

# 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
Earnings Before Interest, Taxes, Depreciation, Amortization (EBITDA) or Net Surplus (Deficit)						
<b>TOTAL TAX SUPPORTED SURPLUS / (DEFICIT)</b>	(28.0)	(33.7)	(5.7)	0.0	(3.3)	(3.3)
<b>TOTAL LAND DEVELOPMENT &amp; REAL ESTATE EBITDA</b>	(0.8)	(0.6)	0.2	(0.8)	(0.7)	0.1
<b>TOTAL RATE BASED UTILITIES EBITDA</b>	6.3	8.3	2.0	41.5	43.0	1.5
<b>TOTAL ENERGY PRODUCTION EBITDA</b>	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%
<b>Total</b>	<b>\$4,655</b>			<b>0.13%</b>

## 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 - End	\$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
<b>Total</b>	<b>\$5,030</b>	<b>\$ -</b>	<b>\$5,030</b>	

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  
☐

## 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.

<b>REVIEWED BY:</b>	Lola Barta Director of Finance	2025-05-22
<b>APPROVED BY:</b>	Jilian Campbell Managing Director, Corporate Services	2025-05-29
<b>ATTACHMENTS:</b>	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
<b>TOTAL TAX SUPPORTED SURPLUS / (DEFICIT)</b>	(27,951)	(33,695)	(5,744)	-	(3,339)	(3,339)	-3339%
<b>TOTAL LAND DEVELOPMENT &amp; REAL ESTATE EBITDA</b>	(846)	(645)	202	(823)	(710)	113	14%
<b>TOTAL RATE BASED UTILITIES EBITDA</b>	6,322	8,345	2,023	41,542	43,058	1,516	4%
<b>TOTAL ENERGY PRODUCTION EBITDA</b>	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.

## Land Development & Real Estate:

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## Rate Based Utilities:

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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	\$ - \$ 3,262	\$ (7) \$ 3,082	\$ (7) \$ (180)	0% -6%	N/A 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.	\$ 87,976 \$ 9,917	\$ 87,969 \$ 9,373	\$ (7) \$ (544)	0% -5%	N/A 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 servcies 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%		



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%
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 PUBLIC SERVICES	\$ (7,989)	\$ (7,575)	\$ 414	5%		\$ (18,832)	\$ (18,971)	\$ (139)	-1%	
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%	

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	
<b>Transit</b>										
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.
<b>Transit Net</b>	<b>\$ (1,240)</b>	<b>\$ (1,148)</b>	<b>\$ 92</b>	<b>7%</b>		<b>\$ (3,828)</b>	<b>\$ (3,902)</b>	<b>\$ (74)</b>	<b>-2%</b>	
<b>Community Development - Other</b>										
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
<b>Community Development - Other Net</b>	<b>\$ (4,903)</b>	<b>\$ (4,746)</b>	<b>\$ 157</b>	<b>3%</b>		<b>\$ (8,158)</b>	<b>\$ (7,948)</b>	<b>\$ 210</b>	<b>3%</b>	
<b>COMMUNITY DEVELOPMENT NET</b>	<b>\$ (6,686)</b>	<b>\$ (6,729)</b>	<b>\$ (43)</b>	<b>-1%</b>		<b>\$ (14,244)</b>	<b>\$ (14,095)</b>	<b>\$ 149</b>	<b>1%</b>	
<b>TOTAL PUBLIC SERVICES</b>	<b>\$ (23,324)</b>	<b>\$ (22,916)</b>	<b>\$ 408</b>	<b>2%</b>		<b>\$ (55,532)</b>	<b>\$ (56,354)</b>	<b>\$ (822)</b>	<b>-1%</b>	
<b>OTHER ORGANIZATIONS</b>										
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
<b>TOTAL OTHER ORGANIZATIONS</b>	<b>\$ (1,134)</b>	<b>\$ (1,143)</b>	<b>\$ (9)</b>	<b>-1%</b>		<b>\$ (3,065)</b>	<b>\$ (3,071)</b>	<b>\$ (6)</b>	<b>0%</b>	
<b>ENERGY, LAND &amp; ENVIRONMENT</b>										
<b>ENVIRONMENT, LAND &amp; GAS PRODUCTION - TAX SUPPORTED</b>										
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
<b>ENVIRONMENT, LAND &amp; GAS PRODUCTION - TAX SUPPORTED NET</b>	<b>\$ 387</b>	<b>\$ 554</b>	<b>\$ 167</b>	<b>43%</b>		<b>\$ (1,042)</b>	<b>\$ (968)</b>	<b>\$ 74</b>	<b>7%</b>	
<b>ENERGY MARKETING &amp; BUSINESS ANALYSIS</b>										
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
<b>ENERGY MARKETING &amp; BUSINESS ANALYSIS NET</b>	<b>\$ (257)</b>	<b>\$ (260)</b>	<b>\$ (3)</b>	<b>-1%</b>		<b>\$ (274)</b>	<b>\$ (272)</b>	<b>\$ 2</b>	<b>1%</b>	
<b>TOTAL ENERGY, LAND &amp; ENVIRONMENT</b>	<b>\$ 130</b>	<b>\$ 294</b>	<b>\$ 164</b>	<b>126%</b>		<b>\$ (1,316)</b>	<b>\$ (1,240)</b>	<b>\$ 76</b>	<b>6%</b>	
<b>TOTAL BEFORE FINANCE ACTIVITIES</b>	<b>\$ (26,068)</b>	<b>\$ (24,469)</b>	<b>\$ 1,599</b>	<b>6%</b>		<b>\$ (17,410)</b>	<b>\$ (18,031)</b>	<b>\$ (621)</b>	<b>-4%</b>	
<b>FINANCE ACTIVITIES</b>										
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
<b>TOTAL FINANCE ACTIVITIES</b>	<b>\$ (1,883)</b>	<b>\$ (9,226)</b>	<b>\$ (7,343)</b>	<b>-390%</b>		<b>\$ 17,410</b>	<b>\$ 14,692</b>	<b>\$ (2,718)</b>	<b>-16%</b>	
<b>TOTAL TAX SUPPORTED SURPLUS / (DEFICIT)</b>	<b>\$ (27,951)</b>	<b>\$ (33,695)</b>	<b>\$ (5,744)</b>	<b>-21%</b>		<b>\$ -</b>	<b>\$ (3,339)</b>	<b>\$ (3,339)</b>	<b>0%</b>	



LAND DEVELOPMENT & REAL ESTATE	Net Year to Date Performance				Discussion	Net End of Year Performance				Discussion		
	Actual Jan to Apr 2025					Forecasted Jan to Dec 2025						
	Budget	Actual	Variance	Variance %		Current Variance		Budget	Forecast		Variance	% 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 then 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 Jan to Apr 2025	Variance	Variance %		Budget	Forecast Jan to Dec 2025	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	\$ 48	\$ 618	\$ 570	1180%		\$ 12,866	\$ 12,846	\$ (20)	0%		
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	\$ 2,332	\$ 2,953	\$ 621	27%		\$ 12,028	\$ 12,361	\$ 333	3%		
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	\$ (574)	\$ 656	\$ 1,230	214%		\$ 2,297	\$ 3,529	\$ 1,232	54%		
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				Discussion Current Variance	Net End of Year Performance				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	Forecast	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	\$ 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
<b>POLICE</b>					
<b>Projects less than \$1M</b>					
Police	437	64	373	410	
<b>TOTAL POLICE</b>	<b>437</b>	<b>64</b>	<b>373</b>	<b>410</b>	
<b>GENERAL GOVERNMENT</b>					
<b>Projects less than \$1M</b>					
People Services	40	-	40	40	
<b>TOTAL GENERAL GOVERNMENT</b>	<b>40</b>	<b>-</b>	<b>40</b>	<b>40</b>	
<b>CORPORATE SERVICES</b>					
<b>Fleet &amp; Facilities</b>					
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	1,078	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.
<b>Information Technology</b>					
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.
<b>Projects less than \$1M</b>					
Finance	700	608	92	700	
Fleet & Facilities	2,804	713	2,091	2,732	
Information & Technology	3,955	1,753	2,202	3,842	
<b>TOTAL CORPORATE SERVICES</b>	<b>50,914</b>	<b>18,375</b>	<b>32,538</b>	<b>50,728</b>	
<b>DEVELOPMENT &amp; INFRASTRUCTURE</b>					
<b>Municipal Works</b>					
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.
<b>Projects less than \$1M</b>					
Municipal Works	3,000	514	2,486	3,000	
Airport	1,070	-	1,070	1,070	
Planning & Development Services	100	90	10	100	
<b>TOTAL DEVELOPMENT &amp; INFRASTRUCTURE</b>	<b>55,738</b>	<b>31,624</b>	<b>24,114</b>	<b>55,738</b>	
<b>PUBLIC SERVICES</b>					
<b>Parks &amp; Recreation</b>					
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.
<b>Projects less than \$1M</b>					
Fire & Emergency Services	511	134	377	511	
Parks & Recreation	11,763	5,102	6,661	11,763	
Community Development	1,865	128	1,737	1,864	
<b>TOTAL PUBLIC SERVICES</b>	<b>32,830</b>	<b>16,245</b>	<b>16,585</b>	<b>32,829</b>	
<b>TOTAL TAX-SUPPORTED CAPITAL</b>	<b>138,598</b>	<b>66,308</b>	<b>72,051</b>	<b>139,745</b>	

**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
<b>LAND DEVELOPMENT &amp; REAL ESTATE</b>					
<b>Land Development &amp; Real Estate</b>					
<b>Phase 1: ID</b>					
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.
<b>Phase 2: Plan</b>					
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.
<b>Phase 3: Design</b>					
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.
<b>Phase 4: Build</b>					
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.
<b>Phase 5: Sell</b>					
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.
<b>Miscellaneous:</b>					
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.
<b>Projects less than \$1M</b>					
Land & Properties	2,011	1,532	479	2,011	
<b>TOTAL LAND &amp; PROPERTIES CAPITAL</b>	<b>132,471</b>	<b>86,995</b>	<b>45,475</b>	<b>132,471</b>	

**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
<b>RATE BASED UTILITIES</b>						
<b>Water</b>						
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.
<b>Sewer</b>						
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
<b>RATE BASED UTILITIES</b>					
<b>Solid Waste</b>					
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.
<b>Projects less than \$1M</b>					
Water	5,808	1,179	4,629	5,678	
Sewer	4,271	920	3,352	4,271	
Solid Waste	180	11	169	180	
<b>TOTAL ENVIRONMENTAL UTILITIES</b>	<b>89,059</b>	<b>53,399</b>	<b>35,661</b>	<b>88,669</b>	
<b>Electric Distribution</b>					
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.
<b>Gas Distribution</b>					
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.
<b>Projects less than \$1M</b>					
Electric Distribution	11,721	5,170	6,552	11,721	
Gas Distribution	6,638	1,563	5,074	6,636	
<b>TOTAL UTILITY DISTRIBUTION</b>	<b>70,304</b>	<b>23,633</b>	<b>46,671</b>	<b>68,747</b>	
<b>TOTAL RATE BASED UTILITIES CAPITAL</b>	<b>159,363</b>	<b>77,032</b>	<b>82,331</b>	<b>157,416</b>	

**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
<b>ENERGY PRODUCTION</b>					
<b>Gas Production</b>					
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.
<b>Electric Generation</b>					
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 premixer. 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.
<b>Projects less than \$1M</b>					
Gas Production	1,420	153	1,267	1,229	
Electric Generation	5,521	672	4,849	4,436	
<b>TOTAL ENERGY, LAND &amp; ENVIRONMENT</b>	<b>312,128</b>	<b>141,515</b>	<b>170,613</b>	<b>261,080</b>	
<b>TOTAL ENERGY PRODUCTION CAPITAL</b>	<b>312,128</b>	<b>141,515</b>	<b>170,613</b>	<b>261,080</b>	

**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
<b>GENERAL GOVERNMENT</b>					
<b>City Manager &amp; Managing Directors</b>					
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.
<b>Economic Development</b>					
2021/ 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.
2023					
2025 2025 - EDD-OTOL-2025-Development Incentives	2,600	-	2,600	2,600	2025 incentive package is being drafted and will be presented to Council in Q2.
<b>Projects less than \$1M</b>					
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	
<b>TOTAL GENERAL GOVERNMENT</b>	<b>12,257</b>	<b>4,643</b>	<b>7,615</b>	<b>12,257</b>	
<b>POLICE</b>					
<b>Projects less than \$1M</b>					
Police	220	33	187	220	
<b>TOTAL POLICE</b>	<b>220</b>	<b>33</b>	<b>187</b>	<b>220</b>	
<b>CORPORATE SERVICES</b>					
<b>Projects less than \$1M</b>					
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	
<b>TOTAL CORPORATE SERVICES</b>	<b>4,960</b>	<b>1,664</b>	<b>3,296</b>	<b>4,915</b>	
<b>DEVELOPMENT &amp; INFRASTRUCTURE</b>					
<b>Projects less than \$1M</b>					
Municipal Works	1,324	374	950	1,324	
Airport	615	269	346	615	
Planning & Development Services	1,050	314	736	1,050	
<b>TOTAL DEVELOPMENT &amp; INFRASTRUCTURE</b>	<b>2,989</b>	<b>956</b>	<b>2,033</b>	<b>2,989</b>	
<b>PUBLIC SERVICES</b>					
<b>Parks &amp; Recreation</b>					
2023 PKRC - 2023/2024 MOE - Saamis Teepee Painting WO	1,080	488	592	1,080	2023/2024 Saamis Teepee 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.
<b>Projects less than \$1M</b>					
Fire & Emergency Services	100	63	38	100	
Parks & Recreation	1,604	973	631	1,604	
Community Development	430	143	287	430	
<b>TOTAL PUBLIC SERVICES</b>	<b>3,214</b>	<b>1,666</b>	<b>1,548</b>	<b>3,214</b>	
<b>ENERGY, LAND &amp; ENVIRONMENT</b>					
<b>Energy, Land &amp; Environment</b>					
2023/ 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.
2024					
<b>Projects less than \$1M</b>					
Environment, Land & Gas Production	605	276	329	605	
<b>TOTAL ENERGY, LAND &amp; ENVIRONMENT</b>	<b>7,387</b>	<b>340</b>	<b>7,048</b>	<b>7,387</b>	
<b>TOTAL TAX SUPPORTED ONE-TIME EXPENSES AND INITIATIVES</b>	<b>31,028</b>	<b>9,302</b>	<b>21,726</b>	<b>30,982</b>	

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	
<b>TOTAL DEVELOPMENT &amp; INFRASTRUCTURE</b>	<b>705</b>	<b>9</b>	<b>696</b>	<b>705</b>	
<b>TOTAL RATE-BASED UTILITIES ONE-TIME EXPENSES AND INITIATIVES</b>	<b>705</b>	<b>9</b>	<b>696</b>	<b>705</b>	

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

Notes:

<sup>1</sup> 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.

<sup>2</sup> 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 (%)
April 7, 2025	Saamis Solar Detailed Due Diligence <sup>1</sup>	Energy Production	Electric Generation	2025	\$0	\$675	\$675	Energy Transition Reserve	0.00%
<b>Total</b>					<b>\$0</b>	<b>\$675</b>	<b>\$675</b>		<b>0.00%</b>

Notes:

<sup>1</sup> 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 <sup>1</sup>	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 <sup>2</sup>	Municipal	Other Organizations	\$0	(\$43)	\$0	One-time	0.00%
			General Municipal Revenues	\$0	\$43	\$0	One-time	0.00%
<b>Total</b>				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>0.00%</b>

Notes:

<sup>1</sup> 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).

<sup>2</sup> 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 (%)
January 14, 2025	Negotiator Throw Phone/Firearm Replacements Capital Budget Reallocation <sup>1</sup>	Municipal	Police Services	2024	\$60	(\$33)	\$27	Internal Loan	0.00%
				2025	\$225	\$33	\$258	Internal Loan	0.00%
March 3, 2025	Unit 11 Turbine Overhaul & Unit 14 Hot Section Replacement (critical) <sup>2</sup>	Energy Production	Electric Generation	2025	\$11,981	\$1,900	\$13,881	Working Capital	0.00%
				2025	\$5,600	\$1,200	\$6,800	Working Capital	0.00%
<b>Total</b>					<b>\$17,866</b>	<b>\$3,100</b>	<b>\$20,966</b>		<b>0.00%</b>

Notes:

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

<sup>2</sup> 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 <sup>1</sup>	Municipal	Police Services	2025	(\$30)
				2025	\$30
<b>Balance - City Manager Operating Contingency</b>					<b>\$100</b>

Notes:

<sup>1</sup> 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
<b>Balance - City Manager Capital Contingency</b>					<b>\$500</b>

Capital Grant Contingency  
2025 Capital Budget Amendments:

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



## 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
<b>TOTAL RESERVES</b>	<b>604,086</b>	<b>50,969</b>	<b>60,544</b>	<b>594,511</b>
<b>DEFERRED REVENUE</b>	<b>27,961</b>	<b>-</b>	<b>6,658</b>	<b>21,303</b>
<b>UNRESTRICTED CASH</b>	<b>121,732</b>	<b>29,552</b>	<b>-</b>	<b>151,284</b>
<b>TOTAL RESTRICTED &amp; UNRESTRICTED CASH</b>	<b>753,779</b>	<b>80,521</b>	<b>67,202</b>	<b>767,098</b>

# 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
<b>Rate Based Utilities Subtotal</b>	<b>12,278,000</b>	<b>9,315,000</b>	<b>7,497,000</b>	<b>7,458,000</b>	<b>1,126,048</b>	<b>1,473,000</b>
Land Development & Real Estate	2,447,000	3,776,000	765,000	1,840,000	2,103,173	(714,000)
<b>Land Development &amp; Real Estate Subtotal</b>	<b>2,447,000</b>	<b>3,776,000</b>	<b>765,000</b>	<b>1,840,000</b>	<b>2,103,173</b>	<b>(714,000)</b>
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
<b>Energy Production Subtotal</b>	<b>66,541,000</b>	<b>94,978,000</b>	<b>137,245,000</b>	<b>2,533,000</b>	<b>13,454,258</b>	<b>17,988,000</b>
<b>Total Contributions</b>	<b>\$ 81,266,000</b>	<b>\$ 108,069,000</b>	<b>\$ 145,507,000</b>	<b>\$ 11,831,000</b>	<b>\$ 16,683,479</b>	<b>\$ 18,747,000</b>
<b>Allocated As Follows:</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2025</b>
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	-	-	-	-	-	-
<b>Total</b>	<b>\$ 81,266,000</b>	<b>\$ 108,069,000</b>	<b>\$ 145,507,000</b>	<b>\$ 11,831,000</b>	<b>\$ 16,683,479</b>	<b>\$ 18,747,000</b>

## Investment Portfolio

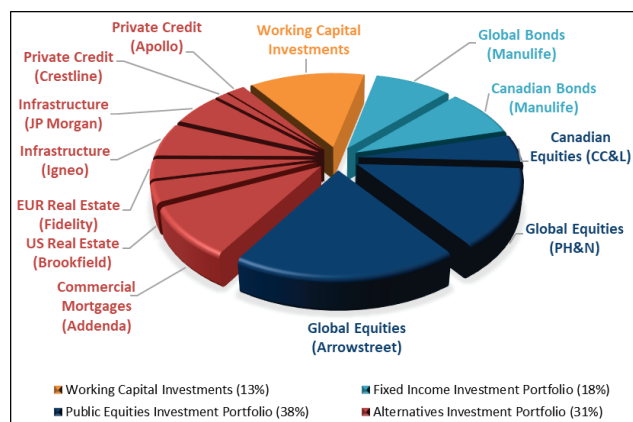
<b>\$765.1M</b>	<b>13</b>	<b>12</b>	<b>-0.82%</b>	<b>-0.39%</b>
Total Market Value	External Investments	External Managers	YTD Performance (unhedged)	YTD Performance (hedged)

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%
<b>Total Portfolio - Unhedged</b>		<b>\$760,913,680</b>		<b>\$8,969,138</b>	<b>-0.82%</b>	
Currency Overlay**	Mesirow	\$4,206,911	0%	\$4,206,911	1.14%	0.92%
<b>Total Portfolio – Hedged</b>		<b>\$765,120,591</b>	<b>100%</b>	<b>\$13,176,049</b>	<b>-0.39%</b>	<b>-0.63%</b>

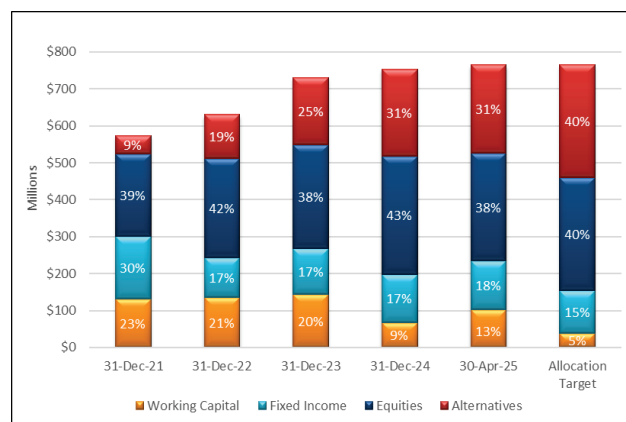
\* Performance reporting is on a one quarter lag.

\*\* 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

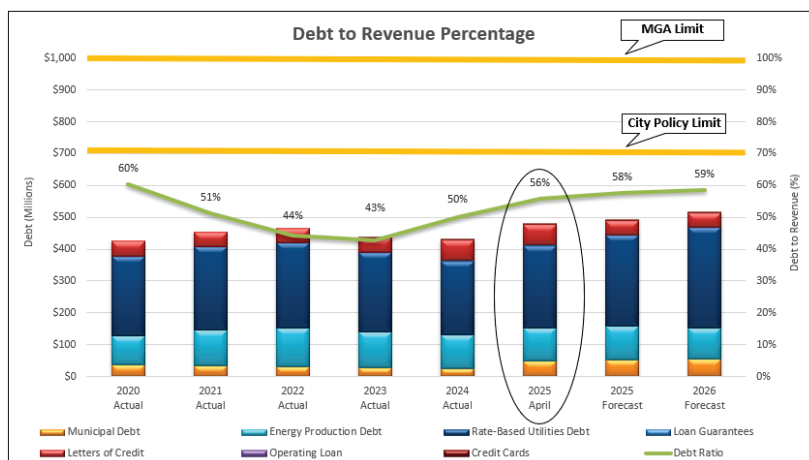


## Debt Management

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

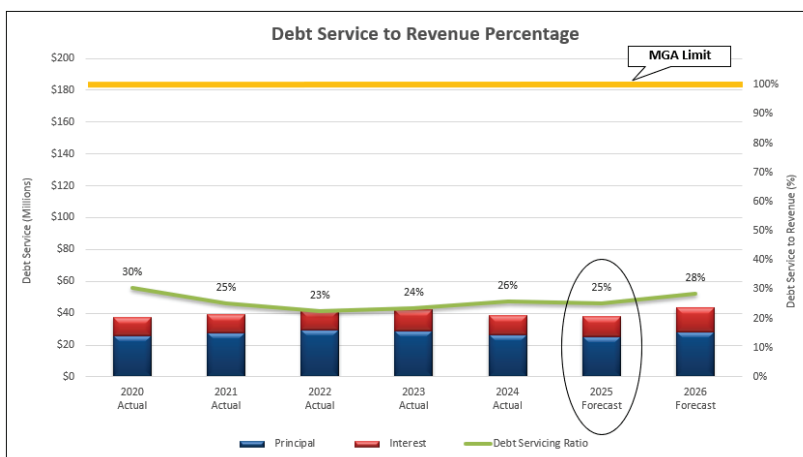
Per the Municipal Government Act, the City is required to remain within the Debt to Revenue Percentage of 100% of 2x revenue. The City's internal debt ratio goal is to remain under 70%, per Debt Management Policy 0176. On April 30, 2025, the City had debt outstanding of \$476.9 million consisting of \$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
  - 2025 April
  - 2025-2026 Forecast
  - Based on Audited Revenue and Debt
  - Based on forecasted Revenue and actual Debt
  - 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

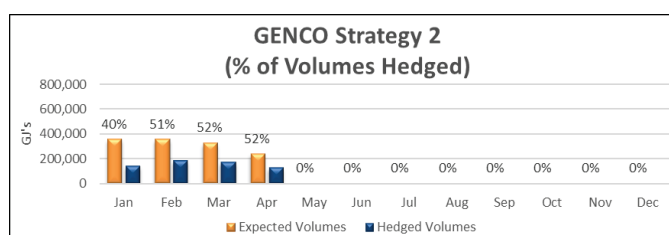
### Strategy # 1:

- 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
<b>Total</b>		<b>\$140,000</b>	<b>\$89,535</b>	

### 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
<b>Total</b>		<b>\$1,740,000</b>	<b>\$984,124</b>	

### 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
<b>Total</b>	<b>\$63,597,500</b>	
<b>Under/(Over) Limit - \$75 million</b>	<b>\$11,402,500</b>	

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



# City of Medicine Hat Detailed Report Supplemental Information

For the Period Ended

April 30, 2025



**CITY OF MEDICINE HAT**  
**MANAGEMENT REPORT**  
**For the Period Ended April 30, 2025**  
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# ELECTRIC GENERATION

## For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Sales</b>							
Gain/Loss on Risk Management Instrument	\$ -	\$ -	\$ 315	\$ 315	\$ 315	\$ 315	1
Sales to Power Pool	22,786	11,271	6,726	(4,546)	(630)	22,156	2
Sales to Retail	67,290	22,881	31,102	8,221	23,707	90,997	3
Sales	38,516	13,080	7,274	(5,806)	(6,498)	32,018	4
<b>Total</b>	<b>128,592</b>	<b>47,233</b>	<b>45,417</b>	<b>(1,816)</b>	<b>16,894</b>	<b>145,486</b>	
<b>Cost of Sales</b>							
Payment in Lieu of Taxes	3,456	1,815	898	916	280	3,176	5
Transmission Charges	1,726	851	707	144	(557)	2,283	6
Carbon Tax	11,944	-	1	(1)	-	11,944	
Transfer (from) to Retail	(3,799)	(1,138)	7,201	(8,338)	(24,113)	20,314	7
Fuel	32,954	11,370	7,725	3,645	9,930	23,024	8
Electric Energy Purchase	11,487	3,762	3,783	(21)	29	11,458	
<b>Total</b>	<b>57,768</b>	<b>16,660</b>	<b>20,315</b>	<b>(3,655)</b>	<b>(14,430)</b>	<b>72,198</b>	
<b>Gross Margin</b>	<b>70,825</b>	<b>30,573</b>	<b>25,102</b>	<b>(5,471)</b>	<b>2,463</b>	<b>73,288</b>	
<b>Revenue</b>							
Administration	-	-	2	2	2	2	
<b>Total</b>	<b>(0)</b>	<b>(0)</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	
<b>Expenses</b>							
Administration	2,714	851	835	15	-	2,714	
Operations	5,324	1,751	1,579	173	-	5,324	
Other	-	-	5	(5)	-	-	
Engineering	769	240	202	38	-	769	
Maintenance	7,380	2,367	2,303	63	109	7,271	
<b>Total</b>	<b>16,187</b>	<b>5,208</b>	<b>4,924</b>	<b>284</b>	<b>109</b>	<b>16,078</b>	
<b>Earnings Before Internal Cost Allocations</b>	<b>\$ 54,638</b>	<b>\$ 25,365</b>	<b>\$ 20,180</b>	<b>\$ (5,184)</b>	<b>\$ 2,574</b>	<b>\$ 57,212</b>	
Internal Revenue	158	53	40	(12)	-	158	
Internal Expenses	7,245	3,367	3,309	57	-	7,245	
	<b>(7,087)</b>	<b>(3,314)</b>	<b>(3,269)</b>	<b>45</b>	<b>-</b>	<b>(7,087)</b>	
<b>Earnings Before Interest, Taxes and Amortization</b>	<b>\$ 47,550</b>	<b>\$ 22,051</b>	<b>\$ 16,912</b>	<b>\$ (5,139)</b>	<b>\$ 2,574</b>	<b>\$ 50,125</b>	
Interest Expense	(2,677)	(2,677)	(2,662)	15	15	(2,662)	
Amortization	(18,960)	-	-	-	(1,793)	(20,753)	9
Accretion of Asset Retirement Obligations	(45)	-	-	-	(1,553)	(1,598)	10
<b>Net Earnings / (Loss)</b>	<b>\$ 25,869</b>	<b>\$ 19,373</b>	<b>\$ 14,249</b>	<b>\$ (5,124)</b>	<b>\$ (757)</b>	<b>\$ 25,112</b>	
Free Cash Flow (transfer (to)/from reserve)	(20,563)	-	-	-	(2,595)	(23,158)	11
Transfer to Capital	(18,975)	-	-	-	-	(18,975)	
<b>Net Earnings / (Loss) after Transfers</b>	<b>\$ (13,669)</b>	<b>\$ 19,373</b>	<b>\$ 14,249</b>	<b>\$ (5,124)</b>	<b>\$ (3,352)</b>	<b>\$ (17,021)</b>	

### OPERATING NOTES

- Gain on Risk Management Instrument is currently \$315K favourable due to risk management instruments that have settled in the money year-to-date with no outstanding instruments that would change projections at yearend.
- Sales to the Power Pool are -\$4.5M unfavourable due to lower pool price, as well as regular maintenance outages which have resulted in fewer economic opportunities to sell excess power to the grid. The unfavourable variance is expected to be reduced to -\$630K by yearend, due to additional opportunities to sell to the grid over the remainder of the year.
- Sales to Retail is a favourable variance of \$8.2M due to price and volume. Price is \$8.3M favourable offset by an unfavourable volume variance of -\$0.1M. The forecast of \$23.7M favourable by yearend is the result of price and volume. Favourable price of \$23.8M and unfavourable volume forecast of -\$0.1M. Favourable price is due to transferring large commercial and industrial volumes at Rate of Last Return (ROLR) from Retail.
- Third Party Sales are currently -\$5.8M unfavourable due to less third-party electricity sales from outages from January to March and fewer Ancillary Services sales, as a result of lower demand. The unfavourable variance is expected to increase to -\$6.5M due to expected unfavourable Ancillary Services sales for the remainder of the year.
- Payment in Lieu of Taxes are \$916K favourable due to the unfavourable taxable sales to date. The favourable variance is forecasted to be \$280K by yearend as a result of reforecast on taxable sales.
- Transmission charges are currently \$144K favourable due to lower Pool Sales offset by higher than expected transmission tariffs and trading charges. The projected variance is expected to be -\$557K unfavourable by yearend due to the increased transmission tariff and trading charge on Pool Sales.

# ELECTRIC GENERATION

For the Period Ended April 30, 2025

7. Transfer to Retail is \$7.2M at April 30 and is forecast to be \$20.3M at yearend. This is higher than budget due to large commercial and industrial volumes being paid to Electric Generation at the ROLR market rate which is higher than the budgeted transfer rate.
8. Fuel variance is \$3.6M favourable due to 8% less volume and 4% lower commodity price year-to-date. The variance is projected to be \$9.9M favourable with an estimated 16% less fuel consumption and 6% decrease to the average commodity price by yearend.
9. Amortization is projected to be -\$1.8M unfavourable as a result of the recently completed Asset Retirement Obligation study, resulting in an increased long-lived asset to amortize.
10. Accretion of Asset Retirement Obligation (ARO) is projected to be -\$1.6M unfavourable as a result the recently completed ARO study resulting in an increased ARO liability.
11. Free Cash Flow (transfer (to/from reserve) is projected to be -\$2.6M unfavourable at yearend as a result of less cash flow required to sustain operations.

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Unit 12 steam turbine overhaul completed.
- Unit 12 generator replaced with new one.
- Transformer T-12 replaced.
- All other spring outages complete.
- Orders for 2026 capital work materials in fabrication for delivery in early 2026.
- Planning for fall outages commenced.

### Planned Next Four Months

- Continued planning for fall outages.
- T-11 Bushing replacement, breaker maintenance.
- Arrival of turbine core for Unit 16 outage this fall.
- Plant prepared for summer operations and summer constraints in place.
- Continue to look at clean Energy technologies and other options of energy transition.

## Report on Business Plan Goals

### Risk Based Asset Management Program

Support the long-term sustainability of Electric Generation by managing assets through a risk-based approach. Providing a safe and reliable supply of electricity to the City of Medicine Hat residents and industrial customers. Maintaining our asset base infrastructure is key to meeting service level expectations and long-term profitability of the facilities. Infrastructure has a finite life that requires sustaining capital investments to extend and/or replace existing infrastructure to ensure service level reliability.

### PROGRESS

1. Continue to refine and update Asset Management plan for Electric Generation. Any items that are considered critical are to be identified and have a mitigation strategy if risk indicates the need for one.
2. Participate in city wide Risk Management program as it relates to Electric Generation.
3. Capital project to extend life of power generating assets executed in April 2025.

### Continue to Improve Safety and Regulatory Compliance Management

Improve Safety Culture and Performance and develop and internalize regulatory reporting requirements while improving non-compliances.

### PROGRESS

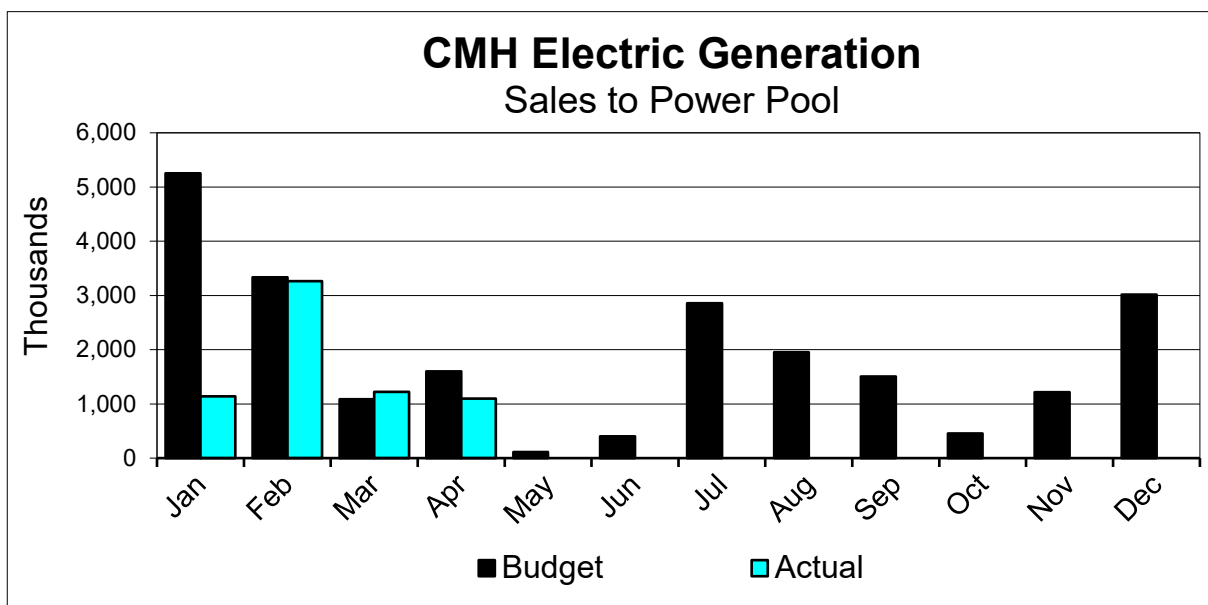
1. Ensure all work is done safely, continue to transition all high intensity discharges, and ensure near misses and incidents are entered into Prismatic and that any required follow up is completed.
2. Regular job health and safety meetings to continue with required participation.

