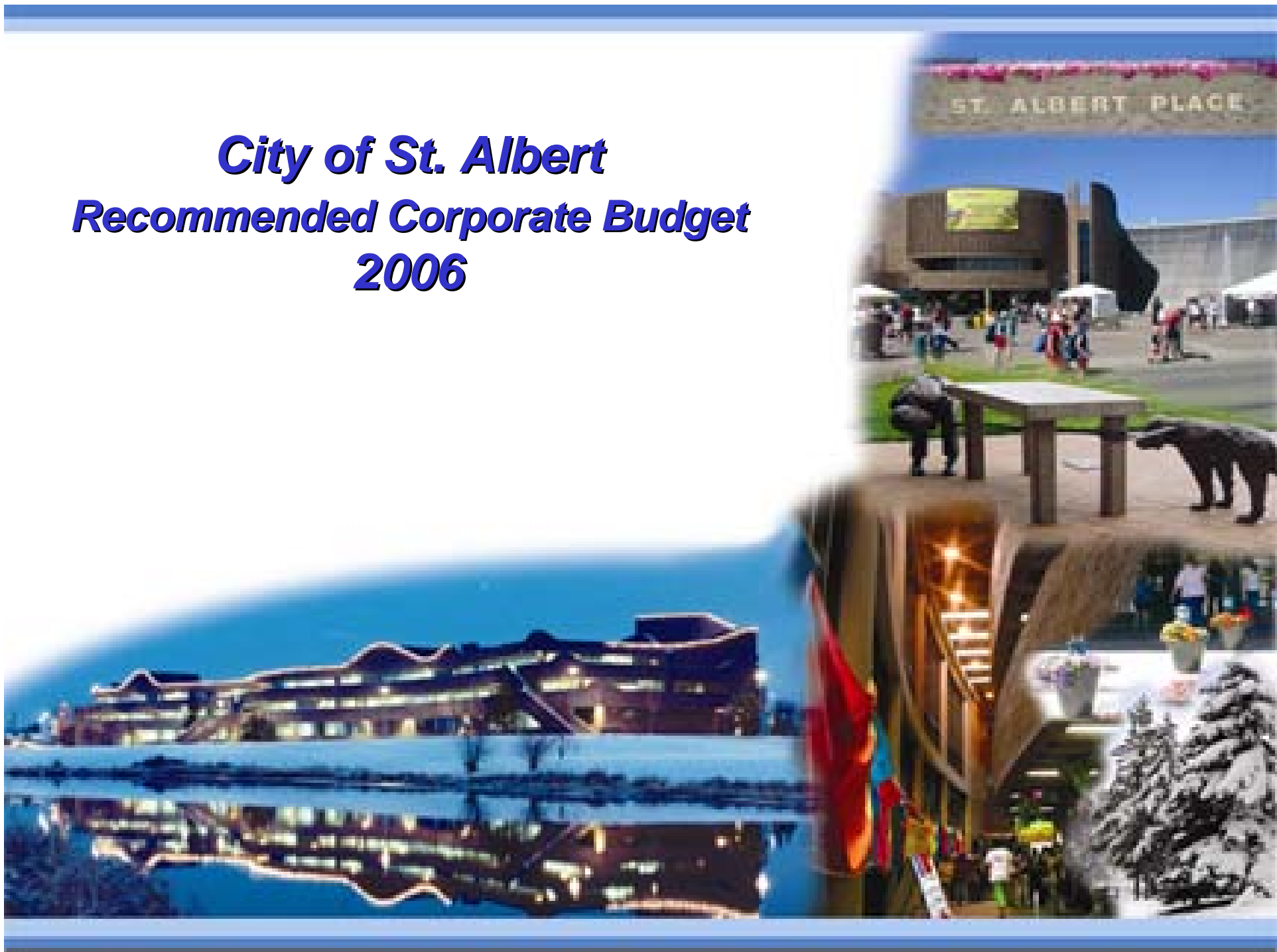


City of St. Albert
Recommended Corporate Budget
2006



Major Issues Facing St. Albert

- Tight Labor Market/CPI
- Infrastructure Rehab/Growth
- Maintaining City programs and services (within available resources)
- Environmental Management

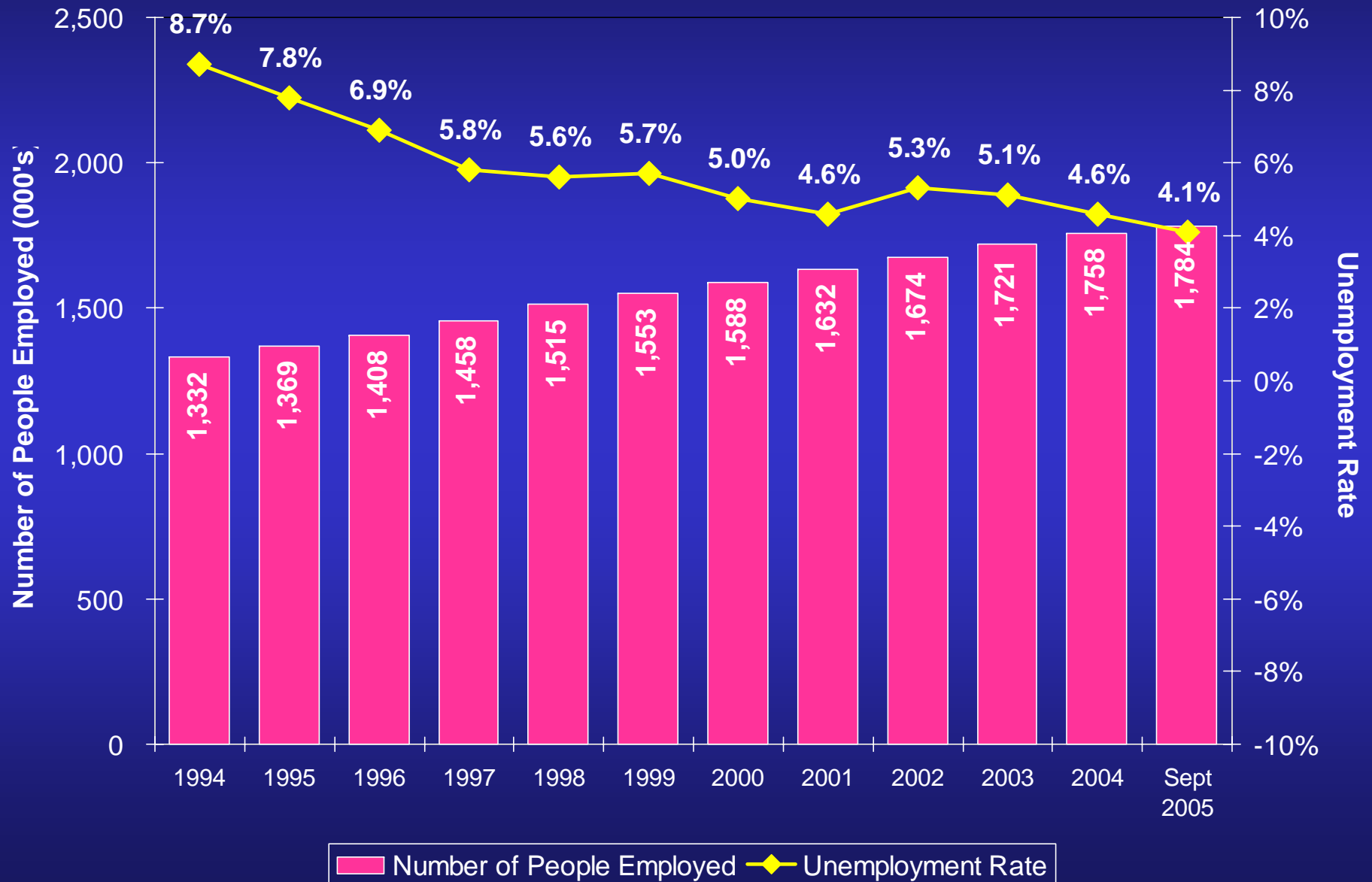
Tight Labor Market / CPI

HELP! WE NEED SOMEBODY

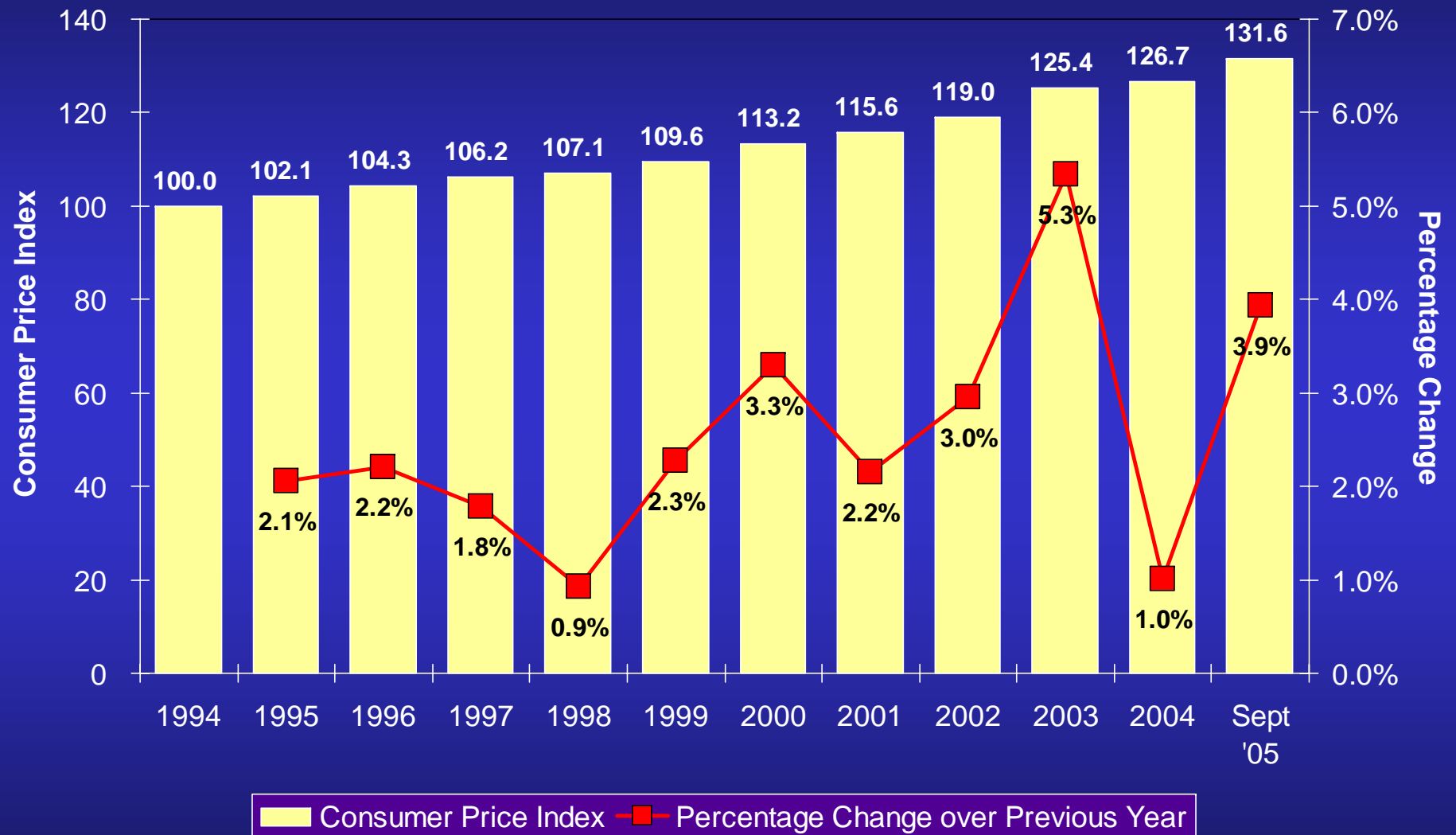


Tight Labor Market

Source: Alberta Economic Development, Monthly Economic Review, October 2005



Edmonton Consumer Price Index



Average Annual Compounded Growth Rate = 2.4%

Price Index Comparison

Alta. 1996 to 2005 Stats Can.

- Average total income 44%
- Natural gas 262%
- Water fuel & electricity 103%
- Operation of automobiles 88%
- Home construction 47%
- Shelter 37%
- Property taxes 14%

Infrastructure Rehab/Growth

- Infrastructure for cities includes:
 - Roads, Buildings, Equipment, Utilities, Parks & Trails etc.
- Cities are attempting to address this unfunded deficit
- This challenge cannot be managed by municipalities alone
- In 2005, both Federal & Provincial governments began financial support, but it is not yet enough

Infrastructure Rehab/Growth

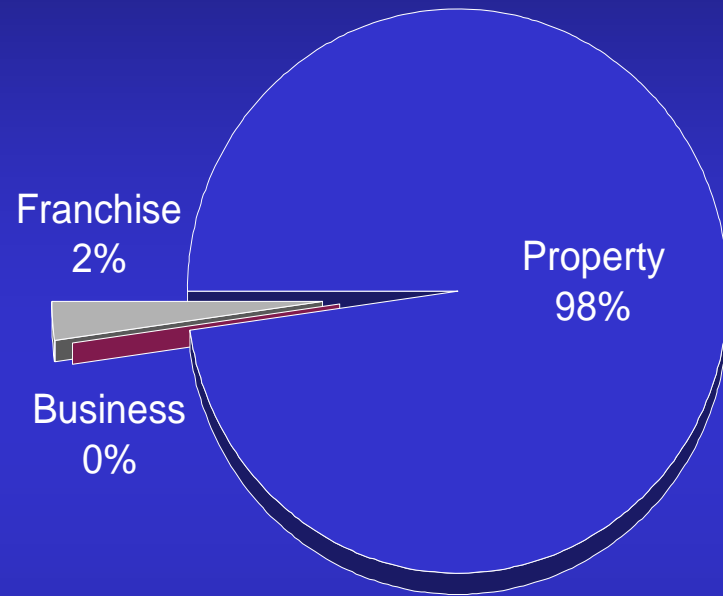
St. Albert's approach

- Completion of Infrastructure study
 - Now know needs & risks
- Development of the 10 Yr Capital Plan
 - This plan addresses growth and rehab.
- Advocate governments for funding
 - This budget utilizes over \$15 million of this funding
- Paying for
 - Growth – should pay its way with offsite & PAC's
 - Existing - PAYG & Internal Financing & Grants

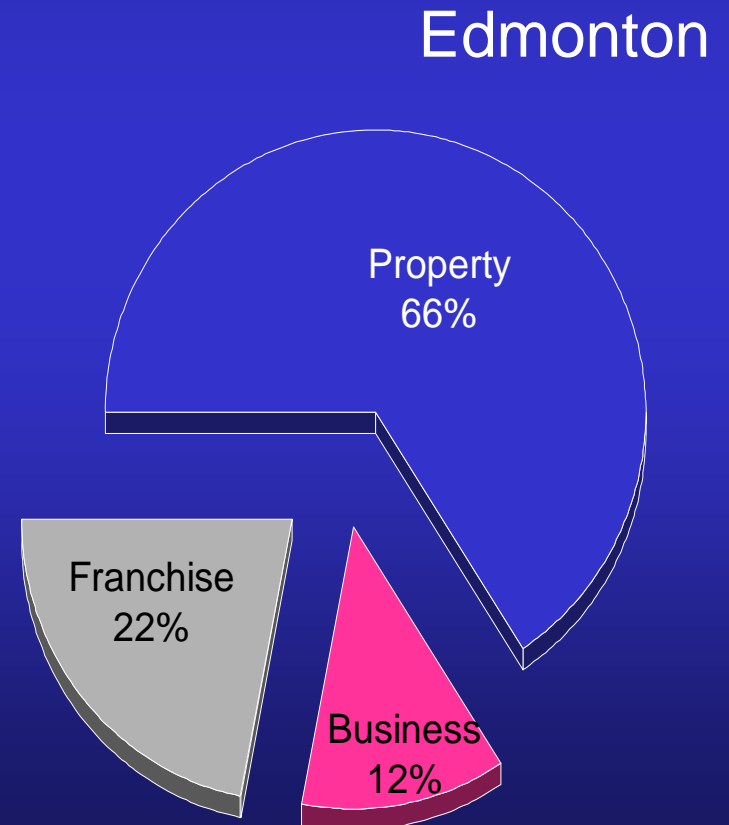
Maintaining City programs and services

- St. Albert recognized for green space and high standard of programs and services
- These programs need to keep pace with growth
- The Challenges are significant
 - Servicing as annexation is completed
 - Inflationary pressures
 - Staff retention and attraction
 - High residential property taxes and limited use of industry standard tax tools

Limited Tax Tools



St. Albert



Environmental Management

- Escalating regulatory requirements and expectations
- Municipal responsibility to safeguard water and provide effective storm water and sanitary sewer services
 - Monitoring
 - Proactive development of remediation strategies

Environmental Management

Municipal Fund

- Proactive development of remediation plans
 - Former PWorks site Salt Remediation \$85,000
 - Underground fuel tank monitoring/reconciliation

Environmental Management

Utility Fund:

- Remediation of former dry landfill sites (Riel) \$250,000
- Storm water outfall monitoring
 - Installation of Hydro Carbon Grit Interceptors \$1 million/yr
 - Inspection of underground facilities (CCTV)
 - Catch basin cleaning program in Co-op with Morrinville

In Summary

- High growth region
 - Infrastructure growth and rehab.
- Demands unabated
 - Growing population
 - Business growth
- Costs pushing inflation
 - Labor costs to retain and attract staff
 - Capital construction costs
 - Fuel costs
- Provincial crowding out of tax room
 - Education tax increases

In Summary

- Ongoing meetings with Ministers, MLA's, AUMA, FCM, Mid City Mayors etc.
- West Road needs greater provincial support
- Municipalities require a “New Deal”
 - Federal & Provincial surpluses built on the backs of municipalities
- Its about choices
 - Higher end – needs fulfilled
 - Lower end – needs remain outstanding

“Building a Sustainable City”

- To address a growing city
 - Annexation taking place
 - \$80 million in capital spending to address growth
- Infrastructure
 - Needs analyzed; risks understood
 - New Federal Provincial grant structures assisting
 - 10 yr capital plan – funded thru PAYG & grants
 - 100 yr utility model – funded thru rates & grants
- Recognized with numerous awards

“Building a Sustainable City”

- Significant fiscal reforms in place
 - Strong fiscal policies
 - No new debt planned
 - 3 million unfunded liability now funded
 - Replacement plans now fully funded
 - Debt per capita 1998 - \$591, 2004 - \$339
 - Reserves 1998 - \$12 million, 2004 - \$25 m
 - Elimination of the Business Tax in 2001

“Building a Sustainable City”

- Significant fiscal reforms in place
 - Commercial/industrial land development fund established
 - Long term financial plans developed
 - Capital re-engineering process
 - Capital envelope spending program
 - City has bolstered its Business/Financial Planning resources
 - Adopted true utility rate models

2006
Municipal Budget
Utility Budget
MPLC Budget

***Municipal
Budget
2006***

Expenditures

Significant \$ Changes

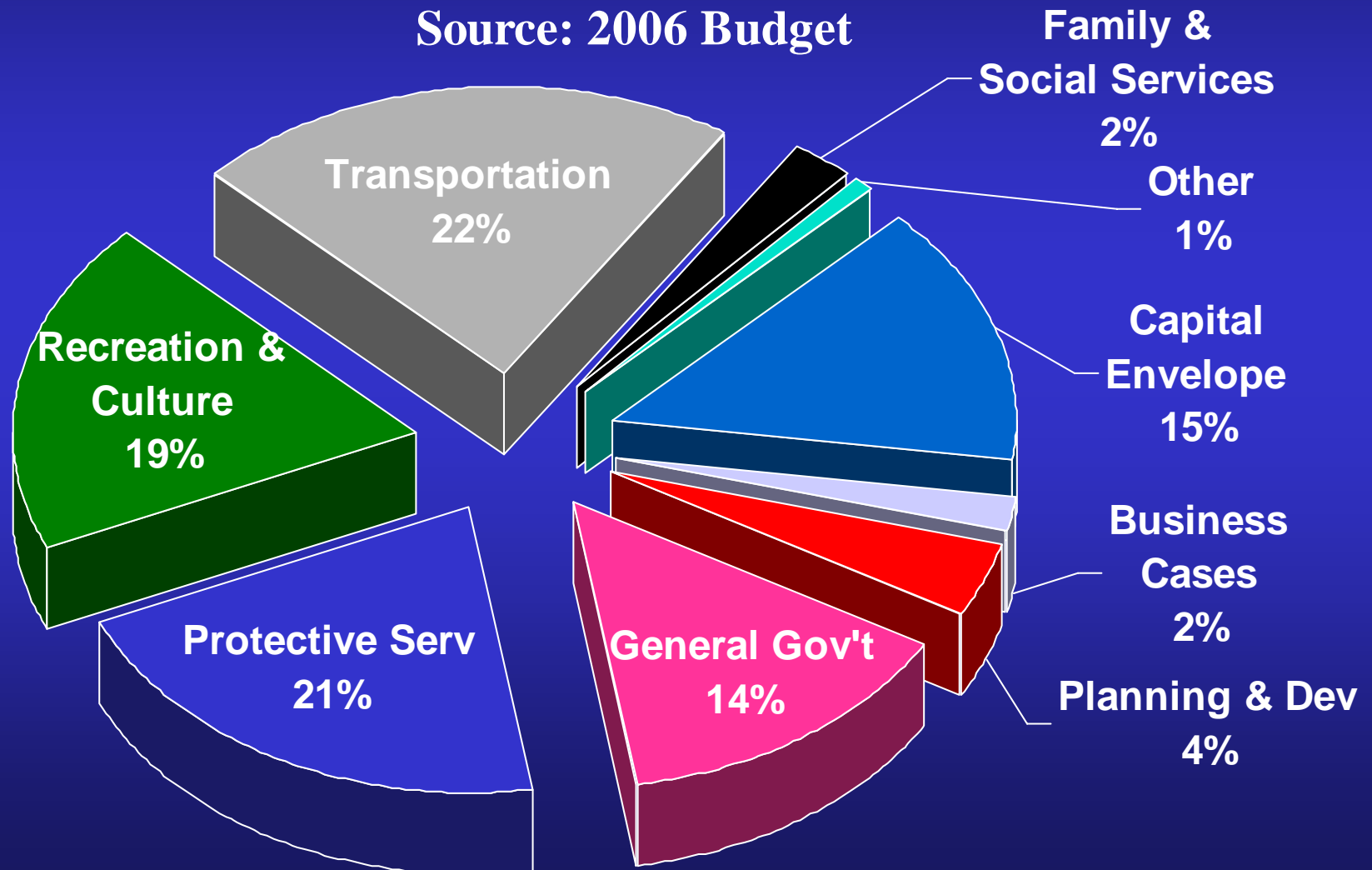
Trends

Staffing

Utilities – Gas & Electricity

2006 Municipal Operating Expenditures by Program

Source: 2006 Budget

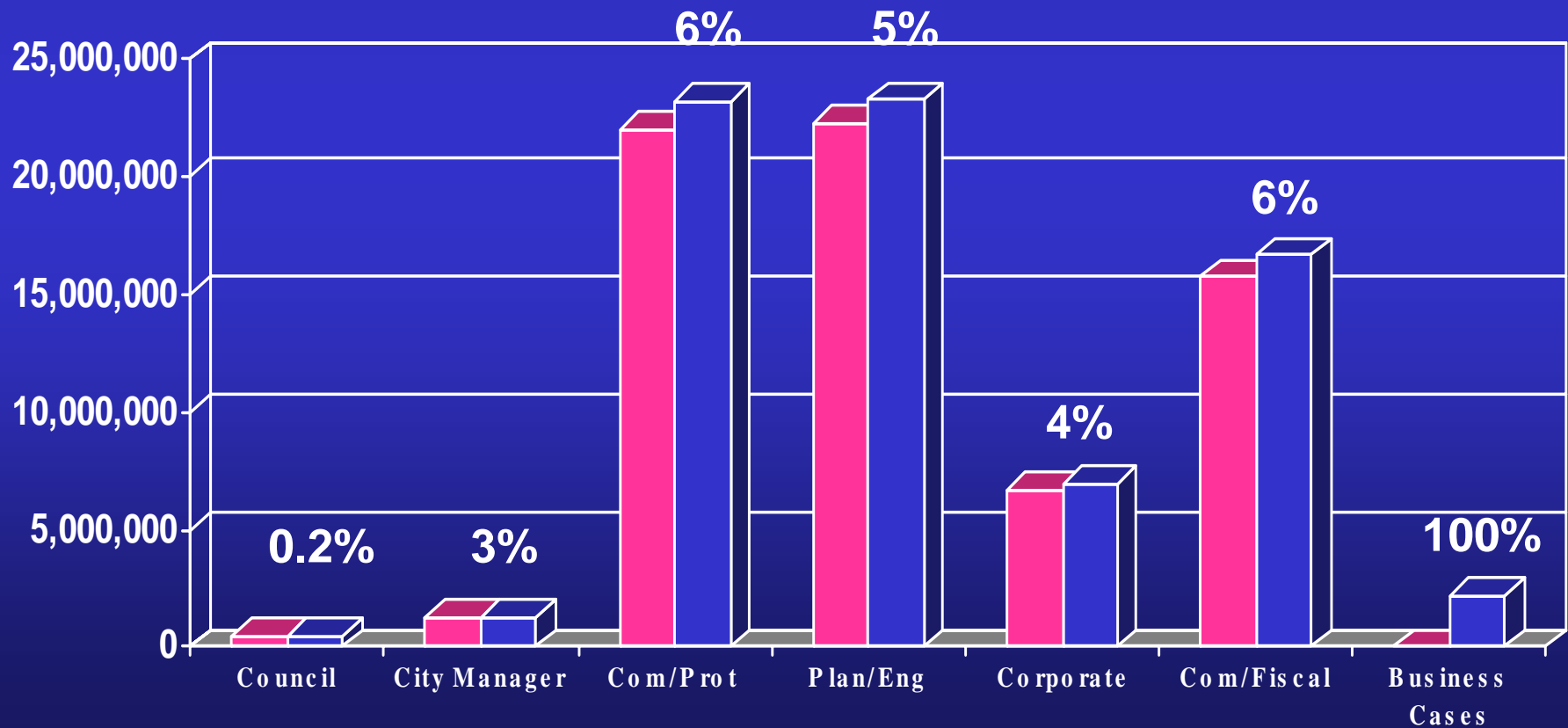


Increase in Expenditures

2005 Budget	\$68.3 million
2006 Budget	<u>\$74.1 million</u>
Increase	\$ 5.8 million

Annual Change in Operating Expenditures by Division

2005 2006



Significant Changes

(Exp. in thousands)

