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# Building the Budget



## Assumptions and Philosophy

In approving the 2007 Budget, City Council has confirmed a number of basic assumptions and philosophy towards building long-term financial sustainability within the community. First presented to City Council on June 20th, 2006 and through the establishment of the 2007 Budget Guidelines, the approved budget reflects the following key principles:

- ◆ Sustainable community - The City of Edmonton will not rely on growth revenues from new assessment to subsidize existing services. In general, growth revenues will be used to pay for the cost associated with putting capital investments into operation, to provide existing services to a physically larger community, and to introduce new services for the community.
- ◆ Risk tolerance - The 2007 Budget reflects an increased level of risk tolerance in revenue projections, for both volume increases in user fees and new assessment growth.
- ◆ Maintaining current services - In light of the unprecedented growth in the community, there are significant pressures for both services and infrastructure needs. The results from the Leger Marketing Survey of June 2006 indicated a need to balance community needs and affordability. These are reflected in the approved budget.
- ◆ Council's Vision, Outcomes, and Priority Initiatives - The 2007 Budget provides funding towards making visible progress on a number of Council's initiatives. However, there are many more ideas and service packages than what are "affordable" and not all of the activities have been accommodated within this budget. In making the decisions on which service package to recommend to City Council for consideration, Administration gave priority to the following:
  - ◆ satisfying legislative requirements or contractual obligations
  - ◆ prior year services that were funded as a pilot program using one-time funding, with positive results that are considered desirable for the community to move the program with ongoing funding
  - ◆ Council's Special Initiatives that without a minimal amount of funding, cannot make any progress towards the ultimate goal

In general, the recommendations were approved by City Council.



# 2007 Budget



## Operating Fund Expenditures

\$ Millions

	2005 Actual	2006 Budget	2007 Budget
Tax Levy Supported Operations	1,240.0	1,238.9	1,334.0
Land Enterprise	20.8	17.5	16.2
Drainage Services	83.7	89.0	98.8
Mobile Equipment Services	108.5	100.5	107.0
Ed Tel Endowment Fund & Sinking Fund	30.0	39.1	32.7
<i>Less: Transfers within Operating Fund</i>	<i>(151.0)</i>	<i>(151.5)</i>	<i>(154.5)</i>
<b>Total Operating Expenditures</b>	<b>1,332.0</b>	<b>1,333.5</b>	<b>1,434.2</b>

## Capital Fund Expenditures

	2005 Actual	2006 Budget	2007 Budget	2008 Budget
Tax Levy Supported Operations				
Civic Programs	302	561	774	753
Boards & Authorities	10	25	46	17
Utilities	88	144	159	135
<b>Total Operating Expenditures</b>	<b>400</b>	<b>730</b>	<b>979*</b>	<b>905</b>

\* During Council Budget debate, Council approved a total reduction of \$6.5 million from the 2007 Capital Budget. This reduction has been reflected in this table against Civic Programs even though the specific projects have not yet been identified, pending the project tendering results. Accordingly, the figures reflected in the Capital Highlights and Capital Tables sections will differ from this amount by \$6.5 millions.

## Reserve Fund Expenditures

	2005 Actual	2006 Budget	2007 Budget
Transfers to Operating Fund	11.6	18.7	12.7
Transfers to Capital Fund	3.4	17.8	21.2
<b>Total Operating Expenditures</b>	<b>15.0</b>	<b>36.5</b>	<b>33.9</b>

This Summary Section is intended to provide a quick overview of the budget, with each of the Fund balances being discussed in detail in subsequent sections.



# The Municipal Challenge

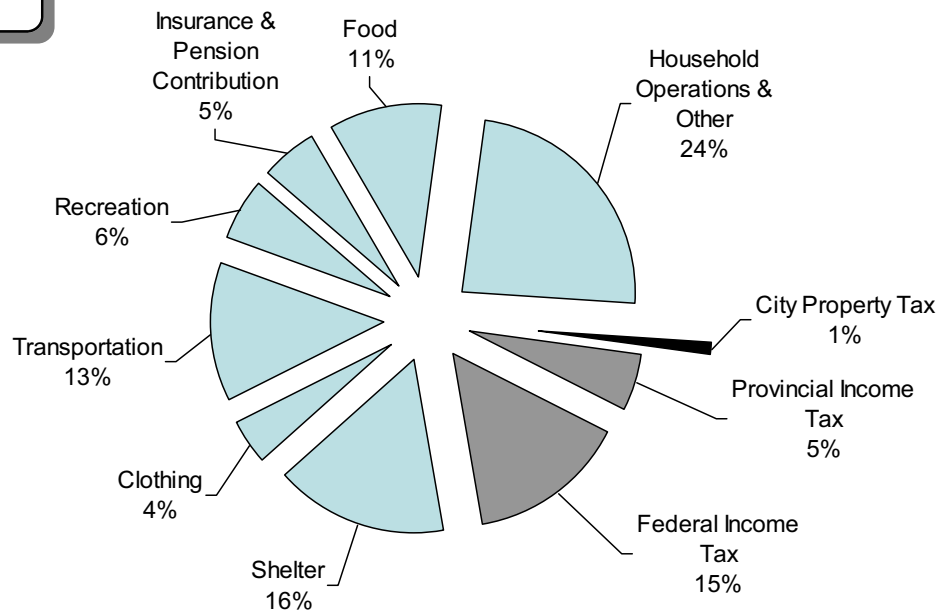


## Municipal Property Tax Represents 1% of Household Spending

Statistics Canada's Survey of Household Spending for Edmonton<sup>1</sup> indicates that only 1% of household income is used to pay municipal property tax, compared to 20% in income tax to the Provincial and Federal Governments.

In addition to having access to a fraction of revenue sources available to the other orders of government,

municipalities are further challenged by the inelastic nature of property tax. According to the same Statistics Canada's survey, the average Edmonton household's spending totalled \$68,339 in 2004. Assuming that this equated to household income, with dual earners, the individual would have earned \$34,000 annually. Applying the Provincial and Federal personal income tax rates, the person would have paid \$5,575 in income tax. In a dual-income family, this would approximate \$11,150 in income tax (Statistics Canada's average income tax paid per household was \$13,605), compared to \$841 in municipal property tax.



To illustrate the issue concerning the inelastic nature of property tax, assume the two income-earners each received a salary increase of 3%. The amount of personal income tax would have automatically increased by \$460. There is no increase in tax rate required by either the Provincial or the Federal government to generate this additional revenue. In contrast, for the City of Edmonton to increase the municipal property tax by this amount from this household, it would have equated to a property tax increase of 54%!

A recent study completed by the Canada West Foundation concluded that "Canada's big Cities

<sup>1</sup> Statistics Canada Survey of Household Spending – 2004; released December 15, 2005



# The Municipal Challenge



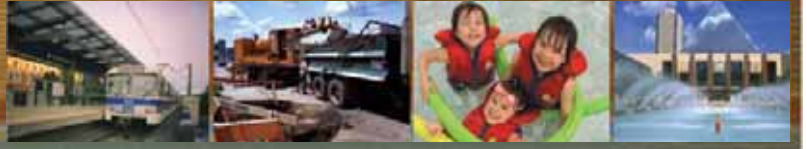
are singularly and highly dependent on the property tax, having few other taxes at their disposal”<sup>2</sup>. Furthermore, the study went on to suggest that “... user fees have limited revenue generating capacity - they are most often offset by rising costs - and federal and provincial grants have yet to recover to historical levels”<sup>2</sup>.

Over the past number of months, the City of Edmonton has been gathering information on the City’s existing infrastructure, its physical and functional condition, and identifying needs for the next 30 years. In partnership with the Canada West Foundation, work has been progressing to explore and identify alternative financing sources to establish a Sustainable Infrastructure Financing Strategy. The research is in its final stages.

<sup>2</sup> “Rationale for Renewal”, Western Cities Project Report #34, Canada West Foundation, Casey Vander Pleog, September 25, 2005, page 23.



# Value for Tax Dollar



## What does \$1 in Municipal Property Tax Buy?



\* Includes Planning and Development, Corporate Programs' Expenditures, and the Edmonton Economic Development Corporation

The focus of municipal services that are supported through property taxation continues to remain in the areas of:

- ◆ protective services (30%)
  - ◆ transportation (22%)
  - ◆ Infrastructure (11%)
- } 63%

The Western Cities Project Report #31, prepared by the Canada West Foundation<sup>3</sup>, was undertaken to balance the discussion and inform the ongoing conversation in Canada about the fiscal health of the six major urban centres in Western Canada (Vancouver, Calgary, Edmonton, Saskatoon, Regina, and Winnipeg). The report identified the following drivers for municipal expenditure:

1. Capital spending has grown at a slightly faster rate than program spending, and self-supported programs and utilities have grown at a faster rate than the tax levy supported programs.

<sup>3</sup> Excerpts from "Big Spenders? An Expenditure Profile of Western Canada's Big Six", Casey Vander Ploeg, Canada West Foundation, June 2004.



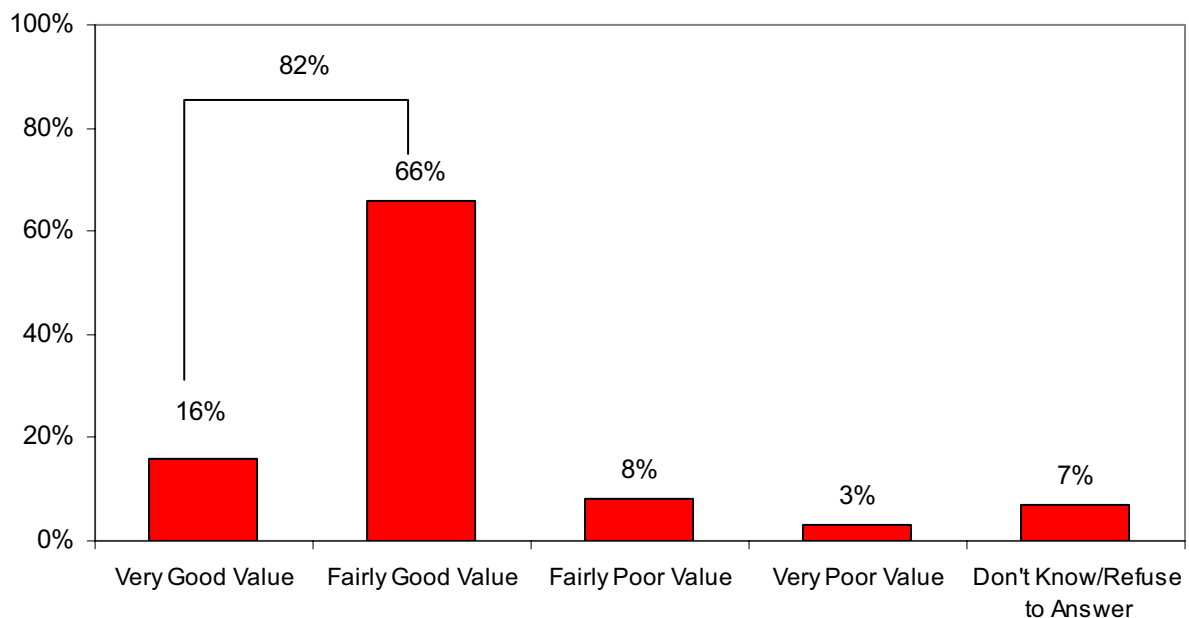
# Value for Tax Dollar



2. Protective Services (Police, Fire, and Ambulance) have been either the fastest growing or second fastest growing expenditure.

The City of Edmonton commissioned Leger Marketing to perform a Quality of Life and Financial Planning Survey in June 2006. The Survey shows that “... the vast majority (82%) of respondents feel that they receive a very good or fairly good value for their municipal dollar”<sup>4</sup>.

**Fig. 5 Perceived Value for Municipal Property Tax (Q.8)** <sup>4</sup>



The Survey also found that “... The most strongly supported option for revenue generation for the City of Edmonton is to increase grants from the provincial and federal governments, and the second most supported revenue generation option is to increase user fees. Increasing taxes is the least desired of the three options”<sup>5</sup>. While increasing taxes may be the least desired of the three options, 53% of the citizens surveyed indicated that they would prefer a tax increase to either maintain or enhanced current services. 19% of the citizens surveyed preferred reduction of services over any increase to property taxes.

These reports and findings provided some guidance and assistance to City Council in their budget decision-making process.

<sup>4</sup> Quality of Life and Financial Planning Survey, Analysis of Findings, Leger Marketing, June 2006, Page 18.

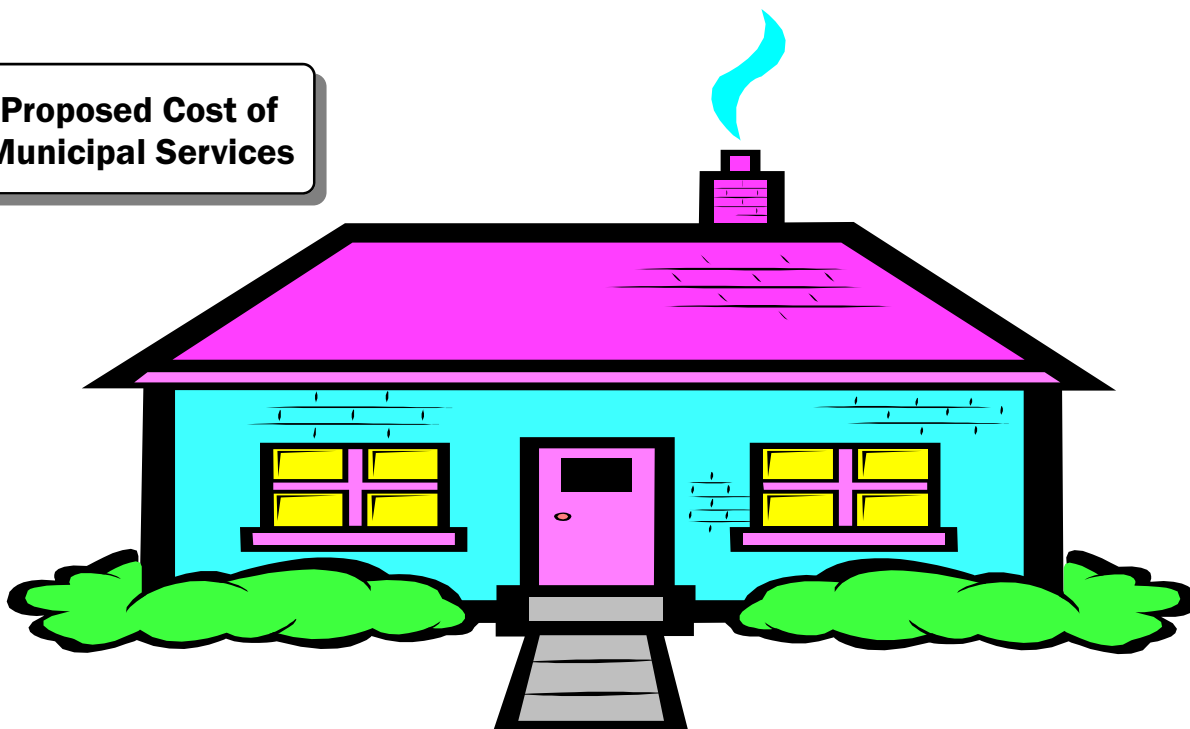
<sup>5</sup> Quality of Life and Financial Planning Survey, Analysis of Findings, Leger Marketing, June 2006, Page iii.



# Impact on a Typical Household



## Proposed Cost of Municipal Services



(Cost per Year)	2006	Annual Change	Potential 2007 Impact
Municipal Property Tax <sup>1</sup>	\$ 1,158	\$ 58	\$ 1,216
Provincial Tax Room <sup>2</sup>		17	17
Waste Management Fee <sup>3</sup>	159	10	169
Sanitary Sewer Utility <sup>4</sup>	255	15	270
Land Drainage Utility <sup>5</sup>	47	12	59
<b>Total Municipal Services</b>	<b>\$ 1,619</b>	<b>\$ 112</b>	<b>\$ 1,731</b>

<sup>1</sup> Based on 2006 median assessment of \$201,500. The annual change reflects the impact of the following proposed increases:

Operating	3.95%	\$48
Tax-supported Borrowing for Capital	0.75%	7
SLRT Risk Mitigation Strategy	0.25%	3

<sup>2</sup> City Council anticipates that the Provincial tax on the property tax bill will be reduced by an amount greater than the \$17 required to fund increased services for Police, Fire, and Emergency Medical Services. If that materializes, the net property impact for the typical homeowner will be \$58.

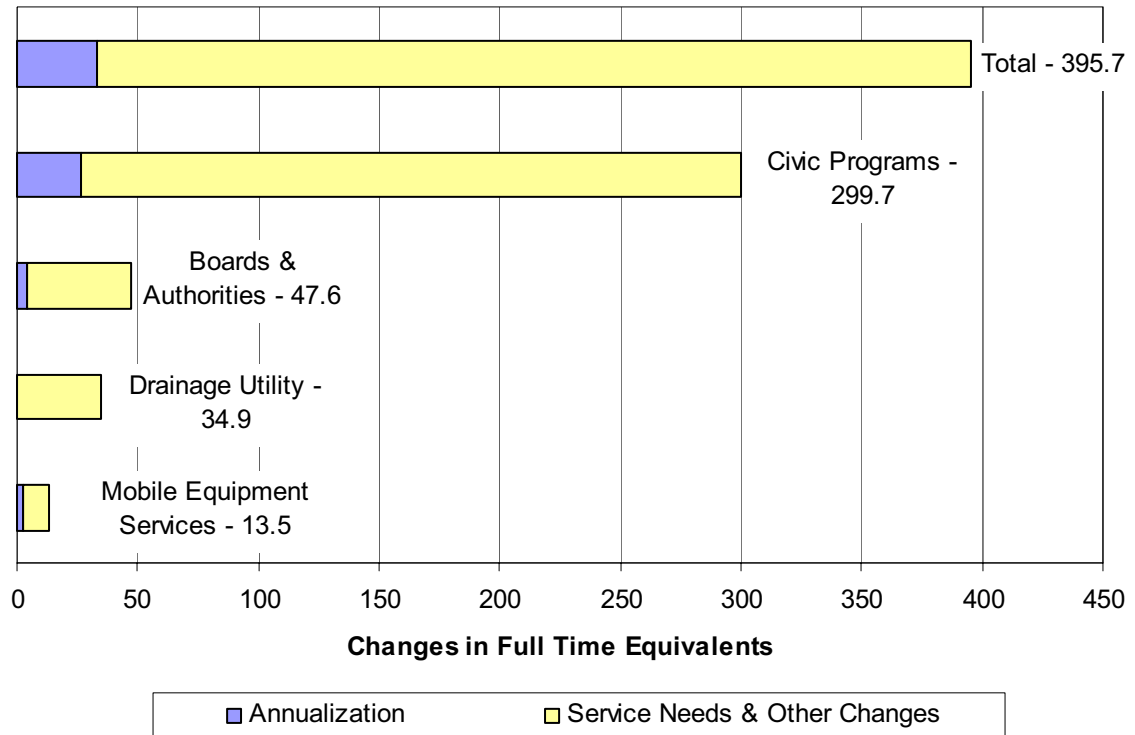
<sup>3</sup> The monthly single residential charge will increase from \$13.25 per month to \$14.05 per month, an increase of \$0.80 per month.

<sup>4</sup> Sanitary sewage utility has been calculated based upon an annual water consumption of 222m<sup>3</sup>. This reflects an increase of \$1.27 per month.

<sup>5</sup> Land drainage utility has been calculated based upon the average residential lot size. The increase for this utility is \$1.00 per month. Actual charges will vary depending on the lot size and zoning.



# Full Time Equivalents



The 2007 Budget contains funding for an additional 395.7 full time equivalents (FTEs), an increase of 3.7%. Of this amount 33.4 FTEs are as a result of services that were implemented part way through 2006.



# 2007 Operating Fund Budget



## 2007 Operating Fund Budget

This section focuses on the **City of Edmonton's Operating Fund**, which consists of:

- tax levy support operations
  - ♦ Civic/Corporate Programs
  - ♦ Boards, Authorities, and Commission
- non-tax levy support operations
  - ♦ Mobile Equipment Services
  - ♦ Land Enterprise
  - ♦ Drainage Services
- investment funds
  - ♦ Ed Tel Endowment Fund
  - ♦ Sinking Fund Excess Earnings

	General Operating Fund	Capital Fund	Reserves Fund	Total City
<b>Projected Opening Fund Balance</b>	801.4	83.3	168.1	1,052.8
<b>Sources of Fund</b>				
Property & Business Tax Levy	666.0			666.0
Sales and User Fees	461.0			461.0
Developers and Third Party Contributions		85.5		85.5
EPCOR Dividends & Franchise Fees	166.4			166.4
Investment Revenues	72.3			72.3
Grants	44.2	308.8		353.0
Other Revenues	51.1	12.9		64.0
<b>Subtotal</b>	<b>1,461.0</b>	<b>407.2</b>	<b>-</b>	<b>1,868.2</b>
<b>Uses of Fund</b>				
Tax Supported Operations	1,087.9			1,087.9
Land Enterprise	16.2			16.2
Mobile Equipment Services	84.6			84.6
Drainage Services	98.8			98.8
Ed Tel Endowment Fund	31.5			31.5
Sinking Fund	1.2			1.2
Capital Expenditures		979.3		979.3
<b>Subtotal</b>	<b>1,320.2</b>	<b>979.3</b>	<b>-</b>	<b>2,299.5</b>
<b>Financing Activities</b>				
Debentures		303.4		303.4
Transfers from Other Funds	12.7	240.5	5.7	258.9
Transfers to Other Funds	(225.1)		(33.8)	(258.9)
<b>Subtotal</b>	<b>(212.4)</b>	<b>543.9</b>	<b>(28.1)</b>	<b>303.4</b>
<b>Change in Fund Balance</b>	<b>(71.6)</b>	<b>(28.2)</b>	<b>(28.1)</b>	<b>(127.9)</b>
<b>Projected Ending Fund Balance</b>	<b>729.8</b>	<b>55.1</b>	<b>140.0</b>	<b>924.9</b>

### Tax Levy Support Operations

Tax levy support operations are governed by the Municipal Government Act which requires that estimated revenues to be generated are sufficient to pay for the estimated expenditures. Any deficits resulting from operations must be covered by using existing reserves, unappropriated retained earnings, or recovered from future property taxes within a three year period.

Tax levy support operations include those municipal activities that are partially or fully funded from the annual property tax levy. The activities are carried out either

- under the City Manager's direct responsibilities (Civic and Corporate Programs) and reporting to City Council, or
- through Boards, Authorities, and Commissions, who report directly to City Council.

Surplus and/or deficits of tax levy support operations are reflected in the operating fund balance. Also included in this balance is the Pension and Benefit Fund Balance. Retained earnings from the Edmonton Economic Development Corporation, the Edmonton Public Library, and the Taxi Cab Commission, are segregated within the operating fund balance. For budget purposes, the results of operations from these entities are presented as balanced operations.

### Non-Tax Levy Operations

The City of Edmonton also manages three operations that operate on a self-sufficient basis, where direct property tax levy is not used to fund their activities. These operations are Mobile Equipment Services, Land Enterprise, and Drainage Services.



# 2007 Operating Fund Budget



## *Mobile Equipment Services*

Mobile Equipment Services (**MES**) provides fleet maintenance and fleet replacement services, mostly to Civic Programs. The costs incurred are recovered from Programs that utilize MES services, either through rates (municipal fleet) or direct flow-through charges (Transit).

Less than 6% of MES operations now relate to external services provided to the City's wholly owned subsidiary, EPCOR Utilities Inc. Services provided to external parties are based upon a cost recovery plus basis.

The annual net income from operations is retained in this fund for the future replacement of fleet assets.

## *Land Enterprise*

The Land Enterprise provides two important but distinct activities for the City of Edmonton. The Land Development Activity includes development and sale of City-owned land, usually in residential and industrial properties. These activities are expected to generate a return to the City of Edmonton in the form of a dividend.

The Land Enterprise also acts as the City's land acquisition agent, acquiring land for future municipal use. Their activities may include the acquisition of properties as they become available, ahead of the actual capital need in order to avoid inflated costs or delays associated with the expropriation process. Land Enterprise also purchases land required for special neighbourhood improvement projects, as directed by City Council. The basis of these activities are not profit driven.

The Land Enterprise operation is funded through its own retained earnings from sale of properties, either at cost to the City's internal capital projects or at cost plus in the case of land development activities. Where the amount of retained earnings is insufficient to finance the activities of Land Enterprise, short-term financing is provided by the City of Edmonton.

## *Drainage Services*

Drainage Services operates as a utility and provides land and sanitary drainage to the citizens of Edmonton. The activities are governed by the City's Utility Fiscal Policy (C304B). Net income from operations is distributed as follows:

- a pre-determined amount is transferred annually to the Sanitary Sewer Service Strategy Fund;
- cover annual principal debt repayment on borrowings;
- a portion is retained in the Drainage Operating Fund balance to pay a dividend to the City of Edmonton in the first quarter of the following year;
- a portion may be retained in the Drainage Operating Fund balance to offset planned future operating requirements; and
- a transfer to the capital fund to finance capital requirements.



# 2007 Operating Fund Budget



## ***Investment Funds***

The City of Edmonton manages two investment funds resulting from the original sale of Edmonton Telephones and outstanding debt obligations associated with Edmonton Power.

### *Ed Tel Endowment Fund*

The Ed Tel Endowment Fund was established with proceeds from the sale of the Ed Tel Inc. and is governed under Bylaw 11713. The principal is invested and annually a dividend is paid to the City of Edmonton.

### *Sinking Fund*

The City of Edmonton established the Sinking Fund to meet future obligations to the purchasers of certain City of Edmonton debentures. Under an agreement with EPCOR Utilities Inc. on January 1, 1996, excess earnings from the Sinking Fund are shared between the two corporations.

The following pages contain further details on each of these funds, including the impacts of the 2007 budget on the fund balances.



# Tax Levy Supported Operations



## 2007 Tax Levy Supported Fund Balance

\$ Millions

	2005 Actual	2006 Budget	2007 Budget
Projected Opening Fund Balance (restricted) <sup>1</sup>	71.0	82.6	40.9
<b>Sources of Fund</b>			
Property Taxes	454.3	489.1	546.2
Business Taxes	93.3	96.6	101.8
Payment-in-Lieu	16.3	16.8	17.9
<b>Total Tax Levy</b>	<b>563.9</b>	<b>602.5</b>	<b>665.9</b>
User Fees	273.6	271.8	303.3
EPCOR Dividends & Franchise Fees	157.3	161.4	166.4
Investment Revenues	84.5	67.5	70.0
Grants <sup>2</sup>	48.0	44.0	44.2
Other Revenues	63.2	63.0	58.9
Transfers from Reserves	11.4	18.7	12.7
Transfers from Other Funds	38.1	9.9	12.6
	<b>1,240.0</b>	<b>1,238.8</b>	<b>1,334.0</b>
<b>Uses of Fund</b>			
Civic Programs	725.5	781.5	878.2
Boards & Authorities	258.6	268.2	295.7
Corporate Programs	60.2	68.8	57.2
Transfers to Reserves	37.1	11.5	5.7
Transfers to Other Funds	116.9	108.8	97.2
	<b>1,198.3</b>	<b>1,238.8</b>	<b>1,334.0</b>
Surplus/(Deficit)	41.7 <sup>3</sup>	-	-
Application of Fund Balance (pre-2001)	(1.2)		
Prior Year Surplus Transfer to FSR	(28.1)	(41.7)	
<b>Surplus - City</b>	<b>12.4</b>	<b>(41.7)</b>	<b>-</b>
Surplus/(Deficit) for Pension & Benefits, Public Library, EEDC, & Taxi Cab Commission	(0.8)	-	-
<b>Projected Opening Fund Balance (restricted)</b>	<b>82.6<sup>4</sup></b>	<b>40.9</b>	<b>40.9</b>



# Tax Levy Supported Operations



- <sup>1</sup> The Operating Fund Balance includes the retained earnings from the Operating Fund, the Edmonton Economic Development Corporation, the Edmonton Public Library, the Taxi Cab Commission, and the Pension & Benefit Fund Balance. All amounts are restricted or committed and are not available for general distribution.
- <sup>2</sup> The 2005 figure includes grant funding associated with the 2005 World Masters Games.
- <sup>3</sup> The 2005 operating surplus of \$41.7 million has been allocated to the Financial Stabilization Reserve as per City Policy. City Council has appropriated the following from the surplus:

Capital contingency	\$26.8M
Existing commitments	7.2M
Pilot programs	1.4M
One-time projects	0.8M
- <sup>4</sup> The remaining \$5.5 million was used to top-up the Financial Stabilization Reserve.
- <sup>4</sup> Agrees with the 2005 Audited Financial Statements, note 10.



# Tax Levy Supported Operations



## Civic Programs

Civic Programs refers to those municipal activities that are fully or partially supported by the general property tax levy and are under the direct responsibility of the City Manager.

Civic Programs include:

- ◆ Transit
  - ◆ Fire Rescue
  - ◆ Roads
  - ◆ Asset Management and Public Works
  - ◆ Community Services (excluding Fire Rescue)
  - ◆ Corporate Business Planning
  - ◆ Corporate Programs
  - ◆ Corporate Services
  - ◆ Mayor and Councillors' Offices
  - ◆ Office of the City Auditor
  - ◆ Office of the City Manager
  - ◆ Planning and Development
- These three programs comprise 51% of the 2007 budgeted tax levy requirement.*

## Corporate Programs

Corporate Programs refers to revenues and expenditures which are not tied to specific service delivery programs but relate to the entire City. Taken together, Corporate Programs are a net contributor of revenues to the organization.

The 2007 budget contains a net contribution from Corporate Programs of \$165.7 million (2006 - \$146.6 million) to fund program needs. The main sources of revenues include dividends, franchise fees and investment income. The largest expenditure in this Program is for Capital Project Financing, which is the transfer to the Capital Fund to finance capital construction projects on a pay-as-you-go basis. Capital Project Financing and Tax-Supported Debt Repayment represent roughly \$110.0 million of total tax levy operations.



# Tax Levy Supported Operations



## Boards & Authorities

**B**oards & Authorities may be independent entities established under separate statutes or fully controlled by the City of Edmonton's City Council. Boards & Authorities report directly to City Council and are not part of the City Manager's mandate.

From a budget perspective, the City of Edmonton's three major Boards & Authorities are:

- ◆ Edmonton Police Commission - a statutory Board established by the Police Act
- ◆ Edmonton Public Library - established by City Bylaw enacted under the Libraries Act
- ◆ Edmonton Economic Development Corporation - a wholly-owned subsidiary incorporated under an Alberta Private Act

In all three instances, while Council determines the amount of annual funding provided to these entities, Council does not directly control how the budget will be spent. The funding requested by these Boards and Authorities to the City of Edmonton represents a significant portion of the entities' annual revenues.

The Police Service is the single largest municipal service supported by property tax levy, representing 17.4% (2006 - 16.8%) of the City's total tax requirement. The remaining Boards & Authorities comprise 5.1% (2006 - 5.0%) of the City's overall tax levy requirement and include the following organizations:

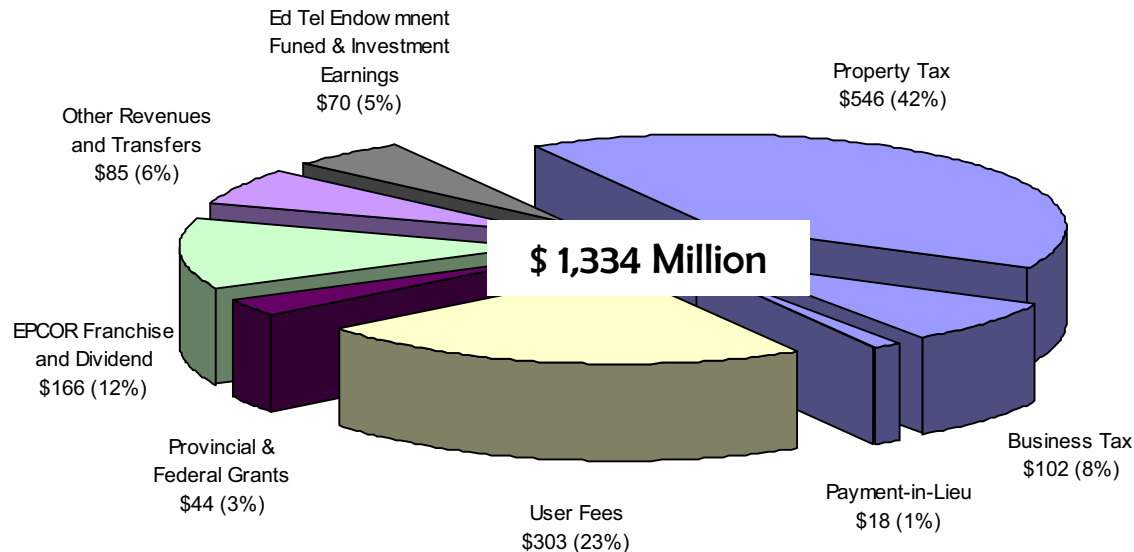
- ◆ Edmonton Arts Council
- ◆ Edmonton Economic Development Corporation
- ◆ Edmonton Federation of Community Leagues
- ◆ Edmonton Public Library
- ◆ Edmonton Space and Science Foundation
- ◆ Greater Edmonton Foundation
- ◆ Taxi Cab Commission



# Tax Levy Supported Operations



## 2007 Budget Revenues & Transfers



\* Included in User Fees is \$8.4 million that would be attainable should Council approve the service packages as proposed in this recommended budget.

The 2007 Budget contains revenues of \$1,334 million, representing a total tax increase of 4.95% (includes 0.75% for tax-supported borrowing and 0.25% for the SLRT Risk Mitigation Strategy). Implicit in the 2007 Budget is that the City of Edmonton will be able to move into the Provincial Tax room on the property tax bill. In 2006, this amounted to over \$12 million and was returned to the taxpayer. In the 2007 Budget, Council has approved \$9.3 million in expenditures with funding anticipated from this source. Should this not materialize, it would have a tax impact of 1.49%.

The \$9.4 million of approved expenditures is allocated to enhancing the following services:

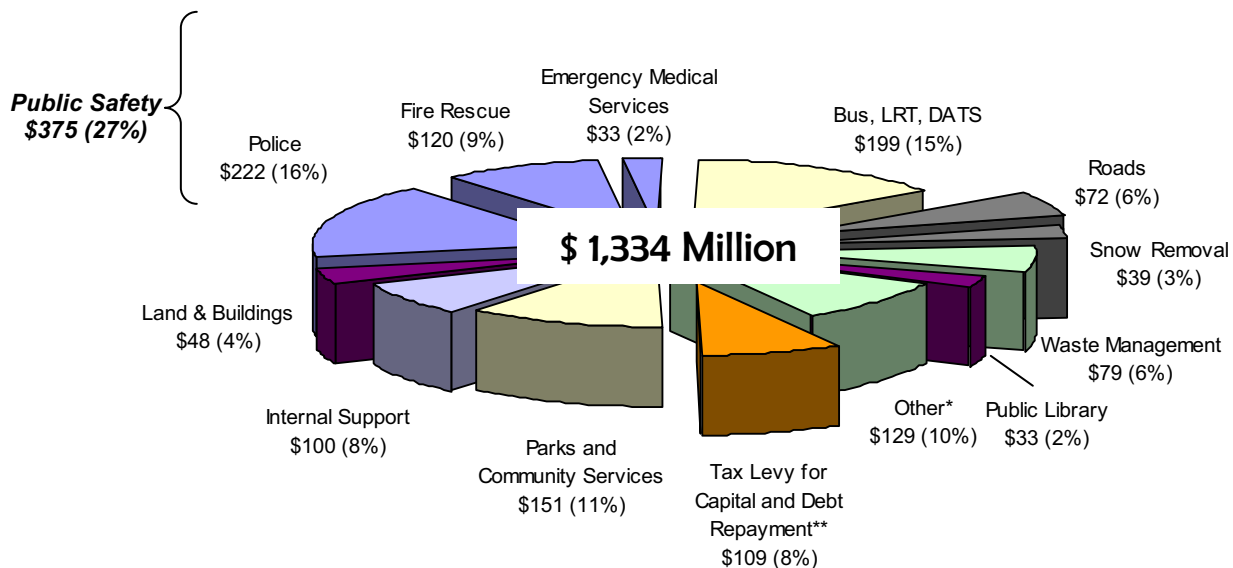
Additional Police services	\$6.3
Staff aerals at Millwoods & Yellowhead Fire Stations	1.6
Staff one additional ambulance unit	1.0
Community Investment Grant Program	0.5



# Tax Levy Supported Operations



## 2007 Budget Expenditures & Transfers



\* Includes grants to small Boards & Authorities, U of A joint venture, affordable housing, Ukrainian Canadian Archives & Museum, Edmonton Art Gallery, and expenditures of a corporate nature.

\*\* Included is \$97.2 million for General Financing of Capital Projects and \$12.2 million for debt repayment.

Service requests from Civic Programs totalled \$71.7 million, with \$24.8 million recommended for funding. In addition, Boards & Authorities brought forward funding requests totalling \$11.7 million. The 2007 Budget includes \$34.2 million for new services, \$9.3 million of which relates to anticipated funding from the Provincial Tax room discussed on the previous page.

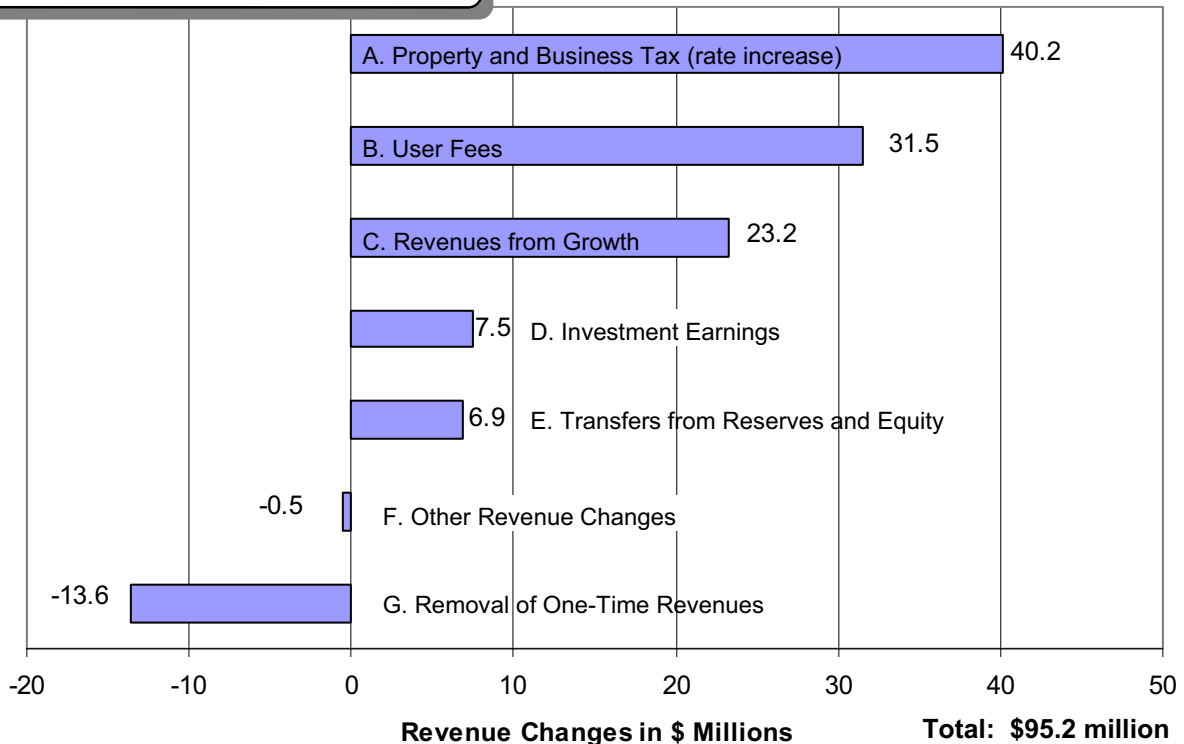
Highlights of the major changes in revenues and expenditures are provided in the following pages.



# Significant Changes in Operating Revenues



## Significant Changes from the 2006 Budget



The City's ability to deliver services is currently limited by affordability and its citizens willingness to pay. This concept is further explored in the 2007-16 LRFP, contained within the Corporate Plans section of this document. The following summarizes the basis upon which the community will generate an additional \$95.2 million in 2007 for municipal services.

### A. Property and Business Tax Rate Increase:

To deliver the services approved in the 2007 Budget, an additional \$40.2 million in property and business tax rate increases would be required, as follows:

3.95%	increase for operations
0.75%	increase in tax levy for tax-supported borrowing
0.25%	increase for SLRT Risk Mitigation Strategy, approved by Council on September 28 <sup>th</sup> , 2005
<b>4.95%</b>	<b>2007 Approved Budget</b>
<u>1.49%</u>	<u>potential impact should the Provincial Tax room not be available</u>
<u><b>6.44%</b></u>	



# Significant Changes in Operating Revenues



## B. User Fees:

The anticipated increase in Program revenues is \$31.5 million. Of this amount \$23.1 million comes from volume increases (more customers) while \$8.4 million comes from proposed increases to rates.

The 2007 Budget includes higher volume projections of \$23.1 million (2006 budget - \$15.6 million) to reflect increased risk tolerance within the budget. The Program areas that have significant volume changes are:

	<u>Millions</u>	
Planning & Development	\$ 6.7	strong economic growth
Transit	4.1	increased rider-ship, new services, annualization
Police	3.5	mostly due to Traffic Safety Act revenue
Roads	2.4	accounting change—no net revenue increase
Corporate Services	2.4	historical adjustment and inter-departmental recoveries
Waste Management	1.6	growth in customer base
EEDC	1.4	Destination Marketing Fee
Recreation Facilities	0.5	increased customers
EMS	0.5	aging and growing population
	<u>\$23.1</u>	

In addition, as a result of cost pressures, the 2007 budget includes some fee increases beyond the 2.3% guideline to maintain recovery ratios. These are highlighted below:

	<u>Millions</u>	
Waste Management	\$ 2.4	monthly user fees increase by 6%, impact to single family residential home is \$0.80 per month
Transit	2.0	fare increases for tickets and cash fares (cost recovery ratio of 42.5% maintained for regular transit)
Planning & Development	1.3	planning related fees increase 5%, licensing fees increase 2.3%
Recreation & Cultural Facilities	0.8	5% increase to recreational facilities fees
Emergency Medical Services	0.5	rates are comparable with other Alberta municipalities
Other Programs	1.4	
	<u>\$ 8.4</u>	



# Significant Changes in Operating Revenues



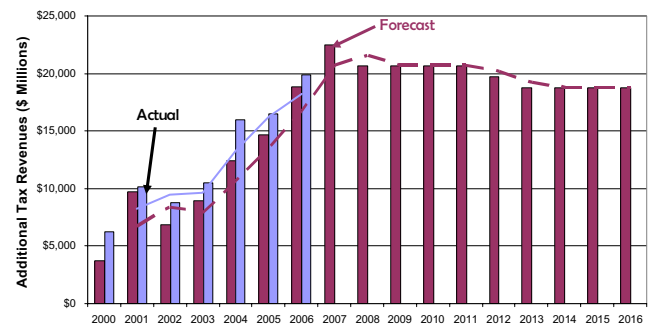
## C. Revenues from Assessment Growth:

The City of Edmonton treats market value assessment changes as revenue neutral; therefore, only real growth in assessment will increase the City's taxation revenues. Over the course of 2006, Administration introduced a more robust forecast model for new taxation revenues from assessment growth due to development and re-development. This model is based upon projected housing starts and uses regression analysis on the following four factors:

- ♦ population growth,
- ♦ unemployment rate (time delayed by one series),
- ♦ resale housing market price,
- ♦ and available residential lot inventory.

Applying these four factors to the past six years of assessment projections, there is improved accuracy and results in a margin of error within  $\pm 5\%$  of the actual housing starts.

Another key change to the growth revenue forecast is increasing the risk tolerance and reflecting a more aggressive growth projection, given a fully-funded Financial Stabilization Reserve. Using these factors and assumptions, the 2007 Budget includes additional taxation revenues from new assessment of \$23.2 million (property and business tax). The breakdown of this projection is as follows:



Assessment Class	2007 Projected Growth Rate	Projected Tax Revenues in '000s (exclude tax rate increases)
Single family residential	5.7%	\$ 14,546
Other residential	2.4%	821
Non-residential	3.7%	7,382
Business Tax		483
Total Revenues from Growth		\$23,232

The City of Edmonton has a practice whereby changes in the market value of property do not generate additional revenues to the City, and property taxation is an inelastic revenue source. In the 2007 Budget, there has been a conscious change in the primary use of assessment growth revenue to move towards a financially sustainable community. Accordingly, the anticipated \$23.2 million in new revenues from assessment growth is used to finance services under the following philosophy:



# Significant Changes in Operating Revenues



***“existing services should be paid for by current taxes while the cost of extending services to a larger community and new service needs for the community as a whole are paid for by additional property taxes derived from new developments and re-developments”.***

A benefit of adopting this approach is that if development were to stop in the following year, existing services are sustained by the current citizens as the cost of existing services are not dependent upon “subsidization” from next year’s growth.

## **D. Investments:**

For 2007 there is a projected net increase in investment income of \$7.5 million.

The amount from EPCOR (dividends and franchise fees) is expected to increase by \$5.0 million in accordance with the existing agreement.

There will be a reduction in the return from the Ed Tel Endowment Fund by \$6.5 million because of the special one time special dividend of \$7.6 being declared by City Council in 2006.

General return on investment is projected to increase by \$9.0 million based on rising yields on the balanced short term and money market funds, and an increase in the amount of funds available for investment.

## **E. Transfers from Reserves and Equity**

Transfers from Reserves and Equity is budgeted to increase by \$6.9 million in 2007, as follows:

\$3.3M	Increased funding from reserves for capital projects
2.5M	Fund municipal election, e-Learning, Transportation Master Plan, and West Rosedale Design
0.9M	Increased transfer from Waste Stabilization Reserve
0.2M	Other changes
<u>\$6.9M</u>	

## **F. Other Revenue Changes:**

There are a number of factors combining for a net decrease in Other Revenue of \$0.5 million, including:



## Significant Changes in Operating Revenues



\$ 1.8M	increase to ATCO gas franchise fees due to volume
0.8M	other various changes
0.5M	increase in Sanitary Drainage franchise fees
(0.6M)	reduction in Local Improvement Revenue as Local Improvement Debt is retired
<u>(3.0M)</u>	removal of revenue generation initiative
<u>\$ (0.5M)</u>	

### **G. One-Time Items:**

The 2006 Budget included \$13.6 million in one-time revenues that were not available in the 2007 Budget. These include:

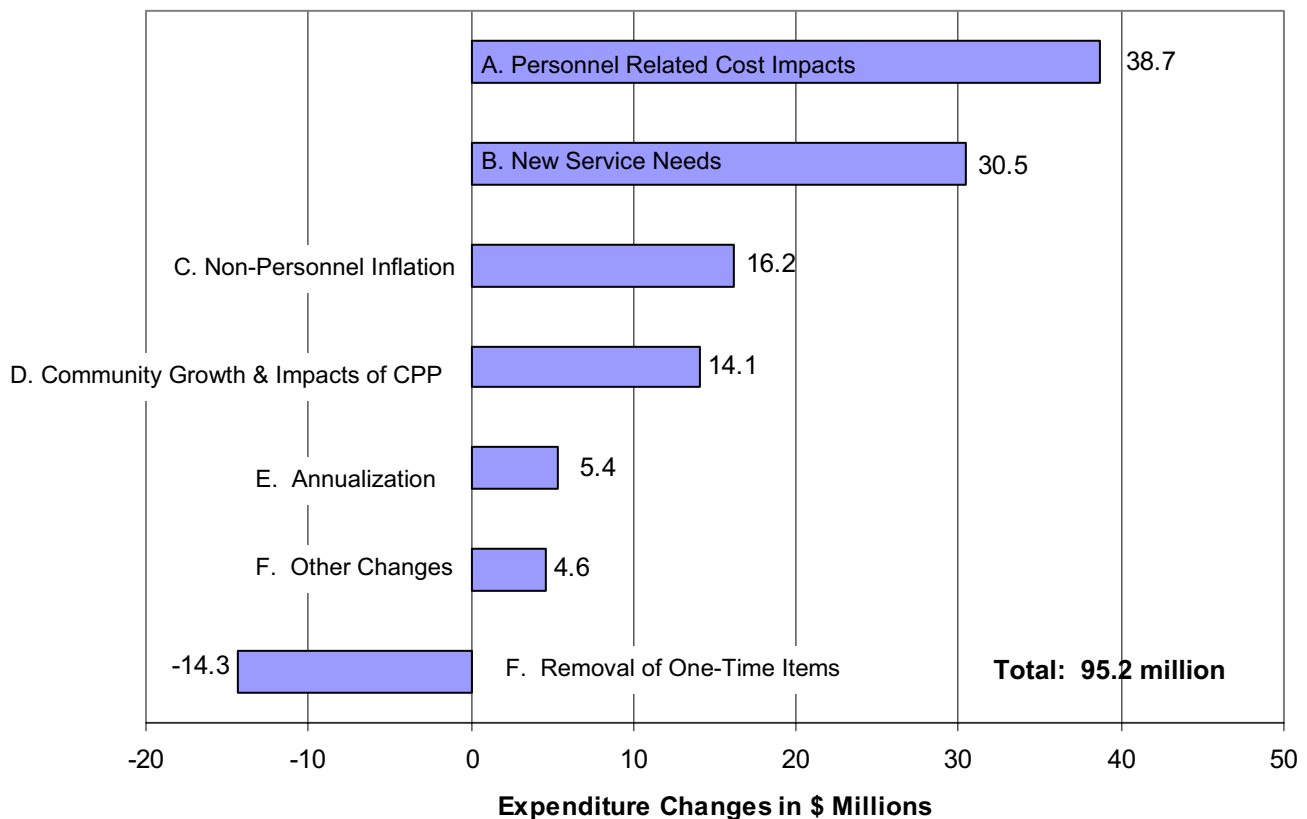
\$ 4.8M	Funding for one-time Council Initiatives from prior year surplus
3.4M	WCB rebate
2.9M	Carry forward of 2004 unspent Police Grant
1.3M	Funding Policing costs for Whyte Avenue from reserve
0.8M	Funding Policing costs for Whyte Avenue from traffic revenues
<u>0.4M</u>	Other various changes
<u>\$13.6M</u>	



# Significant Changes in Operating Expenditures



## Significant Changes from the 2006 Budget



### A. Personnel Related Cost Impacts:

Personnel related cost impacts reflect all negotiated contract settlements and adjustment for out-of-scope employees for 2007. In general, the settlements were 4%, along with some adjustments to specific positions due to market conditions. The total cost of \$25.7 million has been reflected in the approved budget.

Other personnel cost increases totalled \$13.0 million. New to the 2007 Budget is the introduction of the Health Spending Account to all permanent staff, at a budgeted cost of \$4.3 million. The remaining \$8.7 million Included in this category are other benefits (e.g. Local Authorities Pension Plan, major medical, dental, Alberta Health Care premiums, etc.) and merit or step increases. The cost of a number of benefits are tied to a percent of salary. As a result of new contract settlements, there is an associated increase in benefit costs.



# Significant Changes in Operating Expenditures



## B. New Service Needs

The 2007 Budget contains \$30.5 million in new service needs. Of this amount, \$9.4 million of enhanced services in the area of safety is to be funded from the anticipated Provincial Tax room which will not have an overall property tax impact to the citizens. Should this not materialize, the required funding would add \$17 to the typical household on an annual basis.

The approved new service needs are as follows:

Priority Outcome Areas	Expenditure	From Provincial Tax Room	Total Approved
Vibrant Neighbourhoods	\$ 3,300	\$ -	\$ 3,300
Safe Community	1,878	8,906	10,784
Positive International Reputation	1,295	-	1,295
Good Neighbour and Partner	261	-	261
Culturally Rich and Welcoming Community	2,653	450	3,103
Quality Physical Environment	4,560	-	4,560
Responsive and Responsible Government	7,177	-	7,177
	\$21,124	\$ 9,356	\$30,480

## C. Non-Personnel Inflation:

The cost of various resources (e.g. materials, contracts, utilities) used to deliver City services are expected to increase with inflation and other product-specific factors. The total included in the 2007 Budget is \$16.2 million. In general, the 2007 budget contains a CPI rate of 2.3%. Some examples where projected costs are higher than the 2.3% include:

Hired Equipment	26.5%	\$ 2.7M
Roadway Materials	11.2%	1.2M
Fuel	8.5%	1.2M
Roadway Contract Work	4.1%	0.6M

## D. Community Growth & Impacts of Capital Priorities Plan (CPP)

The 2007 Budget maintains current level of services. As Edmonton continues to grow and prosper, there are increased costs associated with extending current services to a larger community. One example of this is the need to collect garbage from new neighbourhoods.

A second impact to the City relates to the capital investments made in prior years. As these investments are brought into service, there are associated operating costs. An example of this is the commissioning of a new fire station. The station has to be staffed, equipped, and maintained.



# Significant Changes in Operating Expenditures



To ensure that current services are not eroded to cover the growth of the community, \$14.1 million in additional resources has been approved for this purpose.

## **E. Annualization:**

Annualization refers to the extension of costs approved by City Council for a portion of 2006 to full year funding. The 2007 Budget contains \$5.4 million in annualized service costs. The following is a summary of the affected services:

Transit	LRT to Health Sciences, schedule & capacity adjustments — peak	\$ 1.8
Fire Rescue	Fire stations in new growth areas	1.2
Fire Rescue	Fire stations—University, Beverly, Oliver	0.4
EMS	Ambulance staffing	0.6
City Wide	delayed hiring savings in 2006	1.4
		<u>\$ 5.4</u>

## **F. Other Expenditure Changes:**

There are numerous changes which net to an increase of \$4.5 million in the Other Expenditure Changes category.

\$3.1M	Accounting change to reflect both expenditures and revenues, previously not shown as the amounts are offsetting:	
	Roads Program external revenues and expenditures (\$2.0M)	
	Hired Equipment activity in Corporate Services (\$1.1M)	
0.9M	Fire Hydrant Contract	
0.7M	Fire Rescue Statutory pay shortfall	
(0.2M)	Other various expenditure changes	
<u>\$ 4.5M</u>		

## **G. Removal of One-Time Items:**

Of the \$14.3 million of one-time expenditures, \$9.7 million were funded by reserves and/or 2005 year end surplus, including the following:



# Significant Changes in Operating Expenditures



## Removal of 2006 one-time expenditures:

\$3.0M	Police expenditures related to the carry forward of the unspent provincial grant
2.5M	Council contingency was increased to fund various initiatives, along with year end commitments carried over from 2005 into 2006
2.1M	Police expenditures relating to Whyte Avenue overtime
0.9M	Capital city clean up (built into ongoing cost in Waste Management and an additional \$0.8M has been included in the recommended service needs for Council consideration)
0.5M	Funding for a Recreation Strategy for low income people and a Seniors Centre long term operating costs strategy (a package has been included in the recommended service needs for Council consideration)
0.4M	Immigration & settlement report and the policy review of oil and gas facilities
0.3M	The Aboriginal Accord had 2 year funding which ends in 2006 (a package has been included in the recommended service needs for Council consideration)
<u>\$9.7M</u>	

In addition, there were \$4.6 million of other one-time programs and projects funded by tax levy and departmental revenues, including:

\$0.6M	City entrance corridors
0.4M	Pedway floor replacement
0.8M	Bill Hunter Arena
0.6M	Drought damaged trees
0.4M	South Central EMS Post Station replacement
0.3M	Accessible taxis
0.2M	Transit Senior Friendly training
0.2M	Integrated Natural Areas Conservation plan
0.1M	Edmonton Design Committee (a package has been included in the recommended service needs for Council consideration)
<u>1.0M</u>	Numerous other smaller initiatives
<u>\$4.6M</u>	



# Non-Tax Levy Operations - Land Enterprise



## 2007 Land Enterprise Fund Balance

\$ Millions

	2005 Actual	2006 Budget	2007 Budget
<b>Projected Opening Fund Balance</b>	48.8 *	58.3	63.0
<b>Revenues</b>			
Land Development Activity	26.9	23.9	18.4
Land Revolving Activity	9.7	-	5.5
	<u>36.6</u>	<u>23.9</u>	<u>23.9</u>
<b>Expenditures</b>			
Land Development Activity	18.5	17.1	11.9
Land Revolving Activity	5.6	0.4	4.3
	<u>24.1</u>	<u>17.5</u>	<u>16.2</u>
<b>Net Income</b>	12.5	6.4	7.7
<b>Short Term Financing</b>	16.6	32.8	66.7
<b>Transfer to Capital Fund</b>	(16.6)	(32.8)	(66.7)
<b>Dividend paid to City of Edmonton</b>	(3.0)	(1.7)	(3.3)
<b>Projected Ending Fund Balance</b>	58.3 *	63.0	67.4

\* Agrees with the 2005 Audited Financial Statements, Note 10.

The Land Enterprise is owned and operated by the City of Edmonton as a municipal enterprise. The activities of the Land Enterprise are governed by Policy C511 - Land Management Policy and include two distinct activities:

- ◆ Land Development Activity
- ◆ Land Revolving Activity

The **Land Development Activity** involves the acquisition, development and selling of City-owned land. The major components are residential and industrial development. The Land Development Activity has specific and separate capital projects for land acquisition and land development. The operations of the Land Development Activity are expected to generate a



## Non-Tax Levy Operations - Land Enterprise



return on investment. On June 20<sup>th</sup>, 2006 City Council reviewed and updated the Land Enterprise Dividend Policy C516A.

The **Land Revolving Activity** involves the acquisition of land for municipal purposes and for special City initiatives. The land acquisitions and subsequent sales are not made with a profit motive in mind but to achieve other objectives which usually relate to neighbourhood improvement and include Fort Road and Downtown East.

The proposed activities for Land Enterprise will require the use of the City's working capital to provide short-term financing for its 2007 operations, as follows:

	2005 Actual	2006 Budget	2007 Budget
Projected land held for municipal use	\$ 19.1	\$ 21.6	\$ 22.6
Projected land held for resale	35.8	41.0	47.6
Projected Land Inventory	\$ 54.9	\$ 62.6	70.2
Projected ending fund balance	58.3	63.0	67.4
Projected net cash position	\$ 3.4	\$ 0.4	\$ (2.8)



## Non-Tax Levy Operations - Drainage Services



### 2007 Drainage Services Fund Balance

\$ Millions

	2005 Actual	2006 Budget	2007 Budget
Projected Opening Fund Balance	0.0 *	5.5	8.0
Utility Fees	115.3	112.8	128.0
Expenditures	(83.7)	(89.0)	(98.8)
Net Income	31.6	23.8	29.2
Amortization Expense	12.4	13.4	14.6
Principal Debt Repayment	(14.1)	(12.0)	(13.1)
Transfer to Sanitary Sewer Strategy Fund	(2.6)	(2.6)	(1.3)
Transfer to Capital Fund	(16.7)	(14.6)	(23.1)
Dividend paid to City of Edmonton	(5.1)	(5.5)	(8.0)
Projected Ending Fund Balance **	5.5 *	8.0	6.3

\* Agrees with the 2005 Audited Financial Statements, Note 10.

\*\* Annually, the operating ending fund balance is retained to make the dividend payment to the City of Edmonton in the first quarter of the following year.

Drainage Services includes the Sanitary and Land Drainage Utilities. It is responsible for the collection, conveyance, and treatment of wastewater, rainwater, and snowmelt. ***The City of Edmonton recovers the full cost of providing these services through utility rates, without subsidy from property taxation and without providing a subsidy to other municipal services.***

Drainage Services is governed by the Utility Fiscal Policy (C304B). City Council approved revisions to the Utility Fiscal Policy on June 20<sup>th</sup>, 2006, providing fiscal guidelines for the operation of the Sanitary and Land Drainage Utilities in six key areas. These include:

- ♦ maintaining a debt service coverage ratio of not less than 1.2 for both utilities,
- ♦ earning an annual rate of return on average equity between 6% to 10% for the Sanitary Utility and up to 25% for the Land Drainage Utility,
- ♦ financing 50% to 70% of the Sanitary Utility's capital program from debt and 50% to 60% of the Land Drainage Utility's capital program from debt,
- ♦ paying a dividend of 30% of actual net income less the Sanitary Servicing Strategy Fund transfer annually, increasing to 40% in 2013. The dividend will be paid in the first quarter of the following year,



## Non-Tax Levy Operations - Drainage Services



- ♦ paying an 8% local access fee from the Sanitary Utility on qualifying revenues, and
- ♦ maintaining a cash reserve of \$27 million +/- \$10 million for the Sanitary Utility and \$9 million +/- \$3 million for the Land Drainage Utility.

The Land Drainage utility is exempt from the dividend and local access fee payment until 2014.

The 2007 Budget meets the requirements contained in the Approval-to-Operate.

Tertiary treatment is operating and meeting new Approval requirements. The enhanced primary treatment facility is being commissioned in late 2006 and will be operational for 2007 wet weather flows.



The 2007 Budget also includes funding of \$146 million over a 12-year period to implement the Flood Prevention Program. Where possible, these projects will be constructed in conjunction with planned neighbourhood rehabilitation and other significant works such as the SLRT. Funding is included to undertake infrastructure rehabilitation in conjunction with Transportation Department, ATCO gas, and EPCOR water infrastructure rehabilitation in mature neighbourhoods.



## Non-Tax Levy Operations - Mobile Equipment Services



### 2007 Mobile Equipment Services Fund Balance

\$ Millions

	2005 Actual	2006 Budget	2007 Budget
<b>Projected Opening Fund Balance</b>	35.1 *	36.2	28.6
Recoveries and Sales	111.3	102.2	108.6
Expenditures	(108.5)	(100.5)	(107.0)
<b>Net Income</b>	2.9	1.7	1.6
 Net Recoveries from Civic Program Areas	 31.7	 22.4	 23.7
Transfer to Capital Fund	(33.5)	(31.7)	(32.5)
<b>Projected Ending Fund Balance</b>	36.2 *	28.6	21.4

\* Agrees with the 2005 Audited Financial Statements, Note 10.

**M**obile Equipment Services includes the vehicle and equipment operations for the City of Edmonton. Program activities include:

- fleet engineering and management
- vehicle repairs and maintenance fueling
- driver management and training

Revenues are mostly derived from charges paid by City Programs and Drainage Services to operate vehicles, transit buses, and emergency units used to deliver services to citizens. Some external revenues are derived from subsidiary corporation (EPCOR Utilities Inc.) of the City of Edmonton. Net income is retained in the MES Operating Fund to pay for the replacement of vehicles and other capital assets.





# Investment Fund - Ed Tel Endowment Fund



## 2007 Ed Tel Endowment Fund Balance

\$ Millions

	2005 Actual	2006 Budget	2007 Budget
Projected Opening Fund Balance	589.1*	640.9	633.8
Net Investment Earnings	80.6	30.8	32.6
Income Distribution to City of Edmonton	(28.8)	(37.9)	(31.5)
Net Income	51.8	(7.1)	1.1
Projected Ending Fund Balance	640.9*	633.8	634.9

\* Agrees with the 2005 Audited Financial Statements, Note 10.

The fund was established by City Council in 1995, with investment of the \$470 million in proceeds from the sale of the municipal telephone utility, Ed Tel Inc. Earnings from the Fund are applied to support municipal operations under a formula established by City Bylaw (Bylaw #11713). During 2003, amendments were made to the Bylaw to reflect a more sustainable annual contribution level over the longer term.

A special one-time dividend increase of 25% may be considered if the market value of the Fund grows to more than 15% above the "Inflation Adjusted Principal" at the end of any calendar year. Similarly, if the market value of the Fund declines to more than 10% below the "Inflation Adjusted Principal", the following year's dividend will be reduced by 25%.

Strong investment returns experienced in 2005 and the surplus status of the fund as at December 31, 2005 provided the opportunity for City Council to declare a Special Dividend of \$7.6 million from the Ed Tel Endowment Fund. This has been reflected in the 2006 to the City's operations shown above. The 2007 Budget reflects a normal distribution based on the provisions of Bylaw #11713. However, a Special Dividend is anticipated and Council has allocated the following expenditures should the Special Dividend materializes:

Valley Zoo Sea Lion Exhibit	\$1,725	} \$ 4,746
Artificial Playing Surfaces	1,421	
Land Acquisition for Millwoods Library Branch	1,000	
Callingwood Skateboard Park	350	
Nordic Ski Club	250	



## Investment Fund - Sinking Fund



### 2007 Sinking Fund

\$ Millions

	2005 Actual	2006 Budget	2007 Budget
Projected Opening Fund Balance	24.8*	29.1	28.4
Net Investment Earnings	5.5	0.5	1.2
Income Distribution to City of Edmonton	(1.2)	(1.2)	(1.2)
Net Income	4.3	(0.7)	-
Projected Ending Fund Balance	29.1*	28.4	28.4

\* Agrees with the 2005 Audited Financial Statements, Note 10.

The City of Edmonton Sinking Fund was established to meet future obligations to the purchasers of certain City of Edmonton debentures. Under an agreement entered into January 1, 1996, excess earnings within the Sinking Fund are shared between the City and EPCOR Utilities Inc. The amount of excess earnings attributable to the City at December 31, 2005 was \$29.1 million.

The balance is available to deal with the volatility in future earnings. Periodic reviews are undertaken to determine excess earnings that may be prudently withdrawn. The last review was made in 2003 (an update is expected in November 2006), when \$7.0 million was withdrawn and a further \$4.8 million was committed for distribution over 2005 to 2008, at \$1.2 million annually.



