

# BUSINESS PLAN 2011-2013



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## INTRODUCTION

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As the City of St. Albert evolves to meet the needs of a growing community and achieve sustainability for the future, foresight in planning is essential. To plan effectively, City Council and the corporation must consider a variety of factors. Together, these factors influence decision making, priorities, plans and the allocation of resources.

Council developed goals and priorities for the community. Council reviews and updates these priorities on a regular basis to ensure they reflect their expectations. Council's goals and priorities fall under the following categories:

- Economic Development
- Land-Use Planning
- Safety and Health
- Social
- Infrastructure
- Environment
- Council Governance
- 150<sup>th</sup> Anniversary Celebration

This Corporate Business Plan describes both Council's direction for the planned future of St. Albert and Administration's strategy for the corporation to ensure Council's direction will be realized. Accordingly, both Council and Administration have a mission, values and vision.

In addition to driving department level business planning activities, this plan is used to set criteria for prioritizing new expenditures. Hence, while very much integrated, this plan has driven the budgeting process. Please see Appendix A for further details on the Corporate Planning Framework.

The City of St. Albert is exposed to external factors that need to be considered throughout the planning process. These external factors were examined throughout the first three quarters of 2010 in preparation for the 2011-2013 budget, and to ensure the City is well prepared to respond to situations. The economy is the most significant factor Administration monitors throughout the year.

Administration proposes this Business Plan be used as a roadmap for the next three years and is also including targets and accountabilities for monitoring and achieving results. Please see Appendix B for the performance measures and targets.

## COUNCIL'S DIRECTION

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City Council provides strategic direction to Administration through a variety of forward-looking policies and governance. Council's strategy, comprised of vision, mission, values and goals, is the predominant governance direction for the corporation. Council also provides more specific guidance through regular meetings to develop and update a list of priorities for Administration to manage. The combination of Council's inputs and direction provides Administration with the foundation for building the Corporate Business Plan.

### Mission, Values and Vision

City Council's mission, values and vision provides Administration with a foundation to make recommendations to Council and guide decisions. City Council's mission describes Council's purpose; the values define how Council will carry out decisions and actions; and, the vision describes the type of city that Council wants St. Albert to become.

#### MISSION

As community elected leaders, Council's mission is to:

Represent the citizens of St. Albert, make decisions in the best interests of the entire community and ensure the corporation delivers results that will sustain a high quality of life for St. Albertans.

#### VALUES

City Council's values demonstrate how we conduct ourselves:

- **Community:** Consider best interests of the community
- **Engagement:** Engage residents and stakeholders in City Council and community matters
- **Integrity:** Behave consistently with our values
- **Respect:** Respect and consideration for all people and their perspectives
- **Stewardship:** Practice fiscal stewardship
- **Trust:** Earn and retain trust
- **Understanding:** Understand the issues – be curious, informed and prepared
- **Unity:** Move forward as one body on decisions

## VISION

Council's vision for the community:

As the Botanical Arts City, St. Albert is recognized throughout the region as a vibrant and thriving urban centre with a strong sense of community.

## Council Goals and Priorities

City Council has goals that describe what they want to accomplish during their term in office. These goals will guide the City, as a corporation, towards achieving the vision.

Apart from defining goals, City Council established expectations for key areas. These expectations are important priorities that Administration will carry out. Monthly and quarterly reports to Council will highlight the progress in meeting these priorities. This progress will be presented with performance measures (Appendix B) and descriptive updates. City Council's priorities are highlighted in Appendix C.

City Council's goals are defined as follows:

1. **Economic Development:** Increased businesses, visitors and investment are achieved to strengthen and diversify St. Albert's economy
2. **Land-Use Planning:** Necessary decisions are made to support progress of undeveloped and infill areas
3. **Safety and Health:** Initiatives are implemented to augment safety and health for St. Albertans
4. **Social:** Plans and initiatives are delivered to strengthen St. Albert's social fabric
5. **Infrastructure:** Appropriate infrastructure investments are made to meet the community's need for mobility, recreation, collaboration and beautification
6. **Environment:** Initiatives are supported and implemented to ensure preservation and enjoyment of natural areas
7. **Council Governance:** Policies, practices and agreements are evaluated to reduce residential tax burden and improve operational efficiency and accountability
8. **150<sup>th</sup> Anniversary Celebration:** St. Albertans celebrate our history, arts and culture

## CORPORATE ACTION

Senior Leadership Team (SLT) developed a strategy for the corporation based on knowledge and understanding of Council’s expectations, trends impacting municipalities, feedback collected from Leadership Team and staff, and knowledge and expectations of the corporation. This strategy includes a mission, values and vision for the corporation. SLT also identified corporate objectives -- what Administration needs to do as a corporation in order to realize the vision.

Council’s direction (mission, values and vision), identified in the previous section, describes the planned future for the community. The corporation’s strategy defines the actions the corporation will take to realize this planned future for the community and, accordingly, includes a corporate mission, values and vision.

Figure 1 below shows the St. Albert Corporate Planning Framework, which depicts how the corporation’s strategies emerge from Council’s goals and direction. Further explanation of this framework is provided in Appendix A: Corporate Planning Framework.

**Figure 1: City of St. Albert Corporate Planning Framework**



## Corporate Mission

Our purpose; our reason for existence:

We provide excellent service that enhances the quality of life for the community and aligns with Council's direction.

## Corporate Values

These are the principles we hold dear. We commit to them uncompromisingly as the future unfolds. Our values define our culture and how we conduct ourselves.

### **Excellence**

We always do our best, meet our commitments and ensure our efforts are focused on caring for the community and the environment.

### **Ethics**

We communicate openly and honestly, and work with each other and the community in a safe, mutually respectful manner.

### **Empowerment**

We are creative and innovative, sharing our expertise and benefiting from the power of teamwork.

### **Encouragement**

We encourage and support one another through our work and learning opportunities while always striving to improve performance.

### **Enjoyment**

We enjoy our work and our professional environment, while maintaining a work/life balance.

## Corporate Vision

This is where we want to be in the future; it inspires us as we carry out our mission:

Pride of the community; Leaders in the region

## Corporate Objectives and Performance Measures

### CORPORATE OBJECTIVES

Our corporate objectives provide specific direction over a period of time as we strive to achieve our vision.

1. Attract and retain high quality employees
2. Deliver programs and services that meet or exceed our standards
3. Exercise strong fiscal management
4. Ensure our customers are very satisfied

Administration identified performance measures for each of the above corporate objectives. These performance measures identify the targets we hope to achieve, although many are outside Administration's direct ability to control. However, they do provide valuable insight into our planning and work efforts.

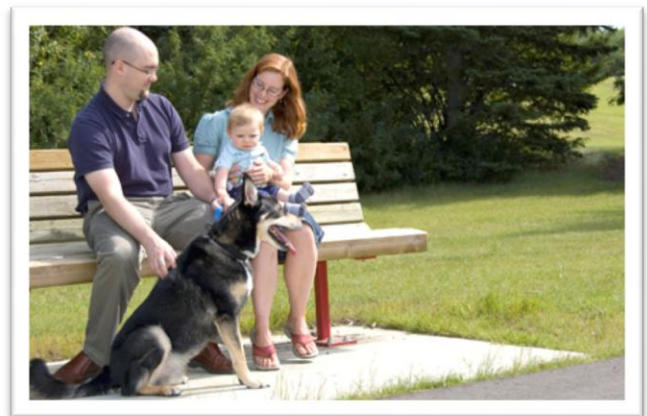
### PERFORMANCE MEASURES

#### 1. Attract and retain high quality employees

- Overall employee satisfaction
- Average sick days
- Employee engagement index
- Retention rate of employees
- Percentage of top candidates who accept offer
- Percentage of times position is filled on the first competition
- Qualify for WCB premium and discount

#### 2. Deliver programs and services that meet or exceed our standards

- Percentage of residents that perceive the overall quality of life in St. Albert as positive
- Increase in number of assets, beyond the base line results for the 40
- Per capita water consumption
- Per capita solid waste generation
- Per capita solid waste diversion
- Greenhouse gas emissions
- Number of 150th celebration activities that occur in the city
- Percentage of residents that agree St. Albert is a safe place to live
- Fire services average response time index
- Number of criminal code offences



- Number of injury collisions
- Number of non-injury collisions
- Percentage of residents that perceive value for tax dollar
- Annual transit commuter ridership

### 3. Exercise Strong Fiscal Management

- New development construction value (\$)
- Number of business licenses (resident; home-based; non-resident)
- Percentage of non-residential and residential assessment i.e. 90/10; 80/20
- Percentage of non-residential and residential tax revenue
- Number of businesses downtown that are retail/hospitality
- Municipal capital spending by funding source
- 10-year capital plan by category (re-investment, enhancement and growth)
- 10-year capital plan by asset category
- 10-year capital plan - funded vs. unfunded
- Cost per capita for municipal services compared to other municipalities
- Investment income meets or exceeds the monthly T-Bill
- Sources of operating revenue
- Percentage of residential tax increase to maintain service levels compared to MPI



### 4. Ensure our customers are very satisfied

- Percentage of residents that are satisfied with the services provided by the City of St. Albert
- Percentage of residents that are satisfied with cultural programs
- Percentage of residents that are satisfied with recreational programs and activities
- Percentage of residents that are satisfied with Family and Community Support Services

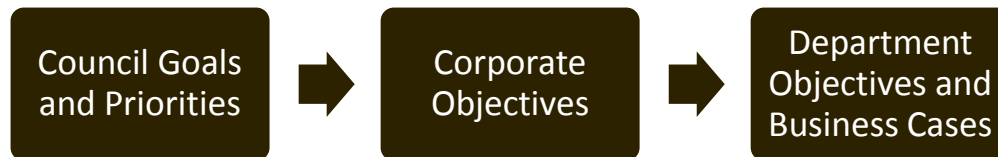
Please see Appendix B for the targets for each of these performance measures. Departments have also identified performance measures in their business plans that will indicate how successful they are in meeting these objectives.

## Connecting Council Priorities, Corporate Objectives and Department Objectives

Departments have objectives in place that will assist the corporation to meet its corporate objectives as well as Council's Priorities. Departments that are responsible for specific Council priorities addressed them in their individual business plans.

Figure 2 below shows the process flow connecting Council priorities, corporate objectives and department objectives.

**Figure 2: Council Priorities, Corporate Objectives and Department Objectives**



Administration translated each of Council's goals and priorities into actionable operational strategies that will guide corporate activities for this three-year cycle. Each of the department business plans breaks down into ongoing operations and business cases. All departments used the same set of assumptions to build these strategies and activities. This set of assumptions is provided in Appendix D: Corporate Planning Assumptions.

All departments are responsible for pursuing opportunities to enhance the efficiency, effectiveness and economy of their operations. Continuous improvement is a key philosophy for the City. As a result, departments undertake the following:

- Program reviews
- Department reviews
- Long-term department plans

Administration prepares business cases to address operating and capital requirements to meet the business plan, incorporating key opportunities, Council priorities and the above reviews.

## Business Cases

Business cases are proposals for new investment in capital, staff, program or material that support civic operations. Throughout 2010, following the end of the recession in Alberta, Administration continued to closely monitor the economy for fluctuations. Please see the section “Review of Strategic Inputs” and Appendix E: Strategic Inputs for details on the economy and other inputs that were considered in developing this business plan.

The 2011 operating and capital business cases are organized by Council goal/priority and corporate objective in the following tables. Only approved business cases are provided.

### Economic Development

**Corporate Objective: Exercise strong fiscal management**

Operating Business Cases	Capital Business Cases
Future Industrial Land Requirements Downtown Special Events Parking	Community Tourism Strategy

### Land-Use Planning

**Corporate Objective: Exercise strong fiscal management**

Operating Business Cases	Capital Business Cases
Senior Planner Development Officer – Compliance	

### Safety and Health

**Corporate Objective: Ensure our customers are very satisfied**

Operating Business Cases	Capital Business Cases
Photo Radar CanCamera Exhibit Custodian/Fleet Manager RCMP General Duty Police Officers (four officers)	

### Social

**Corporate Objective: Deliver programs and services that meet or exceed our standards**

Operating Business Cases	Capital Business Cases
55 Plus Winter Games 2012 Canada Winter Special Olympics Policy C-CS-01 Games Legacy Grant Program Lieutenant Governor of Alberta Distinguished Arts Awards Gala	Recreation Dirt Bike Mogul Track Dog Park City Parks Refurbishment Plan/Implementation Sportfield Refurbishment Program Tennis Court Refurbishment Program

Celebrate the Arts Grant Alberta Heritage Foundation Grant AISH Discounted Pass Program Seniors Facility and Detailed Business Plan and Feasibility CIVIC Grant SAFB Grant	Community Capital Program River Park Benches Community Capital Program Public Art Display City's Torches La Banque d'Hochelaga Chevigny House
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### Infrastructure

**Corporate Objective: Deliver programs and services that meet or exceed our standards**

Operating Business Cases	Capital Business Cases
LRT Task Force Transit Services on Statutory Holidays	Arterial Asphalt Overlay Program Bridge Rehabilitation City Building Rehabilitation Collector/Local Asphalt Overlay Program Permanent Line Marking Rehabilitation Red Willow Trail Overlay Program Sidewalk Program Transportation Systems Mgmt (Signals) PW Shop Equipment & Yard 22 St. Thomas Street Parking Lot St. Albert Trail Median Enhancement Water System Infrastructure Rehabilitation Oversizing Pool Wastewater Rehabilitation Program Wastewater Household Service Replacement Wastewater Main Replacement Future Connection Extension ACRWC Pump Station Havenwood Pond Reconstruction Sedimentation and Erosion Control Plan Riel Wetland Stormwater Outlet Improvement Arden Theatre Replacement Plan

**Environment**

**Corporate Objective: Deliver programs and services that meet or exceed our standards**

Operating Business Cases	Capital Business Cases
Former Public Works Yard Environmental Monitoring Greenhouse Gas Emissions Action Plan	PW Energy Efficiency Program

**Council Governance**

**Corporate Objective: Exercise strong fiscal management**

Operating Business Cases	Capital Business Cases
Gas Franchise Fee Rate Methodology Transition	

**150th Year Celebration**

**Corporate Objective: Deliver programs and services that meet or exceed our standards**

Operating Business Cases	Capital Business Cases
150th Anniversary Celebration Committee – Office Space 150th Anniversary Celebration Committee - Transit	

**Corporate Objective: Deliver programs and services that meet or exceed our standards**

Operating Business Cases	Capital Business Cases
Corporate Visual Identity Updates Lease Space Safety Codes Permit Issuer Building/HVAC Safety Codes Officer Municipal Enforcement Support Supervisor Satellite Office for RCMP Municipal RCMP File Reviewers Corporate Marketing Manager Assessor II IT Support for St. Albert Library	Entrance Signage Corporate GIS Foundation Items Office Automation Program Office Systems Replacement Plan Three (3) Trucks for Safety Codes Officers RCMP Parking Lot Expansion PW Mobile Equipment Replacement Plan PW Regulatory and Street Signage Upgrades PW Subdivision Signage & Amenities St. Albert Place Relandscaping Aquatics Lifecycle Plan Eco Chill System Expansion Security Camera Additions Servus Place Life Cycle Replacement Program Handibus Scheduling Software

	Transit Garage Satellite Storage Transit Replacement Plan
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**Corporate Objective: Attract and retain high quality employees**

<b>Operating Business Cases</b>	<b>Capital Business Cases</b>
Engineering Professional Development	

## REVIEW OF STRATEGIC INPUTS

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The City of St. Albert is exposed to external factors that need to be considered throughout the planning process, and works to ensure that the corporation is well prepared and organized to respond to situations that may result from these external factors.

These external factors were examined throughout the first three quarters of 2010 in preparation for the 2011-2013 Corporate Business Plan and budget. Any new significant changes to the Canadian economy that occurred after the Corporate Business Plan was written will be reviewed and considered throughout 2011 as the corporation manages its budget.

### External Factors

External factors are assessed using the PESTE environmental scan, a review of political, economic, social, technological and environmental conditions. The following sections describe the criteria for each factor.

#### Political

The political climate can influence the City's planning through government policies, priorities, actions, changes in regulations, approvals and funding strategies. The political climate outside of Canada can also have an impact on the Canadian economy, thus affecting the political perspective in the provincial and local governments.

#### Economic

Economic factors influence the City's budget through changes in areas including; interest rates, economic growth, inflation, labour costs, exchange rates, and higher consumer prices. These factors also impact residents and their demand for products and services.

#### Social

Social factors including demographic changes, income distribution, lifestyle changes, and access to healthcare, affect the corporation's planning with a need to respond to changing needs of residents and our ability to maintain and increase quality of life in the city.

#### Technology

Technological developments influence the corporation's planning with a need to adapt to new technologies in order to enhance communication with St. Albert residents, improve efficiency of operations, meet regulatory obligations including document management systems and effectively provide services to St. Albert residents.

## Environment

Increasing awareness of environmental factors affects how the corporation operates and produces products and services. Developing and executing a plan that addresses the environmental concerns will assist the corporation with improving the overall quality of life in the community.

## Citizen Input and Media Attention

The latter part of the 'Strategic Inputs' section is another important component to the Corporate Business Plan, 'Citizen Input and Media Attention'. Through citizen input and media attention, the City is provided the opportunity to gauge perceptions and levels of satisfaction in the community. Helping to identify concerns, areas of satisfaction and priorities, these portions act as resources throughout the planning process, ensuring decisions reflect the needs and values of the community.

In short, while this scan is an overview, it does provide an accurate outlook on the opportunities and challenges faced by the City. Together, these factors play an important role in sound decision-making and planning for today's residents and a sustainable community for future generations.

Please see Appendix E: Strategic Inputs, for a complete review of external factors, citizen input, and media attention.