City Manager's Office \$37

- City Manager
- Corporate Strategy
- Economic Development

Change in pay grid and merit increases

Significant Changes

(Exp. in thousands)

Comm/Protective

- Administration \$ 35
 - Change in pay grid and merit increases and annualization of administrative assistant position
- Culture \$102
 - Change in pay grid and merit increases (\$46)
 - Increase in artist fees (\$48)
 - Increase in materials and supplies (\$8)
- FCSS \$ 9
 - Change in pay grid and merit increases (\$7)
 - Elimination of 2005 projects (\$-100)
 - FCSS grants (\$102)

Significant Changes

(Exp. in thousands)

Comm/Protective (cont'd)

- Fire \$607
 - Change in pay grid and merit increases and annualization of Fire Prevention Officer position (\$495)
 - Increase in equipment charges (\$94)
 - Pharmaceuticals & medical supplies (\$18)

- Police \$279
 - Change in pay grid and merit increases and annualization of Bylaw Enforcement Supervisor (\$59)
 - RCMP contract (\$216)
 - Elimination of funding for body armor (\$-14bc)
 - Electricity and natural gas (\$18)

Significant Changes ***(Exp. in thousands)***

Comm/Protective (cont'd)

- Recreation \$169
 - Change in pay grid and merit increases (\$125)
 - Electricity and natural gas (\$71)
 - Consolidation of concession services (\$35)
 - Recovery from MPLC (\$-55)
 - Other (\$-7)

Total Comm/Protective

\$1,201

Significant Changes

(Exp. in thousands)

Planning & Engineering

- Engineering & Admin Support \$ 7
 - Change in pay grid and merit increases (\$120)
 - Reduction of contracted services for capital maintenance, former PW site monitoring, mosquito control (\$-127)
 - Electricity and natural gas (\$14)

- Planning & Development \$78
 - Change in pay grid and merit increases (\$98)
 - Elimination of one-time funding for portable sign regulations update (\$-20)

Significant Changes

(Exp. in thousands)

Planning & Engineering (cont'd)

- Public Works \$423
 - Change in pay grid and merit increases, annualization of Stores Foreman and increase in CUPE temp wages (\$260)
 - Increase in maintenance contracts and inclusion of budget for lease space (\$65)
 - Electricity and natural gas (\$10)
 - Increase in material and fuel costs (**\$153**)
 - Increase to internal equipment charges (\$117)
 - Reduce transfer to equipment reserve (\$-41) and receive transfer from MPLC (\$-141)

Significant Changes

(Exp. in thousands)

Planning & Engineering (cont'd)

- Transit \$518
 - Change in pay grid and merit increases and annualization of Transit Servicemen (\$67)
 - Increase in transit contract (\$210)
 - Electricity and natural gas (\$21)
 - Increase in fuel costs and vehicle parts (\$220)

Total Planning & Engineering \$1,026

Significant Changes

(Exp. in thousands)

Corporate Services

- Assessment & Taxation \$ 30
 - Change in pay grid and merit increases

- Corporate Communication \$ 2
 - Change in pay grid and merit increases (\$10)
 - Decrease in advertising costs for Global weather watch and City Lights (\$-8)

- Finance \$167
 - Change in pay grid and merit increases and annualization of General Accountant position

Significant Changes

(Exp. in thousands)

Corporate Services (cont'd)

- Human Resources \$36
 - Change in pay grid and merit increases

- Info Technology \$74
 - Change in pay grid and merit increases (\$54)
 - Increase in maintenance contracts (\$10)
 - Increase in computer leases (\$10)

Significant Changes ***(Exp. in thousands)***

Corporate Services (cont'd)

• Legal Services	\$15
– Change in pay grid and merit increases	
• Legislative Services	\$-27
– Change in pay grid and merit increases (\$16)	
– Removal of census budget (\$-43)	
Total Corporate Services	\$297

Significant Changes

(Exp. in thousands)

Common & Fiscal Services

• Change in Capital Financing		\$ 600
– Debt payments	\$ 349	
– Transfer to Capital	\$-597	
– Internal Debt Payments	\$ 848	
• IDP revenue sharing		\$ 90
• Remove 2005 Bus Cases		
– Annexation/Space planning		\$ -309
• Record book value of land		\$ 153
• Outside Agencies		\$ 114
– Library	\$139	
– NABI	\$ -25	
• Change in Transfers to reserves		\$ 700
– Proceeds from sale of land		

2006 Business Cases

(in 000's - Not including staffing)

- Non-Profit Opportunity Fund \$ 50
- Municipal Development Plan \$ 50
- Northern Lights Area Structure Plan \$ 40
- Technical Support for Arden \$ 40
- Additional Interior Bus Cleaning \$ 30
- Extended Fibre Network to EDT \$ 26.2
- Advertising for Recruitment \$ 20
- RCMP Storefront at MPLC \$ 18
- Transfer to Stabilization Reserve \$300
- Transfer to Capital \$325

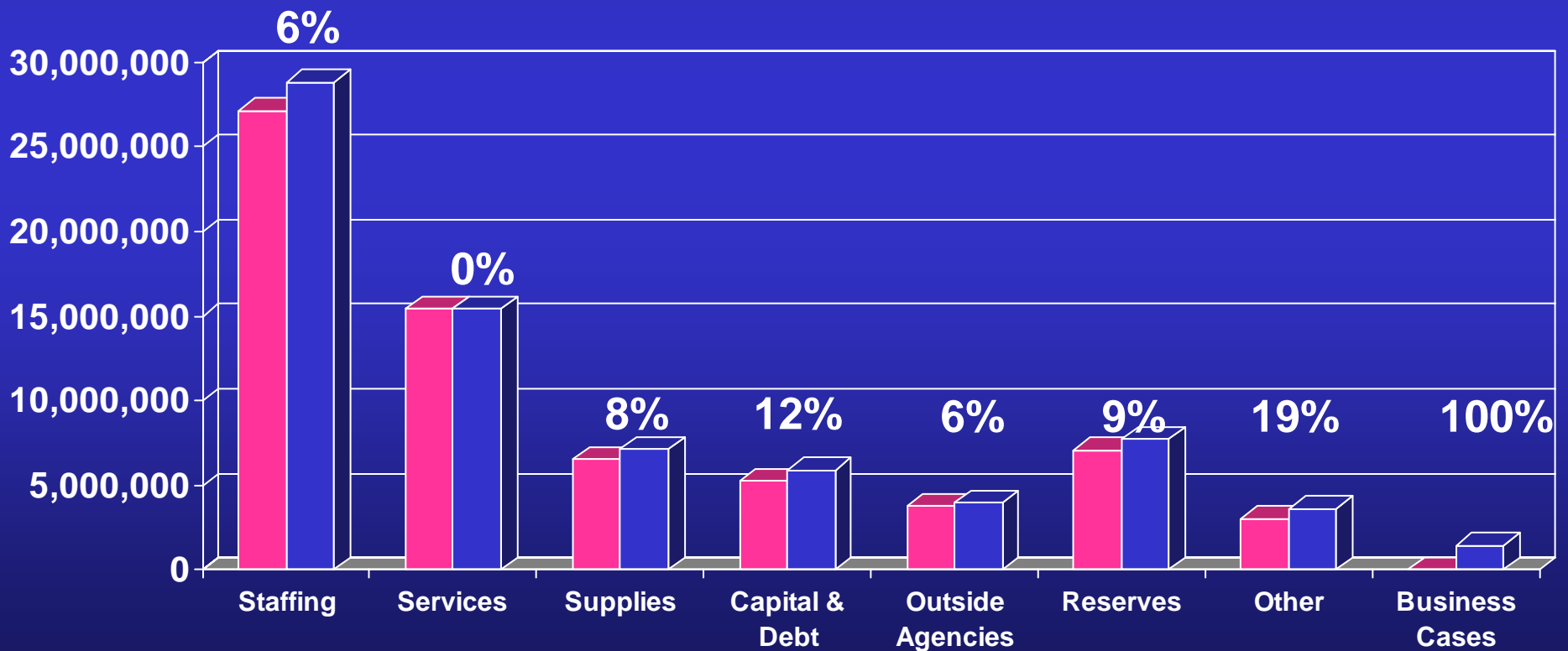
2006 Business Cases

(in 000's - Not including staffing)

Total Operating Business Cases	\$1,446
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Annual Change in Operating Expenditures by Type

2005 2006



Staffing

Significant Changes

(in thousands)

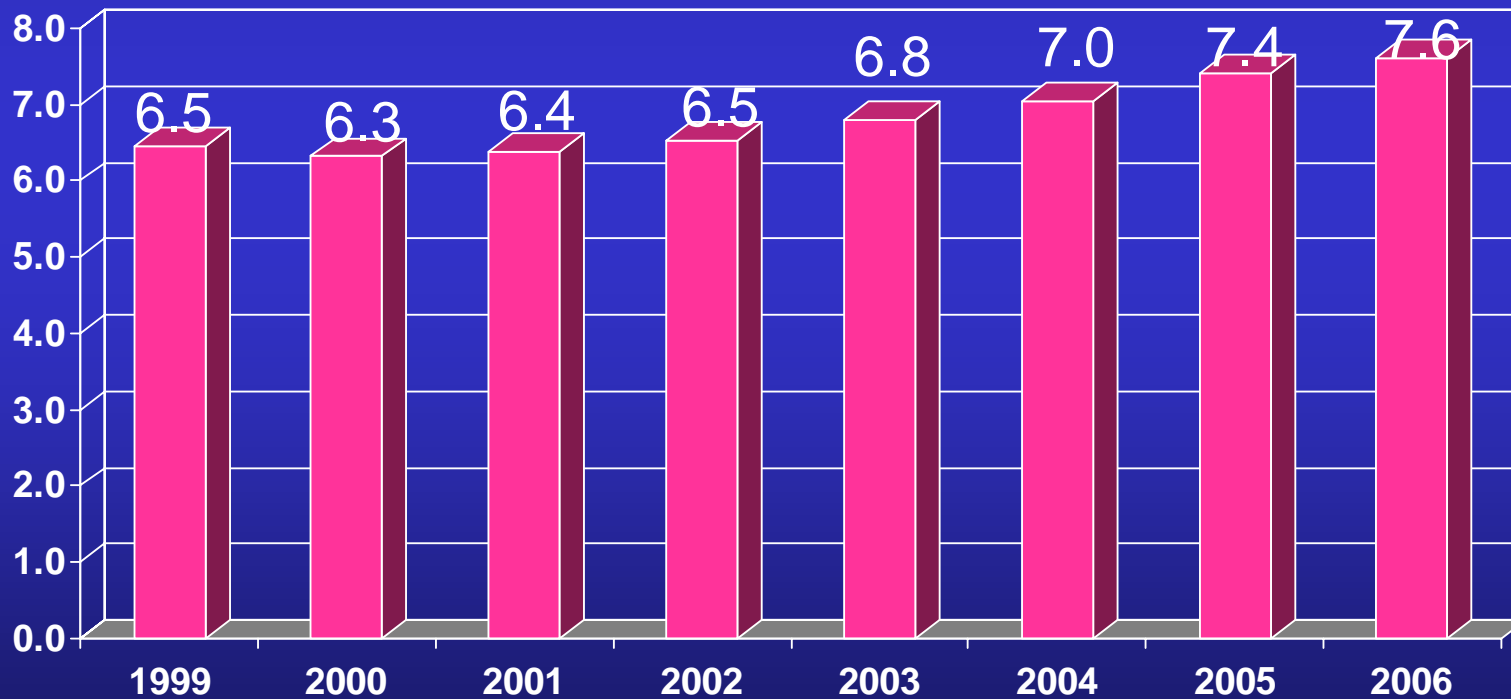
- Existing Staffing \$ 1,700
 - Annualization/Merit (\$350)
 - Economic Increase (\$840)
 - IAFF Settlement (\$150)
 - CUPE temporary wages (\$50)
 - Benefits (total \$500, municipal \$300)
 - LAPP \$300
 - All other (WCB, Dental, etc) \$200

Staffing Changes for 2006

Municipal & Library

<u>Business Case Additions</u>	<u>F.T.E</u>	
- Firefighters & Training Officer	5.00	
- Planning Technician	1.00	
- Police Admin Support Clerk	1.00	
- Engineering Assistant II	1.00	
- Corporate GIS Technician	1.00	
- Aquatics Staffing Adjustment	0.88	
- FCSS Administrative Assistant	0.83	
- City Manager Administrative Support	0.56	
- Affordable Housing Liaison Officer	0.56	
- Records Management Administrator	0.11	
Total Municipal	11.94	3% Increase
- Library Fund Dev./Comm Officer	1.00	

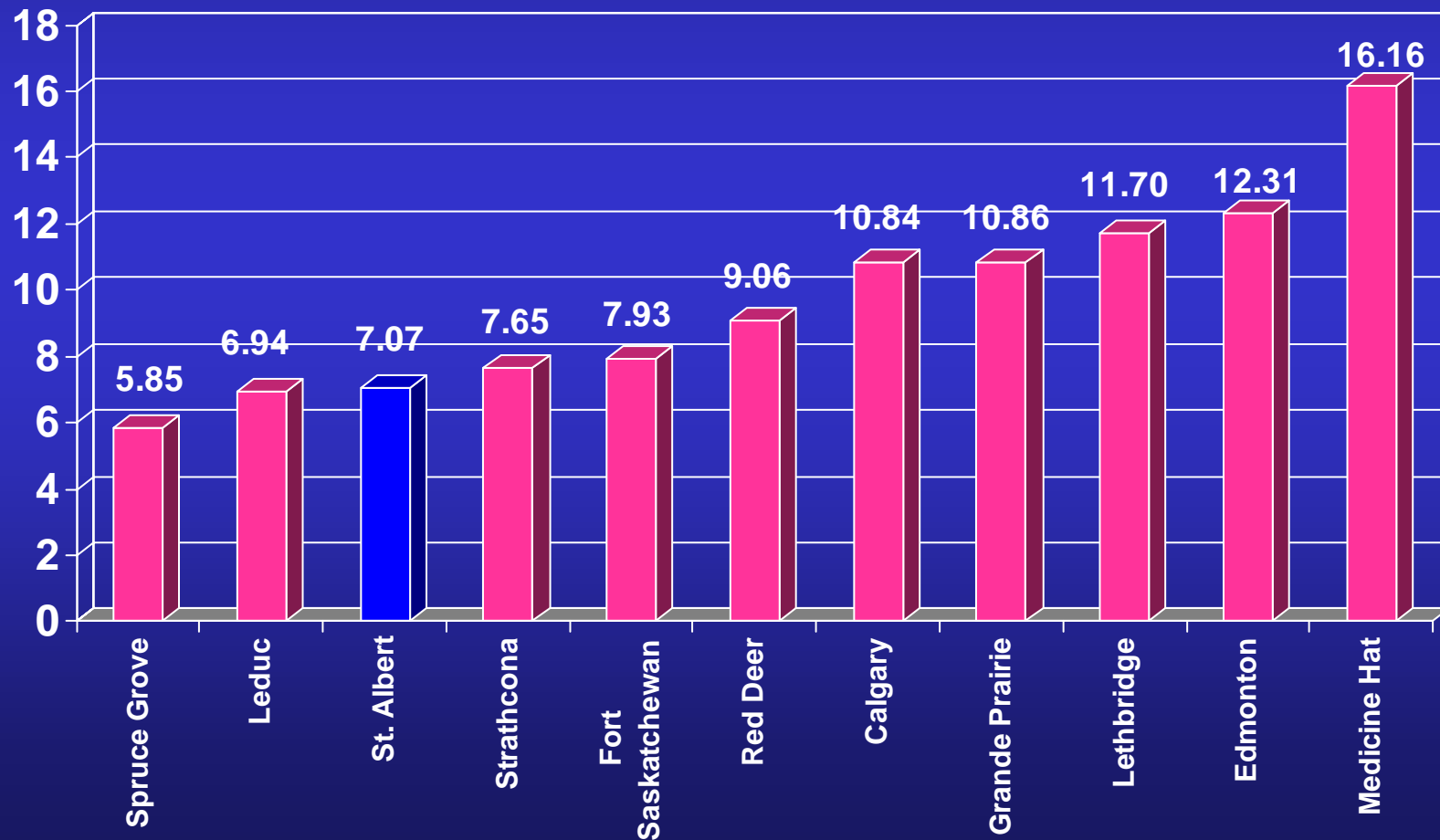
St. Albert Staffing Per 1,000 Population



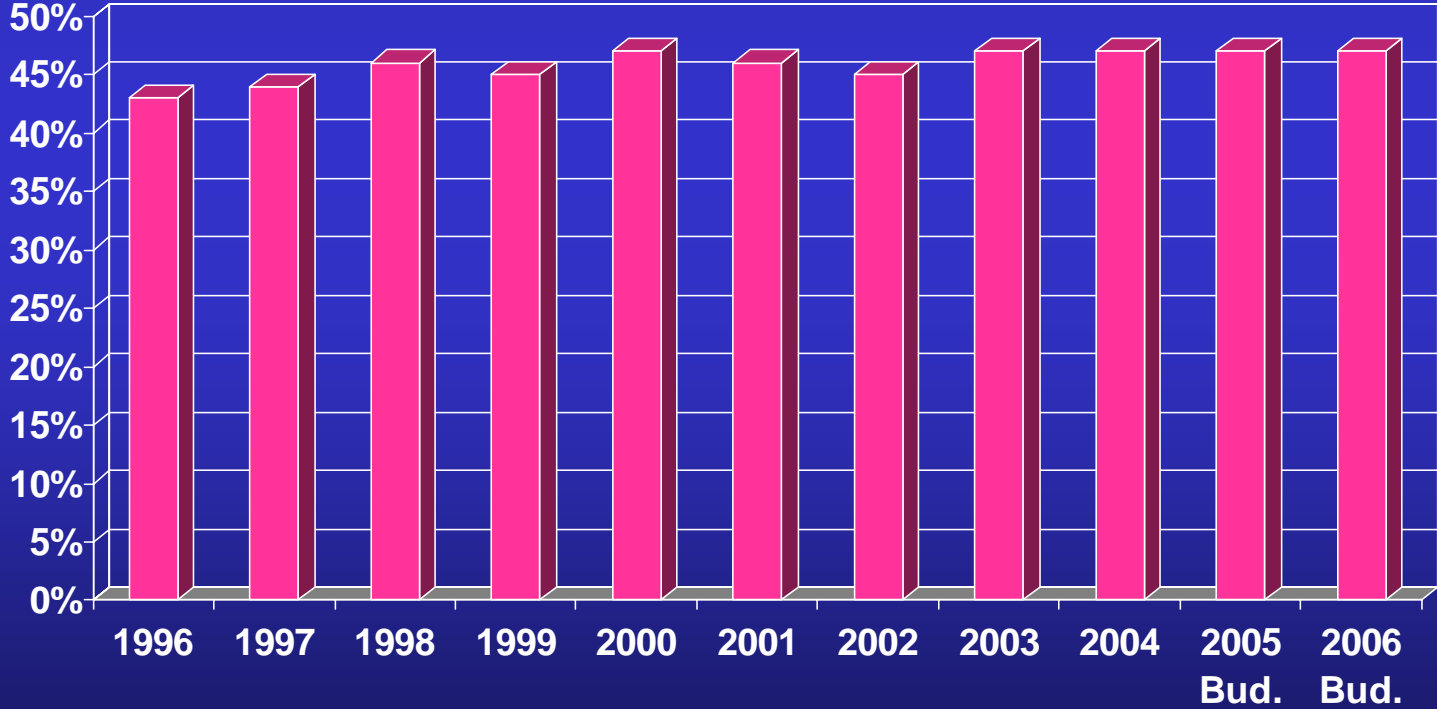
Comparative Cities

Full-Time Positions Per 1000 Population

Source: Alberta Municipal Affairs 2004

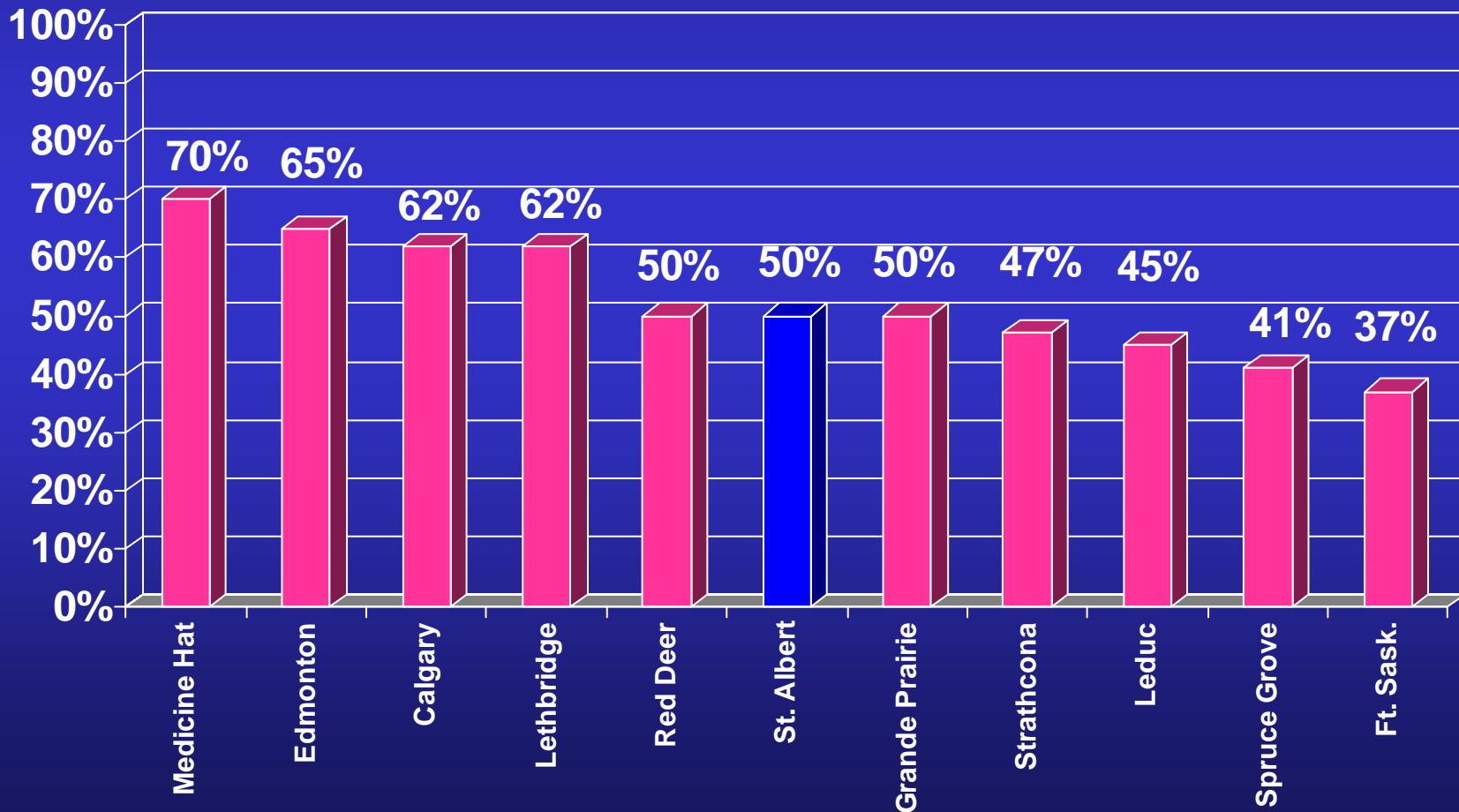


Staffing as a % of Operating Costs (City of St. Albert)



