

THE WAY WE FINANCE

# CITY COUNCIL APPROVED BUDGET

2012  
EXECUTIVE SUMMARY

3.89% GENERAL TAX INCREASE

1.5% TAX INCREASE FOR  
NEIGHBOURHOOD RENEWAL

TRANSFORMING | **EDMONTON**

BRINGING OUR CITY VISION TO LIFE



# CONTENTS

Operating and Capital Budgets	4
Transforming Edmonton	6
Services	8
Cost to Edmontonians	10
Sources of Revenue and Costs	12
Council Approved	14
Building Great Neighbourhoods	16
Budget Summary	18



Edmonton is a vibrant, growing city with a standard of living among the highest in North America. With almost 800,000 people living in the Provincial Capital and a metropolitan population of over one million, the City of Edmonton provides services, facilities, public spaces, and other infrastructure that help make the city great.

The City expands services and invests in new infrastructure to meet the needs of a growing population and economy, and maintains existing services to provide the high standards Edmontonians expect.

The City plays a key role in Transforming Edmonton and bringing to life the long-term vision for a thriving, welcoming, affordable and sustainable community. Together with our community, we are advancing Edmonton's 10-year goals to: Shift Transportation Modes, Transform the Urban Form, Improve Livability, Preserve & Sustain Our Environment, Diversify the Economy, and Ensure Financial Sustainability.

Balancing the need to deliver core services to an expanding area, with the need to facilitate new opportunities is a challenge because there are limited sources of revenue to pay for all civic services.

This challenge is dealt with each year during budget deliberations. City Council decides the overall levels of services, types of programs and long-term investments to support a growing, vibrant city that is affordable to Edmontonians.

---

## 2012 HIGHLIGHTS

- The approved 2012 Operating Budget results in a 3.89% increase in the total property tax levy for civic programs, board and commissions, which includes 0.75% for Capital Project Financing. An additional 1.5% will continue to build the Neighbourhood Renewal Program fund - for a total increase of 5.39%.
  - The approved budgets for City managed utilities result in rate increases of \$4.03 per month for Sanitary Drainage, \$1.34 per month for Stormwater drainage and \$1.86 per month for Waste management. The wastewater treatment services are separately managed by EPCOR.
  - Council approved several key initiatives to advance Edmonton priorities including funding to add new police constables; an enhanced snow removal strategy; roadway maintenance increases; support to the REACH program and Community Services for the violence-reduction strategy; operating funding for Community Leagues; housing funding for the Cornerstones program; a venture capital fund; a pilot bus service to the Edmonton International Airport and the support for the Quarters Downtown CRL Plan.
  - Council also returned funding to several projects that were contemplated in cost-reduction strategies.
-

# BUDGETING FOR PRIORITIES



The City aims to strike a balance of affordable taxes for property owners and reasonable fees for the portion of residents who benefit from specific services, while maintaining priority services for the general public.

Edmontonians provide valuable input on operational issues using a variety of channels, including comments through the City's online reporting tools, calls to 311, public consultation on specific programs, contact directly with the Mayor and Councillors throughout the year, discussion and debates in the recent election, and through the budget hearing.

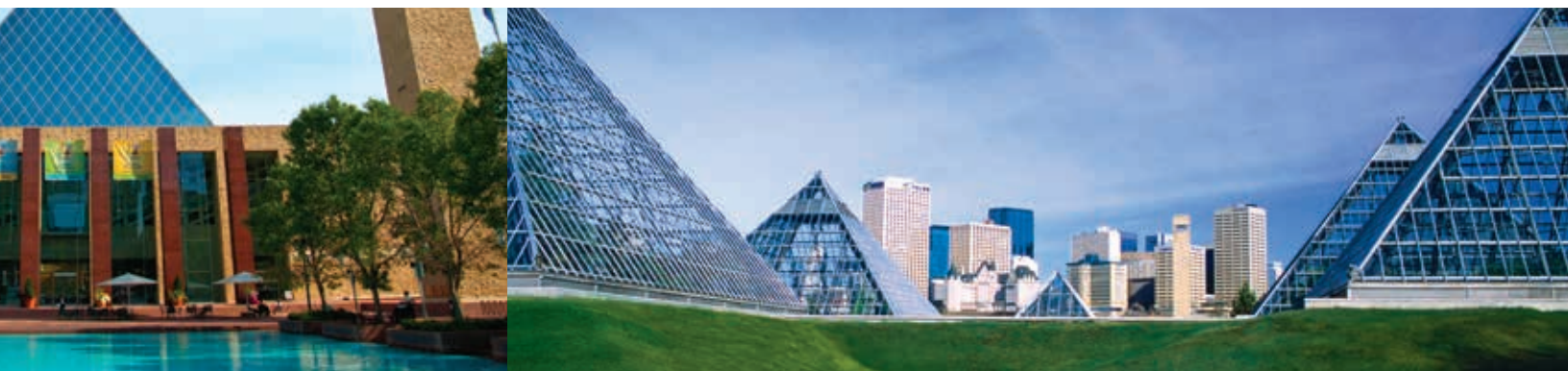
This budget reflects the City's pursuit of efficiencies and alternative ways to deliver citizen priorities in an expanded area. This budget also aims to advance Council's long-term goals in the most cost-effective manner.



Edmontonians visit the City's 60 community facilities more than 5.5 million times annually, to enjoy year-round activities and recreational opportunities.



Edmontonians visit Public Libraries more than 14 million times each year at the 17 service locations and borrow over 12 million items annually.