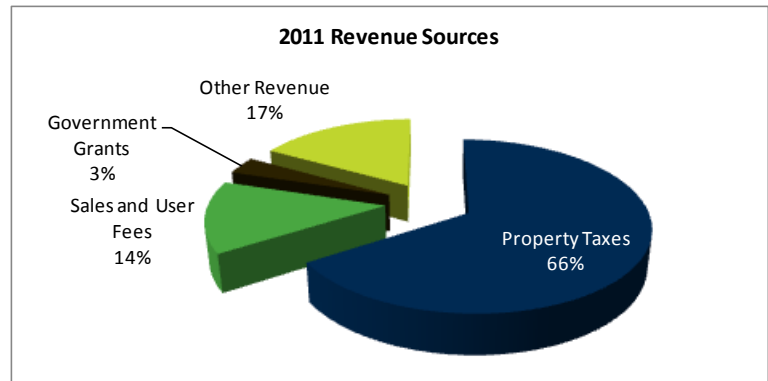
A glossary of various terms used in this corporate business plan is provided in Appendix F.

## CITY OF ST. ALBERT 2011 – 2013 FINANCIAL SUMMARY

### Municipal Operations

The state of the local, provincial and federal economies continues to impact St. Albert’s ability to deliver services and investments in capital that citizens have come to expect. St. Albert, like other mid-sized cities, felt the impact of a hot economy in past years through upward pressure on wages, recruitment and retention challenges, high energy costs, and high inflation for the cost of capital construction. While the recent downturn in the economy has provided some respite from these pressures via decreases in certain operating and capital costs, the recession has negatively impacted the City’s various revenue streams such as investment income, natural gas franchise fees and provincial grants.

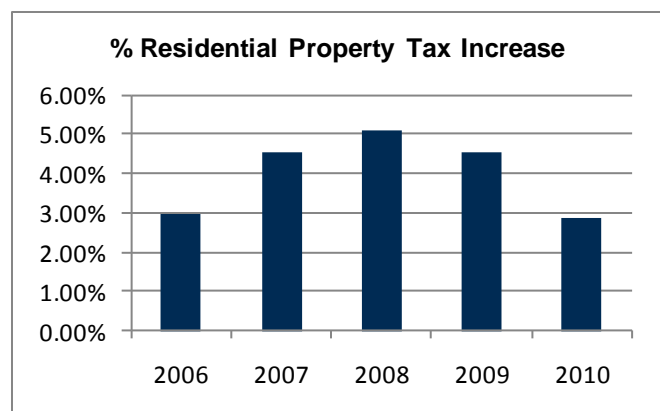
St. Albert derives only 11% of its property tax assessment from commercial and industrial properties. The average for cities in Alberta is approximately 28%. As a result of this assessment mix and demand for such a wide array of services, St. Albert’s residential property tax continues to be at the upper end of the Capital Region. While this disparity is somewhat lessened when the average cost of City utilities and low level of gas and non-existent electric franchise fees are included, it still provides a challenge for St. Albert to maintain a lower level of tax increase than other municipalities in the region.



**Assessment Growth:** In general terms, property tax generated from assessment growth is used to fund the extension of services related to population growth. The City has experienced an average assessment growth of 3.38% over the past 10 years, with growth for 2010 being at 1.09%. Currently, the projection for assessment growth for 2011 is 1.54%, 2012 is 1.75% and 2013 is 2.0%.

**Property Taxes:** The increase to the residential municipal tax rate in 2011 is 2.79% while the increase to the non-residential rate in 2011 is 2.84%.

The Servus Credit Union Place tax levy will decrease slightly from \$37.26 per \$100,000 of assessment to \$36.76, due directly to the 1.54% increase in assessment growth.



**Grant Revenue:** The City will continue to receive Provincial Infrastructure funding under the following programs:

- BCG – Basic Capital Grant (annually \$3.5M or \$60/capita)
- MSI – Municipal Sustainability Initiative (2011-2016 \$12.2M per year)

These grants are being used to address the City's substantial infrastructure and other capital needs.

Municipalities may not use these new grants to reduce property taxes. Taxpayers will, however, begin to see the benefits as infrastructure problems become rectified without having to increase future taxes.

**User Fees:** The City has adopted a user-pay model, which continues to see program users pick up a greater portion of the cost associated with various non-universally delivered programs and services. User fees and usage will be monitored to determine whether fees should be adjusted.

**Investment in Municipal Services:** City departments are working on long-term department plans (LTDP) to effectively manage the delivery of municipal services. The department plans set out the future department operations and the resources required to support these operations. Six LTDPs are completed - Transit, Family and Community Support Services, Police, Fire/EMS, Business and Tourism Development and Public Works.

The services provided to our residents rely heavily on the human resource component. The 2011 Budget includes an additional 11 full-time equivalents (FTE).

**Investment in Capital:** The 10-year plan identifies funding of \$160 million in investments. The plan addresses roads, sidewalks and facilities, which were identified in the Infrastructure Study as high priorities for capital spending.

**Debt Financing:** The majority of the 10-Year Capital Plan has been built around pay-as-you-go, reserve and grant funding, and internal financing. The City will remain within the debt limits established through City policy and as set out by the Province. All existing municipal debt, with the exception of debt related to Servus Credit Union Place and Ray Gibbon Drive, will be paid off by 2013.

The following table outlines the approved Municipal Operations Budget for 2011 and the proposed base for 2012 and 2013.

**Table 1: 2010-2013 Financial Summary – Municipal Operations**

<b>2010 – 2013 Financial Summary -- Municipal Operations</b>				
<b>NET COST</b>				
	<b>2010 Budget</b>	<b>2011 Proposed</b>	<b>2012 Plan</b>	<b>2013 Plan</b>
<b>Council</b>	644,700	649,200	655,900	656,800
<b>City Manager's Office</b>	392,100	392,500	393,600	394,000
<b>Business &amp; Strategic Services</b>				
Corporate Strategy	736,500	756,700	760,100	763,700
Business & Tourism Development	597,500	490,200	494,200	496,900
Corporate Communication	652,200	646,000	683,900	692,600
	1,986,200	1,892,900	1,938,200	1,953,200
<b>Community &amp; Protective Services</b>				
Community Services Administration	727,200	763,000	775,100	785,900
Culture Services	1,852,000	1,828,600	1,840,400	1,849,400
FCSS	628,300	677,900	771,800	771,800
Fire Services	10,418,500	10,656,400	10,885,400	10,880,600
Police Services	3,483,600	4,962,600	5,168,000	5,255,200
Recreation Services	2,909,700	2,905,800	2,924,700	2,961,000
Servus Credit Union Place	914,400	798,300	1,029,200	1,094,500
	20,933,700	22,592,600	23,394,600	23,598,400
<b>Planning &amp; Engineering Services</b>				
Engineering Services & Admin.	4,984,300	5,420,100	5,448,100	5,465,800
Planning & Development	479,800	687,100	736,100	748,900
Public Works	11,762,100	11,970,200	12,212,600	12,352,300
Transit Services	5,250,700	5,797,900	6,248,800	6,452,400
	22,476,900	23,875,300	24,645,600	25,019,400
<b>Corporate Services</b>				
Assessment & Taxation Services	176,100	254,300	258,200	239,900
Financial Services	2,359,900	2,432,600	2,461,200	2,481,700
Human Resources	1,484,600	1,543,200	1,587,400	1,595,200
Information Technology Services	2,160,800	2,111,500	2,088,200	2,097,600
Legal Services	1,127,000	1,158,000	1,161,300	1,162,800
Legislative Services	708,900	710,400	717,700	721,700
	8,017,300	8,210,000	8,274,000	8,298,900
<b>Common &amp; Fiscal Services</b>				
Tax Revenue & Requisitions	901,000	177,000	182,000	196,000
Corporate Financial	-3,045,600	-3,182,600	-2,957,100	-3,242,800
Capital Financing	14,553,000	14,721,200	14,535,700	14,535,700
Outside Agencies	3,647,400	3,797,200	3,587,700	3,583,800
	16,055,800	15,512,800	15,348,300	15,072,700
<b>Sub Total</b>	<b>70,506,700</b>	<b>73,125,300</b>	<b>74,650,200</b>	<b>74,993,400</b>
<b>Business Cases (Net)</b>				
	<b>2012</b>	-	-	3,037,600
	<b>2013</b>	-	-	4,240,000
		-	-	752,800
		-	3,680,000	5,728,100
<b>Total Municipal Tax Requirement</b>	<b>70,506,700</b>	<b>73,125,300</b>	<b>77,687,800</b>	<b>79,986,200</b>

## Utility Operations

Many utility organizations are dealing with the replacement of aging infrastructure and the ongoing effect of improving environmental standards. These changes are creating significant pressure to increase utility rates. The City is on the leading edge of addressing infrastructure needs by undertaking comprehensive engineering assessments of its infrastructure. The City of St. Albert can now measure the condition of its existing infrastructure and project the cost of future infrastructure work. At the same time, the City is challenged to make sure its infrastructure continues to be reliable, and is making effective use of new government funding in order to minimize rate increases.

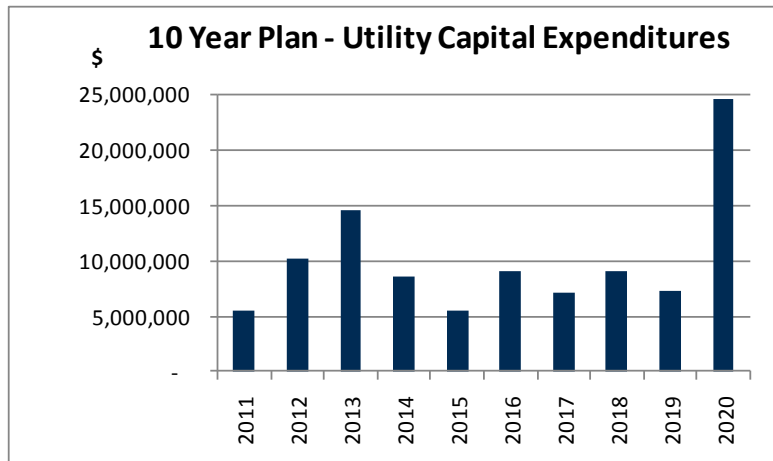
**Utility Fiscal Policies:** The overarching principle for the City’s utility operations is that they be self-sustainable. Utility fees are calculated using the following Council direction:

- utilities are self sustaining,
- account for future replacement of existing infrastructure,
- no negative reserve balances

**Infrastructure Review:** Utility rates have been calculated to provide sufficient revenue to fund operations and future capital costs in accordance with the utility fiscal policies. When the utility fiscal policies were adopted, it was noted that additional capital costs might be identified when the condition of the infrastructure was reviewed. Phase 1 of the infrastructure study identified \$38 million in utility infrastructure needs. The findings of Phase 1 and the initial work of Phase 2 of the infrastructure study have been included in the 100-year model and are reflected in the City’s proposed 2011 - 2013 rate structure.

**Utility Capital Costs:** The 10-Year Capital Plan for utilities calls for \$85 million to maintain existing reliable services and another \$16 million to meet enhancement and growth needs. With the City’s utilities operating as a separate fund, all costs associated with operations, replacement of existing infrastructure and the addition of new infrastructure will be funded either through utility rates, grants or developer contributions.

**Infrastructure Grants:** The approach used to determine the long-term financing of the utility fund was to minimize customer rate increases to a maximum of 9.5% per year. The 2011 budget includes utility capital projects of \$3.6 million, the 2012 budget includes projects of \$10.2 million and the 2013 budget includes projects of \$14.5 million.



The utility capital projects are comprised, primarily, of annual replacement programs with three notable projects:

1. East St. Albert Water Supply Main at \$4.4 million in 2012
2. South Campbell Storm Water Facility at \$6.2 million in 2013
3. Havenwood Pond Reconstruction at \$1.0 million in 2011

**Utility Debt:** The Utility Fund is currently debt free and there are no future borrowings projected as part of the 10-Year Capital Plan.

**Developer Levies:** Developers will be funding the full construction cost of utilities within the expansion, or annexation area, through offsite levies for utilities of \$2,175/unit (2009) in the existing boundaries to \$6,920/unit (2009) within the expansion area, although these costs are subject to change based on a review of the levies. These levies will pay for 100% of new reservoirs, new water mains, and sewer trunks that benefit this area of growth.

**Utility Rate Model:** Using the City of St. Albert’s 100-year rate-setting model, the current estimate of the long-term sustainable rate for all City utilities, in 2010 dollars, is \$115/month per household. Further third-party increases in the cost of water purchases, wastewater processing, and solid waste disposal fees may cause rates to increase even more for all municipalities.

**Monthly Utility Rates:** The average monthly bill will increase by \$8.83 in 2011 in this plan, \$9.66 in 2012 and \$7.25 in 2013. Overall, rates will increase by 9.5% in both 2011 and 2012, and 6.5% in 2013.

The proposed utility rates are provided in the table below.

**Table 2: 2010 – 2013 Utility Rates**

	2010 Approved	2011 Approved	2012 Plan	2013 Plan
<b>Water Rates</b>				
Flat Rate (\$/month)	8.50	8.50	8.50	8.50
Water Rate (\$/cubic meter)	1.15	1.23	1.42	1.56
<b>Wastewater Rates</b>				
Flat Rate (\$/month)	8.50	8.50	8.50	8.50
Wastewater Rate - 80% (\$/cubic meter)	1.56	1.56	1.73	1.87
Wastewater Rate - 100% (\$/cubic meter)	1.24	1.24	1.38	1.49
<b>Storm Rates - Flat Rate</b>				
Residential - single/side-by-side (\$/month)	9.84	9.84	12.89	15.06
Residential - stacked/condo (\$/month)	6.80	6.80	8.91	10.41
Non-Residential (\$/month)	26.81	26.81	35.13	41.04

	2010 Approved	2011 Approved	2012 Plan	2013 Plan
<b>Solid Waste Rates</b>				
Flat Rate (\$/month)	4.00	5.42	5.42	5.42
- 1 Bag every 2 weeks	2.20	2.20	2.20	2.20
- 1 Bag	4.40	4.40	4.40	4.40
- 1 Can or 2 Bag	8.80	8.80	8.80	8.80
Refuse Stickers (\$/sticker)	2.15	2.15	2.15	2.15
Weekly Curbside Recycling (\$/month)	5.50	5.50	5.50	5.50
Curbside Organics	-	5.77	5.77	5.77
<b>Average Monthly Bill**</b>	92.92	101.75	111.41*	118.66*

\* These numbers are based on 2011 dollars.

\*\*For all utilities based on average water use of 20m<sup>3</sup> and 1 can/2 bag option for solid waste.

## APPENDIX A: CORPORATE PLANNING FRAMEWORK

The City of St. Albert uses a variety of planning tools to manage the corporation under its Corporate Planning Framework. This three-year business plan is an important aspect of our corporate planning framework. See Figure 3 for the visual representation of our framework.

**Figure 3: City of St. Albert Corporate Planning Framework**



The Corporate Planning Framework is guided by the following:

- The **community's** vision and expectations influence Council governance and all City programs and services. We continuously gather the community's feedback and input. Some of the ways we gather the community's feedback include: community consultations, community survey, Council meetings as well as staff input and expertise.
- **Council Governance** includes council strategy (mission, values, vision, goals and priorities), which is based on the community's vision and what Council wants to accomplish during their term.

- Our planning framework then breaks into three key aspects that emanate from Council's strategy:
  - **Policy** – this includes bylaws and all long term planning such as the Municipal Development Plan (City Plan), Council policies, master plans and long-term department plans.
  - **Corporate Strategy & Business Plan** – this includes our three-year corporate strategy: the corporate mission, values, vision and corporate objectives as well as the corporate business plan.
  - **Implementation** – this includes administrative policies, department business plans and standards, operating guidelines, and budgeting. This area also includes program and service delivery.

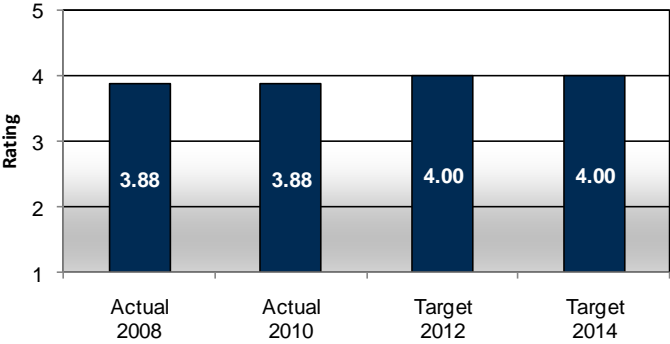
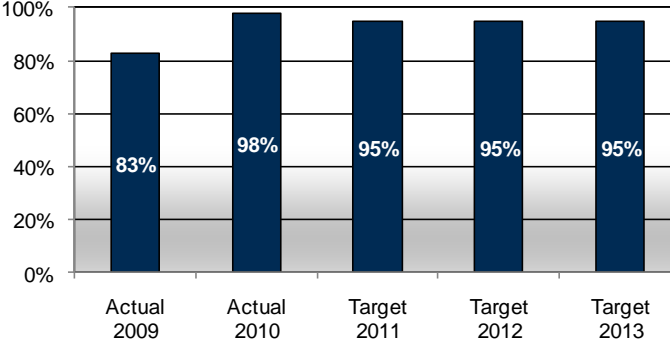
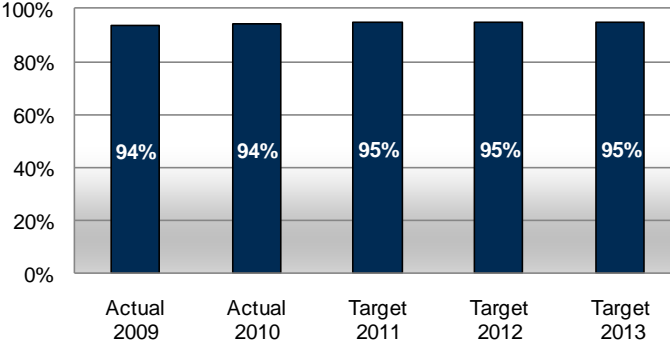
## APPENDIX B: PERFORMANCE MEASURES AND TARGETS

Administration will measure and report success using performance measures and this will indicate when the corporate objectives have been achieved. Many of these measures are outside Administration’s direct ability to control; however, they do provide valuable insight into our planning and work efforts.