Staffing as % of Operating Costs

Source: Alberta Municipal Affairs 2004



Services

*No Change over 2005
Insurance*

Significant Changes

(in thousands)

- Services \$ 000
 - RCMP contract (\$216)
 - Transit contract (\$210)
 - Audit fees (\$10)
 - Handi Bus contract (\$-83.3)
 - Prior Yr Business Cases
 - Annexation (\$-168.6)
 - Space Needs (\$-101)
 - Affordable Housing (\$-50)
 - Contract Staff (\$-40)

Insurance 2000 – 2006

(Municipal & Utility)



Supplies

Natural Gas

Electricity

Significant Changes

(in thousands)

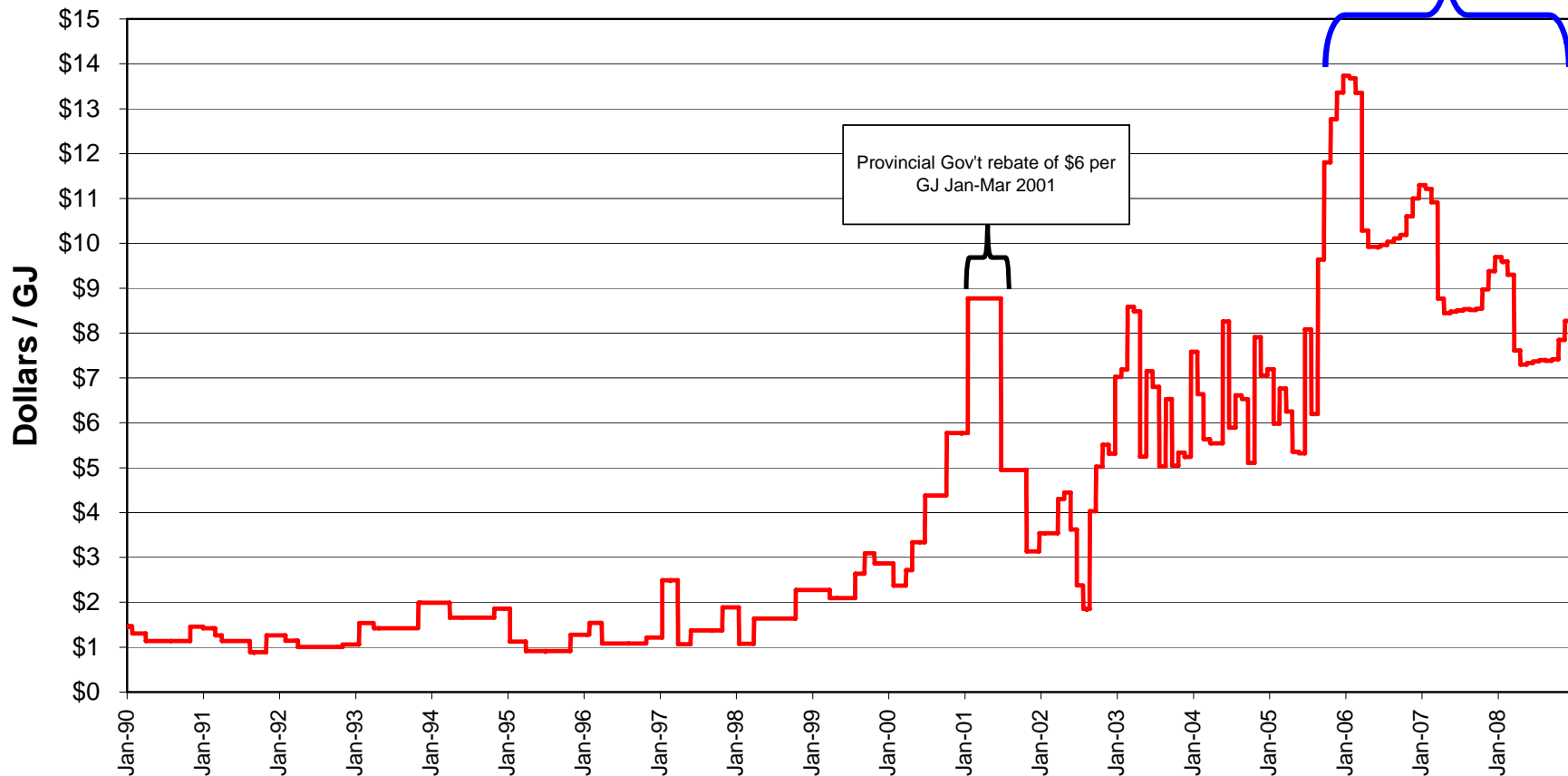
- Supplies \$ 600
 - Fuel (\$255)
 - Utilities (\$200)
 - Inflation (\$100)

Natural Gas 1990 - 2008

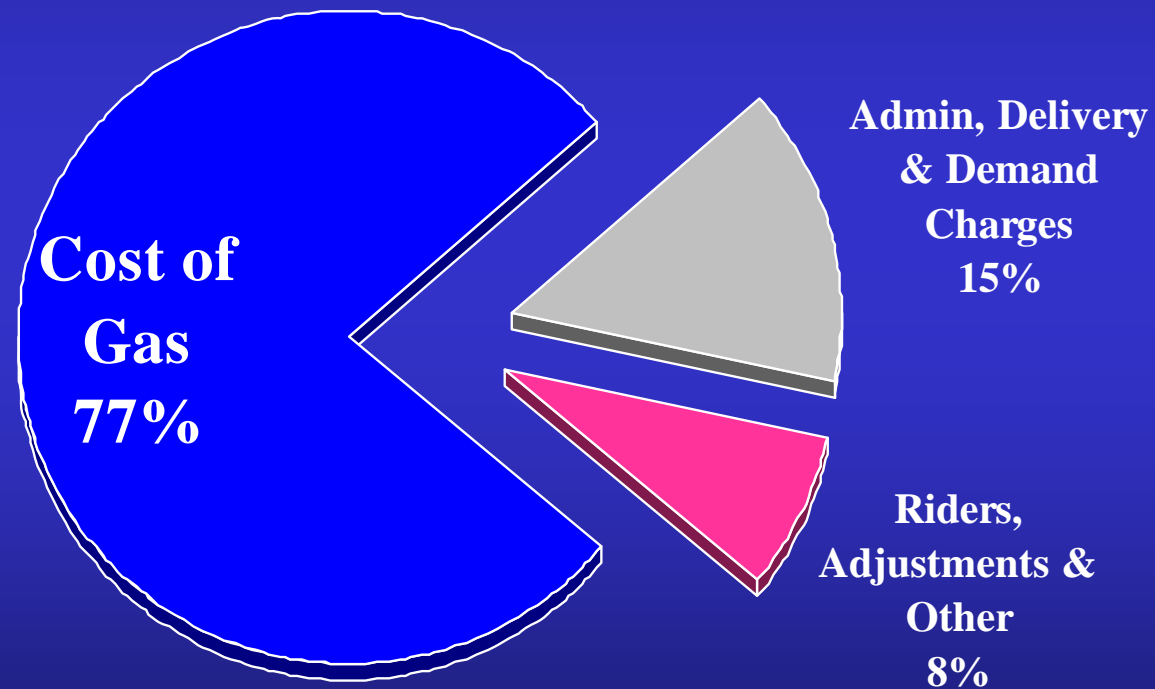
Daily Rates - Cost of Natural Gas (\$/GJ)

Jan/90 to Oct/05 are ATCO Actuals, Nov/05 to Oct/06 are based on AECO Settlement Data,
Nov/06 to Dec/08 are based on NYMEX Futures Market. All prices exclude Delivery Charges, Riders & Adjustments.

Forecast AECO &
NYMEX
Nov 2005-2008

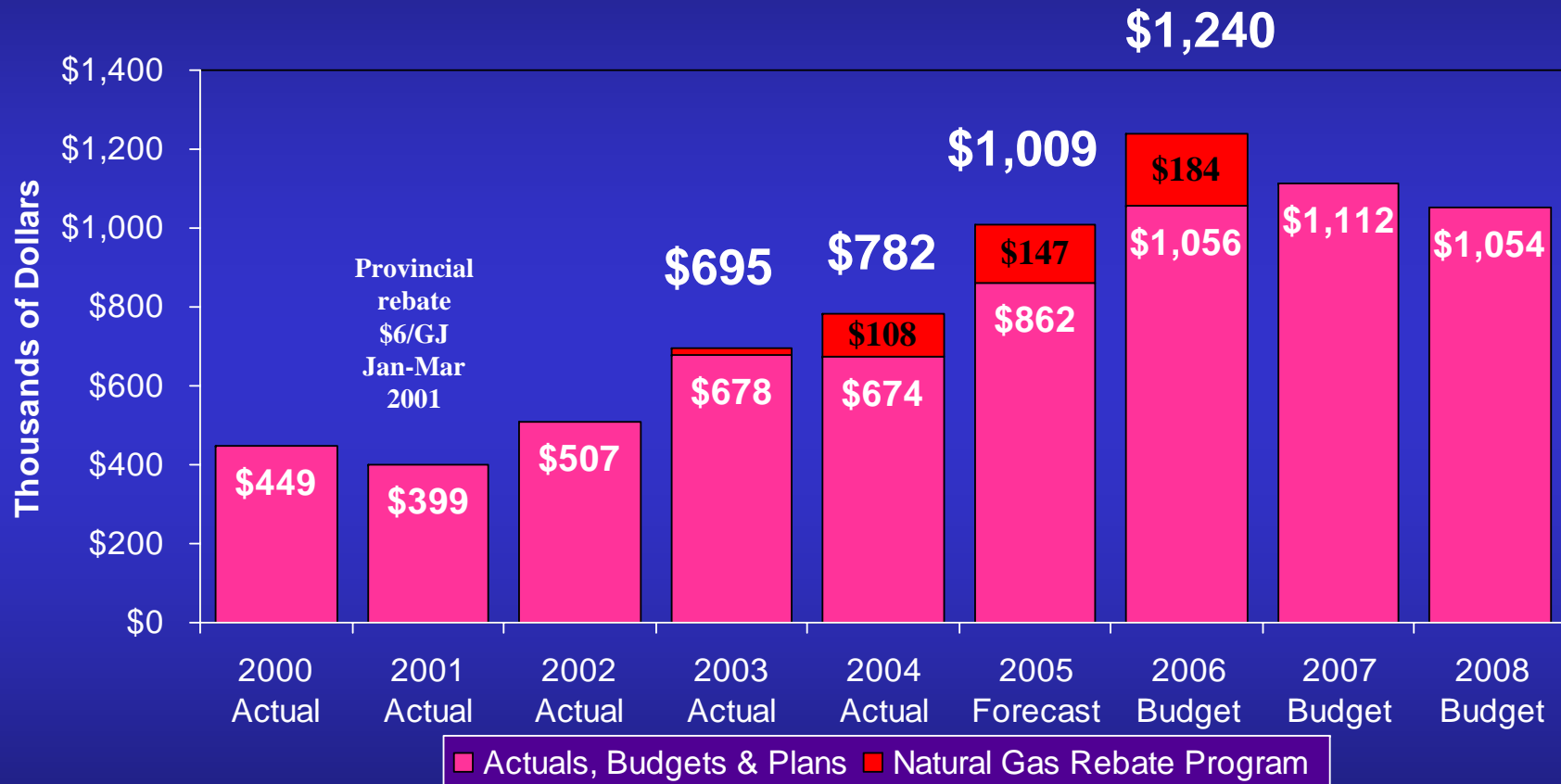


The Cost of Natural Gas in 2005 (forecast)

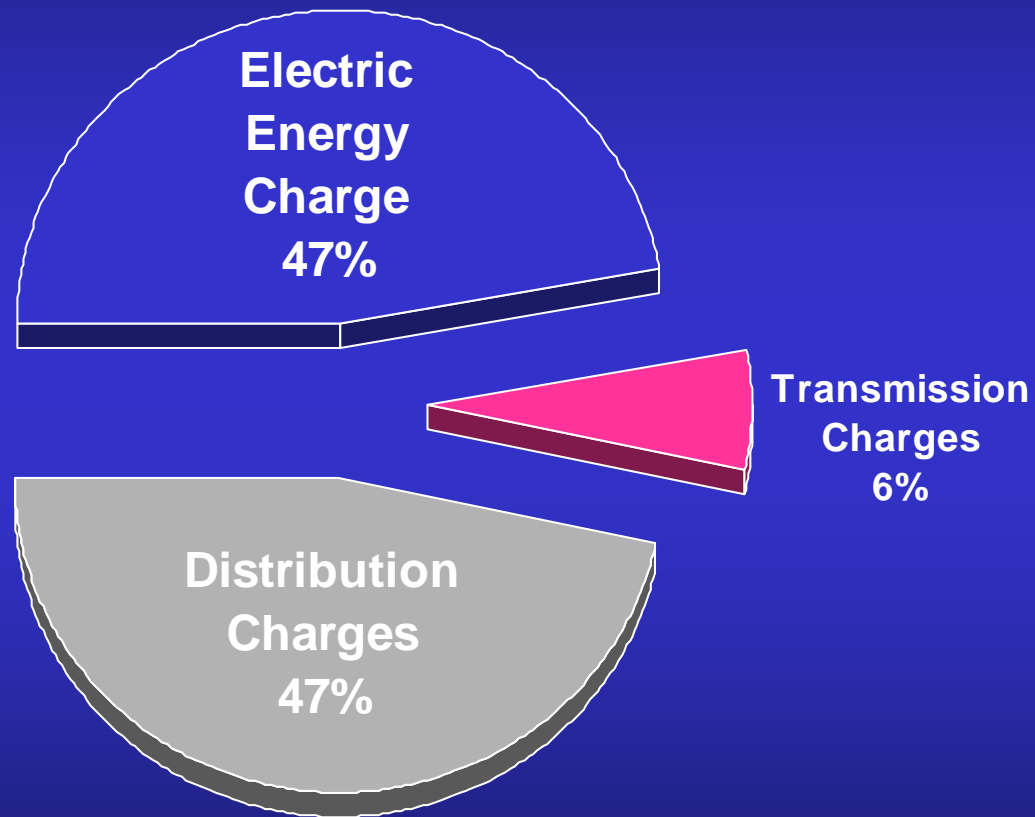


Natural Gas 2000 - 2008

2006 Budget increase of \$300K

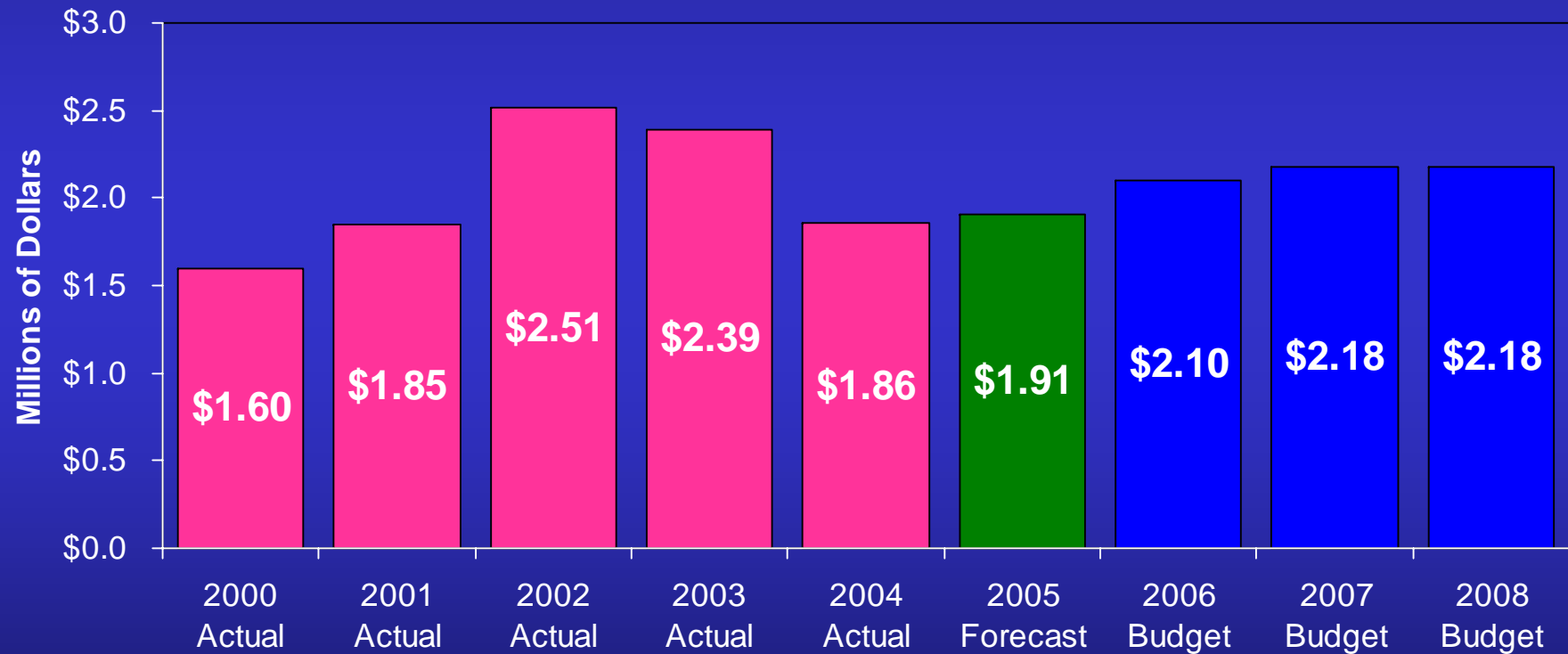


The Cost of Electricity in 2005 (forecast)



Electricity 2000 - 2008

2006 Budget increase of \$100K



Significant Changes ***(in thousands)***

• Capital & Debt	\$ 600
– PAYG (\$-597)	
– Debt (\$349)	
– Converted Internal Pymts (\$848)	
• Reserves (land sale, reduce PW & Transit)	\$ 700
• Outside Agencies	\$ 114
• Other (equip charges, land book value)	\$ 640
• 06 Business Cases	<u>\$1,446</u>
Total Change	\$5,800