## 2007-08 Capital Budget



(South East Division Police Station)

### 2007-08 Source of Capital Funds

Millions	2005 Actual	2006 Budget	2007 Approved	2008 Approved
City Financing	\$251	\$480	\$627	\$568
External Financing	149	250	359	337
<b>Total Sources</b>	<b>\$400</b>	<b>\$730</b>	<b>\$986</b>	<b>\$905</b>

### 2007-08 Use of Capital Funds

Millions	2005 Actual	2006 Budget	2007 Approved	2008 Approved
Tax-Supported				
Civic Programs	\$302	\$563	\$781	\$753
Authorities	10	23	46	17
Utilities	88	144	159	135
<b>Total Uses</b>	<b>\$400</b>	<b>\$730</b>	<b>\$986</b>	<b>\$905</b>



# Capital Fund Summary



The Capital Priorities Plan for 2007-11 consists of funding sources from prior year carry forwards. Prior year carry forwards are the result of capital projects for which the work is still in process. Funding sources are presented on a cash flow basis which includes funds on hand at the beginning of the period as well as revenue expected to be received during the period. As a result of the carry forwards and the cash flowing, funding sources received do not match budgeted expenditures in each year.

	2005 Actual	2006 Budget	2007 Budget	2008 Budget
<b>Projected Opening Fund Balance</b>	126,818	145,032	83,312	55,059
<b>Revenues</b>				
Government transfers	122,663	225,558	308,813	311,278
Developer and customer contributions	79,859	56,004	85,455	37,908
Other	3,883	8,954	12,865	5,620
<b>Sources of Funds before Transfers</b>	206,405	290,516	407,133	354,806
<b>Expenditures</b>				
<b>Civic Programs</b>				
Emergency response	1,747	19,224	26,084	9,943
Bus and light rail transit	49,966	120,395	203,406	249,325
Roadway and parking	133,677	218,352	217,324	233,670
Parks and recreation	20,658	72,332	147,941	76,918
Planning and development	2,009	36,479	76,232	55,970
Mobile equipment	42,155	54,523	62,124	58,221
Waste management	3,858	14,281	18,465	52,770
Corporate administration	46,900	22,911	29,700	16,020
	300,970	558,497	781,276	752,837
<b>Boards &amp; Authorities</b>				
Police	7,015	11,087	17,516	12,384
Edmonton Public Library	1,970	6,910	15,888	3,585
Convention and tourism	1,050	9,157	12,529	1,500
	10,035	27,154	45,933	17,469
<b>Drainage Services</b>	117,569	144,189	158,597	134,914
<b>Uses of Funds before Transfers</b>	428,574	729,840	985,806	905,220
<b>Excess of Expenditures Over Revenues</b>	222,169	439,324	578,673	550,414
<b>Net Interfund transfers</b>				
From Operating Fund	160,760	189,043	225,856	205,572
From (To) Reserve Fund	(3,643)	17,840	21,151	11,010
<b>Debenture Borrowings</b>	83,266	170,721	303,413	326,771
<b>Net Transfers and Borrowing</b>	240,383	377,604	550,420	543,353
<b>Change in Fund Balance</b>	18,214	(61,720)	(28,253)	(7,061)
<b>Projected Closing Fund Balance</b>	145,032	83,312	55,059	47,998



# Capital Process Review



## Key Concepts

In 2005-2006, the City undertook an end-to-end review of its Capital Budget Process<sup>1</sup>. The review involved a current state analysis, a future state report and an implementation report for the future state concepts. It resulted in eleven (11) recommended concepts to strengthen the City's Capital Budget Process. Two of the concepts recommended are still under review by City Administration. The remaining nine future state concepts for implementation are divided into core and non-core concepts.

The first three of these concepts are considered as core concepts and present the greatest opportunity for process improvement. The concepts also present a fundamental change to the current process of Capital Budget development and approval. These three core concepts are interdependent and as such should be considered in light of one another. They are the introduction of a Three Year Capital Budget, Council Led Direction Setting and Enhanced Corporate Reporting.

The six ancillary or non-core concepts present incremental improvement opportunities. These concepts are distinct in nature and can be implemented independently of the three core concepts. They are as follows:

- Focus Project Profiles
- Funding for Project Conceptualization
- Linkage between Capital and Operating Budgets
- Ranking Criteria
- CIC Terms of Reference
- Project Management

Each of the concepts has been assigned as projects have been sorted into three implementation phases:

- Phase 1, the Interim Direction Setting Phase;
- Phase 2, the 2007 Capital Budget Phase; and
- Phase 3, the Mature Future State Phase.



<sup>1</sup> Corvus Business Advisors and Nichols Applied Management partnered to assist the City with the Capital Process Review.



# Capital Process Review



## Phase 1: Interim Direction Setting

This phase includes quick-win and interim direction setting process projects which will be completed by the end of 2006. Phase 1

projects include:

- Project #4 Focus Project Profiles – Project profiles that will consistently provide clarity of project scope which should be focused at a portfolio level (a collection of like subprojects), project justification including economic, social and technical benefits, project priority, linkage to the operating budget, etc. (May 2006 to December 2006);
- Project #2A Interim Direction Setting – On an interim basis, direction setting will focus on strategies and priorities, financial guidelines and key Council projects. (May 2006 to July 2006)
- Project #8 Capital Infrastructure Committee Terms of Reference – A terms of reference will be developed to include: overall responsibility for review of all capital budget submissions including project scope, linkage to endorsed strategies, justifications, operating impacts etc. Current membership should be reviewed with the view to reducing Committee size to ensure that it can function efficiently and effectively. (May to August 2006); and
- Project #6 Linkage of Capital to Operating budgets – The impact of capital budgets on future operating budgets needs to be considered during budget development and reflected in capital project profiles and capital budget impacts need to be cross-referenced within operating budget documents. (August 2006 to September 2006).

## Phase 2: 2007 Capital Budget

This phase includes those projects required to be completed prior to the 2008 Capital Budget for approval in December 2007. Phase 2 projects

include:

- Project #5 Project Conceptualization – The capacity to undertake capital project conceptualization studies needs to be developed within the capital budget process. (July 2006 to May 2007);
- Project #3 Corporate Reporting – Corporate reporting for the capital budget process should include: semi-annual status reporting of projects against Council approved strategies and priorities; closure reporting at the end of the three-year capital budget cycle; variance reporting to the Controller (three times annually); and reporting of material variances and issues to Council on an as needed basis. (September 2006 to March 2007); and
- Project #11 Project Management – Administration will review the Project Management policy and create an accountability framework to support on-going efforts to improve project management across the Corporation. (May 2006 to September 2006).

## Phase 3: Mature Future State

The last phase includes the final preparations for the future Mature State of the Capital Budget Process. Phase 3 projects will start in early 2007

to be completed in the 2007 to 2008 timeframe and include:

- Project #1 3-year Capital Budget – The concept behind the multi-year budget concept is to provide approval for three years at a time thereby significantly reducing the amount of time Council and the Administration are required to devote to capital budgeting (starting





in March 2006 with the interim process, and to June 2008 with the final, completed 3-year process);

- Project #2B Mature Direction Setting – In a mature state, Council direction setting for capital will consist of a capital vision, guidelines, strategies and priorities, approved criteria and key Council projects. (November 2006 to March 2008); and
- Project #7 Ranking Criteria - Ranking criteria are necessary to ensure that key capital projects are given approval during periods of capital rationing. Reviewing ranking criteria every three years during the Council led Direction Setting Phase would provide an opportunity to align project approvals with current Council strategies and priorities. (March 2007 to March 2008).

### Additional Phases/Work

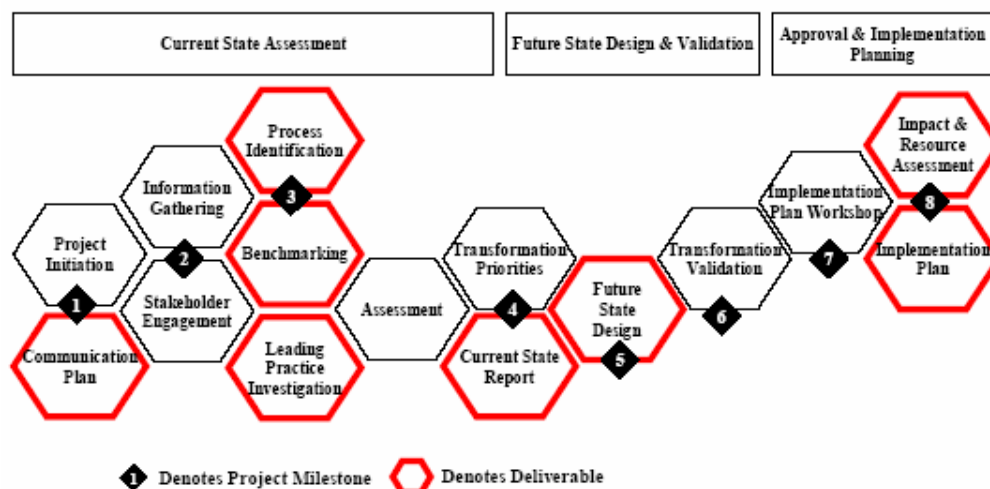
The 2 concepts or additional projects under review by Administration are: Contingencies and Independent Oversight. They have yet to be included in the planned implementation activities and are expected to be incorporated into the phases as decisions are made. Some progress has been achieved with respect to contingencies, i.e. on May 26 and July 18, 2006, City Council set aside a pool of contingency funds for the Capital Budget. Accountability is a critical aspect of process and cultural change throughout the corporation. While not specifically a recommendation for this project, accountability will be dealt with corporately and by project for reporting performance.

The Capital Budget Process Review project represents a transformational change to the City organization, not only in how budgets are developed for the organization, but also how departments formulate their plans, set their direction and measure their successes. Effective management of the change process will be critical to the success of this project.

### Implementation

All of the Phase 1 projects have been completed as of the writing of this document. The project plans for each of the Phase 2 and 3 projects have not yet been completed but estimated timelines for start, end and basic task steps have all been identified and are included in the overall project completion timeline view.

### Approach - Capital Process Review





# Capital Planning Process



## Overview

The Capital Priorities Plan and Budget represents the capital expenditure requirements needed to support the provision of cost effective services to the citizens of Edmonton. It also balances the need for new and enhanced infrastructure versus rehabilitation of existing infrastructure.

In conjunction with a Long Range Financial Plan (LRFP) which extends over a ten year time frame, a five year Capital Priorities Plan (CPP) is developed and updated annually. Within these plans, financing sources are matched to the capital expenditures which provide for the acquisition, construction, renovation, rehabilitation or replacement of tangible assets with a life expectancy over several fiscal periods. Capital expenditures may include related costs for land acquisitions, land improvements, design, studies and engineering.

The capital planning and budgeting process is performed in accordance with the Debt Management Fiscal Policy, which establishes guidelines for the use of long-term debt for tax-supported and utility capital expenditures. Also integral to the CPP is City Council's adopted Infrastructure Strategy, the 2006-08 Corporate Business Plan plus various other key strategic and planning documents.

## Challenges

Edmonton continues to deal with municipal infrastructure shortfalls as there is a lack of revenues to meet its identified needs. In 2005, both the Provincial and Federal government provided core infrastructure grants to the City. These grants fund some of the City's immediate capital requirements but there are increased demands for municipal services as a result of growth and Alberta's white hot economy. Ongoing challenges include:

- Net migration of labour to work in the thriving economy, namely the oil and gas industry.
- Difficulties to accurately estimate the tender submissions due to the highly competitive construction market for the limited number of qualified contractors.
- Escalating construction costs and uncertainty of prices over the next three years are reducing the City's buying power.
- Global demand for major construction materials such as concrete and steel.
- Continued geopolitical tensions and large climatic events that could disrupt oil supplies further and fuel volatility in world energy markets. This drives up the price of fuel and of all materials, especially in Alberta's booming construction industry that manufactures and delivers these materials.



# Capital Planning Process



## Allocations of Funding

The 2007-2011 five-year Capital Priorities Plan builds on the previous year's approvals and incorporates:

- recommendations from the capital process review of multi-year approvals for recurring capital “composite” programs such as mature collector road rehabilitation, bridge rehabilitation, street lighting rehabilitation, public works roadways operation buildings, neighbourhood district park rehabilitation, etc. The two year budget request for 2007-2008 is the phasing in of the three-year budget to correspond with the term of an elected Council. Refer to the Capital Process Review section for details on all the recommendations and implementation.
- continued provincial funding from the Alberta Municipal Infrastructure Program (AMIP); a 10-year program that commenced in 2005 to assist municipalities in addressing their core infrastructure backlog and longer term infrastructure requirements. Edmonton has received two payments of \$135.5 million in 2005 and 2006 of the \$678 million to be provided over a five year period. Any interest generated from the grant funds are to be applied back to approved AMIP projects.
- \$108 million of federal gas tax funding over a five year period continues to be a designated source of debt financing for the SLRT to Heritage project. The purpose of the federal gas tax program is to improve the quality, efficiency, effectiveness and sustainability of environmental municipal infrastructure relating to cleaner air, cleaner water and the reduction of green house gas emissions.
- conclusion of the \$250 million five year program of tax-supported borrowing with the 2007 borrowing of \$50 million. For 2007, there are \$31.1 million of new approvals and \$18.9 million of funds approved in 2006 for funded projects with cost and scope increases.
- \$17.6 million of additional general financing from new and existing sources. These additional funds are the result of rate and timing differences in the 2003-2006 tax-supported debt program, timing differences related to the 3/4% tax increase and the proposed borrowings in the 2007 tax-supported program, existing funds released back to the general financing pool and cash flowing of the new funds over different time periods than the available funds.
- \$15.1 million of one time reserve funding from the Financial Stabilization Reserve (\$11.9M) and the Tax-Supported Debt Reserve (\$3.2M). The funding from the Financial Stabilization Reserve is the remaining portion of the 2005 surplus allocated by Council as a capital contingency fund.



# Capital Planning Process



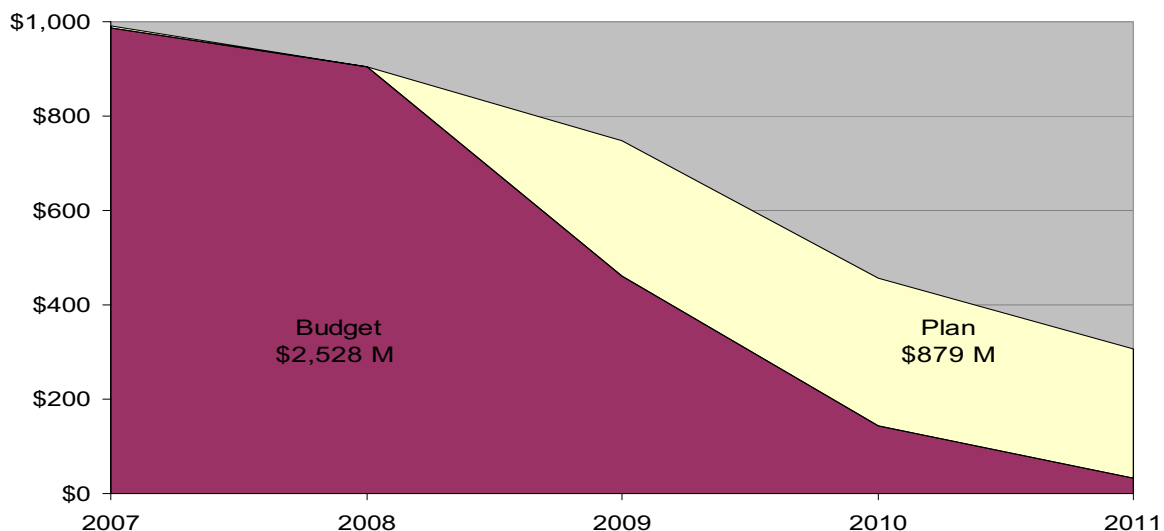
## Approving the Budget and Plan

This year, City Council approved a capital budget comprised of multi-year approvals. This approval is one of the core transitional elements of multi-year capital budgeting recommended in the capital process review.

The five-year capital plan illustrated below includes \$3.406 billion in capital expenditures and is separated into two distinct categories: capital budget \$2,528 million of projects with authority to spend; and funding earmarked for future projects forming the planned amounts of \$879 million.

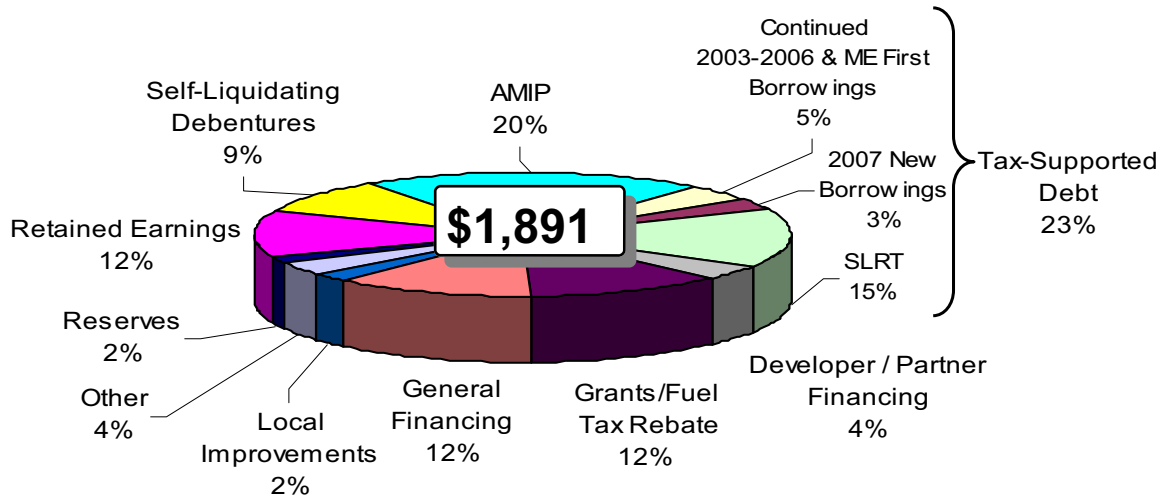
It is important to recognize that including a capital project in the five-year plan does not necessarily give programs the authority to spend money on a project. It is the approval of the **capital budget** that provides the authority to spend. Capital budgets can be approved beyond 2007 for more than one year to accommodate projects with multi-year construction. Once a project is given capital budget approval, its expenditure authority is retained until it is completed, deleted or changed through a budget adjustment. Funding earmarked for future projects simply means that over the five years these projects are likely to be financed through available resources. These projects will need to be brought back through future budgets to request capital budget approval. The following table provides a breakdown of this year's capital budget and funding earmarked for future projects. ***The "Capital Tables" tab includes the full budget and plan amount of \$1.896 billion for 2007 and 2008. Earmarked projects for 2007-08 relate to projects that Council has requested funding from the Ed Tel Endowment Fund dividends when they become known and available in the first quarter of 2007.***

Capital Budget & Plan (\$000s)	2007-08	2009-11	Total
Previously Approved Projects with no changes	\$557,279	\$190,683	\$747,962
Previously Approved Projects with changes	608,753	379,081	987,834
New Funding Requests	724,994	67,078	792,072
<b>Proposed 2007-11 Capital Budget and Plan</b>	<b>1,891,026</b>	<b>636,842</b>	<b>2,527,868</b>
<b>Funding Earmarked for Future Projects</b>	<b>4,858</b>	<b>873,725</b>	<b>878,583</b>
<b>Total 2007-11 Funded Capital Plan</b>	<b>\$ 1,895,884</b>	<b>\$1,510,567</b>	<b>\$ 3,406,451</b>





## 2007-08 Sources of Capital Funds



**General Financing: \$232 M** Represents funding from the annual tax levy base, and is commonly referred to as Pay-As-You-Go financing. Pay-As-You-Go is budgeted within the operating budget to finance tax-supported capital expenditures.

additional \$71 M to continue projects approved in 2003 through 2006. There also exists special borrowings of \$287 M for the South LRT, \$12 M for the Energy Management Retrofit Program (ME First) and \$3 M for the Federal Green Municipal Fund.

**AMIP: \$394 M** Represents grant funding from the Province of Alberta for core infrastructure strictly defined as municipal roads, bridges, public transit vehicles and facilities, water and waste water systems and facilities, storm drainage systems and facilities, emergency service vehicles and facilities and infrastructure management systems.

**Self-liquidating Debentures: \$167 M** Long-term borrowings for self-supported operations. Primarily Debentures for Drainage Services (\$122 M), Waste Management (\$38 M) and (\$7 M) for the Bio-technology Centre.

**Grants: \$227 M** Funding of \$163 M primarily from Provincial Fuel Tax Rebate (5¢/litre), Federal Gas Tax (\$55 M), other grants for the Library, Edmonton Economic Development Corporation and Waste Management.

**Other Financing: \$67 M** Funding primarily from Sanitary Service Strategy Fund (\$49 M), Reserves (\$4 M), Corporate Services Citizen Telephone Access \$7 M, and Waste Management user fees (\$11 M).

**Retained Earnings: \$234 M** Three key sources of earnings reinvested in core operations: City Mobile Equipment Equity (\$65 M); Land Fund Equity for land development (\$115 M); Utilities (\$54 M).

**Developer/Partner Financing: \$75 M** Includes funding from Developers and Partners in financing buildings, sewers, parks, recreation facilities, roads and social housing.

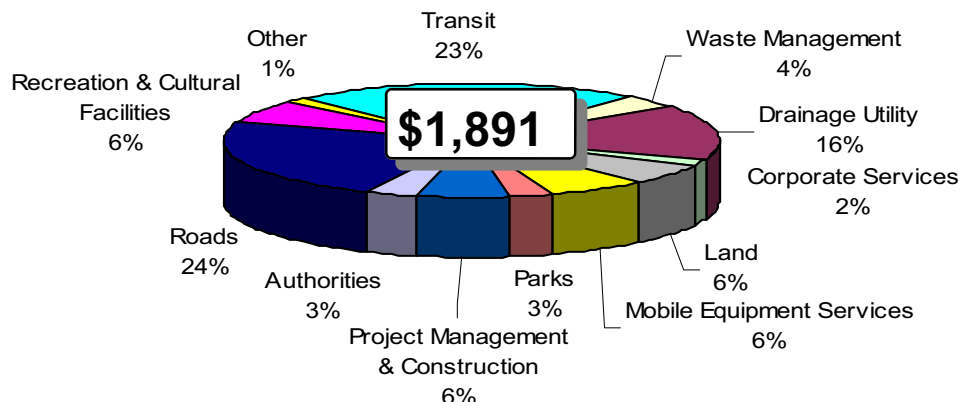
**Tax-Supported Debt: \$423 M** Represents debt that has been issued for capital expenditures related to tax-supported operations. For 2007, includes \$50 M of additional borrowing with \$31 M for proposed projects and \$19 M of the 2007 program approved in 2006. Included are an

**Local Improvements: \$40 M** Funding primarily from special tax levies used for funding Roads, and Drainage improvements.

**Reserves: \$32 M** Represents funds specifically set aside by Council to finance future capital expenditures. In 2007-08, funding is primarily from the Financial Stabilization Reserve (\$16 M), Tax Supported Debt Reserve (\$2 M), Parks Reserves (\$11 M) and Enterprise Reserves (\$3 M).



## 2007-08 Use of Capital Funds



*The approved capital budget allocations in the above graph are for 2007-08.*

**Roads: \$446 M** This program provides for arterial roads/primary highway rehabilitation, collector rehabilitations, mature neighbourhood rehabilitation, traffic and street safety/lighting, intelligent transportation systems, planning studies, streetscapes and major interchange construction.

**Mobile Equipment Services: \$120 M** This program provides for the replacement and refurbishment of transit buses, includes replacement and growth of municipal vehicle fleets, fire and ambulance fleets, and waste vehicles. Fire apparatus, tools and equipment for each of the fleets as well as the replacement of fuel storage tanks are also funded in this program.

**Corporate Services: \$36 M** This program provides technology infrastructure on a city wide basis. This includes system hardware and software, mobile data communications and telephone system replacements.

**Transit: \$437 M** This program provides for all LRT facilities, equipment and systems construction and rehabilitation. It also includes Bus Rapid Transit studies and systems as well as transit growth vehicles.

**Parks: \$53 M** This program includes parkland assembly, public open space development and construction, and the preservation of natural and

environmentally sensitive areas. Neighborhood park development is completed in conjunction with the development of new neighbourhoods.

**Waste Management: \$71 M** This program includes the upgrading of the waste facilities, infrastructure and physical environment at the Edmonton Waste Management Centre. Also includes development of leading-edge combustion technology, the closure of landfill sites and siting of new landfill locations.

**Recreation & Cultural Facilities: \$113 M** This program provides for the development, management and preservation of recreational and cultural facilities for both Community Facilities and Enterprise Facilities. Included are major renovations for community leisure centres, arenas, and outdoor pools. A major growth item is the construction of a multi-purpose recreation centre.

**Project Mgmt & Construction: \$116 M** This program provides design, construction and project management services for corporate buildings and building systems. It includes construction of a new transit garage, fire and EMS stations and ERD training facilities. Other major projects include rehabilitation projects for city facilities related to emergency response, recreational, various city buildings and transit garages.

**Land: \$116 M** Included in this program is the development of new commercial/industrial areas



## 2007-08 Use of Capital Funds



and land acquisitions to replenish the City's inventory of residential and industrial development lands.

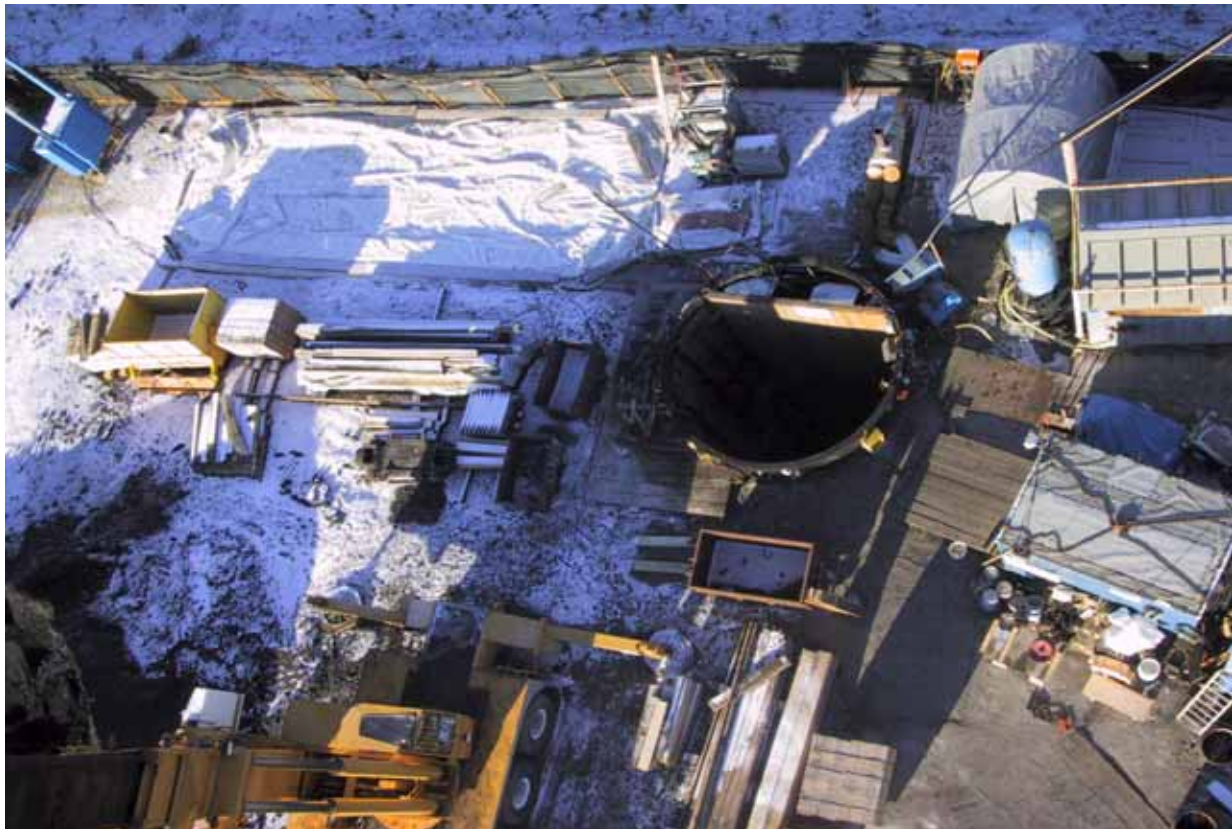
### **Authorities (Edmonton Economic Development , Police, Public Library):**

**\$63 M** These programs provide for the construction and rehabilitation of library and police facilities as well as upgrades to the Shaw Conference Centre and the Edmonton Research Park. Other projects are related to technology upgrades for various IT, communication and customer service applications.

**Drainage Utility: \$294 M** This program provides for the collection and treatment of wastewater and storm water to residential,

industrial, commercial and institutional customers. Includes system improvements and new infrastructure for flood prevention, storm water and sewer systems as well as water treatment facilities.

**Other: \$26 M** Includes the following programs: Planning & Development (\$10 M), Emergency Communications & Resources (\$2 M), Social Recreation & Cultural Facilities (\$5 M), Office of the City Clerk (\$1), Energy Environment & Natural Areas (\$2 M) and Housing (\$6 M). These programs provide for streetscape upgrades, fire fighting equipment, emergency response communications, hardware/software applications, sporting event facilities and affordable housing initiatives.



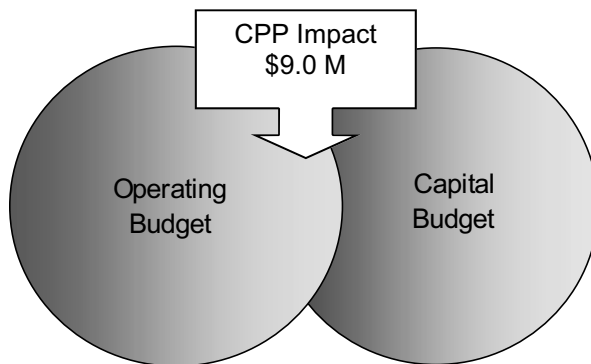
(SESS Tunnel stage SW 2 & 3)



## Relationships Between Operating and Capital Budgets



### Financial Impact



(Stanley Milner Library)

Capital projects can result in operational savings or increased annual operating costs. For the purposes of preparing the 2007 operating budget, City Departments have identified service packages that correspond to the proposed capital budget. As the diagram above indicates, the proposed capital expenditures have a net impact (increased costs less operational savings) of \$11 M on the proposed 2007 operating budget.

This amount consists of both composite (recurring projects) or single non-routine capital projects, and a summary table is provided below by City Department.

Following the summarized table is a detailed table of operating impacts by project. Non-routine projects that do not recur on an ongoing basis (i.e. SLRT extension) are footnoted.

(Further detail about operating budget impacts is provided in each project profile in Volume 3)

Department	Additional Personnel	Additional Maintenance	Other Operating Impacts	Total (000's)
Asset Management and Public Works	\$ -	\$ 211	\$ 54	\$ 265
Community Services	1,692	-	117	1,809
Corporate Services	560	795	150	1,505
Drainage Services	179	1,464	-	1,643
Edmonton Police Services	205	2,390	-	2,595
Transportation	845	343	-	1,188
	\$ 3,481	\$ 5,203	\$ 321	\$ 9,005



# Relationships Between Operating and Capital Budgets



Proposed table of operating impacts by program area over the five year CPP (in thousands):

Project Number	Project Name	2007	2008	2009	2010	2011	Total
<b>AMPW - Drainage Services</b>							
02-23-3310	CSO Enhanced Primary Treatment	757	55	270	-	-	1,082
06-23-3119	Tertiary Treatment Phase 2	845	24	-	-	358	1,227
07-23-9501	Gold Bar - Rehabilitation	-	-	250	-	-	250
00-23-9609	Gold Bar - Upgrading	41	212	470	-	-	723
07-31-9703	Sewer Systems Upgrading	-	50	-	-	-	50
		1,643	341	990	-	358	3,332
<b>AMPW - Project Management and Construction</b>							
04-75-2503	Kinsmen Aqua.Ctr HVAC Replacement	-	240	-	-	-	240
06-75-2506	Bill Hunter Arena Upgrade -Phase 1	-	103	-	-	-	103
07-75-2508	Recreational Facilities Rehab/Upgrade	-	187	140	-	-	327
06-75-2515	Queen Elizabeth Pool Redevelopment	-	150	-	-	-	150
07-75-3241	Replace Aging Roadway Yard Buildings	-	-	-	193	-	193
05-75-3280	Corporate Data Centre Facility	-	167	-	-	-	167
07-75-4106	Bus Garage Ventilation System-Mitchell	-	125	-	-	-	125
07-75-5164	ERD/Police Driver Training Track	-	12	-	-	-	12
07-75-5170	Fire Vehicle Storage Facility	-	103	-	-	-	103
04-75-5176	Fire Stations(New & Repl) Belle R & # 10	15	99	-	-	-	114
05-75-5179	Replace aging Fire Stations (#5&#11)	-	334	-	-	-	334
04-75-5180	EMS Stations	-	142	-	-	-	142
07-75-5185	EMS - East Central & South Stations	-	63	90	-	-	153
05-75-5186	South Central EMS Post Station	39	-	-	-	-	39
*07-75-5190	Heritage Valley Fire Station	-	-	2,486	447	-	2,933
05-75-5500	EMRF-2004 ME First Energy Effic Upgrades	-	(70)	-	-	-	(70)
07-75-5501	EMRF-Mechanical,Elect.&Envelope Upgrade	-	(70)	(425)	-	-	(495)
		54	1,585	2,291	640	-	4,570
<b>AMPW - Parks</b>							
06-21-4059	Clareview Campus-Minimum Park Development	-	-	-	29	-	29
05-21-4150	Hawrelak Statue Donation	1	-	-	-	-	1
06-21-5214	Neighbourhood/District Park Development	122	-	-	-	-	122
05-21-5252	Replacement of Drought Damaged Trees	-	8	8	8	-	24
07-28-0003	School Site Servicing	2	2	2	3	3	12
07-28-0079	N.P.D.P. Phase I & II	30	30	30	30	30	150
07-28-5210	Neighbourhood/District Park Development	-	20	106	80	-	206
07-28-5240	Tree Planting/RV Naturalization	6	6	6	8	8	34
07-28-5381	Parks Rehabilitation/Redevelopment	-	171	-	-	-	171
07-28-5390	Natural Areas Acquisition & Conservation	50	40	26	26	26	168
		211	277	178	184	67	917
<b>Community Services - Recreation &amp; Cultural Facilities</b>							
10-21-4220	Milcreek Outdoor Pool Redevel/ehab	-	-	-	-	40	40
07-21-4221	Fred Broadstock Pool Redevelopment	-	35	40	-	-	75
*05-21-5670	Southwest Multi-Purp Recreation Facility	294	801	63	(400)	(600)	158
07-21-5771	Recreation Facility Safety and Security	15	15	15	-	-	45
		309	851	118	(400)	(560)	318
<b>Community Services - Social Rec. &amp; Cultural Services</b>							
07-21-5610	Computer Application/Hdwr Replacement	-	50	-	-	-	50
		-	50	-	-	-	50
<b>Community Services - Fire Rescue</b>							
07-70-0012	Computer Systems / Hardware	-	25	-	-	-	25
*07-75-5167	Meadows Fire Station	1,500	3,160	-	-	-	4,660
		1,500	3,185	-	-	-	4,685

\* Denotes single non-routine projects



# Relationships Between Operating and Capital Budgets



Proposed table of operating impacts by program area over the five year CPP continued (in thousands):

Project Number	Project Name	2007	2008	2009	2010	2011	Total
<b>Corporate Services</b>							
02-18-0005	E-Business	-	300	100	150	150	700
05-18-0400	Edmonton Cemetary Commemoration	60	-	-	-	-	60
06-18-0402	Mobile Raidd Wireless Equip Replacement	-	-	-	-	(50)	(50)
*06-18-0404	Citizen Telephone Access 311	-	(500)	(750)	(1,000)	-	(2,250)
07-18-0406	Business Process Management (ERP)	-	243	-	-	-	243
*07-18-0507	Asset Accounting Implementation	500	62	(275)	-	-	287
		560	105	(925)	(850)	100	(1,010)
<b>Mobile Equipment Services</b>							
07-25-5919	Municipal Vehicle Growth	-	400	-	420	430	1,250
07-25-5975	Ambulances: Growth	80	40	40	45	45	250
04-25-5979	Fire Apparatus-Growth (Meadows & Heritage)	400	40	240	-	-	680
03-25-5980	Plan&Dev Animal Control Holding Vehicles	10	10	-	-	-	20
06-25-5986	T&S Roadways - Vehicles	150	150	-	-	-	300
06-25-5988	Waste Mgmt-Additional Collection Vehicle	200	150	-	-	-	350
04-25-5990	L&B Bldg Maint Trade Van	20	20	-	-	-	40
07-25-6006	Ambulance Paramedics Response Units	25	-	-	-	-	25
07-25-6007	Additional Vehicles Parkland Services	60	-	-	-	-	60
		945	810	280	465	475	2,975
<b>Planning &amp; Development</b>							
02-17-0036	Assessment Handheld Computers	-	46	46	46	48	186
		-	46	46	46	48	186
<b>Public Library</b>							
06-20-0002	North Branch Library Construction	-	372	387	15	15	789
05-20-0023	Strathcona Branch Renovations	-	2	2	2	2	8
04-20-0026	Public Library Self Service Checkout	-	299	6	6	6	317
05-20-0032	Lois Hole Branch Relocation	-	184	8	8	8	208
		-	857	403	31	31	1,322
<b>Roads</b>							
06-66-1488	Alberta Avenue Improvements	-	2	2	2	2	8
		-	2	2	2	2	8
<b>Transit</b>							
07-66-1680	Bus Fleet, Facilities & Equipment Growth	-	665	1,257	1,850	480	4,252
00-66-1681	Bus Fleet Growth	1,039	-	-	-	-	1,039
*05-66-1671	South LRT (Health Sciences - Heritage)	-	1,027	1,698	3,129	-	5,854
06-66-1291	ETS Radio System Replacement	25	25	25	-	-	75
07-66-1270	LRT Fleet, Facilities & Equipment Rehab	59	23	20	3	5	110
07-66-1240	Transit Safety Improvements	65	15	15	3	3	101
		1,188	1,755	3,015	4,985	488	11,431
<b>Police</b>							
02-60-1470	PROBE Revitalization	200	-	-	-	-	200
*07-60-1356	South West Division Station	-	-	300	450	-	750
06-60-1460	Police IT Systems - Projects	775	205	165	125	125	1,395
07-60-1433	Police IT Systems - Infrastructure	1,360	260	30	(80)	100	1,670
06-60-1357	Integrated Operational/Storage Facility	-	-	125	-	-	125
05-60-1420	Mobile Wireless Telecommunications	260	-	-	-	-	260
		2,595	465	620	495	225	4,400
<b>Total</b>		<b>\$ 9,005</b>	<b>\$ 10,329</b>	<b>\$ 7,018</b>	<b>\$ 5,598</b>	<b>\$ 1,234</b>	<b>\$ 33,184</b>

\* Denotes single non-routine projects



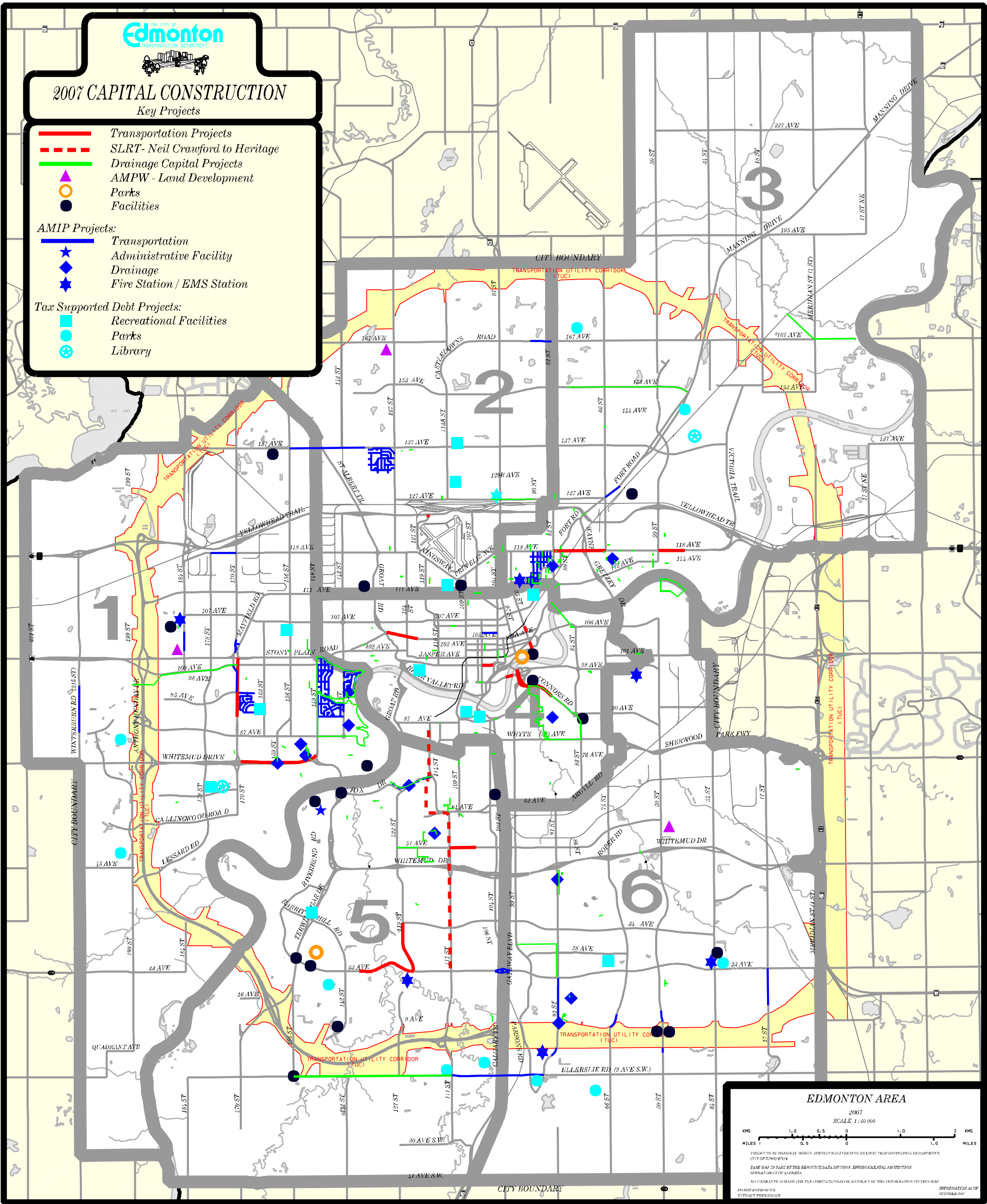


2007 CAPITAL CONSTRUCTION  
Key Projects

- Transportation Projects
- SLRT- Neil Crawford to Heritage
- Drainage Capital Projects
- AMPW - Land Development
- Parks
- Facilities

- AMIP Projects:
- Transportation
  - Administrative Facility
  - Drainage
  - Fire Station / EMS Station

- Tax Supported Debt Projects:
- Recreational Facilities
  - Parks
  - Library



EDMONTON AREA

2007

SCALE 1 : 50 000

0 1.0 2.0 KMS  
0 0.5 1.0 MILES

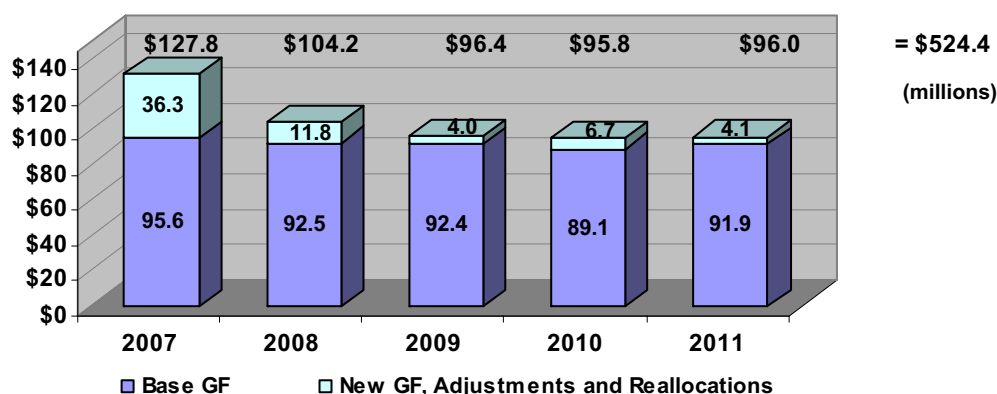
PREPARED BY: SHAWMUT ENGINEERING INC. (TRANSPORTATION DIVISION)  
CITY OF EDMONTON  
BASE MAP: DATA BY THE RESURVEY DATA DIVISION, ENVIRONMENTAL PROTECTION  
GOVERNMENT OF ALBERTA  
NO WARRANTY IS MADE FOR THE COMPLETION OR ACTUALITY OF THE INFORMATION ON THIS MAP  
DATE: OCTOBER 2007



# Allocating General Financing (GF)



## Available General Financing for Capital Expenditures



The following table provides detail on the \$524.4 million of general financing available in the 2007 to 2011 CPP. General financing decreases from 2007 to 2011 are the result of more certainty of cash flows related to borrowing amounts, terms and rates plus the elimination of one time allocations from 2006. A detailed list of the 2007 allocation of new GF is provided in the "Capital-Tables" tab included in this document. Included in the "Capital Tables" and the following detail is \$6.5 million of general financing in 2007 which should be reduced and redirected back to the operating fund. This \$6.5 million will be reduced during the first six months of 2007 as further information is received on capital projects costs, tenders and capacity for construction within Edmonton's vigorous economy.

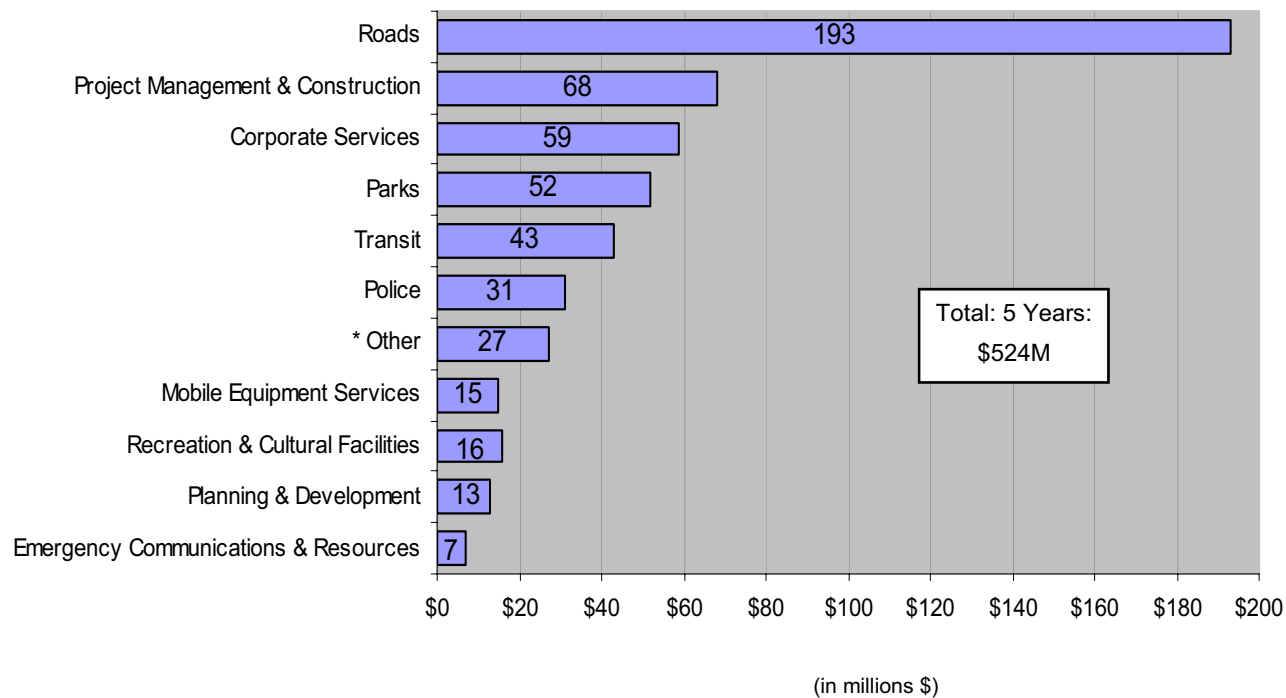
General Financing	2007	2008	2009	2010	2011	Total
<b>Base General Financing Available Allocated</b>	<b>\$ 95.6</b>	<b>\$ 92.5</b>	<b>\$ 92.4</b>	<b>\$ 89.1</b>	<b>\$ 91.9</b>	<b>\$461.5</b>
<b>New General Financing (GF)</b>						
<b><i>Tax-Supported Debt Program</i></b>						
- 2003-2006 Timing Differences and Lower Rates than Originally Projected for the Borrowings	8.8	3.3	1.5	1.3	1.3	16.2
- Previous allocation of 2003-06 Timing Differences in 2006-2010 Capital Priorities Plan	(5.0)	(2.7)	(2.7)	(2.7)	-	(13.1)
- 2007 3/4% Tax Increase Timing Differences	4.5	3.3	1.3	1.3	1.3	11.7
<b><i>Program Cash Flow Timing Differences</i></b>	<b>(0.1)</b>	<b>0.8</b>	<b>(0.3)</b>	<b>2.8</b>	<b>(2.6)</b>	<b>0.6</b>
<b><i>GF Released Back to Pool</i></b>	<b>0.4</b>	<b>0.1</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>0.6</b>
<b><i>One-Time Funding Approved by Council</i></b>	<b>4.1</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.2</b>
<b>New GF Available for Allocation (new and existing sources)</b>	<b>12.7</b>	<b>4.9</b>	<b>(0.1)</b>	<b>2.7</b>	<b>-</b>	<b>20.2</b>
<b>Budget Adjustments and Carry Forwards</b>	<b>20.0</b>	<b>3.1</b>	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>	<b>23.8</b>
<b>Other General Financing Base Re-Allocations</b>						<b>-</b>
- GST (2004) Released from Base for Reallocation	3.4	3.4	3.4	3.4	3.4	17.0
- Net Savings Technical Solutions Moved In-house	0.5	0.5	0.5	0.5	0.5	2.5
- Capacity Requirements (FTEs for Land & Buildings and Corporate Services Materials Management)	(0.3)	(0.1)	(0.1)	(0.1)	-	(0.6)
	<b>36.3</b>	<b>11.8</b>	<b>4.0</b>	<b>6.7</b>	<b>4.1</b>	<b>62.9</b>
<b>Total General Financing Available Allocated</b>	<b>\$ 131.9</b>	<b>\$ 104.3</b>	<b>\$ 96.4</b>	<b>\$ 95.8</b>	<b>\$ 96.0</b>	<b>\$524.4</b>



## Allocating General Financing (GF)



The following chart identifies how the available General Financing for the next five years, 2007 to 2011, was allocated to programs.



\*Other: Includes Office of the City Clerk, Public Library, Social Recreation & Cultural Services, Energy, Environment and Natural Resources, Land, Housing and Edmonton Economic Development Corporation.



(Prince of Whales Armory)



# Allocating General Financing (GF)



## Allocation Factors

General Financing represents pay-as-you-go funds generated through tax revenues and one-time funding set aside for capital expenditures. The administration considers the following elements in the application of

this funding source:

- Alignment with Council outcomes and priorities;
- Urgency of the project;
- Corporate criteria as it relates to the importance of the project and linkages to the corporate business plan categories;
- Service levels affected by the project in terms of efficiency and effectiveness.
- Significant cost increases on approved projects
- Emerging issues
- Financial opportunities (leveraging)
- Staging and grouping of complementary capital projects
- Project coordination (cash flowing to expedite projects)
- Balancing rehabilitation of existing infrastructure with growth pressures



(Stanley Milner Library—South Plaza Membrane Replacement)

## Allocation Process

As a starting point, a core level of funding is provided to Programs based on the previous years' approved five-year capital plan.

- In 2007-08, \$17.6 million in new GF funding was allocated to priority capital projects.
- For the 2007-11 CPP, allocations of GF to projects was categorized and prioritized as follows:
  1. Cost Escalations
  2. Council Commitments/Legal/Regulatory Obligations
  3. Maintain Existing Asset Base
  4. Critical Projects
  5. Growth/Service Levels
- The first category was the highest priority for funding. The same process was applied to one time capital contingency funding of \$ 15.1 million from the Financial Stabilization Reserve (\$11.9M) and the Tax-Supported Debt Reserve (\$3.2M). Refer to the "Capital-Tables" tab included in this document for the allocations between GF and reserves in 2007-08.
- For 2007-11, preliminary funding allocations have been made to a number of projects that will be brought back to City Council for consideration in future budgets.



# Debt Limit Calculations



## Debt Servicing Threshold

Currently, the City's financial position is strong as supported by the ratings provided by bond rating agencies (refer to the "Bond Ratings" section).

The City's future position remains positive even with the issuance of tax-supported debt for the South Light Rail Transit extension. As of 2007, the five-year borrowing program of \$50 million per year concludes and a review of the Debt Management Fiscal Policy will be undertaken by the City's Finance Branch.

Key financial benchmarks used by the City of Edmonton include: limits established by the Municipal Government Act and regulations; and Internal Municipal limits targeted at all City debt and tax-supported debt.

## Provincial Regulation - Debt Limit

The Provincial government has passed regulations under Section 271 of the *Municipal Government Act* that limit the amount of debt for municipalities. For the City of Edmonton, the Regulation sets the debt limit at two times revenue net of capital government transfers or \$2,721 million as at December 31, 2005. Total debt at December 31, 2005, as calculated per Regulation, is \$473 million or 17% of the debt limit.

## Internal Municipal Limits

The upper limit on the City's 2005 debt servicing is set at 0.35 times the 2005 revenues net of capital government transfers or \$476 million. The City's debt servicing as defined by the Regulation is \$56 million or 12% of maximum debt servicing.

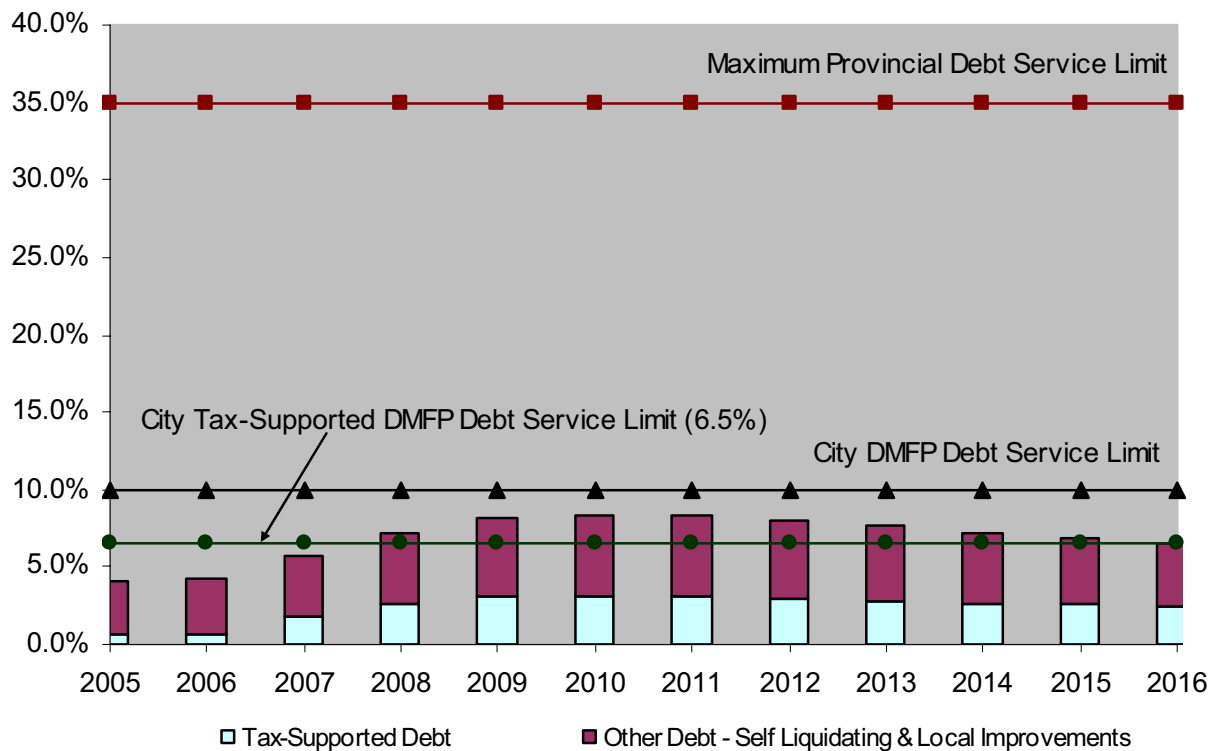
In addition to Provincial regulation, the City has established limits on the level of debt service costs compared to City revenues. Two limits have been established in the Debt Management Fiscal Policy (DMFP): one at 10% of all City Revenues for all City debt (excluding EPCOR debt), and, a second in the amount of 6.5% of Tax Levy revenues for tax-supported debt.



# Debt Limit Calculations



The following chart illustrates the debt servicing for the city's approved and proposed borrowing over the next 5 years. Debt service costs will be maintained within the city's overall debt service threshold.



(South East Division Police Station)



## Bond Ratings



### Standard & Poors (S&P)

S&P has assigned the City a rating of AA+ with a positive credit rating outlook.

*The positive outlook reflects the expectation that debt issuance in the next three years will not exceed our current forecasts. Standard & Poor's expects cash and investment balances to remain steady at 2005 levels or increase modestly, and operating surpluses should remain robust. We expect the local economy to continue to produce strong results, and the taxable assessment base and revenues should continue to grow in response.*

Standard and Poors, October 4, 2006

The outlook is upgraded to "positive" due to:

- strong and increasing cash and investment balances;
- long-term record of superior results from the local economy;
- robust long-term operating and after-capital financial results;
- low own-purpose debt burden; and
- significant new funding from the province and the federal government.

### Dominion Bond Rating Service (DBRS)

DBRS has assigned a rating of AA (high) to the City of Edmonton's long term debt. DBRS noted several strengths leading to the rating. A low level of tax-supported debt, consistently good fiscal management and results, relatively light property tax rate and user fee burden, strong liquidity position and solid economic fundamentals including a highly educated workforce, a competitive provincial tax regime, low unemployment, and a growing population. DBRS has assigned a short-term debt rating to the City of Edmonton of R1 (high). This is the highest short term debt rating available. (DBSR - February 20, 2006)



(Strathcona Library Main Entrance)



# Tax-Supported Borrowing



## City Council Direction

On October 15, 2002, City Council approved a revised Debt Management Fiscal Policy (DMFP) which allows the City to use tax-supported debt as one financial tool to finance large capital expenditures. This funding tool is helping to deal with growth pressures and some of the back log of aging infrastructure rehabilitation work. On an annual basis, City Council can approve up to \$50 million in large priority capital projects for potential use of tax-supported debt. From 2003 to 2006, Council approved \$200 million in tax-supported debt projects. A review of the tax-supported borrowing program and the existing Debt Management Fiscal Policy will be undertaken in 2007.

### Criteria for Selecting Projects

As part of the DMFP, the following principles/guidelines were used in selecting projects for tax-supported debt financing:

- Projects must be large dollar value – in the range of \$10 million
- Have a minimum asset life of 15 years
- Projects support priorities of approved plans
- Projects provide demonstrable benefit (quantitative and qualitative) to the City in terms of:
  - ♥ Safety and public health
  - ♥ Economic growth
  - ♥ Quality of service
  - ♥ Quality of life and attractiveness of the City
  - ♥ Environmental
  - ♥ Maximizing use of partnership funding

Other elements used for the selection of tax-supported projects are:

- Alignment with Council outcomes and priorities;
- Urgency of the project;
- Corporate criteria as it relates to the importance of the project and linkages to the corporate business plan categories; and
- Service levels affected by the project in terms of efficiency and effectiveness; and
- Significant cost increases on approved projects.

*Too little debt can severely restrict the funds available for financing infrastructure, while too much debt is fiscally unsustainable over the long-term. Prudence requires finding the mid-point.*

***New Tools for New Times:  
A Sourcebook for the Financing, Funding and Delivery of Urban Infrastructure.  
By Casey Vander Ploeg, Canada West Foundation, 2006***



# Tax-Supported Borrowing Projects



## Approved Projects

### 2007 Capital Projects Approved for Funding :

### Tax-Supported Debt

(in millions)

### Staging of Construction

#### **Approved Borrowing Authority in 2007:**

Neighbourhood/District Park Development*	\$ 8,238	2007 - 2009
Recreation Facilities Rehabilitation/Upgrade	11,849	2007 - 2008
North Branch Library Construction	5,560	2007 - 2008
Fred Broadstock Pool Redevelopment	5,478	2007 - 2009
	<b>\$ 31,125</b>	

#### **Previously Approved Supplementary Borrowing for 2007:**

Southwest Multi-Purpose Recreation Facility	\$ 16,200	2006 - 2009
Lois Hole Branch Renovations	2,675	2005 - 2007
	<b>\$ 18,875</b>	

<b>Total Borrowing</b>	<b>\$ 50,000</b>
------------------------	------------------

The 2007 approved borrowings and the approved supplementary borrowing for existing projects concludes the City's five year borrowing program of \$250 million. The approved projects for borrowing and the Southwest Multi-Purpose Facility impacts the tax-payer in 2007. The additional borrowing for the Library is funded from the 2006 tax levy collected for debt servicing of tax-supported debt. \*Denotes that the project is part of a larger continuing project from 2003-2006.

## Description of Proposed Projects

**Neighbourhood/ District Park** - This project is the base level development of several neighbourhood and district park sites in newer areas of the City. Includes sites in the Hamptons, Potter Greens, Ebbers, Schonsee, Callaghan, MacEwan, Terwillegar Towne, Summerside and Silver Berry.

**Recreation Facilities Rehabilitation/Upgrade** - Major rehabilitation work to leisure centres and arenas to replace aging equipment, facilities and improve service to the public. Includes Grand Trunk Leisure Centre, Peter Hemingway Leisure Centre, Callingwood Arena and the Victoria Golf Course Maintenance Building.

**North Branch Library Construction** - This project includes design costs for a new standalone branch to be built in Clairview. The branch will be a 15,000 square foot stand alone medium sized community branch and will comply with the City's accessibility policy.

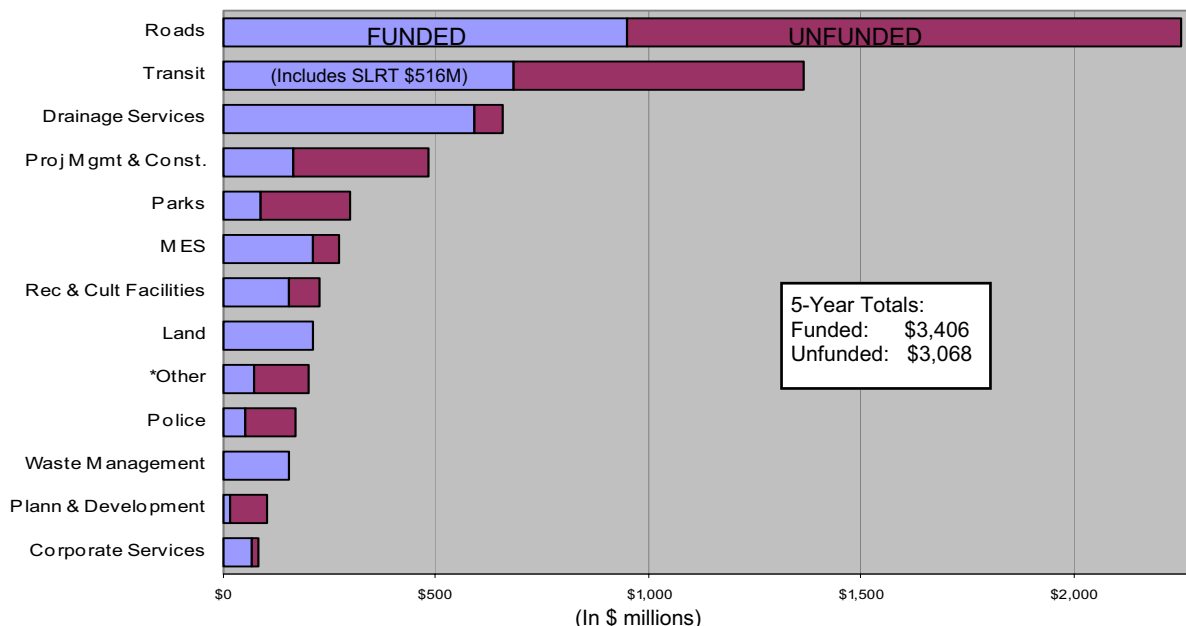
**Fred Broadstock Pool Redevelopment** - Fred Broadstock Outdoor Swimming Pool's infrastructure system has exceeded it's expected life cycle and is in need of redevelopment. The redevelopment will upgrade the facility to meet current pool standards and client expectations.