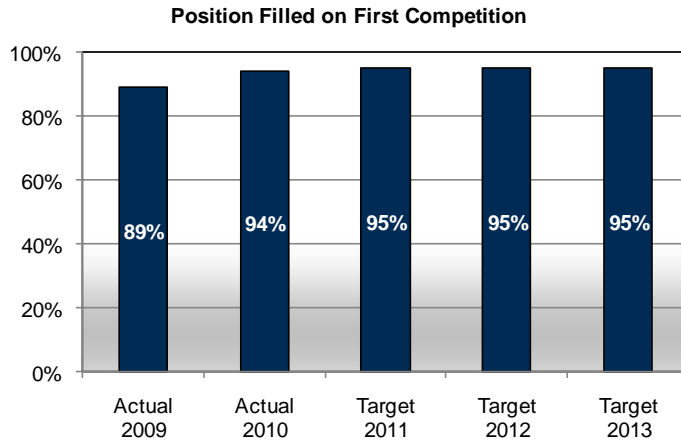
The following section outlines the performance measures and targets for each of the corporate objectives as well as Council’s goals.

### 1. Attract and retain high quality employees

Performance Measures	Targets												
<p>Overall employee satisfaction Frequency: Bi-Annually Source: Human Resources</p> <p>Note: 1- Very Poor 3 - Average 5 - Very Good</p>	<p><b>Overall Satisfaction as a City of St. Albert Employee</b></p> <table border="1"> <caption>Overall Satisfaction as a City of St. Albert Employee</caption> <thead> <tr> <th>Year</th> <th>Rating</th> </tr> </thead> <tbody> <tr> <td>Actual 2008</td> <td>3.75</td> </tr> <tr> <td>Actual 2010</td> <td>4.05</td> </tr> <tr> <td>Target 2012</td> <td>4.00</td> </tr> <tr> <td>Target 2014</td> <td>4.00</td> </tr> </tbody> </table>	Year	Rating	Actual 2008	3.75	Actual 2010	4.05	Target 2012	4.00	Target 2014	4.00		
Year	Rating												
Actual 2008	3.75												
Actual 2010	4.05												
Target 2012	4.00												
Target 2014	4.00												
<p>Average sick days Frequency: Quarterly Source: Human Resources</p>	<p><b>Average Sick Days Per Employee Per Year</b></p> <table border="1"> <caption>Average Sick Days Per Employee Per Year</caption> <thead> <tr> <th>Year</th> <th>Days per year</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>4.48</td> </tr> <tr> <td>Actual 2010</td> <td>4.45</td> </tr> <tr> <td>Target 2011</td> <td>4.00</td> </tr> <tr> <td>Target 2012</td> <td>4.00</td> </tr> <tr> <td>Target 2013</td> <td>4.00</td> </tr> </tbody> </table>	Year	Days per year	Actual 2009	4.48	Actual 2010	4.45	Target 2011	4.00	Target 2012	4.00	Target 2013	4.00
Year	Days per year												
Actual 2009	4.48												
Actual 2010	4.45												
Target 2011	4.00												
Target 2012	4.00												
Target 2013	4.00												

<p>Employee engagement index                  Frequency: Bi-Annually                  Source: Human Resources</p> <p>Note:                  5 – Very Good                  3 – Average                  1 – Very Poor</p>	<p style="text-align: center;"><b>Employee Engagement</b></p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Rating</th> </tr> </thead> <tbody> <tr> <td>Actual 2008</td> <td>3.88</td> </tr> <tr> <td>Actual 2010</td> <td>3.88</td> </tr> <tr> <td>Target 2012</td> <td>4.00</td> </tr> <tr> <td>Target 2014</td> <td>4.00</td> </tr> </tbody> </table>	Year	Rating	Actual 2008	3.88	Actual 2010	3.88	Target 2012	4.00	Target 2014	4.00		
Year	Rating												
Actual 2008	3.88												
Actual 2010	3.88												
Target 2012	4.00												
Target 2014	4.00												
<p>Retention rate of employees                  Frequency: Annually                  Source: Human Resources</p> <p>Note: Hires from preceding year that have stayed one year or longer.</p>	<p style="text-align: center;"><b>Employee Retention Rate</b></p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Retention Rate</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>83%</td> </tr> <tr> <td>Actual 2010</td> <td>98%</td> </tr> <tr> <td>Target 2011</td> <td>95%</td> </tr> <tr> <td>Target 2012</td> <td>95%</td> </tr> <tr> <td>Target 2013</td> <td>95%</td> </tr> </tbody> </table>	Year	Retention Rate	Actual 2009	83%	Actual 2010	98%	Target 2011	95%	Target 2012	95%	Target 2013	95%
Year	Retention Rate												
Actual 2009	83%												
Actual 2010	98%												
Target 2011	95%												
Target 2012	95%												
Target 2013	95%												
<p>Percentage of top candidates who accept offer                  Frequency: Annually                  Source: Human Resources</p>	<p style="text-align: center;"><b>Hire Top Candidates</b></p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>94%</td> </tr> <tr> <td>Actual 2010</td> <td>94%</td> </tr> <tr> <td>Target 2011</td> <td>95%</td> </tr> <tr> <td>Target 2012</td> <td>95%</td> </tr> <tr> <td>Target 2013</td> <td>95%</td> </tr> </tbody> </table>	Year	Percentage	Actual 2009	94%	Actual 2010	94%	Target 2011	95%	Target 2012	95%	Target 2013	95%
Year	Percentage												
Actual 2009	94%												
Actual 2010	94%												
Target 2011	95%												
Target 2012	95%												
Target 2013	95%												

Percentage of times position is filled on the first competition  
 Frequency: Annually  
 Source: Human Resources



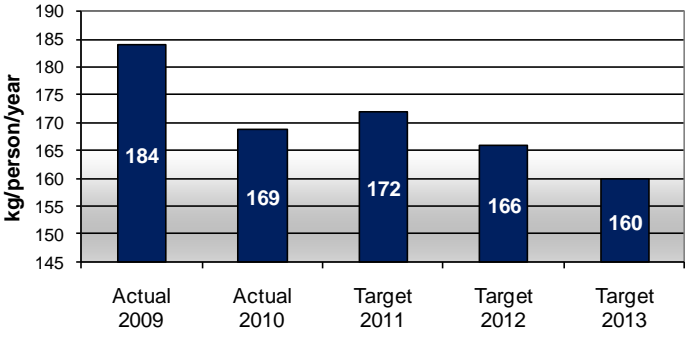
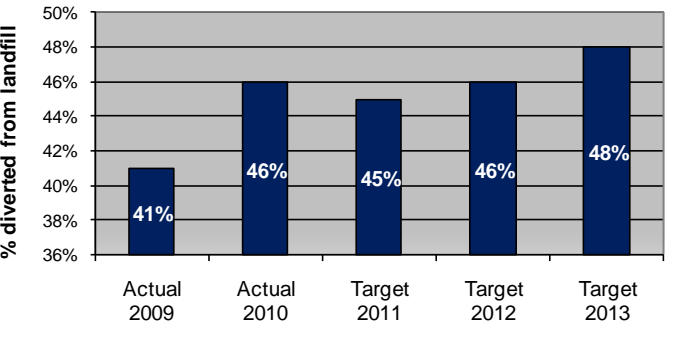
Qualify for WCB premium and discount  
 Frequency: Annually  
 Source: Human Resources

Year	Audit Result
Actual 2009	94%
Actual 2010	90%
Target 2011	95%
Target 2012	95%
Target 2013	95%

Notes:  
 Score is based on Annual Safety Audit.  
 The City must pass the external safety audit in order to qualify for the WCB discount.

**2. Deliver programs and services that meet or exceed our standards**

Performance Measures	Targets												
<p><b>Social</b> Plans and initiatives are delivered to strengthen St. Albert’s social fabric.</p>													
Performance Measures	Targets												
<p>Percentage of residents that perceive the overall quality of life in St. Albert as positive Frequency: Annually Source: Corporate Communications (Community Satisfaction Survey)</p>	<p><b>Overall Quality of Life in St. Albert</b></p> <table border="1"> <caption>Overall Quality of Life in St. Albert</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>97%</td> </tr> <tr> <td>Actual 2010</td> <td>98%</td> </tr> <tr> <td>Target 2011</td> <td>94%</td> </tr> <tr> <td>Target 2012</td> <td>94%</td> </tr> <tr> <td>Target 2013</td> <td>94%</td> </tr> </tbody> </table> <p>Excellent, Very Good, Good</p>	Year	Percentage	Actual 2009	97%	Actual 2010	98%	Target 2011	94%	Target 2012	94%	Target 2013	94%
Year	Percentage												
Actual 2009	97%												
Actual 2010	98%												
Target 2011	94%												
Target 2012	94%												
Target 2013	94%												
<p>Increase in number of assets, beyond the base line results for the 40 Developmental Assets for youth Frequency: Annually Source: FCSS and RCMP</p>	<ul style="list-style-type: none"> <li>Asset Development Team will continue to activate sectors of the community (schools, congregations, businesses, families, agencies) to create an asset building culture in St. Albert.</li> <li>Asset Development surveys distributed in 2011 to youth in grades 4 through 11.</li> </ul>												
<p><b>Environment</b> Initiatives are supported and implemented to ensure preservation and enjoyment of natural areas.</p>													
Performance Measures	Targets												
<p>Per capita water consumption Frequency: Quarterly Source: Engineering</p>	<p><b>Water Consumption</b></p> <table border="1"> <caption>Water Consumption</caption> <thead> <tr> <th>Year</th> <th>L/person/day</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>280</td> </tr> <tr> <td>Actual 2010</td> <td>266</td> </tr> <tr> <td>Target 2011</td> <td>264</td> </tr> <tr> <td>Target 2012</td> <td>256</td> </tr> <tr> <td>Target 2013</td> <td>248</td> </tr> </tbody> </table>	Year	L/person/day	Actual 2009	280	Actual 2010	266	Target 2011	264	Target 2012	256	Target 2013	248
Year	L/person/day												
Actual 2009	280												
Actual 2010	266												
Target 2011	264												
Target 2012	256												
Target 2013	248												
<p>Target: Reduce water consumption to 200L or less per person per day by 2020.</p>													

<p>Per capita solid waste generation                  Frequency: Quarterly                  Source: Public Works</p> <p>Target: Reduce solid waste to 125kg per person per year by 2020.</p>	<p style="text-align: center;"><b>Solid Waste Generation</b></p>  <table border="1"> <thead> <tr> <th>Year</th> <th>kg/person/year</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>184</td> </tr> <tr> <td>Actual 2010</td> <td>169</td> </tr> <tr> <td>Target 2011</td> <td>172</td> </tr> <tr> <td>Target 2012</td> <td>166</td> </tr> <tr> <td>Target 2013</td> <td>160</td> </tr> </tbody> </table>	Year	kg/person/year	Actual 2009	184	Actual 2010	169	Target 2011	172	Target 2012	166	Target 2013	160
Year	kg/person/year												
Actual 2009	184												
Actual 2010	169												
Target 2011	172												
Target 2012	166												
Target 2013	160												
<p>Per capita solid waste diversion                  Frequency: Quarterly                  Source: Public Works</p> <p>Target: Increase solid waste diversion rate to 65% by 2020.</p>	<p style="text-align: center;"><b>Solid Waste Diversion</b></p>  <table border="1"> <thead> <tr> <th>Year</th> <th>% diverted from landfill</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>41%</td> </tr> <tr> <td>Actual 2010</td> <td>46%</td> </tr> <tr> <td>Target 2011</td> <td>45%</td> </tr> <tr> <td>Target 2012</td> <td>46%</td> </tr> <tr> <td>Target 2013</td> <td>48%</td> </tr> </tbody> </table>	Year	% diverted from landfill	Actual 2009	41%	Actual 2010	46%	Target 2011	45%	Target 2012	46%	Target 2013	48%
Year	% diverted from landfill												
Actual 2009	41%												
Actual 2010	46%												
Target 2011	45%												
Target 2012	46%												
Target 2013	48%												
<p>Greenhouse gas emissions                  Frequency: Annually                  Source: Office of the Environment</p> <p>Note: Greenhouse gas forecast and targets update will be finalized in quarter three of 2010. Data collection will start in 2011.</p>	<ul style="list-style-type: none"> <li>• Achieve 20% reduction of total corporate greenhouse gas emissions from 1990 levels by 2020</li> <li>• Achieve 6% reduction of total community greenhouse gas emissions from 1990 level by 2020</li> </ul>												

**150th Anniversary Celebration**

St. Albertans celebrate our history, arts and culture

Performance Measures	Targets
Number of 150 <sup>th</sup> Year Celebration activities that occur in the city Frequency: Once Source: Culture	Ten events have been planned for the 150 <sup>th</sup> Year Celebration: <ul style="list-style-type: none"> <li>• Black Bonspiel of Willie MacCrimmon - January 14<sup>th</sup> – 16<sup>th</sup>, 2011</li> <li>• Rendezvous 2011 Gala – January 22, 2011</li> <li>• Snow Festival – February 21, 2011</li> <li>• Meet the Street (Rooney &amp; Punyi) – June 12, 2011</li> <li>• Soapbox Derby – June 19, 2011</li> <li>• Battle of the Bands – July 1, 2011</li> <li>• Homecoming – July 16, 2011</li> <li>• Record Breaking Rendezvous Picnic – August 28, 2011</li> <li>• New Year’s Wrap-up – Dec. 31, 2011</li> <li>• Volunteer Recognition Event – early 2012</li> </ul> Additional Events <ul style="list-style-type: none"> <li>• RCMP Musical Ride – 2011</li> <li>• The 150<sup>th</sup> Anniversary Float at various parades</li> <li>• The 150<sup>th</sup> Anniversary booth at the Lifestyle Expo, Farmers’ Market, Continental Cup and Canada Day</li> </ul>

**Safety and Health**

Initiatives are implemented to augment safety and health for St. Albertans

Performance Measures	Targets												
Percentage of residents that agree St. Albert is a safe place to live Frequency: Annually Source: Corporate Communications (Community Satisfaction Survey)	<div style="text-align: center;"> <p><b>Level of Agreement that St. Albert is a Safe Place to Live</b></p> <table border="1"> <caption>Data for Level of Agreement that St. Albert is a Safe Place to Live</caption> <thead> <tr> <th>Year/Type</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>90%</td> </tr> <tr> <td>Actual 2010</td> <td>91%</td> </tr> <tr> <td>Target 2011</td> <td>91%</td> </tr> <tr> <td>Target 2012</td> <td>92%</td> </tr> <tr> <td>Target 2013</td> <td>92%</td> </tr> </tbody> </table> <p><b>Strongly Agree, Somewhat Agree</b></p> </div>	Year/Type	Percentage	Actual 2009	90%	Actual 2010	91%	Target 2011	91%	Target 2012	92%	Target 2013	92%
Year/Type	Percentage												
Actual 2009	90%												
Actual 2010	91%												
Target 2011	91%												
Target 2012	92%												
Target 2013	92%												

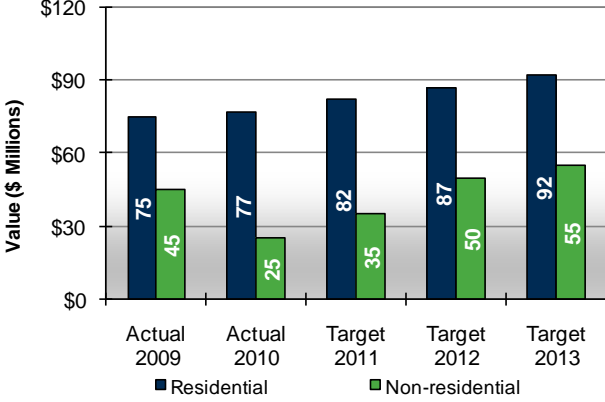
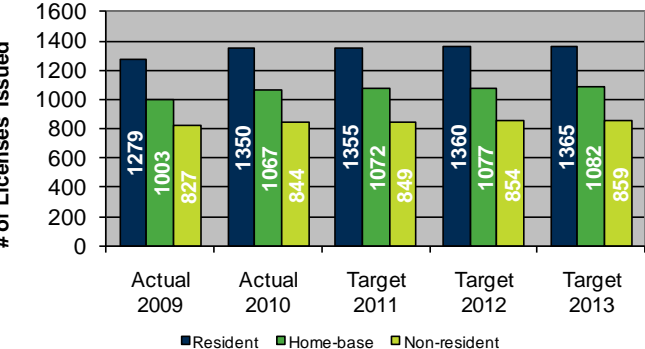
<p>Fire services average response time index                  Frequency: Quarterly                  Source: Fire</p>	<p style="text-align: center;"><b>Fire Services Average Response Time</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Response Time (Minutes)</th> <th>Type</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>09:59</td> <td>Actual</td> </tr> <tr> <td>Actual 2010</td> <td>08:50</td> <td>Actual</td> </tr> <tr> <td>Target 2011</td> <td>09:00</td> <td>Target</td> </tr> <tr> <td>Target 2012</td> <td>09:00</td> <td>Target</td> </tr> <tr> <td>Target 2013</td> <td>09:00</td> <td>Target</td> </tr> </tbody> </table> <p style="text-align: center;">Target: 9 minutes to 90% of calls</p>	Year	Response Time (Minutes)	Type	Actual 2009	09:59	Actual	Actual 2010	08:50	Actual	Target 2011	09:00	Target	Target 2012	09:00	Target	Target 2013	09:00	Target						
Year	Response Time (Minutes)	Type																							
Actual 2009	09:59	Actual																							
Actual 2010	08:50	Actual																							
Target 2011	09:00	Target																							
Target 2012	09:00	Target																							
Target 2013	09:00	Target																							
<p>Number of criminal code offenses                  Frequency: Quarterly                  Source: RCMP</p>	<p style="text-align: center;"><b>Criminal Code Offenses</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th># of Offenses</th> <th>Type</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>5599</td> <td>Actual</td> </tr> <tr> <td>Actual 2010</td> <td>5317</td> <td>Actual</td> </tr> <tr> <td>Target 2011</td> <td>5317</td> <td>Target</td> </tr> <tr> <td>Target 2012</td> <td>5317</td> <td>Target</td> </tr> <tr> <td>Target 2013</td> <td>5317</td> <td>Target</td> </tr> </tbody> </table>	Year	# of Offenses	Type	Actual 2009	5599	Actual	Actual 2010	5317	Actual	Target 2011	5317	Target	Target 2012	5317	Target	Target 2013	5317	Target						
Year	# of Offenses	Type																							
Actual 2009	5599	Actual																							
Actual 2010	5317	Actual																							
Target 2011	5317	Target																							
Target 2012	5317	Target																							
Target 2013	5317	Target																							
<p>Number of injury collisions                  Frequency: Quarterly                  Source: RCMP</p>	<p style="text-align: center;"><b>Injury Collisions</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Injury Collisions</th> <th>Fatal</th> <th>Type</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>150</td> <td>1</td> <td>Actual</td> </tr> <tr> <td>Actual 2010</td> <td>126</td> <td>0</td> <td>Actual</td> </tr> <tr> <td>Target 2011</td> <td>126</td> <td>0</td> <td>Target</td> </tr> <tr> <td>Target 2012</td> <td>126</td> <td>0</td> <td>Target</td> </tr> <tr> <td>Target 2013</td> <td>126</td> <td>0</td> <td>Target</td> </tr> </tbody> </table>	Year	Injury Collisions	Fatal	Type	Actual 2009	150	1	Actual	Actual 2010	126	0	Actual	Target 2011	126	0	Target	Target 2012	126	0	Target	Target 2013	126	0	Target
Year	Injury Collisions	Fatal	Type																						
Actual 2009	150	1	Actual																						
Actual 2010	126	0	Actual																						
Target 2011	126	0	Target																						
Target 2012	126	0	Target																						
Target 2013	126	0	Target																						