## OPERATING AND CAPITAL BUDGETS

The City of Edmonton's Operating Budget pays for the "operations" of civic services and programs. For example, this includes the budget to pay staff for transit and police, as well as the gas that powers their fleet; for the lifeguards at pools and the cost to heat the water; and to pay for the tradespeople and the road materials to fix potholes.

A new Operating Budget is set every year.

A separate budget, the Capital Budget, determines the investment in Edmonton's hard infrastructure: the construction of buildings like recreation centres, transportation

assets like LRT lines, bridges, and neighbourhood renewal. The 2012-14 capital budget was approved by Council on a three-year basis, reflecting the long-term nature of the construction projects.

The budgeting for operations and infrastructure is separate because they are delivered in different ways – daily operations, compared to long-term projects – and because they use different revenue sources.

The three-year Capital Budget is adjusted annually as projects advance and as funding sources are confirmed or amended. Infrastructure projects can have a significant impact on subsequent operating budgets.

From life guards to transit drivers, firefighters to librarians, the cost of operations over the life of new facilities can be as significant as the initial cost to build the facility.

# TRANSFORMATIVE PLANNING

Established by City Council in 2008, The Way Ahead – the City’s Strategic Plan – provides the City’s vision for Edmonton in 2040 and established six 10-year strategic goals to provide a clear focus for the future.

The plan forms the foundation for the work of the City and guides us in our continued commitment to enhance the quality of life for residents.

City Council has approved outcomes for the strategic goals, and plans have been developed or are in development for each goal in order to guide decision-making that will move us towards the attainment of those goals. The goals and associated directional plans are:

- Transform Edmonton’s Urban Form – *The Way We Grow* (approved May 2010)
- Shift Edmonton’s Transportation Mode – *The Way We Move* (approved September 2009)
- Improve Edmonton’s Livability – *The Way We Live* (approved July 2010)
- Preserve and Sustain Edmonton’s Environment – *The Way We Green* (approved July 2011)
- Ensure Edmonton’s Financial Sustainability – *The Way We Finance* (proposed for Q3 2012)
- Diversify Edmonton’s Economy – *The Way We Prosper* (proposed for Q4 2012)

While these plans are transformational in nature, they all build on the existing services and programs valued highly by Edmonton residents and businesses.

## TRANSPARENT PROGRESS MEASUREMENT

Progress is measured against the achievement of the outcomes associated with each goal through appropriate and reliable performance measures for each outcome. Council has set performance measures for the outcomes for five of the six strategic goals.

Setting targets for each of the approved performance measures will provide Council with enhanced information for decision-making related to the prioritization and level of resources for programs, services, and infrastructure renewal, replacement and development. These determine how fast and how far the City needs to progress on each goal and outcome. Targets have been set for each of the performance measures for three of the six goals: Transform Edmonton’s Urban Form, Shift Edmonton’s Transportation Mode and Improve Edmonton’s Livability. Targets for the remaining goals are to be set in 2012.

## ORGANIZATIONAL EXCELLENCE

The Way Ahead identifies a number of conditions of success, understanding that the achievement of the strategic goals is dependent in large part on the City’s operational environment. Transforming Edmonton Through Organizational Excellence is the framework City staff have committed to for enhancing the operational environment to deliver on those conditions of success.

## PUBLIC INPUT FOCUSES PRIORITIES

In addition to ongoing public input to Council and the City on a range of issues, every few years, the City will validate the Strategic Plan with Edmontonians to ensure the priorities continue to embody our community’s values and long-term goals.



The City is working with the community to create a city-wide food and agriculture strategy and a food policy council to be a Canadian leader in addressing urban agriculture issues.

## CITY OF EDMONTON STRATEGIC ROADMAP

### 10-YEAR GOAL

### CORPORATE OUTCOMES



- G1 Attractive and compact physical design with diverse neighbourhoods, amenities and public open spaces
- G2 Edmonton has sustainable infrastructure that fosters and supports civic and community needs



- M1 Citizens use public transit and active modes of transportation
- M2 Goods and Services move efficiently through the city
- M3 The transportation system is integrated, safe and gives citizen choice to their mode of movement



- L1 Citizens are connected to their diverse communities and have pride in their city
- L2 Citizens use city infrastructure and participate in services and programs that provide enjoyment and personal health benefits
- L3 Complete collaborative communities that are accessible, strong, and inclusive with access to a full range of services
- L4 Safe and clean city



- E1 Partnerships with citizens, communities and organizations are leveraged to improve Edmonton's environmental health
- E2 The impact of City operations on air, land, and water systems is minimized
- E3 Edmonton strives to be a leader in environmental advocacy, stewardship, preservation, and conservation



- F1 The City has well managed and sustainable assets and services
- F2 The City has a resilient financial position
- F3 The City has balanced revenue streams that are sustainable



- P1 The Corporation supports a competitive business climate and delivers business friendly services
- P2 The City facilitates the development of established businesses and sectors
- P3 The City supports the development of high potential sectors
- P4 The City attracts talent and investment making it nationally and internationally competitive
- P5 The City is an effective participant in regional partnerships and collaboration



- The City of Edmonton delivers valued, quality, cost-effective services to its citizens
- Diverse, engaged and innovative employees involved in service delivery contribute to achieving the City's vision, goals and outcomes
- The City of Edmonton embraces its relationships with people and partners to deliver services to its citizens

# EVERY DAY, EVERY WAY



The City of Edmonton provides a wide range of services, programs and infrastructure that Edmontonians need, want and use every day.

