

EDMONTON



Budget Approved by
City Council
December 19, 2007

2008 Approved Budget



THE CITY OF
Edmonton



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Edmonton
Alberta**

For the Fiscal Year Beginning

January 1, 2007

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Edmonton, Alberta for its annual budget for the fiscal year beginning January 1, 2007.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. This is the tenth consecutive year the City has achieved this recognition. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



Addendum

The information contained in this document reflects City Council's approval of the 2008 Budget as of December 19, 2007.

- A number of recommendations impacting the 2008 Capital Budget were approved by City Council in early 2008, but are not included in this document. Some of the significant changes approved by City Council were identified in the following reports:
 - 2008 Emerging Capital Priorities;
 - 2008 Supplementary Capital Budget Adjustments;
 - Budget Adjustment for Arterial Network Improvements and Bridge Rehabilitation;
 - Additional Waste Collection Vehicles;
 - Funding Sources: Whitemud Drive/Quesnell Bridge/Terwillegar Drive—Stage 1;
 - Potential Funding Sources, Southwest Community Recreation Centre; and
 - A Construction Management Agreement to design and build a new multipurpose recreation centre at the Leger Site in Southwest Edmonton
 - North LRT—Stage 1 Qualico/EPCOR Tunnel.
- Organizational changes were also implemented early in 2008. Three new departments were created, namely, Finance and Treasury, Capital Construction and the Deputy City Manager Department. Since Administration is still in the process of finalizing the restructuring of the various functional groups and programs, this document does not reflect the new organizational structure.
- City Council approved Bylaw 14919 On April 30, 2008 (2008 Property Tax and Supplementary Property Tax Bylaw). This bylaw reflects additional revenues of \$23.0 million made available through the education tax room to achieve an overall tax increase for all property classes of 7.5%. This additional revenue was used to fund Council amendments made in December 2007 for Fire Rescue with the balance being used to fund corporate reduction strategies and one-time items in 2008. The 2008 Approved Budget document does not reflect this change.

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Unless otherwise stated, all amounts are shown in thousands of dollars.

The 2008 budget document has been condensed into one volume by combining volumes one and two from previous years. Volume three which usually contains capital projects is not required this year due to the previous approval of the 2007-08 Capital Budget.

Accordingly, the budget for 2008 is streamlined and organized in a manner that allows for easier navigation and quick reference to key sections of the budget. Program overviews have been enhanced and now contain measures of efficiency and effectiveness consistent with quarterly reporting.

Executive Summary

The Executive Summary provides a high level overview of the 2008 Approved Budget.

Budget at a Glance

The purpose of this section is to provide a quick look at the 2008 approved budget as well as highlights of the 2007 Citizen Satisfaction Survey.

Operating Highlights

Operating Highlights provides an overview of the key components of the City of Edmonton's Operating Fund. It also provides a consolidated picture of sources and uses of funds, a summary of budget changes, service packages, and council motions considered in the Budget Development Process.

Operating Tables

Included in the section are:

- Tax levy, expenditures, and revenues for Tax-supported Operation
- Revenues, expenditures, and net income for Non-Tax-supported Operations (Land Enterprise, Drainage Services, and Mobile Equipment Services)
- Resource distribution by type of expenditure by Program
- Full-time equivalents
- Program revenue changes for Civic Programs, Boards & Authorities
- Highlights of Approved 2008 User Fees
- Other Authorities



Capital Highlights

This section deals with the 2008 Approved Capital Budget and the planning process, illustrates source and use of funding, and highlights the major capital projects undertaken. It also provides a look into the approved 2007-2011 Capital Priorities Plan. Finally, this section also summarizes emerging capital priorities that will be addressed in the 10 year Capital Investment Agenda to be completed in 2008.

Capital Tables

This section provides summary and detailed listings of all funded capital projects proposed for the 2007-2011 capital priorities plan. It begins with a Funded Plan Summary for the entire City of Edmonton followed by Departmental project listings.

Program Overviews:

This section contains a brief picture of each City Program area, its approved 2008 operating budget, the changes to the 2007 budget, and the measures used for efficiency and effectiveness. Measures of Efficiency and Effectiveness is a new framework that was integrated with performance reporting in 2007. Administration will continue to evaluate and improve upon these measures with the goal of building upon this data in the budget development process.

Supplemental Information:

Included in this section is additional data about the City of Edmonton:

- Focus Areas and Priorities
- Council Special Initiative Funding
- Governance and Corporate Structure
- Basis of Budgeting
- Reserve Funds
- Terms and Definitions



Access to Approved 2008 Budget Documents:

The Approved 2008 Budget documents are available to the general public, for reference purposes at the following locations:

- Citizen Action Centre, Main Floor, City Hall
- All branches of the Edmonton Public Library
- Grant McEwan Community Colleges: City Centre Campus, 10700 - 104 Avenue
- Norquest College, Learning Resource Centre, 5th Floor, 10218 - 108 Street
- University of Alberta, Government Document Library, 4th Floor Cameron Library
- Concordia College Library, 7128 Ada Boulevard

The 2008 Budget document, and the 2007 – 08 Strategic Direction: Focus Areas and Priorities are available on the City's Website. <http://www.edmonton.ca>. 2008 Budget documents can be purchased at: Citizen Action Centre, Main Floor, City Hall

Executive Summary



Approved 2008 Budget — Introduction

City Council approved the 2008 operating budget on December 19, 2007, and kept the potential property tax increase at approximately 7.5 per cent, despite pressures of growth in Edmonton’s hot economy.

The total tax levy will be approximately \$745 million; an amount \$23.8 million lower than the budget proposed to council in November. The total tax supported expenditure budget for 2008 is \$1.48 billion. This budget is an increase of \$131 million over the total tax supported operating budget of \$1.35 billion in 2007.

The pressures of growth and a powerhouse economy are driving up the costs of labour and construction. More and more people are using the City’s services and infrastructure, including a quarter million people who live in the region but don’t pay Edmonton property taxes.

While growth in new areas of the city adds some property tax revenue, those properties also need services. The costs to deliver those services are incurred in advance of the revenue from property taxes. And, although economic growth raises property values, the city does not automatically get extra revenue when property values rise. The value of property is only used as a way to fairly distribute the City’s costs across property owners.

The City strives to provide good value for tax dollars. A recent citizen satisfaction survey shows that a majority of Edmontonians feel the City does just that.

The City works to enhance value for taxes every year through performance measures that monitor and improve the efficiency and effectiveness of services. These measures are reflected in program overviews.

2008 Highlights:

- Maintain current service levels
- Meet commitments for enhancements
- Deliver on citizen priorities
- \$1.48 billion operating budget
- Approved 7.5% tax increase
- Tax impact on average household:
\$1,362 in property taxes for 2008, or
\$3.73 in property taxes per day
- Property tax plus municipal service fees:
\$1,883 for annual taxes and fees, or
\$5.16 per day for average household

The approved increase means that households will pay \$5.16 per day in taxes and basic service fees for services including fire and police protection, waste collection, sewer services, and libraries. Property taxes also keep the costs of using public transit, recreation facilities and ambulance services lower.

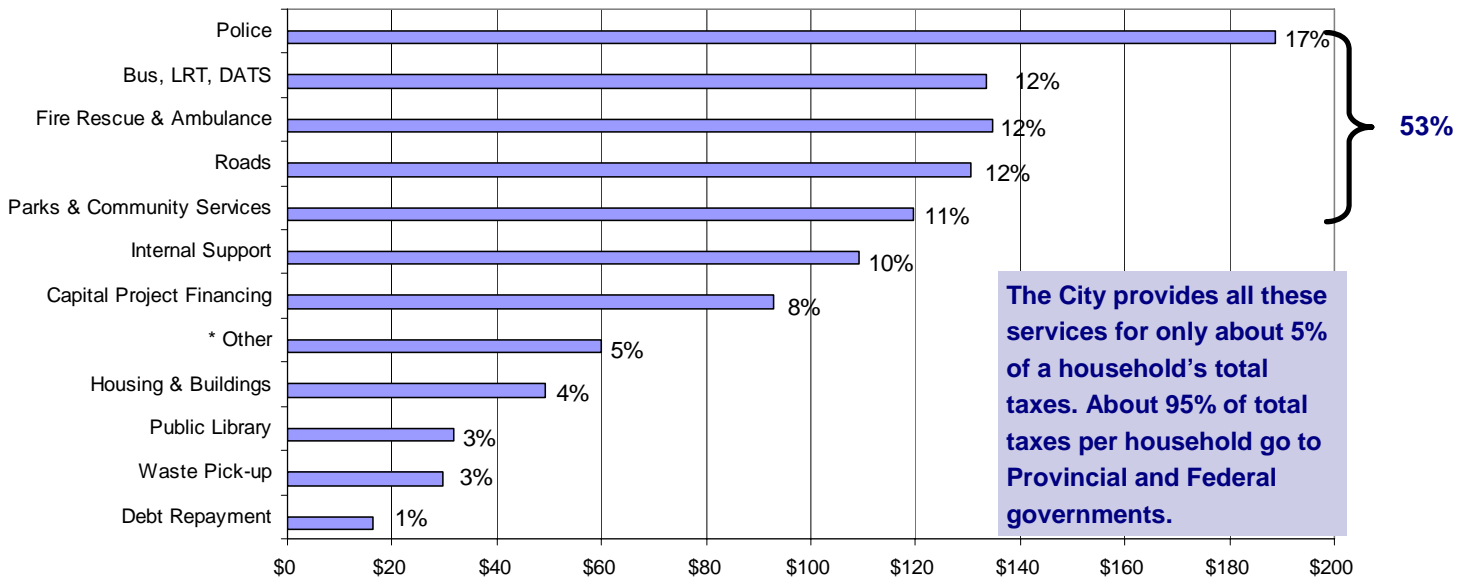
Executive Summary Contents:

- Value for Tax Dollar
- How the Budget was Developed
- Budget Breakdown
- Impact on Typical Household
- Taxes and Market Value Assessment
- Revenue Sources
- 2008 Capital Budget
- 2008 Budget Next Steps

Executive Summary



Value for Tax Dollar**



** This graph is based on the tax levy, which excludes user fees, but includes other corporate expenses.
 *Other includes Planning & Development, corporate expenditures, and some Authorities.

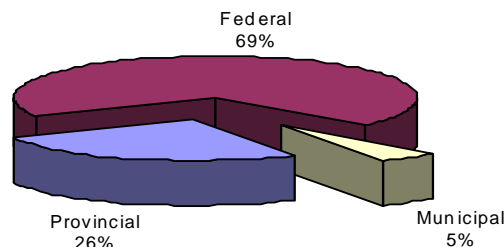
The City of Edmonton provides a wide range of services for a small portion of each household's total tax contribution.

As the graph above illustrates, 53% of costs are allocated to the services Edmontonians consistently rate as most important: police, transit, fire & ambulance services, and roads.

Other direct services including Parks & Community Services, Housing & Buildings, Public Library, Waste Pick-up and Other total 27%. The cost of Capital Project Financing and Debt Servicing totals 9%. Internal support, which includes administrative units such as the

Office of the City Auditor, human resources and IT provided to other units, represent 10%.

All programs strive for efficiencies throughout the year that are reinvested in maintaining services to the growing population. The cost of providing these services to an Edmonton household is small compared to taxes paid to other orders of government.



Edmonton Property Taxes as a Percentage of Total Household Taxes Paid in 2005
 (Data Source: 2005 Statistics Canada Summary of Household Spending)

For every Federal, Provincial and Municipal tax dollar paid by an Edmonton household only 5 cents goes to the City. The remaining 95 cents goes to the Provincial and Federal governments.

Executive Summary



How the Approved 2008 Budget was Developed

The approved 2008 operating budget is \$1.48 billion. In early 2007, the City started a renewed corporate strategic planning process which resulted in Council's March approval of the Strategic Direction for the City of Edmonton. Ten Focus Areas within four Outcomes detail the Environment, Social and Cultural, Economic Development, and Governance priorities of the City. The Outcomes and Focus Areas guided Administration in its efforts to maintain service levels in a time of unprecedented growth.

Based on Council direction and public input during the year, Administration developed the approved 2008 budget with the goal of maintaining core services for a growing population, while providing enhancements in specific areas desired by citizens. The 2008 approved budget focuses on the 2008 operating budget because the capital budget has moved to a two-year cycle, with 2008 capital expenditures set last year.

2007 Citizen Satisfaction Survey

A Citizen Survey concluded in September 2007 confirmed the priorities framework that guided Administration. The survey of 800 residents showed:

- 89% rated the City's quality of life as good to excellent
- 65% perceived the value of the city tax dollar to be good, very good or excellent.
- 58% supporting increasing taxes to maintain or enhance services
- 20% supported cutting services to reduce or maintain taxes
- 68% said no services should have funding reductions

City services rated with high importance but with lower satisfaction were summer and winter road maintenance, and public transit.

The approved 2008 Budget responds to citizen priorities reflected in the 2007 Citizen Satisfaction Survey and Council Outcomes and Focus Areas by maintaining and improving services.

For example, the 2008 Approved Capital Budget includes \$7.2 million for the purchase of winter road equipment and the 2008 Operating Budget includes \$12 million for improved snow clearing. An additional \$17.4 million of Municipal Sustainability Initiative funding was directed toward summer road maintenance in the current year.

In 2007, \$26 million in capital was approved to accelerate the replacement of old transit buses by 2008. An additional \$1.6 million is included in the 2008 Budget for transit schedule, capacity and security enhancements.

Budget Principles

The Approved 2008 Budget was prepared based on three key principles to ensure sound fiscal management and a balanced approach to the budget:

1. **Base pays for base** – The proposed tax rate increase covers the costs to maintain 2007 levels of service in 2008, and cover existing commitments.
2. **Growth applies to growth** – extending current services to our growing community is funded by increased tax revenue from new construction.
3. **One time pays for one time** – one-time revenues cover one-time expenditures such as Affordable Housing and the Land Trust Endowment.

Executive Summary



Budget Breakdown

1. Base pays for base

In applying the first budget principle of maintaining service levels, the proposed budget development initially reported a tax rate increase of 10.9%. During budget discussions in December, Council implemented a series of budget changes that increased certain revenues, and reduced certain costs. These changes resulted in maintaining service levels for 2008 at a tax rate increase of 7.5% (see the changes summarized in the table below).

Of the total tax rate increase, 2.3% relates to prior commitments. Annualization costs are the incremental cost in 2008 of service packages approved in the 2007 Budget. \$6.1 million was approved in 2007 to retain snow removal equipment to meet the 48-hour service level for plowing all snow routes.

Additionally, Council approved a tax levy increase for 10 years of ¼% for each year starting in 2006 for the South LRT. This is to mitigate the risk of the Federal fuel tax program, currently

used to repay the debt, not extending beyond 2014.

Wage and salary settlements reflect negotiated and estimated settlements for 2008.

Other personnel and benefits increases are mainly due to known and estimated employee benefit increases, merit and step increases and allowances for leap year.

Non-personnel costs include higher than normal inflation of \$17.7 million for affected materials and services plus 3% inflation allowance for remaining costs. Budgeting at the actual Alberta CPI of 5% would have increased the budget by a further \$2.8 million.

- **2.3% of the 2008 tax increase relates to prior year decisions**
- **5.2% of the 2008 tax increase relates to maintaining and enhancing 2007 service levels in 2008**

	(\$millions)	%
Opening 2007 Tax Levy Requirement	\$ 666.7	
Prior Decisions		
Annualization costs in 2008 of services approved in 2007	7.9	1.1%
Hired Equipment Retainer for Snow Removal	6.1	0.9%
SLRT Risk Mitigation Strategy	1.8	0.3%
	15.8	2.3%
2008 Council Approved Changes		
Wage and salary settlements	35.1	5.0%
Other personnel and benefits	14.6	2.1%
Non-personnel	34.1	4.9%
User fee and other revenue increases	(30.3)	-4.4%
Council motions adding to the tax requirement:		
Graffiti Management, River Valley Alliance, Multi-cultural Program, Senior's Services, Hospitality & Image Edmonton	2.2	0.3%
Winter Snow Removal	6.3	0.9%
Council motions reducing the tax requirement:		
Increase Sanitary Sewer rates from 4% to 5%	(1.0)	-0.1%
Mobile Equipment efficiency savings	(2.0)	-0.3%
Overall tax reduction through revenue/cost savings	(13.8)	-2.0%
Hiring projection adjustment	(3.5)	-0.5%
Drainage & Land Enterprise dividend increase	(3.5)	-0.5%
Other revenue/cost changes	(1.7)	-0.2%
	36.5	5.2%
	\$ 52.3	7.5%

Note: Does not include assessment growth or one time expenditures or revenues.

Executive Summary



2. Growth applies to growth

Extending current levels of services to a larger community, enhancement of services and new initiatives are funded by the increased tax revenue generated by growth in the assessment tax base resulting from new construction and development.

The estimated revenue from growth in 2008 is \$26.3M.

As the City grows the property tax base grows as well. However, there is a time lag between when services such as garbage collection, transit, road maintenance, fire, emergency and recreation are provided to growth areas and when these areas achieve a fully developed tax assessment base.

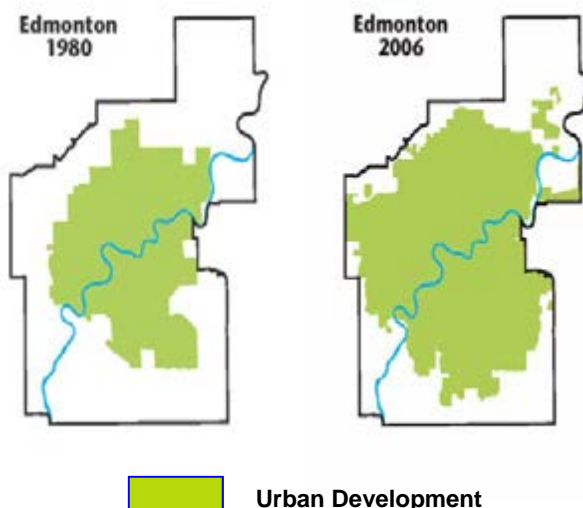
Edmonton's growth rate exceeds the national average. The population forecast for the end of 2008 is 775,264, an increase of 63,000 people since 2005. This increase is greater than the populations of the cities of St. Albert or Medicine Hat.

Alberta's economic boom is fueling Edmonton's growth. The increase in jobs and population translates into an immediate benefit for the Federal and Provincial governments through increased personal in-

The rate of inflation on goods and services that the City pays is greater than the rate of inflation for items measured by the Consumer Price Index (CPI), which is estimated at 5% in Edmonton.

come taxes. The City, on the other hand, must provide every-day services and infrastructure for roads, transit, waste disposal, recreation, parks, emergency, fire, police and library to the growing population. Additional funding to cover the cost of providing these services and infrastructure largely depends on increased property taxes and growth in the tax assessment base that lags the timing of expenditures. This paradox is experienced by municipalities across Canada. It is intensified when the population growth is above normal.

Edmonton also provides services and infrastructure to a growing regional population that does not pay property taxes to the City. Examples of City services and infrastructure being strained by regional residents include affordable housing, policing, roads and transit.



Edmonton has grown significantly since 1980. Economic growth results in increased municipal costs to service a greater population.

High energy prices, strong consumer spending, and economic spin-offs from proposed investment in regional projects exceeding \$50B, will keep economic conditions strong in the Edmonton region. This means that the City of Edmonton will be faced with tight labour markets, higher commodity costs and rising construction costs.

Executive Summary



Service Needs

The following table summarizes a total of \$45.1 million in service needs approved in the 2008 budget as service packages. These service needs are organized by Outcome and Focus Area to demonstrate alignment with Council's strategic direction.

Growth and Capital impacts total \$28.3M and are funded by growth in assessment revenues (\$26.3M) and Transit revenues of \$2.0M. Service packages with one time funding total \$7.3M and an annual Provincial Municipal Sustainability (MSI) Grant totaled \$1.46M.

During Council budget discussions, a further 8.1M in service packages was approved.

	Growth Funding	Capital Impacts	One-Time Funding	MSI Funding	City Council Changes	Total	FTE's
GOVERNANCE							
Organizational Capacity							
Analytical Support	200	-	-	-	-	200	1.5
Operating Impacts from Capital	-	1,076	-	-	-	1,076	6.0
Capacity for Increased Law Demands	300	-	-	-	-	300	3.0
Leadership Development, Succession Planning	555	-	-	-	-	555	1.5
Procurement Resources in Construction Buying	139	-	-	-	-	139	1.5
Maintenance & Support (Phone System Replacement)	-	-	-	-	-	-	1.5
Dev't of Business Plan & Financial Strategy	-	-	-	-	40	40	-
Staff Salary Upgrade	-	-	-	-	35	35	-
Web Page	-	-	-	-	13	13	-
Reorganization	-	-	-	-	10	10	-
Growth in Leased Space	1,200	-	-	-	-	1,200	-
Electronic Records Management (ERM), Assessment Review Board (ARB) and Meeting Management System (MMS)	200	-	-	-	-	200	4.0
Cartographic / G.I.S. Resources	100	-	-	-	-	100	0.8
Bylaw Consolidation Project (Exp = \$1,500, Rev = \$1,000, TL = \$500) (\$550K rev in Corporate Programs, \$450K rev in Planning & Devt)	500	-	-	-	-	500	10.0
Annual TACS Funding Requirements	250	-	-	-	-	250	-
Increase Staff Complement to Meet Service Demands	261	-	-	-	-	261	8.0
Regional Growth and Development							
International Council for Local Environmental Initiatives (CLEI)	-	-	500	-	-	500	-
Municipal Census	-	-	1,600	-	-	1,600	5.0
GOVERNANCE - Total	3,705	1,076	2,100	-	98	6,979	42.8
ENVIRONMENT							
Balanced Infrastructure Management							
Maintaining New Facilities	-	792	-	-	-	792	7.7
Joint Use Agreement	150	-	-	-	-	150	1.7
Northeast Development Plan	-	-	640	-	-	640	2.0
Mature Area Structure Plan (\$400K funded from revenue increase)	-	-	-	-	-	-	-
ITS Operating Impact	-	113	-	-	-	113	-
Base Repair - North East Edmonton	1,158	-	-	-	-	1,158	6.0
Developer Contributed Assets/CPP Operating Impact - Inventory Growth	-	2,370	-	-	-	2,370	16.1
Asphalt Maintenance Equipment Needs	-	1,400	-	-	-	1,400	4.0
Winter Snow Removal Policy	-	-	-	-	6,300	6,300	31.5
Speed Display Boards (\$40K funded from 2007 Surplus)	-	-	-	-	-	-	-
Pedestrian Countdown Lights (\$150 funded from 2007 Surplus)	-	-	-	-	-	-	-
SLRT Operating Impacts	-	2,314	-	-	(1,000)	1,314	11.1
Shift Design Critical Replacement Training	100	-	-	-	-	100	1.0
Healthy Ecosystem							
Anti-idling Public Education	-	-	140	-	-	140	-
Eco Vision Edmonton	800	-	-	-	-	800	1.7
Land Trust Endowment	-	-	2,500	-	-	2,500	-
Corporate Business Mobility Strategy	138	-	-	-	-	138	-
Growth in Waste Management Service	1,288	-	-	-	-	1,288	26.8
Construction Waste Recycling Initiatives	-	-	-	-	-	-	4.2
ENVIRONMENT - Total	3,634	6,989	3,280	-	5,300	19,203	113.8

Executive Summary



Service Needs (continued from previous page)

Included in the table below are Council approved funding requests totaling \$1.05M to fund requests for new services from Boards and Authorities. De-

tails of the service packages submitted by the Boards and Authorities are presented in the Operating Highlights sections of the Budget.

	Growth Funding	Capital Impacts	One-Time Funding	MSI Funding	City Council Changes	Total	FTE's
SOCIAL AND CULTURAL							
Vibrant Communities							
Arts and Museum Building Operating Grant	-	-	-	460	-	460	-
Arts and Museum Building Operating Grant	-	-	-	-	540	540	-
Multicultural Arts Program	-	-	-	-	100	100	-
Hospitality Edmonton Initiative	-	-	-	-	25	25	-
Community League Operating Grants	-	-	-	-	106	106	-
Neighbourhood Development	600	-	-	-	-	600	4.0
Responding to Growing Communities	655	-	-	-	-	655	6.7
Community Investment Grant	-	-	-	350	-	350	-
Multicultural Grant Program	-	-	-	-	300	300	-
Parks Growth	-	711	-	-	-	711	14.2
River valley Alliance - Plan for Capital Region River Valley Park	-	-	-	-	273	273	-
Community Revitalization Levy	150	-	-	-	-	150	-
University of Alberta Satellite Library	-	-	-	-	-	-	-
Penny McKee - Abbottsfield Library Branch Lease Expansion	-	-	-	-	-	-	2.1
Responding to Growth	620	-	-	-	-	620	4.8
Recreation Facility Services - Operating Impact of Capital Projects	-	608	-	-	-	608	5.8
Graffiti Management Strategy	300	-	-	-	627	927	5.5
Inclusive Communities							
Office of Diversity and Inclusion Initiatives	145	-	-	-	-	145	-
Housing Initiative Program Delivery	645	-	-	-	-	645	-
Services to Seniors	50	-	-	650	600	1,300	0.6
Programs & Exhibits	-	-	-	-	100	100	-
Schedule & Capacity Adjustments - PEAK	608	-	-	-	-	608	8.8
Schedule & Capacity Adjustments - OFFPEAK	566	-	-	-	-	566	8.3
Services to New Areas - OFFPEAK	928	-	-	-	-	928	13.6
CPP Funded Operating Impacts	-	308	-	-	-	308	2.4
Security Improvements	344	-	-	-	-	344	4.0
Edmonton Seniors Coordinating Council	40	-	-	-	-	40	0.5
Safe Communities							
Responding to Increasing EMS Call Demand	2,331	-	-	-	-	2,331	20.6
Emergency Medical Services - Operating Impact of Capital Projects	-	105	-	-	-	105	-
Fire Prevention and Education	664	-	-	-	-	664	5.4
Fire Rescue Services - Operating Impact of Capital Projects	-	40	-	-	-	40	-
Aviation Museum and Office of Community Safety	100	-	125	-	-	225	1.7
Information Technology Projects	-	465	-	-	-	465	0.5
Hangar 38, Amalgamated Facility for Traffic, Tactical & Flight Operations	-	450	-	-	-	450	-
SOCIAL AND CULTURAL - Total	8,746	2,687	125	1,460	2,671	15,689	109.5
ECONOMIC DEVELOPMENT							
Business Positive Urban Environment							
Edmonton Image Program	500	-	-	-	500	1,000	-
Strategic Communications	475	-	-	-	-	475	3.5
Edmonton Image Program (Moved to Corporate Services)	500	-	-	-	(500)	-	-
Social Enterprise Fund (SEF)	-	-	1,800	-	-	1,800	-
ECONOMIC DEVELOPMENT - Total	1,475	-	1,800	-	-	3,275	3.5
Total Service Packages	17,560	10,752	7,305	1,460	8,069	45,146	269.6

Note: See Operating Highlights section for a detailed listing of service packages by Program.

Executive Summary



3. One time pays for one time

This budget principle refers to one-time budgeted revenues covering expenditures considered one-time in nature. This principle is important in ensuring that future tax rates are not burdened by decisions in the current year.

How the Overall Approved 2008 Budget is Spent

The expenditures detailed in the approved 2008 Budget total \$1.48 billion.

A significant portion (56%) of total expenditures pays for salaries, wages and benefits for city personnel, including firefighters, police and emergency medical services. The next highest expenditure category is for services purchased by the City (16%). These two items combined total 72% of the budget which means that nearly three quarters of the budget pays for services. The remaining 28% of expenditures is used to pay for materials, goods & supplies (8.1%), general financing & debt charges (7.8%), grants to agencies and non-profits (2.7%), utilities (2.7%), and other & transfers (4.8%).

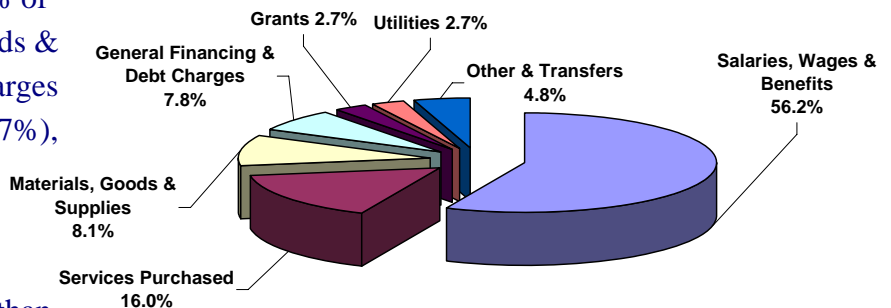
Cost Pressures

A significant challenge for the City is higher than normal inflation. This is inflation that exceeds the average CPI for Alberta consumers and results from City contracts for things like custodian services, se-

One time revenues & expenditures	
One time Dividends	\$ 12,400
Reserves/2007 Surplus/Revenues	1,645
Municipal Sustainability Grant	1,460
Tax Levy	741
	\$ 16,246
Art Gallery	\$ 3,000
Land Trust Endowment	2,500
Social Enterprise Fund	1,800
2008 Municipal Census	1,600
Affordable Housing - Cornerstones (\$3.0M total)	1,200
International Council for Local Env. Initiatives	1,200
Ukrainian Canadian Archive	1,000
Mature Area Structure Plan, Façade	755
Service to Seniors	650
Hospitality, Diversity, Image Edmonton	565
Arts Council	460
Transit Hastus, Fleet, SLRT CPP	375
Community Investment Grant	350
River Valley Alliance	273
Speed Displays, Pedestrian Signals	190
Anti-idling	140
Aviation Museum	125
Federation of Community Leagues	63
	\$ 16,246

(See the Operating Tables section for a detailed listing of one-time expenditures)

curity, waste management, building maintenance, utilities, leases, road maintenance, and DATS vehicles service. Increases due to higher than normal inflation in 2008 included non-personnel costs of \$17.7 million (nearly 2.6%).



(Distribution of approved 2008 operating budget expenditure)

Executive Summary



Impact on Typical Household

The impact of the approved 2008 budget increase on a typical single family Edmonton household is an annual increase of \$124. This works out to an increase of \$0.34 per day for property taxes, waste, sewage and drainage services.

The typical household will pay a total of \$1,883 or \$5.16 per day for a wide range of services and infrastructure.

In 2008, the average single-family household cost for property taxes and municipal services is \$5.16 per day.

It is important to note that at tax time, the City collects both the municipal tax portion and the provincial education tax from property tax assessments, but the City only retains the municipal portion to pay for services and infrastructure.

(Cost per Year)	2007	Annual Change	Approved 2008 Impact
Municipal Property Tax ¹	\$ 1,267	\$ 95	\$ 1,362
Waste Management Fee ²	169	13	182
Sanitary Sewer Utility ³	265	13	278
Land Drainage Utility ⁴	59	2	61
Total Municipal Services	\$ 1,760	\$ 124	\$ 1,883

1. A home valued at \$243,500 for the 2007 tax year increased in value to approximately \$401,500 (an average increase of 65%). Based on the budget approved in December, the average home will realize a municipal tax increase of \$95. This increase does not reflect additional budget changes that may occur once the provincial education bill is received by the City. If the provincial education portion does not increase by 7.5%, City Council may choose to enter the available education room.
2. The monthly single residential charge is proposed to increase from \$14.05 per month to \$15.17 per month, an increase of \$1.12 per month (or \$13.44 annually).
3. Sanitary sewage utility has been calculated based upon an annual water consumption of 216m³. This reflects a proposed increase of \$1.10 per month (or \$13.20 annually).
4. Land drainage utility has been calculated based upon the average residential lot size. The proposed increase for this utility is \$0.20 per month (or \$2.40 per year). Actual charges will vary depending on the lot size and zoning.

Executive Summary



Taxes and Market Value Assessment

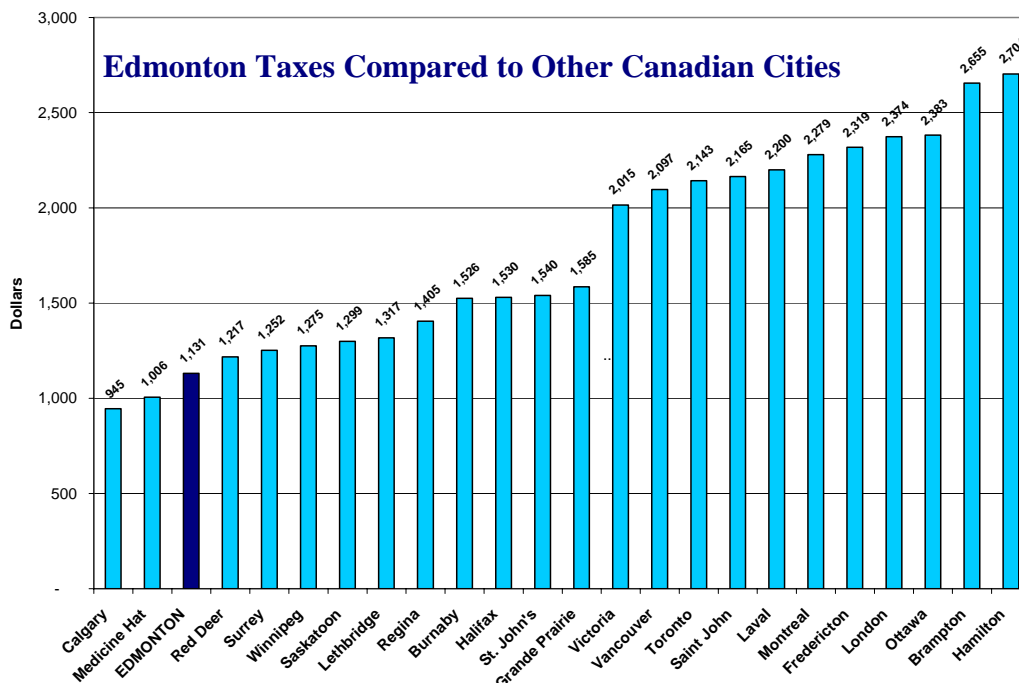
Market value assessment is used to determine tax rates around the world and is regarded as the fairest system because it is easy to understand, is transparent, and is cost effective to administer. Because of these benefits, the Provincial Government mandates that all municipalities use the market value based assessment system to equitably spread their tax revenue requirements to pay for municipal taxes.

Properties are taxed based on their fair portion of the City's overall property assessment base. The assessed market value of each property is compared with all other property market values to determine their fair share. For example, a house that has an assessed value of \$500,000 will pay twice as much

as a residential property that has an assessed value of \$250,000.

Market value assessment is revenue neutral for the City. The City does not automatically receive extra revenue when property values rise. The tax portion may go up or down based on how a property's market value compares with the average assessed market value. If a property has an assessed market value increase in line with the average increase in market value for all residential properties in the City, then taxes are not affected by market value. In this case, only the municipal tax rate change would affect the property's tax.

The following table displays average taxes in Edmonton relative to other cities.



Edmonton's property taxes were the third lowest in the nation, according to a 2007 survey of 24 major cities.

Source: 2007 Residential Property Taxes & Utilities Charges Survey, City of Edmonton, Planning and Development (Figures include municipal and regional taxes, but exclude school taxes.)

Executive Summary



Revenue Sources

Property taxes do not provide adequate funding to meet all the services and infrastructure that residents expect.

The graph below shows that 49% of the City’s operating costs (excluding infrastructure) are covered by property and business taxes. One of the biggest issues faced by the City is that revenues from sources other than property and business tax are not increasing at the same rate as expenditures.

In addition to property and business taxes, the City’s main sources of operating revenue are user fees, investment income and franchise fees. The City also receives dividends from EPCOR and the Ed Tel Endowment Fund based on calculations outlined in current agreements and policies.

When the City’s other sources of revenue do not increase at the same rate as expenditures, property tax revenue must make up the difference.

In the approved 2008 budget, total expenditures will increase by 9.7%, while other revenues (excluding property and business taxes and one-time dividends) will increase by 5.4%. This means that the tax rate

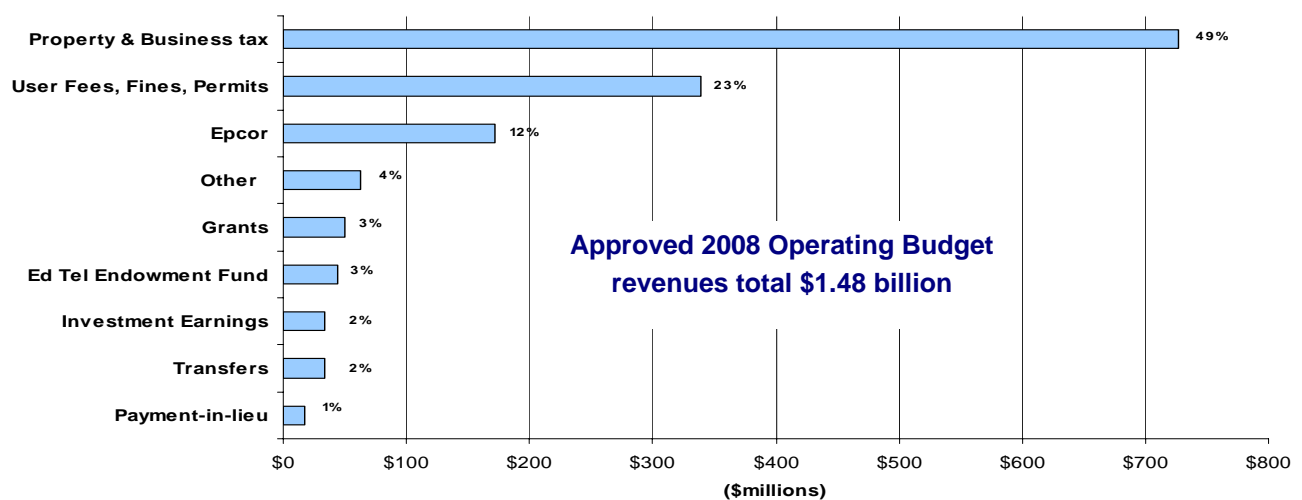
has to increase by an even higher percentage to make up for the difference.

Capital Grants do not support operating budget

The Province of Alberta recently announced a 10-year capital grant program for municipalities called the Municipal Sustainability Initiative (MSI). Edmonton will receive MSI grants of \$2.1 billion over the next 10 years. This grant can only be used for capital budgets. Although this grant is a significant contribution to Edmonton’s infrastructure debt, it is not enough to address all of the City’s needs in the next 10 years. These funds are not discretionary and cannot be used for operating expenditures, even though capital projects often have an impact on operating expenditures. The 2008 budget includes \$10.8 million in additional operating expenditures that are a direct result of capital projects completed in 2007 and 2008.

The City of Edmonton also pays for provision of services and infrastructure used by residents of municipalities within the region but does not receive any additional revenue for these services or infrastructure.

Sources of Revenue for the 2008 City of Edmonton Operating Budget



Executive Summary



2008 Approved Capital Budget

The approved 2008 Capital Budget totals \$1.15 billion.

A Capital Process Review was done in 2005-06 that resulted in a number of recommendations being adopted to improve the Capital Budget Process. One of the recommendations was to change from a one year to three year capital budget cycle. The City is now in the process of implementing the change to a three year capital budget cycle using a phased-in approach. This transition started last year with the approval of the two year capital budget for 2007-08. A three year Capital Budget for 2009-2011 will be deliberated by Council in December 2008.

Implementation of a multi-year capital budget cycle still requires annual review of capital budgets but only those budgets that require adjustments. Capital budget changes are done annually during a multi-year capital budget by way of supplementary capital budget adjustments. Supplementary capital budget adjustments are only done for capital projects affected by cost escalations and timing issues or to address emerging capital projects. The 2007 supplementary capital budget adjustment was approved by Council on July 3 and the 2008 supplementary capital budget adjustment will be presented to Council for approval early in 2008.

The change to a multi-year capital budget with a mid-year adjustment process provides departments with a 3 year budget that facilitates longer term planning for staging and implementing capital projects.

Changing to a multi-year capital budget cycle meant that Council focused exclusively on the proposed 2008 Operating Budget in December. The 2008 City Council Budget Discussions book identifies eighteen capital projects that emerged since the 2007 Supplementary Capital Budget Adjustment. Since there are no funding sources for these projects, they will be considered for other funding sources early in 2008 or deferred for consideration as part of the 2009-11 capital budget process.

(This 2008 City Council Budget Discussions book includes approved changes to the 2008 Approved Capital Budget up to October 22, 2007.)

2008 Budget Next Steps

Provincial Education Tax

The next important event is the release of the approved 2008/09 Government of Alberta budget which establishes the Education Tax Requisition. Once this happens (normally in April), the City can proceed to finalize the 2008 tax assessment. Tax notices will be sent out in June.

It is important to note that the City collects property and business taxes on behalf of the City as well as education taxes on behalf of the Province of Alberta. Property and business taxes are for City purposes while the education taxes are remitted in full to the Province of Alberta.

Budget at a Glance



Introduction

Each Departmental Budget reflects the financial resources required by Administration to transform Edmonton from a mid-sized city to a large metropolitan centre. This means maintaining and enhancing service levels provided by the City to an increasing population to ensure a high quality of life for city residents.

Of the total tax rate increase, 2.3% relates to prior commitments. Annualization costs are the incremental cost in 2008 of service packages approved in the 2007 Budget.

\$6.1 million was approved in 2007 to retain snow removal equipment to meet the 48-hour service level for plowing all snow routes. Additionally, Council approved a tax levy increase for 10 years of

¼% for each year starting in 2006 for the South LRT. This is to mitigate the risk of the Federal fuel tax program, currently used to repay the debt, not extending beyond 2014.

Wage and salary settlements reflect negotiated and estimated settlements for 2008.

Other personnel and benefits increase is mainly due to known and estimated employee benefit increases, merit and step increases and allowances for leap year.

Non personnel costs include higher than normal inflation of \$17.7 million for affected materials and services plus 3% inflation allowance for remaining costs. Budgeting at the actual Alberta CPI of 5% would have increased the budget by a further \$2.8 million.

	(\$millions)	%
Opening 2007 Tax Levy Requirement	\$ 666.7	
Prior Decisions		
Annualization costs in 2008 of services approved in 2007	7.9	1.1%
Hired Equipment Retainer for Snow Removal	6.1	0.9%
SLRT Risk Mitigation Strategy	1.8	0.3%
	15.8	2.3%
2008 Council Approved Changes		
Wage and salary settlements	35.1	5.0%
Other personnel and benefits	14.6	2.1%
Non-personnel	34.1	4.9%
User fee and other revenue increases	(30.3)	-4.4%
Council motions adding to the tax requirement:		
Graffiti Management, River Valley Alliance, Multi-cultural Program, Senior's Services, Hospitality & Image Edmonton	2.2	0.3%
Winter Snow Removal	6.3	0.9%
Council motions reducing the tax requirement:		
Increase Sanitary Sewer rates from 4% to 5%	(1.0)	-0.1%
Mobile Equipment efficiency savings	(2.0)	-0.3%
Overall tax reduction through revenue/cost savings	(13.8)	-2.0%
Hiring projection adjustment	(3.5)	-0.5%
Drainage & Land Enterprise dividend increase	(3.5)	-0.5%
Other revenue/cost changes	(1.7)	-0.2%
	36.5	5.2%
	\$ 52.3	7.5%

Note: Does not include assessment growth or one time expenditures or revenues.

Budget Principles



In preparing the 2008 budget, Administration adhered to the following three key principles:

- ◆ **Base pays for base** - this means that the tax levy increase of 7.5% only covers the incremental increases required to provide the 2007 levels of services in 2008. These increases include salary settlements, merit, employee benefits, non-personnel inflation, and extraordinary inflation, annualizations of approved 2007 service packages and other items arising from prior decisions.
- ◆ **One time pays for one time** - this principle refers to one time budgeted revenues covering expenditures that are also considered one-time in nature. This principle is important in ensuring that tax levy in the future is not burdened by decisions in the current year.
- ◆ **Growth applies to growth and enhancements** - expanding current levels of services to the larger community, enhancement of services and new initiatives are funded by the increased tax revenue generated by growth in the assessment tax base resulting from new developments. The estimated revenue from growth in 2008 is \$26.3 million. Of this amount, Council allocated \$1,050,000 to fund requests for new services from Boards and Authorities.

The approved 2008 Budget reflects these principles as follows:

	Base Budget	One-Time Funding ¹	Growth Funding ²
Base Tax Increase to Maintain 2007 Service	<u>\$ 52,065</u>		
	7.5%		
One time Dividends, Revenues, & Surplus		<u>\$ 16,246</u>	
Less:			
Art Gallery		3,000	
Land Trust Endowment		2,500	
Social Enterprise Fund		1,800	
2008 Municipal Census		1,600	
Affordable Housing - Cornerstones (\$3.0M total)		1,200	
International Council for Local Env. Initiatives		1,200	
Ukrainian Canadian Archive		1,000	
Mature Area Structure Plan, Façade		755	
Service to Seniors		650	
Hospitality, Diversity, Image Edmonton		565	
Arts Council		460	
Transit Hastus, Fleet, SLRT CPP		375	
Community Investment Grant		350	
River Valley Alliance		273	
Speed Displays, Pedestrian Signals		190	
Anti-idling		140	
Aviation Museum		125	
Federation of Community Leagues		63	
		<u>16,246</u>	
		<u>\$ -</u>	
Growth in taxation revenue			<u>\$ 26,309</u>
Less: Impact of capital (includes contributed assets)			(10,752)
Other service packages (excluding one time funded)			(17,560)
Service package revenue			<u>2,003</u>
			<u>\$ -</u>

1) See Operating Tables Section for detailed one-time funding

2) See Operating Highlights Section for detailed service package listings

Impact on a Typical Household



Impact of the approved 2008 tax increase of 7.5% and utility rate increases = \$124/year



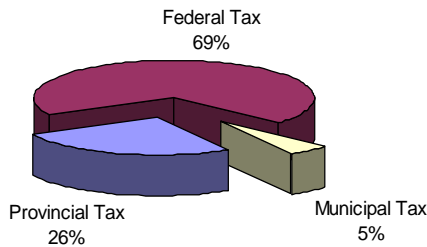
(Cost per Year)	2007	Annual Change	Approved 2008 Impact
Municipal Property Tax ¹	\$ 1,267	\$ 95	\$ 1,362
Waste Management Fee ²	169	13	182
Sanitary Sewer Utility ³	265	13	278
Land Drainage Utility ⁴	59	2	61
Total Municipal Services	\$ 1,760	\$ 124	\$ 1,883

- 1 A home valued at \$243,500 for the 2007 tax year increased in value to approximately \$401,500 (an average increase of 65%). Based on the budget approved in December, the average home will realize a municipal tax increase of \$95. This increase does not reflect additional budget changes that may occur once the provincial education bill is received by the City. If the provincial education portion does not increase by 7.5%, City Council may choose to enter the available education room.
- 2 The monthly single residential charge is proposed to increase from \$14.05 per month to \$15.17 per month, an increase of \$1.12 per month (or \$13.44 annually).
- 3 Sanitary sewage utility has been calculated based upon an annual water consumption of 216m³. This reflects a proposed increase of \$1.10 per month (or \$13.20 annually).
- 4 Land drainage utility has been calculated based upon the average residential lot size. The proposed increase for this utility is \$0.20 per month (or \$2.40 per year). Actual charges will vary depending on the lot size and zoning.

Value for Tax Dollar



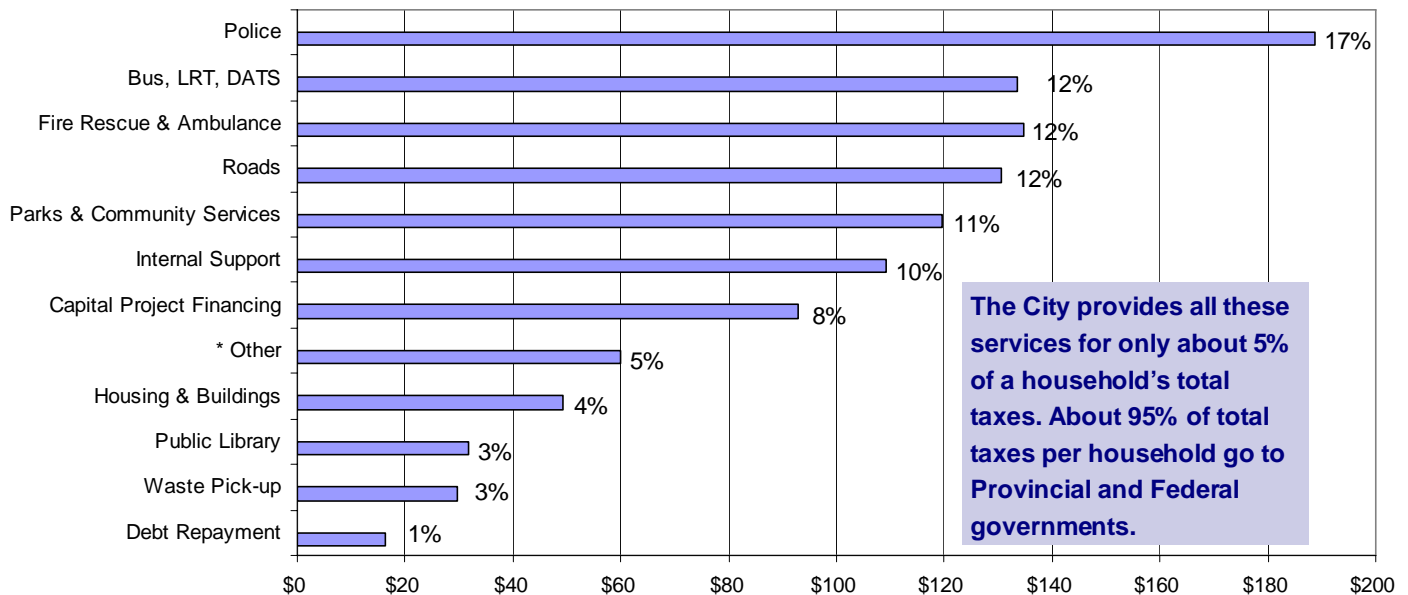
Municipalities have access to a fraction of revenue sources available to the other orders of government and are further challenged by the inelastic nature of property tax. According to a Statistics Canada survey, the average Edmonton household's taxes totalled \$16,429 in 2005. Of this amount, Provincial and Federal personal income taxes were \$4,240 and \$11,347 respectively, compared to \$842 in municipal property tax or 5%.



Data Source: Statistics Canada

However, with this small inelastic source of taxation, the City of Edmonton provides services including Police, Emergency Medical Services, Fire Rescue, Transit, Parks, Recreation, Roads, Waste Management and Libraries.

To illustrate the issue concerning the inelastic nature of property tax, assume the household income increased by 3%. The amount of personal income tax would have automatically increased by \$460. There is no increase in tax rate required by either the Provincial or the Federal government to generate this additional revenue. In contrast, the City of Edmonton must raise the municipal property tax in order to increase revenue.



The City provides all these services for only about 5% of a household's total taxes. About 95% of total taxes per household go to Provincial and Federal governments.

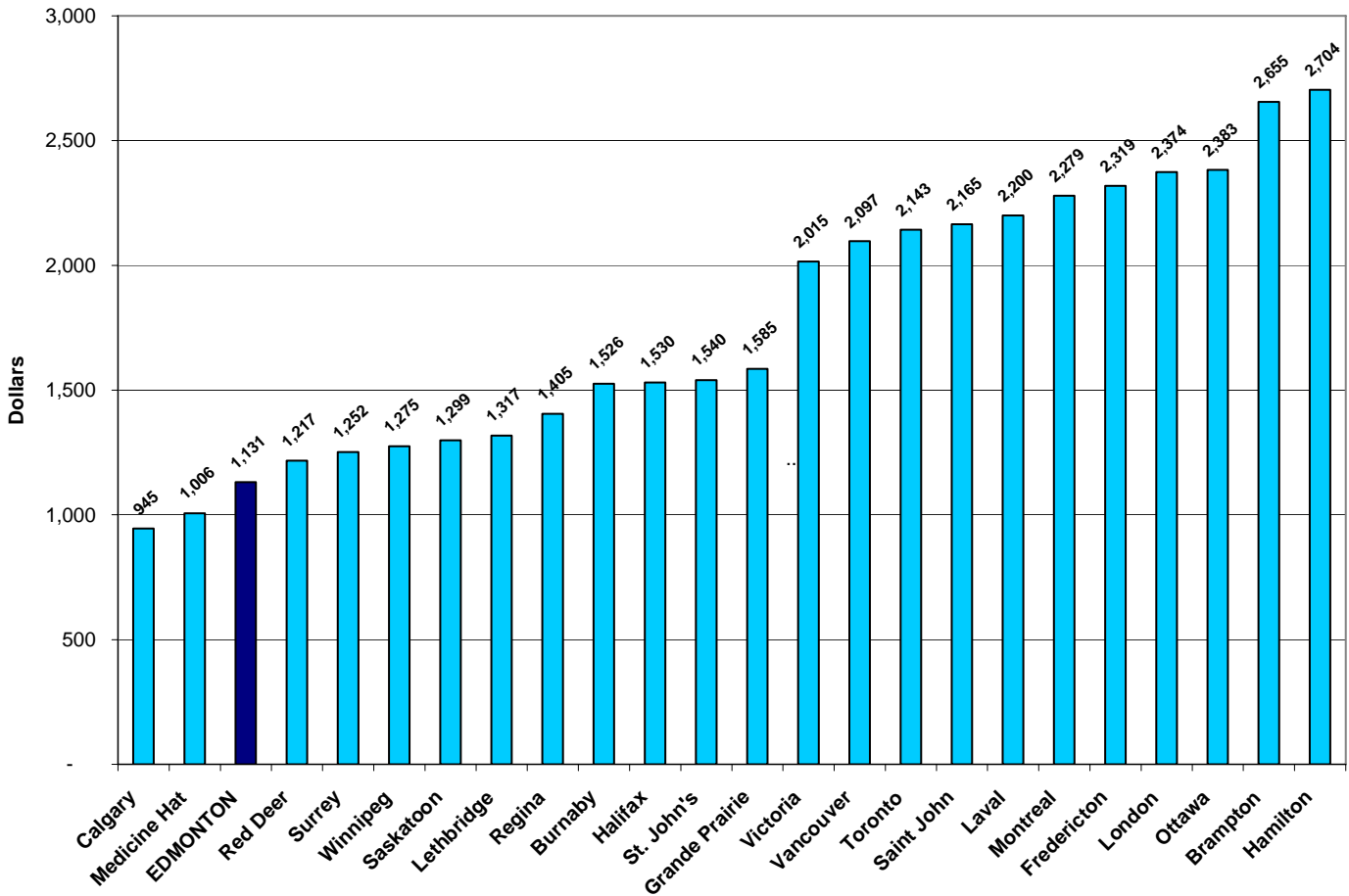
** This graph is based on the tax levy, which excludes user fees, but includes other corporate expenses.
 *Other includes Planning & Development, corporate expenditures, and some Authorities.

Edmonton Compared to Other Cities



The City of Edmonton Planning and Development department conducted a residential property taxes and utilities charges survey in 2007. The survey collected information from 24 major cities across Canada. Edmonton compares favourably to other cities based on the survey results shown in the graph below. In fact, Edmonton taxes in 2007 were the third lowest out of all cities surveyed.

2007 Edmonton Taxes Compared to Other Canadian Cities



1. Source: 2007 Residential Property Taxes & Utilities Charges Survey Prepared by City of Edmonton Planning and Development
2. Figures include municipal and regional taxes, but exclude school taxes

Citizen Satisfaction Survey

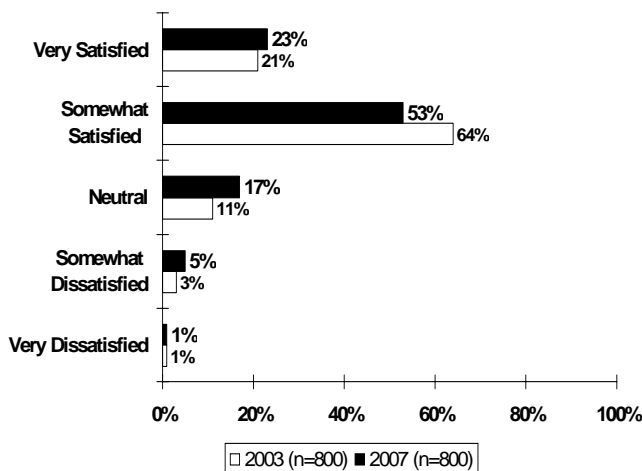


Results from a Citizen Survey done in September 2007 confirmed what Administration had been hearing from city residents. Banister Research & Consulting Inc. completed a total of 800 telephone interviews with Edmonton citizens over the age of 18 years and who had lived in the City for more than six months. Based on the survey number the margin of error is plus or minus 3.5%.

Key findings of the 2007 Citizen Satisfaction Survey were:

- 89% stated that the quality of life in Edmonton was good, very good or excellent, significantly down from the 95% reported in 2003.
- Most frequently stated reasons for a positive quality of life rating were the City's parks and green spaces including the river valley, good employment opportunities, the arts and culture opportunities and the stable economy.
- Consistent with previous years, crime and poor infrastructure and road conditions including a lack of snow removal, pothole repair and general maintenance were most frequently articulated by respondents as contributing to a low quality of life in the City.
- Similar to previous survey years, the majority of respondents (68%) indicated that there were no areas in which funding should be reduced.

Overall Satisfaction with the Services Provided by the City of Edmonton



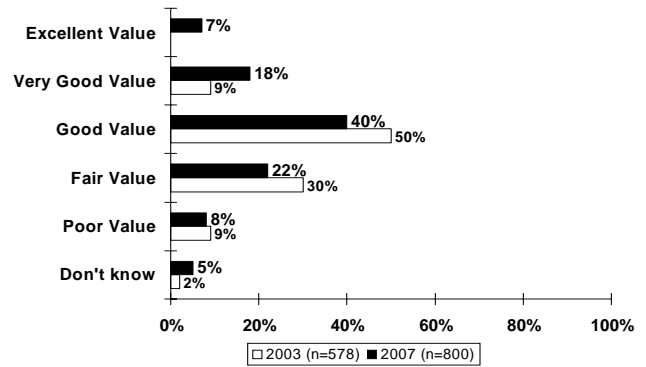
- Overall satisfaction with City of Edmonton services continues to be high with the majority (76%) of respondents being very or somewhat satisfied.
- However, significantly fewer respondents provided a satisfied rating when compared to 85% in 2003.

Citizen Satisfaction Survey



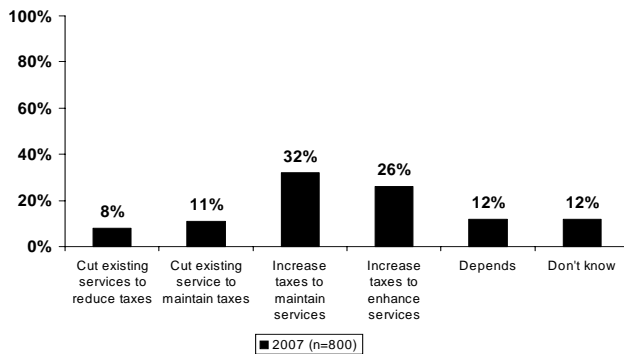
- 65% of the citizens surveyed perceive the value of the city tax dollar to be good, very good or excellent.
- This is a significant increase from 2003 when 59% of respondents said that they received good or very good value for their tax dollar

Perceived Value for Tax Dollar



*Scale changed in 2007 survey

Tax Strategies to Balance the Budget

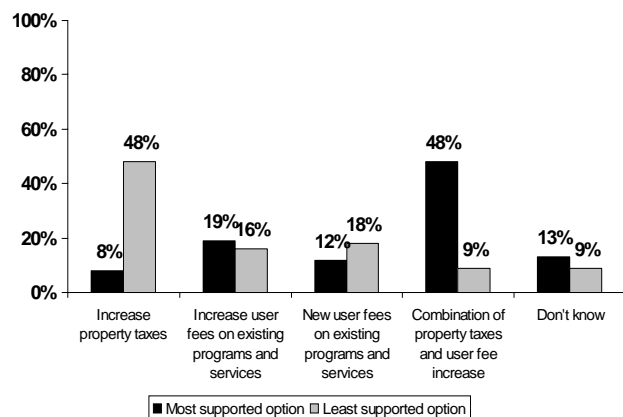


- Selection of tax strategies to balance the budget resulted in 58% supporting an increase to maintain existing services (32%) or to fund growth needs and enhance services (26%)
- 12% said it depends
- Less than twenty percent of respondents (19%) supported a cut to existing services

Respondents were also provided with four options to generate additional revenue for City programs and services.