<p>Number of non injury collisions                  Frequency: Quarterly                  Source: RCMP</p>	<table border="1"> <caption>Non Injury Collisions</caption> <thead> <tr> <th>Year</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>1683</td> </tr> <tr> <td>Actual 2010</td> <td>1574</td> </tr> <tr> <td>Target 2011</td> <td>1574</td> </tr> <tr> <td>Target 2012</td> <td>1574</td> </tr> <tr> <td>Target 2013</td> <td>1574</td> </tr> </tbody> </table>	Year	Value	Actual 2009	1683	Actual 2010	1574	Target 2011	1574	Target 2012	1574	Target 2013	1574
Year	Value												
Actual 2009	1683												
Actual 2010	1574												
Target 2011	1574												
Target 2012	1574												
Target 2013	1574												
<p><b>Other</b></p>													
<p><b>Performance Measures</b>      <b>Targets</b></p>													
<p>Percentage of residents that perceive value for tax dollar                  Frequency: Annually                  Source: Corporate Communications (Community Satisfaction Survey)</p>	<table border="1"> <caption>Perceived Value for Tax Dollar</caption> <thead> <tr> <th>Year</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>86%</td> </tr> <tr> <td>Actual 2010</td> <td>86%</td> </tr> <tr> <td>Target 2011</td> <td>81%</td> </tr> <tr> <td>Target 2012</td> <td>81%</td> </tr> <tr> <td>Target 2013</td> <td>81%</td> </tr> </tbody> </table> <p>Very Good Value, Good Value, Fair Value</p>	Year	Value	Actual 2009	86%	Actual 2010	86%	Target 2011	81%	Target 2012	81%	Target 2013	81%
Year	Value												
Actual 2009	86%												
Actual 2010	86%												
Target 2011	81%												
Target 2012	81%												
Target 2013	81%												
<p>Annual transit commuter ridership (#)                  Frequency: Quarterly                  Source: Transit</p>	<table border="1"> <caption>Transit Commuter Ridership</caption> <thead> <tr> <th>Year</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>1,077,445</td> </tr> <tr> <td>Actual 2010</td> <td>1,052,479</td> </tr> <tr> <td>Target 2011</td> <td>1,105,000</td> </tr> <tr> <td>Target 2012</td> <td>1,121,000</td> </tr> <tr> <td>Target 2013</td> <td>1,138,000</td> </tr> </tbody> </table>	Year	Value	Actual 2009	1,077,445	Actual 2010	1,052,479	Target 2011	1,105,000	Target 2012	1,121,000	Target 2013	1,138,000
Year	Value												
Actual 2009	1,077,445												
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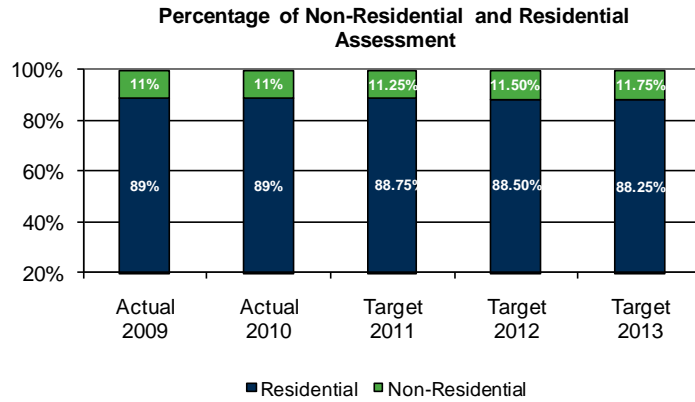
### 3. Exercise strong fiscal management

#### Economic Development

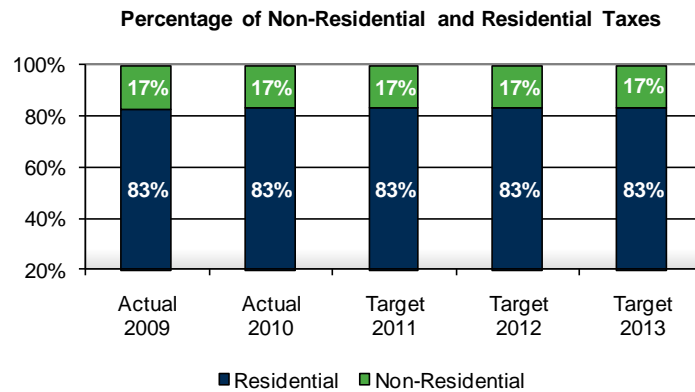
Increased businesses, visitors and investment are achieved to strengthen and diversify St. Albert's economy.

Performance Measures	Targets																								
<p><b>New development construction value (\$)</b>                      Frequency: Quarterly                      Source: Planning and Development</p>	<p style="text-align: center;"><b>New Development Construction Value</b></p>  <table border="1"> <caption>New Development Construction Value (\$ Millions)</caption> <thead> <tr> <th>Year</th> <th>Residential</th> <th>Non-residential</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>75</td> <td>45</td> </tr> <tr> <td>Actual 2010</td> <td>77</td> <td>25</td> </tr> <tr> <td>Target 2011</td> <td>82</td> <td>35</td> </tr> <tr> <td>Target 2012</td> <td>87</td> <td>50</td> </tr> <tr> <td>Target 2013</td> <td>92</td> <td>55</td> </tr> </tbody> </table>	Year	Residential	Non-residential	Actual 2009	75	45	Actual 2010	77	25	Target 2011	82	35	Target 2012	87	50	Target 2013	92	55						
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Target 2012	87	50																							
Target 2013	92	55																							
<p><b>Number of business licenses (resident; home-based; non-resident)</b>                      Frequency: Quarterly                      Source: Business &amp; Tourism Development</p> <p>Note: Resident businesses are businesses operating from a commercial/industrial location within St. Albert.</p>	<p style="text-align: center;"><b>Business Licenses</b></p>  <table border="1"> <caption>Business Licenses Issued</caption> <thead> <tr> <th>Year</th> <th>Resident</th> <th>Home-base</th> <th>Non-resident</th> </tr> </thead> <tbody> <tr> <td>Actual 2009</td> <td>1279</td> <td>1003</td> <td>827</td> </tr> <tr> <td>Actual 2010</td> <td>1350</td> <td>1067</td> <td>844</td> </tr> <tr> <td>Target 2011</td> <td>1355</td> <td>1072</td> <td>849</td> </tr> <tr> <td>Target 2012</td> <td>1360</td> <td>1077</td> <td>854</td> </tr> <tr> <td>Target 2013</td> <td>1365</td> <td>1082</td> <td>859</td> </tr> </tbody> </table>	Year	Resident	Home-base	Non-resident	Actual 2009	1279	1003	827	Actual 2010	1350	1067	844	Target 2011	1355	1072	849	Target 2012	1360	1077	854	Target 2013	1365	1082	859
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Percentage of non-residential and residential assessment i.e. 90/10; 80/20  
 Frequency: Annually  
 Source: Assessment

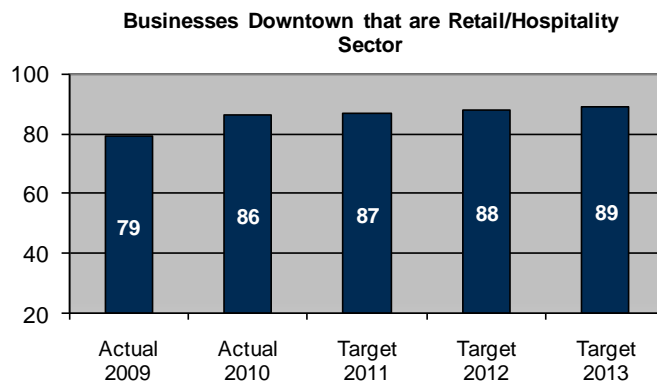


Percentage of non-residential and residential tax revenue  
 Frequency: Annually  
 Source: Assessment



Note: A simple adjustment to the tax rate can shift these percentages.

Number of businesses downtown that are retail/hospitality  
 Frequency: Annually  
 Source: Business & Tourism Development



**Infrastructure**

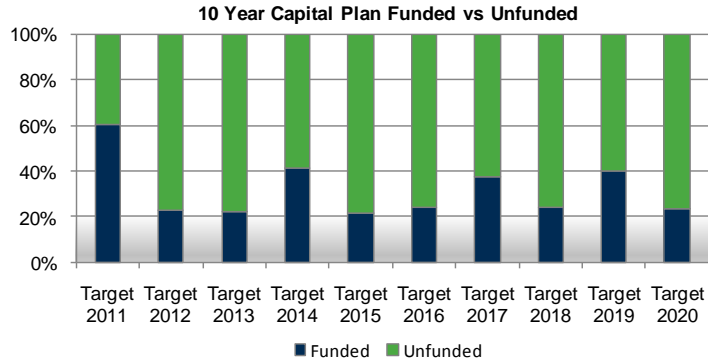
Appropriate infrastructure investments are made to meet the community's need for mobility, recreation, collaboration and beautification.

Performance Measures	Targets
<p>Municipal Capital spending by funding source                      Frequency: Annually                      Source: Finance</p>	<p style="text-align: center;"><b>2011 Capital Spending by Funding Source</b></p> <p style="text-align: center;">■ Grants ■ Reserve ■ PAYG</p>
<p>10-year capital plan by category                      re-investment, enhancement and growth                      Frequency: Annually                      Source: Finance</p>	<p style="text-align: center;"><b>10 Year Capital Expenditures by Category</b></p> <p style="text-align: center;">■ Reinvestment ■ Enhancement ■ Growth</p>
<p>10-year capital plan by asset category                      Frequency: Annually                      Source: Finance</p>	<p style="text-align: center;"><b>10 Year Capital Plan by Asset Category</b></p> <p style="text-align: center;">■ Bridges ■ Buildings ■ Equipment ■ Land                      ■ Parks ■ Transit ■ Roads ■ Other</p>

10-year capital plan – funded vs. unfunded

Frequency: Annually

Source: Finance



**Land-Use Planning**

Necessary decisions are made to support progress of undeveloped and infill areas.

**Performance Measures**

This is a new priority and therefore its performance measure will be developed in 2011.

**Targets**

**Council Governance**

Policies, practices and agreements are evaluated to reduce residential tax burden and improve operational efficiency and accountability.

**Performance Measures**

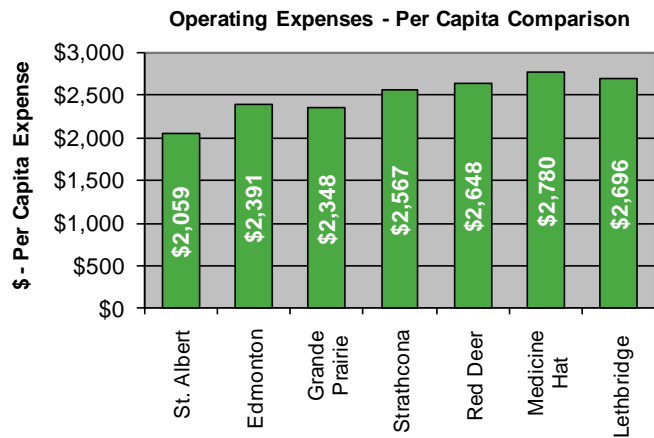
Cost per capita for municipal services compared to other municipalities

Frequency: Annually

Source: Finance

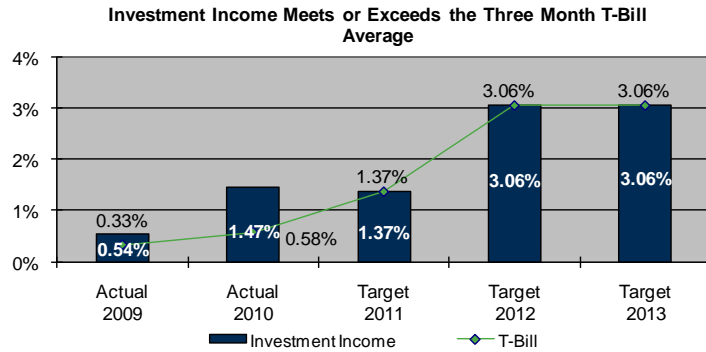
Source: 2009 Annual Reports and Alberta Municipal Affairs (Population data 2009)

**Targets**

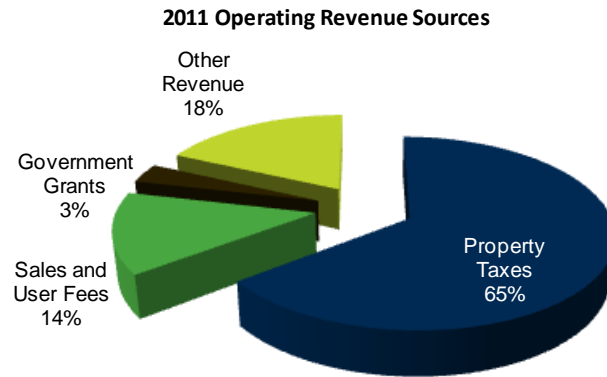


Note: City of Medicine Hat expenses exclude costs related to gas and electric utilities.

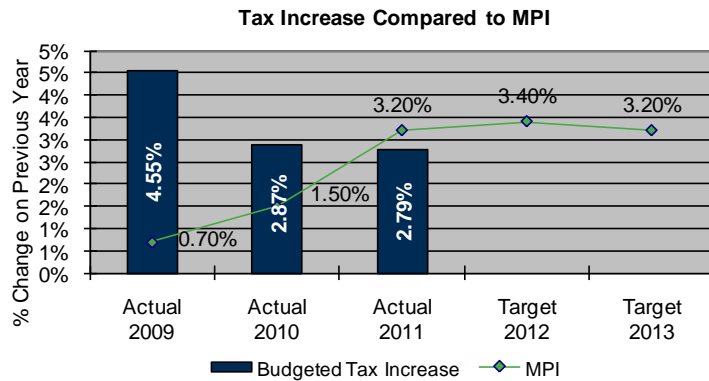
Investment income meets or exceeds the monthly T-Bill  
 Frequency: Annually  
 Source: Finance  
 Source: BMO Capital Markets Economics January 28, 2011.