# 5 Year Plan at a Glance



## 2007-11 Funded and Unfunded Plans



(\*Other: includes Office of the City Clerk, Housing, Emergency Response, Public Library, Edmonton Economic Development Corporation and Social Recreation & Cultural Services)

## Funded Plan Highlights

**Roads \$952 M:** Arterial Roads \$230M, Mature Neighbourhood Rehab \$206M, Collector & Local Roads \$12M,

Environmental/Slide Repair \$26M, Local Improvements \$26M, 23 Ave. & Gateway Interchange \$105M, Anthony Henday \$16M, Strategic Roads \$270M, Traffic Control and Street Lighting \$58M, Mapping and Yards Rehabilitation \$3M.

**Transit \$683 M:** South LRT \$516M, LRT Systems & Facilities \$19M, Bus Systems & Facilities \$40M, Bus Fleet (Growth) \$32M, Computer System Replacement/Development \$3M, High Speed Transit \$73M.

**Drainage Services \$590 M:** Mature Neighbourhood Rehab \$67M, Sanitary System \$266M, Flood Prevention \$53M, Storm System \$82M, Wastewater Treatment Facilities \$116M, Combined System \$6M.

**Project Management & Construction \$162 M:** Attractions \$7M, Recreation Facilities \$64M, Emergency Response Facilities \$36M, Office Buildings \$14M, Public Works Buildings \$35M, Contaminated Land Reclamation \$6M.

**Parks \$89 M:** Horticulture \$6M, Park Access \$14M, Park Furniture \$12M, Park System Inventory \$40M, Sports fields \$4M, Playgrounds \$13M.

**Mobile Equipment Services \$210 M:** Transit Vehicle Fleet Replacement \$45M, City Vehicle Fleet \$125M, Fire and Ambulance Fleet Replacement \$24M, Fleet Shop Equipment \$16M.



## 5 Year Plan at a Glance



### Funded Plan (Cont.)

**Recreational & Cultural Facilities \$154 M:** South West Multi-purpose Facility \$87M, Fort Edmonton Improvements \$8M, Major Attractions \$25M, Sport & Fitness Facilities \$3M, Community Partnerships \$16, Outdoor Pools \$10, Leisure Centres \$5M.

**Land \$214 M:** Meadows Lot Development \$45M, Land Development \$165M, Contaminated Land Reclamation \$4M.

**Other \$67 M:** Research Park Facilities \$12M, Fire Fighting Equipment/IT Initiatives \$2M, Emergency Communication Systems \$5M, Business Process Management \$2M, Partnership Housing \$9M, Service Delivery Applications \$3M, Libraries \$20M, Shaw Conference Centre \$2M, Multi Sport Facilities \$10M, Technology Equipment \$2M.

**Police \$51 M:** South West Div. Station \$20M, Technology Equipment \$23M, Facilities/Equipment \$8M.

**Waste Management \$154 M:** South West ECO Station \$7M, Waste Management Centre Infrastructure \$25M, Transfer Station \$29M, Gasification Facility/System \$93M.

**Planning & Development \$15 M:** Jasper East \$7M, Animal Control Facility \$5M, Assessment/Planning Related Technology Equipment \$2M, Streetscapes \$1M.

**Corporate Services \$65 M:** Business Process Management \$5M, Service Delivery Business Applications \$19M, Technology Infrastructure Enhancement \$3M, Technology Infrastructure Sustainment \$38M.



(Composter and Material Recycling Facilities at Clover Bar Land Fill)



## 5 Year Plan at a Glance



### Unfunded Plan Highlights

**Roads \$1,300 M:** Arterial Roads \$359M, Collector & Local Roads \$366M, Environmental/Slide Repair \$7M, Local Improvement Roads \$2M, Strategic Roads \$476M, Interchanges & Ring Roads \$19M, Control & Safety / Street lighting \$71M.

**Transit \$683 M:** Bus Systems & Facilities \$115M, LRT Systems & Facilities \$141M, Bus Fleet Growth \$183M, High Speed Transit \$244M.

**Drainage Services \$68 M:** Storm System \$53M, Sanitary System \$9M, Waste Water Treatment \$6M.

**Project Management & Construction \$322 M:** Attractions \$21M, Recreational Facilities \$42M, Office/Public Works Building Rehabilitations \$221M, Emergency Response Facilities \$38M.

**Parks \$207 M:** Pavilions & Gazebos \$4M, Golf Courses \$2M, Horticulture \$7M, Parks Access \$70M, Park System Inventory \$114M, Playgrounds \$1M, Sports Fields & Fixtures \$6M, Park Furniture \$3M.



(Waste Management Collection Vehicle )

**Mobile Equipment Services \$62 M:** Public Works Operations \$5M, Fleet Shop Equipment \$2M, Transit Vehicle Fleet Replacement \$47M, City Vehicle Fleet \$8M.

**Recreational & Cultural Facilities \$70M:** Attractions \$9M, Community Partnerships (Senior Centres) \$43M, Sports & Fitness Facilities \$15M, Pavilions \$3M.

**Police \$120 M:** Police Buildings \$82M, Police Equipment \$8M, Police Communication Equipment \$17M,

Police IT Technology Equipment \$13M.

**Planning & Development \$88 M:** Jasper East \$57M, Heritage Building Preservation \$2M, Streetscapes \$27M, Urban Design \$2M.

**Corporate Services \$17 M:** Service Delivery Business Applications \$6M, Technology Infrastructure Sustainment \$2M, Business process management \$9M.

**Other \$131 M:** Office of the City Clerk– Service Delivery Business Application Equipment \$4M, Affordable Housing \$11M, Social Recreation & Cultural Service \$49M, Shaw Conference Centre Upgrades \$14M, Edmonton Research Park Facility Upgrades \$2M, Library Buildings \$47M, Emergency Comm. & Resources Information Technology Systems \$2M, Environment and Natural Areas– PacMan \$2M.



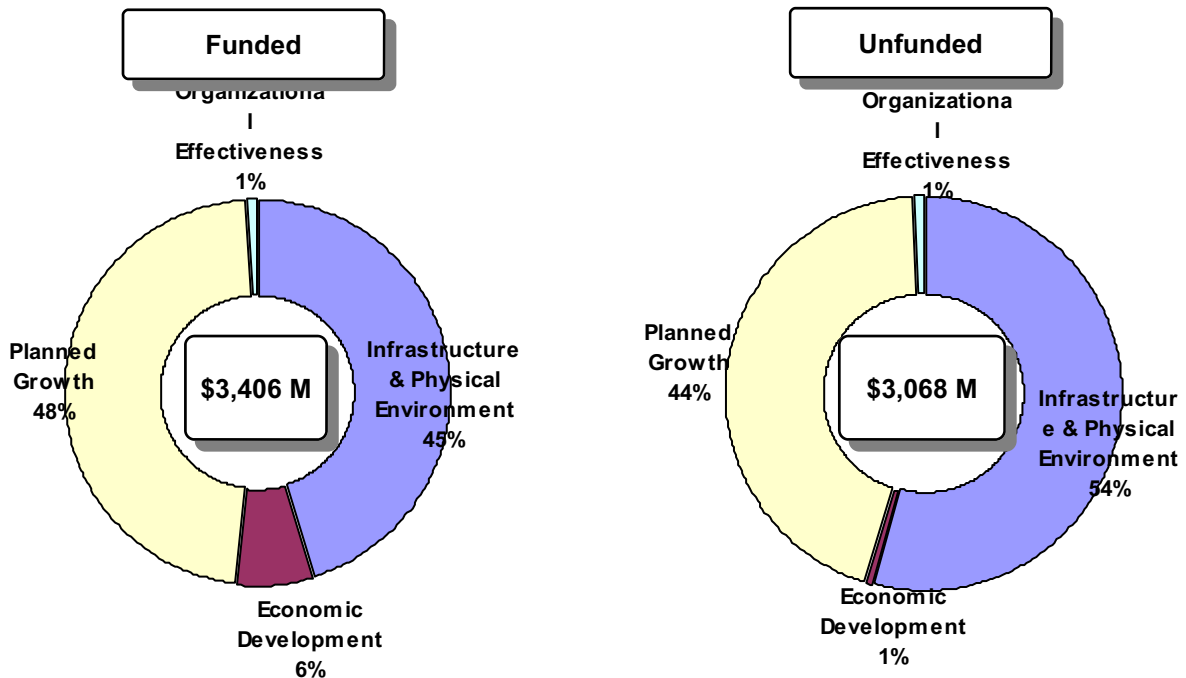
# 2007 – 2011 Balanced Spending



## Growth vs. Rehabilitation

The City endeavors to take a balanced approach in dealing with the pressures of growth and infrastructure rehabilitation with limited financial resources:

- For the 2007-11 funded plan the City's investment mix is being dominated by growth pressures. The growth demands exceed infrastructure funding by 3%. This is a result of the continued growth and economic conditions experienced by the City of Edmonton and Alberta in general.
- In the unfunded plan, 54% relates to infrastructure and physical environment, demonstrating the demand to fund infrastructure projects. Growth funding is still a significant factor at 44%, also revealing that if funding were available, a significant amount of growth investment would be required to keep pace with an expanding City.



## Investment Mix

### Infrastructure & Physical Environment: \$1,544 M

Includes capital works for rehabilitation, replacement or reconstruction of existing infrastructure, and projects that relate to the protection of environment.

**Planned Growth: \$1,614 M** Includes capital works to support growth either through construction of new facilities, upgrading or expansion of existing assets.

**Economic Development: \$220 M** Includes projects that support economic development such as residential, commercial and industrial land development, and facilities that support tourism/attractions such as the Shaw Conference Centre.

**Organizational Effectiveness: \$28 M** Includes projects that are aimed at promoting efficiency and effectiveness within City operations.



# Reserves Highlights



*This section focuses on the City of Edmonton's Reserve Fund.*

## Reserves Fund Budget

\$ Millions

	2005 Actual	2006 Budget	2007 Budget
Projected Opening Fund Balance	119.8*	151.4	168.1
Transfers from Other Funds	46.6	53.2	5.7
Transfers to Other Funds	(15.0)	(36.5)	(33.8)
Change in Fund Balance	31.6	16.7	(28.1)
Projected Ending Fund Balance	151.4*	168.1	140.0

\* Agrees with the 2005 Audited Financial Statements, Note 10.

The Reserves Fund has been prepared on a fund basis to more closely reflect the City's reporting requirements under Public Sector Accounting Board (PSAB) guidelines. Reserves are governed under the Reserve and Operating Equity Accounts Policy (C217). Transfers to and from these accounts require Council's approval through the budget process.

The City of Edmonton maintains reserves designated for specific purposes as approved by City Council and the Edmonton Public Library Board.

- Projected Opening Fund Balance represents funds set aside in reserve accounts designated for specific purposes. The Opening and Ending Fund Balances for 2005 are taken from the City's audited financial statements.
- The 2006 Budget includes an estimated transfer into the reserves of \$53.2 million and an estimated withdrawal from the reserves of \$36.5 million. The majority of the \$53.2 million increase (\$41.7 million) relates to the 2005 operating surplus. Approximately \$18 million in withdrawal in 2006 is expected to be used for one-time operating expenditures, including contribution for initiatives such as Affordable Housing, Ukrainian Canadian Museum Archives, and a number of pilot projects. The remaining \$19 million is expected to be used as financing for capital projects.
- The 2007 Reserves Fund Budget includes a budgeted reduction to the reserve of \$33.8 million. Approximately \$13 million is recommended to be used for operating purposes (including Affordable Housing and the Ukrainian Canadian Museum Archives). The remaining \$21 million is to be used as financing for capital projects. The following pages provide details on the anticipated changes to individual reserves.

***It is important to note that the projected 2007 opening balance is based upon the assumption that the 2006 additions and withdrawals from reserves occur as indicated by the budget. Actual opening balance of individual reserves may be different.***



# Reserves Highlights



## Financial Stabilization Reserve

On March 26, 1997, City Council approved the establishment of the Financial Stabilization Reserve to protect the City against unforeseen operating costs and to maintain a more stable tax base. The Reserve and Operating Equity Accounts Policy (C217) was reviewed and approved by City Council on November 28, 2006. Under the revised policy, the full amount of any general government operating surplus will be transferred to the Financial Stabilization Reserve. The reserve balance is targeted at 7% of the year's operating expenditures, to a maximum of \$85 million. Any amounts above the unappropriated balance of \$85 million applied evenly to the three subsequent years' operating budgets or applied to significant one-time items or capital projects.

Over the past couple of years, City Council has used the annual operating surplus as funding for both operating and capital commitments. In order to properly identify and account for these commitments, the Financial Stabilization Reserve is separated into appropriated and unappropriated amounts.

Financial Stabilization Reserve - Appropriated	\$ Thousands		
	2006 Budget	2007 Budget	
Projected Opening Fund Balance	\$ 6,984	\$ 27,985	The budgeted withdrawal of \$17.0 million from the Appropriated Reserve is comprised of the following, in millions: ♦ Edmonton Art Gallery - \$2.0 ♦ Municipal Election - \$1.7 ♦ e-Learning - \$0.4 ♦ Edmonton Land Trust - \$0.37 ♦ 2007 AISH subsidy - \$0.3 ♦ Transportation Master Plan - \$0.2 ♦ West Rosedale Design - \$0.2 ♦ Capital projects - \$11.9
Transfers from Other Funds	44,092	-	
Transfers to Other Funds	(23,091)	(16,976)	
Change in Fund Balance	\$ 21,001	\$ (16,976)	
Projected Ending Fund Balance	\$ 27,985	\$ 11,009	

The projected ending balance of \$11.0 million is comprised of the following, in millions:

- ♦ Edmonton Art Gallery - \$2
- ♦ AISH subsidy - \$1.7
- ♦ Masters Games Legacy - \$0.6
- ♦ Capital Contingency - \$6.7

The Unappropriated Reserve contains a potential transfer of \$4.0 million in 2007, dependent upon the City's 2006 operating results. City Council has made commitments to fund the Affordable Housing Initiative and the Ukrainian Canadian Archives Museum beyond 2007. The funding strategy for the \$10 million has not yet been identified.

Financial Stabilization Reserve - Unappropriated	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 75,057	\$ 78,700
Transfers from Other Funds	45,699	-
Transfers to Other Funds	(42,056)	(4,000)*
Change in Fund Balance	\$ 3,643	\$ (4,000)
Projected Ending Fund Balance	\$ 78,700	\$ 74,700

The reserve's target balance, based upon the projected 2006 expenditures, is \$84,932.

\* Required if 2006 operating surplus is insufficient to meet commitments for Affordable Housing and the Ukrainian Canadian Archives Museum.



# Reserves Highlights



## Waste Management Stabilization Reserve

The Waste Management Stabilization Reserve provides for the stabilization of user fees required to fund the initiatives contained in the Waste Management Strategic Plan, as approved by City Council September 17, 1994. The reserve has been used to reduce the impacts of cost increases from the Edmonton Waste Management facilities coming on line.

Going forward, the reserve will be expected to address emergent requirements or opportunities at the Edmonton Waste Management Center. Interest is not applied to this reserve.

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 7,136	\$ 8,825
Transfers from Other Funds	1,689	-
Transfers to Other Funds		(3,341)
Change in Fund Balance	\$ 1,689	\$(3,341)
Projected Ending Fund Balance	\$ 8,825	\$ 5,484



(Edmonton Waste Management Centre)

## Funds-in-Lieu Residential



This reserve was approved in 1985, with Council direction to separate the residential portion from the commercial/industrial portion in the Parkland Purchase Reserve. Funds received from developers and the sale of parkland in residential areas is used to purchase and develop parkland in residential areas. The funds are generated as a result of the 10% parkland dedication required in accordance with the Municipal Government Act (MGA).

The MGA requires that the funds must be used for “a public park”, a public recreation area, school authority purposes, or to separate areas of land that are used for different purposes”. There is an implicit expectation that interest earnings be applied to the funds received. The funds collected are restricted by Council Policy to usage within the same neighbourhood.

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 20,468	\$ 17,000
Transfers from Other Funds	310	479
Transfers to Other Funds	(3,778)	(3,300)
Change in Fund Balance	\$ (3,468)	\$(2,821)
Projected Ending Fund Balance	\$ 17,000	\$ 14,179



# Reserves Highlights



## Heritage Reserve

At its meeting of May 9, 1995, City Council approved that "the amount included in the Planning and Development Department's annual operating budget for Heritage Conservation be transferred into a reserve annually and be used as a source of funding for the annual requirements budgeted for in the Capital Priorities Plan". The funding will go towards implementation of City Policy C450 - Policy to Encourage the Designation and Rehabilitation of Municipal Historic Resources in Edmonton. This reserve will provide funding through the designation of historically significant structures and the payment of required compensation such as grants, tax cancellation, rebate of property taxes, or a payment equal to the value of the amount of taxes payable on the designated historic building and substantial rehabilitation. No interest earnings are applied to this reserve.

	\$ Thousands	
	2006 Budget	2007 Budget
<b>Projected Opening Fund Balance</b>	\$ 1,426	\$ 1,426
Transfers from Other Funds	-	-
Transfers to Other Funds	-	-
<b>Change in Fund Balance</b>	\$ 1,426	\$ 1,426
<b>Projected Ending Fund Balance</b>	\$ 1,426	\$ 1,426

## Enterprise Portfolio

City Council approved the establishment of the Enterprise Portfolio Reserve on July 21, 1998 to manage facilities and programs within the Enterprise Model (i.e. Kinsmen Sports Centre, Fort Edmonton Park, Valley Zoo, John Jansen Nature Center, Muttart Conservatory, Commonwealth Stadium, municipal golf courses and municipal cemeteries).

Policy C479 - Fiscal Policy for the Enterprise Portfolio was also approved. The tax support for the Enterprise Portfolio was frozen at the 1998 levels excluding some specific items. Operating surpluses from these facilities are added to the reserve while capital acquisitions are funded from the reserve and/or other funding sources.

	\$ Thousands	
	2006 Budget	2007 Budget
<b>Projected Opening Fund Balance</b>	\$ 5,052	\$ 4,444
Transfers from Other Funds	787	510
Transfers to Other Funds	(1,395)	(1,410)
<b>Change in Fund Balance</b>	\$( 608)	\$( 900)
<b>Projected Ending Fund Balance</b>	\$ 4,444	\$ 3,544

This reserve is also used to develop business opportunities described within each facility's business plan and serve as an operational reserve for cyclical downturns. Replacement of existing capital items within the facilities are eligible for support from General Financing. Interest earnings are applied to this reserve at the City of Edmonton's short-term investment rate. City Council accepted the Enterprise Model Review report on October 7, 2003.

The 2007 expenditures include capital funding for Fort Edmonton Park, Muttart Conservatory, and the Kinsmen Sports Centre.



# Reserves Highlights



## Commonwealth Stadium Enterprise



(Commonwealth Stadium)

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 2,027	\$ 2,027
Transfers from Other Funds	-	287
Transfers to Other Funds	-	-
Change in Fund Balance	\$ -	\$ 287
Projected Ending Fund Balance	\$ 2,027	\$ 2,314

The City of Edmonton and the Edmonton Eskimos Football Club entered into agreement to operate the Commonwealth Stadium on an entrepreneurial basis. As a result, \$750,000 was transferred from Mobile Equipment Services to establish this reserve in 1995. The costs of operating the Stadium are covered through annual revenues generated by the facility and any deficit is covered through the reserve. In a similar fashion, annual operating surplus (result of concerts and/or revenues from sponsorship agreements) from the Stadium is added to the reserve.

Interest earnings are applied to this reserve monthly at the City of Edmonton's short-term investment rate.

## Fort Edmonton Train Maintenance Reserve

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 120	\$ 120
Transfers from Other Funds	-	2
Transfers to Other Funds	-	-
Change in Fund Balance	\$ -	\$ 2
Projected Ending Fund Balance	\$ 120	\$ 122

This reserve was established in 1992 as a condition of an ongoing agreement between the City of Edmonton and the Fort Edmonton Historical Foundation. Up to a maximum of \$5,000 from the Fort Edmonton operations is set aside annually in this reserve to fund repairs and maintenance expenses of the steam railway system within the Park.

Interest earnings are applied to this reserve monthly at the City of Edmonton's short-term investment rate.





# Reserves Highlights



## Natural Area Reserve

Approved March 2, 1999, the Natural Area reserve was established to handle external funds provided for acquisition of natural areas. The expected sources of financing are from general financing, and other partner funding. Some of the funds may be used for the capital development of trails, interpretive signage, parking, etc.

In 2005, Council directed an annual commitment of \$1.0 million from the Tax Levy Supported Operations as an additional funding source for this reserve.

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 2,123	\$ 1,374
Transfers from Other Funds	1,000	1,250
Transfers to Other Funds	(1,749)	(1,748)
Change in Fund Balance	\$ ( 749)	\$ ( 498)
Projected Ending Fund Balance	\$ 1,374	\$ 876

## Parkland Purchase Reserve

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 9,279	\$ 6,253
Transfers from Other Funds		143
Transfers to Other Funds	(3,026)	( 988)
Change in Fund Balance	\$ (3,026)	\$ ( 845)
Projected Ending Fund Balance	\$ 6,253	\$ 5,408

This reserve, approved in May 1968, receives funds from:

- Money received from rental of city property within the land inventory of Community Services
- Money received from the sale of municipal reserve lands in industrial and commercial areas or in the river valley communities (where land was originally purchased with Parkland Reserve funds).
- Money received from Parkland Reserve Designated Properties within Asset Management.

The Municipal Government Act (MGA) requires that such funds must be used for “a public park, a public recreation area, school authority purposes, or to separate areas of land that are used for different purposes”. The funds collected can be used anywhere in the City for the required purposes. There is an implicit expectation that interest earnings be applied to the funds received.



# Reserves Highlights



## Tree Management Reserve

The reserve was established in 1990 in accordance with Policy C456 - Corporate Tree Management Policy.

When departments and/or other agencies remove trees and shrubbery in the course of construction or repairs on City-owned property, funds are placed in the reserve. When these projects are completed, funds are transferred out of the reserve to replace the trees and shrubbery, with a view to protect the urban forest.

No interest is applied to this reserve.

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 893	\$ 798
Transfers from Other Funds	3	
Transfers to Other Funds	( 98)	( 98)
Change in Fund Balance	\$ ( 95)	\$ ( 98)
Projected Ending Fund Balance	\$ 798	\$ 700

## Perpetual Care

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 3,527	\$ 3,527
Transfers from Other Funds	-	92
Transfers to Other Funds	-	-
Change in Fund Balance	\$ -	\$ 92
Projected Ending Fund Balance	\$ 3,527	\$ 3,619

The Perpetual Care Reserve was established in July 1960 to comply with provincial legislation requiring that a portion of the funds received from the sale of graves, mausoleum crypts, and columbarium niches be used for future perpetual site care in City-owned cemeteries. Although this legislation has subsequently been rescinded, the City has continued with this practice to ensure a reasonable amount of funds are available for the

long term care of the cemeteries. Approximately 15% to 20% of revenue is applied to the reserve at the time revenue is recognized. Interest earned is applied monthly to the cemetery operating program, reinvested into the Perpetual Care Fund, and to small capital projects.





# Reserves Highlights



## Aggregate Site Development

The purpose of the reserve is to cover the costs associated with aggregate site preparation; gravel pit equipment replacement; reclaiming and maintaining lands presently used for material recycling; and to purchase land for future site locations. A surcharge may be assessed on recycled aggregates (gravel, concrete, asphalt, and sand from snow dumpsites) to cover expenditures for replacement of equipment and site preparation.

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 675	\$ 335
Transfers from Other Funds	-	-
Transfers to Other Funds	( 340)	( 20)
Change in Fund Balance	\$( 340)	\$( 20)
Projected Ending Fund Balance	\$ 335	\$ 315

An amount equivalent to the annual gravel pit equipment depreciation is applied to this reserve on an annual basis. A gravel production surcharge of \$1.00 per tonne is currently being levied. No interest earnings are applied to this reserve.

## Land Reclamation

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 267	\$ 267
Transfers from Other Funds	-	-
Transfers to Other Funds	-	-
Change in Fund Balance	\$ -	\$ -
Projected Ending Fund Balance	\$ 267	\$ 267

A surcharge may be assessed on recycled aggregates (gravel, concrete, asphalt, and sand from snow dumpsites) to cover the cost of reclaiming and maintaining lands presently used for material recycling and to purchase land for future site locations. This reserve would be applied with any environmental grants from the Provincial government to cover land reclamation and revenue from associated property.

A surcharge of \$1.00 per tonne of gravel production is currently being assessed.

No interest earnings are applied to this reserve.



# Reserves Highlights



## Storm Re-Development

all outstanding levies for the Combined Sewer Relief Program effective January 1, 1995. The Sewer Redevelopment Surcharge continued until 2002, and was placed

C i t y  
Council  
cancelled

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$1,162	\$ 525
Transfers from Other Funds		36
Transfers to Other Funds	( 637)	-
Change in Fund Balance	\$( 637)	\$ 36
Projected Ending Fund Balance	\$ 525	\$ 561



(Gold Bar Wastewater Treatment Centre)

into this reserve to fund the combined sewer relief charges scheduled until 2010. Interest earnings are applied at 6% annually.

## Municipal Airport Reserve

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 726	\$ 726
Transfers from Other Funds	-	-
Transfers to Other Funds	-	-
Change in Fund Balance	\$ -	\$ -
Projected Ending Fund Balance	\$ 726	\$ 726

Approved in 1996 for a period of 10 years, the reserve was established as a condition of the Lease Agreement between the City of Edmonton and the Regional Airports Authority. It represents the holdback of funds with regard to the transfer of the Airport to the Authority, and is made up of two major components. First, an amount provided for the 1997 payment-in-lieu of dividend and phase out of City department services. Secondly, a contingency amount was established

to cover other costs which may arise subsequent to the agreement taking effect (such as environmental clean-up and outstanding liability claims). This component continues to be drawn on. As per the agreement, any outstanding holdbacks has been paid to the Regional Airport Authority with the balance transferred to the Financial Stabilization Reserve in 2006. This transfer has not been reflected in the budget.



# Reserves Highlights



## Energy Conservation Reserve

The reserve was established on February 22, 1994 with a \$1.0 million transfer from the 1993 operating surplus, providing financing for energy-related pilot studies and partial building retrofits. City departments borrow from this fund and make principal payments

from their current budgets through utility savings. This fund was increased to \$5.0 million in 1999 and now operates similar to a line of credit. The \$4.0 million increase was funded by working capital. To date, project commitments initiated through the fund have exceeded \$4.5 million. These projects will result in projected annual energy savings of at least \$700,000 and annual greenhouse gas emission reductions of more than 7.5 kilotonnes of CO<sub>2</sub>. In 2003, the energy reduction plan was enhanced to \$30 million with approved applications to be funded by debenture borrowing from the Alberta Capital Finance Authority. In 2004, the Provincial government announced the Municipal energy efficiency program (MEfirst!), a 5-year non-interest bearing loan program.

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 920	\$ 1,119
Transfers from Other Funds	199	-
Transfers to Other Funds	-	-
Change in Fund Balance	\$ 199	\$ -
Projected Ending Fund Balance	\$ 1,119	\$ 1,119

## Façade & Storefront Improvement Reserve

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 429	\$ 429
Transfers from Other Funds	-	-
Transfers to Other Funds	-	-
Change in Fund Balance	\$ -	\$ -
Projected Ending Fund Balance	\$ 429	\$ 429

The Façade Improvement Program was approved by City Council on November 30, 2004 for operation in the 2005 calendar year through until 2008.

The purpose of the Façade and Storefront Improvement Policy is to "encourage owners of Retail and Commercial Buildings in Targeted Areas to invest in renovations that improve the appearance and function of their Building Facades and Storefronts with regard for the

interface between public pedestrian space and street oriented retail and commercial activities".

The program is a matching grant program whereby the owners develop project proposals with the City. Upon Council's approval and completion of the project in accordance with the reimbursement agreement, a maximum of 50% or \$20,000 (whichever is less) may be reimbursed to the owner. Depending upon the number of approved applications annually, unspent resources are allocated to the reserve until needed.



# Reserves Highlights



## Telus Field Capital Reserve

As provided by the License agreement (November 1, 2004 - October 31, 2009) between the City of Edmonton and the Northern League in Edmonton Inc., the rents

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 23	\$ 23
Transfers from Other Funds	-	-
Transfers to Other Funds	-	-
Change in Fund Balance	\$ -	\$ -
Projected Ending Fund Balance	\$ 23	\$ 23



(Telus Field)

and fees collected under the Agreement are to be retained in a separate reserve account to be used for future structural repairs to Telus Field.

## Public Works Local Improvement Reserve

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 46	\$ 46
Transfers from Other Funds	-	-
Transfers to Other Funds	-	-
Change in Fund Balance	\$ -	\$ -
Projected Ending Fund Balance	\$ 46	\$ 46

Policy C204-Public Works Reserve Policy and C200A - Financing of Local Improvements indicate that an accumulated reserve of \$250,000 is to be maintained to provide for future losses on local improvement construction. Any accumulated excess over \$250,000 will be used to finance the City's share of local improvement costs. Should losses on local improvements exceed the reserve balance, they are to be financed from the general municipal

surplus. The reserve has been depleted due to losses incurred in previous years and is to be replenished when future profits are generated. No interest earnings are applied to this reserve.



# Reserves Highlights



## Tax-Supported Debt Reserve

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 3,169	\$ 769
Transfers from Other Funds	-*	-
Transfers to Other Funds	(2,400)	(2,200)
Change in Fund Balance	\$(2,400)	\$(2,200)
Projected Ending Fund Balance	\$ 769	\$(1,431)

The Debt Management Fiscal Policy provides for limited amounts of tax-supported debt. Approved by City Council on October 29, 2002, this reserve is used to provide a clear segregation of tax revenues collected for debt servicing and capital requirements and accommodates the timing differences between receipt of taxes and debt servicing requirements. The difference

between the tax revenue and the related debt charges is used in preparing the proposed budget to increase the general financing pool. Interest is not allocated to this reserve.

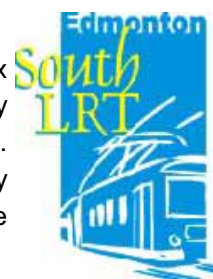
\* An adjustment to reflect the actual difference of taxation revenue and related debt charges is expected in late 2006, which would provide sufficient funding for the proposed 2007 drawdown.

## SLRT Risk Mitigation Reserve

On September 28, 2005 Council was presented with a strategy to reduce the risks associated with the use of the Federal Fuel Tax program to fund the SLRT debenture borrowing. The federal program was guaranteed for a five year period, with a five year extension. The program may end with a two-year notice. The terms of the debentures are 20 years.

	\$ Thousands	
	2006 Budget	2007 Budget
Projected Opening Fund Balance	\$ 0	\$ 1,435
Transfers from Other Funds	1,435	3,071
Transfers to Other Funds	-	-
Change in Fund Balance	\$ 1,435	\$ 3,071
Projected Ending Fund Balance	\$ 1,435	\$ 4,506

Council approved the strategy of placing in this reserve the accumulating annual tax levy increase of 0.25% in 2006 (\$1,435), 0.50% in 2007 (\$3,071), and increasing by 0.25% each year to 2015. In 2015, the related tax levy increase would be 2.5%. This approach would generate an ongoing revenue stream of about \$20 million by 2015, therefore mitigating almost half of Federal Fuel Tax program revenues (the annual debenture payment is expected to be approximately \$43 million).





# Reserves Highlights



## Benefit Plan

The reserve, approved by Council on October 29, 2002, provides for the appropriation of funds relating to specific benefit plans maintained by the City (i.e. short-term disability) and allows the City to address changes in the funding requirements of these plans over time, on a systematic basis. Interest is not allocated to this reserve.

	\$ Thousands	
	2006 Budget	2007 Budget
<b>Projected Opening Fund Balance</b>	\$ 4,467	\$ 4,467
Transfers from Other Funds	-	-
Transfers to Other Funds	-	-
<b>Change in Fund Balance</b>	\$ -	\$ -
<b>Projected Ending Fund Balance</b>	\$ 4,467	\$ 4,467

## Self Insurance Reserve

	\$ Thousands	
	2006 Budget	2007 Budget
<b>Projected Opening Fund Balance</b>	\$ 2,500	\$ 2,500
Transfers from Other Funds	-	-
Transfers to Other Funds	-	-
<b>Change in Fund Balance</b>	\$ -	\$ -
<b>Projected Ending Fund Balance</b>	\$ 2,500	\$ 2,500

The City self-insures the first \$1.0 million of every claim from the standard auto policy. Section 67 of the Motor Vehicle Administration Act specifies that the Corporation must maintain a separate insurance fund. The amount is established by the Superintendent of Insurance for the Province, and the City is required to sign a declaration indicating that a separate insurance fund of the required amount is

maintained (currently set at \$2.5 million). The City records an ongoing liability for claim estimates, enabling the reserve balance to remain stable. Interest is not applied to this reserve.

## Edmonton Public Library

	\$ Thousands	
	2006 Budget	2007 Budget
<b>Projected Opening Fund Balance</b>	\$ 2,965	\$ 2,998
Transfers from Other Funds	33	61
Transfers to Other Funds	-	-
<b>Change in Fund Balance</b>	\$ 33	\$ -
<b>Projected Ending Fund Balance</b>	\$ 2,998	\$ 3,059

The Edmonton Public Library Board maintains a number of reserves primarily for donations and grants received from other orders of Government. These funds are intended for specific purposes and not general use. Additions to and withdrawals from these reserves are governed by the Library Board.

For presentation purposes in the City's Budget document, City Administration is only presenting the anticipated amount of interest generated from the reserve balances. However, the Library Board has provided 2005 and 2006 estimates on further additions and uses of the reserve which will result in a \$3.1 million balance at the end of 2007.



## Tax-supported Operations

### Approved Tax Levy Summary

(\$000)	2005 Actual	2006 Budget	Change '06 to '07	2007 Budget	% Change '06 to '07
<b>Boards &amp; Authorities</b>					
Economic Development Corporation					
Economic Dev't, Research Park, Tourism	7,361	8,526	674	9,200	7.9
Shaw Conference Centre	2,656	2,715	62	2,777	2.3
Police Service	148,988	154,168	18,579	172,747	12.1
Public Library	24,757	25,917	2,430	28,347	9.4
Other Authorities	9,231	9,862	591	10,453	6.0
<b>Total Boards &amp; Authorities</b>	<b>192,993</b>	<b>201,188</b>	<b>22,336</b>	<b>223,524</b>	<b>11.1</b>
<b>Civic Programs</b>					
Asset Management & Public Works					
Energy, Environment & Natural Areas	1,079	2,064	1,438	3,502	69.7
Land & Buildings	32,145	34,278	3,365	37,643	9.8
Parks	30,816	33,126	4,139	37,265	12.5
Project Management & Construction	321	915	105	1,020	11.5
Waste Management	18,530	20,215	2,528	22,743	12.5
Community Services					
Social, Recreation & Cultural Services	22,992	26,171	3,483	29,654	13.3
Recreation & Cultural Facilities	16,988	18,202	3,414	21,616	18.8
Emergency Medical Services	3,248	3,008	2,417	5,425	80.4
Fire Rescue Services	100,938	108,101	10,153	118,254	9.4
Corporate Business Planning	-	2,036	1,152	3,188	56.6
Corporate Services	62,958	68,262	7,811	76,073	11.4
Mayor & Councillor Offices	2,894	3,661	128	3,789	3.5
Office of the City Auditor	1,598	1,791	56	1,847	3.1
Office of the City Manager					
City Manager	1,353	1,526	42	1,568	2.8
Office of the City Clerk	6,386	5,992	2,392	8,384	39.9
Planning & Development	11,516	12,537	288	12,825	2.3
Transportation					
Roads	78,310	90,912	11,542	102,454	12.7
Transit	112,508	109,703	11,144	120,847	10.2
<b>Total Civic Programs</b>	<b>504,580</b>	<b>542,500</b>	<b>65,597</b>	<b>608,097</b>	<b>12.1</b>
<b>Corporate Programs</b>					
Capital Project Financing	97,104	109,080	974	110,054	0.9
Corporate Expenditures	21,220	23,097	(5)	23,092	(0.0)
Corporate Revenues	(295,481)	(285,977)	(18,118)	(304,095)	(6.3)
Taxation	1,773	7,179	(1,886)	5,293	(26.3)
<b>Total Corporate Programs</b>	<b>(175,384)</b>	<b>(146,621)</b>	<b>(19,035)</b>	<b>(165,656)</b>	<b>13.0</b>
One-time Items	-	4,086	(4,086)	-	(100.0)
2005 Surplus	41,699	-	-	-	-
<b>Taxation Revenue</b>	<b>563,888</b>	<b>601,153</b>	<b>64,812</b>	<b>665,965</b>	<b>10.8</b>

<b>Taxation Revenue</b>					
Property Tax	454,268	489,108	57,113	546,221	
Business Tax	93,342	96,544	5,281	101,825	
Payment-in-lieu of Taxes	16,278	16,808	1,111	17,919	
<b>Total Taxation Revenue</b>	<b>563,888</b>	<b>602,460</b>	<b>63,505</b>	<b>665,965</b>	

Tax Levy amounts are the net difference between amounts on Expenditure & Revenue Tables that follow.



## Tax-supported Operations

### Approved Expenditure Summary

(\$000)	2005 Actual	2006 Budget	Change '06 to '07	2007 Budget	% Change '06 to '07
<b>Boards &amp; Authorities</b>					
Economic Development Corporation					
Economic Dev't, Research Park, Tourism	10,779	12,730	2,191	14,921	17.2
Shaw Conference Centre	11,760	10,715	(438)	10,277	(4.1)
Police Service	192,725	199,580	22,080	221,660	11.1
Public Library	29,456	30,462	2,729	33,191	9.0
Other Authorities	13,883	14,698	921	15,619	6.3
<b>Total Boards &amp; Authorities</b>	<b>258,603</b>	<b>268,185</b>	<b>27,483</b>	<b>295,668</b>	<b>10.2</b>
<b>Civic Programs</b>					
Asset Management & Public Works					
Energy, Environment & Natural Areas	1,177	2,164	1,438	3,602	66.5
Land & Buildings	42,517	44,962	3,491	48,453	7.8
Parks	31,858	33,901	4,223	38,124	12.5
Project Management & Construction	321	915	105	1,020	11.5
Waste Management	66,812	69,322	9,872	79,194	14.2
Community Services					
Social, Recreation & Cultural Services	39,327	41,850	3,847	45,697	9.2
Recreation & Cultural Facilities	44,848	43,686	4,742	48,428	10.9
Emergency Medical Services	28,268	29,104	3,467	32,571	11.9
Fire Rescue Services	101,352	109,446	10,184	119,630	9.3
Corporate Business Planning	-	2,036	1,152	3,188	56.6
Corporate Services	65,527	69,679	10,117	79,796	14.5
Mayor & Councillor Offices	2,894	3,661	128	3,789	3.5
Office of the City Auditor	1,598	1,791	56	1,847	3.1
Office of the City Manager					
City Manager	1,378	1,526	42	1,568	2.8
Office of the City Clerk	6,846	6,088	3,808	9,896	62.5
Planning & Development	40,930	42,415	8,279	50,694	19.5
Transportation					
Roads	89,146	97,212	14,550	111,762	15.0
Transit	182,223	181,718	17,271	198,989	9.5
<b>Total Civic Programs</b>	<b>747,022</b>	<b>781,476</b>	<b>96,772</b>	<b>878,248</b>	<b>12.4</b>
<b>Corporate Programs</b>					
Capital Project Financing	117,786	124,647	(3,585)	121,062	(2.9)
Corporate Expenditures	60,475	28,220	(3,999)	24,221	(14.2)
Corporate Revenues	9,681	12,672	(5,697)	6,975	(45.0)
Taxation	4,749	9,379	(1,586)	7,793	(16.9)
<b>Total Corporate Programs</b>	<b>192,691</b>	<b>174,918</b>	<b>(14,867)</b>	<b>160,051</b>	<b>(8.5)</b>
One-time Items	-	14,250	(14,250)	-	(100.0)
<b>Total Net Expenditure before Surplus</b>	<b>1,198,316</b>	<b>1,238,829</b>	<b>95,138</b>	<b>1,333,967</b>	
2005 Surplus	41,699	-	-	-	-
<b>Total Net Expenditure &amp; Transfers</b>	<b>1,240,015</b>	<b>1,238,829</b>	<b>95,138</b>	<b>1,333,967</b>	<b>7.7</b>

Net Expenditure includes General Capital Financing of \$104.4 million in 2006 and \$97.2 million in 2007



## Tax-supported Operations

### Approved Revenue Summary

(\$000)	2005 Actual	2006 Budget	Change '06 to '07	2007 Budget	% Change '06 to '07
<b>Boards &amp; Authorities</b>					
Economic Development Corporation					
Economic Dev't, Research Park, Tourism	3,418	4,204	1,517	5,721	36.1
Shaw Conference Centre	9,104	8,000	(500)	7,500	(6.3)
Police Service	43,737	45,412	3,501	48,913	7.7
Public Library	4,699	4,545	299	4,844	6.6
Other Authorities	4,652	4,836	330	5,166	6.8
<b>Total Boards &amp; Authorities</b>	<b>65,610</b>	<b>66,997</b>	<b>5,147</b>	<b>72,144</b>	<b>7.7</b>
<b>Civic Programs</b>					
Asset Management & Public Works					
Energy, Environment & Natural Areas	98	100	-	100	-
Land & Buildings	10,372	10,684	126	10,810	1.2
Parks	1,042	775	84	859	10.8
Waste Management	48,282	49,107	7,344	56,451	15.0
Community Services					
Social, Recreation & Cultural Services	16,335	15,679	364	16,043	2.3
Recreation & Cultural Facilities	27,860	25,484	1,328	26,812	5.2
Emergency Medical Services	25,020	26,096	1,050	27,146	4.0
Fire Rescue Services	414	1,345	31	1,376	2.3
Corporate Services	2,569	1,417	2,306	3,723	162.7
Office of the City Manager					
City Manager	25	-	-	-	-
Office of the City Clerk	460	96	1,416	1,512	1,475.0
Planning & Development	29,414	29,878	7,991	37,869	26.7
Transportation					
Roads	10,836	6,300	3,008	9,308	47.7
Transit	69,715	72,015	6,127	78,142	8.5
<b>Total Civic Programs</b>	<b>242,442</b>	<b>238,976</b>	<b>31,175</b>	<b>270,151</b>	<b>13.0</b>
<b>Corporate Programs</b>					
Capital Project Financing (Local Improvement Rev)	20,682	15,567	(4,559)	11,008	(29.3)
Corporate Expenditures	39,255	5,123	(3,994)	1,129	(78.0)
Corporate Revenues	305,162	298,649	12,421	311,070	4.2
Taxation	2,976	2,200	300	2,500	13.6
<b>Total Corporate Programs</b>	<b>368,075</b>	<b>321,539</b>	<b>4,168</b>	<b>325,707</b>	<b>1.3</b>
One-time Items	-	10,164	(10,164)	-	(100.0)
<b>Total Revenue &amp; Transfers</b>	<b>676,127</b>	<b>637,676</b>	<b>30,326</b>	<b>668,002</b>	<b>4.8</b>

(Includes, user fees, fines, permits, grants & corporate revenue, e.g., EdTel Endowment, utility dividends & franchise fees)



## Approved Municipal Enterprises

\$000	2005 Actual	2006 Budget	Change '06 to '07	2007 Budget	% Change '06 to '07
<b>Land Enterprise - Land Development Activity</b>					
Revenue & Transfers	26,950	23,887	(5,507)	18,380	(23.1)
Less: Expenditure	18,509	17,064	(5,157)	11,907	(30.2)
<b>Net Income</b>	<b>8,441</b>	<b>6,823</b>	<b>(350)</b>	<b>6,473</b>	<b>(5.1)</b>
<b>Land Enterprise - Land Revolving Activity</b>					
Revenue & Transfers	9,717	-	5,500	5,500	-
Less: Expenditure	5,564	418	3,867	4,285	925.1
<b>Net Income</b>	<b>4,153</b>	<b>(418)</b>	<b>1,633</b>	<b>1,215</b>	<b>(390.7)</b>
<b>Mobile Equipment Services</b>					
Revenue & Recoveries	111,331	102,271	6,305	108,576	6.2
Less: Expenditure & Transfers	108,472	100,550	6,434	106,984	6.4
<b>Net Income</b>	<b>2,859</b>	<b>1,721</b>	<b>(129)</b>	<b>1,592</b>	<b>(7.5)</b>

## Approved Utility Operations

\$000	2005 Actual	2006 Budget	Change '06 to '07	2007 Budget	% Change '06 to '07
Sanitary Utility					
Revenue & Transfers from Reserves & Equity	99,834	96,967	10,909	107,876	11.3
Less: Expenditure	72,842	78,114	9,218	87,332	11.8
Net Income	26,992	18,853	1,691	20,544	9.0
Rate Impact Sanitary Utility				6.0%	
	2005 Actual	2006 Budget	Change '06 to '07	2007 Budget	% Change '06 to '07
Land Drainage Utility					
Revenue & Transfers from Reserves & Equity	15,508	15,806	4,311	20,117	27.3
Less: Expenditure	10,861	10,896	606	11,502	5.6
Net Income	4,647	4,910	3,705	8,615	75.5

Rate Impact Land Drainage Utility - Equivalent to \$1.00 per month for a typical residential household.



## Approved Resource Distribution

Tax-supported	2006 Budget*	Change '06 to '07	% Change '06 to '07	2007 Budget**	% of Total
<b>Total Tax-supported</b>					
Salaries, wages & benefits	680,909	73,924	10.9	754,833	56.6
Materials, goods & supplies	101,642	20,866	20.5	122,508	9.2
Services	170,254	25,422	14.9	195,676	14.7
Other Charges	271,775	(10,825)	(4.0)	260,950	19.6
Total	1,224,580	109,387	8.9	1,333,967	100.0

\* 2006 excludes one-time items

### Economic Development Corporation

Salaries, wages & benefits	8,799	800	9.1	9,599	38.1
Materials, goods & supplies	264	43	16.3	307	1.2
Services	12,165	772	6.3	12,937	51.3
Other Charges	2,217	138	6.2	2,355	9.3
Total	23,445	1,753	7.5	25,198	

### Police Service

Salaries, wages & benefits	159,445	16,109	10.1	175,554	79.2
Materials, goods & supplies	9,548	7,963	83.4	17,511	7.9
Services	23,493	2,220	9.4	25,713	11.6
Other Charges	7,094	(4,212)	(59.4)	2,882	1.3
Total	199,580	22,080	11.1	221,660	

### Public Library

Salaries, wages & benefits	19,596	1,603	8.2	21,199	63.9
Materials, goods & supplies	6,471	725	11.2	7,196	21.7
Services	2,041	333	16.3	2,374	7.2
Other Charges	2,354	68	2.9	2,422	7.3
Total	30,462	2,729	9.0	33,191	

### Other Authorities

Salaries, wages & benefits	3,317	546	16.5	3,863	24.7
Materials, goods & supplies	1,114	(129)	(11.6)	985	6.3
Services	844	(39)	(4.6)	805	5.2
Other Charges	9,423	543	5.8	9,966	63.8
Total	14,698	921	6.3	15,619	

### Asset Management & Public Works (Energy, Environment & Natural Areas/ Land & Buildings/ Parks/ Project Management & Construction/ Waste Management)

Salaries, wages & benefits	64,158	8,117	12.7	72,275	42.4
Materials, goods & supplies	9,473	1,461	15.4	10,934	6.4
Services	38,862	6,239	16.1	45,101	26.5
Other Charges	38,772	3,311	8.5	42,083	24.7
Total	151,265	19,128	12.6	170,393	

### Community Services

Salaries, wages & benefits	157,681	16,043	10.2	173,724	70.5
Materials, goods & supplies	22,982	2,443	10.6	25,425	10.3
Services	17,090	1,896	11.1	18,986	7.7
Other Charges	26,333	1,858	7.1	28,191	11.4
Total	224,086	22,240	9.9	246,326	



## Approved Resource Distribution

Tax-supported	2006 Budget*	Change '06 to '07	% Change '06 to '07	2007 Budget	% of Total
<b>Corporate Business Planning</b>					
Salaries, wages & benefits	2,244	475	21.2	2,719	85.3
Materials, goods & supplies	50	147	294.0	197	6.2
Services	(296)	429	(144.9)	133	4.2
Other Charges	38	101	265.8	139	4.4
Total	2,036	1,152	56.6	3,188	
<b>Corporate Services - Tax-supported</b>					
Salaries, wages & benefits	64,290	7,807	12.1	72,097	90.4
Materials, goods & supplies	8,401	1,464	17.4	9,865	12.4
Services	5,510	875	15.9	6,385	8.0
Other Charges	(8,522)	(29)	0.3	(8,551)	(10.7)
Total	69,679	10,117	14.5	79,796	
<b>Mayor &amp; Council</b>					
Salaries, wages & benefits	1,565	132	8.4	1,697	44.8
Materials, goods & supplies	55	1	1.8	56	1.5
Services	1,788	(11)	(0.6)	1,777	46.9
Other Charges	253	6	2.4	259	6.8
Total	3,661	128	3.5	3,789	
<b>Office of the City Auditor</b>					
Salaries, wages & benefits	1,528	83	5.4	1,611	87.2
Materials, goods & supplies	54	(6)	(11.1)	48	2.6
Services	149	(21)	(14.1)	128	6.9
Utilities, Professional Fees & Other	60	-	-	60	3.2
Total	1,791	56	3.1	1,847	
<b>Office of the City Manager</b>					
Salaries, wages & benefits	4,279	1,591	37.2	5,870	51.2
Materials, goods & supplies	537	290	54.0	827	7.2
Services	809	591	73.1	1,400	12.2
Other Charges	1,989	1,378	69.3	3,367	29.4
Total	7,614	3,850	50.6	11,464	
<b>Planning &amp; Development</b>					
Salaries, wages & benefits	32,808	4,918	15.0	37,726	74.4
Materials, goods & supplies	2,173	212	9.8	2,385	4.7
Services	4,711	2,993	63.5	7,704	15.2
Other Charges	2,723	156	5.7	2,879	5.7
Total	42,415	8,279	19.5	50,694	
<b>Transportation</b>					
Salaries, wages & benefits	161,199	15,700	9.7	176,899	56.9
Materials, goods & supplies	40,520	6,252	15.4	46,772	15.1
Services	63,088	9,145	14.5	72,233	23.2
Utilities & Professional Fees	14,123	724	5.1	14,847	4.8
Total	278,930	31,821	11.4	310,751	



## Approved Resource Distribution

Tax-supported	2006 Budget*	Change '06 to '07	% Change '06 to '07	2007 Budget	% of Total
<b>Corporate Programs</b>					
Salaries, wages & benefits	-	-	-	-	-
Materials, goods & supplies	-	-	-	-	-
Services	-	-	-	-	-
Financial Charges & Investment Costs	174,918	(14,867)	(8.5)	160,051	100.0
Total	174,918	(14,867)	(8.5)	160,051	

## Approved Resource Distribution

Municipal Enterprises & Utilities	2006 Budget*	Change '06 to '07	% Change '06 to '07	2007 Budget	% of Total
<b>Asset Management &amp; Public Works - Land Enterprise</b>					
Salaries, wages & benefits	-	-	-	-	-
Materials, goods & supplies	-	-	-	-	-
Services	1,665	-	-	1,665	10.3
Cost of Land Sold	15,817	(1,290)	(8.2)	14,527	89.7
Total	17,482	(1,290)	(7.4)	16,192	
<b>Asset Management &amp; Public Works - Drainage Services (Sanitary Utility and Land Drainage Utility)</b>					
Salaries, wages & benefits	35,688	6,157	17.3	41,845	42.3
Materials, goods & supplies	7,963	5,311	66.7	13,274	13.4
Services	6,380	(4,248)	(66.6)	2,132	2.2
Utilities & Other	38,979	2,604	6.7	41,583	42.1
Total	89,010	9,824	11.0	98,834	
<b>Corporate Services - Mobile Equipment Services</b>					
Salaries, wages & benefits	34,148	3,002	8.8	37,150	34.7
Materials, goods & supplies	34,819	2,563	7.4	37,382	34.9
Services	6,632	718	10.8	7,350	6.9
Financial	24,951	151	0.6	25,102	23.5
Total	100,550	6,434	6.4	106,984	



## Approved Full-time Equivalents

	2005 Actual	2006 Budget	Annualization of 2006 Changes	Other 2007 Changes	2007 Service Needs	2007 Budget
<b>Authorities</b>						
Economic Development Corporation						
Economic Dev't, Research Park, Tourism	78.0	85.0	-	2.0	-	87.0
Shaw Conference Centre	157.0	165.0	-	(30.0)	-	135.0
Police Service	1,752.5	1,796.0	4.5	-	58.0	1,858.5
Public Library	386.4	392.2	-	3.4	5.7	401.3
Other Authorities	70.0	74.0	-	3.0	1.0	78.0
<b>Total Authorities</b>	<b>2,443.9</b>	<b>2,512.2</b>	<b>4.5</b>	<b>(21.6)</b>	<b>64.7</b>	<b>2,559.8</b>
<b>Civic Programs</b>						
Asset Management & Public Works						
Energy, Environment & Natural Areas	14.0	16.0	-	1.0	3.4	20.4
Land & Buildings	347.7	341.2	-	3.5	6.2	350.9
Parks	357.5	376.7	-	-	30.0	406.7
Project Management & Construction	34.0	36.0	-	4.0	-	40.0
Waste Management	213.3	234.2	-	1.0	12.4	247.6
Community Services						
Social, Recreation & Cultural Services	241.6	254.1	-	-	12.9	267.0
Recreation & Cultural Facilities	490.2	495.4	-	-	14.5	509.9
Emergency Medical Services	268.0	290.0	-	-	22.0	312.0
Fire Rescue Services	936.0	960.0	-	-	27.4	987.4
Corporate Business Planning	-	23.5	-	-	2.4	25.9
Corporate Services	855.2	896.7	-	1.0	40.3	938.0
Mayor and Councillor Offices	21.0	21.0	-	-	-	21.0
Office of the City Auditor	15.0	15.0	-	-	-	15.0
Office of the City Manager						
City Manager	9.0	8.0	-	-	1.0	9.0
Office of the City Clerk	46.6	47.6	-	-	20.0	67.6
Planning & Development	445.1	480.1	0.6	1.0	20.1	501.8
Transportation						
Roads	699.7	732.3	0.8	5.4	15.5	754.0
Transit	1,819.8	1,914.9	25.0	1.5	26.8	1,968.2
<b>Total Civic Programs</b>	<b>6,813.7</b>	<b>7,142.7</b>	<b>26.4</b>	<b>18.4</b>	<b>254.9</b>	<b>7,442.4</b>
<b>Total Tax-supported Operations</b>	<b>9,257.6</b>	<b>9,654.9</b>	<b>30.9</b>	<b>(3.2)</b>	<b>319.6</b>	<b>10,002.2</b>
<b>Municipal Enterprises</b>						
Mobile Equipment Services	500.4	517.9	2.5	-	11.0	531.4
<b>Total Municipal Enterprises</b>	<b>500.4</b>	<b>517.9</b>	<b>2.5</b>	<b>-</b>	<b>11.0</b>	<b>531.4</b>
<b>Utility Operations</b>						
Drainage Services	504.8	516.5	-	-	34.9	551.4
<b>Total Utility Operations</b>	<b>504.8</b>	<b>516.5</b>	<b>-</b>	<b>-</b>	<b>34.9</b>	<b>551.4</b>
<b>Total Full-time Equivalents</b>	<b>10,262.8</b>	<b>10,689.3</b>	<b>33.4</b>	<b>(3.2)</b>	<b>365.5</b>	<b>11,085.0</b>



## Tax-supported Approved Program Revenue Changes (\$000)

	2006 Budget	Rate Change	Volume Change	2007 Budget
<b>Roads &amp; Transit</b>	\$78,315	\$2,605 3.3%	\$6,530 8.3%	\$87,450
<u>Rate</u> Transit fare increases for tickets and cash fares will produce a \$2.0 million revenue increase. There is an increase of \$0.5 million from a rate increase to parking meters. A rate increase to Recycled Aggregate will increase revenue by \$0.1 million.				
<u>Volume</u> Growth in ridership and annualization of 2006 service will contribute \$3.8 million in new revenue. There will also be an additional \$0.3 from Transit advertising revenue. An Accounting change affecting revenue received by the Roads program, from EPCOR, will result in revenue formerly treated as an internal recovery being treated as external revenue, starting in 2007. This change will increase revenue by \$2.0 million, but there is no change to service provided to EPCOR as a result of this adjustment. There will be an additional \$0.2 from the increase in the number of parking meters in the City. Various other sources will provide an additional \$0.2 in revenue increases.				
<b>Waste Management</b>	49,107	2,392 4.9%	1,611 3.3%	53,110
<u>Rate</u> A 3% increase in the rates charged at the Eco Stations and Landfill, plus a 6% increase to single family and multifamily waste management fees will generate \$2.4 million in additional revenue.				
<u>Volume</u> The volume change consists of \$1.0 million from an increase in the number of customers charged the user fee and \$0.6 million from growth in volumes received at the Landfill and the Materials Recovery Facility.				



## Tax-supported Program Revenue Changes (\$000)

### Community Services — Social, Recreation & Cultural Services, Recreation & Cultural Facilities, Emergency Medical Services and Fire Rescue Services

#### Rate

Revenue from recreational facilities is expected to increase by \$1.0 million from an average 5% increase to fees. An increase to Ambulance rates of 4% is expected to generate an additional \$0.5 million in revenue.

#### Volume

As renovations are completed at Londonderry Arena, Millwoods Arena and Central Lions Senior Citizens Recreational Facility, revenue is expected to increase by \$0.2 million. In addition, restoration of \$0.3 million in revenue will result once the HVAC project at Kinsmen Sports Centre is completed in 2007. Emergency Medical Services is expecting a 4% increase to calls for service which will result in an increase to revenue of \$0.5 million.

### Police Service

#### Rate

There are no rate increases.

#### Volume

An increase in Traffic Safety Act revenues of \$3.0 million reflects the average fines collected and an increase in volumes related to red light camera and other enforcement activities. Adjustments are being made to other categories of revenue, including increases to Special Event Policing, Police Seized Vehicle Lot (Tow Lot), additional School Resource Officer revenue to reflect additions to the programs, and historical trends offset by a reduction in the Emergency 911 revenue to reflect historical trends, for a net increase of \$0.5 million.

### Planning and Development

#### Rate

Revenue will be increased by \$1.3 million by increasing planning related fees by 5% and licensing fees by 2.3%.

#### Volume

The increase of \$6.7 million is based on strong economic growth and increased construction costs. It relates primarily to volume growth experienced in the number of applications, particularly residential applications.