- 48% support a combination of property tax and user fee increases
- 19% supported increasing user fees alone
- 12% supported creating new user fees, and
- 8% supported increasing property taxes
- tax dollar

Most/Least Supported Options to Generate Additional Revenues



Operating Fund



The **City of Edmonton's Operating Fund** consists of the following:

- Tax supported operations
 - ◆ Civic/Corporate Programs
 - ◆ Boards, Authorities, and Commission
- Non-tax supported operations
 - ◆ Mobile Equipment Services
 - ◆ Land Enterprise
 - ◆ Drainage Services
- Investment funds
 - ◆ Ed Tel Endowment Fund
 - ◆ Sinking Fund Excess Earnings

2008 Tax Supported Fund Balance

(\$millions)

	2007 Budget	2008 Budget	\$\$ Change
Source of Funds			
Property Taxes	\$ 544.7	\$ 612.9	\$ 68.2
Business Taxes	104.1	114.3	10.2
Payment-in-lieu	17.9	17.9	0.0
	666.7	745.1	78.4
Sales and User Fees	301.7	338.6	36.9
EPCOR Dividends & Franchise Fees	166.0	171.9	5.9
Investment Revenues	65.3	78.1	12.8
Grants	51.2	50.5	(0.7)
Other Revenues	55.6	63.1	7.5
Transfers from Reserves	8.9	14.9	6.0
Transfers from other Funds	13.0	18.7	5.7
Total Source of Funds	\$ 1,328.4	\$ 1,480.9	\$ 152.5
Use of Funds			
Civic Programs	\$ 883.3	\$ 1,012.0	\$ 128.7
Boards & Authorities	295.4	323.5	28.1
*Corporate Programs	42.3	43.7	1.4
Transfers to Reserves	10.2	8.7	(1.5)
General Financing Transferred to Capital	97.2	93.0	(4.2)
Total Use of Funds	\$ 1,328.4	\$ 1,480.9	\$ 152.5

* One-time items are reflected as a net figure in Corporate Programs in the 2007 Budget

Operating Fund



Tax Supported Operations

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

These activities are carried out either

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

Civic Programs include:

Energy, Environment & Natural Areas	Corporate Programs
Land & Buildings	Corporate Services
Parks	Mayor and Councillors' Offices
Project Management & Construction	Office of the City Clerk
Waste Management	Office of the City Auditor
Housing	Office of the City Manager
Recreation & Cultural Facilities	Planning & Development
Fire Rescue	Corporate Business Planning
Emergency Response	Roads
Recreation and Cultural Facilities	Transit
Neighbourhood & Community Development	

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

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

Operating Fund



Tax Supported Operations (continued)

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

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

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

The remaining Boards & Authorities included in the City's overall tax levy requirement are:

Edmonton Arts Council	Edmonton Federation of Community Leagues
Greater Edmonton Foundation	Edmonton Space and Science Foundation
Taxi Cab Commission	

Non-Tax Supported Operations

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

Mobile Equipment Services

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

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

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

Operating Fund



Non-Tax Supported Operations (continued)

Land Enterprise

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

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

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

Drainage Services

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

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

Operating Fund



Investment Funds

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

Ed Tel Endowment Fund

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

Sinking Fund

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

Summary of 2008 Changes



The following table is provided as a summary of the major changes contributing to the 2008 Approved Budget changes in source and use of operating funds. Further details regarding Approved Budget changes are provided under the “Operating Tables” section.

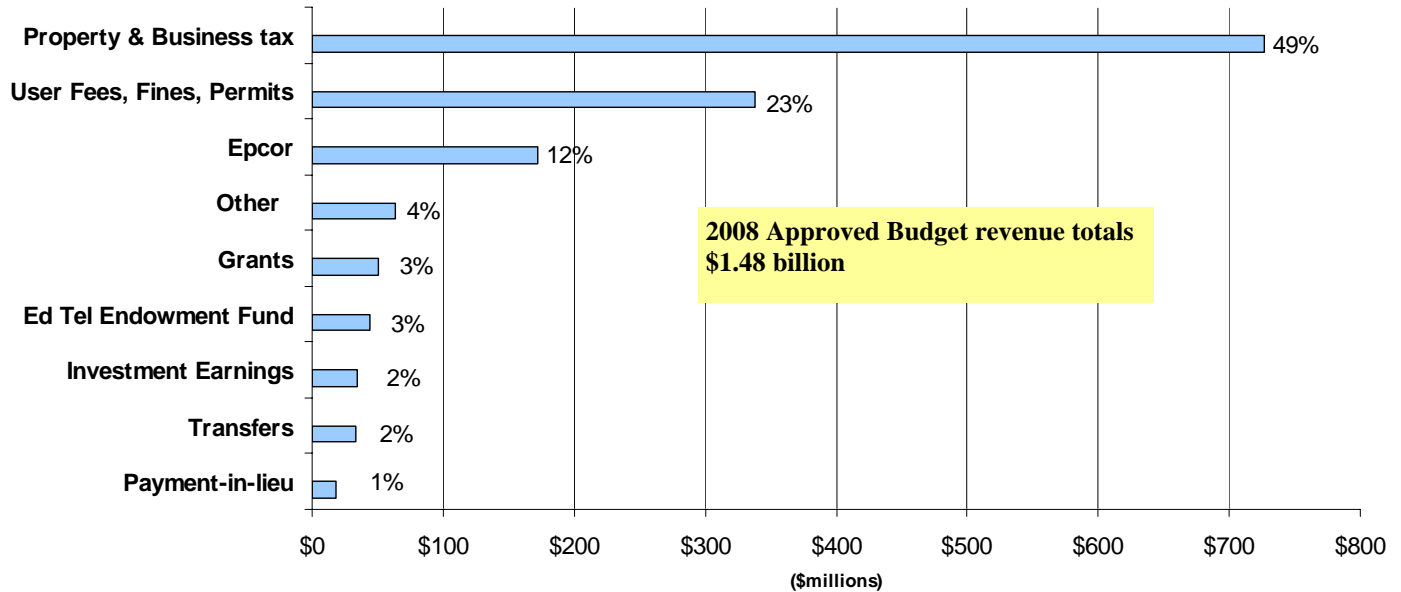
Changes in Source of Funds	Approved Budget Changes in Millions (\$)	Explanation
Property Tax	\$78.4	Of the \$78.4, \$26.3 million is the projected tax revenue increase from real assessment growth. \$52.1 million is the revenue generated from the approved tax rate increase of 7.5%.
Sales & User Fees	\$36.9	The anticipated increase in departmental revenues is 36.9 million. This represents a 4.5% increase in rates, and 7.7% increase in volume (i.e. more customers).
Epcor Dividends and Franchise Fees	\$5.9	The amount from EPCOR (dividends and franchise fees) is expected to increase by \$5.9 million in accordance with the existing agreement.
Investments	\$12.8	In addition to higher interest rate returns, there is a one-time special dividend of \$8.8 million from the Ed Tel Endowment Fund.
Grants	\$(0.7)	The grant reduction results from a one-time grant in 2007 for the Cultural Capital of Canada.
Other Revenues	\$7.5	Increase in other revenues includes Franchise Fees of \$2.3 million, \$1.0 million from tax penalties and partial supplemental tax and various other small changes.
Transfer from Reserves/Other Funds	\$11.7	This increase is from \$7 million of 2007 operating surplus, \$4.5 million in additional Drainage and Land Enterprise dividends, and various smaller changes in reserve transfers for 2008.
Total change in Source of Funds	\$152.5	

Summary of 2008 Changes



Changes in Use of Funds	Approved Budget Changes in Millions (\$)	Explanation
Civic Programs	\$128.7	Includes inflationary base increases of \$86.8 million, new service needs of \$25.3 million, one-time expenditures of \$15.7 million, and increased funding of \$1.0 million from the MSI Grant. See Program Overviews for detailed changes in each Civic Program.
Boards and Authorities	\$28.1	Includes inflationary base increases of \$26.5, new service needs of \$1.05 million, one-time expenditures of \$0.063 million for Edmonton Federation of Community Leagues, and increased funding of \$.46 million from the MSI Grant. See Program Overviews for detailed changes in each Board and Authority.
Corporate Programs	\$ 1.4	Increase of \$9.8 million for additional Art Gallery and Corporate contingency funding, offset by Corporate savings strategies of \$5.7 million, and \$2.7 million in Realty Tax appeals.
Transfer to Reserves/ Capital	\$(5.7)	Decrease results from \$6.9 million reduction to general financing for the capital program, offset by \$2.6 million from surplus funding from the tax supported debt program. The balance of \$1.5 million results from a net reduction in reserve transfers (see summary of reserves under the supplemental information section).
Total change in Use of Funds	\$152.5	

Where the Money Comes From



The graph above shows that of the 2008 approved revenue budget there is a split of 49% tax revenues and 51% from other sources. As a further definition, the following table provides additional detail about the nature of the revenue categories displayed above.

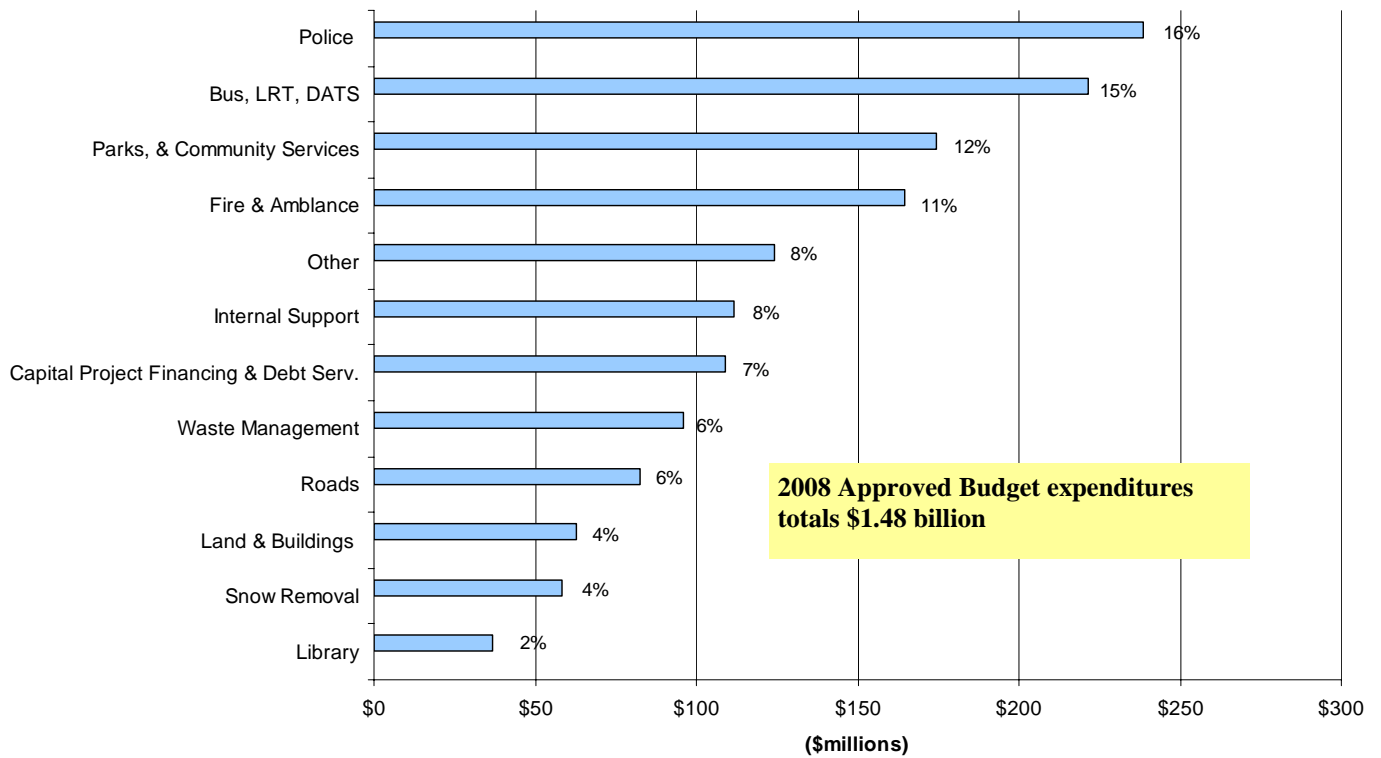
Revenue Source	Factors Determining the Amount of Revenue	Does the City Control?
Property Taxes	Assessment Growth	No
	Tax Rates	Yes
Business Taxes	Assessment Growth	No
	Tax Rates	Yes
Payment-in-Lieu	Determined by Province of Alberta	Yes
	Determined by Federal Government	Yes
User Fees	Amount of Fee	Yes
	Amount of Use	No
EPCOR	Dividends	By Policy
	Franchise Fees	By Policy
Ed Tel Endowment Investments	Ed Tel Dividends	By Bylaw
	Investment income	By Policy

Where the Money Goes



Where the Money Goes

The following graph shows the wide range of services provided or funded by the City. Of the total City expenditures, \$1.27 billion (85%) goes to services, \$0.11 billion (8%) to internal support provided to services, and \$0.10 billion (7%) is for general financing and debt services.



Service Packages



Service packages refer to service needs beyond adjustments for the inflationary impact of delivering the base service levels provided in 2007. Service needs of Civic Programs are under the responsibility of the City Manager, and accordingly, have been reviewed by the Senior Management Team. Service needs of Boards and Authorities, on the other hand, are approved by City Council as these agencies have a direct reporting relationship with City Council.

For 2008, the service packages total \$45.1 million. Of this amount \$7.3 million is for one time items and \$1.4 million is grant funded. To manage the decision making process, the service requests were evaluated based on how closely they aligned with Council/Citizen Outcomes and Priorities, performance value or financial contribution, and various risk elements to the Corporation. This decision process is summarized as follows:

- 1) SMT identified service packages that were put forward in direct response to Council/Committee motions.
- 2) SMT prioritized service needs that are the result of:
 - ◆ Putting completed capital projects into operations (operating impacts of capital)
 - ◆ Extending the current service levels to a physically larger community
 - ◆ Legislative requirements or contractual agreements
- 3) From this narrowed listing of service requests, SMT reviewed opportunities to reduce the tax levy impact by:
 - ◆ Identifying one-time expenditures to be funded by a one-time funding source
 - ◆ Identifying other funding sources or other approaches to achieve similar outcomes of the service requests
 - ◆ Reducing the 2008 tax levy requirement for the service package by lengthening the implementation period to future years

A summary of the approved service packages organized by Council's Outcomes and Focus Areas, are summarized on the following pages, followed by a summary for Boards and Authorities.

Service Packages



The following tables list the service needs included in each approved Program Overview as service packages. These service needs are organized by Outcome and Focus Area to demonstrate the alignment with Council's strategic direction.

Governance

Edmonton promotes effective governance structures and processes to achieve environmental, social and cultural, and economic success.

	Program	Growth Funding	Capital Impacts	One-Time Funding	MSI Funding	City Council Changes	Total	FTE's
GOVERNANCE								
Organizational Capacity								
Analytical Support	Corporate Services	200	-	-	-	-	200	1.5
Operating Impacts from Capital	Corporate Services	-	1,076	-	-	-	1,076	6.0
Capacity for Increased Law Demands	Corporate Services	300	-	-	-	-	300	3.0
Leadership Development, Succession Planning	Corporate Services	555	-	-	-	-	555	1.5
Procurement Resources in Construction Buying	Corporate Services	139	-	-	-	-	139	1.5
Maintenance & Support (Phone System Replacement)	Corporate Services	-	-	-	-	-	-	1.5
Dev't of Business Plan & Financial Strategy	Federation of Comm. Leagues	-	-	-	-	40	40	-
Staff Salary Upgrade	Federation of Comm. Leagues	-	-	-	-	35	35	-
Web Page	Federation of Comm. Leagues	-	-	-	-	13	13	-
Reorganization	Federation of Comm. Leagues	-	-	-	-	10	10	-
Growth in Leased Space	Land & Buildings	1,200	-	-	-	-	1,200	-
Electronic Records Management (ERM), Assessment Review Board (ARB) and Meeting Management System (MMS)	Office of the City Clerk	200	-	-	-	-	200	4.0
Cartographic / G.I.S. Resources	Planning & Development	100	-	-	-	-	100	0.8
Bylaw Consolidation Project (Exp = \$1,500, Rev = \$1,000, TL = \$500) (\$550K rev in Corporate Programs, \$450K rev in Planning & Devt)	Planning & Development	500	-	-	-	-	500	10.0
Annual TACS Funding Requirements	Planning & Development	250	-	-	-	-	250	-
Increase Staff Complement to Meet Service Demands	Planning & Development	261	-	-	-	-	261	8.0
Regional Growth and Development								
International Council for Local Environmental Initiatives (CLEI)	Office of the City Clerk	-	-	500	-	-	500	-
Municipal Census	Office of the City Clerk	-	-	1,600	-	-	1,600	5.0
GOVERNANCE - Total		3,705	1,076	2,100	-	98	6,979	42.8

Environment

Edmonton provides a quality environment through a healthy ecosystem, diverse communities and balanced infrastructure management.

	Program	Growth Funding	Capital Impacts	One-Time Funding	MSI Funding	City Council Changes	Total	FTE's
ENVIRONMENT								
Balanced Infrastructure Management								
Maintaining New Facilities	Land & Buildings	-	792	-	-	-	792	7.7
Joint Use Agreement	Neighbourhood & Community Dev	150	-	-	-	-	150	1.7
Northeast Development Plan	Planning & Development	-	-	640	-	-	640	2.0
Mature Area Structure Plan (\$400K funded from revenue increase)	Planning & Development	-	-	-	-	-	-	-
ITS Operating Impact	Roads	-	113	-	-	-	113	-
Base Repair - North East Edmonton	Roads	1,158	-	-	-	-	1,158	6.0
Developer Contributed Assets/ CPP Operating Impact - Inventory Growth	Roads	-	2,370	-	-	-	2,370	16.1
Asphalt Maintenance Equipment Needs	Roads	-	1,400	-	-	-	1,400	4.0
Winter Snow Removal Policy	Roads	-	-	-	-	6,300	6,300	31.5
Speed Display Boards (\$40K funded from 2007 Surplus)	Roads	-	-	-	-	-	-	-
Pedestrian Countdown Lights (\$150 funded from 2007 Surplus)	Roads	-	-	-	-	-	-	-
SLRT Operating Impacts	Transit	-	2,314	-	-	(1,000)	1,314	11.1
Shift Design Critical Replacement Training	Transit	100	-	-	-	-	100	1.0
Healthy Ecosystem								
Anti-idling Public Education	Energy Environment & Natural Area	-	-	140	-	-	140	-
Eco Vision Edmonton	Energy Environment & Natural Area	800	-	-	-	-	800	1.7
Land Trust Endowment	Energy Environment & Natural Area	-	-	2,500	-	-	2,500	-
Corporate Business Mobility Strategy	Roads	138	-	-	-	-	138	-
Growth in Waste Management Service	Waste Management	1,288	-	-	-	-	1,288	26.8
Construction Waste Recycling Initiatives	Waste Management	-	-	-	-	-	-	4.2
ENVIRONMENT - Total		3,634	6,989	3,280	-	5,300	19,203	113.8

Service Packages



Social and Cultural

Edmonton promotes vibrant, inclusive and safe communities.

	Program	Growth Funding	Capital Impacts	One-Time Funding	MSI Funding	City Council Changes	Total	FTE's
SOCIAL AND CULTURAL								
Vibrant Communities								
Arts and Museum Building Operating Grant	Arts Council	-	-	-	460	-	460	-
Arts and Museum Building Operating Grant	Arts Council	-	-	-	-	540	540	-
Multicultural Arts Program	Arts Council	-	-	-	-	100	100	-
Hospitality Edmonton Initiative	Corporate Services	-	-	-	-	25	25	-
Community League Operating Grants	Federation of Comm. Leagues	-	-	-	-	106	106	-
Neighbourhood Development	Neighbourhood & Community Dev'	600	-	-	-	-	600	4.0
Responding to Growing Communities	Neighbourhood & Community Dev'	655	-	-	-	-	655	6.7
Community Investment Grant	Neighbourhood & Community Dev'	-	-	-	350	-	350	-
Multicultural Grant Program	Neighbourhood & Community Dev'	-	-	-	-	300	300	-
Parks Growth	Parks	-	711	-	-	-	711	14.2
River valley Alliance - Plan for Capital Region River Valley Park	Parks	-	-	-	-	273	273	-
Community Revitalization Levy	Planning & Development	150	-	-	-	-	150	-
University of Alberta Satellite Library	Public Library	-	-	-	-	-	-	-
Penny McKee - Abbottsfield Library Branch Lease Expansion	Public Library	-	-	-	-	-	-	2.1
Responding to Growth	Recreation Facility Services	620	-	-	-	-	620	4.8
Recreation Facility Services - Operating Impact of Capital Projects	Recreation Facility Services	-	608	-	-	-	608	5.8
Graffiti Management Strategy	Waste Management	300	-	-	-	627	927	5.5
Inclusive Communities								
Office of Diversity and Inclusion Initiatives	Corporate Services	145	-	-	-	-	145	-
Housing Initiative Program Delivery	Housing	645	-	-	-	-	645	-
Services to Seniors	Recreation Facility Services	50	-	-	650	600	1,300	0.6
Programs & Exhibits	Space & Science Foundation	-	-	-	-	100	100	-
Schedule & Capacity Adjustments - PEAK	Transit	608	-	-	-	-	608	8.8
Schedule & Capacity Adjustments - OFFPEAK	Transit	566	-	-	-	-	566	8.3
Services to New Areas - OFFPEAK	Transit	928	-	-	-	-	928	13.6
CPP Funded Operating Impacts	Transit	-	308	-	-	-	308	2.4
Security Improvements	Transit	344	-	-	-	-	344	4.0
Edmonton Seniors Coordinating Council	Transit	40	-	-	-	-	40	0.5
Safe Communities								
Responding to Increasing EMS Call Demand	Emergency Medical Services	2,331	-	-	-	-	2,331	20.6
Emergency Medical Services - Operating Impact of Capital Projects	Emergency Medical Services	-	105	-	-	-	105	-
Fire Prevention and Education	Fire Rescue Services	664	-	-	-	-	664	5.4
Fire Rescue Services - Operating Impact of Capital Projects	Fire Rescue Services	-	40	-	-	-	40	-
Aviation Museum and Office of Community Safety	Neighbourhood & Community Dev'	100	-	125	-	-	225	1.7
Information Technology Projects	Police Service	-	465	-	-	-	465	0.5
Hangar 38, Amalgamated Facility for Traffic, Tactical & Flight Operations	Police Service	-	450	-	-	-	450	-
SOCIAL AND CULTURAL - Total		8,746	2,687	125	1,460	2,671	15,689	109.5

Economic Development

Edmonton secures a prosperous future through development and maintenance of economic viability, diversity and sustainability.

	Program	Growth Funding	Capital Impacts	One-Time Funding	MSI Funding	City Council Changes	Total	FTE's
ECONOMIC DEVELOPMENT								
Business Positive Urban Environment								
Edmonton Image Program	Corporate Services	500	-	-	-	500	1,000	-
Strategic Communications	Corporate Services	475	-	-	-	-	475	3.5
Edmonton Image Program (Moved to Corporate Services)	Economic Development Corporatio	500	-	-	-	(500)	-	-
Social Enterprise Fund (SEF)	Neighbourhood & Community Dev'	-	-	1,800	-	-	1,800	-
Façade Program (\$355K funded from Reserve)	Planning & Development	-	-	-	-	-	-	-
ECONOMIC DEVELOPMENT - Total		1,475	-	1,800	-	-	3,275	3.5
Total Service Packages		17,560	10,752	7,305	1,460	8,069	45,146	269.6

Service Packages



Boards & Authorities - Approved Service Packages:

In total, Boards & Authorities submitted net service packages totaling 3.7 million in tax levy requirement, as follows:

	\$ Thousands	
	Tax Levy Request	Approved Funding
Edmonton Economic Development Corporation (EEDC)	\$ 2,298	-
Image Edmonton (Funded in Corporate Services)		\$200
Edmonton Police Service	-	-
Edmonton Public Library	-	-
Edmonton Arts Council	1,000	540
Edmonton Federation of Community Leagues	273	204
Edmonton Space & Science Foundation	100	100
Total Request	\$3,671	\$1,044

\$1.05 million was set aside for Council allocation. This amount represents Boards and Authorities proportional share of growth revenue based on their percentage of the tax levy (excluding Police since they do not have any service packages in 2008). Originally, \$0.5 million was recommended for Image Edmonton in EEDC, however, this amount was transferred to Corporate Services. Details of these service packages are included within the Boards & Authority's program overviews

Council Motions



Council motions that identified funding requests to be considered during the 2008 budget process were tracked by the City Clerk. These items were then considered along with other anticipated needs by Administration. The table below lists the Council Motions made during the year and the amounts that have been approved for funding in the 2008 budget.

Council Motions Considered in the 2008 Budget		Funding Status (000's)	
		Date	Funded
1. Old Strathcona Task Force:			
1. That Attachment 1 of the August 31, 2006, Corporate Services Department report 2006COG007 (Old Strathcona Task Force—Action Plan Recommendations to Administration) be approved in principle, and that budget packages be submitted for consideration in the budget processes for 2008 and 2009 (Attachments 4 and 5 of the August 31, 2006, Corporate Services Department report 2006COG007).	Sep 26/06		\$1,020
2. The Social Enterprise Fund:			
1. That a funding source in the amount of \$1.8 million for 2007 be identified, when the 2007 final budget adjustments are considered by Council.	Apr 24/07	\$1,800	
2. That a further \$1.8 million City contribution to The Social Enterprise Fund be considered during the 2008 budget.			
3. That the Governance Structure (as set out on pages 9 and 10 of the Attachment 2, of the March 20, 2007, Community Services Department report 2007CSS002, with Council representation on the Board of the Part IX Company and Administration on representation on the Steering Committee) be approved.			
4. That Administration report to Council on the status of the Social Enterprise Fund every six months for the next two years.			
3. Land Trust:			
1. That Administration provide an update at the September 4, 2007, Transportation and Public Works Committee meeting on the status of Natural Lands and Land Trust, and address a possible \$2.5 million endowment for core operational funds from 2007 City funds.	Jun 12/07	\$2,500	
2. That Administration prepare a funding package for the 2008 City budget.			

Council Motions



Council Motions Considered in the 2008 Budget		Date	Funding Status (000's)	
			Funded	Unfunded
4.	<p>Arts and Museum Operating Grant:</p> <p>That a new Arts and Museum Building Operating Grant be established for arts and museum organizations to cover costs associated with maintaining clean, well lighted, heated and secure facilities on an ongoing basis, with funding from an increase in the tax levy.</p> <p>That funding for this grant be provided as a service package in the amount to not exceed \$1 million through the City's 2008 budget process.</p>	Jul 3/07	\$1,000	
5.	<p>Summer Road Maintenance:</p> <p>That the Administration prepare a budget package for the summer road maintenance as described in the June 26, 2007, Transportation Department report 2007TD1300 for the 2008 Budget deliberations.</p>	Jul 10/07		\$3,498
6.	<p>Winter Road Maintenance:</p> <p>That Administration prepare a budget package for the winter road maintenance as described in the June 26, 2007, Transportation Department report 2007TD1300, for the 2008 Budget deliberations.</p>	Jul 10/07	6,300	\$7,500
7.	<p>Seniors Centre Operating Grant:</p> <ol style="list-style-type: none"> 1. That a new "Seniors Centres Grant Program" be established for seniors centres in Edmonton, to provide funding for general operating expenses, support to emerging senior centres and minor capital projects, with funding to be considered as part of 2008 budget deliberations. 2. That Administration prepare a service package in the amount of \$1.3 million as part of the City's 2008 budget process. 3. That a one-time 2007 Seniors Centres Minor Capital Grant to allocate \$553,000 from project number 05-21-5527, as outlined in Attachment 2, of the June 11, 2007, Community Services Department report 2007CSR023, be approved. 	Jul 17/07	\$1,250	\$50

Council Motions



Council Motions Considered in the 2008 Budget		Funding Status (000's)	
		Date	Funded
8. Rossdale Water Centre Association:			
1. That the City of Edmonton provide \$125,000 in 2007 from Council Contingency and \$125,000 in 2008 Budget to support the development of the Rossdale Water Centre Association.	Jul 17/07		\$125
2. That the July 6, 2007, Office of the City Manager report 2007CMO051 remain private pursuant to section 25 of the <i>Freedom of Information and Protection of Privacy Act</i> .			
9. Anti-idling Education:			
1. That \$140,000 for anti-idling education campaign, be considered as part of the 2008 budget process.	Aug 21/07	\$140	
2. That Administration return to Transportation and Public Works Committee with a City program as follows:			
a. a review and standards for vehicle emissions and gas consumption for all City vehicles,			
b. an idling procedure for City vehicles, and			
c. a public and internal education program.			
10. Graffiti in Edmonton:			
1. That the August 1, 2007, Asset Management and Public Works report 2007PW4787 (E.9.) be received for information.	Aug 21/07	\$927	
2. That the August 1, 2007, Asset Management and Public Works Department report 2007PW1105 (J.2.) be received for information.			
3. That a graffiti management strategy budget request be considered as part of the 2008 budget process.			
11. Alberta Aviation Museum Association Update:			
1. That Administration bring forward a report for the 2008 budget deliberations regarding Alberta Aviation Museum Association's request for \$125,000.	Aug 28/07	\$125	
2. That the Mayor, on behalf of City Council, send a letter to the Provincial and Federal Governments, advocating their financial support of the Alberta Aviation Museum Association and Edmonton Aviation Heritage Society business plan.			
12. Farm Fair International:			
That \$20,000 in sponsorship be provided for the 2007 Farm Fair International from Council Contingency, and that funding to Farm Fair International be included in the annual civic event budget commencing 2008.	Aug 28/07	\$20	

Tax-supported Operations

Approved Tax Levy Summary

(\$000)	2006 Actual	2007 Budget	Change '07 to '08	2008 Budget	% Change '07 to '08
Boards & Authorities					
Economic Development Corporation					
Economic Dev't, Research Park, Tourism	8,526	8,700	1,076	9,776	12.4
Shaw Conference Centre	2,715	2,777	(68)	2,709	(2.4)
Police Service	155,585	173,092	15,687	188,779	9.1
Public Library	25,917	28,347	3,263	31,610	11.5
Other Authorities	9,943	10,432	1,292	11,724	12.4
Total Boards & Authorities	202,686	223,348	21,250	244,598	9.5
Civic Programs					
Asset Management & Public Works					
Energy, Environment & Natural Areas	2,395	3,077	3,534	6,611	114.9
Housing	5,549	9,324	1,100	10,424	11.8
Land & Buildings	31,227	33,394	5,434	38,828	16.3
Parks	33,535	37,415	3,574	40,989	9.6
Project Management & Construction	1,160	1,118	66	1,184	5.9
Waste Management	20,596	22,749	7,004	29,753	30.8
Community Services					
Neighbourhood & Community Development	23,404	27,747	5,384	33,131	19.4
Recreation Facilities Services	21,117	23,531	3,462	26,993	14.7
Emergency Medical Services	1,974	5,602	2,549	8,151	45.5
Fire Rescue Services	106,854	118,348	8,101	126,449	6.8
Corporate Business Planning	1,583	2,961	175	3,136	5.9
Corporate Services	67,377	76,971	10,365	87,336	13.5
Mayor & Councillor Offices	3,432	3,810	258	4,068	6.8
Office of the City Auditor	1,605	1,841	110	1,951	6.0
Office of the City Manager					
City Manager	2,529	3,024	276	3,300	9.1
Office of the City Clerk	5,944	6,691	2,778	9,469	41.5
Planning & Development	10,173	10,197	2,896	13,093	28.4
Transportation					
Roads	98,078	101,741	28,813	130,554	28.3
Transit	107,038	120,402	13,252	133,654	11.0
Total Civic Programs	545,570	609,943	99,131	709,074	16.3
Corporate Programs					
Capital Project Financing	112,931	110,054	831	110,885	0.8
Corporate Expenditures	29,187	12,342	353	12,695	2.9
Corporate Revenues	(299,481)	(300,138)	(34,160)	(334,298)	11.4
Taxation	2,919	5,293	(3,168)	2,125	(59.9)
Total Corporate Programs	(154,444)	(172,449)	(36,144)	(208,593)	21.0
One-time Items	-	5,863	(5,863)	-	(100.0)
2006 Surplus	11,164	-	-	-	-
Taxation Revenue	604,976	666,705	78,374	745,079	11.8 *

Taxation Revenue					
Property Tax	490,915	544,713	68,235	612,948	
Business Tax	97,640	104,073	10,208	114,281	
Payment-in-lieu of Taxes	16,421	17,919	(69)	17,850	
Total Taxation Revenue	604,976	666,705	78,374	745,079	

* Change includes the tax rate increase of 7.5%, plus estimated real growth in the assessment base.

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

Tax-supported Operations

Approved Expenditure Summary

(\$000)	2006 Actual	2007 Budget	Change '07 to '08	2008 Budget	% Change '07 to '08
Boards & Authorities					
Economic Development Corporation					
Economic Dev't, Research Park, Tourism	13,248	14,421	2,114	16,535	14.7
Shaw Conference Centre	13,368	10,277	3,382	13,659	32.9
Police Service	203,170	222,005	16,626	238,631	7.5
Public Library	30,993	33,191	3,668	36,859	11.1
Other Authorities	14,559	15,598	2,311	17,909	14.8
Total Boards & Authorities	275,338	295,492	28,101	323,593	9.5
Civic Programs					
Asset Management & Public Works					
Energy, Environment & Natural Areas	2,592	3,177	3,434	6,611	108.1
Housing	7,265	12,081	1,106	13,187	9.2
Land & Buildings	40,583	42,447	7,052	49,499	16.6
Parks	35,523	38,374	3,597	41,971	9.4
Project Management & Construction	1,160	1,448	66	1,514	4.6
Waste Management	72,738	79,200	16,821	96,021	21.2
Community Services					
Neighbourhood & Community Development	40,040	43,837	5,885	49,722	13.4
Recreation Facilities Services	48,449	50,645	8,213	58,858	16.2
Emergency Medical Services	29,446	32,748	3,973	36,721	12.1
Fire Rescue Services	107,529	119,724	8,167	127,891	6.8
Corporate Business Planning	1,583	2,961	175	3,136	5.9
Corporate Services	70,385	80,190	9,199	89,389	11.5
Mayor & Councillor Offices	3,450	3,810	258	4,068	6.8
Office of the City Auditor	1,605	1,841	110	1,951	6.0
Office of the City Manager					
City Manager	2,543	3,024	276	3,300	9.1
Office of the City Clerk	6,395	6,807	2,800	9,607	41.1
Planning & Development	44,911	51,376	7,357	58,733	14.3
Transportation					
Roads	111,567	111,049	30,077	141,126	27.1
Transit	184,956	198,544	22,986	221,530	11.6
Total Civic Programs	812,720	883,283	131,552	1,014,835	14.9
Corporate Programs					
Capital Project Financing	127,039	121,062	1,126	122,188	0.9
Corporate Expenditures	31,227	13,471	247	13,718	1.8
Corporate Revenues	7,942	1,460	(25)	1,435	(1.7)
Taxation	5,996	7,793	(2,668)	5,125	(34.2)
Total Corporate Programs	172,204	143,786	(1,320)	142,466	(0.9)
One-time Items	-	27,463	(27,463)	-	(100.0)
Total Net Expenditure before Surplus	1,260,262	1,350,024	130,870	1,480,894	
2006 Surplus	11,164	-	-	-	-
Total Net Expenditure & Transfers	1,271,426	1,350,024	130,870	1,480,894	9.7

Net Expenditure includes General Capital Financing of \$97.2 million in 2007 and \$93.0 million in 2008

Tax-supported Operations

Approved Revenue Summary

(\$000)	2006 Actual	2007 Budget	Change '07 to '08	2008 Budget	% Change '07 to '08
Boards & Authorities					
Economic Development Corporation					
Economic Dev't, Research Park, Tourism	4,722	5,721	1,038	6,759	18.1
Shaw Conference Centre	10,653	7,500	3,450	10,950	46.0
Police Service	47,585	48,913	939	49,852	1.9
Public Library	5,076	4,844	405	5,249	8.4
Other Authorities	4,616	5,166	1,019	6,185	19.7
Total Boards & Authorities	72,652	72,144	6,851	78,995	9.5
Civic Programs					
Asset Management & Public Works					
Energy, Environment & Natural Areas	197	100	(100)	-	(100.0)
Housing	1,716	2,757	6	2,763	0.2
Land & Buildings	9,356	9,053	1,618	10,671	17.9
Parks	1,988	959	23	982	2.4
Project Management & Construction	-	330	-	330	-
Waste Management	52,142	56,451	9,817	66,268	17.4
Community Services					
Neighbourhood & Community Development	16,636	16,090	501	16,591	3.1
Recreation Facilities Services	27,332	27,114	4,751	31,865	17.5
Emergency Medical Services	27,472	27,146	1,424	28,570	5.2
Fire Rescue Services	675	1,376	66	1,442	4.8
Corporate Services	3,008	3,219	(1,166)	2,053	(36.2)
Mayor & Councillor Offices	18	-	-	-	-
Office of the City Manager					
City Manager	14	-	-	-	-
Office of the City Clerk	451	116	22	138	19.0
Planning & Development	34,738	41,179	4,461	45,640	10.8
Transportation					
Roads	13,489	9,308	1,264	10,572	13.6
Transit	77,918	78,142	9,734	87,876	12.5
Total Civic Programs	267,150	273,340	32,421	305,761	11.9
Corporate Programs					
Capital Project Financing (Local Improvement Rev)	14,108	11,008	295	11,303	2.7
Corporate Expenditures	2,040	1,129	(106)	1,023	(9.4)
Corporate Revenues	307,423	301,598	34,135	335,733	11.3
Taxation	3,077	2,500	500	3,000	20.0
Total Corporate Programs	326,648	316,235	34,824	351,059	11.0
One-time Items	-	21,600	(21,600)	-	(100.0)
Total Revenue & Transfers	666,450	683,319	52,496	735,815	7.7

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

Approved Municipal Enterprises

\$000	2006 Actual	2007 Budget	Change '07 to '08	2008 Budget	% Change '07 to '08
Land Enterprise - Land Development Activity					
Revenue & Transfers	26,569	18,380	10,770	29,150	58.6
Less: Expenditure & Transfers	15,085	12,189	617	12,806	5.1
Net Income	11,484	6,191	10,153	16,344	164.0
Land Enterprise - Land Revolving Activity					
Revenue & Transfers	2,597	5,500	4,500	10,000	-
Less: Expenditure & Transfers	1,408	4,003	(953)	3,050	(23.8)
Net Income	1,189	1,497	5,453	6,950	364.3
Mobile Equipment Services					
Revenue & Recoveries	102,271	110,234	15,922	126,156	14.4
Less: Expenditure & Transfers	100,550	108,642	16,054	124,696	14.8
Net Income	1,721	1,592	(132)	1,460	(8.3)

Approved Utility Operations

\$000	2006 Actual	2007 Budget	Change '07 to '08	2008 Budget	% Change '07 to '08
Sanitary Utility					
Revenue & Transfers from Reserves & Equity	105,855	107,876	8,610	116,486	8.0
Less: Expenditure	73,639	87,332	10,907	98,239	12.5
Net Income	32,216	20,544	(2,297)	18,247	(11.2)
Rate Impact Sanitary Utility				5.0%	
Land Drainage Utility					
Revenue & Transfers from Reserves & Equity	17,212	20,117	1,284	21,401	6.4
Less: Expenditure	10,806	11,502	3,434	14,936	29.9
Net Income	6,406	8,615	(2,150)	6,465	(25.0)
Rate Impact Land Drainage Utility				4.0%	

Approved Resource Distribution

Tax-supported	2007 Budget*	Change '07 to '08	% Change '07 to '08	2008 Budget	% of Total
Total Tax-supported					
Personnel Costs	756,821	81,274	10.7	838,095	56.6
Materials, Goods & Supplies	123,588	22,497	18.2	146,085	9.9
Services	199,872	37,304	18.7	237,176	16.0
Other Charges	242,280	17,258	7.1	259,538	17.5
Total	1,322,561	158,333	12.0	1,480,894	100.0
* 2007 excludes one-time items					
Economic Development Corporation					
Personnel Costs	9,599	687	7.2	10,286	34.1
Materials, Goods & Supplies	307	15	4.9	322	1.1
Services	12,437	4,044	32.5	16,481	54.6
Other Charges	2,355	750	31.8	3,105	10.3
Total	24,698	5,496	22.3	30,194	
Police Service					
Personnel Costs	175,723	11,759	6.7	187,482	78.6
Materials, Goods & Supplies	17,459	652	3.7	18,111	7.6
Services	26,487	3,837	14.5	30,324	12.7
Other Charges	2,336	378	16.2	2,714	1.1
Total	222,005	16,626	7.5	238,631	
Public Library					
Personnel Costs	21,199	2,786	13.1	23,985	65.1
Materials, Goods & Supplies	7,196	366	5.1	7,562	20.5
Services	2,374	342	14.4	2,716	7.4
Utilities & Professional fees	2,422	174	7.2	2,596	7.0
Total	33,191	3,668	11.1	36,859	
Other Authorities					
Personnel Costs	3,887	302	7.8	4,189	23.4
Materials, Goods & Supplies	1,622	387	23.9	2,009	11.2
Services	805	78	9.7	883	4.9
Other Charges	9,284	1,544	16.6	10,828	60.5
Total	15,598	2,311	14.8	17,909	
Asset Management & Public Works (Energy, Environment & Natural Areas/Housing/ Land & Buildings/ Parks/Project Management & Construction/ Waste Management)					
Personnel Costs	73,778	11,571	15.7	85,349	40.9
Materials, Goods & Supplies	11,041	1,934	17.5	12,975	6.2
Services	43,750	8,693	19.9	52,443	25.1
Other Charges	48,158	9,878	20.5	58,036	27.8
Total	176,727	32,076	18.2	208,803	
Community Services					
Personnel Costs	174,543	15,417	8.8	189,960	69.5
Materials, Goods & Supplies	25,859	3,824	14.8	29,683	10.9
Services	23,401	3,441	14.7	26,842	9.8
Other Charges	23,151	3,556	15.4	26,707	9.8
Total	246,954	26,238	10.6	273,192	

Approved Resource Distribution

Tax-supported	2007 Budget*	Change '07 to '08	% Change '07 to '08	2008 Budget	% of Total
Corporate Business Planning					
Personnel Costs	2,309	292	12.6	2,601	82.9
Materials, Goods & Supplies	193	(59)	(30.6)	134	4.3
Services	333	(75)	(22.5)	258	8.2
Other Charges	126	17	13.5	143	4.6
Total	2,961	175	5.9	3,136	
Corporate Services - Tax-supported					
Personnel Costs	72,578	7,932	10.9	80,510	90.1
Materials, Goods & Supplies	10,091	213	2.1	10,304	11.5
Services	6,225	1,779	28.6	8,004	9.0
Other Charges	(8,704)	(725)	8.3	(9,429)	(10.5)
Total	80,190	9,199	11.5	89,389	
Mayor & Council					
Personnel Costs	1,706	147	8.6	1,853	45.6
Materials, Goods & Supplies	56	2	3.6	58	1.4
Services	1,789	101	5.6	1,890	46.5
Utilities & Professional fees	259	8	-	267	6.6
Total	3,810	258	6.8	4,068	
Office of the City Auditor					
Personnel Costs	1,605	102	6.4	1,707	87.5
Materials, Goods & Supplies	48	1	2.1	49	2.5
Services	110	9	8.2	119	6.1
Other Charges	78	(2)	(2.6)	76	3.9
Total	1,841	110	6.0	1,951	
Office of the City Manager					
Personnel Costs	5,354	1,951	36.4	7,305	56.6
Materials, Goods & Supplies	558	109	19.5	667	5.2
Services	1,599	403	25.2	2,002	15.5
Other Charges	2,320	613	26.4	2,933	22.7
Total	9,831	3,076	31.3	12,907	
Planning & Development					
Personnel Costs	37,462	3,704	9.9	41,166	70.1
Materials, Goods & Supplies	2,385	130	5.5	2,515	4.3
Services	8,776	2,189	24.9	10,965	18.7
Other Charges	2,753	1,334	48.5	4,087	7.0
Total	51,376	7,357	14.3	58,733	
Transportation					
Personnel Costs	177,078	24,624	13.9	201,702	55.6
Materials, Goods & Supplies	46,773	14,923	31.9	61,696	17.0
Services	71,786	12,463	17.4	84,249	23.2
Utilities & Professional Fees	13,956	1,053	7.5	15,009	4.1
Total	309,593	53,063	17.1	362,656	

Approved

Resource Distribution

Tax-supported	2007 Budget*	Change '07 to '08	% Change '07 to '08	2008 Budget	% of Total
Corporate Programs					
Personnel Costs	-	-	-	-	-
Materials, Goods & Supplies	-	-	-	-	-
Services	-	-	-	-	-
Financial Charges & Corporate Expenditures	143,786	(1,320)	(0.9)	142,466	100.0
Total	143,786	(1,320)	(0.9)	142,466	

Approved

Resource Distribution

Municipal Enterprises & Utilities	2007 Budget*	Change '07 to '08	% Change '07 to '08	2008 Budget	% of Total
Asset Management & Public Works - Land Enterprise					
Personnel Costs	-	-	-	-	-
Materials, Goods & Supplies	-	-	-	-	-
Services	(16,335)	(6,820)	41.8	(23,155)	(146.0)
Cost of Land Sold & Land Purchase	32,527	6,484	19.9	39,011	246.0
Total	16,192	(336)	(2.1)	15,856	
Asset Management & Public Works - Drainage Services (Sanitary Utility and Land Drainage Utility)					
Personnel Costs	41,776	10,009	24.0	51,785	45.8
Materials, Goods & Supplies	13,249	1,445	10.9	14,694	13.0
Services	2,227	(2,858)	(128.3)	(631)	(0.6)
Financial & Other	41,582	5,745	13.8	47,327	41.8
Total	98,834	14,341	14.5	113,175	
Corporate Services - Mobile Equipment Services					
Personnel Costs	37,855	7,721	20.4	45,576	36.5
Materials, Goods & Supplies	39,059	4,762	12.2	43,821	35.1
Services	6,663	4,283	64.3	10,946	8.8
Other Charges	25,065	(712)	(2.8)	24,353	19.5
Total	108,642	16,054	14.8	124,696	

Full-time Equivalents

	2006 Actual	2007 Budget	Annualization of 2007 Changes	Other 2008 Changes	2008 Service Needs	2008 Budget
Authorities						
Economic Development Corporation						
Economic Dev't, Research Park, Tourism	85.0	87.0	-	-	-	87.0
Shaw Conference Centre	165.0	165.0	-	7.0	-	172.0
Police Service	1,796.0	1,858.5	19.0	1.0	0.5	1,879.0
Public Library	395.6	405.1	3.9	-	2.1	411.1
Other Authorities	72.0	78.0	-	3.5	-	81.5
Total Authorities	2,513.6	2,593.6	22.9	11.5	2.6	2,630.6
Civic Programs						
Asset Management & Public Works						
Energy, Environment & Natural Areas	16.0	20.4	0.6	(1.0)	1.7	21.7
Housing	28.0	37.0	-	(1.0)	-	36.0
Land & Buildings	341.2	331.9	0.8	10.0	7.7	350.4
Parks	376.7	406.2	1.7	5.0	14.2	427.1
Project Management & Construction	40.0	41.0	-	4.0	-	45.0
Waste Management	234.2	255.6	0.5	7.7	36.5	300.3
Community Services						
Neighbourhood & Community Development	223.6	238.0	2.0	-	14.1	254.1
Recreation Facility Services	520.9	535.4	1.5	5.5	11.2	553.6
Emergency Medical Services	291.0	313.0	-	-	20.6	333.6
Fire Rescue Services	964.0	991.4	18.6	-	5.4	1,015.4
Corporate Business Planning	21.5	24.3	0.2	-	-	24.5
Corporate Services	896.7	954.0	7.8	28.9	18.5	1,009.2
Mayor and Councillor Offices	21.0	21.0	-	-	-	21.0
Office of the City Auditor	15.0	15.0	-	-	-	15.0
Office of the City Manager						
City Manager	11.6	15.6	0.4	-	-	16.0
Office of the City Clerk	47.6	49.6	-	-	9.0	58.6
Planning & Development	480.1	500.8	3.9	-	20.8	525.5
Transportation						
Roads	732.3	761.0	0.4	29.0	57.6	848.0
Transit	1,914.9	1,970.8	30.6	3.5	49.7	2,054.6
Total Civic Programs	7,176.3	7,482.0	69.0	91.6	267.0	7,909.6
Total Tax-supported Operations	9,689.9	10,075.6	91.9	103.1	269.6	10,540.2
Municipal Enterprises						
Mobile Equipment Services	517.9	531.4	6.0	15.0	35.5	587.9
Total Municipal Enterprises	517.9	531.4	6.0	15.0	35.5	587.9
Utility Operations						
Drainage Services	516.5	553.4	1.8	-	84.4	639.6
Total Utility Operations	516.5	553.4	1.8	-	84.4	639.6
Total Full-time Equivalents	10,724.3	11,160.4	99.7	118.1	389.5	11,767.7

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

	2007 Budget	Rate Change	Volume Change	2008 Budget
Roads & Transit	\$87,450	\$3,278 3.7%	\$7,720 8.8%	\$98,448
<u>Rate</u> Transit fare increases for passes will produce a \$2.8 million revenue increase. There is also an increase of \$0.5 million from a parking meter rate increase.				
<u>Volume</u> Growth in ridership, annualization of 2007 service, plus new service for 2008 will contribute \$6.8 million. There will also be an additional \$0.1 million from Transit advertising revenue. There is a \$0.6 million increase due to an increase to recoveries related to Development. Various other changes will provide an additional \$0.2 million in revenue increases.				
Waste Management	53,110	3,435 6.5%	7,133 13.4%	63,678
<u>Rate</u> An 8% increase in monthly single family and multifamily waste management fees will generate \$3.4 million.				
<u>Volume</u> The volume change consists of \$1.4 million from an increase in the number of customers charged the user fee and \$5.7 million from growth in landfill disposal volumes.				
Community Services — Neighbourhood & Community Development, Recreation Facilities Services, Emergency Medical Services and Fire Rescue Services	43,393	2,139 4.9%	3,319 7.6%	48,851
<u>Rate</u> Revenue from recreation facilities and programs is expected to increase by \$1.3 million from an average 5% increase to fees. An increase to Ambulance rates of 5% is expected to generate an additional \$0.7 million. Various other changes will provide an additional \$0.1 million in revenue increases.				
<u>Volume</u> A projected volume increase from recreation facilities and programs of \$2.1 million is based on population growth and operational increases. Restoration of \$0.5 million in revenue will result from the completion of the HVAC project at Kinsmen Sports Centre. Emergency Medical Services is expecting a 5% increase to calls for service which will result in an increase to revenue of \$0.7 million.				

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

	2007 Budget	Rate Change	Volume Change	2008 Budget
Planning and Development	41,179	2,460 6.0%	968 2.4%	44,607
<u>Rate</u> All planning related fees will be increased by 5%. This will generate an additional \$2.1 million in revenue. An additional 1% increase to all planning related fees will generate \$0.4 million to fund the Redevelopment of Mature Areas service package.				
<u>Volume</u> The revenue volume increase partially results from the revised bylaw service delivery model which is more proactive and will result in \$0.4 million of additional business licensing revenues. In addition, continued growth and increased construction costs will also contribute \$0.6 million to the growth in revenues.				
Police Service	37,515	952 2.5%	(13) 0.0%	38,454
<u>Rate</u> An increase in the daily storage fee will increase the tow lot revenues by \$0.9 million.				
<u>Volume</u> There is a minor decrease related to false alarm revenues.				
Economic Development, Research Park, Tourism and Shaw Conference Centre	11,404	63 0.6%	4,970 43.6%	16,437
<u>Rate</u> There is rate increase for tenants at the Research Park, which will increase revenue by \$0.1 million.				
<u>Volume</u> Growth to business at the Shaw Conference Centre will generate \$3.4 million in additional revenue. With the completion of the rehabilitation of the Biotechnology Business Development Centre in the Research Park, new tenants are expected to contribute \$1.0 million of additional revenue. The initiation of the Shlumberger land rental will increase revenue by \$0.3 million. Funding from external sponsors of the Edmonton Image campaign will increase revenue by \$0.4 million. Various other changes will provide an additional \$0.1 million in revenue increases. There is a reduction to funding from Transalta related to the Festival City campaign in the amount of \$0.2 million.				

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

	2007 Budget	Rate Change	Volume Change	2008 Budget
Asset Management & Public Works – Land & Buildings	9,053	983 10.9%	635 7.0%	10,671
<u>Rate</u> An increase in monthly and hourly parkade rates to market levels will produce additional revenue of approximately \$0.8 million. Property Management rent increases will provide additional revenue of \$0.2 million.				
<u>Volume</u> Increased parkade usage will increase revenue by \$0.6 million.				
Other (Includes: Public Library; Edmonton Space & Science Foundation, Taxi Cab Commission; Parks, Corporate Services; Office of the City Clerk; Traffic Tags; 2007 One-time revenue)	18,602	234 1.3%	(1,359) (7.3)%	17,477
<u>Rate</u> An increase to the EPCOR and Alberta Energy Savings contract in Corporate Services will produce additional revenue of \$0.2 million.				
<u>Volume</u> The largest portion of the volume reduction relates to the removal of 2007 One-time revenue of \$1.4 million which relates to the 2007 Municipal Election. The Hired Equipment EPCOR agreement has been ended for a reduction of \$1.1 million. In addition, the On-Line Store for Transit passes and tickets did not generate the anticipated revenue of \$0.3 million. These reductions are partially offset by volume increases in 3 programs. The Edmonton Space & Science Foundation is expecting increased revenue of \$0.5 million, mostly from the IMAX Theatre, General Admission, Memberships and School & Community Programs. The revised bylaw service delivery model, which is more proactive, will result in \$0.6 million of additional traffic tag and fine revenue. The Public Library expects additional revenue of \$0.3 million to be generated primarily by increases in fines and higher interest earnings.				
Total User Fees, Licenses, Permits and Fines	\$301,706	13,544 4.5%	23,373 7.7%	338,623

Highlights of Approved 2008 User Fees

	2007 Fee	\$ Increase	% Increase	Approved 2008 Fee
Arenas				
Winter Ice - Minors/Community - Good Time	\$100.00	\$4.00	4%	\$104.00
Winter Ice - Adults - Good Time	\$203.85	\$4.15	2%	\$208.00
Summer Ice - Staffed - High Priority	\$160.15	\$7.85	5%	\$168.00
Summer Ice - Staffed - Low Priority	\$126.90	\$6.10	5%	\$133.00
Sports Fields				
Standard Class C Fields - Minor (per hour)	\$0.00	\$0.00	No Change	\$0.00
Standard Class C Fields - Adult (per hour)	\$3.65	\$0.15	4%	\$3.80
Fort Edmonton Park				
General Admission - Child	\$6.50	\$0.25	4%	\$6.75
General Admission - Adult	\$13.00	\$0.25	2%	\$13.25
General Admission - Family	\$39.00	\$1.00	3%	\$40.00
Annual Pass - Family	\$75.00	\$5.50	7%	\$80.50
Muttart Conservatory				
Single Admission - Child	\$4.50	\$0.00	0%	\$4.50
Valley Zoo				
General Admission - Child (summer)	\$4.25	\$0.25	6%	\$4.50
General Admission - Family (summer)	\$25.00	\$2.00	8%	\$27.00
Golf Courses				
Riverside / Victoria Golf Courses				
Green Fees - 9 Holes - Weekday				
Green Fees - 9 Holes - Weekend				
Rundle Golf Course				
Green Fees - 9 Holes - Weekday				
Green Fees - 9 Holes - Weekend				
Golf Course fees will be adjusted in Spring 2008 as per previous years.				
Aquatic & Fitness Tier 1 (includes Kinsmen Sports Centre)				
General Admission - Child	\$3.50	\$0.25	7%	\$3.75
General Admission - Adult	\$7.25	\$0.25	3%	\$7.50
Aquatic & Fitness Tier 2 (includes instructor-led drop-in) (and Mill Woods Rec Centre)				
General Admission - Adult	\$5.40	\$0.10	2%	\$5.50
Annual Pass - Adult	\$400.00	\$35.00	9%	\$435.00
Aquatic & Fitness Tier 3 (basic pools & leisure facilities)				
General Admission - Child	\$2.25	\$0.15	7%	\$2.40
General Admission - Adult	\$4.55	\$0.15	3%	\$4.70
Public Library				
Children Under 18	free	no change	0%	free
First Adult Per Household	\$12.00	no change	0%	\$12.00
Other Adults Per Household	\$8.00	no change	0%	\$8.00
Household Maximum	4 adults	no change	0%	4 adults

Highlights of Approved 2008 User Fees

	2007 Fee	\$ Increase	% Increase	Approved 2008 Fee
Waste Management User Fee				
Single Family (per unit per month)	\$14.05	\$1.12	8%	\$15.17
Multi - Family (per unit per month)	\$9.13	\$0.73	8%	\$9.86
Ambulance Fees Response With Transport				
Resident Patient	\$358.00	\$18.00	5%	\$376.00
Non-Resident Patient	\$497.00	\$25.00	5%	\$522.00
Mileage Fee Outside City Limits per Km	\$3.54	\$0.18	5%	\$3.72
Ambulance Fees Without Transport				
Resident Patient	\$229.00	\$12.00	5%	\$241.00
Non-Resident Patient	\$336.00	\$17.00	5%	\$353.00
Mileage Fee Outside City Limits Per Km	\$3.54	\$0.18	5%	\$3.72
Ambulance Fees Standby				
Ambulance plus 2 Attendants, 3 hours minimum	\$450.00	\$23.00	5%	\$473.00
Ambulance plus 2 Attendants, each additional 1/4 hour	\$37.50	\$1.88	5%	\$39.38
Without Ambulance per Attendant, 3 hours minimum	\$186.00	\$10.00	5%	\$196.00
Without Ambulance per Attendant, each additional 1/4 hour	\$16.00	\$0.80	5%	\$16.80
Ambulance Fees Inter-Hospital Transfer				
Transport per Patient	\$512.00	\$26.00	5%	\$538.00
Transport per Patient Wait Time each 1/4 hour	\$37.50	\$1.88	5%	\$39.38
Milage Fee Outside City Limits per Km	\$3.54	\$0.18	5%	\$3.72
Surcharge Transport Outside City Limits per each 1/4 hour	\$37.50	\$1.88	5%	\$39.38
Fire Inspection Fees and Fire Permits				
Plan Examination and Letter of Compliance	\$163.00	\$6.00	3.5%	\$169.00
Occupany Load Certificate Replacement Fees	\$53.00	\$2.00	3.5%	\$55.00
File Search/Summary Report of Fire Inspection History	\$105.00	\$4.00	3.5%	\$109.00
Dangerous Goods Permits	\$65.00	\$3.00	3.5%	\$68.00
Fireworks and Pyrotechnic Device Permits	\$65.00	\$3.00	3.5%	\$68.00
Fireworks and Pyrotechnic Device Permits - High Hazard	\$131.00	\$5.00	3.5%	\$136.00
Fire Rescue Fees				
Dangerous Goods Incident - One Single Pumper Apparatus	\$215.00	\$8.00	3.5%	\$223.00
Fire Rescue Response to False Alarms 1st Response	\$0.00	\$0.00	0.0%	\$0.00
Fire Rescue Response to False Alarms 2nd Response	\$65.00	\$3.00	3.5%	\$68.00
Fire Rescue Response to False Alarms 3rd Response	\$328.00	\$12.00	3.5%	\$340.00
Fire Rescue Response to False Alarms 4th Response or more	\$655.00	\$23.00	3.5%	\$678.00
Security Alarms routed to Fire Rescue Services	\$655.00	\$23.00	3.5%	\$678.00

Highlights of Approved 2008 User Fees

	2007 Fee	\$ Increase	% Increase	Approved 2008 Fee
Planning and Development				
<u>Development Compliance</u>				
Residential Building Permit (new single detached house - 1,500 sq. ft.)	\$1,134.00	\$68.00	6%	\$1,202.00
Building permits per \$1,000 of construction value (Commercial and Multi-family Residential)	\$7.58	\$0.45	6%	\$8.03
Accessory Buildings, Satellite Signal Receiving Antennae	\$46.00	\$3.00	7%	\$49.00
Garage Suites, Secondary Suites, Limited Group Homes	\$114.00	\$7.00	6%	\$121.00
Single Detached Housing outside of the house combo permit application - Duplex, Semi-detached, Group Homes	\$228.00	\$14.00	6%	\$242.00
Overheight Fences, Recreational Vehicles Parking, Amateur Radio Antennae and support structures	\$114.00	\$7.00	6%	\$121.00
For new buildings or additions to existing buildings with a gross floor area up to 500 m ²	\$571.00	\$34.00	6%	\$605.00
Exterior alterations or renovations to existing buildings	\$143.00	\$9.00	6%	\$152.00
Freestanding, Projecting or Roof Signs	\$143.00	\$9.00	6%	\$152.00
Permitted Use Development Permit	\$172.00	\$10.00	6%	\$182.00
Leave as Built - Single Detached, Semi-detached, Duplex	\$228.00	\$14.00	6%	\$242.00
Zoning Compliance Certificate (Residential Express Service)	\$170.00	\$10.00	6%	\$180.00
Zoning Compliance Certificate (Residential)	\$85.00	\$5.00	6%	\$90.00
Business License - General	\$162.00	\$10.00	6%	\$172.00
<u>Planning and Policy</u>				
Subdivision Application Fees (per lot - single detached or semi-detached dwelling)	\$184.00	\$11.00	6%	\$195.00
Subdivision Endorsement Fees (per lot - single or semi-detached dwelling)	\$446.00	\$27.00	6%	\$473.00
Advertising Fees	\$920.00	\$54.00	6%	\$974.00
Transit / DATS				
Adult Transit / DATS Cash	\$2.50	\$0.00	0%	\$2.50
Youth (6-17) / Senior Cash	\$2.25	\$0.00	0%	\$2.25
Adult Tickets (10/book)	\$21.00	\$0.00	0%	\$21.00
Youth (6-17) / Senior Tickets (10)	\$18.50	\$0.00	0%	\$18.50
AISH Monthly Pass (eff. Feb 2008)	\$29.00	\$1.00	3%	\$30.00
DATS Monthly Pass (eff. Feb 2008)	\$58.00	\$8.50	15%	\$66.50
Adult Monthly Pass (eff. Feb 2008)	\$59.00	\$7.50	13%	\$66.50
Post Secondary Discounted Monthly Pass (eff. Feb 2008)	\$54.00	\$6.00	11%	\$60.00
Restricted Monthly School Pass (eff. Feb 2008)	\$42.00	\$7.75	18%	\$49.75
Senior Monthly Pass (eff. April 2008)	\$11.00	\$0.50	5%	\$11.50
Seniors Annual Pass (eff. April 2008)	\$105.00	\$3.00	3%	\$108.00
Seniors Discounted Annual Pass (eff. April 2008)	\$45.00	\$1.50	3%	\$46.50
Visitor Day Pass	\$7.50	\$0.00	0%	\$7.50
Splash 'N Ride Seasonal Pass (eff. Feb 2008)	\$44.20	\$12.40	28%	\$56.60
CNIB Pass	free			free
Special Events Service - Adult	\$2.50	\$0.00	0%	\$2.50
Special Events Service - Child	\$2.25	\$0.00	0%	\$2.25
Charters - First Hour Rate	\$112.00	\$0.00	0%	\$112.00
Charters - Subsequent Service Hour Rate	\$92.00	\$0.00	0%	\$92.00
Charters - Out of Town Hourly Rate	\$92.00	\$0.00	0%	\$92.00
Other Fees				
Parkade Half Hour Rate	\$1.50	\$0.50	33%	\$2.00
Daily Maximum Rate (24 hrs from midnight to midnight)	\$17.00	\$3.00	18%	\$20.00
Day Rate (6:00 a.m. to 6:00 p.m.)	\$12.00	\$2.00	17%	\$14.00
City Hall Parking Meter Rate (per half hour)	\$1.25	\$0.25	20%	\$1.50

Tax-supported Operations Approved Other Authorities

(\$000)	2006 Actual	2007 Budget	Change '07 to '08	2008 Budget	% Change '07 to '08
Net Expenditure					
Arts Council	3,477	3,555	1,278	4,833	35.9
Federation of Community Leagues	1,546	1,818	295	2,113	16.2
Greater Edmonton Foundation	3,500	3,500	-	3,500	-
Space & Science Foundation	5,443	6,129	718	6,847	11.7
Taxi Cab Commission	593	596	20	616	3.4
Total Net Expenditure & Transfers	14,559	15,598	2,311	17,909	14.8
Revenue					
Arts Council	6	-	460	460	100.0
Space & Science Foundation	4,017	4,570	539	5,109	11.8
Taxi Cab Commission	593	596	20	616	3.4
Total Revenue & Transfers	4,616	5,166	1,019	6,185	19.7
Tax Levy					
Arts Council	3,471	3,555	818	4,373	23.0
Federation of Community Leagues	1,546	1,818	295	2,113	16.2
Greater Edmonton Foundation	3,500	3,500	-	3,500	-
Space & Science Foundation	1,426	1,559	179	1,738	11.5
Taxi Cab Commission	-	-	-	-	-
Total Tax Levy	9,943	10,432	1,292	11,724	12.4

	2006 Actual	2007 Budget	Annual	Other 2008 Changes	2008 Budget
Full-time Equivalents					
Space & Science Foundation	68.0	74.0	-	3.5	77.5
Taxi Cab Commission	4.0	4.0	-	-	4.0
Total Full-time Equivalents	72.0	78.0	-	3.5	81.5

One-time Items

(\$000)	Financial			
	Expend.	Stabilization or Other Reserve	Grant/ Revenue	Tax Levy
Arts Council				
Arts & Museum Building Operating Grant (funded by grant)	460	-	460	-
Federation of Community Leagues				
Dev't of Business Plan & Financial Strategy	40	-	-	40
EFCL Web Page	13	-	-	13
EFCL Reorganization	10	-	-	10
Asset Management & Public Works				
Energy, Environment & Natural Areas				
Land Trust Endowment (from 1-time Corporate Funding)	2,500	-	-	2,500
Anti-idling Public Education (from 1-time Corporate Funding)	140	-	-	140
Parks				
River Valley Alliance Plan for Capital Region River Valley	273	-	-	273
Community Services				
Neighbourhood & Community Development				
Aviation Museum (from 1-time Corporate Funding)	125	-	-	125
Social Enterprise Fund (from 1-time Corporate Funding)	1,800	-	-	1,800
Community Investment Grant (funded by grant)	350	-	350	-
Recreation Facility Services				
Services to Seniors (funded by grant)	650	-	650	-
Corporate Expenditures				
Art Gallery (from 1-time Corporate Funding)	3,000	-	-	3,000
Affordable Housing (from 1-time Corporate Funding)	1,200	-	-	1,200
UCAMA (from 1-time Corporate Funding)	1,000	-	-	1,000
Corporate Revenues				
One time Corporate Funding (Ed Tel Special Dividend - \$8,800 Land Enterprise Dividend - \$1,100 & Land Revolving Fund Surplus - \$2,500)	-	-	12,400	(12,400)
Corporate Services				
Hospitality Edmonton Initiative	25	-	-	25
Office of Diversity and Inclusion City Employee Biannual Census	40	-	-	40
Image Edmonton (from 1-time Corporate funding)	500	-	-	500
Office of the City Clerk				
Municipal Census (from 1-time Corporate Funding)	1,600	-	-	1,600
International Council for Local Environmental Initiatives (fr 1-time Corporate Funding)	500	-	-	500
Planning & Development				
Mature Area Structure Plan - guidelines for redev't of mature areas	400	-	400	-
Façade Program (from Façade reserve)	355	355	-	-
Transportation				
Roads				
Speed Display Boards (from '07 Surplus)	40	40	-	-
Pedestrian Countdown Lights (from '07 Surplus)	150	150	-	-
Transit				
Hastus Upgrade (Bus Scheduling)	88	-	-	88
Transit Fleet Maintenance (MES Lease Tire buyout)	200	-	-	200
SLRT CPP Impacts (Implementation costs)	87	-	-	87
Total One-time Items	15,546	545	14,260	741

2008 Approved Capital Budget

(Updated to October 22, 2007)



A Capital Process Review was done in 2005-2006 that resulted in a number of recommendations being adopted to improve the Capital Budget Process. One of the recommendations was to change from a one year to three year capital budget cycle. The City now is in the process of implementing the change to a three year budget cycle using a phase-in approach. This transition started last year with the approval of the two year capital budget for 2007-2008. A three year Capital Budget for 2009-2011 will be deliberated by Council in June 2008.