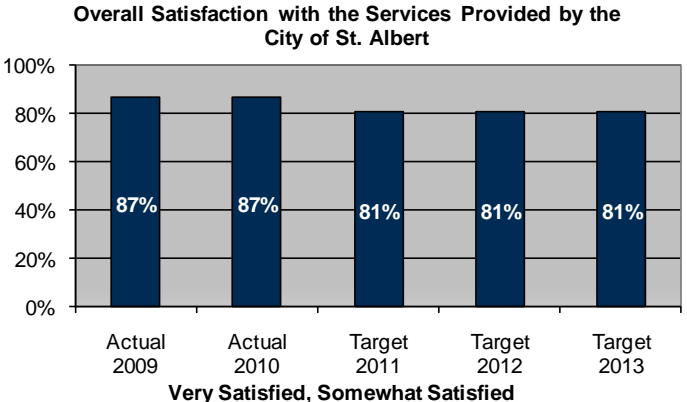
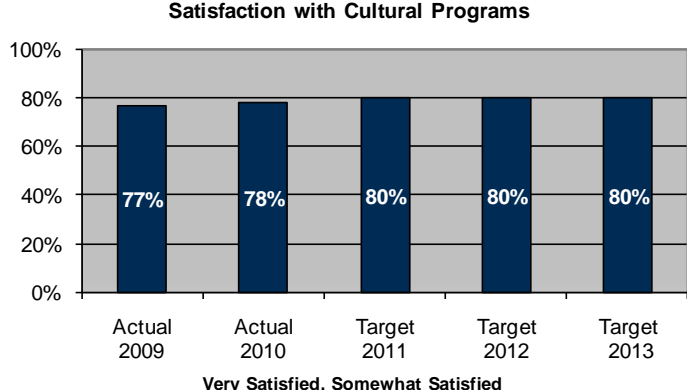
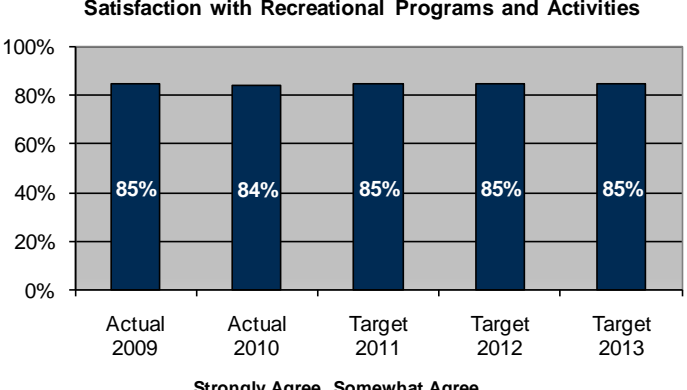
Sources of operating revenue  
 Frequency: Annually  
 Source: Finance



Percentage of residential tax increase to maintain service levels compared to MPI  
 Frequency: Annually  
 Source: Finance



**4. Ensure our customers are very satisfied**

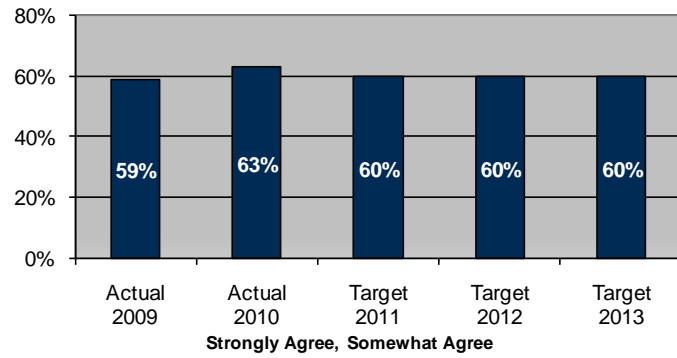
Performance Measures	Targets																		
<p>Percentage of residents that are satisfied with the services provided by the City of St. Albert</p> <p>Frequency: Annually</p> <p>Source: Corporate Communications (Community Satisfaction Survey)</p>	<p><b>Overall Satisfaction with the Services Provided by the City of St. Albert</b></p>  <table border="1"> <caption>Overall Satisfaction with the Services Provided by the City of St. Albert</caption> <thead> <tr> <th>Year</th> <th>Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>87%</td> <td>-</td> </tr> <tr> <td>2010</td> <td>87%</td> <td>-</td> </tr> <tr> <td>2011</td> <td>-</td> <td>81%</td> </tr> <tr> <td>2012</td> <td>-</td> <td>81%</td> </tr> <tr> <td>2013</td> <td>-</td> <td>81%</td> </tr> </tbody> </table>	Year	Actual	Target	2009	87%	-	2010	87%	-	2011	-	81%	2012	-	81%	2013	-	81%
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<p>Percentage of residents that are satisfied with cultural programs</p> <p>Frequency: Annually</p> <p>Source: Corporate Communications (Community Satisfaction Survey)</p>	<p><b>Satisfaction with Cultural Programs</b></p>  <table border="1"> <caption>Satisfaction with Cultural Programs</caption> <thead> <tr> <th>Year</th> <th>Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>77%</td> <td>-</td> </tr> <tr> <td>2010</td> <td>78%</td> <td>-</td> </tr> <tr> <td>2011</td> <td>-</td> <td>80%</td> </tr> <tr> <td>2012</td> <td>-</td> <td>80%</td> </tr> <tr> <td>2013</td> <td>-</td> <td>80%</td> </tr> </tbody> </table>	Year	Actual	Target	2009	77%	-	2010	78%	-	2011	-	80%	2012	-	80%	2013	-	80%
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<p>Percentage of residents that are satisfied with recreational programs and activities</p> <p>Frequency: Annually</p> <p>Source: Corporate Communications (Community Satisfaction Survey)</p>	<p><b>Satisfaction with Recreational Programs and Activities</b></p>  <table border="1"> <caption>Satisfaction with Recreational Programs and Activities</caption> <thead> <tr> <th>Year</th> <th>Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>2009</td> <td>85%</td> <td>-</td> </tr> <tr> <td>2010</td> <td>84%</td> <td>-</td> </tr> <tr> <td>2011</td> <td>-</td> <td>85%</td> </tr> <tr> <td>2012</td> <td>-</td> <td>85%</td> </tr> <tr> <td>2013</td> <td>-</td> <td>85%</td> </tr> </tbody> </table>	Year	Actual	Target	2009	85%	-	2010	84%	-	2011	-	85%	2012	-	85%	2013	-	85%
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Percentage of residents that are satisfied with Family and Community Support Services

Frequency: Annually

Source: Corporate Communications (Community Satisfaction Survey)

**Satisfaction with Family and Community Support Services**



## APPENDIX C: COUNCIL PRIORITIES

### Schedule A

#### To Council Policy C-CG-02 Council's Goals

The following goals and priorities were established by Council and are either in progress or expected to be complete by 2013.

#### ECONOMIC DEVELOPMENT

**Goal: Increased businesses, visitors and investment are achieved to strengthen and diversify St. Albert's economy**

Sub-Categories and Related Priorities
<b>Business Attraction and Development</b>
Actively pursue commercial and light industrial development
Make a decision on the preferred location for a light industrial site
Maintain commitment to downtown development by reviewing and encouraging the implementation plan for the Downtown Area Redevelopment Plan (DARP)
<b>Tourism Development</b>
Implement Tourism Master Plan goals such as: <ul style="list-style-type: none"> <li>• Further vitalize the downtown area</li> <li>• Increase accommodation options for those visiting St. Albert</li> <li>• Promote current and future tourist attractions and events</li> </ul>
Complete work on Phase 1 of the Heritage Site
<b>Promoting St. Albert</b>
Build marketing capacity to promote the city and support attraction of residents, businesses, visitors and investment
Ensure "Botanical Arts City" brand takes root throughout the community

#### LAND-USE PLANNING

**Goal: Necessary decisions are made to support progress of undeveloped and infill areas**

Sub-Categories and Related Activities
Expedite sound decision-making on commercial and light industrial development
Expedite sound decisions on the land areas designated as Future Study Area to allow for development
Make necessary updates to the Municipal Development Plan (MDP) to remove all references to Smart Growth from the MDP policies and definitions
Complete and review infill guidelines to ensure they are well integrated with existing neighbourhoods for: <ul style="list-style-type: none"> <li>• Multi-family development</li> <li>• Single family development</li> </ul>

**SAFETY AND HEALTH**

**Goal: Initiatives are implemented to augment safety and health for St. Albertans**

Sub-Categories and Related Priorities
<b>Safety</b>
Complete the Long-term Policing Plan that includes a review and recommendations for the policing model, levels of service and necessary resources to assist with community safety
Implement Neighbourhood Development initiatives that strengthen community safety and unity
Develop a series of performance indicators related to community safety
<b>Health</b>
Complete work of the Physicians Attraction Task Force and review their recommendations

**SOCIAL**

**Goal: Plans and initiatives are delivered to strengthen St. Albert’s social fabric**

Sub-Categories and Related Priorities
<b>Strengthening our Community</b>
Enhance neighbourhood development through the creation of community associations, as an element of the overall City’s Community Development Plan
Complete the Culture Master Plan to guide cultural investments and programs
Complete the Recreation Master Plan to guide recreational investments and programs
Develop a neighbourhood cleanliness program
Initiate a Social Master Plan to review and address the social needs of the community
<b>Housing</b>
Finalize affordable housing initiatives: <ul style="list-style-type: none"> <li>• Habitat project</li> <li>• Provincially approved project(s)</li> <li>• Basement Suite Program</li> </ul>
Determine the future of the rent subsidy program
After provincial decision on 2010/2011 affordable housing grants, determine future funding plans

## INFRASTRUCTURE

**Goal: Appropriate infrastructure investments are made to meet the community's need for mobility, recreation, collaboration and beautification**

<b>Sub-Categories and Related Priorities</b>
<b>Complete Ray Gibbon Drive</b>
Secure provincial funding to complete construction of Ray Gibbon Drive stage 3
<b>Riel Area Enhancements</b>
Complete construction of Phase 2 of Riel Park
Make decisions on development of Phases 3 and 4 for Riel Park
<b>Enhance Public Transportation</b>
Perform and assess a handibus trial for return medical trips to Edmonton
Secure funding for south park and ride
Plan for the future of LRT to St. Albert
<b>Community Amenities</b>
Enhance entrances to the city with new entrance signs and landscaping
Beautify St. Albert Trail through improvements to roadway medians
Complete Lacombe Lake and Levasseur Dog Parks
Promote the Memorial Bench Program as one approach to enhance park areas for residents and visitors
<b>Civic Infrastructure</b>
Develop a plan for the future of buildings: <ul style="list-style-type: none"> <li>• Fire Hall #1</li> <li>• Hemingway Centre</li> <li>• Community Support Centre</li> </ul>
Make a decision on a facility life cycle and maintenance policy
Acquire land for municipal purposes

## ENVIRONMENT

**Goal: Initiatives are supported and implemented to ensure preservation and enjoyment of natural areas**

<b>Sub-Categories and Related Priorities</b>
<b>Natural Areas</b>
Review and implement opportunities related to the Sturgeon River
Advocate for Lois Hole Centennial Provincial Park (LHCPP) development <ul style="list-style-type: none"> <li>• Pedestrian bridge from Enjoy Centre</li> <li>• Outdoor park and interpretive centre development</li> <li>• Boardwalk development in the wetlands</li> </ul>

Protect the White Spruce Forest
<ul style="list-style-type: none"> <li>• Designate the White Spruce Forest as a municipal heritage site</li> <li>• Establish a stewardship plan for the White Spruce Forest area</li> </ul>
Continue to implement Parks and Open Spaces Management Plan
<b>Environmental Plans</b>
Implement Environmental Master Plan Goals such as:
<ul style="list-style-type: none"> <li>• Air quality station advocacy</li> <li>• Water and energy efficiency in new development</li> <li>• Solid waste and organic recycling program changes                             <ul style="list-style-type: none"> <li>- Augment disposal options at the recycling yard</li> </ul> </li> </ul>
Continue implementation of the environmental management system that adheres to the International Organization for Standardization (ISO) 14001 standards.

## COUNCIL GOVERNANCE

**Goal: Policies, practices and agreements are evaluated to reduce residential tax burden and improve operational efficiency and accountability**

<b>Sub-Categories and Related Priorities</b>
<b>Council Operations</b>
Evaluate need for full time Council
<b>Maintaining Fiscal Focus</b>
Practice fiscal restraint
Review appropriate fiscal policies
Conduct efficiency assessments of internal departments and external agencies
Address recommendations within the Hay Group’s compensation review
Review expiring agreements with external organizations and examine alternatives
Review application and reporting processes for City grants to community groups
Evaluate the 2011 budget process
<b>Connecting our Community and the Region</b>
Consider recommended changes to public communication and consultation processes

## 150<sup>TH</sup> ANNIVERSARY

**Goal: St. Albertans celebrate their history, arts and culture during a year-long 150<sup>th</sup> Anniversary**

<b>Sub-Categories and Related Priorities</b>
Deliver exceptional year-long 150 <sup>th</sup> Anniversary Celebration activities
Advocate for funding to support the operational and legacy projects of the 150 <sup>th</sup> Anniversary
Support the community and it’s volunteers in their provision of 150 <sup>th</sup> Anniversary activities

## APPENDIX D: CORPORATE PLANNING ASSUMPTIONS

All departments use the following set of assumptions to create their 2011-2013 business plans and budgets.

Category	Description of the Assumption																
<b>1. Assessment Growth</b>	<p>It is difficult to forecast growth in the future as the assessment-based approach is really only accurate for the current year. Therefore, with the growth we are currently experiencing, we have been prudent in assuming that growth will continue to be low:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2011</th> <th>2012</th> <th>2013</th> </tr> </thead> <tbody> <tr> <td>Residential</td> <td>1.25%</td> <td>1.50%</td> <td>1.75%</td> </tr> <tr> <td>Non-Residential</td> <td>3.50%</td> <td>3.75%</td> <td>4.00%</td> </tr> <tr> <td><b>Overall - Weighted</b></td> <td><b>1.54%</b></td> <td><b>1.75%</b></td> <td><b>2.00%</b></td> </tr> </tbody> </table> <p>The growth projected for each tax year is equivalent to the new growth occurring in the previous calendar year.</p> <p>Source: Assessment</p>	Year	2011	2012	2013	Residential	1.25%	1.50%	1.75%	Non-Residential	3.50%	3.75%	4.00%	<b>Overall - Weighted</b>	<b>1.54%</b>	<b>1.75%</b>	<b>2.00%</b>
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<b>Overall - Weighted</b>	<b>1.54%</b>	<b>1.75%</b>	<b>2.00%</b>														
<b>2. Capital Funding</b>	<p>Capital funds will be used strategically based upon demands identified in Business Planning, using the Long Term Financial Plan and 10-year Capital Plan to optimally allocate funds.</p> <p><b>NDCC (Federal Gas tax)</b></p> <ul style="list-style-type: none"> <li>• 2011: \$3.26M</li> <li>• 2012: \$3.26M</li> <li>• 2013: \$3.26M</li> <li>• 2014: \$3.26M</li> </ul> <p><b>Basic Capital Transportation Grant</b></p> <ul style="list-style-type: none"> <li>• 2011: \$3.5M</li> <li>• 2012: \$3.5M</li> <li>• 2013: \$3.5M</li> </ul> <p><b>Municipal Sustainability Initiative (MSI)</b></p> <ul style="list-style-type: none"> <li>• 2011: \$11.3M</li> <li>• 2012: \$11.3M</li> <li>• 2013: \$11.3M</li> </ul> <p>The above amounts are those that relate to both the municipal capital fund as well as the utility capital fund.</p> <p>Source: Finance</p>																

Category	Description of the Assumption
<p><b>3. Civic Space Needs</b></p>	<p><b>Re-Investment in Existing Civic Buildings</b>                      The following renovations are planned for the three year horizon:</p> <p><i>City Building Rehabilitation</i></p> <ul style="list-style-type: none"> <li>• 2011: \$200,000</li> </ul> <p><i>Eco Chill System Expansion</i></p> <ul style="list-style-type: none"> <li>• 2011: \$220,000</li> </ul> <p><i>Energy Efficiency Program</i></p> <ul style="list-style-type: none"> <li>• 2011: \$53,000</li> <li>• 2012: \$54,600</li> <li>• 2013: \$56,200</li> </ul> <p><i>Fire Station #1</i></p> <ul style="list-style-type: none"> <li>• 2012: \$500,000</li> <li>• 2013: \$5,600,000</li> </ul> <p><i>RCMP Parking Lot Expansion</i></p> <ul style="list-style-type: none"> <li>• 2011: \$220,000</li> </ul> <p>St. Albert Place</p> <ul style="list-style-type: none"> <li>• 2011: \$400,000</li> <li>• 2013: \$255,300</li> </ul> <p><b>Additional Civic Buildings</b>                      The following new facilities are planned for the three year horizon:</p> <p><i>Civic Administration Building</i>                      It is unlikely that there will be any movement towards a new civic building within the three-year planning horizon.</p> <p>It is anticipated that several more departments will need to exit SAP and move into interim space during the planning horizon – potentially one department in each of 2011 and 2012.</p> <ul style="list-style-type: none"> <li>• Cost per person in new workstations is approximately \$5,000 (including workstation, chair, computer)</li> <li>• Cost for lease and operating expense is approximately \$30/square foot</li> </ul> <p>Departments should assess space needs and highlight any current pressures or forecast significant changes.</p> <p><i>Snow Storage Phase 2</i></p> <ul style="list-style-type: none"> <li>• 2011: \$625,000</li> </ul> <p><i>Transit Garage Satellite Storage</i></p> <ul style="list-style-type: none"> <li>• 2011: \$625,000</li> </ul>

Category	Description of the Assumption
	<p><b>Community Enhancement to Facilities</b>                      The following new community group facilities are planned for the three year horizon:</p> <p><i>La Banque d’Hochelaga</i></p> <ul style="list-style-type: none"> <li>• 2012: \$73,000</li> <li>• 2013: \$491,100</li> </ul> <p><i>Riel Park Redevelopment – Phase 3 (Rugby/Soccer)</i></p> <ul style="list-style-type: none"> <li>• 2011: \$1,580,000</li> </ul> <p><i>Riel Park Redevelopment – Phase 4 (Rugby/Soccer)</i></p> <ul style="list-style-type: none"> <li>• 2012: \$1,530,000</li> </ul> <p><b>Downtown Area Redevelopment Plan (DARP)</b>                      The DARP was presented to Council in July 2010. The DARP provides a vision and guidelines for future development of Downtown. Included are possible locations for civic uses.</p> <p><b>Recreation, Culture and Heritage</b>                      The Recreation and Culture departments will create master plans that are expected to be complete in 2011. Once these master plans are complete, specific space needs for recreation and culture in the city will be identified for construction in future years.</p> <p>The Arts &amp; Heritage Foundation and the Museum may have additional space needs, which will be identified once the master plans are complete.</p> <p>Source: 10-Year Capital Plan</p>
<p><b>4. Council Priorities</b></p>	<p>Departments need to consider what impacts Council’s priorities may have on their individual planning and resource needs.</p> <p>Council’s priorities are organized by outcome goal:</p> <ol style="list-style-type: none"> <li>1. Economic Development/Non-Residential Tax Base</li> <li>2. Community Safety</li> <li>3. Social and Community Development</li> <li>4. Financial Sustainability</li> <li>5. Environmental Sustainability</li> <li>6. Affordable Housing</li> <li>7. 150<sup>th</sup> Year Celebration</li> <li>8. Downtown</li> <li>9. Culture, Arts and Heritage</li> <li>10. Infrastructure Planning</li> </ol> <p>Source: Council</p>