Every day, we use city roads and sidewalks, waste collectors pick up our garbage and recycling, and public transit moves us around. Pothole and snow clearing crews keep roads open for commuters and emergency services alike. The City keeps our jewel of a river valley pristine and accessible. Libraries, recreation centres and sports fields keep us healthy and connected to our communities.

For the average Edmonton household, about \$5 per day in property taxes delivers the range of services residents have come to expect to maintain our high standard of living.



Every year, as the City evolves, the budget reallocates some resources in order to move forward the City's 10-year goals to create more livable communities, shift transportation modes, transform our urban form and preserve our natural environment. This means some trade-offs about where to reduce and where to focus services and programs.

## FOCUS ON MULTIPLE BENEFITS

An investment in one service can pay significant dividends in other areas. For example, the simple act of nurturing a stand of Edmonton's famous elm trees helps maintain our excellent air quality, provides parkland landscapes that make Edmonton so livable, creates traffic-calming affects on our boulevards, supports greater biodiversity of flora and fauna, traps greenhouse gases to help moderate climate change, and the leafy cover creates a sense of connectedness in our neighbourhoods.

With limited budget dollars, the City is focusing on investing in the services that advance multiple Council goals. Instead of adding more costs, the City first looks to reallocate funds to areas that will create multiple benefits.

 Over 25% of the City's employees (excluding Police and Utilities) are dedicated to direct provision of transit service.

  The Edmonton Police Service (EPS) plays a vital role in enhancing community safety. The most significant portion of tax-supported operations (17%), funding to EPS has helped significantly reduce property crimes, lower injury collisions and increased police response times.



## AT YOUR SERVICE

Every day, more than 13,000 employees of the City of Edmonton play a part in the lives of people in our community and the overall quality of life. They are your neighbours. And they are servants to the community.

City employees strive to contribute to the successes in our community, to make Edmonton a better place for everyone.

The City is in the business of delivering services to citizens – from firefighters to police constables, 311 agents to lifeguards, and bus drivers to parks maintenance workers. Understandably, more than half of the City's 2012 operating budget is dedicated to personnel costs – about 58%.

Reasonable compensation and job stability are keys to keeping skilled people.

This is important in Alberta, which has the highest average weekly earnings in Canada and the lowest unemployment rates, according to Statistics Canada.

City growth and capital investments are the two biggest drivers of personnel increases.

As the City expands its boundaries we need more people to deliver services to a growing population and an expanding area: more bus drivers, police constables, firefighters are required to provide services to cover a greater area.

Staff levels also increase as we hire workers to provide services in new facilities, such as the Commonwealth Recreation Centre, the extended LRT line, and new Libraries.

## 10 COST TO EDMONTONIANS

The approved 2012 Operating Budget increases the property taxes to the typical Edmonton household by \$91 for the year or \$7.58 per month for those on a monthly payment plan. The total municipal property tax amounts to just under \$1,800 per year to deliver the range of civic services residents have come to expect.

Waste Management Services and Drainage Services are funded through utility fees. For an average household, the approved Utility Budgets increase fees by \$86 for the year, or 23 cents per day.

### HOUSEHOLD IMPACT

Impact of the 2012 tax increase and utility rate increase on typical Edmonton homeowner (\$357,000 assessed value)

	2011 TOTAL	2012 TOTAL	ANNUAL INCREASE	INCREASE PER MONTH
Municipal Services	\$ 1,340	\$ 1,402	\$ 62	\$ 5.17
Police Service	291	298	7	0.58
Neighbourhood Renewal	69	91	22	1.83
<b>Total Property Tax Bill<sup>1</sup></b>	<b>1,700</b>	<b>1,791</b>	<b>91</b>	<b>7.58</b>
Stormwater Drainage <sup>2</sup>	76	92	16	1.34
Sanitary Drainage (Collection & Transmission) <sup>3</sup>	185	233	48	4.03
Waste Management <sup>4</sup>	376	398	22	1.86
<b>Total Utility Bill</b>	<b>637</b>	<b>723</b>	<b>86</b>	<b>7.23</b>
<b>Total Municipal Services</b>	<b>\$ 2,337</b>	<b>\$ 2,514</b>	<b>\$ 177</b>	<b>\$ 14.81</b>

#### NOTES:

<sup>1</sup> Total Property Tax Bill is based on a home assessed at \$357,000 in 2011. The combined increase for Municipal Services and Police Service is based on 3.89% (which includes 0.75% for Capital Project Financing) as well as an additional 1.5% for Neighbourhood Renewal increase.

<sup>2</sup> The Stormwater Drainage Utility Fee is based on an average residential lot size of 592 m<sup>2</sup>.

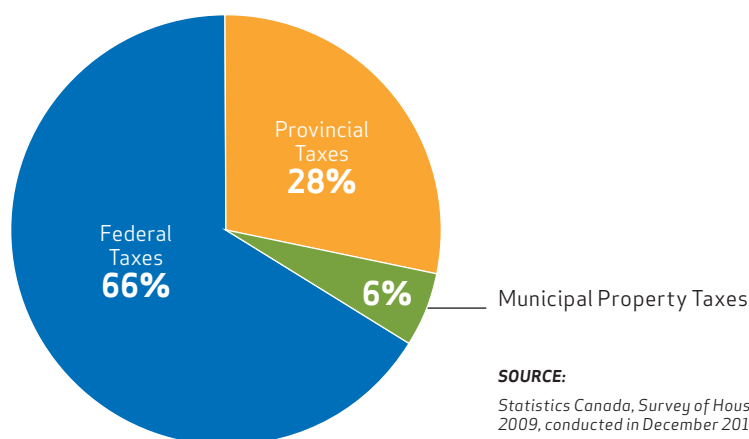
<sup>3</sup> The Sanitary Drainage (Collection & Transmission) Utility Fee is based upon an annual water consumption of 199 m<sup>3</sup>.