2006 Budget	Rate Change	Volume Change	2007 Budget
40,869	1,459 3.6%	1,030 2.5%	43,358
34,014	-- 0.0%	3,501 10.3%	37,515
29,878	1,261 4.2%	6,730 22.5%	37,869



## Tax-supported Program Revenue Changes (\$000)

	2006 Budget	Rate Change	Volume Change	2007 Budget
<b>Other</b> (Includes: Public Library; Edmonton Space & Science Foundation, Taxi Cab Commission; Land and Buildings; Parks, Traffic Tags; 2006 One Time revenues)	26,050	334 1.3%	(779) (3.0%)	25,605
<u>Rate</u>				
Land & Buildings will increase property rents and parkade rates, which will produce \$0.3 in additional revenue. The balance of \$0.1 million is made up of small changes in various programs.				
<u>Volume</u>				
The Public Library has incorporated a \$0.3 million increase in revenue primarily due to an increase to the provincial library grant. The Telus World of Science will experience an increase to revenue of \$0.3 million, from IMAX, admissions, programs and other ancillary revenues. These increases are offset somewhat by the removal of 2006 1-time revenues of \$1.3 million. In addition, there is \$0.1 million in minor reductions in various programs.				
<b>Total User Fees, Licenses, Permits and Fines</b>	<b>\$271,810</b>	<b>8,352 3.1%</b>	<b>23,151 8.5%</b>	<b>303,313</b>



## Highlights of Approved 2007 User Fees

	2006 Fee	\$ Increase	% Increase	Approved 2007 Fee
<b>Arenas</b>				
Winter Ice - Minors/Community - Good Time	\$95.00	\$5.00	5%	\$100.00
Winter Ice - Adults - Good Time	\$196.00	\$7.85	4%	\$203.85
Summer Ice - Staffed - High Priority	\$154.00	\$6.15	4%	\$160.15
Summer Ice - Staffed - Low Priority	\$122.00	\$4.90	4%	\$126.90
<b>Sports Fields</b>				
Standard Class C Fields - Minor (per hour)	\$0.00	\$0.00	No Change	\$0.00
Standard Class C Fields - Adult (per hour)	\$3.50	\$0.15	4%	\$3.65
<b>Fort Edmonton Park</b>				
General Admission - Child	\$5.00	\$1.50	30%	\$6.50
Annual Pass - Child	\$12.00	\$0.00	0%	\$12.00
General Admission - Family	\$29.50	\$9.50	32%	\$39.00
Annual Pass - Family	\$71.50	\$3.50	5%	\$75.00
<b>Muttart Conservatory</b>				
Single Admission - Child	\$4.25	\$0.25	6%	\$4.50
<b>Valley Zoo</b>				
General Admission - Child (summer)	\$4.00	\$0.25	6%	\$4.25
General Admission - Family (summer)	\$24.00	\$1.00	4%	\$25.00
<b>Golf Courses</b>				
Riverside / Victoria Golf Courses				
Green Fees - 9 Holes - Weekday				
Green Fees - 9 Holes - Weekend				
Rundle Golf Course				
Green Fees - 9 Holes - Weekday				
Green Fees - 9 Holes - Weekend				
<b>Aquatic &amp; Fitness Tier 1 (includes Kinsmen Sports Centre)</b>				
General Admission - Child	\$3.25	\$0.25	8%	\$3.50
General Admission - Adult	\$7.00	\$0.25	4%	\$7.25
<b>Aquatic &amp; Fitness Tier 2 (includes instructor-led drop-in) (and Mill Woods Rec Centre)</b>				
General Admission - Adult	\$5.15	\$0.25	5%	\$5.40
Annual Pass - Adult	\$385.00	\$15.00	4%	\$400.00
<b>Aquatic &amp; Fitness Tier 3 ( basic pools &amp; leisure facilities)</b>				
General Admission - Child	\$2.15	\$0.10	5%	\$2.25
General Admission - Adult	\$4.35	\$0.20	5%	\$4.55
<b>Public Library</b>				
Children Under 18	free	no change	0%	free
First Adult Per Household	\$12.00	no change	0%	\$12.00
Other Adults Per Household	\$8.00	no change	0%	\$8.00
Household Maximum	4 adults	no change	0%	4 adults

**Golf Course fees will be adjusted in  
Spring 2007 to reflect the mid-range  
price of the Edmonton market.**



## Highlights of Approved 2007 User Fees

	2006 Fee	\$ Increase	% Increase	Approved 2007 Fee
<b>Waste Management User Fee</b>				
Single Family (per unit per month)	\$13.25	\$0.80	6%	\$14.05
Multi - Family (per unit per month)	\$8.61	\$0.52	6%	\$9.13
<b>Ambulance Fees Response With Transport</b>				
Resident Patient	\$344.00	\$14.00	4%	\$358.00
Non-Resident Patient	\$477.00	\$20.00	4%	\$497.00
Mileage Fee Outside City Limits Per Km	\$3.40	\$0.14	4%	\$3.54
<b>Ambulance Fees Without Transport</b>				
Resident Patient	\$220.00	\$9.00	4%	\$229.00
Non-Resident Patient	\$323.00	\$13.00	4%	\$336.00
Mileage Fee Outside City Limits Per Km	\$3.40	\$0.14	4%	\$3.54
<b>Ambulance Fees Standby</b>				
Standby Per Hour, 3 Hour Minimum				
Ambulance plus 2 attendants	\$353.00	\$15.00	4%	\$368.00
each additional 1/4 hour	\$30.00	\$2.00	7%	\$32.00
Per attendant (without ambulance)	\$178.00	\$8.00	4%	\$186.00
each additional 1/4 hour	\$15.00	\$1.00	7%	\$16.00
<b>Other ERD Fees and Charges</b>				
Dangerous Goods Permits	\$63.00	\$2.00	3%	\$65.00
Firework and Pyrotechnic Device Permits	\$63.00	\$2.00	3%	\$65.00
Firework and Pyrotechnic Device Permits - High Hazard	\$128.00	\$3.00	2%	\$131.00
Search and Summary Report of Fire Inspection History	\$102.00	\$3.00	3%	\$105.00
Plan Examination and Letter of Compliance	\$152.00	\$4.00	3%	\$156.00
<b>Planning and Development</b>				
<u>Development Compliance</u>				
Residential Building Permit (new single detached house - 1,500 sq. ft.)	\$1,080.00	\$54.00	5%	\$1,134.00
Building permits per \$1,000 of construction value (Commercial and Multi-family Residential)	\$7.22	\$0.36	5%	\$7.58
Accessory Buildings, Satellite Signal Receiving Antennae	\$44.00	\$2.00	5%	\$46.00
Garage Suites, Secondary Suites, Limited Group Homes	\$109.00	\$5.00	5%	\$114.00
Single Detached Housing outside of the house combo permit application - Duplex, Semi-detached, Group Homes	\$217.00	\$11.00	5%	\$228.00
Overheight Fences, Recreational Vehicles Parking, Amateur Radio Antennae and support structures	\$109.00	\$5.00	5%	\$114.00
For new buildings or additions to existing buildings with a gross floor area up to 500 m <sup>2</sup>	\$544.00	\$27.00	5%	\$571.00
Exterior alterations or renovations to existing buildings	\$136.00	\$7.00	5%	\$143.00
Freestanding, Projecting or Roof Signs	\$136.00	\$7.00	5%	\$143.00
Permitted Use Development Permit	\$164.00	\$8.00	5%	\$172.00
Leave as Built - Single Detached, Semi-detached, Duplex	\$218.00	\$10.00	5%	\$228.00
Zoning Compliance Certificate (Residential Express Service)	\$162.00	\$8.00	5%	\$170.00
Zoning Compliance Certificate (Residential)	\$81.00	\$4.00	5%	\$85.00
Business License - General	\$158.00	\$4.00	3%	\$162.00



## Highlights of Approved 2007 User Fees

	2006 Fee	\$ Increase	% Increase	Approved 2007 Fee
<b>Planning and Policy</b>				
Subdivision Application Fees (per lot - single detached or semi-detached dwelling)	\$175.00	\$9.00	5%	\$184.00
Subdivision Endorsement Fees (per lot - single or semi-detached dwelling)	\$425.00	\$21.00	5%	\$446.00
Advertising Fees	\$875.00	\$45.00	5%	\$920.00
<b>Transit / DATS</b>				
Adult Transit / DATS Cash (eff. Feb 1/07)	\$2.25	\$0.25	11%	\$2.50
Youth (6-17) / Senior Cash (eff. Feb 1/07)	\$2.00	\$0.25	13%	\$2.25
Adult Tickets (10/book) (eff. Feb 1/07)	\$18.50	\$2.50	14%	\$21.00
Youth (6-17) / Senior Tickets (10) (eff. Feb 1/07)	\$16.00	\$2.50	16%	\$18.50
DATS Monthly Pass	\$58.00	\$0.00	0%	\$58.00
Adult Monthly Pass	\$59.00	\$0.00	0%	\$59.00
Post Secondary Discounted Monthly Pass	\$54.00	\$0.00	0%	\$54.00
Restricted Monthly School Pass	\$42.00	\$0.00	0%	\$42.00
Senior Monthly Pass	\$11.00	\$0.00	0%	\$11.00
Seniors Annual Pass	\$105.00	\$0.00	0%	\$105.00
Seniors Discounted Annual Pass	\$45.00	\$0.00	0%	\$45.00
Visitor Day Pass	\$6.75	\$0.75	11%	\$7.50
CNIB Pass	free			free
Special Events Service - Adult (eff. Feb 1/07)	\$2.25	\$0.25	11%	\$2.50
Special Events Service - Child (eff. Feb 1/07)	\$2.00	\$0.25	13%	\$2.25
Charters - First Hour Rate (eff. Jan 1/07)	\$109.00	\$3.00	3%	\$112.00
Charters - Subsequent Service Hour Rate (eff. Jan 1/07)	\$89.00	\$3.00	3%	\$92.00
Charters - Out of Town Hourly Rate (eff. Jan 1/07)	\$89.00	\$3.00	3%	\$92.00
<b>Other Fees</b>				
Parkade Half Hour Rate	\$1.50	\$0.00	0%	\$1.50
Daily Maximum Rate	\$12.00	\$5.00	42%	\$17.00
City Hall Parking Meter Rate (per half hour)	\$1.25	\$0.00	0%	\$1.25
Parking Ticket - Expired Meter	\$25.00	\$0.00	0%	\$25.00



## Tax-supported Operations Approved Other Authorities

(\$000)	2005 Actual	2006 Budget	Change '06 to '07	2007 Budget	% Change '06 to '07
<b>Net Expenditure</b>					
Arts Council	3,008	3,377	178	3,555	5.3
Federation of Community Leagues	1,427	1,559	280	1,839	18.0
Greater Edmonton Foundation	3,500	3,500	-	3,500	-
Space & Science Foundation	5,442	5,708	421	6,129	7.4
Taxi Cab Commission	506	554	42	596	7.6
<b>Total Net Expenditure &amp; Transfers</b>	<b>13,883</b>	<b>14,698</b>	<b>921</b>	<b>15,619</b>	<b>6.3</b>
<b>Revenue</b>					
Space & Science Foundation	4,146	4,282	288	4,570	6.7
Taxi Cab Commission	506	554	42	596	7.6
<b>Total Revenue</b>	<b>4,652</b>	<b>4,836</b>	<b>330</b>	<b>5,166</b>	<b>6.8</b>
<b>Total Revenue &amp; Transfers</b>	<b>4,652</b>	<b>4,836</b>	<b>330</b>	<b>5,166</b>	<b>6.8</b>
<b>Tax Levy</b>					
Arts Council	3,008	3,377	178	3,555	5.3
Federation of Community Leagues	1,427	1,559	280	1,839	18.0
Greater Edmonton Foundation	3,500	3,500	-	3,500	-
Space & Science Foundation	1,296	1,426	133	1,559	9.3
Taxi Cab Commission	-	-	-	-	-
<b>Total Tax Levy</b>	<b>9,231</b>	<b>9,862</b>	<b>591</b>	<b>10,453</b>	<b>6.0</b>

	2005 Actual	2006 Budget	Other 2007 Changes	2007 Service Needs	2007 Budget
<b>Full-time Equivalents</b>					
Space & Science Foundation	67.0	70.0	3.0	1.0	74.0
Taxi Cab Commission	3.0	4.0	-	-	4.0
<b>Total Full-time Equivalents</b>	<b>70.0</b>	<b>74.0</b>	<b>3.0</b>	<b>1.0</b>	<b>78.0</b>



## One-time Items

(\$000)	Financial Stabilization			
	Expend.	Reserve	Revenue	Tax Levy
<b>Economic Development Corporation</b>				
Economic Development, Research Park & Tourism	500	-	-	500
<b>Asset Management &amp; Public Works</b>				
<b>Energy, Environment &amp; Natural Areas</b>				
Land Trust	275	275	-	-
Natural Areas Conservation	130	-	-	130
<b>Community Services</b>				
<b>Social, Recreation &amp; Cultural Services</b>				
Edmonton Multicultural Society	20	20	-	-
Neighbourhood Revitalization Strategy	75	-	-	75
<b>Fire Rescue Services</b>				
Technology to Enhance Firefighter Training (E-learning)	413	413	-	-
<b>Corporate Services</b>				
Sir Winston Churchill Square Marketing & City Hall School	112	-	-	112
<b>Office of the City Clerk</b>				
2007 Municipal Election	3,074	1,678	1,396	-
Events	230	-	-	230
<b>Planning &amp; Development</b>				
West Rosedale	200	200	-	-
Community Revitalization	255	-	-	255
New MDP	419	-	-	419
<b>Transportation</b>				
Roads				
Transportation Master Plan	225	225	-	-
<b>Total One-time Items</b>	<b>4,784</b>	<b>2,586</b>	<b>1,396</b>	<b>802</b>



**2007 - 2011 Capital Priorities Plan  
Summary Report  
Approved Funded Capital Plan**

	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Tax Supported Operations</b>							
Asset Management & Public Works							-
Energy Environment & Natural Areas	2,402	1,902	500	-	-	-	2,402
Housing	3,375	4,712	1,138	1,176	1,163	423	8,612
Land	108,058	66,713	49,368	25,810	36,785	34,525	213,201
Parks	46,760	26,394	26,201	15,187	11,985	8,735	88,502
Project Management & Construction	67,497	88,663	28,823	21,886	11,742	11,355	162,469
Waste Management	124,835	18,465	52,770	55,230	20,645	6,645	153,755
Community Services							-
Emergency Communications&Resources	1,565	865	700	200	2,700	2,476	6,941
Recreation And Cultural Facilities	13,407	77,428	35,946	11,671	15,385	13,816	154,246
Social, Recreation & Cultural Serv	11,227	3,168	3,872	2,305	2,229	2,854	14,428
Corporate Services							-
Corporate Services	29,451	21,950	14,251	9,944	10,314	8,914	65,373
Mobile Equipment Services	95,927	62,124	58,221	32,698	28,331	28,625	209,999
Edmonton Economic Development Corp							-
Economic Dev, Research Pk & Tourism	1,046	11,396	1,500	-	-	-	12,896
Shaw Conference Centre	1,130	1,133	-	-	829	-	1,962
Edmonton Police Service							-
Police	18,805	17,516	12,384	8,104	7,759	4,829	50,592
Edmonton Public Library							-
Public Library	8,196	16,658	3,335	-	-	-	19,993
Office of The City Manager							-
Office of The City Clerk	900	850	200	200	1,200	200	2,650
Planning & Development							-
Planning & Development	7,583	4,927	5,464	97	473	4,000	14,961
Transportation							-
Roads	142,005	214,262	231,386	225,451	189,089	91,346	951,534
Transit	11,347	192,874	244,314	215,175	15,097	14,207	681,667
<b>Tax Supported Operations</b>	<b>695,516</b>	<b>832,000</b>	<b>770,373</b>	<b>625,134</b>	<b>355,726</b>	<b>232,950</b>	<b>2,816,183</b>
<b>City Financing</b>							
General Financing	162,865	131,885	104,303	96,415	95,841	96,031	524,475
Local Improvements	740	8,605	9,696	10,253	11,051	7,277	46,882
Other Misc Financing	10,185	12,865	5,620	1,000	-	-	19,485
Reserves	23,374	21,321	11,032	2,724	3,820	4,728	43,625
Retained Earnings	161,787	99,259	80,683	56,274	60,523	60,382	357,121
Self-Liquidating Debentures	47,650	14,883	30,650	25,230	5,645	6,645	83,053
Tax-Supported Debt	34,821	207,750	214,851	179,857	5,000	2,500	609,958
<b>External Financing</b>							
Developer / Partner Financing	59,533	40,768	23,245	28,933	20,117	10,671	123,734
Federal Infrastructure Program	-	952	-	-	-	-	952
Grants	194,561	293,712	290,293	224,448	153,729	44,716	1,006,898
	<b>695,516</b>	<b>832,000</b>	<b>770,373</b>	<b>625,134</b>	<b>355,726</b>	<b>232,950</b>	<b>2,816,183</b>



**2007 - 2011 Capital Priorities Plan**  
**Summary Report**  
**Approved Funded Capital Plan**

	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Utility Operations</b>							
Land Drainage	74,725	44,136	48,272	47,136	38,607	23,983	202,134
Sanitary Drainage	76,634	114,461	86,642	75,208	62,000	49,823	388,134
<b>Utility Operations</b>	<b>151,359</b>	<b>158,597</b>	<b>134,914</b>	<b>122,344</b>	<b>100,607</b>	<b>73,806</b>	<b>590,268</b>
<b>City Financing</b>							
Local Improvements	21,992	12,986	9,006	7,026	5,047	3,053	37,118
Other Misc Financing	11,950	36,546	12,015	11,885	10,000	10,000	80,446
Retained Earnings	21,452	26,634	27,714	16,674	13,201	9,184	93,407
Self-Liquidating Debentures	61,517	59,189	62,568	57,599	61,393	47,688	288,437
<b>External Financing</b>							
Developer / Partner Financing	4,656	8,141	2,626	3,543	2,827	2,881	20,018
Grants	29,792	15,101	20,985	25,617	8,139	1,000	70,642
	<b>151,359</b>	<b>158,597</b>	<b>134,914</b>	<b>122,344</b>	<b>100,607</b>	<b>73,806</b>	<b>590,268</b>
<b>Grand Total</b>	<b>846,875</b>	<b>990,597</b>	<b>905,287</b>	<b>747,478</b>	<b>456,333</b>	<b>306,756</b>	<b>3,406,451</b>



## 2007 - 2011 Capital Priorities Plan

### Details Report

#### Approved Funded Capital Plan

#### Asset Management & Public Works

##### Energy Environment & Natural Areas

		Approved Budget Request						2007 - 2011
Project	Project Name		2007	2008	2009	2010	2011	Total
Business Process Management								
☐	06-75-9900 Project and Contract Management (PaCMan)	2,402	1,902	500	-	-	-	2,402
	Initiative Sub Total	2,402	1,902	500	-	-	-	2,402
	Energy Environment & Natural AreasTotal	2,402	1,902	500	-	-	-	2,402
City Financing								
	General Financing	2,342	1,842	500	-	-	-	2,342
	Retained Earnings	60	60	-	-	-	-	60
	Financing Total	2,402	1,902	500	-	-	-	2,402

##### Housing

		Approved Budget Request						2007 - 2011	
Project	Project Name		2007	2008	2009	2010	2011	Total	
Partnership Housing									
☐	07-21-5500	Low Income Housing Capital Assistance	785	397	388	426	413	423	2,047
☐	07-21-5517	Secondary Suites Program	1,500	1,250	750	750	750	-	3,500
☐	07-21-5520	Affordable Housing - AHPI	1,090	3,065	-	-	-	-	3,065
		Initiative Sub Total	3,375	4,712	1,138	1,176	1,163	423	8,612
		HousingTotal	3,375	4,712	1,138	1,176	1,163	423	8,612
City Financing									
		General Financing	3,375	4,712	1,138	1,176	1,163	423	8,612
		Financing Total	3,375	4,712	1,138	1,176	1,163	423	8,612

##### Land

Project	Project Name	Approved Budget Request						2007 - 2011
			2007	2008	2009	2010	2011	Total
Contaminated Land Reclamation								
06-75-2015	Contaminated Properties Reclamation	350	350	-	-	-	-	350
07-75-2015	Contaminated Properties Reclamation	650	500	500	500	500	500	2,500
☐ 10-75-2017	Strathcona Bus Bams Remediation	-	-	-	-	1,460	-	1,460
	Initiative Sub Total	1,000	850	500	500	1,960	500	4,310
Land Development								
00-75-2003	Pallsades Resident(Oxford)Lot Developmt	11,842	12,700	3,100	-	-	-	15,800
07-75-2004	Meadows Lot Development	11,600	3,000	8,600	9,200	11,800	12,400	45,000
07-75-2006	General Residential Land Developmt	3,800	400	3,400	1,700	100	100	5,700
05-75-2010	Residential Land Acquisition	9,637	5,275	6,350	-	7,700	-	19,325
07-75-2013	Surplus School Sites-Conversion & Disp	1,000	1,000	-	1,250	-	1,400	3,650
01-75-2014	Pilot Sound (Brintnell) Land Development	-	1,700	1,608	-	-	-	3,308

○ Denotes Alberta Munic Infrastructure Program

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☐ Denotes General Financing



## 2007 - 2011 Capital Priorities Plan

### Details Report

#### Approved Funded Capital Plan

#### Asset Management & Public Works

##### Land

Project	Project Name	Approved Budget Request						2007 - 2011
			2007	2008	2009	2010	2011	Total
04-75-2020	Industrial Land Acquisition	9,000	9,000	-	-	-	6,200	15,200
07-75-2025	Community Revitalizat. Land Acquisition	15,000	15,000	-	-	-	-	15,000
▣ 04-75-2100	Fort Road Redevelop. Plan Implementation	13,408	4,288	8,435	385	300	-	13,408
07-75-2204	Other Industrial Land Development	375	200	175	175	125	125	800
05-75-2208	New Commercial/Industrial Development	(1,404)	-	-	-	-	-	-
07-75-2208	New Commercial/Industrial Development	24,100	10,800	13,300	10,300	14,800	13,800	63,000
05-75-5177	Schonsee Development	8,700	2,500	3,900	2,300	-	-	8,700
Initiative Sub Total		107,058	65,853	48,868	25,310	34,825	34,025	208,891
Land Total		108,058	66,713	49,368	25,810	36,785	34,525	213,201
City Financing								
General Financing		1,050	-	1,050	-	1,460	-	2,510
Retained Earnings		107,008	66,713	48,318	25,810	35,325	34,525	210,691
Financing Total		108,058	66,713	49,368	25,810	36,785	34,525	213,201

##### Land Drainage

		Approved Budget Request	2007 - 2011					
Project	Project Name		2007	2008	2009	2010	2011	Total
Storm System								
	07-31-0600 Environmental Improvements	1,505	745	760	775	790	806	3,876
	06-31-4210 Mill Creek Storm Improvements	(2,801)	1,200	-	-	-	-	1,200
	07-31-4304 Wetlands - Kennedale and Pylypow	3,000	600	1,680	720	-	-	3,000
✦	07-31-7199 Review/Inspect Developer Built Sewers	1,150	570	580	590	598	608	2,946
	07-31-9503 Structures Rehabilitation	2,481	1,273	1,298	1,325	1,561	1,585	7,042
	07-31-9504 Sewer Infrastructure Rehabilitation	4,373	2,333	2,040	2,075	2,114	2,155	10,717
	07-31-9507 Drainage Applications	242	120	122	125	128	130	625
○	06-31-9510 Mature Neighbourhood Rehabilitation - Dr	(49,937)	-	-	-	-	-	-
○	07-31-9510 Mature Neighbourhood Rehabilitation - Dr	30,975	13,471	17,504	14,448	14,453	7,340	67,216
○	07-31-9511 Flood Prevention	53,874	11,780	16,081	10,630	8,948	6,435	53,874
○✦	07-31-9604 Stormwater Infrastructure	2,321	100	118	1,076	636	1,649	3,579
✦	07-31-9608 Development Sewers	16,696	9,678	7,018	5,699	4,381	3,045	29,821
○☒	03-31-9613 Stormwater Management Facilities	10,318	1,805	600	8,890	4,850	80	16,225
	07-31-9703 Sewer Systems Upgrading	247	322	329	634	-	-	1,285
	07-31-9704 Monitoring and Assessment	281	139	142	149	148	150	728
Initiative Sub Total		74,725	44,136	48,272	47,136	38,607	23,983	202,134
Land DrainageTotal		74,725	44,136	48,272	47,136	38,607	23,983	202,134

○ Denotes Alberta Munic Infrastructure Program

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▣ Denotes General Financing



## 2007 - 2011 Capital Priorities Plan

### Details Report

#### Approved Funded Capital Plan

#### Asset Management & Public Works

<u>City Financing</u>							
Local Improvements	14,794	8,730	6,064	4,738	3,413	2,070	25,015
Retained Earnings	15,937	10,362	12,865	5,034	3,761	1,649	33,671
Self-Liquidating Debentures	12,422	8,740	7,184	9,685	21,975	17,920	65,504
<u>External Financing</u>							
Developer / Partner Financing	1,780	1,203	1,174	2,062	1,319	1,344	7,102
Grants	29,792	15,101	20,985	25,617	8,139	1,000	70,842
<b>Financing Total</b>	<b>74,725</b>	<b>44,136</b>	<b>48,272</b>	<b>47,136</b>	<b>38,607</b>	<b>23,983</b>	<b>202,134</b>

#### Parks

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Horticulture</b>								
◊ 07-28-5240	Tree Planting/RV Naturalization	687	388	349	358	563	507	2,165
☐ 05-21-5252	Replacement of Drought Damaged Trees	3,775	-	1,200	1,375	1,200	-	3,775
	<b>Initiative Sub Total</b>	<b>4,462</b>	<b>388</b>	<b>1,549</b>	<b>1,733</b>	<b>1,763</b>	<b>507</b>	<b>5,940</b>
<b>Park Access, Circulation</b>								
☐ 07-28-4141	Louise McKinney Park - Ph. II -Buildings	2,500	2,500	-	-	-	-	2,500
◊ 06-21-5310	Parks Infrastructure	400	400	-	-	-	-	400
☐ 07-28-5310	Parks Infrastructure	1,632	895	1,137	1,054	999	1,024	5,109
☐ 07-28-5370	River Valley And Ravine Trails Maintenan	492	251	241	270	260	267	1,289
☐ 07-28-5765	Leger Site: Roadway, Servicing & Dev.	4,700	2,000	2,700	-	-	-	4,700
	<b>Initiative Sub Total</b>	<b>9,724</b>	<b>6,046</b>	<b>4,078</b>	<b>1,324</b>	<b>1,259</b>	<b>1,291</b>	<b>13,998</b>
<b>Park Furniture</b>								
◊ 05-21-4150	Hawrelak Statue Donation	-	100	-	-	-	-	100
☐ 07-28-5280	Parks Conservation Program	3,789	1,894	2,295	2,078	3,064	2,102	11,433
	<b>Initiative Sub Total</b>	<b>3,789</b>	<b>1,994</b>	<b>2,295</b>	<b>2,078</b>	<b>3,064</b>	<b>2,102</b>	<b>11,533</b>
<b>Park System Inventory</b>								
07-28-0002	Park Land Acquisition	2,300	3,800	1,500	1,350	1,350	500	8,500
◊ 07-28-0003	School Site Servicing	303	148	155	162	170	177	812
☐ 06-21-4059	Clareview Campus-Minimum Park Developmnt	2,652	-	1,701	951	-	-	2,652
◊ 03-21-4147	Louise McKinney Riverfront Park	-	1,500	-	-	-	-	1,500
☐ 07-28-5210	Neighbourhood/District Park Development	8,238	800	4,238	3,200	-	-	8,238
06-21-5213	Neighbourhood/District Park Development	-	1,800	-	-	-	-	1,800
06-21-5214	Neighbourhood/District Park Development	-	1,560	1,100	-	-	-	2,660
◊ 07-28-5381	Parks Rehabilitation/Redevelopment	3,940	-	3,940	-	-	-	3,940
◊ 07-28-5390	Natural Areas Acquisition & Conservation	2,781	2,503	2,034	1,270	1,258	1,264	8,329
☐ 07-28-5680	Hollick-Kenyon School Parks Site Acq	360	360	-	-	-	-	360
☐ 07-28-5761	Planning Studies/Design	200	220	100	300	308	316	1,244
	<b>Initiative Sub Total</b>	<b>20,774</b>	<b>12,691</b>	<b>14,768</b>	<b>7,233</b>	<b>3,056</b>	<b>2,257</b>	<b>40,035</b>

○ Denotes Alberta Munc Infrastructure Program

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☐ Denotes General Financing



# 2007 - 2011 Capital Priorities Plan

## Details Report

### Approved Funded Capital Plan

### Asset Management & Public Works

#### Parks

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Playgrounds</b>								
✦ 06-21-0079	Neighbourhood Park Development-Ph I, II	400	400	-	-	-	-	400
✦ 07-28-0079	N.P.D.P. Phase I & II	2,926	1,688	1,638	877	793	813	5,809
07-28-5220	Playground Conservation/Development	896	457	439	324	445	456	2,121
✦ 06-21-5223	Wading Pool Rehabilitation	1,714	993	846	864	884	601	4,188
Initiative Sub Total		5,936	3,538	2,923	2,065	2,122	1,870	12,518
<b>Sports Fields/Fixtures</b>								
06-21-5260	Sportsfield Conservation	-	250	-	-	-	-	250
07-28-5260	Sportsfield Conservation	1,575	987	588	754	691	706	3,728
07-28-5775	Multi-Sport Tournament Site Servicing	500	500	-	-	-	-	500
Initiative Sub Total		2,075	1,737	588	754	691	706	4,478
ParksTotal		46,760	26,394	26,201	15,187	11,985	8,735	88,502
<b>City Financing</b>								
General Financing		27,795	14,471	13,295	8,668	8,719	6,433	51,586
Reserves		6,195	5,927	4,520	2,515	2,497	1,650	17,109
Tax-Supported Debt		8,238	4,160	5,338	3,200	-	-	12,696
<b>External Financing</b>								
Developer / Partner Financing		3,922	1,536	2,738	354	369	252	5,249
Grants		610	300	310	450	400	400	1,860
Financing Total		46,760	26,394	26,201	15,187	11,985	8,735	88,502

#### Project Management & Construction

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Attractions</b>								
06-75-0003	Odyssey Rehab	-	114	-	-	-	-	114
07-75-2522	Valley Zoo Rehabilitation Projects	-	1,725	-	-	-	-	1,725
06-75-2524	Fort Edmonton Rehabilitation Projects	-	1,900	-	-	-	-	1,900
04-75-4693	Commonwealth Stadium Upgrade	-	2,900	-	-	-	-	2,900
04-75-4694	Rexall Place Rehabilitation	200	1,000	100	-	-	-	1,100
Initiative Sub Total		200	7,639	100	-	-	-	7,739
<b>Bldg - Recreational/Facilities/Amenities</b>								
07-75-2500	Conservation Of Community/Recreation Fac	4,567	3,911	1,956	5,678	2,888	3,498	17,931
04-75-2503	Kinsmen Aqua.Ctr HVAC Replacem.	-	6,850	-	-	-	-	6,850
06-75-2505	Mill Woods Arena Ice Plant Replacement	-	2,335	-	-	-	-	2,335
06-75-2506	Bill Hunter Arena Upgrade -Phase I	446	3,446	-	-	-	-	3,446
07-75-2508	Recreational Facilities Rehab/Upgrade	11,849	7,689	4,160	-	-	-	11,849
06-75-2513	Upgrades to Pools	-	1,000	-	-	-	-	1,000

○ Denotes Alberta Munc Infrastructure Program

✦ Denotes Incl. Developer/Partnership Funding

07 Denotes General Financing



## 2007 - 2011 Capital Priorities Plan

### Details Report

#### Approved Funded Capital Plan

#### Asset Management & Public Works

##### Project Management & Construction

Project	Project Name	Approved Budget Request						2007 - 2011
			2007	2008	2009	2010	2011	Total
06-75-2515	Queen Elizabeth Pool Redevelopment	-	2,900	-	-	-	-	2,900
07-75-5501	EMRF-Mechanical, Elect. & Envelope Upgrade	-	700	4,250	5,000	5,000	2,500	17,450
Initiative Sub Total		16,862	28,831	10,366	10,678	7,888	5,998	63,761
Buildings - Emergency Response								
07-75-2122	Fire & EMS Bldg Rehabilitation	536	693	330	330	482	774	2,609
07-75-5164	ERD/Police Driver Training Track	(150)	-	-	-	-	-	-
07-75-5167	Meadows Fire Station	650	4,160	33	7	-	-	4,200
07-75-5170	Fire Vehicle Storage Facility	2,260	2,242	-	18	-	-	2,260
04-75-5176	Fire Stations(New & Repl)-Belle R. & #10	-	1,500	-	-	-	-	1,500
05-75-5179	Replace Aging Fire Stations (#5 & #11)	1,250	10,010	-	75	-	-	10,085
04-75-5180	EMS Stations	-	3,114	-	-	-	-	3,114
07-75-5185	EMS - East Central & South Stations	4,900	2,400	2,500	-	-	-	4,900
07-75-5190	Heritage Valley Fire Station	7,330	1,100	6,380	-	-	-	7,480
Initiative Sub Total		16,776	25,219	9,243	430	482	774	36,148
Buildings - Offices								
07-75-3250	Accessibility To City Bldgs - Base	400	200	200	200	200	286	1,086
05-75-3260	Corporate Data Center Facility	3,450	4,700	-	-	-	-	4,700
07-75-3295	Downtown Buildings-Asset Preservation	643	330	313	300	596	957	2,496
07-75-3511	Century Place Infrastructure	1,090	545	545	544	-	-	1,634
07-75-3604	Accommodation Plan	1,011	500	511	475	695	823	3,004
05-75-5500	EMRF-2004 ME First!Energy Effic Upgrades	-	625	-	-	-	-	625
Initiative Sub Total		6,594	6,900	1,569	1,519	1,491	2,066	13,545
Buildings - Public Works/Operations								
07-75-3233	Library Parkade Rehabilitation	480	230	250	250	201	323	1,254
07-75-3241	Replace Aging Roadway Yard Buildings	8,047	1,972	1,890	4,185	-	-	8,047
07-75-3606	Roof Repairs - Various Buildings	691	467	394	325	335	538	2,059
05-75-3805	New Southwest Transit Garage	9,238	6,900	883	1,171	284	-	9,238
07-75-3809	Public Works/Roadways Operation Building	301	623	-	300	445	859	2,227
06-75-4102	Transit/LRT Garages Rehabilitation	304	304	-	-	-	-	304
07-75-4102	Transit/LRT Garages Rehabilitation	724	508	520	528	616	797	2,969
08-75-4105	DATS Admin/Garage Facility - land	1,030	-	1,030	-	-	-	1,030
07-75-4106	Bus Garage Ventilation Systems-Mitchell	-	2,820	2,578	2,500	-	-	7,898
Initiative Sub Total		20,815	13,824	7,545	9,259	1,881	2,517	35,026
Contaminated Land Reclamation								
06-75-2516	Strathcona Shooting Range-Lead Remediatn	6,250	6,250	-	-	-	-	6,250
Initiative Sub Total		6,250	6,250	-	-	-	-	6,250

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# 2007 - 2011 Capital Priorities Plan

## Details Report

### Approved Funded Capital Plan

### Asset Management & Public Works

#### Project Management & Construction

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
Project Management & Construction Total		67,497	88,663	28,823	21,886	11,742	11,355	162,469
<u>City Financing</u>								
	General Financing	29,357	25,191	10,750	16,886	6,742	8,855	68,424
	Reserves	-	4,548	-	-	-	-	4,548
	Tax-Supported Debt	15,545	33,595	8,410	5,000	5,000	2,500	54,505
<u>External Financing</u>								
	Grants	22,595	25,329	9,663	-	-	-	34,992
Financing Total		67,497	88,663	28,823	21,886	11,742	11,355	162,469

#### Sanitary Drainage

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
Combined System								
07-23-9702	CSO Control Strategy	2,210	948	1,262	770	1,323	1,762	6,065
Initiative Sub Total		2,210	948	1,262	770	1,323	1,762	6,065
Sanitary System								
07-23-0600	Environmental Improvements	1,542	761	781	800	820	840	4,002
05-23-2160	Opportunistic Sewer Separation	-	920	2,050	-	-	-	2,970
✧ 04-23-3400	Water Recycling	-	5,514	-	-	-	-	5,514
06-23-5415	CSO Performance Optimization	46	664	816	861	-	-	2,341
07-23-6100	Operation's Equipment	1,360	300	300	300	300	350	1,550
✧ 07-23-7199	Review/Inspect Developer Built Sewers	1,150	570	580	590	598	608	2,946
04-23-8100	Double Barrel - West End	(433)	50	-	-	-	-	50
06-23-9102	NEST - Stage NL2, NL3 & N1	-	10,000	11,000	-	-	-	21,000
08-23-9202	Mill Woods Double Barrel Replac/SESS SA1	30,386	1,865	3,628	25,575	20,168	-	51,236
05-23-9203	SESS SW2 - SW5	-	8,631	765	-	-	-	9,396
07-23-9204	SESS SE Stage 2	2,000	2,000	-	-	-	-	2,000
04-23-9301	WESS - Stage 1	6,000	12,000	-	-	-	-	12,000
04-23-9302	WESS W12	1,800	9,648	5,910	2,078	-	-	17,636
07-23-9502	Facility Rehabilitation	261	85	176	74	93	154	582
07-23-9503	Structures Rehabilitation	7,317	4,184	4,723	3,804	4,709	4,798	22,218
07-23-9504	Sewer Infrastructure Rehabilitation	8,727	4,657	4,070	3,828	3,901	3,973	20,429
07-23-9507	Drainage Applications	973	899	491	501	511	521	2,923
06-23-9510	Mature Neighbourhood Rehabilitation - Dr	(51,109)	-	-	-	-	-	-
07-23-9510	Mature Neighbourhood Rehabilitation - Dr	7,607	3,081	4,526	8,750	9,893	7,580	33,830
07-23-9511	Flood Prevention	13,016	4,828	7,644	-	-	544	13,016
07-23-9605	Sanitary Servicing Strategy	500	250	250	250	1,000	10,000	11,750
07-23-9607	Construction Facility and Equipment	4,207	3,711	496	592	592	592	5,983
✧ 07-23-9608	Development Sewers	9,749	5,525	4,224	3,584	2,943	2,306	18,582

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### Asset Management & Public Works

#### Sanitary Drainage

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
07-23-9703	Sewer Systems Upgrading	147	147	120	-	-	575	842
07-23-9704	Monitoring and Assessment	1,155	572	583	613	608	619	2,995
Initiative Sub Total		46,401	80,862	53,133	52,200	46,136	33,460	265,791
<b>Wastewater Treatment Facilities</b>								
06-23-3119	Tertiary Treatment Phase 2	6,193	13,897	5,141	-	262	3,216	22,516
02-23-3310	CSO Enhanced Primary Treatment	5,202	3,432	9,151	9,334	-	-	21,917
07-23-9501	Gold Bar - Rehabilitation	10,630	3,179	7,451	6,234	3,307	4,491	24,662
04-23-9606	Gold Bar Buildings Upgrading	-	2,036	1,949	2,358	491	-	6,834
00-23-9609	Gold Bar Upgrading	5,998	10,107	8,555	4,312	10,481	6,892	40,347
Initiative Sub Total		28,023	32,651	32,247	22,236	14,541	14,601	116,278
Sanitary Drainage Total		76,634	114,461	86,642	75,208	62,000	49,823	388,134
<b>City Financing</b>								
Local Improvements		7,198	4,256	2,942	2,288	1,634	983	12,103
Other Misc Financing		11,950	36,546	12,015	11,885	10,000	10,000	80,446
Retained Earnings		5,515	16,272	14,849	11,640	9,440	7,535	59,736
Self-Liquidating Debentures		49,095	50,449	55,384	47,914	39,416	29,766	222,933
<b>External Financing</b>								
Developer / Partner Financing		2,876	6,938	1,452	1,481	1,508	1,537	12,916
Financing Total		76,634	114,461	86,642	75,208	62,000	49,823	388,134

#### Waste Management

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Processing Facilities</b>								
08-33-1934	Material Recovery Facility Renewal(MRF)	1,500	-	1,500	-	-	-	1,500
✧ 02-33-1946	Gasification Facility	87,000	5,000	27,000	40,000	15,000	-	87,000
06-33-1966	Organics Management System Enhancement	-	2,900	2,000	-	-	-	4,900
06-33-2003	E-Waste Processing Facility	(500)	-	-	-	-	-	-
Initiative Sub Total		88,000	7,900	30,500	40,000	15,000	-	93,400
<b>Waste Mgmt - Other</b>								
07-33-1933	Waste Management Centre Infrastructure	7,785	4,015	3,770	4,230	5,645	6,645	24,305
Initiative Sub Total		7,785	4,015	3,770	4,230	5,645	6,645	24,305
<b>Waste Mgmt Fac - Operation &amp; Admin</b>								
07-33-2004	Administration Facility Expansion	1,400	1,400	-	-	-	-	1,400
Initiative Sub Total		1,400	1,400	-	-	-	-	1,400

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### Asset Management & Public Works

#### Waste Management

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
Waste Mgmt Fac - Transfer Stn & Pub Fac								
07-33-1935	Processing and Transfer Facility	27,650	1,650	15,000	11,000	-	-	27,650
06-33-2002	SW Eco Station	-	3,500	3,500	-	-	-	7,000
	Initiative Sub Total	27,650	5,150	18,500	11,000	-	-	34,650
	Waste Management Total	124,835	18,465	52,770	55,230	20,645	6,645	153,755
<u>City Financing</u>								
	Other Misc Financing	10,185	6,065	4,620	-	-	-	10,685
	Self-Liquidating Debentures	47,650	9,400	29,150	25,230	5,645	6,645	76,070
<u>External Financing</u>								
	Developer / Partner Financing	38,000	3,000	9,000	20,000	6,000	-	38,000
	Grants	29,000	-	10,000	10,000	9,000	-	29,000
	Financing Total	124,835	18,465	52,770	55,230	20,645	6,645	153,755

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## 2007 - 2011 Capital Priorities Plan

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### Community Services

#### Emergency Communications&Resources

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
Fire Fighting Equipment Update								
☐ 07-70-0012	Computer Systems / Hardware	400	200	200	200	200	200	1,000
	Initiative Sub Total	400	200	200	200	200	200	1,000
Other IT Initiatives								
☐ 05-70-0002	Mobile Computing Capability	1,165	665	500	-	-	-	1,165
☐ 08-70-9000	Dispatch System/Center Replacement	-	-	-	-	2,500	2,276	4,776
	Initiative Sub Total	1,165	665	500	-	2,500	2,276	5,941
	Emergency Communications&ResourcesTotal	1,565	865	700	200	2,700	2,476	6,941
City Financing								
General Financing								
	Financing Total	1,565	865	700	200	2,700	2,476	6,941

#### Recreation And Cultural Facilities

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
Arenas								
☐ 09-21-5366	Arena Rehabilitation Program	-	-	-	200	205	210	615
	Initiative Sub Total	-	-	-	200	205	210	615
Attractions								
◆ 07-21-5353	John Janzen Nature Centre	700	700	-	1,345	3,560	1,794	7,399
◆ 06-21-5354	Fort Edmonton Park Improvements	628	1,070	308	1,125	2,240	3,204	7,947
◆ 08-21-5356	Muttart Master Plan Implementation	-	-	-	658	3,855	3,855	8,368
◆ 09-21-5357	Valley Zoo Enterprise/Partner Support	-	-	-	2,500	2,500	-	5,000
◆ 06-21-5358	Kinsmen Sports Centre Improvements	-	-	800	-	-	-	800
◆ 06-21-5359	Municipal Cemeteries Improvements	1,377	32	1,345	-	-	-	1,377
◆ 05-21-5470	Muttart Conservatory - New Program/Area	-	770	-	-	-	-	770
	Initiative Sub Total	2,705	2,572	2,453	5,628	12,155	8,853	31,661
Buildings - Pavilions/Gazebos								
◆ 05-21-5670	Southwest Multi-Purp Recreation Facility	-	60,200	24,000	3,000	-	-	87,200
	Initiative Sub Total	-	60,200	24,000	3,000	-	-	87,200
Community Partnerships								
☐ 07-21-5351	Municipal Cemeteries: Rehabilitation	-	-	-	-	783	317	1,100
◆ 05-21-5527	Senior Centre Consolidation & Upgrading	2,550	11,050	1,839	-	-	-	12,889
☐ 07-21-5771	Recreation Facility Safety and Security	733	233	500	967	507	520	2,727
	Initiative Sub Total	3,283	11,283	2,339	967	1,290	837	16,716

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#### Community Services

##### Recreation And Cultural Facilities

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Leisure Centres</b>								
06-21-5655	ME First-Energy Management	-	1,900	2,615	-	-	-	4,515
	Initiative Sub Total	-	1,900	2,615	-	-	-	4,515
<b>Sports and Fitness Facilities</b>								
07-21-5601	Equipment Conservation	651	214	437	358	535	316	1,860
06-21-5656	ME First-Energy Management-Coronation	-	111	-	-	-	-	111
07-21-5789	Concept Design Studies	1,290	600	690	-	-	-	1,290
	Initiative Sub Total	1,941	925	1,127	358	535	316	3,261
<b>Water Features (Outdoor Pools)</b>								
10-21-4220	Millcreek Outdoor Pool Redevel./Rehab.	-	-	-	-	1,200	3,600	4,800
07-21-4221	Fred Broadstock Pool Redevelopment	5,478	548	3,412	1,518	-	-	5,478
	Initiative Sub Total	5,478	548	3,412	1,518	1,200	3,600	10,278
	<b>Recreation And Cultural FacilitiesTotal</b>	13,407	77,428	35,946	11,671	15,385	13,816	154,246
<b>City Financing</b>								
	General Financing	5,224	4,572	1,627	1,525	3,230	4,963	15,917
	Reserves	1,655	480	1,367	189	597	584	3,217
	Tax-Supported Debt	5,478	38,284	31,866	4,518	-	-	74,668
<b>External Financing</b>								
	Developer / Partner Financing	1,050	34,092	1,086	5,439	11,558	8,269	60,444
	<b>Financing Total</b>	13,407	77,428	35,946	11,671	15,385	13,816	154,246

##### Social, Recreation & Cultural Serv

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Bldg - Recreational/Facilities/Amenities</b>								
06-21-5455	Argyll Velodrome Redevelopment	102	-	102	-	-	-	102
07-21-5738	Rowing Club Boat House	2,500	200	2,300	-	-	-	2,500
	Initiative Sub Total	2,602	200	2,402	-	-	-	2,602
<b>Park Access, Circulation</b>								
07-21-5741	Nordic Ski Club Snow Making	-	175	67	58	-	-	300
	Initiative Sub Total	-	175	67	58	-	-	300
<b>Playgrounds</b>								
07-21-5712	Skate Board Park Development	-	350	-	-	-	-	350
	Initiative Sub Total	-	350	-	-	-	-	350
<b>Sports Fields/Fixtures</b>								
07-21-5747	Artificial Playing Surfaces: Qdmt Based	-	1,421	-	-	-	-	1,421
	Initiative Sub Total	-	1,421	-	-	-	-	1,421

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#### Community Services

##### Social, Recreation & Cultural Serv

		Approved Budget Request						2007 - 2011	
Project	Project Name		2007	2008	2009	2010	2011	Total	
Sports and Fitness Facilities									
✧	07-21-5730	Multi-Sport Tournament & Rec Site (MTRS)	8,000	700	1,100	1,900	1,856	2,444	8,000
		Initiative Sub Total	8,000	700	1,100	1,900	1,856	2,444	8,000
Technology Equipment - Business Applications									
☐	07-21-5610	Computer Application/Hardware Replacemen	625	322	303	347	373	410	1,755
		Initiative Sub Total	625	322	303	347	373	410	1,755
		Social, Recreation & Cultural Serv/Total	11,227	3,168	3,872	2,305	2,229	2,854	14,428
<u>City Financing</u>									
		General Financing	727	2,218	472	405	373	410	3,878
		Reserves	2,200	50	-	-	706	1,494	2,250
<u>External Financing</u>									
		Developer / Partner Financing	8,300	900	3,400	1,900	1,150	950	8,300
		Financing Total	11,227	3,168	3,872	2,305	2,229	2,854	14,428

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#### Corporate Services

##### Corporate Services

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Business Process Management</b>								
07-18-0406	Business Process Management (ERP)	658	-	658	933	2,289	1,185	5,065
07-18-0416	Upgrades Business Process Mgt (ERP)	190	95	95	320	100	153	763
Initiative Sub Total		848	95	753	1,253	2,389	1,338	5,828
<b>Service Delivery - Business Applications</b>								
02-18-0005	E-Business	4,968	1,942	3,026	-	500	-	5,468
04-18-0337	FINES System Replacement	-	-	-	-	-	200	200
06-18-0401	Automated Remittance System	215	215	-	-	-	-	215
06-18-0403	Identity Management	1,599	633	966	366	160	-	2,125
06-18-0404	Citizens Telephone Access -311	-	6,800	-	-	-	-	6,800
07-18-0501	SAP Treasury System	250	250	-	-	-	-	250
07-18-0507	Asset Accounting Implementation	3,700	1,200	1,250	1,250	-	-	3,700
Initiative Sub Total		10,732	11,040	5,242	1,616	660	200	18,758
<b>Technology Infrastructure Enhancement</b>								
03-18-0334	Mobile Data Communications	1,808	1,900	1,108	-	-	-	3,008
Initiative Sub Total		1,808	1,900	1,108	-	-	-	3,008
<b>Technology Infrastructure Sustainment</b>								
07-18-0001	Information Management Infrastructure	13,126	6,905	6,221	6,025	6,265	6,354	31,770
07-18-0014	Systems Software Infrastructure	2,087	1,310	777	1,000	1,000	1,022	5,109
06-18-0408	Back Up Recovery Infrastructure Renewal	850	700	150	50	-	-	900
Initiative Sub Total		16,063	8,915	7,148	7,075	7,265	7,376	37,779
Corporate ServicesTotal		29,451	21,950	14,251	9,944	10,314	8,914	65,373
<b>City Financing</b>								
General Financing		29,451	15,150	14,251	9,944	10,314	8,914	58,573
Other Misc Financing		-	6,800	-	-	-	-	6,800
Financing Total		29,451	21,950	14,251	9,944	10,314	8,914	65,373

##### Mobile Equipment Services

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Buildings - MES Public Works/Operations</b>								
07-25-6005	Transit Underground Holst replacement	2,750	1,375	-	-	1,375	-	2,750
Initiative Sub Total		2,750	1,375	-	-	1,375	-	2,750
<b>Fleet - City Vehicles</b>								
07-25-5919	Municipal Vehicle -Growth	2,587	-	2,587	-	1,148	1,268	5,003
07-25-5920	Municipal Vehicle Replacement	37,000	20,700	23,752	22,050	19,000	21,000	106,502
06-25-5977	Mun Vehicle Reprint-Environmental Premium	1,500	500	1,000	953	1,790	1,850	6,093

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#### Corporate Services

##### Mobile Equipment Services

		Approved Budget Request	2007 - 2011					
Project	Project Name		2007	2008	2009	2010	2011	Total
☐	03-25-5980 Plan&Dev:Animal Control-Holding Vehicles	146	146	-	-	-	-	146
☐	06-25-5986 T&S:Roadways - Vehicles	2,100	1,100	-	-	-	1,000	2,100
☐	03-25-5987 MES: Light Trucks, Lease Conversions	2,000	2,000	-	-	-	-	2,000
☐	06-25-5988 Waste Mgmt-Additional Collection Vehicle	2,336	2,060	276	-	-	-	2,336
☐	04-25-5990 L&B - Bldg Maint Trade Van	300	300	-	-	-	-	300
○	07-25-6006 Ambulance Paramedics Response Units	200	200	-	-	-	-	200
☐	07-25-6007 Additional Vehicles Parkland Services	300	300	-	-	-	-	300
Initiative Sub Total		48,469	27,306	27,615	23,003	21,938	25,118	124,980
Fleet - ERD								
	07-25-5971 2007 Fire Fleet Replacement	5,312	3,900	4,000	3,600	3,000	1,557	16,057
	07-25-5972 Ambulance Fleet Replacement	1,177	580	597	615	633	652	3,077
	07-25-5975 Ambulances: Growth	292	146	146	146	150	155	743
○	04-25-5979 Fire Apparatus-Growth(Meadows& Heritage)	-	1,430	-	760	-	-	2,190
○	07-25-5981 Fire Apparatus -Growth	1,250	500	750	-	-	-	1,250
Initiative Sub Total		8,031	6,556	5,493	5,121	3,783	2,364	23,317
Fleet - Shop Equipment								
	07-25-5004 Facility Imp - Shop Tools/Equipment	808	500	400	420	435	448	2,203
☐	07-25-5928 Bus Fleet Tools And Equipment	214	89	125	673	450	500	1,837
	07-25-5931 Municipal Shop Holst Replacement Program	330	160	170	180	190	195	895
	06-25-5932 Underground Storage Tank Replace(Munlop)	5,800	3,500	2,300	2,500	-	-	8,300
☐	06-25-5934 Transit Underground Holst Replacement	1,196	771	425	71	-	-	1,267
☐	05-25-5992 Bus Wash Equipment Replacement	300	100	200	-	-	-	300
Initiative Sub Total		8,648	5,120	3,620	3,844	1,075	1,143	14,802
Fleet - Transit								
○	07-25-4219 2007 Future Bus Replacement	26,322	20,218	20,655	-	-	-	40,873
☐	07-25-5926 Bus Refurbishment (Diesel)	1,207	669	538	500	-	-	1,707
	07-25-5995 Bus Refurbishment (Trolley)	500	500	-	-	-	-	500
☐	06-25-6001 Engine Overhaul Program Diesel Buses	-	380	300	230	160	-	1,070
Initiative Sub Total		28,029	21,767	21,493	730	160	-	44,150
Mobile Equipment ServicesTotal		95,927	62,124	58,221	32,698	28,331	28,625	209,999
City Financing								
	General Financing	9,752	4,606	4,451	1,474	3,133	1,768	15,432
	Reserves	3,684	2,684	-	-	-	1,000	3,684
	Retained Earnings	54,719	32,486	32,365	30,464	25,198	25,857	146,370
External Financing								
	Grants	27,772	22,348	21,405	760	-	-	44,513
Financing Total		95,927	62,124	58,221	32,698	28,331	28,625	209,999

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**2007 - 2011 Capital Priorities Plan**  
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**Approved Funded Capital Plan**  
**Edmonton Economic Development Corp**

**Economic Dev, Research Pk & Tourism**

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Bldg - Recreational/Facilities/Amenities</b>								
05-99-3002	Biotechnology Centre	-	9,850	1,500	-	-	-	11,350
05-99-3004	Research Ctr 1 - Building Upgrade	871	871	-	-	-	-	871
07-99-3006	Visitor Information Ctr. Wshrm Upgrade	175	175	-	-	-	-	175
Initiative Sub Total		1,046	10,896	1,500	-	-	-	12,396
<b>Buildings - Offices</b>								
05-99-3001	Edm Research Park - Tenant Improvements	-	500	-	-	-	-	500
Initiative Sub Total		-	500	-	-	-	-	500
Economic Dev, Research Pk & TourismTotal		1,046	11,396	1,500	-	-	-	12,896
<b>City Financing</b>								
General Financing		1,046	1,046	-	-	-	-	1,046
Reserves		-	1,017	-	-	-	-	1,017
Self-Liquidating Debentures		-	5,483	1,500	-	-	-	6,983
<b>External Financing</b>								
Federal Infrastructure Program		-	952	-	-	-	-	952
Grants		-	2,898	-	-	-	-	2,898
Financing Total		1,046	11,396	1,500	-	-	-	12,896

**Shaw Conference Centre**

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Conference Centre Rehabilitation</b>								
05-99-0003	Shaw Conference Ctr Major Bldg. Upgrade	-	-	-	-	829	-	829
05-99-1087	Meeting Room Level Upgrading- Conference	900	900	-	-	-	-	900
05-99-1088	Escalator Rebuild - Conference Centre	230	233	-	-	-	-	233
Initiative Sub Total		1,130	1,133	-	-	829	-	1,962
Shaw Conference CentreTotal		1,130	1,133	-	-	829	-	1,962
<b>City Financing</b>								
General Financing		1,130	1,133	-	-	829	-	1,962
Financing Total		1,130	1,133	-	-	829	-	1,962

○ Denotes Alberta Munic Infrastructure Program

◇ Denotes Incl. Developer/Partnership Funding

□ Denotes General Financing



## 2007 - 2011 Capital Priorities Plan

### Details Report

#### Approved Funded Capital Plan

#### Edmonton Police Service

#### Police

		Approved Budget Request	2007 - 2011					
Project	Project Name		2007	2008	2009	2010	2011	Total
Buildings - Police								
07-60-1356	South West Division Station	5,547	9,658	6,589	3,100	800	-	20,147
06-60-1357	Integrated Operational/Storage Facility	2,224	-	1,291	1,253	-	-	2,544
06-60-1363	Amalg. Traffic,Tactical,Flight Ops. Fac.	-	600	-	-	-	-	600
07-60-1856	Facilities Infrastructure/Rehabilitation	1,745	795	950	650	285	485	3,165
Initiative Sub Total		9,516	11,053	8,830	5,003	1,085	485	26,456
Police Equipment								
05-60-1742	Intoxilyzer Equipment Replacement	-	243	-	-	-	-	243
07-60-1747	Automated Fingerprint Identification Sys	1,000	350	650	-	-	-	1,000
Initiative Sub Total		1,000	593	650	-	-	-	1,243
Technology Equipment - Police Communications								
05-60-1420	Mobile Wireless Telecommunications	687	847	-	-	-	-	847
07-60-1423	Communications Systems Replacements	-	-	-	-	478	2,157	2,635
09-60-1440	Public Safety Radio Network Replacement	-	-	-	1,068	-	-	1,068
Initiative Sub Total		687	847	-	1,068	478	2,157	4,550
Technology Equipment - Police IT								
07-60-1433	Police IT Systems - Infrastructure	3,112	2,083	1,104	854	2,826	667	7,534
07-60-1460	Police IT Systems - Projects	4,490	2,940	1,800	1,179	3,370	1,520	10,809
Initiative Sub Total		7,602	5,023	2,904	2,033	6,196	2,187	18,343
PoliceTotal		18,805	17,516	12,384	8,104	7,759	4,829	50,592
City Financing								
General Financing		12,608	8,113	5,425	5,159	6,999	4,829	30,525
Reserves		650	-	650	-	-	-	650
External Financing								
Grants		5,547	9,403	6,309	2,945	760	-	19,417
Financing Total		18,805	17,516	12,384	8,104	7,759	4,829	50,592

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▣ Denotes General Financing



## 2007 - 2011 Capital Priorities Plan

### Details Report Approved Funded Capital Plan Edmonton Public Library

#### Public Library

		Approved Budget Request	2007 - 2011					
Project	Project Name		2007	2008	2009	2010	2011	Total
Buildings - Libraries								
✧	06-20-0002	North Branch Library Construction	6,035	2,700	3,335	-	-	6,035
☐	03-20-0019	Mill Woods Branch Design / Land	-	1,000	-	-	-	1,000
☐	04-20-0020	Idylwyde Branch Renovations	704	845	-	-	-	845
☐	07-20-0020	Idylwyde Branch Renovations	141	-	-	-	-	-
☐	08-20-0020	Idylwyde Branch Renovations	966	966	-	-	-	966
	05-20-0032	Lolo Hole Branch Relocation	-	6,797	-	-	-	6,797
☐	14-20-0040	Milner - Skylights	350	350	-	-	-	350
Initiative Sub Total		8,196	12,658	3,335	-	-	-	15,993
Library - Self Check-out								
☐	04-20-0026	Public Library Self Service Checkout	-	4,000	-	-	-	4,000
Initiative Sub Total		-	4,000	-	-	-	-	4,000
Public LibraryTotal		8,196	16,658	3,335	-	-	-	19,993
City Financing								
General Financing		2,161	5,161	-	-	-	-	5,161
Tax-Supported Debt		5,560	9,497	2,860	-	-	-	12,357
External Financing								
Developer / Partner Financing		350	-	350	-	-	-	350
Grants		125	2,000	125	-	-	-	2,125
Financing Total		8,196	16,658	3,335	-	-	-	19,993

○ Denotes Alberta Munic Infrastructure Program

✦ Denotes Incl. Developer/Partnership Funding

☐ Denotes General Financing



## 2007 - 2011 Capital Priorities Plan

### Details Report

### Approved Funded Capital Plan

### Office of The City Manager

#### Office of The City Clerk

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
Service Delivery - Business Applications								
02-44-0722	Records Mgt System Replacement	-	150	-	-	-	-	150
04-44-0835	Agenda Preparation & Meeting Mgt System	-	-	-	-	1,000	-	1,000
07-44-1217	Software Applications Sustainability	400	200	200	200	200	200	1,000
07-44-1221	Detailed E-Records Business Req'ts	500	500	-	-	-	-	500
Initiative Sub Total		900	850	200	200	1,200	200	2,650
Office of The City Clerk Total		900	850	200	200	1,200	200	2,650
City Financing								
General Financing		900	850	200	200	1,200	200	2,650
Financing Total		900	850	200	200	1,200	200	2,650

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□ Denotes General Financing



## 2007 - 2011 Capital Priorities Plan

### Details Report

#### Approved Funded Capital Plan

#### Planning & Development

#### Planning & Development

Project		Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
Animal Control Facility									
☐	05-17-1550	Animal Control Facility	-	3,525	1,308	-	-	-	4,833
		Initiative Sub Total	-	3,525	1,308	-	-	-	4,833
Jasper East									
☐	07-17-0400	Downtown East Project Implementation	7,000	-	3,000	-	-	4,000	7,000
		Initiative Sub Total	7,000	-	3,000	-	-	4,000	7,000
Streetscape									
☐	05-17-0336	Improving Entrance Corridors: East/West	-	700	-	-	-	-	700
☐	07-17-0344	Streetscape Projects - Candy Cane Lane	-	120	-	-	-	-	120
		Initiative Sub Total	-	820	-	-	-	-	820
Technology Equipment - Business Applications									
☐	05-17-3030	POSSE Upgrade - Phase III	389	-	389	-	-	-	389
☐	04-17-3033	SLIM Initiatives	-	310	570	-	-	-	880
☐	06-17-3036	Address Project	-	175	100	-	-	-	275
☐	07-17-3128	Computer System Upgrade Program	194	97	97	97	73	-	364
		Initiative Sub Total	583	582	1,156	97	73	-	1,908
Urban Design									
☐	05-17-0332	Downtown East Pedway Connection	-	-	-	-	400	-	400
		Initiative Sub Total	-	-	-	-	400	-	400
		Planning & Development Total	7,583	4,927	5,464	97	473	4,000	14,961
City Financing									
		General Financing	7,583	2,807	5,464	97	473	4,000	12,841
		Reserves	-	2,120	-	-	-	-	2,120
		Financing Total	7,583	4,927	5,464	97	473	4,000	14,961

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☐ Denotes General Financing



## 2007 - 2011 Capital Priorities Plan

### Details Report

#### Approved Funded Capital Plan

#### Transportation

##### Roads

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Arterial Roads</b>								
☐ 07-66-1020	Arterial/Primary/Hwy/Renewal/Crack	44,335	20,883	23,452	14,546	8,016	21,485	88,382
☐ 07-66-1040	Bridge Rehabilitation	23,355	12,465	10,890	5,621	2,196	2,995	34,167
◊ 07-66-1440	Arterial Network Improvements	99,142	45,990	53,152	4,456	2,596	-	105,194
◊ 06-66-1445	Arterial Roads - AMIP	(23,842)	-	-	-	-	-	-
Initiative Sub Total		142,990	79,338	87,494	24,623	12,808	24,480	228,743
<b>Collector &amp; Local Roads</b>								
☐ 07-66-1050	Collector/Alley Renewal & Slurry Seal	1,379	687	692	592	617	4,152	6,740
◊ 07-66-1055	Neighbourhood Renewal Program	69,931	27,397	42,534	52,597	60,505	22,472	205,505
◊ 05-66-1098	Mature Neighbourhood Rehab-Roads AMIP	(144,765)	-	-	-	-	-	-
☐ 06-66-1100	Neighbourhood Rehab (Roads GST Rebate)	(34,400)	-	-	-	-	-	-
◊ 06-66-1432	105 Avenue Multi-Use Trail	4,750	5,000	-	-	-	-	5,000
Initiative Sub Total		(103,105)	33,084	43,226	53,189	61,122	26,624	217,245
<b>Environmental/Slide Repair/Snow Storage/Other</b>								
☐ 93-66-1940	Snow Storage Facilities	(700)	-	-	-	-	-	-
☐ 07-66-1950	Environmental Issues	16,308	8,428	7,880	3,342	3,651	2,952	26,253
Initiative Sub Total		15,608	8,428	7,880	3,342	3,651	2,952	26,253
<b>Local Improvements (Roads)</b>								
☐ 07-66-1490	Local Improvement Construction	9,994	4,997	4,997	4,997	4,997	5,000	24,988
☐ 07-66-1491	Streetscape Rehabilitation	443	135	308	322	350	368	1,483
Initiative Sub Total		10,437	5,132	5,305	5,319	5,347	5,368	26,471
<b>Other Initiatives</b>								
☐ 07-66-1060	Survey Mapping And Control	390	195	195	195	195	195	975
☐ 07-66-1070	Yards Rehabilitation	700	350	350	350	350	350	1,750
Initiative Sub Total		1,090	545	545	545	545	545	2,725
<b>Strategic Roads</b>								
◊ 03-66-1461	Whitemud Dr / Tenwilegar Dr - Stage 1	69,266	23,390	12,400	64,235	73,105	4,420	177,550
◊ 02-66-1463	Yellowhead Trail/156 Street Interchange	(700)	-	-	-	-	-	-
◊ 07-66-1480	Primary/Secondary Highway Connectors	34,782	13,502	21,280	23,580	16,006	6,838	81,206
◊ 00-66-1610	Southwest Ring Road (Network Connection)	(830)	-	-	-	-	-	-
☐ 07-66-1910	Planning Studies	5,677	3,104	2,573	1,817	2,000	1,930	11,424
Initiative Sub Total		108,195	39,996	36,253	89,632	91,111	13,188	270,180
<b>Strategic Roads (Interchanges, Ring Roads)</b>								
☐ 04-66-1464	West Edmonton Tmsp Study Implementation	(7,524)	-	-	-	-	-	-
☐ 05-66-1465	N.W. Edmonton Tmsp Study Implementation	(25,191)	-	-	-	-	-	-
◊ 06-66-1482	23 Avenue/Gateway Interchange - AMIP	10,700	28,750	37,000	37,000	-	3,000	105,750
◊ 06-66-1485	Highway Connectors - AMIP	(50,087)	-	-	-	-	-	-

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## 2007 - 2011 Capital Priorities Plan

### Details Report

#### Approved Funded Capital Plan

#### Transportation

##### Roads

Project	Project Name	Approved Budget Request						2007 - 2011
			2007	2008	2009	2010	2011	Total
○ □ 06-66-1612	Anthony Henday Drive Ring Road Connector	15,750	8,480	1,050	1,520	3,600	1,100	15,750
Initiative Sub Total		(56,352)	37,230	38,050	38,520	3,600	4,100	121,500
Traffic Control & Safety / Streetlighting								
□ 07-66-1210	Traffic Control Rehabilitation	5,187	1,976	3,211	1,741	1,785	2,355	11,068
✦ □ 07-66-1220	Traffic Safety Improvements	5,581	2,523	3,058	2,343	2,198	2,439	12,561
✦ □ 07-66-1230	Community Roadway/Improvements	2,085	1,064	1,021	1,270	1,332	1,709	6,396
□ 07-66-1260	Street Lighting Rehabilitation	3,029	1,633	1,396	1,468	1,539	1,879	7,915
□ 07-66-1430	Accessibility-Sidewalks/Bikeways/Curbs	4,014	2,178	1,836	1,631	2,156	2,565	10,366
□ 07-66-1640	Intelligent Transportation Systems	3,246	1,135	2,111	1,828	1,895	3,142	10,111
Initiative Sub Total		23,142	10,509	12,633	10,281	10,905	14,089	58,417
RoadsTotal		142,005	214,262	231,386	225,451	189,089	91,346	951,534
<u>City Financing</u>								
General Financing		18,271	32,196	34,880	41,292	38,056	46,184	192,608
Local Improvements		740	8,605	9,696	10,253	11,051	7,277	46,882
Reserves		8,990	4,495	4,495	20	20	-	9,030
<u>External Financing</u>								
Developer / Partner Financing		7,911	1,240	6,671	1,240	1,040	1,200	11,391
Grants		106,093	167,726	175,644	172,646	138,922	36,685	691,623
Financing Total		142,005	214,262	231,386	225,451	189,089	91,346	951,534

##### Transit

		Approved Budget Request	2007 - 2011					
Project	Project Name		2007	2008	2009	2010	2011	Total
Bus Fleet (Growth)								
07-66-1680	Bus Fleet, Facilities & Equipment Growth	12,832	2,155	10,677	1,087	8,719	3,170	25,808
00-66-1681	Bus Fleet Growth	-	5,881	-	-	-	-	5,881
Initiative Sub Total		12,832	8,036	10,677	1,087	8,719	3,170	31,689
Bus Systems & Facilities								
07-66-1240	Transit Safety & Security Improvements	2,512	1,333	1,179	1,660	1,070	1,611	6,853
06-66-1291	ETS Radio System Replacement	893	1,750	445	4,476	-	-	6,671
07-66-1410	Bus Fleet, Facilities & Equipment Rehab	17,819	590	17,229	1,110	1,822	2,749	23,500
07-66-1411	Bus System Rehabilitation	1,183	533	650	671	708	481	3,043
Initiative Sub Total		22,407	4,206	19,503	7,917	3,600	4,841	40,067
Computer Equipment - LRT/Bus								
06-66-1423	DATS Computer System	-	2,000	800	142	-	-	2,942
Initiative Sub Total		-	2,000	800	142	-	-	2,942

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□ Denotes General Financing



## 2007 - 2011 Capital Priorities Plan

### Details Report

#### Approved Funded Capital Plan

#### Transportation

##### Transit

		Approved Budget Request	2007 - 2011					
Project	Project Name		2007	2008	2009	2010	2011	Total
High Speed Transit								
▣	07-66-1280	LRV Retrofit Package	25,154	7,332	12,700	5,122	-	25,154
○▣	05-66-1665	Bus Rapid Transit (AMIP)	(55,126)	19,775	11,435	15,264	-	46,474
	Initiative Sub Total		(29,972)	27,107	24,135	20,386	-	71,628
LRT System & Facilities								
▣	07-66-1270	LRT Fleet, Facilities & Equipment Rehab	5,256	3,877	2,577	3,332	2,399	17,152
	Initiative Sub Total		5,256	3,877	2,577	3,332	2,399	17,152
Other Initiatives								
▣	07-66-1420	Transp Computer Equipment/Applications	824	352	472	367	379	2,799
	Initiative Sub Total		824	352	472	367	379	2,799
South LRT Extension								
○▣	05-66-1671	SLRT (Federal Fuel Tax Rebate)	-	147,296	186,150	181,944	-	515,390
	Initiative Sub Total		-	147,296	186,150	181,944	-	515,390
	TransitTotal		11,347	192,874	244,314	215,175	15,097	681,667
City Financing								
	General Financing		8,528	6,952	10,100	9,389	10,450	43,467
	Other Misc Financing		-	-	1,000	1,000	-	2,000
	Tax-Supported Debt		-	122,214	166,377	167,139	-	455,730
External Financing								
	Grants		2,819	63,708	66,837	37,647	4,647	180,470
	Financing Total		11,347	192,874	244,314	215,175	15,097	681,667