Category	Description of the Assumption
<p><b>5. Economic Stability</b></p>	<p><b>Gross Domestic Product</b>                      Gross Domestic Product (GDP) is the total output of goods and service in the economy. The level of GDP growth is important because it can be interpreted as follows:</p> <ul style="list-style-type: none"> <li>• A reduction/increase in GDP growth indicates a slowdown/expansion in the economy and will make people more cautious/optimistic with regards to jobs and income.</li> <li>• Negative GDP growth triggers discussions about a recession (defined as two subsequent quarters of negative GDP growth), which tends to dampen consumer confidence.</li> </ul> <p>The economy is expected to grow in 2011, 2012 and 2013 adding potentially to input costs. The Conference Board of Canada projects the percent change from Q4 of the previous year to Q4 of the current year in Alberta’s GDP (at market prices) to be as follows:</p> <ul style="list-style-type: none"> <li>• 2009: -7.6%</li> <li>• 2010: 9.04%</li> <li>• 2011: 8.02%</li> <li>• 2012: 7.67%</li> <li>• 2013: 6.23%</li> </ul> <p>Source: Corporate Strategy and Business Management</p>
<p><b>6. Elections</b></p>	<p>The Local Authorities Act requires municipalities to hold elections every three years. The next election will be on Monday, October 18, 2010.</p> <p>The new Council will set priorities and direction for the corporation early in 2011 which may impact priorities and strategic direction in departments.</p> <p>Source: Legislative Services</p>
<p><b>7. Environment</b></p>	<p>Departments need to consider the increasing expectations from regulatory agencies and the community in relation to environmental issues. The federal and provincial governments continue to increase legislation, regulations or guidelines in all areas of the environment including air, water and soil quality, fish and wildlife protection and solid waste and toxics reduction. At the same time staff and budget cuts to both federal and provincial governments is substantially slowing down turnaround time on applications, permits and approvals. Citizens are more aware of and expect action on environmental issues such as sustainable urban development, recycling, air and water pollution, climate change, and preservation of natural areas and biodiversity.</p> <p>The Environmental Master Plan was approved in 2009 and it prioritizes the key environmental issues relevant to the St. Albert community and</p>

Category	Description of the Assumption
	<p>corporation. Many departments will be involved in developing goals, targets and initiatives related to the Environmental Master Plan in 2010 such as a Corporate Greenhouse Gas Inventory, a State of the Sturgeon River Watershed Report and a Corporate Water Conservation Plan. The Office of Environment will also focus on corporate environmental compliance and implementation of Environmental Management Systems for separate departments and the corporation.</p> <p>Source: Office of Environment</p>
<p><b>8. Inflation</b></p>	<p><b>Consumer Price Index:</b>                      The consumer price index is a commonly used measure of inflation. The Conference Board of Canada projects the annual average percent change to Alberta’s CPI as follows:</p> <ul style="list-style-type: none"> <li>• 2010: 1.2%</li> <li>• 2011: 2.1%</li> <li>• 2012: 2.4%</li> <li>• 2013: 2.0%</li> </ul> <p>Source: Corporate Strategy and Business Management and Finance</p> <p><b>Construction Inflation:</b>                      The construction industry continues to experience inflationary increases that continue to widen the gap between necessary infrastructure development and available funding. While the current and projected inflationary rates are lower than what was experienced in previous years (2006, 2007 and 2008), the rates are still adversely impacting project costs.</p> <p>In order to plan for these increases, the following inflationary values is the projected annual average percent change over the previous year:</p> <ul style="list-style-type: none"> <li>• 2011: 5%</li> <li>• 2012: 5 %</li> <li>• 2013 and beyond: 5%</li> </ul> <p>Source: Engineering Services</p> <p><b>Municipal Price Index:</b>                      Inflation impacts municipalities very differently than it impacts citizens. To more accurately reflect the “basket of goods” traditionally defined by the Consumer Price Index (CPI), some municipalities have adopted, the Municipal Price Index (MPI). MPI is defined as the year over year change in the price of items in the “municipal basket of goods”. This basket includes such commodities as wages, contracts, fuel, utilities, materials, etc. The MPI effectively represents the increase in the municipal operating budget to “keep the lights on” or maintain current</p>

Category	Description of the Assumption
	<p>service/programs levels.</p> <p>St. Albert's unique index includes price changes from indices published by Statistics Canada and the Conference Board of Canada. Using this methodology, the following MPI forecast rates have been calculated for St. Albert:</p> <ul style="list-style-type: none"> <li>• 2011: 3.2%</li> <li>• 2012: 3.4%</li> <li>• 2013: 3.2%</li> </ul> <p>Source: Finance</p> <p><b>Fuel:</b> PW and Transit use approximately 1.5 million litres of fuel per year. Estimated costs are:</p> <p>Gas Prices:</p> <ul style="list-style-type: none"> <li>• 2011: \$1.08 per litre</li> <li>• 2012: \$1.18 per litre</li> <li>• 2013: \$1.32 per litre</li> </ul> <p>Diesel Prices:</p> <ul style="list-style-type: none"> <li>• 2011: \$0.83</li> <li>• 2012: \$0.91</li> <li>• 2013: \$1.01</li> </ul> <p>Source: PW, Transit and Finance</p> <p><b>Significant/Major Contracts</b> RCMP Contract The RCMP contract expires in 2012. This contract outlines the City's and RCMP's obligations and serves as the formal agreement for expectations and services provided by the RCMP and by the City. Renewal of this contract may result in additional changes to the budget in the near future.</p> <p><b>Solid Waste</b> The contract for solid waste collection and landfill disposal ends in 2011, therefore we are anticipating a significant increase in costs for these services unless residents decrease the quantity of garbage discarded. Costs will be adjusted accordingly:</p> <ul style="list-style-type: none"> <li>• Solid waste fees will be adjusted based on Council report in June 2010.</li> <li>• Landfill fees will be adjusted based on the actual contract with Roseridge.</li> </ul> <p>Source: Public Works</p>

Category	Description of the Assumption
	<p>Transit Contract with Diversified (DTL)                      The City is negotiating with DTL for a one year extension from July 1, 2010 to June 30, 2011. We are estimating an increase of 4% for this period. StAT will go out to tender in 2011 for a contractor and is tentatively estimating a 5% increase for the first year of this new contract which includes the last 6 months of 2011.</p> <p>Source: Transit</p>
<p><b>9. Major Special Events</b></p>	<p>Departments need to assess resources required to provide adequate support for each of the major events requested and planned. In particular, staff need to consider additional support they may need to provide to:</p> <ul style="list-style-type: none"> <li>• 150<sup>th</sup> Anniversary events throughout 2011</li> <li>• Various community task force events occurring in 2011, 2012 and 2013</li> </ul> <p>Also, Transit needs to assess its level of involvement for each event and plan accordingly.</p> <p>Source: Leadership Team</p>
<p><b>10. Operating Funding</b></p>	<p><b>Policing:</b>                      As St. Albert has a population over 50,000, we will receive \$16 per capita. Current funding for policing in St. Albert is \$936,000.</p> <p><b>Ambulance Services:</b>                      Ground ambulance services transferred from municipalities to being governed by the provincial health authority on April 1, 2009. St. Albert has a two-year contract with Alberta Health Services to deliver ambulance services. The additional cost to St. Albert is estimated as follows:</p> <ul style="list-style-type: none"> <li>• 2011-13: \$ 850,000</li> </ul> <p><b>Family and Community Support Services (FCSS)</b>                      St. Albert receives funding support for FCSS services. The funding is estimated as follows:</p> <ul style="list-style-type: none"> <li>• 2011: \$1,161,600</li> </ul> <p><b>Municipal Sustainability Initiative (MSI)</b>                      St. Albert will receive MSI operating funding until 2016 as follows:</p> <ul style="list-style-type: none"> <li>• 2011-13: \$878,100</li> </ul> <p>The MSI funding has been built into the 2011 – 2013 budget as operating revenue.</p> <p>Source: Finance</p>

Category	Description of the Assumption																		
<b>11. Population Growth</b>	<p>Population growth is projected as follows:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Increase</th> <th>Population</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>-</td> <td>60,138 (actual)</td> </tr> <tr> <td>2011</td> <td>1.25%</td> <td>60,890</td> </tr> <tr> <td>2012</td> <td>1.5%</td> <td>61,803</td> </tr> <tr> <td>2013</td> <td>1.5%</td> <td>62,730</td> </tr> <tr> <td>Future years</td> <td>1.5%</td> <td>-</td> </tr> </tbody> </table> <p>Population growth is estimated based on the 2010 municipal census data. The projections for 2012, 2013 and beyond are based on the Capital Region Board scenarios for population growth.</p> <p>Source: Legislative Services and Capital Region Board</p>	Year	Increase	Population	2010	-	60,138 (actual)	2011	1.25%	60,890	2012	1.5%	61,803	2013	1.5%	62,730	Future years	1.5%	-
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Future years	1.5%	-																	
<b>12. Ray Gibbon Drive</b>	<p>Departments need to consider what impacts Ray Gibbon Drive may have on their individual planning and resource needs. We will budget for Phase III (Giroux Road to Villeneuve Road) in 2011 subject to provincial funding. If we do not get the provincial funding in 2011 we will move the project to 2012 and adjust for inflation. We will continue to work with the Province on the timeframes.</p> <p>Source: Engineering Services</p>																		
<b>13. Recruitment</b>	<p>The Alberta unemployment rate is expected to remain steady at about 6.6% for 2010 and fall to 4.9% by 2013.</p> <p>As such:</p> <ul style="list-style-type: none"> <li>• This may enlarge the pool of applicants for certain general positions while likely having no impact on specialist positions.</li> <li>• Attrition rates dropped to 8% in 2009 compared to an all time high of 13% in 2008.</li> <li>• We do not expect to see any dramatic changes in the number of qualified applicants over the next 3 years.</li> <li>• To attract high caliber applicants, there continues to be a need to focus on attributes that make St. Albert an employer of choice.</li> </ul> <p>Source: Human Resources</p>																		
<b>14. Regional Planning</b>	<p>The Capital Region Board (CRB) was established in 2008. The mandate for the Board is to develop a long range plan to manage growth in the region over the next 50 years. In March 2010 the Minister of Municipal Affairs approved the Growth Plan that focuses on Land Use, Transit, Housing and GIS.</p>																		

Category	Description of the Assumption
	<p>The challenge with the CRB is the demand that it puts on staff resources in each of its key priority areas. Each area requires additional employee time to participate on technical committees, review documents and provide advice. Some communities have hired employees that dedicate time to CRB activities. The City will have to consider better resourcing this activity in 2011 and beyond.</p> <p>Source: SLT</p>
<p><b>15. Reliance on Volunteers</b></p>	<p>Results from the Giving, Volunteering, and Participating in Alberta survey, 2007 shows that 25% of volunteers contributed 78% of all volunteer hours.</p> <ul style="list-style-type: none"> <li>• The average number of hours volunteered per year in Alberta is down to 172 hours per person, compared to 175 hours in 2004.</li> <li>• Albertans aged 35 to 44 years old are most likely to volunteer, while citizens aged 65 years and older volunteer the most number of hours.</li> </ul> <p>The decline in the number of volunteers is a concern because organizations are becoming overly dependent on a small core of volunteers that is resulting in burnout of that core. As the volunteer base shrinks, not-for-profits are competing for the same unpaid workforce. Volunteer commitments are also changing and are showing a growing desire to support projects and short-term commitments.</p> <p>Some social science evidence indicates there is a longer term decline of perhaps 1-1.5, maybe even 2 per cent in volunteering which is small for a year or two, but if it remains like that over a decade we may have a decline of perhaps 20 per cent.</p> <p>Departments will need to evaluate the impact on their resources to effectively work with volunteers and to address the decline in volunteerism.</p> <p>Source: Community and Protective Services</p>
<p><b>16. Revenue from Investments</b></p>	<p>Departments need to consider what impacts declining revenues may have on their individual planning and resource needs. Departments also need to review their sources of revenue to determine if they will be affected by economic conditions. The Bank of Montreal and Royal Bank of Canada project investment income as follows:</p> <ul style="list-style-type: none"> <li>• 2011-13: average rate of return of 1.31% generating net income of:             <ul style="list-style-type: none"> <li>○ \$450,800 in 2011</li> <li>○ \$664,500 in 2012</li> </ul> </li> </ul>

Category	Description of the Assumption
	<ul style="list-style-type: none"> <li>○ \$718,500 in 2013</li> </ul> <p>Source: Finance</p>
<b>17. Service Levels</b>	<p>Strive to maintain service levels and maintain quality of services with no increases to service levels or new services.</p> <p>Departments will need to assess their need for resources in order to continue to meet and maintain existing service level standards. Balance needs to be ensured between internal and external requests for support to ensure service levels can be maintained in the City and the community. If internal service levels decrease then ultimately so will the service levels provided to the community.</p> <p>Source: SLT and Council</p>
<b>18. Servicing Growth Areas</b>	<p>The first area to be developed is Erin Ridge North and construction has begun. The City may consider financial contributions to aide in construction of off site levy infrastructure.</p> <p>Source: Planning and Engineering</p>
<b>19. Social and Community needs</b>	<p>Departments need to consider what impacts changing social and community needs may have on their individual planning and resource needs.</p> <p>There is increasing complexity of social problems in our community as well as an increasing need for subsidies. Efforts continue to better understand the subsidy needs of individuals and families.</p> <p>Expectations</p> <ul style="list-style-type: none"> <li>• Increasing expectation to collaborate both interdepartmentally and intergovernmentally. This requires additional time and resources.</li> <li>• Increase in number of clients requiring a range of social services and helping resources (transportation, health, addiction, food, housing, etc.)</li> <li>• Need to monitor the demographics of residents to respond to changes (example: increase in immigrants)</li> </ul> <p>Outside agencies</p> <ul style="list-style-type: none"> <li>• Increasing need for subsidy</li> <li>• Increasing need for support and planning</li> </ul> <p>Source: FCSS</p>

Category	Description of the Assumption
<p><b>20. Utilities</b></p>	<p>The utility rate model will use the best information available for projecting capital projects within the city. The assumptions on population growth contained in this document should be used within the model. The rate model should also reflect no revenue from the annexation area until 2010. Considering the economic conditions the revenue over the next three years would be minimal. The revenue stream for offsite levies will still occur at the building permit stage for the next two years. Likely a transition period will be required in order to begin collecting funds at the development stage.</p> <p>The utilities will endeavour to maintain a status of self-funding but financial pressures will be realized during initial phases of the annexation area. Infrastructure will have to be extended to the area one or two years prior to receiving revenue for the offsite work. Funding for these projects may have to come from prepayment from developers or funding from other sources.</p> <p>The utility master plan is complete and will result in a revised 10-year capital plan for the utility business unit.</p> <p>Cost increases for contracted service (EPCOR, ACRWC) will have to be assumed for the next three years. This may result in an undercharge or overcharge based on what happens in each of these agencies budget processes. We anticipate a continual lowering of the per capita demand based on the elasticity of the rate and the continual water conservation messaging program.</p> <p>Source: Engineering Services</p>

## APPENDIX E: STRATEGIC INPUTS

This section provides an overview of the external factors that may impact the City of St. Albert and the citizen input and media attention that is considered for the business planning process.

### External Factors

The City of St. Albert is exposed to external factors that need to be considered throughout the planning process to ensure that the City is well prepared and organized to respond to situations that may result from these external factors. The PESTE (Political, Economic, Social, Technological, and Environmental conditions) environmental scan is used to describe external factors and most recent developments within each factor.

These external factors were researched throughout the first three quarters of 2010 in preparation for the 2011-2013 business plan and budget. Significant changes to the Canadian economy that are not captured in this section of the business plan will be reviewed and considered throughout 2011 as the corporation manages its budgets.

#### POLITICAL FACTORS

##### Democratic Engagement

According to the *Democratic Engagement*<sup>1</sup> report, Canada is experiencing a significant democratic deficit with trust in Canadian government and public institutions. Key findings included in the report include:

- Fewer Canadians are voting in elections for all levels of government.
- Participation in formal political activities is low while participation in informal political activities is high (protesting, petitions and boycotting).
- Canadian's are not satisfied with the state of their democracy.
- Federal government policies have not made citizen's lives better.
- Most eligible voters are registered.
- Women and minorities are underrepresented in the political process.
- Canadian global engagement record is poor.

The Institute of Wellbeing provides the following ideas for improving demographic engagement:

- Create opportunity for meaningful engagement.
- Seed a culture of engagement in government.
- Ensure more accountability and transparency in politics.
- Track progress on citizen engagement.
- Invest in civic education.
- Make voting easier.
- Increase diversity in politics.

<sup>1</sup> Institute of Wellbeing, *Democratic Engagement*, January 27, 2010

- Use technology better.
- Invest in civil society.
- Engage Canadians about our place in the World.

A complete report can be viewed at [www.ciw.ca](http://www.ciw.ca).

The City of St. Albert may use this information to assess its resident engagement in the community and create an action plan as necessary.

## Local and Regional

### *The Local Authorities Act*

The act requires municipalities to hold elections every three years. The next St. Albert election is on Monday, October 18, 2010. The new Council will set priorities and direction for the corporation early in 2011 which may impact priorities and strategic direction of the City's departments.

### *Bill 9, the Local Authorities Election Statutes Amendment Act, 2010*

The amended act was introduced in the Alberta Legislature in March 2010. Proposed changes to legislation are to enhance the integrity and public confidence in local elections by clarifying rules for voters and those who run election campaigns. It is proposed that updated guidelines will come into effect December 1, 2011 to allow time for affected parties to comply with the new rules<sup>2</sup>. A complete copy of the legislation can be viewed at [www.assembly.ab.ca](http://www.assembly.ab.ca).

### *Municipal Sustainability*

Municipal Sustainability continues to be a priority for the Government of Alberta and many municipalities in Alberta as presented by the AUMA. Alberta Municipal Affairs has organized a working group to look at developing the Municipal Sustainability Strategy for Alberta. This group's mandate also aligns with the AUMA's priority, municipal sustainability. The focus for this group is on four fundamental questions that will be used to develop the Municipal Sustainability Strategy:

- "What constitutes a sustainable municipality and how can this be measured?"
- "What basic services should a municipality provide?"
- "What capacity building tools are required?"
- "What restructuring process should be used?"

This group also discussed how sustainability plans are implemented in different municipalities. There seems to be a common interest in making sustainability plans a part of the Municipal Development Plan and for the plan to be legislated in order to ensure plan development and implementation. A decision has not yet been made for the future approach.

<sup>2</sup> Government of Alberta – News Release, March 22, 2010

The plan for this group is to also look at performance indicators that municipalities can use but those indicators will most likely be developed based on the sustainability plan.

The City of St. Albert has built a sustainability framework and administration will continue to monitor for any new developments and make updates as necessary.

