23,158)	(2,595)	-13%	Unfavourable variance is due more free cash flow to contribute.
Miscellaneous	-	7,470	7,470	0%	Favourable variance is due to changes in working capital (A/R, A/P & inventory).	-	-	-	0%	N/A
ELECTRIC GENERATION - OPERATING - CHANGE IN CASH	\$ (7,902)	\$ 5,465	\$ 13,367	169%		\$ (65,820)	\$ (26,169)	\$ 39,651	60%	
GAS PRODUCTION - OPERATING										
Revenue	\$ 17,705	\$ 13,621	\$ (4,084)	-23%	Unfavourable variance due to lower gas commodity pricing, as markets are oversupplied, as well as lower volumes from production due to freeze offs from the extremely low temperatures during cold snaps causing slower flow.	\$ 43,173	\$ 34,575	\$ (8,597)	-20%	Unfavourable variance due to sales of purchased gas variance driven by lower gas prices than budgeted.
Expenses	\$ 18,479	\$ 15,315	\$ 3,163	17%	Favourable variance as a result of savings in gas purchases due to the lower gas commodity price.	\$ 45,960	\$ 38,663	\$ 7,297	16%	Favourable variance due to cost of purchased gas variance driven by lower gas prices than budgeted.
Internal Revenue	\$ -	\$ -	\$ -	0%	N/A	\$ -	\$ -	\$ -	0%	N/A
Internal Expenses	\$ 2,480	\$ 2,305	\$ 175	7%	N/A	\$ 3,830	\$ 3,830	\$ -	0%	N/A
GAS PRODUCTION - OPERATING EBITDA	\$ (3,253)	\$ (3,999)	\$ (746)	-23%		\$ (6,617)	\$ (7,917)	\$ (1,300)	-20%	
Interest & principal	(491)	(491)	-	0%	N/A	(491)	(491)	-	0%	N/A
Capital spend (on prior year projects)	(1,367)	66	1,433	105%	Favourable due to delayed capital spending on multi-year projects	(4,100)	(4,100)	-	0%	N/A
Capital spend (on prior year abandonment projects)	(5,358)	(3,338)	2,019	38%	Favourable due to delayed capital spending on multi-year projects	(16,073)	(16,073)	-	0%	N/A
Free cash flow (transfer (to)/from reserves)	-	-	-	0%	N/A	7,108	5,170	(1,938)	-27%	Unfavourable as lower cash requirements forecasted for the year than budgeted.
Miscellaneous	-	1,544	1,544	0%	Favourable variance is due to changes in working capital (A/R, A/P & inventory).	-	-	-	0%	N/A
GAS PRODUCTION - OPERATING - CHANGE IN CASH	\$ (10,469)	\$ (6,219)	\$ 4,250	41%		\$ (20,173)	\$ (23,412)	\$ (3,239)	-16%	
TOTAL ENERGY, LAND & ENVIRONMENT										
TOTAL ENERGY, LAND & ENVIRONMENT	\$ 18,797	\$ 12,912	\$ (5,885)	-31%		\$ 40,933	\$ 42,207	\$ 1,274	3%	
TOTAL ENERGY PRODUCTION EBITDA	\$ 18,797	\$ 12,912	\$ (5,885)	-31%		\$ 40,933	\$ 42,207	\$ 1,274	3%	