This section deals with the 2008 approved Capital Budget. It outlines the 2008 capital budget process, takes a look into any changes to October 22, 2007 in the approved 2007-2008 Capital Budget and the 2007-2011 Capital Priorities Plan, illustrates uses and sources of funding, and highlights the challenges the City of Edmonton faces in terms of municipal infrastructure shortfalls and capital priorities that have emerged since the 2007 Supplementary Capital Budget Adjustment.

Funding Sources

Millions	2007 Budget	2008 Budget
City Financing	\$627	\$695
External Financing	359	456
Total Sources	\$986	\$1,151

Expenditures

Millions	2007 Budget	2008 Budget
Tax-Supported		
Civic Programs	\$781	\$952
Authorities	46	20
Utilities	159	179
Total Uses	\$986	\$1,151

2008 Capital Budget Process



Capital Budget Process as of October 22, 2007

The 2007-2011 five year Capital Priorities Plan incorporates recommendations from the capital review process of multi-year approvals of capital projects. In December 2006, City Council approved the original 2007-2008 two year capital budget request as a phase in for the three-year budget to correspond with the term of an elected Council.

June 2007

The 2007 Supplementary Capital Budget Adjustment (SBA) was approved by Council on July 3, 2007. Annual SBA's are done during approved capital budget years to address new Council priorities and specific capital project issues prior to commencement of the next multi-year capital budget.

December 2007

The 2008 Capital Budget reflects the 2007 Supplemental Capital Budget Adjustment as well as several capital budget adjustments approved as reports such as the 23rd Ave. Interchange and the South LRT. A list of capital priorities that have emerged but do not have a funding source is provided for information. These projects will be addressed in the 10 year Capital Investment Agenda to be completed in 2008.

January 2008

A 10 Year Capital Investment Agenda is also in the works and will be completed in the first half of 2008. The 2009-2013 five-year Capital Priorities Plan will begin in the first quarter of 2008. The 2008 supplementary budget adjustment will be presented to City Council for approval at around the same time.

June 2008

City Council will deliberate a three year Capital Budget for 2009-2011. This represents the mature state of the capital process review with approval request for 2009-2011 Capital Budget from the newly elected City Council.

2008 Approved Capital Budget

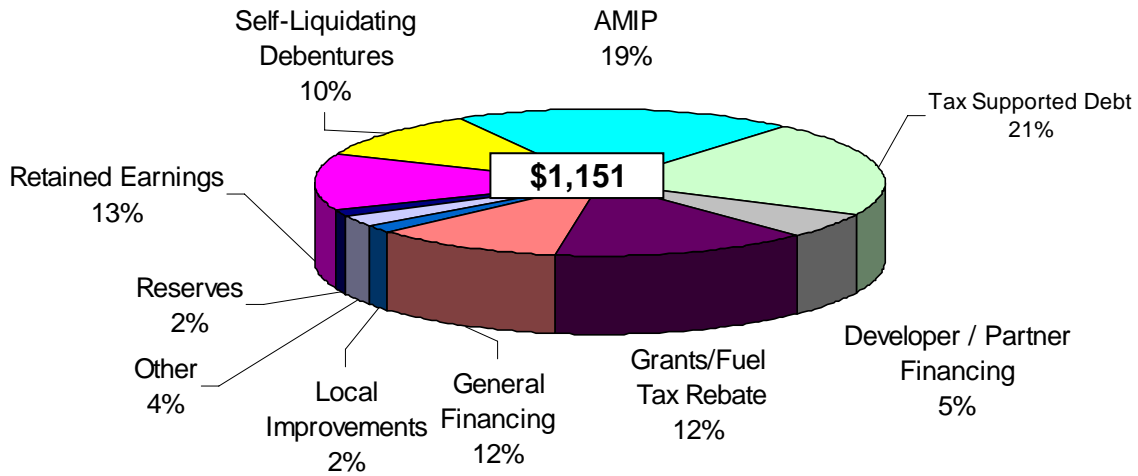
(Updated to October 22, 2007)



2007-2008 Approved Capital Budget (reflects 2007 Supplementary Capital Budget Adjustment, 23rd Ave. Interchange and South LRT Adjustments)

<u>Department (000's)</u>	2007 Original Budget	2007 Adjusted Budget	2008 Approved Budget
Asset Management & Public Works	205,124	222,395	221,594
Drainage	158,597	168,751	178,953
Community Services	79,515	26,538	81,461
Corporate Services	84,074	114,615	79,783
Edmonton Economic Development Corp	12,529	15,249	1,500
Edmonton Police Service	17,516	11,936	10,545
Edmonton Public Library	15,658	13,605	8,069
Office of The City Manager	850	1194	300
Planning & Development	4,807	2,726	9,088
Transportation	407,136	546,127	559,641
Total	\$985,806	\$1,123,136	\$1,150,934
<u>Financing (000's)</u>			
Developer / Partner Financing	48,909	15,166	62,694
General Financing	127,264	169,016	123,627
Grants	309,765	421,878	391,941
Local Improvements	21,591	29,850	18,702
Other Misc Financing	49,411	58,008	28,077
Reserves	21,151	35,175	18,057
Retained Earnings	125,893	142,431	144,075
Self-Liquidating Debentures	74,072	73,402	119,507
Tax-Supported Debt	207,750	178,210	244,254
Total	\$985,806	\$1,123,136	\$1,150,934

**2008
Approved Capital Budget
Sources of Funds**
(Updated to October 22, 2007)



General Financing: \$124 M

Represents funding from the annual tax levy base, and is commonly referred to as Pay-As-You-Go financing. Pay-As-You-Go is budgeted within the operating budget to finance tax-supported capital expenditures.

AMIP: \$222 M

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

Grants: \$170 M

Funding of \$119 M primarily from Provincial Fuel Tax Rebate (5¢/litre), Federal Gas Tax (\$8 M), New Deal Public Transit (\$9 M), Municipal Sustainability Initiative (\$14 M), other grants (\$20 M) for the Library and Waste Management.

Retained Earnings: \$144 M

Three key sources of earnings reinvested in core operations: City Mobile Equipment Equity (\$41 M); Land Fund Equity for land development (\$67 M); Utilities (\$36 M).

Tax-Supported Debt: \$244 M

Represents debt that has been issued for capital expenditures related to tax-supported operations.

2008 includes \$183 M of borrowing for South LRT and other for the Energy Management Retrofit Program (ME First), Library, upgrading/construction of municipal and recreational facilities.

Self-liquidating Debentures: \$120 M

Long-term borrowings for self-supported operations. Primarily Debentures for Drainage Services (\$84 M), Waste Management (\$34 M) and (\$1.5 M) for the Bio-technology Centre.

Other Financing: \$28 M

Funding primarily from Sanitary Service Strategy Fund (\$20 M), Corporate Services Citizen Telephone Access and Automated Traffic Enforcement (\$7 M), and Edmonton Police Services and Waste Management user fees (\$1 M).

Developer/Partner Financing: \$63 M

Includes funding from Developers and Partners in financing buildings, sewers, parks, recreation facilities, roads and social housing.

Local Improvements: \$19 M

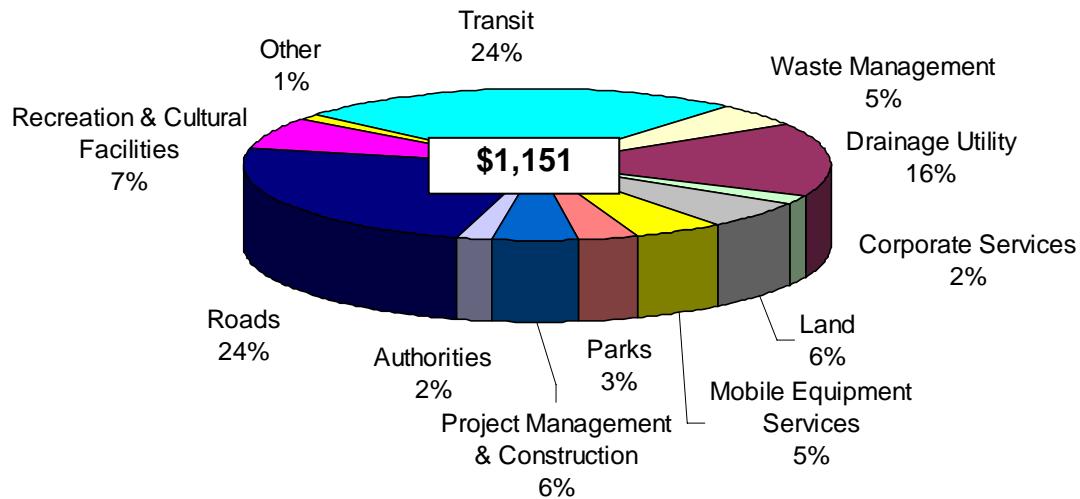
Funding primarily from special tax levies used for funding Roads, and Drainage improvements.

Reserves: \$18 M

Represents funds specifically set aside by Council to finance future capital expenditures. For 2008, funding is primarily from the Financial Stabilization Reserve (\$10 M), Parks Reserves (\$5 M) and other Reserves (\$3 M).

2008 Approved Capital Budget Use of Funds

(Updated to October 22, 2007)



Transit: \$285 M

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

Roads: \$275 M

This program provides for arterial roads/primary highway rehabilitation, collector rehabilitations, mature neighbourhood rehabilitation, planning studies, streetscapes and major interchange construction.

Drainage Utility: \$179 M

This program provides for the collection and treatment of wastewater and storm water to residential, industrial, commercial and institutional customers. Includes system improvements and new infrastructure for flood prevention, storm water and sewer systems as well as water treatment facilities.

Recreation & Cultural Facilities: \$80M

This program provides for the development, management and preservation of recreational and cultural facilities. Included are major renovations for community leisure centres, arenas, and outdoor pools. A major growth item is the construction of a multi-purpose recreation centre.

Land: \$68 M

Included in this program is the development of new commercial/industrial areas.

Mobile Equipment Services: \$58 M

This program provides for the replacement municipal vehicle fleets and fire fleets, The replacement of fuel storage tanks are also funded in this program.

Waste Management: \$58 M

This program includes the upgrading of the waste facilities, infrastructure and physical

2008 Approved Capital Budget Use of Funds

(Updated to October 22, 2007)



Project Mgmt & Construction: \$56 M

This program provides design, construction and project management services for corporate buildings and building systems. It includes construction of new transit garage, fire and EMS stations and ERD training facilities. Other major projects include rehabilitation projects for city facilities related to emergency response, recreational, various city buildings and transit garages.

Parks: \$38 M

This program includes parkland assembly, public open space development and construction, and the preservation of natural and environmentally sensitive areas. This includes Fort Edmonton Park Footbridge and Neighborhood Park Development Program.

Corporate Services: \$22 M

This program provides technology infrastructure on a city wide basis. This includes system hardware and software, business process management, e-Business, and citizens telephone access system.

Authorities (Edmonton Economic Development , Police, Public Library): \$21 M

These programs provide for the construction and rehabilitation of library and police facilities as well as the Biotechnology Center. Other projects are related to technology upgrades for various IT, communication and customer service applications.

Other: \$12 M

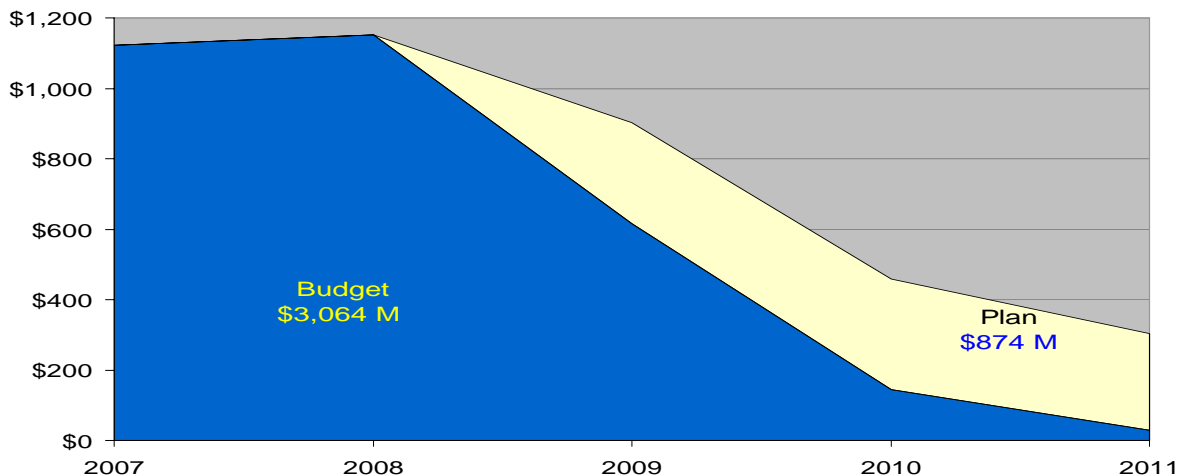
Includes the following programs: Planning & Development (\$9 M), Emergency Communications & Resources (\$1.3 M), Neighborhood & Community Development (\$0.3 M), Office of the City Clerk (\$0.3 M), Energy Environment & Natural Areas (\$1.3 M) and Housing (\$1.1 M). These programs provide for fire fighting equipment, emergency response communications, hardware/software applications, sporting event facilities and affordable housing initiatives.

2007-2011 Capital Priorities Plan



In December 2006, City Council approved a capital budget comprised of multi-year approvals which is one of the core transitional elements of multi-year capital budgeting recommended in the capital process review. The change to a multi-year capital budget with a mid-year approval process provides departments with a 3 year budget that facilitates longer term planning for staging and implementing capital projects.

It is important to recognize that including a capital project in the five-year plan does not necessarily give programs the authority to spend money on a project. It is the approval of the *capital budget* that provides the authority to spend. Capital budgets can be approved for more than one year to accommodate projects with multi-year construction. Once a project is given capital budget approval, its expenditure authority is retained until it is completed, deleted or changed through a budget adjustment. Funding earmarked for future projects simply means that over the five years these projects are likely to be financed through available resources. These projects will need to be brought back through future budgets to request capital budget approval.



The 2008 Capital Budget constitutes the second year of City Council's two-year capital budget approval. The five-year capital plan illustrated includes \$3.938 billion in capital expenditures and is separated into two distinct categories: capital budget \$3,064 million of projects with authority to spend; and funding earmarked for future projects forming the planned amounts of \$874 million.

Implementation of a multi-year capital budget cycle still requires annual review of capital budgets but only those budgets that require adjustments. Capital budget changes are done annually during a multi-year capital budget by way of supplementary capital budget adjustments. Supplementary capital budget adjustments are only done for capital projects affected by cost escalations and timing issues or to address emerging capital projects. The 2007 supplementary capital budget adjustments was approved by Council on July 3 and the 2008 supplementary capital adjustment will be presented to Council for approval early in 2008.

Capital projects can result in operational savings or increased annual operating costs. For the purposes of preparing the 2008 operating budget, City Departments have identified service packages that correspond to the requirements resulting from the approved 2007-2008 capital budget. The capital expenditures have a net operating impact (increased costs less operational savings) of \$10.9 M on the proposed 2008 operating budget

Socio-Economic Challenges



Edmonton continues to deal with municipal infrastructure shortfalls as there is a lack of revenues to meet its identified needs. In 2005, both the Provincial and Federal governments provided core infrastructure grants to the City. The Province of Alberta recently announced a ten year capital grant program for municipalities called the Municipal Sustainability Initiative (MSI). Edmonton will receive MSI grants of \$2.0 billion over the next ten years to pay for capital projects. Even though \$2.0 billion is a huge amount of money, it is not enough to address all of the City's infrastructure needs in the next ten years. The 10 year Capital Investment Agenda will include the MSI grants as an additional source of funding.

These grants fund some of the City's immediate capital requirements. However, there are increased demands for municipal services as a result of growth and Alberta's white hot economy. Ongoing challenges include:

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

As indicated by the Province and other sources such as Alberta Road Builders and Heavy Construction Association, the main drivers of the cost escalation are a tight Alberta labour market, interest rates and construction volumes, commodity and energy prices. While some escalation is anticipated in any large scale building or roadway program, the current price escalation exceeds anything seen in recent history and relief is not anticipated prior to the end of 2008.

Emerging Priorities



The following is a summarized list as of October 22, 2007 of unfunded priorities that have emerged subsequent to the 2007 supplementary capital budget adjustment. Since there are no funding sources for these projects, they will be considered as part of the 10 year Capital Investment Agenda to be completed in 2008.

- **New Southwest Transit Garage: Estimated \$89.0 M**
This project will provide funding to proceed with the design of a new south side transit garage on City-owned land, located north of Ellerslie Road, east of 156 Street. The garage will be approximately 313,000 sq. ft. in area and will accommodate 250 buses. The garage will provide space for the storage, fueling, washing and light maintenance of buses, as well as space for bus administrative operations to support 500 operators. A report on the project will be considered by Transportation and Public Works Committee in November 2007.
- **137 Ave Railway Underpass/Northwest Arterials: Estimated \$29.9 M**
137 Ave railway underpass/Northwest arterials – a strategy for advancing the 137 Ave rail underpass, in combination with 6 laning 137 Ave which is part of an overall implementation strategy for the Northwest Transportation study. A report to Transportation and Public Works Committee will be brought forward in November 2007.
- **118 Ave Initiatives (82nd-106th Street): Estimated \$17.0 M**
The Streetscape for the 118th Avenue Initiative is expected to be completed in 5-6 block increments over 6 years, beginning in 2008. The estimate cost for completing the project is \$35 million. The department is currently reviewing different funding options and will bring a report to Council with different options for 2008.
- **118 Ave Streetscape (42nd—50th Street): Estimated \$8.0 M**
This project provides streetscape improvements along 118 Avenue between 42 and 50 Street. There is an excellent opportunity to start the project alongside the roadway rehabilitation project undertaken by the Transportation Department.
- **North Branch Library Construction: Estimated \$9.5 M**
Project includes land, design costs (Silver LEED standard), construction, furniture and equipment and library material costs for a new standalone branch to be built in Clareview. The branch will be a medium sized community branch and will comply with the City's accessibility policy. City Council has approved this project in principle for application to Alberta Lotteries Major Community Facilities Program (MCFP) - \$5.2 million. The application was submitted in July 2007 and the Library is currently in negotiations to acquire land. The additional funding request is supported by City Administration and is now being formally requested to satisfy Provincial grant funding requirements. (This project has an associated existing approved budget of \$6.1M in its funded program).
- **Leger District Park Site Road Construction: Estimated \$7.2 M**
Tender costs received for the road construction project at the Leger District Park Site have exceeded project approved funds by \$7.2 million. As the developer for this site Parks must complete the road to allow access to the school and other facilities being constructed on site in 2008.
- **Multi-Sport Tournament Site Servicing: Estimated \$7.1 M**
This project will extend servicing (water, sanitary and land drainage and shallow utilities) from their existing locations to the Multi Sport site. The project also includes funding for the payment of this site's proportionate share of drainage servicing costs through Permanent Area Contributions (PACs).
- **Neighbourhood/District Park Development - P3 Schools: Estimated \$3.9 M**
The Province announced construction of a number of P3 Schools for construction in 2008 which have been advanced in timing and therefore were not identified in Parks 2008 development schedule. Parks has rescheduled work on a number of projects that began in 2007 to better utilize internal and external construction resources but are unable to fund these emergent projects.

Emerging Priorities



- **Prince of Wales Armoury Structural Rehabilitation: Estimated \$2.7 M**
This project will fund emergency structural repairs needed to the Prince of Wales Armoury. Project scope includes re-conditioning floor and roof joists to increase the load bearing capacity to support live loads and snow loads.
- **Emergency Operations Centre: Estimated \$2.5 M**
This project will fund purchase of land, approximately one hectare, for the new emergency operation centre. The land will be in an easily accessible location large enough for approximately a 20,000 sq. ft. facility and for parking.
- **Waste Management -Additional Collection Vehicles: Estimated \$2.6 M**
Waste Management's 2008 full vehicle acquisition needs reflect growth and the Branch's Strategic Plan initiatives to address changing demographic demands in service delivery and industry service limitations.
- **North Central Recreation Centre (Concept Design): Estimated \$2.2 M**
This North Central Multi-purpose Recreation Centre is identified as one of two short term priorities, together with the Southwest Recreation Centre, in the Council approved Recreation Facility Master Plan. The completion of the Concept Design Plan will also confirm construction and other development costs, well positioning the North Central Multi-purpose Recreation Centre Project for capital funding consideration in 2009 and the construction in 2010-2011 (CPP Profile 08-21-5804 Unfunded).
- **Old Strathcona Parking Lot Rehabilitation: Estimated \$1.8 M**
This project will fund repairs to a City-owned 280 stall surface parking lot which is leased to the Old Strathcona Business Association.
- **Wellington School Building Renovations: Estimated \$1.5 M**
This project will fund the renovations to the Wellington school building including asbestos removal, foundation improvements and other renovations required to make the unusable area of the building habitable.
- **South East Edmonton Seniors Association: Estimated \$1.5 M**
The South East Edmonton Seniors Association (SEESA) was incorporated by seniors to serve seniors on June 17, 1980. SEESA is currently operating at capacity. The expansion project covers additional program and parking space, improved and enlarged kitchen/cafeteria and storage/office space.
- **Land Development Application System Enhancements: Estimated \$1.3 M**
This project will overhaul and significantly enhance the Land Development Application system which will increase the efficiency of this critical operating system and reduce complaints by dissatisfied and frustrated customers. The project was rated as the top priority by the Business Process Council.
- **Sir Winston Churchill Square Improvements: Estimated \$1.1 M**
This project will fund improvements to Sir Winston Churchill Square including the removal and fill-in of the canopy covering the pedway entrance at the southwest corner of the Square and supply and installation of a new marquee sign on the former location of the canopy.
- **Jasper Avenue Main Street Improvements Design Study: Estimated \$0.8 M**
This project provides a vision and streetscape improvement plans to re-establish Jasper Avenue as the main commercial street in downtown. Business and pedestrian environment along Jasper Avenue will improve resulting in higher tax revenue from the otherwise undeveloped and underdeveloped properties.

Emerging Priorities



- **TACS/CAMA System Market Assessment: Estimated \$0.3 M**
This project will assess the Taxation, Assessment and Collection System against other products as recommended by the 2007 internal audit. The project will provide the opportunity to determine if there is a more current product available to provide these essential services in a comparable, timely, flexible, and cost efficient manner.
- **Rossdale Emergency Response Facility Landscaping: Estimated \$0.3 M**
Council has approved continued use of the Rossdale Emergency Facility for emergency river rescue and park rangers and park operation uses. Community impact and concern mitigation includes landscaping and park improvements. The project is estimated at \$450,000, with \$200,000 funded from deferred or delayed projects within the 2008 Parks Conservation Program.

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

Approved Funded Capital Plan

	Approved Budget Request						2007 - 2011
		2007	2008	2009	2010	2011	Total
Tax Supported Operations							
Asset Management & Public Works							-
Energy Environment & Natural Areas	-	4,528	1,300	-	-	-	5,828
Housing	-	-	1,138	1,176	1,163	423	3,900
Land	-	72,446	67,568	29,374	36,785	34,525	240,698
Parks	-	47,783	38,009	20,597	11,985	8,735	127,109
Project Management & Construction	-	72,032	55,879	26,765	11,742	11,355	177,773
Waste Management	-	25,606	57,700	55,230	20,645	6,645	165,826
Community Services							-
Emergency Communications&Resources	-	2,511	1,315	200	2,700	2,476	9,202
Neighbourhood & Community Dev.	-	1,112	303	347	373	410	2,545
Recreation Facility Services	-	22,915	79,843	43,081	12,193	9,961	167,993
Corporate Services							-
Corporate Services	-	25,437	21,536	9,944	10,314	8,914	76,145
Mobile Equipment Services	-	89,178	58,247	33,278	28,331	28,625	237,659
Edmonton Economic Development Corp							-
Economic Dev, Research Pk & Tourism	-	13,546	1,500	-	-	-	15,046
Shaw Conference Centre	-	1,703	-	-	829	-	2,532
Edmonton Police Service							-
Police	-	11,936	10,545	11,254	13,881	7,204	54,820
Edmonton Public Library							-
Public Library	-	13,605	8,069	-	-	-	21,674
Office of The City Manager							-
Office of The City Clerk	-	1,194	300	200	1,200	200	3,094
Planning & Development							-
Planning & Development	-	2,726	9,088	97	473	4,000	16,384
Transportation							-
Roads	-	280,967	274,886	225,451	189,089	91,346	1,061,739
Transit	-	265,160	284,755	306,675	15,097	14,207	885,894
Tax Supported Operations	-	954,385	971,981	763,669	356,800	229,026	3,275,861
City Financing							
General Financing	-	169,016	123,627	96,482	95,841	96,031	580,997
Local Improvements	-	12,249	9,696	10,253	11,051	7,277	50,526
Other Misc Financing	-	18,531	8,262	1,000	-	-	27,793
Reserves	-	35,175	18,057	3,246	2,844	2,964	62,286
Retained Earnings	-	108,105	108,158	59,838	60,523	60,382	397,006
Self-Liquidating Debentures	-	17,873	35,650	25,230	5,645	6,645	91,043
Tax-Supported Debt	-	178,210	244,254	277,437	5,000	2,500	707,401
External Financing							
Developer / Partner Financing	-	7,904	59,068	29,290	16,045	6,136	118,443
Federal Infrastructure Program	-	2,499	-	-	-	-	2,499
Grants	-	404,823	365,209	260,893	159,851	47,091	1,237,867
	-	954,385	971,981	763,669	356,800	229,026	3,275,861

(Updated to October 22, 2007)

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

Approved Funded Capital Plan

	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
Utility Operations							
Land Drainage	-	46,828	64,596	53,500	38,607	23,983	227,514
Sanitary Drainage	-	121,923	114,357	84,379	62,194	50,798	433,651
Utility Operations	-	168,751	178,953	137,879	100,801	74,781	661,165
City Financing							
Local Improvements	-	17,601	9,006	7,026	5,047	3,053	41,733
Other Misc Financing	-	39,477	19,815	11,885	10,000	10,000	91,177
Retained Earnings	-	34,326	35,917	19,923	13,395	9,184	112,745
Self-Liquidating Debentures	-	55,529	83,857	67,245	61,393	48,663	316,687
External Financing							
Developer / Partner Financing	-	7,262	3,626	3,543	2,827	2,881	20,139
Grants	-	14,556	26,732	28,257	8,139	1,000	78,684
	-	168,751	178,953	137,879	100,801	74,781	661,165
Grand Total	-	1,123,136	1,150,934	901,548	457,601	303,807	3,937,026

2007 - 2011 Capital Priorities Plan

(Updated to October 22, 2007)

Details Report Approved Funded Capital Plan

Asset Management & Public Works

Energy Environment & Natural Areas

	Project	Project Name	Approved						2007 - 2011
			Budget Request	2007	2008	2009	2010	2011	Total
×	06-75-9900	Project and Contract Management (PaCMan)	-	4,528	1,300	-	-	-	5,828
		Total:		4,528	1,300	-	-	-	5,828
City Financing									
		General Financing		1,368	500	-	-	-	1,868
		Reserves		2,100	-	-	-	-	2,100
		Retained Earnings		1,060	800	-	-	-	1,860
		Total:		4,528	1,300	-	-	-	5,828

Housing

	Project	Project Name	Approved						2007 - 2011
			Budget Request	2007	2008	2009	2010	2011	Total
×	07-21-5500	Low Income Housing Capital Assistance	-	-	388	426	413	423	1,650
×	07-21-5517	Secondary Suites Program	-	-	750	750	750	-	2,250
		Total:		-	1,138	1,176	1,163	423	3,900
City Financing									
		General Financing		-	1,138	1,176	1,163	423	3,900
		Total:		-	1,138	1,176	1,163	423	3,900

Land

	Project	Project Name	Approved						2007 - 2011
			Budget Request	2007	2008	2009	2010	2011	Total
	00-75-2001	Lake District (Belle Rive) Res Lot Devel	-	161	-	-	-	-	161
	00-75-2003	Palisades Resident(Oxford)Lot Developmt	-	600	13,000	3,164	-	-	16,764
	07-75-2004	Meadows Lot Development	-	600	11,000	9,200	11,800	12,400	45,000
	06-75-2006	General Residential Land Developmt	-	300	-	-	-	-	300
	07-75-2006	General Residential Land Developmt	-	400	3,400	1,700	100	100	5,700
	05-75-2010	Residential Land Acquisition	-	6,073	6,350	-	7,700	-	20,123
	07-75-2013	Surplus School Sites-Conversion & Disp	-	60	1,100	1,250	-	1,400	3,810
	01-75-2014	Pilot Sound (Brintnell) Land Development	-	1,700	1,608	-	-	-	3,308
	06-75-2015	Contaminated Properties Reclamation	-	71	-	-	-	-	71
	07-75-2015	Contaminated Properties Reclamation	-	500	500	500	500	500	2,500
×	10-75-2017	Strathcona Bus Barns Remediation	-	-	-	-	1,460	-	1,460
	04-75-2020	Industrial Land Acquisition	-	9,836	-	-	-	6,200	16,036
×	06-75-2022	Strategic Land Acquisition	-	14,524	-	-	-	-	14,524
	07-75-2025	Community Revitalizat. Land Acquisition	-	15,000	-	-	-	-	15,000
×	04-75-2100	Fort Road Redevelop. Plan Implementation	-	6,229	8,435	385	300	-	15,349
	07-75-2204	Other Industrial Land Development	-	200	175	175	125	125	800

U Denotes Unfunded Project

m Denotes Alberta Munc Infrastructure Program

∨ Denotes Incl. Developer/Partnership Funding

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2007 - 2011 Capital Priorities Plan

(Updated to October 22, 2007)

Details Report Approved Funded Capital Plan

Asset Management & Public Works

Land

Project	Project Name	Approved Budget Request	2007 - 2011					2007 - 2011 Total
			2007	2008	2009	2010	2011	
05-75-2208	New Commercial/Industrial Development	-	1,792	-	-	-	-	1,792
07-75-2208	New Commercial/Industrial Development	-	13,000	16,000	10,300	14,800	13,800	67,900
05-75-5177	Schonsee Development	-	1,400	6,000	2,700	-	-	10,100
Total:			72,446	67,568	29,374	36,785	34,525	240,698
City Financing								
General Financing			-	1,050	-	1,460	-	2,510
Reserves			368	-	-	-	-	368
Retained Earnings			72,078	66,518	29,374	35,325	34,525	237,820
Total:			72,446	67,568	29,374	36,785	34,525	240,698

Land Drainage

Project	Project Name	Approved Budget Request	2007 - 2011					2007 - 2011 Total	
			2007	2008	2009	2010	2011		
07-31-0600	Environmental Improvements	-	745	760	775	790	806	3,876	
06-31-4210	Mill Creek Storm Improvements	-	1,265	2,800	-	-	-	4,065	
06-31-4211	N.E. Highwater Table Drainage	-	372	-	-	-	-	372	
07-31-4304	Wetlands - Kennedale and Pylpov	-	1,193	8,137	7,084	-	-	16,414	
v	07-31-7199	Review/Inspect Developer Built Sewers	-	570	580	590	598	608	2,946
06-31-9503	Structures Rehabilitation	-	488	-	-	-	-	488	
07-31-9503	Structures Rehabilitation	-	2,355	2,247	1,325	1,561	1,585	9,073	
07-31-9504	Sewer Infrastructure Rehabilitation	-	2,233	2,140	2,075	2,114	2,155	10,717	
07-31-9507	Drainage Applications	-	56	186	125	128	130	625	
m	06-31-9508	Flood Prevention	-	296	-	-	-	-	296
m	06-31-9510	Mature Neighbourhood Rehabilitation - Dr	-	1,064	-	-	-	-	1,064
m	07-31-9510	Mature Neighbourhood Rehabilitation - Dr	-	12,313	18,662	14,448	14,453	7,340	67,216
m	07-31-9511	Flood Prevention	-	8,234	19,627	10,630	8,948	6,435	53,874
v	06-31-9604	Stormwater Infrastructure	-	1,820	-	-	-	-	1,820
m v	07-31-9604	Stormwater Infrastructure	-	100	118	1,076	636	1,649	3,579
v	06-31-9608	Development Sewers	-	1,926	-	-	-	-	1,926
v	07-31-9608	Development Sewers	-	9,678	7,018	5,699	4,381	3,045	29,821
m x	03-31-9613	Stormwater Management Facilities	-	1,568	1,850	8,890	4,850	80	17,238
06-31-9703	Sewer Systems Upgrading	-	77	-	-	-	-	-	77
07-31-9703	Sewer Systems Upgrading	-	322	329	634	-	-	-	1,285
06-31-9704	Monitoring and Assessment	-	14	-	-	-	-	-	14
07-31-9704	Monitoring and Assessment	-	139	142	149	148	150	-	728
Total:			46,828	64,596	53,500	38,607	23,983	-	227,514

U Denotes Unfunded Project

m Denotes Alberta Munc Infrastructure Program

v Denotes Incl. Developer/Partnership Funding

x Denotes General Financing - 66 -

2007 - 2011 Capital Priorities Plan

(Updated to October 22, 2007)

Details Report Approved Funded Capital Plan

Asset Management & Public Works

Land Drainage

Project	Project Name	Approved Budget Request						2007 - 2011 Total
			2007	2008	2009	2010	2011	
City Financing								
	Local Improvements		10,656	6,064	4,738	3,413	2,070	26,941
	Retained Earnings		12,421	17,784	6,334	3,761	1,649	41,949
	Self-Liquidating Debentures		8,074	12,842	12,109	21,975	17,920	72,920
External Financing								
	Developer / Partner Financing		1,203	1,174	2,062	1,319	1,344	7,102
	Grants		14,474	26,732	28,257	8,139	1,000	78,602
Total:			46,828	64,596	53,500	38,607	23,983	227,514

Parks

Project	Project Name	Approved Budget Request						2007 - 2011 Total
			2007	2008	2009	2010	2011	
	06-28-0002 Parks Land Acquisition	-	2,404	-	-	-	-	2,404
	07-28-0002 Park Land Acquisition	-	9,800	1,500	1,350	1,350	500	14,500
√	07-28-0003 School Site Servicing	-	148	155	162	170	177	812
√ x	06-28-0079 Neighbourhood Park Development-Ph I, II	-	333	-	-	-	-	333
√ x	07-28-0079 N.P.D.P. Phase I & II	-	2,044	2,019	877	793	813	6,546
√	06-28-0253 Park Signage Program	-	183	-	-	-	-	183
	95-28-4040 Beaumaris: Minimum Park Development	-	18	-	-	-	-	18
x	06-28-4059 Clareview Campus-Minimum Park Development	-	-	1,701	951	-	-	2,652
√	98-28-4123 Terra Losa School/Park - Min Devel	-	149	-	-	-	-	149
x	07-28-4141 Louise McKinney Park - Ph. II -Buildings	-	2,500	-	-	-	-	2,500
√ x	03-28-4147 Louise McKinney Riverfront Park	-	3,787	-	-	-	-	3,787
√	05-28-4150 Hawrelak Statue Donation	-	273	-	-	-	-	273
	06-28-5200 Neighbourhood/District Park Development	-	4	-	-	-	-	4
x	07-28-5210 Neighbourhood/District Park Development	-	300	4,738	3,200	-	-	8,238
	04-28-5211 Neighbourhood/District Park Development	-	1,335	-	-	-	-	1,335
	06-28-5213 Neighbourhood/District Park Development	-	2,705	-	-	-	-	2,705
	06-28-5214 Neighbourhood/District Park Development	-	1,442	1,400	-	-	-	2,842
x	06-28-5220 Playground Conservation/Development	-	54	-	-	-	-	54
x	07-28-5220 Playground Conservation/Development	-	457	439	324	445	456	2,121
√ x	06-28-5223 Wading Pool Rehabilitation	-	974	846	864	884	601	4,169
√ x	07-28-5240 Tree Planting/RV Naturalization	-	537	349	358	563	507	2,314
x	05-28-5252 Replacement of Drought Damaged Trees	-	176	1,200	1,375	1,200	-	3,951
√ x	06-28-5260 Sportsfield Conservation	-	310	-	-	-	-	310
x	07-28-5260 Sportsfield Conservation	-	737	838	754	691	708	3,728
√ x	06-28-5280 Parks Conservation Program	-	226	-	-	-	-	226

U Denotes Unfunded Project

m Denotes Alberta Munc Infrastructure Program

√ Denotes Incl. Developer/Partnership Funding

x Denotes General Financing - 67 -

2007 - 2011 Capital Priorities Plan

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Details Report Approved Funded Capital Plan

Asset Management & Public Works

Parks

	Project	Project Name	Approved Budget Request						2007 - 2011 Total
				2007	2008	2009	2010	2011	
×	07-28-5280	Parks Conservation Program	-	1,594	2,595	2,078	3,064	2,102	11,433
×	07-28-5310	Parks Infrastructure	-	895	1,137	1,054	999	1,024	5,109
×	06-28-5370	River Valley And Ravine Trails Mainten	-	118	-	-	-	-	118
×	07-28-5370	River Valley And Ravine Trails Mainten	-	251	241	270	260	267	1,289
×	01-28-5375	River Valley & Ravine Trails New Dev.	-	518	-	-	-	-	518
×	06-28-5377	Fort Edmonton Park Footbridge	-	5,184	9,800	5,410	-	-	20,394
√ ×	07-28-5381	Parks Rehabilitation/Redevelopment	-	-	3,940	-	-	-	3,940
√ ×	06-28-5390	Natural Areas Acquisition & Conservation	-	2,451	-	-	-	-	2,451
√ ×	07-28-5390	Natural Areas Acquisition & Conservation	-	2,503	1,782	1,270	1,258	1,264	8,077
×	05-28-5624	McIntyre Park Redevelopment	-	232	-	-	-	-	232
×	02-28-5630	Terwillegar Area Neighbourhood/PK Develo	-	258	-	-	-	-	258
×	04-28-5668	Terwillegar Park Development	-	238	-	-	-	-	238
×	07-28-5680	Hollick-Kenyon School Parks Site Acq	-	360	-	-	-	-	360
×	06-28-5761	Planning Studies/Design	-	145	-	-	-	-	145
×	07-28-5761	Planning Studies/Design	-	120	100	300	308	316	1,144
×	07-28-5765	Leger Site: Roadway, Servicing & Dev.	-	2,000	2,700	-	-	-	4,700
×	07-28-5775	Multi-Sport Tournament Site Servicing	-	-	500	-	-	-	500
	07-28-5990	EMRF-Mechanical,Elect.& Envelope Upgrade	-	20	29	-	-	-	49
		Total:		47,783	38,009	20,597	11,985	8,735	127,109
City Financing									
		General Financing		16,207	14,345	8,668	8,719	6,433	54,372
		Reserves		20,907	4,520	2,515	2,497	1,650	32,089
		Tax-Supported Debt		5,802	6,167	3,200	-	-	15,169
External Financing									
		Developer / Partner Financing		2,865	2,867	354	369	252	6,707
		Grants		2,002	10,110	5,860	400	400	18,772
		Total:		47,783	38,009	20,597	11,985	8,735	127,109

Project Management & Construction

	Project	Project Name	Approved Budget Request						2007 - 2011 Total
				2007	2008	2009	2010	2011	
×	06-75-0003	Odyssium Rehab	-	114	-	-	-	-	114
√ ×	03-75-1065	Edmonton 2004 Legacy Project	-	(451)	-	-	-	-	(451)
√ ×	03-75-1083	Shaw Conference Hall D Expansion	-	607	-	-	-	-	607
×	06-75-2122	Fire & EMS Bldg Rehabilitation	-	190	-	-	-	-	190
×	07-75-2122	Fire & EMS Bldg Rehabilitation	-	693	330	330	482	774	2,609

U Denotes Unfunded Project

m Denotes Alberta Munc Infrastructure Program

√ Denotes Incl. Developer/Partnership Funding

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Denotes General Financing

2007 - 2011 Capital Priorities Plan

(Updated to October 22, 2007)

Details Report Approved Funded Capital Plan

Asset Management & Public Works

Project Management & Construction

	Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
√ x	06-75-2500	Conservation Of Community/Recreation Fac	-	556	-	-	-	-	556
x	07-75-2500	Conservation Of Community/Recreation Fac	-	3,911	1,956	5,678	2,888	3,498	17,931
x	04-75-2503	Kinsmen Aqua.Ctr HVAC Replacem.	-	3,900	-	-	-	-	3,900
x	05-75-2504	Londonderry Arena Ice Plant Replac/Rehab	-	49	-	-	-	-	49
x	06-75-2505	Mill Woods Arena Ice Plant Replacement	-	4,193	-	-	-	-	4,193
x	06-75-2506	Bill Hunter Arena Upgrade -Phase I	-	2,000	3,490	-	-	-	5,490
	07-75-2508	Recreational Facilities Rehab/Upgrade	-	1,000	6,775	4,074	-	-	11,849
x	06-75-2513	Upgrades to Pools	-	1,720	640	-	-	-	2,360
	06-75-2515	Queen Elizabeth Pool Redevelopment	-	3,657	-	-	-	-	3,657
x	06-75-2516	Strathcona Shooting Range-Lead Remediatn	-	2,500	4,039	-	-	-	6,539
x	07-75-2522	Valley Zoo Rehabilitation Projects	-	225	1,500	-	-	-	1,725
x	06-75-2524	Fort Edmonton Rehabilitation Projects	-	1,000	2,387	-	-	-	3,387
x	06-75-3233	Library Parkade Rehabilitation	-	239	-	-	-	-	239
x	07-75-3233	Library Parkade Rehabilitation	-	230	250	250	201	323	1,254
x	07-75-3241	Replace Aging Roadway Yard Buildings	-	1,000	2,862	4,185	-	-	8,047
x	06-75-3250	Accessibility To City Bldgs - Base	-	157	-	-	-	-	157
x	07-75-3250	Accessibility To City Bldgs - Base	-	200	200	200	200	286	1,086
x	05-75-3280	Corporate Data Center Facility	-	4,978	-	-	-	-	4,978
x	06-75-3295	Downtown Buildings-Asset Preservation	-	342	-	-	-	-	342
x	07-75-3295	Downtown Buildings-Asset Preservation	-	330	313	300	596	957	2,496
x	07-75-3511	Century Place Infrastructure	-	-	545	544	-	-	1,089
x	07-75-3604	Accommodation Plan	-	1,923	511	475	695	823	4,427
x	06-75-3606	Roof Repairs - Various Buildings	-	203	-	-	-	-	203
x	07-75-3606	Roof Repairs - Various Buildings	-	467	394	325	335	538	2,059
m x	05-75-3805	New Southwest Transit Garage	-	4,340	3,883	1,171	284	-	9,678
x	06-75-3809	Public Works/Roadways Operation Building	-	131	-	-	-	-	131
x	07-75-3809	Public Works/Roadways Operation Building	-	793	-	300	445	859	2,397
x	06-75-4102	Transit/LRT Garages Rehabilitation	-	227	-	-	-	-	227
x	07-75-4102	Transit/LRT Garages Rehabilitation	-	508	520	528	616	797	2,969
x	08-75-4105	DATS Admin/Garage Facility - land	-	-	1,030	-	-	-	1,030
x	07-75-4106	Bus Garage Ventilation Systems-Mitchell	-	3,460	2,578	2,500	-	-	8,538
x	05-75-4692	Telus Field-Turf Replace & Other Improv.	-	310	-	-	-	-	310
	04-75-4693	Commonwealth Stadium Upgrade	-	3,694	-	-	-	-	3,694
x	04-75-4694	Rexall Place Rehabilitation	-	1,566	100	-	-	-	1,666

U Denotes Unfunded Project

m Denotes Alberta Munc Infrastructure Program

√ Denotes Incl. Developer/Partnership Funding

x Denotes General Financing - 69 -

2007 - 2011 Capital Priorities Plan

(Updated to October 22, 2007)

Details Report Approved Funded Capital Plan

Asset Management & Public Works

Project Management & Construction

	Project	Project Name	Approved						2007 - 2011
			Budget Request	2007	2008	2009	2010	2011	Total
x	07-75-5164	ERD/Police Driver Training Track	-	4	-	-	-	-	4
m x	07-75-5167	Meadows Fire Station	-	3,025	2,416	7	-	-	5,448
m x	07-75-5170	Fire Vehicle Storage Facility	-	2,020	932	18	-	-	2,970
m x	04-75-5176	Fire Stations(New & Repl)-Belle R. & #10	-	4,996	-	-	-	-	4,996
m x	05-75-5179	Replace Aging Fire Stations (#5 & #11)	-	5,500	7,221	75	-	-	12,796
m x	04-75-5180	EMS Stations	-	2,000	2,961	-	-	-	4,961
m x	07-75-5185	EMS - East Central & South Stations	-	1,800	3,360	-	-	-	5,160
x	05-75-5186	South Central EMS Post Station	-	9	-	-	-	-	9
m x	07-75-5190	Heritage Valley Fire Station	-	980	1,500	805	-	-	3,285
	05-75-5500	EMRF-2004 ME First!Energy Effic Upgrades	-	687	-	-	-	-	687
	07-75-5501	EMRF-Mechanical,Elect.& Envelope Upgrade	-	50	3,186	5,000	5,000	2,500	15,736
	XX-75-5501	EMRF-Mechanical,Elect.& Envelope Upgrade	-	(1)	-	-	-	-	(1)
Total:				72,032	55,879	26,765	11,742	11,355	177,773

City Financing

General Financing	28,731	15,189	16,886	6,742	8,855	76,403
Other Misc Financing	-	356	-	-	-	356
Reserves	2,366	2,361	-	-	-	4,727
Tax-Supported Debt	23,587	16,941	9,074	5,000	2,500	57,102

External Financing

Developer / Partner Financing	(428)	-	-	-	-	(428)
Federal Infrastructure Program	(1)	-	-	-	-	(1)
Grants	17,777	21,032	805	-	-	39,614

Total:			72,032	55,879	26,765	11,742	11,355	177,773
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Sanitary Drainage

	Project	Project Name	Approved						2007 - 2011
			Budget Request	2007	2008	2009	2010	2011	Total
	06-23-0600	Environmental Improvements	-	320	-	-	-	-	320
	07-23-0600	Environmental Improvements	-	180	1,362	800	820	840	4,002
	05-23-2160	Opportunistic Sewer Separation	-	1,000	8,500	-	-	-	9,500
	06-23-3119	Tertiary Treatment Phase 2	-	12,952	10,587	-	262	3,218	27,019
	02-23-3310	CSO Enhanced Primary Treatment	-	6,177	9,151	9,334	-	-	24,662
v	04-23-3400	Water Recycling	-	4,635	1,000	-	-	-	5,635
	06-23-5415	CSO Performance Optimization	-	1,166	1,142	861	-	-	3,169
	07-23-5418	Drainage Storage for Emergency Pumping E	-	1,638	-	1,706	-	-	3,344
	07-23-6100	Operation's Equipment	-	300	300	300	300	350	1,550
v	07-23-7199	Review/Inspect Developer Built Sewers	-	570	580	590	598	608	2,946

U Denotes Unfunded Project

m Denotes Alberta Munc Infrastructure Program

v Denotes Incl. Developer/Partnership Funding

x Denotes General Financing - 70 -

2007 - 2011 Capital Priorities Plan

(Updated to October 22, 2007)

Details Report Approved Funded Capital Plan

Asset Management & Public Works

Sanitary Drainage

Project	Project Name	Approved Budget Request						2007 - 2011 Total	
			2007	2008	2009	2010	2011		
04-23-8100	Double Barrel - West End	-	417	-	-	-	-	417	
06-23-9102	NEST - Stage NL2, NL3 & N1	-	8,032	13,000	-	-	-	21,032	
08-23-9202	Mill Woods Double Barrel Replac/SESS SA1	-	1,416	4,428	25,575	20,168	-	51,587	
05-23-9203	SESS SW2 - SW5	-	13,616	765	-	-	-	14,381	
07-23-9204	SESS SE Stage 2	-	2,000	-	-	-	-	2,000	
04-23-9301	WESS - Stage 1	-	11,950	5,000	-	-	-	16,950	
04-23-9302	WESS W12	-	9,865	10,910	2,078	-	-	22,853	
06-23-9501	Gold Bar - Rehabilitation	-	887	-	-	-	-	887	
07-23-9501	Gold Bar - Rehabilitation	-	3,179	7,451	6,234	3,307	4,491	24,662	
07-23-9502	Facility Rehabilitation	-	85	176	74	93	154	582	
06-23-9503	Structures Rehabilitation	-	303	-	-	-	-	303	
07-23-9503	Structures Rehabilitation	-	3,636	5,171	3,804	4,709	4,798	22,118	
07-23-9504	Sewer Infrastructure Rehabilitation	-	4,657	4,070	3,828	3,901	3,973	20,429	
06-23-9507	Drainage Applications	-	230	-	-	-	-	230	
07-23-9507	Drainage Applications	-	526	864	501	511	521	2,923	
06-23-9508	Flood Prevention	-	3,407	-	-	-	-	3,407	
06-23-9510	Mature Neighbourhood Rehabilitation - Dr	-	1,461	-	-	-	-	1,461	
07-23-9510	Mature Neighbourhood Rehabilitation - Dr	-	2,239	5,368	8,750	9,893	7,580	33,830	
07-23-9511	Flood Prevention	-	3,374	9,098	-	-	544	13,016	
07-23-9605	Sanitary Servicing Strategy	-	250	250	250	1,000	10,000	11,750	
04-23-9606	Gold Bar Buildings Upgrading	-	222	974	3,978	685	975	6,834	
07-23-9607	Construction Facility and Equipment	-	2,100	2,107	592	592	592	5,983	
∨	06-23-9608	Development Sewers	-	2,692	-	-	-	-	2,692
∨	07-23-9608	Development Sewers	-	5,525	4,224	3,584	2,943	2,306	18,582
	00-23-9609	Gold Bar Upgrading	-	8,387	5,914	10,157	10,481	6,892	41,831
	07-23-9702	CSO Control Strategy	-	948	1,262	770	1,323	1,762	6,065
	06-23-9703	Sewer Systems Upgrading	-	565	-	-	-	-	565
	07-23-9703	Sewer Systems Upgrading	-	147	120	-	-	575	842
	06-23-9704	Monitoring and Assessment	-	297	-	-	-	-	297
	07-23-9704	Monitoring and Assessment	-	572	583	613	608	619	2,995
Total:				121,923	114,357	84,379	62,194	50,798	433,651

U Denotes Unfunded Project

m Denotes Alberta Munc Infrastructure Program

∨ Denotes Incl. Developer/Partnership Funding

x Denotes General Financing - 71 -

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Asset Management & Public Works

Sanitary Drainage

Project	Project Name	Approved Budget Request	2007 - 2011					2007 - 2011 Total
			2007	2008	2009	2010	2011	
City Financing								
	Local Improvements		6,945	2,942	2,288	1,634	983	14,792
	Other Misc Financing		39,477	19,815	11,885	10,000	10,000	91,177
	Retained Earnings		21,905	18,133	13,589	9,634	7,535	70,796
	Self-Liquidating Debentures		47,455	71,015	55,136	39,418	30,743	243,767
External Financing								
	Developer / Partner Financing		6,059	2,452	1,481	1,508	1,537	13,037
	Grants		82	-	-	-	-	82
	Total:		121,923	114,357	84,379	62,194	50,798	433,651

Waste Management

Project	Project Name	Approved Budget Request	2007 - 2011					2007 - 2011 Total
			2007	2008	2009	2010	2011	
	07-33-1933 Waste Management Centre Infrastructure	-	4,015	3,770	4,230	5,645	6,645	24,305
	08-33-1934 Material Recovery Facility Renewal(MRF)	-	-	2,000	-	-	-	2,000
	07-33-1935 Processing and Transfer Facility	-	1,650	15,000	11,000	-	-	27,650
√	02-33-1946 Gasification Facility	-	5,151	27,000	40,000	15,000	-	87,151
	06-33-1966 Organics Management System Enhancement	-	3,390	2,000	-	-	-	5,390
	06-33-2001 EWMC Expansion - Land	-	5,000	-	-	-	-	5,000
	06-33-2002 SW Eco Station	-	5,000	7,000	-	-	-	12,000
	07-33-2004 Administration Facility Expansion	-	1,400	-	-	-	-	1,400
	08-33-2005 Waste Containers	-	-	930	-	-	-	930
	Total:		25,606	57,700	55,230	20,645	6,645	165,826
City Financing								
	Other Misc Financing		11,216	506	-	-	-	11,722
	Self-Liquidating Debentures		11,390	34,150	25,230	5,645	6,645	83,060
External Financing								
	Developer / Partner Financing		-	12,044	20,000	6,000	-	38,044
	Grants		3,000	11,000	10,000	9,000	-	33,000
	Total:		25,606	57,700	55,230	20,645	6,645	165,826

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Community Services

Emergency Communications&Resources

	Project	Project Name	Approved Budget Request						2007 - 2011 Total
				2007	2008	2009	2010	2011	
x	05-70-0002	Mobile Computing Capability	-	50	1,115	-	-	-	1,165
x	01-70-0003	Fire Fighting Equipment Upgrading	-	1,323	-	-	-	-	1,323
x	01-70-0004	Vehicle Equipment Outfitting	-	718	-	-	-	-	718
x	05-70-0010	Station Alerting System Replacement	-	220	-	-	-	-	220
x	07-70-0012	Computer Systems / Hardware	-	200	200	200	200	200	1,000
x	08-70-9000	Dispatch System/Center Replacement	-	-	-	-	2,500	2,276	4,776
Total:				2,511	1,315	200	2,700	2,476	9,202

City Financing

General Financing

				2,511	1,315	200	2,700	2,476	9,202
Total:				2,511	1,315	200	2,700	2,476	9,202

Neighbourhood & Community Dev.