# ELECTRIC GENERATION

For the Period Ended April 30, 2025

<p><b>Growth and Decarbonization Initiatives</b></p> <p>Electric Generation is one of the key departments in the development of new business opportunities that come to the City of Medicine Hat. It is also facing its own energy transition obligations and must appropriately prepare to ensure ongoing confidence in local electricity supply for existing and future industry.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Due diligence work on Saamis Solar project to ensure viability.</li> <li>2. Continue to analyze other decarbonized energy options and opportunities that may be suitable for Medicine Hat.</li> </ol>
<p><b>Operational Excellence</b></p> <p>Ensure reliability with increasing city load the availability of Electric Generation assets will become even more critical; Financial returns – achieve an annual return on assets through contractedness or supply to energy markets; Successful construction of the new Residuals Plant on behalf of Environmental Utilities department.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Numerous capital projects completed in the first 4 months of the year. Items will give the assets a longer life and improve overall reliability.</li> <li>2. Work with marketing to understand new Alberta Electric Systems Operators rules from the Restructured Energy Market sessions when they become effective.</li> <li>3. Continue to look at optimizing run times on units to best meet the business generation needs while minimizing the maintenance costs (overhauls).</li> </ol>
<p><b>Ensuring Success for the Future with a Focus on Our People</b></p> <p>Prioritizing people is key to long-term success. Investing in employees' well-being, growth, and development will lead to incredible outcomes. When employees are valued and supported, they are more likely to contribute their best efforts and ideas.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Continue to look at ways to complete work more efficiently. Possibility of some work being transferred to others.</li> <li>2. Continue to work with the other teams in the department and the city to create efficiencies where possible.</li> <li>3. Ensure all employees have development plans so they may advance or change career within the city.</li> </ol>

## Report on Performance Measures



# ELECTRIC DISTRIBUTION

## For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Distribution Sales	\$ 24,339	\$ 8,008	\$ 8,051	\$ 42	\$ 42	\$ 24,381	
Operations	445	125	150	25	-	445	
<b>Total</b>	<b>24,783</b>	<b>8,134</b>	<b>8,201</b>	<b>67</b>	<b>42</b>	<b>24,825</b>	
<b>Expenses</b>							
Administration	1,462	481	830	(349)	(270)	1,732	1
Operations	7,521	2,383	2,735	(352)	(140)	7,661	2
Engineering	1,723	568	366	202	275	1,448	3
<b>Total</b>	<b>10,707</b>	<b>3,432</b>	<b>3,931</b>	<b>(499)</b>	<b>(135)</b>	<b>10,842</b>	
<b>Earnings Before Internal Cost Allocations</b>	<b>\$ 14,077</b>	<b>\$ 4,702</b>	<b>\$ 4,270</b>	<b>\$ (432)</b>	<b>\$ (93)</b>	<b>\$ 13,984</b>	
Internal Revenue	2,529	899	1,239	340	270	2,799	4
Internal Expenses	6,820	3,755	3,929	(174)	(135)	6,955	5
	<b>(4,291)</b>	<b>(2,856)</b>	<b>(2,690)</b>	<b>166</b>	<b>135</b>	<b>(4,156)</b>	
<b>Earnings Before Interest, Taxes and Amortization</b>	<b>\$ 9,786</b>	<b>\$ 1,846</b>	<b>\$ 1,580</b>	<b>\$ (266)</b>	<b>\$ 42</b>	<b>\$ 9,828</b>	
Interest Expense	(1,558)	(1,558)	(1,501)	57	57	(1,501)	
Amortization Expense	(5,912)	-	-	-	-	(5,912)	
Accretion of Asset Retirement Obligations	(70)	-	-	-	-	(70)	
<b>Net Earnings / (Loss)</b>	<b>\$ 2,246</b>	<b>\$ 288</b>	<b>\$ 79</b>	<b>\$ (209)</b>	<b>\$ 99</b>	<b>\$ 2,345</b>	
Free Cash Flow (transfer (to)/from reserve)	(1,006)	-	-	-	127	(879)	6
Transfer to Capital	(3,983)	-	-	-	-	(3,983)	
Transfer from (to) reserve	-	-	130	130	130	130	7
<b>Net Earnings / (Loss) after Transfers</b>	<b>\$ (2,743)</b>	<b>\$ 288</b>	<b>\$ 209</b>	<b>\$ (79)</b>	<b>\$ 356</b>	<b>\$ (2,387)</b>	

### OPERATING NOTES

- Administration Expenses are -\$349K unfavourable primarily due to unbudgeted employee benefits (-\$315K). The unfavourable variance is expected to be -\$270K by yearend as the unbudgeted employee benefits will be partially offset by a positional vacancy.
- Operations Expenses are -\$352K unfavourable primarily due to tree trimming (-\$115K), critical substation maintenance (-\$140K) and safety supervisions (-\$40K) completed in Q1. The unfavourable variance is expected to decrease to -\$140K due to all planned area tree trimming being complete, while being over budget on critical substation maintenance. The delivery and installation of a long lead critical substation asset contributed to this variance.
- Engineering Expenses are \$202K favourable primarily due to staff vacancies (\$51K) and staff time charged to capital (\$107K). The favourable variance is expected to increase to \$275K by yearend as a result of a continued staff vacancy.
- Internal Revenue is \$340K favourable primarily due to interdepartmental rechargeables for administration overhead due to increased Administration Expenses. The favourable variance is expected to decrease to \$270K, due to the changes in the Administration Expenses projection to yearend.
- Internal Expenses are -\$174K unfavourable primarily due to increased interdepartmental charges from Electric Distribution as a result of increased Administration Expenses being split between Gas & Electric. The variance is expected to be -\$135K unfavourable by yearend.
- Free Cash Flow (transfer (to)/from reserve) is projected to be \$127K favourable at yearend as a result of more cash flow required to sustain operations.
- Transfer from (to) reserve is \$130K favourable as funds were returned to working capital for a project that was under budget. The favourable variance will carry forward to yearend.

# GAS DISTRIBUTION

## For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Distribution Sales	\$ 16,468	\$ 7,470	\$ 7,243	\$ (226)	\$ (226)	\$ 16,242	1
Rechargeable	0	0	48	48	48	48	
<b>Total</b>	<b>16,468</b>	<b>7,470</b>	<b>7,292</b>	<b>(178)</b>	<b>(178)</b>	<b>16,290</b>	
<b>Expenses</b>							
Administration	187	62	(5)	68	68	119	
Operations	2,011	679	528	150	175	1,836	2
Engineering	1,264	416	417	(1)	-	1,264	
Rechargeable	4,497	1,459	1,496	(37)	(37)	4,533	
<b>Total</b>	<b>7,958</b>	<b>2,616</b>	<b>2,435</b>	<b>181</b>	<b>206</b>	<b>7,752</b>	
<b>Earnings Before Internal Cost Allocations</b>	<b>\$ 8,510</b>	<b>\$ 4,854</b>	<b>\$ 4,856</b>	<b>\$ 2</b>	<b>\$ 29</b>	<b>\$ 8,538</b>	
Internal Revenue	18	6	42	36	36	54	
Internal Expenses	3,963	2,190	2,362	(171)	(135)	4,098	3
	<b>(3,945)</b>	<b>(2,184)</b>	<b>(2,319)</b>	<b>(135)</b>	<b>(99)</b>	<b>(4,043)</b>	
<b>Earnings Before Interest, Taxes and Amortization</b>	<b>\$ 4,565</b>	<b>\$ 2,670</b>	<b>\$ 2,537</b>	<b>\$ (133)</b>	<b>\$ (70)</b>	<b>\$ 4,495</b>	
Interest Expense	(722)	(722)	(619)	103	103	(619)	4
Amortization Expense	(2,546)	-	-	-	-	(2,546)	
<b>Net Earnings / (Loss)</b>	<b>\$ 1,297</b>	<b>\$ 1,948</b>	<b>\$ 1,918</b>	<b>\$ (30)</b>	<b>\$ 33</b>	<b>\$ 1,329</b>	
Free Cash Flow (transfer (to)/from reserve)	(583)	-	-	-	270	(313)	5
Transfer to Capital	(1,798)	-	-	-	-	(1,798)	
<b>Net Earnings / (Loss) after Transfers</b>	<b>\$ (1,084)</b>	<b>\$ 1,948</b>	<b>\$ 1,918</b>	<b>\$ (30)</b>	<b>\$ 302</b>	<b>\$ (782)</b>	

### OPERATING NOTES

- Distribution Sales are -\$226K unfavourable due to reduced consumption from rate Class A & B customers. Unfavourable variance is anticipated to carry forward to yearend.
- Operations expenses are \$150K favourable primarily due to a staff vacancy (\$30K) and time charged to capital (\$50K). The favourable variance is expected to increase to \$175K by yearend as a result of a continued staff vacancy.
- Internal Expenses are -\$171K unfavourable primarily due to increased interdepartmental charges from Electric Distribution as a result of increased Administration Expenses being split between Gas & Electric. The variance is expected to be -\$135K unfavourable by yearend.
- Interest Expense is \$103K favourable due to delayed borrowing on multi-year capital projects. The favourable variance will carry forward to yearend.
- Free Cash Flow (transfer (to)/from reserve) is projected to be \$270K favourable at yearend as a result of more cash flow required to sustain operations.

# UTILITY DISTRIBUTION SYSTEMS

For the Period Ended April 30, 2025

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Gas Distribution 2025 leak survey program has been started, including the high-pressure system, rural system and new construction – annual contracted leak survey not started.
- Ongoing cyclical replacement of gas and electrical revenue meters as part of the Utility's compliance with federal Measurement Canada regulations.
- Ongoing emergency responses for gas related emergencies, including (36) carbon monoxide calls, (6) fire calls, (3) hit gas lines, (63) inside odor calls, (57) outside odor calls, (31) no gas calls and (56) miscellaneous calls that do not fit into the previous categories.
- Ongoing preventative maintenance and inspections on gas related infrastructure.
- Received Alberta Utilities Commission (AUC) approval for the construction of an electric substation in the southwest of Medicine Hat.
- Received Alberta Utilities Commission (AUC) for the 60L transmission line replacement which is part of the southeastern electrical transmission ring.
- Round 2 Energy Innovation Challenge projects awarded in partnership with Decentralized Energy Canada.
- Electric Substations & Meters: The substation transformer bushing replacement project was a major focus, with the majority of work successfully completed. Final tasks are scheduled for completion in the coming weeks. The Government Meter Exchange Program was completed successfully.
- Electric Transmission & Distribution: Efforts focused on planned distribution transformer maintenance, repairs, and replacements, with eleven transformers replaced and forty-eight undergoing major maintenance. The asset rejuvenation project made significant progress, replacing over forty poles and completing major maintenance on seventy-nine others, alongside associated conductor upgrades. Inspections, maintenance, and repairs across multiple assets continued to ensure long-term infrastructure stability. Safety remained a priority, with sixty-three orientation sessions conducted for third parties working near power lines. Additionally, all vegetation management efforts in Redcliff were successfully completed, and one-hundred-ten streetlights were repaired.

### Planned Next Four Months

- Complete Gas Distribution 2025 leak survey program.
- Ongoing cyclical replacement of gas and electrical revenue meters as part of the Utility's compliance with federal Measurement Canada regulations.
- Ongoing preventative maintenance on the gas distribution system.
- Ongoing emergency response for gas related emergencies.
- Ongoing preventative maintenance on gas related infrastructure.
- Ongoing design and construction for 2025 infrastructure reinvestment project areas.
- Substations & Meters: Preparations are in progress for the five-year circuit breaker major maintenance, scheduled for the fall. Routine inspections and maintenance will continue, with an emphasis on ensuring system reliability and efficiency heading into the next phase.
- Transmission & Distribution: Asset rejuvenation efforts will continue into Q2, with ongoing inspections, maintenance, and targeted infrastructure improvements. Safety initiatives will remain a key focus, ensuring continued education and compliance for third-party work near power lines. Further distribution enhancements and maintenance will be carried out, to strengthen overall system performance.
- Ongoing design for the electric substation in the southwest of Medicine Hat.
- Alberta Utilities Commission (AUC) hearing for the 30L & 40L transmission line replacement which is part of the southeastern electrical transmission ring.
- Complete the annual updates to the Electric distribution load study and electric transmission study.
- Complete the annual update to the Gas distribution and transmission loading model.

# UTILITY DISTRIBUTION SYSTEMS

For the Period Ended April 30, 2025

## Report on Business Plan Goals

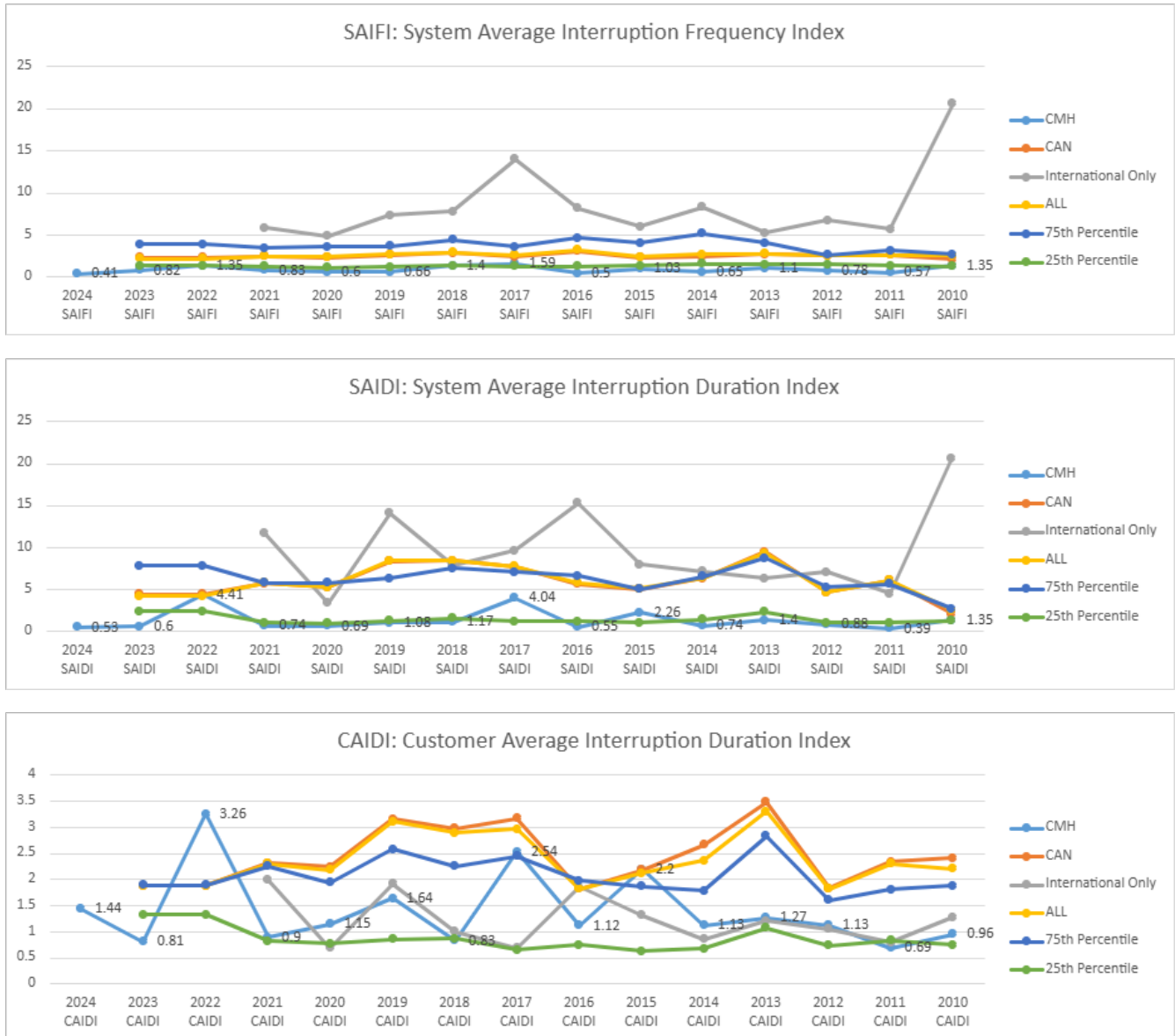
<p><b>Sustainable Infrastructure</b></p> <p>Providing safe, reliable, cost-effective, and well-maintained infrastructure is key to meeting service level expectations and long-term viability of the department. Infrastructure has finite life that requires investments to maintain, extend the useful life, and/or enhance capabilities which meet evolving service level expectations while achieving long term reliability, regulatory compliance, environmental, and fiscal sustainability.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Secured Alberta Utilities Commission approval at the preferred site for Medicine Hat Southwest Substation.</li> <li>2. Secured Alberta Utilities Commission approval for the 60L portion of the East Ring Enhancement project</li> <li>3. Alberta Utilities Commission has scheduled a hearing date of June 2-6 for the 30L and 40L East Ring Enhancement project.</li> </ol>
<p><b>Operational Excellence</b></p> <p>Providing dependable, and cost-effective services are crucial to the well-being and quality of life for customers. Therefore responsible, and sustainable provision of those services is of paramount importance. This model ensures the department strives for industry-competitive performance in all areas of accountability reinforcing value to the ratepayers.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Alberta Safety Codes Council Sub-Committee for Electric Utilities active participation was demonstrated, engaging in discussions on Safety Code Officer Practice and Certification Requirements with a particular focus on development and improvement of the Alberta Electric Utility Code. The Q2 meeting is forthcoming, and preparations are underway for continued involvement.</li> <li>2. During the first quarter, the Alberta Electric Utility Safety Association meeting was chaired and attended with a focus on sharing incidents and events impacting electric utilities across the province. Efforts were made to improve and modernize the approach to safety. Additionally, a donation was approved to promote power line safety within the agriculture sector.</li> <li>3. Completed updates to the Microgeneration / Distributed Energy Resource (DER) Guide for Interconnection to include Inverter based connection protocol for DER's .</li> <li>4. Completed the internal audit for the Electrical Part B Safety Codes Quality Management Plans.</li> <li>5. Completed the annual Quality Management Plan review and approval for the Gas Distribution System with the Alberta Rural Utilities (ARU).</li> <li>6. Gas Distribution has replaced 782 revenue meters, out of approximately 1,982 meters for 2025.</li> <li>7. Gas Distribution has completed approximately 80 kms of high-pressure leak survey, out of 85 kms. Gas Distribution has completed the following preventative maintenance: (263) curb stop inspections, (187) inside regulator inspections, (169) rotary meter inspections, (108) odorant reads, etc.</li> </ol>
<p><b>Technological Evolution</b></p> <p>Utility Distribution Systems operates within a rapidly evolving technological and regulatory environment which is experiencing notable change as part of a global transition to lower carbon intensity technologies. The adoption of new techniques and technologies, while considering prudent business analysis, ensures long term sustainable services. Significant opportunities can be realized through leveraging technological advancements while partnering with other industry or municipal experts to ensure services are maintained to industry standards while maintaining cost competitiveness.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Awarded Round 2 Energy Innovation Challenge projects in partnership with Decentralized Energy Canada.</li> </ol>



# UTILITY DISTRIBUTION SYSTEMS

For the Period Ended April 30, 2025

## Report on Performance Measures



SAIFI (System Average Interruption Frequency Index) = the total number of customer interruptions per year divided by total number of customers served.

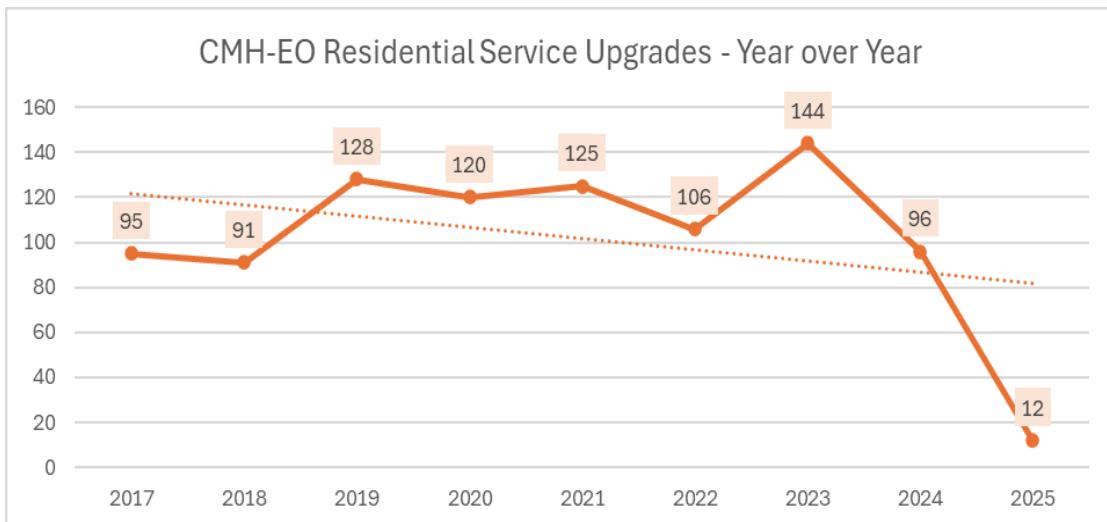
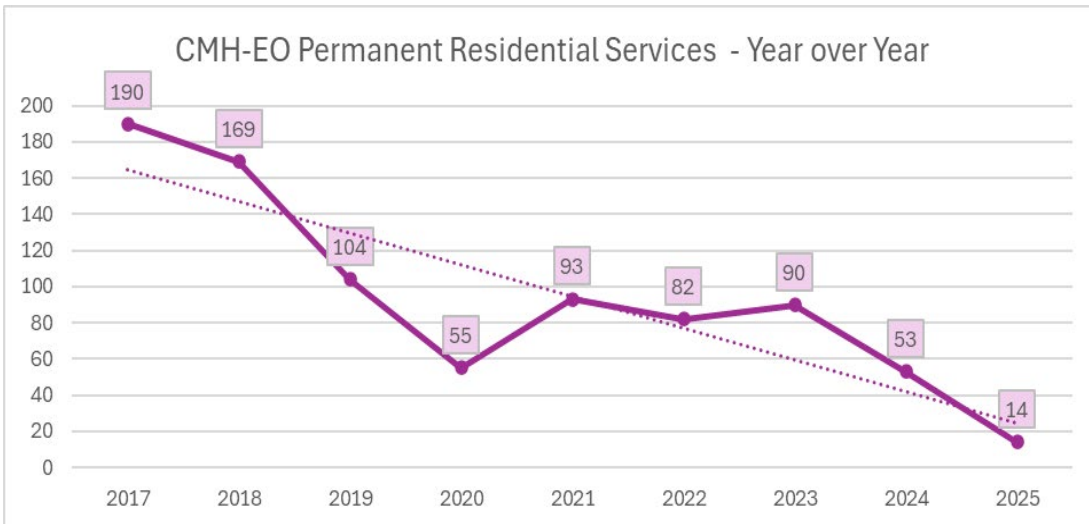
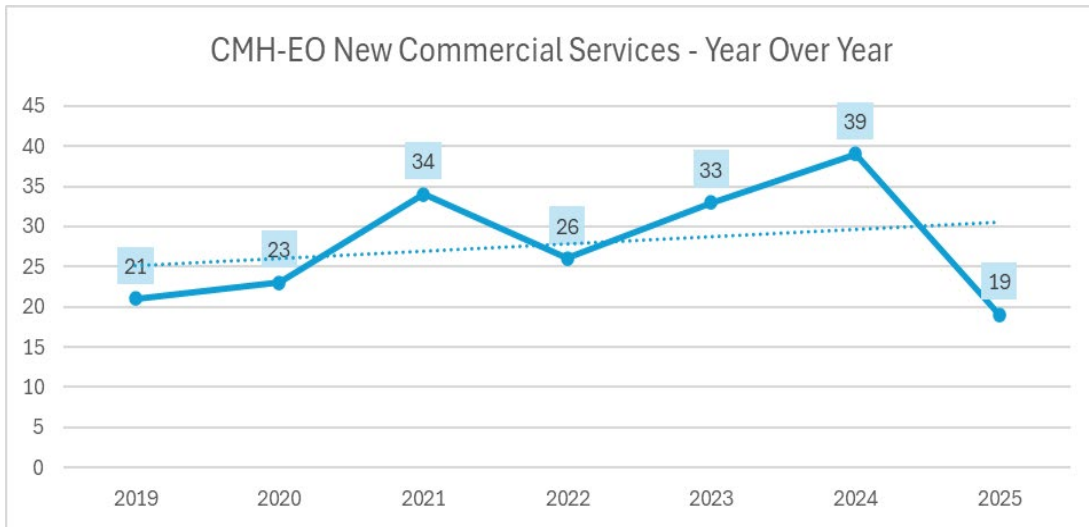
SAIDI (System Average Interruption Duration Index) = the total customer-hours of interruptions per year divided by the total number of customers served.

CAIDI (Customer Average Interruption Duration Index) = the total customer-hours of interruptions per year divided by the total number customer interruptions.

*Note: Updated SAIFI, SAIDI, and CAIDI data from Canadian industry standards are released annually each July for the prior calendar year. 2024 Canadian industry data is not anticipated until July 2025.*

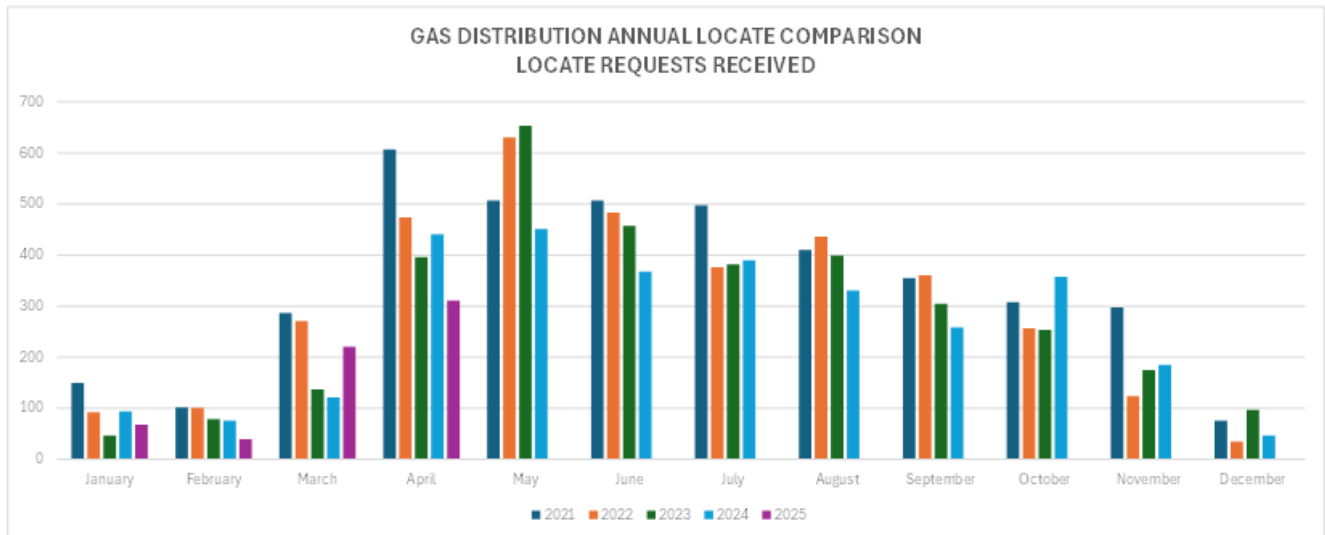
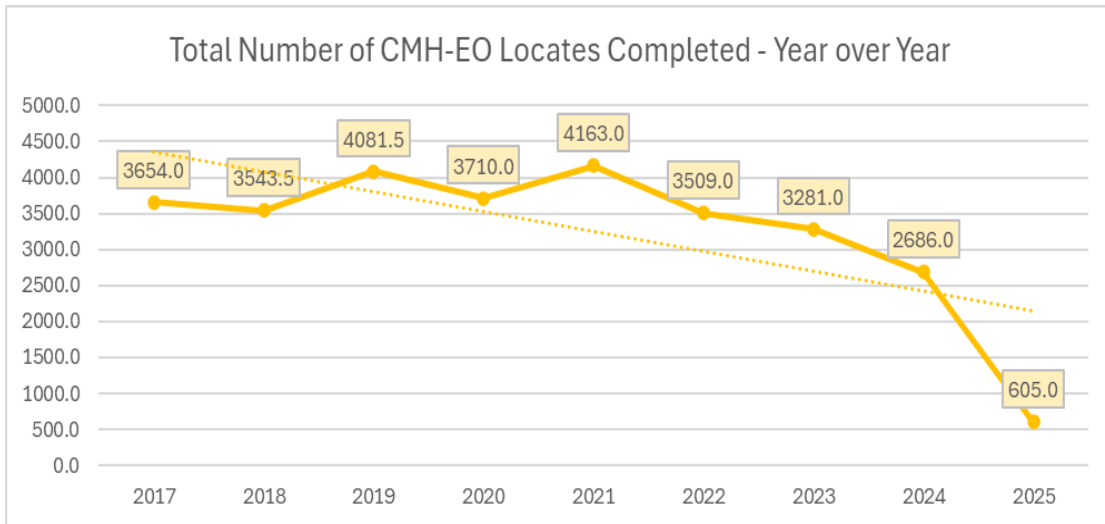
# UTILITY DISTRIBUTION SYSTEMS

For the Period Ended April 30, 2025



# UTILITY DISTRIBUTION SYSTEMS

For the Period Ended April 30, 2025



	January	February	March	April	May	June	July	August	September	October	November	December
2021	150	102	287	607	507	507	498	410	355	308	298	76
2022	92	101	271	474	631	483	376	436	361	257	124	35
2023	47	79	137	396	653	457	382	399	305	254	175	97
2024	94	76	122	441	451	368	390	331	258	357	185	47
2025	68	40	221	311	-	-	-	-	-	-	-	-

# ENVIRONMENT, LAND & GAS PRODUCTION - GAS

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
Gas Average Daily Volume (mcf/d)	10,180	10,321	9,330	(990)	-	10,180	
Gas Sales Volume (mcf)	3,715,806	1,238,483	1,119,649	(118,834)	-	3,715,806	
Spot Gas Price (\$/mcf)	\$2.71	\$2.71	\$2.14	(\$0.57)	(0.24)	2.48	
Oil Daily Volume (bbl/d)	8	8	12	5	-	8	
Oil Sales Volume (bbl)	2,907	976	1,486	510	-	2,907	
Oil Price (\$/bbl)	\$85.14	\$87.22	\$87.37	\$0.15	-	85.14	
<b>Sales</b>							
Gas Sales from Production	\$ 10,085	\$ 3,361	\$ 2,397	\$ (964)	\$ (1,258)	\$ 8,827	1
Oil Sales	248	85	130	45	-	248	
Sales of Purchased Gas	32,907	14,281	10,976	(3,305)	(7,339)	25,568	2
<b>Total</b>	<b>43,240</b>	<b>17,727</b>	<b>13,503</b>	<b>(4,224)</b>	<b>(8,597)</b>	<b>34,643</b>	
<b>Cost of Sales</b>							
Transportation	638	213	76	137	-	638	
Gas Purchases	32,907	14,281	10,972	3,308	7,339	25,568	2
Transfer (from) to Retail	(7)	32	199	(166)	46	(53)	
<b>Total</b>	<b>33,538</b>	<b>14,526</b>	<b>11,247</b>	<b>3,279</b>	<b>7,385</b>	<b>26,153</b>	
<b>Gross Margin</b>	<b>9,702</b>	<b>3,201</b>	<b>2,256</b>	<b>(945)</b>	<b>(1,212)</b>	<b>8,489</b>	
<b>Revenue</b>							
Other Sales & Services	89	30	172	142	-	89	
Royalties	(156)	(52)	(54)	(2)	-	(156)	
	<b>(67)</b>	<b>(22)</b>	<b>118</b>	<b>141</b>	<b>-</b>	<b>(67)</b>	
<b>Expenses</b>							
Administration	1,755	606	749	(143)	-	1,755	
Operations & Maintenance	10,666	3,347	3,319	27	(88)	10,754	
	<b>12,421</b>	<b>3,953</b>	<b>4,068</b>	<b>(116)</b>	<b>(88)</b>	<b>12,509</b>	
<b>Earnings Before Internal Cost Allocations</b>	<b>\$ (2,787)</b>	<b>\$ (774)</b>	<b>\$ (1,694)</b>	<b>\$ (920)</b>	<b>\$ (1,300)</b>	<b>\$ (4,088)</b>	
Internal Expenses	3,830	2,480	2,305	175	-	3,830	
	<b>(3,830)</b>	<b>(2,480)</b>	<b>(2,305)</b>	<b>175</b>	<b>-</b>	<b>(3,830)</b>	
<b>Earnings Before Interest, Taxes and Amortization</b>	<b>\$ (6,617)</b>	<b>\$ (3,253)</b>	<b>\$ (3,999)</b>	<b>\$ (746)</b>	<b>\$ (1,300)</b>	<b>\$ (7,917)</b>	
Interest Expense	(491)	(491)	(491)	-	-	(491)	
Depreciation/Depletion/Accretion	(12,791)	(4,264)	(4,264)	-	-	(12,791)	
Gain (Loss) on Disposal of Assets	-	-	3,245	3,245	3,245	3,245	3
<b>Net Earnings / (Loss)</b>	<b>\$ (19,899)</b>	<b>\$ (8,008)</b>	<b>\$ (5,509)</b>	<b>\$ 2,499</b>	<b>\$ 1,945</b>	<b>\$ (17,954)</b>	
Free Cash Flow (transfer (to)/from reserve)	7,108	-	-	-	(1,938)	5,170	4
<b>Net Earnings / (Loss) after Transfers</b>	<b>\$ (12,791)</b>	<b>\$ (8,008)</b>	<b>\$ (5,509)</b>	<b>\$ 2,499</b>	<b>\$ 7</b>	<b>\$ (12,784)</b>	

# ENVIRONMENT, LAND & GAS PRODUCTION - GAS

For the Period Ended April 30, 2025

## OPERATING NOTES

1. Gas Sales from Production are -\$964K unfavourable due to lower spot prices this year and lower production volumes in February and March as a result of slower volume flow due to freeze offs from the extremely low temperatures during cold snaps. An unfavourable variance of -\$1.3M is estimated by yearend due to consistently lower gas price (-\$0.24 unfavourable per mcf) than budgeted.
2. Sales of Purchased Gas are offset by Gas Purchases and represents additional gas purchases and sales performed by Marketing, to cover local demand not met by produced gas. Sales of Purchased Gas (Sales) are -\$3.3M unfavourable due to lower natural gas price as result of market supply and demand imbalance. Gas Purchases are \$3.3M favourable due to lower natural gas price. This trend should continue until yearend with variance to projected to be \$7.3M lower as a result of spot price and volume reduction for opportunity sales.
3. Gain (Loss) on Disposal of Assets is \$3.2M favourable due to sale of Gas Production assets. This variance is projected to continue to yearend.  
  
Free Cash Flow (transfer (to)/from reserve) is projected to be -\$1.9M unfavourable at yearend as a result of lower additional cash flow required to sustain operations.

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Continued with operation and pursuing efficiencies in gas well production.
- Surface Casing Vent Flow repair efforts continue in preparation to eventually proceed to abandonment.
- Abandonment work and reclamation work continues in pursuit of reclamation certificate approvals.

### Planned Next Four Months

- Continue with operation and optimization of gas wells.
- Continue execution of well, pipeline and facility abandonments.
- Continue reclamation activities in abandoned oil and gas fields.

# ENVIRONMENT, LAND & GAS PRODUCTION - GAS

For the Period Ended April 30, 2025

## Report on Business Plan Goals

<b>Operational Excellence</b>  Providing dependable, and cost-effective services are crucial to the well-being and quality of life for customers. Therefore, responsible and sustainable provision of those services is of paramount importance. This model ensures the department strives for best-in-class performance in all areas of accountability reinforcing value to the ratepayers and taxpayers.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Ongoing optimization of existing gas production assets, including identification of potential recompletion opportunities with the objective of reducing field decline rate. Field decline rate reduction efforts continue to include pursuing wellbore optimization opportunities, station inlet pressure reduction and close monitoring, and completion of required maintenance overhauls and turnarounds to minimize downtime.</li><li>2. Continue ensuring robust cost control and tracking of operational expenditures in support of corporate fiscal responsibility objectives.</li></ol>
<b>Safety &amp; Employee Wellness</b>  Gas Production is accountable for areas with high safety risk potential. Employees, and the public, shall always be protected. The department shall ensure respectful, environmentally responsible, operations throughout all areas of accountability. The department values collaborative engagement seeking appropriate mitigation of risk to its employees, the public, and the environment.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Ongoing review of department safety systems to ensure compliance with the City of Medicine Hat Safety Management System. Initiated review of hazard assessments, safety inspections, incident investigations, standard operating procedures, and emergency response procedures.</li><li>2. Ongoing and scheduled regular inspections of worksites, in collaboration with its employees, with an objective of continuous improvement to ensure compliance with all Occupational Health and Safety regulations.</li><li>3. Reviewing competency training of our employees to ensure ongoing competency of staff in compliance with all Occupational Health and Safety regulations.</li><li>4. Ongoing scheduling of training opportunities which support general employee wellness via collaborative discussions with employees within cyclical safety meetings.</li><li>5. Completed update and required training revised Emergency Response Plan. Completion of emergency incident response practice in Q1 2025 was achieved utilizing internal corporate resources.</li></ol>
<b>Innovation</b>  Environment, Land & Gas Production operates within a rapidly evolving technological and regulatory environment which is experiencing significant change as part of a global energy transition movement. The adoption of new techniques and technologies, while considering prudent business analysis, ensures long term sustainable services. Significant opportunities can be realized through leveraging technological advancements while partnering with other industry or municipal experts to ensure services are maintained to industry standards while maintaining cost competitiveness.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Participated in the development of the Environmental Framework as a stakeholder in cooperation with other departments, within the Corporate Boundary of Medicine Hat which align with the City Council strategic objectives.</li><li>2. The City's carbon capture pore space assessment project was successfully transferred to a third party who continues to actively progress the project and provides the City with regular updates (their technical assessment continues, and they drilled two evaluation wells).</li><li>3. A total of thirty-one reclamation certificates were achieved in 2025 to date. Eighty-nine reclamation certificates were achieved in 2024.</li></ol>

# ENVIRONMENT, LAND & GAS PRODUCTION - GAS

For the Period Ended April 30, 2025

## SAFETY, ENVIRONMENT & REGULATORY

### January to December Notes

### Safety, Environmental & Regulatory - T1, T2 & Year-End Report

Key Performance Indicators	Goal	T1	T2	T3	Total	2024
Lost Time Incidents	0	✓0		✓	0	✓0
Preventable Vehicle Incidents	0	✓0		✓	0	✓0
High Risk Environmental Incidents	0	✓0		✓	0	✗2
High Risk Regulatory Incidents	0	✓0		✓	0	✓0

No reportable incidents in T1.

### Definitions

- Lost Time Incident – a lost workday occurs when the injured staff is unable to perform any regular or restricted work duties on any day after the day on which the injury occurred.
- Preventable Vehicle Accident – when everything reasonably practicable to prevent an accident was not done.
- High Risk Incident – as defined by the governing bodies in Alberta and Saskatchewan.