**Tax Supported
Capital Report Summary
As of April 30, 2025
(in thousands)**

	APPROVED BUDGET	SPENT TO DATE	REMAINING BUDGET	EST'D COST AT COMPLETION	NOTES
POLICE					
Projects less than \$1M					
Police	437	64	373	410	
TOTAL POLICE	437	64	373	410	
GENERAL GOVERNMENT					
Projects less than \$1M					
People Services	40	-	40	40	
TOTAL GENERAL GOVERNMENT	40	-	40	40	
CORPORATE SERVICES					
Fleet & Facilities					
2025 Facilities Management Infrastructure Rehabilitation Program	2,750	183	2,567	2,750	2025 program in progress.
2025 Ancillary Infrastructure Rehabilitation Program	1,750	18	1,732	1,750	2025 Ancillary Program in progress. Contractors engaged.
2025 FFD-TCA-2025 Big Marble Go Centre Components	1,000	-	1,000	1,000	2025 BMGC components in progress. Contractor engaged.
2025 FFD-TCA-2025-Energy Efficiency Component Upgrades	1,000	728	272	1,000	2025 Energy Efficiency Program in progress. 75% complete - target of July for completion.
2024 City Hall Humidification Replacement	1,250	62	1,188	1,250	2024 City Hall Humidification - Construction in progress.
2024 Hill Pool Components Lifecycle	1,255	341	914	1,255	2024 Hill Pool Components - Construction in progress.
2024 Library Boiler Replacement	1,000	807	193	1,000	2024 Library Boiler Project - 80% complete.
2024 FM Infrastructure Rehab Program	2,250	2,035	215	2,250	2024 Infrastructure Program - 95% complete - outstanding deficiencies.
2024 Utility Infrastructure Repair Program	1,000	978	22	1,000	2024 Utility Infrastructure Program - outstanding deficiencies.
2023 MTCA's	13,472	7,594	5,878	13,472	The 2023 Fleet replacement program is in progress - 55% assigned, 12% ordered, 03% are at tender, 10% on hold, 03% cancelled.
2024 MTCA's	7,928	1,490	6,438	7,928	The 2024 Fleet replacement program is in progress - 27% assigned, 12% ordered, 04% are at tender, 06% on hold, 00% cancelled.
2025 MTCA's	7,000	22	6,978	7,000	The 2024 Fleet replacement program is in progress - 13% assigned, 22% ordered, 35% are at tender, 04% on hold, 04% cancelled.
Information Technology					
2023 BTO-2023/2024 TCA OT Network Refresh and OT Cybersecurity Controls	1,800	1,044	756	1,800	Project is in execution phase, approx. 50% complete. Projected completion date is Q4 2026.
Projects less than \$1M					
Finance	700	608	92	700	
Fleet & Facilities	2,804	713	2,091	2,732	
Information & Technology	3,955	1,753	2,202	3,842	
TOTAL CORPORATE SERVICES	50,914	18,375	32,538	50,728	
DEVELOPMENT & INFRASTRUCTURE					
Municipal Works					
2025 Transportation Infrastructure Rehabilitation Program	6,250	-	6,250	6,250	Construction is scheduled to begin at multiple transportation project sites in the spring and is expected to conclude in the fall. The full budget has been allocated across several key initiatives, including the Mill & Overlay Program, Local Road Rehabilitation, and Laneway Rehabilitation. Remaining funds will be used toward Spring Rehabilitation work.
2025 Stormwater Infrastructure Rehabilitation Program	3,250	76	3,174	3,250	The majority of the budget has been allocated to the construction of the 3 Avenue Storm Upgrade project. The remaining funds will support Cured-in-Place Pipe (CIPP) lining rehabilitation of storm sewers at various locations, as well as repairs to Southlands Pond 2.
2025 3rd Street NE/NW Rehabilitation	1,368	30	1,338	1,368	Preliminary design work is currently underway, to be followed by detailed design and preparation of tender documents. The full project budget has been allocated to these activities.
2025 Downtown Surface Upgrades	1,150	-	1,150	1,150	Construction for the 3rd Street SE and 6th Avenue Rehabilitation Project resumed in April 2025 and is expected to be completed by late summer or fall. The full budget has been allocated to this project.
2024 Bridge Rehabilitation	1,000	304	696	1,000	The remaining funds will be used to complete the outstanding Bridge Rehabilitation work on Dunmore Road, Pedestrian bridge on Highway 1 and Allowance Avenue.
2024 Transportation Infrastructure Rehabilitation	5,250	4,109	1,141	5,250	Remaining funds to be used for MW infrastructure upgrade.
2024 Storm Sewer Rehabilitation Program	3,500	1,314	2,186	3,500	The remaining funds are committed to 3 Avenue Storm sewer upgrade project.
2024 3rd Street SE Road Rehabilitation	3,800	2,997	803	3,800	The remaining funds are committed to the outstanding work on 3 Street SE and 6 Avenue SE.
2024 Division Ave South Upgrade	6,250	3,481	2,769	6,250	Construction for the Division Avenue South Upgrade Project commenced in April 2025 to complete remaining work from the 2024 construction season. Completion is expected in late spring or early summer, and the full budget has been committed to the project.
2023 Transportation Infrastructure Rehab	5,000	4,876	124	5,000	Remaining funds to be used for MW infrastructure upgrade as part of 6 Avenue SE project (200/300 Blocks).
2022 Infrastructure Rehab Program	5,875	5,105	770	5,875	Remaining funds to be used for infrastructure upgrade as part of EU's Gravity Bypass A4 and 7th St NW project and Legal Land Survey for Overland Flood Protection Systems.
2021 Infrastructure Rehabilitation Program	6,500	6,372	128	6,500	Remaining funds to be used for infrastructure upgrade as part of EUD's 8th Street SE and 7th Street NW projects.
2017 Street Light LED Conversion	2,375	2,357	18	2,375	Remaining funds have been committed to outstanding locations for completion in 2025.
Projects less than \$1M					
Municipal Works	3,000	514	2,486	3,000	
Airport	1,070	-	1,070	1,070	
Planning & Development Services	100	90	10	100	
TOTAL DEVELOPMENT & INFRASTRUCTURE	55,738	31,624	24,114	55,738	
PUBLIC SERVICES					
Parks & Recreation					
2024 PKRC - 2024 TCA - Irrigation Infrastructure Program - Construction & Design	3,802	2,857	945	3,802	2024 Irrigation Construction & Design will be expensed by Q3 2025 as design/construction projects carry into the following year. Projects include Cottonwood Way design/construction, Noble Park design/construction, SF Scott Park design, Turner Park construction, Southview/Simpson construction, and Hillside Cemetery construction.
2024 PKRC - 2024 TCA - Irrigation Infrastructure Program - Construction & Design	1,431	916	515	1,431	2023 Indoor/Outdoor Facilities Infrastructure Program will be expensed by Q3 2025 as we complete the Herald Court rehabilitation initiative construction.
2024 PKRC - 2024 TCA - Irrigation Infrastructure Program - Construction & Design	3,683	3,420	263	3,683	2023 Irrigation Infrastructure Program will be expensed by Q3 2025 as we complete the Herald Court rehabilitation initiative construction (irrigation portion) and remaining Southridge Community Park irrigation deficiencies.
2024 PKRC - 2024 TCA - Irrigation Infrastructure Program - Construction & Design	3,790	3,677	113	3,790	2022 Infrastructure Rehabilitation Program will be expensed by Q4 2025 as we complete the Gershaw Interchange Aesthetic Enhancement design and the Hillside Cemetery Phase 3 construction initiative.
2024 PKRC - 2024 TCA - Irrigation Infrastructure Program - Construction & Design	3,410	-	3,410	3,410	2025 Irrigation Infrastructure Program will be expensed by Q2 2026 as design/construction projects carry into the following year. Projects include Gershaw Interchange Aesthetic Enhancement construction, SF Scott Park construction, Harlow/Noble Park construction, and Palliser Park construction.
2024 PKRC - 2024 TCA - Irrigation Infrastructure Program - Construction & Design	1,500	-	1,500	1,500	2025 Trail Infrastructure Program will be expensed by Q2 2026 as design/construction projects carry into the following year. Projects include various trail enhancement locations across the City.
2024 PKRC - 2024 TCA - Irrigation Infrastructure Program - Construction & Design	1,075	12	1,063	1,075	2025 Indoor/Outdoor Facilities Infrastructure Program will be expensed by Q2 2026 as construction projects carry into the following year. Projects include the EDRP Boat Lake Island Aesthetic Enhancement construction and Lions Park Tennis Court Rehabilitation construction.
Projects less than \$1M					
Fire & Emergency Services	511	134	377	511	
Parks & Recreation	11,763	5,102	6,661	11,763	
Community Development	1,895	128	1,767	1,894	
TOTAL PUBLIC SERVICES	32,830	16,245	16,585	32,828	
TOTAL TAX SUPPORTED CAPITAL	130,398	66,808	73,611	130,745	