<sup>4</sup> The Waste Utility Fee is based on a single family residential charge of \$33.20 per month.

The average Edmonton household paid approximately \$17,000 for taxes to all orders of government (income and education taxes, and property tax). The federal and provincial governments also collect additional taxes on good and services, fuel and other consumables.

### DISTRIBUTION OF TAXES

Federal, Provincial and Municipal Taxes



#### SOURCE:

Statistics Canada, Survey of Household Spending in 2009, conducted in December 2010



For under \$5 per day in property taxes, the average Edmonton household supports a range of operations, such as police, firefighters, transit, road and parks maintenance, and recreation programming.

## MONTHLY AVERAGE HOUSEHOLD COSTS IN EDMONTON

### SOURCE:

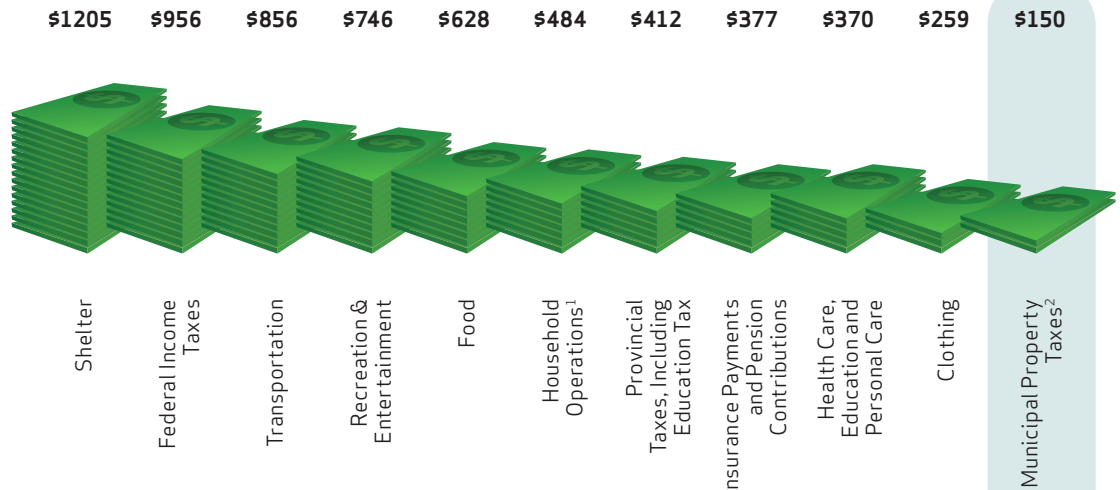
Statistics Canada, Survey of Household Spending in 2009, conducted in December 2010

### NOTES:

Costs have been adjusted by 2% for each of the years 2010 and 2011

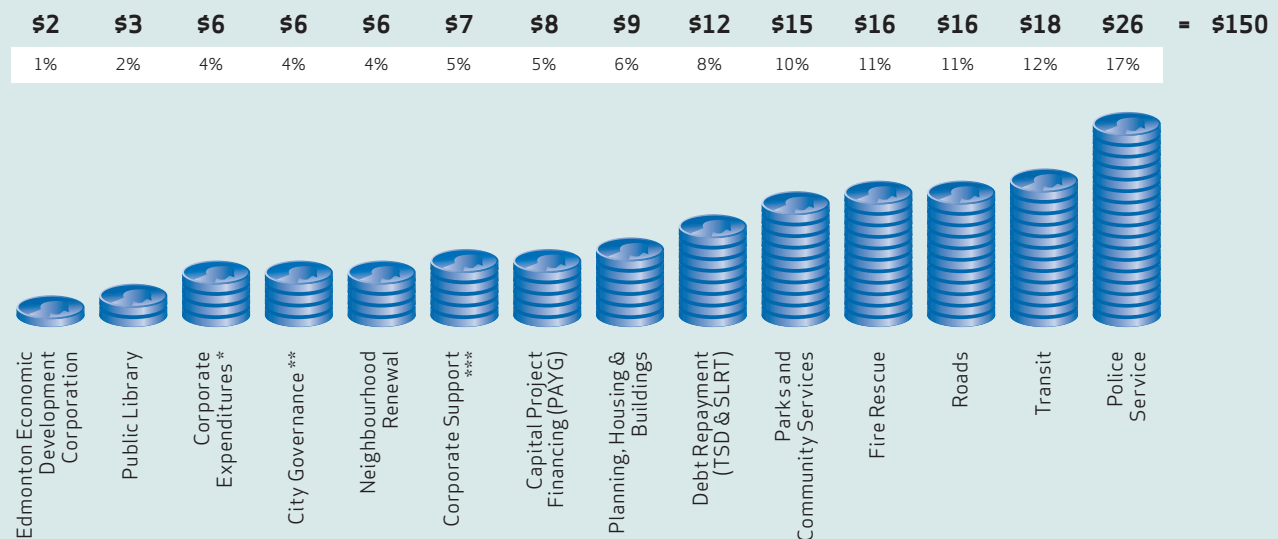
1 Household Operations include household furnishings and equipment, cell phone, telephone, internet, pet expenses, paper & plastic supplies, household & garden supplies