Sales Volume	Approved Budget	Forecast	Variance
Natural Gas (mcf/d)	10,180	10,152	0%
Oil (bbl/d)	8	8	0%
Total (boe/d)	1,705	1,700	0%

### Notes

No significant variance forecast in Natural Gas production. Oil production is down due to abandonment of the Countess well.

### Definitions

- Boe/d – barrels of oil equivalent per day with natural gas converted at 1:6 ratio.
- Oil Fields – actuals include Queenstown.

Operating Excellence	Approved Budget	Forecast	Variance
Admin Costs (\$/mcf)	\$0.46	\$0.46	0%
NG Lifting Costs (\$/mcf)	\$1.55	\$1.55	0%
Admin Costs (\$/boe)	\$2.82	\$2.82	0%
Oil Lifting Costs (\$/bbl)	\$43.64	\$43.64	0%
Abandonment Cost (\$/Site)	\$2,334	\$2,375	-2%

### Notes

No significant variances to report.

### Definitions

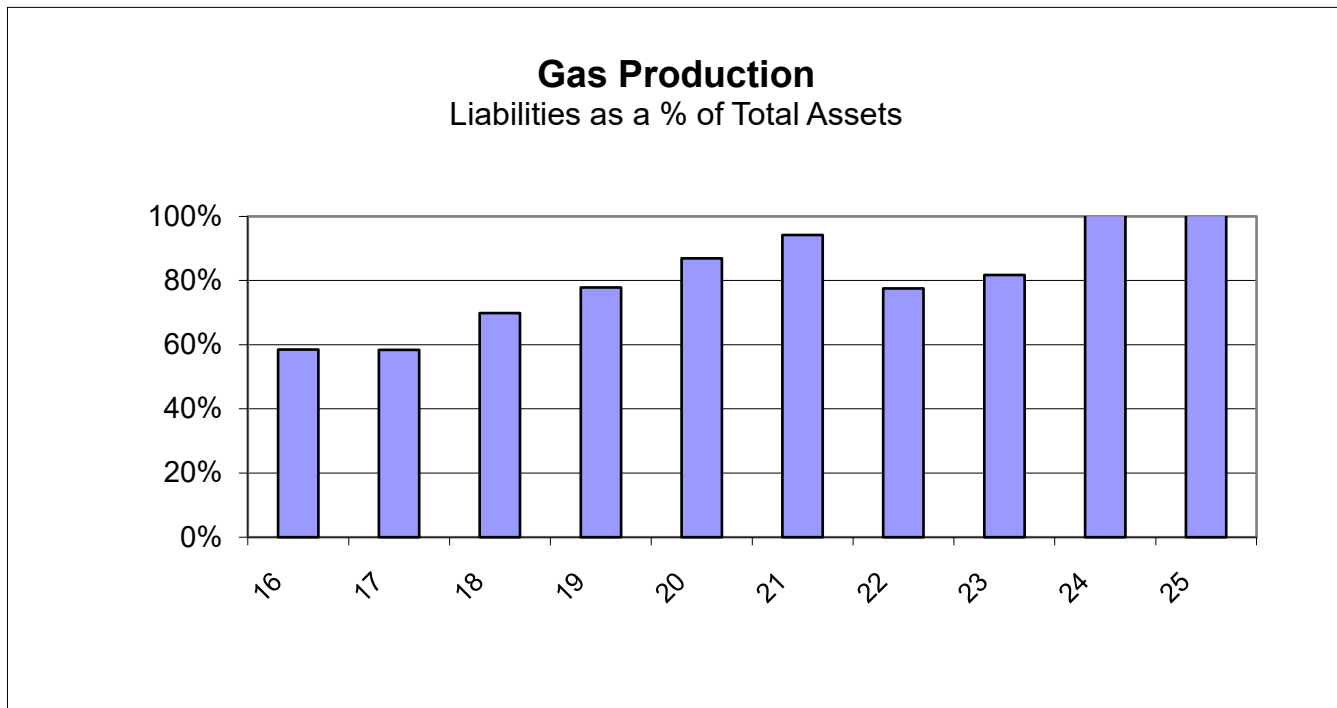
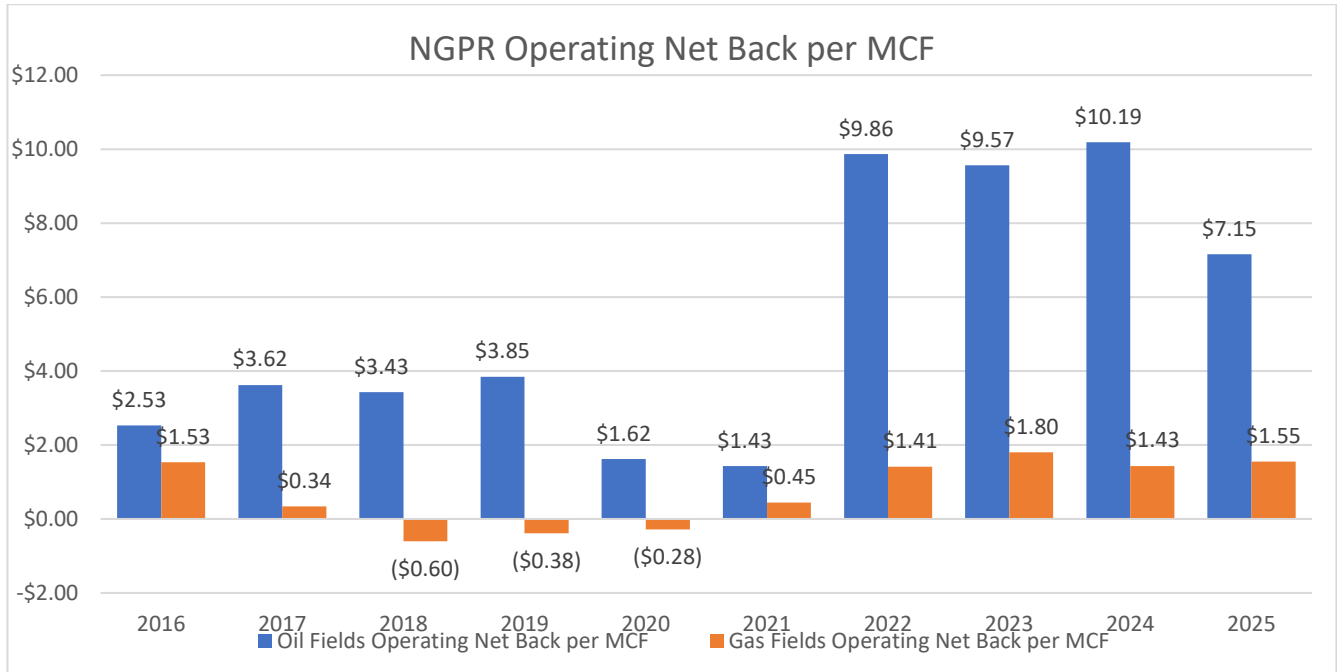
- Lifting Cost – the costs to operate/maintain wells, related equipment and facilities for oil and gas produced by the latter after the hydrocarbons have been found/acquired and developed for production.

### A & R Program T1

Reclamation Certificates	YTD
Sites to Closure	31

# ENVIRONMENT, LAND & GAS PRODUCTION - GAS

For the Period Ended April 30, 2025





# ENVIRONMENT, LAND & GAS PRODUCTION - LAND

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Sales</b>							
Residential Land Sales	\$ 3,029	\$ 1,009	\$ 1,232	\$ 223	\$ (282)	\$ 2,747	1
Commercial Land Sales	250	83	-	(83)	-	250	
<b>Total</b>	<b>3,279</b>	<b>1,092</b>	<b>1,232</b>	<b>140</b>	<b>(282)</b>	<b>2,997</b>	
<b>Cost of Sales</b>							
Residential Land Sales	2,458	819	1,123	(304)	366	2,092	1
Commercial Land Sales	521	174	-	174	-	521	2
<b>Total</b>	<b>2,979</b>	<b>993</b>	<b>1,123</b>	<b>(130)</b>	<b>366</b>	<b>2,613</b>	
<b>Gross Margin</b>	<b>300</b>	<b>100</b>	<b>109</b>	<b>9</b>	<b>84</b>	<b>384</b>	
<b>Revenue</b>							
Operations	844	289	368	79	29	873	
Other	3	1	-	(1)	-	3	
<b>Total</b>	<b>847</b>	<b>290</b>	<b>368</b>	<b>78</b>	<b>29</b>	<b>876</b>	
<b>Expenses</b>							
Administration	851	282	241	41	-	851	
Operations	250	83	32	51	-	250	
Other	130	43	21	23	-	130	
<b>Total</b>	<b>1,230</b>	<b>408</b>	<b>294</b>	<b>115</b>	<b>-</b>	<b>1,230</b>	
<b>Earnings Before Internal Cost Allocations</b>	<b>\$ (83)</b>	<b>\$ (19)</b>	<b>\$ 183</b>	<b>\$ 202</b>	<b>\$ 113</b>	<b>\$ 30</b>	
Internal Revenue	130	-	-	-	-	130	
Internal Expenses	870	828	828	-	-	870	
	<b>(740)</b>	<b>(828)</b>	<b>(828)</b>	<b>-</b>	<b>-</b>	<b>(740)</b>	
<b>Earnings Before Interest, Taxes and Amortization</b>	<b>\$ (823)</b>	<b>\$ (846)</b>	<b>\$ (645)</b>	<b>\$ 202</b>	<b>\$ 113</b>	<b>\$ (710)</b>	
Interest Expense	(4)	(4)	(4)	-	-	(4)	
Amortization	(308)	-	-	-	-	(308)	
<b>Net Earnings / (Loss)</b>	<b>\$ (1,135)</b>	<b>\$ (851)</b>	<b>\$ (649)</b>	<b>\$ 202</b>	<b>\$ 113</b>	<b>\$ (1,022)</b>	
Free Cash Flow (transfer (to)/from reserve)	(2,103)	-	-	-	2,817	714	3
<b>Net Earnings / (Loss) after Transfers</b>	<b>\$ (3,238)</b>	<b>\$ (851)</b>	<b>\$ (649)</b>	<b>\$ 202</b>	<b>\$ 2,931</b>	<b>\$ (308)</b>	

## OPERATING NOTES

1. Residential Land Sales and Cost of Sales are favourable \$223K and unfavourable -\$304K respectively. These variances are due to 12 lots being sold from January to April, equaling approximately 70% of total lot sales expected in 2025 (17 lot sales budgeted). This favourable sales variance is projected to decrease to -\$282K unfavourable at yearend due to the sales price on multiple lots being less than the budgeted average as a result of Council approved price reductions. The unfavourable cost of sales variance is projected to become \$366K favourable at yearend due to costs being based on square footage, and the projected square footage of lot sales being less than the budgeted average.
2. Commercial Cost of Sales is \$174K favourable due to there being no commercial sales to date. This variance is not projected to continue to yearend as Commercial Land Sales are projected to be on budget.
3. Free Cash Flow (transfer (to)/from reserve) is projected to be \$2,817K favourable at yearend as a result of additional cash flow required to sustain operations.

# ENVIRONMENT, LAND & GAS PRODUCTION - LAND

For the Period Ended April 30, 2025

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Continuation of single-family residential lot sales in Saamis 7, Ranchlands, and Southlands to multiple builders.
- Continuation of the review of leased City-owned lands to align with current market conditions and bringing lease agreements up to date.
- Real Estate Purchase Contracts entered into for:
  - a multi-family property, the purchaser is progressing on their conditions precedent.
  - land, the purchaser is advancing on their due diligence and conditions precedent.
  - a former City owned commercial building, the purchaser is advancing on their due diligence and conditions precedent.
- The Land Strategy draft is complete, includes feedback and input from internal departments and external stakeholders, advancing to Council by end of Q2.
- Promotion and marketing of existing land inventory through targeted online marketing efforts for multi-family properties and commercial land at the Airport.

### Planned Next Four Months

- Advancing marketing efforts of commercial land, multi-family land, and infill properties.
- Begin implementing initiatives from the Land Strategy, prioritize bringing forward to Council an update to policy.
- Continue supporting internal City departments for utility right of way registrations, land registration clean-up, and future land requirements.
- Support land donation requests through the Capital Grant Process.
- Finish winter maintenance on land inventory, transition to summer maintenance and weed management program.

## Report on Business Plan Goals

### Land Strategy

Lead in the creation and implementation of an overarching land strategy to inform acquisition, development, management, marketing and selling of City owned land inventory. The land strategy is to provide overarching guidance to effectively manage and optimize the City's land asset and will include a focus on sustainability through an underutilized land development strategy. Underutilized land redevelopment encourages infill development, environmental remediation, and community revitalization which in turn, establishes a larger municipal tax base and increases utilization of municipal infrastructure. Redeveloped underutilized lands are often more attractive, have higher property values, present less risk of environmental harm to adjacent properties, and contribute to the economic, environmental, and social health of the community.

### PROGRESS

1. The Land Strategy has been drafted with extensive inputs and data through a Real Estate Gap Analysis and Underutilized Land Analysis. This work included market sounding to developers and builders, locally and from across western Canada, as well as feedback from internal departments. The Strategy is guided by 4 principles: data driven decision making, collaboration and a strategic focus, economic, environmental and social, and customer service and operational excellence. It intends to strike a balance in fulfilling the departments dual mandate of (1) land and real estate portfolio management services, and (2) land development, marketing, and sales. The Strategy will be brought to a Council Committee of the Whole Session for feedback and Council input, before being accepted as information.

# ENVIRONMENT, LAND AND GAS PRODUCTION – TAX SUPPORTED

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Environmental Strategy Administration	\$ 398	\$ 109	\$ 180	\$ 71	\$ 71	\$ 469	1
	<b>398</b>	<b>109</b>	<b>180</b>	<b>71</b>	<b>71</b>	<b>469</b>	
<b>Expenses</b>							
Environmental Strategy & Compliance	921	302	306	(4)	14	907	
Land & Properties	388	127	137	(10)	26	362	
Environmental Strategy Administration	1,213	379	266	113	(37)	1,250	2
	<b>2,522</b>	<b>808</b>	<b>709</b>	<b>99</b>	<b>3</b>	<b>2,519</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(2,124)</b>	<b>(699)</b>	<b>(529)</b>	<b>170</b>	<b>74</b>	<b>(2,050)</b>	
Internal Revenue	1,449	1,449	1,449	-	-	1,449	
Internal Expenses	367	363	366	(3)	-	367	
	<b>1,082</b>	<b>1,086</b>	<b>1,083</b>	<b>(3)</b>	<b>-</b>	<b>1,082</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(1,042)</b>	<b>387</b>	<b>554</b>	<b>167</b>	<b>74</b>	<b>(968)</b>	
Transfer to One-time Expenses and Initiatives	(325)	-	-	-	-	(325)	
Transfer from Reserves (revenue)	100	-	-	-	-	100	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (1,267)</b>	<b>\$ 387</b>	<b>\$ 554</b>	<b>\$ 167</b>	<b>\$ 74</b>	<b>\$ (1,193)</b>	
<b>Net Surplus (Deficit)</b>	<b>\$ (1,267)</b>	<b>\$ 387</b>	<b>\$ 554</b>	<b>\$ 167</b>	<b>\$ 74</b>	<b>\$ (1,193)</b>	

## OPERATING NOTES

1. Environment Strategy Administration revenue is \$71K favourable due to higher than budgeted Energy Conservation Charges through the Hat Smart program. This favourable variance is expected to continue to yearend.
2. Environment Strategy Administration expenses are \$113K favourable due to lower than budgeted Hat Smart expenses as a result of a majority of 2025 applications to date not yet being processed (\$86K) and lower than budgeted contaminated sites spending, due to invoicing not yet being completed for 2025 activity (\$35K), offset by early renewal of Fieldshare software (-\$26K). This favourable variance is projected to decrease to -\$37K unfavourable at yearend due to contaminated sites invoices that should have been accrued in 2024, carrying into 2025.

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Completed the Environmental Framework Implementation Plan.
- Transitioned HatSmart program to Environmental Strategy & Compliance (EnvSC) for execution and management with centralized efficiencies in management of the City's Clean Energy Improvement Program.
- Continued environmental site assessments as part of the City's contaminated site management program.
- Continued to support operating departments with technical environmental advice and consultant management on construction projects, operational issues, development applications and land and property transactions.
- Applied for grant funding for the City's Water Management Strategy project.

### Planned Next Four Months

- Implementation workshop for select department representatives for the Net Zero Communities Accelerator Program, identifying Key Performance Indicators (KPIs).
- Final presentation to City departments for Environmental Framework Implementation Plan and reporting obligations.
- Continue corporate environmental support for projects and operations and conduct site visits during construction season.

# ENVIRONMENT, LAND AND GAS PRODUCTION – TAX SUPPORTED

For the Period Ended April 30, 2025

## Report on Business Plan Goals

<b>Environmental Leadership</b>  The team will drive formalization of corporate environmental processes and strategies (towards creation of an environmental management system) and lead the implementation of a strategic Environmental Framework that will serve as a cohesive overarching strategy to provide guidance on integrating wise resource management into City programs and policies with greater depth and intention while reducing the City’s vulnerability to future environmental changes in the face of increasing climate uncertainty.  Demonstrating commitment to the environment can help attract business, employees and other new residents stimulating the local economy and contributing positively to quality of life. Facilitating efficient and effective decision making with clear environmental objectives will improve City operations.  Fostering stakeholder engagement and providing environmental strategies and actions into area redevelopment plans and City policies will increase community vibrancy.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Environmental Strategy &amp; Compliance has submitted an application for grant funding to support the City’s Water Management Strategy as part of the actions of the Environmental Framework.</li><li>2. The Implementation Plan of the Environmental Framework has been completed and includes templates for reporting on department-specific action items.</li><li>3. The City’s Home Improvement Program management and administration has been centralized in Environmental Strategy &amp; Compliance.</li><li>4. Environmental Strategy &amp; Compliance continues to oversee the Remediation and Reclamation program for submission of Reclamation Certificate Applications.</li></ol>
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# ENERGY MARKETING & BUSINESS ANALYSIS

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Expenses</b>							
Energy Marketing & Business Analysis	\$ 2,202	\$ 727	\$ 487	\$ 240	\$ 200	\$ 2,002	1
	<u>2,202</u>	<u>727</u>	<u>487</u>	<u>240</u>	<u>200</u>	<u>2,002</u>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(2,202)</b>	<b>(727)</b>	<b>(487)</b>	<b>240</b>	<b>200</b>	<b>(2,002)</b>	
Internal Revenue	2,200	733	489	(244)	(198)	2,002	2
Internal Expenses	272	263	262	1	-	272	
	<u>1,928</u>	<u>470</u>	<u>227</u>	<u>(243)</u>	<u>(198)</u>	<u>1,730</u>	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (274)</b>	<b>\$ (257)</b>	<b>\$ (260)</b>	<b>\$ (3)</b>	<b>\$ 2</b>	<b>\$ (272)</b>	

## OPERATING NOTES

- Energy Marketing & Business Analysis Expenses are \$240K favourable due to lower than budgeted contracted services related to unutilized consulting fees to date (\$122K) and less than budgeted salaries due to positional vacancies (\$90K). At yearend, expenses are forecasted to be \$200K favourable due to savings from current positional vacancies.
- Internal Revenue is -\$244K unfavourable due to lower recoveries on reduced expenses. At yearend, revenue is forecasted to be -\$198K unfavourable due to lower required recoveries on under budget expenses.

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Saamis Solar project management and analysis.
- Rate Class review analysis for council motion.
- Attended Restructured Energy Market (REM) finalizations sessions.
- Preparation and analysis for Municipal Controlled Corporation (MCC) and Rate Review Committee (RRC) next steps.

### Planned Next Four Months

- Continued work on the Saamis solar project.
- Participation in the detailed market design sessions for the REM.
- Continued work on the MCC and RRC.

# ENERGY MARKETING & BUSINESS ANALYSIS

For the Period Ended April 30, 2025

## Report on Business Plan Goals

<b>Energy Transition</b>  In support of the division, Energy Marketing and Business Analysis will recommend, and as applicable, deliver a balanced approach to energy transformation that considers carbon risk and mitigation while continuing to maintain competitive retail pricing options in the delivery of reliable energy supply.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Continue to work to a final investment decision for Saamis Solar.</li><li>2. On going work with business attraction that require large utility services.</li></ol>
<b>Support Strategic Decision Making</b>  The team will drive new value as a business partner by contributing credible analysis that informs strategic decision making related to the Energy, Land and Environment's division, and by supporting the corporate strategic planning process for an aligned corporate direction.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Conduct detailed analysis on Gas Production business options and asset retirement obligations.</li><li>2. Revised economic model for Land and Environment to assist in decision making.</li></ol>
<b>Asset Optimization</b>  In support of the division, Energy Marketing and Business Analysis will look to drive value through asset optimization strategies. The group will utilize quantitative analysis to find areas where there is potential for the City to achieve increased value or reduced cost. As well as a focus on understanding business risks and alternative/innovative solutions for the benefit of the organization and community.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Continue working with the Alberta Electric Systems Operators (AESO) on transmission constraint rebalancing dispatches.</li><li>2. Review adjusted bidding strategy for start up cost.</li></ol>

# ENVIRONMENTAL UTILITIES – WATER

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Property Taxes	\$ 114	\$ -	\$ -	\$ -	\$ -	\$ 114	
Administration	27,772	6,995	7,025	30	-	27,772	
Operations	149	50	1	(49)	-	149	
<b>Total</b>	<b>28,035</b>	<b>7,044</b>	<b>7,026</b>	<b>(19)</b>	<b>-</b>	<b>28,035</b>	
<b>Expenses</b>							
Administration	2,752	878	670	207	207	2,545	1
Operations	6,466	2,167	1,921	247	264	6,202	2
Engineering	809	266	248	19	-	809	
Maintenance	1,039	340	270	70	(537)	1,576	3
<b>Total</b>	<b>11,065</b>	<b>3,652</b>	<b>3,109</b>	<b>543</b>	<b>(66)</b>	<b>11,131</b>	
<b>Earnings Before Internal Cost Allocations</b>	<b>\$ 16,970</b>	<b>\$ 3,392</b>	<b>\$ 3,917</b>	<b>\$ 524</b>	<b>\$ (66)</b>	<b>\$ 16,904</b>	
Internal Revenue	2,689	684	592	(92)	(92)	2,597	
Internal Expenses	6,792	4,028	3,890	138	138	6,654	4
	<b>(4,104)</b>	<b>(3,344)</b>	<b>(3,298)</b>	<b>46</b>	<b>46</b>	<b>(4,058)</b>	
<b>Earnings Before Interest, Taxes and Amortization</b>	<b>\$ 12,866</b>	<b>\$ 48</b>	<b>\$ 618</b>	<b>\$ 570</b>	<b>\$ (20)</b>	<b>\$ 12,846</b>	
Interest Expense	(3,091)	(3,091)	(2,835)	256	256	(2,835)	5
Amortization	(5,777)	-	-	-	-	(5,777)	
Accretion of Asset Retirement Obligations	(3)	-	-	-	-	(3)	
<b>Net Earnings / (Loss)</b>	<b>\$ 3,995</b>	<b>\$ (3,043)</b>	<b>\$ (2,217)</b>	<b>\$ 826</b>	<b>\$ 236</b>	<b>\$ 4,231</b>	
Free Cash Flow (transfer (to)/from reserve)	1,000	-	-	-	1,317	2,317	6
Transfer to One-time Expenses and Initiatives	(705)	-	-	-	-	(705)	
Transfer to Capital	(3,215)	-	-	-	-	(3,215)	
<b>Net Earnings / (Loss) after Transfers</b>	<b>\$ 1,075</b>	<b>\$ (3,043)</b>	<b>\$ (2,217)</b>	<b>\$ 826</b>	<b>\$ 1,553</b>	<b>\$ 2,628</b>	

## OPERATING NOTES

- Administration expenses are \$207K favourable mainly due to staff vacancies. Recruitments are ongoing but the year to date variance will carry through to yearend.
- Operations expenses are \$247K favourable due to cost savings related to chemicals by using a different vendor (\$260K), less operating costs than expected related to a 5 month delay in commissioning of the residuals handling facility (\$215K), offset by an unfavourable wage variance due to more staff coding to water than sewer as a result of unexpected issues in the distribution system (-\$270K). These variances will continue to yearend and increase slightly as a result of the delay of the residuals handling facility.
- Maintenance expenses are projected to be -\$537K unfavourable due to a clarifier currently out of service. Different options are being considered to reduce this unbudgeted cost as much as possible. Other areas of spending will also be limited where possible to help offset this unfavourable variance.
- Internal Expenses are \$138K favourable mainly due to lower than expected utilities because of less usage. This variance is expected to carry through to yearend.
- Interest expense is \$256K favourable due to timing of prior years capital expenses and related borrowings. This variance will continue to yearend.
- Free Cash Flow (transfer (to)/from reserve) is projected to be \$1.3M favourable at yearend as a result of additional cash flow required to sustain operations.



# ENVIRONMENTAL UTILITIES – SEWER

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Property Taxes	\$ 114	\$ -	\$ -	\$ -	\$ -	\$ 114	
Administration	25,079	8,036	8,158	122	-	25,079	1
Operations	31	10	46	36	-	31	
<b>Total</b>	<b>25,224</b>	<b>8,047</b>	<b>8,204</b>	<b>158</b>	<b>-</b>	<b>25,224</b>	
<b>Expenses</b>							
Administration	1,039	332	209	123	123	916	2
Operations	4,796	1,621	1,300	320	320	4,476	3
Engineering	765	251	265	(15)	-	765	
Maintenance	1,182	392	391	1	(110)	1,292	4
<b>Total</b>	<b>7,782</b>	<b>2,595</b>	<b>2,165</b>	<b>430</b>	<b>333</b>	<b>7,449</b>	
<b>Earnings Before Internal Cost Allocations</b>	<b>\$ 17,442</b>	<b>\$ 5,451</b>	<b>\$ 6,039</b>	<b>\$ 588</b>	<b>\$ 333</b>	<b>\$ 17,775</b>	
Internal Revenue	-	-	(1)	(1)	-	-	
Internal Expenses	5,414	3,120	3,085	34	-	5,414	
	<b>(5,414)</b>	<b>(3,120)</b>	<b>(3,086)</b>	<b>34</b>	<b>-</b>	<b>(5,414)</b>	
<b>Earnings Before Interest, Taxes and Amortization</b>	<b>\$ 12,028</b>	<b>\$ 2,332</b>	<b>\$ 2,954</b>	<b>\$ 621</b>	<b>\$ 333</b>	<b>\$ 12,361</b>	
Interest Expense	(3,381)	(3,381)	(3,001)	379	379	(3,002)	5
Amortization	(4,766)	-	-	-	-	(4,766)	
Accretion of Asset Retirement Obligations	(1)	-	-	-	-	(1)	
<b>Net Earnings / (Loss)</b>	<b>\$ 3,880</b>	<b>\$ (1,049)</b>	<b>\$ (48)</b>	<b>\$ 1,001</b>	<b>\$ 712</b>	<b>\$ 4,592</b>	
Free Cash Flow (transfer (to)/from reserve)	1,396	-	-	-	(829)	567	6
Transfer to Capital	(4,482)	-	-	-	-	(4,482)	
Transfer from Reserves (revenue)	-	-	1	1	1	(1)	
<b>Net Earnings / (Loss) after Transfers</b>	<b>\$ 794</b>	<b>\$ (1,049)</b>	<b>\$ (46)</b>	<b>\$ 1,002</b>	<b>\$ (116)</b>	<b>\$ 675</b>	

## OPERATING NOTES

- Administration revenue is \$122K favourable mainly due to timing of an accrual reversal (\$75K) and higher than expected commercial sewer volumes (\$66K). Increased commercial sewer volumes are not expected to continue and the accrual will be reversed in May, resulting in no variance projected to yearend.
- Administration expenses are \$123K favourable because of more staff time coded to water than budgeted, in consequence of unexpected issues in the distribution system. This variance will continue to yearend.
- Operations expenses are \$320K favourable mainly due to more staff time coded to water than budgeted as a result of unexpected issues in the distribution system (\$146K), reduced material costs as a result of cancelled contracts (\$102K), and staff vacancies (\$60K). This variance is expected to carry through to yearend as recruitments are on going for vacancies.
- Maintenance expenses are projected to be -\$110K unfavourable by yearend due to unbudgeted repairs. Other areas of spending will be limited where possible to help offset this unfavourable variance.
- Interest expense is \$379K favourable due to timing of prior years capital expenses and related borrowings. This variance will continue to yearend.
- Free Cash Flow (transfer (to)/from reserve) is projected to be -\$829K unfavourable at yearend as a result of less cash flow required to sustain operations.

# ENVIRONMENTAL UTILITIES – SOLID WASTE

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Residential Tipping Fee	\$ 417	\$ 106	\$ 108	\$ 2	\$ -	\$ 417	
Administration	650	-	-	-	-	650	
Operations	8,754	3,057	3,926	870	870	9,624	1
<b>Total</b>	<b>9,822</b>	<b>3,163</b>	<b>4,034</b>	<b>872</b>	<b>870</b>	<b>10,691</b>	
<b>Expenses</b>							
Administration	686	237	188	49	-	686	
Operations	3,948	1,616	1,668	(52)	-	3,948	
<b>Total</b>	<b>4,634</b>	<b>1,853</b>	<b>1,855</b>	<b>(3)</b>	<b>-</b>	<b>4,634</b>	
<b>Earnings Before Internal Cost Allocations</b>	<b>\$ 5,188</b>	<b>\$ 1,310</b>	<b>\$ 2,179</b>	<b>\$ 869</b>	<b>\$ 870</b>	<b>\$ 6,058</b>	
Internal Revenue	2,864	817	919	102	102	2,966	2
Internal Expenses	5,755	2,702	2,442	260	260	5,495	3
	<b>(2,891)</b>	<b>(1,884)</b>	<b>(1,523)</b>	<b>361</b>	<b>362</b>	<b>(2,529)</b>	
<b>Earnings Before Interest, Taxes and Amortization</b>	<b>\$ 2,297</b>	<b>\$ (574)</b>	<b>\$ 656</b>	<b>\$ 1,230</b>	<b>\$ 1,232</b>	<b>\$ 3,529</b>	
Interest Expense	(35)	(35)	(35)	-	-	(35)	
Amortization	(1,022)	-	-	-	-	(1,022)	
Accretion of Asset Retirement Obligations	(331)	-	-	-	-	(331)	
<b>Net Earnings / (Loss)</b>	<b>\$ 909</b>	<b>\$ (609)</b>	<b>\$ 622</b>	<b>\$ 1,230</b>	<b>\$ 1,232</b>	<b>\$ 2,140</b>	
Free Cash Flow (transfer (to)/from reserve)	(1,934)	-	-	-	(1,231)	(3,165)	4
Transfer to Capital	(130)	-	-	-	-	(130)	
<b>Net Earnings / (Loss) after Transfers</b>	<b>\$ (1,155)</b>	<b>\$ (609)</b>	<b>\$ 622</b>	<b>\$ 1,230</b>	<b>\$ -</b>	<b>\$ (1,155)</b>	

## OPERATING NOTES

- Operations revenue is \$870K favourable due to proceeds from the sale of recycling carts (\$576K), higher than budgeted revenue due to increased sump waste volumes from highway construction projects (\$162K), and increased recycling revenue related to the implementation of the new extended producer responsibility program (\$125K). These variances will carry through to yearend.
- Internal revenue is \$102K favourable due to increased landfill charges from other city departments. This variance is expected to continue to yearend.
- Internal expenses are \$260K favourable mainly due to lower than budgeted fleet expenses due to new equipment not yet received. This variance is expected to carry through to yearend.
- Free Cash Flow (transfer (to)/from reserve) is projected to be -\$1.2M unfavourable at yearend as a result of less cash flow required to sustain operations.

# ENVIRONMENTAL UTILITIES – WATER, SEWER & SOLID WASTE

For the Period Ended April 30, 2025

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Waste Water Treatment Plant (WWTP) belt press #2 rollers replaced and rusted frame repaired.
- Repair at Northwest Booster Station – 900mm coupler removed due to leak.
- Completed ninety-seven frozen water service calls.
- Repaired and abandoned concerning 350mm water main in rear alley Downtown.
- Fabric storage and screening tent from food waste pilot grant is complete with overhead doors and operational.
- Biosolid pad has be re-graded for proper drainage of leachate and storm water.
- Used oil tank grant project completed and documentation submitted to Alberta Recycling Management Authority (ARMA) for funding.
- Extended Producer responsibility (EPR) transition commencing April 1, 2025, has been a smooth transition with no service delays or operational issues.
- Free compost days have been very popular with residents with over three hundred attending each event giving away 15,000kgs.

### Planned Next Four Months

- Water Treatment Plant (WTP) fan coil unit motor replaced.
- WTP Residuals Plant commissioning and process optimization.
- Commission and return to service Southwest Agro lift station.
- Begin Southridge reservoir upgrade – internal mechanical.
- Continue security upgrade at Environmental Utilities satellite locations.
- Currently in the process of getting the new water well at landfill licenced with Alberta Environment and Parks (AEP).
- Currently working with consultant and AEP to resubmit 10-year Waste Management Facility (WMF) licence approval.
- Currently performing street teams (contamination audits) on yard wase carts set out for collection.
- Currently working with consultant on 2023/2024 carbon credit workplan and still seeking extension on program.

# ENVIRONMENTAL UTILITIES – WATER, SEWER & SOLID WASTE

For the Period Ended April 30, 2025

## Report on Business Plan Goals

<b>Financial &amp; Environmental Responsibility</b>  To provide safe, reliable, and effective water treatment and distribution, wastewater treatment and collection, and waste management systems in a financially & environmentally responsible manner. Ensure compliance with all municipal, provincial, and federal standards and regulations.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>Operational teams have been working with Engineering teams to collaborate and complete smaller scale projects in house. Several of these projects are underway currently.</li><li>On April 1, 2025, the City transferred the responsibility of recycling to Circular Materials as part of the Extended Producer Responsibility program provincially. Circular Materials has contracted GFL Environmental as their contractor for the City of Medicine Hat (same vendor the City has had operating the current recycling program).  City of Medicine Hat rate payers no longer have to pay for the residential recycling fee on their utility bills.  The City was also able to sell the blue cart inventory to GFL for \$576K.</li><li>H2S gas in sewage lift stations solutions:  City of Medicine Hat Wastewater Lift Stations face many challenges. Two locations specifically, Southlands Lift and Southwest Sector (Desert Blume) contain operational circumstances which create higher levels of H2S which contribute to deterioration of infrastructure along with increased odour issues. Due to collection area and geographical location of stations, elevational differences in force mains (which transfer waste material) contribute to the environment which helps create the H2S gas.  In previous years, staff had applied different methods to manage these issues, mainly by adding potable water to lift station wet wells to dilute waste material and create expediated pump cycle times. This method was found inefficient as concerning hazardous levels were not decreasing, there were additional operational costs to pumps and motors, and increased costs related to wasted usage of treated potable water. This would become very inefficient in times of water shortage management plan implementation.  Through current working teams including EU Engineering, EU Millwrights, and Field Operations staff, it has been identified that a specialized product dosage is required to assist in lowering harmful levels of H2S gas in conjunction with maintaining odour for residents and business owners. The goal was to find the most efficient and cost-effective method to manage this ongoing situation which has produced both operational and financial benefits.</li></ol>
<b>Risk-Based Asset Management</b>  We are dedicated to risk control through the assessment, management, operations of our facilities, and maintenance practices.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>Completed tendering and award for construction of several major capital projects.</li><li>Sanitary sewer mains flushing program has commenced for 2025. Continuous maintenance and evaluation of infrastructure enables sound decision making for prioritizing capital replacement projects.</li><li>Fire hydrant flushing program has commenced for 2025. Continuous maintenance and evaluation of infrastructure enables sound decision making for prioritizing capital replacement projects.</li></ol>

# ENVIRONMENTAL UTILITIES – WATER, SEWER & SOLID WASTE

For the Period Ended April 30, 2025

## Operational Excellence Through Continuous Improvement

Through positive leadership, continuous improvement, meticulous planning, and effective stakeholder communication, we manage and operate municipal utility infrastructure to provide reliable services for the current and future needs of the community and the environment.

## PROGRESS

1. Completed tendering and award for construction of several major capital projects. Upon completion, this infrastructure will help in reliability for current and future generations of ratepayers.
2. Harlow Interconnect project:  
Environmental Utilities identified a need to improve water supply to the north side of the river. The existing larger diameter main upstream of the Trans Canada Highway (TCH) Bridge is of uncertain condition and the department plans to undertake a condition assessment in a future budget cycle. The existing 900 mm diameter main from the Harlow area to the north side is fed by a smaller diameter main that is not able to provide a fully redundant supply to the north side in the event of a problem with the transmission main upstream of TCH bridge. In order to improve feed to the Harlow crossing, EU plans to install a large-diameter water transmission main from 1 St. SW to Harlow.  
EU continuously seeks opportunities to collaborate with other departments and communicates plans for capital projects early in the design phase. Initially EU's plan was to install the water main via trenchless methods to reduce the disturbance to the area. However, due to poor soil conditions in the area, trenchless methods are not possible. Once EU identified that open cut would be required and that there would be much more disturbance through the park area, Parks and Recreation (PKRC) decided to take advantage of the opportunity to improve amenities in the area and replace an irrigation system that was in poor condition. PKRC led a public engagement process to seek feedback on proposed improvements to Harlow and Noble parks and to inform residents of the upcoming construction. Utility Distribution Systems – Gas Distribution also saw an opportunity to once again collaborate with EU and upgrade gas infrastructure as part of the larger water main installation project. EU and Utility Distribution Systems – Gas Distribution have successfully collaborated on several projects in the past.