**Land and Properties
Capital Report Summary
As of April 30, 2025
(in thousands)**

	APPROVED BUDGET	SPENT TO DATE	REMAINING BUDGET	EST'D COST AT COMPLETION	NOTES
LAND DEVELOPMENT & REAL ESTATE					
Land Development & Real Estate					
Phase 1: ID					
RiverWalk 1-6	4,000	1,865	2,135	4,000	The next step in RiverWalk is the preparation of an Area Structure Plan (ASP) amendment. Timing of this is dependent upon inventory levels, projected lot sales and overall land strategy determination. No current activity related to legacy correspondence with Journey Energy regarding the Environmental Reserve project.
Airport - South Node - Industrial	1,000	96	904	1,000	The area has significant development constraints pertaining to storm water management and as such the priority for development of the south node is low and no current efforts are being focused.
Phase 2: Plan					
Brier Run - Commercial, Industrial, Residential	14,500	1,113	13,387	14,500	The Area Structure Plan (ASP) was adopted by Council (T3 2019). When deemed appropriate to proceed dependent upon market conditions and overall land strategy, next steps consist of finishing the high level Functional Servicing Report (FSR) engineering design or as otherwise determined.
Phase 3: Design					
Ranchlands 3C	17,082	5,048	12,034	17,082	Design Approval was received in 2020. Costs spent to date are related to oversizing of previous Ranchlands infrastructure to service Ranchlands 3C and work associated with the Concept Scheme amendment and Subdivision approval. Construction is deferred pending improved market conditions and overall land strategy determination. At the request of local residents direction was given to construct the Ranchlands 2F&G trail system and construct a temporary trail through Ranchlands 3C. Both projects are complete and done final inspection in fall 2023 with minor repair work completed summer 2024.
Phase 4: Build					
Airport - North Node - Commercial	7,000	6,115	885	7,000	The Land Department developed 6.0 acres of groundside commercial / business industrial lands in the Central sector of the YXH Gateway (Phase II). Subdivision and construction was completed in T3 2022. Airport East Node brief Concept documentation remains to be completed. North Node Ph III is yet to go through final document reviews.
North West Industrial Park	14,000	1,155	12,845	14,000	The Area Structure Plan (ASP) was adopted in T1 2022. The Outline Plan, its specific Functional Servicing Report (FSR) and requested financial assessments are next steps dependent on overall land strategy.
Phase 5: Sell					
Residential Lot Sales	70,378	67,777	2,601	70,378	The department maintains these lots and adjacent infrastructure until the lots are sold. Costs incurred in the Sell phase include maintenance and final construction activities required to obtain the Final Acceptance Certificate.
Miscellaneous:					
Arena Servicing and Subdividing (155 Ash Ave SE)	2,500	2,295	205	2,500	Construction was completed in T3 2021. A conditional sales agreement is no longer active and the City will be pursuing steps to eventually re-market the site.
Projects less than \$1M					
Land & Properties	2,011	1,532	479	2,011	
TOTAL LAND & PROPERTIES CAPITAL	132,471	86,995	45,475	132,471	

**Rate Based Utilities
Capital Report Summary
As of April 30, 2025
(in thousands)**

		APPROVED BUDGET	SPENT TO DATE	REMAINING BUDGET	EST'D COST AT COMPLETION	NOTES
RATE BASED UTILITIES						
Water						
2025	Water Distribution Asset Management Program	4,061	5	4,056	4,061	Approximately 94% of the funds have been allocated and are being utilized to complete engineering and construction on the various project areas listed under this budget item. The remaining 6% of funds will be utilized to complete engineering and construction work on other planned projects. It's anticipated that 95% of the funds will be expended by the end of 2025, 5% in 2026, and minor amounts in 2027 to bring projects to full completion.
2025	Southridge Reservoir Rehabilitation	1,000	-	1,000	1,000	Project is currently under internal design. The construction tender is anticipated to be issued later in 2025. It's anticipated that approximately 50% of the funds will be expended in 2025, and the remaining 50% expended in 2026.
2025	North Reservoir Rehabilitation	1,200	-	1,200	1,200	Project is currently under internal design. The construction tender is anticipated to be issued later in 2025. It's anticipated that approximately 50% of the funds will be expended in 2025, and the remaining 50% expended in 2026.
2025	Harlow Water Transmission Main Interconnect	1,250	-	1,250	1,250	100% of funds have been allocated and are being utilized to fund construction on the Harlow Interconnect project. It's anticipated that 100% of the funds will be expended by the end of 2025.
2024	3 St SE Water Mains Replacement	1,590	1,487	103	1,590	Approximately 95% of the funds have been allocated and are being utilized to complete construction in the 3 St SE Downtown project area. Any unspent funds will be returned once the project is fully complete.
2024	Water Mains Asset Management Program	4,275	2,381	1,894	4,275	Approximately 90% of the funds have been allocated and are being utilized to complete engineering and construction on the various project areas listed under this budget item. The remaining 10% of funds will be utilized to complete engineering and construction work on other planned projects. It's anticipated that 93% of the funds will be expended by the end of 2025, and 7% in 2026 to bring projects to full completion.
2023	Water Mains Asset Management Program	3,520	2,265	1,255	3,520	Approximately 98% of the funds have been allocated and are being utilized to complete engineering and construction on the various project areas listed under the budget item. The remaining 2% of funds will be utilized to bring existing projects to full completion. It's anticipated that 100% of the funds will be expended by the end of 2025.
2022	Water Mains Asset Management Program	1,000	837	163	1,000	96% of funds have been allocated and are being utilized to fund engineering and construction on the project areas listed under the budget item. The remaining 4% of funds will be utilized to bring existing projects to full completion. It's anticipated that 100% of the funds will be expended by the end of 2025.
2020	Waste Solids Handling Facility	34,450	30,748	3,702	34,265	Project scheduled to be operational in July 2025 under budget.
Sewer						
2025	Sewer Collection Asset Management Program	3,205	4	3,201	3,205	Approximately 33% of the funds have been allocated and are being utilized to complete engineering and construction on the various project areas listed under the budget item. The remaining unallocated funds will be utilized to complete engineering and construction work on other planned projects. It's anticipated that 31% of the funds will be expended by the end of 2025, 69% in 2026, and minor amounts in 2027 to bring projects to full completion.
2025	Influent Channel Screens and Grit Removal Upgrades	4,737	-	4,737	4,737	Consultant is in initial stages of assessing concrete conditions to select equipment and begin design phase. Project expected to be complete in 2027 and on budget.
2024	3 St SE Sewer Mains Replacement	1,590	1,445	145	1,590	Approximately 95% of the funds have been allocated and are being utilized to complete construction in the 3 St SE Downtown project area. Any unspent funds will be returned once the project is fully complete.
2024	Sewer Mains Asset Management Program	4,275	2,995	1,280	4,275	Approximately 95% of the funds have been allocated and are being utilized to complete engineering and construction on the various project areas listed under the budget item. The remaining 5% of funds will be utilized to complete engineering and construction work on other planned projects. It's anticipated that 95% of the funds will be expended by the end of 2025, and 5% in 2026 to bring projects to full completion.
2023	Sewer Mains Asset Management Program	3,415	2,222	1,193	3,415	Approximately 95% of the funds have been allocated and are being utilized to complete engineering and construction on the various project areas listed under the budget item. The remaining 5% of funds will be utilized to bring existing projects to full completion. It's anticipated that 100% of the funds will be expended by the end of 2025.
2023	Brier Park Gravity Bypass	5,432	4,085	1,347	5,432	Approximately 84% of the funds have been allocated and are being utilized to complete engineering and construction on the Brier Park Gravity Bypass project. It's anticipated that 77% of the funds will be expended by the end of 2025, 1% in 2026, and 22% in 2027 to bring the project to full completion.
2022	Lift Station Facility Upgrade	1,000	430	570	1,000	Project construction is largely complete and now in the commissioning phase. Project will be complete by the end of 2025 and on budget.
2020	Lift Station Facility Upgrade	1,800	1,461	339	1,800	Design phase of the project mostly complete, then will be sourcing required material. Project will be complete by the end of 2025 and on budget.