2 Municipal Property Taxes are based on typical house in Edmonton



## WHERE YOUR TAXES ARE DISTRIBUTED

Every \$1 of municipal taxes is shared among these civic services



### NOTES:

This graph is based on net operating requirement, which is a combination of taxes and corporate revenues (excludes user fees)

\* Corporate Expenditures includes Funding available for Council, Tax Appeals and Adjustments, Northland Subsidy for Rexall Place, Indy, Risk Management

\*\* City Governance includes Mayor and Councillor Offices, Offices of the City Manager, Auditor, City Clerk and Financial Services

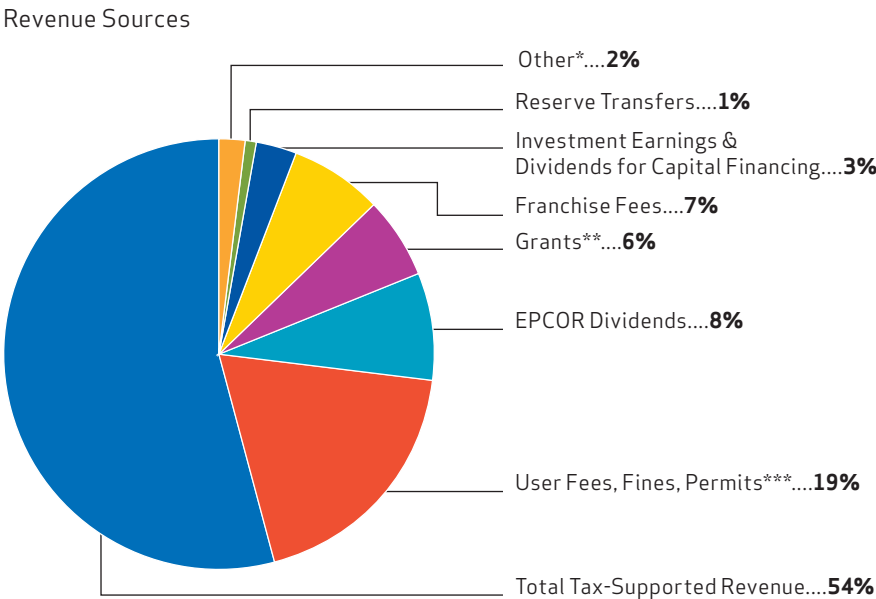
\*\*\* Corporate Support includes Information Technology, Human Resources, Law, Materials Management, Customer Information Systems

# 12 SOURCES OF REVENUE AND COSTS

The Operating Budget determines the total cost for operations. The City is not allowed to budget for a deficit and it does not plan surpluses.

Taxes collected from residential and commercial properties make up slightly more than 50% of the total revenue needed for the operating budget. Once Council sets the budget, the total needed from property taxes is determined. Each homeowner pays a share of the total tax required based on the value of his or her home, relative to all other homes. User fees are applied to help pay for some services.

## WHERE THE MONEY COMES FROM



**NOTES:**

- \* Other Revenue includes Sanitary Drainage Franchise Fees, tax penalties, local improvement levies, etc.
- \*\* Grants received for Housing, South LRT, Police, FCSS, Library
- \*\*\* Excludes user fees for Drainage and Waste Management Utilities

## FUNDING FOR SERVICES AND PROGRAMS

The cost to deliver civic programs increases as our community grows and we extend services—such as bus routes, recreation programs and police patrols— to new areas. Costs tend to increase more than the consumer price index (CPI) because large municipal expenditures for items such as staff and road repair services and material are different than the goods measured by the CPI and are impacted more by fluctuations in market demand.

The City of Edmonton has limited sources of revenue to pay for all services. Not all revenues increase at the same rate, this means the City must balance the need to expand service delivery against available revenues.

*The Way We Finance*, a new 10-year plan for Financial Sustainability, is being developed to inform Council decision making about the right balance of funding sources for operations and infrastructure. This promotes a sustainable approach that is affordable to Edmontonians, while maintaining services and moving towards long-term goals.



Fire Rescue Services responds to more than 33,500 incidents each year, including fire suppression, medical, rescue and hazardous materials.



## ECONOMIC SNAPSHOT

Edmonton is in an enviable position compared to other cities and regions in the world, but this also creates cost pressures for the City.

Jobs and quality of life are attracting more people to Edmonton from across the country and around the world. A tightening labour market is balanced somewhat by migration to Edmonton, while wage growth, inflation and housing cost increases continue to be relatively moderate.

Through the first half of 2010, Edmonton had extraordinary growth in full-time jobs. Employment in the Edmonton region has increased by 26,000 since June 2010. The unemployment rate for Edmonton has fallen to about 5% (the national rate is about 7%), and jobs lost during the downturn in 2008-2009 have been fully recovered.

This puts additional pressure on the City's ability to fill vacant or new positions. Average weekly earnings in the Edmonton region are up 4.6% since June 2010, and Alberta continues to have Canada's highest weekly earnings, reported Statistic Canada in October 2011.

## GROWING ECONOMY

Edmonton and Alberta lead the country with economic growth rates of 3% or better, compared to the national figure of 1.9%.