# MUNICIPAL WORKS

## For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Surface Operations	\$ 45	\$ 15	\$ 31	\$ 16	\$ -	45	
	<b>45</b>	<b>15</b>	<b>31</b>	<b>16</b>	<b>-</b>	<b>45</b>	
<b>Expenses</b>							
Administration	682	176	163	13	-	682	
MW Engineering	1,982	523	476	47	-	1,982	
Surface Operations	6,443	1,739	1,638	101	-	6,443	1
	<b>9,107</b>	<b>2,438</b>	<b>2,277</b>	<b>161</b>	<b>-</b>	<b>9,107</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(9,062)</b>	<b>(2,423)</b>	<b>(2,246)</b>	<b>177</b>	<b>-</b>	<b>(9,062)</b>	
Internal Revenue	130	-	2	2	-	130	
Internal Expenses	4,775	2,799	2,852	(53)	-	4,775	2
	<b>(4,645)</b>	<b>(2,799)</b>	<b>(2,850)</b>	<b>(51)</b>	<b>-</b>	<b>(4,645)</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(13,707)</b>	<b>(5,222)</b>	<b>(5,096)</b>	<b>126</b>	<b>-</b>	<b>(13,707)</b>	
Interest Expense	(296)	(296)	(354)	(58)	(58)	(354)	3
Principal	(863)	(863)	(936)	(73)	(73)	(936)	3
Transfer to One-time Expenses and Initiatives	(849)	-	-	-	-	(849)	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (15,715)</b>	<b>\$ (6,381)</b>	<b>\$ (6,386)</b>	<b>\$ (5)</b>	<b>\$ (131)</b>	<b>\$ (15,846)</b>	
Amortization	(15,654)	-	-	-	-	(15,654)	
<b>Net Surplus (Deficit)</b>	<b>\$ (31,369)</b>	<b>\$ (6,381)</b>	<b>\$ (6,386)</b>	<b>\$ (5)</b>	<b>\$ (131)</b>	<b>\$ (31,500)</b>	

### OPERATING NOTES

- Surface Operations expenses are \$101K favourable due to vacancies (\$81K), reduced spending on contracted services (\$66K) and materials (\$51K). This is due to operational activities (snow and ice control (SNIC), pothole repair, street sweeping) primarily delivered internally in the first third of the year. These favourable variances are offset by higher than budgeted overtime (-\$91K) related to SNIC activities. It is projected that this favourable variance will be eliminated by yearend and the budget will be fully expended as summer construction work ramps up in June with external services and seasonal workers.
- Internal expenses are -\$53K unfavourable due to higher than budgeted fleet lease, maintenance, fuel and repair work (-\$50K) and higher than budgeted landfill usage in the first third of the year (-\$15K). These additional expenses are offset by additional recoveries in equipment and gravel use (\$11K). It is projected that this unfavourable variance will be eliminated by yearend as leases expire on various pieces of equipment.
- Interest Expense is -\$58K unfavourable and Principal is -\$73K unfavourable, both due to the timing of prior years capital expenses and related borrowings. This variance will continue to yearend.

# MUNICIPAL WORKS

## For the Period Ended April 30, 2025

### OPERATING HIGHLIGHTS

#### Completed Last Four Months

- Ongoing winter operations, commencement of spring street sweeping program as well as spring maintenance activities including drainage management and asphalt repairs.
- Continuation of engineering design for 2025/2026 TCA projects.
- Initiate 3rd street NW/NE roadway redesign, public consultation and engineering.
- Developed and presented draft Transportation Master Plan (TMP), Transportation Safety Strategy (TSS), and Active Transportation Strategy (ATS) to stakeholders and at public open houses.
- Completion of the planning, inspections, training, and preparations for a potential 2025 river/creek flood event.
- Continuation of stormwater outfall regulatory requirement review and initiation of recommended actions.
- Supported Phase 2 of the corporate service level catalogue development.
- Evaluate operating needs and continue to complete recruitments to fill vacancies and strengthen delivery of operations.

#### Planned Next Four Months

- Completion of spring sweeping program and the initiation of asphalt rehabilitation, overlay, lane grading, concrete repairs, storm, and bridge maintenance.
- Complete recruitments to fill vacancies and strengthen delivery of operations.
- Continue to support corporate priorities such as level of service catalogue.
- Adoption and implementation of TMP, TSS, and ATS action items according to recommended priorities.
- Complete and/or commence engineering design for 2025/2026 TCA projects and for future years.
- Commence Transportation and Stormwater infrastructure renewal projects as part of 2025 capital construction works, Division Avenue S Upgrade, Streetlight/Traffic light Infrastructure upgrade and Bridge Maintenance Program.

## Report on Business Plan Goals

### Safety

Maintain a strong commitment to the Health and Safety of employees, partners, contractors, and residents. Being safe is personal and it is reflected in the decisions made, the actions taken, and it is front of mind every day. The Department exercises safe practices to meet legislative and Occupational Health and Safety regulatory requirements and to ensure everyone goes home safe. It is recognized that efficient health and safety programs promote operational efficiency and lead to a reduction of costs associated with workplace incidents and injuries.

### PROGRESS

1. Health and safety refresher training was completed, preparing crews for summer operations.
2. Ongoing Joint Worksite Health and Safety Committee meetings scheduled throughout 2025 with Director attendance. Quarterly departmental Health and Safety meetings scheduled. Q1 meeting attended by Development and Infrastructure Managing Director.
3. MWD Management Team completing periodic worksite safety inspections.
4. Meeting with contractors was completed to refresh City requirements on construction projects.



# MUNICIPAL WORKS

For the Period Ended April 30, 2025

<p><b>Infrastructure Operations &amp; Maintenance</b></p> <p>MWD oversees the City’s comprehensive transportation network, which includes roads, sidewalks, bridges, street lighting, and traffic signals. Additionally, the City diligently maintains and operates its storm management system, adhering to industry best practices and meeting regulatory requirements. Continue the informed, effective, and efficient operation and maintenance of this critical infrastructure.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Collaborated with the Corporate Planning and Performance (CPP) team to establish MWD’s component of the corporate Community Service Standard Catalog.</li> <li>2. Continued with established inspection programs for transportation and storm management infrastructure, i.e. Road Matrix, Sidewalk assessment Program.</li> <li>3. Continue to expand the use of Cityworks with additional workflows.</li> <li>4. Development of specifications and procurement plan with Fleet to secure new operational equipment to improve patching capabilities and efficiencies.</li> <li>5. Collaborated with Parks and Recreation (PKRC) to develop an operational efficiencies pilot program where each department will assume operations of infrastructure with a goal of more efficient operations, e.g. Roads – MWD, Trails – PKRC.</li> </ol>
<p><b>Asset Management</b></p> <p>MWD plays a critical role in risk-based asset management of transportation and stormwater related assets. The department adheres to industry best practices for managing stormwater and multi-modal transportation within the City’s transportation network. MWD staff diligently perform maintenance and management tasks, extending the lifespan of assets and ensuring safe operation. MWD is committed to optimizing available funds to maintain the existing infrastructure and communicate the health of the assets.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Continue to expand the use of Cityworks with additional workflows.</li> <li>2. 2025 capital projects including Division Ave S, 6th Ave SE, and 3rd Ave SE storm project were started.</li> <li>3. MWD Operations staff attended a Canadian benchmarking conference.</li> <li>4. MWD Engineering started developing a more robust storm infrastructure inspection program.</li> <li>5. Collaborating with Environmental Management to complete the City’s Public Lands Act requirements for the City’s storm outfalls.</li> <li>6. Collaborated with the CPP team to establish MWD’s component of the corporate Community Service Standard Catalog.</li> </ol>
<p><b>Innovative Transportation Network Management</b></p> <p>MWD employs a strategic, multi-dimensional approach to oversee MWD infrastructure. The department focuses on several key areas: sustainable infrastructure and network planning, traffic demand management, multi-modal transportation, new development support and road safety planning. Through innovation and emerging technologies, MWD aims to enhance safety, efficiency, reliability, and sustainability while minimizing environmental impact. The department actively listens to community feedback and strives to engineer solutions that meet the diverse needs of the community.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. TMP, ATS, and TSS were presented to Council Committee of the Whole in April and anticipated to be adopted in May, with implementation of actions to follow.</li> <li>2. Continued to collaborate with Corporate Communications in developing innovative communication strategies, e.g. Shape Your City, open houses, targeted letter drop to area residents, animated flyover videos of proposed projects, etc.</li> <li>3. Continue to gather public feedback on future project designs and issues through project-dedicated City webpage links, e.g. 3<sup>rd</sup> Street N Corridor Design.</li> <li>4. Plan to complete the mini-roundabout pilot project on 8<sup>th</sup> Street SE and establish a pilot monitoring program to gauge the effectiveness.</li> <li>5. MWD Management continues to encourage staff to seek training opportunities.</li> </ol>

# AIRPORT

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Airport	\$ 695	\$ 232	\$ 239	\$ 7	\$ -	\$ 695	
	<b>695</b>	<b>232</b>	<b>239</b>	<b>7</b>	<b>-</b>	<b>695</b>	
<b>Expenses</b>							
Airport	1,293	406	341	65	25	1,318	1
	<b>1,293</b>	<b>406</b>	<b>341</b>	<b>65</b>	<b>25</b>	<b>1,318</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(598)</b>	<b>(174)</b>	<b>(102)</b>	<b>72</b>	<b>25</b>	<b>(623)</b>	
Internal Expenses	758	590	604	(14)	-	758	
	<b>(758)</b>	<b>(590)</b>	<b>(604)</b>	<b>(14)</b>	<b>-</b>	<b>(758)</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(1,356)</b>	<b>(764)</b>	<b>(706)</b>	<b>58</b>	<b>25</b>	<b>(1,381)</b>	
Interest Expense	(84)	(84)	(84)	-	-	(84)	
Principal	(305)	(305)	(305)	-	-	(305)	
Transfer to One-time Expenses and Initiatives	(40)	-	-	-	-	(40)	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (1,785)</b>	<b>\$ (1,153)</b>	<b>\$ (1,095)</b>	<b>\$ 58</b>	<b>\$ 25</b>	<b>\$ (1,810)</b>	
Amortization	(1,521)	-	-	-	-	(1,521)	
Accretion of Asset Retirement Obligations	(1)	-	-	-	-	(1)	
<b>Net Surplus (Deficit)</b>	<b>\$ (3,307)</b>	<b>\$ (1,153)</b>	<b>\$ (1,095)</b>	<b>\$ 58</b>	<b>\$ 25</b>	<b>\$ (3,332)</b>	

## OPERATING NOTES

- Airport expenses are \$65K favourable due to less security required on site as a result of reducing down to one flight per day (\$86K), partially offset by additional overtime required due to weather (-\$23K). This variance is projected to decrease slightly to yearend.

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Winter operations program complete.
- Safety management system goals established for 2025.
- Finalized YXH marketing and promotions workplan for 2025-26.
- Multiple terminal space leases renewed.
- Car rental services request for proposal opportunity released.
- Regional air service engagement session held with Government of Alberta.

### Planned Next Four Months

- Continuation of Airport Masterplan work.
- Spring/summer preventative maintenance and wildlife program execution.
- Air service retention and attraction activities.

# AIRPORT

For the Period Ended April 30, 2025

## Report on Business Plan Goals

<b>Safety and Operations Excellence</b>  Prioritize the health and safety of our employees, users, tenants, contractors, and residents. As owners of the City's airport infrastructure, be accountable for running and maintaining vital facilities such as runways, taxiways, aprons, the terminal, electric systems, parking lots, and internal roadways in the most efficient way possible. Adhere to all regulatory requirements and ensure the smooth and safe functioning of the airport for all who rely on it.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Regulatory compliance project work continues.</li><li>2. Airport terminal building patrol staffing levels adjusted to reflect changes to Spring/Summer airline schedule.</li><li>3. Airport equipment training program execution.</li></ol>
<b>Connectivity, Strategy, and Investment</b>  The Medicine Hat Regional Airport (YXH) is a critical transportation hub and economic driver for our region and serves an important function to keep Medicine Hat connected to other communities and economies. Commit to pursuing opportunities and to develop strategies to best leverage the Airport for the City and Southeast Region of Alberta.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Two terminal space leases renewed.</li><li>2. Phases 1 and 2 of Airport Masterplan nearing completion.</li><li>3. YXH marketing and promotions program kick started.</li><li>4. Regional air service consultations underway with Government of Alberta.</li></ol>

# PLANNING & DEVELOPMENT SERVICES

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Administration	\$ -	\$ -	\$ 1	\$ 1	\$ -	\$ -	
Planning	1,143	381	468	87	-	1,143	1
Safety Codes Services	1,369	456	614	158	-	1,369	2
	<b>2,512</b>	<b>837</b>	<b>1,083</b>	<b>246</b>	<b>-</b>	<b>2,512</b>	
<b>Expenses</b>							
Administration	997	328	334	(6)	(50)	1,047	3
Planning	1,539	506	529	(23)	(64)	1,603	4
Safety Codes Services	2,512	826	821	5	-	2,512	
	<b>5,048</b>	<b>1,660</b>	<b>1,684</b>	<b>(24)</b>	<b>(114)</b>	<b>5,162</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(2,536)</b>	<b>(823)</b>	<b>(601)</b>	<b>222</b>	<b>(114)</b>	<b>(2,650)</b>	
Internal Revenue	-	-	3	3	-	-	
Internal Expenses	1,233	1,180	1,175	5	-	1,233	
	<b>(1,233)</b>	<b>(1,180)</b>	<b>(1,172)</b>	<b>8</b>	<b>-</b>	<b>(1,233)</b>	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (3,769)</b>	<b>\$ (2,003)</b>	<b>\$ (1,773)</b>	<b>\$ 230</b>	<b>\$ (114)</b>	<b>\$ (3,883)</b>	
Amortization	(55)	-	-	-	-	(55)	
<b>Net Surplus (Deficit)</b>	<b>\$ (3,824)</b>	<b>\$ (2,003)</b>	<b>\$ (1,773)</b>	<b>\$ 230</b>	<b>\$ (114)</b>	<b>\$ (3,938)</b>	

## OPERATING NOTES

1. Planning revenue is \$87K favourable due to more businesses renewing their licenses at the beginning of the year than budgeted. This is projected to be on budget by yearend as timing of budget and actuals is addressed.
2. Safety Codes Services revenue is \$158K favourable due to two large applications received in April. This is projected to be on budget by yearend as timing of budget and actuals is addressed.
3. Administration expenses are projected to be -\$50K unfavourable by yearend due to an incorrect adjustment carried forward from 2024 related to the annual software licensing fees.
4. Planning expenses are projected to be -\$64K unfavourable by yearend mainly due to unmet wage vacancy as a result of being fully staffed.

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Updated the Intermunicipal Development Plan and gained cooperation between all three (3) Municipalities; Cypress County, Town of Redcliff and Medicine Hat. Completed extensive stakeholder engagements in support of this effort.
- Progressing the Land Use Bylaw Update and Refresh for Presentation to Committee and Council. Completed extensive stakeholder engagements in support of this effort.
- Struck up an Off-Site Levy (OSL) Advisory Committee to meet City Council's direction to more fully engage with the community. Hired an OSL consultant to support this process and enable the best possible outcome.
- Published first quarterly report on Performance for Building, Development and Trades Permits. Continuing with Process Improvement Program. Improved some workflows and prepared for creation of internal Standard Operating Procedures to ensure consistency and continuity.

### Planned Next Four Months

- Seeking Council approval for all Amendments to the Land Use Bylaw by August 2025.
- Continue to work with the OSL Advisory Committee to develop a clear understanding of OSLs and develop a new Framework for managing the Levy's with full stakeholder engagement and input to ensure alignment, clarity, ease of reproducing the levy's and consistency.
- Continue the Process Improvement Program to ensure processes are best practice level and deliver an exceptional Customer Experience by end of Q1 2026.

# PLANNING & DEVELOPMENT SERVICES

For the Period Ended April 30, 2025

## Report on Business Plan Goals

<b>Create Opportunities to Incentivize Businesses and Reduce Barriers</b>  Create a more attractive and supportive environment for businesses by reducing barriers, improving transparency and enhancing efficiency.	<b>PROGRESS</b>  1. Progressing on the Planning and Development Services (PDS) Process Review Program. Reducing waste in processes and developing more user-friendly processes in support of enhancing Customer Experience.
<b>Provide Excellent Customer Care in the Delivery of Planning and Development Services</b>  This includes clarity of process, reducing any unnecessary process and administrative burden, and minimizing response times to support the development process and support growth. Streamlining the development process and matching our services with the public's expectations is critical. Communicating clear, concise Levels of Service, inclusive of metrics to identify department performance and support continuous improvements will enhance stakeholder understanding.  This includes providing a modern development digital application process that allows customers to submit applications, communicate with the City, and pay fees digitally.	<b>PROGRESS</b>  1. Progressing on the PDS Process Review Program. Reducing waste in processes and developing more user-friendly processes in support of enhancing Customer Experience. 2. Updates to the CityView online e-Permit Portal to facilitate easier access and better interactions between the applicants and City staff through the portal. 3. Prepared and posted the first quarters report on performance against newly identified city standards for Building Permits, Trades Permits, and Development Permits. Progressing towards adding Business License reporting to the mix for the next quarterly update, with the remainder of the PDS processes to follow.
<b>Establish the Municipal Planning Foundation for Future Sustainable Development</b>  The City establishes the high-level planning and standards for infrastructure that the public and private sector constructs which the City is ultimately responsible for. The standard of infrastructure affects the initial capital cost, but also the long-term maintenance and replacement costs borne by the ratepayers. These servicing standards must follow and conform to the community's long-term Municipal Development Plan (MDP).	<b>PROGRESS</b>  1. Updated the first phase of the Municipal Servicing Standards Manual with the intent to finalize the remaining technical updates by Q1 2026. 2. Working on finalizing the Land Use Bylaw Refresh to update about 30% of the overall document to improve it and deal with issues that have come up over the last several years: Transition between residential densities, regulating high impact land uses, and improving and strengthening civic literacy regarding land use issues. 3. Finalized the Intermunicipal Development Plan as a regional framework with the Town of Redcliff, Cypress County and Medicine Hat to more clearly coordinate economic opportunities, manage land use, subdivision and development (approved April 2025).

# GENERAL MUNICIPAL REVENUES

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Other General Municipal Revenue	\$ 9,918	\$ 3,262	\$ 3,090	\$ (172)	\$ (545)	\$ 9,373	1
Utilities Contributions	3,000	-	-	-	-	3,000	
Property Taxes	88,945	-	-	-	-	88,945	
Property Tax Adjustments	(969)	-	(7)	(7)	(7)	(976)	
	<b>100,894</b>	<b>3,262</b>	<b>3,083</b>	<b>(179)</b>	<b>(552)</b>	<b>100,342</b>	
<b>Expenses</b>							
Other General Municipal Revenue	92	59	190	(131)	(176)	268	2
Investment Expenses (General Fund)	5,112	971	448	523	221	4,891	3
	<b>5,204</b>	<b>1,030</b>	<b>638</b>	<b>392</b>	<b>45</b>	<b>5,159</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>95,690</b>	<b>2,232</b>	<b>2,445</b>	<b>213</b>	<b>(507)</b>	<b>95,183</b>	
Internal Revenue	6,438	798	800	2	-	6,438	
Internal Expenses	635	574	581	(7)	-	635	
	<b>5,803</b>	<b>224</b>	<b>219</b>	<b>(5)</b>	<b>-</b>	<b>5,803</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>101,493</b>	<b>2,456</b>	<b>2,664</b>	<b>208</b>	<b>(507)</b>	<b>100,986</b>	
Transfer to One-time Expenses and Initiatives	(100)	-	-	-	-	(100)	
Interest Revenue	30,094	5,718	3,797	(1,921)	(6,576)	23,518	4
Gain/Loss on Risk Management Instrument	-	-	(4,253)	(4,253)	3,897	3,897	5
Transfer (to)/from Reserve	10,318	(798)	(791)	7	7	10,325	
Reserve - Medicine Hat Endowment Fund	(1,709)	-	-	-	592	(1,117)	4
Reserve - Energy Transition	(2,516)	-	-	-	269	(2,247)	4
Reserve - Abandonment Obligations	(2,516)	-	-	-	269	(2,247)	4
<b>Net Cash Surplus (Requirements)</b>	<b>\$ 135,064</b>	<b>\$ 7,376</b>	<b>\$ 1,417</b>	<b>\$ (5,959)</b>	<b>\$ (2,049)</b>	<b>\$ 133,015</b>	

## OPERATING NOTES

- Other General Municipal Revenue is -\$172K unfavourable due to lower than budgeted court fine revenue as a result of new Provincial legislation to limit the use of automated traffic enforcement (-\$310K), offset by higher than budgeted interest on arrears taxes (\$47K), interest on current taxes for arrears penalty (\$42K), utility penalties (\$16K), and municipal consent and access fees (\$14K). This unfavourable variance is projected to increase to -\$545K at yearend due to the continued reduction in court fine revenue from new legislation.
- Other General Municipal Revenue expenses are -\$131K unfavourable due to unbudgeted realized foreign exchange losses (-\$171K), offset by lower than budgeted contracted services (\$43K). This is anticipated to become slightly more unfavourable at yearend.
- Investment Expenses (General Fund) are \$523K favourable due to investment fees from external managers not yet invoiced. This variance is expected to decrease to \$221K favourable as invoices from external managers are received throughout the year. Invoices from external managers are anticipated to be less than budgeted due to a lower investment balance resulted in reduced fees and termination of a contract with one external manager.
- Interest Revenue is -\$1.9M unfavourable due to working capital portfolio investments decreasing and a reduction in interest rates from the Bank of Canada in early 2025. Lower cash balances in combination with a lower rate of return resulted in revenue shortfalls when compared to budget. This variance is expected to increase to -\$6.6M unfavourable at yearend due to the continued affects of lower than budgeted cash balances and interest rates as well as the budget being prepared based on total returns versus realized/unrealized returns. The transfers to the Medicine Hat Endowment Fund, Energy Transition Reserve, and Abandonment Reserve are projected to be less than budgeted as interest earned is transferred directly to these reserves.
- Gain/Loss on Risk Management Instruments is -\$4.3M unfavourable due to unbudgeted realized investment losses related to currency hedging. This contract has been terminated and the forward contract position will be closed in June which will eliminate this variance. At yearend, the variance is projected to be \$3.9M favourable as a result of realized gains due to selling some equity positions in the year.

# MAYOR & COUNCILORS

## For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25
<b>Expenses</b>						
Legislative Support for Council Councilors	\$ 299 547	\$ 99 181	\$ 105 171	\$ (6) 10	\$ - -	\$ 299 547
	<b>846</b>	<b>280</b>	<b>276</b>	<b>4</b>	<b>-</b>	<b>846</b>
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(846)</b>	<b>(280)</b>	<b>(276)</b>	<b>4</b>	<b>-</b>	<b>(846)</b>
Internal Expenses	164	163	163	-	-	164
	<b>(164)</b>	<b>(163)</b>	<b>(163)</b>	<b>-</b>	<b>-</b>	<b>(164)</b>
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(1,010)</b>	<b>(443)</b>	<b>(439)</b>	<b>4</b>	<b>-</b>	<b>(1,010)</b>
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (1,010)</b>	<b>\$ (443)</b>	<b>\$ (439)</b>	<b>\$ 4</b>	<b>\$ -</b>	<b>\$ (1,010)</b>
Transfer to One-time Expenses and Initiatives	(100)	-	-	-	-	(100)
<b>Net Surplus (Deficit)</b>	<b>\$ (1,110)</b>	<b>\$ (443)</b>	<b>\$ (439)</b>	<b>\$ 4</b>	<b>\$ -</b>	<b>\$ (1,110)</b>

### OPERATING NOTES

N/A

# CITY MANAGER & MANAGING DIRECTORS

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25
<b>Expenses</b>						
City Manager Administration	\$ 714	\$ 235	\$ 214	\$ 21	\$ -	\$ 714
Corporate Services Administration	424	140	162	(22)	(4)	428
Development & Infrastructure Administration	429	141	140	1	-	429
Public Services Administration	437	144	174	(30)	(21)	458
Energy, Land & Environment Administration	511	168	150	18	-	511
	<b>2,515</b>	<b>828</b>	<b>840</b>	<b>(12)</b>	<b>(25)</b>	<b>2,540</b>
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(2,515)</b>	<b>(828)</b>	<b>(840)</b>	<b>(12)</b>	<b>(25)</b>	<b>(2,540)</b>
Internal Revenue	2,516	2,516	2,516	-	-	2,516
Internal Expenses	410	398	398	-	-	410
	<b>2,106</b>	<b>2,118</b>	<b>2,118</b>	<b>-</b>	<b>-</b>	<b>2,106</b>
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(409)</b>	<b>1,290</b>	<b>1,278</b>	<b>(12)</b>	<b>(25)</b>	<b>(434)</b>
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (409)</b>	<b>\$ 1,290</b>	<b>\$ 1,278</b>	<b>\$ (12)</b>	<b>\$ (25)</b>	<b>\$ (434)</b>
<b>Net Surplus (Deficit)</b>	<b>\$ (409)</b>	<b>\$ 1,290</b>	<b>\$ 1,278</b>	<b>\$ (12)</b>	<b>\$ (25)</b>	<b>\$ (434)</b>

## OPERATING NOTES

N/A



# CITY SOLICITOR

## For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25
<b>Expenses</b>						
City Solicitor Office	\$ 1,090	\$ 359	\$ 359	\$ -	\$ (24)	\$ 1,114
	<b>1,090</b>	<b>359</b>	<b>359</b>	<b>-</b>	<b>(24)</b>	<b>1,114</b>
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(1,090)</b>	<b>(359)</b>	<b>(359)</b>	<b>-</b>	<b>(24)</b>	<b>(1,114)</b>
Internal Revenue	1,090	1,090	1,090	-	-	1,090
Internal Expenses	272	266	266	-	-	272
	<b>818</b>	<b>824</b>	<b>824</b>	<b>-</b>	<b>-</b>	<b>818</b>
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(272)</b>	<b>465</b>	<b>465</b>	<b>-</b>	<b>(24)</b>	<b>(296)</b>
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (272)</b>	<b>\$ 465</b>	<b>\$ 465</b>	<b>\$ -</b>	<b>\$ (24)</b>	<b>\$ (296)</b>
<b>Net Surplus (Deficit)</b>	<b>\$ (272)</b>	<b>\$ 465</b>	<b>\$ 465</b>	<b>\$ -</b>	<b>\$ (24)</b>	<b>\$ (296)</b>

### OPERATING NOTES

N/A

### OPERATING HIGHLIGHTS

#### Completed Last Four Months

- Significant bylaw, policy and contract drafting projects were undertaken as well as various planning, real estate, and land development projects.
- Major energy related projects were worked on and completed.
- Oversight and management of various dispute resolution and litigation matters involving the City.

#### Planned Next Four Months

- Continued work on various leases, land sale and land development agreements.
- Drafting new bylaws, policies and contracts in accordance with Council direction.
- Continued management of litigation matters involving the City.

# CITY SOLICITOR

For the Period Ended April 30, 2025

## Report on Business Plan Goals

<b>The Bylaw Review and Updating Initiative</b>  An initiative to review, amend, replace and, where appropriate, craft new bylaws to ensure matters falling within the City's jurisdiction are appropriately regulated in accordance with Council's strategic objectives.	<b>PROGRESS</b>  1. Completed drafting or review of the following Bylaws: <ul style="list-style-type: none"><li>• Amendments to the Procedure Bylaw.</li><li>• Intermunicipal Development Plan (IDP) Bylaw.</li><li>• Property Tax Bylaw.</li><li>• Supplementary Tax Bylaw.</li><li>• Electronic Communications Related to Tax and Assessment Bylaw.</li></ul>
<b>Management of Major Litigation Matters</b>  The City is involved in a variety of litigation matters, in some instances as a plaintiff, complainant or appellant and in other cases as a defendant or respondent. Such litigation can impact the City in major strategic and organization-wide ways, including with respect to human resources, financial resources, operational processes, relationships with third parties, reputational risks, and insurance implications, to name but a few.	<b>PROGRESS</b>  1. Litigation matters are confidential. Council receives confidential updates yearly regarding such matters.
<b>Optimize Internal Legal Service Delivery</b>  Effectively and efficiently managing and optimizing the intake and processing of legal service requests to help all divisions and business units meet Council's objectives.  The City Solicitor's office provides legal advice and services to all divisions and departments of the City and is eager to identify any opportunities for improvement in accordance with in-house legal industry best practices related to the intake and processing of legal services requests.  In recent years, the City Solicitor's office has experienced an ever-increasing demand for legal services, despite temporary staffing shortages.  The City of Medicine Hat has unique needs for legal services due to its ownership of gas and electric utilities and major land development initiatives, and as such does not admit to an easy apples-to-apples comparison with other municipalities in Alberta.	<b>PROGRESS</b>  1. Optimization of the intake and processing of legal services is an ongoing process. 2. In Q2 the legal team had a successful in-depth meeting with the Procurement team to identify areas where each department could find efficiencies in terms of service delivery to the various departments of the City. 3. The City Solicitor's office continues to provide services in an efficient and timely manner, meeting the expectations of internal clients.
<b>Bill 20 Amendments to the MGA</b>  Amendments under this Bill are pending and have not been enacted yet. Some of the amendments, if passed, will impact the City's operations. The City Solicitor's office will bring forward a report to advise Council of the changes and the impacts or potential impacts to City operations.	<b>PROGRESS</b>  1. A report on Bill 20 was provided to Council in a Closed session in Q1 2025.

# CITY CLERK

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Committees and Appeal Boards	\$ 5	\$ 1	\$ (21)	\$ (22)	\$ -	\$ 5	
City Clerk	1	-	1	1	-	1	
	<b>6</b>	<b>1</b>	<b>(20)</b>	<b>(21)</b>	<b>-</b>	<b>6</b>	
<b>Expenses</b>							
Committees and Appeal Boards	119	69	44	25	-	119	
City Clerk	879	290	407	(117)	(159)	1,038	1
	<b>998</b>	<b>359</b>	<b>451</b>	<b>(92)</b>	<b>(159)</b>	<b>1,157</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(992)</b>	<b>(358)</b>	<b>(471)</b>	<b>(113)</b>	<b>(159)</b>	<b>(1,151)</b>	
Internal Revenue	796	796	796	-	-	796	
Internal Expenses	251	247	252	(5)	-	251	
	<b>545</b>	<b>549</b>	<b>544</b>	<b>(5)</b>	<b>-</b>	<b>545</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(447)</b>	<b>191</b>	<b>73</b>	<b>(118)</b>	<b>(159)</b>	<b>(606)</b>	
Interest Expense	(1)	(1)	(1)	-	-	(1)	
Principal	(24)	(24)	(24)	-	-	(24)	
Transfer to One-time Expenses and Initiatives	(450)	-	-	-	-	(450)	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (922)</b>	<b>\$ 166</b>	<b>\$ 48</b>	<b>\$ (118)</b>	<b>\$ (159)</b>	<b>\$ (1,081)</b>	
Amortization	(16)	-	-	-	-	(16)	
<b>Net Surplus (Deficit)</b>	<b>\$ (938)</b>	<b>\$ 166</b>	<b>\$ 48</b>	<b>\$ (118)</b>	<b>\$ (159)</b>	<b>\$ (1,097)</b>	

## OPERATING NOTES

- City Clerk expenses are -\$117K unfavourable due to higher than budgeted Freedom of Information and Protection of Privacy (FOIP) requests (-\$92K) and higher than budgeted wages due to vacancy adjustments being higher than the savings associated with the annual position vacancies (-\$12K). This unfavourable variance is projected to increase to -\$159K due to unbudgeted legal fees related to FOIP requests.

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Hired a Records Management Position and orientated the new employee. Amendments to the Records Management Policy underway.
- Continued progress with the election. Next steps for recruitment begin in June.
- Updates to City of Medicine Hat FOIP webpage with launch tentatively planned for mid June.
- Redaction software for FOIP in final stages with Procurement.
- Ongoing collaboration with City departments on policy creation/management.

### Planned Next Four Months

- Upgrades to AV equipment in Council chambers.
- FOIP platform for requests.
- Agenda management software.

# CITY CLERK

For the Period Ended April 30, 2025

## Report on Business Plan Goals

<b>Support Chief Electoral Officer</b>  Support the contracted Chief Electoral Officer to manage the October 20, 2025, Municipal Election and follow-up tasks to the end of December 2025.	<b>PROGRESS</b>  1. Currently supporting this role with the election. Sending a resolution to Council to approve the returning officer and substitute returning officer at the June 2 meeting.
<b>Freedom of Information and Protection of Privacy (FOIP) Program</b>  Create a robust and compliant FOIP Program.	<b>PROGRESS</b>  1. Ongoing - Hoping for a more robust FOIP webpage by mid June. Solidified a redacting software and in the final details with procurement before implementation.
<b>Records Management</b>  Create a Records Management position in the department to enable the City of Medicine Hat to meet its enterprise goals and obligations around electronic records, information management and the establishment of a robust corporate-wide management program.	<b>PROGRESS</b>  1. Hired Records Management position and she began March 17. Records Management Policy 0156 under current review with suggested amendments coming forward soon.
<b>Policy Program and Framework</b>  Lead and collaboratively coordinate development and implementation of a policy program and framework to include multiple policy initiatives that will impact the long-term and future direction of the City of Medicine Hat focussing on quality assurance and improvement.	<b>PROGRESS</b>  1. Ongoing - Anticipating the framework to come forward at a future Council meeting in Q3 pending Municipal Inspection results.

# PEOPLE SERVICES

## For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Operations	\$ 136	\$ 45	\$ 77	\$ 32	\$ 32	\$ 168	
	<b>136</b>	<b>45</b>	<b>77</b>	<b>32</b>	<b>32</b>	<b>168</b>	
<b>Expenses</b>							
Administration	577	191	217	(26)	(26)	603	
Occupation Health & Safety	2,373	729	649	80	180	2,193	1
Operations	1,998	659	544	115	236	1,762	2
Organizational Effectiveness	2,415	797	539	258	410	2,005	3
	<b>7,363</b>	<b>2,376</b>	<b>1,949</b>	<b>427</b>	<b>800</b>	<b>6,563</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(7,227)</b>	<b>(2,331)</b>	<b>(1,872)</b>	<b>459</b>	<b>832</b>	<b>(6,395)</b>	
Internal Revenue	6,749	5,997	5,987	(10)	-	6,749	
Internal Expenses	898	862	859	3	-	898	
	<b>5,851</b>	<b>5,135</b>	<b>5,128</b>	<b>(7)</b>	<b>-</b>	<b>5,851</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(1,376)</b>	<b>2,804</b>	<b>3,256</b>	<b>452</b>	<b>832</b>	<b>(544)</b>	
Transfer to One-time Expenses and Initiatives	(72)	-	-	-	-	(72)	
Transfer (to)/from Reserve	550	-	-	-	-	550	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (898)</b>	<b>\$ 2,804</b>	<b>\$ 3,256</b>	<b>\$ 452</b>	<b>\$ 832</b>	<b>\$ (66)</b>	
Amortization	(7)	-	-	-	-	(7)	
<b>Net Surplus (Deficit)</b>	<b>\$ (905)</b>	<b>\$ 2,804</b>	<b>\$ 3,256</b>	<b>\$ 452</b>	<b>\$ 832</b>	<b>\$ (73)</b>	

### OPERATING NOTES

- Occupation Health & Safety expenses are \$80K favourable due to lower than budgeted wages as a result of position vacancies. This variance is projected to increase to \$180K favourable at yearend due to the continued savings from vacant positions.
- Operations expenses are \$115K favourable due to lower than budgeted wages as a result of position vacancies. This variance is projected to increase to \$236K favourable at yearend due to the continued savings from vacant positions.
- Organizational Effectiveness expenses are \$258K favourable due to lower than budgeted wages as a result of position vacancies (\$150K) and delayed spending on contracted services (\$104K). This variance is projected to increase to \$410K favourable at yearend due to the continued savings from vacant positions.

### OPERATING HIGHLIGHTS

#### Completed Last Four Months

- Implement Wellness teams channel and wellness emails for staff wellness, programs and initiatives.
- Completed Psychological Safety assessment for City of Medicine Hat (CMH).
- Compensation grids and market analysis.
- Focus groups for culture code.
- Approved Canada Summer job grants (\$19K).
- Review of defensive driving program for cost savings.
- Automation of basic recruitment tasks.
- Creation of in-house training online (respectful workplace, public code of conduct).
- Developed smudging ceremonies and dates for all CMH buildings for the year as we continue with our path to reconciliation.
- Launch of City Manager Innovator Awards.

# PEOPLE SERVICES

For the Period Ended April 30, 2025

## Planned Next Four Months

- Continued culture code work.
- Continued workforce planning work.
- Completion of compensation project.
- Payroll Request for Proposal (RFP).
- Business Impact Analysis.
- Safety training development.
- Continued labour relations (LR) negotiations.
- Career Fair planning for fall.
- Quarterly tracker for department cost savings (WCB, etc).