**Rate Based Utilities
Capital Report Summary
As of April 30, 2025
(in thousands)**

	APPROVED BUDGET	SPENT TO DATE	REMAINING BUDGET	EST'D COST AT COMPLETION	NOTES
RATE BASED UTILITIES					
Solid Waste					
2023 Food Waste Pilot	1,000	925	75	925	Project is complete except for a few outstanding invoices to be received and paid. Project expected to be underbudget by \$25K.
Projects less than \$1M					
Water	5,808	1,179	4,629	5,678	
Sewer	4,271	920	3,352	4,271	
Solid Waste	180	11	169	180	
TOTAL ENVIRONMENTAL UTILITIES	89,059	53,399	35,661	88,669	
Electric Distribution					
2025 Substation Renewal	2,000	-	2,000	2,000	Project in design phase. Anticipated completion in Q4 2027.
2025 Distribution Overhead System Renewal	1,940	-	1,940	1,940	Project is in active construction. Anticipated completion in Q2 2026.
2025 East Ring Enhancement Project Phase 2	1,000	-	1,000	1,000	Project in design phase. Anticipated completion in Q4 2027.
2025 Substation Replacement	4,000	-	4,000	4,000	Project has yet to commence. Design anticipated to begin in Q4 2025.
2023 MHS-11 Substation	24,000	3,984	20,016	24,000	Project recently received Alberta Utilities Commission (AUC) approval and is in design phase. Projected completion date Q2 2027.
2023 30/40/60L Upgrade of Transmission Line Capacity Phase 1	2,200	1,182	1,018	2,200	Projects in progress. Projected completion date in Q4 2025.
2023 Distribution Overhead System Renewal	3,509	3,275	234	3,509	Project is in active construction. Anticipated completion in Q2 2025.
2023 Line Protection Upgrade	1,028	192	836	1,028	Projects in progress. Construction is planned in 2025, with final completion anticipated in Q3 2026.
2023 Energy Innovation Challenge	2,405	850	1,555	850	City's portion of costs on this project has been fully committed. Remaining costs will be paid by 3rd parties. Program is in award phase.
2023 Distribution Underground System Renewal	1,321	1,237	84	1,321	Project is in active construction. Anticipated completion in Q2 2025.
2022 Distribution Overhead System Renewal	1,512	546	966	1,512	Project is in active construction. Anticipated completion in Q4 2025.
2021 Distribution Overhead System Renewal	1,523	986	537	1,523	Project is in active construction. Anticipated completion in Q4 2025.
2020 Distribution Underground System Renewal	1,048	758	290	1,048	Project is in active construction. Anticipated completion in Q4 2025.
Gas Distribution					
2023 Gas Meters	1,350	1,332	18	1,350	Projects in progress. Construction is well underway with final completion anticipated in Q3 2025.
2022 Transmission Mains	1,285	1,008	277	1,285	Projects in progress. Construction is well underway with final completion anticipated in Q3 2025.
2022 Mains Extension & Replacement	1,824	1,550	274	1,824	Projects in progress. Meters on order, awaiting delivery. Anticipated completion in Q4 2025.
Projects less than \$1M					
Electric Distribution	11,721	5,170	6,552	11,721	
Gas Distribution	6,638	1,563	5,074	6,636	
TOTAL UTILITY DISTRIBUTION	70,304	23,633	46,671	68,747	
TOTAL RATE BASED UTILITIES CAPITAL	159,363	77,032	82,331	157,416	

**Energy Production
Capital Report Summary
As of April 30, 2025
(in thousands)**

	APPROVED BUDGET	SPENT TO DATE	REMAINING BUDGET	EST'D COST AT COMPLETION	NOTES
ENERGY PRODUCTION					
Gas Production					
2012-2023 Surface Lease Abandonment	117,550	59,766	57,784	93,890	Project in progress - anticipated under budget.
2022-2024 Drilling and Completions	6,512	1,324	5,188	5,860	Project in progress - anticipated under budget.
2017-2023 Non-Operated	13,786	10,684	3,102	11,032	Project in progress - anticipated under budget.
2022-2023 Wells	3,600	323	3,277	339	Project in progress - anticipated under budget.
2022 Clear Horizon	12,050	1,612	10,438	1,612	Project completed in April 2025 under budget.
2021-2023 Pipelines	1,875	108	1,767	240	Project in progress - anticipated under budget.
2019-2023 Abandonment	69,993	36,598	33,395	60,707	Project in progress - anticipated under budget.
Electric Generation					
2025 Unit 10 Turbine Major Overhaul	11,000	-	11,000	11,000	Contract and PO issued and scheduled for Spring of 2026.
2025 Unit 17 Turbine Hot Section	7,000	-	7,000	7,000	Not awarded and scheduled to be sometime in 2026.
2024 69Kv SUBSTATION CABLE TRENCH, CONTROL CABLE REPLACEMENT	3,500	1,717	1,783	2,767	Major construction is complete, commissioning work in progress, scheduled to be completed by July 2025 under budget.
2024 UNIT 14 HOT SECTION REPLACEMENT	5,600	3,480	2,120	6,780	Project is over budget due to added scope of PD combustor overhaul. Turbine conversion is complete, PD combustor overhaul to be completed in two months.
2024 UNIT 11 TURBINE MAJOR OVERHAUL	11,981	8,924	3,057	13,824	Hot section currently being overhauled, work delayed due to parts supply. Will be overbudget due to found work in combustor, heat shield and pre-mixer. Scheduled for completion in Q1 2026.
2024 UNIT 16 TURBINE MAJOR OVERHAUL	12,000	-	12,000	12,000	Will be awarded Q2 2025 and sent to depot Fall of 2025.
2024 12 STEAM TURBINE MAJOR OVERHAUL	2,000	397	1,603	1,597	Project completed end of April 2025 under budget.
2024 3R STEAM TURBINE MAJOR OVERHAUL	2,000	-	2,000	2,000	Contract has been awarded with overhaul to be conducted in Spring of 2026.
2024 12 GENERATOR ROTOR REWIND & REPLACEMENT 3R	1,200	423	777	1,423	In construction phase, on budget, to be completed in Sept 2025.
2024 10 GENERATOR ROTOR REPLACEMENT	2,000	391	1,609	1,991	In manufacturing stage, on schedule and on budget for completion in October 2025.
2024 11 GENERATOR ROTOR REPLACEMENT	2,100	452	1,648	2,052	In manufacturing stage, on schedule and on budget for completion in November 2025.
2022 Unit 12 Generator Rotor Replacement	5,740	5,490	250	5,751	Project is complete on budget.
2023 Energy Business Development	7,000	6,889	111	6,889	Project is complete under budget.
2023 Carbon Capture (Clear Horizon)	4,950	399	4,551	4,950	Phase 2 Pre-FEED is complete. Recommendations were presented to closed council in June 2024 and subsequently put on hold.
2023 GSU T12 Replacement	1,750	1,712	38	1,712	Project is complete under budget.
Projects less than \$1M					
Gas Production	1,420	153	1,267	1,229	
Electric Generation	5,521	672	4,849	4,436	
TOTAL ENERGY, LAND & ENVIRONMENT	312,128	141,515	170,613	261,080	
TOTAL ENERGY PRODUCTION CAPITAL	312,128	141,515	170,613	261,080	