Revenues

Significant Changes

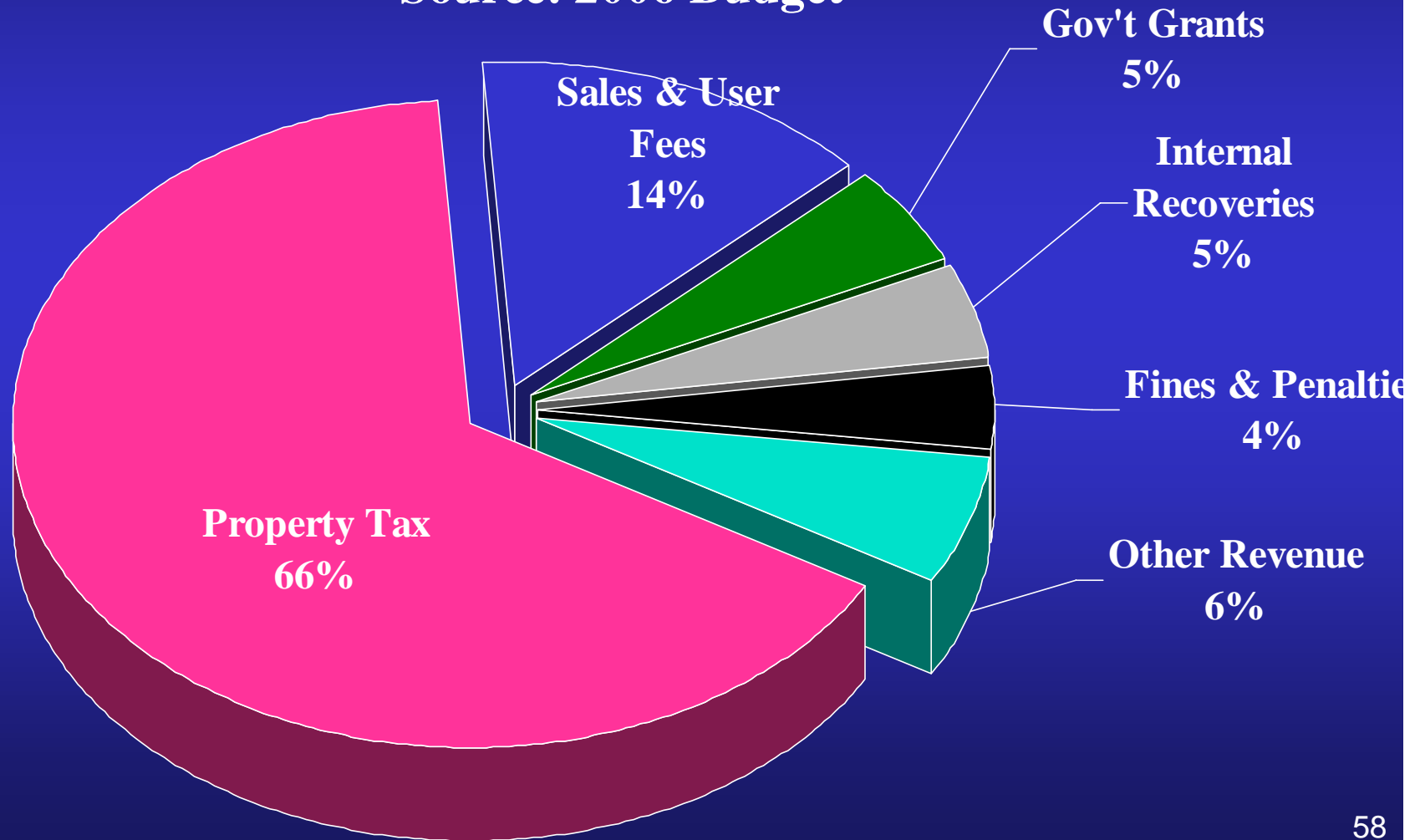
Taxation

Grants

User Fees

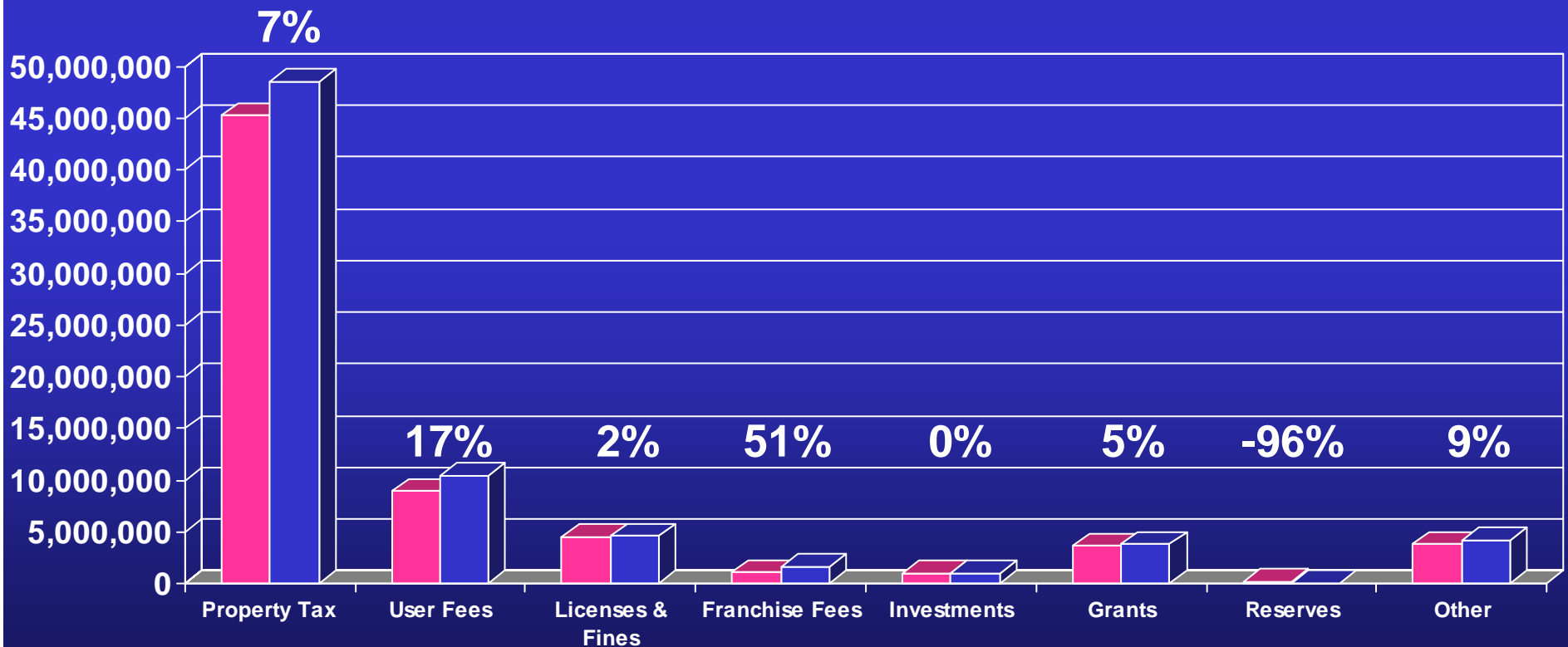
2006 Municipal Operating Revenues by Type

Source: 2006 Budget



Annual Change in Operating Revenues by Type

2005 2006



Significant Changes

(Rev. in thousands)

- Property tax \$ 3,300
 - Growth (\$1,800)
 - Services (\$1,500)
- Sales & User fees \$ 1,500
 - Sale of City owned land (\$1,300)
 - Admin fee to Utilities (\$200)
 - Planning & Engineering fees (\$220)
 - Ice rental revenue (\$-200)

Significant Changes

(Rev. in thousands)

• Government grants	\$	200
• Nat.Gas Franchise Fees	\$	500
• Licenses & Fines	\$	100
• Transfer from reserves	\$	(200)
• Other (equip charges)	\$	<u>400</u>
Total Change	\$	5,800

Fees & Charges

Changes to Fees

Master Rates & Other Rate Bylaws

- **Building Permit Fees** \$ 12,000
-based on recommendations from the Planning & Engineering Fees Full Cost Recovery Report
- **Plumbing Permit Fees** 18,000
-based on recommendations from the Planning & Engineering Fees Full Cost Recovery Report
- **Gas Permit Fees** 9,800
-based on recommendations from the Planning & Engineering Fees Full Cost Recovery Report
- **Land Use Fees** 95,500
-based on recommendations from the Planning & Engineering Fees Full Cost Recovery Report
- **User Fees** -
-increase to the rental of multi-purpose rooms to maintain revenue flow

Changes to Fees (cont'd)

Master Rates & Other Rate Bylaws

• Transit Fares	36,000
-increase to commuter ticket fares	
• Cemetery Fees	3,500
-rates are being adjusted based on increasing costs and demand; a new fee is being introduced for the Memorial Wall	
• Heating, Ventilation & Air Conditioning	9,700
-based on recommendations from the Planning & Engineering Fees Full Cost Recovery Report	
Total	<hr/> \$ 184,500

Grants

Operating Grants

- Operating Grants
 - Changes in 2006 Budget
 - \$196,000 Ambulance Services

Capital Grants

- No Change
 - Basic Capital Grant \$3.3 million (annual)
- New for 2006
 - Federal Gas Tax \$1 million
 - Provincial Inf. Grant \$10.6 million
- Federal Public Transit Grant \$400,000
- All above grants are conditional

Municipal Capital Program

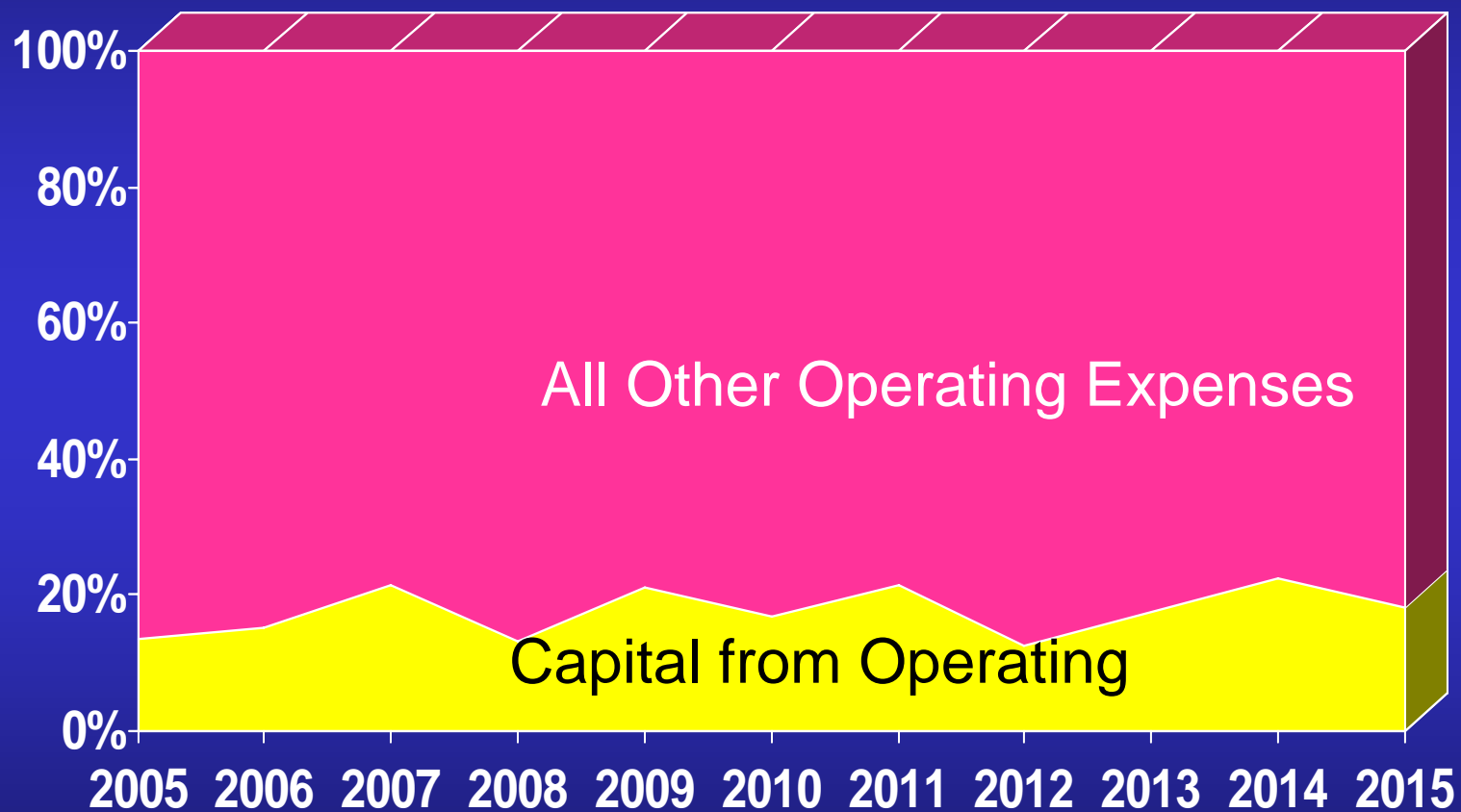
Capital Envelope System

Capital Envelope System

- Introduce Capital Envelope System
 - Ensures sustainable capital program
 - Ensures property tax stability
- Property Tax Supports
 - Pay as you go
 - Transfers to reserves
 - Debt payments (external & internal)

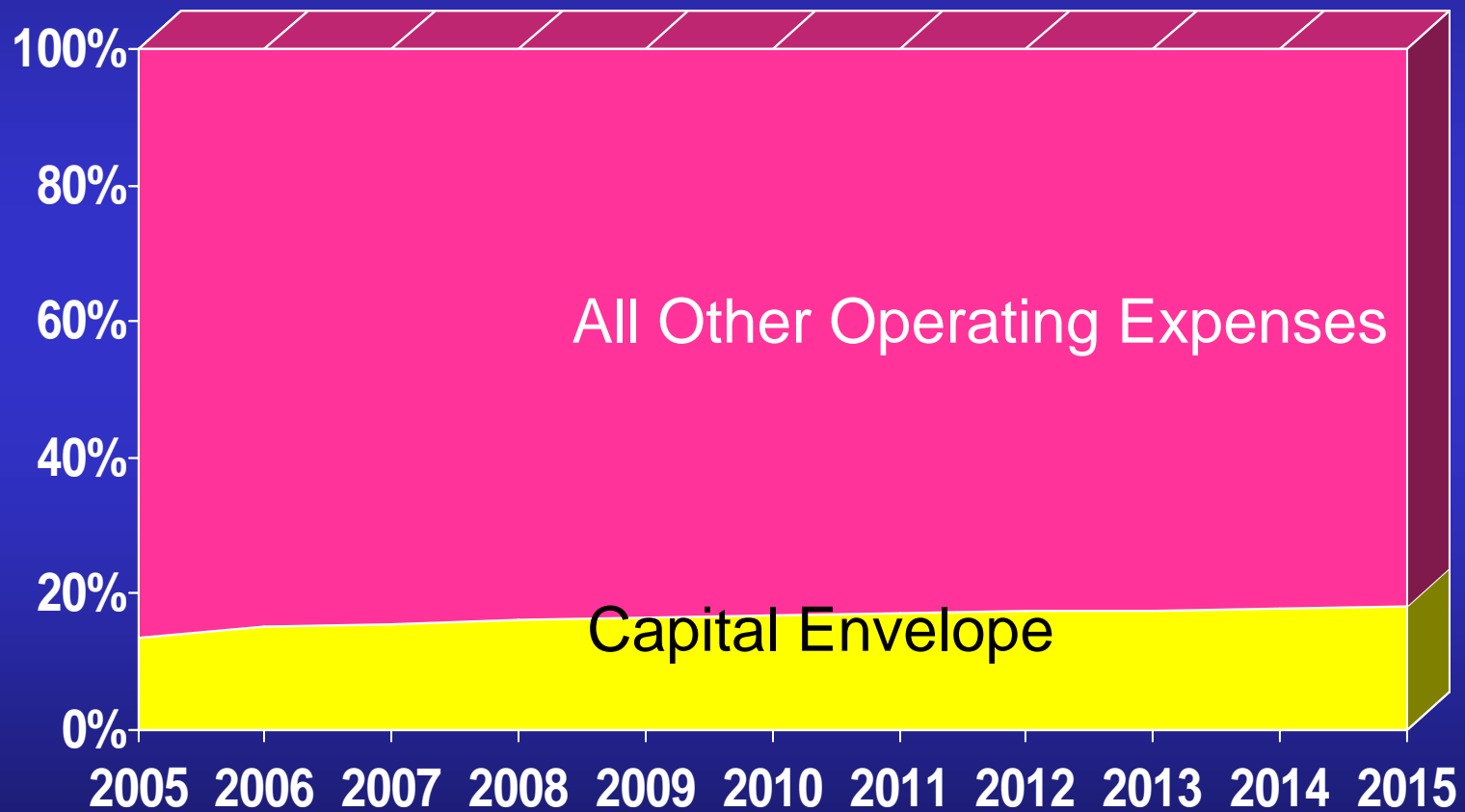
Operating/Capital Spending

Fluctuates Based on Need



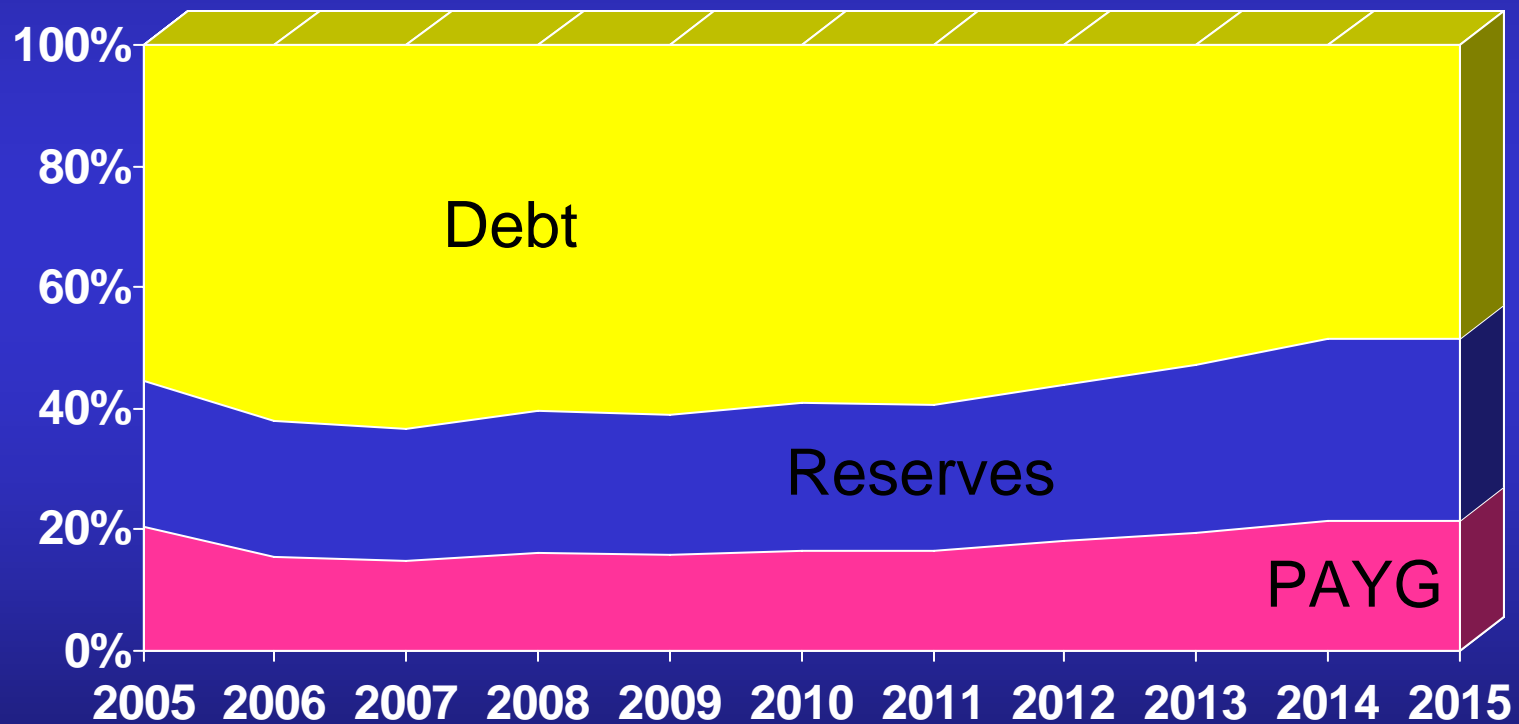
Capital Envelope

Allocate % of Operating Budget to Capital - Presently 15.5%



Capital Envelope

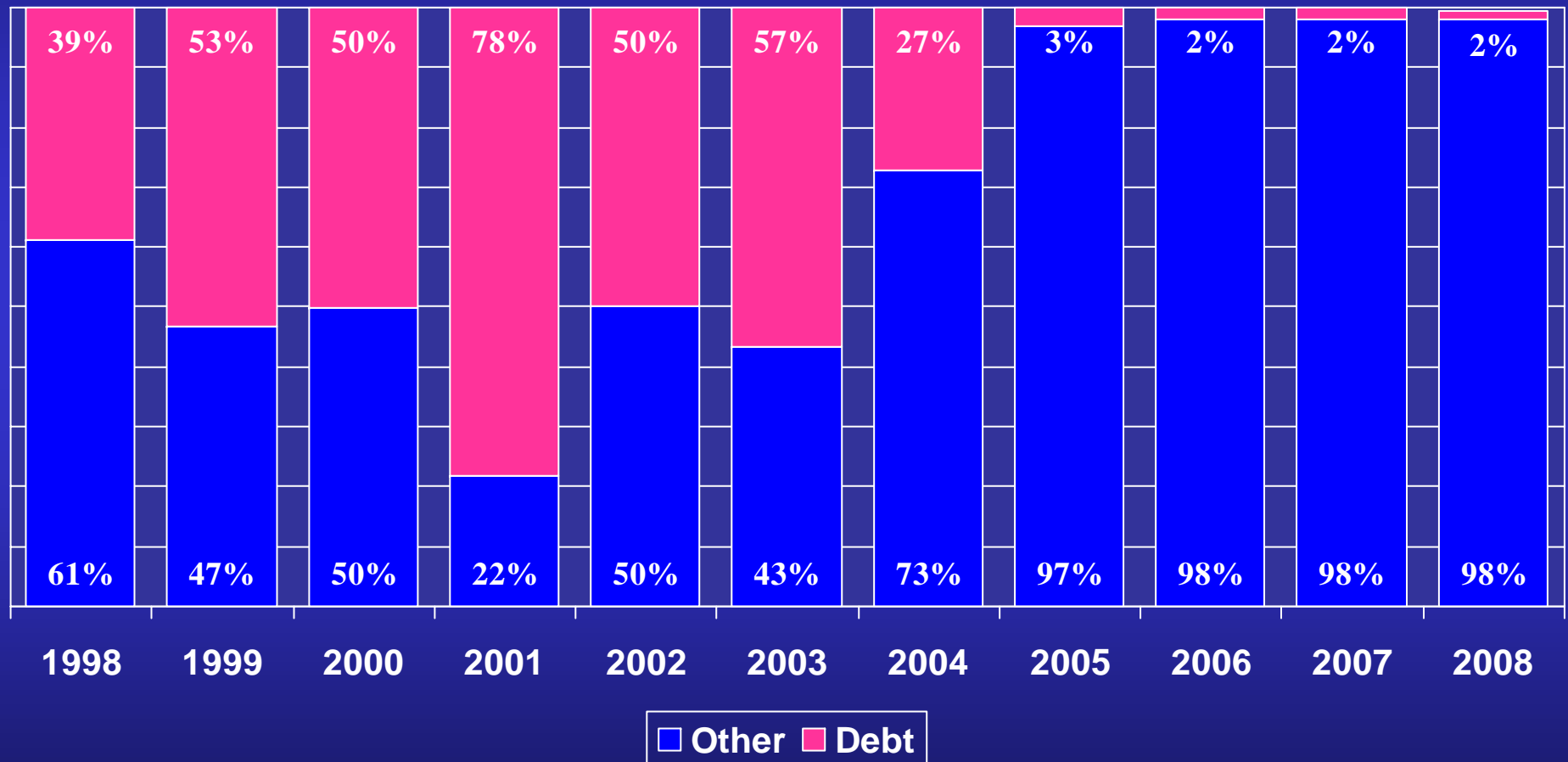
Move towards zero debt



Municipal Capital *(in thousands)*



Capital Project Requests Financed by Debt



2006 Municipal Capital Projects

Re-investment Needs

Buildings

Arden Theatre Refurbishment	\$ 135,000
FPRC Hot Water Tank Replacement	50,000

Parks

Woodlands Water park Mechanical Rehab	\$ 1,300,000
PW Outdoor Rink Building Replacement	25,000

Trails

Boudreau Bridge Channel Repair (walkway)	\$ 300,000
Red Willow Trail Overlay Program	90,000

2006 Municipal Capital Projects

Re-investment Needs (cont'd)

Roads

Lawrence Crescent Rebuild	\$ 800,000
Arterial Asphalt Overlay Program	400,000
Local / Collector Asphalt Overlay Program	300,000
Permanent Line Marking Rehabilitation	75,000
Pavement Management System Program	55,000

Sidewalks

Neighborhood Sidewalk Replacement	\$ 164,800
Pedestrian Ramp Upgrade Program	100,000
Sidewalk Connectors Program	100,000

2006 Municipal Capital Projects

Re-investment Needs (cont'd)

Transit Vehicles

Replacement Plan	\$ 2,695,000
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Mobile Equipment

Replacement Plan	\$ 631,000
------------------	------------

Total Re-investment Needs	\$7,220,800
----------------------------------	--------------------

2006 Municipal Capital Projects

Growth Needs

Buildings

Fire Station #3	\$ 1,000,000
PW Energy Efficiency Program	500,000
Transit Centre Park N Ride	50,000
Transit Garage Phase 2 Expansion	50,000
FPRC Loading Dock Modification	50,000

Parks

Ted Hole Park – Erin Ridge	\$ 750,000
Oakmont School/Park Site Development	100,000
Cemetery Enhancements	15,000

2006 Municipal Capital Projects

Growth Needs (Con't)

Roads

McKenney Ave – Existing to WRR	\$ 5,000,000
Campbell Rd. – Poirier to Kingswood	2,900,000
South Riel Connection	1,500,000
Poirier Ave / SWC Ave Intersection	800,000

Transit Vehicles

Transit Bus Fleet Growth	\$ 2,700,000
--------------------------	--------------

Mobile Equipment

Fire Tanker Truck (Annexation)	250,000
PW Street Sweeper	75,000

Total Growth Needs **\$ 15,720,000**

2006 Municipal Capital Projects

Other Assets - Needs

Equipment

Emergency Service Replacement Plan	\$ 40,000
PW Former Site Salt Remediation	75,000
Office Automation Program	50,000
Office Systems Replacement Plan	290,400

Transit

Replacement of Fare Boxes	\$ 20,000
Bus Priority Lane Study	30,000
Walk Behind Sweeper Scrubber	18,000