## Report on Business Plan Goals

<b>Attract, Recruit and Retain an Exceptional Workforce</b>  We will attract and retain a workforce of people that align with our values, leadership, and expertise to support all areas of the organization.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Streamline recruitment processes, technology implemented to take on certain portions of recruitment (i.e. reference checks). Less use of external recruitment firms (exception based) while implementing direct candidate sourcing.</li><li>2. Hiring moratorium business case process still being used and proving to show it's worth with higher level conversations happening with Executive Leadership Team (ELT) regarding roles.</li></ol>
<b>Inclusive Culture, Behaviors and Values</b>  We will promote and embed the behaviors of inclusivity, diversity, and values-based leadership throughout the City of Medicine Hat. An inclusive culture is the responsibility of us all and we are a welcoming environment to all who work with us. A diverse and agile mindset to change the way we operate. Wellness and safety are one.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Culture code work commenced in late summer 2024. Organizational survey completed; all staff focus groups held. Data has been compiled and path forward plan is being developed.</li></ol>
<b>Securing our Future by Building the Bench</b>  We will develop and embolden our people by ensuring the atmosphere, systems and culture supports individual growth, while reinforcing the City for the future. Building a culture where the right people are in the right roles driving change, leveraging potential and embolden stretch.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. As part of workforce planning, developing system for review of roles.</li></ol>
<b>Competitive and Meaningful Total Rewards/Recognition Programs</b>  We will ensure our people are rewarded equitably with clear compensation. We are committed to rewarding and recognizing our staff for performance and the embodiment of our values.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Compensation project has been the focus since fall of 2024. Job descriptions are 90% complete and updated. Market analysis is complete and new grids developed waiting on council approval.</li></ol>
<b>Implement a Workforce Strategy</b>  We are committed to addressing our workforce needs through innovation, efficiencies, and fiscal responsibility. It is with this commitment and a three-year strategy through a phased approach that we will address current state, predict future requirements, and create a streamlined and innovative workforce.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Org chart review, workforce evaluation, ongoing interviews, retirement factors, and vendor listing compiled. Data has been under and/or is currently being reviewed.</li></ol>

# ECONOMIC DEVELOPMENT

## For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Investment & Strategic Planning	\$ 65	\$ 22	\$ 25	\$ 3	\$ -	\$ 65	
	<b>65</b>	<b>22</b>	<b>25</b>	<b>3</b>	<b>-</b>	<b>65</b>	
<b>Expenses</b>							
Investment & Strategic Planning	1,678	987	934	53	64	1,614	1
	<b>1,678</b>	<b>987</b>	<b>934</b>	<b>53</b>	<b>64</b>	<b>1,614</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(1,613)</b>	<b>(965)</b>	<b>(909)</b>	<b>56</b>	<b>64</b>	<b>(1,549)</b>	
Internal Expenses	443	432	430	2	-	443	
	<b>(443)</b>	<b>(432)</b>	<b>(430)</b>	<b>2</b>	<b>-</b>	<b>(443)</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(2,056)</b>	<b>(1,397)</b>	<b>(1,339)</b>	<b>58</b>	<b>64</b>	<b>(1,992)</b>	
Interest Expense	(6)	(6)	(6)	-	-	(6)	
Principal	(20)	(20)	(20)	-	-	(20)	
Transfer to One-time Expenses and Initiatives	(2,875)	-	-	-	-	(2,875)	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (4,957)</b>	<b>\$ (1,423)</b>	<b>\$ (1,365)</b>	<b>\$ 58</b>	<b>\$ 64</b>	<b>\$ (4,893)</b>	
Amortization	(5)	-	-	-	-	(5)	
<b>Net Surplus (Deficit)</b>	<b>\$ (4,962)</b>	<b>\$ (1,423)</b>	<b>\$ (1,365)</b>	<b>\$ 58</b>	<b>\$ 64</b>	<b>\$ (4,898)</b>	

### OPERATING NOTES

- Investment & Strategic Planning expenses are \$53K favourable due to timing of contracted services (\$33K) and less than budgeted salaries and wages as a result of vacant positions (\$14K). This favourable variance is projected to continue to yearend.

### OPERATING HIGHLIGHTS

#### Completed last four months

- Applied and received Alberta Settlement, Integration Language and Program (SILP) grant funding of \$243K to support workforce initiatives.
- Continued processing applications received through the Rural Renewal Program and received a council motion to pause the acceptance of new applications effective February 20, 2025.
- March 26, 2025: Hosted Workforce Economics Workshop.
- Developed in partnership with Medicine Hat Local Immigration Partnership a Welcome to Medicine Hat Newcomers Guide.
- Produced four community of choice videos, one for each community (Medicine Hat, Redcliff, Bow Island, Cypress County).
- Met monthly with workforce stakeholders in the region to discuss workforce challenges and derive solutions.
- Hosted two State of the Industry Roundtable discussions focused on aerospace/aviation/defence, and manufacturing.
- Released State of the Industry report on Aviation, Aerospace and Defence.
- Hosted two Stakeholder Engagement Sessions for further implementation of the Southeast Alberta Economic Opportunity Strategy.
- Received \$41K from CanExport for Foreign Direct Investment (FDI) attraction activities.
- Procurement for two consultants to complete industry specific investment attraction strategy development.
- January 29, 2025: Hosted nine individuals representing seven regional organizations for a Business Growth Collective meeting.
- March 13, 2025: Collaborated with Land a Real Estate department to host a learning session that included eight City of Medicine Hat departments to learn more about the current state of real estate and mortgage in Medicine Hat.
- April 15, 2025: Hosted Community Economic Resilience Training event.
- Economic Development team attended eight community networking, training, and business grand opening events.
- Connected & met with fourteen different businesses (not including rural renewal), organizations, entrepreneurs to support needs they had within the community and within the CMH organization.
- Connected and met with fourteen different businesses (not including rural renewal), organizations, entrepreneurs to support needs they had within the community and within the CMH organization.
- Attended International Council of Shopping Centers (ICSC) Conference to learn more about the industry and network with stakeholders regarding Medicine Hat real estate.
- April 24-25, 2025: Attended Local to Global Conference hosted locally by Palliser Economic Partnership.

# ECONOMIC DEVELOPMENT

For the Period Ended April 30, 2025

## Planned Next Four Months

- Hiring for an Economic Development Specialist position.
- Facilitate Workforce Group on behalf of multiple partners in SE Alberta.
- Continue processing Rural Renewal applications received before pause.
- Prepare and submit 2023-2025 SILP grant report.
- Identification of target industry groups for credential evaluation and competency-based assessment program.
- We will be attending and maintaining a booth at the Chamber AGM Tradeshow May 29-31, 2025 as the City is a Gold Sponsor for this event.
- We will be hosting a roundtable event on the topic of Support for Businesses Impacted by Tariffs on June 18, 2025.
- Adoption of Residential Tax Exemption Bylaw (June 2025).
- Recommend a package of commercial initiatives/programs to support business and activity in the City Centre.
- Facilitate Defence and Aerospace Industry Advisory Group on behalf of multiple partners in Southeast Alberta.
- Respond to investor enquiries and attend meetings with economic stakeholders.
- Work with regional partners to prepare the region for film opportunities.

## Report on Business Plan Goals

<b>Operational Efficiencies</b>  An operational plan and the development of new office systems will guide efficiencies within the department and will lead to the development of impactful projects and cross departmental efficiencies for those whose work aligns with economic development priorities. A solid operational plan that includes value proposition, goals, metrics, required resources, milestones / timeline and budget will provide a communication tool between senior leadership and council and the Economic Development Office. As well, operational efficiencies will guide human resource decisions like staff recruitment to support other key objectives such as workforce development, business retention and expansion, investment attraction and investment and growth readiness.	<b>PROGRESS</b>  1. Ongoing work with IT team to evaluate and determine the most effective Customer Relationship Management (CRM) option to enhance our department and collaborate throughout the City of Medicine Hat organization.
<b>Community and Stakeholder Engagement</b>  Solid relationships are an enabler of economic development. To ensure the success of the economic development department, engagement is required both with staff internal to the City and with local, regional, and provincial service providers, and municipal, provincial, and federal counterparts and the City of Medicine Hat community.	<b>PROGRESS</b>  1. Put together a workforce group with various local and provincial stakeholders to align efforts (Community Futures, Government of Alberta, REDI Enterprises, Medicine Hat College, YMCA, Saamis Mentorship). 2. Staff continues to place priority on engagement with stakeholders by attending community networking, training, and business grand opening events.



# ECONOMIC DEVELOPMENT

For the Period Ended April 30, 2025

<p><b>Workforce Development and Rural Renewal</b></p> <p>A lack of qualified/skilled labour in various industries is hindering productivity, and company expansions. The key object of Workforce Development and Rural Renewal will support the workforce needs of employers, helping inform, attract, develop, and retain labour for economic growth.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. 126 employer consultations completed; 86 job vacancies shared; 95 candidate interviews done; 88 endorsement letters issued.</li> <li>2. Hosted workforce conference to inform employers about local workforce supports and strategic ways to attract and recruit talent.</li> </ol>
<p><b>Business and Industry Development</b></p> <p>Supporting businesses and industry currently investing in the community to grow is an important element of economic development. It takes less resources to support existing businesses to stay in the community than it does to attract new industry. Connecting businesses to key resources and information is a key focus of the department. As well, key individuals and partner organizations within the community will support a Business Retention and Expansion (BRE) program, by connecting with businesses to understand their challenges through a survey. This information is then analyzed, and programming is developed to help these businesses grow revenue and jobs.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Continually meeting with existing businesses and entrepreneurs to learn about what they need and provide ongoing support to requests, providing pathfinding, guidance, data, and grant opportunities.</li> </ol>
<p><b>Investment Attraction</b></p> <p>This is the process of enticing individuals, businesses, or funds to invest in a particular region, industry, or project. It involves showcasing the potential for financial returns, economic stability, and growth opportunities. This often includes promoting favorable business environments, infrastructure, and incentives to attract investors. Successful investment attraction strategies focus on creating a compelling narrative and providing a competitive advantage to encourage capital inflow, job creation, and overall economic development.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Developed an investment attraction strategy and action plan using data from business retention and expansion programming.</li> <li>2. Attended conferences and networking events to generate investment leads for key identified markets.</li> </ol>
<p><b>Investment and Growth Readiness</b></p> <p>Involves creating an environment that is conducive to economic growth, social well-being, and sustainable practices. This readiness includes community engagement, infrastructure development, and the establishment of policies that encourage and support investment. A community is considered investment-ready when it has a strategic plan, transparent governance, and the ability to leverage resources for the collective benefit of its residents. This process aims to enhance the overall resilience and prosperity of the community.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Developed regional economic development strategy including regional priorities and competitive advantages.</li> <li>2. Continue to meet with Southeast Alberta Economic Opportunity Strategy (SAEOS) steering committee to plan and execute on recommended action items.</li> <li>3. Continued administration work for past incentive programs.</li> <li>4. Present Residential Tax Exemption Bylaw to council on June 2, 2025.</li> <li>5. Prepare and present recommendations for City Centre programs and initiatives.</li> </ol>

# POLICE SERVICE

## For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Police	\$ 4,585	\$ 696	\$ 655	\$ (41)	\$ (108)	\$ 4,477	1
	<b>4,585</b>	<b>696</b>	<b>655</b>	<b>(41)</b>	<b>(108)</b>	<b>4,477</b>	
<b>Expenses</b>							
Police	28,091	9,558	9,594	(36)	376	27,715	2
	<b>28,091</b>	<b>9,558</b>	<b>9,594</b>	<b>(36)</b>	<b>376</b>	<b>27,715</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(23,506)</b>	<b>(8,862)</b>	<b>(8,939)</b>	<b>(77)</b>	<b>268</b>	<b>(23,238)</b>	
Internal Revenue	197	65	54	(11)	(11)	186	
Internal Expenses	3,867	2,831	2,819	12	12	3,855	
	<b>(3,670)</b>	<b>(2,766)</b>	<b>(2,765)</b>	<b>1</b>	<b>1</b>	<b>(3,669)</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(27,176)</b>	<b>(11,628)</b>	<b>(11,704)</b>	<b>(76)</b>	<b>269</b>	<b>(26,907)</b>	
Interest Expense	(23)	(23)	(22)	1	1	(22)	
Principal	(120)	(120)	(120)	-	-	(120)	
Transfer to One-time Expenses and Initiatives	(40)	-	-	-	-	(40)	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (27,359)</b>	<b>\$ (11,771)</b>	<b>\$ (11,846)</b>	<b>\$ (75)</b>	<b>\$ 270</b>	<b>\$ (27,089)</b>	
Amortization	(234)	-	-	-	-	(234)	
<b>Net Surplus (Deficit)</b>	<b>\$ (27,593)</b>	<b>\$ (11,771)</b>	<b>\$ (11,846)</b>	<b>\$ (75)</b>	<b>\$ 270</b>	<b>\$ (27,323)</b>	

### OPERATING NOTES

- Police revenue is projected to be unfavourable by -\$108K due to lower than anticipated ALERT revenue recovery as a result of vacant positions (-\$65K), lower than expected revenue from info checks (-\$20K) and lower than expected revenue for a new School Resource Officer as a result of delay in the finalization of the contract (-\$18K).
- Police expenses are projected to be \$376K favourable due to projected staff vacancies (\$155K) and reduced expenses related to security, DNA services and other contracted services (\$225K).

### OPERATING HIGHLIGHTS

#### Completed Last Four Months

- On January 13th, the first cohort of a new police training program began as the result of a new partnership between the Medicine Hat Police Service (MHPS) and the Medicine Hat College. In this class there are four recruits including three from the MHPS and one from the Blood Tribe Police Service.
- The MHPS expanded the Downtown Patrol Unit with an additional officer, effective April 1, 2025, and unit members were provided with bikes so that they are able to increase their patrol area.

#### Planned Next Four Months

- The MHPS will host an Open House on June 7, 2025, from 11 AM to 3 PM, to provide community members an opportunity to learn more about the MHPS operations through information displays, demonstrations and a building tour. In coordination with the open house, the Medicine Hat Safe Community Association will host a barbeque and present 22 local Grade 6 students with scholarships from the Chief Gord Earl Leadership Legacy Fund.
- Selection of applicants to participate in the fall police training program will be selected to fill existing vacancies as well as three new police officer positions approved by Police Commission and Council during the budget process.

# POLICE SERVICE

For the Period Ended April 30, 2025

## Report on Business Plan Goals

<b>COMMUNITY SAFETY</b>  The MHPS will continue to focus on effective reactive and proactive approaches to community safety, specifically road safety, violent crime, property crimes, drug trafficking, organized crime, social disorder, and unrest. The MHPS will also continue to work with community partners to address family violence, mental health, addiction and reducing the fear of crime.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. On January 14, 2025, patrols responded to a robbery with violence at a commercial property in the 900 block of 16 Street SW, Medicine Hat. An offender forcefully entered the premises, stole cash and threatened staff with a weapon. An investigation was immediately initiated by MHPS patrols and subsequently taken over by the Major Crimes Unit. As a result, a 33-year-old Medicine Hat resident was arrested and charged with multiple offenses, including robbery, possession of a weapon dangerous to the public, using a disguise with intent, possession of stolen property and failing to comply with release order conditions. Additionally, the male was apprehended on several outstanding warrants from Calgary, Alberta.</li><li>2. On February 28, 2025, three people were arrested and charged with firearms and drug related charges following an ALERT investigation. With assistance from the Brooks Royal Canadian Mounted Police (RCMP) a 28-year-old Calgary man was allegedly transporting drugs to Medicine Hat when his vehicle was stopped in Brooks. Inside the vehicle ALERT located just over one kilogram of methamphetamine and a loaded Glock handgun. The man has a lifetime firearms prohibition as the result of a 2021 manslaughter conviction. Following the traffic stop and arrest, two homes in Medicine Hat were searched which resulted in the seizure of more drugs and cash and two more people were arrested. In total, an estimated \$185,000 worth of drugs were seized, including:<ul style="list-style-type: none"><li>• Loaded Glock handgun;</li><li>• 1,015 grams of methamphetamine;</li><li>• 493 grams of cocaine;</li><li>• 330 grams of fentanyl;</li><li>• 884 hydromorphone pills;</li><li>• \$34,730 cash.</li></ul></li></ol> <p>The handgun is being submitted to ALERT's Provincial Firearms Lab to determine if it was used in any other criminal offences.</p>
<b>COMMUNITY ENGAGEMENT</b>  The MHPS will strive to strengthen relationships with community members through communication, engagement initiatives, and volunteer opportunities. The MHPS encourages members to collaborate with the community through active involvement in various committees, boards, and groups. Through this involvement the MHPS is better able to build relationships, understand community needs and adapt services provided as required.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. The MHPS, in collaboration with the Medicine Hat Catholic Board of Education will participate in a First Responder Academy at Monsignor McCoy High School in the Fall of 2025. The program aims to provide students with hands-on training and real-world experience. By bridging classroom learning with industry expertise, the program prepares students for dynamic careers in emergency services and related fields.</li><li>2. Throughout the month of March, the MHPS Community Support Unit participated in Fraud Prevention Month and provided information on how to recognize and prevent citizens from becoming victims of common frauds and scams.</li></ol>
<b>INVESTMENT IN HUMAN RESOURCES AND TECHNOLOGY</b>  The MHPS will enhance our ability to provide high quality customer service to the community and maintain or improve overall satisfaction, trust and confidence in policing.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. On April 2, 2025, the MHPS welcomed Petra Pfeiffer as the Victim Assistance Program Manager. Petra has been involved with Victim Services since 2004 and has been involved in programs in several areas throughout Alberta, most recently serving as the Executive Director for the Wetaskiwin Victim Services Unit.</li><li>2. The MHPS Recruitment Team initiated a recruitment process for officers to participate in the police recruit training to be held in the Fall of 2025. Applications deadline for this process is May 1, 2025.</li></ol>

# POLICE SERVICE

For the Period Ended April 30, 2025

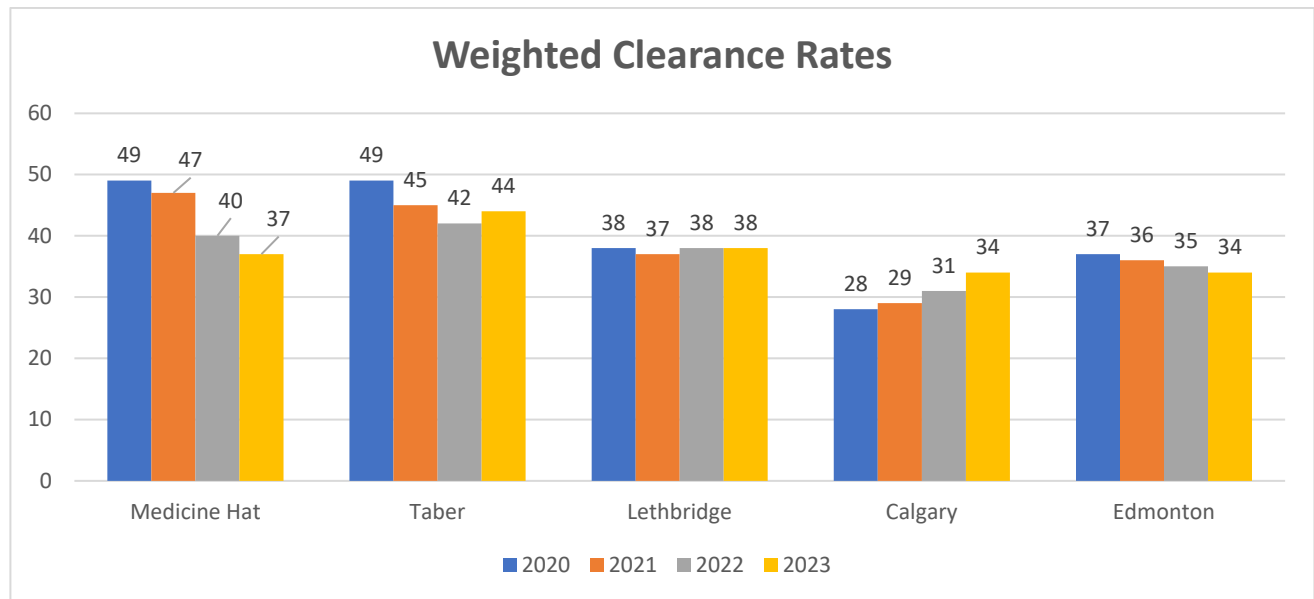
## ORGANIZATIONAL WELLNESS

Organizational wellness is a key priority for the MHPS. This includes ensuring the psychological, physical, and emotional well-being of all staff and is accomplished through having credible, reliable and easily accessed resources

## PROGRESS

1. The MHPS hosted a Police Casualty Care training course for six instructors who will train the operational police officers with advanced, emergency first aid skills. This training provides the skills necessary to care for serious life-threatening injuries when time is of the essence.
2. Two female officers attended a three-day Women in Policing Conference hosted by the Canadian Association of Chiefs of Police in partnership with the British Columbia Association of Chiefs of Police. The theme of 'Widening the Path' spoke to the commitment to create a more inclusive, supportive and empowering environment for all women in law enforcement by expanding opportunities, breaking down barriers and fostering a culture of equity and collaboration across the profession.

## Report on Performance Measures



# COMMUNICATIONS, ENGAGEMENT & MARKETING

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25
<b>Revenue</b>						
Marketing & Creative Services	\$ -	\$ -	\$ 1	\$ 1	\$ -	\$ -
	-	-	1	1	-	-
<b>Expenses</b>						
Marketing & Creative Services	1,458	478	479	(1)	-	1,458
	1,458	478	479	(1)	-	1,458
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(1,458)</b>	<b>(478)</b>	<b>(478)</b>	<b>-</b>	<b>-</b>	<b>(1,458)</b>
Internal Revenue	1,312	1,312	1,312	-	-	1,312
Internal Expenses	355	347	347	-	-	355
	957	965	965	-	-	957
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(501)</b>	<b>487</b>	<b>487</b>	<b>-</b>	<b>-</b>	<b>(501)</b>
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (501)</b>	<b>\$ 487</b>	<b>\$ 487</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (501)</b>
<b>Net Surplus (Deficit)</b>	<b>\$ (501)</b>	<b>\$ 487</b>	<b>\$ 487</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (501)</b>

## OPERATING NOTES

N/A

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Progressed website refresh project.
- Continued Public participation framework implementation.
- New e-tax portal implementation and roll-out.

### Planned Next Four Months

- Parks and Recreation visual identity launch and recreation app launch.
- Website refresh project (launch early Q3).
- Launch of enhanced Major Projects map on [www.medicinehat.ca](http://www.medicinehat.ca).

# COMMUNICATIONS, ENGAGEMENT & MARKETING

For the Period Ended April 30, 2025

## Report on Business Plan Goals

<p><b>Public Participation</b></p> <p>Public participation efforts are delivered effectively and consistently throughout the organization. Both community and City Council expectations on public participation opportunities are growing and City of Medicine requires a formal framework to better define and coordinate public engagement efforts to meet these expectations. The framework will be complete in 2024 and implemented throughout 2025.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Public participation framework rollout is ongoing. Worked with multiple departments to launch engagement efforts related to several City projects. Examples include proposed Saamis Solar project, Harlow and Noble Park restoration, Palliser Park upgrades, Seacan suggestions, Saamis Tepee and dancefloor resurfacing.</li> <li>2. Launched Community Spirit Awards nomination period for fall event.</li> </ol>
<p><b>Strengthen Internal Communications</b></p> <p>We have a strong system of internal communications. Effective Internal communications are a critical organizational success factor contributing to improved employee awareness and engagement, while providing opportunities to share information, build relationships, and improve collaboration across departments.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Weekly INsite articles continue to be developed and posted consistently, with bi-weekly INsite Edition sent out to all employees.</li> <li>2. Ongoing work with IT to support M365 adoption.</li> <li>3. Facilitated new internal communications stream to support People Services and employee wellness messaging.</li> <li>4. Streamlined assembly of bi-weekly INsite Edition harnessing new SharePoint feature that significantly reduces build time.</li> </ol>
<p><b>Reliable &amp; Relevant Communications</b></p> <p>City information is consistently delivered and is accessible, accurate and timely. A strong communications and public participation strategy allows the City to demonstrate transparency and build a greater sense of trust amongst all stakeholder groups by consistently and proactively delivering accurate, timely, relevant information. Finding opportunities to celebrate accomplishments and success supports community wellness and vibrancy.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Developed full Election 2025 communications strategy to launch May 2025, including efforts to enhance awareness of roles of council and local government in general.</li> <li>2. Began website refresh project to migrate to new content management system and improve design and functionality of current site.</li> <li>3. Focused communication efforts on several significant municipal topics including proposed Saamis Solar project, Municipal Control Corporation (MCC) exploration, new property tax software, construction season projects and enhanced major projects map.</li> </ol>
<p><b>Marketing and Sponsorship</b></p> <p>Strategically develop and implement innovative, accessible marketing materials that authentically capture and amplify our vibrant community, inspiring residents, non-residents, and stakeholders to take meaningful action by investing in our community, our facilities, amenities, events, and local businesses. The business community is inspired to advertise on City assets because they feel a sense of pride in giving back to our local community groups.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Finalized Big Marble Go Centre visual identity guidelines and progressed work on Parks and Recreation brand to rollout in Q2. In beta testing of recreation app that will launch in Q2.</li> <li>2. Initiated Tixx.ca revamp. Generated approximately \$1.2 million in tickets sales on Tixx, to March 31, a 53% increase over last year (with Tigers playoffs expected to have further impact). Increase of 2000 in attendance at Esplanade over same period last year.</li> <li>3. Released Business Retention and Expansion – Industry Specific report on aviation, aerospace and defence, and collaborated with Economic Development on Workforce Economics Workshop.</li> </ol>

# FINANCE

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Assessment & Taxation	\$ 2	\$ 1	\$ 6	\$ 5	\$ -	\$ 2	
Customer Care & Billing	610	167	193	26	-	610	
Supply Chain	67	-	2	2	-	67	
	<b>679</b>	<b>168</b>	<b>201</b>	<b>33</b>	<b>-</b>	<b>679</b>	
<b>Expenses</b>							
Divisional Finance	353	116	121	(5)	-	353	
Financial Control & Reporting	2,617	949	834	115	165	2,452	1
Assessment & Taxation	1,863	611	603	8	-	1,863	
Customer Care & Billing	2,961	991	1,033	(42)	(60)	3,021	2
Treasury & Risk	4,762	3,108	2,950	158	200	4,562	3
Supply Chain	2,032	669	687	(18)	-	2,032	
	<b>14,588</b>	<b>6,444</b>	<b>6,228</b>	<b>216</b>	<b>305</b>	<b>14,283</b>	
<b>Net Surplus (Deficit) before Internal Cost</b>	<b>(13,909)</b>	<b>(6,276)</b>	<b>(6,027)</b>	<b>249</b>	<b>305</b>	<b>(13,604)</b>	
Internal Revenue	12,109	9,516	9,603	87	136	12,245	4
Internal Expenses	2,586	2,209	2,222	(13)	-	2,586	
	<b>9,523</b>	<b>7,307</b>	<b>7,381</b>	<b>74</b>	<b>136</b>	<b>9,659</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(4,386)</b>	<b>1,031</b>	<b>1,354</b>	<b>323</b>	<b>441</b>	<b>(3,945)</b>	
Interest Expense	(20)	(20)	(16)	4	4	(16)	
Principal	(77)	(77)	(76)	1	1	(76)	
Transfer to One-time Expenses and Initiatives	(250)	-	-	-	-	(250)	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (4,733)</b>	<b>\$ 934</b>	<b>\$ 1,262</b>	<b>\$ 328</b>	<b>\$ 446</b>	<b>\$ (4,287)</b>	
Amortization	(75)	-	-	-	-	(75)	
<b>Net Surplus (Deficit)</b>	<b>\$ (4,808)</b>	<b>\$ 934</b>	<b>\$ 1,262</b>	<b>\$ 328</b>	<b>\$ 446</b>	<b>\$ (4,362)</b>	

## OPERATING NOTES

- Financial Control & Reporting expenses are \$115K favourable due to positional vacancies and the timing of external auditor invoices. This variance will increase to \$165K favourable at yearend due to continued vacancies in the department.
- Customer Care & Billing is forecasted to be -\$60K unfavourable at yearend due to unmet vacancy adjustment and higher than budgeted benefit costs.
- Treasury expenses are \$158K favourable primarily due to lower salary and wages due to a position vacancy and lower insurance premiums than budget. Forecast to yearend is expected to be \$200K favourable.
- Internal Revenue is \$87K favourable and expected to be \$136K favourable at yearend due to customer care expenses being higher than budgeted.

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- The 2024 Year End Financial Statements received a clean audit report and have been approved by Council. The report has been posted to the City Website.
- The 2025 Assessment valuations were completed and declared on January 24th. Assessment notices were mailed out on February 28th.
- The 2025 Tax Rate Bylaw was presented and approved by Council on April 22nd.
- New Tax Software (Tempest) went live March 10th.

### Planned Next Four Months

- Property Tax Notices will be mailed to property owners on May 21st with a due date of June 30th. Web page and brochure will be updated.
- The Government Finance Officers Association (GFOA) Public Facing Budget Package will be submitted for review.
- Business optimization projects: Unit4 enhancements are continuing; development of new management reports; commitment accounting, etc.
- Service Level inventory costing.

# FINANCE

For the Period Ended April 30, 2025

## Report on Business Plan Goals

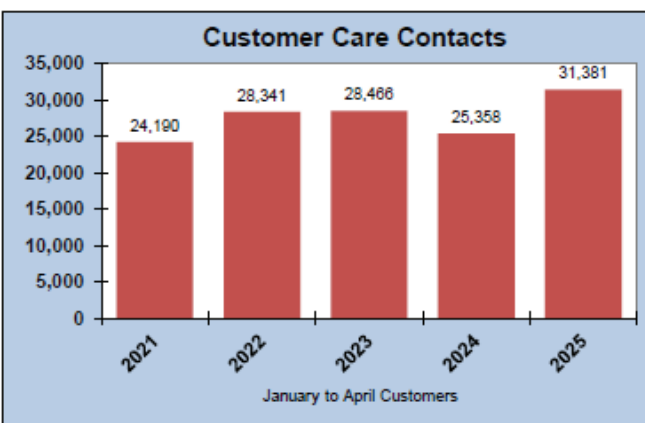
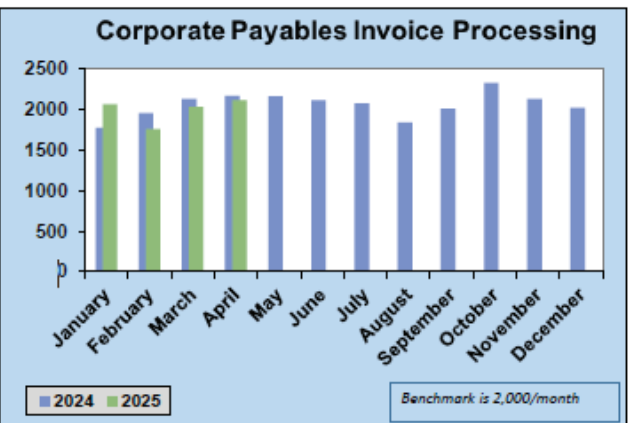
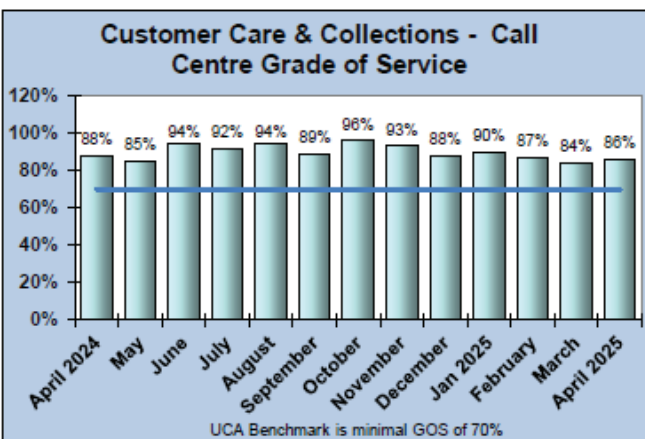
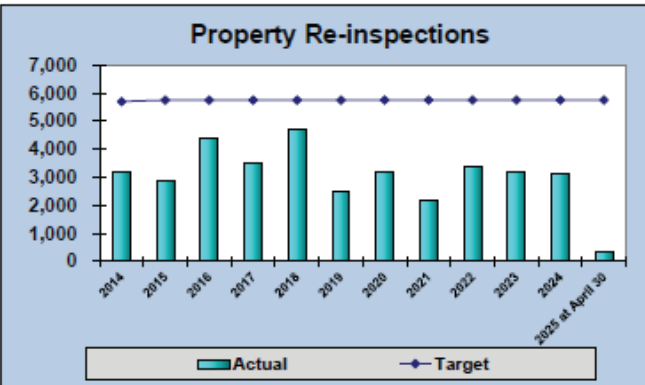
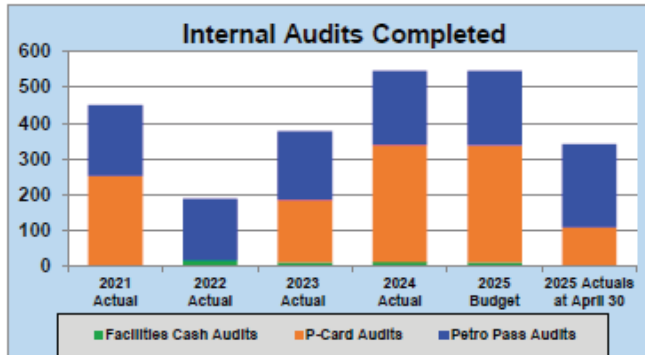
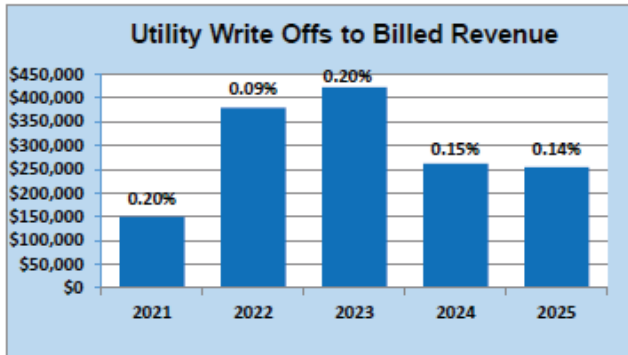
<p><b>Customer Service Optimization</b></p> <p>Ensure optimal customer service experience of internal and external customers.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Procurement 101 training rolled out to the organization and completed by Staff.</li> <li>2. Assessment attended the spring home and garden trade show.</li> <li>3. Successful implementation of the tax software, Tempest, with additional features on-line for residents to get tax information and eBilling.</li> <li>4. Working with Corporate Planning and Performance (CPP) to determine the costing on the service level inventory items.</li> </ol>
<p><b>Supporting and Developing our Team Talent</b></p> <p>Create a supportive, positive work culture by promoting a safe workplace, both physically and psychologically, that allows employees to express their ideas and thoughts and pursue corporate opportunities, objectives and goals.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Finance connect session will be held in May.</li> <li>2. Providing new opportunities for finance staff to backfill and provide coverage for short term vacancies (e.g. Senior Accounting Assistant and Accounts Payable Clerk).</li> <li>3. Staff participated and provided feedback in corporate culture code session.</li> <li>4. Staff participated in customer service training: Dealing with Difficult People/Situational Awareness.</li> <li>5. Alberta Assessor Association Conference: staff attended pre-conference training and the full conference.</li> </ol>
<p><b>Financial Wellbeing</b></p> <p>Ensure the City has healthy finances and long-term financial stability, while maintaining organizational health, resilience, and compliance with regulatory bodies.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. 2024 Consolidated Financial Statements completed and received a clean audit opinion. Net financial debt decreased by \$27 million and Asset Retirement Obligation (ARO) decreased by \$117 million from 2023 putting the City in a net financial asset position of \$187.3 million.</li> <li>2. Investment portfolio generated a return of 0.5% in Q1 which was 0.10% below the benchmark.</li> <li>3. Developed a template to include in budget amendments and other scenario analysis to highlight the impact on the corporate fiscal targets (tax impact, budget gap, cash, debt).</li> <li>4. P-card audit was presented to Audit Committee.</li> <li>5. Cyber risk insurance study completed; recommendations will be implemented.</li> <li>6. Monitoring the impact of US tariffs.</li> </ol>
<p><b>Enterprise Risk Management (ERM) Enhancement</b></p> <p>Strengthen the City's ERM framework by fostering a culture of risk awareness and proactive management across all departments. This includes engaging departmental directors and Risk Owners, conducting comprehensive risk assessments with the departments and monitoring and reporting on the risks with the intent to mitigate, reduce or eliminate the enterprise risks to an acceptable level.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Developed cross departmental risk committee that meets monthly to review the risk register and discuss emerging risk items.</li> <li>2. Met with each risk owner and updated the risk register.</li> <li>3. Developed operational risk template and transitioned this to the departments and asset management to complete.</li> </ol>



# FINANCE

For the Period Ended April 30, 2025

## Report on Performance Measures



# FLEET & FACILITIES

## For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Facilities Management	\$ 166	\$ 55	\$ 27	\$ (28)	\$ -	\$ 166	
Fleet Services	-	-	23	23	-	-	
	<b>166</b>	<b>55</b>	<b>50</b>	<b>(5)</b>	<b>-</b>	<b>166</b>	
<b>Expenses</b>							
Facilities Management	6,106	2,021	2,239	(218)	(250)	6,356	1
Fleet Services	7,935	2,648	2,544	104	-	7,935	2
Administration	485	160	131	29	-	485	
Project Management	610	201	120	81	150	460	3
	<b>15,136</b>	<b>5,030</b>	<b>5,034</b>	<b>(4)</b>	<b>(100)</b>	<b>15,236</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(14,970)</b>	<b>(4,975)</b>	<b>(4,984)</b>	<b>(9)</b>	<b>(100)</b>	<b>(15,070)</b>	
Internal Revenue	27,742	13,905	13,555	(350)	(650)	27,092	4
Internal Expenses	11,059	4,969	4,813	156	300	10,759	4
	<b>16,683</b>	<b>8,936</b>	<b>8,742</b>	<b>(194)</b>	<b>(350)</b>	<b>16,333</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>1,713</b>	<b>3,961</b>	<b>3,758</b>	<b>(203)</b>	<b>(450)</b>	<b>1,263</b>	
Interest Expense	(504)	(504)	(693)	(189)	(189)	(693)	5
Principal	(1,504)	(1,504)	(1,737)	(233)	(233)	(1,737)	5
Transfer to One-time Expenses and Initiatives	(100)	-	-	-	-	(100)	
Transfer to Reserves (expense)	(5,711)	-	-	-	-	(5,711)	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (6,106)</b>	<b>\$ 1,953</b>	<b>\$ 1,328</b>	<b>\$ (625)</b>	<b>\$ (872)</b>	<b>\$ (6,978)</b>	
Amortization	(14,082)	-	-	-	-	(14,082)	
Accretion of Asset Retirement Obligations	(42)	-	-	-	-	(42)	
<b>Net Surplus (Deficit)</b>	<b>\$ (20,230)</b>	<b>\$ 1,953</b>	<b>\$ 1,328</b>	<b>\$ (625)</b>	<b>\$ (872)</b>	<b>\$ (21,060)</b>	

### OPERATING NOTES

- Facilities Management expenses are -\$218K unfavourable due to timing of seasonal invoices, specifically, snow removal and major preventative maintenance activities which have not been completed (i.e. ARC Flash studies). The forecast to yearend is anticipated to be -\$250K unfavourable due to escalating supplier pricing.
- Fleet Services expenses are \$104K favourable due to less than expected fuel usage and temporary removal of federal carbon taxes. Anticipated to be on budget by yearend with increased fuel usage in the summer months and the return of federal carbon taxes.
- Project management expenses are \$81K favourable due to vacant staff positions. It is anticipated that this favourable variance will increase to \$150K by yearend due to staff vacancies.
- The net unfavourable internal revenue variance and favourable internal expense variance of -\$194K is due to lower than anticipated lease revenues related to capital asset replacement deferral's (based on condition and review of scope) and lower recoveries and expenses related to fuel usage, unit repair costs and temporary removal of carbon tax. The forecast to yearend is expected to be -\$350K unfavourable due to ongoing capital asset deferrals and decreased unit repair costs.
- Interest expense and principal are -\$189K and -\$233K unfavourable due to timing of prior years capital expenses and related borrowings. This variance will continue to yearend.