City of Medicine Hat
One-time Expenses and Initiatives Report Summary
As of April 30, 2025
(in thousands)

TAX SUPPORTED ONE-TIME EXPENSES AND INITIATIVES						
	APPROVED BUDGET	SPENT TO DATE	REMAINING BUDGET	EST'D COST AT COMPLETION	NOTES	
GENERAL GOVERNMENT						
City Manager & Managing Directors						
2020	2020 - MOE - Strategic Opportunity & Analysis Program (SOT)	1,721	1,687	34	1,721	Project in progress and will be on budget and completed in 2025.
Economic Development						
2021/ 2023	2021-2022 EDD Development Incentive Program	5,200	2,186	3,014	5,200	In 2024 the incentive program included housing, infill, and redevelopment incentive program and city centre vibrancy incentive. 10 projects for a total of \$1,845,000 are committed. This equates to 160 new units. 2024 City Centre Vibrancy funded eight properties for a total of \$200,000. This program is still in progress and anticipated to be on budget.
2025	2025 - EDD-OTI-2025-Development Incentives	2,600	-	2,600	2,600	2025 incentive package is being drafted and will be presented to Council in Q2.
Projects less than \$1M						
	Mayor & Councilors	100	-	100	100	
	City Clerk	450	1	449	450	
	People Services	972	71	901	972	
	Economic Development	1,214	698	517	1,214	
TOTAL GENERAL GOVERNMENT		12,257	4,643	7,615	12,257	
POLICE						
Projects less than \$1M						
	Police	220	33	187	220	
TOTAL POLICE		220	33	187	220	
CORPORATE SERVICES						
Projects less than \$1M						
	Finance	1,913	510	1,403	1,913	
	Fleet & Facilities	315	250	65	315	
	Information & Technology	2,333	835	1,498	2,288	
	Corporate Planning & Performance	399	69	330	399	
TOTAL CORPORATE SERVICES		4,960	1,664	3,296	4,915	
DEVELOPMENT & INFRASTRUCTURE						
Projects less than \$1M						
	Municipal Works	1,324	374	950	1,324	
	Airport	615	269	346	615	
	Planning & Development Services	1,050	314	736	1,050	
TOTAL DEVELOPMENT & INFRASTRUCTURE		2,989	956	2,033	2,989	
PUBLIC SERVICES						
Parks & Recreation						
2023	PKRC - 2023/2024 MOE - Saamis Tepee Painting WO	1,080	488	592	1,080	2023/2024 Saamis Tepee Painting initiative including structural repair is complete. Remaining funds were to supplement the dance floor media upgrade. Working with CEM on extensive Indigenous relationship building and community engagement. Funds expected to be expensed by Q4 2026.
Projects less than \$1M						
	Fire & Emergency Services	100	63	38	100	
	Parks & Recreation	1,604	973	631	1,604	
	Community Development	430	143	287	430	
TOTAL PUBLIC SERVICES		3,214	1,666	1,548	3,214	
ENERGY, LAND & ENVIRONMENT						
Energy, Land & Environment						
2023/ 2024	ELG - 2024 MOE - Clean Energy Improvement Program	6,782	64	6,719	6,782	Clean Energy Improvement Program (CEIP) began in Q3 of 2024. This is a four year program that will be completed in 2027.
Projects less than \$1M						
	Environment, Land & Gas Production	605	276	329	605	
TOTAL ENERGY, LAND & ENVIRONMENT		7,387	340	7,048	7,387	
TOTAL TAX SUPPORTED ONE-TIME EXPENSES AND INITIATIVES		31,028	9,302	21,726	30,982	

City of Medicine Hat
One-time Expenses and Initiatives Report Summary
As of April 30, 2025
(in thousands)

RATE-BASED UTILITIES ONE-TIME EXPENSES AND INITIATIVES					
	APPROVED BUDGET	SPENT TO DATE	REMAINING BUDGET	EST'D COST AT COMPLETION	NOTES
DEVELOPMENT & INFRASTRUCTURE					
Projects less than \$1M					
Environmental Utilities	705	9	696	705	
TOTAL DEVELOPMENT & INFRASTRUCTURE	705	9	696	705	
TOTAL RATE-BASED UTILITIES ONE-TIME EXPENSES AND INITIATIVES	705	9	696	705	

City of Medicine Hat
Council Approved Budget Amendments
As of April 30, 2025
(in thousands)

2025 Operating Budget Amendments:

Approved Date	Description	Business Unit	Department	Budget Amendment			Type	Funding Source	Tax Impact (%)
				Revenue	Expense	Net Impact			
April 7, 2025	Growing Canada's Community Canopies (GCCC) Tree Planting Program ¹	Municipal	Parks & Recreation	\$0	\$3,460	\$3,460	One-time	Grant/Operating Reserves	0.10%
April 7, 2025	Property Tax Bylaw Growth Revenue Shortfall ²	Municipal	General Municipal Revenues	\$520	\$0	\$520	One-time	Operating Reserves	0.03%
Total				\$520	\$3,460	\$3,980			0.13%

Notes:

¹ One-time Operating Initiative for the Parks & Recreation Department's application for the GCCC grant that would provide \$1,709,519 with a City of Medicine Hat contribution of \$1,750,000 funded through reserves.

² Adoption of the 2025 Property Tax Bylaw requires a revision of \$520,000 to generate the municipal tax change of 5.6%, which was approved through the 2025 Municipal Operating Budget.

This is due to physical assessment growth falling below the budgeted 0% change for the 2025 tax year as a result of increased exemptions of both non-profit organizations and farming operations.