Increases in the Consumer Price Index signal higher fuel and energy prices for civic operations. The Non-Residential Construction Price Index, which tracks the price of items more commonly seen on the City's shopping list – such as steel, construction wages and concrete – is expected to show a 5% increase.

Increasing prices for gasoline and diesel affect City costs for transit and general operations. Increasing prices for electricity and natural gas also affect operating costs.

Edmonton's estimated population continues to increase (14,000 since June 2010), and it is expected to grow about 1.5% annually over the next three years. In-migration will support job growth, but it also requires expansion of civic services.

# APPROVED BUDGET

Demand for City services continues to grow as Edmonton's population increases and the developed area expands.

Operational costs increase with expanded services such as transit coverage and emergency protection for new neighbourhoods.





















To ensure citizens have the services they need, the City made considerable investment in its infrastructure over the past three years, catching up to previously unmet growth requirements. The operating costs associated with













































































that new infrastructure can be as or more substantive over the useful life of the asset as the initial capital cost. Whether it is increased maintenance and rehabilitation costs for new roads or paying for staff at new recreation centres, these costs are on-going and that has had an impact on the budget for 2012.

Throughout deliberations Council debated issues important to citizens, in order to maintain programs and move the City in the right direction. In some instances, Council directed reduced spending in order to achieve the desired goal and in other instances, initiatives were important enough to increase the tax levy. The final result was an increase of 3.89% for civic






services, which included the 0.75% to fund Capital Project Financing and the 1.5% initially set for Neighbourhood Renewal remained consistent – for a total increase of 5.39%.

These decisions resulted in the approval to reinstate \$4.1 million worth of initiatives, originally slated for reduction, \$2.7 million in one-time funding and \$30.3 million in on-going initiatives as outlined in the following tables. In addition, through continued efficiencies, initiatives such as the Transportation Litter Removal Program, Community Traffic Plans and Noise Study, Internal Communication, *The Way We Finance* and *The Way We Prosper* will be funded within existing resources.

SERVICE PACKAGE NAME		2012 NET	FTE
<b>Reinstated Service and Budget Review</b>			
Horticulture (Parts 1&2) - All Annual Flowers, Shrub Replacements and Support to the "Ride the Wave" Program		1,008	11.2
Tax Levy Supported Grants, Contract and Promotion Expenditures		326	-
Random Streetlighting Bulb Replacement	 	180	-
Intergovernmental and External Affairs	   	89	1.0
All Tree Lighting (Parts 1&2)		300	2.8
Parks Servicing - Caretaking, Furniture and Fixtures and Chain Link Fencing		400	3.9
Traffic Systems - Winter Maintenance on Trails and in Parks		200	2.0
Grants and Incentives Funding to Citizens and Businesses to Reduce Greenhouse Gas Emissions		100	-
Alley Cleaning	  	500	-
Transit Service Hours	    	960	13.7
<b>Total Reinstated Packages</b>		<b>4,063</b>	<b>34.6</b>

SERVICE PACKAGE NAME		2012 NET	FTE
<b>One-Time or Multi-Year Funding</b>			
Traffic light pre-emption system (Council report required)		585	-
New Neighbourhoods Design Guidelines	   	300	1.0
Complete Streets Guidelines	  	300	-
Combative Sports Commission		150	1.4
Family and Community Support Services	 	1,000	-
River City Round Up		100	-
Centre for Public Involvement (Council report required)		150	-
Edmonton Aboriginal Business Association		133	-
<b>Total One-Time Funded Packages</b>		<b>2,718</b>	<b>2.4</b>
<b>On-going Funding</b>			
Corporate Performance Measurement		306	1.0
Edmonton Salutes		60	-
SAP and Financial Systems Training		135	1.0
Managing Accommodation Space and Growth Changes	  	1,400	1.0
Business Licensing Program Development and Enforcement	  	600	6.0
The Quarters Downtown CRL Plan	   	620	5.0
2012 Biennial Census	 	1,875	5.0
Impact of Capital Projects - Community Facility Services	 	1,029	33.7
Impact of Capital Projects - Parks	  	1,172	18.0
Impact of Capital Projects - Information Technology	 	3,263	-
Impact of Capital Projects - Cash Control	 	34	1.0
Impact of Capital Projects - Building and Landscape Services	 	2,200	25.0
LRT Communication Impacts	 	86	-
North LRT Extension - LRT Costs & Revenue	 	990	10.0
Snow Removal Strategies	 	3,566	36.0
Roadway Maintenance - Inventory Growth	 	600	6.0
Traffic Control Inventory Growth	 	150	1.0
Traffic Engineering, Signals, Street lighting & Infrastructure Inventory Growth	  	150	-
Police Southwest Division Station and IT Systems	 	1,260	5.0
New Transit Service to Edmonton International Airport	 	222	6.0
Mosquito Abatement	 	299	-
City-wide Redevelopment Plan	 	500	2.0
Facade Improvement Program	 	900	1.0
Churchill Square		100	-
Community League Infrastructure Grant		1,452	-
REACH Edmonton - 24/7		1,000	-
Violence Reduction Strategy - Community Services		1,000	5.0
Violence Reduction Strategy - Police		3,000	22.0
Art of Living Plan		1,500	-
Community League Growth Initiative		30	-
Wichitowin Circle (Council report required)		425	-
Partnership with the Edmonton Chamber of Voluntary Organizations (ECVO)		85	-
New Transit Service - Off-peak - Weekday Late Night; Weekend Morning/Night	 	215	2.4
Additional Weed Inspectors	 	90	1.7
<b>Total On-going Funded Packages</b>		<b>30,314</b>	<b>195</b>

## LEGEND

 Transform Edmonton's Urban Form Shift Edmonton's Transportation Mode Improve Edmonton's Livability Preserve & Sustain Edmonton's Environment Ensure Edmonton's Financial Sustainability Diversify Edmonton's Economy Transforming Edmonton Through Organizational Excellence

# REVITALIZATION



Great neighbourhoods are the building blocks of a great city. Over the past few years, the City has enhanced its investments in the physical and social infrastructure of our communities.