# FLEET & FACILITIES

For the Period Ended April 30, 2025

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Successful hiring of Capital Coordinator in Fleet Services, Heating, Ventilation and Air Conditioning (HVAC) team lead & HVAC technician positions in Facilities Management.
- Continuing with budgeted Mobile Asset replacement program, 2024 police unit builds complete with 5 units now in service. Landfill dozer replacement completed with new unit in service.
- New Fleet contracts for welding (new) complete.
- 2025 Police units are on order (fewer than previous years because of bus replacement requirements).
- Ongoing specifications development and procurement in progress for scheduled capital fleet replacements.
- Support of Gas Distribution with Manager, Fleet Service seconded until August. Fleet Superintendent currently Acting Manager, Fleet Services and Fleet Capital Coordinator Acting Fleet Superintendent providing fill in rolls to cover Gas Distribution secondment.
- Initiated the 2025 capital projects program.
- Participated in Unit 4 pilot project for commitment accounting.
- Year 0 AM Program Review presented through committee to Council through consent agenda.
- Assisted as requested in departmental action items.
- Provided new hire orientations to Asset Management (AM) program for partner departments.
- Participated in Environmental Resources Management (ERM) Committee.
- Worked with Information Technology (IT) on AM SharePoint site requirements.
- The centre-led Project Management manual has been finalized, and the accompanying education program has been rolled out to all project managers.
- The annual review tool for the Corporate Project Management (PM) Program is complete.
- Project financial reporting has been integrated into the Tri-Annual capital spending report draft into the management reporting package.

### Planned Next Four Months

- New Fleet contract for towing in review stage after recent tender close.
- Disposal of 7 old units at auction site for May 15, more to following in July.
- Asset replacement of buses out for public tender May 13<sup>th</sup> (\$5-\$7 million) with deliver in 2027-2028.
- Continuation of Fleets unit replacement program (spec'ing and procurement).
- Summer inspection program being scheduled and booked for lifts, cranes, jacks etc.
- Working with procurement on a process for sale and removal of one of our 2 post vehicle lifts which will add flexibility to our light duty shop.
- Continue to backfill and cover for Manager, Fleet Services secondment. May delay our capital replacement program for a few months, we will continue as time permits.
- Continue Facilities Condition Assessments (FCA) program as per schedule.
- Continue Facilities regulatory inspections, operations and maintenance.
- Continue to deliver the 2025 capital program, including projects such as: police station components, LED energy efficient upgrades, accessibility projects at various facilities.
- Year 1 Asset Management Program Review with majority of partnering departments (some will occur into final third of 2025).
- Roll out of Operational, Asset, Single Point of Failure (SPOF) Risk Management Matrix for AM program.
- Roll out of AM SharePoint site for centralized reporting, reviewing, data/info sharing
- Continued collaboration with ERM, Budget Office, Corporate Strategy & Analysis, plus twelve City of Medicine Hat (CMH) departments with physical/tangible assets.
- Preparation for bi-annual Canada Core Public Infrastructure regulatory requirement reporting (StatsCan).
- Project Management Office (PMO) continues to onboard new staff/PMs as required. Updates to the manual, documentation and templates will be ongoing as policy updates continue, and best practice feedback from departments is implemented.
- Program review meetings with key stakeholders to be scheduled May 2025. PMO is currently working with IT to create departmental SharePoint folders.
- Continue to integrate and go live with Project reporting in Management and Tri-Annual reporting.

# FLEET & FACILITIES

For the Period Ended April 30, 2025

## Report on Business Plan Goals

### Inter-Departmental Partnerships

Maintain inter-departmental partnerships by providing and receiving technical advice, regulatory compliance, and supporting other City of Medicine Hat departments by providing designated levels of service with the minimum amount of service disruption, within approved budgets.

### PROGRESS

1. Maintain Facilities Management Level of Service:
  - a. Complete required engineering and life safety inspections for all applicable Facility components.
  - b. Action Recreation & Wellness, Facilities Management to prepare a schedule of existing recreational facilities including for each:
    - i. Updated Facility Condition Assessment.
    - ii. Potential demolition costs.
    - iii. Average annual operating cost to be utilized and considered as part of Facilities for the Future analysis developed by Parks & Recreation.
  - c. Complete required condition assessments within Facilities (4-year cycle) and maintain updated asset plans.
2. Maintain Fleet Level of Service:
  - a. Complete required Commercial Vehicle Inspection Program for all applicable Fleet units.
  - b. Complete required condition assessments within Fleet (4-year cycle) and maintain updated asset plans.
  - c. Recruitment and integration of Fleet Capital Coordinator to support capital replacement plans.
3. Maintain Corporate Asset Management Program:
  - a. Complete annual Corporate Asset Management Program review and required submissions of updates as per regulatory requirements and assist corporate asset management program application with other departments including capital budget planning and allocation of funding.
4. Maintain Corporate Project Management Program:
  - a. Lead the establishment of a centre-led Project Management framework that:
    - i. Defines project management best practices across the organization.
    - ii. Provides support and collaboration to project managers.
  - b. The centre-led Project Management manual has been finalized, and the accompanying education program has been rolled out to all project managers. Updates to the manual, documentation and templates will be ongoing as policy updates continue, and best practice feedback from departments is implemented.
  - c. Complete annual Corporate Project Management Program review and required updates as per Executive Leadership Team (ELT) direction and assist corporate project management program application with other departments.
  - d. The annual review tool for the Corporate PM Program is complete, and meetings with key stakeholders to be scheduled May 2025.
  - e. PMO is currently working with IT to create departmental SharePoint folders. Department process performance will be visible to the participants. A corporate dashboard, for reporting at the executive level, is in development and should be active by Q4 2025.
  - f. Complete Tri-Annual Project Management reporting on capital spending performance, including project budget, spend, stage of completion, ongoing risk levels, and anticipated completion date.

# FLEET & FACILITIES

For the Period Ended April 30, 2025

<p><b>Asset Management Program</b></p> <p>Track and report asset management program progress and results, as per Corporate Asset Management Policy Number 0181.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. Presented 2024 Program review through ELT, Admin Committee, Corporate Services Committee and Council via Consent Agenda.</li> <li>2. Scheduled over 50% of 2025 Annual Review Programs and finalizing dates of remaining.</li> <li>3. Hosted, facilitated, and/or attended eleven workshops/webinars/lunch &amp; learn type AM related events.</li> <li>4. Collaboration with Budget Office, Corporate Strategy &amp; Analysis, Emergency Management, Enterprise Risk Management on overlapping initiatives and reducing duplication of effort.</li> <li>5. Collaboration with operational departments (owners/managers of tangible/physical assets) on action items stemming from 2024 program review.</li> <li>6. Development of Operational/Asset/SPOF Risk Analysis Matrix.</li> </ol>
<p><b>Project Management Program</b></p> <p>Track and report project management program progress and results, as per executive leadership team direction.</p>	<p><b>PROGRESS</b></p> <ol style="list-style-type: none"> <li>1. The centre-led Project Management manual has been finalized, and the accompanying education program has been rolled out to all project managers. PMO continues to onboard new staff/PMs as required. Updates to the manual, documentation and templates will be ongoing as policy updates continue, and best practice feedback from departments is implemented.</li> <li>2. The annual review tool for the Corporate PM Program is complete, and meetings with key stakeholders to be scheduled May 2025. PMO is currently working with IT to create departmental SharePoint folders. Department process performance will be visible to the participants. A corporate dashboard, for reporting at the executive level, is in development and should be active by Q4 2025.</li> <li>3. Project financial reporting has been integrated into the Tri-Annual capital spending report draft into the management reporting package. PMO has had some input into the metrics, but we are no longer a primary stakeholder in the development, nor are we actively tracking departmental financial data, or project expenditure. PMO will be able to support Departmental PM teams if the need arises.</li> </ol>

# FLEET & FACILITIES

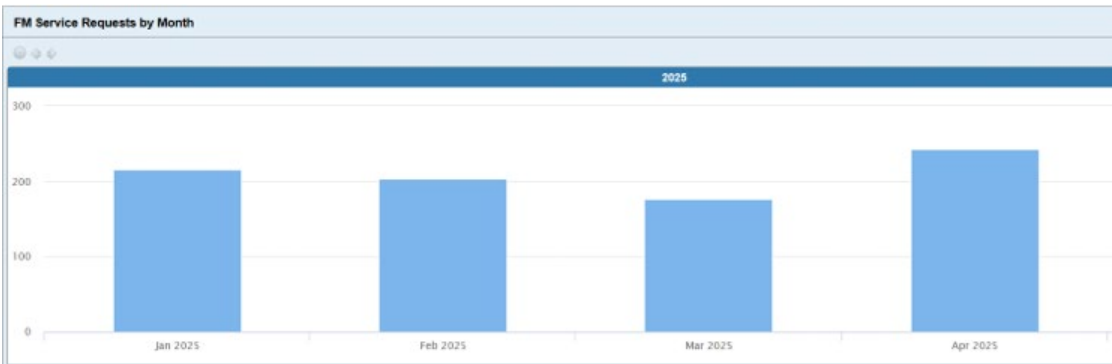
For the Period Ended April 30, 2025

## Report on Performance Measures

### Facilities Management Work Orders by Month



### Facilities Management Service Requests by Month



## Fleet Services

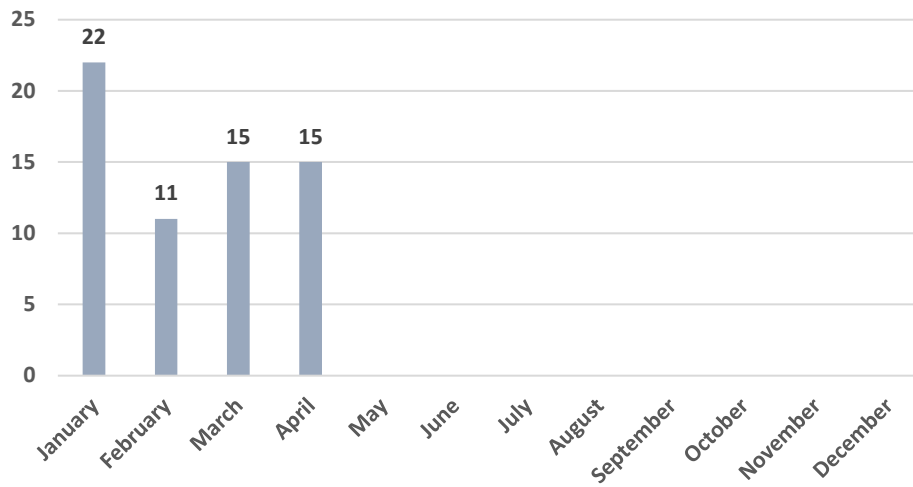
### Fleet Services - Work Orders Completed/Closed by Month



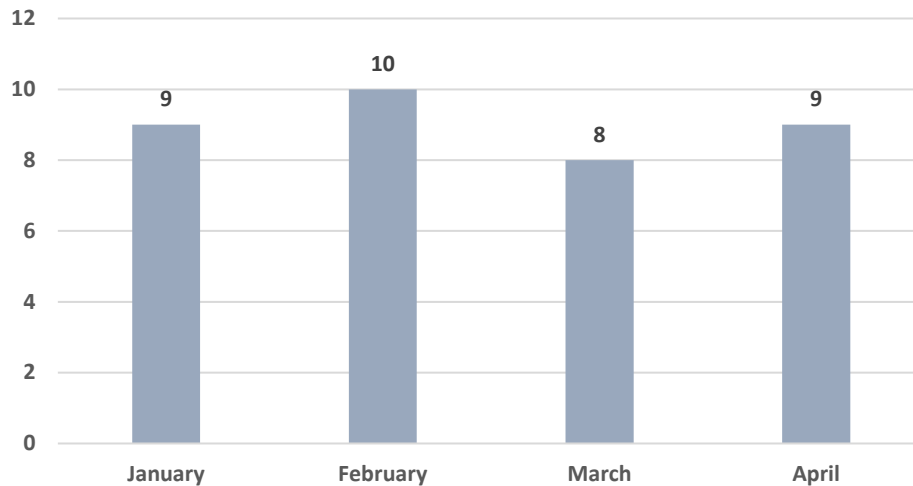
## FLEET & FACILITIES

For the Period Ended April 30, 2025

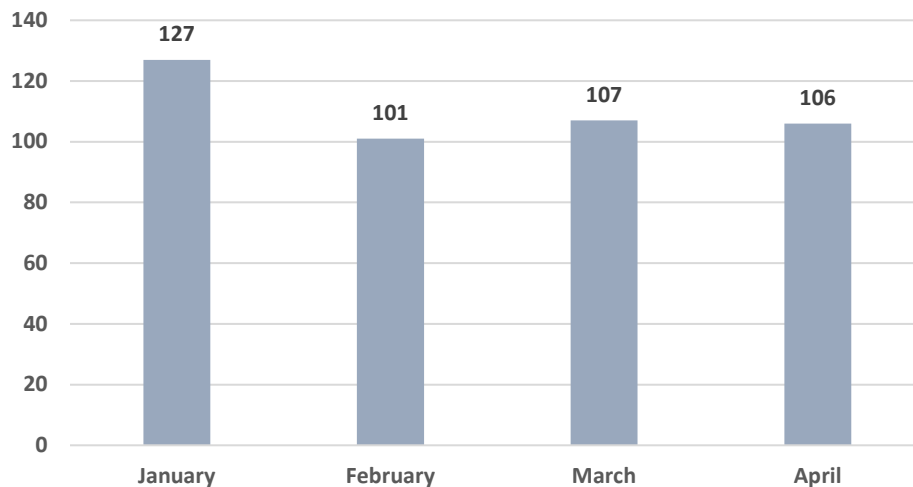
**Fleet Services - Commercial Vehicle Inspections**



**Fleet Services - Accident Repairs**



**Fleet Services - Inspections (Does not include CVIP)**



# INFORMATION TECHNOLOGY

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Expenses</b>							
Administration	\$ 1,206	\$ 401	\$ 543	\$ (142)	\$ (55)	\$ 1,261	1
Application Services	2,307	759	830	(71)	(179)	2,486	2
Technical Services	5,063	1,678	1,565	113	(155)	5,218	3
Technology Software / GIS	2,855	909	893	16	-	2,855	
	<b>11,431</b>	<b>3,747</b>	<b>3,831</b>	<b>(84)</b>	<b>(389)</b>	<b>11,820</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(11,431)</b>	<b>(3,747)</b>	<b>(3,831)</b>	<b>(84)</b>	<b>(389)</b>	<b>(11,820)</b>	
Internal Revenue	11,323	11,088	11,105	17	-	11,323	
Internal Expenses	764	720	724	(4)	-	764	
	<b>10,559</b>	<b>10,368</b>	<b>10,381</b>	<b>13</b>	<b>-</b>	<b>10,559</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(872)</b>	<b>6,621</b>	<b>6,550</b>	<b>(71)</b>	<b>(389)</b>	<b>(1,261)</b>	
Interest Expense	(73)	(73)	(115)	(42)	(42)	(115)	
Principal	(1,076)	(1,076)	(1,337)	(261)	(261)	(1,337)	4
Transfer to One-time Expenses and Initiatives	(1,098)	-	-	-	-	(1,098)	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (3,119)</b>	<b>\$ 5,472</b>	<b>\$ 5,098</b>	<b>\$ (374)</b>	<b>\$ (692)</b>	<b>\$ (3,811)</b>	
Amortization	(2,318)	-	-	-	-	(2,318)	
<b>Net Surplus (Deficit)</b>	<b>\$ (5,437)</b>	<b>\$ 5,472</b>	<b>\$ 5,098</b>	<b>\$ (374)</b>	<b>\$ (692)</b>	<b>\$ (6,129)</b>	

## OPERATING NOTES

- Administration expenses are -\$142K unfavourable due to purchasing of end user computing devices sooner than anticipated in response to impending tariffs (-\$84K) and higher mobility charges with Bell for cellular devices (-\$58K). It is anticipated that this variance will decrease to -\$55K unfavourable by yearend due to continued higher mobility charges combated by cost saving measures put in place.
- Application Services expenses are -\$71K unfavourable due to higher than anticipated salary and wages costs, specifically, unmet vacancy adjustment and benefit costs. Forecast to yearend is expected to be -\$179K unfavourable due to continued unmet vacancy adjustment and increased benefit costs.
- Technical Services expenses are \$113K favourable due to timing of software support and hardware maintenance invoicing (\$184K) offset by higher than anticipated salary and wages costs, specifically, unmet vacancy adjustment and benefit costs (-\$58K) and postage expenses for the mailroom (-\$13K). It is anticipated that this variance will become -\$155K unfavourable by yearend due to continued unmet vacancy adjustment (-\$91K) and higher than budgeted postage costs (-\$64K).
- Principal is -\$261K unfavourable due to timing of prior years capital expenses and related borrowings. This variance will continue to yearend.

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Handled 3,894 service calls, successfully closing 3,762, with a customer satisfaction score of 4.85/5 (97%).
- Completed a successful proof of concept for Cisco Webex Telephony, setting the stage to replace the legacy office phone system.
- Advanced the Utility Network Geographic Information System (GIS) project:
  - Phase 1 - Environmental Utilities has entered the acceptance testing stage.
  - Phase 2 - Gas Utility is in planning preparation, with execution scheduled to begin in the fall.
- The transition from OnBase to SharePoint for Records Management has been communicated organization-wide, with successful migrations completed for the Airport, Fire and Emergency Services, and Information Technology departments.



# INFORMATION TECHNOLOGY

For the Period Ended April 30, 2025

## Planned Next Four Months

- Conduct an IT Services Review to assess performance and identify improvement opportunities.
- Continue progress on the Records Management System transition, replacing OnBase with SharePoint.
- Advance the document migration project with Community Development.
- Complete setup and begin execution of the Microsoft 365 Adoption & Change Management (ACM) program.
- Begin cybersecurity enhancements using Microsoft 365, including testing and limited implementation.
- Complete the Corporate Network Refresh Project to modernize infrastructure.
- Solidify the migration plan for Unit4 Enterprise Resource Planning (ERP) from Oracle to Structured Query Language (SQL) Server in collaboration with business stakeholders.
- Continue to support Finance's Unit4 ERP Business Transformation initiatives.

## Report on Business Plan Goals

### Advanced Collaboration Ecosystem

In an era of digital transformation, efficient, effective, and secure information management is not optional – it's a strategic necessity. As our municipality faces growing information volumes, diverse data sources, and evolving compliance demands (both public and internal), the importance of a platform that enables clear processes and best practices for collaborating, capturing, organizing, and maintaining corporate records cannot be overstated. To achieve this effectively, a robust technology platform is essential.

### PROGRESS

1. Data security planning and Information Technology (IT) staff training are underway, with initial adoption of advanced user licensing to enhance platform capabilities.
2. The transition from OnBase to SharePoint for Records Management has been communicated organization-wide, with successful migrations completed for the Airport, Fire and Emergency Services, and Information Technology departments.
3. Document migration to SharePoint continues in collaboration with Community Development; Transit migrations are on track for completion in May, and planning is underway with Community Support.
4. Salesforce displacement planning is progressing, with a SharePoint-based solution being developed for the Land & Real Estate and Economic Development teams.
5. Business process automation using Power Apps and Power Automate is advancing, with pilot projects and training in progress and a targeted organizational rollout planned for July.

### Core Enterprise Systems Advancement

The support and advancement of our core Enterprise Systems (ES) is crucial for the business units that rely on them. The efficiency and effectiveness of these systems significantly impact the level of service that is possible with available resources. Information Technology plays a pivotal role in guiding, supporting, and assisting with the continuous improvement of our Enterprise Systems, while ensuring alignment with Enterprise Systems Governance Committee (ESGC) principles.

### PROGRESS

1. Successfully supported the Tax Software Replacement project led by Finance through implementation and Go-Live.
2. Initiated technical readiness planning for the Unit4 Cloud Migration, scheduled for 2026.
3. Continued support for Finance's Unit4 ERP Business Transformation initiatives, including Commitment Accounting and Management Reporting.
4. Completed the Reliability and Availability Assessment for Cityworks, with the Functional Health Check in progress and Mobility Improvements released.
5. Finalized the annual upgrade of the Planning & Development software application (CityView).
6. Progressed the City website platform migration to GovStack, with content migration completed and currently in the validation and cleanup phase.

# INFORMATION TECHNOLOGY

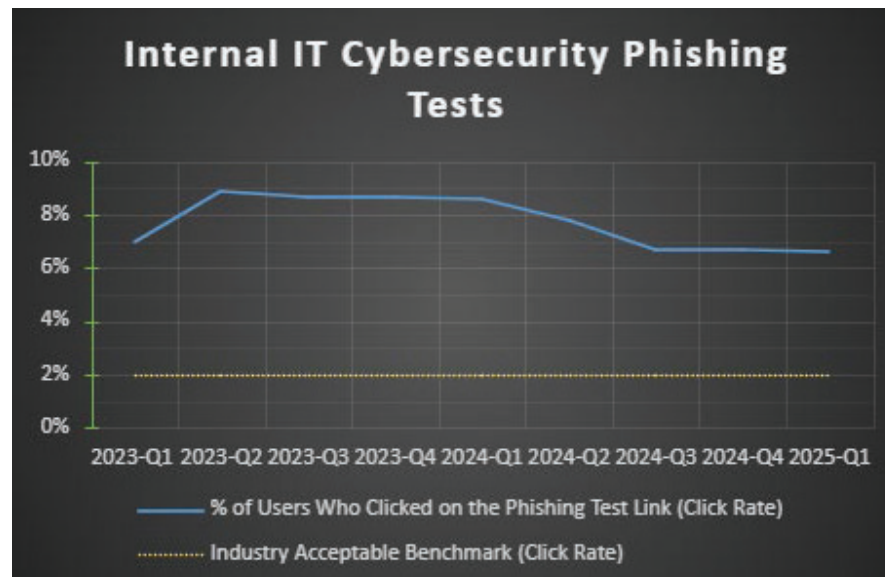
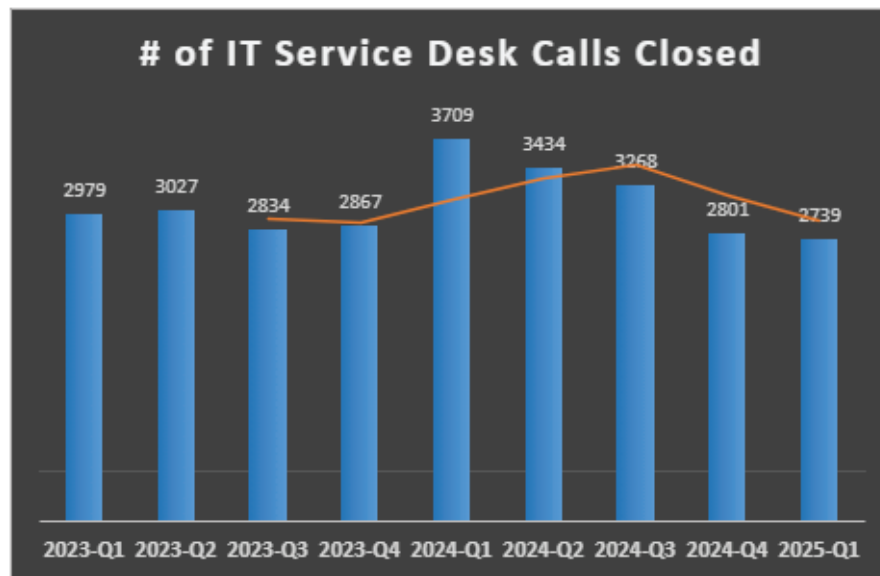
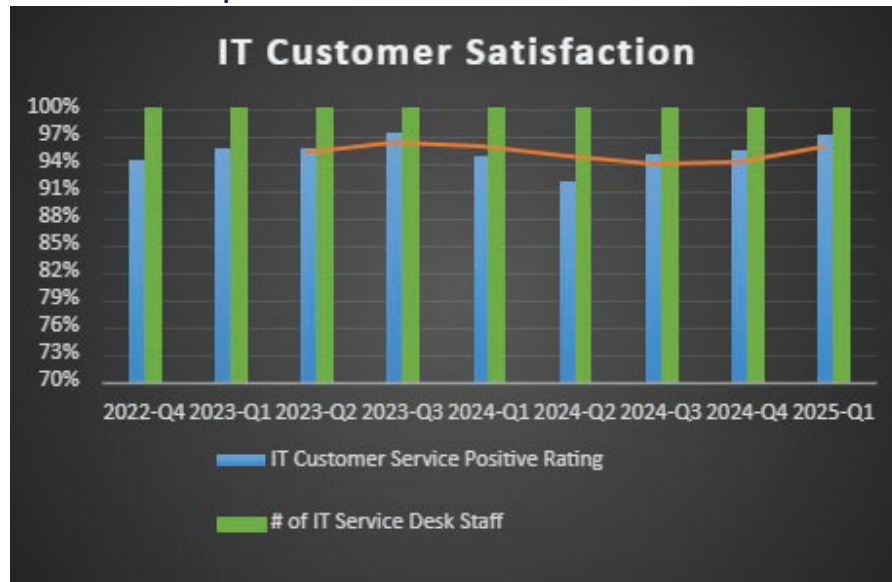
For the Period Ended April 30, 2025

<b>Advance Cybersecurity Posture</b>  Advancing a comprehensive IT & Operation Technology (OT) cybersecurity posture is essential to ensure the safety, reliability, and trustworthiness of municipal services, data, resources, and infrastructure.	<b>PROGRESS</b> <ol style="list-style-type: none"><li>1. A major network refresh was completed by Operational, Technology, Software &amp; Intelligence (OTSI) which allows all OT Operating Departments to subscribe to a comprehensive list of cybersecurity services and resources. These changes also provide an additional layer of protection for critical infrastructure systems that were previously connected directly to the Corporate Network.</li><li>2. Approximately 30 standards were approved by the Utility Cybersecurity Governance Committee in Q1 of 2025. The Utility Cybersecurity Technical Advisory Committee was given one year to review and provide recommended changes to the standards as provided by a third party, Valencia. Progress on this review process has just begun and is estimated to be complete in Q1 of 2026.</li><li>3. Completed 2025 National Institute of Standards and Technology (NIST) Cybersecurity Maturity Assessment; reported results to CFO &amp; Corporate Services Committee</li><li>4. Annual cybersecurity training campaign started based on current/common threats.</li><li>5. Corporate Firewall performance issues diagnosed and determined to be technical limitation of the assets. Mitigation plan implementation underway and will remain in place until asset refresh project (2026 TCA funding).</li><li>6. Advanced cybersecurity protections strategy planning including endpoint protections, data security, disaster recovery planning, etc.</li></ol>
<b>Strategic Asset Management</b>  Strategic Asset Management within Information Technology (IT) and Operational Technology (OT) is critical to optimizing resource allocation, reducing costs, enhanced planning, and consistent robust service levels. Replacing assets at the right time for the right reason for the right cost is key. Our efforts will align with the corporate strategic asset management program as it evolves.	<b>PROGRESS</b> <ol style="list-style-type: none"><li>1. Both IT and OT have put together criteria to produce a single Request for Proposal (RFP) for the procurement of an IT Service Management System (ITSM). The initiative strives to source a single solution that can be separated into two different environments, if possible, but allows for separate solutions if not possible. The purpose of ITSM is to schedule and manage work on IT and OT assets to assist with planning and ensure consistent reliable services. For IT this system will replace Cherwell for service tickets generated from <a href="mailto:IT_Service_Desk@medicinehat.ca">IT_Service_Desk@medicinehat.ca</a>. Status: RFP posted and being bid on currently.</li><li>2. Corporate network technology refresh progress – project nears substantial completion (target end of Q2/25).</li><li>3. Annual End User Computer Equipment Refresh &amp; Windows 11 upgrade project made substantial progress this trimester and remains on schedule for a Nov/25 completion.</li><li>4. Corporate Telephone System Replacement: The City's 10-year-old corporate telephone and Contact Center systems will be "refreshed": replaced to meet current business requirements, utilizing current unified communication technologies such as replacing physical phones with "soft phones" that fully integrated with the City's video conferencing, chat and messaging system (Microsoft Teams). Project proof of concept completed and phased deployment has started, with this project continuing into 2026.</li><li>5. Phase 1 Telecomm Closes Uninterruptable Power Supplies (UPS) Replacement: procurement and start of implementation to replace 10yr old UPS's in the City's network communication closets. Assets count is about 50 devices housed in over 25 City locations.</li></ol>

# INFORMATION TECHNOLOGY

For the Period Ended April 30, 2025

## Report on Performance Measures



# CORPORATE PLANNING & PERFORMANCE

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Expenses</b>							
Corporate Strategy & Analysis	\$ 1,148	\$ 379	\$ 316	\$ 63	\$ 220	\$ 931	1
	<b>1,148</b>	<b>379</b>	<b>316</b>	<b>63</b>	<b>220</b>	<b>931</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(1,148)</b>	<b>(379)</b>	<b>(316)</b>	<b>63</b>	<b>220</b>	<b>(931)</b>	
Internal Revenue	1,017	1,017	1,017	-	-	1,017	
Internal Expenses	234	227	225	2	-	234	
	<b>783</b>	<b>790</b>	<b>792</b>	<b>2</b>	<b>-</b>	<b>783</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(365)</b>	<b>411</b>	<b>476</b>	<b>65</b>	<b>220</b>	<b>(148)</b>	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (365)</b>	<b>\$ 411</b>	<b>\$ 476</b>	<b>\$ 65</b>	<b>\$ 220</b>	<b>\$ (148)</b>	
<b>Net Surplus (Deficit)</b>	<b>\$ (365)</b>	<b>\$ 411</b>	<b>\$ 476</b>	<b>\$ 65</b>	<b>\$ 220</b>	<b>\$ (148)</b>	

## OPERATING NOTES

- Corporate Strategy & Analysis expenses are \$63K favourable due to staff vacancies (\$11K) and less utilization of contracted services (\$52K). The projected \$220K favourable variance at yearend is due to salaries and wage savings related to a vacant staff position (\$25K) and savings due to less utilization of contracted services (\$195K).

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Presented the draft community service level inventory to Council Committee of the Whole.
- Delivered financial analysis and decision support for capital funding proposals, including the Medicine Hat Exhibition & Stampede and Southside Recreation Centre, for presentation and discussion at Council.
- Rolled out a formal intake process for data and dashboard requests.
- Coordinated the implementation of new water rate structure as of January 1, 2025.
- Delivered key data reporting projects to support internal partners, including:
  - Building and Permits Turnaround Report.
  - Memberships and Utilization Dashboard (Parks & Recreation).

### Planned Next Four Months

- Collaborating and contributing to the Finance-led initiative for the delivery of community service level inventory costing.
- Provide key support to the ongoing Management Reporting project (Public Services, Energy Land and Environment and General Government).
- Development of an interactive dashboard to automate daily monitoring and visualization of voltage, current, power factor, and power consumption data from the Supervisory Control and Data Acquisition (SCADA) system to support the Utility Distribution Systems (UDS) Engineering Operations team.
- Begin review process of sewer rates to align sewer rate methodology with the water rate structure.
- Support Environmental Utilities in presenting financials and rate impact analysis of the food waste composting project for discussion at Council.

# CORPORATE PLANNING & PERFORMANCE

For the Period Ended April 30, 2025

## Report on Business Plan Goals

<b>Strategic Management and Business Support</b> The team will drive new value as a business partner for internal departments and the executive team, by contributing credible analysis that informs strategic decision making. The team will support the strategic planning process that will align with Council strategic priorities and corporate objectives. Qualitative and quantitative analysis will include business case development, benchmarking to help identify areas for focused continuous improvement, understanding business risks and alternatives with assessment of innovative solutions for the benefit of the organization and community.	<b>PROGRESS</b> <ol style="list-style-type: none"><li>1. Developed scope of work for the long-range financial forecast and align of resources both internal and external.</li><li>2. Provided analytical support to several requests from Public Services, non-profit grant requests (capital and operating), Medicine Hat Exhibition and Stampede, Facilities for the Future, etc.</li><li>3. Completed phase 2 of the community service level inventory.</li></ol>
<b>Business and Data Analytics</b> Data is the backbone of effective data-driven decision-making. Establishing a framework for data infrastructure, processes and policies is crucial for organizational success. The team will work collaboratively to deliver quality data, credible actionable insights as well as visualization and reporting tools for the organization.	<b>PROGRESS</b> <ol style="list-style-type: none"><li>1. Established a foundational data governance framework and analytics request intake process in collaboration with Information Technology (IT), enabling structured data infrastructure and streamlined support.</li><li>2. Delivered initial analytics projects to assist organizational partners and actively working through a prioritized list of requests based on resource availability and business need.</li></ol>

# FIRE & EMERGENCY SERVICES

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Communication Centre	\$ 1,228	\$ 516	\$ 478	\$ (38)	\$ (156)	\$ 1,072	1
Fire Suppression	446	205	172	(33)	-	446	
Community Safety	10	3	-	(3)	-	10	
Training & Logistics	-	-	-	-	15	15	
	<b>1,684</b>	<b>724</b>	<b>650</b>	<b>(74)</b>	<b>(141)</b>	<b>1,543</b>	
<b>Expenses</b>							
Communication Centre	2,554	873	857	16	(51)	2,605	2
Administration	1,239	409	383	26	(2)	1,241	
Fire Suppression	13,606	4,476	4,449	27	(447)	14,053	3
Community Safety	945	311	317	(6)	(8)	953	
Training & Logistics	527	174	154	20	(9)	536	
	<b>18,871</b>	<b>6,243</b>	<b>6,160</b>	<b>83</b>	<b>(517)</b>	<b>19,388</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(17,187)</b>	<b>(5,519)</b>	<b>(5,510)</b>	<b>9</b>	<b>(658)</b>	<b>(17,845)</b>	
Internal Revenue	948	948	955	7	29	977	
Internal Expenses	2,913	2,190	2,216	(26)	10	2,903	
	<b>(1,965)</b>	<b>(1,242)</b>	<b>(1,261)</b>	<b>(19)</b>	<b>39</b>	<b>(1,926)</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(19,152)</b>	<b>(6,761)</b>	<b>(6,771)</b>	<b>(10)</b>	<b>(619)</b>	<b>(19,771)</b>	
Interest Expense	(2)	(2)	(2)	-	-	(2)	
Principal	(23)	(23)	(23)	-	-	(23)	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (19,177)</b>	<b>\$ (6,786)</b>	<b>\$ (6,796)</b>	<b>\$ (10)</b>	<b>\$ (619)</b>	<b>\$ (19,796)</b>	
Amortization	(312)	-	-	-	-	(312)	
<b>Net Surplus (Deficit)</b>	<b>\$ (19,489)</b>	<b>\$ (6,786)</b>	<b>\$ (6,796)</b>	<b>\$ (10)</b>	<b>\$ (619)</b>	<b>\$ (20,108)</b>	

## OPERATING NOTES

1. Communication Centre revenue is expected to be -\$156K unfavourable by yearend due to decreased background check revenue. The decrease in revenue is a result of a number of other 911 centres in Canada now participating in the backcheck program.
2. Communication Centre expenses are expected to be -\$51K unfavourable by yearend due to higher than budgeted software licensing costs as a result of inflation.
3. Fire Suppression expenses are expected to be -\$447K unfavourable by yearend primarily due to the vacancy adjustment being higher than the savings associated with annual position vacancies and higher than anticipated union contract increases.