#### *Capital Region Board*

Following the establishment of the Capital Region Board in April 2008 and approval of the Capital Region Growth Plan, a Regional Evaluation Framework (REF) was implemented in March 2010. The purpose of the framework is to provide criteria on which the Capital Region Board will evaluate municipal statutory plans and statutory plan amendments to ensure consistency with the long-term regional interests in the Capital Region Growth Plan.

Member municipalities are required to submit new Intermunicipal Development Plans and Municipal Development Plans, and amendments to the Board for review and approval.

This new regional collaboration and new rules and regulations may result in increased need for additional resources and adjustments to internal procedures and timelines.

#### **Provincial**

The provincial political climate influences our planning through government priorities, policy and action, changes to regulations, approvals and funding strategies.

#### *Provincial Priorities 2010-2013*

The provincial government has set the following priorities for 2010-2013 that may, along with its strategies, have an affect on the City of St. Albert:

1. Resourceful. Responsible – Ensure Alberta’s energy resources are developed in an environmentally sustainable way.
2. A Healthy Approach – Increase access to quality health care and improve the efficiency and effectiveness of health care service delivery.
3. Strong Communities – Promote strong and vibrant communities and reduce crime so Albertans feel safe.
4. Create Opportunity – Enhance value-added activity, increase innovation, and build a skilled workforce to improve the long-run sustainability of Alberta’s economy.
5. Building Tomorrow – Provide the roads, schools, hospitals and other public infrastructure to meet the needs of a growing economy and population.

*Provincial Cabinet*

In January 2010, changes in the provincial cabinet took place resulting in new Ministers for Municipal Affairs, Health and Energy, to name a few. Along with this, updated mandates and priorities that may impact municipalities in the future have been delivered to the new Ministers.

*Provincial Budget and Program Spending*

The Government of Alberta's 2009-2010 budgeted deficit was considerably smaller than expected with a \$1 billion deficit posted compared to \$3.7 billion forecasted at budget time. With natural gas and oil prices lower than in previous years, financial markets and the Canadian dollar fluctuating, the forecasted deficit of \$4.7 billion for 2010-2011 will remain the same<sup>3</sup>.

The following program expenses have been budgeted for 2010-2013:

- \$15 billion for Health and Wellness in addition to one time funding to eliminate Alberta Health Services' accumulated deficit.
- Nearly \$6.1 billion in program expenses for Education.
- Over \$3.2 billion for Advanced Education and Technologies.
- \$733 million for the Assured Income for the Severely Handicapped Program.
- \$597 million for Persons with Developmental Disabilities.
- A three year \$20.1 billion Capital Plan investment in infrastructure.
- The \$2 billion Green Transit Incentives Program (Green TRIP) to give a boost to public transit.

Municipal Grant Programs have been streamlined to make finding and applying for grants more efficient and less complicated. As a part of this process review the following changes took place:

- Grants with similar outcomes were consolidated.
- Some new programs were created to meet a need not addressed before.
- All grants were aligned with the Government of Alberta business priorities.

In addition, the following tools have been created to assist municipalities:

- A Municipal Grant Web Portal.
- An online search function that will allow municipalities to search by the type of project.
- Downloadable iCalendar that will send reminders to grant program applicants and compliance dates in an electronic calendar.

While intending to simplify the grant process, this provincial initiative has reduced the City's access to funding. This is a result of changes to eligibility and amount of available funding. This may have a negative impact on the City's ability to obtain needed funding in the future.

Additional information is available at <http://municipalaffairs.alberta.ca/municipalgrants.cfm>

The Municipal Sustainability Initiative Program has been revised to add flexibility and increase borrowing power for municipal infrastructure projects. The following changes were made:

<sup>3</sup> Government of Alberta, News Release, Alberta's 2009-2010 deficit, June 24, 2010

- Greater access to borrowing as a strategy to stay on track with current project schedules.
- The limits on the amount of program funding that can be used for interest costs have been raised from 5% to 7% of a municipality's estimated total program allocation.
- The maximum amount of eligible borrowing has been increased from one-third of the estimated total program allocation to one-half.

## Federal

The national political climate influences our planning through government priorities, policy and action, changes to regulations, approvals and funding strategies.

### *Federal Government Priorities*

In March 2010, the federal government announced the following priorities that may impact St. Albert's access to funding for various federally funded projects:

1. Completing Canada's economic action plan scheduled to end in 2011 with 92 per cent of the 2010-2011 funding already committed. The plan includes:
  - \$3.2 billion in personal income tax relief
  - Over \$4 billion in actions to create and protect jobs
  - \$7.7 billion in infrastructure to create jobs
  - \$1.9 billion to create the economy of tomorrow
  - \$2.2 billion to support industries and communities
2. Returning to fiscal balance.
3. Building jobs and industries of the future.
4. Making Canada the best place for families.
5. Standing for those who helped build Canada.
6. Strengthening a united Canada in a changing world.

### *Federal Budget and Program Spending*

In March 2010, the federal government published the updated budget plan for 2011- 2015. The government plans to achieve a balanced budget by the end of 2014-2015 fiscal year through:

- Containing operational costs of federal departments.
- Changes to tax treatment of some employee stock options.
- Limiting growth in program spending to<sup>4</sup>:
  - 3.1% in 2011/2012
  - 1.6% in 2012/2013
  - 2.5% in 2013/2014 and
  - 2.5% in 2014/2015

<sup>4</sup> RBC, Economics, Federal Budget 2010, March 4, 2010

The City needs to continue to monitor the federal government's program spending as it may reduce grants usually received from the federal government.

#### *Federal Elections*

The possibility of a federal election may have an impact on Alberta and the City of St. Albert with a potential slowdown in the execution of current funding programs or approval of new programs that may result from possible changes to the federal government priorities. Currently, the federal election is tentatively scheduled for October 15, 2012, unless current Parliament is dissolved earlier by the Governor General. With current parliamentary instability, the opposition may also choose to seek to trigger an election in early 2011.

#### **International**

Events occurring outside of Canada have a potential to influence us on matters within our own borders. Of most importance is the political climate in the United States, Canada's largest trading partner.

President Obama has set a plan of action for the USA that focuses around three key challenges: health, energy, and education. The energy plan along with the continued pressure on Alberta to address issues with oilsands will continue to affect the Alberta government as they prepare to respond to this issue.

Canada's international trade and investment policy will continue to focus on developing stronger ties with the United States and maintaining a relationship with the European Union; however, for the well-being of the Canadian economy a stronger relationship and enhanced economic exchanges with India and China especially will need to be developed. China's economy is expanding and is expected to become the world's second-largest economy in late 2010<sup>5</sup>.

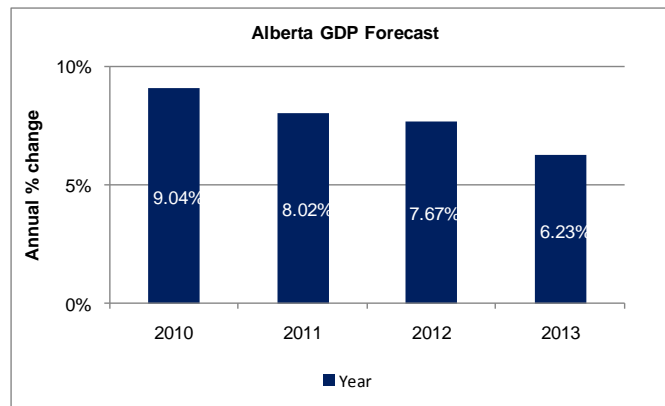
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<sup>5</sup> The Canadian Chamber of Commerce,

## ECONOMIC FACTORS

### Gross Domestic Product (GDP)

- The global GDP is projected to increase by 3.3% in 2011 and by 3.5% in 2012<sup>6</sup>.
- Recovering global economy as well as stronger exports, higher levels of business investment and consumer spending are expected to sustain the economic growth between 2011 and 2013.
- The Conference Board of Canada projects the annual average percent change to Alberta's GDP (at basic prices) to be as follows: 9.04% in 2010, 8.02% in 2011, 7.67% in 2012, and 6.23% in 2013.



### Employment Earnings

- Growth in average weekly earnings is expected to remain around 3.2% in 2011 due to fewer labour shortages. A slight increase is expected in 2012 and 2013<sup>7</sup>.

### Unemployment Rate

- The unemployment rate in Alberta is expected to decrease to 6.0% in 2011, 5.3% in 2012 and 4.9% in 2013<sup>8</sup>.

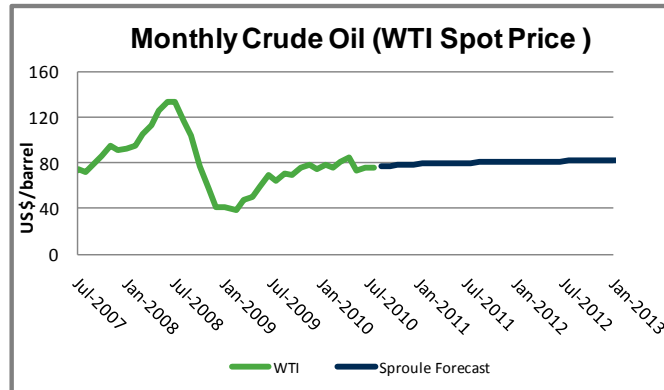
<sup>6</sup> The World Bank Group, Global Economic Prospects <http://go.worldbank.org/HCR2ABQPX0>

<sup>7</sup> Government of Alberta, Budget 2010, Striking the Right Balance, 2010-2013 Economic Outlook

<sup>8</sup> Government of Alberta, Budget 2010, Striking the Right Balance, 2010-2013 Economic Outlook

## Oil Price

- The constant price of oil is expected to average \$81US/barrel in 2011, \$82US/barrel in 2012 and \$82.71US/barrel in 2013<sup>9</sup>. This steady, small increase may impact the City's operation. For the Government of Alberta, this increase may provide higher income, resulting in more comfort with providing grants to municipalities.



Source: Energy Information Organization (<http://tonto.eia.doe.gov/dnav/pet/hist/rwtcM.htm>)

Sproule Forecast (<http://www.sproule.com/Oil--Escalated>)

## Consumer Price Index (CPI) and Municipal Price Index (MPI)

- The annual average percent change to Alberta's CPI is projected to be 2.1% in 2011, 2.4% in 2012, and 2.0% in 2013<sup>10</sup>.
- Inflation impacts municipalities very differently than it impacts citizens. To more accurately reflect the "basket of goods" traditionally defined by the Consumer Price Index (CPI), some municipalities have adopted, the Municipal Price Index (MPI).
  - MPI is defined as the year over year change in the price of items in the "municipal basket of goods". This basket includes such commodities as wages, contracts, fuel, utilities, materials, etc. The MPI effectively represents the increase in the municipal operating budget to "keep the lights on" or maintain current service/programs levels.
  - St. Albert created an index that is unique to St. Albert due to the weightings used to construct the inflation rate. The price changes that are used to calculate the rate come from indices published by Statistics Canada and the Conference Board of Canada. Using this methodology, the following MPI forecast rates have been calculated for St. Albert:
    - 3.2% for 2011
    - 3.4% for 2012

<sup>9</sup> Sproule Associates Limited, Summary of Price Forecasts (Real\$2010), As of August 31, 2010

<sup>10</sup> The Conference Board of Canada, August 31, 2010

- 3.2% for 2013

This increase in MPI may put pressure on City's tax rates.

### Natural Gas Price

- Natural gas price is expected to average approximately Can\$4.25 per gigajoule in 2010-2011 and Can\$5.50 per gigajoule by 2012-13<sup>11</sup>.

### Financial

- The Canadian dollar has remained strong compared to the USA dollar. Currently, one Canadian dollar buys \$0.9545 US dollars. It is forecast that the Canadian dollar will remain strong through 2011. A high increase in the Canadian dollar can have a negative impact on exporters in Canada but increase the purchasing power of importers.
- The Bank of Canada has increased their overnight rate to 0.75% in July 2010. It is forecast that the overnight rate will continue to increase and reach 2.75% by quarter four 2011<sup>12</sup>.
- The 3 month t-bill rate is expected to be 1.74% in 2011, 1.74% in 2012 and 1.74% in 2013<sup>13</sup>. This is in line with the City's investment income targets.

### SOCIAL FACTORS

#### *Quality of Life*

As the community grows and evolves, the City of St. Albert must take into consideration the social well-being of its population and how to achieve sustainability for the future. These factors include areas that will contribute to and enhance quality of life in the community.

The Federation of Canadian Municipalities recognizes that quality of life is influenced by a variety of factors, including the development of a vibrant local economy, the availability of affordable and appropriate housing, dependable community infrastructure, and reliable access to clean air and drinking water. In addition, according to the "One world, many places"<sup>14</sup> report the following quality of life factors are most important around the world: job prospects, clean streets, the level of crime and public transport.

For cities to provide high quality of life they first need to understand what matters to their residents and based on that develop a plan that will demonstrate continuous improvement of the local quality of life. Municipalities, however, need to keep in mind that quality of life is affected by many factors out of the control of municipal government.

<sup>11</sup> Government of Alberta, Budget 2010, Striking the Right Balance

<sup>12</sup> <http://www.rbc.com/economics/quicklink/pdf/rates.pdf>

<sup>13</sup> BMO Capital Markets Economic, July 9, 2010

<sup>14</sup> Ipsos Social Research Institute, One World, many places – Citizens' views of Municipal Government and Local areas across the world.

### *Government Funding*

As a result of the budget pressures within the provincial government, many not-for-profit organizations in St. Albert will continue to experience cuts or elimination of funding for programs and services they offer.

- *Wild Rose Foundation* no longer receives provincial funding. This will have a direct impact on St. Albert's Community Information and Volunteer Centre and their ability to support St. Albert not-for-profit organizations with volunteer services.
- *Government, Gaming and Business Funding and Granting* have all experienced a decreased funding budget thus directly impacting the local non-profit organizations. There has also been a decrease in donations and funding from local businesses.
- *The Mental Health and Student Health Initiative* grants have experienced a decrease in funding and its future is uncertain.

### **Volunteerism**

Results from the latest *Giving, Volunteering, and Participating in Alberta Survey*, released in 2007, shows that 25% of volunteers contributed 78% of all volunteer hours. The top 10 volunteers contributed 52% of total hours.

- The average number of hours volunteered per year in Alberta is down to 172 hours per person, compared to 175 hours in 2004.
- Albertans aged 35 to 44 years old are most likely to volunteer, while citizens aged 65 years and older volunteer the most number of hours.

The decline in the number of volunteers is a concern because organizations are becoming overly dependent on a small core of volunteers that is resulting in burnout of the core group. As the volunteer base shrinks, not-for-profits are competing for the same unpaid workforce.

Social science evidence indicates there is a longer term decline of perhaps one to two per cent in volunteering which is small for a year or two, but if this trend remains a decline in volunteering may reach as high as 20 per cent.

This trend will impact the City and its departments and result in a possible need for additional resources to fill positions and complete initiatives that are usually completed by volunteers.

### **Alberta and St. Albert Demographics**

#### *St. Albert Census 2010*

According to the 2010 Census, St. Albert's population increased by 2.8 per cent; from 58,501 in 2008 to 60,138 in 2010.

Data contained in the Census report is considered to be useful in the planning of community programs, services, new facilities and schools; it is also critical for maximizing the City's eligibility for grant funding for various projects.

Additional key findings include the following:

- The City continues to see an increase in the number and percentage of residents aged 65 and over. Compared to 1996, this age group grew by seven per cent, to a total of 12 per cent of the population.
- Over half (59 per cent) of the city's full time employed residents work in Edmonton, while 27 per cent work in the City of St. Albert.
- Approximately 75 per cent of residents reported living in their current location in St. Albert for at least three years.
- Of the residents that reported relocating within the last three years, 46 per cent of people changing addresses moved from another residence in St. Albert. In looking at new residents to St. Albert, 26 per cent moved from Edmonton, 14 per cent from other parts of Alberta, nine per cent from other parts of Canada and four per cent from locations outside Canada.

The population growth in St. Albert is forecasted to be 1.25% in 2011, 1.5% in 2012 and 1.5% in 2013.

#### *Aging Population*

Recently updated demographic projections by Statistics Canada indicate that between 2015 and 2021, the number of seniors is expected to surpass the number of children under the age of 15. It is also expected that as many as one in four Canadians will be a senior by 2036, nearly double the 13.9% recorded in 2009<sup>15</sup>. Consequently, federal-provincial-territorial Ministers responsible for seniors have made this topic their priority and are continuing to take steps to share ideas and develop plans that will ensure support and active involvement and mobility of seniors throughout Canada.

The aging population in St. Albert is also increasing and with that a need for associated civic services such as access to medical help, support for caregivers, as well as a need to address social isolation and social, recreational and lifestyle needs.

#### *Interprovincial migration and immigration*

- Quarter one 2010 shows an inflow of 312 interprovincial migrants, which is considerably lower than the average quarter inflow of 5,700 over the past 10 years (2000-2009). A recent agreement between three western provinces may encourage more interprovincial migration in the future as Alberta continues to be a very attractive province to live and work.
- International immigration is expected to remain strong with 6,758 international immigrants moving to Alberta in quarter one 2010 which is 28% higher than in the same period in 2009<sup>16</sup>.

<sup>15</sup> Government of Alberta, News Release July 7, 2010

<sup>16</sup> Government of Alberta, Quarterly Population Report, June 2010

## Affordable Housing

Alberta continues to be challenged with a lack of affordable housing and a large homeless population. As a result, The Government of Alberta continues to emphasize affordable housing needs specifically through the Alberta Housing and Urban Affairs strategic priorities outlined in the 2010-2013 Business Plan<sup>17</sup>:

- Development of affordable housing units
  - Continue to provide capital funding to support the development of 11,000 affordable housing units by 2012.
- Help Albertans stay in their homes
  - Help low income Albertans obtain and retain safe and affordable housing through subsidized rental housing and rental assistance.
- Implement the 10-Year Plan to address homelessness
  - Move forward with *A Plan for Alberta: Ending Homelessness in 10 Years*.
- Public land for affordable housing
  - Continue to work with other ministries, different levels of government and various stakeholders to ensure suitable public land is made available for affordable housing purposes.