Municipal Debt

Council's Debt Policy

Principles

- Debt averse
 - PAYG
 - Internal financing from reserves
 - External financing with minimized terms
- Early retirement
 - City will retire debt where fiscally responsible
- Debt limits
 - Outstanding debt = 1.5 times revenues
 - Payments no greater than 25% of tax revenues

No new debt financing proposed in 2006 Budget

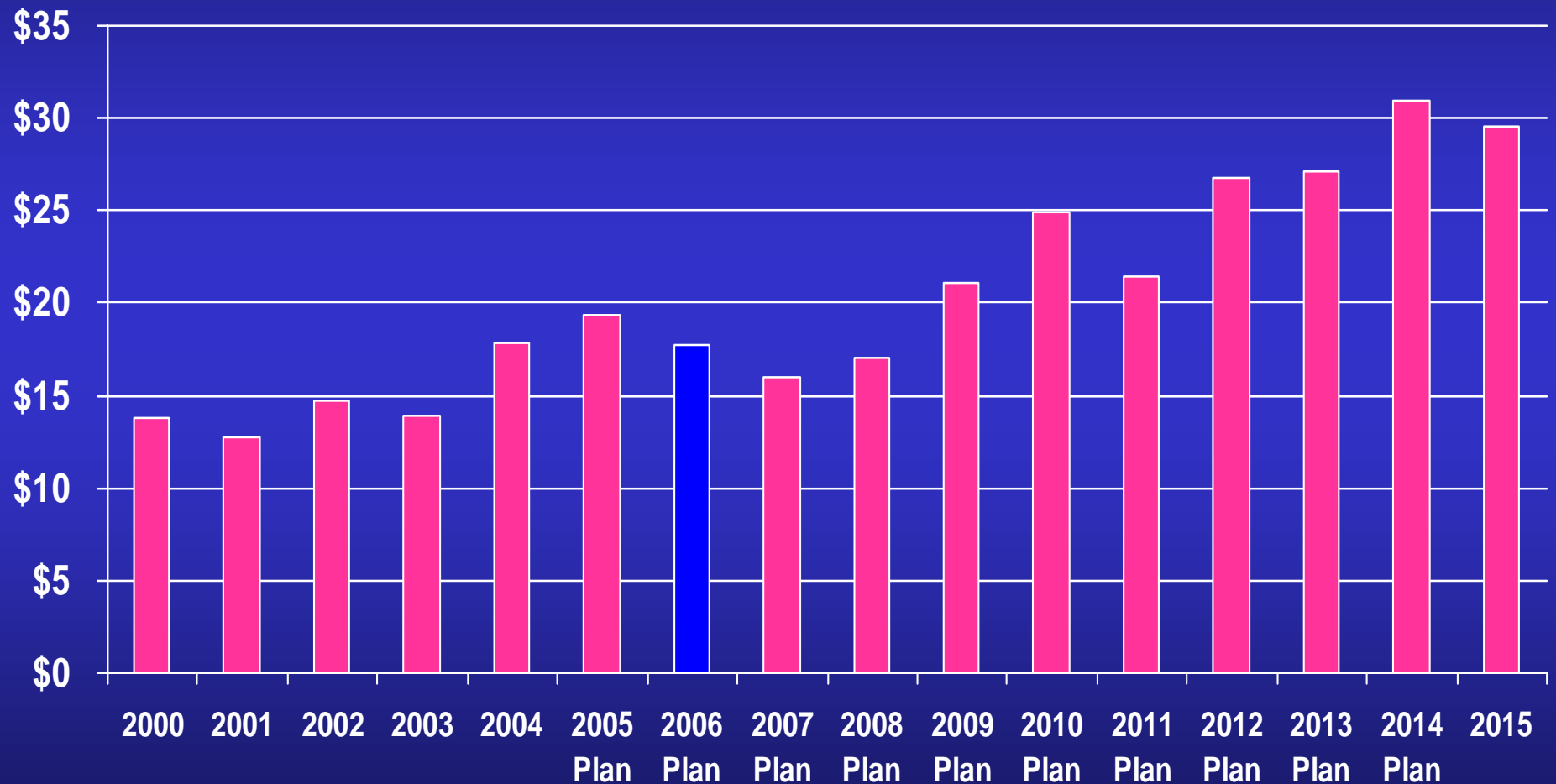
Municipal Reserves

Purpose

- Stabilize tax rates
- Fund capital replacements
 - a form of depreciation
- Fund future capital

Municipal Reserves 2000 – 2015

(in \$ millions)



Changes to Reserves (Budgeted) 2006

Transfers To

Increases:

- Stabilization Fund \$ 300,000
- Office Systems Replacement 35,600
- Emergency Service Equipment 90,000

Decreases:

- Internal Financing \$ 144,000
- Transit Replacement 180,000
- Equipment Replacement 41,000
- Arden Theatre Refurbishment 95,500

\$ 34,900

Changes to Reserves (Budgeted) *2006*

Transfers From:

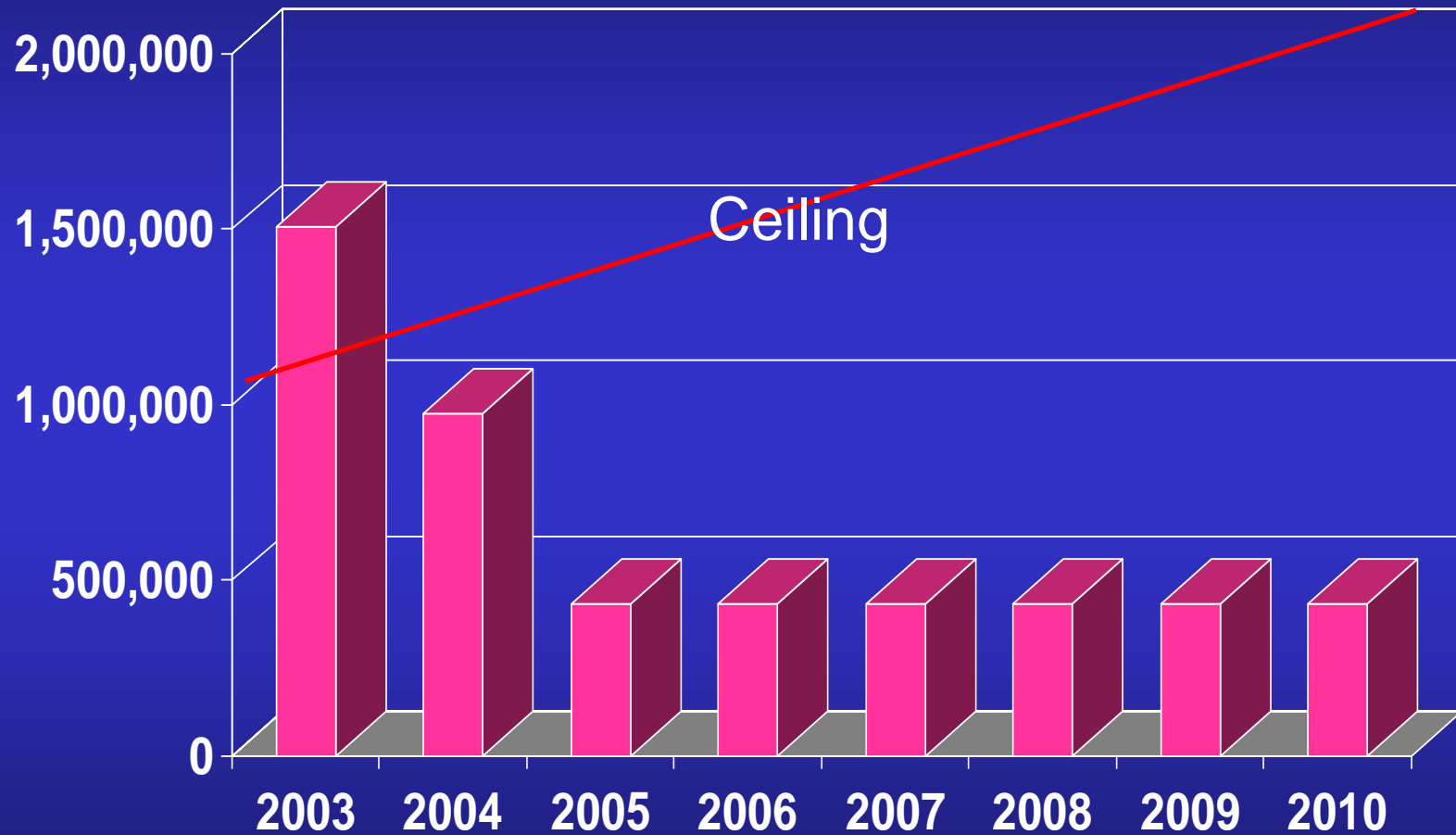
Decreased:

- Carry Forwards (Census) \$ 50,000
- Stabilization-annexation \$168,600

Transfers fr. Capital Reserves

	2005	2006
• Office Systems Replacement	\$139,600	\$290,400
• Mobile Equipment Replacement	\$748,000	\$631,000
• Transit Fleet Replacement	\$1,200,000	\$2,035,000
• Arden Theatre Refurbishment	\$ 0	\$135,000
• Corporate Telephone Upgrades	\$ 30,000	\$ 0
• EMS Replacement Plan		\$ 40,000
• Ted Hole Park		\$250,000
• Oakmont School Sites (addition)		<u>\$100,000</u>
	\$2,117,600	\$3,481,400

Stabilization Reserve Balance

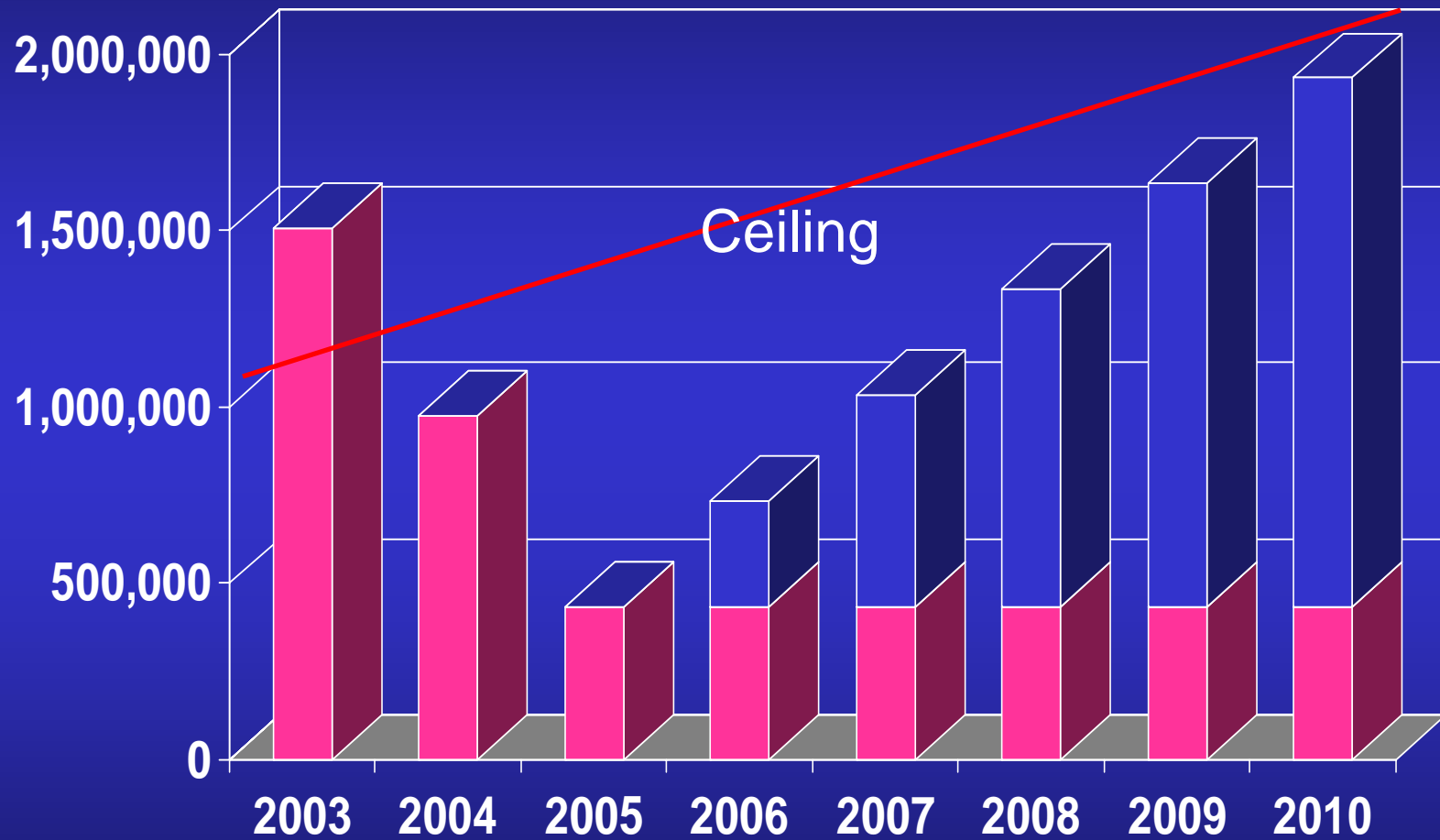


Stabilization Reserve

Business Case to Rebuild

- Policy of 2% of total revenues
- Transfer to Stabilization Reserve of \$300,000 – 2006 to 2010
- Provides a plan to rebuild the stabilization reserve from low of \$400K back up to almost \$2M in 5 years

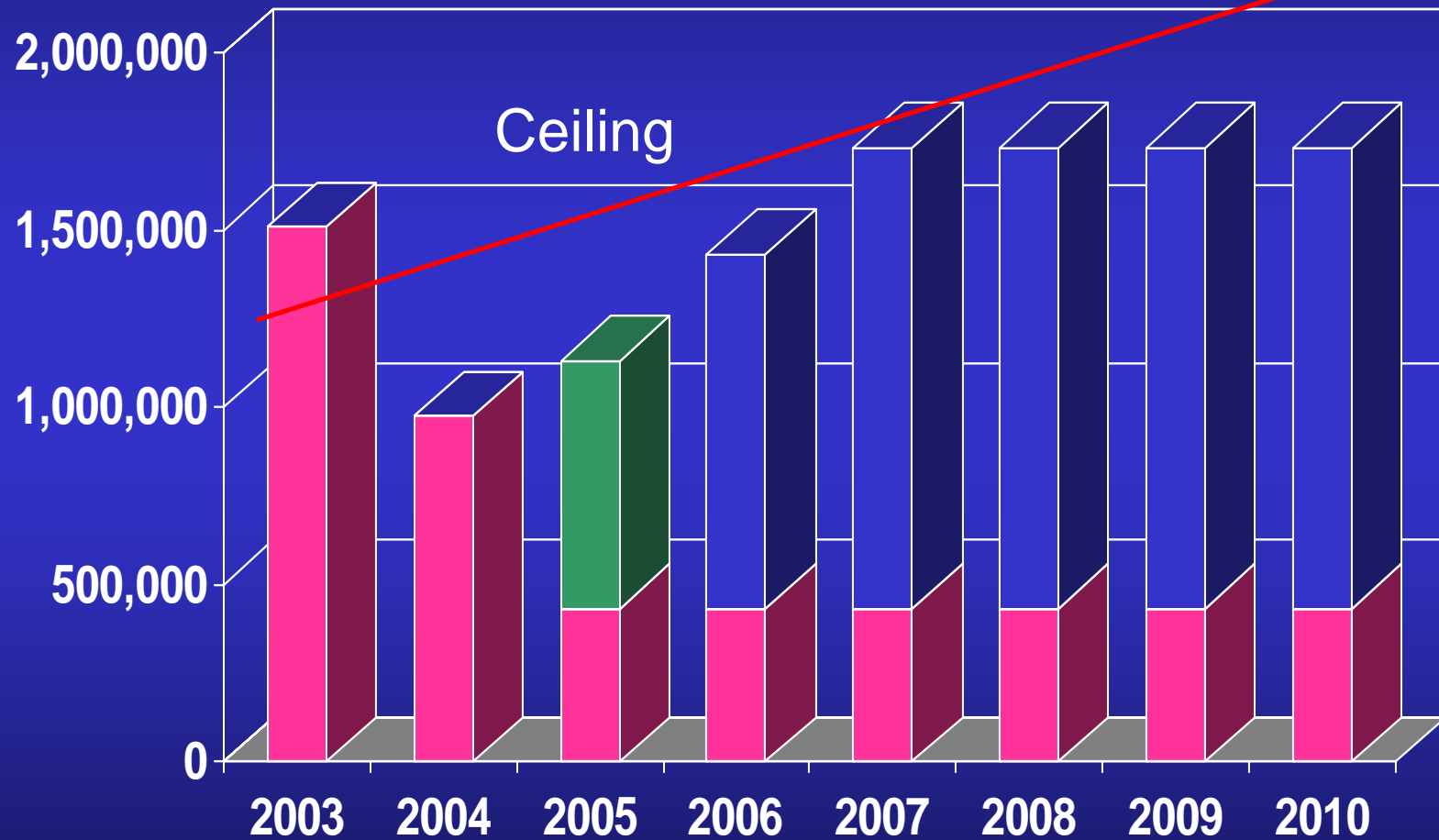
Stabilization Reserve Balance



3rd Qtr Reporting = Surplus

- Projected Surplus – In the range of \$700,000
Resulting from:
 - Ambulance grant
 - Insurance Rebate
 - Engineering Permits
 - Gas Franchise Fee
- Council Policy
 - Transfer surplus to Stabilization Reserve

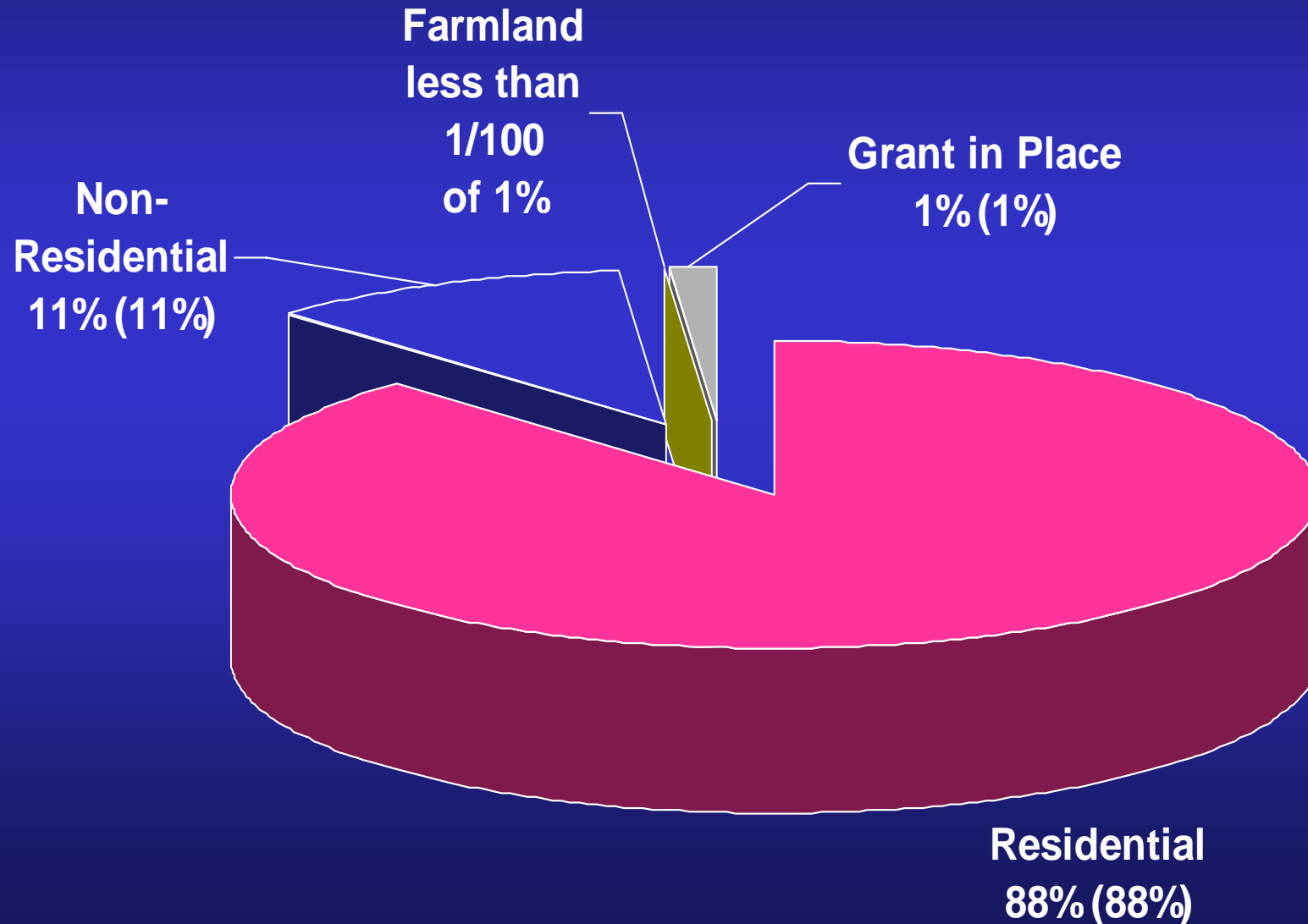
Stabilization Reserve Balance



Property Assessment & Taxation

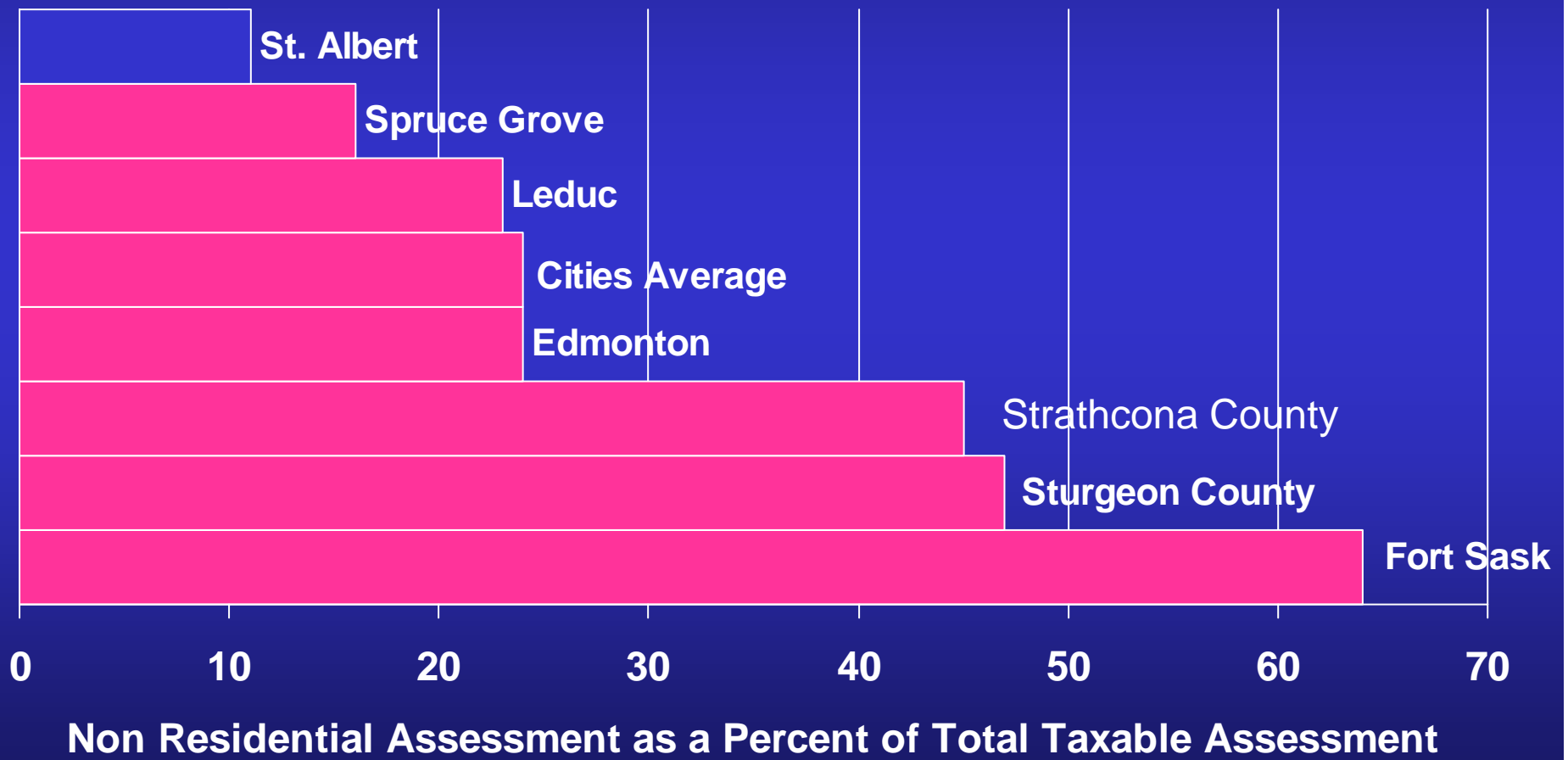
Assessment for 2006

(no change over 2005)