	Project	Project Name	Approved Budget Request						2007 - 2011 Total
				2007	2008	2009	2010	2011	
x	06-21-5610	Computer Application/Hardware Replacemen	-	440	-	-	-	-	440
x	07-21-5610	Computer Application/Hardware Replacemen	-	322	303	347	373	410	1,755
x	07-21-5712	Skate Board Park Development	-	350	-	-	-	-	350
Total:				1,112	303	347	373	410	2,545

City Financing

General Financing

				1,112	303	347	373	410	2,545
Total:				1,112	303	347	373	410	2,545

Recreation Facility Services

	Project	Project Name	Approved Budget Request						2007 - 2011 Total
				2007	2008	2009	2010	2011	
x	10-21-4220	Millcreek Outdoor Pool Redevel./Rehab.	-	-	-	-	1,200	3,600	4,800
	07-21-4221	Fred Broadstock Pool Redevelopment	-	548	3,412	1,518	-	-	5,478
x	07-21-5351	Municipal Cemeteries: Rehabilitation	-	-	-	-	783	317	1,100
v x	07-21-5353	John Janzen Nature Centre	-	200	1,600	1,345	3,560	1,794	8,499
v x	06-21-5354	Fort Edmonton Park Improvements	-	1,000	2,037	1,125	2,240	3,204	9,606
v	09-21-5357	Valley Zoo Enterprise/Partner Support	-	-	-	2,500	2,500	-	5,000
v	06-21-5358	Kinsmen Sports Centre Improvements	-	509	800	-	-	-	1,309
	06-21-5359	Municipal Cemeteries Improvements	-	244	1,345	-	-	-	1,589
x	09-21-5366	Arena Rehabilitation Program	-	-	-	200	205	210	615
x	06-21-5455	Argyll Velodrome Redevelopment	-	104	102	-	-	-	206
x	06-21-5457	GO Community Centre	-	200	-	-	-	-	200
v x	05-21-5470	Muttart Conservatory - New Program/Area	-	250	1,791	-	-	-	2,041

U Denotes Unfunded Project

m Denotes Alberta Munc Infrastructure Program

v Denotes Incl. Developer/Partnership Funding

x Denotes General Financing - 73 -

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Community Services

Recreation Facility Services

	Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
√ ×	05-21-5527	Senior Centre Consolidation & Upgrading	-	10,000	4,990	-	-	-	14,990
×	06-21-5601	Equipment Conservation	-	5	-	-	-	-	5
×	07-21-5601	Equipment Conservation	-	214	437	358	535	316	1,860
	06-21-5655	ME First-Energy Management	-	1,956	2,364	268	-	-	4,588
	06-21-5656	ME First-Energy Management-Coronation	-	119	-	-	-	-	119
√	05-21-5670	Southwest Multi-Purp Recreation Facility	-	2,750	56,000	31,238	-	-	89,988
×	06-21-5671	North Central Recreation Facility	-	184	-	-	-	-	184
√	07-21-5730	Multi-Sport Tournament & Rec Site (MTRS)	-	1,285	2,615	3,437	663	-	8,000
×	07-21-5740	Nordic Ski Club Snow Making	-	50	125	125	-	-	300
×	07-21-5747	Artificial Playing Surfaces: Qdrmt Based	-	1,421	-	-	-	-	1,421
×	06-21-5771	Recreation Facility Safety	-	413	-	-	-	-	413
×	07-21-5771	Recreation Facility Safety and Security	-	233	500	967	507	520	2,727
×	07-21-5789	Concept Design Studies	-	600	690	-	-	-	1,290
	07-21-5798	ME First Energy Management-Arenas	-	630	1,035	-	-	-	1,665
	Total:			22,915	79,843	43,081	12,193	9,961	167,993
City Financing									
	General Financing			7,077	4,126	1,650	3,230	4,963	21,046
	Reserves			1,577	3,672	711	327	314	6,601
	Tax-Supported Debt			11,269	34,909	33,024	-	-	79,202
External Financing									
	Developer / Partner Financing			1,937	37,136	7,696	8,636	4,684	60,089
	Grants			1,055	-	-	-	-	1,055
	Total:			22,915	79,843	43,081	12,193	9,961	167,993

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Corporate Services

Corporate Services

	Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
x	06-18-0001	Information Management Infrastructure	-	1,001	-	-	-	-	1,001
x	07-18-0001	Information Management Infrastructure	-	6,905	6,221	6,025	6,265	6,354	31,770
x	02-18-0005	E-Business	-	2,244	3,026	-	500	-	5,770
x	06-18-0014	Systems Software Infrastructure	-	71	-	-	-	-	71
x	07-18-0014	Systems Software Infrastructure	-	1,310	777	1,000	1,000	1,022	5,109
x	04-18-0303	Corporate Archiving Initiative	-	204	-	-	-	-	204
x	03-18-0313	Telephone System Replacement	-	787	-	-	-	-	787
x	03-18-0334	Mobile Data Communications	-	1,990	1,108	-	-	-	3,098
x	04-18-0337	FINES System Replacement	-	-	-	-	-	200	200
x	05-18-0400	Edmonton Cemetery Commemoration	-	698	-	-	-	-	698
x	06-18-0401	Automated Remittance System	-	300	355	-	-	-	655
x	06-18-0403	Identity Management	-	633	966	366	160	-	2,125
	06-18-0404	Citizens Telephone Access -311	-	7,344	2,500	-	-	-	9,844
x	07-18-0406	Business Process Management (ERP)	-	-	658	933	2,289	1,185	5,065
x	06-18-0408	Back Up Recovery Infrastructure Renewal	-	735	150	50	-	-	935
x	06-18-0411	FINES Electronic Tickets	-	100	-	-	-	-	100
x	06-18-0416	Upgrades Business Process Mgt (ERP)	-	100	-	-	-	-	100
x	07-18-0416	Upgrades Business Process Mgt (ERP)	-	95	95	320	100	153	763
x	07-18-0504	Incident Management	-	-	250	-	-	-	250
x	07-18-0507	Asset Accounting Implementation	-	920	1,530	1,250	-	-	3,700
	08-18-0509	Automated Traffic Enforcement	-	-	3,900	-	-	-	3,900
		Total:		25,437	21,536	9,944	10,314	8,914	76,145
City Financing									
		General Financing		18,093	15,136	9,944	10,314	8,914	62,401
		Other Misc Financing		7,300	6,400	-	-	-	13,700
		Retained Earnings		44	-	-	-	-	44
External Financing									
		Total:		25,437	21,536	9,944	10,314	8,914	76,145

Mobile Equipment Services

	Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
m	06-25-4219	2006 Bus Replacement	-	4,373	-	-	-	-	4,373
m	07-25-4219	2007 Future Bus Replacement	-	40,873	-	-	-	-	40,873
	06-25-5004	Facility Imp - Shop Tools/Equipment	-	365	-	-	-	-	365
	07-25-5004	Facility Imp - Shop Tools/Equipment	-	500	400	420	435	448	2,203
x	07-25-5919	Municipal Vehicle -Growth	-	-	2,587	-	1,148	1,268	5,003
	06-25-5920	Municipal Vehicle Replacement	-	3,294	-	-	-	-	3,294

U Denotes Unfunded Project

m Denotes Alberta Munc Infrastructure Program

v Denotes Incl. Developer/Partnership Funding

x Denotes General Financing - 75 -

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Details Report Approved Funded Capital Plan

Corporate Services

Mobile Equipment Services

	Project	Project Name	Approved Budget Request						2007 - 2011 Total
				2007	2008	2009	2010	2011	
	07-25-5920	Municipal Vehicle Replacement	-	17,000	27,452	22,050	19,000	21,000	106,502
x	07-25-5926	Bus Refurbishment (Diesel)	-	350	857	500	-	-	1,707
x	06-25-5928	Bus Fleet Tools And Equipment	-	52	-	-	-	-	52
x	07-25-5928	Bus Fleet Tools And Equipment	-	89	125	673	450	500	1,837
	06-25-5931	Municipal Shop Hoist Replacement Program	-	100	118	-	-	-	218
	07-25-5931	Municipal Shop Hoist Replacement Program	-	-	330	180	190	195	895
	06-25-5932	Underground Storage Tank Replace(Municip)	-	3,500	2,300	2,500	-	-	8,300
	02-25-5933	Kennedale Expansion	-	425	-	-	-	-	425
x	06-25-5934	Transit Underground Hoist Replacement	-	-	1,615	71	-	-	1,686
x	06-25-5940	Replace Transit Fuel Tanks	-	1,784	-	-	-	-	1,784
	06-25-5971	2006 Fire Fleet Replacement	-	5,400	739	-	-	-	6,139
	07-25-5971	2007 Fire Fleet Replacement	-	1,000	6,900	3,600	3,000	1,557	16,057
	06-25-5972	Ambulance Fleet Replacement	-	211	-	-	-	-	211
	07-25-5972	Ambulance Fleet Replacement	-	580	597	615	633	652	3,077
x	06-25-5975	Ambulances: Growth	-	118	-	-	-	-	118
	07-25-5975	Ambulances: Growth	-	146	146	146	150	155	743
	06-25-5977	Mun Vehicle Replmt-Environmental Premium	-	350	1,150	953	1,790	1,850	6,093
x	06-25-5978	Fire Apparatus	-	725	293	-	-	-	1,018
m	04-25-5979	Fire Apparatus-Growth(Meadows& Heritage)	-	500	350	1,340	-	-	2,190
x	03-25-5980	Plan&Dev:Animal Control-Holding Vehicles	-	146	-	-	-	-	146
m	07-25-5981	Fire Apparatus -Growth	-	-	1,250	-	-	-	1,250
x	06-25-5986	T&S:Roadways - Vehicles	-	1,100	-	-	-	1,000	2,100
x	03-25-5987	MES: Light Trucks, Lease Conversions	-	2,000	-	-	-	-	2,000
x	06-25-5988	Waste Mgmt-Additional Collection Vehicle	-	2,071	276	-	-	-	2,347
x	04-25-5990	L&B - Bldg Maint Trade Van	-	300	-	-	-	-	300
x	05-25-5992	Bus Wash Equipment Replacement	-	-	300	-	-	-	300
x	06-25-5995	Bus Refurbishment (Trolley)	-	250	208	-	-	-	458
	07-25-5995	Bus Refurbishment (Trolley)	-	-	500	-	-	-	500
x	06-25-6001	Engine Overhaul Program Diesel Buses	-	-	829	230	160	-	1,219
	06-25-6002	ME First Energy Eff Upgrade Mech/Tech	-	1,076	-	-	-	-	1,076
x	07-25-6005	Transit Underground Hoist replacement	-	-	1,375	-	1,375	-	2,750
m	07-25-6006	Ambulance Paramedics Response Units	-	200	-	-	-	-	200
x	07-25-6007	Additional Vehciles Parkland Services	-	300	-	-	-	-	300
	08-25-6008	Road Maintenance Equipment Need	-	-	7,200	-	-	-	7,200
	08-25-6009	Vehicle & Equip Acquisition ECO Station	-	-	350	-	-	-	350

U Denotes Unfunded Project

m Denotes Alberta Munc Infrastructure Program

v Denotes Incl. Developer/Partnership Funding

x Denotes General Financing - 76 -

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Corporate Services

Mobile Equipment Services

Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
	Total:		89,178	58,247	33,278	28,331	28,625	237,659
<u>City Financing</u>								
	General Financing		4,578	7,964	1,474	3,133	1,768	18,917
	Reserves		2,684	-	-	-	1,000	3,684
	Retained Earnings		34,923	40,840	30,464	25,198	25,857	157,282
	Tax-Supported Debt		1,076	-	-	-	-	1,076
<u>External Financing</u>								
	Grants		45,917	9,443	1,340	-	-	56,700
	Total:		89,178	58,247	33,278	28,331	28,625	237,659

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Edmonton Economic Development Corp

Economic Dev, Research Pk & Tourism

Project	Project Name	Approved Budget Request						2007 - 2011 Total
			2007	2008	2009	2010	2011	
05-99-3001	Edm Research Park - Tenant Improvements	-	1,500	-	-	-	-	1,500
05-99-3002	Biotechnology Centre	-	11,000	1,500	-	-	-	12,500
x 05-99-3004	Research Ctr 1 - Building Upgrade	-	871	-	-	-	-	871
x 07-99-3006	Visitor Information Ctr. Wshrm Upgrade	-	175	-	-	-	-	175
Total:			13,546	1,500	-	-	-	15,046
City Financing								
	General Financing		1,046	-	-	-	-	1,046
	Reserves		1,017	-	-	-	-	1,017
	Self-Liquidating Debentures		6,483	1,500	-	-	-	7,983
External Financing								
	Federal Infrastructure Program		2,500	-	-	-	-	2,500
	Grants		2,500	-	-	-	-	2,500
Total:			13,546	1,500	-	-	-	15,046

Shaw Conference Centre

Project	Project Name	Approved Budget Request						2007 - 2011 Total
			2007	2008	2009	2010	2011	
x 06-99-0003	Shaw Conference Ctr Major Bldg. Upgrade	-	30	-	-	829	-	859
x 04-99-1084	Movable Partition Walls	-	103	-	-	-	-	103
x 05-99-1088	Escalator Rebuild - Conference Centre	-	233	-	-	-	-	233
x 06-99-1090	Bleacher Units	-	780	-	-	-	-	780
x 05-99-1095	Pedway Floor Replacement	-	85	-	-	-	-	85
	07-99-1096	-	400	-	-	-	-	400
x 05-99-5092	Exterior Signage - Shaw Conference Ctr	-	72	-	-	-	-	72
Total:			1,703	-	-	829	-	2,532
City Financing								
	General Financing		1,303	-	-	829	-	2,132
	Reserves		400	-	-	-	-	400
Total:			1,703	-	-	829	-	2,532

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Details Report Approved Funded Capital Plan

Edmonton Police Service

Police

	Project	Project Name	Approved Budget Request	2007 - 2011					2007 - 2011 Total
				2007	2008	2009	2010	2011	
x	05-60-1350	Conceptual Study of Downtown Facility	-	388	-	-	-	-	388
m x	07-60-1356	South West Division Station	-	825	4,400	6,250	6,922	2,375	20,772
x	06-60-1357	Integrated Operational/Storage Facility	-	-	1,291	1,253	-	-	2,544
x	06-60-1363	Amalg. Traffic,Tactical,Flight Ops. Fac.	-	1,000	-	-	-	-	1,000
x	05-60-1420	Mobile Wireless Telecommunications	-	1,175	-	-	-	-	1,175
x	06-60-1423	Communications Systems Replacements	-	387	-	-	-	-	387
x	07-60-1423	Communications Systems Replacements	-	-	-	-	478	2,157	2,635
x	07-60-1433	Police IT Systems - Infrastructure	-	2,083	1,104	854	2,826	667	7,534
x	09-60-1440	Public Safety Radio Network Replacement	-	-	-	1,068	-	-	1,068
x	06-60-1460	Police IT Systems - Projects	-	684	-	-	-	-	684
x	07-60-1460	Police IT Systems - Projects	-	1,940	1,800	1,179	3,370	1,520	9,809
x	02-60-1470	PROBE Revitalization	-	578	-	-	-	-	578
x	05-60-1742	Intoxilyzer Equipment Replacement	-	243	-	-	-	-	243
x	02-60-1743	Officer Safety Equipment / OH&S	-	345	-	-	-	-	345
x	07-60-1747	Automated Fingerprint Identification Sys	-	-	1,000	-	-	-	1,000
x	07-60-1753	Closed Circuit Television	-	1,000	-	-	-	-	1,000
x	06-60-1856	Facilities Infrastructure/Rehabilitation	-	146	-	-	-	-	146
x	07-60-1856	Facilities Infrastructure/Rehabilitation	-	795	950	650	285	485	3,165
x	02-60-1893	Officer Safety Training Centre	-	347	-	-	-	-	347
		Total:		11,936	10,545	11,254	13,881	7,204	54,820
City Financing									
		General Financing		11,516	5,775	5,159	6,999	4,829	34,278
		Reserves		-	650	-	-	-	650
External Financing									
		Grants		420	4,120	6,095	6,882	2,375	19,892
		Total:		11,936	10,545	11,254	13,881	7,204	54,820

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(Updated to October 22, 2007)

Details Report Approved Funded Capital Plan

Edmonton Public Library

Public Library

	Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
×	04-20-0002	North Branch Library Design	-	(12)	-	-	-	-	(12)
√×	06-20-0002	North Branch Library Construction	-	1,860	4,235	-	-	-	6,095
×	03-20-0019	Mill Woods Branch Design / Land	-	1,000	-	-	-	-	1,000
×	04-20-0020	Idylwylde Branch Renovations	-	225	1,986	-	-	-	2,211
×	05-20-0023	Strathcona Branch Renovations	-	66	-	-	-	-	66
×	04-20-0026	Public Library Self Service Checkout	-	2,943	1,848	-	-	-	4,791
	05-20-0032	Lois Hole Branch Relocation	-	7,173	-	-	-	-	7,173
×	14-20-0040	Milner - Skylights	-	350	-	-	-	-	350
		Total:		13,605	8,069	-	-	-	21,674
City Financing									
		General Financing		2,219	3,451	-	-	-	5,670
		Other Misc Financing		15	-	-	-	-	15
		Reserves		41	359	-	-	-	400
		Tax-Supported Debt		9,873	2,860	-	-	-	12,733
External Financing									
		Developer / Partner Financing		-	350	-	-	-	350
		Grants		1,457	1,049	-	-	-	2,506
		Total:		13,605	8,069	-	-	-	21,674

2007 - 2011 Capital Priorities Plan

(Updated to October 22, 2007)

**Details Report
Approved Funded Capital Plan**

Office of The City Manager

Office of The City Clerk

	Project	Project Name	Approved Budget Request	2007	2008	2009	2010	2011	2007 - 2011 Total
×	02-44-0722	Records Mgt System Replacement	-	351	-	-	-	-	351
×	02-44-0832	ARB - Complaint/Outcomes Mgt. System	-	109	-	-	-	-	109
×	04-44-0835	Agenda Preparation & Meeting Mgt System	-	-	-	-	1,000	-	1,000
×	05-44-0837	2005 Census Computer Application	-	35	-	-	-	-	35
×	06-44-1217	Software Applications Sustainability	-	99	-	-	-	-	99
×	07-44-1217	Software Applications Sustainability	-	100	300	200	200	200	1,000
×	07-44-1221	Detailed E-Records Business Req'ts	-	500	-	-	-	-	500
		Total:		1,194	300	200	1,200	200	3,094
City Financing									
		General Financing		1,194	300	200	1,200	200	3,094
		Total:		1,194	300	200	1,200	200	3,094

2007 - 2011 Capital Priorities Plan

(Updated to October 22, 2007)

Details Report Approved Funded Capital Plan

Planning & Development

Planning & Development

	Project	Project Name	Approved						2007 - 2011
			Budget Request	2007	2008	2009	2010	2011	Total
×	03-17-0326	118 Ave. Streetscape (78 St.- W.G.Drive)	-	26	-	-	-	-	26
×	05-17-0332	Downtown East Pedway Connection	-	-	-	-	400	-	400
×	05-17-0336	Improving Entrance Corridors: East/West	-	250	649	-	-	-	899
×	07-17-0344	Streetscape Projects - Candy Cane Lane	-	120	-	-	-	-	120
×	07-17-0400	Downtown East Project Implementation	-	-	3,000	-	-	4,000	7,000
×	05-17-1550	Animal Control Facility	-	1,500	4,383	-	-	-	5,883
×	02-17-3030	POSSE Upgrade - Phase II	-	91	-	-	-	-	91
×	05-17-3030	POSSE Upgrade - Phase III	-	-	389	-	-	-	389
×	02-17-3031	Land Related Permitting	-	11	-	-	-	-	11
×	04-17-3033	SLIM Initiatives	-	310	570	-	-	-	880
×	06-17-3036	Address Project	-	300	-	-	-	-	300
×	06-17-3128	Computer System Upgrade Program	-	21	-	-	-	-	21
×	07-17-3128	Computer System Upgrade Program	-	97	97	97	73	-	364
		Total:		2,726	9,088	97	473	4,000	16,384
City Financing									
		General Financing		2,606	7,088	97	473	4,000	14,264
		Reserves		120	2,000	-	-	-	2,120
		Total:		2,726	9,088	97	473	4,000	16,384

2007 - 2011 Capital Priorities Plan

(Updated to October 22, 2007)

Details Report Approved Funded Capital Plan

Transportation

Roads

	Project	Project Name	Approved Budget Request	2007 - 2011					2007 - 2011 Total
				2007	2008	2009	2010	2011	
m x	07-66-1020	Arterial/Primary/Hghwy/Renewal/Crack	-	51,918	24,292	15,386	8,856	22,325	122,777
x	07-66-1040	Bridge Rehabilitation	-	17,731	10,890	5,621	2,196	2,995	39,433
x	07-66-1050	Collector/Alley Renewal & Slurry Seal	-	4,022	692	592	617	4,152	10,075
m v x	07-66-1055	Neighbourhood Renewal Program	-	34,628	42,534	52,597	60,505	22,472	212,736
x	07-66-1060	Survey Mapping And Control	-	195	195	195	195	195	975
x	07-66-1070	Yards Rehabilitation	-	490	350	350	350	350	1,890
x	07-66-1210	Traffic Control Rehabilitation	-	1,136	2,371	901	945	1,515	6,868
v x	07-66-1220	Traffic Safety Improvements	-	2,523	3,058	2,343	2,198	2,439	12,561
v x	07-66-1230	Community Roadway/Improvements	-	1,170	1,021	1,270	1,332	1,709	6,502
x	07-66-1260	Street Lighting Rehabilitation	-	1,923	1,396	1,468	1,539	1,879	8,205
x	07-66-1430	Accessibility-Sidewalks/Bikeways/Curbs	-	2,344	1,836	1,631	2,156	2,565	10,532
m x	06-66-1432	105 Avenue Multi-Use Trail	-	1,018	-	-	-	-	1,018
m v x	07-66-1440	Arterial Network Improvements	-	56,221	53,152	4,456	2,596	-	116,425
v x	06-66-1450	Arterial Network Improvements-Commercial	-	1,118	-	-	-	-	1,118
m x	03-66-1461	Whitemud Dr / Terwillegar Dr - Stage 1	-	15,527	22,900	-	7,340	4,420	50,187
v x	02-66-1463	Yellowhead Trail/156 Street Interchange	-	6,329	-	-	-	-	6,329
m x	07-66-1480	Primary/Secondary Highway Connectors	-	25,943	21,280	23,580	16,006	6,838	93,647
m x	06-66-1482	23 Avenue/Gateway Interchange - AMIP	-	8,225	70,000	101,235	65,765	3,000	248,225
x	06-66-1488	Alberta Avenue Improvements	-	45	-	-	-	-	45
x	07-66-1490	Local Improvement Construction	-	4,997	4,997	4,997	4,997	5,000	24,988
x	07-66-1491	Streetscape Rehabilitation	-	195	308	322	350	368	1,543
m v x	06-66-1612	Ring Road Connectors	-	13,255	1,050	1,520	3,600	1,100	20,525
x	07-66-1640	Intelligent Transportation Systems	-	1,421	2,111	1,828	1,895	3,142	10,397
x	07-66-1910	Planning Studies	-	5,057	2,573	1,817	2,000	1,930	13,377
m x	07-66-1950	Environmental Issues	-	11,626	7,880	3,342	3,651	2,952	29,451
v x	96-66-8305	North/South Trade Highway	-	6,330	-	-	-	-	6,330
	03-66-9155	Neighbourhood Infrastructure:Roads/Parks	-	789	-	-	-	-	789
	04-66-9157	Mature Neighbourhood Road Rehabilitation	-	1,130	-	-	-	-	1,130
	04-66-9542	Improvements to Arterial Roads	-	2,832	-	-	-	-	2,832
	04-66-9579	23 Avenue-Gateway Blvd Drainage & Design	-	561	-	-	-	-	561
	03-66-9581	Whitemud Dr East (34 Street Interchange)	-	268	-	-	-	-	268
Total:				280,967	274,886	225,451	189,089	91,346	1,061,739

U Denotes Unfunded Project

m Denotes Alberta Munc Infrastructure Program

v Denotes Incl. Developer/Partnership Funding

x Denotes General Financing - 83 -

2007 - 2011 Capital Priorities Plan

(Updated to October 22, 2007)

Details Report Approved Funded Capital Plan

Transportation

Roads

Project	Project Name	Approved Budget Request						2007 - 2011 Total
			2007	2008	2009	2010	2011	
City Financing								
	General Financing		54,923	34,880	41,292	38,056	46,184	215,335
	Local Improvements		12,249	9,696	10,253	11,051	7,277	50,526
	Reserves		3,595	4,495	20	20	-	8,130
	Tax-Supported Debt		4,825	-	-	-	-	4,825
External Financing								
	Developer / Partner Financing		3,530	6,671	1,240	1,040	1,200	13,681
	Grants		201,845	219,144	172,646	138,922	36,685	769,242
	Total:		280,967	274,886	225,451	189,089	91,346	1,061,739

Transit

Project	Project Name	Approved Budget Request						2007 - 2011 Total	
			2007	2008	2009	2010	2011		
x	07-66-1240	Transit Safety & Security Improvements	-	2,765	3,129	1,660	1,070	1,611	10,235
x	07-66-1270	LRT Fleet, Facilities & Equipment Rehab	-	7,502	2,577	3,332	2,399	4,967	20,777
x	07-66-1280	LRV Retrofit Package	-	7,132	11,400	6,622	-	-	25,154
x	06-66-1291	ETS Radio System Replacement	-	297	4,868	4,476	-	-	9,641
x	98-66-1292	Automatic Passenger Counters	-	333	-	-	-	-	333
x	07-66-1410	Bus Fleet, Facilities & Equipment Rehab	-	18,110	27,240	1,110	1,822	2,749	51,031
x	07-66-1411	Trolley Systems Rehabilitation	-	792	650	671	708	481	3,302
x	07-66-1420	Transp Computer Equipment/Applications	-	352	472	367	379	1,229	2,799
x	05-66-1422	Microstation Replacement	-	314	-	-	-	-	314
x	06-66-1423	DATS Computer System	-	492	3,000	142	-	-	3,634
	07-66-1651	LRT - Light Rail Vehicles	-	27,000	-	22,000	-	-	49,000
m x	05-66-1665	Bus Rapid Transit (AMIP)	-	18,575	18,435	15,264	-	-	52,274
v x	02-66-1670	South LRT (University - Neil Crawford)	-	1,186	-	-	-	-	1,186
m x	05-66-1671	SLRT (Federal Fuel Tax Rebate)	-	159,728	203,150	246,944	-	-	609,822
x	07-66-1680	Bus Fleet, Facilities & Equipment Growth	-	9,827	9,834	4,087	8,719	3,170	35,637
x	00-66-1681	Bus Fleet Growth	-	10,755	-	-	-	-	10,755
	Total:			265,160	284,755	306,675	15,097	14,207	885,894
City Financing									
	General Financing		14,532	11,067	9,389	10,450	6,576	52,014	
	Other Misc Financing		-	1,000	1,000	-	-	2,000	
	Tax-Supported Debt		121,778	183,377	232,139	-	-	537,294	
External Financing									
	Grants		128,850	89,311	64,147	4,647	7,631	294,586	
	Total:		265,160	284,755	306,675	15,097	14,207	885,894	

U Denotes Unfunded Project

m Denotes Alberta Munc Infrastructure Program

v Denotes Incl. Developer/Partnership Funding

x Denotes General Financing - 84 -

Drainage Services



Service Description

Drainage Services provides Sanitary and Land Drainage services to the citizens of Edmonton. The program is managed directly by the City through the Asset Management & Public Works Department, but is operated as a municipal utility. *The City of Edmonton recovers the full cost of providing these services through utility rates, without subsidy from property taxation and without providing a subsidy to other municipal services.*

As a municipally owned and operated public utility, Drainage Services is governed under sections 33 to 44 of the Municipal Government Act. The Act recognizes the right of a municipality to establish a rate structure for the provision of services. City Council approved revisions to the Utility Fiscal Policy (C304B) on June 20, 2006, providing fiscal guidelines for the operation of the Sanitary and Land Drainage Utilities in six key areas. These areas and the associated long term targets are outlined below:

TARGETS	Sanitary Drainage Utility	Land Drainage Utility
1. Debt Service Coverage Ratio	Not less than 1.2	Not less than 1.2
2. Annual Rate of Return on Average Equity	Range of 6% - 10%	up to 25%
3. Capital Financing	50% - 70% debt financing	50% - 60% debt financing
4. Dividend on Actual Net Income less Sanitary Servicing Strategy Fund (SSSF) transfer	2007 - 2012: 30% 2013 onwards: 40%	2007 - 2014: exempt (review in 2014)
5. Cash Reserve	\$27 million ± \$10 million (by 2009)	\$9 million ± \$3 million
6. Local Access Fee Payment	8% of qualifying revenue	2007 - 2014: exempt (review in 2014)

Operational Service Challenges

- Goldbar Growth & Approval to Operate: The Goldbar Wastewater Treatment Plant is undertaking major capital projects to support new treatment processes and to ensure optimal performance and conformance to current standards as per the Approval to Operate.
- Growth in Drainage Design & Construction: The Design & Construction section is undertaking a larger volume of construction projects. It is becoming difficult to attract qualified private contractors to undertake the construction workload at reasonable prices and to complete the work to meet the required schedules. It is also difficult to retain temporary employees in the current market.
- Growth in Planning and Operations: Drainage Services requires extra resources to address growth demands, high development industry activity and respond to customer servicing needs.



2008 Customer Impacts

Sanitary Utility

The Approved 2008 Sanitary Utility Budget was prepared following the financial guidelines approved by City Council in the Utility Fiscal Policy. It includes a 5% rate increase equivalent to \$1.10, bringing the monthly rate for the typical household with 18.0 cubic meters of water consumption from \$22.06 to \$23.16. This increase is required to cover an \$8.5 million increase in the approved operating expenditures for the Utility.

The approved 5% rate increase is necessary to achieve the financial guidelines outlined in the Utility Fiscal Policy. The Approved 2008 Operating Budget includes \$2.4 million in funding to deal with construction, infrastructure growth, and increased operational demands. Funding was also requested for environmental and economic initiatives.

Land Drainage Utility

The Approved 2008 Land Drainage Utility Budget was prepared following the financial guidelines approved by City Council in the Utility Fiscal Policy. It includes a 4% rate increase equivalent to \$0.20 for a typical residential household with a lot size of 592 m², bringing the monthly rate from \$4.91 to \$5.11. This increase is required to cover a \$2.5 million increase in the approved operating expenditures for the Utility.

The Approved 2008 Operating Budget includes \$0.9 million in funding to address increased operational demands and environmental and economic initiatives.

Capital Programs

The 2008 Capital Budget, approved by Council in July 2007, totals \$178.6 (\$114 million for Sanitary and \$64.6 million for Land Drainage). Financing sources include debt financing, Sanitary Servicing Strategy Fund (SSSF), equity, developer/partner financing, local improvements and grants. This includes funding for the Flood Prevention Program and the base amount for the Mature Neighbourhood Rehabilitation Program. In addition there are works planned for environmental improvements including opportunistic sewer separation under the Combined Sewer Overflow Control Strategy, disconnection of sewers overflow pipes under the Interconnection Control Strategy, as well as Enhanced Primary Treatment and Tertiary Treatment at the Gold Bar Wastewater Treatment Plant.

Corporate Business Planning will bring forward a report to Executive Committee in early 2008 for long term sustainability of the neighbourhood infrastructure, including Drainage. These programs will have an impact on rates beyond 2008.

Drainage Services



Performance Measures

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u> <u>Budget</u>	<u>2008</u> <u>Proposed</u>	<u>Target</u>	<u>Weighting</u> ¹
<u>Customer Service</u>							20
Response to System Interruptions	99.6%	99.1%	99.4%	100%	100%	100%	
Response to Sewer Service Installation	100%	100%	96.5%	100%	100%	100%	
Lot Grading Inspections / FTE	1,868	2,253	2,053	2,200	2,200	2,200	
<u>Utility Service</u>							15
Mainline Blockages / 100 km	4.8	4.9	4.7	4.0	4.0	4.0	
Flooded Basements ²	2,879	31	283	0	0	0	
Pump Station Failures	1	1	1	0	0	0	
<u>Utility Operations</u>							20
Organic Materials (BOD mg/l)	5.0	3.8	3.4	6.0	6.0	6.0	
Total Suspended Solids (TSS mg/l)	5.7	6.2	4.0	7.5	7.5	7.5	
Bacteria (FC cfu/100ml)	18	13	4	40	40	40	
<u>Safety</u> ³							10
Lost Time Injuries	12	6	18	0	0	0	
Lost Time Frequency / 100 FTE	2.58	1.29	3.72	0	0	0	
<u>Organizational</u>							25
Capital Programs Implemented ⁴	60%	68%	75%	81%	90%	90%	
Qualified and Skilled Staff (hours of training/staff)	31	26	27	24	30	24	
Non-Conformance Corrections (ISO 9001)	129	66	83	50 to 100	50 to 100	0	
Ideas Implemented	25	12	44	20	30	20	
<u>Financial Operations</u> ⁵							10
Maintenance Cost (\$/lineal metre)	\$3.00	\$3.25	\$3.50	\$3.50	\$3.60	\$3.60	
Treatment Cost (\$/ML treated)	\$110	\$141	\$140	\$160	\$164	\$165	
							100

¹ On September 26, 2006, City Council approved the Performance Based Regulation structure as the governance model for Drainage Services and the respective weighting for each performance measure.

² Based on verified sewage backup. Drainage Services is equipped to deal with flooded basements should a significant rain event occur. The average number of flooded basements for the past 20 years is 350 households.

³ Safety programs are targeting our growing workforce. For the period 2004 - 2006, the number of lost time injuries averaged 12 per year, and the average lost time frequency is 2.5 incidences/100 FTE per year.

⁴ Projects financed by developers and local improvements include spent amounts only. Unspent budget dollars from these projects are excluded from the calculation since these projects are generally driven by external parties. The 2007 value is a projection as of August 31, 2007.

⁵ Targets inflated by 3%.

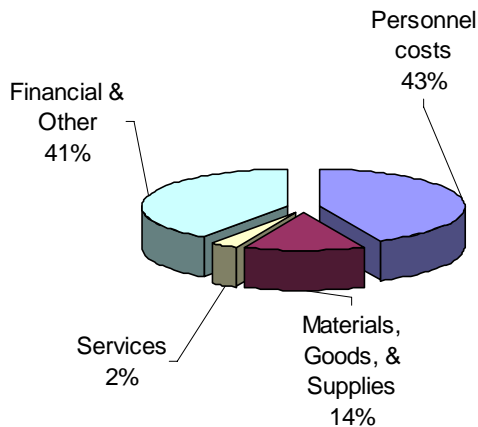
Drainage Services



Operating Budget Summary (\$000s) Sanitary Utility

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
User Fees	\$ 92,112	\$ 96,461	\$ 4,572	\$ 101,033
Operational Revenue	13,743	11,415	4,038	15,453
Total Revenue	105,855	107,876	8,610	116,486
Expenditures:				
Wastewater Treatment Plant	17,596	24,218	1,907	26,125
Operations & Maintenance	9,934	10,453	1,072	11,525
Design & Construction	4,656	7,235	1,976	9,211
Planning	5,328	6,103	1,591	7,694
Program Mgmt & Customer Support	8,581	7,976	622	8,598
Financial	27,545	31,348	3,738	35,086
Total Expend. & Transfers	73,639	87,332	10,907	98,239
Net Income	\$ 32,216	\$ 20,544	\$ (2,297)	\$ 18,247
Full Time Equivalent	516.5	553.4	86.2	639.6

Resource Distribution



	2007 Budget	2008 Approved
Personnel costs	36,030	45,120
Materials, Goods, & Supplies	12,745	14,141
Services	277	(3,210)
Financial & Other	38,281	42,187
Transfer to Reserves	0	0
Total	87,332	98,239

Drainage Services



Budget Changes for 2008 (\$000s) Sanitary Utility

Revenue & Transfers	
Design & Construction	\$ 1,527
Rate Increase at 4%	5,165
Other Volume Changes	1,918
Total Revenue Change	<u>8,610</u>
Cost increases on 2007 Services	
Personnel Settlements and Merit	2,140
Inflationary increases for non-personnel	613
Financial Costs	3,738
Cost of Construction and Equipment	1,452
Other Misc Increases	516
	<u>8,458</u>
Service Needs	
Operating Impact of Completed Capital Projects	
Wastewater Treatment Plant	839
Growth and Other New Services	
Planning, Operations & Program Management	753
Strategic Planning Studies	857
	<u>1,610</u>
Total Expenditure Change	<u>\$ 10,907</u>
Impact on Full Time Equivalent	
Growth & Other New Services	65.0
Operating Impacts of Completed Capital Projects	19.4
Other Changes (annualization etc.)	1.8
Total Full Time Equivalent Change	<u>86.2</u>

Utility Fiscal Policy Sanitary Utility					
	2006 Actual	2007 Budget	2008 Approved Budget	Forecast 2009	Forecast 2010
Utility Fiscal Policy Guidelines *					
<i>Customer Impact</i>	3%	6%	5%	4%	4%
1. Debt Service Coverage <i>Ratio not less than 1.2</i>	2.3	1.7	1.7	1.6	1.5
2. Return on Avg. Equity <i>6% - 10%</i>	12.1%	7.1%	6.2%	5.7%	5.4%
3. Capital Financing <i>50% - 70% Debt Financing</i>	65.1%	68.4%	70.0%	70.0%	70.0%
4. Dividend (\$M) - Budgeted - Actual ** <i>30% to 2012; 40% onwards</i>	\$5.5	\$6.0 \$8.9	\$5.8 \$10.3	\$5.1	\$4.7
5. Cash Reserve (\$M) <i>\$27M ± \$10M</i>	\$70.1	\$56.7	\$37.5	\$27.6	\$23.9
6. Local Access Fee (\$M) <i>8% of Qualifying Revenue</i>	\$7.4	\$7.7	\$8.0	\$8.5	\$8.9
<p>* These guidelines were approved by City Council on June 20, 2006 and applied in the 2008 Proposed Budget</p> <p>** 2007: Council advanced the dividend policy in 2007 to pay 30% of actual Net Income 2008: Council approved an additional \$4.5 million as a special 1-time dividend</p> <p>- Above Utility Fiscal Policy Parameters - Below Utility Fiscal Policy Parameters</p> <p>Based on Proposed Financing of Capital</p>					



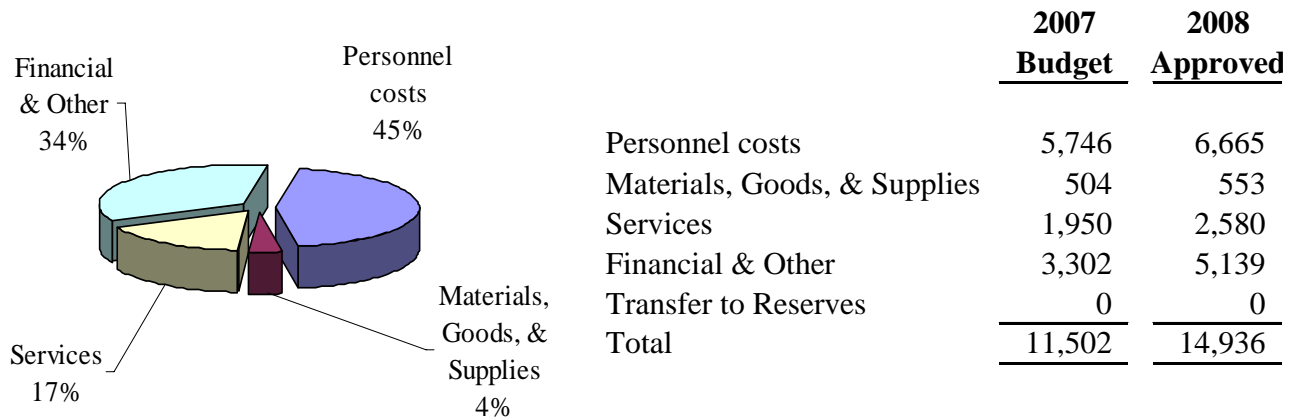
Drainage Services



Operating Budget Summary (\$000s) Land Drainage Utility

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
User Fees	\$ 16,796	\$ 19,602	\$ 987	\$ 20,589
Operational Revenue	416	515	297	812
Total Revenue	17,212	20,117	1,284	21,401
Expenditures:				
Operations & Maintenance	3,927	4,600	460	5,060
Planning	3,398	3,295	1,034	4,329
Program Mgmt & Customer Support	268	780	121	901
Financial	3,213	2,827	1,819	4,646
Total Expend. & Transfers	10,806	11,502	3,434	14,936
Net Income	\$ 6,406	\$ 8,615	\$ (2,150)	\$ 6,465

Resource Distribution



Drainage Services



Budget Changes for 2008 (\$000s) Land Drainage Utility

Revenue & Transfers

Rate Increase at 4%	800
Other Volume Changes	484
Total Revenue Change	1,284

Cost increases on 2007 Services

Personnel Settlements and Merit	360
Inflationary increases for non-personnel	93
Financial Costs	1,819
Other Misc Increases	234
	2,506

Service Needs

Growth and Other New Services

Planning, Operations & Program Management	357
Strategic Planning Studies	571
	928

Total Expenditure Change

\$ 3,434

Utility Fiscal Policy Land Drainage Utility					
	2006 Actual	2007 Budget	2008 Approved Budget	Forecast 2009	Forecast 2010
Utility Fiscal Policy Guidelines *					
<i>Customer Impact</i>	3%	25%	4%	4%	4%
1. Debt Service Coverage <i>Ratio not less than 1.2</i>	7.5	6.9	4.7	2.6	2.1
2. Return on Avg. Equity <i>up to 25%</i>	35.7%	32.0%	19.9%	14.9%	12.8%
3. Capital Financing <i>50% - 60% Debt Financing</i>	44.0%	39.4%	70.0%	60.0%	60.0%
4. Dividend (\$M)	<i>Exempt until 2014 (review in 2014)</i>				
5. Cash Reserve (\$M) <i>\$9M ± \$3M</i>	\$12.2	\$10.0	\$8.6	\$8.1	\$5.6
6. Local Access Fee (\$M)	<i>Exempt until 2014 (review in 2014)</i>				
* These guidelines were approved by City Council on June 20, 2006 and applied in the 2008 Proposed Budget					
 - Above Utility Fiscal Policy Parameters - Below Utility Fiscal Policy Parameters					
Based on Proposed Financing of Capital					





Performance Based Budgeting Measures of Efficiency (000's)

Year		Inputs		Outputs		Indicator:		Efficiency Performance
		Annual Operating Costs (\$)	Length of Pipe in the wastewater collection system (Kms)	Cost/ Output	Target			
2004	Actual	\$ 14,616	4,872	\$ 3.00	\$ 3.50		117%	
2005	Actual	\$ 16,052	4,939	\$ 3.25	\$ 3.50		108%	
2006	Actual	\$ 17,942	5,057	\$ 3.55	\$ 3.50		99%	
2007	Budget	\$ 18,113	5,175	\$ 3.50	\$ 3.50		100%	
2008	Budget	\$ 19,240	5,293	\$ 3.60	\$ 3.60		100%	

Inputs:

Annual operating cost includes expenditures for inspecting, cleaning, and repairing the collection system and responding to environmental issues. Target for 2008 inflated by 3%.

Performance Efficiency Explanations:

Low operating cost is indicative of the effectiveness, efficiency and economy of maintenance activities. Increase since 2004 is due to the cost for emergency response and the current rise in repair cost.

Drainage Services



Performance Based Budgeting Measures of Effectiveness (000's)

Year		Inputs		Outputs		Indicator:		Effectiveness Performance
		Cost of liquid stream treatment (\$)		Megalitres (ML)		\$ per ML wastewater treated	Target \$ per ML	
2004	Actual	\$ 10,514	→	95,499	\$ 110.10	\$ 120.00	109%	
2005	Actual	\$ 13,165		93,369	\$ 141.00	\$ 120.00	85%	
2006	Actual	\$ 13,036		93,446	\$ 139.50	\$ 160.00	115%	
2007	Budget	\$ 15,471		96,694	\$ 160.00	\$ 160.00	100%	
2008	Budget	\$ 15,339		93,345	\$ 164.00	165.00	101%	

Outputs:

The output of this efficiency measure is the cost per volume of wastewater treated by the Gold Bar Wastewater Treatment Plant, as measured in Megalitres (ML). The target for 2008 was inflated by 3%.

Performance Effectiveness Explanations:

The performance efficiency measure of cost (in dollars) per treatment volume (in Megalitres or ML) is an indication of the effectiveness of the treatment operation. This measure represents the cost of the liquid stream treatment at the Gold Bar Wastewater Treatment Plant, including the cost for the Plant Process Operations, Facilities Maintenance, Laboratory Services, Utilities, Process Engineering and Technical Services and Plant Administration. The increase since 2004 is due to the new treatment processes that have been installed and commissioned. All of these increased levels of service, required by legislation (Approval to Operate), need increased operating expenditures to perform as designed. Additional capital works are being constructed in 2007 and beyond to address increased solids removal that these liquid treatment processes will generate.

Drainage Services



The Sanitary Servicing Strategy Fund (SSSF) was established in July 1998 to provide a framework for planning, financing, and constructing over \$500 million in major sanitary sewers in the City over the next 75 years. Financing of the fund comes from three sources:

1. Expansion Assessment from development in new areas, paid by the developer at servicing agreement stage.
2. Sanitary Sewer Trunk Charge, paid by the builder at building permit application stage.
3. An annual fixed amount from the Sanitary Utility until 2023.

The SSSF is a restricted cash reserve fund and is not available for purposes other than the servicing needs of the North, South, and West Edmonton Sanitary Sewer Trunks. In addition, the SSSF is not an operating entity. The Fund is managed by accounting for the annual contributions collected, the interest earned on fund balance, and the capital expenditure on the three sanitary sewer trunks. It is estimated that approximately 13 km of 82 km (16%) of the Sanitary Servicing Program will be completed by the end of 2007. Although we have substantially increased our tunneling capacity, we are taking longer to work through the SSSF tunnel projects due to other infrastructure project demands. All the critical timelines are still being met.

Financial Position (\$000s) Sanitary Servicing Strategy Fund

	2006 Actual	2007 Projected	2008 Approved Budget	Forecast 2009	Forecast 2010
Revenues					
Sanitary Sewer Trunk Charges					
Single/Duplex	4,900	4,000	4,757	4,895	5,060
Multi-Family	2,344	3,200	3,114	3,204	3,312
Commercial / Industrial / Institutional	753	800	779	801	828
Expansion Assessment	5,579	4,500	6,000	6,200	6,400
Subtotal	13,576	12,500	14,650	15,100	15,600
Contribution from Sanitary Utility	2,600	1,300	1,300	1,300	1,300
Interest Earned	1,672	1,000	1,400	900	550
Total Revenues	17,848	14,800	17,350	17,300	17,450
Expenditures					
Capital Projects ¹	24,307	25,211	29,981	25,885	23,000
Change in Fund Balance					
Fund Balance Beginning of Year	51,878	45,419	35,008	22,377	13,792
Fund Balance End of Year	45,419	35,008	22,377	13,792	8,242

¹ Based on proposed spending of capital expenditures.

Drainage Services



Asset Management & Public Works - Drainage Services
2008 - 2010
Service Package
 (\$000 - incremental)

Growth - Goldbar Wastewater Treatment Plant

	2008				2009				2010			
	Exp	Rev	Net Income	FTEs	Exp	Rev	Net Income	FTEs	Exp	Rev	Net Income	FTEs
	1,668	830	838	19.4	606		606	7.0	666		666	9.0

Description

The Goldbar Wastewater Treatment Plant is undertaking major capital works with operating budget impacts. The major projects where the operating impacts are required to support the new treatment processes are:

1. Plant Upgrading projects are necessary to deal with the impact of the Combined Sewer Overflow/Enhanced Primary Treatment (CSO/EPT) projects, Tertiary Treatment projects and the Struvite Removal Project. These projects deal with upgrading the ancillary plant facilities to accommodate the major projects. (7.1 FTE's)
2. The Water Recycling projects include the construction of membrane treatment facilities intended to provide recycled water to industrial customers. Costs will be recovered as per agreements. (1.0 FTE)
3. The Plant Rehabilitation project will replace seriously deteriorated equipment and systems to ensure optimal performance and conformance to current standards as per the Approval to Operate and also to undertake safety related projects. (4.0)
4. System Processes (PACMAN). (2.0 FTE's)

Operations and maintenance training and engineering services are required in support of the new processes. Operations and maintenance parts and services and the supply of chemicals will be needed for the successful operation of the new facilities. (4.8 FTE's)

Additional industrial wastewater monitoring services are required for landfill and surcharge monitoring programs during the busy portion of the year. (0.5 FTE)

Justification

This service package will be implemented to ensure Drainage Services meets the Approval to Operate requirements and environmental regulations. Operations and maintenance is required in support of the new processes and to maintain the existing infrastructure in safe operating condition. Based on the SAP Maintenance module implementation throughout the Corporation, it was identified that an effective implementation of PACMAN will need more technical and administrative support. Presently, some monitoring is performed by a one man crew. Higher levels of vehicular traffic on public roadways and on private premises indicates the need for an additional crew member for safety purposes during the busy portion of the year (May – October). The additional staff member would also permit additional monitoring of industries for wastewater overstrength purposes.

2009 Annualization:

Incremental To Full Year Service			
Exp	Rev	Tax Levy	Ftes

Drainage Services



Asset Management & Public Works - Drainage Services
2008 - 2010
Service Package
 (\$000 - incremental)

Environmental & Economic Initiatives

	2008				2009				2010			
	Exp	Rec Rev	Net Income	FTEs	Exp	Rev	Net Income	FTEs	Exp	Rev	Net Income	FTEs
	1,428	-	1,428		(250)		(250)		(190)	-	(190)	

Description

Funding will be used for strategic planning level studies, development and implementation of a public education program, and watershed protection studies.

The strategic planning studies will be a 10 year program that includes periodic financial studies (e.g. Cost of Service, financial reviews, Performance Based Regulation, etc.), Area Master Plans, conceptual drainage studies (upgrading, flood prevention, etc.), sewer system assessment studies, and conceptual infrastructure related studies (e.g. 34 Street Sanitary Trunk Sewer, ACRWC joint studies, etc.).

The public education program will be used to educate citizens (Children and adults) about the impact of their actions on the North Saskatchewan River water quality and drainage infrastructure. This program will focus on items such as: Impact of pesticides and other chemicals, issues with dumping oil and grease down the drain, problems associated with sweeping garbage into catch basins, and the impact of tree roots on service connections and sewers.

The Watershed Protection Studies is a series of studies to be undertaken in 2008 to 2010 to meet Alberta Environment's requirement for pollutant load management. This is a revision to the Joint Municipal/Industrial Study Service Package submitted as part of the 2007 budget.

Justification

The strategic planning studies are required to determine if utility rates are reasonable compared to allocated costs, ensure performance measures are valid, develop area master plans for industrial areas, assess sewer hydraulic condition to identify areas for improvements, perform conceptual design studies for expanding or renewing infrastructure, and address strategic planning issues that arise during the year.

The Public Education Program will benefit citizens by providing them with tools to make informed drainage related decisions. They will better understand how to reduce their impact on the environment and how their actions affect drainage infrastructure. This will reduce Drainage Services costs for cleaning and maintaining service connections and sewers, and it will also reduce the likelihood of sewage back-ups caused by blockages.

The Watershed Protection Studies are needed to help understand current and future loads to the river and how to reduce their impact. Alberta Environment has made watershed pollutant reduction a priority for Drainage Services through the requirements of the Approval to Operate No. 639 02 00. Some of these works are core components of the Stormwater Quality Action Plan that is required by the Province.

2009 Annualization:

Incremental To Full Year Service			
Exp	Rev	Tax Levy	Fees

Drainage Services



**Asset Management & Public Works - Drainage Services
2008 - 2010
Service Package
(5000 - incremental)**

Growth - Design & Construction

	2008				2009				2010			
	Exp	Rec Rev	Net Income	FTEs	Exp	Rec Rev	Net Income	FTEs	Exp	Rev	Net Income	FTEs
	3,464	3,464	0	48.0	1,036	1,036	0	14.0		-	0	

Description

Construction

The package allows for the funding of the following positions in Design & Construction, which are fully recoverable from capital:

2008:

5 Tunnel Labourer I, 10 Open Cut Labourer II, 2 Open Cut Labourer III, 2 Open Cut Leaders, 1 Electrician I, 1 Heavy Duty Mechanic I, 1 Welder I, 3 Equipment Operator III, 2 Equipment Operator IV, 3 Labourer III, 1 Equipment Operator V, 5 Civil Engineers, 1 Engineering Tech I- 8 hrs, 5 Engineering Tech II- 8 hrs
1 Engineering Technologist II, 4 Drafting Tech II, 1 Drafting Tech III, 1 Mechanical Engineer, 1 Electrical Engineer

2009:

10 Open Cut Labourer II, 2 Open Cut Labourer III, 2 Open Cut Leaders.

Justification

The 5 Tunnel Labourer I, 20 Open Cut Labourer II, 4 Open Cut Labourer III and 4 Open Cut Leaders are required to allow timely implementation of the \$127 Million of Capital Projects budgeted for 2008, \$92 Million in 2009 & \$110 Million total currently budgeted for 2010 & 2011. It is becoming difficult to attract qualified private contractors to undertake this construction workload at reasonable prices and to complete the work to meet required schedules. In addition to this, the section needs to undertake underground construction activities for other City Departments.

The 2 Equipment Operator III, 2 Equipment Operator IV, 1 Electrician I, 1 Heavy Duty Mechanic I and 1 Welder I are required to provide necessary equipment support to the increased construction activities in both tunnel and open cut.

Due to intense drilling activities in other sectors of the economy it has been extremely difficult to procure shaft drilling services for tunnel and deep open cut construction work. Drainage services is in the process of purchasing a hydraulic drill rig and setting up an independent shaft drilling crew. The Equipment Operator V would be required to run the drill rig. The Equipment Operator III would be required to train and assist the driller. The 3 Labourer III are required to install the shaft and any additional labourer requirements. For the next five years more than 60 shafts need to be excavated and the independent crew will streamline the tunnel and deep open cut construction process. We intend to utilize this crew to complete the drilldrop rehabilitation/abandonment program planned for next 20 years.

4 Drafting Tech II and 1 Drafting Tech III are required to meet the increased drafting needs to deliver the Mature Neighbourhood Program. With the planned volume of upgrading work for the next 20 years we need to build up the in-house drafting capability to meet design quality and completion dates.

The Mechanical Engineer and Electrical Engineer is required for expertise on mechanical and electrical engineering systems for the Tunnel Boring Machines (TBM) and other excavation equipment. For the next five years we are expected to run up to five TBMs simultaneously.

The 5 Civil Engineers, 1 Engineering Tech I and 4 Engineering Tech II are required to complete the increased design work load resulting from the increased Capital and Operating Project volume. These positions are currently filled as temporary assignments. It is difficult to retain temporary employees in the current market. All the positions are the result of an increased work load and are attempted to fill by temporary placements. Current economy does not allow hiring and retaining of temporary employees.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes

Drainage Services



Asset Management & Public Works - Drainage Services 2008 - 2010 Service Package (\$000 - incremental)

Growth - Planning and Operations

	2008				2009				2010			
	Exp	Rec Rev	Net Income	FTEs	Exp	Rev	Net Income	FTEs	Exp	Rev	Net Income	FTEs
	1,226	115	1,111	17.0	-	-	0		-	-	0	
Description												
<p>Growth in Drainage infrastructure, capital plans and drainage management facilities, with the associated emphasis on environmental monitoring and neighbourhood reinvestment, requires additional resources.</p> <p>Planning - Two additional technologists and an engineer will be required in the Private Development Group to deliver expected services from the development industry, with emphasis on drainage servicing, assessment charges collection and environmental monitoring. About 50% of these salaries will be recovered from the developers' inspection fees. There is also a need for clerical support to process lot grading inspection requests and to deal with public inquiries. A Public Information Officer is required to promote a better understanding of the services provided by Drainage Services and to inform citizens about how they can help improve or reduce their impact on the environment and how they can improve the drainage on their property.</p> <p>Operations - Labourers and technical staff (7 FTEs in 2007) will be required to maintain the current service levels at the wastewater pumping stations and the stormwater management facilities. Additional administrative and technical staff are required to improve our response to customer complaints (3 FTEs in 2007). There is also a need for a Training and Safety Instructor to promote safety in all field activities and to assist with in-house training.</p> <p>Program Management - A Strategic Coordinator is required to facilitate timely responses to issues dealt with by the Manager's Office.</p>												
Justification												
<p>Planning - The positions within the Private Development group are necessary as they ensure that there will be reliable coverage and capability in handling the planning, development and cost assessment functions, as well as to eliminate the backlog of development permits and collection of assessment fees. Due to the tremendous growth the City has been experiencing, the additional position within the Public Services area will ensure that customer service is maintained and that lot grading inspections and approvals are processed in a timely manner. The Public Information Officer is required so that the public will have a better understanding of Drainage Services and the impacts on the environment which will reduce operating and maintenance costs, as citizens will take proactive steps to improve drainage on their property (less problem calls to Drainage Services) and reduce their impact on drainage infrastructure (e.g. stop dumping fat, oil and grease down the drain).</p> <p>Operations - As a result of the growth in the City, the number of wastewater mechanical facilities have increased 22% over the past ten years and an additional 31 new facilities are scheduled to be in operation in the next three years. The newer pumping stations are larger and are equipped with more sophisticated control equipment that require qualified trades people. Since 2000 the number of stormwater management facilities have increased 27% and were accompanied by public demands for debris removal and weed and algae control. These new positions are required to assist with these ongoing maintenance requirements. The introduction of the 311 call service is expected to require enhanced response times to customer complaints, therefore additional positions are required in the customer service area. Over the past six years, a temporary Safety Assistant has been appointed, however during that time it has been clearly demonstrated that there is a need to maintain a permanent presence in the field to monitor field activities and assist with safety concerns.</p> <p>Program Management - Increased levels of business activity and customer demands have resulted in growing levels of branch-wide and external issues for Drainage Services. This position will enhance the integration of the various business units in Drainage services in response to these diverse demands. Activities will enhance the teamwork among stakeholders, directors, and other managers.</p>												
2009 Annualization:												
Incremental To Full Year Service												
	Exp	Rev	Tax Levy	Ftes								

Energy, Environment & Natural Areas



Service Description

The Energy, Environment & Natural Areas program delivers the following services:

Facilitates implementation of the City's *Environmental Policy (C512)* through the development and implementation of the City's Environmental Strategic Plan.

Facilitates a corporate-wide environmental communications strategy including a citizen participation component (i.e., EcoVision Edmonton).

Facilitates implementation of the City's *Natural Areas Systems Policy (C531)* through the Natural Connections Strategic Plan.

Facilitates implementation of the City's *Edmonton's Environmental Management System Policy (C505)* designed to the international standard ISO 14001, (i.e, Envisio).

Manages the procurement of the City of Edmonton's energy utilities and represent the City of Edmonton in the natural gas regulatory process and related negotiations.

Services delivered through the Program support three of the City's "primary" focus areas:

Environment: (addressing three "secondary" focus areas: (a) *Healthy Ecosystem*, (b) *Diverse Communities*, and (c) *Balanced Infrastructure Management*)

Social and Cultural: (addressing one "secondary" focus areas: *Safe Communities*)

Economic Development: (addressing one "secondary: focus area: *Building a Business Positive Sustainable Urban Environment*)

Operational Service Challenges

The overarching challenge facing the Energy, Environment & Natural Areas Program is to achieve and/or help achieve more than fifty environmental strategic objectives and performance measures contained in the City of Edmonton's Environmental Strategic Plan, including clean air, climate protection and natural areas.

The following issues provide operational challenges to achieving objectives: (a) service delivery in a competitive environment for technical and analytical resources, (b) coordinating corporate and community-wide initiatives (c) developing management systems to continually monitor and report environmental performance, and (d) growing expectations across the community for improved environmental performance.

Energy, Environment & Natural Areas

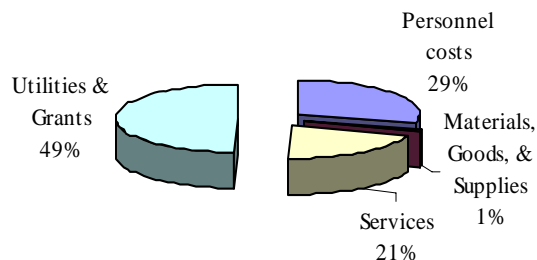


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers	\$ 197	\$ 100	\$ (100)	\$ -
Total Revenue & Transfers	197	100	(100)	-
Expenditures:				
Office of Energy Management	745	427	14	441
Office of the Environment	1,420	2,174	854	3,027
Natural Areas	427	576	2,567	3,143
Total Expend. & Transfers	2,592	3,177	3,434	6,611
Tax Levy	\$ 2,395	\$ 3,077	\$ 3,534	\$ 6,611
Full Time Equivalent	16.0	20.4	1.3	21.7

Resource Distribution



	2007 Budget	2008 Approved
Personnel costs	1,682	1,918
Materials, Goods, & Supplies	62	64
Services	1,072	1,358
Utilities & Grants	361	3,272
Transfer to Reserves	0	0
Total	3,177	6,611



Budget Changes for 2008 (\$000s)

Revenue & Transfers

Federal environmental grant support not available (100)

Total Revenue & Transfer Change (100)

Cost increases on 2007 Services

Inflationary increases in personnel 91

Personnel Cost Reduction Strategy (118)

Inflationary increases in non-personnel 75

Other changes 76

124

Service Needs

EcoVision Edmonton 800

Land Trust Endowment (1-Time) 2,500

Anti-Idling Public Education (1-Time) 140

3,440

Inflation Capping Strategy (30)

Total Expenditure Change \$ 3,534

Impact on Full Time Equivalents

Personnel Cost Reduction Strategy (1.0)

Annualization of 2007 Service Packages 0.6

EcoVision Edmonton 1.7

Total Full Time Equivalent Change 1.3



Measures of Efficiency

Operating cost per 1000 citizens

Year		Inputs	Outputs	Indicator:	Efficiency
		Annual Operating Costs	1000 citizens	Cost/ Output	Standard Performance
2004	Actual	\$ 1,043	710.5	\$ 1.47	
2005	Actual	\$ 1,177	723.8	\$ 1.63	
2006	Actual	\$ 2,582	742.2	\$ 3.48	
2007	Budget	\$ 3,177	760.0	\$ 4.18	
2008					\$ 10.50

Inputs:

The Energy, Environment and Natural Areas Program is focused on achieving more than 50 strategic environmental objectives, as outlined in the City of Edmonton Environmental Strategic Plan. These objectives are achieved through hundreds of individual initiatives which the program either manages directly or facilitates through other channels. There is a strong correlation between the operating budget of this program and the effort it is able to bring to these initiatives.

Performance Efficiency Explanations:

The trend is positive. The City of Edmonton has increased its investment in the Energy, Environment and Natural Areas Program since 2004 (measured in terms of operating cost per 1,000 citizens). Increased levels of funding have allowed the City to increase its efforts toward stated environmental objectives and better environmental management practices in the City.