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▣ Denotes General Financing



**2007 - 2011 Capital Priorities Plan  
Summary Report  
Unfunded Capital Plan**

	<b>Budget Request</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2007 - 2011 Total</b>
<b>Tax Supported Operations</b>							
<b>Asset Management &amp; Public Works</b>							-
Energy Environment & Natural Areas	1,640	1,140	500	-	-	-	1,640
Housing	4,000	2,000	3,490	2,000	2,000	2,000	11,490
Parks	125,064	50,587	60,870	36,002	31,048	28,705	207,212
Project Management & Construction	170,448	32,694	121,818	59,774	55,630	52,646	322,562
<b>Community Services</b>							-
Emergency Communications&Resources	-	-	-	500	1,000	200	1,700
Recreation And Cultural Facilities	11,401	3,064	32,901	17,574	5,540	10,484	69,563
Social, Recreation & Cultural Serv	2,196	1,969	23,077	5,221	7,440	12,220	49,927
<b>Corporate Services</b>							-
Corporate Services	7,649	4,134	2,982	1,852	303	7,564	16,835
Mobile Equipment Services	1,756	1,006	4,709	20,240	17,588	18,618	62,161
<b>Edmonton Economic Development Corp</b>							-
Economic Dev, Research Pk & Tourism	200	200	1,200	-	-	-	1,400
Shaw Conference Centre	3,000	3,000	3,000	3,000	2,171	3,000	14,171
<b>Edmonton Police Service</b>							-
Police	79,098	14,653	26,576	26,365	35,598	14,182	119,574
<b>Edmonton Public Library</b>							-
Public Library	2,410	-	13,960	18,050	10,655	4,460	47,125
<b>Office of The City Manager</b>							-
Office of The City Clerk	-	300	900	1,350	1,250	205	4,005
<b>Planning &amp; Development</b>							-
Planning & Development	85,042	11,212	25,183	24,780	15,131	12,009	88,315
<b>Transportation</b>							-
Roads	-	197,857	180,035	232,357	242,795	446,632	1,299,676
Transit	-	117,984	126,448	81,625	164,066	192,758	682,881
<b>Tax Supported Operations</b>	<b>494,104</b>	<b>442,000</b>	<b>627,649</b>	<b>532,690</b>	<b>592,215</b>	<b>805,683</b>	<b>3,000,237</b>
<b>City Financing</b>							
General Financing	294,656	414,260	478,453	463,370	556,016	770,644	2,682,743
Local Improvements	7,705	-	2,000	5,705	-	-	7,705
Other Misc Financing	75,262	-	65,617	10,145	-	-	75,762
Reserves	9,620	3,968	5,180	3,472	3,000	2,500	18,120
Special General Financing	(110)	(110)	(113)	-	(118)	(121)	(462)
Tax-Supported Debt	98,560	20,810	37,462	28,512	18,467	8,700	113,951
<b>External Financing</b>							
Developer / Partner Financing	7,711	3,072	39,050	16,361	1,350	5,060	64,893
Grants	500	-	-	5,125	13,500	18,900	37,525
	<b>494,104</b>	<b>442,000</b>	<b>627,649</b>	<b>532,690</b>	<b>592,215</b>	<b>805,683</b>	<b>3,000,237</b>
<b>Utility Operations</b>							
Land Drainage	18,189	6,309	11,880	10,207	11,153	13,665	53,214
Sanitary Drainage	1,706	840	866	1,375	2,649	8,754	14,484
<b>Utility Operations</b>	<b>19,895</b>	<b>7,149</b>	<b>12,746</b>	<b>11,582</b>	<b>13,802</b>	<b>22,419</b>	<b>67,698</b>
<b>City Financing</b>							
Retained Earnings	-	-	-	-	1,013	-	1,013
Self-Liquidating Debentures	19,895	7,149	12,746	11,582	12,789	22,419	66,685
	<b>19,895</b>	<b>7,149</b>	<b>12,746</b>	<b>11,582</b>	<b>13,802</b>	<b>22,419</b>	<b>67,698</b>
<b>Grand Total</b>	<b>513,999</b>	<b>449,149</b>	<b>640,395</b>	<b>544,272</b>	<b>606,017</b>	<b>828,102</b>	<b>3,067,935</b>



## 2007 - 2011 Capital Priorities Plan

### Details Report

### Unfunded Capital Plan

### Asset Management & Public Works

#### Energy Environment & Natural Areas

Project	Project Name	Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Business Process Management</b>								
07-75-9910	Project and Contract Management (PaCMan)	1,640	1,140	500	-	-	-	1,640
	Initiative Sub Total	1,640	1,140	500	-	-	-	1,640
	Energy Environment & Natural AreasTotal	1,640	1,140	500	-	-	-	1,640
<b>City Financing</b>								
	General Financing	1,640	1,140	500	-	-	-	1,640
	Financing Total	1,640	1,140	500	-	-	-	1,640

#### Housing

Project	Project Name	Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Partnership Housing</b>								
07-21-5518	Affordable Housing - Trust Fund	4,000	2,000	2,000	2,000	2,000	2,000	10,000
08-21-5519	Affordable Housing-AHPI	-	-	1,490	-	-	-	1,490
	Initiative Sub Total	4,000	2,000	3,490	2,000	2,000	2,000	11,490
	HousingTotal	4,000	2,000	3,490	2,000	2,000	2,000	11,490
<b>City Financing</b>								
	General Financing	4,000	2,000	3,490	2,000	2,000	2,000	11,490
	Financing Total	4,000	2,000	3,490	2,000	2,000	2,000	11,490

#### Land Drainage

Project	Project Name	Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Storm System</b>								
07-31-5305	Systems - Unfunded	11,691	3,817	7,874	6,166	8,248	9,970	36,077
07-31-8154	Systems Rehabilitation - Unfunded	730	360	370	874	1,129	1,884	4,617
07-31-9610	Stormwater Infrastructure-Unfunded	5,768	2,132	3,636	3,165	1,776	1,811	12,520
	Initiative Sub Total	18,189	6,309	11,880	10,207	11,153	13,665	53,214
	Land DrainageTotal	18,189	6,309	11,880	10,207	11,153	13,665	53,214
<b>City Financing</b>								
	Self-Liquidating Debentures	18,189	6,309	11,880	10,207	11,153	13,665	53,214
	Financing Total	18,189	6,309	11,880	10,207	11,153	13,665	53,214

#### Parks

○ Denotes Alberta Munc Infrastructure Program

◇ Denotes Incl. Developer/Partnership Funding

▣ Denotes General Financing



# 2007 - 2011 Capital Priorities Plan

## Details Report Unfunded Capital Plan

### Asset Management & Public Works

#### Parks

		Budget Request	2007 - 2011					
Project	Project Name		2007	2008	2009	2010	2011	Total
Buildings - Pavilions/Gazebos								
✧ □	07-28-5330 River Valley: New Amenities	1,072	780	292	292	922	1,500	3,786
	Initiative Sub Total	1,072	780	292	292	922	1,500	3,786
Golf Courses								
□	04-21-5304 Irrigation System Rehabilitation	1,833	1,833	-	-	-	-	1,833
	Initiative Sub Total	1,833	1,833	-	-	-	-	1,833
Horticulture								
□	06-21-0068 Landscape Restoration - 97 St. Medians	478	478	-	-	-	-	478
□	07-28-0069 City Entrance Landscaping	392	194	198	202	206	210	1,010
□	07-28-5250 Tree Planting/RV Naturalization	775	383	392	401	160	210	1,546
□	06-21-5253 Replacement of Drought Damaged Trees	2,584	2,584	-	-	232	1,476	4,292
	Initiative Sub Total	4,229	3,639	590	603	598	1,896	7,326
Park Access, Circulation								
□	07-28-4142 Louise McKinney Riverfront Funicular	8,525	450	8,075	-	-	-	8,525
□	07-28-5320 Parks Infrastructure	2,282	1,186	1,096	1,213	1,439	1,491	6,425
□	07-28-5327 Parking Lot Redevelopment/Rehabilitation	2,669	1,569	1,100	-	-	-	2,669
□	09-28-5371 River Valley And Ravine Trails Maintenan	-	-	-	230	240	233	703
□	07-28-5376 River Valley & Ravine Trails New Dev.	13,630	9,715	3,915	13,534	7,685	16,336	51,185
✧ □	07-28-5379 Latta Bridge Multi-use Trail	770	770	-	-	-	-	770
	Initiative Sub Total	27,876	13,690	14,186	14,977	9,364	18,060	70,277
Park Furniture								
□	07-28-5285 Parks Conservation Program	1,203	538	665	617	580	592	2,992
	Initiative Sub Total	1,203	538	665	617	580	592	2,992
Park System Inventory								
	07-28-0005 Park Land Acquisition	7,850	3,850	4,000	3,000	3,000	2,500	16,350
□	05-21-4008 C.N. Lands: East Park Development	862	862	-	-	-	-	862
✧ □	06-21-4147 Louise McKinney Riverfront Park	17,647	9,450	4,050	4,147	-	-	17,647
	07-28-5209 Neighbourhood/District Park Development	20,694	7,438	7,996	1,060	4,200	-	20,694
□	07-28-5380 Parks Rehab/Redevelopment - Unfunded	3,100	1,450	1,650	1,650	1,250	1,826	7,826
□	07-28-5391 Natural Areas Acquisition & Conservation	2,000	1,000	1,000	1,000	1,000	1,000	5,000
□	04-21-5623 Klarvatten Wetland Management	489	489	-	-	-	-	489
□	07-21-5669 Tenwilegar Park Development	19,286	-	19,286	-	-	-	19,286
□	07-28-5690 Surplus School Sites Acquisition	10,580	5,038	5,542	6,096	6,706	-	23,382
□	07-28-5760 Planning Studies/Design	720	420	300	460	460	460	2,100
	Initiative Sub Total	83,228	29,997	43,824	17,413	16,616	5,786	113,636
Playgrounds								
✧ □	07-28-5224 Citywide Redevelopment of Playgrounds	-	-	-	-	750	750	1,500
	Initiative Sub Total	-	-	-	-	750	750	1,500

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□ Denotes General Financing



## 2007 - 2011 Capital Priorities Plan

### Details Report Unfunded Capital Plan

#### Asset Management & Public Works

##### Parks

Project	Project Name	Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Sports Fields/Fixtures</b>								
07-28-5270	Sportsfield Conservation	223	110	113	-	118	121	462
08-28-5774	Multi-Sport Tournament Site Servicing	5,400	-	1,200	2,100	2,100	-	5,400
	Initiative Sub Total	5,623	110	1,313	2,100	2,218	121	5,862
	ParksTotal	125,064	50,587	60,870	36,002	31,048	28,705	207,212
<b>City Financing</b>								
	General Financing	70,433	29,484	36,862	27,795	23,866	26,226	144,233
	Reserves	7,850	3,850	4,000	3,000	3,000	2,500	16,350
	Special General Financing	(110)	(110)	(113)	-	(118)	(121)	(462)
	Tax-Supported Debt	42,727	17,338	18,071	3,118	4,200	-	42,727
<b>External Financing</b>								
	Developer / Partner Financing	4,164	25	2,050	2,089	100	100	4,364
	Financing Total	125,064	50,587	60,870	36,002	31,048	28,705	207,212

##### Project Management & Construction

Project	Project Name	Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Attractions</b>								
07-75-2521	Fort Edmonton Rehabilitation Projects	6,793	3,072	3,721	2,354	687	-	9,834
08-75-2522	Valley Zoo Rehabilitation Projects	11,145	-	5,095	2,800	3,250	-	11,145
	Initiative Sub Total	17,938	3,072	8,816	5,154	3,937	-	20,979
<b>Bldg - Recreational/Facilities/Amenities</b>								
07-75-2501	Conservation Of Community/Recreation Fac	13,419	6,483	6,936	3,036	9,453	7,831	33,739
08-75-2507	Jasper Place Leisure Centre Upgrade	-	-	1,200	6,800	-	-	8,000
	Initiative Sub Total	13,419	6,483	8,136	9,836	9,453	7,831	41,739
<b>Buildings - Emergency Response</b>								
07-75-2123	Fire & EMS Bldg Rehabilitation	2,437	1,082	1,355	1,535	1,571	1,151	6,694
07-75-5166	ERD Training Phase II	-	-	759	2,504	-	-	3,263
08-75-5182	Lewis Estate and Big Lake Fire Station	-	-	-	987	893	10,688	12,568
08-75-5185	EMS Stations	6,150	400	2,750	3,000	-	-	6,150
10-75-5191	Southeast Fire Station	-	-	800	800	7,900	-	9,500
	Initiative Sub Total	8,587	1,482	5,664	6,826	10,364	11,839	38,175
<b>Buildings - Offices</b>								
07-75-3294	Downtown Buildings-Asset Preservation	5,643	2,564	3,079	3,907	3,879	3,554	16,983
03-75-3608	City Hall Mezzanine Floor	2,860	2,860	-	-	-	-	2,860
07-75-3700	Accommodation Plan	5,264	1,952	3,312	3,082	3,149	2,645	14,140
	Initiative Sub Total	13,767	7,376	6,391	6,989	7,028	6,199	33,983

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## 2007 - 2011 Capital Priorities Plan

### Details Report Unfunded Capital Plan

### Asset Management & Public Works

#### Project Management & Construction

Project	Project Name	Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Buildings - Public Works/Operations</b>								
05-75-0350	Old Strathcona Parking Lot Rehabilitation	860	860	-	-	-	-	860
08-75-3239	Replace Aging Roadway Yard Buildings	28,600	7,200	21,400	8,100	3,800	-	40,500
07-75-3607	Roof Repairs - Various Buildings	1,020	589	431	645	786	459	2,910
05-75-3609	City Hall Carpet Replacement	625	625	-	-	-	-	625
07-75-3805	New Southwest Transit Garage	75,262	-	65,617	9,645	-	-	75,262
07-75-3810	Public Works/Roadways Operation Building	6,593	3,267	3,326	3,294	3,383	3,191	16,461
10-75-3815	Westwood Replace Transit Garage	-	-	-	-	3,000	6,000	9,000
09-75-3820	Paterson Transit Garage Addit. Capacity	-	-	-	5,000	12,000	15,000	32,000
07-75-4101	Transit/LRT Garages Rehabilitation	3,777	1,740	2,037	2,285	1,879	2,127	10,068
Initiative Sub Total		116,737	14,281	92,811	28,969	24,848	26,777	167,686
Project Management & Construction Total		170,448	32,694	121,818	59,774	55,630	52,646	322,562
<b>City Financing</b>								
General Financing		71,096	29,222	43,435	30,675	38,193	33,746	175,271
Other Misc Financing		75,262	-	65,617	9,645	-	-	75,262
Tax-Supported Debt		23,588	3,472	12,266	14,954	3,937	-	34,629
<b>External Financing</b>								
Developer / Partner Financing		500	-	500	-	-	-	500
Grants		-	-	-	4,500	13,500	18,900	36,900
Financing Total		170,448	32,694	121,818	59,774	55,630	52,646	322,562

#### Sanitary Drainage

Project	Project Name	Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Sanitary System</b>								
07-23-8154	Systems Rehabilitation - Unfunded	1,706	840	866	1,375	1,636	3,898	8,615
Initiative Sub Total		1,706	840	866	1,375	1,636	3,898	8,615
<b>Wastewater Treatment Facilities</b>								
10-23-9619	Gold Bar Upgrading - Unfunded	-	-	-	-	1,013	4,856	5,869
Initiative Sub Total		-	-	-	-	1,013	4,856	5,869
Sanitary Drainage Total		1,706	840	866	1,375	2,649	8,754	14,484
<b>City Financing</b>								
Retained Earnings		-	-	-	-	1,013	-	1,013
Self-Liquidating Debentures		1,706	840	866	1,375	1,636	8,754	13,471
Financing Total		1,706	840	866	1,375	2,649	8,754	14,484

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## 2007 - 2011 Capital Priorities Plan

### Details Report Unfunded Capital Plan Community Services

#### Emergency Communications&Resources

Project	Project Name	Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
Other IT Initiatives								
02-70-0009	Records Management System Replacement	-	-	-	500	1,000	-	1,500
08-70-9001	Dispatch System/Center Replacement	-	-	-	-	-	200	200
	Initiative Sub Total	-	-	-	500	1,000	200	1,700
	Emergency Communications&ResourcesTotal	-	-	-	500	1,000	200	1,700
City Financing								
	General Financing	-	-	-	500	1,000	200	1,700
	Financing Total	-	-	-	500	1,000	200	1,700

#### Recreation And Cultural Facilities

Project	Project Name	Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
Attractions								
07-21-5674	Clarke Park Enhancements	8,410	516	7,894	-	-	-	8,410
	Initiative Sub Total	8,410	516	7,894	-	-	-	8,410
Buildings - Pavilions/Gazebos								
12-21-5785	Lewis Farms Multi-Purp Facility	-	-	-	-	-	1,000	1,000
13-21-5786	Meadows Multi-Purp Facility	-	-	-	-	-	1,000	1,000
12-21-5787	Clareview Multi-Purp Facility	-	-	-	-	-	500	500
	Initiative Sub Total	-	-	-	-	-	2,500	2,500
Community Partnerships								
08-21-5462	GO Community Centre	-	-	14,000	13,300	-	-	27,300
10-21-5525	Northgate Lions Senior Centre:Renovation	-	-	-	-	1,000	3,180	4,180
07-21-5794	Central Lions Senior Centre Partner Wing	2,000	2,000	10,000	-	-	-	12,000
	Initiative Sub Total	2,000	2,000	24,000	13,300	1,000	3,180	43,480
Golf Courses								
07-21-5796	Golf Course Tee Signage Replacement	109	109	-	-	-	-	109
	Initiative Sub Total	109	109	-	-	-	-	109
Sports and Fitness Facilities								
07-21-5602	Equipment Conservation	882	439	443	448	452	457	2,239
07-21-5790	Concept Design Studies	-	-	-	790	900	1,000	2,690
09-21-5791	Commonwealth Stadium Seat Replacement	-	-	-	3,036	3,188	3,347	9,571
08-21-5792	Marquis Pylon Sign Replacement	-	-	564	-	-	-	564
	Initiative Sub Total	882	439	1,007	4,274	4,540	4,804	15,064
	Recreation And Cultural FacilitiesTotal	11,401	3,064	32,901	17,574	5,540	10,484	69,563

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## 2007 - 2011 Capital Priorities Plan

### Details Report Unfunded Capital Plan Community Services

<u>City Financing</u>							
General Financing	9,401	1,064	11,701	4,274	4,740	5,004	26,783
Tax-Supported Debt	-	-	-	-	-	2,500	2,500
<u>External Financing</u>							
Developer / Partner Financing	2,000	2,000	21,200	13,300	800	2,980	40,280
Financing Total	11,401	3,064	32,901	17,574	5,540	10,484	69,563

#### Social, Recreation & Cultural Serv

Project		Project Name	Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
Bldg - Recreational/Facilities/Amenities									
✧	07-21-5461	Argyll Velodrome Redevelopment	-	-	9,200	-	-	-	9,200
✧	07-21-5742	Whitemud Equine Centre Redevelopment	400	400	8,300	-	-	-	8,700
✧	07-21-5744	Snow Valley 10 Year Re-development	347	347	347	347	50	1,750	2,841
✧	07-21-5748	Victoria Park Amenity Building	250	250	3,000	-	-	-	3,250
Initiative Sub Total			997	997	20,847	347	50	1,750	23,991
Park Access, Circulation									
✧	07-21-5740	Nordic Ski Club Snow Making	382	382	203	375	-	-	960
Initiative Sub Total			382	382	203	375	-	-	960
Sports Fields/Fixtures									
✧	07-21-5746	Artificial Playing Surfaces: Qdmt Based	-	-	-	2,200	-	2,800	5,000
	07-21-5788	118 Avenue Initiative	200	200	1,000	2,000	6,400	7,400	17,000
Initiative Sub Total			200	200	1,000	4,200	6,400	10,200	22,000
Sports and Fitness Facilities									
✧	08-21-5711	Skate Board Park Development	-	-	400	-	800	-	1,200
✧	08-21-5732	BMX Bike Park Development	-	-	400	-	-	-	400
✧	07-21-5734	Mountain Bike Dirt Jump/Skills Park	100	100	-	100	-	100	300
✧	07-21-5736	Rundie Park - Disc Golf Course Upgrades	58	58	-	-	-	-	58
Initiative Sub Total			158	158	800	100	800	100	1,958
Technology Equipment - Business Applications									
	07-21-5608	Computer Application/Hardware Replacemen	459	232	227	199	190	170	1,018
Initiative Sub Total			459	232	227	199	190	170	1,018
Social, Recreation & Cultural ServTotal			2,196	1,969	23,077	5,221	7,440	12,220	49,927
City Financing									
General Financing			1,149	922	7,777	4,249	6,990	10,240	30,178
External Financing									
Developer / Partner Financing			1,047	1,047	15,300	972	450	1,980	19,749
Financing Total			2,196	1,969	23,077	5,221	7,440	12,220	49,927

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## 2007 - 2011 Capital Priorities Plan

### Details Report Unfunded Capital Plan Corporate Services

#### Corporate Services

Project		Project Name	Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
Business Process Management									
07-18-0407	Business Process Management (ERP)	4,531	1,166	1,639	1,327	53	2,500	6,685	
06-18-0420	Multifunction Product Initiative	410	410	-	-	-	-	410	
07-18-0500	Shared Services Process Engineering	500	250	250	250	250	250	1,250	
07-18-0502	Solution Manager Implementation	300	300	-	-	-	-	300	
Initiative Sub Total		5,741	2,126	1,889	1,577	303	2,750	8,645	
Service Delivery - Business Applications									
06-18-0410	E-Business	-	-	-	-	-	1,500	1,500	
06-18-0414	FINES System Replacement	300	300	200	-	-	-	500	
07-18-0503	Cashier System Replacement	-	350	443	-	-	-	793	
07-18-0504	Incident Management	900	450	450	275	-	-	1,175	
07-18-0505	Occupational Health & Safety Tracking Sy	406	406	-	-	-	-	406	
07-18-0506	Information Management Infrastructure	-	-	-	-	-	946	946	
07-18-0508	Crystal Reports Conversion	502	502	-	-	-	-	502	
Initiative Sub Total		2,108	2,008	1,093	275	-	2,446	5,822	
Technology Infrastructure Sustainment									
06-18-0418	Mobile Radio (Wireless) Equip Replace	-	-	-	-	-	2,000	2,000	
06-18-1220	Back Up Recovery Infrastructure Renewal	-	-	-	-	-	368	368	
Initiative Sub Total		-	-	-	-	-	2,368	2,368	
Corporate ServicesTotal		7,849	4,134	2,982	1,852	303	7,564	16,835	
City Financing									
General Financing		7,849	4,134	2,982	1,852	303	7,564	16,835	
Financing Total		7,849	4,134	2,982	1,852	303	7,564	16,835	

#### Mobile Equipment Services

Project	Project Name	Budget Request						2007 - 2011
			2007	2008	2009	2010	2011	Total
Buildings - MES Public Works/Operations								
08-25-6005	Transit Underground Hoist replacement	-	-	1,375	1,375	425	1,800	4,975
Initiative Sub Total		-	-	1,375	1,375	425	1,800	4,975
Fleet - City Vehicles								
07-25-5918	Municipal Vehicle -Growth	-	-	-	-	500	500	1,000
09-25-5918	Municipal Vehicle -Growth	-	-	-	1,137	-	-	1,137
07-25-5963	Police-Growth	-	250	250	250	250	250	1,250
06-25-5991	Waste Mgmt-Additional Collection Vehicle	-	-	1,834	1,390	500	500	4,224
07-25-6003	Additional Vehicle Community Services	120	120	-	-	-	-	120
07-25-6004	Additional Vehicles Parkland Services	-	-	250	250	250	-	750
Initiative Sub Total		120	370	2,334	3,027	1,500	1,250	8,481

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## 2007 - 2011 Capital Priorities Plan

### Details Report Unfunded Capital Plan Corporate Services

#### Mobile Equipment Services

Project	Project Name	Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
<b>Fleet - Shop Equipment</b>								
☐ 06-25-5935	Bus Fleet Tools And Equipment	1,336	336	1,000	-	-	-	1,336
☐ 09-25-5992	Bus Wash Equipment Replacement	-	-	-	400	400	-	800
	Initiative Sub Total	1,336	336	1,000	400	400	-	2,136
<b>Fleet - Transit</b>								
☐ 09-25-4219	2007 Future Bus Replacement	-	-	-	15,438	15,263	15,568	46,269
☐ 06-25-5925	DATS Lift Van Fleet	300	300	-	-	-	-	300
	Initiative Sub Total	300	300	-	15,438	15,263	15,568	46,569
	Mobile Equipment ServicesTotal	1,756	1,006	4,709	20,240	17,588	18,618	62,161
<b>City Financing</b>								
<b>General Financing</b>		1,756	1,006	4,709	20,240	17,588	18,618	62,161
<b>Financing Total</b>		1,756	1,006	4,709	20,240	17,588	18,618	62,161

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**2007 - 2011 Capital Priorities Plan**  
**Details Report**  
**Unfunded Capital Plan**  
**Edmonton Economic Development Corp**

**Economic Dev, Research Pk & Tourism**

Project		Project Name	Budget Request						2007 - 2011
				2007	2008	2009	2010	2011	Total
Bldg - Recreational/Facilities/Amenities									
08-99-3003	ATC & RC 1 Parking Lot Repaving	-	-	1,000	-	-	-	-	1,000
07-99-3005	ATC Building Upgrade	200	200	200	-	-	-	-	400
Initiative Sub Total		200	200	1,200	-	-	-	-	1,400
Economic Dev, Research Pk & TourismTotal		200	200	1,200	-	-	-	-	1,400
City Financing									
General Financing		200	200	1,200	-	-	-	-	1,400
Financing Total		200	200	1,200	-	-	-	-	1,400

**Shaw Conference Centre**

Project		Budget Request						2007 - 2011
Project Name			2007	2008	2009	2010	2011	Total
Conference Centre Rehabilitation								
07-99-0003	Shaw Conference Ctr Major Bldg. Upgrade	3,000	3,000	3,000	3,000	2,171	3,000	14,171
Initiative Sub Total		3,000	3,000	3,000	3,000	2,171	3,000	14,171
Shaw Conference CentreTotal		3,000	3,000	3,000	3,000	2,171	3,000	14,171
<u>City Financing</u>								
General Financing		3,000	3,000	3,000	3,000	2,171	3,000	14,171
Financing Total		3,000	3,000	3,000	3,000	2,171	3,000	14,171

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# 2007 - 2011 Capital Priorities Plan

## Details Report

### Unfunded Capital Plan

#### Edmonton Police Service

##### Police

		Budget Request						2007 - 2011
Project	Project Name		2007	2008	2009	2010	2011	Total
<b>Buildings - Police</b>								
06-60-1351	Valleevand Kennel Expansion	1,019	-	1,019	-	-	-	1,019
07-60-1353	Officer Safety Training Centre Upgrades	14,228	3,500	3,500	3,500	3,728	-	14,228
07-60-1355	South West Div. Stn. - Cost Escalations	3,191	-	1,631	1,240	320	-	3,191
10-60-1358	Integrated Operational Storage -Phase II	-	-	-	-	1,500	3,500	5,000
08-60-1359	Integrated Op/Storage Facility - Phase I	1,500	-	1,500	-	-	-	1,500
07-60-1364	Amalg Traff, Tact. & Flight Ops -PhaseII	3,000	3,000	-	-	-	-	3,000
05-60-1365	DNA Laboratory	3,426	-	3,426	-	-	-	3,426
07-60-1366	Arrest Processing Facility	13,591	1,359	6,796	5,436	-	-	13,591
06-60-1370	Downtown Facility Rehabilitation/Upgrade	-	-	-	-	490	1,360	1,850
07-60-1375	Northwest Division Station	21,745	-	3,125	6,440	7,840	4,340	21,745
07-60-1380	Backup Communications Centre	1,515	1,361	37	38	39	40	1,515
07-60-1382	Communications Centre	-	-	-	-	3,955	485	4,440
07-60-1384	Command Centre	-	-	-	-	535	227	762
07-60-1858	Downtown Reno's & Facility Infrstr/Rehab	1,948	1,268	680	260	114	495	2,817
02-60-1894	Officer Safety Training Centre Phase 2	3,234	-	-	-	3,234	-	3,234
07-60-1897	Mobile Training Centre	600	-	-	600	-	-	600
Initiative Sub Total		68,997	10,488	21,714	17,514	21,755	10,447	81,918
<b>Police Equipment</b>								
07-60-1399	Video Recording System	500	-	500	-	-	-	500
07-60-1749	Conversion to Digital Image Capture	479	350	129	200	200	200	1,079
05-60-1751	Explosives Disposal Equipment	-	-	-	-	467	-	467
05-60-1753	Closed Circuit Television	3,248	1,518	856	874	-	-	3,248
07-60-1761	Officer Safety Equipment / OH&S	786	-	786	653	450	225	2,114
Initiative Sub Total		5,013	1,868	2,271	1,727	1,117	425	7,408
<b>Technology Equipment - Police Communications</b>								
07-60-1419	Communications Systems Replacements	1,000	575	425	2,575	-	-	3,575
07-60-1421	Mobile Wireless Telecommunications	-	-	-	-	382	397	779
09-60-1444	Public Safety Radio Network Replacement	-	-	-	1,932	10,000	1,000	12,932
Initiative Sub Total		1,000	575	425	4,507	10,382	1,397	17,286
<b>Technology Equipment - Police IT</b>								
07-60-1436	Police IT Systems - Infrastructure	1,778	1,052	716	3,596	724	1,783	7,881
07-60-1461	Police IT Systems - Projects	2,310	860	1,450	1,021	1,620	130	5,081
Initiative Sub Total		4,088	1,922	2,166	4,617	2,344	1,913	12,962
Police Total		79,098	14,853	26,576	28,365	35,598	14,182	119,574
<b>City Financing</b>								
General Financing		57,353	14,853	23,451	21,925	27,268	8,482	95,979
Tax-Supported Debt		21,745	-	3,125	6,440	8,330	5,700	23,595
Financing Total		79,098	14,853	26,576	28,365	35,598	14,182	119,574

○ Denotes Alberta Munc Infrastructure Program

◇ Denotes Incl. Developer/Partnership Funding

□ Denotes General Financing



# 2007 - 2011 Capital Priorities Plan

## Details Report

### Unfunded Capital Plan

#### Edmonton Public Library

#### Public Library

Project		Project Name	Budget Request						2007 - 2011
				2007	2008	2009	2010	2011	Total
Buildings - Libraries									
08-20-0002	North Branch Library Construction	2,410	-	2,410	-	-	-	-	2,410
08-20-0019	Mill Woods Branch Relocation	-	-	8,990	1,015	-	-	-	10,005
07-20-0027	Jasper Place Branch Renovations	-	-	330	5,675	-	-	-	6,005
08-20-0028	Highlands Branch Renovations	-	-	1,490	1,880	-	-	-	3,370
08-20-0029	South Branch Library Design/Land	-	-	740	-	-	-	-	740
09-20-0029	South Branch Library	-	-	-	7,365	1,290	-	-	8,655
08-20-0030	Calder Branch Relocation Design / Land	-	-	-	775	-	-	-	775
10-20-0030	Calder Branch Relocation	-	-	-	-	5,365	-	-	5,365
09-20-0031	Milner Basement Renovation	-	-	-	1,340	1,790	-	-	3,130
10-20-0035	Milner Mechanical	-	-	-	-	950	700	-	1,650
11-20-0036	Milner Envelope - Outside Walls	-	-	-	-	-	1,740	-	1,740
11-20-0037	Milner Egress	-	-	-	-	-	885	-	885
11-20-0038	Capilano Relocation Design / Land	-	-	-	-	-	660	-	660
10-20-0039	Penny McKee - Abbottsfield Renovation	-	-	-	-	1,260	475	-	1,735
Initiative Sub Total		2,410	-	13,960	18,050	10,655	4,460	-	47,125
Public LibraryTotal		2,410	-	13,960	18,050	10,655	4,460	-	47,125
City Financing									
General Financing		2,410	-	13,960	17,425	10,655	4,460	-	46,500
Other Misc Financing		-	-	-	500	-	-	-	500
External Financing									
Grants		-	-	-	125	-	-	-	125
Financing Total		2,410	-	13,960	18,050	10,655	4,460	-	47,125

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## 2007 - 2011 Capital Priorities Plan

### Details Report Unfunded Capital Plan

#### Office of The City Manager

##### Office of The City Clerk

		Budget Request	2007 - 2011					
Project	Project Name		2007	2008	2009	2010	2011	Total
Service Delivery - Business Applications								
☐	06-44-1216	ARB - Complaint/Outcomes Mgt. System	-	300	-	-	-	300
☐	06-44-1219	Agenda Preparation & Meeting Mgt System	-	-	500	500	-	1,000
☐	07-44-1222	E-Records Mgt. System Support	-	-	400	850	1,250	2,705
Initiative Sub Total			-	300	900	1,350	1,250	4,005
Office of The City ClerkTotal			-	300	900	1,350	205	4,005
City Financing								
General Financing			-	300	900	1,350	1,250	4,005
Financing Total			-	300	900	1,350	205	4,005

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## 2007 - 2011 Capital Priorities Plan

### Details Report Unfunded Capital Plan

### Planning & Development

#### Planning & Development

Project		Budget Request						2007 - 2011
Project Name			2007	2008	2009	2010	2011	Total
Heritage Building Preservation								
07-17-0345	Civlc Historical Structures - CAMRIF	1,770	118	1,180	472	-	-	1,770
	Initiative Sub Total	1,770	118	1,180	472	-	-	1,770
Jasper East								
07-17-0401	Downtown East Project Impl. - UNFUNDED	56,450	9,690	12,690	12,690	12,690	8,690	56,450
	Initiative Sub Total	56,450	9,690	12,690	12,690	12,690	8,690	56,450
Streetscape								
07-17-0326	118 Ave. Streetscape (78 St.-W.G.Drive)	6,600	600	3,000	3,000	-	-	6,600
07-17-0336	Improving Entrance Corridors - Unfunded	10,500	-	4,000	4,000	2,000	500	10,500
05-17-0339	108 Street Streetscape (99 to 104 Ave)	8,410	300	3,905	4,205	-	-	8,410
07-17-0343	City Wide Banner Program	412	204	208	213	217	221	1,063
06-17-0344	Streetscape Projects - BRZs/Other Commer	900	300	200	200	200	-	900
	Initiative Sub Total	26,822	1,404	11,313	11,618	2,417	721	27,473
Technology Equipment - Business Applications								
07-17-3129	Computer System Upgrade Prog. - Unfunded	-	-	-	-	24	198	222
	Initiative Sub Total	-	-	-	-	24	198	222
Urban Design								
07-17-0332	Downtown East Pedway Connection	-	-	-	-	-	2,400	2,400
	Initiative Sub Total	-	-	-	-	-	2,400	2,400
	Planning & DevelopmentTotal	85,042	11,212	25,183	24,780	15,131	12,009	88,315
City Financing								
	General Financing	64,567	11,094	18,003	14,103	13,131	11,509	67,840
	Local Improvements	7,705	-	2,000	5,705	-	-	7,705
	Reserves	1,770	118	1,180	472	-	-	1,770
	Tax-Supported Debt	10,500	-	4,000	4,000	2,000	500	10,500
External Financing								
	Grants	500	-	-	500	-	-	500
	Financing Total	85,042	11,212	25,183	24,780	15,131	12,009	88,315

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## 2007 - 2011 Capital Priorities Plan

### Details Report Unfunded Capital Plan Transportation

#### Roads

		Budget Request							2007 - 2011
Project	Project Name		2007	2008	2009	2010	2011	Total	
Arterial Roads									
07-66-1120	Arterial/Primary Hwy Renewal/Cracksealing	-	45,761	33,792	39,474	42,273	43,295	204,595	
07-66-1140	Bridge Rehabilitation	-	-	-	3,633	3,784	3,952	11,369	
07-66-1540	Arterial Network Improvements	-	12,513	30,046	19,513	57,751	23,100	142,923	
Initiative Sub Total		-	58,274	63,838	62,620	103,808	70,347	358,887	
Collector & Local Roads									
07-66-1112	Neighbourhood Rehabilitation - Amenities	-	230	240	250	260	270	1,250	
07-66-1150	Collector/Alley Renewal & Slurry Seal	-	37,518	40,051	39,884	38,028	53,836	209,317	
07-66-1155	Neighbourhood Renewal Program	-	20,039	11,883	11,643	10,475	53,976	108,016	
07-66-1180	NE Local Roads Soft SubGrade Mitigation	-	4,500	4,950	10,000	10,000	10,000	39,450	
07-66-1532	105 Avenue Multi-Use Trail	-	7,750	-	-	-	-	7,750	
Initiative Sub Total		-	70,037	57,124	61,777	58,763	118,082	365,783	
Environmental/Slide Repair/Snow Storage/Other									
07-66-1960	Environmental Issues	-	1,520	3,979	915	200	830	7,444	
Initiative Sub Total		-	1,520	3,979	915	200	830	7,444	
Local Improvements (Roads)									
07-66-1591	Streetscape Rehabilitation	-	522	375	395	411	432	2,135	
Initiative Sub Total		-	522	375	395	411	432	2,135	
Other Initiatives									
07-66-1170	Yards Rehabilitation	-	350	350	350	350	350	1,750	
Initiative Sub Total		-	350	350	350	350	350	1,750	
Strategic Roads									
07-66-1560	Inner Ring Loop & Hwy Connectors	-	53,414	43,283	86,830	41,600	45,568	270,695	
07-66-1561	Whitemud / Terwilliger Stage 2	-	-	-	-	17,358	185,585	202,943	
Initiative Sub Total		-	53,414	43,283	86,830	58,958	231,153	473,638	
Strategic Roads (Interchanges, Ring Roads)									
07-66-1712	Anthony Henday Dr Ring Rd Connectors	-	-	-	3,000	6,000	10,000	19,000	
Initiative Sub Total		-	-	-	3,000	6,000	10,000	19,000	
Traffic Control & Safety / Streetlighting									
07-66-1310	Traffic Control Rehabilitation	-	3,917	809	1,913	1,991	2,090	10,720	
07-66-1320	Traffic Safety Improvements	-	614	679	838	857	662	3,650	
07-66-1330	Community Roadway Improvements	-	1,416	288	382	402	432	2,920	
07-66-1360	Street Lighting Rehabilitation	-	3,500	4,100	8,100	7,600	6,500	29,800	
07-66-1530	Accessibility - Streets (Sidewalks, etc)	-	1,582	1,093	1,156	-	1,264	5,095	
07-66-1740	Intelligent Transportation Systems	-	2,711	4,117	4,081	3,455	4,490	18,854	
Initiative Sub Total		-	13,740	11,086	16,470	14,305	15,438	71,039	
Roads Total		-	197,857	180,035	232,357	242,795	446,632	1,299,676	

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## 2007 - 2011 Capital Priorities Plan

### Details Report Unfunded Capital Plan

#### Transportation

<u>City Financing</u>							
General Financing	-	197,857	180,035	232,357	242,795	446,632	1,299,676
Financing Total	-	197,857	180,035	232,357	242,795	446,632	1,299,676

#### Transit

Project		Project Name	Budget Request	2007 - 2011					
				2007	2008	2009	2010	2011	Total
Bus Fleet (Growth)									
☐	07-66-1780	Bus Fleet, Facilities & Equipment Growth	-	28,139	15,258	12,660	86,447	40,098	182,602
Initiative Sub Total			-	28,139	15,258	12,660	86,447	40,098	182,602
Bus Systems & Facilities									
☐	07-66-1340	Transit Safety & Security Improvements	-	250	1,000	4,500	-	194	5,944
☐	06-66-1391	ETS Radio System Replacement	-	9,045	15,526	6,396	-	-	30,967
☐	07-66-1394	Fare Collection Equipment	-	3,375	5,000	4,410	-	-	12,785
☐	07-66-1510	Bus Fleet, Facilities & Equipment Rehab	-	1,140	1,144	764	16,827	16,787	36,662
☐	07-66-1511	Trolley System Rehabilitation	-	2,749	1,050	950	10,195	6,500	21,444
☐	06-66-1512	Trolley Extension	-	3,000	3,630	-	-	-	6,630
Initiative Sub Total			-	19,559	27,350	17,020	27,022	23,481	114,432
High Speed Transit									
☐	07-66-1380	LRV Retrofit Package	-	1,068	-	1,542	11,180	12,056	25,846
☐	05-66-1765	AMIP BRT	-	29,275	47,225	25,336	16,170	100,000	218,006
Initiative Sub Total			-	30,343	47,225	26,878	27,350	112,056	243,852
LRT System & Facilities									
☐	07-66-1370	LRT Fleet, Facilities & Equipment Rehab	-	18,252	15,826	14,709	22,071	15,213	86,071
☐	07-66-1750	LRT Facilities/Systems & Equip Expansion	-	21,272	20,532	10,236	-	1,500	53,540
Initiative Sub Total			-	39,524	36,358	24,945	22,071	16,713	139,611
Other Initiatives									
☐	07-66-1520	Transp Computer Equipment/Applications	-	419	257	122	1,176	410	2,384
Initiative Sub Total			-	419	257	122	1,176	410	2,384
TransitTotal			-	117,984	126,448	81,625	164,066	192,758	682,881
City Financing									
General Financing			-	117,984	126,448	81,625	164,066	192,758	682,881
Financing Total			-	117,984	126,448	81,625	164,066	192,758	682,881

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**Tax-Supported Debt**  
**2007 Priority Project Justification Summary for Approved Projects**

Project	Why is the Project Needed?			Impact of not Proceeding Now				Cost-Benefit Analysis	
	Physical condition	Demand / Capacity	Functionality	Safety and Public Health	Economic Growth	Quality of Service	Quality of Life and Attractiveness of the City		Environment / Other
<b>Neighbourhood / District Park - Base Level Development -</b> Development of green space in residential neighbourhoods (Growth Project)	This project will transform designated undeveloped land into green space for passive parks, sports fields, future school grounds, playgrounds, community buildings and district recreation facilities. These future park and school sites are located across the City, primarily new suburban areas.	This project will add up to 28 new parks and sports field spaces to the parks system in areas where no parks exist. This will provide a basic level of essential service in new neighbourhoods.	This project will convert the undeveloped land into functional park space. Development of these lands lays the foundation for active and passive community recreation activities and allows for additional community investment through the Neighbourhood Park Development Program.	Lands that remain undeveloped pose a public safety concern because they are not graded, levelled and seeded to park specifications. These lands are often not fenced, unsupervised and are open to unauthorized uses such as dumping of garbage and unwanted materials. These lands are also used without regard to curfews or city bylaws.	Delays in development will negatively impact economic growth by reducing the attractiveness of the neighbourhood, thus slowing completion of new residential areas; limit property values; impact the timeliness of school development; and will delay community investment in recreation and park expenditures.	Residents will not be satisfied with City services in neighbourhoods with undeveloped park spaces. Developers will not be satisfied, as land for parks and school sites have been dedicated through subdivision and not completed. Overall investment in the community will not maximize returns on investments made by the City, developers and residents.	The personal health and wellness of residents will be reduced, as communities will not have a neighbourhood or district park for recreation and physical fitness. Neighbourhoods will not be as attractive as communities with developed park sites.	Delays will result in soil degradation; weed infestations and greater lag time to achieve mature landscape development. Additional costs may be realized as a result of unauthorized dumping of contaminated and other waste material. OTHER: Partnership funding could be lost.	Costs are expected to increase by normal inflation as a result of not funding this project at this time. Deferral of investment will result in loss of benefits to the Community in terms of property values, improved quality of life and competitiveness with other municipalities.



**Tax-Supported Debt**  
**2007 Priority Project Justification Summary for Approved Projects**

Project	Why is the Project Needed?			Impact of not Proceeding Now				Cost-Benefit Analysis	
	Physical condition	Demand / Capacity	Functionality	Safety and Public Health	Economic Growth	Quality of Service	Quality of Life and Attractiveness of the City		Environment / Other
<b>New North Branch Library -</b> Development of a new library in the Clareview District will provide minimum level of service in a high need mature area (Growth Project)	This project includes detailed design and construction of a new north branch library in the Clareview community. Currently, a library facility does exist in the District.	The Clareview area is currently serviced by the Londonderry Branch location and with increased growth in the Northeast quadrant of the City, service will exceed the capacity of the branch to provide service to customers. This project has been identified as a priority in the Library long term facility plan.	Travel distance, natural and manmade barriers make it difficult for Clareview residents to access library services provided by the Londonderry Branch. Developing this new branch will achieve the goal of the Edmonton Public Library Board in ensuring access to library services to all citizens of Edmonton.	Edmontonians and the staff of the Edmonton Public Library value health and wellness. Development of a new branch will help elevate customer service pressures on staff at the Londonderry location and increase space for customers to access the library collection..	While this neighbourhood is well developed, it will experience some growth in the future years. With planned development of multi family dwellings in the near vicinity of the proposed new library branch and planned development of other Community Services facilities, it will help promote further development of the area.	Without the development of the Clareview branch, customer service at the Londonderry Branch will fall below acceptable levels and access for all Clareview citizens will remain unchanged. This is not consistent with the Edmonton Public Library Board policy (Branch Development Criteria) on library branch locations. To ensure access and quality customer service to the residents of Clareview it will be important to proceed with this project. Based on this Board policy, the Clareview branch should have been constructed back in 2000.	Negative impacts on the quality of life and City image will continue if a new library is not developed in the Clareview area. Proceeding with this project will be seen as a positive step forward by the Community with the continued development of the Clareview campus site. Citizens and Councilors in the area support this initiative moving ahead.	This project is consistent with City Council direction of investing in mature and high need communities.	In developing the Library Board policy on new library branches (Branch Development Criteria), research was carried out on the cost effectiveness of lease versus build alternatives. Based on the Boards' research, it was found that constructing and owning a library is more cost effective than leasing. The project is consistent with the new Board Strategic Plan, Library Business Plan and approved long term facility plan.



**Tax-Supported Debt**  
**2007 Priority Project Justification Summary for Approved Projects**

Project	Why is the Project Needed?			Impact of not Proceeding Now					Cost-Benefit Analysis
	Physical condition	Demand / Capacity	Functionality	Safety and Public Health	Economic Growth	Quality of Service	Quality of Life and Attractiveness of the City	Environment / Other	
Outdoor Pool Redevelopment (Rehabilitation and Upgrading Project)	In spring 2005 the Infrastructure Assessment for Fred Broadstock Pool was at 57% and is expected to be at 35% within 5 years. The pool structure condition was at 49% and the HVAC system was at 60%.	The City has 5 outdoor pools. Queen Elizabeth pool has been closed since 2004 but is currently being redeveloped and scheduled to reopen spring 2008. Fred Broadstock is currently operational but would close in 2008 for redevelopment.	Fred Broadstock will be redeveloped with a sport & competitive design element. Recreational opportunities for all generations will also be taken into account.	Fred Broadstock is expected to deteriorate below an acceptable level within the next five years.	Delaying this project will result in continued deterioration of the existing facilities, further impacting customer use and satisfaction. New program amenities / opportunities should also increase attendance / revenue and reduce the ongoing tax levy support of operations at this location by better meeting customer needs.	In the case of Fred Broadstock the dive tank no longer meets standard for the upper platform so this has been eliminated from the available activities. A better equipped pool for competitive swimming will provide these participants a venue to train outside during the summer months.	Outdoor pools provide an important recreation element during the summer months. Edmontonians believe that Outdoor Pools contribute to the overall quality of life in Edmonton and offer unique summer experiences for many citizens.	Fred Broadstock is situated in a neighbourhood in the northwest part of the City. With limited parking on the site and the proximity of residents homes to the site, hours of operations and activities will need to be considered.	Construction costs have been rapidly escalating this past year. Deferral of this investment would result in much higher costs to complete the project in the future. Maintenance costs will continue to rise making the operation cost prohibitive. Deferral would increase the risk of this pool needing to close due to breakdown therefore a loss of benefit to the community in terms of quality of life.



**Tax-Supported Debt**  
**2007 Priority Project Justification Summary for Approved Projects**

Project	Why is the Project Needed?						Impact of not Proceeding Now		Cost-Benefit Analysis
	Physical condition	Demand / Capacity	Functionality	Safety and Public Health	Economic Growth	Quality of Service	Quality of Life and Attractiveness of the City	Environment / Other	
<b>Recreation Facilities Rehabilitation</b> Older arenas, pools and a maintenance building including Grand Trunk and Peter Hemmingway pools, Callingwood arena and the Victoria Golf Course Maintenance Building (Rehabilitation and Upgrading Program).	The physical condition of older arenas, pools and service buildings are deteriorating and many components are at the end of their life cycle and require replacement. Work will address the required architectural, structural, mechanical and electrical repairs and/or replacements to key building systems. In some cases, this will require the development of new structures.	Recreation Facilities are operating at or near capacity. Rehabilitation, replacement and/or new work will be scheduled to replace the critical infrastructure in a planned way to mitigate impact on users. The new fitness centre at Peter Hemmingway pool will allow present clients a venue for stationary exercise equipment while allowing activities to also be held in the pool area.	Functional improvements will be incorporated into required renovations at the Grand Trunk and Peter Hemmingway pools. Functional improvements will also be included in the design of the new maintenance building for the Victoria Golf Course.	Failure to proceed with work will have major consequences on safety and public health especially for the Grand Trunk pool and Victoria Maintenance Building. Both buildings are possibilities for complete closure in order that public health and safety standards be maintained.	Rehabilitation of existing assets as well as expansion in municipal attractions and community recreation facilities are required to provide the public with safe and up to date facilities for their recreational opportunities. If not completed, costs will not only be deferred to future years but will also increase.	Failure of building systems in older arenas and pools may result in unplanned facility closures. Existing assets in attractions need to be redeveloped or removed from the facilities which will negatively impact visitor experiences.	Failure to upgrade older pools and arenas and maintain existing recreational facilities will undermine other City initiatives to encourage active healthy lifestyles and will reduce the availability of recreation opportunities for residents.	Failure to alleviate deficiencies will reduce public confidence in the City's ability to maintain functional and attractive facilities and not only negatively impacts customer experience, but also negatively impacts ability to raise funds for future capital projects.	Investment in infrastructure now will reduce or avoid costly interim repair to keep these facilities operational until they can be upgraded in future years with pay-as-you-go funding. Also avoids unplanned service disruption resulting from system failures and the resulting impacts on users. Deferral of investment will result in loss of recreation benefits to the community and the City at large.



## 2007-08 Capital Budget

### Approved Allocation of Incremental Financing to Capital Projects

The following provides a listing of capital projects funded from the incremental financing made available as part of the 2007-08 budget process.

				2007 (millions)	2008 (millions)
<b>1. 2007-08 Incremental General Financing (GF) Available:</b>					
<b>Other:</b>					
- Program Cash Flow Timing Differences				\$ (0.11)	\$ 0.80
- GF Released Back to Pool from Capital Priorities Committee Reviews				0.46	0.12
				<b>0.35</b>	<b>0.92</b>
<b>Tax-Supported Debt Program</b>					
- 2003-2006 Timing Differences and Lower Rates than Originally Projected for the Borrowings				8.84	3.32
- Previous allocation of 2003-06 Timing Differences in 2006-2010 Capital Priorities Plan				(5.05)	(2.67)
<b>2003-2006 Tax-Supported Debt Available for Capital</b>				<b>3.79</b>	<b>0.65</b>
- 2007 3/4% Tax Increase Timing Differences				4.50	3.32
<b>One-Time Funding for Projects Approved by Council during the Budget Deliberations</b>				<b>4.13</b>	<b>0.07</b>
<b>Funding Available for Allocation (from new sources and existing base level funding)</b>				<b>12.77</b>	<b>4.96</b>
<b>2. Contingency Funding from Reserves:</b>					
- One Time Allocation of \$3.2 million from the Tax-Supported Debt Reserve cash flowed over the five year Capital Priorities Plan (2007-2011)				2.20	-
- Capital Contingency of \$11.6 million from the Financial Stabilization Reserve (FSR-2005 Surplus) cash flowed over the five year Capital Priorities Plan (2007-2011)				4.96	4.48
- One-Time Funding for Projects Approved by Council during the Budget Deliberations (FSR)				0.31	-
<b>Funding Available for Allocation from Reserves</b>				<b>7.47</b>	<b>4.48</b>
<b>Total Funding Available from Incremental General Financing and Reserves</b>				<b>\$ 20.24</b>	<b>\$ 9.44</b>
<b>3. Allocation to Unfunded Priority Capital Projects:</b>					
Line #	Program	Project #	Project Name	2007	2008
<b>General Financing</b>					
1	Parks	06-21-5260	Sportsfield Conservation	\$ 0.25	\$ -
2	Roads	07-66-1055	Neighbourhood/Collector Renewal	(9.46)	(3.69)
3	Project Management & Construction	05-75-3280	Corporate Data Center Facility	2.45	-
4	Parks	07-28-4141	Louise McKinney Park - Ph. II -Buildings	2.50	-
5	Roads	07-66-1220	Traffic Safety Improvements	-	0.74
6	Parks	07-28-5765	Leger Site: Roadway, Servicing & Development	2.00	2.70
7	Parks	07-28-5680	Hollick-Kenyon School Parks Site Acquisition	0.36	-
8	Planning & Development	07-17-0400	Downtown East Project Implementation	-	3.00
9	Corporate Services	07-18-0507	Asset Accounting Implementation	1.20	1.25
10	Corporate Services	07-18-0501	SAP Treasury System	0.25	-
11	Economic Dev, Research Pk & Tourism	05-99-3004	Research Centre 1 - Building Upgrade	0.87	-
12	Mobile Equipment Services	07-25-6005	Transit Underground Hoist replacement	1.38	-
13	Public Library	14-20-0040	Milner - Skylights	0.35	-
14	Mobile Equipment Services	05-25-5992	Bus Wash Equipment Replacement	0.10	0.20
15	Office of The City Clerk	07-44-1221	Detailed E-Records Business Requirements	0.50	-
16	Energy Environment & Natural Areas	07-75-9910	Project and Contract Management (PaCMan)	0.68	-
17	Recreation And Cultural Facilities	07-21-5789	Planning & Concept Design Studies	0.48	0.69
18	Project Management & Construction	06-75-2516	Strathcona Shooting Range Remediation	3.00	-
19	Public Library	08-20-0020	Idylwyld Branch Renovations	0.97	-
20	Economic Dev, Research Pk & Tourism	07-99-3006	Visitor Information Centre Washroom Upgrade	0.18	-
21	Parks	07-28-5775	Multi-Sport Tournament Site Servicing	0.50	-
22	Mobile Equipment Services	06-25-5986	Roadways - Vehicles	0.08	-
23	Roads	07-66-1220	Traffic Safety Improvements	0.05	-
24	Recreation And Cultural Facilities	05-21-5527	Senior Centre Consolidation	2.55	-
25	Project Management & Construction	07-75-5164	ERD/Police Driver Track	(3.10)	-
26	Social, Recreation & Cultural Serv	07-21-5741	Nordic Ski Club Snow Making	0.13	0.07
27	Public Library	03-20-0019	Millwoods Library Branch Design/Land	1.00	-
28	Social, Recreation & Cultural Serv	07-21-5747	Artificial Playing Surfaces	1.42	-
29	Project Management & Construction	07-75-2522	Valley Zoo Rehabilitation	1.73	-
30	Social, Recreation & Cultural Serv	07-21-5712	Skateboard Park Development - Callingwood	0.35	-
<b>Allocation of New General Financing to 2007-08 Capital Projects</b>				<b>12.77</b>	<b>4.96</b>
<b>Reserves</b>					
31	Mobile Equipment Services	06-25-5986	Roadways - Vehicles	1.02	-
32	Mobile Equipment Services	06-25-5988	Waste Mgmt-Additional Collection Vehicles	1.22	-
33	Roads	07-66-1950	SW Snow Management Facility	4.47	4.48
34	Mobile Equipment Services	04-25-5990	L&B - Bldg Maint Trade Van	0.30	-
35	Mobile Equipment Services	03-25-5980	Plan & Dev: Animal Control-Holding Vehicles	0.15	-
	Social, Recreation & Cultural Serv	07-21-5741	Nordic Ski Club Snow Making	0.05	-
	Parks	07-28-5260	Sportsfield Conservation -Borden Park	0.14	-
	Planning & Development	07-17-0344	Candy Cane Lane Lighting Upgrades	0.12	-
<b>Reserve Funding Available for Capital</b>				<b>7.47</b>	<b>4.48</b>
<b>Total Allocations of New General Financing and Reserve Funding to 2007-08 Capital Projects</b>				<b>\$ 20.24</b>	<b>\$ 9.44</b>



# Policy and Program Review



## Overview

The creation of the Corporate Business Planning Department in 2006 was partly in response to the need for proper alignment between corporate strategies, corporate and departmental business plans, and daily operational activities. Its underlying principles include:

- guiding the City of Edmonton through the challenges and opportunities of a quickly changing environment;
- helping to anticipate and effectively deal with growth;
- assisting the organization to better respond to Council direction and priorities;
- establishing accountability and approaches to measuring and reporting performance/progress; and
- moving the organization to toward improved sustainability.

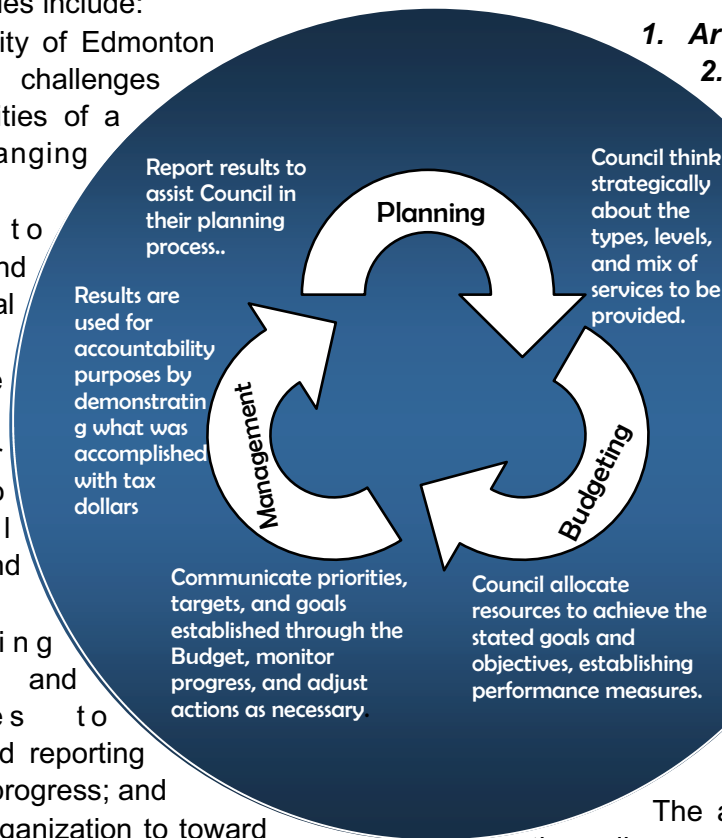
Council's motion on February 14, 2006 states: *"That the City Manager develop performance measures for key business areas of the Corporation that would be provided to Council as part of the Corporate Business Plan, that would provide Policy and Program outcomes which would indicate:*

- *policy success*
- *policy failure*

- *efficiency and effectiveness of program delivery"*.

This motion is designed to answer two fundamental questions:

1. ***Are we doing the right things?***
2. ***Are we doing things right?***



As the Corporate Business Planning Department became operational in April 2006, a number of steps were set into motion to collect, analyze, and report on key program outcomes, including mechanisms that address policy success, policy failure, program effectiveness, and program efficiencies.

The approach taken, as shown in the diagram depicted here, was an adaptation of materials from both the Institute of Public Administration of Canada (IPAC) study and the Government Finance Officer Association (GFOA) Research Bulletin, recognizing the interdependency between planning, budgeting, and management.<sup>1</sup> Traditionally, Administration's effort has focused on the Planning and Budgeting phases of the business cycle. Greater emphasis is being implemented in the 2007 Budget Process that addresses the establishment of performance

<sup>1</sup> New Directions No. 16 - From Measuring to Managing Performance: Recent Trends in the Development of Municipal Public Sector Accountability, IPAC July 2005 and Performance Measurement: The Link to Effective Government, GFOA Research Bulletin, April 1994.



# Policy and Program Review



measures and the reporting of the results to Council.

To date, preliminary work by the City includes:

1. An evaluation on the status of policy implementation.
2. Report on the outcomes of program implementation from the approved 2005 service packages.
3. Corporate performance planning and management.



# Policy and Program Review



## 1. Status of Policy Implementation

On March 7, 2006 City Council received Report 2006CMC032 for information. The report outlined a schedule of 32 Business Drivers for review at various Council Committees, with a completion date in 2006. Another 15 Business Drivers were identified for review with a completion date after 2006.

The following is a summary of the 32 Business Drivers to be completed in 2006.

	Project Title	Lead Department	Status
<b>To be reviewed by City Council:</b>			
1.	Review Assessment and Short Term Counseling Key Result Area	CS	Adopted
2.	Implement Infrastructure Strategy	AMPW	Adopted
3.	Utility Fiscal Policy	CSD/AMPW	Adopted
4.	Urban Aboriginal Accord	CSD	Jan 2007
5.	Long Range Financial Plan	CSD/CBP	Presented with this document
<b>To be reviewed by Community Services Committee</b>			
6.	Develop a Community League Building Assessment and Strategy	CS	Terms of Reference Approved
7.	Develop a Fire Rescue Master Plan	CS	Proposal Approved - Plan to be Developed 2007
8.	Corporate Volunteerism Policy	CS	Approved
9.	Develop a Long-Term Strategy Funding Operating Costs of Seniors Centres	CS	Fall 2006
10.	Review Facility Name Sale Policy C477	CS	Fall 2006
11.	Update Fees and Charges Policy C167	CS	Fall 2006
12.	Future Outdoor Aquatic Amenities Strategy	CS	Fall 2006
13.	Re-negotiate Joint Use Agreement	CS	Fall 2006

**Legend:**

AMPW - Asset Management and Public Works  
 CBP - Corporate Business Planning  
 CSD - Corporate Services Department

CS - Community Services  
 OCM - Office of the City Manager  
 TD - Transportation Department



# Policy and Program Review



	Project Title	Lead Department	Status
<b>To be reviewed by Transportation Public Works Committee</b>			
14.	Create Key Business Drivers for Project Management and Construction Branch	AMPW	Adopted
15.	Landlord and Tenant Advisory Board	AMPW	Oct 24
16.	Housing	AMPW	Adopted
17.	Drainage Master Plan	AMPW	Adopted
18.	Environmental Strategy Plan	AMPW	Adopted
19.	Waste Management Strategic Plan	AMPW	Nov 21
20.	Urban Parks Management Plan	AMPW	Adopted
<b>To be reviewed by Transportation Public Works Committee:</b>			
21.	Transit Fare Policy Update	TD	Apr 2008
22.	Transit Service Plan	TD	Apr 2008
23.	Transit Base Service Driver Review	TD	Apr 2008
24.	DATS Business Model	TD	Adopted
<b>To be reviewed by Executive Committee</b>			
25.	Procedures and Committees Bylaw	OCM	Fall 2006
26.	Civic Census Policy	OCM	Adopted
27.	Equal Opportunity Policy C101B	CSD	Nov 2006
28.	Debt Management Fiscal Policy C203B	CSD	Nov 2006
29.	Reserves and Operating Equity Accounts Policy C217	CSD	Nov 2006
30.	Investment Policy C212B	CSD	Adopted
31.	Corporate Communications Policy C420	CSD	Apr 2007
32.	Civic Protocol C419	CSD	Apr 2007

As identified in the "Status" column, a number of reviews have already taken place and revised policies adopted by City Council.

## Legend:

AMPW - Asset Management and Public Works  
 CBP - Corporate Business Planning  
 CSD - Corporate Services Department

CS - Community Services  
 OCM - Office of the City Manager  
 TD - Transportation Department





## 2. Outcomes of Program Implementation from the 2005 Approved Service Packages

When City Council approves new services through the budget process, Administration has a responsibility to report back to Council and the public regarding outcomes. This evaluation takes on different forms, including policy maintenance, policy monitoring, and ex post program evaluation.<sup>2</sup> This section will briefly explain the different forms of evaluation, the methodology used by Administration in selecting the method of evaluation, and the outcomes of the evaluations.

**Policy monitoring evaluation** includes the process of recording changes that have come about because of the program. This phase of program evaluation will generally occur when the program's results are readily noticeable. It serves as a reporting function on what was accomplished and can lead to requests for additional funding to enhance or continue the program. Administration will be working to develop this form of reporting in the future.

**Ex post program evaluation** is a mechanism by which Council can demonstrate accountability to the public for the use of tax dollars. It is also an important tool from a learning perspective to determine whether their intended goals were achieved or achievable. This form of evaluation should take place after adequate time has passed since the full implementation of the policy or service to allow the full impact to be captured. Administration will be working to develop this form of reporting in the future.

**Policy maintenance evaluation** includes an analysis of the program soon after

implementation. The purpose is to assess whether it has been implemented as designed or whether it has to be changed during implementation to address emerging factors. This evaluation answers the question "**what did you do with the funding provided in relation to the intention of the program**". This form of evaluation has been applied to the 2005 approved service packages.

As an initial attempt in implementing policy and program evaluation, Administration has selected five of the largest tax levy supported service packages from the 2005 Approved Budget, representing a sampling of the different services. The selected service packages have been analyzed to answer the following questions:

1. What was the service package?
2. Why was the package recommended to Council?
3. When was the service implemented?
4. What were the results of service implementation?
5. What are the recommendations to Council based upon these initial results?