One main focus is to renew the physical attributes of mature neighbourhoods to improve core functions and thoroughfares.

What's in a neighbourhood? Part of the answer is physical: safe roads and sidewalks, with drains and lights that work. Other factors include amenities and aesthetics, from benches to garbage cans to decorative street fixtures.

The City has integrated three main programs that renew the physical infrastructure of our neighbourhoods through sustainable, effective investment that will reach all areas of the city:

## 1. TRANSPORTATION NEIGHBOURHOOD RENEWAL

This program delivered by Transportation Services works in mature neighbourhoods to reconstruct or maintain:

- streets
- sidewalks, curbs, gutters
- street lighting
- collector roads

Over the last three years the City has invested more than \$228 million on major reconstruction in nine older neighbourhoods, and renewed roads in 70.

The type of work depends on the condition of infrastructure and coordination with other projects in a neighbourhood. The three types of work are:

- Reconstruction (complete repaving of sidewalks, curbs and roads, and replacement of lights)
- Overlay (roads are repaved and sidewalk trip hazards removed)
- Microsurfacing (roads are resealed with thin asphalt layer)

Reconstruction and overlay are funded in the capital program and microsurfacing is an operating budget service. The capital program is supported by a dedicated tax and grants. The 2012 proposed operating budget includes a 1.5% tax increase dedicated to Transportation Neighbourhood Renewal.



The City reconstructs or renews infrastructure in about 20 mature neighbourhoods each year.



The Quarters Downtown will redevelop an 18-block area to help revitalize an historic district the core of the City.



## 2. GREAT NEIGHBOURHOODS CAPITAL PROGRAM

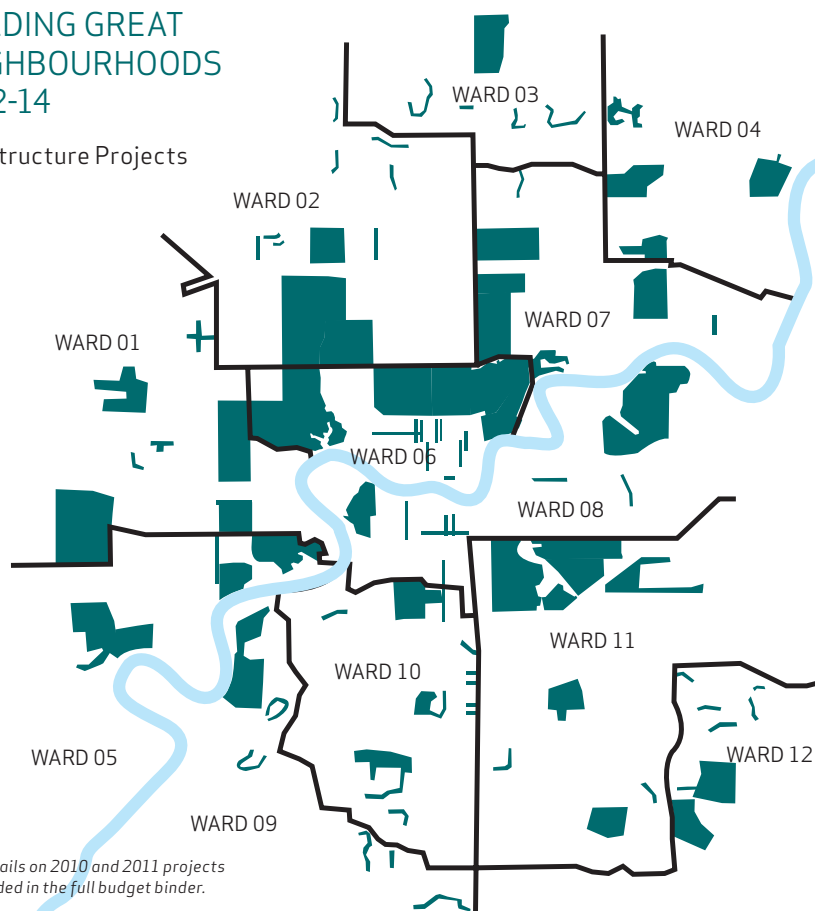
This program includes residential revitalization and neighbourhood business development. \$45 million has been allocated to residential and commercial neighbourhoods in 2012-14.

## 3. DRAINAGE NEIGHBOURHOOD RENEWAL

Coordination of drainage renewal with reconstruction of above-ground infrastructure is essential to minimize disruption in neighbourhoods. This program includes mainline sewer replacement with open-cut or relining methods, manhole repairs and renewal of service connections in neighbourhoods built before 1989.

## BUILDING GREAT NEIGHBOURHOODS 2012-14

Infrastructure Projects



**NOTE:**

More details on 2010 and 2011 projects are included in the full budget binder.



### TAX-SUPPORTED OPERATIONS

Tax-supported Operations include all operating activities provided through Civic Programs, Boards & Commissions, and Corporate Programs. These activities are primarily supported by a combination of property taxation, user fees, dividends, and grants from other orders of government.