The operating cost standard (\$10.50 /citizen) represents the level of service needed to adequately fund the Branch's mandate relative to implementing the City's Environmental Strategic Plan. Achievement of this standards would permit expanded research activity, community liaison, and CO2RE-related efforts.



**Performance Based Budgeting
Measures of Effectiveness**

CO2RE Memberships

Year		Outputs # of CO2RE Memberships	Target	Effectiveness Performance
2004	Actual	6,600	6,600	100%
2005	Actual	8,862	7,260	122%
2006	Actual	9,386	9,748	96%
2007	Budget	12,000	10,324	116%
2008			13,200	

Outputs:

CO2RE (Carbon Dioxide Reduction Edmonton) is a community-wide plan to reduce greenhouse gas emissions in Edmonton. It was created by a coalition of more than 20 local companies, non-profit organizations, institutions and government agencies. Membership in CO2RE is free and includes regular newsletters with ideas and updates on how to make homes and lifestyles more energy efficient. Members benefit from special promotions on energy-efficient products and programs developed exclusively for CO2RE members. Membership in this program has grown significantly since its inception in 2004. Continued growth is expected.

Performance Effectiveness Explanations:

While the City of Edmonton has direct control over its own environmental performance, it also has the potential to influence positive community-wide environmental outcomes. CO2RE's growing membership is indicative of growing environmental awareness in community, and the Branch's effectiveness in engaging that community for positive change.

Energy, Environment & Natural Areas



(\$000 - incremental)

EcoVision Edmonton

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	800		800	1.7	25		25	0.3			0	0.0

Description

EcoVision is Edmonton City Council's vision for an environmentally sustainable city. The vision is expressed through Environmental Policy C512 and the Environmental Strategic Plan. It is implemented through Enviso, the ISO 14001 environmental management system. It will be delivered through three methods:

Expansion of CO2RE -Funding will be used to move the City toward GHG reduction targets approved by City Council (6% reduction from 1990 levels by 2010, and 20% by 2020) by expanding residential programming & introducing commercial and institutional programs, leveraging other orders of government (e.g., Eco Energy initiatives); and increasing community and industry partnerships.

EcoVision Edmonton Outreach - Funding will be used to: Promote the City of Edmonton as a world leader in municipal environmental initiatives, practices and policies; and Encourage residents and other sectors to participate in the City's environmental initiatives.

ISO 14001 Registration Costs (9 systems) - This investment is required as per City Policy C505 (Environmental Management Systems) which establishes ISO 14001 as the City's environmental management systems benchmark. The City's environmental management systems must be audited by an authorized ISO 14001 registrar to determine their compliance with the standard, and receive certification. These audits, covering 10 branches, will cost approximately \$50,000 a year (on average) and will be an ongoing, annual expense.

Justification

The services comprising EcoVision Edmonton will help the City to achieve three commitments contained in City Policy C512 -- prevention of pollution, continual improvement of the City's environmental performance, and meeting/exceeding applicable legal requirements and other requirements to which it subscribes.

The package serves the community by assisting citizens to reduce greenhouse gas emissions. Equally, ISO 14001 registration provides citizens with independent assurance that the City of Edmonton takes its environmental responsibilities seriously.

If not funded, the City risks not achieving important strategic objectives related to climate change, ambient air quality and ISO 14001 registration. The benefits of this service package will be realized in 2008, in terms of greenhouse gas impacts, national/international recognition, and ISO 14001 registrations.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Outcome Area (Environment), Focus Area (Healthy Ecosystem)

This focus area recognizes the importance of providing citizens with a quality natural environment. This focus area and its three priorities are achieved in large part through the EENA Program.

Outcome Area (Economic Development); Focus Area (Build a business positive sustainable urban environment) The EENA Program contributes to this focus area by actively promoting Edmonton as an environmentally sustainable city, and the City of Edmonton as an Environmental Leader.

Services delivered through the Program support three of the City's "primary" focus areas:

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
25		25	0.3



(\$000 - incremental)

Anti-idling Public Education

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	140		140	0.0	(140)		(140)	0.0			0	0.0

Description

A motion passed by T&PW Committee on August 21-23 stated: "That \$140,000 for an anti-idling education campaign be considered as part of the 2008 budget process."

The program will target vehicle owners, private business, owners with fleets, school kids & parents, and professional drivers. It will focus on positive aspects of reduced idling (money savings, engine protection, air pollution, climate change, etc.) and will involve a multi-media campaign (print, radio, direct mail, events). Partners will include the AMA, Clean Air Strategic Alliance, and ECC-AR.

Justification

Influencing organizations and individuals to reduce unnecessary idling requires a sustained and significant community-wide effort. All citizens will benefit from reduced idling of vehicles -- better air quality, reduced greenhouse gas emissions, and financial benefits that come from more efficient vehicle operation. This service package is closely linked to a number of Strategic Objectives contained in the City of Edmonton's Environmental Strategic Plan. Initiatives of this type promote a stronger environmental culture within Edmonton and demonstrate the City's role as an environmental leadership.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Outcome Area (Environment), Focus Area (Healthy Ecosystem)
 This focus area recognizes the importance of providing citizens with a quality natural environment. This focus area and its three priorities are achieved in large part through the EENA Program.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	

Energy, Environment & Natural Areas



(\$000 - incremental)

Land Trust Endowment

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	2,500		2,500	0.0	(2,500)		(2,500)	0.0			0	0.0

Description

At the June 12, 2007 T&PW Committee Meeting, the following motion was passed:

1. That Administration provide an update at the September 4, 2007 Transportation and Public Works Committee meeting on the status of Natural Lands and the Land Trust, and address a possible \$2.5 million endowment for core operational funds from 2007 City funds;
2. That Administration prepare a funding package for the 2008 City budget.

The Land Trust Endowment is a fund that will be invested in perpetuity to fund the administration of the Land Trust including employee salaries, leased space, utilities, etc. The City's contribution will be \$2.5 million on a one-time basis and matching contributions would be sought from other stakeholders.

Justification

Natural areas throughout Edmonton are under tremendous pressure as a result of residential, commercial and industrial development. Many have already been degraded, fragmented, or lost altogether. In order to maintain existing natural areas, a proactive, sustained effort is needed. Creation of a \$2.5 million endowment (to support the administration function of the Land Trust) is an important step forward in providing the stability necessary for achieving long-term success. Moreover, creation of the fund would eliminate the need for annual requests for administrative funding.

The preservation of natural areas is an important public concern and priority. An step to promote the sustainability of the Land Trust and its long term success would be in the community's long term interest.

This service package supports a number of Strategic Objectives contained in the City of Edmonton's Environmental Strategic Plan.

By not funding this service package, Edmonton City Council will need to revisit this funding requirement on an annual basis. Moreover, the organization will be negatively impacted by financial uncertainty.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Outcome Area (Environment); Focus Area (Healthy Ecosystem)

This focus area recognizes the importance of providing citizens with a quality natural environment. This focus area and its three priorities are achieved in large part through the EENA Program.

Outcome Area (Environment); Focus Area (Diverse Communities)

This focus area recognizes problems with traditional development patterns – dominated by ongoing growth on the urban perimeter. The Environmental Strategic Plan includes strategies that support the smart growth priority.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes

Housing



Service Description

The Housing branch manages programs supporting the provision of safe and affordable housing, including the City's Non-Profit Housing Corporation.

A service level target of 2,500 units of long term affordable housing over the next 5 years has been established in the *Cornerstones* program endorsed by City Council in July, 2005, together with a number of motions outlining actions to be undertaken to address short term and transitional housing needs. Achievement of Cornerstones is dependent upon the level of funding provided by other Orders of Government and participation by the not-for-profit and private sectors. Services related to the inspection, issuance of upgrading or demolition orders and monitoring of derelict and unsafe housing are undertaken in response to complaints and through planned initiatives.

The Cornerstones funding (\$5 million annually) will be leveraged to access recently announced Provincial funding (\$45 million annually) and other sources for affordable housing and will allocate the funds as per the recently Council approved 'Road Map'. The proposed budget does not reflect the anticipated \$45.26 million committed through the provincial funding affordable housing.

Operational Service Challenges

Increasing the Supply of Safe and Affordable Housing

Alberta's strong economic growth has contributed to a shortfall of affordable housing in this City, especially for many fixed and lower-income households. Positive net in-migration, a slowdown in new rental starts and conversions of rental units to condominiums have had a direct effect on housing demand, supply and related costs. With Edmonton's increased attractiveness as a place to work, the scarcity of housing that is affordable to lower-income households is a major issue for existing residents as well as newcomers, particularly those with limited skills and resources.

In the last two years, average residential rental vacancy in Edmonton has declined from over 5% to 1.1% in 2007. Between 1997 and 2005 average rents rose 42% and in 2006 average rents in Edmonton increased by another 13.4%, far outstripping average wage increases. Purchasing an affordable home is equally formidable in view of the 78% increase in average home prices from 1997 to 2005. In 2006, the average price of a single family home or condominium increased by more than 35%.

The City is also facing health and safety issues relating to its older existing rental housing stock. Through the Safe Housing initiative, the City ensures that multiple rental units are upgraded to meet minimum health and safety standards. The Derelict Housing initiative deals with problems associated with vacant units in need of major repairs, and addresses the issues through upgrading or demolition.

Housing

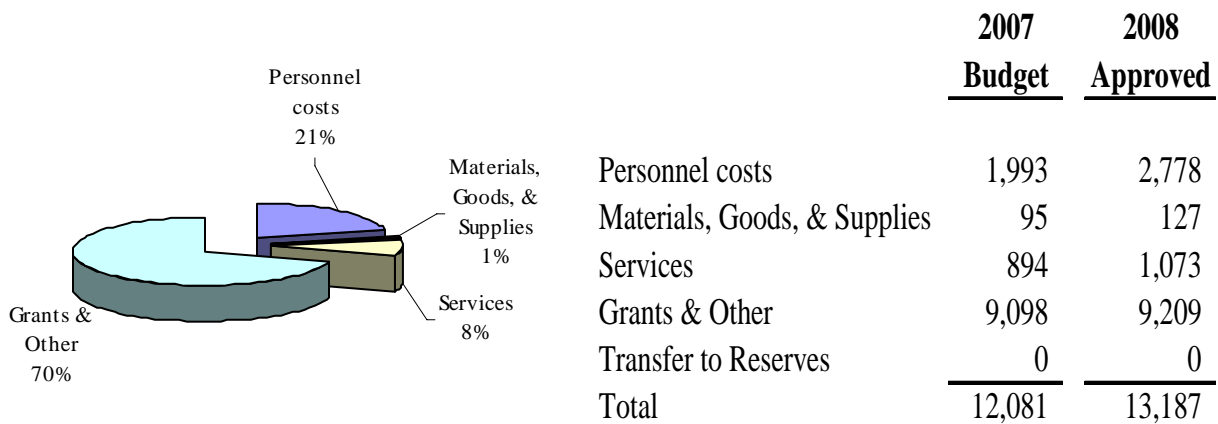


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
Landlord & Tenant Office	\$ 49	\$ 56	\$ 2	\$ 58
Housing	424	409	4	413
Grants	1,242	1,292	-	1,292
Transfers from Reserve	-	1,000	-	1,000
Total Revenue & Transfers	1,716	2,757	6	2,763
Expenditures:				
Landlord & Tenant Office	348	487	29	516
Housing	6,916	11,593	1,078	12,671
Total Expend. & Transfers	7,265	12,081	1,106	13,187
Tax Levy	\$ 5,549	\$ 9,324	\$ 1,100	\$ 10,424
Full Time Equivalents	28.0	37.0	-1.0	36.0

Resource Distribution



Housing



Budget Changes for 2008 (\$000s)

Revenue & Transfers

General Inflation increase	\$ 6
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Total Revenue & Transfer Change	<u>6</u>
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Cost increases on 2007 Services

Inflationary increases for personnel	109
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Personnel Cost Reduction Strategy	(110)
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Inflationary increases for non-personnel	204
--	-----

Establish new branch	340
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	<u>543</u>
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Service Needs

Housing Initiative Program Delivery	645
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Inflation Capping Strategy	(82)
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Total Expenditure Change	<u>\$ 1,106</u>
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Impact on Full Time Equivalent

Personnel Cost Reduction Strategy	(1.0)
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Total Full Time Equivalent Change	<u>(1.0)</u>
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Housing



**Performance Based Budgeting
Measure of Efficiency
Capacity of City Funds to Lever Non-City Funds**

<u>Year</u>		Outputs (Annual City funding commitments as a % of total capital costs of project proposals)	<u>Efficiency Standard Performance</u>
2007	Budget	\$5.22M City funding Commitments	12%
		\$43.55M total capital costs for 662 units involved	
2008			15%

Inputs:

Council's endorsement of Cornerstones, Edmonton's Plan for Affordable Housing 2006-2011, created a new funding pool with an investment of \$25 million of City funds as leverage to solicit additional amounts from other governments and non-government organizations for 2,500 additional units of affordable long-term housing in the City.

In April 2007, the Province announced annual block funding to municipalities for affordable housing as part of its Municipal Sustainability Initiative through which \$45.26 million was to be provided to the City for 2007, 2008 and 2009. Council subsequently approved, a "Road Map" for Cornerstones Plan implementation from 2006 to 2010, which outlines the proposed allocation of those funds.

Upon receipt of the Provincial funds the City will seek housing project proposal submissions from third party housing providers. Typically these housing providers will use their own funds in addition to the Provincial and Municipal funds.

The Branch will be responsible for monitoring yearly trends on the relationship between the City funds and funds from other government sources and sponsor commitments. Data on this "leveraging" of non-City funds will be reported annually at year-end.

Performance Efficiency Explanations:

A 15% "Performance Efficiency target" has been established, representing City funds allocated as a percentage of total capital costs of all housing project proposals. This target is consistent with the City's historic 15% of total Federal and Provincial subsidy under the former Alberta Affordable Housing Partnerships Initiative (AHPI). Using this 15% yardstick, in 2006, the Branch was very efficient in its allocation of total City funds of \$3.6M representing 11% of the \$33.4M total capital costs for the 629 affordable housing units involved. For 2007, subject to timely receipt of the Provincial block funding in 2007 and according to the City's Road Map for 2007, 662 additional affordable housing units will be created at a total cost of \$43.55M. The City's contribution will be approximately 12% of the total capital cost of the projects or \$5.22M. For 2008, the goal will be to continue to meet or exceed this standard, thereby demonstrating continuous efficiency in the allocation of City funding for housing leading to the development of a performance based budget to help Council evaluate whether greater resources are needed in this program.

Housing



Performance Based Budgeting Measures of Effectiveness

*Number of affordable housing units receiving City funding commitments
as a % of total annual Cornerstones unit target (500 units)*

Year	Budget	Outputs % of major projects completed on schedule	Target	Effectiveness Performance
2007	Budget	662	500	132%
2008			500	

Outputs:

Cornerstones established a target of 2,500 additional affordable housing units over the five year period from 2006 to 2010. In 2007, the Branch will contribute to the provision of an additional 662 long-term affordable housing units in Edmonton. These units will be achieved by working in partnership with industry, community agencies, and other orders of government. Challenges in meeting this target include: the need for sufficient, dedicated and sustainable (at least 10 years) funding from other orders of government, the need for less than market cost land for future affordable housing projects, the increasing costs of construction, stretched capacity and resources, and ensuring stakeholder input to be gathered in a timely and respectful manner.

With the announcement in 2007 of Provincial block funding for affordable housing the Branch should be able to exceed this target of 500 units per year. The target will be reviewed once multi-year Provincial funding is secured.

Performance Effectiveness Explanations:

Continuing to meet the 500 unit annual Cornerstones long-term affordable housing provision target is significant. By comparison the two phases of the Affordable Housing Partnership Initiative (AHPI) resulted in 750 units of affordable housing created in Edmonton over the five year period of that program. The Branch will continue to promote partnership initiatives to meet and possibly exceed this Cornerstones annual target through improved long-term planning, enhanced partner funding, and collaboration with all affected stakeholders in the delivery of specific measures to both meet affordable housing supply shortfalls and increase the affordability of housing among low income and special needs households.

The goal for 2008 is to assist with the provision of 100% of the 500-unit Cornerstones target for additional long-term affordable housing units in Edmonton in 2008.

Housing



(\$000 - incremental)

Housing Initiative Program Delivery

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	645		645	0.0			0	0.0			0	0.0

Description

To support implementation of Cornerstones, Council's Affordable Housing Strategy. The funding will support the research, policy, advocacy, program delivery and project implementation recommendations contained in Cornerstones including the provision of 2,500 units of affordable housing over the next five years and upgrading of secondary suites. This package does not include any funds to administer/implement the \$45.26 million annually that the City will receive from the Province to address affordable and transitional housing needs.

Justification

The service is required to implement Council's Affordable Housing Strategy (Cornerstones). Affordable Housing is an issue that is impacting an increasing number of Edmonton households. This package will ensure that additional affordable housing units are created in Edmonton and help households bridge the affordability gap (rent supplements). The lack of affordable housing has been identified as one of the major risk factors to continued strong economic growth, as the lack of affordable housing may negatively impact immigration and immigration which are the major source of our increasing labour market. This service package will improve efficiency and effectiveness by ensuring that available funds from other orders of government, the private sector and non-profit housing sector are fully leveraged.

The key risks that might prevent achieving the benefits of the package even if the package is funded are: increasing construction costs; lack of land for affordable housing; and lack of funding from other orders of government.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Key Outcome Area: Environment

Focus Area: Diverse Communities (Strategic Priority: "Provide affordable housing and transportation")

Key Outcome Area: Social and Cultural

Focus Area: Inclusive Communities (Strategic Priority: "Provide affordable housing and transportation")

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



Service Description

Land and Buildings is a service branch providing building and facility maintenance services and real estate services including development and sale of City lands, land acquisition, leasing and management of corporate property and parking services.

Service levels for building and facility maintenance are established to meet code and warranty requirements, and to ensure timely repair of breakdowns. Service levels for planned maintenance are determined through use of a predictive life-cycle decision model. Service volumes are influenced by new or expanded facilities added to the City's inventory through completion of capital projects.

Service levels for land acquisition are determined by capital project timelines and the volume of funded projects. Leasing activity is dependent on the inventory of properties available for lease and the demand for increased leased space to support corporate delivery of programs and services. The primary focus areas aligned with Branch operations are: Environment – Balanced Infrastructure Management, and Economic Development – Building a Positive Sustainable Urban Environment.

Operational Service Challenges

Growth in capital spending is resulting in a substantial increase in the number of new facilities and expansions that require mandated inspections and preventative maintenance. Concurrent with this growth is an increased demand for repairs and planned maintenance for conserving a large, aging inventory of existing facilities. Material and contract maintenance costs have and will continue to increase substantially more than inflation due to the strong Provincial economy.

Acquisition of office space to meet both existing requirements to address departmental service growth is a function of need and opportunity. Rapidly rising rental rates for leased space and a diminishing supply of vacant office space (particularly large blocks of contiguous space) in both the downtown and suburban market areas is drastically increasing both long term leasing and one-time fit-up costs. Short and long term space needs will be confirmed through the downtown accommodation plan that is currently underway. This will be complete before budget consideration in December.

Implementation of the Fort Road Redevelopment Plan presents a number of challenges including: environmental contamination, undersized and deteriorated infrastructure, competing development opportunities, significant property acquisitions and escalating project costs. Provision of affordable housing and achieving development that is environmentally sustainable are additional challenges to be addressed.

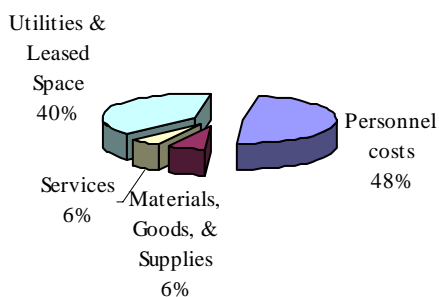
Land and Buildings



Budget Summary (\$000s)

	Operating Budget			2008
	2006	2007	Change	Approved
	Actual	Budget		Budget
Revenue & Transfers				
Parking Operations	\$ 5,663	\$ 5,501	\$ 1,514	\$ 7,015
Property Management	2,948	2,932	184	3,116
Other	744	620	(80)	540
Total Revenue	9,356	9,053	1,618	10,671
Expenditures:				
Building Maintenance	16,216	17,385	2,785	20,171
Land & Property Management	21,493	22,127	4,191	26,318
Planning & Administration	2,652	2,935	75	3,010
Transfer to Reserves	222	-	-	-
Total Expend. & Transfers	40,583	42,447	7,052	49,499
Tax Levy	\$ 31,227	\$ 33,394	\$ 5,434	\$ 38,828
Full Time Equivalents	341.2	331.9	18.5	350.4

Resource Distribution



	2007	2008
	Budget	Approved
Personnel costs	23,977	26,952
Materials, Goods, & Supplies	3,434	3,615
Services	(904)	(3,157)
Utilities & Leased Space	15,940	22,089
Transfer to Reserves	0	0
Total	42,447	49,499

Land and Buildings



Budget Changes for 2008 (\$000s)

Revenue & Transfers

Parking: Rate and Volume	\$ 1,514
Property Management rent increases	182
Other Changes	(78)
Total Revenue Change	<u>1,618</u>

Cost increases on 2007 Services

Inflationary increases for personnel	1,359
Personnel Cost Reduction Strategy	(110)
Inflationary increases for non-personnel	304
Annualized leased space costs	2,357
Contract Costs Higher than Inflation	1,477
	<u>5,387</u>

Service Needs

Operating Impact of Completed Capital Projects

Maintaining New Facilities	792
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Growth and Other New Services

Growth in Leased Space	1,200
	<u>1,992</u>

Inflation Capping Strategy	(327)
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Total Expenditure Change	<u>\$ 7,052</u>
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Impact on Full Time Equivalent

Personnel Cost Reduction Strategy	(1.0)
Land acquisition staff (charged to capital projects)	10.0
Operating impacts of completed capital projects	7.7
Other changes (annualization etc.)	1.8
Total Full Time Equivalent Change	<u>18.5</u>



Performance Based Budgeting Measures of Efficiency

Operating costs / sq ft for City office space in comparison to industry standard

Year		Annual Operating Costs	Outputs* sq. ft. of office space	Indicator:		Efficiency
				Cost/ Output	Standard Performance	
2004	Actual	\$ 2,849,000	347,887.0	\$ 8.2	\$ 8.62	105%
2005	Actual	\$ 3,110,000	347,887.0	\$ 8.9	\$ 9.51	106%
2006	Actual	\$ 3,061,000	347,887.0	\$ 8.8	\$ 9.60	109%
2007	Budget	\$ 3,305,000	347,887.0	\$ 9.5	\$ 10.00	105%
2008					\$ 10.50	

* Chancery Hall and Century Place

Inputs:

Actual data for operating costs per square foot is supplied by the Building Owners and Managers Association (BOMA) once a year, annually in their Experience Exchange Report.

Recent history (2004-2006) indicates that the City's cost to operate Century Place and Chancery Hall are 5% - 10% less than local market operating costs, for buildings of a similar size, age and classification.

Growth in cost and space needs reflects expanding City operations to meet Council objectives, while staying within local market cost parameters.

Performance Efficiency Explanations:

Analysis of the component costs (ie Maintenance, Custodial, Utilities, Security), that make up the overall cost, are evaluated to ensure that they also are within local market rates for similar services.

The actual results indicate that the City can efficiently operate its major downtown office buildings at costs that are 9% less than those of other public and private sector buildings that have participated in the BOMA Experience Exchange Report Survey in 2006.

Land and Buildings



Performance Based Budgeting Measures of Effectiveness

% of total maintenance hours planned vs. total hours of work

Year	Outputs % mtce hrs planned vs total hrs of work	Target	Effectiveness Performance
2007 Budget	45.4	53.0	86%
2008	-	53.0	

Outputs:

Planned work is that work which is predetermined by a plan, i.e. preventive maintenance or major component replacement to extend the operational life of a building system. The analogy to this is the routine oil change, or replacement of brake pads on a car.

Repair or corrective work is work done to repair a component that has failed or is about to fail. This work is discovered during preventive maintenance inspections or reported by user departments.

Demand work is work that is requested to be done by client departments. i.e. painting or renovations.

MTCE hours planned = planned work

Total hours of work = Planned work + repair/corrective work+demand work

2007 experience shows the need for repair maintenance at the expense of planned maintenance.

Examples are carpentry components that require replacement due to weathering and deterioration of components, such as window frames, doors and siding materials. Mechanical heating, cooling and plumbing projects have moved from planned maintenance to demand maintenance due to their failure prior to our ability to schedule the funds for deferred maintenance replacement.

Performance Effectiveness Explanations:

Long-term deferred building maintenance needs that now require replacement of major building components (roofs, boilers) etc. are being compiled and will be brought forward as a capital project need in the next capital budget cycle. The allocation of capital funds to address significant needs will reduce the need to direct resources to major repair/corrective maintenance. This in turn will allow the operating maintenance funds to be directed to planned maintenance activities.

Due to cost and availability of contractors, we are being asked to do work that would otherwise be done by contract. This is increasing the amount of demand work done and will affect the % of planned vs unplanned work completed.

Land and Buildings



(S000 - incremental)

Maintaining New Facilities

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	792		792	7.7	1,248		1,248	6.3	3,090		3,090	8.0

Description

New facilities and equipment under construction and scheduled to be in service in 2008-2010 require maintenance and operating support in the form of custodial service and utility payments. While new buildings and equipment come with warranties there is still the need for routine maintenance, mandated inspections and operation activities in the first year of operation.

This package provides funds for municipal tax-supported programs as well as fully recoverable services provided to Police Services, Library and Transit. Custodial service requirements and utility costs are both estimated based on the square footage of the facility and provision of similar levels of custodial services. The growth in custodial services will be met through a combination of contracted and City forces.

Justification

This service package will provide for the routine maintenance, mandated inspections and operational activities required on an ongoing basis. Custodial service and utilities must be provided to new facilities, in order to ensure efficient operations.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Outcome: Economic Development

Focus Area: Build a business positive sustainable urban environment

Quality maintenance programs of Civic facilities and effective management of facilities all focus on ensuring Edmonton is able to provide service and infrastructure to remain a favourable site to work and live.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
90		90	1.3

Land and Buildings



(\$000 - incremental)

Growth in Leased Space

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	1,200	0	1,200	0.0	3,150		3,150	0.0			0	0.0

Description

This package includes rent associated with leased space to be acquired in 2008 to accommodate City service growth, organizational changes and new initiatives.

The lease costs are based upon an assumption of partial occupancy in 2008 and are budgeted at \$1.2 million. The annualization of these costs is shown in 2009.

Justification

There is significant growth throughout all City departments in staffing required to meet anticipated service growth and new program initiatives.

Links to 2008 Strategic Direction: Focus Areas and Priorities

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
3,150		3,150	



Service Description

The Land Enterprise, administered by the Land and Buildings Branch, is responsible for the acquisition of land for municipal purposes, and for the development and sale of surplus properties. The enterprise funds the acquisition, development and servicing of the City's raw land holdings.

The Land Enterprise is comprised of two distinct land activities:

Land Development Activity involves the City's role as a land developer in the areas of acquisition, development and Land sales activities. The Land Development Activity has specific capital profiles for each individual land development project. The Industrial Land Strategy and Land Development Policy C511 provide the Council direction to guide acquisition, servicing and development of residential and industrial land.

Land Revolving Activity involves the acquisition of land for municipal purposes and disposal of land deemed surplus to municipal needs. Recent revolving activity includes the land exchange of the Royal Alexandra Hospital with the Provincial Government and implementation of the Fort Road and Quarters Projects.

Operational Service Challenges

The Land Enterprise is intended to be operated on a self sustaining basis that minimizes the use of the City's working capital to fund its operations. The objective of self sustainability over the medium and long term forecast period is being challenged by demands on the Land Enterprise to:

- provide interim financing for strategic land opportunity purchases for future capital projects and Council initiatives (estimated to exceed \$400 million over the next 5 years),
- fund the acquisition of new holdings for future residential and industrial development, and fund the clean-up of a number of contaminated sites.

The significant land acquisition requirements to support large future capital projects, such as preservation of Natural Areas and Bus Rapid Transit, coupled with unprecedented escalations in land costs, requires a proactive land assembly (with supportive funding) strategy.

Implementation of neighborhood revitalization initiatives such as the Fort Road present a number of challenges and opportunities through strategic leveraging of provincial funding.

Land Enterprise



Budget Summary (\$000s)

Operating Budget

Land Development Activity	Operating Budget			2008
	2006 Actual	2007 Budget	Change	Approved Budget
Revenue & Transfers				
Residential Sales		\$ 8,500	\$ (5,500)	\$ 3,000
Industrial Sales		9,500	16,500	26,000
Other		380	(230)	150
Total Revenue & Transfers	26,569	18,380	10,770	29,150
Expenditures:				
Cost of Sales	13,379	10,800	\$ 800	11,600
Commissions	1,554	1,282	(163)	1,119
Other	152	107	(20)	87
Total Expend. & Transfers	15,085	12,189	617	12,806
Net Income	\$ 11,484	\$ 6,191	\$ 10,153	\$ 16,344
Dividend @ 25% of Net Income	\$ 2,871	\$ 1,548	\$ 2,538	\$ 4,086
Land Revolving Activity				2008
	2006	2007	Change	Approved
	Actual	Budget		Budget
Revenue & Transfers				
Inventory Sales	\$ 2,202	\$ 5,500	4,500	\$ 10,000
Other	395	-	-	
Total Revenue & Transfers	2,597	5,500	4,500	10,000
Expenditures:				
Cost of Sales	426	3,300	(1,300)	2,000
Land Inventory Adjustment	26	500	-	500
Commissions	284	293	341	634
Financial Costs - Soccer Centre Loan	(100)	(95)	6	(89)
Other	5	5	-	5
Land Acquisition Costs	13,964	18,000	7,000	25,000
Land Acquisition Recoveries	(13,197)	(18,000)	(7,000)	(25,000)
Total Expend. & Transfers	1,408	4,003	(953)	3,050
Net Income	\$ 1,189	\$ 1,497	\$ 5,453	\$ 6,950



Service Description

Healthy by Nature, the overall mission of Parks, is to develop, manage and preserve parks and open space. The program balances efforts regarding sustainable parks maintenance and operations, environmental integrity and the creation of an attractive city for residents and visitors. This is accomplished through two focus areas:

Parks Development and Preservation

Parks development and preservation includes parkland assembly (governed by the Municipal Government Act) public open space development and construction, and the preservation of natural and environmentally sensitive areas.

Management and Operations of Parks and Open Spaces.

Management and operations of Edmonton's parks and open spaces includes turf maintenance, horticulture, parks servicing, parks traffic systems, forestry, pest management, playgrounds, sportsfields, river valley parks and trails, the tree nursery, outdoor winter activities, and operations support activities.

The mandate of Parks aligns with City Council Focus and Priority Areas:

Environment: Healthy Ecosystems, Diverse Communities, Balanced Infrastructure Management

Social and Cultural: Vibrant Communities, Safe Communities

Operational Service Challenges

Completed capital projects by the Parks Branch and capital development by others (additional inventory growth by contributed capital assets from developers, other departments, and community partners) have resulted in increased maintenance and operations requirements for the parks system. Funding is required in the following areas:

- 1) Capital development plans require Design and Construction expertise to manage the branch's expanding capital program with cost recovery from capital projects.

- 2) Parks inventory growth due to Parks capital development and contributed capital assets has increased maintenance and operations requirements. Maintaining existing service levels with contract renewal cost escalations above inflation also pose a significant challenge for 2008.

Parks

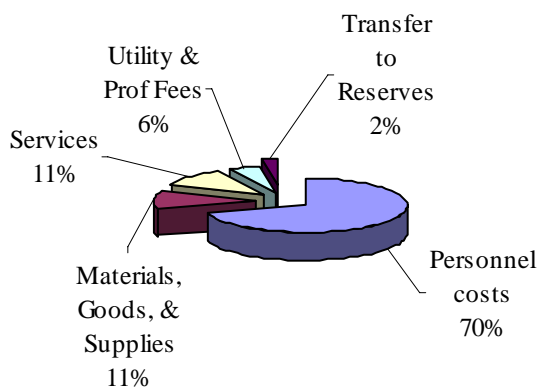


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
General Revenues	\$ 1,165	\$ 861	\$ 23	\$ 884
Grants	381	-	-	-
Transfers from Reserves	442	98	-	98
Total Revenue & Transfers	1,988	959	23	982
Expenditures:				
Management & Operation of Parks & Open Spaces	30,524	33,561	2,966	36,527
Parks Development & Preservation	3,791	3,813	631	4,444
Transfer to Reserves	1,208	1,000	-	1,000
Total Expend. & Transfers	35,523	38,374	3,597	41,971
Tax Levy	\$ 33,535	\$ 37,415	\$ 3,574	\$ 40,989
Full Time Equivalent	376.7	406.2	20.9	427.1

Resource Distribution



	2007 Budget	2008 Approved
Personnel costs	26,952	29,367
Materials, Goods, & Supplies	4,081	4,730
Services	4,273	4,744
Utilities & Professional Fees	2,067	2,130
Transfer to Reserves	1,000	1,000
Total	38,374	41,971

Parks



Budget Changes for 2008 (\$000s)

Revenue & Transfers

General Inflation Increase	\$ 23
Total Revenue & Transfer Change	23

Cost increases on 2007 Services

Inflationary increases for personnel	1,599
Inflationary increases for non-personnel	576
Contract costs higher than inflation	683
	2,858

Service Needs

Operating Impact of Completed Capital Projects

Parks Growth	711
River Valley Alliance	273

Inflation Capping Strategy (245)

Total Expenditure Change \$ 3,597

Impact on Full Time Equivalents

Annualization of 2007 Positions	1.7
Contracted turf maintenance moved to in-house	5.0
Service Need	14.2
Total Full Time Equivalent Change	20.9

Parks



Performance Based Budgeting Measures of Efficiency *Maintenance Cost per Capita*

Year		Inputs		Outputs		Indicator:		Efficiency Standard Performance
		Annual Mtce Costs (000's)		Population		Cost/ Output		
2004	Actual	\$ 22,106		710,462		\$31.11		
2005	Actual	\$ 25,862		723,788		\$35.73		
2006	Actual	\$ 25,341		742,155		\$34.15		
2007	Budget	\$ 27,446		760,000		\$36.11	\$ 36	100%
2008						\$40.00		

Inputs:

Parks has been impacted by the City's rapid growth, citizens expectations and environmental awareness over the past few years.

Performance Efficiency Explanations:

In the past growth needs have not been completely funded. In order to maintain an acceptable level of service and meet the needs of citizens several areas of the branch are restructuring and exploring new ways to attract both professional and seasonal staff. In 2008 work will also be done to assess opportunities to situate new operational yards to efficiently serve new and growing areas of the City. Additionally, costs associated with development, rehabilitation and maintenance of new parks, that have traditionally been looked at from a strictly operational perspective, will be evaluated to ensure that the corresponding support for operations is included as part of future costing.



**Performance Based Budgeting
Measures of Effectiveness**

Hectares of turf maintained

Year		Outputs	Target	Effectiveness Performance
		Hectares Maintained		
2004	Actual	4,523	-	
2005	Actual	4,593	-	
2006	Actual	4,693	4,593	102%
2007	Budget	4,787	-	
2008			4,869	

Outputs:

As the city grows new parkland inventory is received. Growth is generated via capital park development as well as new landscaping and park assets contributed via other departments, developers and partnership projects.

Performance Effectiveness Explanations:

The amount of growth in inventory is not controlled to any standard, but is dictated by the speed and scale of urban growth and development. The primary proponent of this growth is the development industry which is predominantly governed by the economic climate.

Parks



(S000 - incremental)

Parks Growth

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	711		711	14.2	651		651	7.3	672		672	7.3

Description

The impact of growth on Parks operations and maintenance is derived from two sources: Parks' own capital projects, and parks inventory turned over by developers, other departments, and partnership projects. The volume and cost of the maintenance activities is based on costing provided through Plant Maintenance. Planned activities include turf maintenance, horticulture, playgrounds, parks servicing and traffic systems, tree maintenance and pest management.

In addition to the maintenance impacts, additional operations and technical support is required to address the growth in inventory and the growth in capital projects to be managed.

Justification

Funding Parks inventory growth will avoid the erosion of existing Park maintenance cycles and ensure park infrastructure is maintained to acceptable levels.

Funding of the other activities will provide for timely park development to meet public expectations, ensure existing systems and processes are kept up to date and allow for continued stewardship of the parks system in an efficient and effective manner.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Outcome: Environment

Focus area: Healthy Ecosystems. Priorities: • Minimize the impact of human activities on our air, land, and water systems; • Use our natural resources prudently; and • Maintain biodiversity.

Outcome: Social and Cultural

Focus Area: Vibrant Communities. Priorities: • Encourage recreational, cultural, artistic, and entertainment opportunities for all residents

Focus Area: Safe Communities. Priorities: • Promote physical environments where people of all ages can safely participate in normal daily activities

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
49		49	1.8

Parks



(\$000 - incremental)

River Valley Alliance

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	273		273	0.0	0		0	0.0	(273)		(273)	0.0

Description

The River Valley Alliance (RVA) requires additional funding to implement the key tasks and deliverables of their work plan to advance the Capital Region River Valley Park Plan of Action. Ultimately the plan envisions the creation of a world class metropolitan riverfront park for the Capital Region. Major categories of work include: sustainable funding support, communications, strategic partners, access to the land base and a governance review. Support for this initiative requires an increase to the Parks Branch operating budget by \$273,000 each year for 2008 and 2009.

Justification

The City of Edmonton has supported and approved the River Valley Alliance “Plan of Action” and continued support of the River Valley Alliance will enable the realization of the vision for the river valley.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Outcome: Environment

Focus area: Healthy Ecosystems. Priorities: • Minimize the impact of human activities on our air, land, and water systems; • Use our natural resources prudently; and • Maintain biodiversity.

Outcome: Social and Cultural

Focus Area: Vibrant Communities. Priorities: • Encourage recreational, cultural, artistic, and entertainment opportunities for all residents

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
-		-	-



Service Description

Project Management and Construction provides capital project management services from concept to implementation, acceptance and warranty. Specific project management functions include planning, design and contract administration for new construction, rehabilitation and renovation projects to City buildings and facilities. The Branch also provides leadership in sustainable building and facility design.

Service level demand is determined by the number and type of new buildings and major renovation projects funded in the City's Capital Priorities Plan. Service level is also affected by the requirements of various building, health and safety and energy management codes and guidelines.

Project Management and Construction is aligned with three key outcome areas namely Social & Cultural, Environment and Governance. The Branch's primary focus areas are Vibrant Communities and Safe Communities. Secondary focus areas are Healthy Ecosystem, Balanced Infrastructure Management and Building Organizational Capacity.

Operational Service Challenges

Service Challenges faced by Project Management & Construction are highlighted below:

1. **Rising Material and Construction Costs, Competition for Contractors/Consultants** – Material and construction contract costs have increased by more than 25% in 2007 and will continue to increase substantially more than inflation due to the vibrant local and provincial economy, and global economic factors. High demands within the construction industries make it very difficult to obtain the timely services of consultants and contractors at a reasonable cost.
2. **Energy Conservation/Environmental Compliance** - Increasing utility costs, targets for green house reduction and Federal & Provincial programs for energy efficiency resulted in more sustainable objectives. More stringent environmental standards and enforcement have also placed increased demands on staff to identify obsolete or unsafe mechanical or electrical components, and ensure their safe removal and replacement prior to breakdown.
3. **Land Acquisition** - Land availability is becoming increasingly important in attempting to commence and complete the capital program. Without satisfactory land properties, initiation of major capital projects are unnecessarily delayed, resulting in increased construction costs.

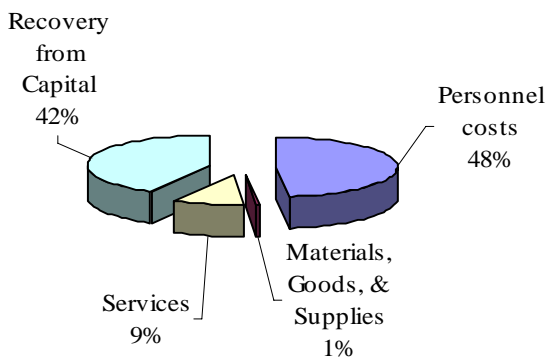
Project Management and Construction



Budget Summary (\$000s)

	Operating Budget			2008
	2006 Actual	2007 Budget	Change	Approved Budget
Revenue & Transfers				
Transfer from Reserves	-	330	-	\$ 330
Total Revenue & Transfers	-	330	-	330
Expenditures:				
Engineering Services	1,160	1,448	66	1,514
Total Expend. & Transfers	1,160	1,448	66	1,514
Tax Levy	\$ 1,160	\$ 1,118	\$ 66	\$ 1,184
Full Time Equivalents	40.0	41.0	4.0	45.0

Resource Distribution



	2007 Budget	2008 Approved
Personnel costs	3,770	4,449
Materials, Goods, & Supplies	74	74
Services	589	875
Recoveries from Capital	(2,985)	(3,884)
Transfer to Reserves	0	0
Total	1,448	1,514



Budget Changes for 2008 (\$000s)

Revenue & Transfers

\$ -

Total Revenue & Transfer Change

-

Cost increases on 2007 Services

Inflationary increases for personnel at 5%

204

Inflationary increases for non-personnel

17

Inflation on resources charged to capital

(149)

72

Inflation Capping Strategy

(6)

Total Expenditure Change

\$ 66

Impact on Full Time Equivalent

Capital project growth demands

4.0

Total Full Time Equivalent Change

4.0



Performance Based Budgeting Measures of Efficiency

% of capital budget expended (owned and managed for clients)

Year		Outputs % of capital budget expended	Efficiency Standard Performance	
2007	Budget	75	75	100%
2008		-	75	

Inputs:

This Branch has worked over the past 12 months to address escalating project costs and to provide client departments and Council with information to make informed decisions on projects which saw increases greater than 50% over the pre-tender cost estimates. By re-evaluating or re-tendering a number of projects were delayed and in some cases cancelled.

Performance Efficiency Explanations:

Project Management and Construction is still on track to expend 75% of the budget allocated for 2007. Current reporting is reflective of the Q1 and Q2 only and doesn't reflect the fact that most construction dollars which made up of approximately 80% of the budget will be spent in Q3 and Q4 as the projects are now into construction .

The goal for 2008 is to expend 75% of budget allocated.



Performance Based Budgeting Measures of Effectiveness

% of major stand-alone projects completed within client accepted schedule

Year		Outputs % of major projects completed on schedule	Target	Effectiveness Performance
2007	Budget	66	85	78%
2008		-	85	

Outputs:

Project Management and Construction was created in March of 2006. Since that time work has been done to assess and restructure to meet the challenges of a rapid growing city. One of the main priorities of the Branch is to set realistic targets and schedules for projects. In 2008 we will continue to work with the Client Departments to ensure expectations and scopes are clearly defined and realistic project schedules are agreed to. Working with client departments we are better able to address growth pressures which are impacting all construction projects. These pressures include: increased need to purchase land for projects sooner (up to 3 years prior to construction), increase time for design approval and permits due to the volume of projects (not just City), ensuring Citizen input is gathered in a timely and respectful manner, cost escalation and stretched capacity/resources.

In the past two years, cost escalation has made it necessary to defer or cancel some capital works. These hard choices will continue to be made as necessary when tenders come in substantially higher than project estimates.

Performance Effectiveness Explanations:

78% effectiveness for project completion provides great opportunity for improvement and is also a driver for continual improvement for the Branch. A number of enhancements to the management of projects are currently being implemented to achieve a better result on this performance measure. These include greater involvement of client departments, earlier identification and purchase of land, closer working relationship and better understanding of the needs of the Edmonton Design Committee and working with the Industries and Material Management Branch to explore alternative procurement strategies to help us succeed.

The goal for 2008 is to complete 85 % of the major planned stand-alone projects within client accepted schedule .



Service Description

The Waste Management Branch delivers core, customer-focused services consisting of:

Collection, processing and disposal of residential and non-residential waste and recyclables;

Management of Capital City Clean Up and delivery of several initiatives such as servicing of litter containers, Big Bin Program, Block Captain Program, Business Supporting Community Program; and

Public education and volunteer activities that are integral to the delivery of waste management services.

The Municipal Government Act, the Environmental Protection and Enhancement Act, and the Occupational Health and Safety Act indicate the responsibilities for managing municipal solid waste and delivering services in an environmentally responsible and safe manner.

The operational and support activities of the Waste Management Branch are required to provide core services that are necessary to maintain a clean and healthy city, enhance its appearance, and contribute to sustaining our environment.

Focus Area & Priority Alignment

Outcome: Environment. Focus Area: Healthy Ecosystem

Outcome: Social and Cultural. Focus Area: Vibrant Communities

Outcome: Governance. Focus Area: Capitalize on regional growth and development with neighboring municipalities

Operational Service Challenges

1. **Growth-** Growth challenges are the number and location of new housing units and diminishing labour pool talent. Up to 600 new single and multi-family units per month require waste management services with the majority located at the outer areas of the city requiring longer travel times on congested roadways to get to them. Alberta's growth induced labour needs have translated into a significant increase in labour management activities and escalated contract costs.
2. **Depletion of In-City Disposal Capacity** – The pending closure of local landfills in two to five years necessitates the development of processing and transfer capacity, gasification technology to convert residual material from recycling and composting to a synthetic gas, and hauling to remote landfill. The challenge faced is to develop facilities on time and for an affordable price.

Waste Management

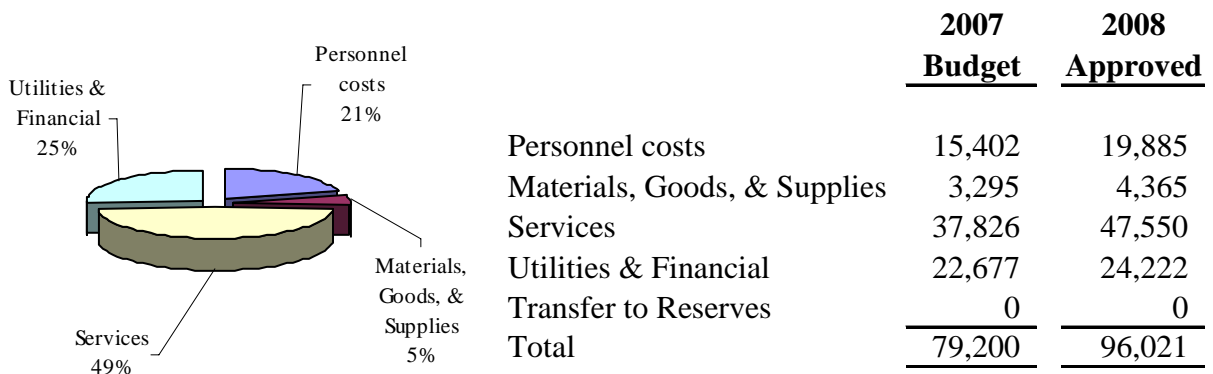


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
User Fee Revenue	\$ 40,072	\$ 43,188	\$ 4,833	\$ 48,020
Operations Revenue	12,070	9,922	5,735	15,657
Transfer from Reserves		3,341	(751)	2,590
Total Revenue & Transfers	52,142	56,451	9,817	66,268
Expenditures:				
Collection & Customer Service	26,408	28,902	8,345	37,247
Processing & Disposal	45,587	50,298	8,476	58,774
Transfer to Reserves	743	-	-	-
Total Expend. & Transfers	72,738	79,200	16,821	96,021
Tax Levy	\$ 20,596	\$ 22,749	\$ 7,004	\$ 29,753
Full Time Equivalents	234.2	255.6	44.7	300.3

Resource Distribution





Budget Changes for 2008 (\$000s)

Revenue & Transfers

User fees: Customer growth and fee increase	\$ 4,833
Operations: Landfill disposal volume growth	5,735
Reserve transfer: Lower requirement	(751)
Total Revenue & Transfer Change	9,817

Cost increases on 2007 Services

Personnel: Impact of union contract	1,157
Contract tenders beyond inflation	5,282
Increased disposal volumes at EWMC	2,252
Non-personnel: Inflationary increases	1,464
Financing of Capital Priorities Plan Projects	1,550
Full year of waste hauling to Ryley landfill	2,200
	13,905

Service Needs

Growth in Waste Management Service	2,311
Graffiti Management Strategy	1,002
Construction Waste Recycling Initiatives	390
	3,703

Inflation Capping Strategy	(787)
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Total Expenditure Change	\$ 16,821
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Impact on Full Time Equivalents

Union contract impacts	8.2
Service needs	36.5
Total Full Time Equivalent Change	44.7

Waste Management



Performance Based Budgeting Measures of Efficiency

Collection costs per tonne of material collected at curbside

Year		Annual Operating Costs (000's)	Outputs Single family collection volumes (in tonnes)	Comparative Indicator:		Efficiency Performance
				Cost/ Output	Standard	
2004	Actual	\$ 17,747,767	255,644.0	\$ 69.4	\$ 69	99%
2005	Actual	\$ 19,366,402	255,273.0	\$ 73.6	\$ 69	94%
2006	Actual	\$ 20,380,568	264,145.0	\$ 71.1	\$ 69	97%
2007	Budget	\$ 22,748,292	271,328.0	\$ 73.4	\$ 69	94%
2008		\$ 26,949,485	281,678.0	\$ 95.7	\$ 95	99%

Inputs:

The current labour challenges will continue into 2008. In addition, up to 600 new single and multi-family units per month require waste management services with the majority located at the outer areas of the city requiring longer travel times on congested roadways to get to them. Alberta's growth induced inflation and labour challenges have translated into a significant escalation in contractor costs and increase in labour management activities. The overall impact is increasing cost of providing service.

Performance Efficiency Explanations:

The increase in the performance efficiency indicator is necessitated by the significant escalation in contractor costs, labour challenges in to-day's Alberta and the continued underfunding of collection vehicles to meet growth demands



Performance Based Budgeting Measures of Effectiveness *Missed collection complaints per 10,000 stops*

Year		Outputs Missed collection complaints	Target	Effectiveness Performance
2004	Actual	1.64	3.00	183%
2005	Actual	1.47	3.00	204%
2006	Actual	2.31	3.00	130%
2007	Budget	4.00	3.00	75%
2008	Budget		3.00	

Outputs:

Edmonton's continued growth in 2008 will require an increase in collectors/drivers for both City and contractor operations. With the quality and quantity of the available labour pool for waste collectors/drivers not expected to improve in 2008, customer concerns regarding missed collection may remain higher than in previous years.

Performance Effectiveness Explanations:

The performance target of 3 per 10,000 stops is a very high industry standard but reflects the expectations of Edmontonians. The continued resource challenges faced by City and contractor operations will continue to adversely impact customer service levels. This will especially be experienced during peak waste collection seasons - Spring and Fall.

Waste Management



(S000 - incremental)

Growth in Waste Management Service

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	2,311	1,023	1,288	26.8	1,208	477	731	2.2	1,062	490	572	2.2

Description

Tax Supported:

- Collections - Resources for collection of waste and recyclables to meet the challenges of servicing new residential development, increasing population, increasing travel distances and traffic, increasing bin maintenance and Edmonton's labour market conditions. Resources included in this service package do not include the required capital funding needed for the purchase of waste collection vehicles to meet growth demands. This is currently unfunded in the Mobile Equipment Services Branch Capital Budget.
- Capital City Clean Up - Support for growth in participation of Adopt-A-Block, Business Supporting Community and Big Bin initiatives and more complimentary waste and litter collection services for these initiatives and business areas.

User Fees:

- Processing and Disposal - Continued increase in traffic and materials to be handled in all operations at the Edmonton Waste Management Centre.

Justification

The collecting, transporting, processing and disposing of waste, recyclables and litter are core, front line services needed in response to the demands of a growing population and new development. In addition, the response of residents and business to Capital City Clean Up continues to grow with hundreds of residents participating as Block Captains. Collectively, all services contribute to a clean and healthy city, support a positive business environment and enhance civic pride.

The increase in processing and disposal operations is required to meet growth demands and is funded by user fees within the funding strategy for the Waste Management Branch.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Environment - Healthy Ecosystem

- Management of growth demands with due regard for environmental impact and sustainability.

Social and Cultural - Vibrant Communities

- Accommodation of growing community support for Capital City Clean Up initiatives in particular, development and management of collaborative approaches between individuals, community groups and businesses to enhance the appearance of the city by executing anti-litter programs.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	

Waste Management



(\$000 - incremental)

Graffiti Management Strategy

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	1,002	75	927	5.5			0	0.0			0	0.0

A comprehensive Graffiti Management Strategy (GMS) was approved by the Transportation and Public Works Committee (TPW) for consideration during the 2008 budget deliberations. The GMS presented to TPW required funding of \$927,000 and included activities in the four "E" elements associated with successful strategies - Engagement, Eradication, Education and Enforcement. Main components of these elements include the establishment and co-ordination of a graffiti management committee to engage key internal and external stakeholders including the Edmonton Police Services, direct support of graffiti removal community groups, eradication of graffiti in six high incident locations in the city, establishment of a mobile graffiti removal unit, development of education tools to increase awareness about graffiti, and increased bylaw enforcement.

Justification

Graffiti, like litter, is a shared responsibility. It can only be managed effectively if the City takes a lead role in co-ordinating and delivering initiatives in conjunction with the Edmonton Police Service (EPS), community groups, businesses and residents. If left unattended, graffiti will grow and have a pronounced negative impact on the safety and appearance of our City with associated negative economic impacts. Chief Boyd of the EPS has clearly stated that it is an example of physical disorder in our communities.

Edmonton does not have a coordinated, properly resourced approach to graffiti management. This has resulted in sporadic efforts toward eradication and a sense of frustration among many key stakeholders. At the available funding level of \$927,000 the desired coordinated approach to graffiti management will be implemented and concrete steps towards eradication of graffiti initiated.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Social and Cultural - Vibrant Communities

- Development, coordination and/or delivery of Capital City Clean Up (Graffiti Management) initiatives to enhance the City's appearance and liveability.
- Development and management of collaborative approaches between individuals, community groups and businesses to execute graffiti management programs.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes

Waste Management



(\$000 - incremental)

Construction Waste Recycling Initiatives

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	390	390	0	4.2	6	6	0	0.0	6	6	0	0.0

In October 2007, a small scale construction and demolition (C&D) waste recycling operation was started at the Edmonton Waste Management Centre to receive and recycle segregated small loads of drywall, metals, concrete, asphalt, wood and shingles, and to process a limited number of small mixed loads that can be easily separated into these categories for recycling.

The funding requested provides for the labour and equipment to better meet operational needs including those of the small haulers, and is tempered by available space at the Edmonton Waste Management Centre.

Justification

This C&D initiative is in direct response to the City's commitment to waste reduction and reuse, customer needs, Council's commitment to a LEED Silver building standard, a pending provincial program for C&D waste, and rapidly depleting landfill capacity in the Edmonton area.

The increase in operations is funded by user fees within the funding strategy for the Waste Management Branch.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Environment - Healthy Ecosystem

- Responsible management of municipal solid waste
- Responsible operation of waste processing facilities.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



Service Description

The Neighbourhood and Community Development Branch (NCD) enriches community life by working with others to strengthen individuals, families and organizations, supporting neighbourhood aspirations, and engaging people in the development of their communities.

Key responsibilities include:

- Community Building GeoTeams—consist of CRC's and Social Workers assigned to residential neighbourhoods to provide support through social and recreation programming, organizational development, facilitation and community development.
- City-Wide Programs and Supports—include Family and Community Support Services, Community Investment Grants, and supports to Communities of Interest such as Seniors and the Next Gen—ers.
- Targeted Community Services—include Assessment and Short Term Counselling, Spousal Violence and Elder Abuse Intervention Teams.

Strategic Services provides leadership and expertise to achieve departmental and branch outcomes through corporate and departmental alignment, research, planning and policy development, managing department processes, and measurement and evaluation.

Focus Area and Priority Alignment:

Environment—Diverse Communities

Social and Cultural—Vibrant Communities, Inclusive Communities, Safe Communities

Economic Development—Business Positive Urban Environment, Promotion and Partnerships

Governance—Organizational Capacity

Service Challenges

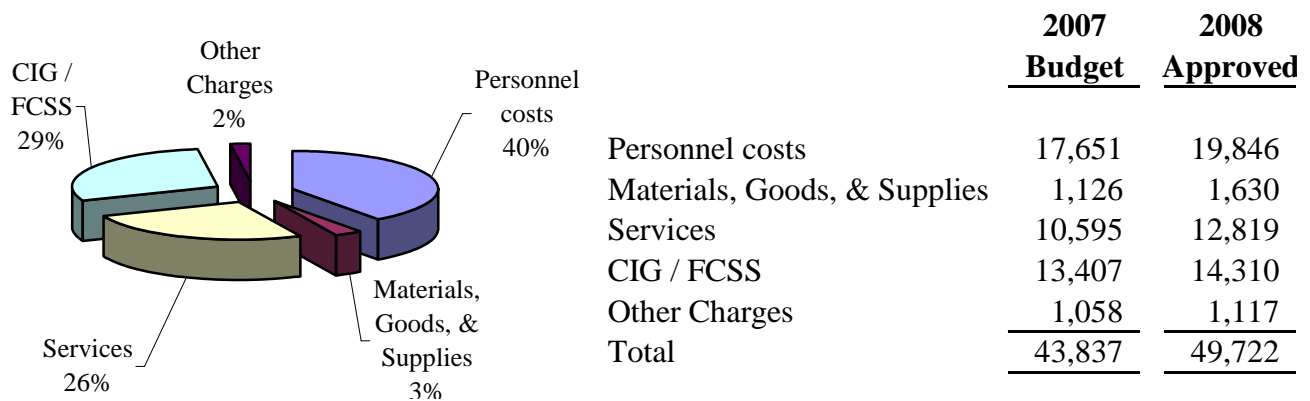
- Proper coordination of civic services is required at the neighbourhood level. Coordination of neighbourhood development and community planning requires resources to integrate and align service delivery across the organization. This will contribute to the achievement of sustainable outcomes for neighbourhoods.
- Demand for NCD services is increasing with the growth of the City. Important programs and services are in need of additional capacity to serve public needs effectively. Resources are required for the department and external stakeholders facing staff/volunteer shortages and rising expenses.
- Council and citizens have an increased focus on the quality of life in Edmonton. This includes challenges facing at risk groups, leisure and recreation opportunities, and the quality of municipal infrastructure in neighbourhoods. Many of the responsive services are managed through the NCD branch.
- Establishment of the Office of Community Safety will support and align the efforts of community based public safety initiatives. Collaborative efforts will maximize resources, becoming more sustainable and effective.
- The population being served by the City of Edmonton is aging. Development of a plan to improve services to this demographic sector will enhance the organization's ability to provide quality services to a major sector of the community.
- Escalating operating costs such as utilities, insurance and labour are reducing the capacity of service organizations to deliver programs and services across the City. Increased operating grants would help these organizations develop capacity and continue to deliver effective programs and services in Edmonton.
- The Social Enterprise Fund (SEF) provides needed financing and technical assistance to social enterprise projects in Edmonton. Innovative and sustainable financing opportunities are needed to enhance the capacity of charitable organizations, non-profits, and cooperatives working to meet social demands.
- The Joint-Use Agreement (JUA) is a formal agreement designed to optimize use of publicly funded facilities, making schools available to community groups after school hours and providing schools with access to arenas, pools and other city facilities during the day. Additional resources are required to manage this program effectively. Future needs will include the development of a land agreement that will respond to Ministerial direction for land use.



Budget Summary (\$000s)

	Operating Budget			2008
	2006	2007	Change	Approved
	Actual	Budget		Budget
Revenue & Transfers				
General Revenues	\$ 1,675	\$ 853	\$ 34	\$ 887
Grants	14,961	15,237	467	15,704
Total Revenue & Transfers	16,636	16,090	501	16,591
Expenditures:				
Program Expenditures	\$ 40,040	\$ 43,837	\$ 5,885	\$ 49,722
Total Expend. & Transfers	40,040	43,837	5,885	49,722
Tax Levy	\$ 23,404	\$ 27,747	\$ 5,384	\$ 33,131
Full Time Equivalent	223.6	238.0	16.1	254.1

Resource Distribution





Budget Changes for 2008 (\$000s)

Revenue & Transfers

Volume & Rate Change	\$ 34
FCSS Grant Increase	117
MSI Grant Funding	350
Total Revenue & Transfer Change	<u>\$ 501</u>

Cost increases on 2007 Services

Inflationary Increase for Personnel Costs	\$ 1,161
Delayed hiring/vacancy discounting personnel cost reduction	(81)
Inflationary Increase for Non-Personnel Costs	624
Annualization of 2007 Approved Service Packages	161
Increase in FCSS Grant Expenditures	117
Inflation Capping Strategy	(177)
	<u>1,805</u>

Service Needs

Growth and Other New Services	
Neighbourhood Development	600
Responding to Growing Communities	655
Joint Use	150
Community Investment Grants (funded by MSI grant)	350
Social Enterprise Fund	1,800
Aviation Museum and Office of Community Safety	225
Multicultural Grant Program	300
	<u>4,080</u>

Total Expenditure Change	<u>\$ 5,885</u>
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Impact on Full Time Equivalent

Annualization of 2007 Approved Service Packages	2.0
Growth and Other New Services	14.1
Total Full Time Equivalent Change	<u>16.1</u>

Cost recovery ratios

Cost recovery ratio trend

Over 95% of revenues in this program are from grants or cost recoveries which are not expected to change significantly.