The five service packages chosen from the 2005 Approved Budget are:

<u>Description</u>	<u>Tax Levy (\$ million)</u>
1. Additional Off-peak Transit Service	1,264
2. Meeting Fire Rescue Service Standards	1,206
3. Maintaining Emergency Medical Services Response Time	1,079
4. Environmental Management System	950
5. Façade and Storefront Improvement Program	488

<sup>2</sup> Beyond Policy Analysis, Leslie A. Pal, Chapter 6



# Policy and Program Review



## 2005 Service Package Outcomes - What did you do with the funding provided?

What was the Service Package?	Why was the Package Recommended to Council?	When was the Package Implemented?	What were the Results?	What are the Recommendations Based On Initial Results?
Additional Off-peak Transit Service	<ul style="list-style-type: none"> <li>The core objective from the Transportation Master Plan is to "meet the basic mobility needs of people who have no other travel alternatives at reasonable costs".</li> <li>As a result of growth in transit usage, there were problems in schedule adherence which led to issues with connections, and large passenger loads which affect customer comfort.</li> <li>As a result of a growing community, there were gaps in transit service being made available to new neighbourhoods.</li> </ul>	<ul style="list-style-type: none"> <li>Both the additional off-peak transit service for schedule capacity and for new neighbourhoods were implemented in September 2005, in conjunction with the fall sign-up.</li> <li>15 bus routes received 2,771 additional hours to ease the passenger load and schedule adherence.</li> <li>23 "newer" neighbourhoods received 18,530 hours of transit service during off-peak time.</li> </ul>	<ul style="list-style-type: none"> <li>About 1,525 weekly hours were added in September 2005 with over 20,000 new riders weekly boarding added to the system.</li> <li>On an annualized basis, this translates to over one million additional riders.</li> </ul>	<ul style="list-style-type: none"> <li>New off-peak service should continue.</li> <li>It is premature to decide on the discontinuation of service where ridership is below the ETS guidelines. It takes about two years for new service to mature.</li> <li>The city population, as well as the new communities being served are growing, the economy is strong, and fuel costs are high; therefore it is expected that passenger demand on these routes will grow.</li> </ul>
Meeting Fire Rescue Service Standards	<ul style="list-style-type: none"> <li>Council adopted a staffing target service level in 2003 (subject to the annual consideration for budget) such that               <ol style="list-style-type: none"> <li>A minimum complement of five firefighters is provided for pumper companies to address technical hazards, high hazard occupancies, high incident frequencies, or geographic restrictions.</li> <li>All companies whose primary function is fire attack, search and rescue, ventilation, or aerial operations are staffed with a minimum of four firefighters.</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>The recruitment of firefighters began in April 2005, with assignment to stations and aerial apparatus occurring in July 2005.</li> <li>Station #11 (Capilano) received a full staff complement of five firefighters.</li> <li>Stations #2 (Downtown) and #13 (Southgate) received a full staff complement of four firefighters for aerial operations.</li> </ul>	<ul style="list-style-type: none"> <li>This service package represents the second year of moving toward Council's target staffing levels for single apparatus stations and for aerial operations.</li> <li>Full complement of staffing levels would move toward establishing 8 minutes or less for the deployment of a full first alarm assignment at a fire suppression incident, 90% of the time.</li> </ul>	<ul style="list-style-type: none"> <li>This service package, along with the additional services in the 2006 Approved Budget, will leave two single-rig stations with only four firefighters (Stations #10 and #15), and four stations with aerial operations staffed with only two firefighters (Stations #5, #8, #12, and #16).</li> <li>Administration recommendation is to continue the program to its completion.</li> </ul>



# Policy and Program Review



## 2005 Service Package Outcomes - What did you do with the funding provided ?

What was the Service Package?	Why was the Package Recommended to Council?	When was the Package Implemented?	What were the Results?	What are the Recommendations Based On Initial Results?
Maintaining Emergency Medical Services Response Time	<ul style="list-style-type: none"> <li>Based on clinical research, response within 8:59 minutes, 90% of the time with a transport capable Advanced Life Support (ALS) unit initiating advance care is an integral step to minimizing neurological damage in the event of cardiac arrest, trauma, or critical illness.</li> <li>Council adopted this service target level in 2003, subject to annual consideration for budget.</li> <li>In 2004, the 8:59 minutes service target level was achieved 80% of the time.</li> </ul>	<ul style="list-style-type: none"> <li>Council approval of an additional two ambulance units was subject to Provincial funding, which was given in mid-April. Council approval was given in mid-May.</li> <li>Recruitment began in June and July; however, additional vehicles have not been secured due to a delay in Provincial funding approval.</li> <li>The additional staff were added where best to meet demand, based upon a roving deployment model with peak load times.</li> </ul>	<ul style="list-style-type: none"> <li>The additional staff addressed response pressures at that point in time; but hospital wait times, call volumes, and population growth have eroded gains that were achieved.</li> <li>2006 Year to Date - 74% (2005 - 79.5%) per Operational Performance and 2007 Budget Briefing)</li> </ul>	<ul style="list-style-type: none"> <li>Council approved an additional two ambulance units in the 2006 Approved Budget.</li> <li>Additional units in 2007 will help in maintaining the current response time.</li> <li>Other causes, such as hospital transfer time, would need to be identified and resolved.</li> </ul>
Environmental Management System	<ul style="list-style-type: none"> <li>This corporate-wide initiative to implement an environmental management system based on the international standard ISO 14001 was the result of City Council's adoption of Policy C505 Environmental Management System on May 11, 2004.</li> <li>The strategy includes a phased process to result in a fully functional system ready for registration by December 2008.</li> </ul>	<ul style="list-style-type: none"> <li>Focus on seven high risk branches (Recreation Facilities, Parks, Mobile Equipment Services, Streets Engineering, Transit, Waste Management and Land &amp; Buildings)</li> <li>Project charters developed for each branch in accordance with City guidelines.</li> <li>Commitment of system in May 2005 and is on schedule</li> </ul>	<ul style="list-style-type: none"> <li>When fully implemented, the benefits include: <ol style="list-style-type: none"> <li>1. Legal - avoidance of charges, fines, create positive relations with regulators</li> <li>2. Economic - more efficient way to doing business and being environmental leader</li> <li>3. Ethical - reduce ecological footprint</li> <li>4. Safety - safer workplace</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>Due to resource constraints, the remaining 17 branches will be spread over 2006 and 2007, delaying the original target date of completion from September 2007 to December 2008.</li> <li>The committee recommends that the City implement the Decentralized Operating Branches Model (D) in 2007-09; and move towards the Corporate-wide Decentralized Model in 2010-2012.</li> </ul>



# Policy and Program Review



## 2005 Service Package Outcomes - What did you do with the funding provided ?

What was the Service Package?	Why was the Package Recommended to Council?	When was the Package Implemented?	What were the Results?	What are the Recommendations Based On Initial Results?
Façade and Storefront Improvement Program	<ul style="list-style-type: none"> <li>The Façade Improvement Program was approved by City Council on November 30, 2004 for operation in the 2005 calendar year through until 2008.</li> <li>The purpose of the Façade and Storefront Improvement Policy is to "encourage owners of Retail and Commercial Buildings in Targeted Areas to invest in renovations that improve the appearance and function of their Building Facades and Storefronts with regard for the interface between public pedestrian space and street oriented retail and commercial activities"</li> <li>The program is a matching grant program whereby the owners develop project proposals with the City. Upon Council approval and completion of the project in accordance with the reimbursement agreement, a maximum of 50% or \$20,000 (whichever is less) may be reimbursed to the owner.</li> </ul>	<ul style="list-style-type: none"> <li>A successful pilot project was undertaken on Jasper Avenue in 2003/04.</li> </ul>	<ul style="list-style-type: none"> <li>In 2005, 12 construction projects were approved for funding, representing an allocation of \$210,000.</li> <li>To September 2006, another 24 projects were approved, representing an allocation of \$551,000.</li> <li>The location of the 36 approved projects are:  Downtown 10  124 Street 9  Alberta Avenue 5  97 Street and Area 4  Inglewood 3  Old Strathcona 3  Stony Plain Road 2  TOTAL 36</li> </ul>	<ul style="list-style-type: none"> <li>Continuation of the program is recommended.</li> </ul>



# Policy and Program Review



## 3. Corporate Performance Planning and Management

Building on the February 14<sup>th</sup>, 2006 Council motion relating to Business Drivers, the Corporate Business Planning Department has initiated a process to improve corporate understanding of the performance of the organization for Policy and Programs. Due to the timing in the establishment of the Department in relation to the City's planning cycle, the Department has pursued a "Plan by Doing" approach.

The focus of 2006 was to adopt the existing 2006-2008 Corporate Business Plan while applying best practices to improve current performance measures. This approach encourages corporate learning with the goal of developing a more robust plan in the future.

One of the best practices for management of business planning is the "Result Chain". This construct is purported by both acclaimed academics and practitioners, to more effectively connect the cause from Policies and Programs and their effect towards achieving the expected outcomes. This construct is depicted in the diagram on this page.

By applying this model to the current Corporate Business Plan, it became apparent that the Quality of Life Measures, conducted by the Federation of Canadian Municipalities,

should be modified for the purpose of evaluating City of Edmonton progress on Council's Vision, Outcomes, and Priority Initiatives. While it is true that these Quality of Life Measures are the ultimate outcome proxies or surrogates for linking to some of the policy and programs included in the plan, many of them are too far removed or have too many other variables at play for cause and effect conclusions to be made. In addition, the ability of City Council and Administration to influence these indicators are indirect and limited.

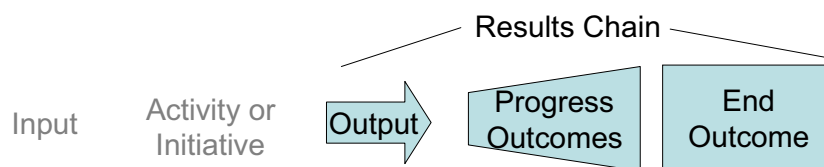
To address this issue, Administration is in the process of selecting and refining a few critical Outcome statements that are linked to Council Policy or Program initiatives, along with indicators (activity outputs) that would provide a good measure of progress towards achieving these goals.

The references for this selection are two fold:

- ♦ Direct input obtained through interviews with City Council in August, and
- ♦ Results from SMT planning session in May 2006.

The selection process is predicated on the base assumption that the seven Edmonton City Council's Special Initiatives represent Council Vision and Outcomes. For reference, these initiatives are:

### Construct for Linking





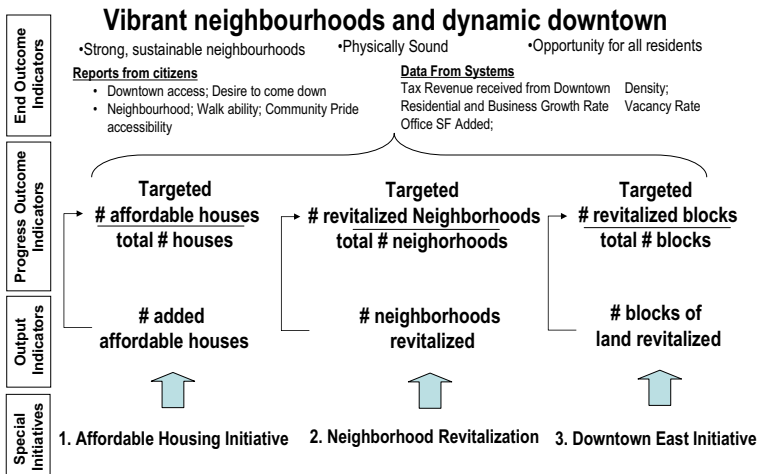
# Policy and Program Review



1. **Vibrant neighborhoods and dynamic downtown** - Strong, sustainable neighborhoods, physically sound and with opportunity for all citizens
2. **A safe community** - Feel safe and secure and are confident in the preventative and responsive measures in place to deal with health, emergency and other community issues
3. **A positive international reputation** - Known widely as the Capital City, culturally rich, business friendly, innovative and edgy and technologically, economically and aesthetically creative
4. **A good neighbor and partner** - Nurtures and enjoys good relationships with other orders of government, health and education sectors, it's regional neighbors and Northern Canada
5. **A culturally rich and welcoming society** - A wealth of diverse cultures, that respects its history and heritage, that welcomes newcomers and celebrated diversity
6. **A quality physical environment** - Values both the built and natural environment, with access to facilities and amenities with room to grow business, in a healthy, protected environment
7. **A responsive and responsible government** - Is customer focused, excels at efficiency and effectiveness, that embraces innovation and creativity and is on the leading edge of municipal excellence

To illustrate how the Performance Measures and Management process is intended to evolve, one of the seven Outcomes has been chosen from the work completed thus far. On an overall basis, reports from citizens and data from systems will show progress against this Outcome goal.

## Initiative Linked Outcome Indicators



The diagram also shows how three sub initiatives of:

- ♦ affordable housing
- ♦ neighbourhood revitalization, and
- ♦ Downtown East

are linked and contribute towards the Outcome of **vibrant neighborhoods and dynamic downtown**.

In a similar manner, this approach can be extended to include all key initiatives within the 2006-2008 Corporate Business Plan, providing a linkage to the activities of the City that contribute to Council's Vision, Outcomes, and ultimately, results.

With the assistance of the Department General Managers and staff, Corporate Business Planning has embarked on the assembly of an inventory of performance measures to provide a current state assessment. This inventory was presented to Council as an "Operational Performance and 2007 Budget Briefing" in October 2006. Upon maturing it will eventually be part of the performance reporting and budgeting process.



# Policy and Program Review



By adopting this “Plan by Doing” approach, a tested plan will emerge that will be used for the next round of Corporate Business Strategy and Performance planning. This is anticipated to be in place over the next year, in time for the start of the next planning cycle in 2008.

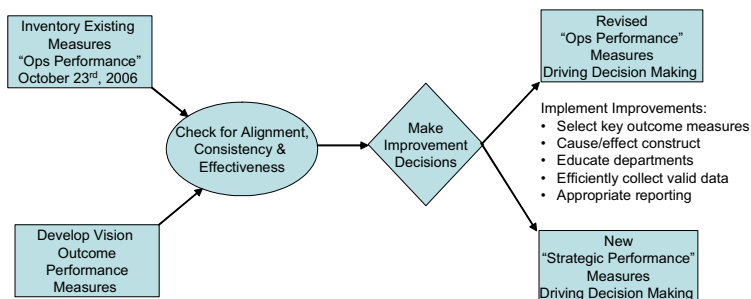
In addition, the recommendations from the Capital Prioritization Process are being implemented with similar objectives, ensuring that there is appropriate linkage between the capital investment, associated operating expenditures, and measurable outcomes that achieve Council’s Policy and Program objectives.

The following is a summary of performance measurement implementation approach being recommended by Administration.

## **Performance Measurement Implementation Approach**

A “Plan by Doing” approach has been adopted to take performance measurement to the next level - better alignment and effectiveness.

**Doing** – refining existing within the current '06-'08 Corporate Business Plan



**Plan** – preparing for the next 3 year planning cycle commencing 2008.

In summary, Administration has taken the initial steps needed to ensure the goal of proper alignment between corporate strategies, corporate and departmental business plans, and daily operational activities. In 2007, progress towards this goal will be a priority.



# Strategic Planning Documents



## Overview

Strategic planning documents provide the framework upon which decisions may be made in a coordinated manner. Understanding these documents will provide opportunities to harness synergies between different program service delivery and avoid decisions that work at cross-purposes. Over the years, the City of Edmonton has adopted numerous strategic documents. While these are necessary, only one strategic document is required from a legislative perspective.

Section 632 of the Municipal Government Act requires that:

- “(1) A council of a municipality with a population of 3,500 or more must by bylaw adopt a municipal development plan (MDP).
- (3) A municipal development plan must address:
  - i. the future land use within the municipality
  - ii. the manner of and the proposals for future development in the municipality
  - iii. the co-ordination of land use, future growth patterns and other infrastructure with adjacent municipalities if there is no inter-municipal development plan with respect to those matters in those municipalities
  - iv. the provision of the required transportation systems either generally or specifically within the municipality and in relation to adjacent municipalities, and
  - v. the provision of municipal services and facilities either generally or specifically”.

On August 31, 1998, City Council adopted **Plan Edmonton** (with amendments to March 24, 2004) which serves as the City's MDP.



With the recent strong economic and rapid population growth, Council's adopted Smart Choices for Developing Our Community, the High Speed Transit Study, and the Urban Sustainability Action Plan. An update to this strategic land use document is necessary to reflect these changes. Until the revised MDP is complete (expected in 2008), the five goal areas established in **Plan Edmonton** remain the backdrop to the City's overall direction. These will be highlighted in greater detail on the following page.

A second strategic document that is key to guiding the direction of the City is **“Building the CAPITAL CITY - Edmonton City Council's Special Initiatives 2005-07”**. This document, formally adopted by City Council of July 5, 2005, articulated the broad vision of Council for the community.

These two documents have been incorporated into the 2006-08 Corporate Business Plan. **With the Corporate Business Planning Department newly established in April 2006, Administration will implement the existing Corporate Business Plan for 2007 and 2008, in anticipation of a new Corporate Business Plan for 2009-2011.**



# Strategic Plans and the Annual Budget



## Relationship of Plans to Budget

In addition to *Plan Edmonton*, *Building the CAPITAL CITY*, and the *Corporate Business Plan*, there are a number of other key strategic documents that guide the City's operations.

With alignment among all of the City's strategic plans, the annual budget represents Council's conscious allocation of resources, balancing the progress toward its desired goals.

***Understanding the objectives within these strategic documents and the City's progress towards these various goals helps to guide the effective allocation of budget resources.***

The annual budget serves to summarize the City of Edmonton's financial plan and acts as an operational guide for the corporation in achieving Council's Vision, Outcomes, and Priority Initiatives.

The City's other key strategic documents (as identified in the City's Business Drivers Review project) include:

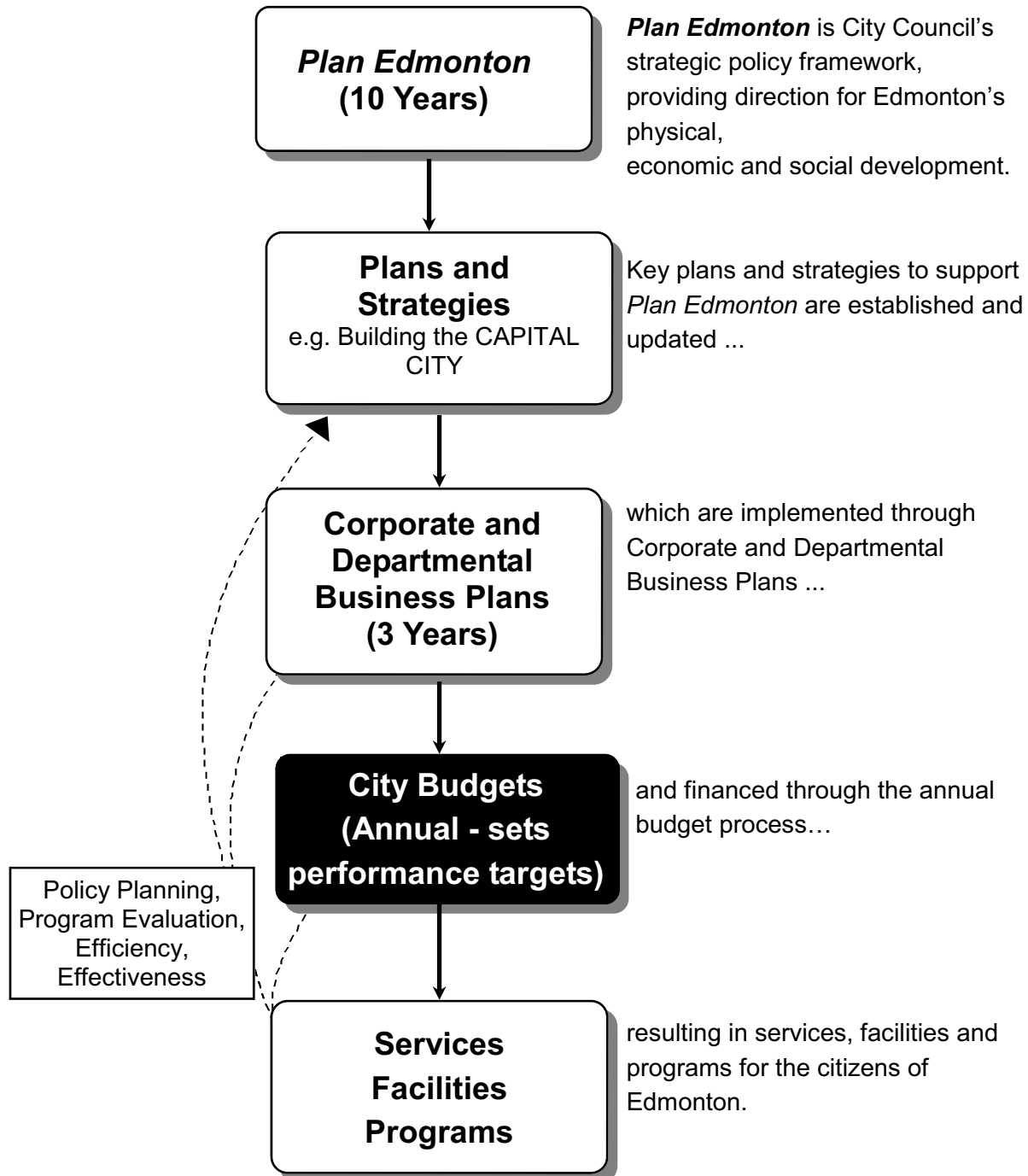
- *B i c y c l e Transportation Plan*
- *Combined Sewer Overflow Control Strategy*
- *Departmental Business Plans*
- *Drainage Master Plan*
- *EMS 2020 (Emergency Medical Services)*
- *Environmental Strategic Plan*
- *Fire Rescue Master Plan*
- *Integrated Services Strategy*
- *Long Range Financial Plan*
- *Multi-Use Corridor Strategy*
- *Public Space Strategy*
- *Recreation Facility Master Plan*
- *Smart Choices for Developing Our Community*
- *Transportation Master Plan*
- *Urban Parks Management Plan*
- *Urban Sustainability Initiative Action Plan*
- *Waste Management Strategic Plan*



***Key Strategic Documents must work together with the budget to achieve the desired goals of the City.***



# Strategic Planning Cycle





# Plan Edmonton



**Plan Edmonton** establishes five goal areas for the City of Edmonton:

## Economic Development:

- Create a positive and dynamic business climate within Edmonton and the Capital Region.
- Provide a “best value” business environment.
- Build on its economic advantages through active partnerships with businesses, institutions, and other governments to develop a strong City economy with a global orientation.

## Infrastructure Development & Maintenance:

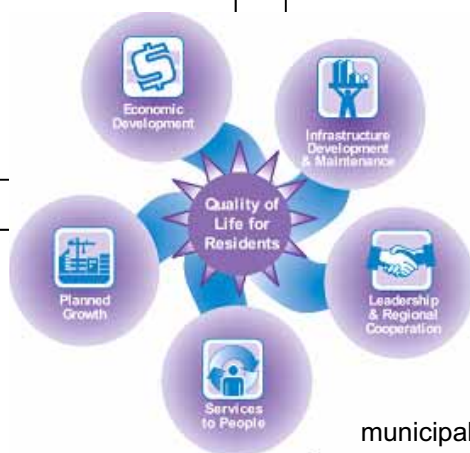
- Meet the demand for new infrastructure while ensuring existing infrastructure remains safe and reliable.
- Maintain the quality of natural environment.
- Addresses the development and use of advanced communication and information technology.

## Planned Growth:

- Fulfill the mandate to manage land use and development.
- Promote investments in mature neighbourhoods and business areas.
- Accommodate new growth in suburban area in a fiscally responsible manner.
- Work with private and public partners to maintain the quality of urban environment.

## Leadership & Regional Cooperation:

- Pursue solutions to regional issues in cooperation with neighbours.
- Effective and coordinated inter-municipal planning within the Edmonton Capital Region.
- Examine opportunities to reduce costs and improve service through regional service delivery mechanisms.
- Develop more effective relationships with regional authorities and other orders of government.



Since the adoption of **Plan Edmonton**, a sixth goal - Organization Excellence, has been added. Organizational Excellence refers to the efficient management of the City's assets, human, financial, and physical.

## Services to People:

- Deliver services that contribute to the safety, security, well-being and enjoyment of Edmonton's citizens.
- Provide services in an effective and efficient manner.
- Work in partnership with other organizations where service mandates are complimentary.
- Account for the different and changing characteristics and needs of communities.
- Support community development initiatives and volunteer activities.



# Building the CAPITAL CITY



## Building the CAPITAL CITY

### Edmonton City Council's Special Initiatives 2005-07



The Mayor and City Councillors have agreed to lead specific projects with the goal of improving certain aspects of Edmonton's future. Council's work plan for its 2005-07 term envisions a **CAPITAL CITY**:

#### *... with vibrant neighbourhoods and a dynamic Downtown*

a city with strong sustainable neighbourhoods ... physically sound ... with opportunities for all citizens

#### *... a safe environment*

a city where all citizens ... the young, the old, the at-risk ... feel safe and secure, and are confident in the preventative and responsive measures in place to deal with health, emergency and other community issues

#### *... a positive international reputation*

a city widely known as a capital city ... culturally rich ... business friendly ... innovative and edgy ... technologically, economically, aesthetically creative

#### *... a good neighbour and partner*

a city that nurtures and enjoys good relationships ... with other orders of government ... its regional neighbours ... the education sector ... Northern Canada

#### *... a culturally rich and welcoming society*

a city with a wealth of diverse cultures ... that respects its history and heritage ... that welcomes newcomers

#### *... a quality physical environment*

a city that values both the built and natural environment ... with access to facilities and amenities ... room to grow businesses ... in a health, protected environment

#### *... and responsible and responsive government*

a city that is customer focused ... excels in efficiency and effectiveness ... that embraces innovation and creativity ... and is on the leading edge of municipal excellence



# Corporate Business Plan



## *Building the Capital City*

### **2006-08** Corporate Business Plan



NOVEMBER 2005



# Corporate Business Plan



## Look at you Edmonton ...



### Edmonton: the Capital City

Edmonton's 70,152 hectares stretch along both sides of its source of intense pride: the North Saskatchewan River Valley parks system.

From small fur-trading post to dynamic urban setting, now home to 712,000 citizens and serving a regional population of one million, Edmonton is the capital city of Alberta and the sixth largest metropolitan centre in Canada.

The Edmonton of today cherishes its history – from booming fur trade centre, through wars, depression, economic upswings to late 20<sup>th</sup> century financial down turns – these are the events that shaped and strengthened the city and its people.

### Living good

Edmonton citizens enjoy one of the most favorable qualities of life of any city in Canada – indeed the world – with high personal incomes, no provincial sales tax and the lowest housing prices among western cities. Government-funded education and health care also help keep the cost of living low.

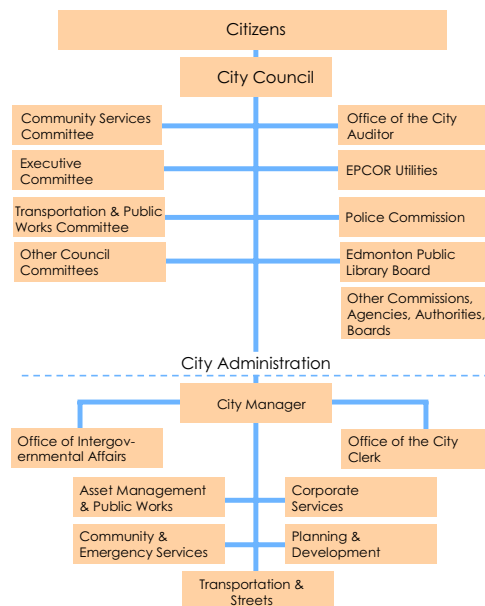
Its citizens take pride in their city with its 30-plus major festivals, dynamic arts and music scene, professional and do-it-yourself sports, world-class attractions, and reputation as a first-class host. 97 per cent of Edmontonians rate the quality of life as very good or good.

Edmonton also boasts one of the world's most cost-competitive business environments. And business is good: more than \$80B in regional investment is planned over the next 10 years.

Serving this great community is the City of Edmonton, a \$1.6 B corporation considered a Canadian leader in municipal best practices. The City takes its direction from City Council's vision for Edmonton: Building the Capital City. This theme underlies all activities and initiatives the City undertakes.

For more information on Edmonton, visit:

[www.edmonton.ca](http://www.edmonton.ca)



This corporate business plan covers the activities of the City Administration, those business areas reporting to the City Manager. Other civic agencies report independently to City Council.



# Corporate Business Plan



## City of Edmonton 2006-08 Corporate Business Plan

### Strategic Management Process

#### Driven by vision

The overarching concept guiding the City of Edmonton's strategic management process is City Council's vision<sup>1</sup> for the future of this community, outlined in Building the Capital City: City Council Special Initiatives 2005-07:

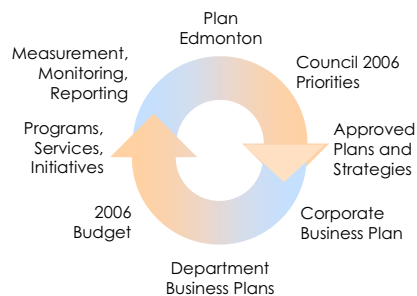
- § a city with vibrant neighbourhoods and a dynamic Downtown
- § a safe environment
- § a positive international reputation
- § a good neighbour and partner
- § a culturally rich and welcoming society
- § quality physical environment
- § and responsive and responsible government.

#### Linking plans and strategies

The framework for business planning is Plan Edmonton<sup>2</sup>, the City's 10-year municipal development plan.

The business plan translates Plan Edmonton municipal responsibility areas into actions with clearly defined outcomes. Initiatives in the plan support Council's stated priorities for 2006<sup>3</sup>: growth demands, City Council Special Initiatives and quality physical environment.

### Building the Capital City City Council's Vision



The business plan is focused on initiatives that address the challenges for the period 2006-08. It is not a comprehensive list of all programs and services the City provides. That is outlined in the 2006 budget.

NOTE: Administration is currently responding to a Council motion to incorporate Triple Bottom Line (TBL) into the City's business planning and budget process. A pilot will be prepared for Council review during deliberation of the 2006 budget. The outcome of the pilot could influence the overall corporate planning process with possible impacts on how we report, monitor and measure initiatives.

#### City Council Vision<sup>1</sup>

#### Plan Edmonton<sup>2</sup> Municipal Responsibility Areas

#### City Council 2006 Budget Priorities<sup>3</sup>

#### Corporate Business Plan

#### Civic Budget

#### Building the Capital City

Services To People    Planned Growth    Infrastructure and Physical Environment    Economic Development    Leadership, Regional Cooperation and Planning

Growth Demands    Council 2005-07 Special Initiatives    Quality physical environment

#### Administrative excellence

#### Assigned funding





## Plan Edmonton Municipal Responsibility Areas

Plan Edmonton is the City of Edmonton's municipal development plan, created to guide Edmonton's growth and development into the 21<sup>st</sup> century.

It deals with Edmonton's physical, economic and social development.

As Edmonton's primary planning document, it provides direction to the development and implementation of more specific, detailed

plans by all City departments and agencies over a 10-year planning horizon. Plan Edmonton is based on five municipal responsibility areas<sup>4</sup> (MRAs). City Administration has added a sixth MRA – organizational excellence – to address citizen expectations for well-managed government.

Beginning in 2006, the City will undertake a review of Plan Edmonton to bring it up to date with today's issues and realities.

### Municipal Responsibility Areas<sup>4</sup>

Planned growth

Services to people

Economic development

Physical environment and infrastructure

Leadership, regional cooperation and planning

Organizational excellence

### Goal

A well-planned urban environment

Quality, best value services that contribute to Edmonton's safety, security, well being and enjoyment

A dynamic, best-value business environment

Prudent stewardship of environment, infrastructure and technology

A strong partner in regional and intergovernmental affairs

Quality public service in a cost-effective manner



# Corporate Business Plan



## Context Assessment: Trends, Challenges and Opportunities

Edmonton is a city whose time has come. It's a city with one of the most robust economies in Canada. A city where private sector investment is strong and confident. A city where all orders of government are investing for the future. Where post secondary institutions are building to meet the demand for well-educated workers. A city that

supports and benefits from the industrial boom in northern Alberta and the territories. With the growth come challenges – and opportunities. The Corporate Business Plan addresses these challenges and opportunities, and sets out an action plan to support Council's priorities for 2006<sup>5</sup>.

Council Priorities <sup>5</sup>	Trends	Challenges	Opportunities
Growth demands	<ul style="list-style-type: none"> <li>§ Growth in population</li> <li>§ Growing demand for suburban lifestyle</li> <li>§ Regional hub for population of one million</li> </ul>	<ul style="list-style-type: none"> <li>§ Meeting citizen expectations for service</li> <li>§ Managing transportation requirements</li> </ul>	<ul style="list-style-type: none"> <li>§ Leverage partnerships and achieve a new funding deal to help meet demands</li> <li>§ Use existing grants to improve mobility, support complementary investment</li> <li>§ Apply Smart Choices strategies</li> </ul>
Council Special Initiatives 2005-07	<ul style="list-style-type: none"> <li>§ Economic growth, spin-offs from northern investment</li> <li>§ Increasingly diverse population</li> <li>§ Second largest urban Aboriginal population in Canada</li> </ul>	<ul style="list-style-type: none"> <li>§ Taking advantage of economic growth</li> <li>§ Handling increasing and changing demand for services</li> </ul>	<ul style="list-style-type: none"> <li>§ Develop partnerships for complementary investment</li> <li>§ Promote strong positive image for Edmonton</li> <li>§ Enhance and adjust services to meet emerging societal needs</li> </ul>
Quality physical environment	<ul style="list-style-type: none"> <li>§ Infrastructure rehabilitation needs</li> <li>§ More demanding environmental legislation</li> <li>§ Growing call for environmental stewardship</li> </ul>	<ul style="list-style-type: none"> <li>§ Improving quality of life in mature communities</li> <li>§ Developing urban sustainability</li> <li>§ Improving air quality</li> </ul>	<ul style="list-style-type: none"> <li>§ Improve physical and social infrastructure in high needs communities</li> <li>§ Reinvest in older neighbourhoods</li> <li>§ Develop efficient and customer-friendly public transit (SLRT, BRT)</li> </ul>



# Corporate Business Plan



## The Action Plan 2006-08

The City of Edmonton provides a full range of municipal services – and citizens indicate strong satisfaction with those services – while maintaining competitive property tax and utility rates. The City touches the lives of all citizens – at home, at work, at school, at play.

The City of Edmonton is an efficient, effective organization, achieving more than \$100M in annual cost containment and non-tax revenue increases in the past decade. Staffing is customer focused: the majority of staff increases in the past five years are largely concentrated in front-line service delivery.

The City's Corporate Business Plan takes a long-range view of citizen service needs, dealing with emerging issues and opportunities.

The plan is based on Plan Edmonton's municipal responsibility areas.

Initiatives in the business plan are grouped with the appropriate municipal responsibility area, and are referenced to Council's 2006 Budget priorities, Council Special 2005-07 Initiatives and to previously approved plans.

NOTE: As directed by City Council July 2005, initiatives in the Urban Sustainability Action Plan are incorporated into and will be monitored through this plan.

Municipal responsibility area:

PLANNED GROWTH

Edmonton City Council envisions a Capital City with:

Vibrant neighbourhoods and a dynamic Downtown ... strong, sustainable neighbourhoods ... physically sound ... with opportunity for all citizens

### INITIATIVES

Improve social and physical infrastructure in mature and high need communities

- § Implement Smart Choices for Developing our Community
- § Review the Downtown Plan
- § Implement 118 Avenue Initiative Revitalization Strategy
- § Pilot community revitalization initiatives in high need neighbourhoods
- § Develop Infill Strategy
- § Develop city-wide Urban Design principles and guidelines
- § Implement Smart Growth Initiatives for Suburban Areas
- § Examine Developers Paying for Services guidelines
- § Rehabilitate sidewalks and roadways in mature neighbourhoods
- § Renew mature neighbourhood drainage facilities
- § Review and strengthen fire rescue services in mature neighbourhoods
- § Undertake flood protection program in affected residential areas

### COUNCIL PRIORITIES

- § Growth demands
- § Quality physical environment

### COUNCIL SPECIAL INITIATIVES 2005-07

- § Vibrant neighbourhoods and a dynamic Downtown – Neighbourhood Revitalization



# Corporate Business Plan



APPROVED PLANS	<ul style="list-style-type: none"> <li>§ Plan Edmonton</li> <li>§ Smart Choices for Developing our Community</li> <li>§ Integrated Service Strategy: Community Building and Focused Efforts</li> <li>§ City Council's Vision for Social Well-Being and Quality of Life</li> <li>§ Transportation Master Plan</li> <li>§ Urban Sustainability Action Plan Initiatives</li> <li>§ Council endorsed Fire Rescue Service Level Targets</li> <li>§ Drainage Master Plan</li> <li>§ City of Edmonton Service Standards</li> </ul>
INITIATIVES	<p>Public space development is responsive to changing demographics and balances diverse needs and uses</p> <ul style="list-style-type: none"> <li>§ Develop a Public Spaces Strategy</li> <li>§ Implement Urban Parks Management Plan 2006-2016</li> </ul>
COUNCIL PRIORITY	<ul style="list-style-type: none"> <li>§ Quality physical environment</li> </ul>
COUNCIL SPECIAL INITIATIVES 2005-07	<ul style="list-style-type: none"> <li>§ Vibrant neighbourhoods and a dynamic Downtown: neighbourhood revitalization</li> <li>§ Quality physical environment: sports, recreation opportunities</li> </ul>
APPROVED PLAN	<ul style="list-style-type: none"> <li>§ Urban Parks Management Plan (Council approval expected in 2005)</li> </ul>
INITIATIVES	<p>Improved mobility of people and goods, reduced traffic congestion and increased use of alternate travel modes (transit, walk and bike), and accommodation of increased bus fleet size required to serve growth</p> <p>Implement High Speed Transit Network</p> <ul style="list-style-type: none"> <li>§ Complete South LRT to Century Park by 2009</li> <li>§ Continued expansion of Anthony Henday Drive by province</li> <li>§ Undertake Arterial Roadways Program</li> <li>§ Implement Office of Traffic Safety, Intelligent Transportation Systems and Transportation Demand Model</li> <li>§ Fort Road Plan Implementation</li> <li>§ Implement City's Multi-Use Trail Corridor Strategy including updated Bicycle Plan</li> <li>§ Construct and operate City facilities and buildings:</li> </ul>
COUNCIL PRIORITY	<ul style="list-style-type: none"> <li>§ Growth demands</li> </ul>



# Corporate Business Plan



COUNCIL  
SPECIAL  
INITIATIVES  
2005-07

- › Vibrant neighborhoods and a dynamic Downtown: neighborhood revitalization
- › A Safe Community: Mayor's Task Force on Traffic

APPROVED  
PLANS

- › Smart Choices for Developing our Community
- › Fort Road Master Plan
- › Urban Sustainability Action Plan
- › Transportation Master Plan
- › Highway Transfer Agreement

INITIATIVE

Plan Edmonton is a strategic document that guides Council, administration and citizens into the 21<sup>st</sup> Century

- Renew Plan Edmonton

COUNCIL  
PRIORITY

- § Growth demands
- § Quality physical environment

COUNCIL  
SPECIAL  
INITIATIVE  
2005-07

- § All

APPROVED  
PLAN

- § Plan Edmonton

Municipal  
responsibility area:

SERVICES TO  
PEOPLE

Edmonton City  
Council envisions a  
Capital City:

With safe  
communities ...  
where all citizens –  
the young, the old,  
the at-risk – feel safe  
and secure, and are  
confident in the  
preventative and  
responsive  
measures in place to  
deal with health,  
emergency and  
other community  
issues

With a culturally  
rich, welcoming

INITIATIVES

Improved quality of life in Edmonton with  
opportunities for poor and marginalized citizens,  
potential for children and youth to succeed, improved  
relationship with Aboriginal community

- § Implement Cornerstones: Edmonton's Plan for Affordable Housing, 2006-2011
- § Implement The City of Edmonton Low-income and Special Needs Housing Strategy 2001-2011
- § Develop Edmonton Community Drug Strategy
- § Develop and implement Active Edmonton
- § Integrate Child Friendly Edmonton
- § Improve City relationships with the Aboriginal community and implement the Edmonton Urban Aboriginal Accord Initiative
- § Implement Corporate Volunteerism Policy
- § Implement Corporate Public Participation Process Framework

COUNCIL  
PRIORITY

- § Growth demands



# Corporate Business Plan



face ... embracing a  
a wealth of diverse  
cultures ...  
respecting its  
history and heritage  
... and welcoming  
to newcomers

## COUNCIL SPECIAL INITIATIVES 2005-07

- § Vibrant neighbourhoods and a dynamic Downtown: affordable housing
- § Safe community: Child Friendly City, Mayor's Drug Strategy
- § A good neighbour and partner: Capital Health
- § Quality physical environment: sports, recreation opportunities
- § Culturally rich, welcoming community: Aboriginal issues, Edmonton's Next Generation Youth Employment Issues
- § Responsible and responsive government

## APPROVED PLANS

- § Integrated Service Strategy: Community Building, Focused Efforts, Urban Wellness
- § Ribbon of Green
- § Cornerstones: Edmonton's Plan for Affordable Housing, Low-income and Special Needs Housing Strategy 2001-2011
- § City Council's Vision for Social Well-Being and

## INITIATIVES

- Safe, secure city with the capacity to prepare for, and respond to, emergency situations
- § Continue implementation of the City's emergency preparedness program
  - § Ensure awareness and understanding of public and municipal responsibilities during a major emergency
  - § Quality physical environment

## COUNCIL PRIORITY

## COUNCIL SPECIAL INITIATIVES 2005-07

- § Vibrant neighbourhoods and a dynamic Downtown: a safe community

## APPROVED PLAN

- § City of Edmonton Municipal Emergency Plan

## INITIATIVES

- Response to growing and aging population to ensure safety, security and well-being and enhanced services



# Corporate Business Plan



	and opportunities for participation of seniors
	§ Meet emergency medical needs of growing and aging population
	§ Develop Blueprint for Action on Community Services' services for seniors
	§ Meet fire rescue needs of growing and aging population
COUNCIL PRIORITY	§ Growth demands
COUNCIL SPECIAL INITIATIVES 2005-07	§ Vibrant neighbourhoods and a dynamic Downtown: safe community
	§ Culturally rich, welcoming committee: Senior's Issues
APPROVED PLANS	§ Council endorsed Emergency Medical and Fire Rescue service level targets
INITIATIVES	Effective partnerships with school boards in providing access to sports fields, schools and recreational facilities that provide the greatest benefit and the best value to all Edmontonians
	§ Renegotiate Joint Use Agreement
	§ Implement Future School Sites Study
COUNCIL PRIORITY	§ Growth demands
	§ Quality physical environment
COUNCIL SPECIAL INITIATIVES 2005-07	§ Quality physical environment: sports, recreation opportunities
APPROVED PLANS	§ Integrated Service Strategy: Ribbons of Green and Blue, Community Places, Community Building
	§ Plan Edmonton



# Corporate Business Plan



Municipal responsibility area:

## ECONOMIC DEVELOPMENT

City Council envisions a Capital City:

With a positive international reputation ... a city known widely as a capital city ... culturally rich ...

business friendly  
.....innovative and edgy ...  
technologically, economically and aesthetically creative

### INITIATIVE

Opportunities of and challenges of emerging economic environment are well managed

§ Continued implementation of the Industrial Land Strategy to ensure adequate supply

### COUNCIL PRIORITY

§ Growth demands

### COUNCIL SPECIAL INITIATIVES 2005-07

§ Quality physical environment: Industrial Land Strategy

### APPROVED PLAN

§ Industrial Land Strategy

### INITIATIVE

Edmonton Waste Management Centre of Excellence serves as catalyst for strong local management research, development and consulting, leading to positive international recognition of and increased demand for services from local consulting firms

§ Nurture and leverage benefit of Edmonton Waste Management Centre of Excellence

### COUNCIL PRIORITY

§ Growth demands

### COUNCIL SPECIAL INITIATIVES 2005-07

§ Positive International reputation: City of Edmonton promotion

### APPROVED PLAN

§ Waste Management Strategic Plan

### INITIATIVE

Consolidated economic development agency

§ Develop a proposal through which all municipal development agencies in the region be folded into one organization

### COUNCIL PRIORITY

§ Growth demands

### COUNCIL SPECIAL INITIATIVES 2005-07

§ Positive International reputation: City of Edmonton promotion

### APPROVED PLAN

§ Urban Sustainability Action Plan



# Corporate Business Plan



## INITIATIVE

Strong, positive image for Edmonton

- Š Develop and implement an action- and results-oriented marketing strategy for the City of Edmonton
- Š Promote and support arts and cultural activities, special events

## COUNCIL PRIORITY

- Š Growth demands

## COUNCIL SPECIAL INITIATIVES 2005-07

- Š Positive international reputation: City of Edmonton promotion

## APPROVED PLANS

- Š Council directed
- Š Urban Sustainability Action Plan

Municipal responsibility area:  
INFRASTRUCTURE AND PHYSICAL ENVIRONMENT

Edmonton City Council envisions a Capital City: a city that values both the built and natural environment ... with access to facilities and amenities ... room to grow businesses ... in a healthy, protected environment

## INITIATIVE

New recreation facilities, improved existing facilities and partnership funding

- Š Implement recommendations outlined in the Recreation Facility Master Plan 2005-2015

## COUNCIL PRIORITY

- Š Growth demands

## COUNCIL SPECIAL INITIATIVES 2005-07

- Š Quality Physical Environment: Sports, Recreation Opportunities

## APPROVED PLANS

- Š Integrated Service Strategy: Community Places
- Š Recreation Facility Master Plan 2005-2015

## INITIATIVES

Natural and built environment is protected, conserved and enhanced

- Š Implement Environmental Strategic Plan including ISO 14001 Certification
- Implement energy conservation program for City buildings, facilities and vehicles
- Continue Brownfield Redevelopment Pilot Project
- Increase landfill diversion through beneficial use of waste stream residuals
- Implement North Saskatchewan River Water



# Corporate Business Plan



## COUNCIL PRIORITY

## COUNCIL SPECIAL INITIATIVES 2005-07

## APPROVED PLANS

### Quality – CSO Control Strategy

- Conserve natural sites in Edmonton's table lands, North Saskatchewan River Valley and ravine system
- Implement Sanitary Servicing Strategy
- Implement Storm Servicing Strategy
- Implement Recycled Wastewater projects

§ Growth demands

§ Quality physical environment:

§ Vibrant neighbourhoods and a dynamic Downtown

§ Environmental Strategic Plan

§ Waste Management Strategic Plan

§ CSO Control Strategy (March 2000)

§ Approval to Operate (June 2005)

§ Drainage Master Plan

§ Sanitary Servicing Strategy (July 1999)

§ Policy C6467 Conservation of natural sites in Edmonton table lands

§ North Saskatchewan river valley area re-development plan

§ Plan Edmonton

§ Industrial Land Strategy

## INITIATIVE

Modern infrastructure that supports the social and economic goals of all levels of government

- Continued implementation of the Corporate Infrastructure Strategy
- Sustainable long-term strategy to close the infrastructure gap and increase own-source revenue for continued funding of infrastructure

## COUNCIL PRIORITY

§ Growth demands

## COUNCIL SPECIAL INITIATIVES 2005-07

§ Good neighbour and partner: provincial MLA relations

## APPROVED PLAN

§ Urban Sustainability Action Plan

## INITIATIVE

Building on successes of the federal new deal for cities and communities



# Corporate Business Plan



	<ul style="list-style-type: none"> <li>Š Plan for the new fiscal deal, considering all possible terms, conditions and criteria for other orders of government (Federal Gas Tax, AMIP, Education Tax)</li> <li>Š In consultation with others orders of government and FCM; prepare Integrated Community Sustainability Plan to address the requirement in the Federal Gas Tax Agreement</li> </ul>
COUNCIL PRIORITY	<ul style="list-style-type: none"> <li>Š Growth demands</li> <li>Š Quality physical environment</li> </ul>
COUNCIL SPECIAL INITIATIVES 2005-07	<ul style="list-style-type: none"> <li>Š Good neighbour and partner: provincial MLA relations</li> </ul>
APPROVED PLAN	<ul style="list-style-type: none"> <li>Š Urban Sustainability Action Plan</li> </ul>

Municipal responsibility area:

LEADERSHIP,  
REGIONAL  
COOPERATION  
AND PLANNING

Edmonton City  
Council envisions a  
Capital City:

That nurtures and  
enjoys good  
relationships with  
other orders of  
government ... our  
regional and  
northern neighbours  
... other community  
agencies such as the  
health and  
education sectors

INITIATIVE	<p>Safer transportation network throughout the Capital Region</p> <ul style="list-style-type: none"> <li>Š Implement Capital Region Intersection Safety Program to increase traffic safety awareness, decrease collisions</li> </ul>
COUNCIL PRIORITY	<ul style="list-style-type: none"> <li>Š Growth demands</li> </ul>
COUNCIL SPECIAL INITIATIVES 2005-07	<ul style="list-style-type: none"> <li>Š Safe Community: Mayor's Task Force on Traffic Safety</li> </ul>
APPROVED PLAN	<ul style="list-style-type: none"> <li>Š Transportation Master Plan</li> </ul>
INITIATIVE	<p>Agreement for regional wastewater treatment, transmission and sludge disposal system</p> <ul style="list-style-type: none"> <li>Š Complete regional wastewater initiative</li> </ul>
COUNCIL PRIORITY	<ul style="list-style-type: none"> <li>Š Quality physical environment</li> </ul>
APPROVED PLAN	<ul style="list-style-type: none"> <li>Š Drainage Master Plan</li> </ul>
INITIATIVE	<p>Transit service between Edmonton and surrounding</p>



# Corporate Business Plan



communities

COUNCIL PRIORITY	§ Provide alternate mode of transportation for area residents
	§ Growth demands
	§ Quality physical environment
APPROVED PLANS	§ Transportation Master Plan
	§ Coordinated Municipal Transit Review (Alberta Capital Region Alliance - ACRA)

INITIATIVE	Maximizing sustainability for the Capital region
COUNCIL PRIORITY	§ Prepare benefit analysis for Alberta Capital Regional Alliance (ACRA)
	§ Explore opportunities for Edmonton to share an equitable portion of the regional tax base
	§ Growth demands
APPROVED PLAN	§ Quality physical environment
	§ Urban Sustainability Action Plan

INITIATIVE	Position and strategy for discussion with the province, the City of Leduc and the County of Leduc regarding amalgamation of the International Airport and surrounding industrial/commercial area along Queen Elizabeth II Highway
COUNCIL PRIORITY	• Create a strategy for annexation and amalgamation including critical analysis of costs and benefits
	• Growth demands
	• Urban Sustainability Action Plan

INITIATIVE	Strategy for discussion with the province regarding development of a regional land use plan and regional growth strategy for the Alberta Capital Region
COUNCIL PRIORITY	• Prepare option paper on regional planning for Council review
	§ Growth demands
	§ Urban Sustainability Action Plan



# Corporate Business Plan



	INITIATIVE	Strategy for discussion with the province regarding the establishment of a land use board with legislated authority to deal with inter-municipal land use issues <ul style="list-style-type: none"> <li>• Prepare scoping analysis for inter-municipal land use</li> </ul>
	COUNCIL PRIORITY	Š Growth demands
	APPROVED PLAN	Š Urban Sustainability Action Plan
<p>Municipal responsibility area:</p> <p><b>ADMINISTRATIVE EXCELLENCE</b></p> <p>Edmonton City Council envisions a Capital City:</p> <p>That is customer focused ... excels in efficiency and effectiveness ... that embraces innovation and creativity ... and is on the leading edge of municipal excellence</p>	INITIATIVE	Continuous improvement to achieve municipal excellence <ul style="list-style-type: none"> <li>• Improve and streamline Capital Budget Process</li> <li>• Develop a renewed Shared Services delivery model</li> <li>• Implement the Corporate Communication Strategy</li> <li>• Continue implementation of the Corporate Workforce Plan</li> <li>• Undertake to improve service provision</li> </ul>
	COUNCIL PRIORITY	Š Growth demands
	COUNCIL SPECIAL INITIATIVES 2005-07	Š Positive international reputation: City of Edmonton promotion Š Responsible, responsive government: Customer input process for City departments
	APPROVED PLAN	Š SMT directed





## 2007-16 Long Range Financial Plan





## Purpose

The Long Range Financial Plan (LRFP) is one of the City's key strategic documents. It was first presented to Edmonton City Council on August 20<sup>th</sup> 1998 and has been updated annually since. The LRFP captures information regarding the corporation's fiscal performance and future financial capacity.

The forecasts are intended to describe the City's financial situation and guide immediate and longer term decision making.

## Principles

The 1998 LRFP contained a number of financial principles:

1. Manage the risk/volatility of all revenue streams and seek diversity to mitigate this risk with the following goals and targets:
  - limiting reliance on property tax (excluding business tax) to 40% of General Government revenues
  - increasing user fee revenues to 25% of General Government revenues (Council originally identified a plan to increase user fees by 5% per year but this practice was subsequently changed to one of maintaining cost recovery ratios.)
  - avoiding dependence on "one-time" revenues to fund ongoing municipal services

### *Financial Principles for maintaining community sustainability:*

1. *Manage the risk/volatility of all revenue streams and seek diversity.*
2. *Strive to become the most cost-efficient and effective municipal service provider.*
3. *Balance paid-for infrastructure and financing projects over their useful life.*
4. *Maintain a contingency reserve of up to 7% of General Government operating revenues.*

2. Strive to become the most cost-efficient and effective municipal service provider by:
  - establishing municipal service priorities
  - aligning program expenditures with Council approved plans and priorities
  - validating service standards and levels
  - adapting service delivery methods and improving service delivery efficiency and effectiveness
  - analyzing the level of services that can be sustained within the current taxation environment
3. Seek a balance between leaving a legacy of paid-for infrastructure for the next generation of users and financing the projects over their useful life so that future users will contribute to the costs as the benefits are consumed.

4. Maintain a contingency reserve of up to 7% of General Government operating revenues.

The 1998 LRFP also contained targets for splitting property tax and mill rate differentials between residential and non-residential properties. These were amended in 2003 such that the residential to non-residential share of the total property tax is 58.4%:41.6%. This ratio was reaffirmed in 2005 through recommendations of the City of Edmonton Property and Business Tax Structure Review Committee. At that time, Council also adopted the Committee's recommendation of moving





the residential and other residential mill rate to a uniform rate over a four year period (2006-2009). This will result in a shift of property taxes from apartments to single family residential properties, with no additional taxation revenues to the City.

### **Approach**

Council approved integrating the review of the LRFP within the proposed 2007 Budget for Council discussion. This approach would allow Council to evaluate the impacts of their budget decisions, from both operating and capital perspectives, within a “big picture” context over the longer term.

Financial projections are presented for operating and capital from 2007 to 2016. Key observations on the projections are presented, along with a discussion of administrative actions and topics for future policy or administrative review.

**The information contained in the 2007-2016 LRFP on the following pages remains intact as presented on November 2. References to the 2007 Budget have not been updated for the December approval of the 2007 Budget.**



# 2007—2016 LRFP: Operating Projections

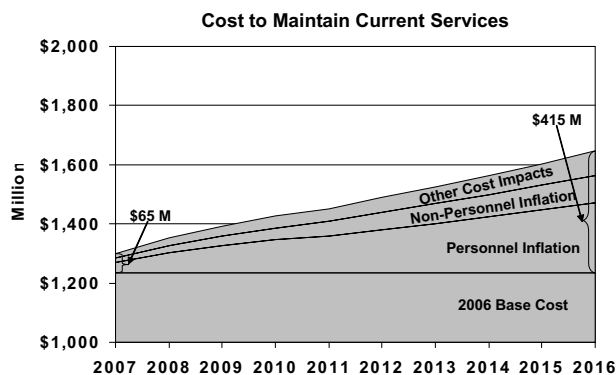


## 2007-16 Operating Projections

The operating costs for the City of Edmonton have been projected under three general categories:

- costs to continue delivering current services;
- costs of extending current services to a physically larger community and the operating impacts of approved capital projects; and,
- new service needs to advance Council's Vision, Outcomes, and Priority Initiatives.

The graph below shows how City expenditures are expected to rise in future years to maintain service delivery at 2006 levels.



The operating cost of providing services in 2006 is \$1.2 billion. The cost to maintain today's services is projected to rise by \$65 million in 2007 and by a total of \$415 million over the next ten years. This represents a total increase of about 30% over ten years, or 3% per year on average.

Personnel inflation includes costs related to salaries, wages and benefits. This category represents the single largest cost increase over the forecast period. Nearly 60% of the overall cost increase relates to personnel.

This is expected since the City of Edmonton depends on civic staff to deliver the majority of its services. Personnel costs account for over half of the City's current operating budget. Economic conditions in the Province of Alberta are putting upward pressure on wages and salaries. At the time of writing, several City unions had agreed to negotiated settlements of 12% over three years, starting in 2006.

Non-personnel inflation includes cost increases to materials, contracts, and services. Some examples of cost increases beyond CPI in the 2007 Funding Request (Budget) include fuel, hired equipment contracts, roadway materials, and the fire hydrant contract. Non-personnel inflation accounts for approximately 20% of the total cost increase to maintain services over 10 years.

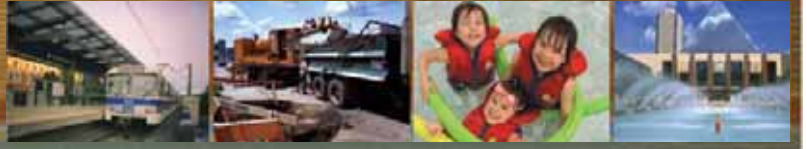
"Other" cost impacts include the requirement to bring services introduced part way through the 2006 budget year to full-year funding, as well as the SLRT Risk Mitigation Strategy and other major cost adjustments. This category of cost impacts makes up the remaining 20% of the total cost increase to maintain services over 10 years.

The City of Edmonton is experiencing rapid development. In 2006 alone, the population is predicted to grow by 18,000 (the population of Spruce Grove). New homes need to receive basic services, such as waste collection. Parks and roads are needed in new neighbourhoods and these have to be maintained.

In a sense, these expenditures are similar in nature to the inflationary costs in that they are non-discretionary. One option to pay for these costs is to increase taxes and user fees. Another option is to cut spending from another area of the budget and reallocate it. The last

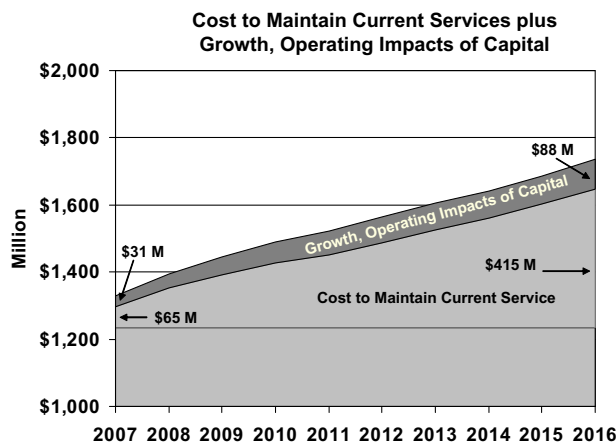


# 2007—2016 LRFP: Operating Projections



option is to stretch current resources in the program area thinner (i.e. reducing service standards). In the latter options service delivery is impacted.

In prior years, the LRFP was completed in the spring, prior to Council setting the Budget Guidelines. Council's approval of delaying the preparation of the LRFP until fall has allowed more detailed and up to date information to be incorporated in the projections, particularly with respect to operating impacts of capital projects.



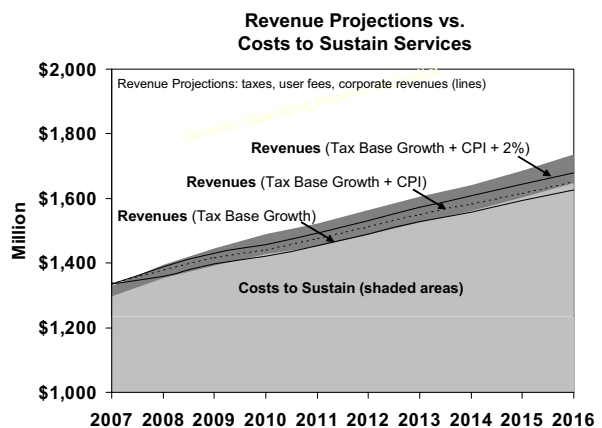
In the graph above, the costs of growth and the operating impacts of capital projects have been added to the costs to maintain current services and shown in the darker shaded area.

These costs are estimated at \$31 million in 2007 and forecasted to grow to \$88 million in 2016. Some of the largest drivers are the provision of new fire stations in new areas, growth in waste service, maintaining and improving EMS response times, maintaining new parks and operating and maintaining new facilities (e.g. South LRT, SW Division Police Station, new waste processing and transfer facility).

If the City is to achieve sustainability of its current services and service levels, it needs to be able to generate a sustainable level of revenues. The basic premise upon which the 2007 Budget has been presented is that a tax increase should be used to maintain current services. This allows new tax revenues from growth in the assessment base to pay for the costs of growth and new community needs.

The City has a limited range of revenue sources. It receives three types of operating revenues: (i) taxes; (ii) user fees, fines and permits; and, (iii) corporate revenues. Each of these revenue categories will be described in more detail later in this section.

For purposes of discussing the sustainability of services, the graph below demonstrates how the total operating revenue projections match up with the City's costs to sustain services and service levels.



The shaded areas represent the cost to sustain current services, both from a recosting perspective and the impact of growth and maintaining new capital assets.

The lines on the graph are the City's ten year revenue projections from all operating sources.



## 2007—2016 LRFP: Operating Projections



Three scenarios are presented. The lowest line shows the revenue estimates for all operating sources, excluding any rate increase on taxes (i.e. taxes only include revenues from growth in the tax base). The middle scenario assumes tax revenues increase not only from real growth but also a CPI (est. 2%) level of tax increase each year. The high scenario for revenues also adds an incremental 2% per year to the tax increase, more in line with the City's rate of expenditure inflation.

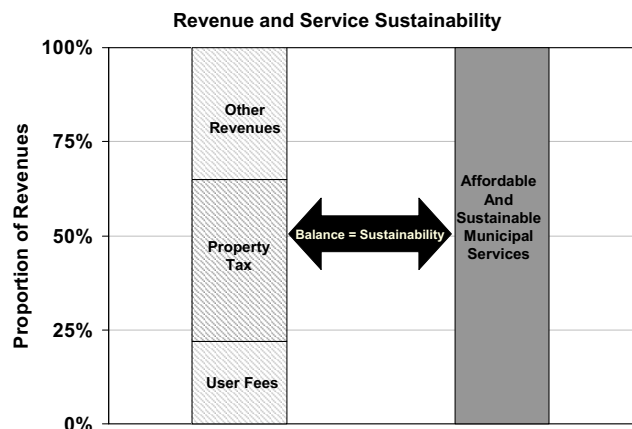
In 2007, revenues match the costs to sustain services in all three scenarios. Additional service requests presented by boards and authorities for 2007 are not included in this analysis. Civic programs have not presented any "below the line" service packages in the 2007 Budget.

In the lowest revenue scenario (no tax increase) there is sufficient funding available to maintain current services until the final two years. Essentially none of the costs of growth could be addressed after 2007 and by 2015 current services could not even be maintained.

With an annual CPI tax increase current services can be maintained across the ten year horizon. In addition, this scenario would allow for a portion of the costs of growth to be funded. There would be impacts on services, however, as some costs of growth would need to be absorbed either through service cuts or reductions to service standards.

In the highest revenue scenario, where taxes are increased by CPI plus 2% per year, all current services are again maintained. More of the projected growth costs are covered than in the CPI only scenario. However, even with tax increases beyond CPI it is projected that basic costs of growth cannot be fully funded.

What this analysis implies is that the City should largely be able to maintain today's services in the future in the face of inflationary pressures. However, that does not hold true when the costs of growth and operating impacts of capital are considered. This is the case even when a tax increase beyond CPI is assumed.



As demonstrated in the chart above, sustainability will depend on striking the right balance for the community between available revenues (considering affordability and willingness to pay) and the level of service. With respect to costing, it should be noted that the operating impacts of capital projects used in this analysis are based on the current funded capital program. To the extent that other orders of government or City Council increase the level of funding available for capital, the "sustainability" challenge for operations will become larger.

Moreover, the operating cost projections presented do not consider a wide range of potential community needs beyond the extension of current services due to growth or impacts of capital projects. The following graph depicts requests that individual program areas have put forward for future consideration. Administration has evaluated

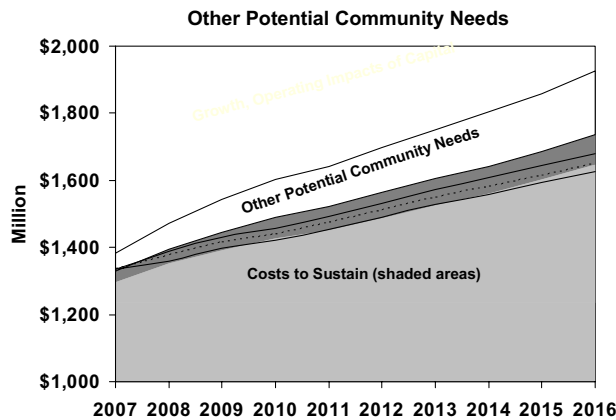


# 2007—2016 LRFP: Operating Projections



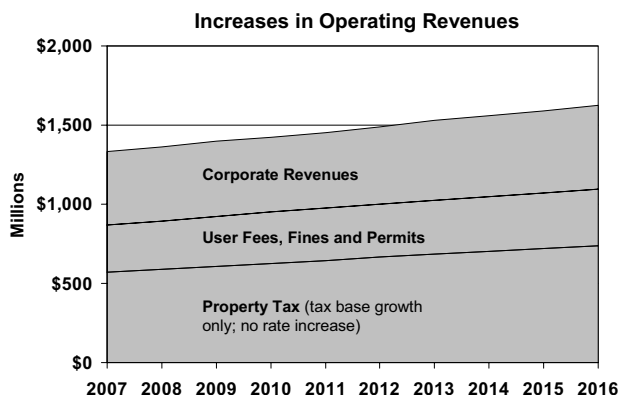
and considered different approaches to achieving Council's goals and priorities, and has prepared preliminary estimates of the costs for the associated activities. While the

finances and permit revenues. All of these revenue streams are forecasted to grow over the next ten years. Property taxes are expected to grow by about 4% annually, followed by 3% for user fees, fines and permit revenues, and lastly 2% for corporate revenues. The figures shown for property taxes do not include any rate increase. They only reflect real growth in the tax base.