# FIRE & EMERGENCY SERVICES

For the Period Ended April 30, 2025

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Continue preparation on implementing the Next Generation 911 call handling system.
- Plan celebration events for the department's 125<sup>th</sup> anniversary.
- Completed and delivered the department's 2024 Annual Year in Review.
- Begin the execution of the 2025/2026 business plan objectives for Q1.

### Planned Next Four Months

- Execute celebration events for the department's 125<sup>th</sup> anniversary.
- Continue with the execution of the 2025/2026 business plan objectives for Q2.
- Focus on community involvement and building community stakeholders through our Fire & Life Safety Educator.
- Continue preparation for the implementation of the Next Generation 911 call handling system.

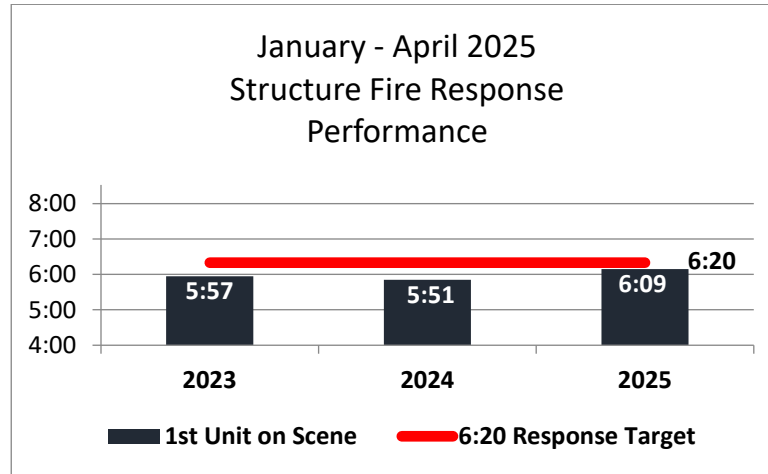
## Report on Business Plan Goals

<b>Staff Health and Wellness</b>  Increase focus on staff's health and wellness throughout the entire department.	<b>PROGRESS</b>  1. Fire & Emergency Services (FES) has identified and partnered with a new provider to develop and implement new annual testing for suppression staff. The new testing utilizes Kinetisense, a motion capture program, to identify areas of strength and weakness. Testing began in Q1, and individual programs are tailored for staff to strengthen areas of improvement, supporting their overall health.
<b>Increase Community Focus and Engagement</b>  Creating a strong community focus and engagement in fire services can be transformative for both the fire department and the community.	<b>PROGRESS</b>  1. FES has analyzed the leading cause of fires over the past five years and is currently developing targeted educational content around these causes. This material will be delivered through social media, schools, and other strategic public education opportunities.
<b>Technology</b>  Leverage technology to improve service delivery and align with Fire & Emergency Services' vision to remain progressive and innovative.	<b>PROGRESS</b>  1. New mobile data terminals were successfully delivered and installed in all frontline apparatus. This new hardware will improve both data exchange and system performance for frontline responders.
<b>Strategic Partnerships</b>  Focus on strategic partnerships.	<b>PROGRESS</b>  1. A series of collaborative meetings has been organized and scheduled with Medicine Hat Police Service (MHPS), HALO Air Ambulance, and County Fire Departments.

# FIRE & EMERGENCY SERVICES

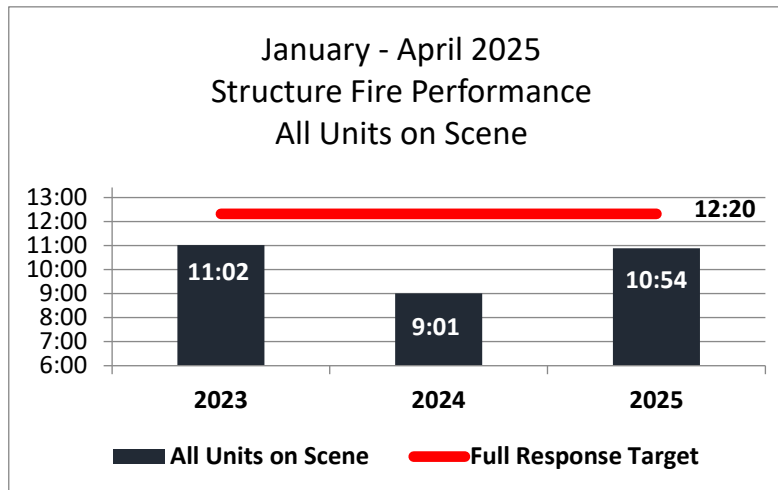
For the Period Ended April 30, 2025

## Report on Performance Measures



Fire & Emergency Services strives to respond with the first arriving Engine Company within 06:20 minutes 90<sup>th</sup> percentile performance). This Council-approved response time target for first-arriving engines is based on National Fire Protection Association (NFPA) Standards, tenability for occupants in burning buildings, and time to collapse when a fire is impinging on structural floor members.

The graph above illustrates that in this reporting period, Fire & Emergency Services responded to structure fire incidents within 06:09 minutes 90% of the time. In 2024 (Jan-Apr), the 90<sup>th</sup> percentile performance time was 05:51. Fire & Emergency Services monitors this response time data continually and looks forward to continuously improved performance with operations now at relocated fire stations.



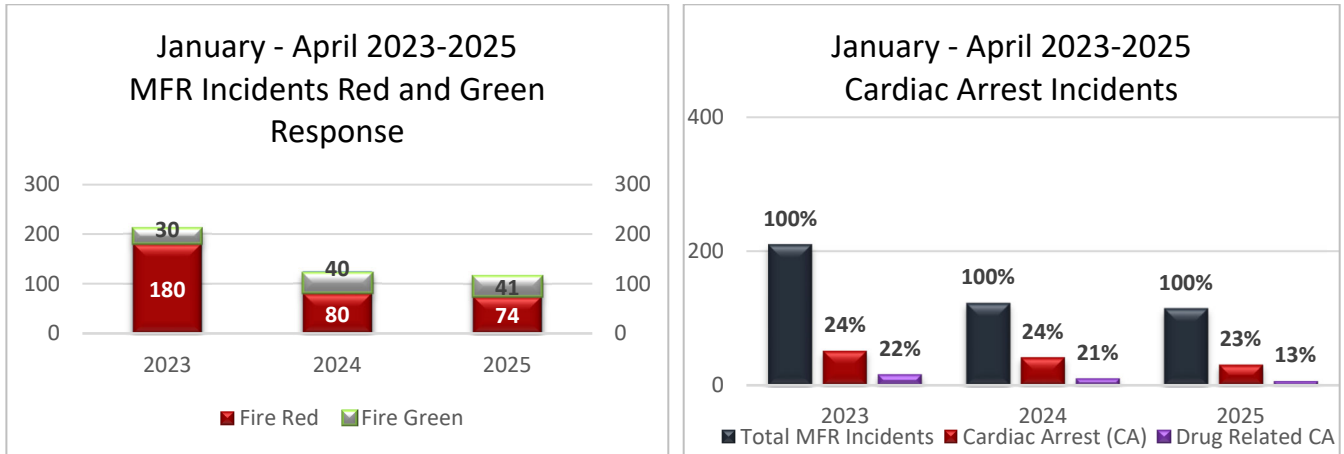
Fire & Emergency Services strives to place two Engine Companies and one Ladder Company on scene in 12:20 minutes 90% of the time (90<sup>th</sup> percentile performance).

The graph above illustrates that in this 2025 reporting period, Fire & Emergency Services placed all units on scene in 10:54 minutes 90% of the time. In 2024 (Jan-Apr), the 90<sup>th</sup> percentile performance was 09:01. Fire & Emergency Services monitors this response time data continually and looks forward to continuous improved performance with operations now at relocated fire stations.



## FIRE & EMERGENCY SERVICES

For the Period Ended April 30, 2025

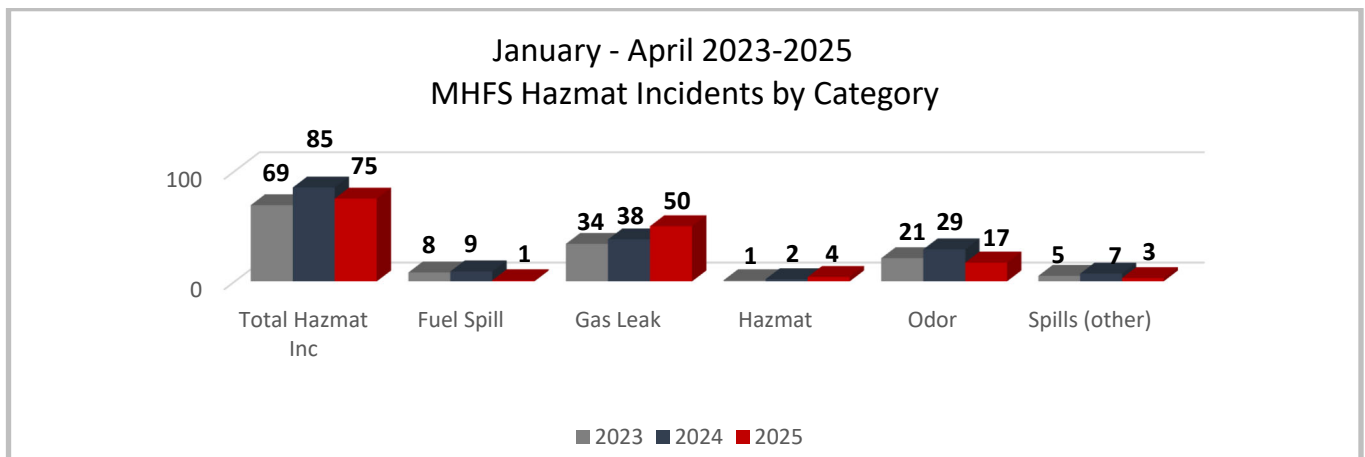


Early intervention in serious medical emergencies improves patient outcomes. Fire & Emergency Services (FES) specifically tracks cardiac arrests and drug-related cardiac arrests as a measure of time-sensitive, life safety response. The response is achieved with a full engine company response to keep engine crews intact and ready to respond to the next emergency.

Dollar Value Saved - Building and Contents  
January - April 2025



Early arrival by Fire & Emergency Service crews reduces the percentage of dollar loss of buildings and contents. This property saving Key Performance Indicator (KPI) indicates that in 2024 Fire & Emergency Services saved 94.06% of the value of buildings and contents involved in structure fires.



Hazardous materials response KPI's can be a measure of life safety and environmental protection, however most calls are related to environmental protection in one way or another. As Hazardous Materials (HAZMAT) incidents have increased over the years, training of firefighters has changed from an Advanced Response Team responsibility to a platoon responsibility. All firefighters are trained to the HAZMAT Technician level (NFPA).

# FIRE & EMERGENCY SERVICES

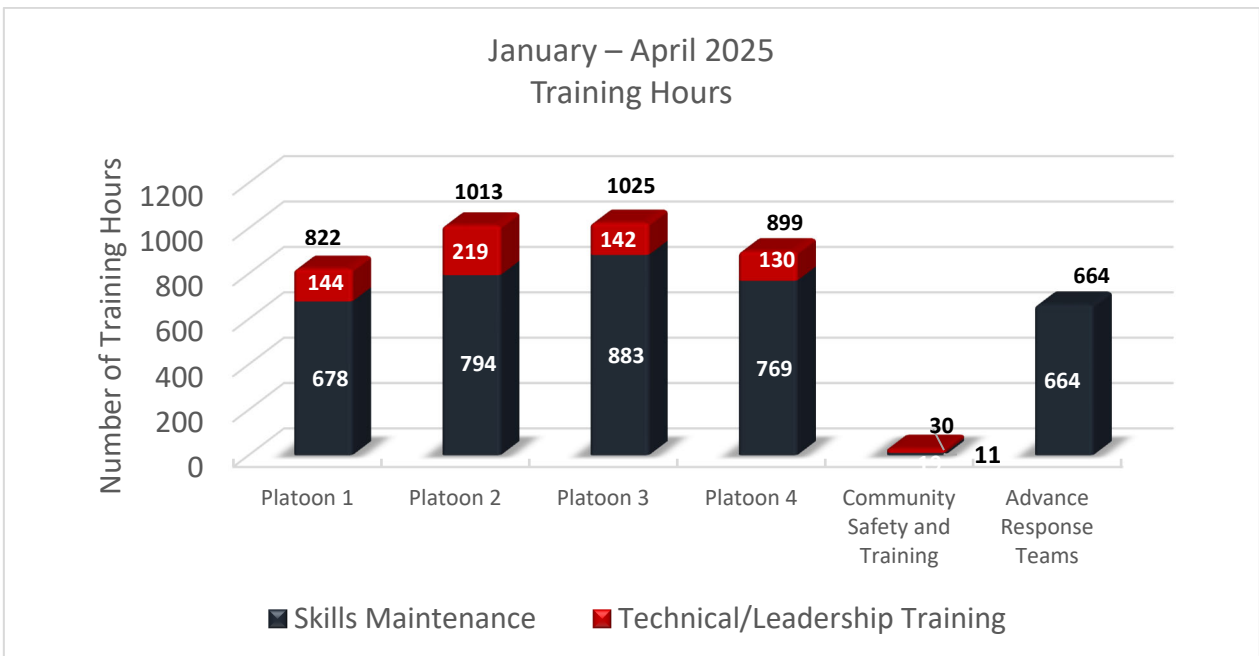
For the Period Ended April 30, 2025

Responding with well-equipped and well-trained people assists Fire & Emergency Services in delivering a high level of service to residents and visitors of Medicine Hat. This KPI measures how we are doing in delivering training to those that are in leadership positions within the Department.

Training Completed as per HRDP  
January – April 2025



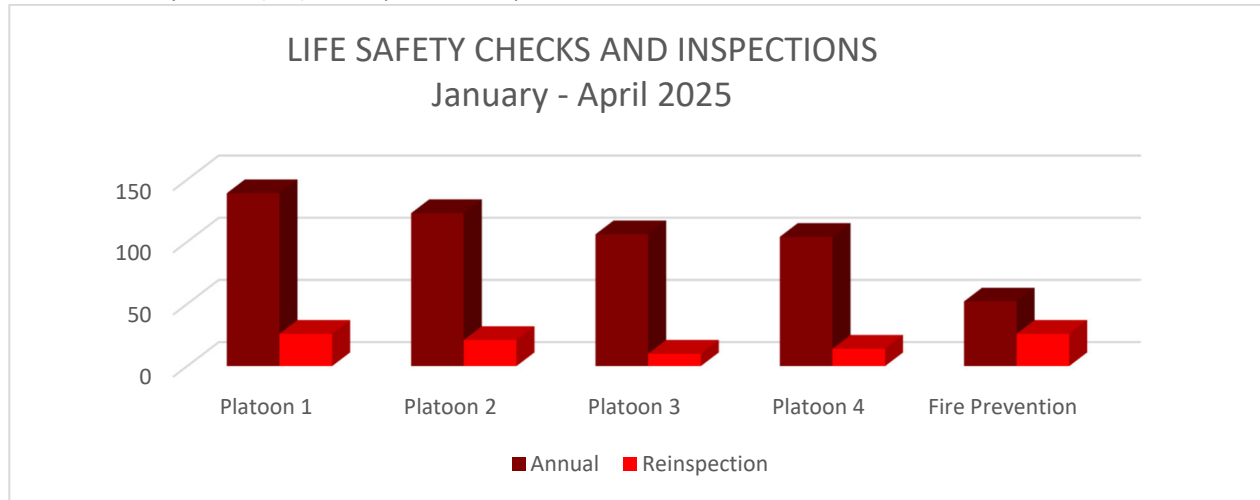
This KPI tracks the number of hours Fire & Emergency Service members spend in both Skills Maintenance Training and Technical/Leadership Training.



## FIRE & EMERGENCY SERVICES

For the Period Ended April 30, 2025

Number of Life Safety Checks (LSC) and Inspections completed:



Jan – Apr Annual LSC or Inspections completed = 633

Jan – Apr (Platoon 1) = 165

Jan – Apr (Platoon 2) = 144

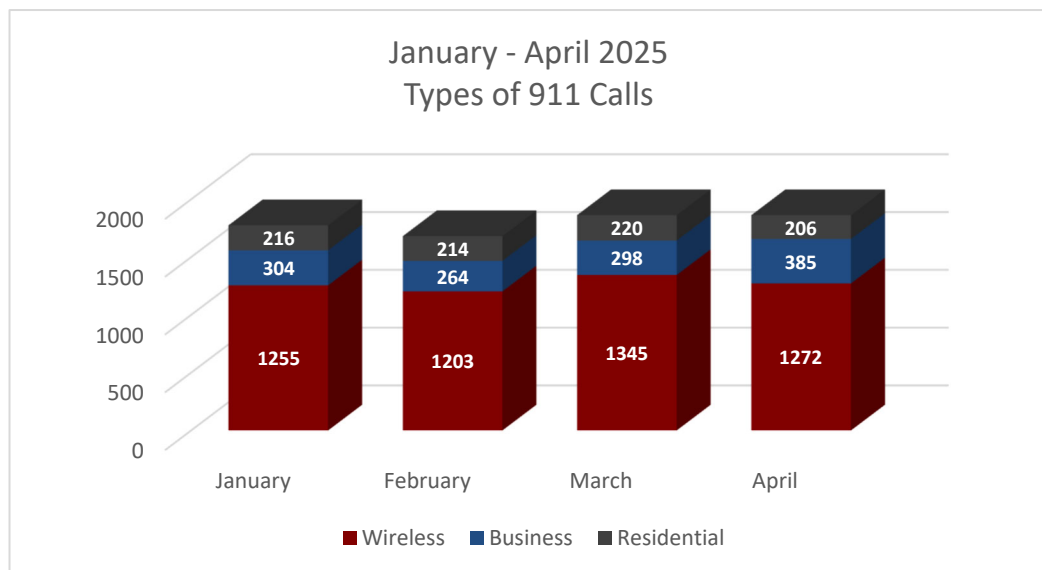
Jan – Apr (Platoon 3) = 116

Jan – Apr (Platoon 4) = 118

Jan – Apr (Fire Prevention) = 90

Life Safety Checks (LSC) and Inspections are key components of a fire-safe community program. Firefighters and Fire Prevention Officers perform LSCs and inspections throughout the year, collaborating with our business community to keep their businesses safe from fire and contribute to the community's economic prosperity. Fire & Emergency Services strives to work with business owners to achieve compliance without revisits to reduce costs.

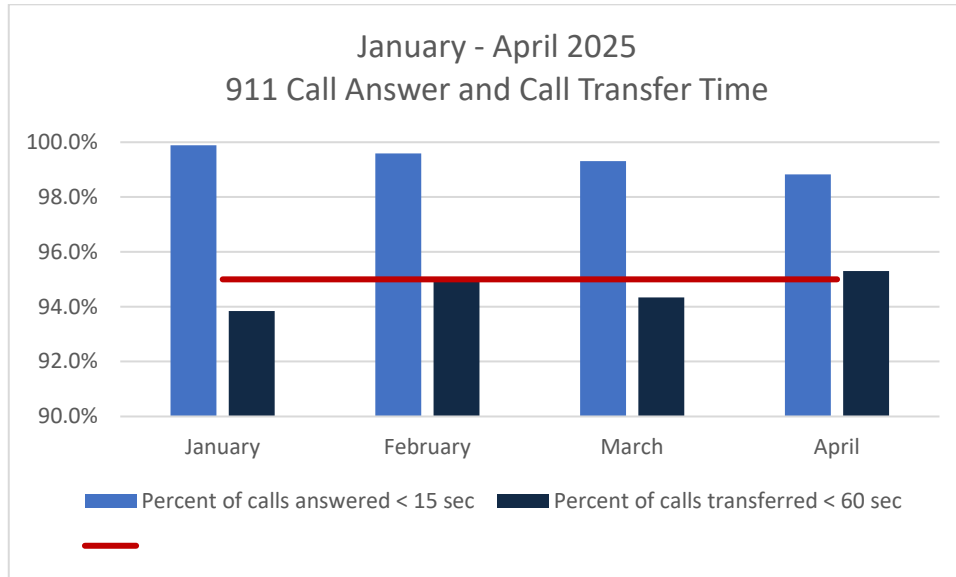
## Communication Centre KPI's



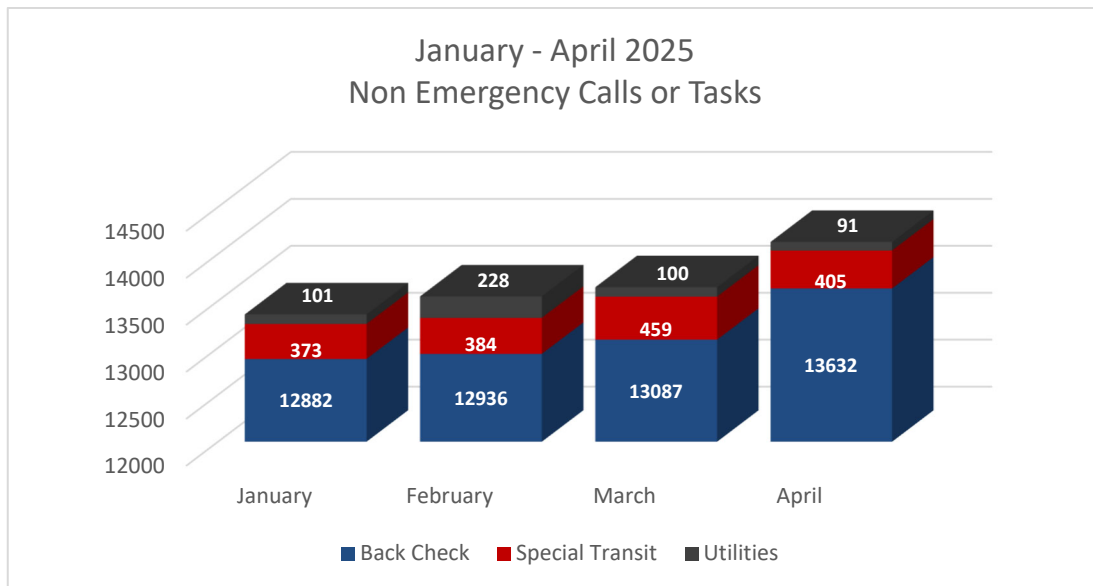
Alberta E9-1-1 Advisory Association (AEAA) collects the wireless 911 fees from the wireless carriers and distributes the funding through the 911 grant program to Public Safety Answering Points (PSAPS) that qualify by meeting Alberta 911 standards. Wireline telephone companies (TELUS, Bell, and Shaw) also distribute funding to Primary PSAPS.

## FIRE & EMERGENCY SERVICES

For the Period Ended April 30, 2025

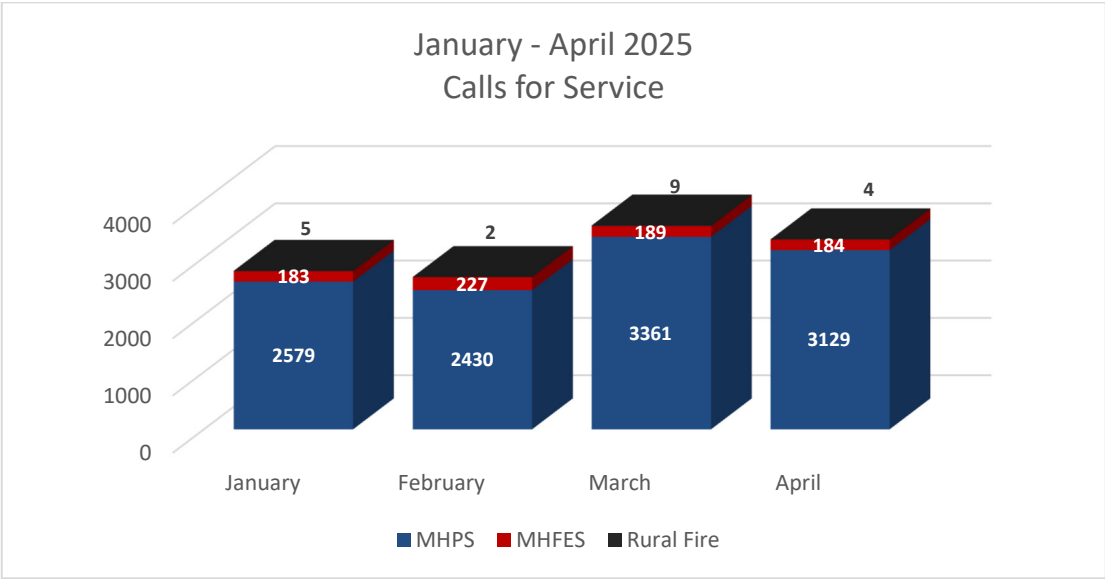


Alberta 911 Standards require 911 call answer to occur within 15 seconds 95 percent of the time, and call transfer time to occur within 60 seconds 95 percent of the time.



FIRE & EMERGENCY SERVICES

For the Period Ended April 30, 2025



# PARKS & RECREATION

## For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Administration	\$ 312	\$ 31	\$ 22	\$ (9)	\$ (17)	\$ 295	
Parks	1,813	598	402	(196)	12	1,825	1
Asset Planning & Business Services	16	5	40	35	51	67	2
Recreation	4,661	1,612	1,977	365	42	4,703	3
	<b>6,802</b>	<b>2,246</b>	<b>2,441</b>	<b>195</b>	<b>88</b>	<b>6,890</b>	
<b>Expenses</b>							
Administration	1,102	356	323	33	32	1,070	
Parks	7,374	2,122	1,789	333	(339)	7,713	4
Asset Planning & Business Services	1,650	540	530	10	(1)	1,651	
Recreation	9,415	3,113	3,242	(129)	(33)	9,448	5
	<b>19,541</b>	<b>6,131</b>	<b>5,884</b>	<b>247</b>	<b>(341)</b>	<b>19,882</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(12,739)</b>	<b>(3,885)</b>	<b>(3,443)</b>	<b>442</b>	<b>(253)</b>	<b>(12,992)</b>	
Internal Revenue	70	70	124	54	-	70	6
Internal Expenses	9,467	6,062	6,097	(35)	(99)	9,566	7
	<b>(9,397)</b>	<b>(5,992)</b>	<b>(5,973)</b>	<b>19</b>	<b>(99)</b>	<b>(9,496)</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(22,136)</b>	<b>(9,877)</b>	<b>(9,416)</b>	<b>461</b>	<b>(352)</b>	<b>(22,488)</b>	
Interest Expense	(305)	(305)	(485)	(180)	(180)	(485)	8
Principal	(826)	(826)	(972)	(146)	(146)	(972)	8
Transfer to Capital	(1,075)	-	-	-	-	(1,075)	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (24,342)</b>	<b>\$ (11,008)</b>	<b>\$ (10,873)</b>	<b>\$ 135</b>	<b>\$ (678)</b>	<b>\$ (25,020)</b>	
Amortization	(6,333)	-	-	-	-	(6,333)	
<b>Net Surplus (Deficit)</b>	<b>\$ (30,675)</b>	<b>\$ (11,008)</b>	<b>\$ (10,873)</b>	<b>\$ 135</b>	<b>\$ (678)</b>	<b>\$ (31,353)</b>	

### OPERATING NOTES

- Parks revenue is -\$196K unfavourable due to lower than expected campsite revenue (-\$86K) due to a slower start to the camping season and lower than budgeted perpetual care fees at the Hillside Cemetery (-\$97K) due to lower operating costs in the winter months. This variance is projected to become \$12K favourable due to camping season starting and incurring summer operational costs at the cemetery resulting in increased usage of the perpetual care fund.
- Asset Planning & Business Services revenue is projected to be \$51K favourable due to increased lease agreement revenue (\$23K) and for the unbudgeted reimbursement of wages for Special Olympic staff (\$28K).
- Recreation revenue is \$365K favourable due to increased facility usage resulting in increased admissions (\$98K), facility rentals (\$106K), fitness fees (\$27K), lease agreements (\$31K) and ice rentals (\$102K). This favourable variance is expected to decrease to \$42K favourable as indoor gym and ice rentals are used less in the summer months.
- Parks expenses are \$333K favourable due to the timing of seasonal work that will begin in May resulting in lower than budgeted salary and wages (\$186K), contracted services (\$59K), and materials (\$80K). By yearend expenses are projected to be unfavourable by -\$339K. Of this projection, -\$100K relates to term and temporary wages; -\$80K for additional irrigation wages and -\$20K for sidewalk vegetation maintenance wages cost shared with Municipal Works. Additional contracted services of -\$205K are projected for irrigation (-\$40K), encampment cleanup (-\$80K), and snow removal (-\$80K). There is also projected to be an additional -\$35K for materials to due rising fuel costs and need for an additional mower.
- Recreation expenses are -\$129K unfavourable due to higher than budgeted salaries & wages (-\$95K) and contracted services (-\$25K). Both increases are a result of supporting additional events, programs, and ice bookings at Co-op Place. This unfavourable variance is to become -\$33K by yearend as there are fewer ice bookings and indoor events over the summer.
- Internal revenue is \$54K favourable due to urban forestry work completed earlier in the year than budgeted. This variance is projected to be on budget by yearend.
- Internal expenses are expected to become -\$99K unfavourable by yearend due to higher than expected water costs (-\$150K) offset by lower than expected internal equipment charges (\$54K).
- Interest expense and principal repayments are -\$180K and -\$146K unfavourable respectively due to timing of capital expenditures.

# PARKS & RECREATION

For the Period Ended April 30, 2025

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Successful operation of ice rinks for the winter season with a number of recreation facility operations staff moving to the Parks operation for summer operations.
- Completed seasonal recruitment activities and began onboarding staff for summer positions across the department.
- Completed substantial work on Council Priority #4 in preparation for upcoming presentation to City Council and initiating public engagement.
- Conducted a review of animal pound services operations.

### Planned Next Four Months

- Initiate public engagement for Council Priority #4 related to recreation opportunities on the South Side of the community.
- Determine ongoing operating model for the Animal Pound Services Facility.
- Advance Off-leash Areas review and Parks Bylaw update to City Council for approval.

## Report on Business Plan Goals

### Protecting the Natural Environment

Urban forests and the natural environment help improve air quality, enhance biodiversity, and contribute to the overall well-being of communities. With over 700 acres of manicured turf, 3,700 acres of environmental reserve land and approximately 24,000 boulevard and park trees, the Parks and Recreation Department ensures that the City's natural assets are maintained and will be available for generations to come. The department has identified a need for an increased focus on tree canopy health, water conservation and implementation of environmental-related action items from the Parks and Recreation Master Plan.

### PROGRESS

1. The department completed a grant application submission for Tree Canada's Growing Canada's Communities Canopies grant, with support from City Council. The grant would allow the planting of 800 trees annually on public property, improving the overall canopy coverage of the community's urban forest.
2. The department continues to actively participate in the organizational approach for water conservation and potential water restrictions for the upcoming summer season.

### Developing People

As the department relies heavily on seasonal, temporary, and part-time staff, in addition to permanent staff, to achieve departmental objectives, a significant number of new staff are onboarded each year. As such, it is important to ensure all staff are continually developed while proactively developing a stronger safety culture.

### PROGRESS

1. The addition of a Corporate Safety Specialist dedicated to the department has elevated the department's ability to focus on staff safety knowledge and job-specific safety competency. The initiative will continue over the course of 2025.
2. The departmental "Care to be AWARE!" safety campaign is rolled out twice annually with a focus on seasonal-specific hazard awareness and safety messaging for staff awareness to promote a positive safety culture.