2025 Capital Budget Amendments:

Date	Description	Business Unit	Department	Budget Year	Approved Budget	Approved Reallocation	Adjusted Budget	Funding Source	Tax Impact (%)
Total					\$0	\$675	\$675		0.00%

Notes:

¹ The Saamis Solar Detailed Due Diligence is an important phase of the project development work that is necessary to inform a decision to proceed or not proceed with construction of the overall Saamis Solar project.

City of Medicine Hat
City Manager Approved Budget Amendments
As of April 30, 2025
(in thousands)

2025 Operating Budget Reallocations:

Approved Date	Description	Business Unit	Department	Budget Amendment		Net Impact	Type	Tax Impact (%)
				Revenue	Expense			
March 17, 2025	Energy Business Review Reallocation ¹	Municipal	City Manager & Managing Directors	\$0	\$35	\$0	One-time	0.00%
			Corporate Planning & Performance	\$0	(\$35)	\$0	One-time	0.00%
April 23, 2025	Medicine Hat Public Library (MHPL) Excess Budget ²	Municipal	Other Organizations	\$0	(\$43)	\$0	One-time	0.00%
			General Municipal Revenues	\$0	\$43	\$0	One-time	0.00%
Total				\$0	\$0	\$0		0.00%

Notes:

¹ Additional funding was requested to adjust the scope of the current project to add third party financial advice into the draft MCC financial analysis and related business plan. The added scope will enhance the quality of the information that will be delivered from the project, which will improve confidence in decision making at key stage gate(s).

² As part of the 2025-2026 budget development process, a placeholder of \$2,708,781 for MHPL was included in the City's proposed budget, while the MHPL Board approved 2025 budget request was for \$2,666,103. Given the timing of the submission and the minimal difference between allocated budget and MHPL's request, the City's proposed budget was not amended prior to being put forward for Council approval.

2025 Capital Budget Reallocations and Critical Capital Approvals:

Approved Date	Description	Business Unit	Department	Budget Year	Approved Budget	Approved Reallocation	Adjusted Budget	Funding Source	Tax Impact (%)
	2025	\$225	\$33	\$258	Internal Loan	0.00%			
March 3, 2025	Unit 11 Turbine Overhaul & Unit 14 Hot Section Replacement (critical) ²	Energy Production	Electric Generation	2025	\$11,981	\$1,900	\$13,881	Working Capital	0.00%
					2025	\$5,600	\$1,200	\$6,800	Working Capital
Total					\$17,866	\$3,100	\$20,966		0.00%

Notes:

¹ Reallocation of unused budget funds for crisis negotiator communication device (throw phone) to further support firearm replacements.

² Approval to use additional funds from working capital as per Budget Amendment Policy 0183 to complete critical turbine repairs.

A Briefing Note will be routed to Council once total costs are known to increase the capital budget by the amount spent.

City of Medicine Hat
Contingency Budget Amendments
As of April 30, 2025
(in thousands)

City Manager Operating Contingency
2025 Operating Budget Amendments:

Approved Date	Description	Business Unit	Department	Budget Year	Approved Budget
				2025	\$100
March 24, 2025	Medicine Hat Police Services (MHPS) Data Enhancement Grant ¹	Municipal	Police Services	2025	(\$30)
				2025	\$30
Balance - City Manager Operating Contingency					\$100

Notes:

¹ MHPS was successful in Alberta government grant application, which is to be received in the amount of \$60,000 split equally over two years (2025-2026).
The City Manager operating contingency fund will be reimbursed upon receipt of the grant.

City Manager Capital Contingency
2025 Capital Budget Amendments:

Approved Date	Description	Business Unit	Department	Budget Year	Approved Budget
				2025	\$500
Balance - City Manager Capital Contingency					\$500

Capital Grant Contingency
2025 Capital Budget Amendments:

Approved Date	Description	Business Unit	Department	Budget Year	Approved Budget
				2025	\$500
Balance - Capital Grant Contingency					\$500

EXECUTIVE SUMMARY

RESERVE BALANCES AS AT APRIL 30, 2025

(in thousands of dollars)

DESCRIPTION	Balance Dec 31/24	Projected Additions	Projected Deductions	Projected Balance Dec 31/25
Operating	35,437	27,345	13,813	48,969
Capital	208,471	13,013	41,056	180,428
Medicine Hat Endowment Fund	207,632	6,117	5,000	208,749
Abandonment Obligations	76,273	2,247	-	78,520
Energy Transition	76,273	2,247	675	77,845
TOTAL RESERVES	604,086	50,969	60,544	594,511
DEFERRED REVENUE	27,961	-	6,658	21,303
UNRESTRICTED CASH	121,732	29,552	-	151,284
TOTAL RESTRICTED & UNRESTRICTED CASH	753,779	80,521	67,202	767,098

EXECUTIVE SUMMARY
CONTRIBUTIONS TO CORPORATE FUND & RESERVES PROJECTED TO DECEMBER 31, 2025

	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 Projected
Water	\$ 275,000	\$ (496,000)	\$ 4,258,000	\$ 2,756,000	\$ (1,000,323)	\$ (2,317,000)
Sewer	(4,385,000)	986,000	4,403,000	2,062,000	(1,396,394)	(567,000)
Solid Waste	2,750,000	2,530,000	930,000	(239,000)	1,933,821	3,165,000
Electric Distribution	8,562,000	2,472,000	(716,000)	2,717,000	1,006,161	879,000
Gas Distribution	5,076,000	3,823,000	(1,378,000)	162,000	582,783	313,000
Rate Based Utilities Subtotal	12,278,000	9,315,000	7,497,000	7,458,000	1,126,048	1,473,000
Land Development & Real Estate	2,447,000	3,776,000	765,000	1,840,000	2,103,173	(714,000)
Land Development & Real Estate Subtotal	2,447,000	3,776,000	765,000	1,840,000	2,103,173	(714,000)
Gas Production	(6,900,000)	(1,721,000)	(1,540,000)	(4,964,000)	(7,108,315)	(5,170,000)
Electric Generation	73,441,000	96,699,000	138,785,000	7,497,000	20,562,573	23,158,000
Energy Production Subtotal	66,541,000	94,978,000	137,245,000	2,533,000	13,454,258	17,988,000
Total Contributions	\$ 81,266,000	\$ 108,069,000	\$ 145,507,000	\$ 11,831,000	\$ 16,683,479	\$ 18,747,000
Allocated As Follows:	2021	2022	2023	2024	2025	2025
Municipal General Fund	-	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Capital Reserve	76,076,000	38,155,200	73,406,000	-	13,683,479	-
Operating Reserve	1,924,000	20,000,000	40,000,000	8,831,000	-	15,747,000
Medicine Hat Endowment Fund	3,266,000	46,913,800	29,101,000	-	-	-
Abandonment Obligations Reserve	-	-	-	-	-	-
Energy Transition Reserve	-	-	-	-	-	-
Total	\$ 81,266,000	\$ 108,069,000	\$ 145,507,000	\$ 11,831,000	\$ 16,683,479	\$ 18,747,000