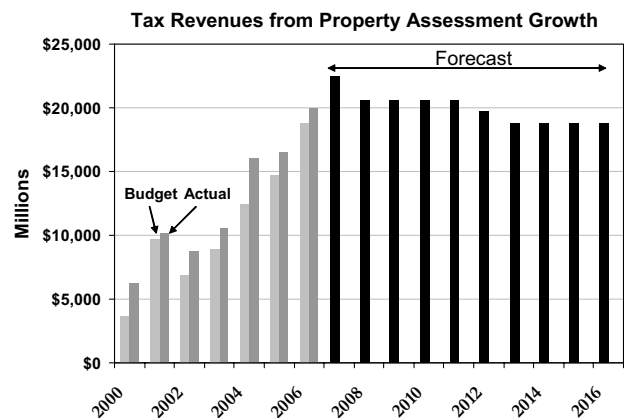


potential cost of these service changes could be significant, it is important to point out that more work will be required before they would be brought forward. Ultimately, the limiting factor to whether any of the new community needs could be implemented is the availability of funding.

Projections for the City's three major sources of operating revenues are presented below.



**Property taxes** comprise the biggest portion of the City's operating revenues, followed by corporate revenues and then the user fee,



The graph above shows the trends in taxation revenues from growth in the property tax base over the period from 2000 to 2006. There are two key observations when comparing the budget and actual amounts. The first is that budgets have tended to be somewhat conservative compared to actuals. The second is that budgeted revenue increases have been increasing substantially since 2000. The average revenue increase since 2000 is \$13 million (actuals).

In preparing the 2007-16 forecast of revenue from assessment growth, Administration introduced a new forecast model based upon the number of housing starts. Housing starts is a strong determinant for additional property taxation revenues because the City of Edmonton treats market value assessment changes as revenue neutral. Therefore, only



# 2007—2016 LRFP: Operating Projections



real growth in assessment will increase the City's taxation revenues.

Through analysis, Administration has determined that population growth, unemployment rates, the resale housing market price, and available residential lot inventory are key factors in forecasting the number of housing starts.

Based on this approach, property tax revenues from growth are predicted to be nearly \$23 million in 2007. Based on economic projections, it is expected that there will be a gradual softening of new assessment growth starting in 2008. This is attributable to limited land inventory, labour shortages, and housing affordability issues. Modest growth is assumed on the non-residential side, given the fluctuations in year to year development. The five year average from 2007-2011 is predicted to be \$21 million, falling slightly to an average of \$19 million over the following five years.

The availability of lot inventory is governed by the land use planning process. Since City Council is the approving authority for land use bylaws, area structure plans, and subdivision development plans, Council can influence the number of lots available within the Smart Choices planning framework.

**User fees, fines and permits** include revenues generated by individual program areas. Over 75% of the City's user fee revenues are generated from five programs as shown in the table at the top of the next column.

The 2007 Budget includes an estimated increase in these revenues of \$35 million. In arriving at the estimates for 2007, Administration analyzed current results and

Proportions of User Fee, Fines  
and Permit Revenues

	2007 Proposed	% of Total
Transit	\$ 77.7	26%
Waste Management	\$ 53.1	18%
Police	\$ 37.5	13%
Planning and Development	\$ 34.9	12%
Recreation Facilities	\$ 26.8	9%
Other Boards and Authorities	\$ 23.2	8%
Other Programs	\$ 44.1	15%
<b>Total User Fees, Fines and Permits</b>	<b>\$297.3</b>	<b>100%</b>

expected trends in the major revenue producing areas. Civic programs have built in aggressive assumptions for their 2007 revenues to capture projected growth and maintain cost recovery ratios.

Over the longer term the estimates are more stable, leading to a total increase of \$87 million by 2016. Excluding waste management, it is expected that the increase in revenues from rate and volume changes will average about 1% per year. Waste management revenues are forecasted to grow by 1% on average, including both rate and volume changes.

No volume increase has been assumed in **transit** revenues beyond 2007 given the current capacity constraints on the transit system. Also, the Transportation department will be coming forward with a transit fare strategy to Council early in 2007. Until Council has had the opportunity to set this policy, no fare increase has been built into the forecast beyond 2007.

**Waste Management** is undergoing major operational changes in how the waste stream will be dealt with in the future due to depleting landfill capacity. Waste Management rates are estimated to increase by about 5% on average across the planning horizon to deal with the



## 2007—2016 LRFP: Operating Projections



changes in processing and disposal activities. Volumes are forecasted to rise in the 2.5 - 3% range due to growth in the number of customers.

No rate changes are assumed with relation to **Police** revenues as these are established by the Province. Volumes are expected to grow by about 2% annually on average during the ten years, with most of the change occurring in the first three years.

**Planning and Development** volume projections have been increased substantially over the past few budgets including the assumptions for 2007. Further volume changes are not included in the longer term forecast. Rates are forecasted to rise at about 2% per year.

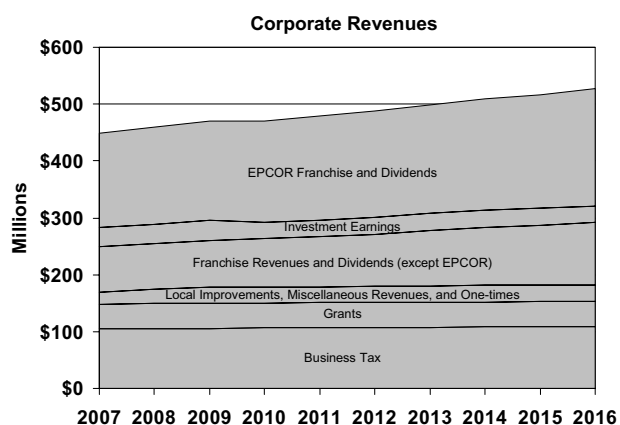
**Recreation facilities** is the last of the top five user fee generating programs. Rate increases at about 2% per year are included over the ten years, consistent with a modest assumption for CPI. Over the 2007 to 2009 period, volumes are estimated to grow by 7% associated with rehabilitation of facilities. Any major volume growth in the future will depend on the expansion of facilities, such as the Southwest Multipurpose Recreation Facility.

Overall user fee revenues do rise over the planning horizon, however the rate of growth is modest. Volume changes are limited in some cases by capacity constraints (i.e. limited infrastructure). Further rate increases to maintain or improve cost recovery ratios need to be balanced against issues of affordability, competitiveness and accessibility.

The other major category of revenues for the City of Edmonton is **Corporate Revenues**. These revenues are typically not within the direct management of a specific program area.

Except for return on investment, the majority of revenues within this category can be determined with a high degree of certainty since they are driven by:

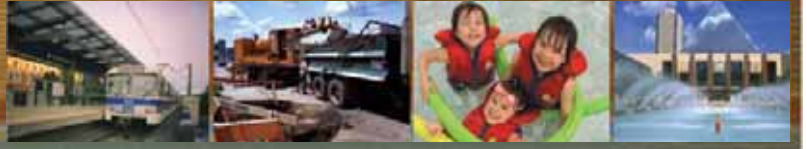
- existing agreements with third parties (e.g. EPCOR and ATCO),
- City of Edmonton By-laws (e.g. Ed Tel Endowment Fund Bylaw #11713),
- City Council policies (e.g. Utility Fiscal Policy C304B).



These agreements, bylaws, and policies generally contain annual adjustments that are tied to the CPI and customer growth. Therefore, barring the finding of a significant and sustainable source of new revenue, it is unlikely that corporate revenues will present itself as a viable solution to the City's expenditure challenge. The forecasted revenues from these sources is shown in the graph above.



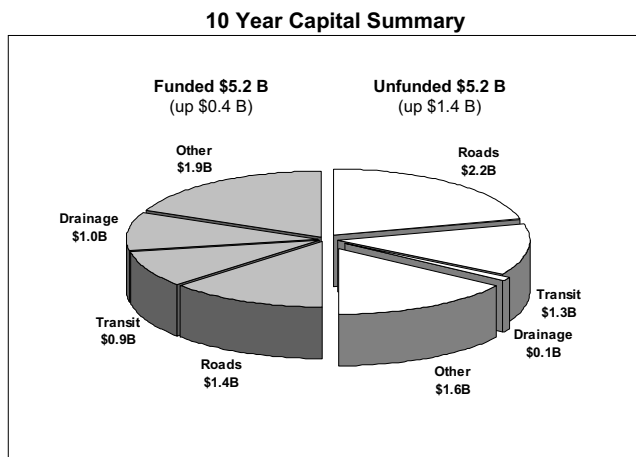
# 2007—2016 LRFP: Capital Projections



## 2007-16 Capital Projections

Since 1998, the City has been preparing ten year capital forecasts to facilitate its planning and management of capital projects. It is also a key tool in identifying funding gaps required to manage the City's asset base.

The City's 2007-16 capital projections are summarized in the chart below.



The total plan, both funded and unfunded, has risen to \$10.4 billion, up by \$1.7 billion since the last LRFP. The total funded capital plan is \$5.2 billion, an increase of \$370 million. While the unfunded portion of the capital plan has increased by \$1.4 billion and is now \$5.2 billion. There is now a 50/50 split between the funded and unfunded portions of the capital plan. The last LRFP had a greater proportion that was funded (55%).

Nearly half of the funded plan is for transportation infrastructure. Drainage is another major component of the funded plan. Larger capital areas within the Other funded category include vehicles and equipment, land, civic facilities and public facilities.

On the unfunded side, nearly two thirds is for transportation infrastructure while a third of the unfunded plan is in the "Other" category.

Some of the larger unfunded areas in Other include civic and public facilities, parks and Police projects.

The above Infrastructure demands can be classified into asset management categories. The City uses three categories for asset management:

### Infrastructure & Physical Environment

- Includes rehabilitation, replacement, re-construction and environmental projects. It is an investment in existing infrastructure to restore it to its former condition and may extend the service life of the asset (maintains levels of service).

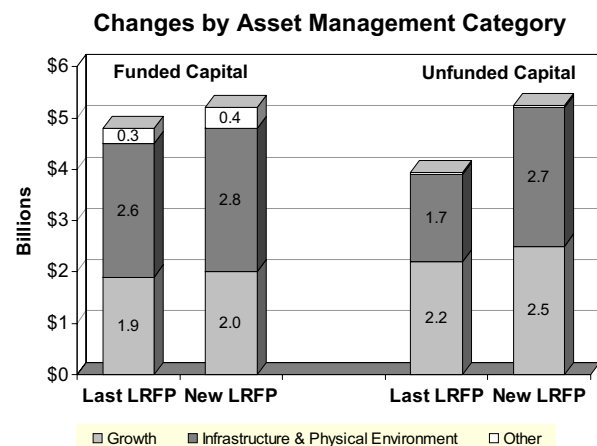
### Planned Growth

- Includes upgrading or expansion of existing infrastructure or construction of new assets. The investment adds or enhances components of existing infrastructure and is designed to improve the type of service provided to existing ratepayers (extends service capacity).

### Other

- Includes economic development and organizational effectiveness projects.

The graph below presents the funded and unfunded portions of the ten year capital plan by asset management category. The graph also shows how funding levels have changed





# 2007—2016 LRFP: Capital Projections

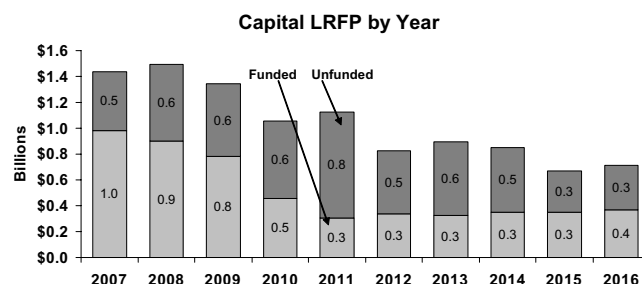


from the last LRFP in each of the categories. As can be seen on the graph, each of the funded asset management categories has increased since the last LRFP. The total increase is \$370 million.

The increases in infrastructure **and physical environment** largely relates to wastewater treatment facilities and arterial roads. The **growth** category includes increased funding for the Southwest Multi-Purpose Recreation Centre and a variety of other projects. The **other** category reflects an increase in funding for land development (Meadows residential lot development, industrial and strategic acquisitions).

With respect to the unfunded plan, the major difference is in the infrastructure **and physical environment** category which has risen by \$1 billion. The increase in this category is largely for collector and local roads, transit fleet replacement, LRT systems and facilities, and various City buildings (e.g. police, recreation, conference centre, offices). The unfunded growth category has also increased, with increases to strategic roads, bus fleet growth, high speed transit and various other projects.

The amount of funding available and the capital requirements vary over time and these trends are presented below.

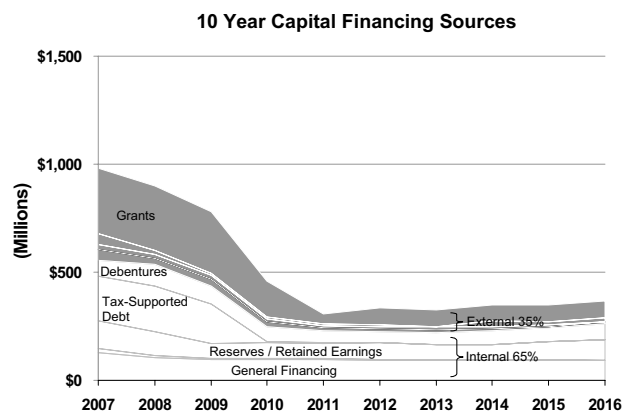


The lighter grey area of the bars represent the funded plan. Funded projects average almost \$1 billion per year in the first three years. By 2011 the funded plan drops off to one third of the earlier levels as funding from the Alberta

Municipal Infrastructure Program and \$250 million tax-supported debt program are spent, and the South LRT project (financed by the federal gas tax) is completed. The total funded plan across the ten years is \$5.2 billion as indicated earlier.

The darker area on the bars show the unfunded plan. The unfunded plan or “infrastructure gap” averages \$0.5 billion per year over ten years, for a total of \$5.2 billion. The increase in 2008 is related to road projects (e.g. Whitemud/Terwillegar stage 2).

One of the primary determinants of the “infrastructure gap” is the amount of financing available for City projects. The graph below summarizes the financing sources the City forecasts will be available over the next ten years.



Internal sources comprise nearly two thirds of all capital financing. Major elements include general financing (allocation from taxes, other one-time), reserves and retained earnings, tax-supported debt and debentures. The largest component of the external sources is grants (provincial fuel rebate, federal gas tax and Alberta Municipal Infrastructure Program).

As indicated on the graph, there will be a substantial drop in capital financing after 2009. The Alberta Municipal Infrastructure Program



## 2007—2016 LRFP: Capital Projections



is providing \$678 million to the City between 2005 and 2009 through annual grants of \$135.5 million. This funding has been fully allocated to projects as of 2009. Similarly, the federal government has committed to providing the City with \$108 million over the 2005 to 2009 period through the gas tax. These funds have been used to leverage tax-supported debt to finance construction of the South LRT project. Another key source of financing that will be exhausted in the short term is the City's \$250 million tax-supported debt program.

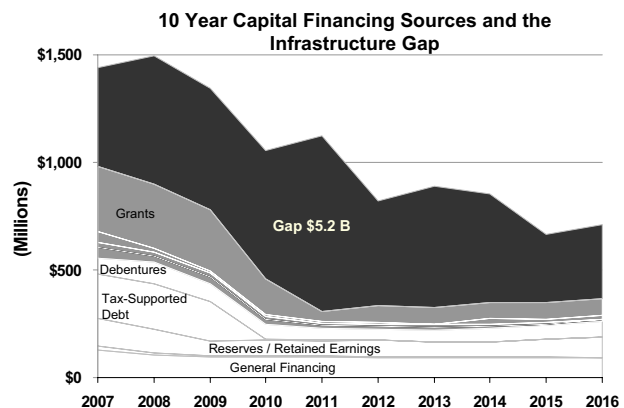
In the second half of the plan the City's capital financing sources will decline to less than \$350 million per year. The City's internal sources will average \$235 million over the last five years. About \$90 million of these funds will come from general financing each year. Retained earnings and debentures will average about \$80 million and \$60 million annually, respectively over the last five years.

Committed external financing sources will decline to \$110 million per year in the second half of the plan. In terms of federal and provincial funding, only the provincial fuel rebate will remain and it is estimated to generate \$75 million per year. Indications are that the Province may provide sustained long term support to municipalities, however the scope and timing of these funds is unknown.

There are several implications of the capital projections. In terms of the demand for infrastructure, it will be critical for the City to establish a clear sense of priorities for investment to ensure spending on capital projects that will best achieve the goals of Council for the City. Decisions also need to be made regarding the optimal balance between investment in growth versus rehabilitation of existing infrastructure. The Corporate Business Planning Department was created in late 2005 to help guide the City through these types of choices.

Another implication of the capital projections is

that the City should examine opportunities to expand internal revenue sources and either increase current external sources or seek additional external sources. The following series of graphs is intended to illustrate the potential impact on the infrastructure gap of a range of financing options.



The graph above shows the current forecast for financing sources, as well as the resulting infrastructure gap.

The first two scenarios indicate the impact of increasing the City's internal sources of financing, in particular, general financing and tax-supported debt.

The amount of general financing available each year is established through the Debt Management Fiscal Policy, plus any additional one-time allocations approved by City Council from sources such as year end surplus or reserves. The current forecast is for general financing to flatten out at about \$90 million per year. In the 2005 and 2006 budgets Council approved a strategy of indexing general financing to help preserve the real purchasing power of the funding. Council did not continue this guideline into the 2007 Budget.

The first scenario, shown below, assumes a reintroduction of an inflationary increase, compounded annually, beginning in 2008. A

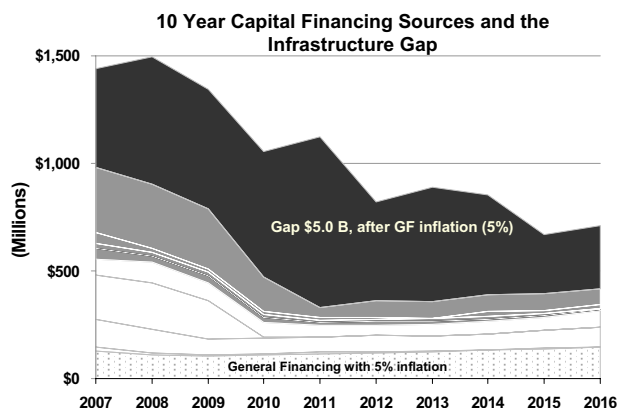


# 2007—2016 LRFP: Capital Projections



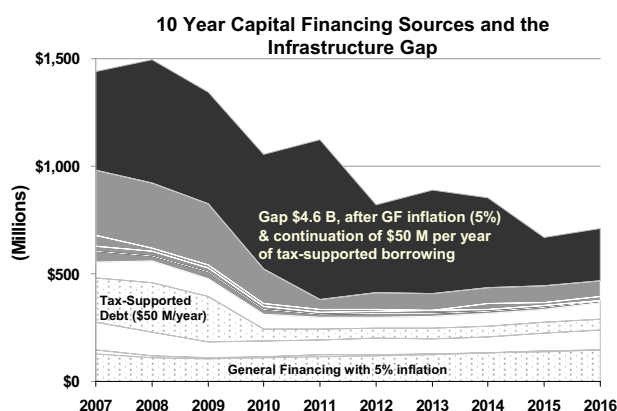
5% factor has been chosen for illustrative purposes. The 5% inflation factor would

infrastructure gap to \$4.6 billion as shown in the chart above.



increase the amount of general financing available by \$250 million in total. This would cause a corresponding reduction to the infrastructure gap. If Council decided to fully offset the effects of inflation on the general financing pool a much higher factor would need to be applied, particularly over the next several years as construction costs continue to rise in Alberta.

The second scenario assumes that the tax-supported borrowing continue after 2007 at \$50 million per year, in addition to the 5%



inflation on general financing. Assuming projects are cash flowed over three years, total additional financing applied by 2016 would be \$400 million. This would further reduce the

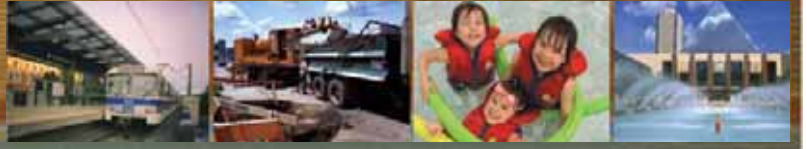
The current tax-supported debt program reintroduced the use of debt for the 2003 fiscal year after more than a decade. The program provided \$50 million of borrowing approvals each year for five years, or a total of \$250 million. This program allowed investments to be made in quality of life infrastructure such as parks, libraries and recreation facilities that had previously been difficult to fund given constraints in funding. Other investments were made in an interchange, arterial roads, neighbourhood rehabilitation, a police station and others.

Continued use of the debt program will be considered when the Debt Management Fiscal Policy is reviewed, early in 2007. Any future tax-supported debt program would have to include appropriate borrowing targets, with consideration to the City's overall debt limits and the impact on taxes of servicing the debt. Debt can be a strategic financing tool which facilitates a matching of the costs of infrastructure to those who benefit in the future. Debentures are provided through the Alberta Capital Finance Authority which allows the City to take advantage of the very favorable bond rating of the province and the combined borrowing volumes of municipalities across Alberta. Also, interest rates are established at the time of borrowing and remain constant throughout the term of the debenture, eliminating the risk of fluctuations in borrowing rates.

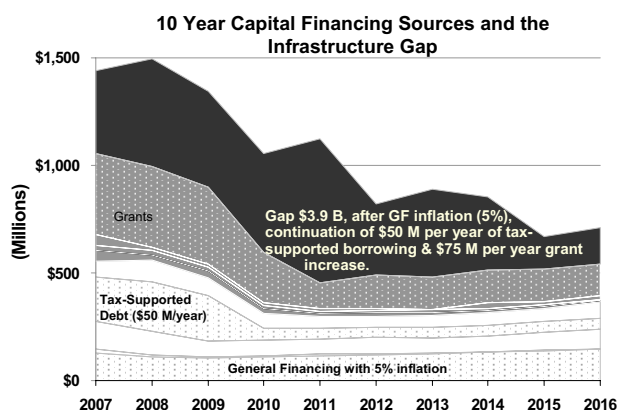
From the analysis above it is evident that it will likely take a combination of strategies to solve the infrastructure gap issue. Prioritizing and balancing capital investment needs and increasing internal financing sources have already been discussed. These are options which are within the discretion of City Council to approve.



# 2007—2016 LRFP: Conclusions



Other options involve increasing external sources which the City already receives, or seeking additional external sources. The difference with these options is that their implementation is not within the discretion of the City, but with the other orders of government. Activities underway such as the Minister's Council on Municipal Sustainability suggest that legislative reform and revenue sharing options are potentially emerging.



The scenario above assumes an ongoing grant from the other orders of government. An amount of \$75 million per year has been assumed for illustrative purposes. This amount is similar to the average fuel rebate the City receives annually from the Province. Over ten years this grant would provide an additional \$750 million to the City and reduce the gap by a corresponding amount. If it were put in place in connection with the previous two options, the gap decline to \$3.9 billion.

Key considerations for any new or expanded funding program are that it be predictable and sustainable. It is also desirable that the funding be “elastic” so that it responds to economic growth. Also, it is important that the municipality have a reasonable degree of autonomy in making investment decisions with the funding. These objectives can be extended to the operational side of the budget as well.

## Conclusions

Some of the key challenges identified in the LRFP are that, unless the current fiscal/legislative environment is altered:

- Operating programs will remain heavily reliant on property and business taxes.
- It will be difficult to fully fund costs of growth and related capital impacts on operations.
- There will be limited flexibility to address new community needs.
- Growth in user fees will be limited by capacity; rate reviews may be necessary.
- Corporate revenue streams will remain stable, but there will be modest growth.
- Capital financing will drop sharply by 2010.
- Unfunded rehabilitation needs may increase.
- Cost escalations will impact the City's ability to address infrastructure requirements.

The Corporate Business Planning Department was created in 2006 to:

- guide the City of Edmonton through the challenges and opportunities of a quickly changing environment;
- help understand, anticipate and effectively deal with the City's growth;
- ensure the organization effectively responds to Council direction and priorities; establish accountability and approaches to measuring and reporting performance and progress; and,
- move the organization toward improved sustainability.

This new department brings together staff from across the City to focus on various strategic areas of the corporation in order to respond more effectively to the changing needs of our city. The sections of the Corporate Business Planning Department include:



# 2007—2016 LRFP: Conclusions



- Intergovernmental Affairs Office
- Economic Trends and Research
- Corporate Business Strategy & Performance Planning
- Financial Strategy & Budget
- Office of Infrastructure & Funding Strategy

Efforts are currently underway to evolve the City's planning framework, such as the implementation of the Capital Process Review, development of benchmarking and performance measures and presentation of the budget based on Council Outcome areas. Next year the Corporate Business Strategy and Performance Planning division will establish and launch a strategy driven planning process for 2008. This will lead development of an integrated 2009-2011 Corporate Business Plan. The City's planning framework will be evolving from an operational focus to a more strategic one.

The Office of Infrastructure and Funding Strategy is facilitating an Infrastructure Strategy for the City. Current activities include the development of a Sustainable Infrastructure Funding Strategy. The funding strategy deals with long term infrastructure needs and alternative sources of funding. A report is expected to be made to Council early in 2007.

The City of Edmonton continues to work with other governments in an effort to achieve long-term sustainability for municipalities with much of this work being supported by the Office of Intergovernmental Affairs. The two key initiatives in this regard include participation on the Minister's Council on Municipal Sustainability and working with neighboring municipalities on issues related to the impacts of growth on the Edmonton region.

The Minister's Council, chaired by Alberta's Minister of Municipal Affairs, is examining issues related to provincial-municipal roles and responsibilities, municipal revenues and inter-

municipal relationships. Recommendations arising from this work are expected to result in enabling legislation in spring 2007 through amendments to Alberta's Municipal Government Act. The City's work in the region is based on the principle that all municipalities within the region will be impacted by growth, therefore they must all work together to ensure the impacts of growth are managed properly and that the benefits and costs are distributed equitably across the region. Other intergovernmental work includes ongoing advocacy to both federal and provincial governments on the challenges facing Canada's big cities and the identification of possible solutions.





## Financial Policies & Practices



# Financial Policies and Practices



## Overview



The City of Edmonton follows a number of budget practices recommended by the National Advisory Council and State and Local Budgeting (NACSLB). Some of these practices were formalized by Council through the establishment of policies while others have been followed through the course of budget preparation process.

In this section, financial policies and practices have been highlighted in the following pages as these have direct implications to the City of Edmonton's budget process.

## Municipal Government Act

Similar to other Alberta municipalities, the City of Edmonton is governed by the Municipal Government Act of Alberta (1994 cM-26.1), which contains sections dealing with the adoption of operating and capital budgets, the contents of those budgets, as well as the process regarding deficiencies. These sections are as follows:

### *Adoption of operating budget (S242)*

1. Each council must adopt an operating budget for each calendar year.
2. A council may adopt an interim operating

budget for part of a calendar year.

3. An interim operating budget for a part of a calendar year ceases to have any effect when the operating budget for that calendar year is adopted.

### *Contents of operating budget (S243)*

1. An operating budget must include the estimated amount of each of the following expenditures and transfers:

- a) the amount needed to provide for the council's policies and programs;

- b) the amount needed to pay the debt obligations in respect of borrowings made to acquire, construct, remove or improve capital property;

- c) the amount needed to meet the requisitions or other amounts that the municipality is required to pay under an enactment;

- d) if necessary, the amount needed to provide for a depreciation or depletion allowance, or both, for its municipal public utilities as defined in section 28;

- e) the amount to be transferred to reserves;

- f) the amount to be transferred to the capital budget;

- g) the amount needed to recover any deficiency as required under section 244.

2. An operating budget must include the estimated amount of each of the





# Financial Policies and Practices



following sources of revenue and transfers:

- a) property tax;
  - b) business tax;
  - c) business revitalization zone tax;
  - d) special tax;
  - e) well drilling equipment tax;
  - f) local improvement tax;
  - g) grants;
  - h) transfers from the municipality's accumulated surplus funds or reserves;
  - i) any other source.
3. The estimated revenue and transfers under subsection (2) must be at least sufficient to pay the estimated expenditures and transfers under subsection (1).
  4. The Minister may make regulations respecting budgets and that define terms used in this section that are not defined in section 241.

## *Deficiency (S244)*

1. If the total revenues and transfers of a municipality over a 3-year period are less than the total expenditures and transfers of the municipality for the same period, the operating budget for the municipality for the year following the 3-year period must include an expenditure to cover the deficiency.
2. If a municipality has a deficiency referred to in subsection (1), the municipality may, with the Minister's approval, spread the expenditures to cover the deficiency over more than one calendar year.
3. If the Minister considers it to be necessary, the Minister may establish the budget for a municipality that has a

deficiency referred to in subsection (1) for a calendar year and the budget

- a) is for all purposes the municipality's budget for that calendar year, and
- b) may not be amended or replaced by council.

## *Adoption of capital budget (S245)*

Each council must adopt a capital budget for each calendar year.

## *Contents of capital budget (S246)*

A capital budget must include the estimated amount for the following:

- a) the amount needed to acquire, construct, remove or improve capital property;
- b) the anticipated sources and amounts of money to pay the costs referred to in clause (a);
- c) the amount to be transferred from the operating budget.

## *Tax bylaws (S247)*

No municipality may pass a property tax bylaw or business tax rate bylaw in respect of a year unless the operating and capital budget for that year have been adopted by council or established by the Minister under section 244.

## *Expenditure of money (S248)*

1. A municipality may only make an expenditure that is
  - a) included in an operating budget, interim operating budget or capital budget or otherwise authorized by the council,
  - b) for an emergency, or
  - c) legally required to be paid.
2. Each council must establish procedures to authorize and verify expenditures that are not included in a budget.



# Financial Policies and Practices



3. If the Minister establishes a budget for a municipality under section 244, the municipality may not make an expenditure that is not included in the budget unless the expenditure is
  - a) authorized by the Minister,
  - b) for an emergency, or
  - c) legally required to be paid.

## ***Edmonton Parks and Recreation - Fees and Charges Policy***

The Parks and Recreation Fees and Charges Policy was established by Council on January 23<sup>rd</sup>, 1979. This policy has been identified for review and update in 2006 under the Business Driver Review Process.

The Policy provides that fees and charges will be levied to recover all or a portion of the direct operating costs. It also establishes a target fee structure for adults:seniors/youths:children, set at 1:¾:½. Specific services will be identified for which no user fee is charged.

## ***Edmonton Transit Fare Box Recovery***

The Edmonton Transit Fare Box Recovery Policy was last amended by Council on December 13, 1988. This policy has been identified for review and update in 2006

under the Business Driver Review Process.

The Policy provides that the fare box structure will recover between 40%-45% of regular service operating costs, including transit operations, transit support and a portion of transportation planning and support.

## ***Investment Policy***

The purpose of the Investment Policy is to establish a set of investment principles and guidelines to provide direction as to the management of funds. On March 7<sup>th</sup> 2006, Council reviewed and amended the City of Edmonton Investment Policy C212C.

The Investment Policy provides for the investment of funds in permitted capital markets (which complies with statutory requirements) to maximize returns at a prudent level of risk, consistent with the Modern Portfolio Theory and the Prudent Investor Rule.

The role of the City Manager is to recommend approval of the Investment Policy to Executive Committee and oversee management of the City's investments consistent with the policy.





# Financial Policies and Practices



As a result of Council's review, changes were made to the investment asset mix of the City of Edmonton Pension Fund and the Long Term Disability Fund was created.

## ***Land Enterprise Dividend Policy***

On June 20<sup>th</sup> 2006, Council established the Land Enterprise Dividend Policy (C516A) that outlines an annual return to the City of Edmonton for its investment while allowing the Enterprise to fund the planned land activities on a self-sustaining basis.

As a result of this policy, the activities of the Land Enterprise has been split into two distinct functions in 2006, Land Revolving activity and Land Development activity.

The Land Revolving activity involves the acquisition of land for future municipal purposes and for specific City initiatives. When opportunities arise for the acquisition of land that may be required for future municipal projects, the Land Revolving activity will make the acquisitions and hold the inventory until it is required. These acquisitions and subsequent sale to the City are not made with a profit motive in mind, but to achieve other objectives of the City.

The Land Development activity involves the acquisition, development, and selling of City-owned land, with residential and industrial development being the major components. These activities will be based primarily upon financial return on investment.

The City of Edmonton acts as an investor in

the Land Development activity. Accordingly, the City should receive a return on this investment. The Land Enterprise Dividend Policy establishes the basis of the return as 25% of the actual net income from the land development activities in a year, payable in the following year to the City of Edmonton.

## ***Property and Business Tax Structure***

On November 29<sup>th</sup> 2005, Council completed a review of the City of Edmonton Property and Business Tax Structure and approved the following:

1. Maintain the existing residential and non-residential property tax revenue split of 58.4% to 41.6% respectively, adjusted annually for growth.
2. Adopt the concept of phased elimination or reduction of the business tax, with any reduction in business tax revenues to be recovered through non-residential property taxation.
3. Adopt a uniform tax rate for residential and other residential properties over a four-year period (2006 - 2009). This will shift roughly \$1.5 million of taxes from the other residential group to the residential properties. *(Note, during 2007 Budget Discussions, City Council discussed the discontinuation of this shift to a uniform tax rate for residential and other residential properties. When the 2007 property tax bylaw comes forward to City Council, it is expected that the tax rate differential between residential and other residential will remain at the 2006 level of 1 to 1.15.)*



# Financial Policies and Practices



4. Continue to tax co-operative housing at the single family residential tax rate.
5. Simplify the requirement for home-based businesses to pay both the business taxes and business license fees to just one license fee starting in 2006, with a net revenue-neutral impact to the City.

## Utility Fiscal Policy

The Utility Fiscal Policy governs the financial relationship between the City's operating fund and the municipally owned and operated sanitary drainage utility and land drainage utility. The Policy sets the fiscal guidelines for the operation of the Sanitary and Land Drainage Utilities. On June 20<sup>th</sup> 2006 Council completed a review of and amended the Utility Fiscal Policy (C304B).

Land Drainage was established as an utility in 2003. Therefore, the financial position of Land Drainage is different from the Sanitary Drainage Utility. Accordingly, separate guidelines are necessary for each of the utilities. It is anticipated that the Land Drainage Utility will be in a self-sufficient position by the year 2014, at which time, changes to the Utility Fiscal Policy are anticipated.

The revised policy provides guidelines in the following areas:

- debt service coverage ratio
- return on equity targets
- capital structure
- dividend requirements
- cash reserves
- franchise fees

The specific long-term targets are as follows:

	Sanitary Drainage Utility	Land Drainage Utility
debt service coverage ratio	not less than 1.2	not less than 1.2
return on average	range of 6% - 10%	up to 25%
capital structure	50% - 70% debt financing	50% - 60% debt financing
dividend requirements	2007 - 2012: 30% 2013 onwards: 40%	2007 - 2014: exempt review in 2014
cash reserve	\$27 million ± \$10 million	\$9 million ± \$3 million
franchise fee	8% of qualifying revenue (as stated in approved tariff)	2007 - 2014: exempt review in 2014

## Market Value Assessment (Practice)

Provincial legislation requires property assessments to be prepared on an annual market value basis. This means that each property's assessed value is updated annually to reflect current market conditions. As a result, the City of Edmonton's total assessment may increase or decrease without property owners making any physical changes to their properties.

Since the introduction of market value assessment, the City of Edmonton has adopted a practice whereby total taxation revenues do not change as a result of market value changes. Instead, the mill rate is discounted in times of general market value appreciation. Only realty growth is added as revenues to the City.



# Financial Policies and Practices



## ***Use of One-Time Revenues (Practice)***

The use of one-time revenue for ongoing operating needs has been limited to avoid creating a dependency on a revenue source that is not sustainable or certain from year to year. The City of Edmonton has generally applied one-time revenues to one-time expenditures.

## ***Debt Management Policy***

The Debt Management Fiscal Policy provides guidelines for debt and Pay-As-You-Go (PAYG) funding for tax-supported, utility, other self-supporting, and local improvement capital expenditures. In late 2002, Council approved revisions to the Policy to allow limited borrowing for tax-supported capital projects that meet specific criteria. This change is one strategy to address the increasing growth and rehabilitation demands the City is experiencing.

Previous to the change, the City had followed an exclusively PAYG approach for funding tax-supported capital expenditures for many years. No new tax-supported borrowings had been made since 1990. As the debt principal decreased and the related annual debt repayment declined over the years, property tax previously set aside for debt repayment was made available to fund capital works.

PAYG financing has grown from \$7 million in 1983 to approximately \$93 million in 2004, when all tax-supported debt issued under this policy was retired. Council has approved a total of up to \$200 million in new tax supported borrowing in the period 2003 - 2006.

All borrowing completed in the name of the City since 1993 has been in the form of debenture amortization, administered through the Alberta Capital Finance Authority (ACFA).

Such borrowings utilize the strong debt rating of the Province of Alberta and the combined borrowing volumes of municipalities across Alberta. Interest rates are established at the time of borrowing and remain constant throughout the term of the debenture, eliminating the risk associated with fluctuating interest rates. Payments are made annually or semi-annually.



## ***Reserve and Operating Equity Accounts***

The Reserve and Operating Equity Accounts policy was established by Council on October 29<sup>th</sup> 2002, combining two previous policies. This policy was identified for review and update in 2006 under the Business Driver Review Process.

The purpose of this Policy is to meet the financial goals of the City of Edmonton. The Policy established the Financial Stabilization Reserve with a target balance of 7% of



# Financial Policies and Practices



current general government operating and measurable outcomes that achieve expenditures. The source of funding for the Council's Policy and Program objectives. It is anticipated that there will be visible results by the next business planning cycle. Any balance above the target will be applied evenly to the general government operations over the subsequent three years.

## ***Performance Reporting (Practice)***

Administration has followed the practice of providing financial operating and capital expenditure reporting to Council annually as at June 30<sup>th</sup>, September 30<sup>th</sup>, and at the fiscal year end.

The objective of Performance Reporting is to satisfy reporting requirements by:

- identifying on a timely basis variances between the budget and actual operating results
- assessing the impact of the identified variances on the Corporation's year end financial position
- facilitating the decision making necessary to address identified variance through the reallocation of financial resources or implementation of operational changes

In addition to financial performance reporting, Administration is in the process of developing outcome based performance measures. By selecting and refining critical Outcome statements that are linked to Council Policy or Program initiatives, along with identifying indicators (activity outputs) that would provide a good measure of progress towards achieving these goals, a performance measurement management plan can be developed. In addition, the recommendations from the Capital Prioritization Process are being implemented with similar objectives, ensuring that there is appropriate linkage between the capital investment, associated operating expenditures,

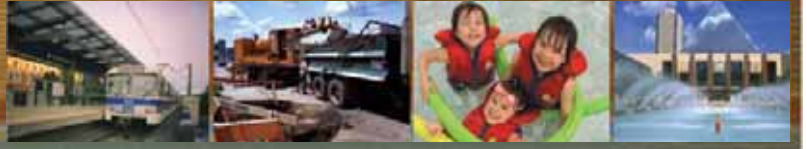




## Governance and Corporate Structure



# Governance Structure



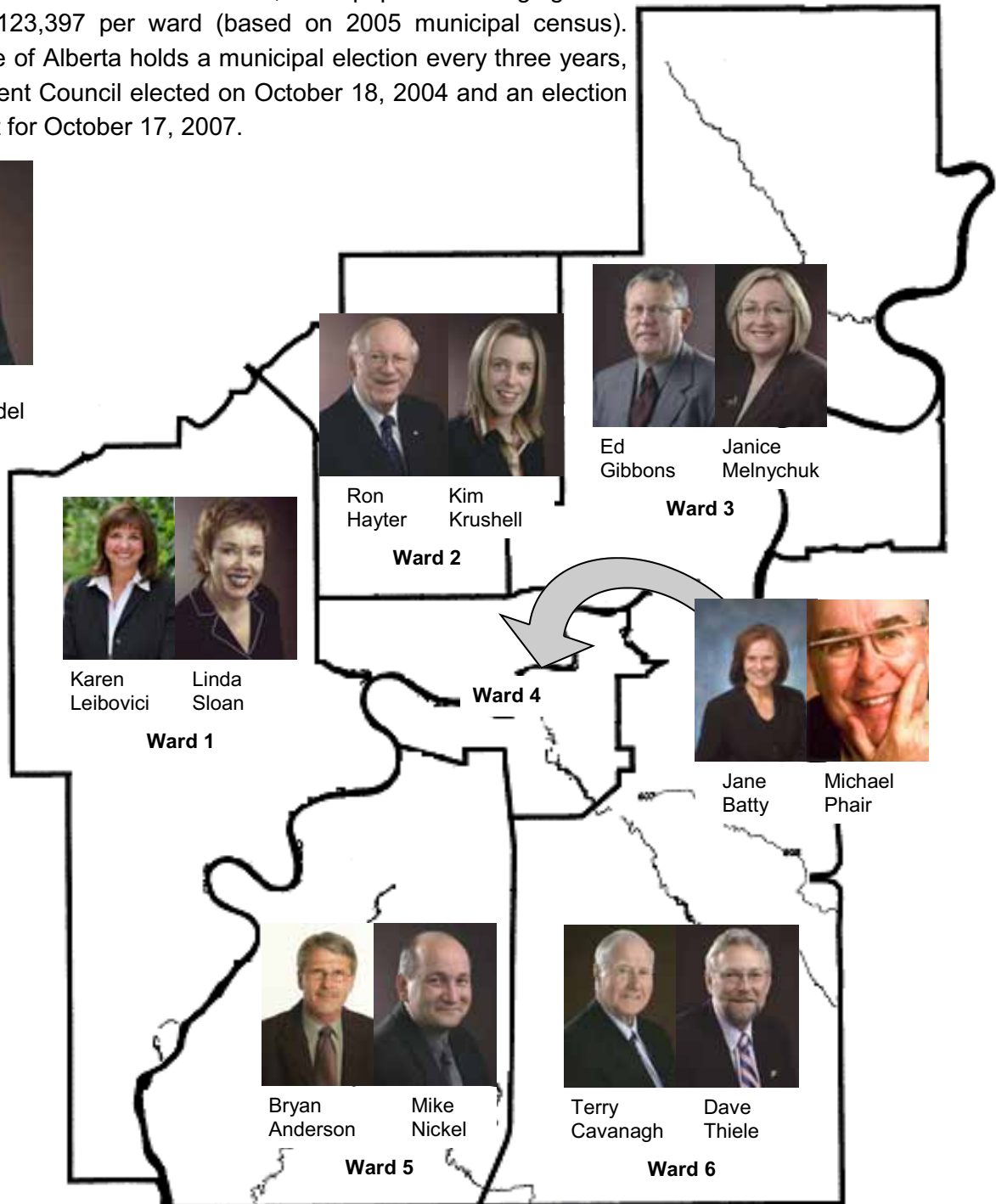
## Edmonton City Council 2004 - 2007

Edmonton City Council is made up of 13 elected representatives including the Mayor and 12 Councillors. The Mayor is elected by all voters while Councillors are elected by voters in the wards they represent.

Edmonton is divided into six wards, with population ranging from 115,931 to 123,397 per ward (based on 2005 municipal census). The Province of Alberta holds a municipal election every three years, with the current Council elected on October 18, 2004 and an election has been set for October 17, 2007.

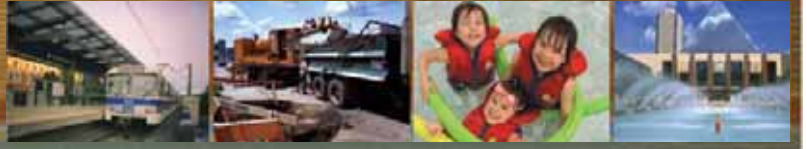


Mayor  
Stephen Mandel



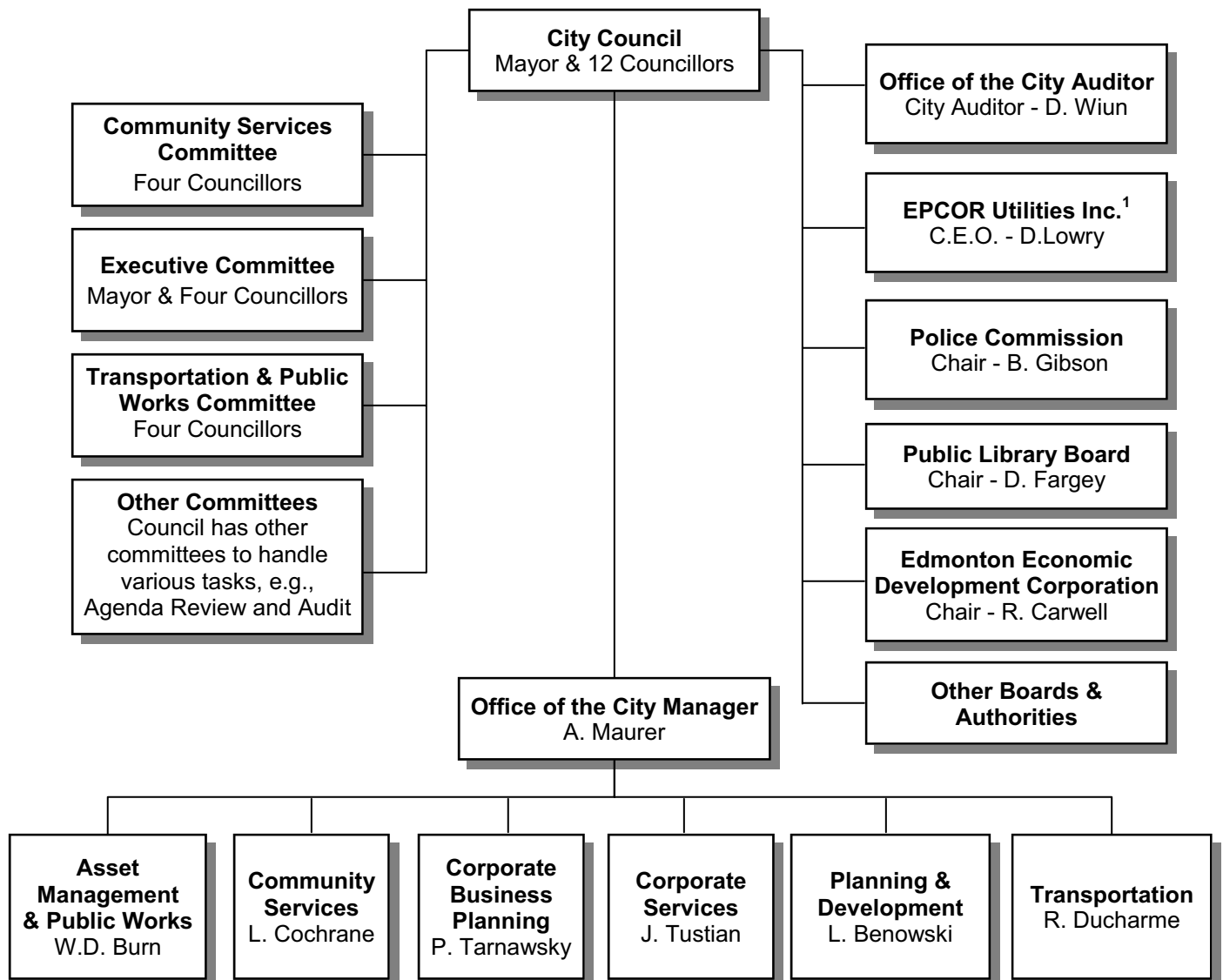


# Governance Structure



In order to deliver services to the citizens of Edmonton, the City of Edmonton is organized into the legislative and administrative structure shown below:

## Citizens of Edmonton



<sup>1</sup> EPCOR is a wholly owned subsidiary of the City of Edmonton, governed by an independent Board of Directors reporting to Council. Its budget is submitted directly to City Council as shareholder and is not included in this budget document.



# Governance Structure



## Legislative Structure

### City Council

Alberta municipalities are established by the Provincial Government. The Municipal Government Act (MGA) is the primary statute providing authority to the local Council

- to provide good government,
- to provide services, facilities or other things that, in the opinion of Council, are necessary or desirable for all or part of the municipality, and
- to develop and maintain safe and viable communities.

City Council is responsible "... to set the overall direction of the municipality through [its] role as the policy-maker. The policies that Council sets are the guidelines for the Administration to follow as it handles the operation of the municipality. Program monitoring means staying up to date on the programs and services that the municipality offers and assessing the results against what Council planned to achieve.<sup>1</sup>"

City Council meetings are held two to three times a month. Meetings are open to the public.

### Standing Committees

Edmonton City Council established Standing Committees and other temporary committees to assist Council with its work. Three main committees meet regularly and are:

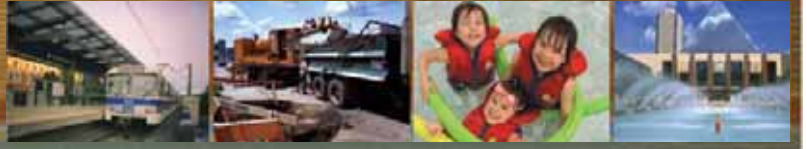
- *Executive Committee*  
The Executive Committee is comprised of the Chief Elected Official (Mayor) and four Councillors. The Committee deals with matters affecting the City as a whole and other matters involving administration, finance, personnel, and planning and development.
- *Community Services Committee*  
The Community Services Committee is comprised of four Councillors and reviews matters affecting parks, fire, emergency medical services, policing, and preventive social services.
- *Transportation and Public Works Committee*  
The Transportation & Public Works Committee is comprised of four Councillors and deals with matters affecting public transportation, the roadway system, waste water treatment, storm drainage, and waste disposal.

City Council uses other committees to handle various tasks, including the Agenda Review Committee, Quasi-Judicial Standing Committee, Audit Committee, and Council Services Committee.

<sup>1</sup> "Now That You've Been Elected, A Handbook for Elected Councillors", Alberta Municipal Affairs, 2004.



# Governance Structure



## Administrative Structure

### City Manager

City Council appoints the City Manager to the position of Chief Administrative Officer. This individual is responsible for carrying out the direction of City Council and managing the City's day-to-day operations.

The City Manager has various civic departments reporting directly to him. Services provided by these departments include sewage treatment, waste disposal, roads, public transit, fire protection, ambulance service, neighbourhood planning, parks, recreation, and preventive social services. The Office of the City Clerk is part of the Office of the City Manager.

Certain services are provided by entities which report directly to City Council. These include:

- Boards, Authorities and Commissions (e.g. Police Commission, Public Library)
- EPCOR Utilities Inc.

### Office of the City Auditor

Appointed by and accountable to City Council, the City Auditor performs the key roles of guardian and agent of change. The Office provides independent reviews of civic departments and programs through audits and other studies.

### EPCOR Utilities Inc. (EPCOR)

EPCOR Utilities Inc. is one of Canada's top providers of power and water-related services and products. EPCOR Utilities Inc.:

- owns and operates power plants, electrical transmission and distribution networks
- builds and operates water/wastewater treatment facilities and infrastructure
- provides power and water solutions to customers in Alberta, British Columbia, Ontario, and the U.S. Pacific Northwest.

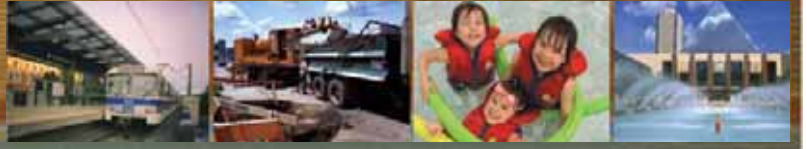
EPCOR is headquartered in Edmonton, with over \$4 billion in assets.



The City is EPCOR's sole common shareholder and City Council appoints the Utility's Board of Directors and Chairman. EPCOR has an annual financial commitment to the City of Edmonton in the form of a dividend, payment of business tax, property tax, franchise fees, and revenue taxes.



# Governance Structure



## Edmonton Police Commission



City Council appoints seven citizens and two Councillors to the Edmonton Police Commission. The Commission is governed by the *Police Act*, City of Edmonton Bylaw 14040, and reports directly to City Council. The Commission allocates funds provided by City Council and oversees the Edmonton Police Service, establishing policies to provide for efficient and effective policing; and to ensure that sufficient persons are employed by the Police Service for the purposes of carrying out the function of the Police Service.

## Edmonton Public Library Board



City Council appoints nine citizens and one Councillor to the Edmonton Public Library Board. The Board is governed by the *Libraries Act*, City of Edmonton Bylaw 12540, and reports directly to City Council. The Board is responsible for approving the Library's policies of service, supervising expenditure of funds and developing planning documents for the effective operation of the Library.

## Edmonton Economic Development Corporation

Edmonton Economic Development Corporation (EEDC) is a wholly-owned subsidiary of the City of Edmonton. City Council appoints the Mayor and 14 members from the private and public sector to the Board of Directors. The Board reports directly to City Council. EEDC is responsible for regional economic development, tourism marketing, management of the Shaw Conference Centre and management of Edmonton Research Park.



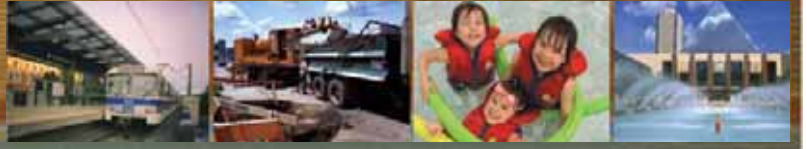
## Other Boards and Authorities

Hundreds of citizens play a valuable role as members of commissions, agencies, boards, and authorities that provide leadership and advice about vital aspects of the life of the community. In addition to the boards named above, areas addressed by other boards and authorities include business development, assessment, transportation, housing and historical preservation. Most citizens on these boards volunteer their services.



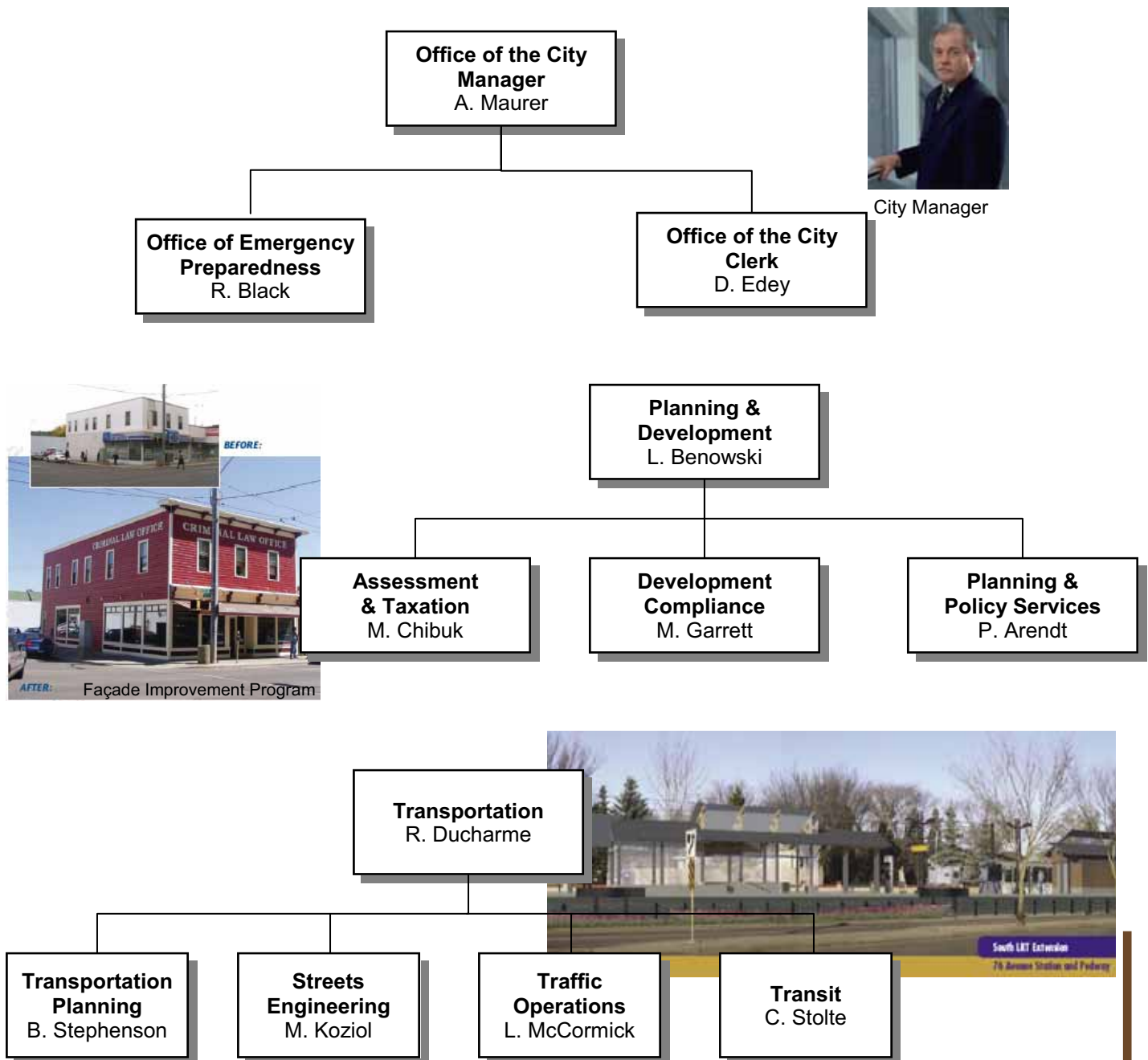


# Organizational Structure



## Civic Departments

City Council created a new Department (Corporate Business Planning) effective January 2006 to help the organization focus on corporate-wide strategic planning, policy evaluations, and outcome measures. As part of this restructuring, certain Programs were transferred to different Departments to reflect a more coordinated approach to the overall planning and delivery of services to citizens. This restructuring took place during the first part of 2006 and the new structure is reflected below.





# Organizational Structure



**Asset Management & Public Works**  
W.D. Burn

**Energy, Environment, and Natural Areas**  
B. Anderson

**Project Management & Consultation**  
K.C. Er

**Parks**  
L. Brenneis

**Waste Management**  
R. Neehall

**Land & Buildings**  
T. Loat

**Drainage Services (Utility)**  
J. Hodgson

**Community Services**  
L. Cochrane

**Social, Recreation, & Cultural Services**  
K. Barnhart

**Fire Rescue**  
Chief Wolsey

**Recreation Facility Services**  
R. Smyth

**Emergency Medical Services**  
S. Rapanos

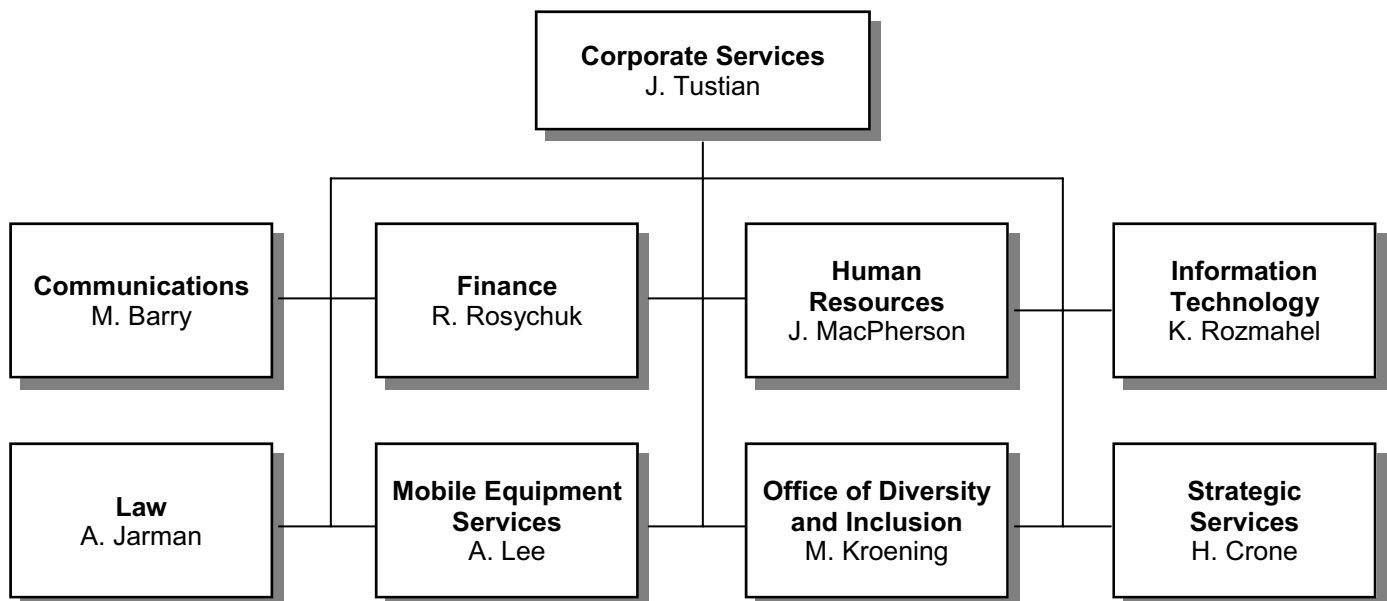
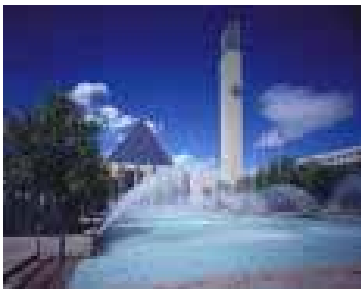
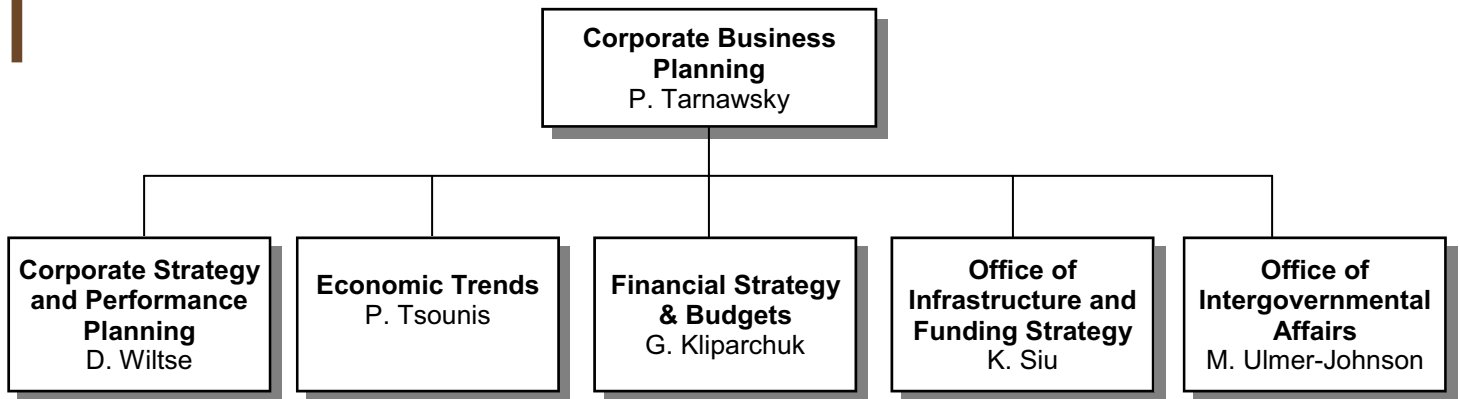
**Strategic Services**  
R. Smyth

**Emergency Communication & Resources**  
D. Card





# Organizational Structure







## Community Profile & Environmental Scan



# Edmonton Profile



Founded in 1904 on the banks of the majestic North Saskatchewan River, Edmonton is the capital city for the Province of Alberta. Edmonton is the sixth largest city in Canada.

With a land mass of 700 square kilometers, Edmonton is located near the geographic centre in the province, situated between the southern prairie grasslands and the northern forests. Edmonton experiences four distinct seasons. Snow cover characterizes winter from November through mid-March. Summers are generally dry and sunny. The City averages 12.32 hours of sunshine daily, making it one of the sunniest cities in Canada. At the height of summer, there are up to 17 hours of daylight each day<sup>1</sup>.



Known also as Canada's Festival City, Edmonton has over 30 established festivals each year, including Canada's largest Fringe Theatre Festival<sup>2</sup>. The Downtown Arts District features premier venues such as the Winspear Centre for Performing Arts; the Art Gallery of Alberta; and the Citadel Theatre. There are over 100 active arts and festival organizations funded by the Edmonton Arts Council.

Edmonton is home to four professional sports franchises, including the Oilers (National Hockey League), the Eskimos (Canadian Football League), the Crackercats (Northern

League of Baseball), and the Rush (National Lacrosse League). In addition, supported by the community's strong volunteer base, Edmonton is able to host many high profile international competitions that place the community onto the world stage. Recent major events include the 2001 World Track and Field Championships, 2002 Federation International Football Association U-19 Women Finals, the 2003 Heritage Classic (first-ever outdoor National Hockey League game played at the Commonwealth Stadium), and the Grand Prix Edmonton.