# PARKS & RECREATION

For the Period Ended April 30, 2025

<b>Planning for the Future</b>  Ongoing planning for the City’s physical infrastructure, recreation spaces and associated programming is essential to maximizing the value and performance of its assets and amenities. Ranging from open spaces, irrigation assets, parks amenities, facilities and programs that support these amenities, proactive planning is required to ensure investment in recreation is maximized.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. The department’s Facilities for the Future plan is currently being used to inform City Council’s Strategic Priority #4: Action Recreation and Wellness Opportunities with consideration for recreation facility development on the south side of the community.</li><li>2. The department has completed substantial work on the Outdoor Enjoyment Strategy outcomes, including development of a trail etiquette campaign and proposed off-leash area changes, to be presented to Council in the coming months.</li><li>3. Development of the departmental Asset Management plan continues to progress while focusing on higher risk, aging assets while taking direction from the City’s asset management program.</li></ol>
<b>Action Recreation and Wellness Opportunities</b>  Develop a multi-faceted recreation complex on the south side and determine the future of existing facilities in the community.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. The department has completed modeling of the financial impact, options available and proposed next steps for implementation of Council Priority #4. A presentation will be provided to City Council in late Q2 of 2025 for direction and to initiate public engagement.</li></ol>

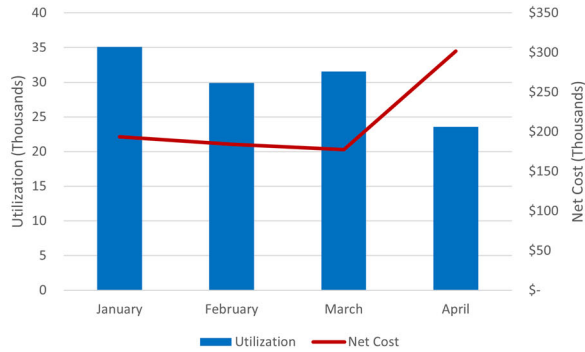


# PARKS & RECREATION

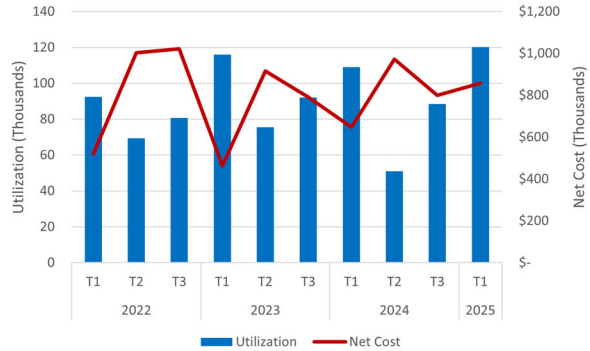
## For the Period Ended April 30, 2025

### Report on Performance Measures

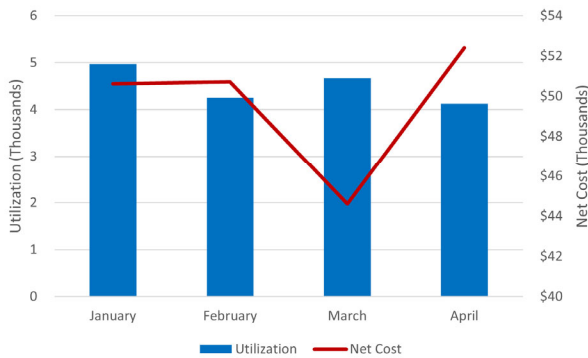
**BMGC Monthly Utilization and Net Cost**



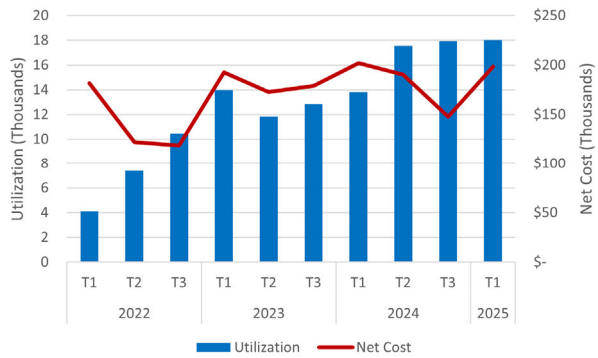
**BMGC Utilization and Net Cost**



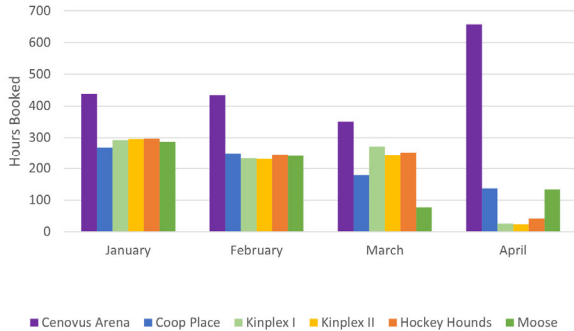
**CRC Monthly Utilization and Net Cost**



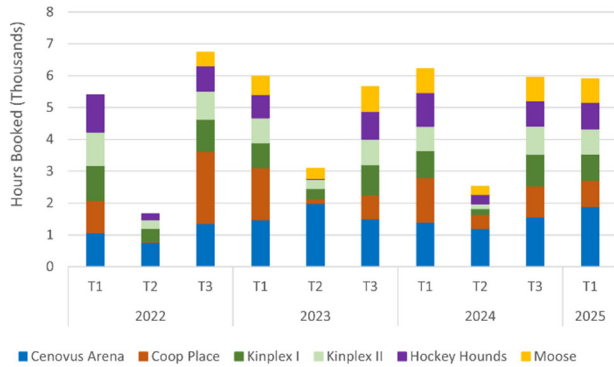
**CRC Utilization and Net Cost**



**Ice Rink Monthly Utilization**

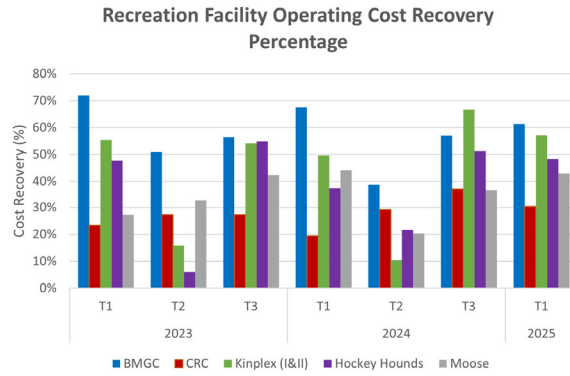
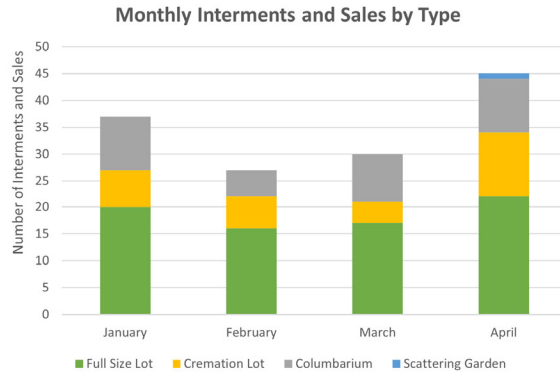


**Ice Rink Utilization**



# PARKS & RECREATION

## For the Period Ended April 30, 2025



# COMMUNITY DEVELOPMENT

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Dec 31/25 at Apr 30/25	Projected Actual to Dec 31/25 at Apr 30/25	NOTE
<b>Revenue</b>							
Administration	\$ -	\$ -	\$ 102	\$ 102	\$ 114	\$ 114	1
Cultural Experiences & Events	1,931	601	430	(171)	(853)	1,078	2
Guest Experience & Operations	3,693	1,515	2,027	512	1,139	4,832	3
Community Supports	1,793	930	1,087	157	380	2,173	4
Transit Services	1,381	476	626	150	313	1,694	5
	<b>8,798</b>	<b>3,522</b>	<b>4,272</b>	<b>750</b>	<b>1,093</b>	<b>9,891</b>	
<b>Expenses</b>							
Administration	693	229	272	(43)	(135)	828	6
Cultural Experiences & Events	3,455	1,153	1,111	42	707	2,748	7
Guest Experience & Operations	4,427	1,506	2,181	(675)	(980)	5,407	8
Community Supports	2,418	855	902	(47)	(160)	2,578	9
Transit Services	5,209	1,716	1,774	(58)	(387)	5,596	10
	<b>16,202</b>	<b>5,459</b>	<b>6,240</b>	<b>(781)</b>	<b>(955)</b>	<b>17,157</b>	
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(7,404)</b>	<b>(1,937)</b>	<b>(1,968)</b>	<b>(31)</b>	<b>138</b>	<b>(7,266)</b>	
Internal Revenue	-	-	6	6	6	6	
Internal Expenses	6,840	4,749	4,767	(18)	5	6,835	
	<b>(6,840)</b>	<b>(4,749)</b>	<b>(4,761)</b>	<b>(12)</b>	<b>11</b>	<b>(6,829)</b>	
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(14,244)</b>	<b>(6,686)</b>	<b>(6,729)</b>	<b>(43)</b>	<b>149</b>	<b>(14,095)</b>	
Interest Expense	(251)	(251)	(251)	-	-	(251)	
Principal	(281)	(281)	(281)	-	-	(281)	
Transfer (to)/from Reserve	(24)	-	-	-	-	(24)	
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (14,800)</b>	<b>\$ (7,218)</b>	<b>\$ (7,261)</b>	<b>\$ (43)</b>	<b>\$ 149</b>	<b>\$ (14,651)</b>	
Amortization	(2,851)	-	-	-	-	(2,851)	
<b>Net Surplus (Deficit)</b>	<b>\$ (17,651)</b>	<b>\$ (7,218)</b>	<b>\$ (7,261)</b>	<b>\$ (43)</b>	<b>\$ 149</b>	<b>\$ (17,502)</b>	

## OPERATING NOTES

- Administration revenue is \$102K favourable due to unbudgeted additional grant funding for the Ancestor Reburial Project. It is anticipated this positive variance will continue to yearend.
- Cultural Experiences and Events is -\$171K unfavourable due to fewer presented events at Co-op Place and the Esplanade (-\$180K), timing of grants (-\$40K), offset by increased revenue in education and cultural programming (\$53K). This unfavourable variance is expected to increase to -\$853K by yearend as a result of continued fewer presented events at Co-op Place and the Esplanade.
- Guest Experience & Operations is \$512K favourable due to an increase in food and beverage revenue (\$470K) as a result of increased events at Co-op Place and increased rental and service revenue (\$120K) due to timing of rental events, offset by a delay in rental settlements (-\$65K). This favourable variance is expected to increase to \$1.14M by yearend due to increased food and beverage revenue (\$925K) and rental and service revenue (\$385K). This is offset by a projected decrease in advertising revenue at Co-op Place (-\$168K) due to a shift away from in-venue advertising.
- Community Supports revenue is \$157K favourable due to higher than anticipated Low Income Transit Program (LITP) Provincial Grant funding. Community Supports revenue is projected to be \$380K favourable at yearend due to continued higher than anticipated Low Income Transit Program (LITP) Provincial Grant funding.
- Transit Services revenue is \$150K favourable due to a continuation of high ridership (\$136K) as a result of the Fair Entry Program and higher than budgeted advertising revenue (\$13K) as a result of a new contract. Transit Services revenue is projected to be \$313K favourable at yearend as high ridership (\$275K) continues and unbudgeted bench advertising revenue increases (\$38K).
- Administration expenses are projected to be -\$135K unfavourable by yearend due to the distribution of unbudgeted grant funding for the Ancestor Reburial Project (-\$100K) and higher than anticipated payroll benefits (-\$40K).
- Cultural Experience and Events is projecting a positive expense variance of \$707K at yearend. This is driven by fewer contracted services and artist fees due to fewer events at Co-op Place and the Esplanade.

# COMMUNITY DEVELOPMENT

For the Period Ended April 30, 2025

8. Guest Experience & Operations expenses are -\$675K unfavourable due to increased food and beverage product costs (-\$221K), labour costs (-\$219K) and higher than budgeted contracted services (-\$244K) due to increased events at Co-op Place. This unfavourable variance is expected to increase to -\$980K by yearend due to increased food and beverage product costs (-\$443K) and labour costs (-\$292K) and higher than budgeted contracted services and settlements (-\$233K) due to continued unbudgeted rental events.
9. Community Supports expenses are projected to be -\$160K unfavourable at yearend due to continued growth of the Refugee/Fair Entry Subsidy Program.
10. Transit Services expenses are -\$58K unfavourable due to the vacancy adjustment being higher than the savings associated with annual position vacancies (-\$60K) and higher than budgeted benefits (-\$40K), offset by favourable contracted services (\$50K) due to delayed spending. Transit Services expenses are projected to be -\$387K unfavourable at yearend due to the vacancy adjustment being higher than the savings associated with annual position vacancies, benefits and overtime (-\$369K), higher than budgeted security costs (-\$80K) and telecommunication expense (-\$35K), offset by unspent contracted services (\$97K).

## OPERATING HIGHLIGHTS

### Completed Last Four Months

- Rollout and implementation of Sensory Inclusive Venue Certification for Co-op Place and the Esplanade including a focus group to assist with the implementation.
- Transit Services added an additional 40 hours per week of Special Transit service, supported by City Council approved funding. For regular service, several possible options for the additional transit service funded by City Council were developed and reviewed with staff and leadership. Preparations complete to communicate the results of the Special Transit Review.
- Confirmed the Community Well-Being Plan objectives and actions with internal departments, finalized draft, and presented to Public Services Committee and City Council. Executed 2026-2027 Family and Community Support Services grant funding call for applications for non-profit, preventative-focused community organizations.
- Presented an inclusive and dynamic four months of arts and entertainment that included a children's science show, a full season of dance competitions and the return of Dining in the Dark. Executed operations for nearly sold-out Tigers playoff games at Co-op Place, including shuttle service to and from the Medicine Hat Mall.

### Planned Next Four Months

- Transit Services will conduct public engagement on potential route changes to be piloted in the North over the summer with the goal of improving schedule adherence, and to finalize plans for the additional regular transit service to begin on June 26th. An updated paratransit policy will be finalized and submitted for Council review and approval.
- Creation of the Community Well-Being Plan implementation plan, including measurements of success. Family and Community Support Services 2026-2027 grant funding applications to be reviewed by the Community Vibrancy Advisory Board and recommendations presented to City Council.
- Co-op Place will host the final rounds of the WHL Hockey 24/25 season, including shuttle service to and from the Medicine Hat Mall. Entertainment experiences at Co-op Place include the Hunter Brothers, Sesame Street Live, and the Nitty Gritty Dirt Band. The Ewart Duggan house opens for visits, the Annual School Art Exhibition will be hosted at the Esplanade, and a National Indigenous Peoples Day celebration will be facilitated at City Hall.
- As part of the Ancestor Reburial Project Team, the City will continue to participate in planning the respectful and meaningful reburial of ancestors held in trust at the University of Alberta. The team, which includes Miywasin Friendship Centre, will continue to consult directly with Indigenous Nations and communities, with various meetings and activities scheduled.

# COMMUNITY DEVELOPMENT

For the Period Ended April 30, 2025

## Report on Business Plan Goals

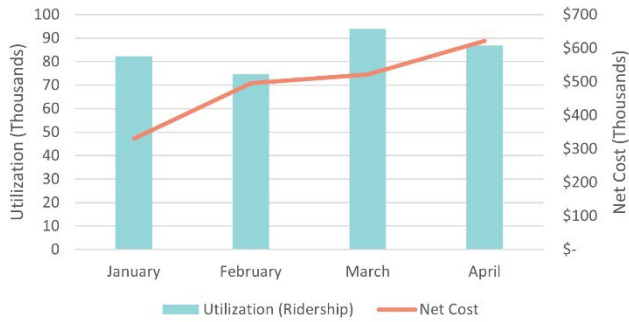
<b>Community Well-Being</b>  Opportunities to address community well-being will be developed, facilitated, and promoted. Community well-being is supported and improved, and community social issues are identified and addressed. A Community Well-Being Plan will support the City's efforts to convene, advocate, educate, plan, coordinate, and fund a community response aimed at addressing well-being.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Confirmed the Community Well-Being Plan objectives and actions with internal departments, finalized draft, and presented to Public Services Committee and City Council.</li><li>2. Executed 2026-2027 Family and Community Support Services grant funding call for applications for non-profit, preventative-focused community organizations.</li></ol>
<b>Arts, Heritage, and Entertainment</b>  The local arts, heritage, and entertainment ecosystem is enhanced and strengthened, facilitating quality, engaging and inclusive opportunities for the community to participate in meaningful and accessible experiences in a variety of contexts.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Rollout and implementation of Sensory Inclusive Venue Certification for Co-op Place and the Esplanade including a focus group to assist with the implementation.</li><li>2. Presented an inclusive and dynamic four months of arts and entertainment that included a children's science show, a full season of dance competitions and the return of Dining in the Dark.</li><li>3. Executed operations for nearly sold-out Tigers playoff games at Co-op Place, including shuttle service to and from the Medicine Hat Mall.</li></ol>
<b>Safe, Accessible, Adaptable and Scalable Transit System</b>  Operate a safe, accessible, adaptable, and scalable transit system that maximizes service value. Develop performance evaluation standards and effectively communicate system performance and service levels to the public.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Transit Services added an additional 40 hours per week of Special Transit service, supported by City Council approved funding.</li><li>2. For regular service, several possible options for the additional transit service approved by City Council were developed and reviewed with staff and leadership.</li><li>3. Preparations complete to communicate the results of the Special Transit Review.</li></ol>
<b>Build a Resilient and Inclusive Community</b>  Communities that are safe, clean and orderly are inviting to residents and visitors. Social disorder, real or perceived, can be unsettling to many and have a negative impact on community. Poverty, social isolation, trauma, mental health and addiction are some of the drivers of social disorder. Activities and behaviours may include public displays of conflict and aggression, sleeping in public spaces, visible drug use, vandalism, and public urination/defecation. Solutions to promoting social order must be multi-pronged and involve a broad number of interest holders and the community.	<b>PROGRESS</b>  <ol style="list-style-type: none"><li>1. Terms of Reference for the Resilient and Inclusive Community Task Force drafted and approved in principle by City Council.</li><li>2. Task Force populated and meetings held in March and April.</li></ol>

# COMMUNITY DEVELOPMENT

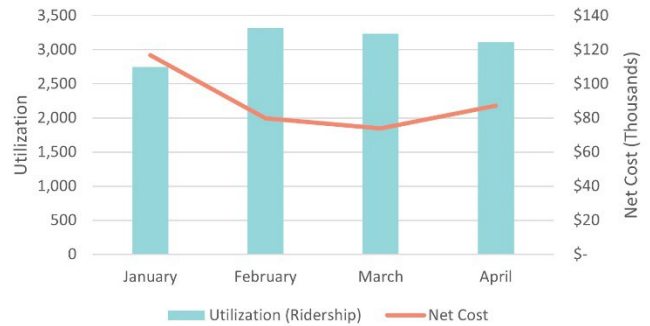
For the Period Ended April 30, 2025

## Report on Performance Measures

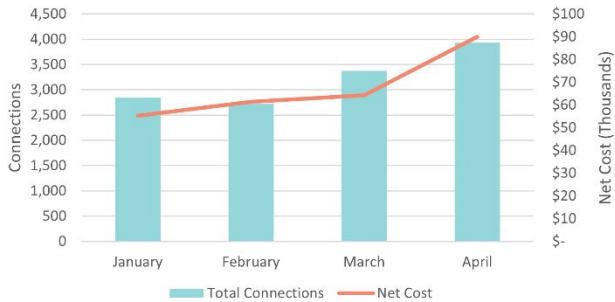
Regular Transit Utilization and Net Cost



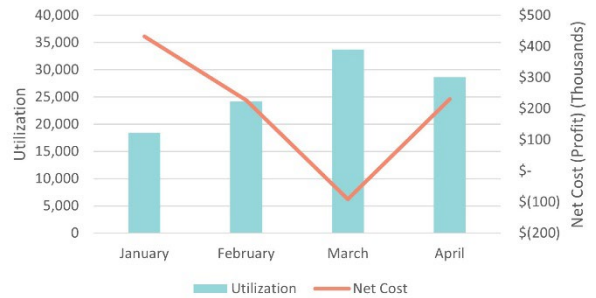
Special Transit Utilization and Net Cost



Community Support Connections and Net Cost



Coop Place Utilization and Net Cost



Esplanade Utilization and Net Cost



Community Development Operating Cost Recovery



## OTHER ORGANIZATIONS

For the Period Ended April 30, 2025

(In thousands of dollars)

	2025 Budget	Budget To Date	Actual To Date	Favourable / (Unfavourable) Variance	Projected Favourable / (Unfavourable) Variance to Apr 30/25 at Dec 31/25	Projected Actual to Apr 30/25 at Dec 31/25
<b>Expenses</b>						
Library	\$ 2,352	\$ 893	\$ 919	\$ (26)	\$ (15)	\$ 2,367
Other Organizations	399	37	40	(3)	-	399
	<b>2,751</b>	<b>930</b>	<b>959</b>	<b>(29)</b>	<b>(15)</b>	<b>2,766</b>
<b>Net Surplus (Deficit) before Internal Cost Allocations</b>	<b>(2,751)</b>	<b>(930)</b>	<b>(959)</b>	<b>(29)</b>	<b>(15)</b>	<b>(2,766)</b>
Internal Expenses	314	204	184	20	9	305
	<b>(314)</b>	<b>(204)</b>	<b>(184)</b>	<b>20</b>	<b>9</b>	<b>(305)</b>
<b>Net Surplus (Deficit) before Cash Adjustments</b>	<b>(3,065)</b>	<b>(1,134)</b>	<b>(1,143)</b>	<b>(9)</b>	<b>(6)</b>	<b>(3,071)</b>
Interest Expense	(10)	(10)	(10)	-	-	(10)
Principal	(109)	(109)	(109)	-	-	(109)
<b>Net Cash Surplus (Requirements)</b>	<b>\$ (3,184)</b>	<b>\$ (1,253)</b>	<b>\$ (1,262)</b>	<b>\$ (9)</b>	<b>\$ (6)</b>	<b>\$ (3,190)</b>
<b>Net Surplus (Deficit)</b>	<b>\$ (3,184)</b>	<b>\$ (1,253)</b>	<b>\$ (1,262)</b>	<b>\$ (9)</b>	<b>\$ (6)</b>	<b>\$ (3,190)</b>

### OPERATING NOTES

N/A





CHIEF FINANCIAL OFFICER

# Report

As of April 30, 2025





# Agenda

1. Current Environment
2. Financial Performance
3. Items of Interest

# Current Environment

External Challenges

# Inflation as of April 2025

## **Alberta Inflation Rate = 1.5%**

- Inflation is down from March (2.8%)
- Bank of Canada interest rate to 2.75%
- Canada core inflation rate (2.5%)
- Canadian Dollar 0.73 USD
- US Imposed Tariffs 25%

**Inflation impacts the cost of providing services to the community**

# Commodity Prices

## Power Prices

Period	Price
2023 Actual	\$133/MWh
2024 Actual	\$63/MWh
2025 Budget	\$53/MWh
2025 Market Forecast	\$45/MWh

- **Power production unlikely to provide cash flow at the same rate:** contemplating negative cash flow in medium term

# **Financial Performance**

April 30, 2025

# FINANCIAL POSITION

**April 30 compared to prior year December**

Investment Portfolio (MV)  
**\$765 million**

\$11 million ↑

Debt  
**\$412 million**

\$49 million ↑

Asset Retirement Obligation  
**\$138 million**

*no change*

Net Capital Assets  
**\$1.4 billion**

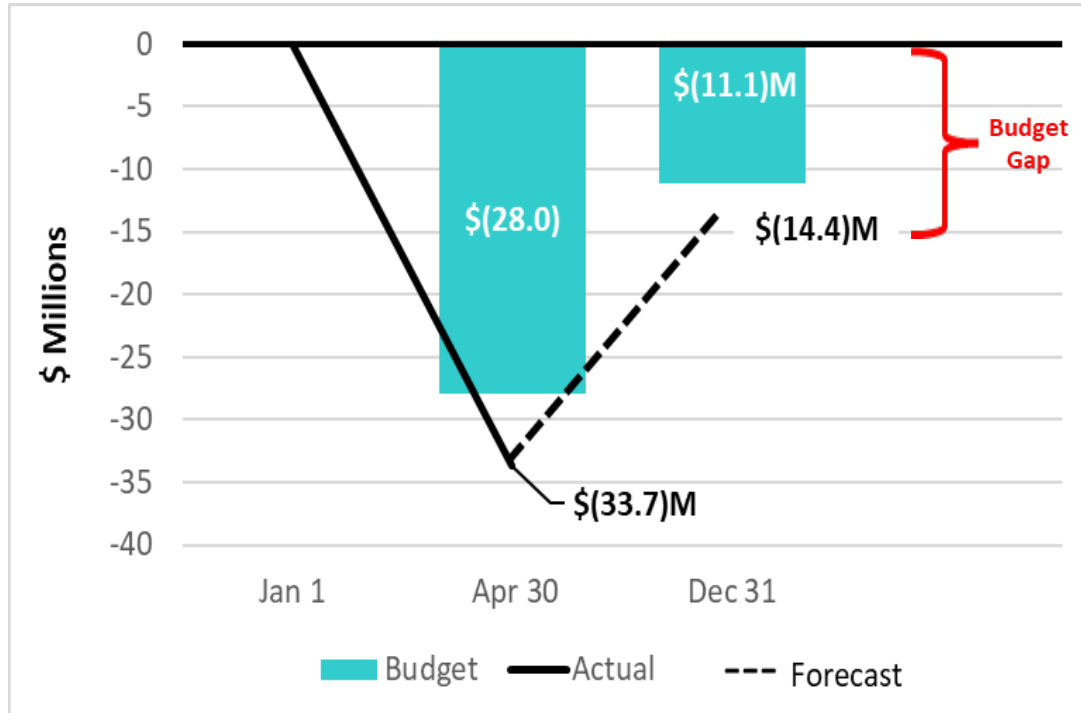
*no change*

Increased investment portfolio from higher cash balance  
Higher debt due to borrowing at the end of April 2025

**Other future obligations and asset replacements not reflected in financial statements**

# OPERATING PERFORMANCE | MUNICIPAL (compared to budget)

## Operating Surplus (Deficit)



## Operating Highlights – to April 30

- actual deficit = \$33.7 million (budgeted deficit = \$28.0 million)
  - ✓ lower court fine revenue
  - ✓ currency hedging loss
  - ✓ lower investment returns
- Projected additional deficit = \$3.3 million (funded by tax rate stabilization reserves)
  - ✓ continued lower investment and court fine revenue
  - ✓ settlement of union contract in Fire and Emergency Services
  - ✓ encampment cleanup
  - ✓ temporary wages in Parks and Recreation
  - ✓ legal fees related to FOIP requests
- management reports are prepared on a regular basis

# OPERATING PERFORMANCE | UTILITIES/ENERGY (compared to budget)

	As at April 30, 2025			Projected to December 31, 2025		
(in millions of dollars)	Budget Net Surplus (Deficit)	Actual Net Surplus (Deficit)	Variance from Budget	Budget Net Surplus (Deficit)	Forecast Net Surplus (Deficit)	Variance from Budget
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
<b>TOTAL EBITDA</b>	<b>25.1</b>	<b>21.2</b>	<b>(3.9)</b>	<b>82.4</b>	<b>85.2</b>	<b>2.8</b>
Free cash flow (transfer to reserve)	0.0	0.0	0.0	14.6	19.4	4.8
Balance to fund sustaining capital & service debt	25.1	21.2	(3.9)	67.8	65.8	(2.0)

Positive impact to  
Financial Reserves

## RATE BASED – current and projected favourable variance

- One-time sale of recycling carts
- Savings from change in chemical suppliers
- Delayed opening of solids handling facility

## ENERGY PRODUCTION – current unfavourable variance \$5.9M:

- Lower than budget electricity commodity price for sales to the power pool
- Lower gas commodity pricing in oversupplied market

## ENERGY PRODUCTION – projected favourable variance \$1.3M

- Lower gas costs in Electric Generation



# CAPITAL SPENDING

**Capital Projects = \$53.2M (7.2%) projected favorable variance**

## Open Capital Projects – April 30, 2025

Approved capital	\$744M
Less: spent & committed to date	(\$372M)
Less: remaining to be spent – forecast	(\$319M)
Expected favourable variance (7.1%)	\$53M



**Favourable variance largely due to lower gas production abandonment costs and completion of Clear Horizon**

# BUDGET AMENDMENTS - Council Approved as of April 30, 2025

Council Approved 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	0.30%
Saamis Solar Detailed Due Diligence	\$675	Capital	Energy Transition Reserve	0.00%
<b>Total</b>	<b>\$4,655</b>			<b>0.40%</b>

# BUDGET AMENDMENTS - City Manager Approved as of April 30, 2025

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 Management Consulting Services	\$350	(\$35)	\$315	Operating
City Manager - Strategic Opportunity & Analysis Program - Energy Business Review	\$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
<b>Total</b>	<b>\$5,030</b>	<b>\$ -</b>	<b>\$5,030</b>	

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

# FINANCIAL RESERVES

**Financial Reserves Projected Balance= \$767M (Dec 2024: \$754M)**

- Council policy establishes financial reserves
- Community value → to fund future obligations and requirements:
  - ✓ day-to-day bills and obligations
  - ✓ future replacement of assets & infrastructure, including abandonments
  - ✓ cover operating shortfalls and unexpected events
  - ✓ holding other level of government grants and donations
  - ✓ energy transition
  - ✓ future growth opportunities

**Financial reserves contribute to sustainability ensuring fiscal capacity & flexibility**

Unrestricted Cash = \$151M

- day to day expenses
- operating obligations

Abandonment Reserve = \$79M

- asset retirement obligations

Energy Transition Reserve = \$78M

- Transition to net zero emissions

Capital Reserve = \$180M

- future capital

Operating Reserve = \$49M

- cover operating shortfalls
- unexpected events

Medicine Hat Endowment = \$209M

- endowment fund

Grants/Donations = \$21M

- dedicated for specific projects

# INVESTMENT MANAGEMENT

**Investment Portfolio (MV) = \$765M** (Dec 2024: \$754M)

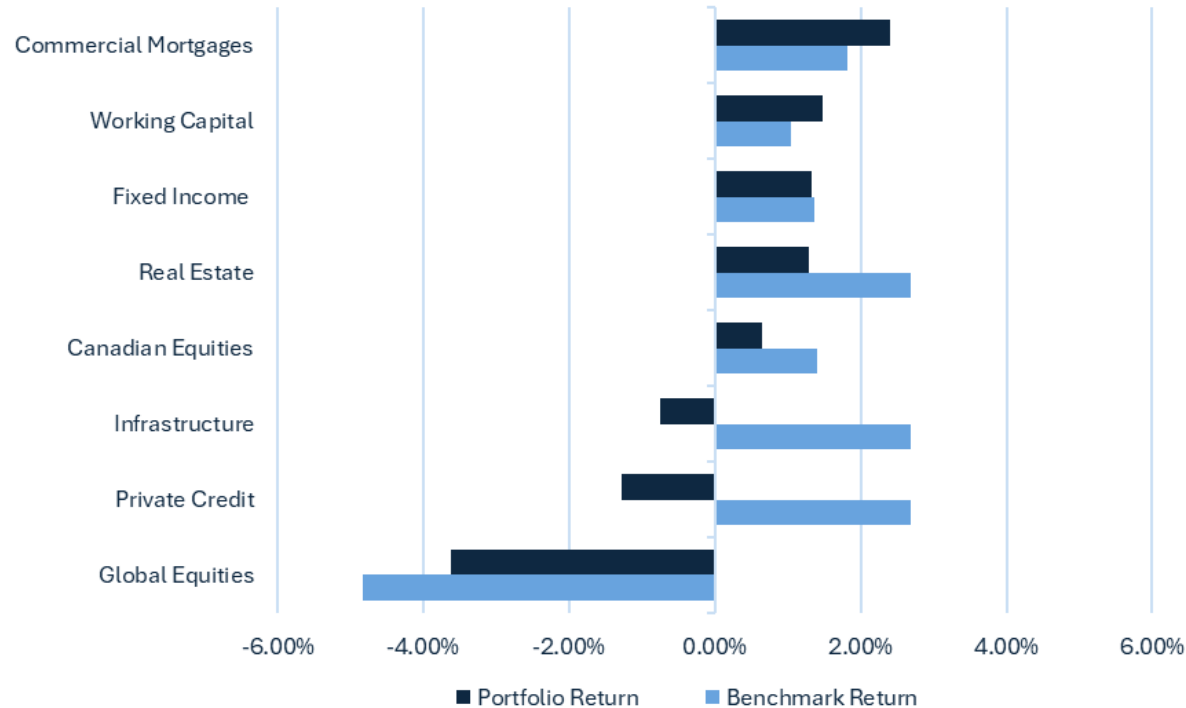
- Performance
  - ✓ 2025 YTD return = -0.39% (compared to benchmark of -0.63%)
- Investment strategy
  - ✓ top-tier investment managers
  - ✓ well diversified by asset class & geography
  - ✓ long-term approach with respect to volatility
- Portfolio positioned to generate approx. 5.5% annually over a five-year period

# MARKET COMMENTARY

- Investor optimism at the start of 2025 has pivoted to a cautious stance, with trade policy tension and ensuing macroeconomic uncertainty driving market volatility.
- While tariff policy remains fluid, the market generally believes that the risk of higher inflation and slower economic growth has increased.
- The path of monetary policy is also more uncertain and will largely depend on how tariffs work their way through the economy.
- The Bank of Canada lowered its benchmark rate from 3.25% at end of 2024 to 2.75% in March 2025.
- Investment portfolio is well diversified across different asset classes and geographies and remains well positioned to meet its long-term objectives.

# INVESTMENT PORTFOLIO OVERVIEW

## 2025 Year-to-Date Portfolio Performance



### Return Drivers:

- International markets
- Dividend-paying stocks
- Diversification

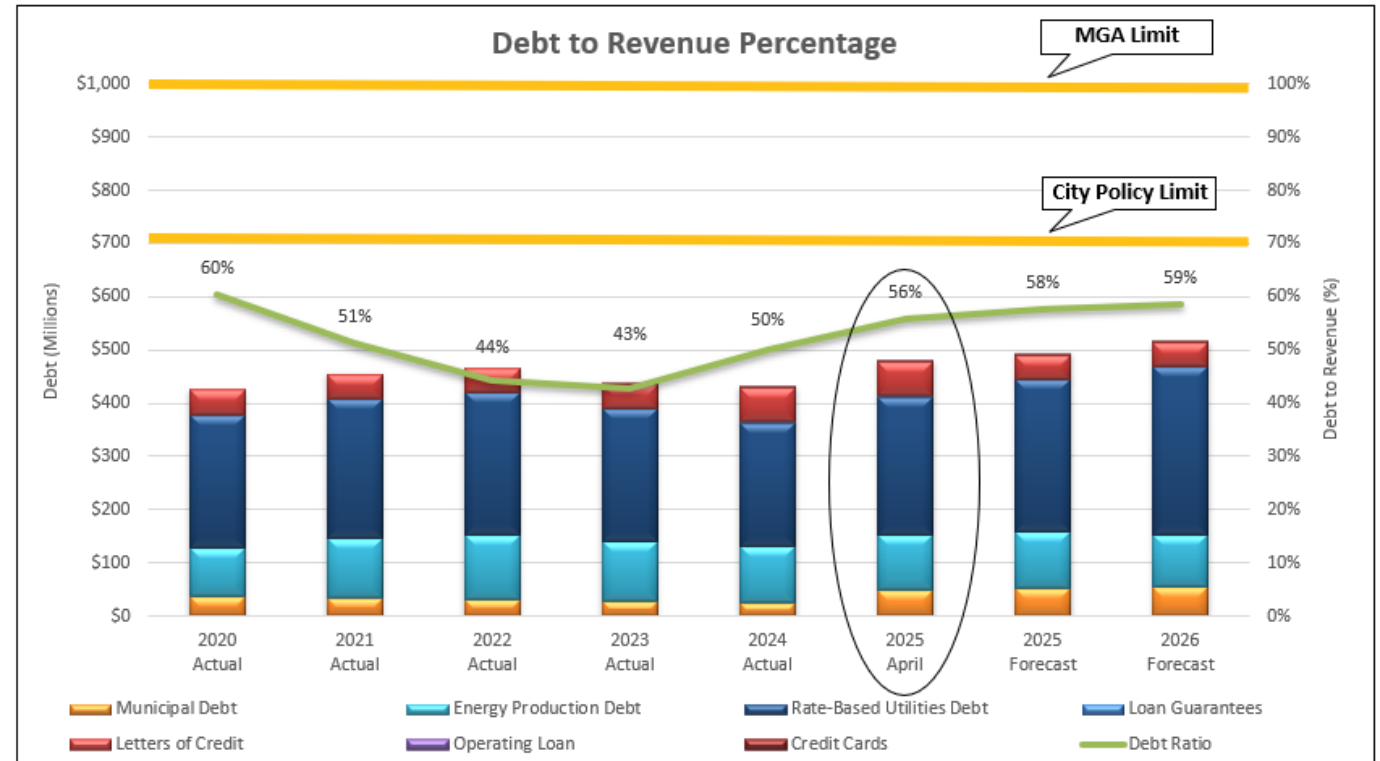
### Negative Drivers:

- U.S. Indices
- Uncertainty and policy changes
- Consumer confidence and economic outlook

# DEBT MANAGEMENT

**Debt = \$477M (Dec 2024: \$428M)**

- CMH within debt limits
  - 2024 actual = 50%
  - 2025 April = 56%
  - 2025 forecast = 58%
- Average annual interest rate = 3.46%
  - YTD interest paid = \$2M
- Revenue impacts debt limits





# Items of Interest

2025

# STRATEGIC PLAN

## Some key items as of April 30, 2025:

- Priority 1: Community facing services have been documented and defined. Costing is in-progress
- Priority 2: Medicine Hat Resilient and Inclusive Task Force Inaugural Meeting and continued work on the Community Well-being Plan.
- Priority 3: Economic Development presented their 2025 Economic Development report for the first quarter.
- Priority 4: Continued work with Facilities for the Future.



# CORPORATE STRATEGIC OBJECTIVES

Three objectives and seven goals within our corporate plan continue to be developed and implemented. A more comprehensive list of accomplishments will be noted in the 2<sup>nd</sup> Tri-annual report. A few items recent items include:

- Passing the Tri-Area Intermunicipal Development Plan Bylaw
- Developing the service level inventory definitions and a commitment to costing
- Creating financial tables for Council reports to note cumulative financial impacts
- Changes to Clear Horizon to derisk the City's involvement

**CORPORATE STRATEGIC OBJECTIVES**

We have a tremendous opportunity to leverage our strengths and build an even better, more sustainable, thriving city that has a strong regional voice and attracts future generations to call our city home.

Our strategy is based on **three** corporate strategic objectives:  
**1) Partnership Culture 2) Stakeholder Satisfaction 3) Financial Sustainability**

**Execution: 2024-2026**

**1 | Develop and foster a culture of partnership.**

We understand that we can accomplish much more in partnership than on our own. We must shift how we think and avoid a siloed, protective, or narrow approach. Instead of being only a regulator of rules, we need to better collaborate with partners to help them navigate regulations and find practical win-win solutions – while continuing to manage risk for the city. With a focus on innovation and creativity, we must evolve and be advocates for our stakeholders including City Council, public and others.

**Goal 1.1**  
Develop an entrepreneurial and 'can do' approach to achieve positive experiences and outcomes.

**KEY OUTCOMES**

1. CMH employees feel empowered and safe to pilot and test ideas as learning and not as failure.
2. We have alignment and collaboration with local agencies to solve relevant municipal and regional social issues.
3. Our stakeholders have great experiences when interacting with the City.

**Goal 1.2**  
Facilitate regulatory and policy alignment while advocating for our stakeholders.

**KEY OUTCOMES**

1. Our various statutory and non-statutory planning documents are aligned.
2. We find creative and innovative ways to move from status quo.
3. We achieve continuous improvement through process efficiency.

**Goal 1.3**  
Be invested in our partner's success, as they are in ours, collectively finding win-win outcomes.

**KEY OUTCOMES**

1. We have collaboration with neighboring municipalities through the Intermunicipal Collaboration Framework to ensure impactful regional focus and benefits.

**2 | Improve stakeholder satisfaction by ensuring clear alignment, understanding and awareness of expected levels of service.**

We recognize we have three broad stakeholder groups to consider (City Council, public and employees) and that nurturing understanding can improve relationships and satisfaction. To reduce misconceptions and concerns, we must clearly define (in consultation with City Council) and communicate what stakeholders can and should expect from the City of Medicine Hat as it relates to the provision of City services and operations of City amenities.

**Goal 2.1**  
Clarify and document external service levels based on an understanding of cost/benefit trade-offs and establish criteria to measure success.

**KEY OUTCOMES**

1. We have documented the various external services provided by operational departments and their corresponding service levels.
2. We have alignment and understanding of service level expectations (and tolerance for deviations) with Council.

**Goal 2.2**  
Communicate the reasons for our actions and ensure appropriate transparency.

**KEY OUTCOMES**

1. Service levels are clearly communicated to stakeholders through a service catalogue.
2. We have a communication strategy to explain the "why" behind municipal actions.

**3 | Ensure financial sustainability through sound planning and oversight.**

It is critical that we keep our community viable and continue to make improvements while being cost-effective. We must be mindful of the balance to meet the delivery service needs of today with the asset renewal obligations and opportunities of tomorrow, both for current residents and future generations.

**Goal 3.1**  
Balance the delivery of services with competitive tax and utility charges.

**KEY OUTCOMES**

1. We have competitive property taxes and utility charges.
2. We have eliminated the municipal budget gap without support from financial reserves.

**Goal 3.2**  
Ensure fiscal capacity and flexibility to meet future obligations and opportunities.

**KEY OUTCOMES**

1. We have sufficient capital reserves to support funding existing asset renewals and capital growth.
2. We have no net financial deficit.
3. We have an operating plan of COMCO based on the completed report recommendations.

# Thank You