Investment Portfolio

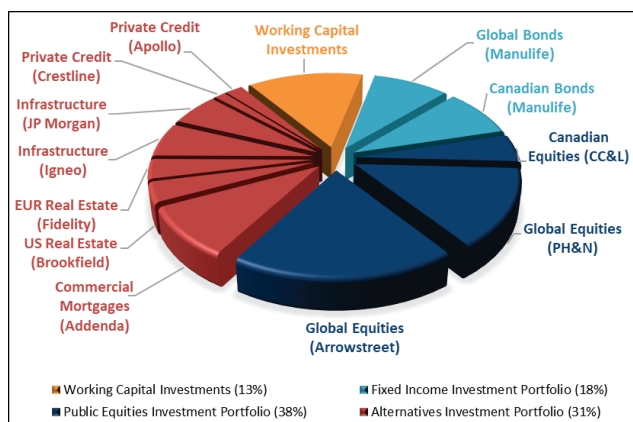
\$765.1M	13	12	-0.82%	-0.39%
Total Market Value	External Investments	External Managers	YTD Performance (unhedged)	YTD Performance (hedged)

Asset Class	Manager	Market Value	% Total Portfolio	Unrealized Gain/Loss	YTD Return	YTD Benchmark
Working Capital	Internal	\$97,018,492	13%	\$2,221,825	1.46%	1.04%
Canadian Fixed Income	Manulife	\$65,616,695	9%	(\$5,401,928)	1.30%	1.36%
Global Fixed Income	Manulife	\$66,917,308	9%	(\$4,822,224)	1.36%	1.39%
Canadian Equities	CC&L	\$37,617,759	5%	\$684,710	0.64%	1.41%
Global Equities	PH&N	\$107,721,239	14%	(8,228,181)	-6.32%	-4.84%
Global Equities	Arrowstreet	\$146,239,257	19%	\$30,552,253	-1.84%	-4.61%
Commercial Mortgages	Addenda	\$70,055,308	9%	\$572,943	2.41%	1.81%
US Real Estate	Brookfield*	\$26,788,601	4%	(\$8,212,937)	-3.86%	2.69%
European Real Estate	Fidelity	\$26,969,337	3%	(\$674,463)	7.08%	2.69%
Infrastructure	Igneo	\$46,401,332	6%	\$2,709,170	-0.30%	2.69%
Infrastructure	JP Morgan*	\$43,843,286	6%	\$1,141,967	-1.24%	2.69%
Private Credit	Crestline*	\$10,020,367	1%	(\$379,038)	-0.46%	2.69%
Private Credit	Apollo*	\$15,704,699	2%	(\$621,957)	-1.80%	2.69%
Total Portfolio - Unhedged		\$760,913,680		\$8,969,138	-0.82%	
Currency Overlay**	Mesirow	\$4,206,911	0%	\$4,206,911	1.14%	0.92%
Total Portfolio – Hedged		\$765,120,591	100%	\$13,176,049	-0.39%	-0.63%

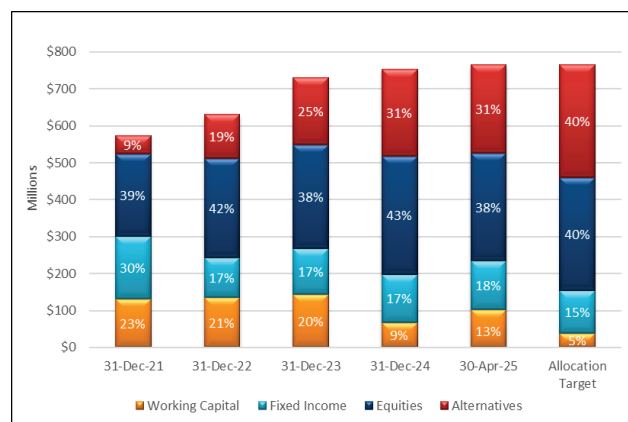
* Performance reporting is on a one quarter lag.

** Mesirow currency management was appointed in 2022 to manage the City's investment portfolio's FX exposure using an active currency overlay strategy. In April 2025, the mandate was terminated with final forward contracts to close in June 2025. As of April 30, 2025, 0 percent of the portfolio was actively managed by Mesirow.

Investments by Mandate



Investments by Asset Class

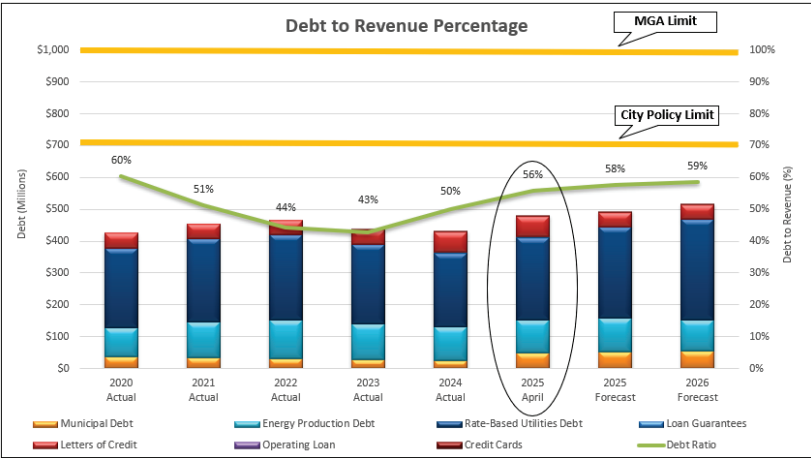


Debt Management

The City of Medicine Hat incorporates debt to finance a portion of its capital program. The use of debt is closely monitored to ensure that the City remains within Municipal Government Act regulations. Outstanding debt has interest payable at rates ranging from 1.79% to 6.25% with an average annual interest rate of 3.46%.