The 2012 Edmonton Police Service budget is included within the Tax-supported Operations Budget, financial summaries, as well as any charts and graphs related to City services to ensure City Council has a clear understanding of the overall budget.

### MUNICIPAL ENTERPRISES

This document also includes the budgets for the municipal enterprises:

- Fleet Services - funded mainly through internal transfers for services provided to tax-supported departments in the City
- Land Enterprise - funded through the development and sale of land for profit
- Drainage Design and Construction - performs work for the City on a cost recovery basis and takes on projects external to the City on a for-profit basis

### UTILITIES BUDGET

The 2012 budgets for the City managed utilities of Sanitary Drainage, Stormwater Drainage and Waste Management are funded through user fees and require separate approval of utility rate bylaws. They are not funded by taxes.

### CAPITAL BUDGET

The 2012-14 Capital Budget is funded predominantly from grants from other orders of government, investment earnings and fees from franchise utilities, developers and local users. A portion is supported through taxes: servicing debt costs and components of infrastructure not eligible for funding from federal or provincial grants. In addition, the City has a dedicated tax levy to fund the Neighbourhood Renewal Program, approved for a 1.5% increase in 2012.

The 2012-14 Capital Budget amounts to \$2.8 billion, with \$1.3 billion approved for renewal projects and \$1.5 billion approved for growth projects. Approval was also provided for an additional \$0.1 billion in 2015 to fully fund single projects that span beyond the three-year period, resulting in a total approved capital budget of \$2.9 billion.



311 agents receive almost 2 million calls from Edmontonians each year to record public input, answer questions and deliver services such as program registrations.

19



City crews tend to 231 km of maintained trails and walkways throughout Edmonton.

## TAX-SUPPORTED OPERATIONS

Approved 2012	2010 ACTUAL	2011 BUDGET	CHANGE '11 TO '12	2012 BUDGET	% CHANGE '11 TO '12
<b>REVENUE</b>					
Taxation Revenue	885,704	952,156	67,669	1,019,825	7.1
User Fees, Fines, Permits, etc.	315,015	342,041	18,832	360,873	5.5
EPCOR Dividends	135,786	138,502	3,670	142,172	2.6
Grants	117,764	116,430	129	116,559	0.1
Franchise Fees	103,267	113,096	9,128	122,224	8.1
Investment Earnings & Dividends for Capital Financing	85,619	68,247	(2,762)	65,485	(4.0)
Transfers from Reserves*	48,683	32,368	(14,618)	17,750	(45.2)
Other Revenues	34,663	30,808	2,748	33,556	8.9
<b>Total Revenue</b>	<b>1,726,501</b>	<b>1,793,648</b>	<b>84,796</b>	<b>1,878,444</b>	<b>4.7</b>
<b>EXPENDITURES</b>					
Boards & Commissions	388,517	408,128	14,957	423,085	3.7
Civic Departments					
Community Services	332,477	353,362	11,029	364,391	3.1
Corporate Services	90,927	88,952	908	89,860	1.0
Financial Services	39,131	39,259	578	39,837	1.5
Infrastructure Services	36,464	41,081	686	41,767	1.7
Mayor & Councillor Offices	4,189	4,684	45	4,729	1.0
Office of the City Auditor	1,965	2,081	15	2,096	0.7
Office of the City Manager	9,274	9,584	(350)	9,234	(3.7)
Sustainable Development	127,227	116,473	14,371	130,844	12.3
Transportation Services	400,967	435,909	21,108	457,017	4.8
Corporate Programs	221,737	232,177	23,216	255,393	10.0
Neighbourhood Renewal	31,655	45,676	14,515	60,191	31.8
Available for City Council					
One-time Items	-	16,282	(16,282)	-	-
2010 Surplus	41,971	-	-	-	-
<b>Total Net Expenditure &amp; Transfers</b>	<b>1,726,501</b>	<b>1,793,648</b>	<b>84,796</b>	<b>1,878,444</b>	<b>4.7</b>
<b>Total Net Requirement</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FTEs</b>					
Boards & Commissions	2,850.0	2,877.9	44.9	2,922.8	
Civic Departments					
Community Services	2,554.8	2,659.6	52.7	2,712.3	
Corporate Services	975.0	1,000.0	(12.0)	988.0	
Financial Services	476.6	465.1	4.0	469.1	
Infrastructure Services	447.5	468.5	25.0	493.5	
Mayor & Councillor Offices	21.0	45.0	-	45.0	
Office of the City Auditor	15.0	14.0	-	14.0	
Office of the City Manager	78.3	75.8	-	75.8	
Sustainable Development	402.5	431.8	46.5	478.3	
Transportation Services	3,151.9	3,212.1	75.3	3,287.4	
<b>Total FTEs</b>	<b>10,972.6</b>	<b>11,249.8</b>	<b>236.4</b>	<b>11,486.2</b>	

### NOTES:

\* Transfers from Reserves includes 2011 One-time Items and Land Enterprise & Drainage dividends.

INFORMATION ON THE CITY OF EDMONTON  
IS AVAILABLE THROUGH THE INTERNET:  
[www.edmonton.ca/2012Budget](http://www.edmonton.ca/2012Budget)

INQUIRIES MAY ALSO BE DIRECTED TO:  
The City of Edmonton  
Financial Services  
5th Floor Chancery Hall  
#3 Sir Winston Churchill Square  
Edmonton AB T5J 2C3  
780-496-4944