Corporate Performance Measures

Efficiency Measures

Support to Community Groups

Year	No. of Neighbourhoods	FTEs in support	FTE compared to Neighbourhoods
2004	333	67	0.201
2005	338	68	0.201
2006	344	70	0.203
2007 (projected)	350	70	0.200
2008 (projected)	355	74	0.208

Grant Administration

Year	Amount of Grant Funds & Subsidies Administered	FTEs in support	FTEs per \$100K Grants Administered
2004	\$16,836,326	20	0.119
2005	\$17,908,893	20	0.112
2006	\$18,369,193	20	0.109
2007 (budgeted)	\$19,835,893	21	0.106
2008 (budgeted)	\$20,827,000	22	0.106

Effectiveness Measure

Year	% of Community Groups Whose Relationship with Community Services Increased Their Capacity to Serve Their Members
2004	n/a
2005	n/a
2006	n/a
2007	75.7%
2008 (projected)	77.0%

Corporate Performance Measure Explanations:

- An increase in the demand for support to neighbourhoods and communities of interest has occurred during this period of high economic and population growth.
- Grants have been increased to provide much needed support to non-profit agencies delivering community based services.
- Corresponding staff resources have not kept pace with the increased number of neighbourhoods and available grant funding.



Additional Performance Measures

(The data shown here is the city average, on a per neighbourhood basis)

	<u>2006 Report</u>
<u>Economic/Employment</u>	
Number of households with low income	127
Percent unemployed (25+)	3%
Number of food bank users	228
Number of Supports For Independence (SFI) recipients	59
<u>Social Health & Wellness</u>	
Number of child Welfare cases	12
Number of lone parent families	153
Number of people who have moved in past year	587
Hospital emergency room visits	347
Hospitalization rate (number of hospitalizations per 1,000 residents)	85
<u>Personal & Community Safety</u>	
Number of incidents of property crime	166
Number of incidents of violent crime	28
Number of offenses committed by juveniles	22
<u>Education</u>	
Percent of population over 20 years old with less than grade 9	6%
School transiency rate (rate of transfer in, transfer out and withdrawals)	20%
<u>Housing</u>	
Number of dwellings needing major repairs	92
Percent of dwellings which are rented	31%
Number of households paying over 30% of income on shelter costs	113
<u>Physical & Natural Environment</u>	
Number of hectares of public parkland & open space per 1000 residents	8
Condition of playgrounds (1 is Poor, 2 is Fair, 3 is Good)	2.65
Condition of sidewalks, paths and roadways (Highest score is 20)	13.7

Neighbourhood Performance Measure Explanations:

- These indicators were developed as part of the Neighbourhood Revitalization project, and are used to identify high priority neighbourhoods within the city for community development activities.
- While the data shown here is the average for the city, data is also available on a neighbourhood by neighbourhood basis, allowing for much more targeted action.
- The initial indicators were developed in conjunction with the University of Alberta, who also generated the initial set of data.
- This data is based on a variety of sources, including Stats Canada census data.
- An updated 2007 dataset is expected, although it will depend on 2006 Census data, and therefore will not be available until 2008.



(\\$000 - incremental)

Neighbourhood Development

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	600	0	600	4.0	50	0	50	0.0	0	0	0	0.0

Description

This service package provides support for Neighbourhood Development. This includes resources to increase projects in collaboration with businesses and residents of the community as part of neighbourhood development and revitalization.

The funding will support coordination and alignment of neighbourhood service delivery by the corporation in neighbourhoods.

Justification

Integrated and aligned neighbourhood service delivery is important across the corporation and for citizens. Neighbourhood development resources will improve the alignment and efficiency of the organization and facilitate revitalization of neighbourhoods in need. This package will improve the effectiveness of municipal resources invested in providing neighbourhood services.

This service package will improve coordination of municipal services delivered to Edmonton's neighbourhoods.

Resources from this package will improve the corporate performance on effectiveness measures by supporting partnering community groups to improve their capacity to serve their members.

If unfunded, integrated planning and coordination of neighbourhood services will not occur. Enhanced outcomes and improved service to the public will not be realized.

Cross-departmental participation, access to information, and definition of roles and responsibilities for corporate resources will continue as challenges in the short-term.

Performance will be improved through coordinated planning and central communication with the public.

Results will be seen incrementally over the next few years. The City will see benefits within the three years of this budgetary cycle once the coordination of neighbourhood services is fully implemented across the organization.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Vibrant Communities" focus area, supporting the strategic priority to "Facilitate revitalization of neighbourhoods in need".

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs

Neighbourhood and Community Development



(\$000 - incremental)

Responding to Growing Communities

2008				2009				2010			
Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
655	0	655	6.7	734	0	734	9.3	325	0	325	4.0

Description

This service package will improve the capacity of the branch to provide social and cultural services to the community as follows:

- administering not-for-profit grant programs,
- developing partnerships to offer recreation programs in emerging neighbourhoods,
- supporting emerging communities through partnerships with businesses, governments, voluntary organizations and citizens, and
- additional Community Recreation Coordinators, that play an important role in facilitating neighbourhood development by working with not-for-profit organizations, community leagues and citizens to ensure social, recreation and cultural opportunities. CRCs also play a vital role providing information and linking citizens and neighbourhoods to services throughout the corporation.

The demand for services has increased as Edmonton's population has increased. The funding will enable the department to address eroding service levels.

The 2009 forecast includes the annualization of positions approved in 2008. Also included in the 2009 and 2010 forecast is the additional emerging needs identified by program area.

Justification

The 2006 Census shows Edmonton's population has grown to over 750,000 (over 1 million for the CMA). Growth and diversity place increased demands on municipal services. Additional resources are required to maintain an effective level and scope of services to the community.

Service will be improved through an increased capacity to provide neighbourhood services and programs to the public. This package supports a variety of social and recreational programs throughout the City.

Resources from this package will contribute to branch performance by improving the ratios of resources to the services provided. Additional resources will enhance the satisfaction of partnering community groups.

If unfunded, these programs will not have sufficient capacity to serve the needs of our growing population effectively. The resources needed to maintain some of these programs will not be available.

Growth in Edmonton will continue to put pressure on the all resources that serve the community. NCD works in conjunction with numerous external partners who may not be able to maintain their programs and services, thus increasing the demand on the direct services provided by the department.

This package will improve performance by providing the needed resources to provide a suitable level of service to the public.

Outcomes from funding this package should have an impact in the short term once resources are in place.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Vibrant Communities" and "Inclusive Communities" focus areas, supporting the strategic priorities to "Encourage recreational, cultural, artistic and entertainment opportunities for all residents", "Continue to target programs and services to segments of the community", and "Encourage ethno-culturally sensitive services".

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
84	-	84	1.3

Neighbourhood and Community Development



(S000 - incremental)

Aviation Museum and Office of Community Safety

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	225	0	225	1.7	108	0	108	2.3	225	0	225	3.0

Description

This service package enhances the Department's ability to support and partner with not-for-profit organizations that contribute to the vibrancy and safety of Edmonton.

The Alberta Aviation Museum Society is working toward a goal of long-term sustainability and anticipates needing 3 years of funding to enhance the Museum's ability to market itself as a tourist attraction. (\$125K in 2008)

Funding will establish the Office of Community Safety whose staff and resources will support and align the efforts of community based public safety initiatives. (\$100K in 2008)

Justification

These services are needed to:

1) Aviation Museum - The Aviation Museum is an important part of the diverse cultural and historical experiences available in Edmonton. This funding will provide the opportunity for the Museum to enhance their profile as a primary tourist destination. 2) Office of Community Safety - Central co-ordination of community safety initiatives will improve the organization's ability to respond to the needs of the community. An Office of Community Safety will be able to target specific issues more effectively by leveraging the skills and resources of multiple community organizations.

This package makes services to the public better:

1) Aviation Museum - The Alberta Aviation Museum is an important part of the diverse cultural and historical experiences in Edmonton. The funding will provide the opportunity for the museum to enhance their profile as a primary tourist destination in the city. Office of Community Safety - Service to the public will be improved through targeting efforts across the community. Planning across the entire organization will ensure that application of available resources are balanced and applied to priority challenges.

This package links to the program measures of efficiency and effectiveness by:

1) Aviation Museum - Satisfaction of the public will be enhanced through improved knowledge of the cultural/recreation/tourism opportunities that are available. 2) Office of Community Safety - The Office of Community Safety will use resources more effectively. The efforts of stakeholders will be coordinated to proactively target community safety issues, improving overall outcomes for the community.

Impacts of not funding this package include:

1) Aviation Museum - Not funding the package will limit the ability of the museum to properly market itself. 2) Office of Community Safety - Will impede central coordination of safety services to the public.

Key risks that prevent achieving the benefits of this package include:

1) Aviation Museum - The actions taken are unable to attract the anticipated increase in public use. 2) Office of Community Safety - Organizational commitment to a coordinating entity is not developed.

This package improves performance by:

1) Aviation Museum - Increasing overall satisfaction of the public with Aviation Museum. The results will be measurable by the end of the three year funding program, with success determined by the end of dependence on public funding to continue museum operations. Office of Community Safety - Organizational planning will be improved within the first few months after implementation, with improved community outcomes over the longer-term of the program.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Safe Communities" focus area, supporting the strategic priorities to "Facilitate community-based partnerships to promote safety and security and encourage prevention" and "Continue to focus on community-based policing".

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
13	-	13	0.3



(\$000 - incremental)

Joint Use Agreement

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	150	0	150	1.7	23	0	23	0.3	0	0	0	0.0

Description:

This service package will provide funding for additional resources to manage the Council Approved Joint Use Agreement (JUA) with the three school boards in Edmonton. The service package includes planning and administrative staff support for the joint use agreement.

Resources from this package will coordinate, liaise, facilitate, plan, project manage, and implement a broad variety of School Board related projects such as the First-Time Home Buyers program. Projects include the development and implementation of the new JUA, supporting 2008 land discussions, managing process for surplus school sites, providing input on school closures, policy development, monitoring, reporting, and performance measurement.

This package will provide needed resources to manage a body of work that has increased in scope and public attention over the past several years. Lands impacted include the reserve and non-reserve, and vacant and built school sites.

Justification:

The JUA is a Council approved formal agreement dating back to 1959 designed to optimize the use of publicly funded school and city facilities for the benefit of the citizens of Edmonton.

This package will provide the administration the appropriate resources to manage all aspects of current and future JUAs effectively.

Funding for this package is linked to the Strategic Services effectiveness measure by improving the level of service provided to stakeholders (improved satisfaction).

If unfunded, the JUA will remain under-resourced and the city will continue to be challenged to meet timelines for response as identified in the JUA.

Key risks to achieving the benefits of this program include growth in demand and partnership participation. Increased demand for the program will create greater strain on the administration.

The package will improve the City's ability to manage the JUA as currently defined. The JUA is expected to be renegotiated in the near future.

Results will measurably improve in the short-term upon implementation and staffing.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Environment", "Social and Cultural", and "Economic Development" council outcomes, in the "Balanced Infrastructure Management", "Vibrant Communities", "Inclusive Communities", and "Promotion and Partnerships" focus areas, supporting the strategic priorities to "Balance available resources...", "Encourage recreational, cultural, artistic and entertainment opportunities for all residents", "Continue to target programs and services to segments of the community", and "Build effective relationships with key city-building partners".

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
23	-	23	0.3

Neighbourhood and Community Development



(\$000 - incremental)

Community Investment Grant

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	350	350	0	0.0	100	0	100	0.0	0	0	0	0.0

Description:

This service package will provide increased operational grant funds for multicultural, seniors, arts facilities and community leagues.

Operational grants provide limited operating assistance to organizations with a social services, multicultural or recreation/sport mandate. Increased grant funding would provide assistance to not-for-profit organizations in meeting escalating costs.

With this service package, the community investment grant program would fund an average of 9.1% of applicants' annual operating expenses.

Administration is proposing that this service package be funded by M31 grant (Municipal Sustainability Initiative) because the expenditures align with the type of grant funding available from this program.

Justification

Social, Cultural and Recreational organizations play an important role in our communities. The organizational capacity to provide these services is being reduced by a substantial increase in essential expenses such as utilities and insurance costs. Operational grants are one of the very few resources available to fund operating costs in the not-for-profit sector. This package will increase the grant funding to a more meaningful level for the community organizations.

Fewer not-for-profit resources would be consumed raising funds.

Resources from this package will contribute to branch efficiency measures by altering the ratios of resources to the supports provided, while improving the effectiveness measures by supporting partnering community groups to increase their capacity.

Not funding this package would inhibit not-for-profit organizations from providing adequate services to the community. Additionally, some of these organizations may not be able to continue operations without increased funding support.

The risk exists that the additional funding may not be sufficient to provide meaningful support to these programs.

Performance will be improved through an increased capacity for the recipients of operational grant funding.

Positive results are anticipated within the first year of funding.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Vibrant Communities", "Inclusive Communities", and "Safe Communities" focus areas, supporting the strategic priorities to "Encourage recreational, cultural, artistic and entertainment opportunities for all residents", "Encourage accessible and ethno-culturally sensitive services", "Continue to target programs and services to target segments of the community", and "Facilitate community-based partnerships to promote safety and security and encourage prevention".

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
-	-	-	-



(\$000 - incremental)

Social Enterprise Fund (SEF)

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	1,800	0	1,800	0.0	(1,800)	0	(1,800)	0.0	0	0	0	0.0

Description:

2008 funding for the Social Enterprise Fund (SEF) will augment Council approved funding from 2007, providing needed financing and technical assistance to establish social enterprise projects in Edmonton.

The SEF will offer loans, grants, investments, and other forms of financing through the Edmonton Community Foundation. The SEF is the financing tool needed to ensure social enterprises succeed.

The new resources will enable the non-profit corporations, cooperatives, and charitable organizations to develop small businesses that will have a significant social impact and employ otherwise underemployed or underemployed individuals.

Justification:

Combined demand for social enterprise financing exceeds \$70M in Edmonton. Over the first five years of the SEF, the project will provide \$21M to more than 128 innovative and necessary social enterprise projects.

This package will improve service to the public by creating innovative and sustainable financing opportunities for social enterprise projects.

Resources from this package will improve overall performance by supporting community groups to enhance their capacity to serve targeted segments of the community.

Not funding this package will limit the ability to leverage funding from other organizations, not-for-profit agencies, and orders of government.

The key risk for this package is that other organizations, not-for-profit agencies, and orders of government may not provide anticipated supporting funds, thus taking longer to achieve the anticipated benefits in Edmonton.

This package will improve performance of social and economic outcomes such as employment and training for disadvantaged individuals.

Results from funding this package will be visible over the next five years as new social enterprise projects are implemented across Edmonton.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with each of the four council outcomes, in the "Diverse Communities", "Balanced Infrastructure Management", "Vibrant Communities", "Inclusive Communities", and "Business Positive Urban Environment" focus areas, supporting the strategic priorities to "Balance available resources between rehabilitation and growth across four asset groups", "Facilitate Revitalization of neighbourhoods in need", and "Encourage population and workforce diversity, attraction and retention".

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
		-	



(\$000 - incremental)

Multicultural Grant Program

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	300	0	300	0.0	0	0	0	0.0	0	0	0	0.0

Description:

This service package will provide an increase to the amount of grant funding available to support the council approved objectives of this grant program:

- Support and strengthen emerging immigrant and refugee communities in their efforts to provide adaptation and settlement services to members of their own community, so that newcomers do not feel isolated;
- Enhance the efforts of the emerging immigrant and refugee communities in becoming part of the multicultural mosaic in Edmonton, and
- Encourage emerging immigrant and refugee communities to promote and choose Edmonton as a place to live.

This program, which was initiated in 2007 with a total budget of \$150,000 received requests for funding of approximately \$500,000.

Justification:

Support to Edmonton's immigrant and refugee communities was determined to be a council priority with a significant amount of work undertaken on this in consultation with the community. The establishment of a grant program to support the identified initiative was strongly supported by both the community and Council.

The grant program was established in 2007 on a pilot basis, to enable time to determine the most effective way to administer the program. Due to the limited number of dollars available in the grant program, many of the groups that applied were unable to access these funds.

Almost 95 percent of immigrants moving to the region settle in Edmonton, and the total number of immigrants and refugees is continuing to grow at a rapid rate. This is resulting in an increased need for services to support inclusion and integration.

Investment in the provision of these supports and services will enable members of these communities to better adapt to living in Edmonton, which will then lead to an increased number choosing to remain to live and work in the City.

By maintaining a grant program of \$150,000 it will be difficult to measure the impact this program has on the community as its impact will be minimal.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the focus area of Inclusive Communities, as it targets programs and service to segments of the community.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
-	-	-	-



Service Description

The Recreation Facility Services Branch creates vibrant places for Edmontonians and visitors by developing, managing, and animating recreation facilities. These “community hubs” offer memorable and accessible experiences for recreation and personal development. Programs and services enrich quality of life for Edmontonians, embrace wellness and become legacies for the future.

Key responsibilities include:

- Managing municipal recreation facilities, including 11 community leisure centres, Outdoor Pools, 19 municipal arenas, two senior citizens recreation centres, the City Arts Centre, Valley Zoo, Fort Edmonton Park, Muttart Conservatory, John Janzen Nature Centre, John Walter Museum, Heritage Amphitheatre, Commonwealth Stadium, Kinsmen Sports Centre, three golf courses, eight cemeteries, City Archives and Prince of Wales Armouries.
- Providing programs, services and major events for all citizens, manage the Leisure Access Program for low income Edmontonians, provide facility booking support for arenas, picnic sites, sportsfields, tennis courts and gyms.
- Collaborating with community partners, service organizations and minor sport groups to deliver programs and operate recreation facilities such as the Edmonton Soccer Centres, Whitemud Equine Centre, Argyll Velodrome, YMCA, Kinsmen Twin Arenas, and the GO Community Centre.
- Developing plans and concept designs for new recreation facilities and the rehabilitation of existing facilities.
- Developing and implementing long range plans and strategies for recreation facilities, including implementation of the Recreation Facility Master Plan, Medium Term Recreation Facility and Sports Field Plan, 10-Year Arena Capital Development Strategy, Valley Zoo Master Plan and Fort Edmonton Park Development Plan.

Focus Area and Priority Alignment:

Social and Cultural — Vibrant Communities, Inclusive Communities, Safe Communities

Economic Development — Business Positive Urban Environment, Promotion and Partnership

Environment — Healthy Ecosystem, Diverse Communities, Balanced Infrastructure Management

Governance — Organizational Capacity

Service Challenges

- Edmonton’s growth in population and public expectations has created a significant **demand for additional recreation programs and facilities** in newer areas of the City as well as for the renovation of older recreation facilities to provide better quality and a greater diversity of amenities and opportunities.
- Edmonton’s strong economy makes it increasingly **difficult to attract and retain staff** for temporary and part-time positions, which are primarily front-line services to the public such as lifeguards, facility and arena attendants, program instructors, child care workers, and ride operators.
- **Safety and security at recreation facilities** is an increasing challenge due to issues around theft, violence, and safety risks such as handling chemicals. Ensuring the safety and security of customers, volunteers, staff and property is essential in meeting the community's recreational needs.
- **Partnerships** play a major and growing role in meeting community needs for recreation facilities and programs. This requires extensive work to define roles, consult with the public, determine programming standards and service delivery models, evaluate P3s, and develop viable partnership agreements.
- The changing demographics of our community require the Branch to develop and deliver a **broad range of programs and services** to ensure access and interest to all Edmontonians, including seniors, new immigrants, and families.

Recreation Facility Services

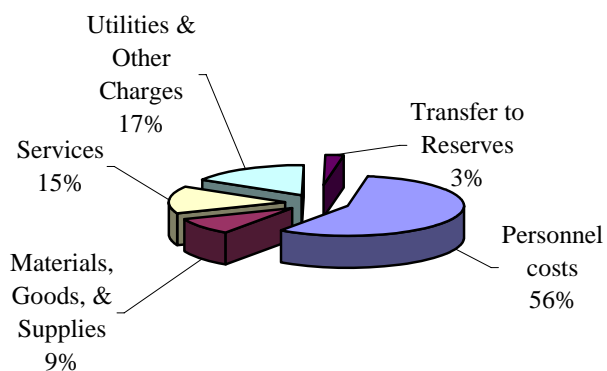


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
General Revenues	\$ 26,530	\$ 26,899	\$ 3,934	\$ 30,833
Transfers from Reserves	530	180	167	347
Grants	272	35	650	685
Total Revenue & Transfers	27,332	27,114	4,751	31,865
Expenditures:				
Program Expenses	\$ 48,006	\$ 49,995	\$ 7,359	\$ 57,354
Transfers to Reserves	443	650	854	1,504
Total Expend. & Transfers	48,449	50,645	8,213	58,858
Tax Levy	\$ 21,117	\$ 23,531	\$ 3,462	\$ 26,993
Full Time Equivalent	520.9	535.4	18.2	553.6

Resource Distribution



	2007 Budget	2008 Approved
Personnel costs	30,328	33,457
Materials, Goods, & Supplies	4,327	5,519
Services	7,304	8,602
Utilities & Other Charges	8,036	9,776
Transfer to Reserves	650	1,504
Total	50,645	58,858

Recreation Facility Services



Budget Changes for 2008 (\$000s)

Revenue & Transfers

Rate Changes	\$ 1,347
Volume Changes	2,587
Reserve Transfers	167
Grant Revenue (used to fund Service Needs)	650
Total Revenue & Transfer Change	\$ 4,751

Cost increases on 2007 Services

Inflationary Increases for Personnel Costs	\$ 2,223
Delayed hiring/vacancy discounting personnel cost reduction	(139)
Inflationary Increases for Non-Personnel Costs	985
Annualization of 2007 Approved Service Packages	100
Workforce Retention & Crisis Intervention Management	115
Outdoor Maintenance	73
Facility Operational Adjustments	1,555
Inflation Capping Strategy	(81)
Transfers to Reserves	854
	<u>5,685</u>

Service Needs

Operating Impact of Capital Projects	608
Growth and Other New Services	
Responding to Growth - Recreation Facility Services	620
Services to Seniors (offset by grant revenue)	1,300
	<u>2,528</u>

Total Expenditure Change \$ 8,213

Impact on Full Time Equivalents

Annualization of 2007 Approved Service Packages	1.5
Facility Operational Adjustments	5.5
Operating Impact of Capital Projects	5.8
Growth and Other New Services	5.4
Total Full Time Equivalent Change	<u><u>18.2</u></u>



Corporate Performance Measures

Efficiency Measure

Net Facility Operating Cost per Visit

Year	Net Op Costs	No. of Visits	Net Op Cost Per Visit
2004	\$21.3 million	5.1 million	\$4.14
2005	\$23.5 million	5.1 million	\$4.61
2006	\$25.4 million	4.9 million	\$5.15
2007 (projected)	\$29.4 million	5.0 million	\$5.85
2008 (projected)	\$29.3 million	5.1 million	\$5.76

Effectiveness Measure

Facility User Satisfaction

Year	% of Facility Users Satisfied
2004	92.0%
2005	88.0%
2006	n/a
2007 (projected)	86.0%
2008 (projected)	88.0%

Corporate Performance Measure Explanations:

- The number of visits has been significantly impacted by major shutdowns and construction, especially at the Kinsmen Sports Centre where construction affected revenues and visits in both 2006 and 2007. New programs, promotions, and emphasis on customer service and staff competencies are aimed at increasing the attendance base in the face of these challenges.
- Revenue base has shown steady and significant growth, though not enough to fully offset inflation of costs, especially labour impacts and safety requirements, and increases in utilities prices.
- Council's approval and funding of the Leisure Access Program in 2006 has increased costs without corresponding revenues.
- Net Operating Cost per Visit and User Satisfaction should see long-term improvement as attendance increases with the re-opening of updated and improved infrastructure.
- Satisfaction survey methodology changed in 2006. Other user feedback is monitored at the facility level, but cannot be rolled up into one consistent measure. 2007 data represents the first full year of survey results in the new method. High user satisfaction has been recorded for hours of operation, booking process, staff competencies, and programs content. Areas of user concern are equipment age and quality, staff ratios, and ability to book at preferred times (arenas).
- Attraction and retention of front-line and part-time workers continues to be a challenge.

Recreation Facility Services



Additional Performance Measures

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u> Projected	<u>2008</u> Projected
Customer Performance Measures					
Citizen Satisfaction with Recreation Facilities (biennial COE survey)	84%	92%	no survey	90%*	no survey
User Overall Satisfaction with Recreation facilities	92%**	88%**	not available	86%	88%
Leisure Access/Fee Reduction Program Admissions	33,673	34,254	173,625	247,000	250,000
* includes a 'Neutral' category not used in the 2005 survey.					
** Data from prior methodology					
Internal Performance Measures					
% Branch Program fill rate	72.9%	75.6%	74.8%	75.5%	76.0%
Office of Infrastructure: % recreation facilities rated 'Good' or 'Very Good' for:					
<u>Demand:</u>					
Infrastructure capacity and its ability to meet service needs.	57.8%	56.4%	53.8%	50.7%	TBD
<u>Functionality:</u>					
Infrastructure's ability to meet program, technology, regulatory, Code requirements.	36.5%	34.8%	29.9%	43.3%***	TBD
Overall attendance at recreation facilities (millions)	5.1	5.1	4.9	5.0	5.1
Total number of facility bookings	107,427	110,562	128,668	130,000	133,000
Total number of booked arena hours	60,770	63,278	65,885	66,000	66,000
*** Formula applied by Office of Infrastructure was changed for 2007.					
Financial Performance Measures					
Tax Levy variance	(2.0)	(4.9)	(5.1)	(2.6)	0.0
Revenue variance	(2.8)	5.0	4.0	2.0	0.0
Expense variance	0.9	(5.0)	(4.5)	(2.2)	0.0
Human Resource Measures					
Lost Time Injury Frequency Rate (Reported incidents per worked hours equivalent to 100 fulltime employees)	2.89	2.71	3.62	2.8	2.7
Lost Time Injury Severity Rate (Days Lost per worked hours equivalent to 100 fulltime employees)	71.06	40.93	37.8	12	10.1
Staff turnover - permanent	4.1%	3.5%	5.2%	4.9%	4.5%
Staff turnover - temp/provisional	12.5%	16.9%	16.5%	16.5%	15.0%

Recreation Facility Services



(S000 - incremental)

Responding to Growth - Recreation Facility Services

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	620	0	620	4.8	173	0	173	0.8	0	0	0	0.0

Description

This service package includes funding for the following:

- 1) Volunteer Management (\$106K) - resources to deal with growth in requirements (training, safety, orientation, etc.) for effectively managing the participation of volunteers at recreation facilities.
- 2) Customer transaction technology (\$200K) - provide technical support to meet growth in usage of software application that handles point-of-sale, course registration, facility bookings, and membership management.
- 3) Marketing, Advertising and Promotion (\$150K) - resources for advertising and promotional campaigns to increase public awareness of City of Edmonton recreation programs, services and facilities.
- 4) City Archives (\$104K) - develop the capacity to preserve, manage, and access digital records sent to the Archives under its Council Mandate.
- 5) Edmonton Historical Board (\$40K) - funding to enable the Edmonton Historical Board to carry out all planned work. It is phased over two years as per the Board's strategic planning.

The 2009 forecast includes the annualization of positions approved in 2008. Also included in the 2009 and 2010 forecast is the additional emerging needs identified by Recreation Facility Services.

Justification

These services are needed to:

- 1) Volunteer Management - meet due diligence in managing supporting volunteers as an integral part of recreation facilities.
- 2) Customer transaction technology - adequate technical support to use the software application effectively.
- 3) Marketing, Advertising and Promotion - attract citizens to City of Edmonton recreational programs and services in a highly competitive recreational market.
- 4) City Archives - develop new capacity and skills to allow storage of digital records preserving Edmonton's history.
- 5) Edmonton Historical Board - funding for personnel and non-personnel resources (contract, research, board development, etc.) to assist in the achievement of the Edmonton Historical Board mandate.

This package makes service to the public better:

- 1) Volunteer Management - effective and sustainable volunteer base enhances the public experience at recreation facilities.
- 2) Customer transaction technology - assure convenient and reliable customer service.
- 3) Marketing, Advertising and Promotion - increased knowledge of opportunities offered by Recreation Facility Services.
- 4) City Archives - preservation of history for future use by both the public and City of Edmonton.
- 5) Edmonton Historical Board - enable the EHB to carry out their mandate in more effective and efficient manner and contribute to the recognition and preservation of Edmonton's history.

This package links to the program measures of efficiency and effectiveness by:

- 1) Volunteer Management - increased citizen satisfaction.
- 2) Customer transaction technology - increased citizen satisfaction and increased ability to sustain revenue base.
- 3) Marketing, Advertising and Promotion - increased customer satisfaction, increased users, increased revenues over the long term.
- 4) City Archives - increased citizen satisfaction and addresses long term mandate.
- 5) Edmonton Historical Board - will increase the effectiveness of EHB to carry out their Council mandate.

Impacts of not funding this package include:

- 1) Volunteer Management - unable to enhance training to increase effectiveness and safety of volunteers and recreation users.
- 2) Customer transaction technology - not meeting service demand.
- 3) Marketing, Advertising and Promotion - stagnant attendance at recreation facilities.
- 4) City Archives - inability to digital archive.
- 5) Edmonton Historical Board - will limit the ability of the EHB to fulfill its obligations to Council, through insufficient resources for the Board to initiate and execute projects and build partner relations.

Key risks that prevent achieving the benefits of this package include:

- 1) Volunteer Management - demand for volunteers outpacing available resources to enhance volunteer training.
- 2) Customer transaction technology - users exceeding supporting infrastructure.
- 3) Marketing, Advertising and Promotion - competition for recreational dollars.
- 4) City Archives - higher anticipated costs of managing digital records.
- 5) Edmonton Historical Board - workload exceeding the planned increase in funding and staffing.

This package improves performance by:

- 1) Volunteer Management - enhancing programs, services and safety of recreation users through effective and comprehensive volunteer training and safety management.
- 2) Customer transaction technology - easier access to booking program and provide enhanced customer service.
- 3) Marketing, Advertising and Promotion - increase in users and revenues to recreation facilities.
- 4) City Archives - allow the archives to keep up to changing technology and preserve new digital records that are submitted to the archives.
- 5) Edmonton Historical Board - by providing dedicated personnel and resources to start implementing their strategic plan related to recognition of historical properties, preservation activities and awards to citizens to recognize their commitment to Edmonton and its history.

Results will be seen in the mid to long term. Increased investment in volunteer management, booking technology and advertising will enhance programs and services, customer safety and security, customer service and increase attendance at recreation facilities and generation of increased revenues. The benefits for meeting standards for storing digital archives will be seen in the long term as Edmonton's history is preserved through improved record management. Benefits of funding for the Edmonton Historical Board will be seen in both the long-term and short-term with enhanced preservation and recognition efforts by the Edmonton Historical Board of the City's history.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package primarily aligns with the "Social and Cultural" Council Outcome, by encouraging recreational, cultural and entertainment opportunities for all residents.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax	
		Levy	FTEs
39	-	39	0.8

Recreation Facilities Services



(\$000 - incremental)

Services to Seniors

		2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	
	1,300	650	650	0.6	100	0	100	0.0	50	0	50	0.0	

Description

This service package represents the resources to establish a new "Seniors Centres Grant Program" for seniors centres in Edmonton, to provide funding for general operating expenses, support to emerging senior centres and minor capital projects. Council directed that funding be considered as part of 2008 budget deliberations. In 2008, \$600K of Municipal Sustainability Initiatives funding is identified as revenue to offset part of the cost of the grant program balance of funding to come from Tax Levy (included is staffing hours to implement the new grant program).

This package will also fund an Assisted Transportation Study for seniors which will review current services, identify gaps and research leading practices. Funding is for \$50K annually for 2008-2010.

For 2009, a funding source to offset the remainder of the recommended grant program has not yet been determined.

Justification

Services to seniors has been deemed a high priority by Council and the Administration. Seniors are a growing segment of the population and the costs of operating facilities has risen dramatically in the past number of years. On July 1st, 2007, City Council approved a motion that established a program for Seniors' building operating grants. The recommendation for the Assisted Transportation Study was accepted by City Council in September 2007 at Community Services Committee.

Long Term Seniors Centres Building Operating Grant Program will assist the organizations operating community senior centres and allow the City to better meet the growing needs of Seniors through those facilities. Through results of the Assisted Transportation Survey, an Assisted Transportation Model for Seniors will be developed to meet the transportation needs of the growing population of Seniors.

Funding this package will increase effectiveness by increasing citizen satisfaction with facilities, infrastructure and programs and services. This package will also allow the City to evaluate the current transportation needs of seniors and create a strategic plan to meet the needs of Seniors.

Impact of not funding this service package is that organizations providing services to seniors will not be able to meet the increased costs of operating their facilities and providing services to their clientele. This would not reflect the City's commitment to seniors as a vital part of our community.

Key risks that prevent achieving the package include escalating operating costs exceeding the enhanced funding.

This package will enhance performance through increased Seniors satisfaction with the programs, services and facilities supported by the City of Edmonton. In the long-term, this package will enhance the quality of life of Seniors by continuing to provide programs, services and facilities that are safe, secure and adequately meet the needs of Seniors.

Benefits in the investment in this area are anticipated to take place over the mid to long term as the recipient organizations will require time to implement changes, especially any involving actual physical renovation. Benefits of the Assisted Transportation Study for Seniors will be seen in the mid to long term as services are evaluated and enhanced to meet the needs of Seniors.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package is in direct support of the "Social and Cultural" Council Outcome by building an inclusive community by targeting programs and services to Seniors.

Long Term Seniors Centres Building Operating Grant Program is to be administered by Community Services as per City Council carried motion July 3, 2007 as recommended in the City of Edmonton's Seniors' Centres Long Term Funding Strategy 2007 - 2017.

The recommendation for the Assisted Transportation Study was accepted at the September 4, 2007 Community Services Committee. Community Services was directed to prepare a \$50,000 service package.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs

Recreation Facility Services



(S000 - incremental)

Recreation Facility Services - Operating Impact of Capital Projects

		2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	
	608	0	608	5.8	4,295	919	3,376	4.2	1,229	3,058	(1,829)	0.0	

Description

This service package reflects the impacts on expenditures and revenues for capital assets added into Recreation Facility Services.

- Southwest Community Recreation Centre (\$159K) to develop operating plans or agreements. This work is essential to ensure that the building is appropriately outfitted and that operations are aligned with community needs and user expectations.
- PacMan Realization in Recreation Facility Services (\$114K) - resources to deliver data apps, administration, branch reporting, etc., for recreation facility projects, as required by the PacMan realization.
- Post warranty maintenance and life-cycle replacement of security equipment installed under the Safety & Security Capital Composite. (\$15K)
- Facility Planning and Development (\$320K) - resources for the increased volume of work on planning of new recreation facilities and partnerships. Includes planning for 10-Year Arena Capital Development Strategy and Recreation Facility and Sports Field Plans for Northeast, Southeast and West Edmonton.

The 2009 forecast includes the annualization of positions approved in 2008. Also included in the 2009 and 2010 forecast is the additional emerging needs identified by Recreation Facility Services.

Justification

Approved capital projects require an operational budget for on-going operation.

Service to the public will be enhanced once these capital assets (including the South West Recreation Centre) are completed and operating to meet identified community needs.

Funding for this service package will enable the capital projects to be implemented in the most effective method possible, optimizing the investment in the capital infrastructure.

Not funding this service package would prevent the public benefiting from the investment made in the capital assets.

Key risks to achieving the benefits are that public demand will exceed the planned capacity and services.

Funding this package will improve performance by providing the operational means to attain the perceived benefits of funding these capital assets.

Benefits will be realized from the date of opening/operation; however PacMAN and planning work will result in more responsiveness to potential partners.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Vibrant Communities" and "Inclusive Communities" focus areas, supporting the strategic priorities to "Encourage recreational, cultural, artistic and entertainment opportunities for all residents" and "Encourage accessible and ethno-culturally sensitive services".

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
66	-	66	1.2

Emergency Medical Services



Service Description

Emergency Medical Services (EMS) provides an essential public service, striving to provide “the right service, with the right people, at the right time and place.”

Key responsibilities include:

- Provide emergency advanced life support
- Hospital interface and deployment
- Clinical staff education
- Community Education & Injury Prevention
- Serving the needs of “Communities at risk”
- Disaster planning response and coordination

Focus Area & Priority Alignment:

Social and Cultural—Safe Communities

Economic Development—Expand and Maintain a Business Positive Environment & Show Leadership through Active Partnerships

Environment—Diverse Communities

Service Challenges

- There is a projected 7.5% increase in events in 2007 over 2006, the highest call volume in history for EMS.
- The average hospital wait time has increased by 77% since 2004. Off-load delays continue to be a significant challenge for EMS system capacity. EMS and Capital Health are working in a joint senior-level collaboration to address the off-load delays.
- An aging population, growth and increased urban sprawl in Edmonton continues to challenge the ability of EMS to meet the Council endorsed service level targets.
- The number of job openings for paramedics is forecasted to exceed the number of job seekers. The strong Alberta economy and demand for paramedics in the oil fields will magnify this challenge.

Emergency Medical Services

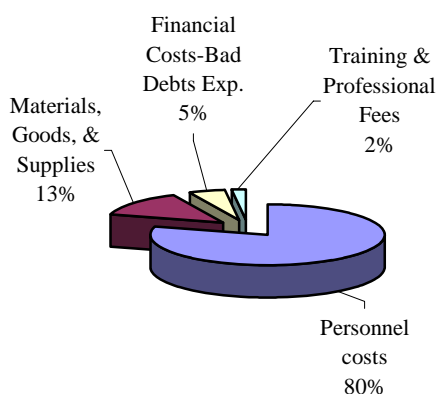


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
User Fees	\$ 14,556	\$ 14,230	\$ 1,424	\$ 15,654
Provincial Grant Funding	12,916	12,916	-	\$ 12,916
Total Revenue & Transfers	27,472	27,146	1,424	28,570
Expenditures:				
Emergency Medical Services	29,446	32,748	3,973	36,721
Total Expend. & Transfers	29,446	32,748	3,973	36,721
Tax Levy	\$ 1,974	\$ 5,602	\$ 2,549	\$ 8,151
Full Time Equivalents	291.0	313.0	20.6	333.6

Resource Distribution



	2007 Budget	2008 Approved
Personnel costs	26,094	29,205
Materials, Goods, & Supplies	4,153	4,920
Financial Costs-Bad Debts Exp.	1,821	1,896
Training & Professional Fees	680	700
Total	32,748	36,721

Emergency Medical Services



Budget Changes for 2008 (\$000s)

Revenue & Transfers	
Volume and Rate Change	\$ 1,424
Total Revenue & Transfer Change	<u>\$ 1,424</u>
Cost increases on 2007 Services	
Inflationary increase for Personnel Costs	\$ 1,399
Delayed hiring/vacancy discounting personnel cost reduction	(120)
Inflationary increase for Non-Personnel Costs	339
Inflation Capping Strategy	(81)
	<u>1,537</u>
Service Needs	
Operating Impact of Capital Projects	105
Growth and Other New Services	
Responding to Increasing EMS Call Demand	2,331
	<u>2,436</u>
Total Expenditure Change	<u>\$ 3,973</u>
Impact on Full Time Equivalent	
Responding to Increasing EMS Call Demand	20.6
Total Full Time Equivalent Change	<u>20.6</u>

Cost recovery ratios

Current billing rates recover approximately half of the actual cost to deliver EMS Service.



Corporate Performance Measures

Efficiency Measure

Total Operating Cost Per Event

Year	Total Op Cost	No. of Events	Total Op Cost Per Event
2004	\$23,045,041	56,287	\$409.42
2005	\$28,271,829	59,291	\$476.83
2006	\$29,446,000	63,791	\$461.60
2007 (Projected)	\$32,748,000	68,600	\$477.38
2008 (Projected)	\$36,841,000	74,000	\$497.85

Effectiveness Measure

Total Response Time

Year	% of times Response Time is below 9 mins
2004	80.0%
2005	79.5%
2006	71.5%
2007 (Projected)	74.0%
2008 (Projected)	74.0%

Corporate Performance Measure Explanations:

- Response times have eroded by 6% from 2004 to 2007, due in large part to increased call volumes, the geographic sprawl of the city, and hospital wait times.
- The number of events attended by EMS rose by 13% from 2004 to 2006, and is expected to rise by a further 7.5% in 2007. This is due to the growth of the city, an aging population, and more people requesting services.
- Although investments have been made in EMS in recent years, the 20% growth in events attended means that the overall efficiency of the service has not changed significantly.

Emergency Medical Services



Additional Performance Measures

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007 Projected</u>	<u>2008 Projected</u>
<u>Emergency Medical Services</u>					
Customer Performance Measures					
Citizen Satisfaction (%)		82		78	
Internal Performance Measures					
Medical Events Dispatched	56,346	59,345	63,791	68,600	73,500
Medical events per 1000 population	79.0	81.6	85.5	92	97
% of EMS Response Time* <9 minutes	80.0	79.5	71.5	74	74
Number of critical calls (D&E) > 10 minutes	1,097	1,049	1,860	2,000	2,000
Average Hospital Wait Time (minutes)	34	38	52.3	60	65
Financial Performance Measures					
Tax Levy Variance (%) **	(4.4)	(19.9)	36.5	12.2	0
Revenue Variance (%)	3.4	15.2	5.2	5.3	0
Human Resource Measures					
Training Hours (per 1000hrs)	21	20	21	20	20
Number of Lost Time Injuries (by CUPE3197)	33	29	55	45	45
Lost Time Injury Frequency Rate (by CUPE3197)	16.4	13.7	22.5	16	16
Lost Time Injury Severity Rate (by CUPE3197)	494	262	248	100	100
Average sick days per staff	10.1	9.7	8.5	9.0	9
Average sick leave as % of available hrs	7.9	8.0	6.3	7.0	7

* Response time is the time from receipt of the call in the Dispatch Centre to the ALS unit arriving on scene

** Provincial Grant for Ambulance Services began in 2005

Customer Performance Measures

- Citizen Satisfaction with Emergency Medical Services (EMS) dropped slightly in 2007 compared with 2005 results. However, as the methodology for the survey changed in 2007, direct comparison may not be appropriate. Satisfaction with EMS was higher than the satisfaction rate for city services overall (76%). This survey measures overall perceptions regarding EMS services, not actual user satisfaction.

Internal Business Processes

- There has been an increase in absolute call volume of 22% since 2004. When compared against the population growth, there has been an increase of 16.5% in the number of calls per 1000 population since 2004.
- In 2007, EMS and Capital Health have worked together on a number of initiatives to improve hospital wait times. While these initiatives have made gains, wait times have still increased by 14% since 2006.
- The increase in call volumes and hospital wait times has resulted in the number of critical calls with a response time of greater than 10 minutes growing by over 80% since 2004.
- Due to the pace of suburban development, response in the suburbs is challenging.

Financial

- The increase in call volume has led to a corresponding increase in revenue generation. In 2006, the provincial grant funding was received, which resulted in a much lower draw on the tax levy; however, since 2004 it has not been adjusted for inflation or increased call volumes.

Human Resource Measures

- The EMS health and wellness program continues to show results, as the injury frequency rate dropped by almost 30% while the injury severity rate dropped by over 50%.



(S000 - incremental)

Responding to Increasing EMS Call Demand

2008				2009				2010			
Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
2,331		2,331	20.6	2,521		2,521	28.4	1,954		1,954	22.0

Description:

This package will fund 33 paramedics for Edmonton Emergency Medical Services. Additional paramedics are essential for EMS to match available resources to the dramatic increase in demand as a result of population growth and changing demographics.

The 2009 forecast includes the annualization of positions approved in 2008. Also included in the 2009 and 2010 forecast are the additional emerging needs identified by the program area.

Justification:

Since 2002, EMS response time performance has declined from 84% to 72% in 2006. In addition, from 2004-2007, the call volume for EMS per capita has increased by 16.5% to 92 events per 1000 population. Overall, from 2004 to 2007, there has been a 22% increase in demand. Aging population is also a driving factor in EMS with seniors representing 37% of EMS patients and those over 85 are 8 times more likely to use EMS. Currently, seniors make up 11% of Edmonton's population, and that proportion will continue to rise annually.

Funding this package will maintain current services levels against growth.

This package links to the performance measures with maintenance of response time performance, service levels and citizen satisfaction.

Not funding this package will result in:

- continued erosion of response time performance (2007 YTD Response Time performance has further declined to 71%)
- continued challenges to maintain resources levels to meet growth (Edmonton is expected to grow by 70,000 people in the next 5 years including over 16,000 people in 2008 alone)
- undermined public confidence in the Emergency Medical Services System

The key risk associated with this package is that the population growth and call volume will increase beyond current projections.

Funding this package is critical for EMS to maintain service levels against demand. The EMS branch will continue to develop programs and services aimed at improving efficiency and effectiveness while also driving innovation through the EMS Master Plan and a strong strategic alignment with Capital Health.

Results of funding this package will be seen in the long-term as EMS works to stabilize the balance between resources and demands due to growth and increased call volume.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" Council Outcome, in the "Safe Communities" Focus Area.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
1,100		1,100	12.4



(S000 - incremental)

EMS - Operating Impact of Capital Projects

		2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	
	105		105	0.0	80		80	0.0	85		85	0.0	

Description:

This service package includes funding for general maintenance and repair of ambulance fleet growth and the 4 paramedic response units (PRU). In addition, the package includes funding to equip the new ambulances with the required computer, communication and medical equipment.

New capital assets require maintenance and operational support once they come online. This package will provide the resources to properly manage these new assets.

Justification:

Approved capital projects require ongoing taxpayer support. This package reflects the ongoing operational expenditures for EMS capital assets.

Service to the public will be enhanced through the proper maintenance and administration of capital assets, including new ambulances and PRUs.

Funding for this service package will enable the capital projects to be implemented in the most effective method possible, optimizing the investment in the capital infrastructure.

Not funding this service package would prevent the public benefitting from the investment made in the capital assets.

Key risks to achieving the benefits are that public demand will exceed the planned capacity and services.

Funding this package will improve performance by providing the operational means to attain the perceived benefits of funding these capital assets.

Benefits will be realized from the date of operation.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Safe Communities" focus area, supporting the strategic priorities to "Continue to set standards for the delivery of emergency services".

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



Service Description - *Fire Rescue Services*

Fire Rescue Services delivers an essential public service, helping to make the community a safer place to live, work and play.

Key responsibilities include:

- Fire rescue and co-response to life-threatening Emergency Medical Services events
- Public education and prevention: citizens at-risk, including:
 - school age children
 - seniors
 - persons with disabilities
 - diverse groups and lower socio-economic individuals
- Fire inspections: businesses, large public gatherings
- Fire suppression: residential, commercial and industrial
- Environmental disaster response
- Emergency preparedness planning

Focus Area and Priority Alignment:

Social and Cultural — Safe Communities

Economic Development — Business Positive Urban Environment, Promotion and Partnerships

Environment — Healthy Ecosystem, Diverse Communities

Service Challenges - *Fire Rescue Services*

- An emphasis on Public Education is required to reduce injuries and death caused by fire including to at-risk groups identified in the Fire Rescue Master Plan (endorsed by Council in 2006).
- Increased Fire Prevention programs including inspections, enforcement, education, training, and advisory services are critical to prevent injuries and losses due to fire.
- Amendments to the Building Code to recognize new technologies, building designs and materials are required to increase the safety and security of the citizens of Edmonton and to reduce the effects of fire and to prevent the spread of fire.
- Increased high density and high rise buildings create a need for increased aerial/ladder coverage of the City for effective fire attack.
- In single rig stations, 5 firefighters are required to effectively operate at a fire (Master Plan Policy 1.2).
- There is a need to build stations in areas of the City that are developing and expanding to reduce response times and ensure all areas of the City have adequate fire coverage.
- Call volumes are increasing substantially. Additional resources are required to meet the demands.
- Fire Rescue Services faces enhanced responsibilities due to changes regarding transfer of responsibility for enforcement requirements from the Alberta Building Code to the Alberta Fire Code.
- There is an opportunity for Fire Rescue to reduce the liability of the City by eliminating litigation over firefighting through changes to the Municipal Government Act, including a no-fault clause when the Fire Service and municipality are working in good-faith.



Service Description– *Operational Services*

The Operational Services Branch ensures that Edmonton Emergency Medical Services and Fire Rescue Services operate efficiently and effectively, through the provision of industry-leading emergency communications, public safety technology, and logistical resources to meet the needs of citizens.

Key responsibilities include:

- 911 call evaluation, deployment and dispatch
- Planning, development, and maintenance of public safety technology systems
- Management of the Department’s Capital Development
- Planning, acquisition and maintenance of Fire Rescue equipment, supplies and fleet
- Fire Rescue Services and Emergency Medical Services facility location, planning, development and management
- Fire Rescue Services and Emergency Medical Services mapping

Focus Area and Priority Alignment:

Social and Cultural — Safe Communities

Economic Development — Promotion and Partnerships

Environment — Balanced Infrastructure Management

Governance — Regional Growth and Development, Organizational Capacity

Service Challenges - *Operational Services*

- The strength of the municipal economy, population growth, and citizen demand creates increased organizational need to take on new facility development and related capital planning capacity.
- Mobile and internet based communication devices (non-land line) lack the technology that allow for the immediate identification of the location of callers who call 911 using mobile devices. Without the technology in place to identify the location of callers, dispatching the appropriate help to the caller is difficult and can result in a delay in providing the needed services to the caller.
- There has been a considerable increase in the average call volume per emergency communication specialist and emergency calls per 1000 population.
- Over the next few years, several critical components will need to be replaced; these include Dispatch (CAD), Records Management System and the radio system.
- The Branch will be developing plans for the relocation of the Emergency Response Communication Centre (ERCC) over the next year – location, size of space, capacity for technology and other factors must all be considered.
- To ensure no disruption to Edmonton’s Fire Rescue Services and Emergency Medical Services, old public safety technology must be running at the same time as the new technology is launched.

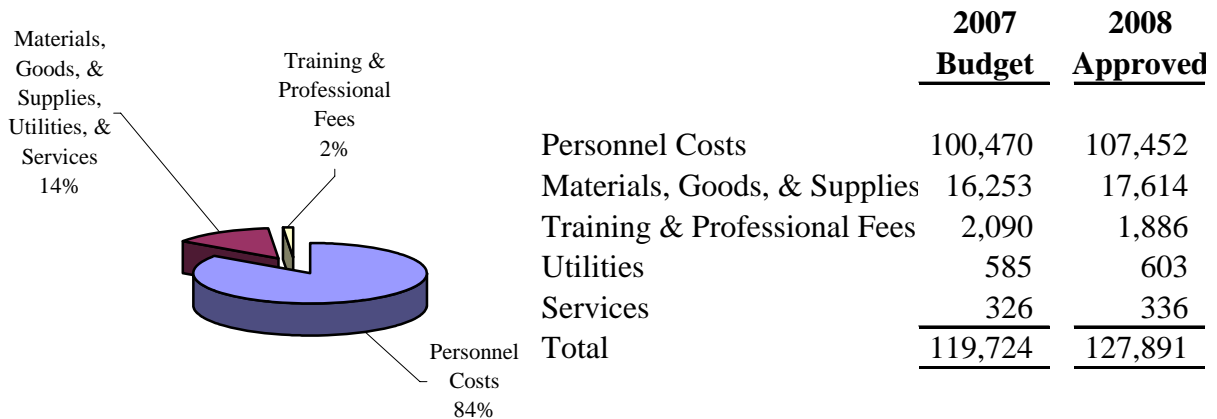
Fire Rescue Services



Budget Summary (\$000s)

	Operating Budget			2008
	2006 Actual	2007 Budget	Change	Approved Budget
Revenue & Transfers				
User Fees	\$ 675	\$ 1,376	\$ 66	\$ 1,442
Total Revenue & Transfers	675	1,376	66	1,442
Expenditures:				
Fire Rescue Services	93,474	105,094	7,468	112,562
Operational Services	14,055	14,630	699	15,329
Total Expend. & Transfers	107,529	119,724	8,167	127,891
Tax Levy	\$ 106,854	\$ 118,348	\$ 8,101	\$ 126,449
Full Time Equivalents	964.0	991.4	24.0	1,015.4

Resource Distribution



Fire Rescue Services



Budget Changes for 2008 (\$000s)

Revenue & Transfers	
Volume and Rate Change	\$ 11
Enoch Fire Protection Contract	55
Total Revenue & Transfer Change	\$ 66
Cost increases on 2007 Services	
Inflationary increase for Personnel Costs	\$ 5,290
Delayed hiring/vacancy discounting personnel cost reduction	(460)
Inflationary increase for Non-Personnel Costs	630
Annualization of 2007 Approved Service Packages	1,879
Historical adjustment - Fire Hydrant Contract	(117)
Firefighters Retirees	(350)
Recruit Class Training - Reduction of one recruit class	(109)
Firefighters Qualified Officer Training - Reduction of one training class	(214)
Fire Hydrant Contract Increase	1,000
Inflation Capping Strategy	(86)
	<u>7,463</u>
Service Needs	
Operating Impact of Capital Projects	40
Growth and Other New Services	
Fire Prevention and Education	664
	<u>704</u>
Total Expenditure Change	\$ 8,167
Impact on Full Time Equivalents	
Annualization of 2007 Approved Service Packages	18.6
Fire Prevention and Education	5.4
Total Full Time Equivalent Change	24.0

Cost recovery ratios

Fire Rescue charges for permits, file searches and document requests. Revenues rates are increased annually at CPI and are compared periodically to other municipalities.



Corporate Performance Measures

Efficiency Measure

Net Operating Cost Per In-Service Firefighter Hour

Year	Net Op Cost	In-Service Firefighter Hours	Net Op Cost per In-Service Firefighter Hour
2004	n/a	n/a *	n/a
2005	n/a	n/a	n/a
2006	\$93,474,000	1,410,508	\$66.27
2007 (projected)	\$105,094,000	1,465,000	\$71.74
2008 (projected)	\$112,966,000	1,550,000	\$72.88

* Data on In-Service Fire Fighter Hours only became available in 2006 with the implementation of the Telestaff roster program.

Effectiveness Measure

Fires Contained in Room of Origin

Year	% of Fires Contained in Room of Origin (75% target)
2004	73.7%
2005	69.4%
2006	73.1%
2007 (projected)	69.0%
2008 (projected)	70.0%

Corporate Performance Measure Explanations:

- Containing fires in the room of origin is a product of the early detection of fires and notification of Fire Rescue and the ability to respond quickly, with the right numbers of equipment, staff, and training, as well as effective public education and fire code enforcement.
- The impact of Fire Rescue's improvements in staffing levels, unit availability and training is being reduced by response times that remain 10-15% below service level targets, shortfalls in fire safety code enforcement and a lack of public education. The result is that the effectiveness measure, the percent of fires contained in the room of origin, is 6% below its target of 75%.
- Fire Rescue has taken a number of innovative steps to help offset rising operating costs. Examples of these initiatives include hiring additional staff to reduce overtime costs, using improved training methods such as e-learning to keep crews in-service while they are training, using satellite training facilities, and reducing the impacts of injury through injury prevention and health and wellness programs. These actions have resulted in a consistently good level of efficiency.

Fire Rescue Services



Additional Performance Measures

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007 Projected</u>	<u>2008 Projected</u>
<u>Fire Rescue</u>					
Customer Performance Measures					
Citizen Satisfaction (%) (every two years)		95		82	
Civilian Injuries at fire events	58	66	59	50	45
Civilian Deaths at fire events	6	11	4	4	3
Value of property lost due to fire (\$ million)	63.9	59.7	35.6	45.0	40.0
Internal Performance Measures					
Events per 1000 population	42.4	40.5	43.0	43.0	43.0
% of Fire Prevention inspections completed	85.1	79.5	87.6	88.0	95.0
% of Fire Travel Time* < 4 mins - fire calls	78.0	77.2	75.6	75.0	75.0
% of Fire Travel Time* < 4 mins - medical calls	83.8	84.1	80.3	80.0	80.0
% Full First Alarm Assignment** < 8 mins - fire calls	86.4	87.3	83.8	85.0	85.0
% of Fires contained in room of origin (75% target)	73.7	69.4	73.1	69.0	70.0
Financial Performance Measures					
Tax Levy Variance (%)	0.7	0.6	1.4	1.7	0.0
Overtime Variance (%)	14.0	5.8	35.0	23.2	0.0
Revenue Variance (%)	283.2	(47.2)	(49.8)	6.3	0.0
Human Resource Measures					
Number of Lost Time Injuries (by EFFU Union)	66	45	52	60	60
Lost Time Injury Frequency Rate (by EFFU Union)	8.2	5.2	5.9	8.5	8.5
Lost Time Injury Severity Rate (by EFFU Union)	263.0	150.8	114.8	150	150
Average sick days per staff	7.1	6.9	8.3	8.0	8.0
Average sick leave as % of available hrs	3.8	3.7	5.3	4.75	4.75
<u>Operational Services</u>					
Internal Performance Measures					
Communication Time Fire Rescue Calls (90 sec target)	84	77	93***	90	90
Communication Time Medical Calls (90 sec target)	90	82	87	85	85
Financial Performance Measures					
Tax Levy Variance (%)	(0.1)	3.3	7.2	0	0
Human Resource Measures					
Average sick days per staff	8.8	7.4	9.5	9.0	9.0
Average sick leave as % of available hrs	4.8	4.1	6.4	7.0	7.0

* Travel time is the time from the pumper leaving the fire hall to arriving on scene

** Full First Alarm Assignment is arrival of 14 firefighters at a fire

*** New Fire evaluation protocols were adopted in 2006, changing target to 90 seconds

Customer Performance Measures

- Citizen Satisfaction with Fire Rescue Services dropped in 2007 compared with 2005 results. However, as the methodology for the survey changed in 2007, direct comparison may not be appropriate. Satisfaction with Fire Rescue Services continues to be higher than the satisfaction rate for city services overall (76%).
- Civilian injury rates have remained consistent for several years, and the civilian death rate has returned to previous levels after spiking in 2005.
- Value of property lost due to fire was 42% lower in 2006 than 2005 and looks to remain so in 2007.

Internal Performance Measures

- While the number of events per 1000 population is consistent, the growth and spread of the city has impacted Fire Rescue's ability to respond, particularly in the suburbs. Response times remain 10-15% below service level targets.
- The increase in staffing on aerial and single pumper units has allowed an improvement in the full alarm assignment time, but it is still 5 % below target.

Financial

- Overtime costs have shown significant improvement over past years. Revenue variations in 2005 and 2006 were caused when anticipated provincial grant funding for Hazmat was not received.

Human Resource Measures

- Increased training using e-learning and the implementation of a comprehensive health and wellness program have allowed the reductions in the number, frequency and severity of injuries to be maintained.

Fire Rescue Services



(S000 - incremental)

Fire Prevention and Education

2008				2009				2010			
Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
664		664	5.4	2,070		2,070	16.6	750		750	6.0

Descriptor:

Funding for this package includes 8 FTEs (4 Fire Prevention Officers and 4 Public Education Officers).

- Fire Prevention Officers are needed to complete over 60,000 annual inspections as defined by the Fire Code and required under the Safety Codes Act.
- Fire Rescue's Public Education Officers will consult with and develop Fire Prevention and Education programs for at-risk groups (as identified by the Alberta Fire Commissioners Office), including those from lower socio-economic backgrounds, seniors, Aboriginals, persons with disabilities, and school-age children to identify their unique needs and better allow Fire Rescue to serve these groups and work to make Edmonton a safe and secure city for all citizens.
- The 2009 forecast includes the annualization of positions approved in 2008. Also included in the 2009 and 2010 forecast is the additional emerging needs identified by Fire Prevention and Education.

Justification:

Fire Prevention and Education ensure the safety of citizens by ensuring adherence to Fire Codes including occupancy loads as part of the Mayor's Taskforce on Violence. Fire Education reduces risk and prevents injuries or death of citizens due to fire.

Ensuring the safety of citizens in neighbourhoods and communities is Fire Rescue's main priority. Fire Prevention Inspections and Public Education will enhance the efforts and initiatives of Fire Rescue, Community Services and the City as a whole to provide safe and secure neighbourhoods for the citizens of Edmonton.

This package links to the Effectiveness measure by increasing fires contained in room of origin by calls placed sooner.

Not funding this package will increase risk of injuries, death and property loss to the citizens of Edmonton due to fire, not allow improvements in public confidence in their safety and security and prevent Fire Rescue from completing fire prevention inspections which are required under the Safety Codes Act.

Key risks that prevent Fire Rescue Services from achieving the benefits despite funding of this package include: 1) not being able to reach the identified at risk groups, 2) availability to hire and train staff in a timely manner, 3) inability to make the public feel safe and secure and 4) inability to complete all assigned tasks due to continued growth in the City.

Fire Prevention programming will reduce the fire risk, increase adherence to codes, and improve public knowledge. Public Education will assist to contain fires in room of origin with calls placed sooner and reduce overtime expenses.

This package will see results in the mid to long term with decreased injuries, deaths and property loss due to fire, increased inspections and adherence to fire codes as well as increasing public knowledge and safety as well as improving public confidence in personal safety and security within the community.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" Council Outcome, in the "Safe Communities" Focus Area.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
330		330	2.6

Fire Rescue Services



(S000 - incremental)

Fire Rescue Services - Operating Impact of Capital Projects

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	40		40	0.0	240		240	0.0	0		0	0.0

Description:

This service package includes funding for general maintenance and repair of fire apparatus purchased for the Meadows Station.

New capital assets require maintenance once they become operational. This package will provide the resources to properly manage these new assets.

Justification:

Approved capital projects require ongoing taxpayer support. This package reflects the ongoing operational expenditures for Fire Rescue capital assets.

Service to the public will be enhanced through the proper maintenance and administration of capital assets, including new Fire apparatus for the Meadows Station.

Funding for this service package will enable the capital projects to be implemented in the most effective method possible, optimizing the investment in the capital infrastructure.

Not funding this service package would prevent the public benefitting from the investment made in the capital assets.