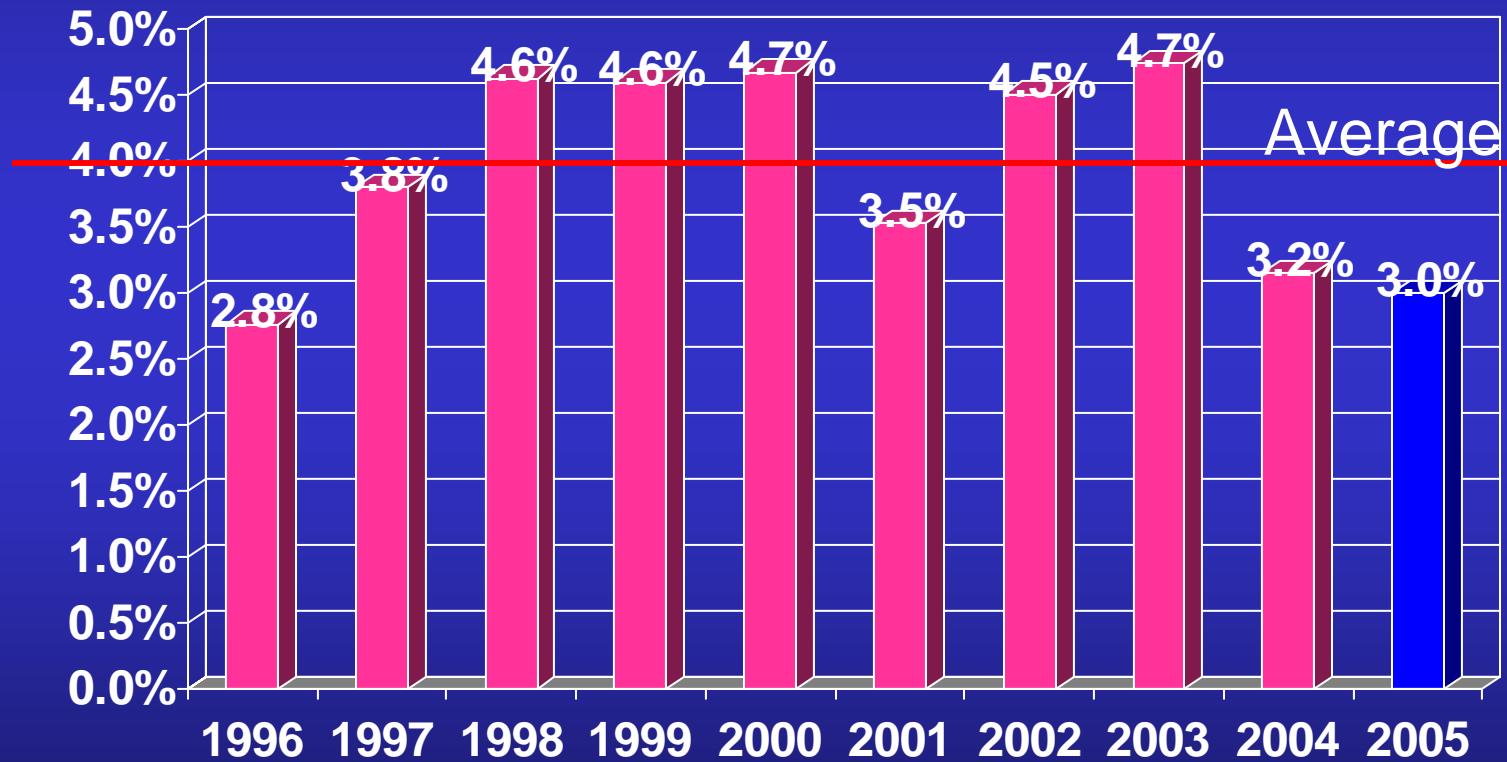


Non-Residential Assessment Ratio Relative to Other Cities

Source: 2005 Live Assessment Statistics

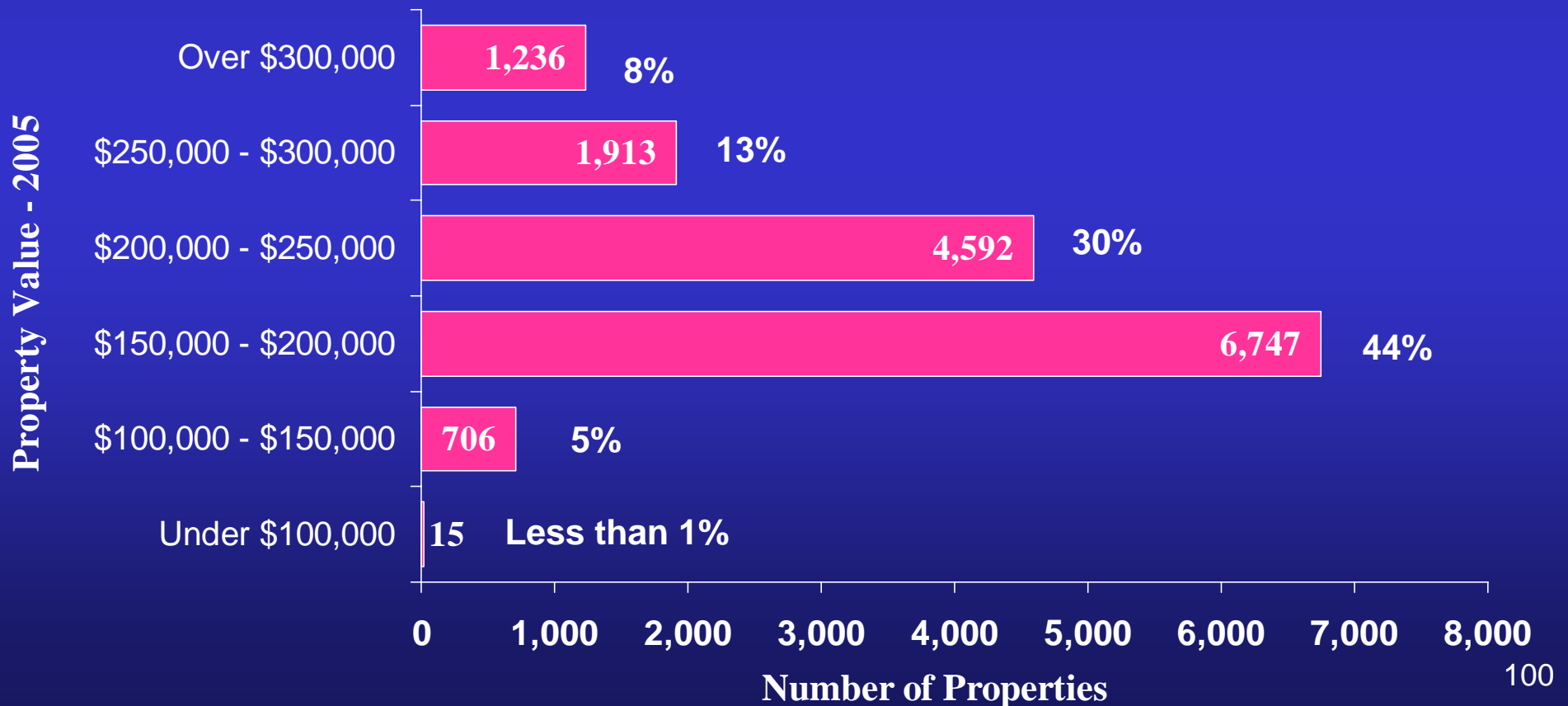


Assessment Growth

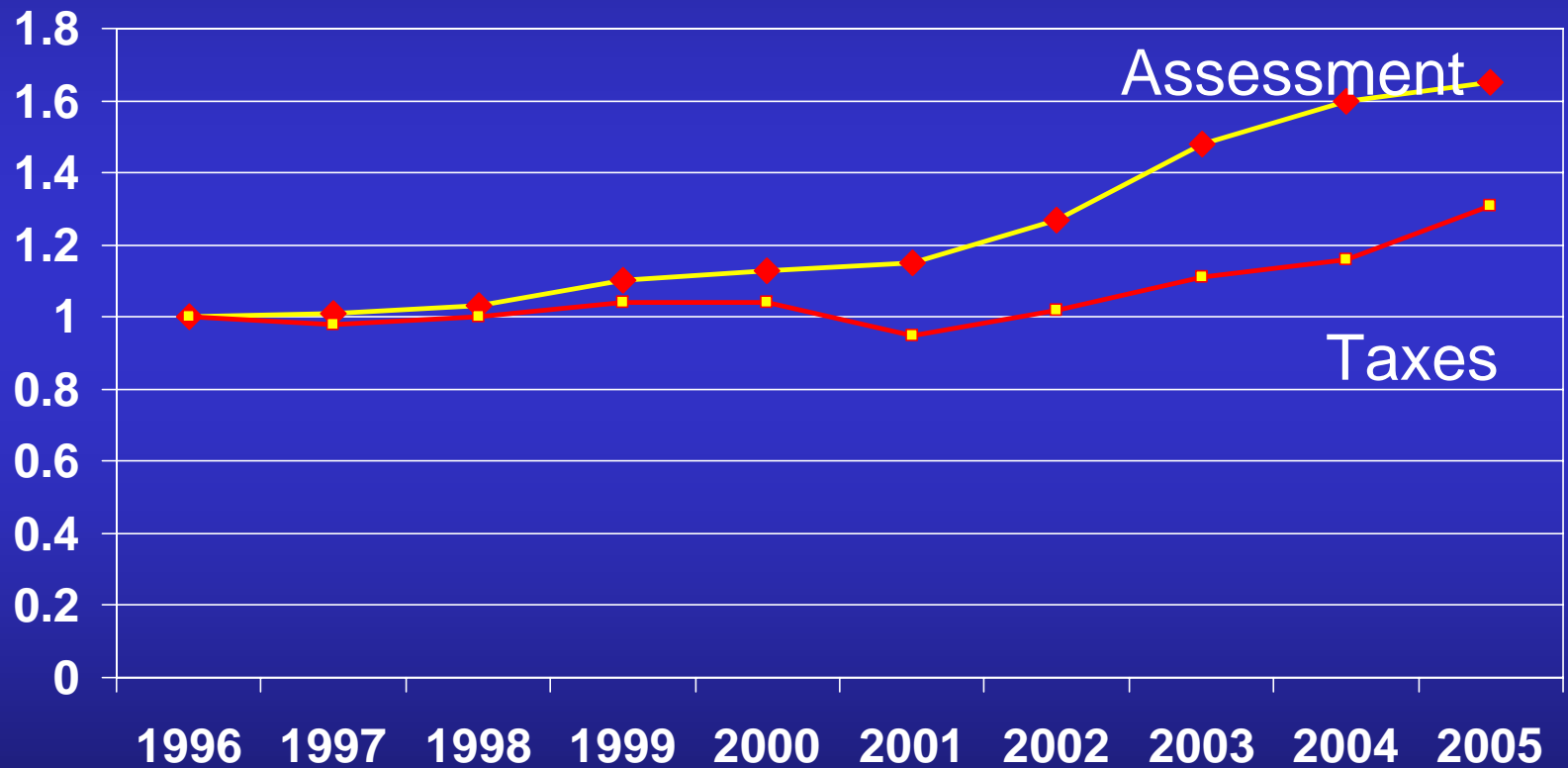


Distribution of Market Values by Number of Properties - Residential Single Family

Source: City of St. Albert Assessment Department



Assessments & Taxes



Municipal Property Taxes

3.95% Increase in

Sample Residential Properties



<u>Property</u>	<u>Value</u>	<u>Monthly</u>	<u>Annual</u>	<u>2006</u>
Condo	\$125,000	\$3.73	\$44.74	\$1,333
Home	\$180,000	\$5.37	\$64.42	\$1,920
Home	\$375,000	\$11.18	\$134.21	\$3,999

2005 PROPERTY ASSESSMENT AND TAX NOTICE

DUE DATE: June 30, 2005

Date Mailed: May 30, 2005



1

DOE, JANE
DOE, JOE
26 EASTPARK DR
ST ALBERT AB T8N 6Z5

ROLL NUMBER	107499	ACCESS	739630
PROPERTY ADDRESS	26 EASTPARK DR		
LEGAL DESCRIPTION			
0022748;22;11			

ASSESSMENT CLASS			ASSESSMENT VALUE	
1001	Single Family Taxable	Jan 1, 2005 to Dec 31, 2005	CONSOLIDATED	180,000
DESCRIPTION	PERIOD OF TAXATION	RATE	AMOUNT	
Education - Residential Undeclared (100%)	Jan 1, 2005 to Dec 31, 2005	4.22700	760.86	
TOTAL EDUCATION TAXES				760.86

Multipurpose Leisure Centre	Jan 1, 2005 to Dec 31, 2005	0.74000	133.20	
Municipal - Residential	Jan 1, 2005 to Dec 31, 2005	9.56700	1,722.06	
TOTAL MUNICIPAL TAXES				1,855.26
TOTAL CURRENT YEAR TAXES				2,616.12

????

-3%
+3.95%
+3.47%

Municipal Property Taxes

3.95% Increase in

Sample Non-res Properties



Property
 Restaurant
Industrial

Value
 \$920,00
\$4.2million

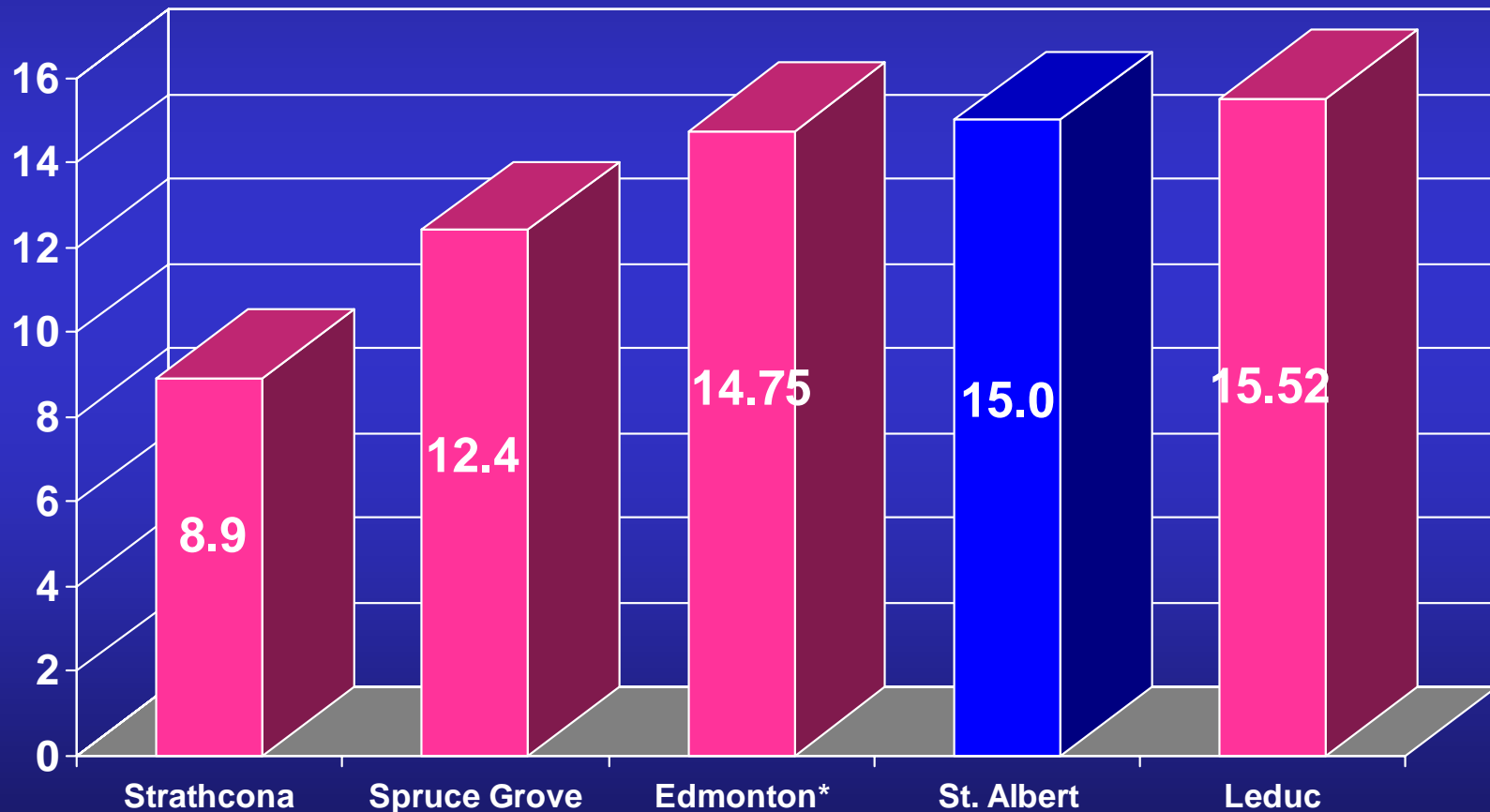
Monthly
 \$41.66
\$190.17

Annual
 \$499.88
 \$2,82.07

2006
 \$14,302
 \$65,290

Municipal Comparison Non-Residential Tax Rates

Source: Alberta Municipal Affairs 2005



*Business Tax in addition to Property Tax

Multi Purpose Leisure Centre





Our 2004 Commitment To Property Owners

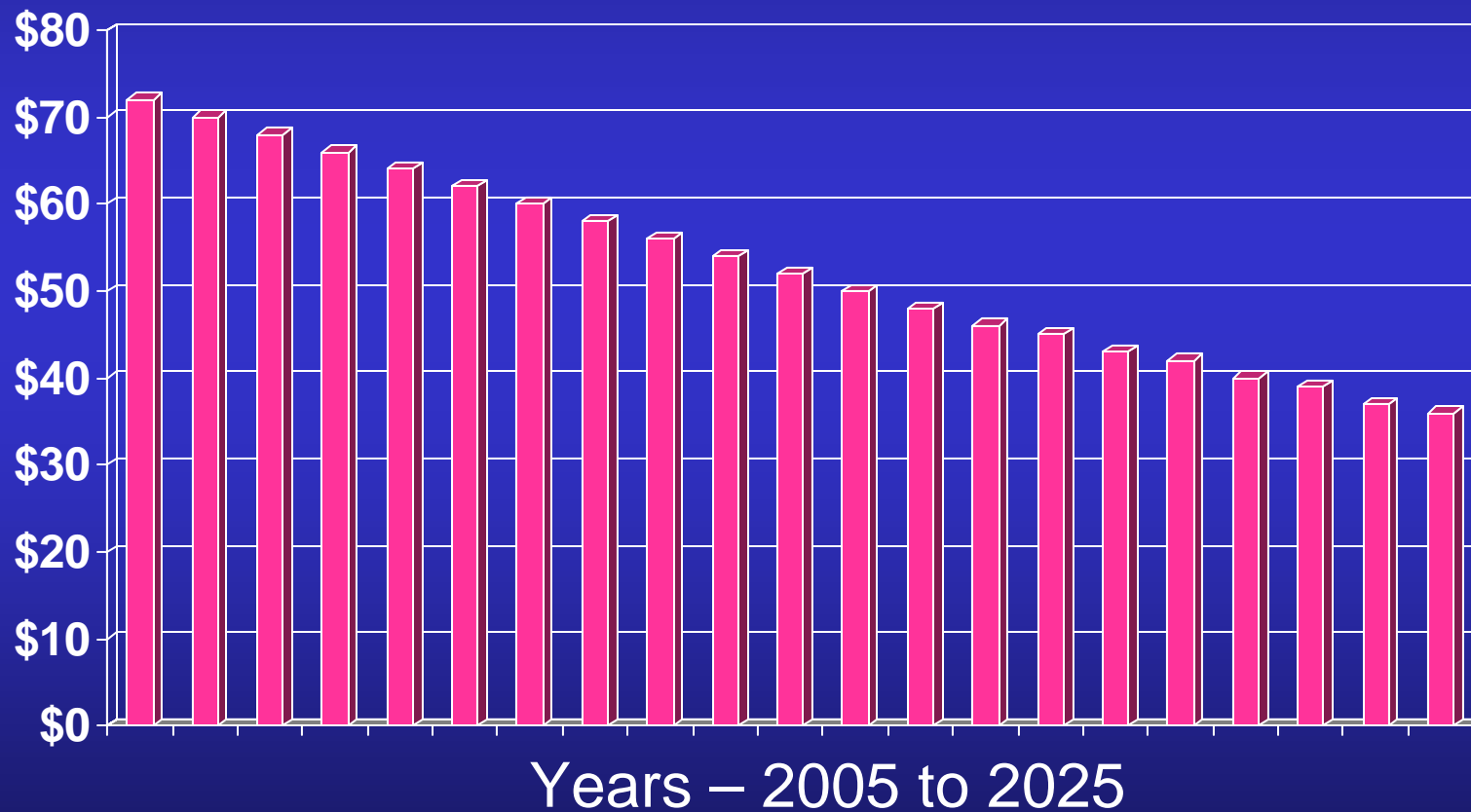
Commitment #1

- Borrowing not to exceed \$38 million
 - \$10 million to date
 - \$ Balance to remain flexible

Commitment #2

- Impact on Property Taxes would be:
 - 2005 = \$74 / 100,000 of assessment
 - 2006 = Reduced as assessment grows
 - The 2006 Budget reflects this 3% reduction at \$72 /100,000

Projected MPLC Taxes/\$100,000 Assessment As Assessment Growth Continues



MPLC Budget & Plan

Revenues	2005	2006	2007	2008
•Operations	-	\$1.9	\$5.8	\$6.6
•Prop Taxes	\$3.3	\$3.3	\$3.3	\$3.3
	\$74/100,000	\$72/100,000	\$70/100,000	\$68/100,000
Expenses				
•Operations	\$1.2	\$7.1	\$9.3	\$9.6
•To Reserve	\$2.1	-	-	.3
Net Budget	0	(\$1.9)	(\$.2)	0
MPLC Reserve	\$2.1	\$.2	-	\$.3

Staffing Changes for 2006

MPLC

<u>Business Case Additions</u>	<u>F.T.E</u>
-Public Works	5.40
-Aquatics Staff	2.76
-Human Resources	1.50
-Information Technology Services	1.00
 Total MPLC	 10.66

***Utility
Budget
2006***

Utility Operations

- City utilities are operated as a true utility whereby property tax does not support or subsidize the utilities
- Utilities do not subsidize nor is there a transfer of funds to offset property taxes

Utility Operations

Utility Operations includes the following utilities:

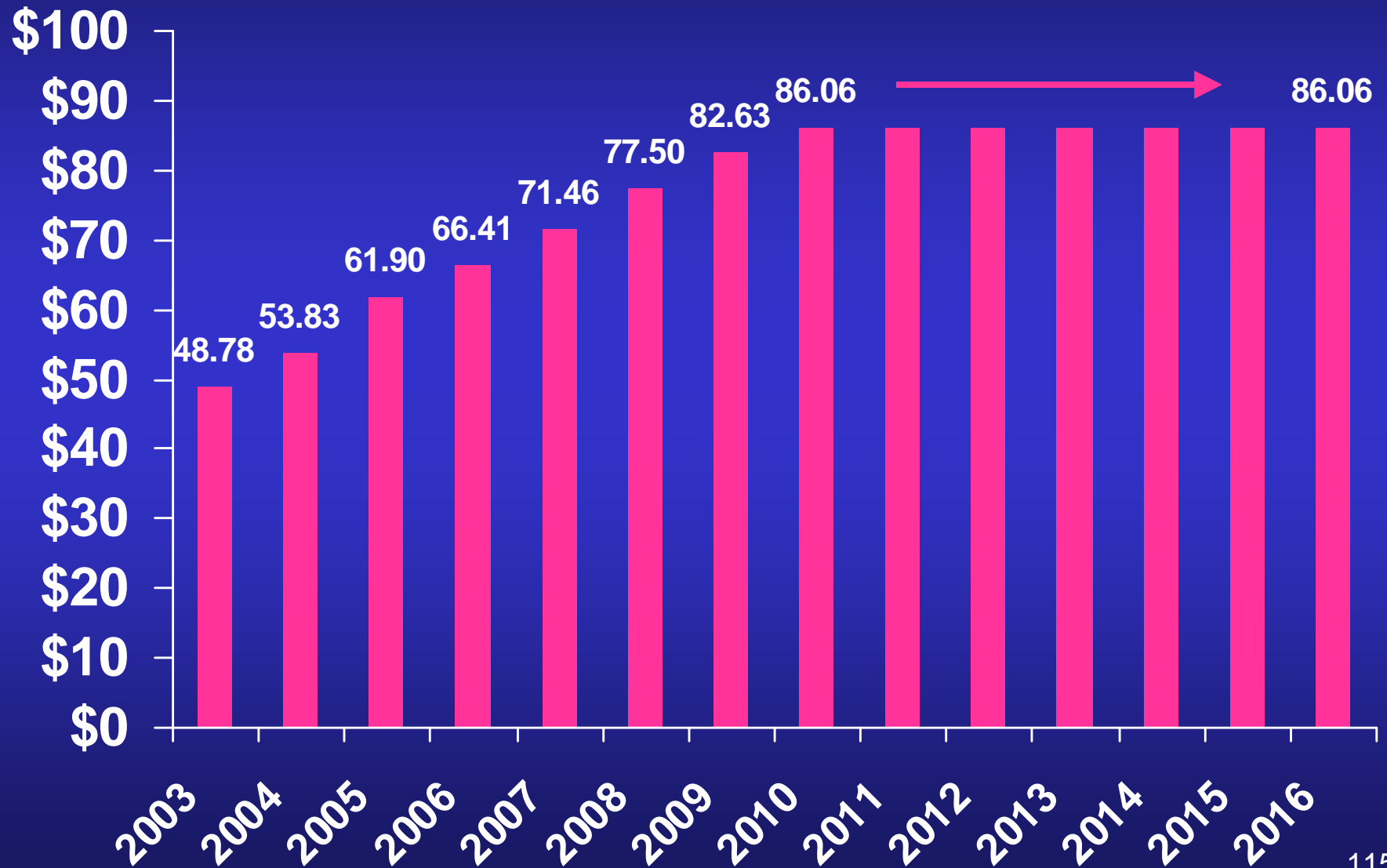
- Water
- Wastewater
- Storm
- Solid Waste Management

Utility Operations

When developing Utility Operations budgets, the following items are taken into consideration:

- Utility Fiscal Policies
- Infrastructure Review Findings
- Utility Capital Costs
- Infrastructure Grants
- Utility Debt
- Developer Levies
- 100 Yr Utility Rate Model
- Comparative of Rates to other municipalities
- Affordability of Monthly Utility Rates

Sustainable Utility Rate



Monthly Impact of Increase in Utility Rates - Residential Properties

2005



2006

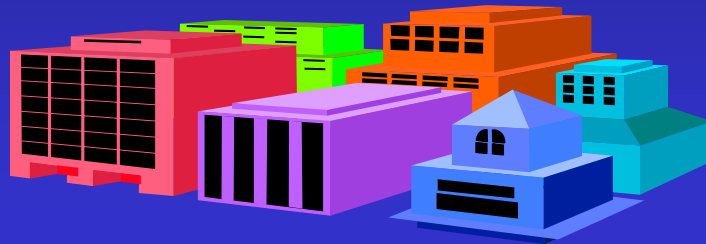


<u>Utility</u>	<u>2005</u>	<u>2006</u>	<u>Increase</u>	<u>Change</u>
Water	\$22.55	\$ 24.52	\$ 1.97	8.7%
Wastewater	\$24.60	\$ 26.09	\$ 1.49	6.1%
Storm	\$ 5.20	\$ 5.55	\$ 0.35	6.7%
Solid Waste	\$ 9.55	\$ 10.25	\$ 0.70	7.3%
	\$61.90	\$ 66.41	\$ 4.51	7.3%

* Based on 20 cu. m and 1 can/2 bag subscription

Impact of Increase in Utility Rates

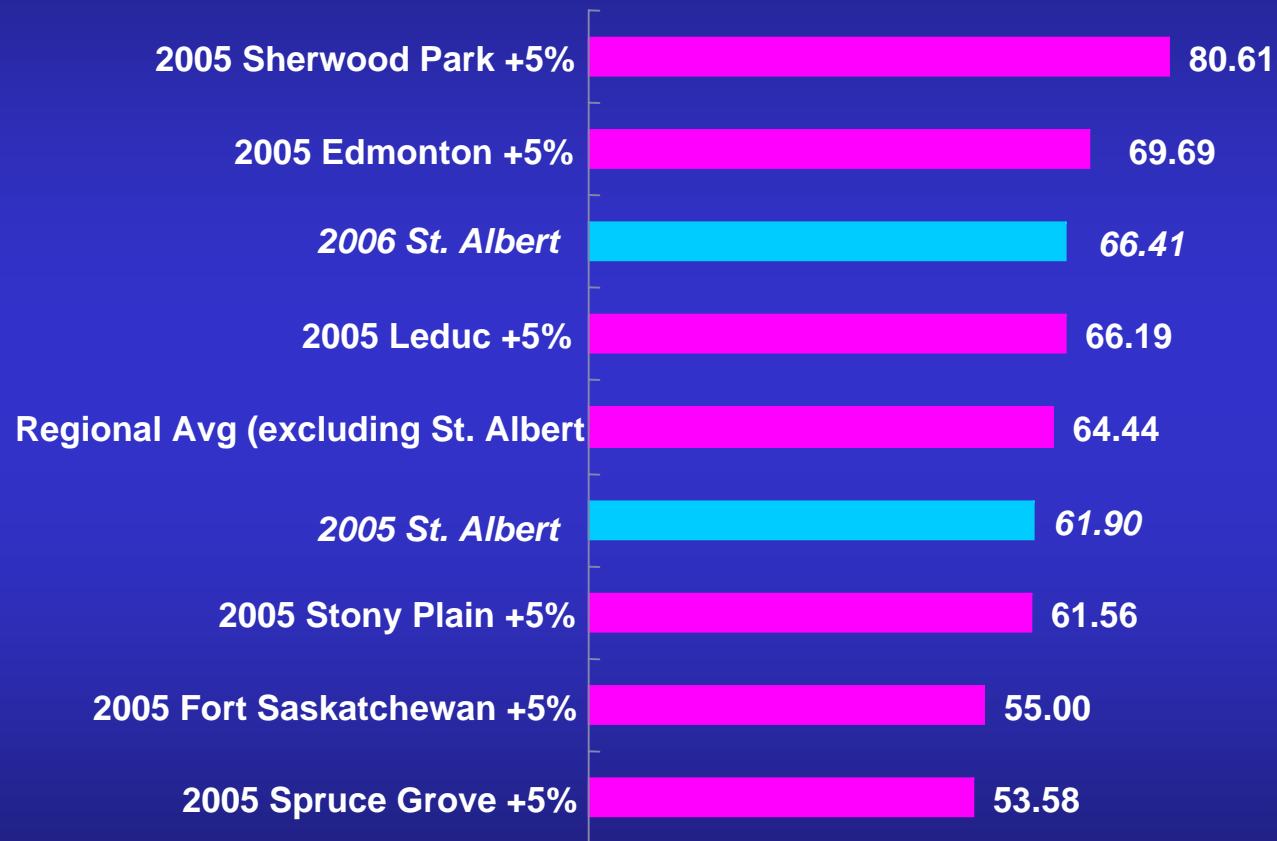
Non - Residential Properties



<u>Property</u>	<u>2005 Mthly</u>	<u>2006 Mthly</u>	<u>Increase</u>	<u>Change</u>
Low use	\$159	\$171	\$12	7.5%
Medium use	\$355	\$381	\$26	7.3%
High use	\$1,253	\$1,346	\$93	7.4%

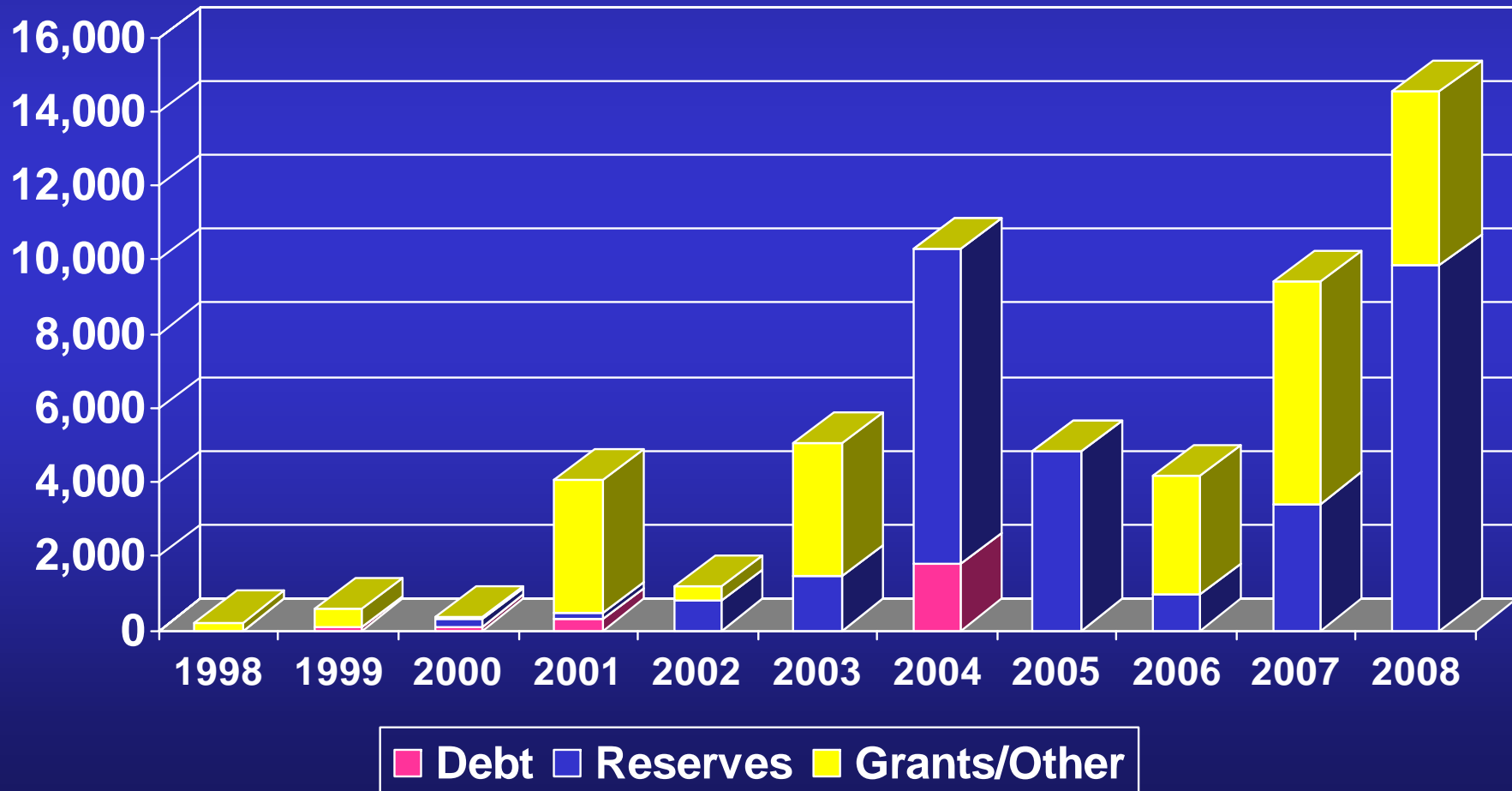
* Consumption based at 80cu.m, 200 cu.m and 750 cu.m respectively

Utility Rate Comparison



Utility Capital

Utility Capital (in 000's)



2006 Utility Capital Projects

Wastewater / Storm / Water

Utility Master Plan A	\$ 400,000
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Wastewater Services

Wastewater Lift Stations Rehabilitation	\$350,000
Wastewater Main Replacement	275,000
Wastewater Rehabilitation Program	165,000
Wastewater Household Service Replacement.	156,000

2006 Utility Capital Project

Storm Services

Hydrocarbon / Grit Interceptor	\$ 900,000
Storm Main Replacement	380,000
Storm Outfall Repairs	250,000

Water Services

Sturgeon Heights Pump house Upgrades	\$1,000,000
Oakmont Reservoir Pump Drives	60,000

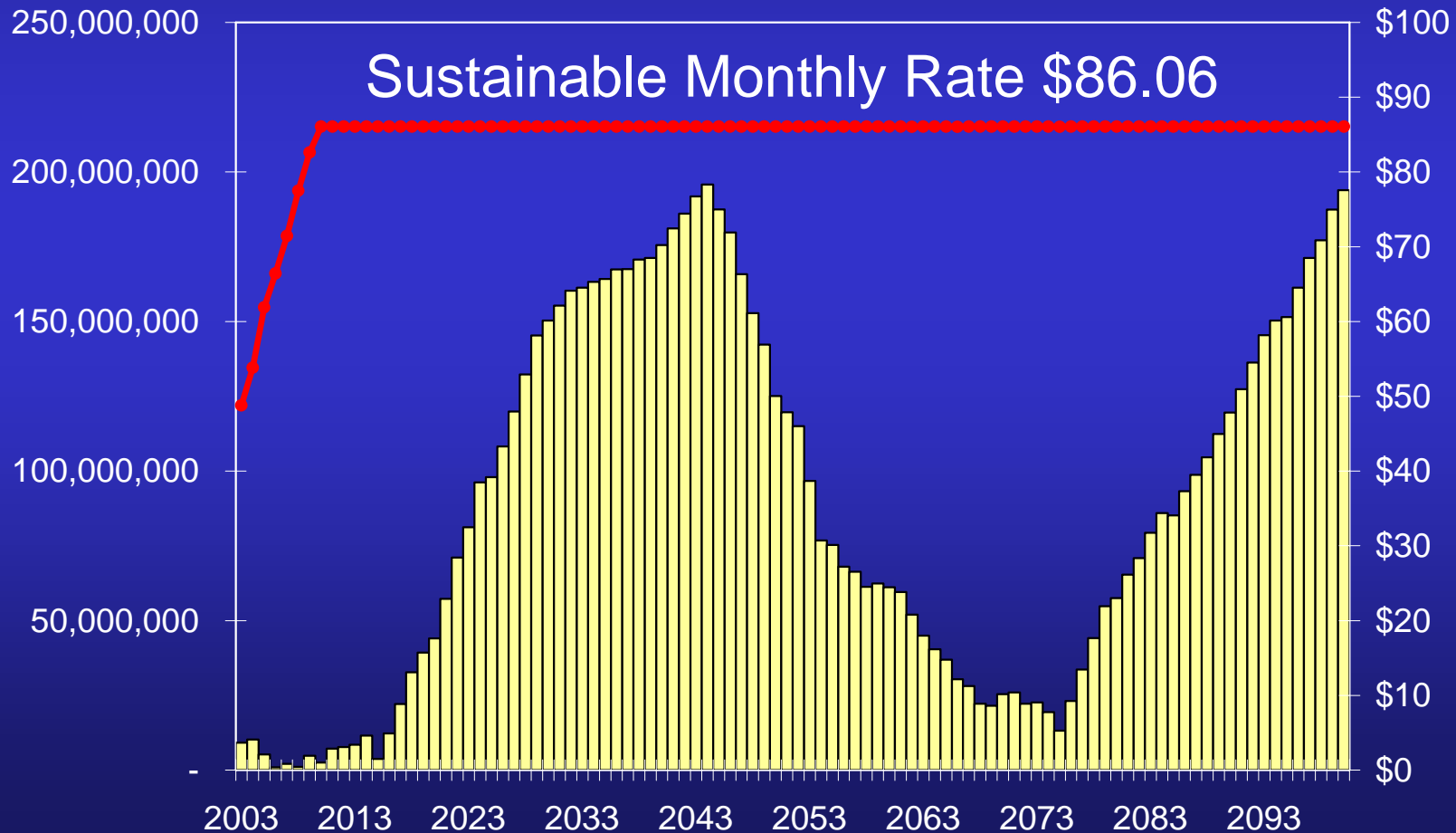
Solid Waste Management Services

Riel Park Former Landfill Site Remediation	\$ 250,000
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Utility Reserves

Utility 100 Year Model

Reserves Balance (All Utilities):



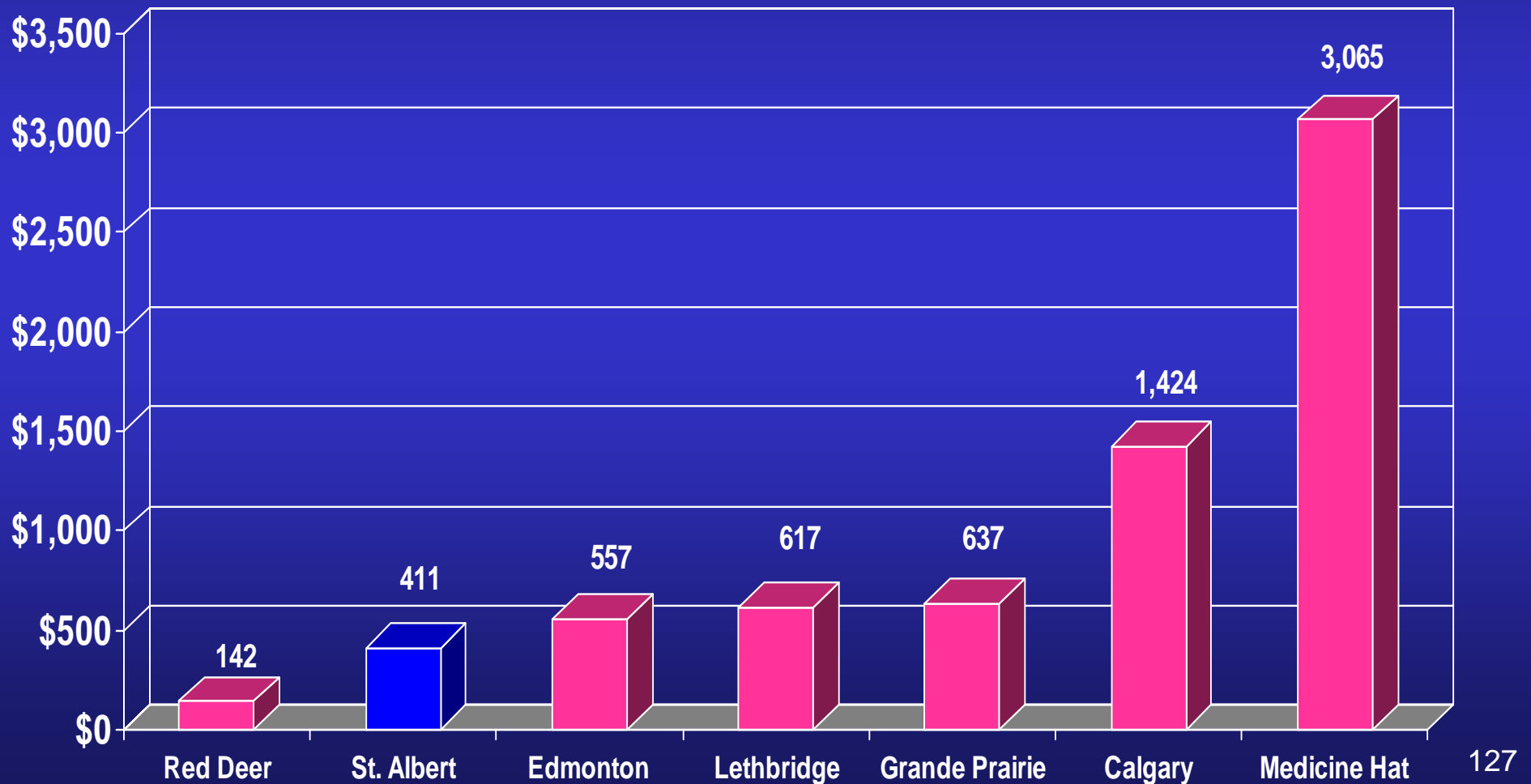
Combined Municipal & Utility

Debt

Debt Per Capita Comparison to Other Cities

Includes Utility Fund, Excludes WR & MPLC

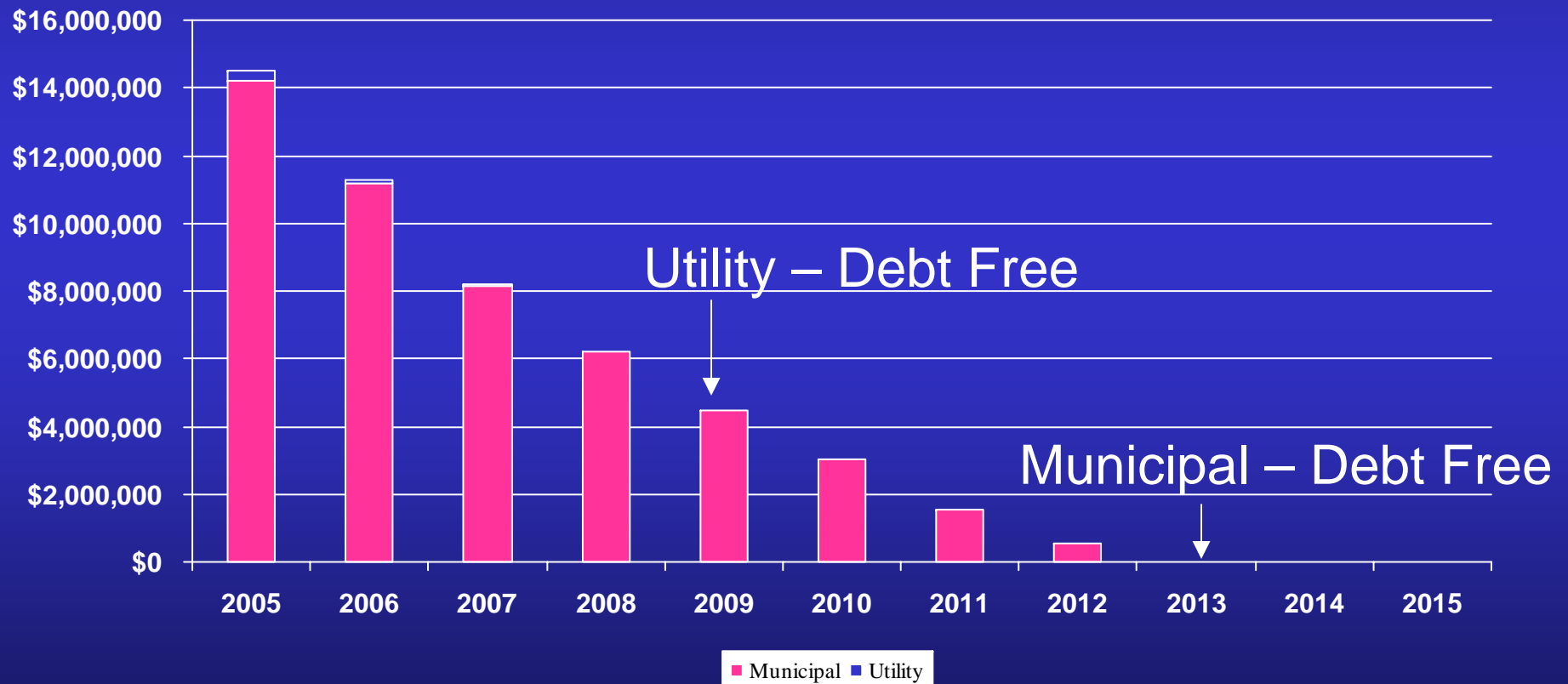
Source: Municipal Affairs Profiles 2003 Debt Limit Information