## Pandemic Planning

A pandemic is the worldwide outbreak of a specific disease to which people have little or no immunity. A pandemic may impair the City's ability to provide services and impair the City's ability to obtain goods and services in a timely manner.

The Public Health Agency of Canada urges businesses and governments to develop and maintain a pandemic plan that will outline roles and responsibilities and proper communication. Key elements of preparing for a pandemic emergency include:

- Clear identification of roles
- Public relations
- Staff education on maintaining healthy lifestyle and
- Business continuity

The City has completed its pandemic plan and will continue to monitor for any new developments.

<sup>17</sup> Housing and Urban Affairs, Business Plan 2010-2013

## TECHNOLOGICAL FACTORS

There are numerous technologies that are constantly changing and being developed. The City must remain aware of these technologies and adapt as appropriate in order to remain connected to the public, provide more efficient and convenient access to its services and improve efficiency of internal operations.

### *Social Media and E-commerce*

Social Media and e-Commerce are leading the way among online technologies being utilized more frequently by businesses in the private and public sector. This is primarily due to its effectiveness of reaching the public, establishing and maintaining relationships with the business community, residents and visitors, communicating marketing products and events, and providing convenience for accessing programs and services.

There is an increasing number of municipalities across Canada that have realized the benefits of using Social Media such as Twitter, Facebook, LinkedIn and various blogs in order to build brand, share information, connect with businesses and residents, notify the community of various programs, initiatives and special events, solicit input and for corporate recruitment.

The key challenge with social media is the expectation that is created once an organization decides to participate. Consequently, dedicated resources are required in order to fully benefit from social media initiatives and other online technologies including development of user policies and compliance with the Privacy Act.

Other technologies that the City can take advantage of include:

- Online Land Inventory Data Application
- Online Human Resources Management Systems
- Databases and electronic business management applications
- New smart card technology for transit buses
- Internet bus routing for passengers
- Wi-Fi for cities
- New environmental monitoring capability to maintain environmental data

## **GIS (Geographic Information Systems) Technologies**

There are a number of trends that are driving the direction of municipal GIS today: mobile GIS, server-based GIS, e-government and system integration.

Mobile GIS is one of the fastest growing areas of the GIS industry and a trend that is looking to revolutionize the way some municipal GIS is carried out. Mobile GIS refers to the digital capture or editing of GIS data while outside of the office environment. The technology used includes GPS (Global Positioning System) handheld units and small handheld or tablet computers. While, traditionally, GIS information was captured by GIS-trained staff, mobile data capture is

generally carried out by lay staff using simple applications and forms. This empowers non-GIS staff to take ownership of information used in their daily jobs and creates efficiencies in the information capture process. An additional benefit is that GIS staff can then spend time on more complex activities. Public Works and Engineering departments are the largest municipal users of this type of technology.

The explosive growth of internet use by the general public has meant an increased expectation of being able to conduct municipal-related business remotely. This includes communications, complaints, license fee payments, license renewals, fine payments, information queries, etc. In many cases the internet is now the primary source of municipal information, meaning increased expectations as to what information is available and how interactive the information should be. Interactive maps are now expected to be available on municipal websites and are now the norm instead of the exception. Static PDF maps are decreasingly seen as acceptable.

While technology tends to be the major driver of GIS technologies, the business use of GIS is also constantly evolving. The current evolution of GIS in local governments has seen the technology move from primarily supporting infrastructure and land management to supporting every aspect of municipal government, including emergency services, community support services, legal and legislative services, recreation planning, and even financial reporting. There is also a growing trend towards regional sharing of GIS information between municipalities in order to support an integrated approach to growth and development planning that is forcing municipalities to look beyond their borders with respect to information access and management. The need for integration of information between applications and databases is increasing as municipalities try to leverage more value out of what they already have and break down barriers between business areas.

## **Records Management**

The City of St. Albert is required to comply with all legislated and litigated requirements for corporate records management. The Freedom of Information and Protection of Privacy Act requires corporations to collect and store records in a way that ensures privacy and be able to produce records when requested and within legislated timelines. Consequently, an efficient records management system is crucial for efficient collection, storage, retrieval and distribution of records.

In addition to meeting legislated requirements, businesses invest in an efficient records management system due to its importance in corporate disaster recovery planning. Efficient records management enables businesses to restore quickly with all key historical records required for their operation.

## ENVIRONMENTAL FACTORS

There are increasing expectations from regulatory agencies and the community in relation to environmental issues. The federal and provincial governments continue to increase legislation, regulations or guidelines in all areas of the environment including air, water and soil quality, fish and wildlife protection and solid waste and toxics reduction. Citizens are more aware of and expect action on environmental issues such as sustainable urban development, greenhouse gas emissions, recycling, air and water pollution, and preservation of natural areas and biodiversity.

Municipal organizations such as the Alberta Urban Municipalities Association (AUMA) and the Federation of Canadian Municipalities (FCM) are responding to these expectations by focusing on environmental issues in their policy statements and projects. Both organizations also provide numerous technical and financial resources to municipalities for environmental and sustainability initiatives including Integrated Community Sustainability Plans required under the Gas Tax Transfer Agreements.

## Citizen Input and Media Attention

### CITIZEN INPUT

The City of St. Albert continuously gathers the community's feedback and input through community consultations, the community satisfaction survey, Council meetings with the public, at various events and meetings, as well as staff input and expertise.

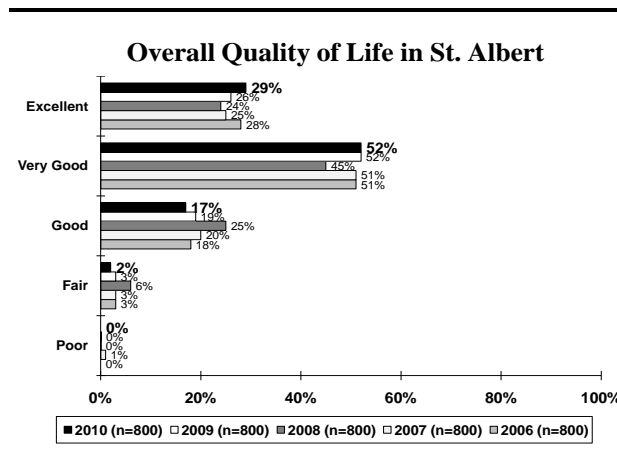
This section includes highlights from the results of the 2010 Community Satisfaction Survey, an annual means of gathering input conducted by Banister Research and Consulting Incorporated.

The results offer a look at ratings and feedback from St. Albert residents in relation to overall quality of life in the city, satisfaction with various services, facilities, and programs, safety issues, value received for tax dollar, contact and satisfaction with City of St. Albert municipal staff, safety issues, satisfaction with municipal leadership, and city news and promotions.

The 2010 results show satisfaction levels for all measures remaining high with significant increases in some areas. The following is a highlight of the key findings:

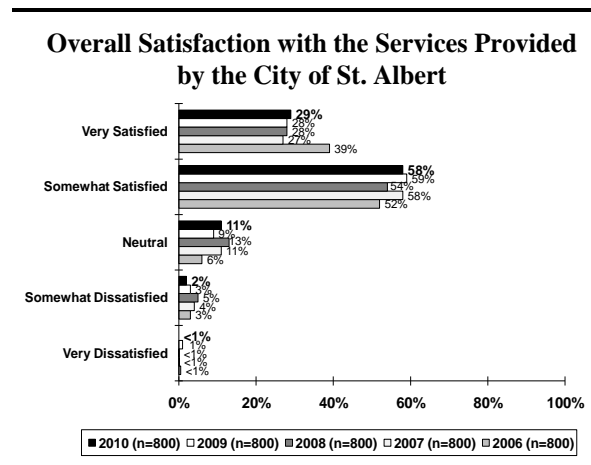
*Quality Of Life in St. Albert*

Quality of life for residents remains high, with 98% of respondents providing a positive rating compared to 97% in 2009. As in previous years, residents mentioned the city’s parkland, green spaces and river trail system (43%) as top factors contributing to a high quality of life. This was followed by availability of shopping and amenities (23%), the community atmosphere (22%), and St. Albert being a safe place to live, the low crime rate or good police presence (21%).



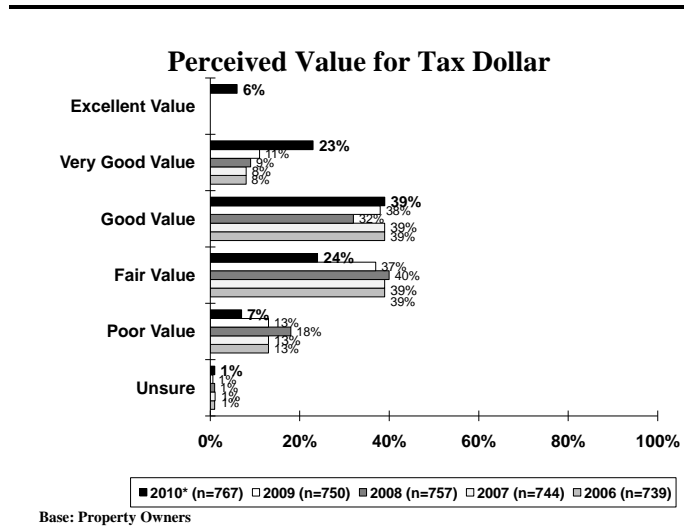
*Satisfaction with Services Provided by the City*

Citizens report high satisfaction with the services provided by the City of St. Albert. The vast majority of respondents (87%) expressed satisfaction with the services.



*Perceived Value for Tax Dollar*

The majority of citizens believe they receive high value for the taxes they pay. Specifically, 6% stated they receive Excellent Value, 23% Very Good Value and 39% stated they receive Good Value for tax dollar.



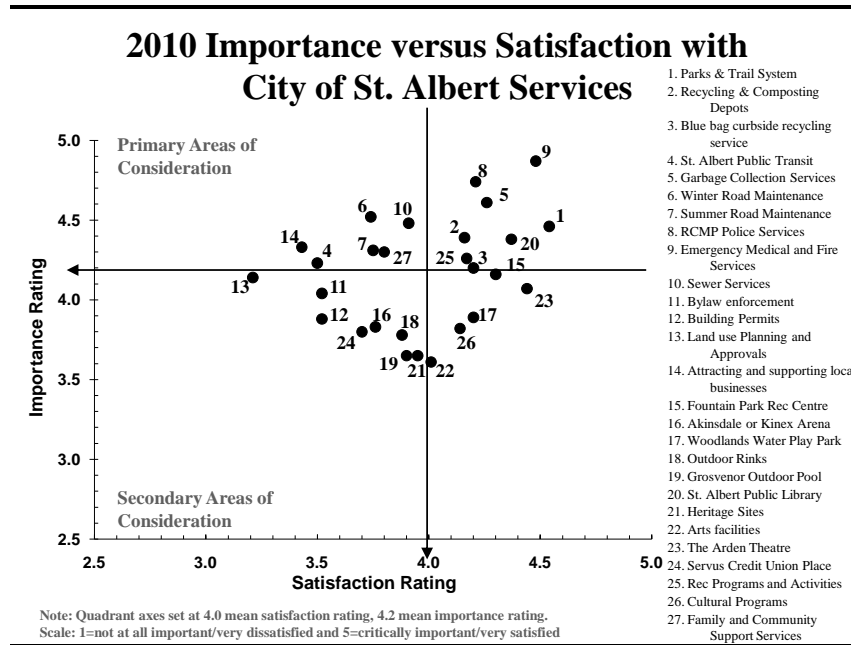
*In previous years, "Excellent Value" was not offered as a response.*

*Importance versus Satisfaction with City of St. Albert Services*

In conducting satisfaction and importance assessments, factors or services with the lowest levels of satisfaction ratings or lowest importance ratings may not necessarily be the areas where improvement is most desired or needed. By mapping the following areas, it identifies priority areas in terms of City of St. Albert service improvements:

- higher importance and lower satisfaction or areas primarily perceived as needing improvements;
- higher importance and higher satisfaction or service strengths;
- lower importance and higher satisfaction, and;
- lower importance and lower satisfaction.

The following figure maps the average importance and performance ratings for each of the 24 City services measured.



Services in the upper left quadrant are of higher than average importance, but lower than average satisfaction, or where ratings of overall importance are considerably greater than overall satisfaction ratings. These services are viewed as **primary areas of improvement**. As shown, the following services clearly fall within this quadrant:

- St. Albert Public Transit;
- Winter road maintenance;
- Summer road maintenance;
- Sewer Services;
- Attracting and supporting local businesses; and
- Family and community support services

Improvements to these services would do most to increase residents' satisfaction with the overall services provided by the City of St. Albert.

Secondary areas of improvement include services that are considered to have lower than average importance and have lower than average performance:

- Bylaw Enforcement;
- Building Permits;
- Land use planning and approvals;
- Akinsdale or Kinex Arena;

- Outdoor rinks;
- Grosvenor Outdoor Pool;
- Heritage Sites; and
- Servus Credit Union Place

When assessing City services, the following eight areas were calculated as **key strengths or successes**:

- Parks and trail system;
- Recycling and composting depots;
- Blue bag curbside recycling service;
- Garbage collection services;
- RCMP Police Services;
- Emergency Medical and Fire Services;
- Recreational programs and activities; and
- St. Albert Library

Maintaining a high level of satisfaction with these services is important, as these areas are viewed as highly important or critical to citizens.

*The Community Satisfaction Survey Background*

Conducted every year, the community satisfaction survey offers valuable input for City Council priority setting meetings and is used by City Administration in developing and reviewing corporate strategy and department business plans.

A total of 800 residents were surveyed between April 12 and April 19 of 2010 and the results are considered accurate within a margin of +/- 3.3%, or 19 times out of 20. Further details on results can be obtained through the 2010 Community Satisfaction Survey Final Report, which is available for review at the St. Albert Public Library or online at [www.stalbert.ca](http://www.stalbert.ca).

## MEDIA ATTENTION

This review is based on hard news stories in local and regional media and not on opinion pieces or letters to editors. Overall, media attention in St. Albert has increased over the last four years.

### *First quarter findings:*

From January through March of 2010, a total of 306 news stories ran related to City business, programs, services and activities. In comparison, during the same time last year there were 282 stories through local and regional news outlets.

Many of the high interest topics during the first quarter of the year pertained to the Akinsdale affordable housing complex proposal; Smart Growth; the Olympic Torch Relay travelling through St. Albert; and the line-up for the 2010 International Children's Festival.

Of the 306 news stories that ran, 60 stories covered Policing, 49 stories were focused on City Planning/Priorities/Budget, 45 stories featured Planning and Engineering, and 40 stories were on Social and Community Development.

### *Second quarter findings:*

The second quarter of 2010 saw a total of 332 news stories related to City business, programs, services and activities. In comparison, during the same period last year, there were 414 stories through local and regional news outlets.

A major contributor to the large number of stories for the second quarter was the Akinsdale affordable housing development, which had 32 stories. Other stories that had a high profile were focused on the International Children's Festival and future plans for LRT in St. Albert.

## APPENDIX F: GLOSSARY OF TERMS

<b>BSS</b>	Business and Strategic Services Division
<b>CPS</b>	Community and Protective Services Division
<b>CS</b>	Corporate Services Division
<b>CM or CMO</b>	City Manager's Office
<b>Capital Business Case</b>	A proposal for new investment in an asset or an element of infrastructure with long-term redeeming value to the corporation.
<b>Consumer Price Index (CPI)</b>	A consumer price index (CPI) is a measure of the average price of consumer goods and services purchased by households. It is one of several price indices calculated by national statistical agencies. The percent change in the CPI is a measure of inflation. The CPI can be used to index (i.e., adjust for the effects of inflation) wages, salaries, pensions, or regulated or contracted prices. - Wikipedia
<b>Corporate Objectives</b>	Administration's translation of Council's direction into corporate-wide expectations.
<b>Corporate Planning Framework</b>	The comprehensive assortment of documents ranging from the very long-term strategic to the immediate-term tactical plans, including everything from statutory and legislative elements, to policy and governance documents, Master Plans, Long-Term Department Plans, Long-Term Financial Plans, as well as three-year Business Plans for the Corporation and its departments.
<b>Initiative</b>	Major undertakings, either directed by Council or identified by Administration, that are important components of the business plan. (e.g.: address user fees; volume of service; cost reduction; capital management)
<b>Investments</b>	Incremental operating or capital expenditures identified in business cases that provide justification for additional spending and support the corporate objectives.
<b>Leadership Team</b>	All Directors, General Managers and the City Manager
<b>Mission Statement</b>	The corporation's purpose that defines " <b>WHAT</b> is our business?"
<b>Municipal Price Index</b>	Municipal Price Index (MPI) is defined as the year over year change in the price of items in the "municipal" basket of goods. This basket includes such commodities as wages, contracts, fuel, utilities, materials, etc. The MPI effectively represents the increase in the municipal operating budget to "keep the lights on" or to maintain current service/program levels.
<b>Operating Business Case</b>	A proposal for new investment in staff, program or material that supports civic operations.
<b>Outcome Goal</b>	City Council's vision for what they would like to see the City evolve towards.
<b>P &amp; E</b>	Planning and Engineering Division
<b>Performance Measure</b>	A quantifiable expectation of how well our actions should perform to meet Council's outcome goals and the corporate objectives.

<b>Performance Target</b>	Represents the outcome the performance measure should achieve. Can be a financial measure ((\$XX )= Favourable) or an operational performance measure.
<b>Performance Trend</b>	Represents the results of our performance measures but does not set a target for the future. Performance trends provide us with information for making decisions.
<b>Priorities</b>	City Council's priority projects. Essential or required projects and activities as identified by City Council.
<b>Senior Leadership Team (SLT)</b>	All General Managers and the City Manager
<b>TBD</b>	A number to be determined prior to final draft of the business plan.
<b>Values</b>	The values our organization holds dear and will not compromise as the future unfolds. Describes " <b>HOW</b> we are going to do business."
<b>Vision</b>	Our preferred vision of the future that defines " <b>WHY</b> we are organized together."