According to the latest tourism statistics released by Alberta Economic Development (2004 data), ***Edmonton is the number one destination in overall person-visits to Alberta and the number one destination in person-visits from other provinces. Edmonton is also Alberta's number one metropolitan destination for U.S. visitations and revenues***<sup>3</sup>. The City of Edmonton welcomed many visitors once again in 2006, with a lineup of events such as the Grand Prix Edmonton, the Women's Ruby World Cup (Barclay Churchill Cup of Rugby), the Dreamspeakers Aboriginal International Film Festival, the International Street Performers Festival, the ITU World Cup Triathlon, the International Fringe Festival, and the Canadian Finals Rodeo.

"[Edmonton] is among North America's fastest growing cities, a high-rise state capital, financially buoyed by the rich rewards of the oil

<sup>1</sup> Fast Facts, Edmonton Visitor Guide, [www.infoedmonton.com](http://www.infoedmonton.com)

<sup>2</sup> Discover Edmonton, Edmonton Visitor Guide, [www.infoedmonton.com](http://www.infoedmonton.com)

<sup>3</sup> News Release, Edmonton Economic Development Corporation, March 30, 2006



# Edmonton Profile



industry, with the longest stretch of urban parkland in North America<sup>4</sup>. According to a 2004 independent study by KPMG, LLP in association with MMK Consulting, **Edmonton has one of the lowest business costs among major cities in North America**. With \$80.6 billion in regional investment planned in the next decade, Edmonton is poised to grow and profit through its role as the northern hub for the energy resource sector<sup>5</sup>.

**Edmonton is emerging as a hub for excellence, knowledge, and research in areas of education, health, technology, and environmental sustainability.**

The Capital Health Authority is rated number one among the 57 largest regional health authorities in Canada (MacLean's, 2003). On June 1, 2006 Capital Health and the University of Alberta officially opened the Zeidler Gastrointestinal Health Centre, Canada's first clinical facility dedicated solely to gastroenterology patient care and research. The Mazankowski Alberta Heart Institute, currently under construction at the University of Alberta Hospital, will become one of North America's leading heart institute for the prevention and treatment of heart diseases.

The Edmonton Research Park is one of Canada's premier centre for research and technological excellence. On October 13, 2004

the Edmonton Economic Development Corporation, a wholly owned subsidiary of the City of Edmonton, formed a joint venture with the University of Alberta called TEC Edmonton. This "... will create a single centre for the Edmonton region where researchers, innovators, entrepreneurs, and early stage or expanding technology-based companies can access integrated programs, services, expertise and resources to succeed in company development and the generation and commercialization of new ideas and technologies.<sup>6</sup>"

The Edmonton Waste Management Centre of Excellence is a unique public-private partnership that manages practitioner training, research, and demonstration activities and encompasses the world's largest variety of leading-edge waste management, including one of the world's most advanced biological wastewater treatment plants and North America's largest co-composting plant<sup>7</sup>.



Mazankowski Alberta Heart Institute - March 2006



Launch of TEC Edmonton Joint Venture - October 2004



Edmonton Waste Management Centre for Excellence - "a hub for innovative research"

<sup>4</sup> "When our two worlds collide" Nick Golding, The Gazette, October 9, 2003

<sup>5</sup> Annual Report 2005, City of Edmonton, page 9

<sup>6</sup> TEC Edmonton, History/Future, [www.tecedmonton.com](http://www.tecedmonton.com)

<sup>7</sup> Edmonton Waste Management Centre of Excellence, [www.ewmce.com](http://www.ewmce.com)



# Environmental Scan



The Edmonton Socio-Economic Outlook, 2006-2011 was released in April 2006 primarily for the purpose of preparing the corporate and departmental business plans and budgets, the City's

Capital Priorities Plan, and the City's Long Range Financial Plan. Excerpts of the report and related implications to the City of Edmonton are summarized here to provide context upon which the 2007 Budget was prepared<sup>8</sup>.

## Economic Environment

Key economic indicators for the Edmonton Census Metropolitan Area (CMA) show phenomenal growth so far in 2006, perhaps the strongest year on record. For the first nine months of 2006, Edmonton's real estate market witnessed one of its strongest performances on record, with average residential selling prices up by about 50% year-over-year during the month of September, while the inventory of available homes for sale (active listings) in Edmonton's re-sale market stood at 1,859 units in June of this year – a 60% decline from June 2005. New home construction activity is on pace to reaching near-record levels this year, as total housing starts in the Edmonton CMA were up as much as 16% year-over-year during the month of September, and are on pace to reaching 14,700 new units by the end of this

year – the second largest increase in Edmonton's history. Apartment and industrial vacancy rates have fallen considerably, with apartment vacancy rates falling from 3.2% last year to 1.6% by the second quarter of 2006. The labour market also remains tight, with the unemployment rate hovering around 4%.

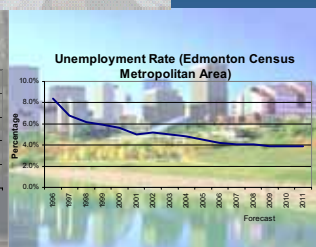
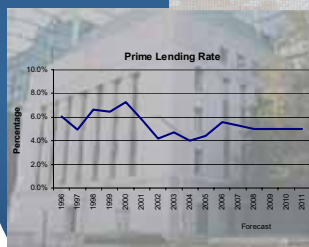
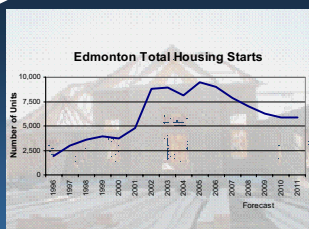
As a result of high energy prices, tight labour markets and strong economic fundamentals, construction costs have soared in the region.

According to Statistics Canada, contractors selling prices for non-residential construction projects (commercial, institutional and industrial buildings) were up as much as 10% on a year-over-year basis during the second quarter of this year, while cost escalations for City of Edmonton infrastructure and road construction projects were up as much as 25% this year.

Despite these increases in construction costs, the consumer price index (CPI), as reported by Statistics Canada for the Edmonton region, was up only 3.2% on a year-to-date basis for the first nine months of this year.

## Surge in 2006 Due to Large Population Growth

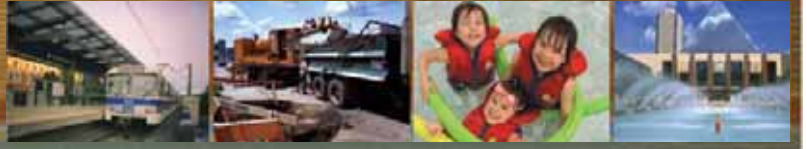
One of the main reasons for Edmonton's strong economic performance in 2006, along with the significant upward revision in our growth projections, is due primarily to a large increase in population growth. According to Statistics Canada, Alberta net migration reached a record breaking 76,000 people between July 1, 2005



<sup>8</sup> Edmonton Socio-Economic Outlook 2006-2011, The City Forecast Committee, April 2006



# Environmental Scan



and June 30, 2006. The Edmonton CMA is expected to receive 18,500 net migrants this year - more than double historical annual averages. As such, it is expected that the total population in the Edmonton region will grow by 24,000 people. Edmonton alone is expected to grow by 16,000 people or about the size of Spruce Grove, in a single year. This represents about 1/3 of the total Edmonton population growth between 2001 and 2005 of 46,000 people, or about the size of Grande Prairie. Due to these large population increases, we now expect Edmonton will see ten years of growth (based on previous projections) in five years time.

## ***Economic Growth Forecasts***

Given the surge in growth so far in 2006, growth in the Edmonton CMA is expected to reach a near-record level of 5.5% in 2006, and increase by an average of 3.8% per year over the next five years on the heels of continued strength in major infrastructure, institutional and energy projects in northern Alberta. This includes the more than \$30 billion in proposed upgraders expected to be built and operated within the Edmonton CMA over the next five to ten years. These new projections, which are reported in the Fall 2006 issue of the Edmonton Socio-Economic Outlook report, are considerably higher than previous projections due primarily to stronger than expected economic growth during the first half of 2006, led by stronger than expected population growth.

Labour markets are expected to remain tight, with the unemployment rate to remain slightly below 4% for the next 5 years, while construction in Edmonton's new home market is also expected to remain strong, with an annual average of 13,000 between 2007 and 2011. Construction costs are also expected to remain high, with the

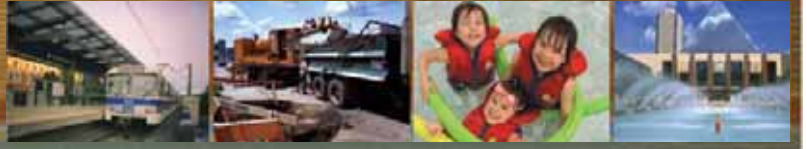
non-residential construction price index expected to reach 10% in 2006, 9.4% in 2007, and average 4.4% per year for the remainder of the forecast period, while cost escalations for infrastructure and road construction projects for the City of Edmonton expected to reach 20% in 2007 and average 10% per year for the remainder of the forecast period.

Despite the strong economic outlook, rising construction costs, weakness in the United States economy and a lack of available and affordable housing in Edmonton are all real risks to the outlook which could negatively affect population and economic growth projections in the future.

To put Edmonton's economic outlook into a broader context, the following tables provide more detailed comparative information.



# Environmental Scan



	Actual					Forecast <sup>11</sup>					
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Consumer Price Index (1992 base year) <sup>9</sup>											
Edmonton	118.4	121.9	128.4	129.7	132.4	135.7	138.8	141.6	144.1	147.3	150.2
Alberta	120.1	124.2	129.7	131.5	134.3						
Canada	116.4	119.0	122.3	124.6	127.3						
Unemployment Rate (annual average) <sup>9</sup>											
Edmonton	4.9%	5.1%	5.1%	4.8%	4.5%	4.2%	4.1%	4.1%	3.9%	3.9%	3.9%
Alberta	4.6%	5.3%	5.7%	4.6%	3.9%						
Canada	7.2%	7.7%	7.6%	7.2%	6.8%						
Edmonton Housing & Vacancy <sup>10</sup>											
Housing Starts	4,811	8,821	8,956	8,195	9,434	9,000	7,900	7,000	6,300	5,900	5,900
Apartment Vacancy	0.9%	1.7%	3.4%	5.3%	4.5%	3.8%	3.5%	3.3%	3.1%	3.0%	3.0%
Downtown Office Vacancy	11.4%	12.3%	11.8%	8.6%	7.1%	6.9%	6.7%	6.5%	6.5%	6.3%	6.3%
World Commodity Prices and Financial Instruments <sup>11</sup>											
Crude Oil (US\$/bbl)	25.94	26.09	31.14	41.42	56.46	65.20	61.85	56.6	54.05	52.45	51.90
Natural Gas	5.91	3.83	6.31	6.52	8.14	9.30	8.85	8.15	7.30	7.00	6.90
Prime Lending Rate	5.8%	4.2%	4.7%	4.0%	4.4%	5.6%	5.3%	5.0%	5.0%	5.0%	5.0%
Exchange Rate (US\$/Cdn\$)	0.65	0.64	0.71	0.77	0.83	0.86	0.85	0.83	0.80	0.80	0.78

<sup>9</sup> Statistics Canada, Consumer Price Index and Unemployment Rate

<sup>10</sup> Land Use and Inventory Information, Housing Starts and Apartment and Downtown Office Space Vacancy Rates, City of Edmonton

<sup>11</sup> Edmonton Socio-Economic Outlook, Table 1, City of Edmonton



# Environmental Scan



## Demographics and Social Environment

The results of the 2005 City of Edmonton civic census show that the number of citizens has grown to 712,391 as of April 1, 2005. This is a 7% increase from the last official population figure collected in the 2001 federal census. Edmonton's population is forecasted to grow by 16,000 people in 2006 alone. That would be similar to adding a city the size of Spruce Grove to Edmonton in one year.

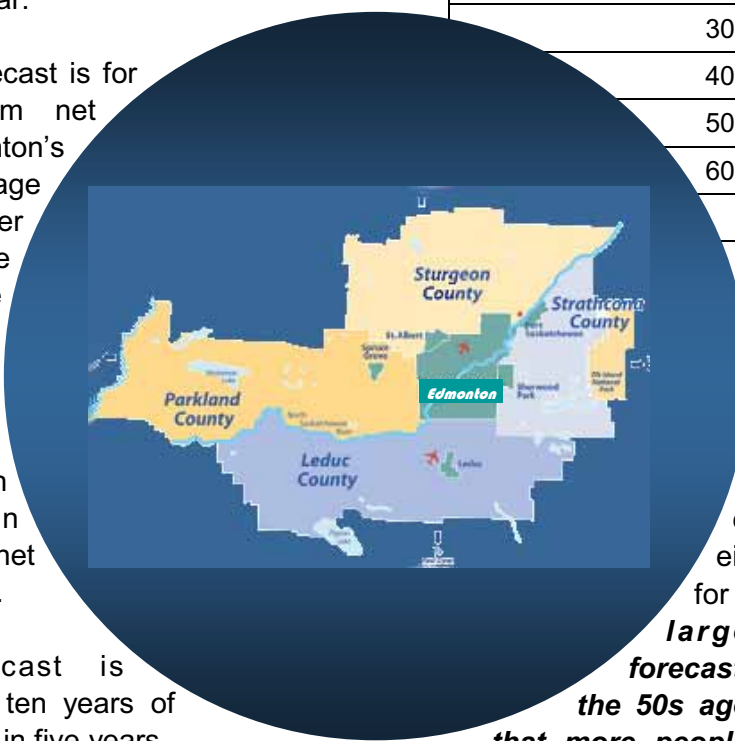
Beyond 2006, the forecast is for a net increase from net migration to Edmonton's population by an average of 11,500 people per year over the remainder of the forecast period. This is significantly higher than the previous assumption of 8,500 people per year, which was based upon historical Edmonton's net migration performance.

The revised forecast is projected to result in ten years of growth being achieved in five years.

According to the 2001 federal census, the median age for the City of Edmonton's population increased from 33.8 in 1996 to 35.3 in 2001. The 2005 civic census shows the continuation of this aging trend, with 36.4 as the median age.

The following is a summary of the Edmonton Population Age Distribution.

	2001 Federal Census <sup>12</sup>	2005 Municipal Census <sup>12</sup>
Total Population	666,104	712,391
Population Age Distribution (% of Total Population):		
0 - 4	5.9%	5.3%
5 - 19	19.8%	18.7%
20 - 29	16.6%	18.2%
30 - 39	16.0%	14.7%
40 - 49	16.3%	15.9%
50 - 59	10.6%	12.0%
60 - 64	3.7%	3.8%
65+	11.1%	11.4%



An aging population has a direct impact on the size of the working age population (ages 15 to 64) and the labour force, which is comprised of people either working or looking for work. **By 2011, the largest increase is forecasted to be for people in the 50s age group. This means that more people will be leaving the labour force than entering it.**

Another important population trend is that the natural population increase is projected to continue to decline (the number of deaths is higher than the number of births). **Edmonton, similar to the rest of Canada, will continue to be dependent upon immigration of younger families from other parts of the world to mitigate the anticipated decline in the**

<sup>12</sup> Population by Age and Gender, 2001 Federal Census and 2005 Municipal Census, City of Edmonton



# Environmental Scan



**younger population and to help support programs and services for older people and young children.** Edmonton's population is increasingly diverse, with 15% of the population being visible minorities. According to the 2001 federal census, over 11,000 recent immigrants to the City of Edmonton had knowledge of neither English or French, Canada's two official languages.

A third area of significance is that Edmonton's Aboriginal community is young and growing rapidly. If the growth rate of 1996 and 2001 were to continue, Edmonton could expect an increase in Aboriginal population of 45% by the year 2017.

**While Edmonton's Aboriginal people are facing many challenges, with current labour force participation rate of 66% (compared to 70% for the City's population as a whole), they are increasingly becoming more educated and have the opportunity to make significant contributions to the City's economy.**

An aging and increasingly diverse population is expected to have the following impacts to the City of Edmonton:

- the large increase in the 50s and 60s age group will support demand for more expensive housing and "empty nester" or retirement housing; and
- the high growth in the number of people aged 65 and over will increase demand for social and health care services; and
- as the expected number of people leaving is

higher than the number of people entering the labour force, along with an already tight labour market resulting from a strong economy, workforce retention and attraction will become increasingly important.

The City of Edmonton is also projecting:

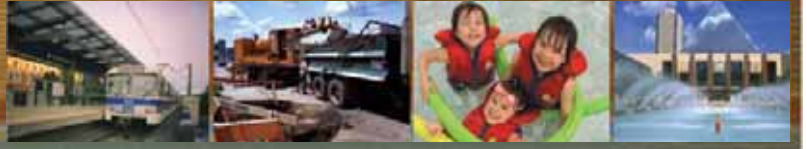
- an increased reliance on immigrants who on average, tend to have higher levels of education than people born in Canada; and
- an increase of young people in the Aboriginal community who are becoming better educated.



These will create opportunities for addressing the challenges presented by a shrinking workforce, provided that the City is able to assist new immigrants in settling and integrating into the community, particularly from countries with different language and cultural backgrounds. In addition, understanding the interactions with Aboriginal peoples both as an employer and as a service provider will improve the likelihood of engaging the Aboriginal community to become a significant contributor to the economy and life of Edmonton. The establishment of the Office of Diversity and Inclusion and the Edmonton Aboriginal Accord Office are a reflection on the City's commitment to work with various stakeholders to improve the quality of life for the community as a whole.



# Environmental Scan



## Natural Environment

The projected population growth could have a negative impact on the environment as there will be increased demand for:

- expansion and improvement to existing roadway infrastructure to ensure safe and efficient movement of goods and people
- public transit, especially if oil prices remain high as forecasted
- finding a proper balance between industrial and residential development that will preserve the City's environmental standards and policies
- City services and infrastructure such as waste management initiatives with the impending closure of the landfill, separate storm drainage to deal with surface water run-offs, etc.
- fulfilling regulatory requirements from other orders of government such as Kyoto or a made in Alberta solution
- implementing the City of Edmonton's Environmental Strategic Plan such as *Enviro*, energy management, natural area conservation, etc.

existing infrastructure, and income distribution needs (e.g. affordable housing, provision of social assistance). Strong economic and population growth will translate to increased urgency in the need to address the City's infrastructure gap, as well as increased citizens expectations.

Traditionally, federal and provincial governments' transfers to municipalities are:

- grant based with strict parameters on eligible projects (e.g. federal gas tax, Alberta Municipal Infrastructure Program, etc.) and little recognition on the resulting operating liabilities;
- per capita based or special applications, not necessarily on needs; and
- insufficient to meet the needs of social infrastructure (e.g. police, ambulance, Family and Community Support Services, etc.) and is declining as a portion of the total expenditures for these areas.

The exception is the Provincial Fuel Tax Agreement, which has no sunset clause.

The existing fiscal imbalance has reached the policy agenda of both the federal and provincial governments. Federally, the Big City Mayors Caucus is developing strategies to address fiscal imbalance facing big cities and in consultation with the Federation of Canadian Municipalities, is expected to have an opportunity to discuss the issue prior to the preparation of the 2007 federal budget. Provincially, a Minister's Council was



Edmonton City Hall



Alberta Legislature



Parliament of Canada

## Political Environment

Federal and provincial governments have diverse revenue-generating powers which are reflective of the strength of the economy while local governments have significant challenges in raising sufficient resources needed to address the demands of growth, maintaining



# Environmental Scan



established to address “Roles, Responsibilities, Resources, and Relationships” between provincial and local governments. The leadership race in Alberta provided an opportunity to raise the profile of fiscal imbalance as a policy issue for debate.

The ***Policy & Program Review*** is a section that has been added to the budget document to respond to this motion.

The recent rise in popularity of the New Public Management Model will have a significant impact to the manner in which the City of Edmonton operates. The public’s demand to responsible, transparent, accountable, and entrepreneurial government<sup>13</sup> requires investment in building organizational capacity to:

- move towards more decentralized decision-making;
- implement performance measures management system; and
- explore alternative service delivery, including partnerships with public-private or public-public sectors
- engage citizens in resolving local issues.

This expectation was confirmed by City Council in the following motion, passed on February 14, 2006:

“That the City Manager develop performance measures for key business areas of the Corporation that would be provided to Council as part of the Corporate Business Plan, that would provide Policy and Program outcomes which would indicate:

- policy success
- policy failure
- efficiency and effectiveness of program delivery”

<sup>13</sup> “The New Public Service: Serving Rather than Steering”, Robert B. Denhardt and Janet Vinzant Denhardt, Arizona State University

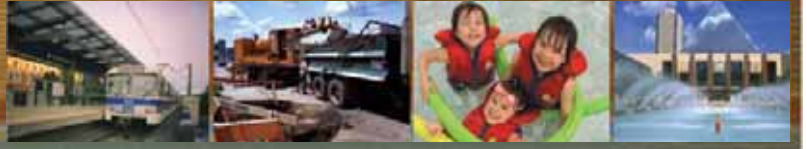




## Basis of Budgeting



# Basis of Budgeting



## Overview

The City of Edmonton has prepared the 2007 budget on an accrual basis. This means that:

- revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues
- government transfers are recognized as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made
- funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified
- Expenditures are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due

This is in accordance with Generally Accepted Accounting Principles (GAAP) and follows the recommendations from the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The consolidated financial statements are reported on the same basis.

## Fund Accounting

The consolidated financial statements are reported on a Fund Structure, consisting of an Operating, Capital and Reserve funds. Under this model, all Funds share a common accounting and reporting system. Financial and accounting services are administered corporately.

Interfund transactions are eliminated for financial reporting purposes. Interfund transactions are reflected as transactions in their respective areas for budgetary purposes.

### *Operating Fund*

The Operating Fund balance represents the amount available to offset future operational revenue requirements. There are five separate operations within the Operating Fund. Each Fund has been established with a distinct purpose and specific operational guidelines surrounding revenues, expenditures, and retained earnings.



# Basis of Budgeting



## 1. Tax Levy Supported Operations

Tax Supported Operations includes all operating activities provided through Civic Programs, Boards & Authorities, and Corporate Programs. Activities within this fund are primarily supported by a combination of property taxation, business tax, user fees, return on investment, and grants from other orders of government.

## 2. Land Enterprise

Land Enterprise is a self-sustaining operation and is not funded by Tax Supported Operations. The Fund is established for the purpose of managing the land requirements of the corporation and to position the City of Edmonton in a manner that can actively promote development from the perspectives of sustainability, revitalization, and urban form. The operation of the Land Enterprise is governed by City Policy C511- Land Management Policy. Annual surplus or deficits are added to or reduced from the Land Enterprise Fund Balance.

## 3. Mobile Equipment Services (MES)

Mobile Equipment Services also operates as a self-sustaining operation that is not funded directly by property taxes. MES consists of activities associated with integrated fleet management (acquisition, management, maintenance, and salvage) for all vehicles, equipment, transit buses, and emergency units (fire, ambulance, and police) used by the City of Edmonton. In addition, the branch provides these services to external related parties such as EPCOR Utilities Inc.

MES generates revenues by charging fixed and variable rates to user departments for the services provided. The objective of the rates is to ultimately provide full life cycle costing of the City's fleet and equipment. Annual surplus or deficits are added to or reduced from the MES Fund Balance.

## 4. Drainage Services

Drainage Services provides for the management of sanitary and land drainage for the residential, commercial, industrial, and institutional customers of Edmonton. The program operates based upon the principles provided in the regulations of the Energy Utilities Board (EUB). Utility rates are established to provide for the operating and capital requirements of



# Basis of Budgeting



the drainage systems. The Utility is a self-sustaining operation with no funding support provided from Tax Supported Operations.

The operation of the Utility is governed by the City of Edmonton's Utility Fiscal Policy (C304A).

## **5. Ed Tel Endowment Fund**

The Ed Tel Endowment Fund was established to manage the proceeds from the sale of the municipal telephone utility in 1995. Earnings from the Fund are applied to support municipal operations. The Fund is governed by City Bylaw #11713.

## **6. Excess Earnings on Sinking Fund**

The Excess Earnings on Sinking Fund was established to meet future obligations to the purchasers of certain City of Edmonton debentures. Under an agreement entered into January 1, 1996, excess earnings within the Sinking Fund are shared between the City of Edmonton and EPCOR Utilities Inc.

### ***Capital Fund***

The Capital Fund balance represents the amounts available to finance future capital projects. The Capital Fund captures the sources of revenues necessary to finance the City of Edmonton's rehabilitation in capital infrastructure and in the enhancement/acquisition of new infrastructure. Capital expenditures typically include the acquisition, development, or major renovations of assets where the benefit of the expenditure extends into the future.

### ***Reserves Fund***

The Reserves Fund includes specific accounts that have been designated for specific purposes as approved by City Council or the Edmonton Public Library Board. Changes in this Fund Balance are based upon established policies, capital revenues from external parties, capital expenditures as approved by City Council, and other direction of Council.



# Basis of Budgeting



## Reporting Entity

The reporting entity is comprised of all the City of Edmonton's Operating, Capital, and Reserve Funds. The activities of the three funds are consolidated in the reporting of the overall financial position and financial activities of the City. In addition to elements listed under Fund Accounting, they include the following:

- The Edmonton Public Library
- Edmonton Economic Development Corporation
- EPCOR Utilities Inc.
- The City of Edmonton Non-Profit Housing Corporation

EPCOR Utilities Inc. and The Edmonton Non-Profit Housing Corporation are subsidiary corporations of the City of Edmonton. They are accounted for on a modified equity basis, consistent with GAAP in the treatment for government business enterprises.

Under the modified equity basis, the business enterprise's accounting principles are not adjusted to conform with those of the City, and inter-organizational transactions and balances

## Financial Reporting

For financial reporting purposes, the Province of Alberta requires that the entity's financial statements be reflected on the basis of its Operating Fund, Capital Fund, and Reserve Fund. Differences between the basis used for budgetary purposes and financial reporting requirements are described below:

1. **The Edmonton Public Library** operates under the authority of the Libraries Act of Alberta. The operations are administered by an independent board (The Edmonton Public Library Board) which reports to Edmonton City Council.



For budget purposes, the Library's operations are provided to Council for information, with the amount requested from the City of Edmonton shown as tax levy requirement.

For financial reporting purposes, the Library's assets, liabilities, revenues, expenditures, and changes in fund balances and financial position are consolidated with the City of Edmonton's financial statements. Inter-organizational transactions are eliminated.



# Basis of Budgeting



2. **The Edmonton Economic Development Corporation (EEDC)** is established under Part 9 of the Companies Act (Alberta) to promote economic development and tourism in the City of Edmonton. In addition, EEDC operates and maintains the Shaw Conference Centre and the Edmonton Research Park. The corporation is wholly owned by the City of Edmonton and its funding, in part, is from an annual grant provided by the City of Edmonton.

For budget purposes, the EEDC's operations are provided to Council for information, with the amount requested from the City of Edmonton shown as tax levy requirement.

For financial reporting purposes, the EEDC's assets, liabilities, revenues, expenditures, and changes in fund balances and financial position are consolidated with the City of Edmonton's financial statements. Inter-organizational transactions are eliminated.

3. **EPCOR Utilities Inc. (EPCOR)** is a wholly owned subsidiary governed by an independent Board of Directors. EPCOR is responsible for the provision of power and water utilities to the citizens of Edmonton and to other customers. The Board submits its budget directly to City Council and accordingly, its budget is not included in this document.

For budget purposes, only the amount paid by EPCOR to the City of Edmonton is shown.

For financial reporting purposes, the results of the subsidiary's operations are reported in the annual financial statements using the modified equity method of accounting.

4. **The City of Edmonton Non-Profit Housing Corporation** is a wholly owned subsidiary of the City of Edmonton. It was established for the purpose of providing non-profit housing for the citizens of Edmonton, with assistance from the Canadian Mortgage Housing Corporation (CMHC) and from Alberta Seniors.

There is no budgetary impact of this corporation on the City of Edmonton. This is based upon the assumption that the corporation receives continued operating assistance from CMHC and Alberta Seniors to achieve a level of operations sufficient to fund future operations.

For financial reporting purposes, the results of the subsidiary's operations are reported in the annual financial statements using the modified equity method of accounting.

5. Debt principal repayments are accounted for as expenditures for budgetary purposes and as reductions on long-term debt liability for financial reporting purposes.



# Statement of Fund Balance

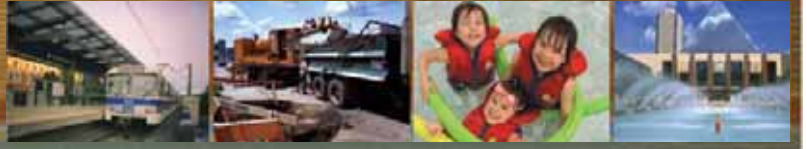


## Fund Balance

	General Operating Fund	Capital Fund	Reserves Fund	Total City
<b>Projected Opening Fund Balance</b>	801.4	83.3	168.1	1,052.8
<b>Sources of Fund</b>				
Property & Business Tax Levy	666.0			666.0
Sales and User Fees	461.0			461.0
Developers and Third Party Contributions		85.5		85.5
EPCOR Dividends & Franchise Fees	166.4			166.4
Investment Revenues	72.3			72.3
Grants	44.2	308.8		353.0
Other Revenues	51.1	12.9		64.0
<b>Subtotal</b>	<b>1,461.0</b>	<b>407.2</b>	<b>-</b>	<b>1,868.2</b>
<b>Uses of Fund</b>				
Tax Supported Operations	1,087.9			1,087.9
Land Enterprise	16.2			16.2
Mobile Equipment Services	84.6			84.6
Drainage Services	98.8			98.8
Ed Tel Endowment Fund	31.5			31.5
Sinking Fund	1.2			1.2
Capital Expenditures		979.3		979.3
<b>Subtotal</b>	<b>1,320.2</b>	<b>979.3</b>	<b>-</b>	<b>2,299.5</b>
<b>Financing Activities</b>				
Debentures		303.4		303.4
Transfers from Other Funds	12.7	240.5	5.7	258.9
Transfers to Other Funds	(225.1)		(33.8)	(258.9)
<b>Subtotal</b>	<b>(212.4)</b>	<b>543.9</b>	<b>(28.1)</b>	<b>303.4</b>
<b>Change in Fund Balance</b>	<b>(71.6)</b>	<b>(28.2)</b>	<b>(28.1)</b>	<b>(127.9)</b>
<b>Projected Ending Fund Balance</b>	<b>729.8</b>	<b>55.1</b>	<b>140.0</b>	<b>924.9</b>



# Statement of Fund Balance



## Operating Fund

	Tax Supported Operations	Land Enterprise	Mobile Equipment Services	Drainage Services	Ed Tel Endowment Fund	Sinking Fund	Eliminating Entries	Total Operating Fund
<b>Projected Opening Fund Balance</b>	40.9	63.0	28.6	8.0	633.8	28.4		802.7
<b>Sources of Fund</b>								
Property & Business Tax Levy	666.0							666.0
Sales and User Fees	303.3	23.9	108.6	128.0			(102.8)	461.0
EPCOR Dividends & Franchise Fees	166.4							166.4
Investment Revenues	70.0				32.6	1.2	(31.5)	72.3
Grants	44.2							44.2
Other Revenues	58.8						(7.7)	51.1
	1,308.7	23.9	108.6	128.0	32.6	1.2	(142.0)	1,461.0
<b>Uses of Fund</b>								
Tax Supported Operations	1,231.1						(110.5)	1,120.6
Land Enterprise		16.2						16.2
Mobile Equipment Services			107.0					107.0
Drainage Services				98.8				98.8
Ed Tel Endowment Fund								0.0
Sinking Fund								0.0
	1,231.1	16.2	107.0	98.8	0.0	0.0	(110.5)	1,342.6
<b>Transfers from Other Funds</b>	25.3	66.7 *	23.7 *				(12.6)	103.1
<b>Transfers to Other Funds</b>	(102.9)	(70.0)	(32.5)	(30.9)	(31.5)	(1.2)	44.1	(224.9)
	(77.6)	(3.3)	(8.8)	(30.9)	(31.5)	(1.2)	31.5	(121.8)
<b>Change in Fund Balance</b>	0.0	4.4	(7.2)	(1.7)	1.1	0.0	0.0	(3.4)
<b>Projected Ending Fund Balance</b>	40.9	67.4	21.4	6.3	634.9	28.4	0.0	799.3

Transfer from Other Funds 103.1  
 \*Short Term Financing in Excess of Debt 90.4  
 Net Transfer from Other Funds 12.7





## Business Planning and Budget Process







# Business Planning and Budget Process



## Budget Guidelines

On May 23, 2006 Administration presented City Council with the 2007 Business Planning Outlook Report. The report provided recommended 2007 guidelines for the Operating and Capital Budgets.

On June 20<sup>th</sup>, 2006, Council approved the recommended budget guidelines as follows:

That the 2007 Budget Guidelines and preliminary recommended tax increase of 5.25% be approved, including:

### Operating

- a. Net tax increase of 3.75% to maintain existing services (estimated \$23.3 million) after tax reduction strategies of \$10 million.
- b. The use of assessment growth revenues (estimated at \$20.4 million) to pay for costs associated with inventory growth (estimated \$12.9 million), and to fund new service needs (estimated \$7.5 million)
- c. A 0.5% tax increase to fund growth and new service requests from Boards & Authorities

### Capital

- d. Continuation of the Tax-Supported Debt Program (approval of borrowing authority for the remaining \$47.3 million for 2007)
- e. A property tax increase of 1% for capital to fund:
  - Debt servicing of the 2007 Tax-Supported Debt Program (0.75%)
  - Continuation of the Council approved ten-year SLRT Risk Mitigation Strategy (0.25%)

On July 5<sup>th</sup>, 2006 Council approved the supplemental budget adjustment to the 2006-2010 Capital Priorities Plan. This supplemental budget adjustment forms the basis for the preparation of the 2007/2008 Capital Budget and the 2009-2011 Capital Plan.

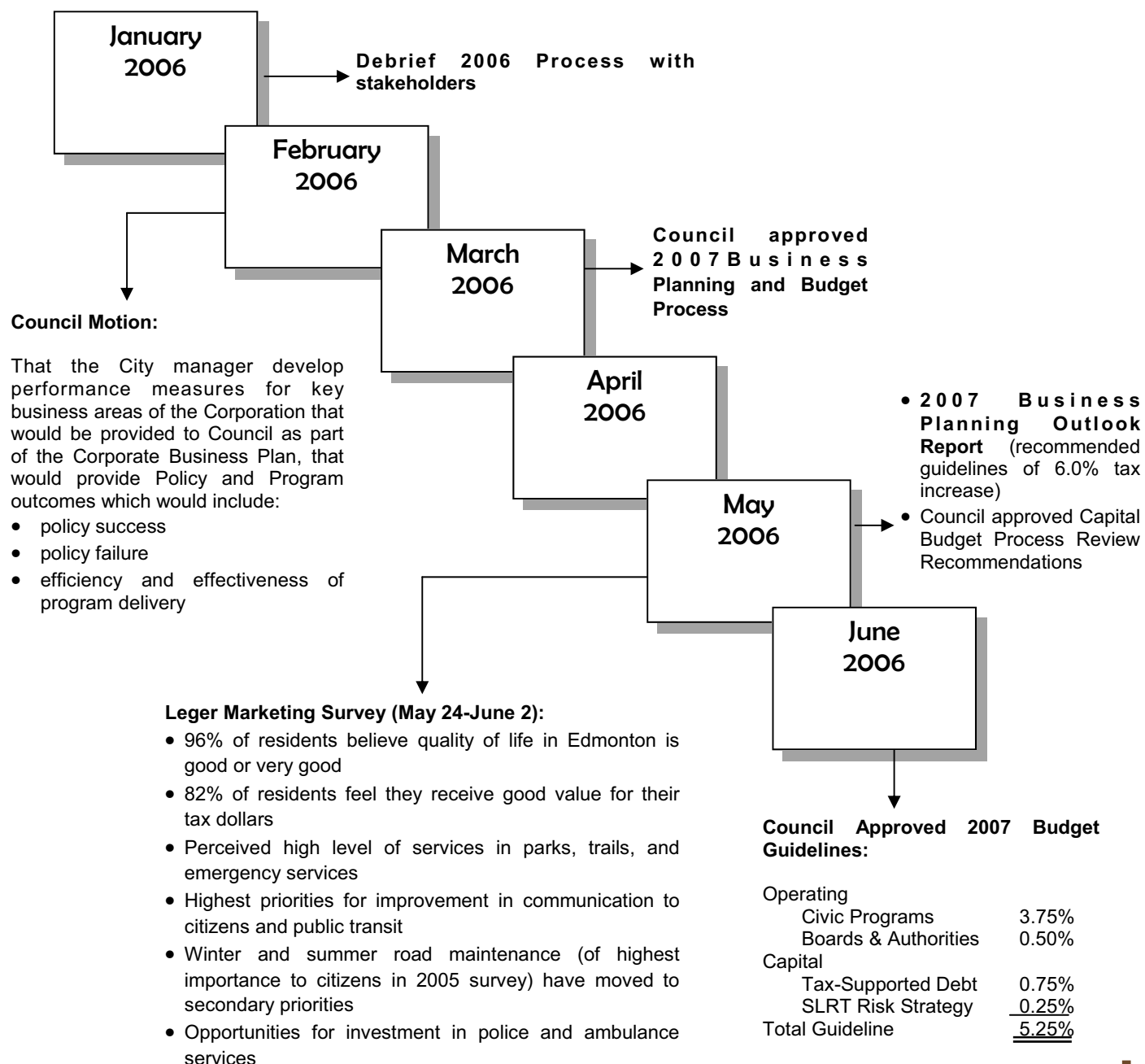
On October 3rd, 2006, Administration provided a Budget Status to City Council. As a result, Council approved the following:

“That the philosophy that a property tax increase be used to fund current services to citizens, while assessment growth is used to fund the cost of extending services to a larger community and new community needs, be maintained.”

This was the basis upon which the Proposed 2007 Budget was prepared for Council discussion.

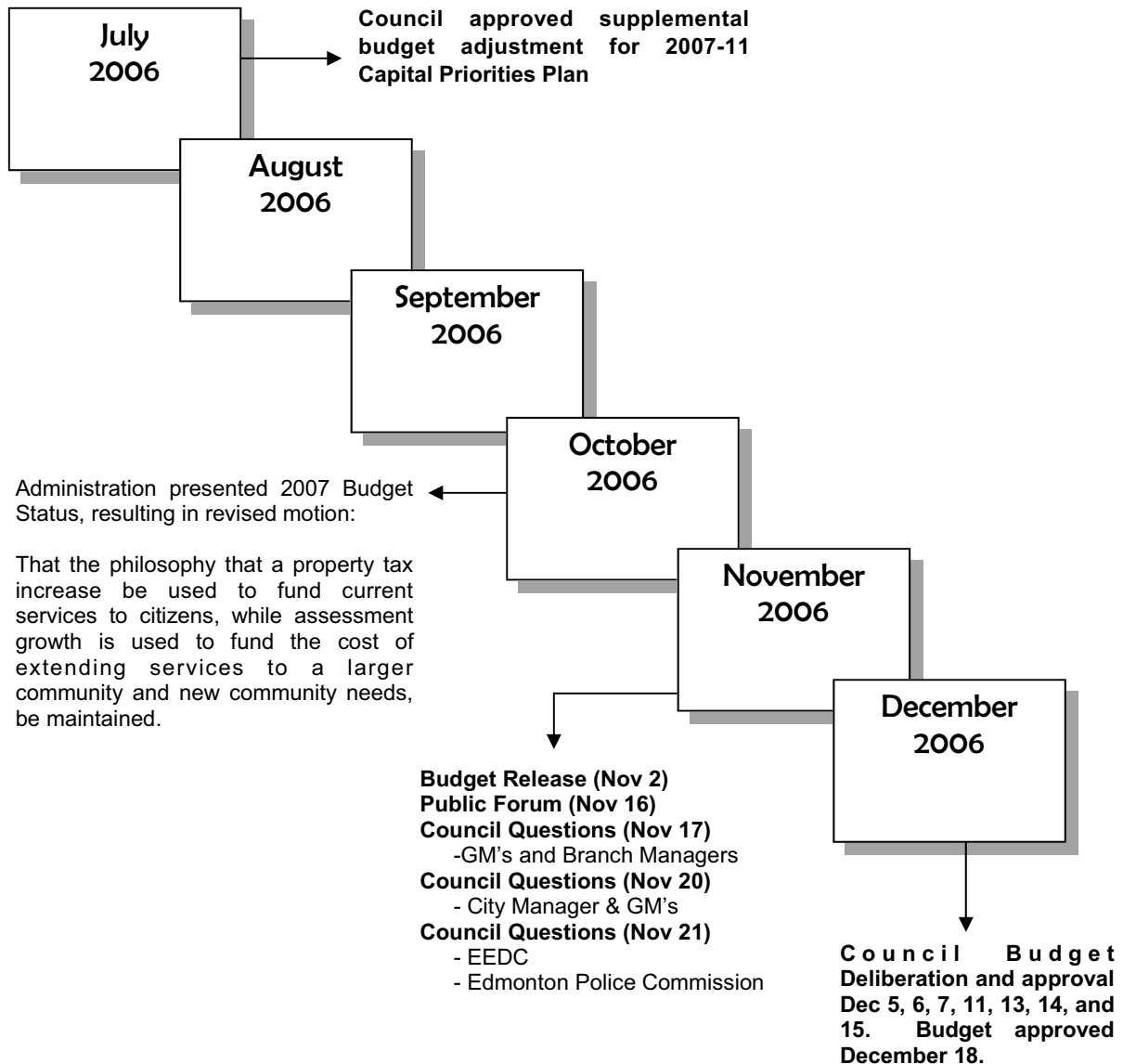


# Business Planning and Budget Process





# Business Planning and Budget Process





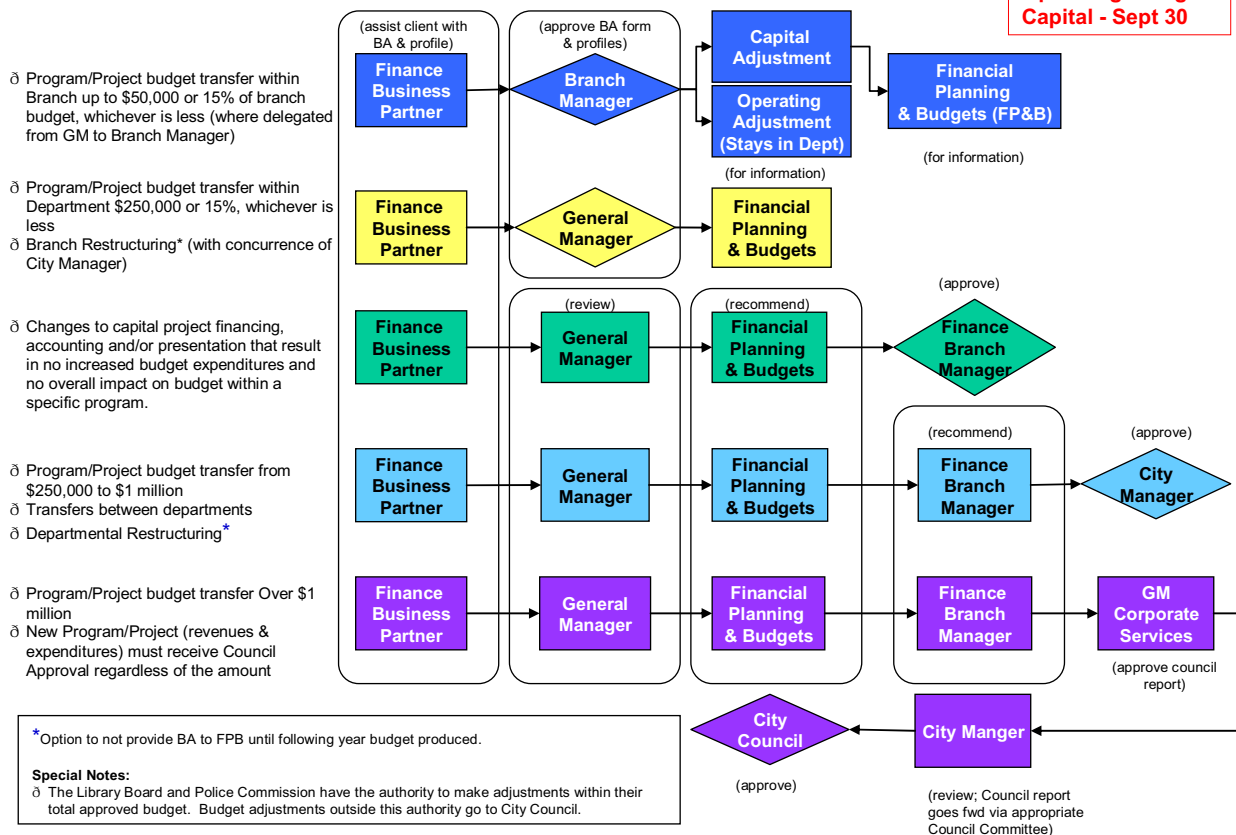
## Process for Budget Amendments

Manager and Department General Managers.

Corporate reorganizations are within the approval authority of the City Manager. Department General Managers within their approved budgets can authorize department reorganizations within their approved budgets, with the concurrence of the City Manager. The following is a graphical summary of the budget adjustment process.

(Program/Project as defined in the Budget)

**Deadlines:**  
**Operating – Aug 31**  
**Capital - Sept 30**



Revised January, 2006





## Statistical Information







# Statistical Information



## General Statistics

General Statistics	2001	2002	2003	2004	2005*
Population	666,104	666,104	666,104	666,104	712,391
Population age distribution (%)					
0 - 4	5.8	5.8	5.8	5.8	5.3
5 - 19	19.6	19.6	19.6	19.6	18.7
20 - 29	16.5	16.5	16.5	16.5	18.2
30 - 39	15.9	15.9	15.9	15.9	14.7
40 - 49	16.2	16.2	16.2	16.2	15.9
50 - 59	10.6	10.6	10.6	10.6	12.0
60 - 64	3.7	3.7	3.7	3.7	3.8
65 +	11.7	11.7	11.7	11.7	11.4
	100.0	100.0	100.0	100.0	100.0
* Based on Municipal Census conducted as of April 1, 2005					
Other Statistics	2001	2002	2003	2004	2005
Area - in hectares	69,980	69,980	69,980	69,980	69,980
- in square kilometers (rounded)	700	700	700	700	700
Consumer Price Index - 1992 base year per Statistics Canada					
Edmonton	118.4	121.9	128.4	129.7	132.4
Alberta	120.1	124.2	129.7	131.5	134.3
Canada	116.4	119.0	122.3	124.6	127.3
Unemployment rate (%) - annual average per Statistics Canada					
Edmonton	4.9	5.1	5.1	4.8	4.5
Alberta	4.6	5.3	5.7	4.6	3.9
Canada	7.2	7.7	7.6	7.2	6.8
Building Permits Value (millions) per Socio-economic Forecast dated April 2006	905	1,142	1,075	1,604	2,111
Housing Starts (Units)					
Single Family	2,815	4,158	3,857	4,030	5,023
Multi-family	1,996	4,664	5,099	4,129	4,411
Total					
per Socio-economic Forecast dated April 2006					



# Statistical Information



## Assessment & Taxation

	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Budget
Total Property Assessment (\$ billions)	\$ 45.1	\$ 52.2	\$ 57.8	\$ 64.2	\$ 67.4
Assessment Class (% of Total)					
Single Family Residential	69.1%	69.1%	69.5%	69.2%	69.6%
Other Residential	8.0%	9.3%	8.6%	8.1%	7.9%
Non-Residential	22.9%	21.6%	21.9%	22.7%	22.5%
	100.0%	100.0%	100.0%	100.0%	100.0%
Business Assessment (\$ billions)	\$ 1.2	\$ 1.2	\$ 1.2	\$ 1.0	\$ 1.2
Rates of Municipal Taxation (mills):					
Single Family Residential	6.29	5.84	5.81	5.75	6.13*
Other Residential	7.55	7.01	6.97	6.61	7.05*
Non-Residential	15.43	15.37	14.75	13.66	14.57*
Business Mill Rate	0.07	0.07	0.08	0.10	0.10*
Mill Rate Increase (%)					
Property Mill Rate					
Single Family Residential	-10.0%	-7.1%	-0.5%	-1.1%	6.44%*
Other Residential	-10.0%	-7.1%	-0.5%	-5.2%	6.44%*
Non-Residential	0.3%	-0.4%	-4.0%	-7.4%	6.44%*
Business Mill Rate	4.9%	5.3%	5.2%	27.0%	6.44%*
* Before Market Value Adjustments					
Tax impact is 4.95% when taking into consideration the City's ability to move into the Tax room vacated by the Province on the property tax bill.					



# Statistical Information



## Revenues & Expenditures

	2003 Actual	2004 Actual	2005 Actual	2006 Budget	2007 Budget
<b>Municipal Property Taxation (\$ millions)</b>					
Property Tax Revenue	382.6	419.7	454.2	489.1	546.2
Business Tax Revenue	80.0	85.2	93.3	96.5	101.8
Payment-in-Lieu Revenue	15.1	15.6	16.3	16.8	17.9
	477.7	520.5	563.8	602.4	665.9
<b>Revenues other than Taxation (\$ millions)</b>					
User Fees & Fines Revenues	233.9	255.7	273.6	271.0	303.3
EPCOR Dividend & Franchise	141.9	154.2	157.3	161.4	166.4
Natural Gas Franchise	20.9	23.9	32.6	28.3	30.7
Drainage Franchise	7.1	7.2	7.1	7.3	7.7
Ed Tel Endowment Fund	26.6	27.7	28.8	37.9	31.5
Grants	30.1	38.2	48.0	44.0	44.2
Other Revenues & Transfers	69.9	65.1	128.9	81.0	84.3
	530.4	572.0	676.3	630.9	668.1
<b>Total Revenues</b>	<b>1,008.1</b>	<b>1,092.5</b>	<b>1,240.1</b>	<b>1,233.3</b>	<b>1,334.0</b>
<b>Expenditures &amp; Transfers (\$ millions)</b>					
Authorities	219.3	236.3	258.6	266.4	295.7
Civic Programs	630.9	685.5	725.6	773.3	878.2
Corporate Programs	148.7	142.6	214.2	193.6	160.1
Operating Surplus	9.2	28.1	41.7	-	-
<b>Total Expenditures</b>	<b>1,008.1</b>	<b>1,092.5</b>	<b>1,240.1</b>	<b>1,233.3</b>	<b>1,334.0</b>
<b>Personnel Costs as a % of Expenditures</b>	<b>53.9%</b>	<b>53.4%</b>	<b>53.8%</b>	<b>55.3%</b>	<b>56.6%</b>
<b>Full Time Equivalents</b>					
Civic Programs & Drainage Services	7,338	7,463	7,796	8,177	8,525
Boards & Authorities	2,254	2,320	2,444	2,512	2,560
<b>Total Full Time Equivalents</b>	<b>9,592</b>	<b>9,783</b>	<b>10,240</b>	<b>10,689</b>	<b>11,085</b>



# Statistical Information



## Long Term Debt

	2003 Actual	2004 Actual	2005 Actual	2006 Projected	2007 Proposed
Long Term Debt - Gross (\$ millions)					
Self-liquidating (including EPCOR)	1,379.4	1,317.3	1,249.2	1,281.3	1,175.8
Tax-supported	24.1	59.2	103.8	138.4	206.8
Long Term Debt - Net of Sinking Fund (\$ Millions)					
Self-liquidating (including EPCOR)	886.5	820.6	855.0	733.8	578.3
Tax-supported	24.1	59.2	103.8	138.4	206.8

Debt Limits (\$ millions)	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual
Total Debt Limit	2,025	2,048	2,126	2,363	2,721
Total Debt per Regulation	440	393	371	421	473
Debt Issuance Capacity	1,585	1,655	1,755	1,942	2,248
Long Term Debt - Net of Sinking Fund (\$ Millions)					
Self-liquidating (including EPCOR)	354	358	372	414	476
Tax-supported	100	88	64	55	56
Debt Service Capacity	254	270	308	359	420





## Terms and Definitions







# Terms and Definitions



**Accrual Basis.** Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Externally restricted earnings are accounted for as deferred revenue until used for the purpose specified. Expenditures are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

**Activity.** A subdivision of an operating budget program, usually a major administrative or functional unit.

**Alberta Municipal Infrastructure Program (AMIP).** A grant from the Province of Alberta to assist municipalities in addressing their core infrastructure backlog and longer term infrastructure requirements. Core infrastructure is strictly defined as municipal roads, bridges, public transit vehicles and facilities, water and waste water systems and facilities, storm drainage systems and facilities, emergency service vehicles and facilities and infrastructure management systems. Funding is a per capita amount beginning in 2005 with funding over a five-year period, and project completion over a ten year period.

**Annualization.** Represents the financial impact of implementing an approved service package over the full fiscal year.

**Appropriate.** To approve funds for specific purpose or project.

**Assessment.** The valuation of a property for property taxation purposes. Property Taxes are calculated by multiplying the property assessment by the mill rate.

**Assessment Classes.** All assessed property within the City of Edmonton is divided into the following assessment classes:

- Residential Property - single family and other residential
- Non-residential Property
- Farmland
- Machinery and Equipment

**Authorities.** Autonomous organizations with separate boards or commission, but related to the City of Edmonton through operating agreements, which usually include financial obligations.

**Bond Rating.** This is a measure of the City's capacity to repay debt.

**Budget.** A financial plan and a service delivery guide for a given period of time.



# Terms and Definitions



**Budget Adjustment.** Amendments to the approved operating and capital budgets are made through the budget adjustment process, which outlines the procedures and defines the approval authority of City Council, the City Manager, and General Managers.

**Budget Guidelines.** Overall parameters set by City Council that must be followed in the preparation of the budget.

**Business Plan.** A comprehensive planning document, which supports the organization mandate, vision, and mission, and describes its strategies including deliverables, costs, performance measures, and outcomes.

**Business Tax.** Revenue generated through the collection of taxes levied on the gross annual rental values of premises occupied or entered for the purpose of doing business.

**Bylaws.** Legislation enacted by City Council under the provisions of the Municipal Government Act.

**Capital Budget.** Provides the statutory approval to expend funds in the undertaking of specified capital improvements or developments and to appropriate the required financing. Approval is granted on an annual basis for projects beginning the first year of the planned period.

**Capital Financing.** The funding provided to capital projects through operating budget contributions, reserves, and grants from other orders of government or other sources.

**Capital Priorities Plan Committee (CPPC).** A team of Branch Managers assigned with the responsibilities of allocating financing to the Capital Priorities Plan, reviewing and approving capital projects and providing advice/direction for overall infrastructure requirements.

**Capital Priorities Plan (CPP).** A comprehensive five-year corporate capital plan, which identifies the proposed capital project expenditures, and sources of financing of all departments. Projects within the Plan are ranked using Corporate Capital Criteria and urgency to determine which will be funded. The “funded” portion of the Plan is accommodated within the given financial constraints and means of the Corporation. The “unfunded” portion of the Plan is beyond the given financial constraints and means of the Corporation and, therefore, cannot be undertaken.



# Terms and Definitions



**Capital Project.** Expenditures relating to the acquisition, construction, upgrade or rehabilitation of a City's asset that is prioritized through the Capital Priorities Plan process.

**Capital Region.** The geographic area surrounding the City of Edmonton that is generally referred to as being the same as the census metropolitan area defined by Statistics Canada. This is also referred to as the Greater Edmonton Region.

**Census.** An official enumeration of a population.

**Census Metropolitan Area (C.M.A.).** The threshold as defined by Statistics Canada where census data is being gathered for an agglomeration that have an urban core of 100,000 people.

**City '97.** A corporate restructuring process implemented by Edmonton City Council in 1997.

**City Council.** A group of elected representatives with powers given by the Provincial Government to provide good government to a community.

**City Manager.** An individual appointed by City Council to serve as the Chief Administrative Officer of the municipality.

**Civic Program.** Departments that directly report to the City Manager. Each Civic Department is comprised of one or more programs for budgetary purposes.

**Committed.** Committed fund balances and reserves designates funding that has been earmarked or set-aside for a specific project or operating program.

**Committees.** A group of individuals delegated to perform a specific function or functions.

**Consumer Price Index (CPI).** Reflects the impact of inflation on the purchasing power for goods and services.

**Core Infrastructure.** Refers to municipal roads, bridges, public transit vehicles and facilities, water and wastewater systems and facilities, emergency service vehicles and facilities, and infrastructure management systems.



# Terms and Definitions



**Corporate Business Plan (CBP).** A three-year strategic plan of the City of Edmonton, updated annually to reflect Council's priorities, goals, and objectives.

**Corporate Expenditures.** Expenditures which cannot be directly associated with a specific program/department and therefore are budgeted under the Corporate Program.

**Corporate Revenues.** Revenues which cannot be directly associated with a specific program/department and therefore are budgeted under the Corporate Program.

**Cost Impacts.** Cost increases due to inflation, personnel contract settlements, annualization, and historical performance. It represents the re-costing of the current year's budget in terms of next year's dollars.

**Debt.** An obligation resulting from the borrowing of money. The City of Edmonton categorizes debt as follows:

- **Tax-supported debt** refers to debt issued to provide funding for capital expenditures, the retirement of which is being paid for using tax levy revenues.
- **Self-liquidating debt** refers to debt issued, generally for municipal enterprise operations that is repaid through the fees generated from the operations.

**Debenture.** The sale of a municipal bond to the Alberta Capital Financing Authority.

**Debt Limit.** The Provincially-legislated limit by which a municipality may incur debt. The debt limit is defined as two times revenue net of capital government transfers. Incurring debt beyond these limits requires approval by the Minister of Municipal Affairs.

**Debt Service Limit.** The Provincially-legislated borrowing limit by which a municipality may incur. The debt service limit is calculated at 0.35 times of the revenue net of capital government transfers. Incurring debt beyond these limits requires approval by the Minister of Municipal Affairs.

**Demographics.** Various statistics used to characterize human populations.

**Departmental Business Plan (DBP).** A strategic plan of a department articulating specific initiatives to achieve the Corporate Business Plan, including performance measures.



# Terms and Definitions



**Duplex/Triplex.** A house with two or three dwelling units sharing common walls or floors.

**Edmonton Socio-Economic Outlook.** A report prepared by an internal City committee, produced twice annually, with forecasts of major economic and social indicators over the next five years. Civic departments use this forecast in preparing their capital priority plans and operating budgets. They also use it in their strategic and business planning.

**EPCOR.** Edmonton Power Corporation, a wholly owned subsidiary of the City of Edmonton.

**Expenditures.** Costs associated with the provision of municipal services.

**Federal Infrastructure Program.** On February 28, 2000, the Federal Government of Canada announced a national infrastructure program focusing on three areas:

- Promoting environmental technologies.
- Assisting the homeless.
- Strengthening Federal, Provincial, and Municipal infrastructure.

**Franchise Fees.** Fees in lieu of taxes or compensation for exclusive rights, based on an agreement with the holder of a special franchise. e.g. ATCO Gas

**Full-Time Equivalents (FTEs).** The hours and associated personnel costs one full-time employee would work in a year.

**Fund Accounting.** Funds within the City of Edmonton consolidated financial statements consist of the operating, capital, and reserve funds, defined below:

- Operating fund reflects the financial activities associated with the provision of general municipal and utility services during the year. It includes the Civic/Corporate Programs, Boards & Authorities, Land Enterprise, Mobile Equipment Services, Drainage Services, Ed Tel Endowment Fund, and the Excess Earnings on Sinking Fund.
- Capital fund reflects the financial activities associated with the acquisition, construction, and funding of capital assets.
- Reserve fund reflects funds authorized by City Council to be set aside for the funding of future operating and capital expenditures, including municipal equity.

**General Managers.** Department heads of civic programs.



# Terms and Definitions



**General Financing.** The amount provided annually from the Tax-Supported Operating Fund to finance capital projects.

**Greater Edmonton Region.** Please see Capital Region.

**Grants.** Funding provided by a senior order of government.

**Infrastructure.** Facilities on which the continuance and growth of a community depends (e.g. roads, sewers, public buildings, parks, storm sewers, etc.)

**Infrastructure Canada Alberta Program (ICAP).** A body set up to administer the Federal Infrastructure Program (FIP) called Strengthening Federal, Provincial and Municipal infrastructure. Funding is shared 1/3 from each order of government: Canada, Alberta, and the City of Edmonton.

**Infrastructure Gap.** A term used to describe the funding shortfall between capital investment requirements and funding availability.

**Local Improvements.** The construction or replacement of roads, sidewalks, lanes and underground services for which a portion is paid by the abutting property owner.

**Long Range Financial Plan (LRFP).** A financial report prepared annually that outlines the financial principles and policies followed in support of Council's approved plans, programs, and projects.

**Maintenance/upgrade projects.** Capital expenditures related to the maintenance and/or replacement of existing facilities, which include the expansion or additional amenities (enhancements) of existing facilities up to 50.0% of the total project costs.

**Market Value Assessment.** Provincial government legislation requires that properties must be assessed on an annual basis to reflect current market conditions. Starting in 1999, all properties were assessed at market or on the basis of provincial regulations and were taxed on this value by the City of Edmonton.

**Mill Rate.** Municipal property tax revenue is calculated by applying the mill rate (rate of taxation) to the projected assessment base. In the context of the property tax calculation, one mill is one thousandth of the assessment base. Additional property tax revenue is generated through an increase in the mill rate and/or growth in the assessment base.



# Terms and Definitions



**Municipal Enterprise Operations.** Refers to those activities for which tax dollars are not anticipated to be required to fund the operations. They are financially self-funded operations established to provide management and control of major activities of the City. Land Enterprise and Mobile Equipment Services are Municipal Enterprises.

**Municipal Equity.** The amount calculated as the excess of Total Assets less Total Liabilities and any funding set aside for specific purposes in Reserves.

**Municipal Government Act (MGA).** Provincial legislations setting out the powers and responsibilities of Alberta municipalities.

**Non-Residential Construction Price Index.** Measures the cost of construction materials and labour used for commercial, industrial, and institutional development.

**One-time Items.** Expenditures associated with a limited term project that will not become an ongoing budget item in future years.

**Operating Budget.** Revenues and expenditures pertaining to the daily operations of the City.

**Pay-As-You-Go (PAYG).** The process by which property tax previously set aside for debt repayment was made available to fund capital works.

**Payment-in-Lieu of Taxes.** Payments equivalent to municipal property taxes, made by the federal and provincial governments for Crown-owned properties.

**Performance Measures.** Qualitative or quantitative measures or indicators of progress toward specified outcomes or goals. A means for determining how a program is accomplishing its mission through the delivery of products, services, or processes by measuring quantity, effectiveness, and/or efficiency.

**Program.** A program represents a group of like services or activities in delivering a service, with a definable client and a clear benefit or outcome.

**Program Based Budgeting.** The budget material uses the Program structure in order to provide a greater focus on service delivery.



# Terms and Definitions



**Project.** A single project is a non-routine capital work with a “singular” identity. The location, time and design of a single project are clearly identifiable. A composite project is the grouping of routine capital improvements.

**Property Tax.** Revenue generated through the collection of taxes levied on real property assessment, including realty and business tax.

**Realty Tax.** A mandatory charge levied by government for the purpose of financing services performed for the common benefit.

**Realty Tax Levy.** The total amount to be raised through property and business taxation and payment-in-lieu of taxes for purposes specified in the annual operating budget.

**Reserves.** A source of funding appropriated from retained earnings or other surplus funds for a specific or general purpose.

**Retained Earnings.** Earnings not available for distribution in the form of dividends, but rather are re-invested in the core business, or used to pay off debt. Also referred to as fund balance.

**Revenue.** Funds the City receives and records as income. Revenue is broken down by major sources as follows: user fees, fines, permits, grants from other orders of government, utility dividends, franchise fees, Ed Tel Endowment fund, and investment earnings.

**Self-liquidating Debentures.** Debt issued by the Sanitary Sewer Utility that is repaid through the fees generated by the Utility.

**Service Package.** Operating Budget changes are presented in packages for Council’s review.

**Senior Management Team (SMT).** Refers to the working team consisting of the City Manager and the five General Managers.

**Sinking Fund.** The City of Edmonton makes annual payments into the Sinking Fund as required by each debenture issue. These funds are invested by the Sinking Fund in securities as approved by existing legislation. The annual rate of return required by the issue is allocated to meet the future debt requirements. Earnings in excess of those requirements are maintained within the Fund as unappropriated surplus, which may be used as approved by Council.



# Terms and Definitions



**Tangible Capital Asset.** Tangible capital assets are non-financial assets having physical substance that meet all of the following criteria:

- (a) are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets;
- (b) have useful economic lives extending beyond an accounting period;
- (c) have been acquired to be used on a continuing basis; and
- (d) are not intended for sale in the ordinary course of business.

**Tax-Supported Operations.** Civic Departments, Commissions, Boards, and Authorities are funded in whole or in part through revenue from property tax, business tax, and payment-in-lieu of taxes.

**Uncommitted.** Uncommitted Operating Fund balances and reserves designates funding that is not earmarked or set aside for a specific capital project or operating program initiative and is available for allocation.

**Unconditional Operating Grants.** An amount provided by other orders of government to municipalities for operating purposes, without any requirements as to the area in which the fund is used.

**Urban Sustainability Initiative Action Plan (USIAP).** Contains Council's directions resulting from the review of the Four Pillars of Urban Sustainability to ensure a vital, healthy future for the City of Edmonton.

**Utility Operations.** Refers to Drainage Services (include sanitary drainage and land drainage) where tax dollars are not needed to support the operations. The utility rates are governed by the Utility Fiscal Policy.

**Value Assessment.** An internal evaluation tool by which service packages are evaluated based upon alignment to City Council's priorities, risk management, and financial/non-financial factors.