Debt to Revenue Percentage

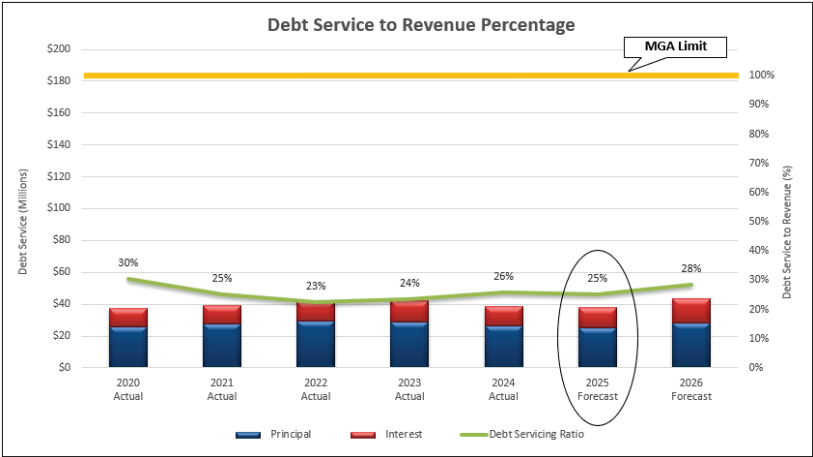
Per the Municipal Government Act, the City is required to remain within the Debt to Revenue Percentage of 100% of 2x revenue. The City’s internal debt ratio goal is to remain under 70%, per Debt Management Policy 0176. On April 30, 2025, the City had debt outstanding of \$476.9 million consisting of \$411.8 million in long-term debt, \$63.6 million in letters of credit, \$0.5 million in credit cards and \$1.0 million in loan guarantees with an overall debt to revenue percentage of 56% of the revenue limit.



- Note:
- 2019-2024 Actual – Based on Audited Revenue and Debt
 - 2025 April – Based on forecasted Revenue and actual Debt
 - 2025-2026 Forecast – Based on forecasted Revenue and forecasted Debt
 - An 18% and 16% respective drop in revenue would result in the Debt to Revenue Percentage reaching the 70% City Policy Limit.

Debt Service to Revenue Percentage

Per the Municipal Government Act, the City is also required to remain within the Debt Service to Revenue Percentage of 100% of 0.35x revenue. On April 30, 2025, the City’s Debt Servicing requirement for 2025 was forecasted to be 25% of the revenue limit.



Hedging

Hedging is the process of identifying, controlling, and minimizing exposure to commodity price movement.

Hedge Policy 0159 Compliance Status

Item	Status
Stabilize the cost of commodities/revenues	✓
Maintain reliable supplies for operations	✓
Mitigate financial risk exposure to City	✓
Follow internal controls (e.g. segregation of duties)	✓
Counterparty credit risk verified	✓

Gas Operations

- Energy commodities exhibit mean reversion over a long-term time horizon as higher prices drive higher production and discourage demand, eventually leading to lower prices. The opposite is also true as lower prices drive lower supply and eventually lead to an increase in commodity prices.
- Objective: To mitigate commodity price volatility risk by locking in the commodity price on a portion of volume.
- 2025 hedging: Maximum volume permitted to be hedged is set at 25% with the time horizon varying from 6 months to 3 years. The program is reviewed annually and adjusted as required.
- **2025 hedging: No hedges have been executed for this strategy as of April 2025. Hedging volumes will increase the risk, and it was decided in the Q1 2023 hedging meeting not to hedge for now.**

Foreign Exchange

- Strategy: lock in project economics to minimize uncertainty/losses from foreign currency transactions.
- **2025 hedging: Treasury settled two contracts in 2024 and one contract in January 2025. Additionally, an FX exposure contract worth \$1.13 million is scheduled to settle in July 2025 for the Electric Generation group.**

GENCO

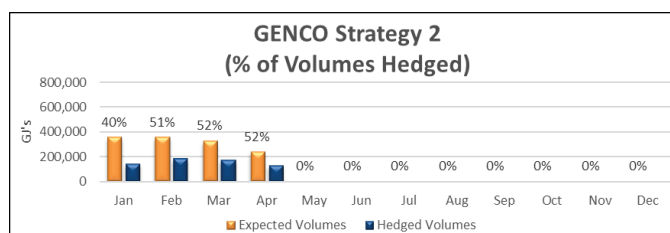
Strategy # 1:

- Protect margins for a portion of demand from large commercial/industrial class customers.
- No hedges have been executed for this strategy so far in 2025.

Strategy #2:

- Lock in margin for a portion of demand for the City's regulated rate option customers.
- 2025 hedging: Maximum volume permitted to be hedged is set at 60% with a time horizon of 30 days from the start of the month. The program is reviewed annually and adjusted as required.

Benefit:
Price certainty achieved on the 49% of volumes that were hedged.



Strategy #3:

- Optimize the City's assets when excess capacity can be sold at a favorable margin (Strategy 3A) and when power may be purchased at a more reasonable cost than internal generation (Strategy 3B).
- 2025 hedging:
 - Strategy 3A: Maximum volume permitted to be hedged is set at 60% with a maximum time horizon of 2 years. The program is reviewed annually and adjusted as required.
 - Strategy 3B: Up to 50% of off-peak requirements permitted to be hedged with a maximum time horizon of 90 days.

Benefit: 6 positions taken for a total of 35,000 GJ and 14,160 MWh executed under this strategy for 2025.

Loans, Guarantees & Letters of Credit

Loans to Outside Organizations

Organization	Loan Initiation (year)	Initial Amount	Balance Outstanding (Apr 30, 2025)	Maturity (year)
Medicine Hat Curling Club	2016	\$140,000	\$89,535	2034
Total		\$140,000	\$89,535	

Loan Guarantees

Organization	Loan Initiation (year)	Initial Amount	Balance Outstanding (Dec 31, 2024)	Maturity (year)
Connaught Golf & Country Club	2013	\$965,000	\$561,427	2034
Medicine Hat Golf & Country Club	2012	\$675,000	\$384,467	2034
Medicine Hat Golf & Country Club	2017	\$100,000	\$38,230	2027
Total		\$1,740,000	\$984,124	

Letters of Credit

Organization	Amount	Additional Information
Natural Gas Exchange	\$10,500,000	Gas Operations - security for natural gas trading
Rural Municipality of Fox Valley	\$10,000	Gas Operations - reclamation assurity
Rural Municipality of Fox Valley	\$50,000	Gas Operations - reclamation assurity (roads)
SK Ministry of Economy	\$10,000,000	Gas Operations – liability management program
Alberta Energy Regulator	\$24,000,000	Gas Operations - liability management program
AESO (ISO)	\$800,000	GENCO - security for power pool trading
AltaLink	\$1,175,000	GENCO - security for Saamis Solar project
AESO (ISO)	\$17,062,500	GENCO - security for Saamis Solar project
Total	\$63,597,500	
Under/(Over) Limit - \$75 million	\$11,402,500	

Note: - Gas Operations continues to review deposit and Letter of Credit requirements with regulators.