Existing Outstanding Debt 2005 - 2015

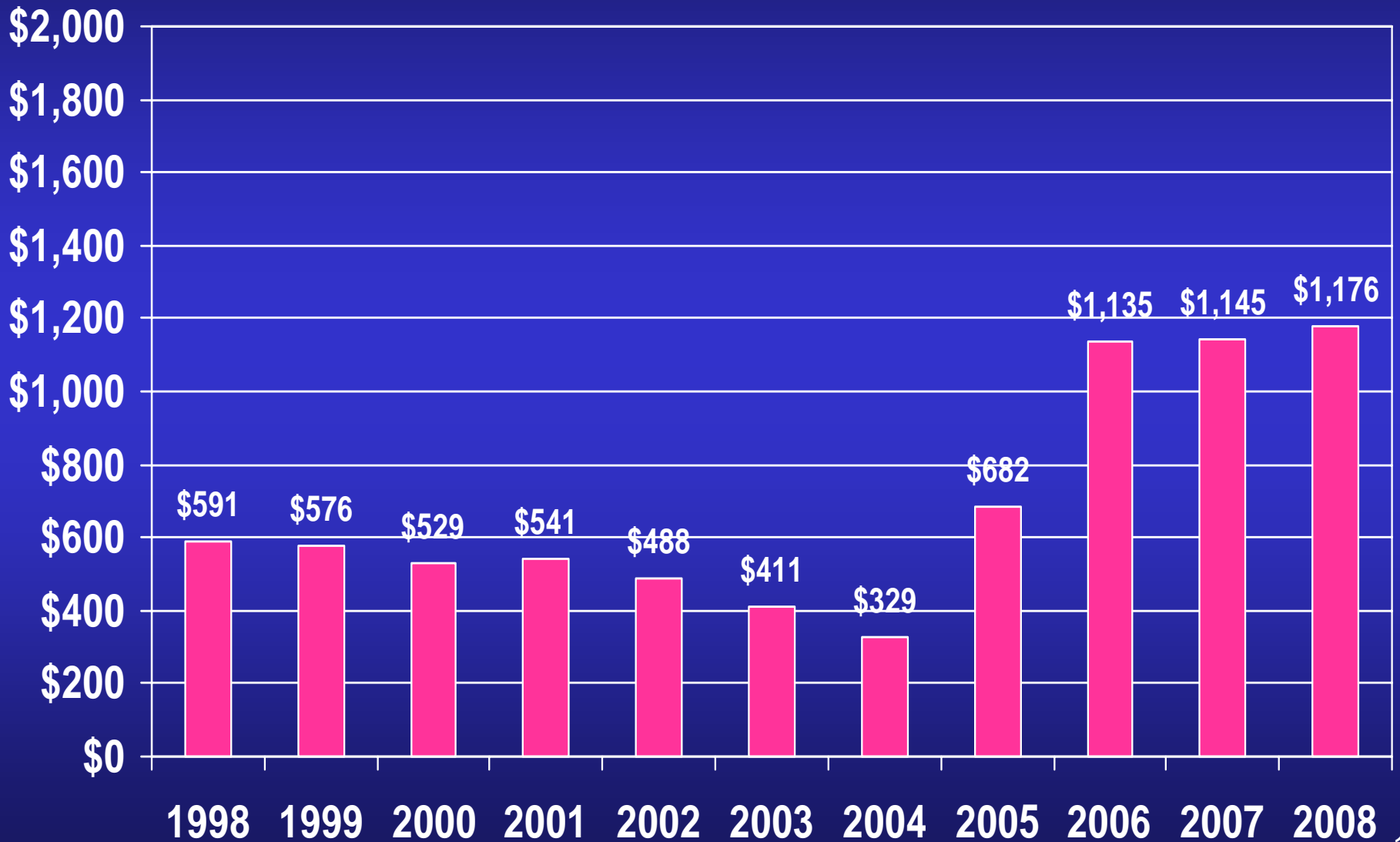
Excludes WR & MPLC

Source: 10 Year Capital Plan, City of St. Albert

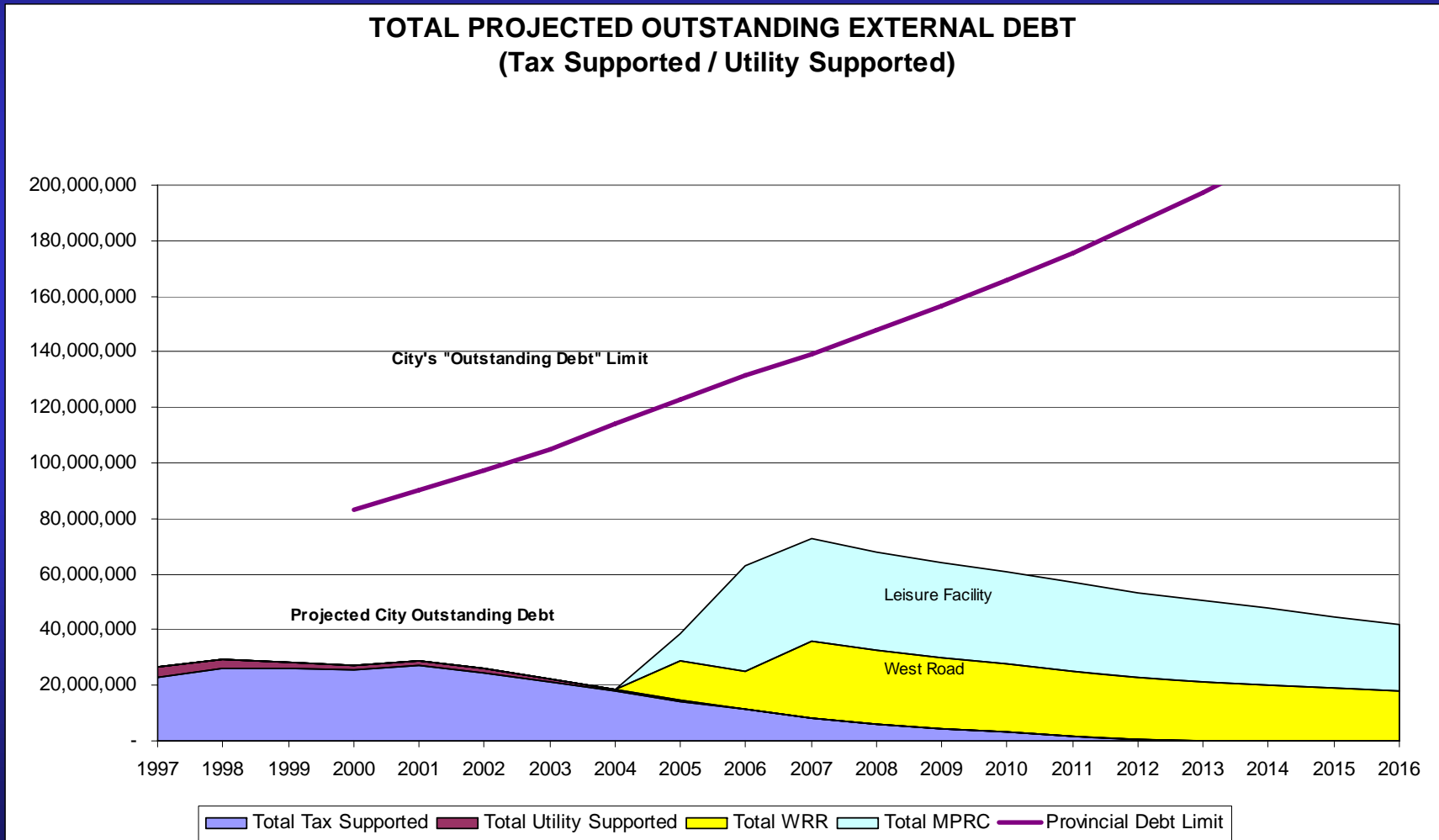


Debt Per Capita

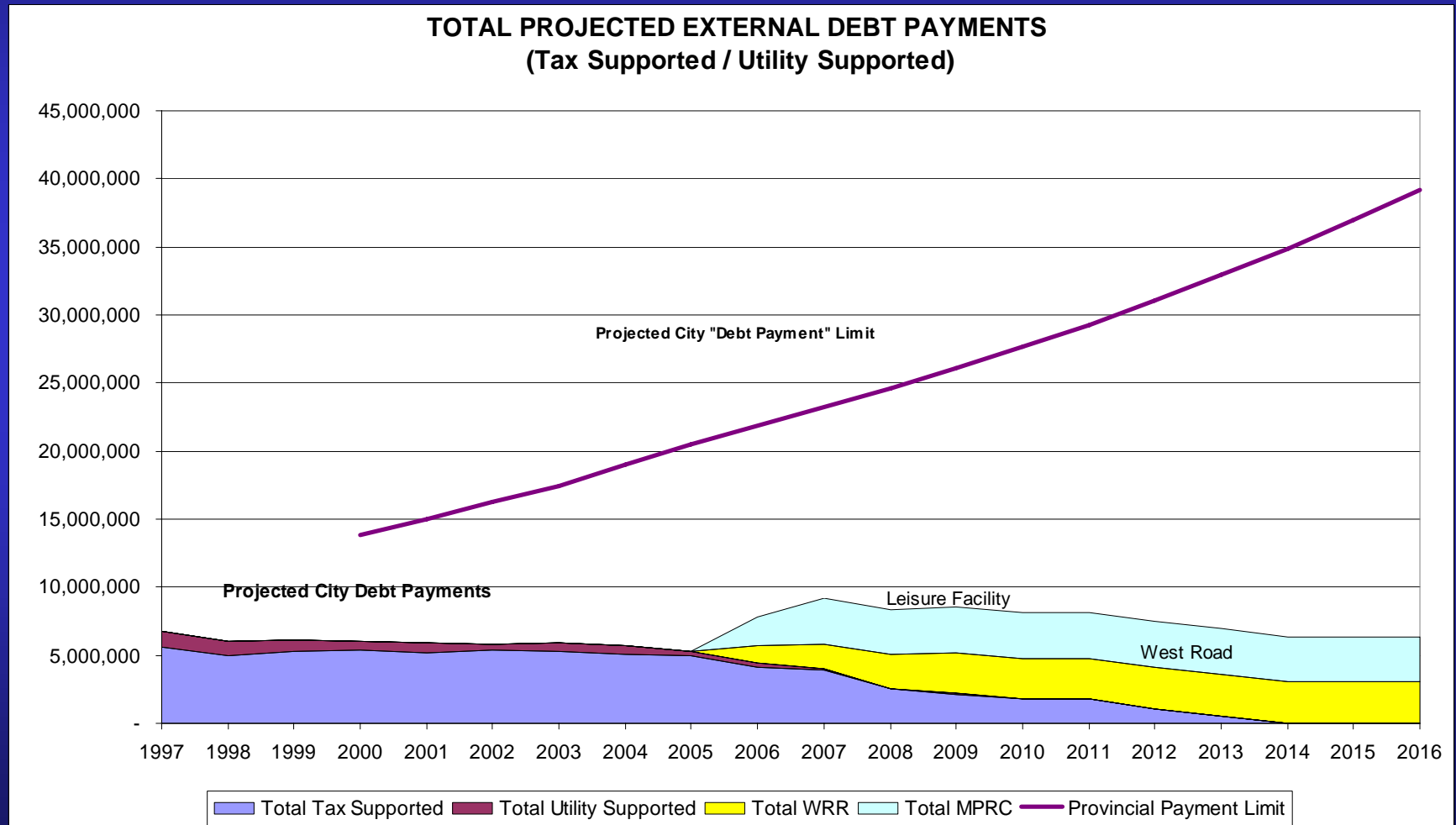
Includes Municipal, Utility, WRR & MPLC



Forecast of Total Outstanding Debt 1997 - 2016

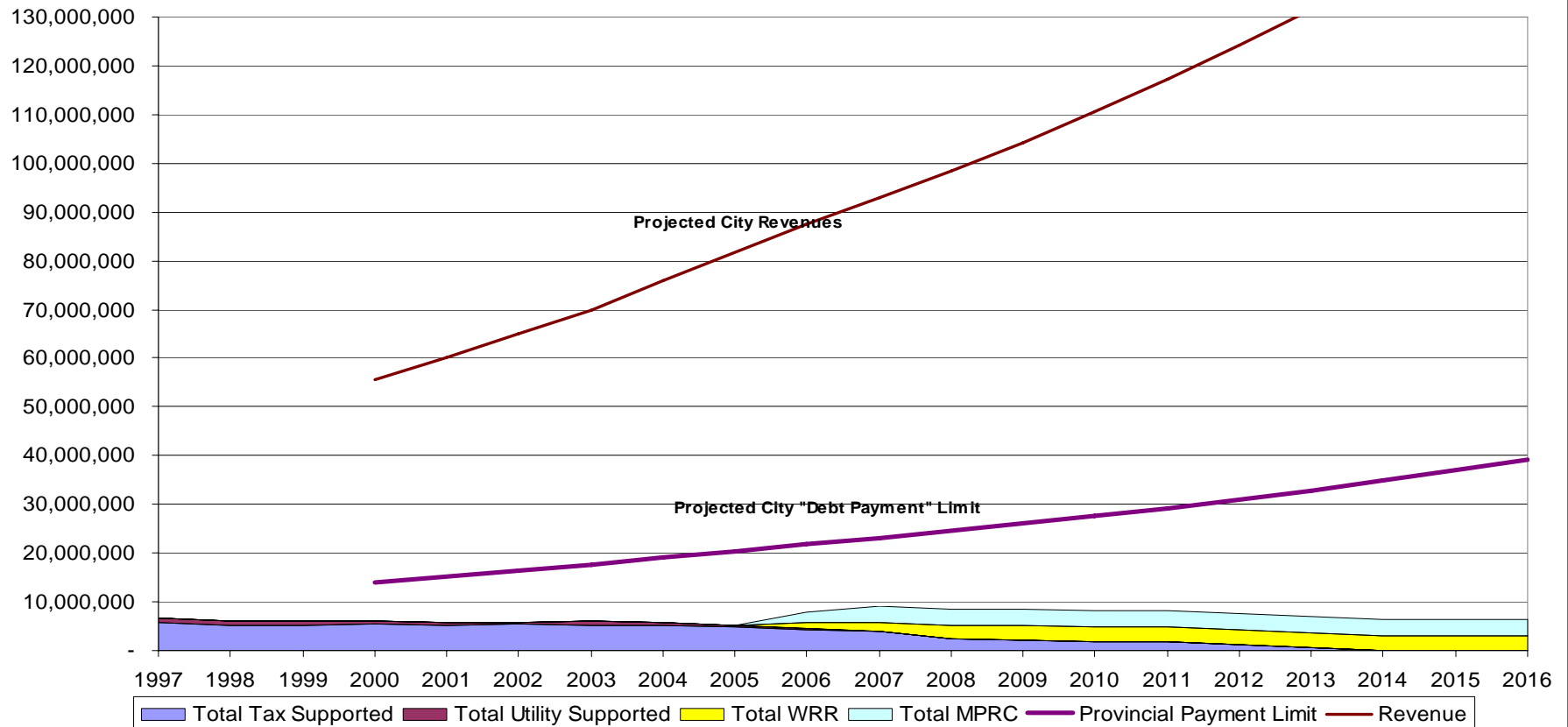


Forecast of Total Debt Payments 1997 - 2016



Forecast of Total Debt Payments 1997 - 2016

**TOTAL PROJECTED EXTERNAL DEBT PAYMENTS
(Tax Supported / Utility Supported)**

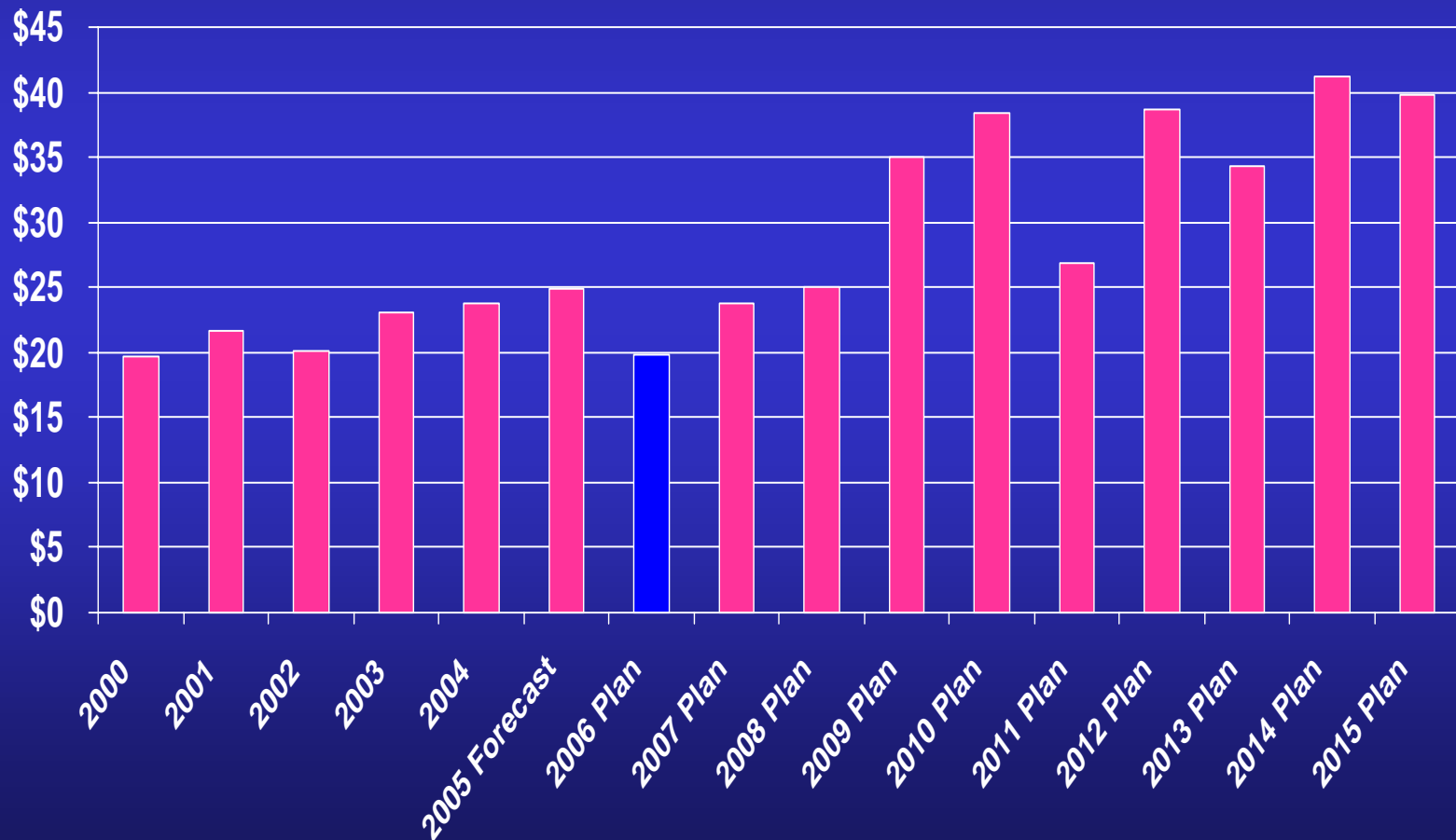


Reserves

Municipal & Utility Reserves

2000 – 2015

(in \$ millions)



Budget Process

Budget Process 2006

- Oct 31 - Monday
 - Budget distributed to Council
- Nov 7 – Monday
 - Council received Budget as information
- Nov 14 - Monday
 - CAO/GM Budget Overview
 - Council, City Manager, Economic Development
 - Corporate Services Division

Budget Process 2006

- Nov 15 – Tuesday
 - Public Input
 - Flagged Items
 - Corporate Services Division cont'd
 - Planning & Engineering Services Division
 - Transit
- Nov 17 – Thursday
 - Public Input
 - Flagged Items
 - Planning & Development
 - Public Works
 - Utilities

Budget Process 2006

- Nov 19 – Saturday
 - Public Input
 - Flagged Items
 - Engineering & Admin Support
 - Capital
 - MPLC
- Nov 23 – Wednesday
 - Public Input
 - Flagged Items
 - Youth Centre, NABI, Friends of FCSS, Library, Arts & Heritage Foundation

Budget Process 2006

- Nov 26 – Saturday
 - Public Input
 - Flagged Items
 - Community & Protective Services
 - Fire, Police, FCSS, Culture, Recreation
 - Seniors' Centre
- Nov 29 – Tuesday
 - Council debate as required
- Dec 6 – Tuesday
 - Council debate
 - Possible Budget approval

Presentations & Deliberations

- Presentations
- Questions
- Flagged items
 - For further information
 - To be voted on for additions and deletions
- Taxometer



Alberta - Transportation Basic Capital Grant

- \$3.3 million for 2006
- Ongoing annual \$60 per capita allocation
- Conditional cost-sharing grants, on a 75% Government/25% City basis
- Capital projects related to Transportation
 - New or upgraded roads and truck routes through cities
 - Grade separations (interchanges)
 - Bus purchases
 - Enhanced safety of the provincial highway and truck routes

Federal – Gas Tax Grant New Deal for Cities & Communities (NDCC)

- Ongoing
- \$1. million for 2006
- Increasing to \$3.4 million by 2009
- Financial assistance for Sustainable Capital Municipal Infrastructure in support of desired environmental outcomes
 - Public transit
 - Water
 - Wastewater
 - Solid waste
 - Capacity building
 - Community energy systems
 - Rehab. Of roads/bridges if < 500,000 pop

Alberta - Municipal Infrastructure Program (AMIP)

- 1 time grant over 5 years (\$10.6M/yr)
- \$53 million may be used over 10 Years
- Province Approves Projects
 - 1st Core Capital Infrastructure
 - Annual Accounting
- Required to Maintain or Exceed Regular Capital Investments
- Other services only after “Core” certified complete

Alberta - Municipal Infrastructure Program (AMIP) cont'd

Core Capital Expenditures

- Roads
- Bridges
- Public Transit
- Water & Wastewater
- Storm Drainage
- Emergency Service
- Infrastructure Management System

Alberta - Municipal Infrastructure Program (AMIP) cont'd

Other Capital Expenditures

- Cultural and Recreational Facilities
- Community Environmental and Energy
- Solid Waste Management
- Municipal Buildings
- Other Physical Infrastructure

Federal – Public Transit

- \$400,000 for 2006
- To be used for
 - Refurbish & replace fleets
 - Upgrade and refurbish terminals/garages
 - Light rail and rapid transit
 - New intelligent systems