Key risks to achieving the benefits are that public demand will exceed the planned capacity and services.

Funding this package will improve performance by providing the operational means to attain the perceived benefits of funding these capital assets.

Benefits will be realized from the date of operation.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Safe Communities" focus area, supporting the strategic priorities to "Continue to set standards for the delivery of emergency services".

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



Service Description

The City Manager established the Corporate Business Planning Department in December 2005. Operations of the department commenced in April of 2006.

Mandate: The stated mandate for the Corporate Business Planning Department is:

“To enable corporate alignment with City Council direction by building and implementing frameworks for making effective decisions.”

The desired outcome of the department is *so that the City is:*

- *better informed,*
- *future focused,*
- *outcome driven, and*
- *strategically positioned to deliver community benefits.*

The aim of the department is to assist City Council and Senior Management Team in strengthening corporate planning and governance by a more strategy-driven approach involving a greater alignment with and responsiveness of Administration to City Council’s direction and greater accountability for measuring and reporting performance and progress.

Program Services: The Corporate Business Planning Department includes 4 sections:

<i>Activity/Output</i>	<i>Desired Outcome</i>
<p>Economic Trends and External Research</p> <ul style="list-style-type: none"> • Develops corporate forecasts (Socioeconomic/population/housing); • Monitors, analyzes and communicates economic trends and their impacts; • Models fiscal and other impacts of financial and policy alternatives; and • Development and implementation of the General Progress Indicator to gauge financial and non-financial impact of major decisions on the community. 	<p><i>So that the City:</i></p> <ul style="list-style-type: none"> • has factual information about the current economic environment and is aware of how the future will unfold; • can make appropriate policy decisions to ensure Edmonton is competitive, that programs are sustainable and that citizens receive adequate and efficient services; and • has access to the economic, social, environmental & financial impact of decisions.



Program Service (continued)

<i>Activity/Output</i>	<i>Desired Outcome</i>
<p>Infrastructure and Funding Strategy</p> <ul style="list-style-type: none"> • Evaluates and reports on the state and condition of City’s infrastructure assets; • Defines priority, scope and timing of infrastructure investment; and • Develops fiscal strategies, tools and resources to adequately fund infrastructure assets. 	<p><i>So that the City:</i></p> <ul style="list-style-type: none"> • has the information (current and anticipated) it requires to make policy decisions; • is equipped with effective strategies to deal with growing infrastructure needs and processes to determine infrastructure reinvestment priorities and their impact; and • can assure the long term sustainability of municipal infrastructure.

<i>Activity/Output</i>	<i>Desired Outcome</i>
<p>Corporate Business Strategy and Performance Planning</p> <ul style="list-style-type: none"> • Leads the environmental scan; • Facilitates Vision and Council Strategic Planning (Focus Areas and Priorities); • Ensures Council planning culminates in a 3 Year Corporate Business Plan; • Evolves performance framework that reports on progress to civic, corporate-wellness, strategic/operational outcomes; • Facilitates corporate-wide strategy and business planning processes that drives decision making and activities; and • Guides strategically aligned collaborative development of department business plans reflecting measurable contributions to the Corporate Business Plan and Council Outcomes. 	<p><i>So that the City:</i></p> <ul style="list-style-type: none"> • has factual information about strategic implications and the environment within which it governs; • is equipped to establish a clear course guided by a desired state (Vision); • knows and is addressing key strategic issues to improve sustainability; • outcomes, focus areas and priorities are set and drive Administration’s Business (strategic/operational) Planning and implementation; and • performance is monitored; City Council’s expectations are managed; and progress to outcomes and performance to plans are reported regularly.



Program Services (continued)

<i>Activity/Output</i>	<i>Desired Outcome</i>
<p>Financial Strategy and Budget Planning:</p> <ul style="list-style-type: none"> • Consolidates and interprets results of Long Range Financial Plan and budget; • Guides development of the City’s 10 Year Capital Investment Agenda; • Leads preparation and presentation of the City’s annual operating and three-year capital budget in alignment with business plan and measurement frameworks; • Facilitates evolution of financial strategy and corporate recommendations; and • Maintains operating and capital budgets and processes adjustments. 	<p>So that the City:</p> <ul style="list-style-type: none"> • is informed of short and longer term fiscal challenges and opportunities; • is provided information on the rationale for and impact of recommended policy or budget decisions on performance and Council Outcomes; • is equipped to undertake policy debate and decision making with full knowledge of citizen, financial and operating implications; and • is confident that budgets managed effectively.

Focus Areas & Priorities Alignment - Highlights:

In 2008, Corporate Business Planning will contribute to all four 2007-08 Council Outcome areas.

Outcome/Focus Area:

Priorities and Corporate Business Planning Deliverables:

Governance - Build Organizational Capacity

- Involve and engage the public, local government, private, key City-building partners, and community stakeholders in decision-making process.
 1. Deliver Council led, community informed vision for Council approval.
 2. Maintain economic, housing, population and other forecast drivers for Council decision making validated through rigorous external consultation.
 3. Further evolve current citizen engagement in budget development.

- Set a common strategic direction for the City and align resources.
 1. Deliver corporate E-Scan to identify and addressing key strategic/sustainability issues.
 2. Facilitate refinement of Outcomes, Focus Areas and Priorities based on Council’s approved Vision.
 3. Develop and recommend 10 Year Capital Investment Agenda and Sustainable Funding Strategies. Initiate corporate-wide business planning to guide strategic and operational decisions.



Focus Areas & Priorities Alignment (continued):

- Improve decision-making capacity in the organization by employing sound management practices.
 1. Initiate corporate-wide business planning to guide strategic and operational decisions.
 2. Guide further development of community/corporate, strategic and operational performance measurement to provide Council assurance of progress and enable governance decisions.
 3. Create stronger linkage of budget to strategic priorities and performance measurement.
 4. Employ Corporate Fiscal Model to: (i) deliver a long term financial view for the City based on the evolving economic environment and (ii) to measure impacts of operational/policy alternatives.
 5. Implement use of General Progress Indicator tool to predict/measure impact of decisions against financial as well as economic, social and environmental well being.
 6. Provide information on state, condition and reinvestment needs of City Infrastructure.

Environment - Balanced Infrastructure Management

- Balance available resources between rehabilitation and growth for corporate infrastructure.
- Establish and increase funding for operations, asset maintenance, rehabilitation and replacement.
 1. Corporate E-Scan to identify and address key strategic/sustainability Focus Areas and Priorities.
 2. Recommend priority, scope and timing of infrastructure reinvestment.
 3. Develop options (asset management; funding strategies) to narrow infrastructure reinvestment gap.
 4. Support development of measures and indicators to show progress in this key outcome area.

Social and Cultural - Vibrant Communities

- Facilitate the revitalization of neighbourhoods in need.
- Revitalize the downtown into a residential, economic, social, and cultural area of distinction.
 1. Guide development of Neighbourhood Infrastructure Renewal Program with linkage to broader neighbourhood revitalization and development.
 2. Support development of measure and indicators to show progress in this key outcome area.
 3. Ensure optimal infrastructure growth and re-investment to support economic development goals.

Economic Development – Business Positive Urban Environment

- Ensure Edmonton is able to compete effectively with other municipalities for site location and plan adequate services and infrastructure development, provision and maintenance.



Focus Areas and Priorities Alignment (continued)

1. Corporate E-Scan to identify and address key strategic/sustainability Focus Areas and Priorities.
2. Support development of measure and indicators to show progress in this key outcome area.
3. Ensure optimal infrastructure growth and re-investment to support economic development goals.

Operational Service Challenges

Mandate Support:

- Achieving the cultural change required for the organization to move from operational planning (budget driven) to strategically planned and managed (strategy driven) organization.
- Support for Corporate Business Planning framework in achieving improved governance.
- Adoption of Corporate Strategy and Business Planning processes, tools and information.

Resourcing:

- Maintaining department staff complement in highly competitive Edmonton labour market.
- Competing with ongoing operational service delivery activities for resources in support of implementing corporate-wide processes.
- Extending current budget planning capacity to achieve greater financial strategy emphasis.

External Factors:

- Responding to growing grant application and funding program administration requirements from the Provincial Municipal Sustainability Initiative (MSI) and anticipated Federal Building Canada Fund (BCF) programs.
- Supporting the diverse need for Economic consultation and assistance regarding operational and corporate initiatives and modeling resulting fiscal and other impacts. Availability and cost of reliable data.
- Impacts of potential regional planning and governance implications on emerging corporate planning processes.

Quality of Decision Support:

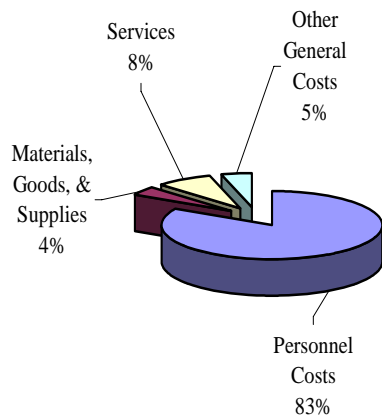
- Ability to provide the right type, quality and quantity of information and decision support.



Budget Summary (\$000s)

	Operating Budget			2008
	2006 Actual	2007 Budget	Change	Approved Budget
Revenue & Transfers				
	\$ -	\$ -	\$ -	\$ -
Total Revenue & Transfers	-	-	-	-
Expenditures:				
General Manager	691	571	(8)	563
Financial Strategy & Budget Planning	675	824	33	857
Corporate Strategy & Performance Planning	120	926	(19)	907
Office of Infrastructure & Funding Strategy	-	528	60	588
Economic Trends & Research	97	112	109	221
Total Expend. & Transfers	1,583	2,961	175	3,136
Tax Levy	\$ 1,583	\$ 2,961	\$ 175	\$ 3,136
Full Time Equivalent	21.5	24.3	0.2	24.5

Resource Distribution



	2007 Budget	2008 Approved
Personnel Costs	2,309	2,601
Materials, Goods, & Supplies	193	134
Services	333	258
Other General Costs	126	143
Total	2,961	3,136



Budget Changes for 2008 (\$000s)

Revenue & Transfers

\$	-
<hr/>	
\$	-
<hr/>	

Total Revenue & Transfer Change

Cost Increases on 2007 Services

Personnel Increases - Settlements and Merit	112
Delayed Hiring / Vacancy Discounting Personnel Cost Reduction	(11)
Historical Adjustments - Parking and Economic Data	46
Non-personnel Inflation	33
Annualization of 2007 Services	8
Inflation Capping Strategy	(13)
	<hr/>
	175
	<hr/>

Service Needs

Operating Impact of Completed Capital Projects

-
<hr/>
-
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Growth and Other New Services

-
<hr/>

Total Expenditure Change

\$	175
<hr/>	

Impact on Full Time Equivalents

Annualization of 2007 Service Package	0.2
	<hr/>
Total Full Time Equivalent Change	0.2
	<hr/>



**Performance Based Budgeting
Measures of Efficiency
(000's)**

Year		Inputs		Outputs	Indicator:		
		FTEs	Annual Operating Costs	Reports to Council	Operating Costs/ Total Expenditures	Standard	Efficiency Performance
Partial 2006	Actual	17.0	\$ 1,803,091	25	0.25%	0.25%	100%
2007	June YTD	24.3	\$ 2,961,000	10	0.19%	0.25%	132%
2008	Budget	24.5	\$ 3,136,000	-	-	≤0.25%	

Note:

Corporate Business Planning expenditures as a percentage of total corporate operating expenditures.



Performance Based Budgeting Measures of Effectiveness (000's)

Year		Inputs		Outputs	Indicator: % of reports adopted as recommended	Target % of reports adopted as recommended	Effectiveness Performance
		FTEs	Annual Operating Costs				
Partial 2006	Actual	17.0	\$ 1,803,091	25	88%	88%	100%
2007	June YTD	24.3	\$ 2,961,000	10	90%	88%	102%
2008	Budget	24.5	\$ 3,136,000	-		≥90%	

Notes:

- (1) Effectiveness (Lead Indicator) - % of reports adopted as recommended suggests Corporate Business Planning is effectively supporting City Council's decision making.
- (2) In 2006, 25 reports were submitted to City Council/Committee with 22 adopted as recommended and 3 with amendments (16 action reports and 9 information reports).
- (3) As of June 30, 2007, 10 reports submitted to City Council/Committee with 9 reports adopted as recommended and 1 amended (5 action reports and 5 process/information reports).

Other Effectiveness Measures

Measure	Indicator	Actual 2007 Results	2006 Baseline	Performance
1) Accuracy of economic forecasts	Accuracy of population forecast to bi-annual census.	+0.3%	+/- 1.5%	Met standard
	Accuracy of City housing forecast to CMHC forecast.	-2.3%	+/- 5%	Calculated in 4th Quarter
2) Employee Engagement Survey	Staff know the direction of the City and understand their roles in helping the City achieve its vision.	N/A (Scheduled for 2008)	57%	Pending for 2008
3) Survey of Council (effectiveness lag measure)	% of Council believing CBP is contributing value. Specific feedback is the best measure of success in achieving mandate and rationale for the department.	N/A	31%	N/A

Corporate Programs



Service Description

Corporate Programs contain revenues and expenditures of a nature which are not tied to a specific service delivery program but do accrue to the entire Corporation.

The four key programs are as follows:

- **Corporate Expenditures.** This program contains expenditures pertaining to Council and corporate contingencies, risk management insurance claims/recoveries, and support for city activities and partnerships.
- **Capital Project Financing.** This program allocates “general financing” to fund capital projects on a pay-as-you-go (PAYG) basis and provides for repayment of outstanding tax-supported debt. It also includes expenditures and recoveries relating to local improvements.
- **Corporate Revenues.** This program includes revenues used to partially offset the corporate tax levy requirements. They come from sources such as EPCOR Dividends and Franchise Fees, ATCO Franchise fees, Investment earnings and other dividends/contributions.
- **Taxation Expenditures.** This program includes expenditures related to business and property tax levies such as appeals, bad debts and loss on the sale of tax properties sold.

Operational Service Challenges

Reliance on EPCOR Dividends EPCOR Dividends comprise 18% of operating revenues. The competitive nature of certain EPCOR operations increases risk relating to the stability of the income stream.

Interest rate risk Investment earnings are expected to generate in excess of \$78M in 2008, including the investment income distribution from the Ed Tel Endowment Fund. The budget is based on longer-term expectations for rates which are subject to ongoing market influences.

Debt repayment risk - SLRT South LRT expansion is to be funded primarily by 20 year debenture debt, to be repaid by federal fuel tax monies. The agreement for federal fuel tax is for 5 years, with provision for a further extension to 10 years. No amounts are assured beyond that timeframe.

Risk Management The magnitude of a claim can significantly influence costs. Insurance premiums are subject to market influences.

Corporate Expenditures

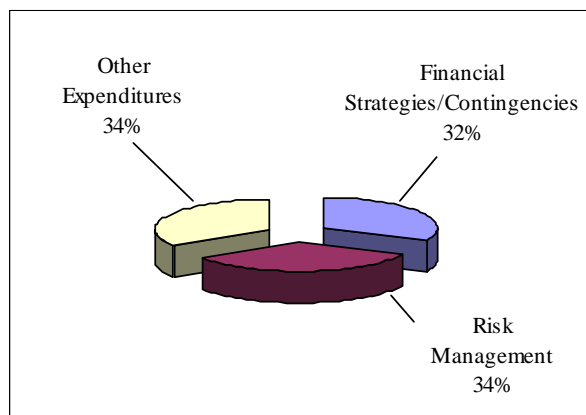


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Budget
Revenue & Transfers				
Risk Management	\$ 218	\$ 348	\$ (106)	\$ 242
External Debt Recovery	768	781	-	781
Other	333	-	-	-
Transfer from Reserves/Surplus	721	-	-	-
Total Revenue & Transfers	2,040	1,129	(106)	1,023
Expenditures:				
Financial Strategies	36	1,804	4,273	6,077
Northlands Subsidy	2,291	2,344	44	2,388
Risk Management	5,032	7,095	29	7,124
Management Initiatives & Organizational Change	575	704	-	704
Sundry	2,138	-	400	400
Council Contingency	1,128	675	25	700
Council Initiatives	34	-	-	-
Corporate Projects	-	-	360	360
Rossdale Water Centre	-	-	125	125
Accrued Vacation (transferred to depts in 2007)	3,418	-	-	-
Income Replacement	690	468	3	471
YMCA Contribution	400	400	(400)	-
TEC Edmonton	7,500	-	-	-
Art Gallery	6,000	-	3,000	3,000
Ukrainian Archives	-	1,000	-	1,000
External Debt	768	781	-	781
2005 World Masters Games	496	-	-	-
Tax Reduction Target	-	(1,800)	(5,612)	(7,412)
MES Efficiencies	-	-	(2,000)	(2,000)
Transfer to Reserve	721	-	-	-
Total Expend. & Transfers	31,227	13,471	247	13,718
Tax Levy	\$ 29,187	\$ 12,342	\$ 353	\$ 12,695

Resource Distribution



	2007 Budget	2008 Budget
Financial Strategies/Contingencies	2,479	6,777
Risk Management	7,095	7,124
Other Expenditures	5,697	7,229
Subtotal	15,271	21,130
Budget savings to be found	(1,800)	(7,412)
Total	13,471	13,718

Capital Project Financing

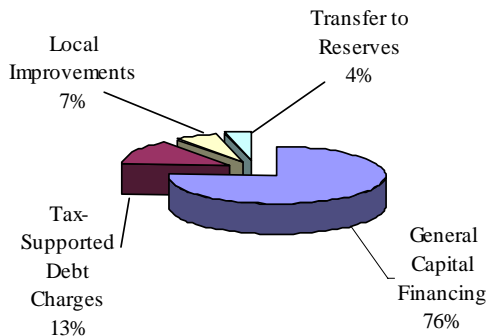


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Budget
Revenue & Transfers				
Local Improvement Revenues	\$ 9,856	\$ 9,801	\$ 128	\$ 9,929
Municipal Debt Interest Rebate	15	7	(7)	-
Transfer from Reserves/Surplus	4,237	1,200	174	1,374
Total Revenue & Transfers	14,108	11,008	295	11,303
Expenditures:				
General Capital Financing	105,931	97,226	(4,260)	92,966
Tax-Supported Debt Charges	8,339	12,174	4,010	16,184
Local Improvements	7,861	8,566	(479)	8,087
Local Improvement tax adjustments	-	25	-	25
Transfer to Reserves	4,908	3,071	1,855	4,926
Total Expend. & Transfers	127,039	121,062	1,126	122,188
Tax Levy	\$ 112,931	\$ 110,054	\$ 831	\$ 110,885

Resource Distribution



	2007 Budget	2008 Budget
General Capital Financing	97,226	92,966
Tax-Supported Debt Charges	12,174	16,184
Local Improvements & Other	8,591	8,112
Transfer to Reserves	3,071	4,926
Total	121,062	122,188

Corporate Revenues

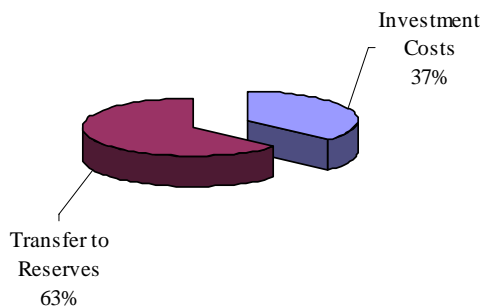


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Budget
Revenue & Transfers				
EPCOR Dividends	\$ 125,100	\$ 127,577	\$ 2,858	\$ 130,435
EPCOR Franchise Fees	35,973	38,411	3,081	41,492
Ed Tel Endowment Fund - ongoing	37,823	31,964	3,236	35,200
Ed Tel Endowment Fund - one-time	-	-	8,800	8,800
Investment Earnings	32,595	33,358	742	34,100
Gas Franchise Fees (net)	29,038	30,668	2,306	32,974
Provincial Unconditional Grant	3,485	3,485	-	3,485
Tag/Fine Revenues	4,363	5,342	572	5,914
Contribution from Corporate Entities	8,693	9,187	497	9,684
Other Revenues	14,191	5,600	900	6,500
Transfer from Reserves/Surplus				
Drainage Dividends	5,500	8,885	1,338	10,223
Land Enterprise Dividends	3,148	2,871	2,315	5,186
Land Revolving Dividends	-	-	2,500	2,500
Reserves/Surplus	7,514	4,250	4,990	9,240
Total Revenue & Transfers	307,423	301,598	34,135	335,733
Expenditures:				
Investment Related Expenses	144	500	32	532
Other	20	-	-	-
Transfer to Capital	3,422	-	-	-
Transfer to Reserves	4,356	960	(57)	903
Total Expend. & Transfers	7,942	1,460	(25)	1,435
Tax Levy	\$ (299,481)	\$ (300,138)	\$ (34,160)	\$ (334,298)

Resource Distribution



	2007 Budget	2008 Budget
Investment Costs	500	532
Transfer to Reserves	960	903
Total	1,460	1,435

Taxation

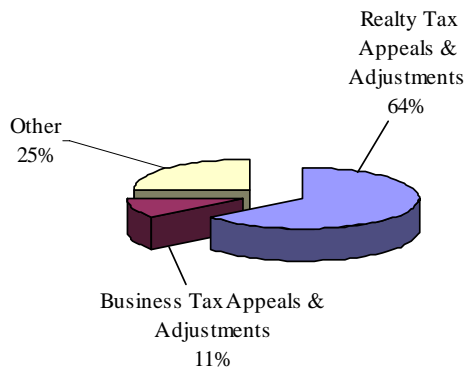


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Budget
Revenue & Transfers				
Partial and Supplementary Tax	\$ 3,077	\$ 2,500	\$ 500	\$ 3,000
Total Revenue & Transfers	3,077	2,500	500	3,000
Expenditures:				
Realty Tax Appeals and Adjustments	3,764	5,490	(2,190)	3,300
Business Tax Appeals/Adjustments	1,578	512	13	525
Business Tax Bad Debt Provision	265	300	-	300
Loss on Tax Sale	(222)	1,000	-	1,000
Tax Concessions	132	-	-	-
Downtown Retail/Com Complex Reinv	479	491	(491)	-
Total Expend. & Transfers	5,996	7,793	(2,668)	5,125
Tax Levy	\$ 2,919	\$ 5,293	\$ (3,168)	\$ 2,125

Resource Distribution



	2007 Budget	2008 Budget
Realty Tax Appeals & Adjustments	5,490	3,300
Business Tax Appeals & Adjustments	512	525
Other	1,791	1,300
Total	7,793	5,125

Corporate Programs



Budget Changes for 2008 (\$000s)

Net Tax Levy Change

Corporate Expenditures

Financial Strategies	\$ 4,273
Art Gallery - new agreement requirement	3,000
Tax Reduction Target - increase over 2007	(5,612)
MES Efficiencies to be identified	(2,000)
Other	692
Total	\$ 353

Capital Project Financing

Increased tax-supported debt servicing and offset by reduction to General Financing	\$ (250)
Increased contribution to SLRT reserve	1,855
Other	(774)
Total	\$ 831

Corporate Revenues

Special Dividend - Ed-Tel Endowment Fund (approved as per June 30, 2007 value)	\$ (8,800)
Increased Dividend - Ed-Tel Endowment Fund	(3,236)
Contribution from EPCOR - Dividends & Franchise Fees	(5,939)
Increased Gas Franchise Fees (based on contract)	(2,306)
Adjusted dividends from Utility/Enterprise (per policy)	(3,653)
Additional Land Revolving Dividend	(2,500)
Increase transfer from Financial Stabilization Reserve	(4,990)
Additional Fine and Tag Revenue	(572)
Investment Earnings	(742)
Other	(1,422)
Total	\$ (34,160)

Taxation

Reduction in Realty Tax Appeals	\$ (2,190)
Increase in tax revenues from partial and supplementary assessments	(500)
Other	(478)
Total	\$ (3,168)



Service Description

Corporate Services is committed to providing quality, best value shared services in a strategic, proactive way by continually working with our customers to better understand their businesses and the challenges they face. The shared functions of Business Enterprise Support, Communications, Finance, Human Resources, Information Technology, Law, and Mobile Equipment Services, and the Offices of Diversity and Inclusion and Public Involvement, are managed within the Corporate Services Department on behalf of the corporation.

Focus Area & Priority Alignment:

Primary Focus: Governance – Organizational Capacity

Secondary Focus: Corporate Services plays an integral role in supporting all focus areas.

Operational Service Challenges

- Edmonton's growth challenges all City departments to meet citizen expectations for service. In turn, Corporate Services is challenged to provide the level of internal support services required to meet client business goals.
- Departments continue to apply information technology solutions to gain operation efficiencies and meet growth pressures, while taking advantage of opportunities to improve service delivery through business process re-engineering.
- Council has charged the City's Communications Branch with leading the effort to define and manage the City's image.
- Given the import of the downtown core to the image of Edmonton, more effort must be made to ensure those who visit and work there feel safe.
- There is a need to improve the consistency and effectiveness of the way the City involves citizens on matters that impact them.
- The current 3% unemployment rate within the Edmonton area is not expected to change in the foreseeable future. The booming economy has increased the demand for City services, resulting in the need for more workers to provide these services at a time when labour supply is at an all-time low. In addition, the local cost of living is trending higher.
- Litigation against the City is increasing, and includes human rights complaints, employment litigation and workplace violence incidents. As well, the City is facing an increased number of small dollar claims.
- The City as an employer must take an active role in ensuring respectful and inclusive workplaces in order to attract and retain qualified staff.
- There is recognition of opportunity and need to engage Aboriginal residents, newcomers and community organizations in mutually beneficial initiatives.

Corporate Services

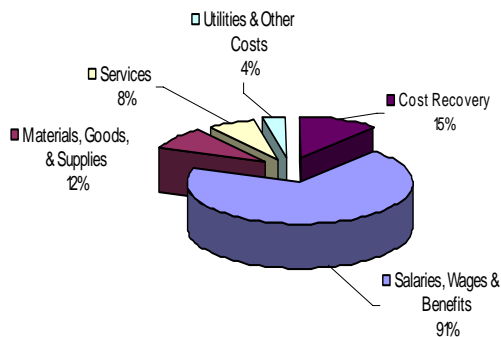


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
Revenues:	<u>3,008</u>	<u>3,219</u>	(1,166)	<u>2,053</u>
Total Revenue & Transfers	<u>3,008</u>	<u>3,219</u>	<u>(1,166)</u>	<u>2,053</u>
Expenditures:				
Finance	17,131	20,716	367	21,083
Human Resources	8,194	9,521	1,459	10,980
Information Technology	24,133	25,094	1,716	26,810
Business Enterprise Services	6,049	7,082	891	7,973
Communications	5,488	5,776	2,069	7,845
Law	6,534	6,989	1,669	8,658
Office of Diversity	1,216	1,059	286	1,345
Program Management & Support	829	1,221	434	1,655
Service Centre	724	2,120	150	2,270
Public Involvement	87	612	158	770
Total Expend. & Transfers	<u>70,385</u>	<u>80,190</u>	<u>9,199</u>	<u>89,389</u>
Tax Levy	<u>\$ 67,377</u>	<u>\$ 76,971</u>	<u>\$ 10,365</u>	<u>\$ 87,336</u>
Full Time Equivalents	<u>896.7</u>	<u>954.0</u>	<u>55.2</u>	<u>1,009.2</u>

Resource Distribution



	2007 Budget	2008 Approved
Salaries, Wages & Benefits	72,578	80,510
Materials, Goods, & Supplies	10,091	10,304
Services	6,225	8,004
Utilities & Other Costs	3,592	3,736
Cost Recovery	(12,296)	(13,165)
Total	<u>80,190</u>	<u>89,389</u>

Corporate Services



Budget Changes for 2008 (\$000s)

Revenue & Transfers

Revenue Changes-Volume

Materials Management -Hired Equipment Epcor-services not required	\$ 1,100
Materials Management-Transit Bus Passes Sales-Misc Taxable Revenue	361
Inflation	(9)

Rate Change

Treasury-186600 remittance EPCOR and Alberta Energy Savings	(195)
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Grants

	(91)
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Total Revenue & Transfer Change	<u>1,166</u>
--	---------------------

Cost increases on 2007 Services

Settlements-Wages	3,387
Delayed hiring vacancy discounting personnel cost reduction	(332)
Other Personnel Costs	1,520
Annualization	423
Historical Adjustments	
Non personnel inflation	358

Other Major Cost Changes

In House Security Guards	600
Communications- Additional staff	330
Information Technology H/W maintenance	250
Materials Management -Hired Equipment Epcor-services not required	(1,076)
Accrued Vacation	59
Costing Impacts on Operating	1,076
Cost Savings (Inflation Capping Strategy)	(185)
	<u>6,410</u>

Growth and Other New Services

Finance Analytical Support	200
Procurement Resources in Construction Buying	139
Edmonton Image Program	1,000
Office of Diversity and Inclusion Initiatives	145
Office of Public Involvement Responsible Hospitality	(25)
Maintenance and Support Phone System (funded by savings)	-
Strategic Communications	475
Leadership development, succession planning	555
Capacity for increased law demands	300
	<u>2,789</u>

Total Expenditure Change

\$ 9,199

Impact on Full Time Equivalents

Costing Impacts	22.0
Historical FTE's	6.9
Annualization of 2007 Service Packages	7.8
Capital Funded FTE's	6.0
Service Needs FTE's	12.5
Total Full Time Equivalent Change	<u>55.2</u>

Corporate Services



Performance Measures – Corporate Services

Departmental Programs	Measure	Indicator	Actual YTD as of Dec. 31, 2007	Baseline (YTD) as of Dec. 31, 2006	Performance (% of Target)
Corporate Services	<i>Efficiency:</i> Operating cost per civic expenditures	% of total \$	12%	13% (average 3 previous years)	108%
	<i>Effectiveness:</i> CSD Client Satisfaction Rate	% overall satisfaction	74% (baseline 2002-05)	>75% (department)	99%
Business Enterprise Services	<i>Effectiveness:</i> Business owners achieving anticipated value	% business owners achieving value	80%	75% (branch)	106%
Communications	<i>Effectiveness:</i> Residents report they are proud of their city	% of residents report they are proud of their city	69%	2007 baseline year	No calculation
		% of residents report they would recommend the City as a place to live	84%	95% (2003 survey)	88%
	Edmonton has a positive image	% of residents who reported that Edmonton had a positive national image	46%	2007 baseline year	No Calculation
Finance	<i>Effectiveness:</i> Investment benchmarks are achieved or exceeded	% rate of return	3.2%	3.2% (Investment Policy C212C)	100%
	Invoices paid in accordance with specific terms	% paid on time	84%	80% (Industry)	105%
	Collection Rate	# of days outstanding	73	90 (Industry)	123 %
Human Resources	<i>Effectiveness:</i> Vacancy rate	% permanent FTE/budgeted FTE	2.94%	<4% (City of Edmonton)	136%
Information Technology	<i>Effectiveness:</i> Availability of critical applications	% availability of critical applications	99.9%	99.9% (Industry)	100%
	Production runs to schedule (payroll, financial)	Production schedule met	100%	100% (branch)	100%
	Inside Information service level	% of calls answered (=or<30seconds)	87.86%	85% (branch)	103%
Law	<i>Effectiveness:</i> Payment on Statement of claim	% diff. between amount paid/claim	7.1% of claim	<50% of amount claimed is paid (branch)	143%
	Claims settled without the necessity of litigation	% of claims settled	96%	>=94% (branch)	102%

Corporate Services



Highlights
Performance Measures
<p>Corporate Services</p> <p>Efficiency is reported at the program level to coincide with financial reporting criteria.</p> <p>Operating Costs = all CSD excluding MES. Total expenditures = Civic net expenditures tax supported operations (excludes MES, Drainage, Police, Boards and Authorities).</p> <p>Source: CSD Client Satisfaction Survey baseline score (2002-05). Update score available Q2 2008.</p>
<p>Business Enterprise Services</p> <p>Source: Value Management Reporting (semi annual Q2 2007). Update available end Q1 2008.</p>
<p>Communications</p> <p>Source: 2007 Citizens Satisfaction Survey</p>
<p>Finance</p> <p>Additional financial measures reported in Tier 1 – Corporate Wellness</p>
<p>Human Resources</p> <p>Source: Peoplesoft.</p> <p>Vacancy rate fluctuates throughout the year.</p> <p style="text-align: center;">Additional human resources measures are reported in Tier 1 – Corporate Wellness and Tier 2 SMT 2007 Priorities</p>
<p>Information Technology</p> <p>Availability of critical (identified as “Severity 1”) business applications (department and/or corporate ERP) as tracked by the IT business continuity group.</p>

Corporate Services



(S000 - incremental)

Procurement Resources in Construction Buying (Make / Buy)

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	139		139	1.5	35		35	0.5			0	0.0

Description

This service packages includes salaries, benefits and materials to fund additional FTE's to meet increased procurement demands supporting growth in operating areas as well as the increase in capital expenditures arising from the new provincial Municipal Sustainability Initiative funding. In addition, the strong local economy increases the complexity and effort required in acquiring the goods and services needed to deliver services to citizens.

Justification

The City's capital expenditures have been increasing over the past number of years with the introduction of borrowing, provincial and federal grant programs. In addition, the Province has introduced the Municipal Sustainability Initiatives grant program that will result in an additional \$92 million in 2008 ramping to \$260 million annually by 2010. While funding is increasing, the local economy has increased the complexity in managing procurement efforts to obtain the goods and services required. Growth also impacts the procurement efforts required to support operating programs in securing material, equipment and contracted services. Two procurement specialists are required to accommodate the growth demands of operating areas.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Primary Focus: 1. Building Organizational Capacity

- a. Improving decision-making capacity in the organization by employing sound management practices.

Secondary Focus: Finance plays an integral role in supporting all focus areas by effectively managing the financial resources we have (e.g. investing monitoring and decision-making) and advisory services in developing strategy and making allocation decisions for existing and new financial resources.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
35		35	0.5

Corporate Services



(S000 - incremental)

Capacity for increased law demands

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	300		300	3.0	40		40	1.0			0	0.0
Description												
This service package includes salary, benefits and incidentals for a lawyer, a paralegal, a junior adjuster and an intermediate adjuster.												
Justification												
<p>As the city grows the demands for legal council and advice grows also. The key areas for growth affecting the Law branch are as follows:</p> <p>A lawyer is required to deal with Human Resource related legal actions and issues in a timely manner.</p> <p>A paralegal is required to keep up with increased department requests for consulting and construction agreements.</p> <p>A junior adjuster is required to handle an increased number of minor claims e.g. potholes.</p> <p>An intermediate adjuster is required to handle more complex property claims as the City has moved from a \$25,000 to a \$100,000 self retention for property insurance.</p>												
Links to 2008 Strategic Direction: Focus Areas and Priorities												
<p>Primary Focus: Governance- Build organizational capacity Improve decision-making capacity in the organization by employing sound management practices.</p> <p>Secondary Focus: Social and Cultural Safe communities</p>												
2009 Annualization:												
Incremental To Full Year Service												
	Exp	Rev	Tax Levy	Ftes								
	40		40	1.0								

Corporate Services



(S000 - incremental)

Maintenance and Support (Phone System Replacement) - Make / Buy (self funded)

	2008				2009				2010			
	Exp	Rec	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	125	125	0	1.5			0	0.0			0	0.0

Description

The Information Technology branch commenced a new project to replace the existing aging telephone system with a newer more function rich system, which will be more useful in addressing the City's changing business needs and will reduce the overall costs for telephone services. Direct benefits include the replacement of aged phone sets which are almost impossible to acquire / replace, the availability of additional functionality to improve services to citizens and operational effectiveness, with an overall reduction in telephone system costs. The savings of the phone replacement come from the consolidation of the phone services.

The new telephone system will require in house staff to provide technical support. The staff will provide telephony support, maintenance and provisioning of services for new phone sets and supporting infrastructure.

The additional 1.5 FTE's will support the following:

- installs, office moves, ongoing user training and support of 3700 phone sets and infrastructure
- PRI (primate rate interlace) telephone lines (connection between City's telephone network and the public telephone network)
- 6500 yearly telephone requests for moves, adds and changes (2004/2005 numbers)

Preliminary estimates are that the overall wireline telephony costs of the corporation will be reduced by 10% - 15% when implementation is complete in 2009. This translates into \$250,000 - \$400,000.

Justification

The new telephone system being implemented in the corporation will provide enhanced services and closer integration with City systems. This system will be supported in house. Supporting the new system with in house staff is more cost effective than contracting for the service.

Overall savings to the corporation on completion of the project will be \$250,000 - \$400,000 a year.

During the transition period in 2007 / 2008 no net savings will be achieved, but the cost of operations can be absorbed without an increase in tax levy funding.

This service package identifies the FTE required to support and maintain the City of Edmonton's new telephony environment.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Primary Focus: 1. Balanced Infrastructure Management

- To balance available resources between rehabilitation and growth across corporate infrastructure.
- To establish funding for operations and maintenance, rehabilitation and replacement as new assets are added.

Secondary Focus: 2. Build organizational capacity

- Set a common strategic direction for the City and align resources appropriately.
- Improve decision-making capacity in the organization by employing sound management and practices.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	

Corporate Services



(\$000 - incremental)

Leadership development, succession planning

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	555		555	1.5	50		50	0.5			0	0.0

Description

Leadership development is directly related to Senior Management Team priorities and addresses the following areas:
 200K Leadership Development and Succession Planning
 135K Two Safety Consultants-growth of City operations, increased program focus on root cause analysis, increase safety risk associated with growth and contractor management. Supported by Corporate OII & S Committee members.
 80K E-recruitment system annual maintenance costs
 140K Employment Outreach Initiatives

Justification

Workforce challenges impact all employees. Investments in leadership development and succession planning are critical to ensure the organization has strong sustainable leadership for the future. The \$200,000 will be used for targeted leadership development initiatives such as leadership assessment and training. Additional support in the area of safety services is requested by clients to respond to Corporate Safety Audit findings and increase in capital work undertaken by the corporation. The steady increase in recruitment volumes requires the recruitment system to be maintained or for the organization to significantly increase staff resources in this area. The same increase in recruitment volume requires HR to make a significant move to a national presence in recruiting talent through national job fairs etc.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Primary Focus: Governance-Build Organizational Capacity

Set a common strategic direction for the City and align resources appropriately
 Improve decision-making capacity in the organization by employing sound management practices.

Secondary Focus: Economic Development

Encourage population and workforce diversity, attraction and retention
 Expand and diversify the economic base through business and workforce

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
50		50	0.5

Corporate Services



(\$000 - incremental)

Strategic Communications

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	475		475	3.5	40		40	0.5			0	0.0

Description

To respond to growth pressures, new business requirements and more strategic communications services, the following is required:

- 140K and 1 FTE - Community Services - EMS PIO II, and Neighborhood and Recreational Facilities PIO II: due to growth and high demand for issues management and media relations; similar requirement to Fire Services.
- 335K and 3 FTE - To shift from local/tactical to corporate/strategic communications. Dollars relate to funding and top-up funding for business partners and a media relations technical position. Results enhanced organizational capacity as per agreement to move to strategic communications model. (Torque Report 2004).

Justification

These services are required to respond to growth pressures, the emergence of new business areas, the shift from a mid- to big-city (with issues/opportunities), and the move to a strategic corporate communications model as per the 2004 agreement (Torque Report). Service to the public will be enhanced through more effective communication, that is both responsive to citizen needs and proactive in reflecting the realities and business goals of the organization. This service package supports the effectiveness measures of extended communications (message) reach enhancing the levels of awareness of Edmonton, and the efficiency measures of establishing tools that allow proactive issues identification and management. Without funding, communications support will be diminished, cut or under delivered. We would continue providing reactive, tactical, local operations. With the complexity of issues we now face, not funding risks negative public perception and a lack of competitive positioning. With funding communication performance will increase, target audiences will have a better understanding of the efforts of City administration, Edmonton will be positioned more competitively and the City will be better positioned to achieve its goals. Positive results in the provision of integrated, strategic corporate communications should be evident fairly immediately.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Direct linkages to the outcome areas of Economic Development and Governance.

- Strategic communications services contributes to the focus areas of:
 - Business Positive Urban Environment (ensuring competitive image/reputation with other major cities world-wide; the attraction and retention of people, businesses and investments; understanding of the attributes and quality of life of Edmonton)
 - Promotion and Partnerships (ensures ongoing management and development of Edmonton's image)
 - Regional Growth and Development (alignment of messaging and issues management ensures Edmonton's story is told and understood) and Environmental Leadership (tell the story Edmonton seeks to be known for)
 - Organizational Capacity (via involvement and engagement of citizens in discussions of Edmonton's present issues and future opportunities)

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
40		40	0.5

Corporate Services



(\$000 - incremental)

Office of Diversity and Inclusion Initiatives

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	145		145	0.0	(40)		(40)	0.0	40		40	0.0

Description

This service package includes funds to:

- (1) implement and conduct analysis of the second corporate employee diversity and inclusion census and related performance measurement and reporting system development (70K),
- (2) develop and begin implementation of diversity and inclusion training modules (45K),
- (3) begin implementation of the City of Edmonton Coalition of Municipalities Against Racism and Discrimination (CCMARD) declaration (30K). No additional staff are required.

Justification

Evaluation of the City's *workforce diversification* and *employee inclusion* initiatives requires regular and consistent application of the employee census quantitative and qualitative measures over time. Information gathered will allow insights, promotion and support of employment practices and public service improvements to address Council's priorities *inclusive communities* and *diverse communities*. The development and implementation of training modules will support employees' development of required *organizational capacity* to effectively include and serve all citizens.

The Edmonton CCMARD Committee, a *partnership* that includes Edmonton Police Service, school boards, post-secondary institutions, other orders of government and community agencies and groups, is being coordinated through the Office of Diversity and Inclusion. In 2007, City Council approved a declaration that mandated the Committee to develop an action plan that will identify strategies to: 1) promote and strengthen initiatives that address racism and thus create *inclusive and safe communities*, schools and public spaces; 2) address barriers to City and broader workforce *diversification*; and 3) improve accessibility of services for ethnocultural and Aboriginal populations and support their effective inclusion in public involvement initiatives. The Province of Alberta has contributed partner funds to this municipal initiative. *Promotion of the City's partnership* in the Coalition will be achieved through provincial and national networks and municipal contributions. The Committee is required to bring the action plan to City Council for approval in 2008.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Environment: Diverse Communities; **Social and Cultural:** Vibrant Communities, Inclusive Communities, Safe Communities; **Economic Development:** Business Positive Environment, Promotion and Partnership; **Governance:** Organizational Capacity.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	

Corporate Services



(\$000 - incremental)

Edmonton Image Program

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	1,000	0	1,000	0.0	(500)	0	(500)	0.0		0	0	0.0

Description

The City of Edmonton Communications Branch is to build awareness and improve the external image and perceptions of Edmonton to attract workers visitors, companies and investment. Total investment for this program is: \$1 million (In amendment #47 \$500,000 to fund the Edmonton Image Program on a one time basis with funding from an increase in the tax levy, and amendment #48 \$500,000 on an ongoing basis, with funding in the amount of \$200,000 from Boards and Authorities and funding in the amount of \$300,000 from the tax levy). The 2008 program expands on the 2007 awareness and marketing campaign, with the following deliverables: 1) Market Research and Evaluation, 2) Extended mass market advertising campaign across multiple communication channels and media to additional geographic markets, 3) Cross promotional marketing, 4) Stakeholder engagement. Increased message refinement, presence and sustained visibility in markets funded in 2007 would be achieved. City of Edmonton funding is key to securing matching stakeholder financial contributions.

Justification

Multiple research efforts over the past 5 years confirms target audiences have low to no awareness and a negative perception of Edmonton. This situation affects our ability to attract workers, travelers, investments and businesses. Defining the attributes and developing consistent messaging to extend the reach of the positive image of Edmonton helps us attract and retain talent, investment, businesses and visitors. By improving Edmonton's image, Edmonton organizations are more competitive - they are better perceived outside of the region, and are able to secure labour and other resources. Without funding, Edmonton will not compete effectively with other North American cities. This program requires higher levels of sustainable funding and a multi-year commitment. Without this commitment the program is at risk of not achieving increased awareness and a positive change in perception resulting in economic loss to the Edmonton region. Within 12 to 24 months we expect to see an incremental awareness increased in select target markets. More sustainable long term funding is required to achieve the level of awareness and shift in perception Edmonton needs to be competitive to achieve economic impact to the City.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Direct linkages to the outcome areas of Economic Development, Social and Cultural and Governance.

- Business Positive Urban Environment (ensuring competitive image/reputation with other cities world-wide; the attraction and retention of people, businesses and investments; understanding of the attributes and quality of life of Edmonton) and Promotion and Partnerships (ensures ongoing management and development of Edmonton's image)
- Vibrant, Inclusive and Safe Communities (reputation management)
- Regional Growth and Development (alignment of messaging and issues management ensures Edmonton's story is told and understood) and Organizational Capacity (involving and engaging the public and key city-building partners)

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	

Corporate Services



(\$000 - incremental)

Analytical Support

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	200		200	1.5	50		50	0.5			0	0.0

Description

This service request will provide financial analysis services through two finance staff (150K and 1.5 FTEs in 2008; 50K and 0.5 FTE annualization in 2009, and access to financial consulting resources 50K). The new resources will help address demands for financial analytical service in areas such as reviews of partner proposals and community funding requests, development of funding options and business proposals, and support for new funding programs (e.g. affordable housing). The resources will also assist in the review of existing financial processes with a goal of continuous improvement. Where specific in house expertise does not exist or demand for service exceeds staff availability, consulting resources will be obtained.

Justification

The Finance Branch has reorganized to provide more proactive and strategic financial advice required by client departments and to support corporate initiatives. Examples of analytical financial services provided in 2007 by Finance include development of funding options for capital project cost escalations (e.g. SLRT), participating in the SW Arena P3 process, participating in the Sustainable Infrastructure Financing Strategy, and supporting city efforts on the Minister's Council on Municipal Sustainability. Finance has also led or supported key corporate financial initiatives, including the review and update of the Debt Management Fiscal Plan (to Council November 2007), commencing implementation of new legislative accounting requirements for capital assets, improved performance reporting to Council and the 2007 supplemental capital budget adjustment.

Additional resources are required to fully meet the demands for financial analytical services for initiatives such as the above. Also, the continuous improvement of financial business processes facilitated by this service request will enhance client service and mitigate the need for further increases in financial resources due to growth demands.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Primary Focus: 1. Building Organizational Capacity

- a. Improving decision-making capacity in the organization by employing sound management practices.

Secondary Focus: Finance plays an integral role in supporting all focus areas by effectively managing the financial resources we have (e.g. investing monitoring and decision-making) and advisory services in developing strategy and making allocation decisions for existing and new financial resources.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
50		50	0.5

Corporate Services



(S000 - incremental)

Operating Impacts from Capital

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	1,076		1,076	6.0	0		0	0.0			0	0.0

Description

The Corporate Services Capital Budget initiatives upgrades, adds and enhances new services and functionalities to Corporate Information Systems. These new services require additional operating funds in order to maintain and ensure that the systems are running properly.

This service package identifies operating impacts from capital projects. The operating impacts are as follows:

94K - Incident Management licensing fees

533K - Impacts from the PACMAN implementation

149K - Business Process Management

300K - E-Business / Web Development Support

Justification

(1) The file management system in Law is being replaced. The new system will have increased licensing costs. In 2008 added business and technical support is required given the growth in users, system complexity, and business processes added to the corporate business applications through various capital projects. (2) The Project and Contract Management project will be implemented and expanded into its next phase. At the end of 2007, this project alone will add approximately 250 new corporate application users, and will significantly increase the business process scope and complexity of support required for an additional 300 existing users. (3) Major modules in SAP including project systems, contract management, grants management, business intelligence, business planning and simulation and business warehouse reporting will be utilized, resulting in the businesses requiring support and continuous work on process improvements to maximize their effective use of the applications. Associated with the growth in new users are the annual maintenance fees that must be paid to the application vendors. (4) Support also is required for software upgrades to the applications and ongoing business improvements.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Primary Focus: I. Building Organizational Capacity

- a. Improving decision-making capacity in the organization by employing sound management practices.

Secondary Focus: Finance plays an integral role in supporting all focus areas by effectively managing the financial resources we have (e.g. investing monitoring and decision-making) and advisory services in developing strategy and making allocation decisions for existing and new financial resources.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
-		-	-

Corporate Services



(\$000 - incremental)

- Responsible Hospitality Edmonton - Street as a Venue

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	25		25	0.0	650		650	0.5			0	0.0

Description

These resources are required to implement the recommendations of the Responsible Hospitality Consultation Process and the Old Strathcona Task Force as pertains to Street as a Venue, which were specifically:

To provide the Whyte Avenue Facility Manager and OSIST the resources to manage Whyte Ave on a 24/7 basis.

* Initial clean-up and maintenance of the area: litter pick up on adjacent avenues, sidewalk clean-up, ashtray installation, graffiti removal and addressing safety concerns through CPED education. One time costs \$200,000 ongoing costs \$170,000

* Services to people include: public washroom trial, on street programming. One time costs \$150,000 ongoing costs to be determined out of trials

* Studies to investigate the needs of the Non-profits which are valued contributors to the area and to study the economic and demographic drivers that will influence the recruitment and retention of businesses to sustain long term viability. One time cost \$350,000 ongoing \$0

*Provision of \$100,000 to develop an ongoing media advertising campaign that promotes the community covenant/code of conduct for both behaviors in establishments and on the street.

Administrative support for the Responsible Hospitality Edmonton team requires 1 FTE to provide record keeping and PSCT database management. 50,000 ongoing.

2009

Initial clean-up and maintenance will include graffiti removal program and innovative project trial.

Services to people include: a public toilet solution, patron responsibility campaign, programming. One time costs \$400,000, ongoing expense \$ 200,000.

Justification

City Council in 2002 approved the short, medium, long term action plans to address the issues of Old Strathcona- 2 of which were the establishment of the Old Strathcona Integrated Service Team and the Old Strathcona Task Force. Over the past 4 years both of these groups along with the community and other regulators recognized that the Hospitality Industry plays a vital part in the vibrancy of the City. That brings challenges; one of which is that the City of Edmonton has to make systemic change in how we do business to meet the needs of a 24/7 city and particularly related to the Hospitality areas within the city, both existing and emerging.

City Council in 2006 approved formation of Responsible Hospitality Edmonton. The position of Whyte Avenue - Facility Manager requires the operational costs of research, pilot projects and operational change as identified in the OSTF/OSIST recommendations and the RHI final report.

Failure to implement these changes will result in continued dissatisfaction of patrons, Not -for-profits, businesses and residents in the Whyte Avenue area and missed opportunity to apply the learnings to the development of the emerging entertainment areas.

Links to Plans

*Bar Safety

* Youth

*Old Strathcona Overlay

2008 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	

Mobile Equipment Services



Service Description

Mobile Equipment Services provides equipment life-cycle management and operational support services to ensure client department have effective and efficient equipment to meet operational requirements. These services include:

- Ensuring the City of Edmonton's equipment fleet meets environmental and safety regulatory requirements for acquisition and maintenance.
- Ensuring the user departments and branches receive integrated mobile services at a best-price-for-value point
- Providing operational support services such as operator licensing, training and collision investigation and reporting
- Providing cost-effective fabrication services for client departments

Focus Area & Priority Alignment:

- Primary: Environment - Balanced Infrastructure
- Secondary: Governance - Build Organizational Capacity

Operational Service Challenges

- Alberta economy and demand for skilled trades-people and engineers outstrips the supply skilled workforce attrition rate is increasing due to demographics. Recruiting replacement skilled workers continues to be challenging
- Significant increase in snow removal capacity
- Increased demand for environmentally responsible and sustainable vehicle solutions
- Cost of steel (primary component of manufacture, parts and equipment purchase) is increasing at twice the corporate planning guideline
- Introduction of growth buses and replacement buses for existing GMC buses
- Growth in service for SW quadrant of the city related to ETS will be mirrored by the other client departments. There will be a challenge to meet these requirements in an area not currently serviced by an MES garage
- Insufficient engineering capacity to meet sharply increased demand for procurement and increased demand for engineering participation or management of test and trials (eg. Biodiesel, hybrid bus, project management module of SAP)

Mobile Equipment Services



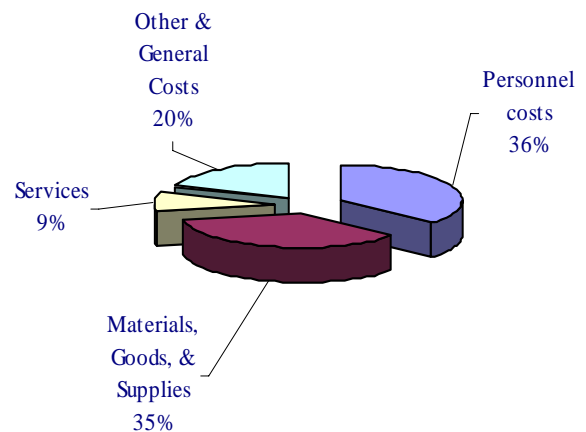
Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
Municipal Fleet Revenue	56,534.00	63,580.00	9,855.00	73,435.00
Transit Fleet Revenue	39,917	42,673	7,899	50,572
Other	5,820	3,981	168	4,149
Efficiency reduction to tax-supported Programs			(2,000)	(2,000)
Total Revenue & Transfers	\$ 102,271	\$ 110,234	\$ 15,922	\$ 126,156
Expenditures:				
Municipal Fleet	33,381.00	37,147.00	10,268	47,415.00
Transit	27,466	28,279	4,583	32,862
Financial	19,961	20,301	1,109	21,410
Fuel	19,742	22,915	2,094	25,009
Efficiency reduction to tax-supported Programs			(2,000)	(2,000)
Total Expend. & Transfers	\$ 100,550	\$ 108,642	\$ 16,054	\$ 124,696
Net Income	\$ (1,721)	\$ (1,592)	\$ 132	\$ (1,460)
Full Time Equivalent	517.9	531.4	56.5	587.9

Resource Distribution

	2007 Budget	2008 Approved
Personnel costs	37,855	45,576
Materials, Goods, & Supplies	39,059	43,821
Services	6,663	10,946
Other & General Costs	25,065	24,353
Total	108,642	124,696



Mobile Equipment Services



Budget Changes for 2008 (\$000s)

Revenue & Transfers

Historical Adjustment	\$ 1,500
Volume Change	5,453
Rate Adjustment Revenues	357
Rate Adjustment Recoveries	3,875
Other- proposed service package recoveries	6,737
Efficiency reduction to tax-supported Programs	(2,000)
Total Revenue & Transfer Change	15,922

Cost increases on 2007 Services

Cost Impacts

Settlements	\$ 2,536
Other Personnel	793
Inflation	965
Inflation: Fuel	1,146
Efficiency reduction to tax-supported Programs	(2,000)

Other Major Cost Changes

Municipal-Adjust for revenue & expense variances	\$ 1,500
Extraordinary inflation materials & contract	1,520
Maintenance Annualization	714
Fuel Annualization	357
	7,531

Service Needs

Operating Impact of Completed Capital Projects

Approved Transportation Snow Removal Equipment	\$ 911
Municipal Equipment Projects	875
	1,786

Growth and Other New Services

MES Municipal Growth	\$ 1,000
Fuel Growth	300
Snow removal & Waste to Ryley	4,692
Support to Transit Service Packages	745
	6,737

Total Expenditure Change

\$ 16,054

Impact on Full Time Equivalents

Costing Impacts	3
Historical Adjustments	12
Annualization of 2007 Service Packages Capital	6
Service Packages	10
	25.5
Total Full Time Equivalent Change	56.5

Mobile Equipment Services



Performance Measures

Departmental Programs	Measure	Indicator	Baseline or Current data	Standard or Target	Performance
Mobile Equipment Services	<i>Efficiency:</i> Operating costs per total fleet	Operating cost/fleet count	\$27,668	<=\$29,600	107%

Mobile Equipment Services



OPERATING IMPACT OF CAPITAL - TRANSPORTATION DEPARTMENT

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	911	911	0	10.0								

Description

This service package is for the additional operating expenses associated with initial building of expansion and increased replacement manufacture driven by the 7.2M capital expenditure in snow removal equipment and activity for the capital program. Additional 10 FTEs are the major cost contributor to meet equipment manufacture needs associated with repetitive annual build requirements for scheduled additions and replacements in expanded fleet. Personnel positions will be utilized in build effort in in early part of expansion and maintenance as equipment delivered.

Justification

Service is required to meet regulatory and operational requirements of mobile equipment in client departments. Service to the public by client departments is enhanced by well-maintained, safe and operationally effective mobile equipment. Internal manufacture of specialized sander bodies has been demonstrated most cost-effective solution. Package is zero net tax levy impact. Not funding the package will result in cost and revenue variances for enterprise operation. Lack of FTE approval will result in increased use of overtime and vendor services to meet client requirements. Overall funding and revenue is based on client usage. No key risk areas not already managed by the enterprise.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Environment - Balanced Infrastructure

To establish funding for continued growth and replacement manufacture of capital items.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes

Mobile Equipment Services



MUNICIPAL EQUIPMENT PROJECTS

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	875	875	0									

Description

This service package is for the additional operating expenses associated with the 3.9M new capital expenditure for 07-25-5919- Municipal Vehicle - Growth. No additional FTEs are required for this effort as personnel costs will be integrated into existing work force.

Justification

Service is required to meet regulatory and operational requirements of mobile equipment in client departments. Service to the public by client departments is enhanced by well-maintained, safe and operationally effective mobile equipment.
 Package is zero net tax levy impact. Not funding the package will result in cost and revenue variances for enterprise operation. Overall funding and revenue is based on client usage.
 No key risk areas not already managed by the enterprise.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Environment – Balanced Infrastructure
 To establish funding for operations and maintenance, rehabilitation and replacement as new assets are added.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



2008-2010 Strategic Plan, 2008-2010

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	1,000	1,000	0	5.0	1,100	1,100	0	4.0	1,200	1,200	0	4.0

Description

This service package accommodates the growth in client department operation as the City of Edmonton expands. Service level remains as total in-service support to client operations. Change is associated with volume of client department usage. Separate packages exist for specific and significant client growth items.

Justification

Service is required to meet regulatory and operational requirements of mobile equipment in client departments. Service to the public by client departments is enhanced by well-maintained, safe and operationally effective mobile equipment. Package is zero net tax levy impact. Not funding package will result in cost and revenue variances for enterprise operation. Overall funding is based on client usage. No key risk areas not already managed by the enterprise.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Governance - Build Organizational Capacity
To ensure sufficient funding for existing services growth by client departments.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	

Mobile Equipment Services



FUEL GROWTH

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	300	300	0	0.0	330	330	0	0.0	360	360	0	0.0

Description

This service package accommodates the growth in client department operation as the City of Edmonton expands. Service level remains as provision of fuel to meet client operations. Change is associated with volume of client department usage. Separate packages exist for specific and significant client growth items.

Justification

Fuel required to meet additional operation by client departments. Additional fuel ensures ability of client departments to meet public operational requirements.
 Package is zero net tax levy impact. Not funding package will result in cost and revenue variances for enterprise operation. Overall funding is based on client usage.
 No key risk areas not already managed by the enterprise.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Governance Build Organizational Capacity
 To ensure sufficient funding for existing services growth by client departments.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	

Mobile Equipment Services



Snow Removal and Waste to Ryley - Operations, Maintenance, Depreciation

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	4,692	4,692	0	15.5			0	0.0			0	0.0

Description

Service package includes increase maintenance support and depreciations associated with major client service packages including Transportation Roads Patch paving and Pothole Repairs, Winter Road to Full Service, Enhanced Spring Clean up, and Residential Plowing to Bare Pavement as well as Waste Growth in Waste Management Services. Services are for existing equipment at an expanded operational activity.

Justification

Service is required to meet regulatory and operational requirements of mobile equipment in client departments. Service to the public by client departments is enhanced by well-maintained, safe and operationally effective mobile equipment. Package is zero net tax levy impact. Not funding package will result in cost and revenue variances for enterprise operation. Overall funding is based on client usage. No key risk areas not already managed by the enterprise.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Governance – Build Organizational Capacity
To ensure sufficient funding for existing services growth by client departments.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



REPORT TO COUNCIL SERVICES PACKAGES

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	745	745	0	5.0	2,009	2,009	0	10.0	1,291	1,291	0	0.0

Description

This is directly tied to Transit service packages including annualization.

Package Name	2008 Hours	2008 Fuel	2008 Maintenance	2009 Hours	2009 Fuel	2009 Maintenance
Schedule & Capacity Adjustments - Off Peak	8,126	69,071	138,142	16,730	181,000	362,000
Service to New Areas - Off Peak	13,192	112,132	224,264	27,160	269,000	537,000
Schedule & Capacity Adjustments - Peak	7,905	67,193	134,385	16,275	220,000	240,000

2008 FTE's are for 15 positions from September to December
 2009 FTE's are annualization of those positions from January to August
 7 mechanics, 6 cleaners, 2 service persons

Justification

As per Transit service packages.

Funded

Links to 2008 Strategic Direction: Focus Areas and Priorities

Environment - Balanced Infrastructure

- To establish and increase funding for operations and maintenance, rehabilitation and replacement as new asset are added

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
1,604	1,604	-	10.0

Mayor and Councillor Offices



Service Description

The Municipal Government Act gives Council the responsibility for developing and evaluating the policies and programs of the municipality and for making sure that the powers, duties and functions of the municipality are appropriately carried out.

The purposes of the municipality are to provide good government; provide services, facilities or other services that in the opinion of Council, are necessary or desirable for all or part of the municipality; and to develop and maintain safe and viable communities.

Focus Areas and Priority Alignment:

- Social and Cultural—Inclusive, Safe, and Vibrant Communities
- Environment—Diverse Communities
- Economic Development—Build a Business-Positive, Sustainable Environment
- Governance—Optimize regional growth and development with neighbouring municipalities

Operational Service Challenges

The program for the Mayor and Councillors reflects approved adjustments for 2008.

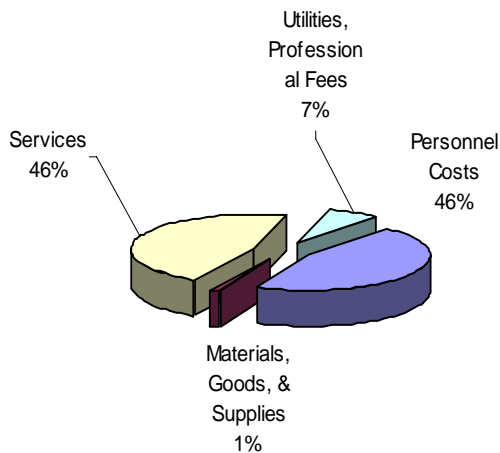
Mayor and Councillor Offices



Budget Summary (\$000s)

	Operating Budget			2008
	2006	2007	Change	Approved
	Actual	Budget		Budget
Revenue & Transfers				
Other	\$ 18		\$ -	\$ -
Total Revenue & Transfers	18	-	-	-
Expenditures:				
Office of the Councillors	2,460	2,662	180	2,842
Office of the Mayor	990	1,148	78	1,226
Total Expenditures & Transfers	3,450	3,810	258	4,068
Tax Levy	\$ 3,432	\$ 3,810	\$ 258	\$ 4,068
Full Time Equivalent	21.0	21.0	0.0	21.0

Resource Distribution



	2007	2008
	Budget	Approved
Personnel Costs	1,706	1,853
Materials, Goods, & Supplies	56	58
Services	1,789	1,890
Utilities, Professional Fees	259	267
Total	3,810	4,068



Budget Changes for 2008 (\$000s)

Revenue & Transfers

\$ -

Total Revenue & Transfer Change

-

Cost increases on 2007 Services

Inflationary increases for personnel

155

Delayed Hiring/vacancy discounting personnel cost reduction

(8)

Inflationary increases for non-personnel

102

Historical Adjustment

21

Inflation Capping Strategy

(12)

258

Service Needs

Growth and Other New Services

-

Total Expenditure Change

\$ 258

Impact on Full Time Equivalents

-

Total Full Time Equivalent Change

-



Service Description

The Office of the City Auditor is independent from the Administration, reporting directly to Council through the Audit Committee. This office is responsible for all internal auditing activities within City Programs and City Agencies. This office provides independent and objective review and consulting services to improve the City's programs by applying a systematic, disciplined approach to evaluate and improve the City's risk management, control, and governance processes. This office also administers the City of Edmonton's Fraud and Misconduct Hotline and coordinates fraud investigation activities within City Programs or City Agencies.

The Office of the City Auditor identifies City activities for review or consultation by utilizing a risk based evaluation methodology, thereby focusing its efforts in the areas deemed significant to the City achieving its objectives. This office's activities may result in proactive control design or corrective action recommendations to the Administration. The results of this office's activities are formally reported in audit reports distributed to each member of Council and then publicly disclosed on the City of Edmonton website. Reports containing significant issues are brought forward for discussion at Audit Committee.

Focus Areas and Priority Alignment

The Office of the City Auditor contributes to organizational capacity and promotes effective governance structures throughout the organization. This is achieved through evaluating internal controls and service delivery to achieve environmental, social and cultural, and economic success.

Operational Service Challenges

The Office of the City Auditor does not have any operational service challenges.

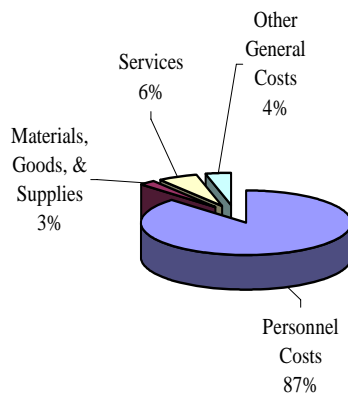


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers:				
	\$ -	\$ -	\$ -	\$ -
Total Revenue & Transfers	-	-	-	-
Expenditures:				
Office of the City Auditor	1,605	1,841	110	1,951
Total Expenditure & Transfers	1,605	1,841	110	1,951
Tax Levy	\$ 1,605	\$ 1,841	\$ 110	\$ 1,951
Full Time Equivalents	15.0	15.0	0.0	15.0

Resource Distribution



	2007 Budget	2008 Approved
Personnel Costs	1,605	1,707
Materials, Goods, & Supplies	48	49
Services	110	119
Other General Costs	78	76
Total	1,841	1,951



Budget Changes for 2008 (\$000s)

Revenue & Transfers

	\$ -
	-
	-

Total Revenue & Transfer Change

Cost Increases on 2007 Services

Personnel Increases - Settlements and Merit	\$ 109
Delayed Hiring / Vacancy Discounting Personnel Cost Reduction	(7)
Non-personnel Inflation	13
Inflation Capping Strategy	(5)
	110
	110

Service Needs

Operating Impact of Completed Capital Projects	-
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Growth and Other New Services	-
-------------------------------	---

	\$ 110
--	--------

Impact on Full Time Equivalents	0.0
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	0.0
	0.0



Performance Measures

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007 Budget</u>	<u>2008 Proposed</u>	<u>Industry Benchmark</u>
Customer Performance Measures						
Customer relationships (out of 5)	4.5	4.4	4.5	4.5	4.5	4.3
Internal Performance Measures						
Recommendations accepted	95%	92%	100%	95%	95%	92%
Recommendations implemented or satisfactory	96%	97%	94%	95%	95%	83%
Chargeable time	76%	79%	83%	80%	80%	78%
Completed engagements to number scheduled	n/a	n/a	95%	95%	95%	90%
Financial Performance Measures						
Actual vs. budgeted expenditures	92%	93%	90%	100%	100%	90 to 110%
Learning and Growth						
Days of training and development per employee	12.5	9.3	10.9	10.0	10.0	8 - 12
Percent staff certified or advanced designations	93%	93%	93%	93%	93%	64%

Performance Measures Explanations:

The Office of the City Auditor reports the above performance measures in its Annual Report. The performance measures are designed to monitor key aspects of the office's activities as follows:

Effectiveness – Most of the measures focus on assessing whether the office is fulfilling its role. These measures include completion of the annual plan, client feedback, and the percentage of accepted and implemented recommendations. Experienced and competent staff are required for the office to be effective. The level of professional certification and ongoing training are also monitored to ensure the office is staffed appropriately to fulfill its mandate.

Efficiency – The office monitors the percentage of “chargeable hours” staff dedicate to audit projects. Careful management of office overhead time versus direct audit time provides information regarding the efficient use of staff resources.

Economical – The office believes in strong fiscal management and manages its actual expenditures to within 5% +/- of budget.



Service Description

The Office of the City Clerk leads the City in support of the process of democratic governance and legislative requirements.

Core Services of the Program:

- Provides administrative and other support services to City Council, Administration, civic boards and agencies, and the public.
- Controls and conducts all aspects of the civic elections and census.
- Manages and documents City Council and Committee meetings.
- Administers the Subdivision and Development Appeal Board and the Assessment Review Board.
- Manages corporate information.
- Manages Council Services.

Focus Areas and Priority Alignment:

- Economic Development—Build a Business Positive Sustainable Urban Environment
- Governance—Build Organizational Capacity

Operational Service Challenges

- The 2008 Census will be an opportunity to update census information. Five FTEs are required to conduct the census. It is anticipated that results will reflect an increase in population that will result in increased grants to the City.
- Electronics Records Management—One FTE is required to provide a combined information technology and records management perspective in support of the configuration and deployment of the City's electronic records management program. Two FTEs are required to support implementation of the Electronic Records Management System. One FTE is required to support the deployment of the Case Inc. system on behalf of the Assessment Review Board and to maintain the Office of the City Clerk's Meeting Systems.
- Civic Agencies—One FTE is required to interact with civic agencies and City Administration to assist them in compliance with governing policies and to oversee the civic agencies unit. As well, funds are required for media advertising. The proposed 2008 budget does not include funding for this due to corporate funding constraints.
- Corporate Events—The City is working on the following events for 2008 and beyond:
 - World Heavy Oil Conference
 - International Council for Local Environmental Initiatives (ICLEI)

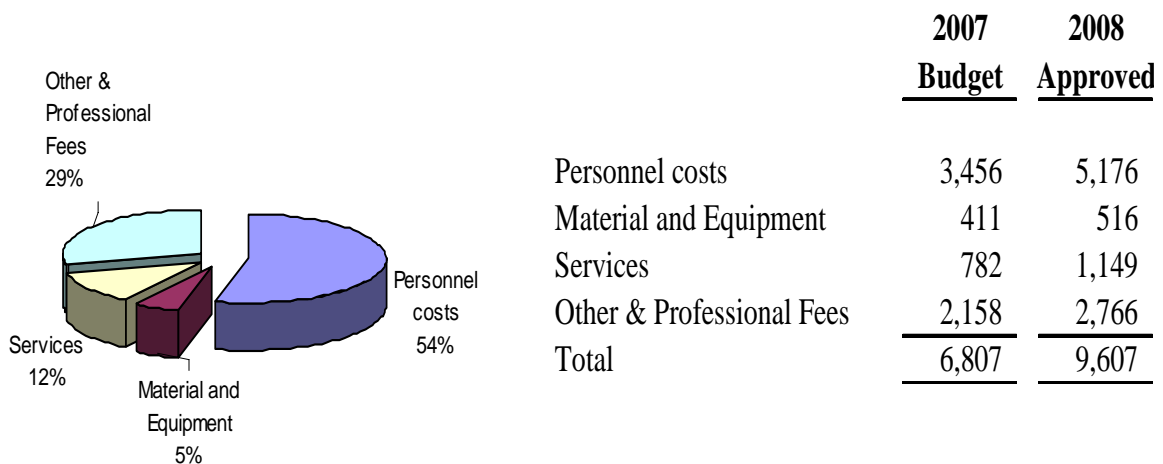


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
General Revenue	\$ 431	\$ 116	\$ 22	\$ 138
Other	20		-	-
Total Revenue & Transfers	451	116	22	138
Expenditures:				
Expenditure	6,395	6,807	2,800	9,607
Total Expenditure & Transfers	6,395	6,807	2,800	9,607
Tax Levy	\$ 5,944	\$ 6,691	\$ 2,778	\$ 9,469
Full Time Equivalents	47.6	49.6	9.0	58.6

Resource Distribution





Budget Changes for 2008 (\$000s)

Revenue & Transfers

General Revenue	\$ 22
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Total Revenue & Transfer Change	<u>22</u>
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Cost increases on 2007 Services

Inflationary Increases for Personnel	299
Delayed Hiring/vacancy discounting personnel cost reduction	(16)
Inflationary Increases for non-personnel	165
Historical Adjustments	118
Cost Efficiencies	(66)

	<u>500</u>
--	------------

Service Needs

Electronic Records Management (ERM), Assessment Review Board (ARB), Meeting Management System (MMS)	200
Census	1,600
Events - ICLEI	500
	<u>2,300</u>

Growth and Other New Services

Total Expenditure Change	<u>\$ 2,800</u>
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Impact on Full Time Equivalents	9.0
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Total Full Time Equivalent Change	<u>9.0</u>
--	------------



(S000 - incremental)

Electronic Records Management (ERM), Assessment Review Board (ARB), and Meeting Management System (MMS)

		2008			2009				2010				
		Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
		200	-	200	4.0	167	-	167	-	19	-	19	-

Description

The service package includes funding for 4 FTEs as follows:
 One FTE is required to provide a combined technology and records management perspective in support of the configuration and deployment of the City's electronic records management program.
 One FTE is required to support the deployment of the "Case Inc." system on behalf of the ARB and to maintain the Office of the City Clerk's Meeting Management System.
 Two FTEs at the Records Analyst level are required to support the implementation of the Electronic Records Management System.
 These are new positions to support new software applications.

Justification

This service is required to support the E-Records, ARB, and MMS Programs. The electronic records management program is now moving into the system implementation phase. The requested resources will ensure the developing system is maintained and kept up to date and that all relevant City staff are kept current on the implementation and use of the system. The project's objective is to ensure the large and complex volume of electronic records are managed as a strategic resource for the corporation. Internal and external customers will be assured that records are up-to-date, easily retrieved, and managed from creation to disposal in an efficient manner. The impact of not funding the service package will be to delay full implementation of the e-records management system and frustrate the attempt to bring the management of records into compliance with legislative and various industry standards. As well, the ARB and MMS systems will not be maintained, resulting in ineffective systems and lack of integrity of information, and lack of credibility in the City's systems.
 The failure of functionality in the system results in decreased quality of service, need for increased staff resources and increased operation and maintenance costs.
 Results of the implementation of this package for the e-records program will be realized with timely implementation of the system corporation-wide (4th quarter 2008) and continued technical and staff support for the system for the foreseeable future after that.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Governance - Build Organizational Capacity

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
167		167	



(S000 - incremental)

Municipal Census

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	1,600	-	1,600	5.0	(1,600)	-	(1,600)	(5.0)	1,802	-	1,802	5.0

Description:

The service package includes funding for a Municipal Census, which will be an opportunity to update census information. The last Census was conducted in 2005. It is anticipated that the results will reflect an increase in population that will result in increased grants to the City. Updated Census information is also beneficial to various departments, businesses, schools, and community organizations for any planning based on population growth.

Justification:

City Council approved Policy C520, which directs that funds will be required every two years to conduct a Municipal Census commencing on April 1, 2008. The Census is required to update population information. This service package enhances service to the public by increasing grants to the City, thereby permitting further services to the citizens of Edmonton.

Edmonton appears to be in a high growth period that is expected to continue for six to ten years. The impact of not funding the service package would be using dated population information, resulting in decreased grants to the City. Current Census information is essential for the City of Edmonton and related agencies, school boards, business and industry to make informed and appropriate decisions.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Economic Development - Build a Business-Positive, Sustainable Urban Environment

2009 Annualization:

Increments! To Full Year Service

Exp	Rev	Tax Levy	FTEs



(\$000 - incremental)

International Council for Local Environmental Initiatives (ICLEI)

		2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	
	1,200	700	500	-	(700)	(200)	(500)	-	-	-	-	-	

Description

ICLEI - Local Governments for Sustainability is an international association of local, regional, and national government organizations that have made a commitment to sustainable development. ICLEI works with more than 630 cities, towns, counties, and their associations worldwide and hundreds of other local governments through international performance-based, results-oriented campaigns and programs.

The service package includes funding to host the ICLEI Congress in 2009. Projected sponsorships of \$700,000 are anticipated in 2008, resulting in the City contributing \$500,000.

Justification

Funding is required to host the ICLEI Congress in 2009. Edmonton is one of the fastest growing municipalities in Canada, and this has created additional environmental challenges for the City. This service package will provide the tools to accomplish our goal to ensure that our ecosystem continues to be healthy for current and future generations. If this package were not funded, Edmonton would not host the Congress in 2009.

The outcomes the City hopes for are: to gain knowledge from experts around the world; advance the City's environmental agenda; profile the City of Edmonton internationally; and develop a green legacy such as a Sustainability Centre of Excellence.

While we are confident total sponsorships of \$1.2 million is achievable, sponsorship funding may not be received prior to expenditures being required. Therefore, interim financial arrangements may be required.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Environment - Healthy Ecosystem, Balanced Infrastructure Management
 Economic Development - Build a Business-Positive, Sustainable Urban Environment

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
		-	



Service Description

The Office's primary role is to ensure that the Corporate Business Plan, with associated Council Initiatives, is implemented and the activities and initiatives of the Administration are aligned with the directives and policies of City Council. This is done through:

- Responsible and informed decision making
- Coordinated, efficient service delivery across departments and agencies
- Provision of sound policy advice
- Leadership to civic employees
- Promotion of a positive corporate culture
- Use of effective performance measures
- Clearly communicated long term vision and supporting goals

Focus Areas and Priority Alignment:

- Governance—Optimize regional growth and development with neighbouring municipalities; build organizational capacity by promoting effective decision-making and management
- Economic Development— Promote the urban area to target business sectors and works, while building the appropriate partnerships to succeed
- Environment—Healthy Ecosystems, Diverse Communities, and Balanced Infrastructure Management
- Social and Cultural—Inclusive and Safe Communities

Operational Service Challenges

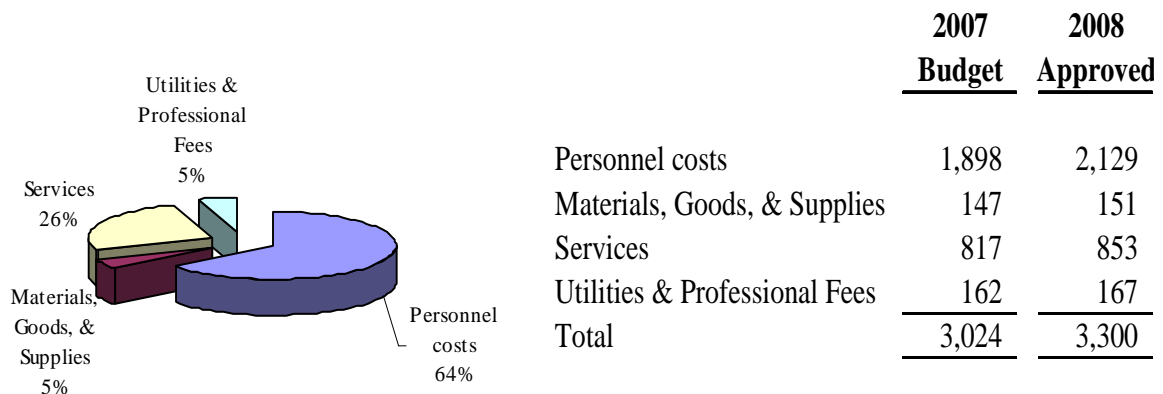
- The current growth boom in Edmonton continues to challenge the business of the City of Edmonton. Increasing costs result in challenges to budgets and project management. A real solution to the challenges of growth must be found.
- An increasing global threat of a public health emergency, in the likely form of an influenza pandemic, is the most serious emergency threat to the City. The ability of the City to respond quickly and efficiently to the threat is of a great concern to the Office.



Budget Summary (\$000s)

	Operating Budget			2008 Approved Budget
	2006 Actual	2007 Budget	Change	
Revenue & Transfers				
Other	\$ 14	\$ -	\$ -	\$ -
Total Revenue & Transfers	14	-	-	-
Expenditures:				
Expenditures	2,543	3,024	276	3,300
Total Expenditures & Transfers	2,543	3,024	276	3,300
Tax Levy	\$ 2,529	\$ 3,024	\$ 276	\$ 3,300
Full Time Equivalent	11.6	15.6	0.4	16.0

Resource Distribution





Budget Changes for 2008 (\$000s)

Revenue & Transfers	\$ -
Total Revenue & Transfer Change	-
Cost increases on 2007 Services	
Inflationary increases for personnel	123
Delayed hiring/vacancy discounting personnel cost reduction	(9)
Inflationary increases for non-personnel	56
Historical Adjustment - Personnel	60
Historical Adjustment - Parking	11
Annualization of 2007 services	57
Inflation Capping Strategy	(22)
	276
Service Needs	
Growth and Other New Services	-
Total Expenditure Change	\$ 276
Impact on Full Time Equivalents	
Annualization of 2007 services	0.4
Total Full Time Equivalent Change	0.4



Service Description

Planning and Development's mandate is to sustain and enhance Edmonton's quality of life by working with City Council to provide and implement Council's vision through **planning, zoning, property and business assessment, tax and bylaw enforcement**, while meeting statutory requirements.

The 3 core services offered by the Planning and Development Department are:

- **Planning and Policy Services:** develop, advance, and monitor City Council's long-term comprehensive community vision and plans as well as administer planning related processes to ensure the efficient use of land in creating a safe, healthy, attractive, vibrant, and sustainable community.
- **Assessment and Taxation:** provide a quality assessment base in accordance with the Municipal Government Act; and ensure that the relative share of the tax base of residential and non-residential property revenues remains predictable and stable to meet the approved funding requirements of the Corporation.
- **Development Compliance:** implement bylaws and regulations representing community standards as set by City Council, and for ensuring healthy and safe occupancy of buildings in Edmonton through the implementation of the Alberta Safety Code legislation.

Council direction and Provincial legislation prescribe service levels and regulations that must be followed and procedures that must be put in place. Also, continued strong economic and population growth in the City of Edmonton, which has led to spectacular development and building activity, increases the demand on all departmental services.

The Planning and Development Department's business aligns with the **primary focus area of Environment** and the **secondary focus area of Economic Development**, and with the following corresponding focus area priorities and specific department business:

Environment:

- Minimize the impact of human activities on our air, land, and water systems. Tied to: new municipal development plan/transportation plan, and Smart Choices implementation.
- Encourage smart growth through transit-oriented development, improved walkability, re-investment in mature neighbourhoods, small scale and medium density residential infill, redevelopment of under-utilized commercial and industrial lands, and improved planning and development consultation processes. Tied to: Smart Choices, aggressive industrial land strategy, and response to increased service demands.
- Provide adequate land and infrastructure for residential and economic development. Tied to: anticipated needs such as development of new municipal development plan/transportation plan, responding to demand for increased development regulation, and improved business practices.



Service Description (continued)

- Revitalize the downtown into a residential, economic, social and cultural area of distinction. Tied to: a new Downtown Plan and the Quarters project implementation (formerly Downtown East).

Economic Development:

- Expand and diversify the economic base through business and workforce attraction and by developing an entrepreneurial culture. Tied to: aggressive industrial land strategy, increasing staff to meet service demands, and extended hours for bylaw enforcement.
- Maintain our advantages by managing the impact of growth. Tied to: a new municipal development plan/transportation master plan, and Smart Choices implementation.
- Partner with regional municipalities to build a stronger and more diverse regional economy. Tied to: a new regional planning process.

Operational Service Challenges

- Growing interest from the Public, the Development Industry, and from City Council for an increased say in development.
- Growing interest from the Public and from City Council for increased and proactive By-law Enforcement.
- Responding to rapid growth while losing staff to retirement and competing employment opportunities. In 2006, 45 permanent and 60 temporary department staff left the City of Edmonton. Only 43 permanent and 19 temporary department staff were hired during the year.
- Opportunities for integration of planning processing such as new municipal development plan and new transportation master plan.
- The Assessment and Taxation Branch had close to 50% of their staff move into new positions over the past year while still meeting all legislated deadlines.
- Implementation Strategy for business tax shift.
- Preparation of new municipal development plan while providing input into other corporate plans also at their renewal stage.
- Understanding of and participation in a new regional planning process.
- Keeping up with citizen focused customer service technology.
- Meet increased demand for serviced industrial land.
- Provide quality review of planning application in a timely manner.
- Responding to increasing external legislative requirements.
- Meeting the requirements of the internal audit report and the Alberta Municipal Affairs and Housing detailed assessment audit.
- Availability of funding to enhance TACS (Tax Assessment and Collections System) to streamline processes and improve product delivery.
- Balancing limited resources between defending assessment complaints/appeals and completing the assessment valuation process. The existing complaint and subsequent appeal process requires a change to legislation to minimize duplication of services.

Planning and Development

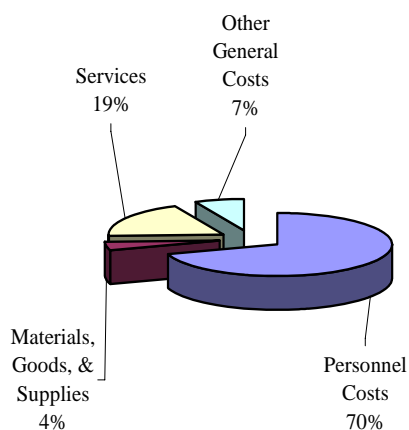


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
Permits and Other Fees	\$ 27,063	\$ 31,400	\$ 2,410	\$ 33,810
Licencing	7,675	9,779	1,018	10,797
Transfer from Reserves	-	-	1,033	1,033
Total Revenue & Transfers	34,738	41,179	4,461	45,640
Expenditures:				
Development Compliance	16,872	20,314	2,639	22,953
Assessment & Taxation	13,618	15,213	1,412	16,625
Planning & Policy Services	11,850	13,712	3,068	16,780
Program Management & Support	1,197	1,484	138	1,622
Development Coordination	625	653	100	753
Transfer to Reserves	749	-	-	-
Total Expend. & Transfers	44,911	51,376	7,357	58,733
Tax Levy	\$ 10,173	\$ 10,197	\$ 2,896	\$ 13,093
Full Time Equivalents	480.1	500.8	24.7	525.5

Resource Distribution



	2007 Budget	2008 Approved
Personnel Costs	37,462	41,166
Materials, Goods, & Supplies	2,385	2,515
Services	8,776	10,965
Other General Costs	2,753	4,087
Total	51,376	58,733

Planning and Development



Budget Changes for 2008 (\$000s)

Revenue & Transfers

Rate Increases	\$	2,060
Transfer from Reserves - Façade Program		1,033

Growth and Other New Services

Increase Staff Complement - Service Demands*	518
Bylaw Consolidation Project*	450
Mature Area Structure Plan*	400

Total Revenue & Transfer Change

\$ 4,461

*These revenues partially offset new expenditures in the Growth and Other New Services section below.

Cost increases on 2007 Services

Personnel Increases - Settlements and Increments	\$	1,723
Delayed Hiring / Vacancy Discounting Personnel Cost Reduction	\$	(172)
Non-personnel Inflation		842
Façade Program - Transfer from Reserves		1,033
Annualization - Delay in New Hires from 2007		295
Historical Adjustments - Parking Shortfall		211
Focus Edmonton Project Reduction - 1 Time Funding		(152)
Inflation Capping Strategy		(242)
		<u>3,538</u>

Service Needs

Operating Impact of Completed Capital Projects

-

Growth and Other New Services

Increase Staff Complement - Service Demands	779
Annual TACS Funding Requirements	250
Community Revitalization Levy (CRL)	150
Cartographic / G. I. S. Resources	100
Bylaw Consolidation Project	1,500
Northeast Development Plan	640
Mature Area Structure Plan	400
	<u>3,819</u>

Total Expenditure Change

\$ 7,357

Impact on Full Time Equivalents

Annualization of 2007 Service Packages	3.9
New Requirements - 2008 Service Packages	20.8
Total Full Time Equivalent Change	<u>24.7</u>

	2005	2006	2007	Proposed 2008
Cost recovery ratios - Planning & Development				
Cost recovery ratio trend	72%	77%	77%	78%

Planning and Development



Performance Measures

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u> <u>Projected</u>	<u>2008</u> <u>Proposed</u>	<u>Notes</u>
Development Compliance						
House Combo Permits:						
Single Family Dwelling Applications	4,322	5,343	5,500	4,200	3,600	
# of Applications per FTE (Efficiency)	360	445	393	300	400	(1)
# of Days to Issue Permit (Effectiveness)	40	42	41	33	38	(2)
Assessment and Taxation						
% of Property Tax Collections (Effectiveness)	97.9%	98.5%	99.3%	99.0%	100.0%	
% of Business Tax Collections (Effectiveness)	98.5%	97.8%	99.1%	99.0%	100.0%	
Planning and Policy Services						
Planning Applications per FTE (Efficiency)	22.0	20.7	20.5	20.7	20.2	
Branch Tax Levy per Citizen (Effectiveness)	\$6.71	\$10.03	\$8.40	\$11.01	\$12.02	(3)

Performance Measures Explanations

- (1) The annual standard for number of single family dwelling combo permit applications per FTE is 400. For 2007, this is projected to be 300 and reflects the annual variation and a downturn in the number of single family dwelling applications.
- (2) The number of days to issue a permit is projected to be 33 for 2007, a reflection of the downturn in the number of applications.
- (3) The tax levy per citizen for Planning and Policy Services has increased over the years due cost increases on existing services, an increase in staff to address growth, and new service requirements as approved by City Council.

Planning and Development



(\$000 - incremental)

Increase Staff Complement to Meet Service Demands

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	779	518	261	8.0	1,645	500	1,145	15.4	1,274	500	774	10.8

Description

This package includes additional front line staff that connects with the significant continuing growth in business activities across the Department. The positions included in this package are required in order for the Department to continue to meet its service delivery targets.

Assessment and Taxation - 20 FTEs (3 - 2008, 13 - 2009, 4 - 2010) required to deal with Provincial legislation changes related to exemptions, increased volumes of challenges related to the Business Tax transition, and general assessment growth as the economy in the City remains strong.

Development Compliance - 9 FTEs (3 - 2008, 3 - 2009, 3 - 2010) required to support additional development activity and policy initiatives supported by City Council. The 2008 requirement is for a Development Engineer to ensure a continuous supply of serviced lots and two Municipal Enforcement Officers - one to work directly with the Public Safety Compliance Team and one to support the new Accessible Tax provisions.

Planning and Policy Services - 7 FTEs (3 - 2008, 2 - 2009, 2 - 2010) required to meet the increasing demands for planning services due to strong economic growth and a renewed focus on community level planning. The 2008 requirements are for a Land Development Applications (LDA) Manager to deal with the critical need to manage and improve the LDA business process and two Planners to provide land use planning services.

Justification

These additional staff are all connected to additional revenues that will be generated by the Department, both directly and through taxation revenues recognized corporately.

Assessment and Taxation - With Provincial legislation changes related to exemptions, an increasing number of organizations (Universities, Colleges, etc.) are coming forward to challenge their tax status. The Business Tax transition whereby revenues will be shifted to Property Tax is certain to produce significantly high volumes of challenges. The City is continuing to experience major increases in construction activity which grows the inventory of accounts.

Development Compliance - All three years of staffing growth relate directly to a growing economy and increasing policy demands. Staffing demands related to Servicing Agreements, Customer Service Representatives, Development and Building Permits all reflect growth in both number and complexity of development applications. Staffing resources related to bylaw enforcement connect to policy initiatives such as Accessible Tax and better enforcement of various regulations related to the Hospitality Industry. Both the growth elements and public concern about the policy issues are growth areas which the branch cannot control and must respond to. Growth in staffing requests has been reduced by continued growth in self service opportunities on the Web and by improved business processes.

Planning and Policy Services - Management and improvement of the LDA business process is a critical need for the Department. In response to continued rapid growth and enhanced service demands, it is imperative to ensure development plans are prepared and processed timely and efficiently through the various levels of approval.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the department's Focus Area and Priorities on the Environment and Economic Development.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
105	-	105	1.0

Planning and Development



(\$000 - incremental)

Annual TACS Funding Requirements

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	250	-	250	-	11	-	11	-	10	-	10	-

Description

The Tax and Assessment Collection System (TACS) funding requirement of \$250,000 is needed to enable the Assessment and Taxation Branch to address program efficiencies, comply with Provincial legislated requirements (annual schedule), address City Council directives (i.e. - business tax shift to non residential properties) and deal with internal and external audit recommendations.

Justification

The assessment and taxation base (currently 292,000 accounts) has grown over 32% since 1996 and revenue generation has increased by 62% over the same period. Annual funding is required to meet customer demands for service and to meet legislated requirements. In addition to maintaining the annual schedule / tasks, several projects are planned that over time, will create efficiencies thus reducing staff time for these functions and allow the branch to redirect its focus to the annual re-inspection cycle (as intended by Provincial legislation) which in turn adds additional tax revenue to the municipal base. Planned TACS projects include:

Automated Court Submissions - automating this process will save approximately 4,000 hours labour based on a caseload of 2,000. These hours will be reallocated to other projects which may include the annual re-inspection cycle. In 2007, the re-inspection of the Glenora, Gameau, and Grandview neighbourhoods resulted in an increase of 66 million in assessment value and a net return of approximately \$289,000 in municipal taxes.

Remote Data Collection and TACS / APEX Interface - improve form navigation and allow information to be transferred from APEX to TACS. Screen consolidation will aid field work and integrating APEX with TACS will eliminate manual entry of APEX data into TACS. Approximately 15 minutes per account is required to update TACS with APEX data. With an average of 6,000 supplementary accounts annually (single family), the time savings would be 1,500 hours of labour annually.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the department's Focus Area and Priorities on Economic Development.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
		-	



(\$000 - incremental)

Community Revitalization Levy

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	150	-	150	-	7	-	7	-	6	-	6	-

Description

This service package includes the development of the TACS (Taxation Assessment and Collection System) application to accommodate the calculating, tracking, billing, reporting, and maintaining the Provincial requirements for the Community Revitalization Levy (CRL) regulations, still in development by Alberta Municipal Affairs. In 2007, this package reflected the addition of one permanent FTE to administer the program as it pertains to the CRL billing, accounting, and reporting. In 2008, this package reflects the continuation and completion of IT applications work and funding for ongoing maintenance and support.

The CRL has been identified as a Corporate initiative and City Council has approved a special work group dedicated to initiating the development of Community Revitalization Zone (CRZ) opportunities within the City. This application development is scheduled for operation by December 2008 to coincide with the needs of the Fort Road revitalization project. It will also be used for The Quarters project (formerly Downtown East).

The focus of the program is to provide municipalities with a financial vehicle to spur development in areas of the City which would otherwise not develop to their full potential without financial assistance, and to impose a levy on incremental assessed values to raise revenue for infrastructure and other associated costs forming part of the redevelopment.

Justification

- City Council initiative and legislated requirement for implementation.
- Encourages property development and redevelopment.
- Impact of not funding this service package is prohibiting the CRL from proceeding.

The key risks will be outlined in the specific applications for CRZs as they are presented to the Province for approval.

Each CRL can have a life span of up to twenty years. The software development could facilitate a number of CRZs over the course of several years. This package helps achieve the goal stated in Building the Capital City: "Vibrant Neighbourhoods and a Dynamic Downtown".

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the department's Focus Areas and Priorities on the Environment and Economic Development.

This project is one of the projects in the City Council's "Building the Capital City" initiatives. In particular it is part of the #1 Initiative – Vibrant Neighbourhoods.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
		-	

Planning and Development



(\$000 - incremental)

Cartographic / G. I. S. Resources

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	100	-	100	0.8	30	-	30	0.2	5	-	5	-

Description

The Geographic Information Systems (GIS) and Business Processes Unit requests an additional \$100,000 to cover costs for the addition of one FTE to deal with major corporate projects such as Mapping and Spatial Analysis for the Civic Census and the Civic Election. These projects have been previously done using branch resources working overtime. This budget request is also supported by the City Clerk since these maps are a periodic requirement for their operation.

Justification

This new FTE will reduce the overall costs for the Civic Census and the Civic Election as it will now reduce the overall consumption of the overtime budget for production of these maps. Currently we treat the map production operation for the Civic Census and the Civic Election as a special one-time project each time these maps are produced. This means that these ongoing activities are not part of the regular operational work program of the GIS and Business Process Unit.

In addition, the unit has not been adequately resourced to complete this project using regular time. For Cartographic Operations, between \$90,000 and \$120,000 is spent annually on overtime. Some of this is charged back to the Office of the City Clerk. This addition will primarily supplement the current available set of resources and will reduce the need to charge back overtime hours to the Office of the City Clerk. As a result of this addition, the map production for the Civic Census and the Civic Election will now become a permanent part of the work program of the Unit. If this new FTE is not funded, the impact will be in the long term increase in operational costs and the continued high charge-back to the Office of the City Clerk for the production of maps and spatial products for the Civic Census and the Civic Election. These are two periodic projects that consistently require high quality spatial products and maps.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the Planning and Development Department's and the Office of the City Clerk's Focus Area and Priority on Economic Development.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
25		25	0.2

Planning and Development



(S000 - incremental)

Bylaw Consolidation Project

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	1,500	450	1,050	10.0	590	-	590	5.0	355	-	355	-

Description

This service package includes the addition of 15 FTEs and expenditures of \$2.0 million (of which \$100,000 is one-time funding for the communication strategy) offset by \$1.0 million in increased revenues. \$450,000 of the increased revenues relate to Planning and Development and is shown in this package while the other \$550,000 is shown in the Corporate Revenue Program. The net tax levy requirement in 2008 is \$500,000. This recognizes that the full cost implication of \$2.0 million will not be required until full operation of the plan which is anticipated in the 3rd quarter of 2008.

The project review of this type of service delivery took into consideration enhanced service, proactive enforcement, increased hours of operation, increased visibility and a cost effective approach. It also includes community support programs that encourage bylaw adherence and improve public education. A communication and education plan is necessary and will ensure citizens are informed and up-to-date on changes coming from City Council decisions.

Justification

On August 28th, 2007, City Council approved Administration's report (Bylaw Consolidation Phase 2 - Public and Community Standards) recommending that bylaw enforcement criteria be changed from a reactive to more proactive bylaw enforcement. This will be achieved through changes to our bylaws and the hiring of 15 additional staff. This second phase of the bylaw consolidation builds on foundational legislation and incorporates changes garnered from a public engagement process. It follows City Council's direction from the November 29, 2005 meeting when they approved the City Auditor's recommendations to rewrite and consolidate bylaws, review the current bylaw service delivery model, and develop a more formalized public education program on bylaws.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the department's Focus Area and Priorities on the Environment and Economic Development.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
523		523	5.0

Planning and Development



(S000 - incremental)

Northeast Development Plan

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	640	-	640	2.0	29	-	29	-	27	-	27	-

Description

The service package is designed to assess the Northeast Edmonton lands in determining options for eco-industrial, smart residential and urban agriculture land designations, associated servicing thrusts and timing, together with applicable cost estimates. Concurrently, a focused effort will concentrate on the attraction of non-residential assessment in the far Northeast portion (value added oil and gas processing) in the short term.

The 2008 budget request includes funding for: the provision of two FTEs; external engineering services for Oil and Gas consultants; and funding for hosting, marketing and promotions. This service package represents the budget requirements for 2008. This project began in 2007 and it did not have a specific budget allocation.

Justification

With an anticipated \$50 billion dollars of oil and gas development being planned for the Alberta Industrial Heartland (immediately northeast of the City of Edmonton boundaries), the City must secure the location of its equitable share of non-residential development within its boundaries. The benefit to the public will be enhanced through the generation of additional non-residential assessment to support improved and expanded delivery of services to the citizens of Edmonton while assisting to limit the rate of residential and commercial property tax increases throughout the City.

Without this budget allocation, it is very likely that a tremendous economic opportunity will be foregone. The key risk in this endeavour is the level of competition from the potential vertical integration of Oil Company upgraders in Sturgeon County and from other Regional municipalities.

Notwithstanding a positive 2008 budget commitment to this project, it appears likely that the City will be required to invest additional future funding and perhaps enter into private partnerships to develop the infrastructure necessary to accommodate this industrial growth. These potential future costs will become better identified when the 2009 budget projections are put in place.

It is anticipated that a commitment to this initiative will begin to show demonstrable results in 2008 and will continue for the foreseeable future.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the department's Focus Area and Priorities on the Environment and Economic Development by providing adequate land and infrastructure for residential and economic development. This package supports Council's Special Initiative on the Industrial Land Strategy and works in concert with the updated Municipal Development Plan.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTEs
		-	

Planning and Development



(\$000 - incremental)

Redevelopment of Mature Areas

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	400	400	-	-	(400)	(400)	-	-	-	-	-	-
Description												
<p>This service package is in response to a budget motion that increased 2008 Planning and Development fees by 1% to provide funding required to cover the cost of "creating guidelines for the redevelopment of mature areas." In this one-time program, Planning and Development will identify the areas subject to potential redevelopment, generally within the mature neighbourhoods as identified in Plan Edmonton. With the help of residential infill principles that are currently being prepared, the department will make a preliminary determination of the scale of that redevelopment and will systematically prioritize the areas which are determined to require more detailed land use planning exercises, whether through existing resources, future service packages or through capital funding associated with major projects such as LRT extensions. This is a significant change in service as Planning and Development has not had a formal work program to do planning in mature neighbourhoods for many years.</p>												
Justification												
<p>This service package is required as a result of a renewed Planning and Development commitment to do land use planning in mature neighbourhoods subject to redevelopment as part of its contribution to the Great Neighbourhoods program. As a result of contentious redevelopment proposals, community groups, developers and City staff now agree that proactive planning in mature neighbourhoods would provide greater assurance and predictability to all involved. This service package sets up a program for this planning to happen and thus for urban change to happen more more efficiently and effectively. Once this service package is implemented, there will be short-term benefits in that Planning and Development will be able to respond clearly and directly to redevelopment proposals in the identified areas and longer-term benefits as the department conducts the more detailed land use planning exercises that are required.</p>												
Links to 2008 Strategic Direction: Focus Areas and Priorities												
<p>This service package connects to the "Diverse Communities" focus area and specifically to the strategic priority to "encourage smart growth through transit oriented development, improved walkability, reinvestment in mature neighbourhoods, small-scale and medium residential infill, redevelopment of underutilized commercial and industrial lands, and improved planning and development consultation processes."</p>												
2009 Annualization:												
				Incremental To Full Year Service								
	Exp	Rev	Tax Levy	FTEs								



Service Description

The services of the Roads Program are categorized as follows:

Core services of the Program:

- Design, construction and maintenance of city streets, sidewalks and bridges
- Summer and winter road maintenance
- Street system control through traffic signals, intelligent traffic systems, street lighting, detours, signage, pavement marking and parking meters
- Strategic capital, neighbourhood and facility planning, evaluation and implementation
- Right of way management

Focus Area & Priority Alignment:

- Economic Development—Build a positive Sustainable Urban Environment
- Environment—Diverse Communities
- Social and Cultural—Safe Communities

Operational Service Challenges

- Strong economic growth has brought about high construction cost escalations and a competitive labour market
- Funding has been as low as 15% for deteriorating neighbourhood infrastructure which includes residential roads, alleys, sidewalks and street lighting
- The condition of major roadway elements including roads, bridges, sidewalks and auxiliary structures are exceeding their expected asset life resulting in higher levels of maintenance
- External restrictions from Environment Canada require that Road Authorities implement salt management plans.

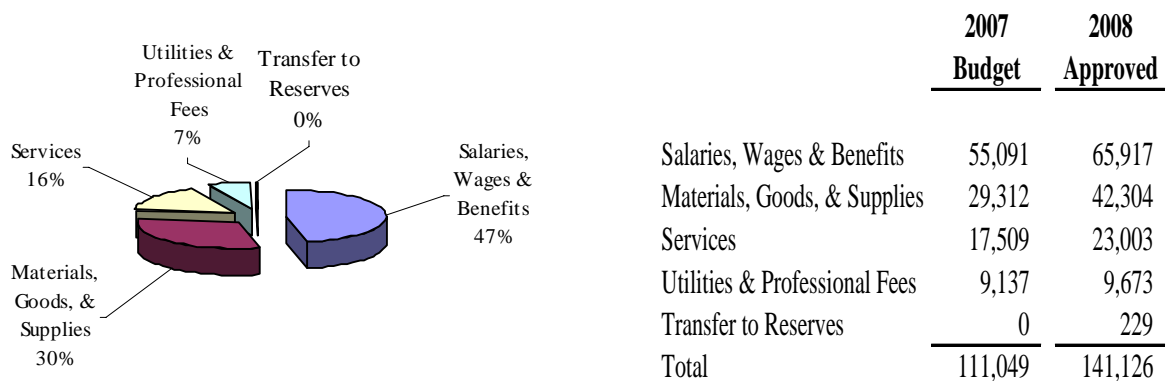
Roads



Operating Budget

	2006	2007	Change	2008
	Actual	Budget	'07 to '08	Approved Budget
Revenue & Transfers				
Parking Meters	\$ 4,368	\$ 4,354	\$ 549	\$ 4,903
Other	9,121	4,954	715	5,669
Total Revenue & Transfers	13,489	9,308	1,264	10,572
Expenditures:				
Summer Road Maintenance	30,065	35,571	6,531	42,102
Winter Road Maintenance	45,698	39,306	19,203	58,509
Traffic Operations	22,560	24,282	2,767	27,049
Design, Construction, Proj Mgmt	7,375	6,983	20	7,003
Transportation Planning	5,150	4,907	1,327	6,234
Transfer to Reserves	719	0	229	229
Total Expend. & Transfers	111,567	111,049	30,077	141,126
Tax Levy	\$ 98,078	\$ 101,741	\$ 28,813	\$ 130,554
Full Time Equivalents	732.3	761.0	87.0	848.0

Resource Distribution



Roads



Budget Changes for 2008 (\$000s)

Revenue & Transfers

Development related staffing increase recoveries	\$ 637
Roadways utility cut volume increase	94
Detours, Traffic control signs and Parking Meter volume increases	102
Parking Meters Rate Increase	500
Design and Mapping revenue reclass	(80)
Rental Revenue Gravel Operations	11
Total Revenue & Transfer Change	<u>1,264</u>

Cost increases on 2007 Services

Non-personnel inflation increases	7,887
Personnel inflation increases	3,724
Delayed Hiring/Discounting	(252)
Development related staffing increases	637
TMP fund permanent staff	615
Annualization of 2006 Service	44
Transfer to Reserves (Aggregate Site Development & Land Reclamation)	11
Design and Mapping revenue reclass	(80)
Inflation capping strategy	(278)
	<u>12,308</u>

Service Needs

Operating Impact of Completed Capital Projects and Developer contributed assets

Developer Contributed/ CPP Operating Impact - Inventory Growth	2,370
Asphalt Maintenance Equipment Needs	1,400
ITS Operating impact	113
	<u>3,883</u>

Growth and Other New Services

Base Repair - North Edmonton	1,158
Corporate Mobility Strategy (GPS)	138
Comprehensive Snow Policy	6,300
Speed Display Boards	40
Traffic Pedestrian Countdowns	150
Snow Removal Hired Equipment Retainer	6,100
	<u>13,886</u>

Total Expenditure Change **\$ 30,077**

Cont'd next page

Roads



Budget Changes for 2008 (\$000s)

Impact on Full Time Equivalents

Development related staffing increases	24.5
Comprehensive Snow Policy	31.5
Roadways and Traffic Inventory Growth	16.1
Asphalt Maintenance Equipment Needs	4.0
Base Repair - North Edmonton	6.0
Annualization of 2006 Service	0.4
PIS Inspections Capital FTE historical adjustment	4.5
Total Full Time Equivalent Change	87.0

Roads



Departmental Programs	Measure	Indicator	Actual or Baseline	Standard or Target	Performance
Streets Engineering	Percentage of the time City Bylaw C409E Roadways Snow Removal and Snow Ploughing is met within the required 48 hours after snow storm	% of time snow ploughing and removal is complete within 48 hours of a snow storm	0%	100%	
	Quality of arterial roads as measured by pavement quality index (PQI)	Arterial road PQI	5.9	6.5	91%
Traffic Operations	Traffic safety index (collision frequencies, rates and severity), objective is to reduce collisions by 6% a year over the next 5 years	Collision rate per 1000 passenger vehicles	58	40.6	30%
	The number of intersection related collisions, objective by 4% a year over the next 5 years	Number of intersection collisions	11,372	9,098	20%
Transportation Planning	Complete the Transportation Master Plan by June 30, 2008				
	% of responses to subdivision and multi-family development circulars completed within 3 weeks, with a target of 90%	Circulars completed	no data	90%	

Roads



(S000 - incremental)

Developer Contributed Assets/ CPP Operating Impact - Inventory Growth

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	2,370		2,370	16.1	2,014		2,014	7.1	1,764		1,764	5.9

Description

This 2008 budget package will fund annual inventory increases to the roadway maintenance infrastructure:

- the sidewalk, road surface, street cleaning, snow removal, street lighting, traffic signs, pavement markings for a 100 km/yr increase in paved road inventory
- bridge inventory growth including Smith Crossing at 23 Avenue and 127 Street, and twinning of Blackmud Creek at Ellerslie Crossing.
- snow removal on an increasing inventory of curb ramps through neighbourhood rehabilitation, maintenance repairs and curb ramp program equates to approximately 592 additional ramps/year for the foreseeable future.
- breezeways and walkways (5 km increase per year), infill sidewalks (10 km increase per year) and multi-use trails (10 km per year).

Justification

Funding will provide present level of service for increasing inventory.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Outcome: Environment. Focus Area: Balanced Infrastructure Management.

Departmental Business Plan to allow for safe movement of vehicular and pedestrian traffic. Capital Priorities Plan. Bylaw 5590. Address current and future transportation needs as it relates to overall safety for pedestrian and vehicular traffic as identified in T.M.P. Salt Management Plan for a Winter City. ISO-14001, City Policy C409E., T.M.P. 5.1 Pavement Investment Strategy. T.M.P. 5.2 Bridge Investment Strategy. T.M.P. 4.3 Reducing Environmental Impacts.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	

Roads



(S000 - incremental)

Asphalt Maintenance Equipment Needs

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	1,400		1,400	4.0	5,600		5,600	13.0	265		265	0.0

Description

This package funds all of the resources needed to field two additional base crews and two additional pothole crews to operate an asphalt recycling machine. Pothole crews are funded in 2008 while the base crews are planned for implementation in 2009.

Justification

Additional resources are required to address the advanced levels of deterioration that currently exist in the paved road inventory. Implementation of this package will allow us to address pothole issues in a more timely manner and to provide more effective repairs to locations that have lost structural integrity. If this package is not funded, potholes on collector and local streets may remain unrepaired for several months and base failures would result in lengthy street closures. The major challenge in implementing this package would be the recruitment of suitable personnel to staff the operations. The quicker response for pothole repairs should be noticeable almost immediately. On the other hand, due to the large backlog of deteriorated pavements, it will take at least 10 years to see an appreciable improvement for base repair issues.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Outcome: Environment. Focus Area: Balanced Infrastructure Management.

Corporate Business Plan and Pavement Management Strategy Deteriorating Condition of Major Roadways. Plan Edmonton-Strategy 1.5.3 -Maintain & renew in mature neighbourhoods. TMP - Policy F4 - high priority to the preservation, mntec. & repair of existing facilities. Plan Edmonton - 4.1.2 - ensure infrastructure rehab. & develop. programs are adequately funded on an on-going basis.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	

Roads



(S000 - incremental)

ITS Operating Impact

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	113		113	0.0	5		5	0.0	5		5	0.0

Description

This service package represents the operation and maintenance of ongoing Intelligent Transportation Systems (ITS) implementation. The following ITS systems are planned to be part of Transportation Traffic Management Centre by the end of 2008: Traffic Responsive Systems at 100 traffic signals, transit signal priority at 20 intersections, video traffic monitoring cameras at 25 locations, 12 dynamic message signs in the downtown as well as surrounding Capilano and Quesnell bridges. Central control systems and incident response plans for all of these components will need to be continually monitored, updated and managed as these components continue to be added each year.

In 2006, two major ITS projects become active, the Capilano Integrated Corridor and the Transit Signal Priority (a joint effort between the City of Edmonton and Transport Canada). These projects, along with the traffic responsive traffic signal networks, will require monitoring and updating in order to effectively improve traffic flow on their respective major roadways - with particular focus on areas experiencing congested peak period traffic conditions by clearing incidents quicker and directing traffic to alternate routes when lane blockages and congestion are occurring. Quicker clearing of incidents and better information to drivers at the incident locations will also reduce the number of congestion related collisions.

This funding is required to monitor the ITS systems, maintain databases and implement incident response plans from 6:00 AM to 6:00 PM weekdays.

Justification

As the number of traffic monitoring cameras, dynamic message signs, traffic responsive signals and transit priority signals continue to increase, this funding will be needed to monitor the central systems and respond to the incidents full time in order to achieve the benefits that were identified.

Without this proposed funding, full time monitoring of the ITS systems will not be available and limit the potential benefits that were expected to be derived by the implementation of the systems.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Outcome: Environment. Focus Area: Balanced Infrastructure Management.

This service package is directly related to the Transportation Master Plan Policy C-1 to C-7 Direction, approved by City Council April 14, 1999 and the ITS strategic plan report approved by City Council, December 15, 2000. The current approved CPP 2007-2011 is consistent with the ITS strategic plan direction. However, capital expenditures are at approximately 50% of the resources recommended to date which has been reflected in the supporting operation and maintenance resources identified.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	

Roads



(\$000 - incremental)

Corporate Business Mobility Strategy

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	138		138	0.0	29		29	0.0	30		30	0.0
Description												
<p>With a large mobile workforce and equipment fleet, on board computer technology will be used to deal with risk management (claims), working alone safety support, work order processes as it relates to vehicle global positioning. The largest equipment cost will be for the sander/plow fleet that will impact environmental reporting and ISO 14001 compliance with road salt management.</p>												
Justification												
<p>A corporate initiative with focus on two way voice radio critical service workers, vehicles and mobile equipment, scheduled activity workers, extended information needs workers, personal mobile communications, emergency preparedness. Departments are required to pay the operating portion of this initiative on a per vehicle basis.</p>												
Links to 2008 Strategic Direction: Focus Areas and Priorities												
<p>Outcome: Environment. Focus Areas: Healthy Ecosystem and Balanced Infrastructure Management</p> <p>EVISO ISO-14001, Salt Management Plan, Corporate Business Mobility Strategy</p>												
2009 Annualization:												
Incremental To Full Year Service												
	Exp	Rev	Tax Levy	Ftes								
			-									

Roads



(\$000 - incremental)

Base Repair - North East Edmonton

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	1,158		1,158	6.0	58		58	0.0	58		58	0.0
Description												
This service package specifically funds the immediate base repair requirements in the Hollick-Kenyon and Matt Berry neighbourhoods.												
Justification												
The roads in these neighbourhoods have been found to be structurally deficient with the result that a number of vehicles have actually dropped through the pavement. A comprehensive plan to reconstruct these roads is not yet funded with the result that maintenance forces must deal with current and imminent losses in structural integrity and reestablish access to adjacent properties. As the costs of making these repairs are significantly greater than normal maintenance expenditures, it was decided that a separate service package is warranted. If this package is not funded, it would result in the loss of access to property for some citizens, or alternatively a significant negative impact on other maintenance programs.												
Links to 2008 Strategic Direction: Focus Areas and Priorities												
Outcome: Environment. Focus Area: Balanced Infrastructure Management.												
Corporate Business Plan and Pavement Management Strategy Deteriorating Condition of Major Roadways. Plan Edmonton-Strategy 1.5.3 -Maintain & renew in mature neighbourhoods. TMP - Policy F4 - high priority to the preservation, mntec. & repair of existing facilities. Plan Edmonton - 4.1.2 - ensure infrastructure rehab. & develop programs are adequately funded on an on-going basis.												
2009 Annualization:												
Incremental To Full Year Service												
	Exp	Rev	Tax Levy	Ftes								
			-									

Roads



(\$000 - incremental)

Comprehensive Snow Policy

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	6,300		6,300	31.5	11,080		11,080	29.5	736		736	5.0

Description

This item includes all the labour, equipment and materials required for sanding and plowing of roads and walks to meet policy C409E. Council approved the capital funding to purchase 12 sander/plow trucks, 3 additional street sweepers, 10 walk plows and 2 belt loaders. This item is to cover the associated operating costs of 31.5 additional FTEs, the fixed and variable costs for this equipment and the snow and ice control materials that will be laid down by this equipment. Based on council motion #61 additional funding request will be deferred to 2009.

Justification

City Council approved the new snow policy C409E July 17, 2007. The key elements are the plowing of arterial roads and bus routes and the plowing of sidewalks, walkways and multiuse trails to meet the 48 hour time frame within the policy. This impacts overall mobility and environmental requirements.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Comprehensive Snow Removal Policy, C409E

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	

Roads



(\$000 - incremental)

Speed Display Boards

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	40		40	0.0	(40)		(40)	0.0	0		0	0.0

Description

That the Transportation Department 2008 Operating Budget – Office of the Traffic Safety be increased by \$40,000 to fund six speed display boards at approximately \$20,000 per unit for use as a deterrent to speeders on a one-time basis, with funding from the 2007 surplus.

Justification

This was added due to City Council motion #68.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Corporate Business Plan and Pavement Management Strategy Deteriorating Condition of Major Roadways. Plan Edmonton-Strategy 1.5.3 -Maintain & renew in mature neighbourhoods. TMP - Policy F4 - high priority to the preservation, mntec. & repair of existing facilities. Plan Edmonton - 4.1.2 - ensure infrastructure rehab. & develop. programs are adequately funded on an on-going basis.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	

Roads



(\$000 - incremental)

Traffic Safety -Pedestrian Countdowns

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	150		150	0.0	(150)		(150)	0.0	0		0	0.0

Description

That the Transportation Department 2008 Office of Traffic Safety be increased by \$150,000 to fund 20 locations for a safety conversion to provide pedestrian countdown times on a one-time basis, with funding from anticipated 2007 budget surplus

Justification

This was added due to City Council motion #66.

Funded

Links to 2008 Strategic Direction: Focus Areas and Priorities

Corporate Business Plan and Pavement Management Strategy Deteriorating Condition of Major Roadways. Plan Edmonton-Strategy 1.5.3 -Maintain & renew in mature neighbourhoods. TMP - Policy F4 - high priority to the preservation, mntce. & repair of existing facilities. Plan Edmonton - 4.1.2 - ensure infrastructure rehab. & develop. programs are adequately funded on an on-going basis.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	

Transit



Service Description

The Transit Program provides customer-focused, safe, reliable and affordable public transportation services that link people, jobs and communities. The current system includes:

- bus transit
- light rail transit (LRT)
- specialized service for the disabled (DATS)

Focus Area and Priority Alignment:

- Economic Development—Build a positive Sustainable Urban Environment
- Environment—Diverse Communities & Balanced Infrastructure Management
- Social and Cultural—Safe Communities

Operational Service Challenges

- A growing community means additional transit service to cover the new neighbourhoods. This will also challenge the existing capacity of the Transit services, especially during peak hours
- Continued high fuel cost and a growing environmental awareness will place a higher demand for an efficient public transit system
- Citizens must feel safe and secure when on the transit system.
- Higher and volatile diesel fuel prices result in higher operating costs. Higher gas prices result in growing passenger demand for service.
- Aging infrastructure with bus terminal rehabilitation behind schedule and upgrades to LRT vehicles needed (mid-life)
- Projected higher attrition rates due to an aging workforce and difficulty attracting staff in the present economic climate presents challenges in maintaining regular transit and DATS service levels.
- Growing service demands and subsequent increasing bus fleet is creating bus storage capacity challenges resulting in the use of temporary storage space.

Transit

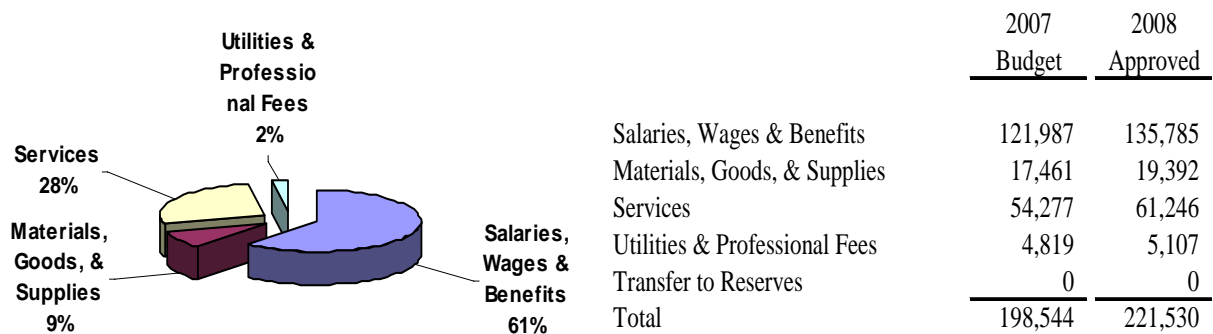


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
Transit Fare	\$ 68,879	\$ 71,397	\$ 9,325	\$ 80,722
Other Revenue	7,585	5,186	121	5,307
DATS Fare	1,454	1,559	288	1,847
Total Revenue & Transfers	77,918	78,142	9,734	87,876
Expenditures:				
Bus	141,999	152,456	16,201	168,657
DATS	20,685	22,566	2,502	25,068
Light Rail Transit	22,272	23,522	4,283	27,805
Transfer to Reserves	-	-	-	-
Total Expend. & Transfers	184,956	198,544	22,986	221,530
Tax Levy	\$ 107,038	\$ 120,402	\$ 13,252	\$ 133,654
Full Time Equivalents	1914.9	1970.8	83.8	2054.6

Resource Distribution



Transit



Budget Changes for 2008 (\$000s)

Revenue & Transfers

Volume Increases	\$ 5,414
Rate change (Bus)	2,490
Rate change (DATS)	288
Non Farebox Revenue - Advertising	121
Annualization of 2007 Service Pkgs	808
Schedule & Capacity Adjustments - Peak	166
Schedule & Capacity Adjustments - OffPeak	170
Service to New Areas - Offpeak	277
Total Revenue & Transfer Change	<u>\$ 9,734</u>

ETS Tariff of Fares (as per approved Policy C451D)	2007 Current Fare	2008 Approved Fare
CASH		
Adult	\$2.50	no change
Youth/Senior	\$2.25	no change
TICKET (ten)		
Adult	\$21.00	no change
Youth/Senior	\$18.50	no change
MONTHLY PASS (Effective February 1, 2008)		
Adult	\$59.00	\$66.50
Post Secondary	\$54.00	\$60.00
Restricted School	\$42.00	\$49.75
AISH	\$29.00	\$30.00
Splash 'N Ride Pass	\$44.20	\$56.60
DATS	\$59.00	\$66.50
Senior	\$11.00	\$11.50
SENIOR ANNUAL PASS (Effective April 1, 2008)		
Regular	\$105.00	\$108.00
Low Income	\$45.00	\$46.50
DAY PASS		
Visitor (Includes Family Fare)	\$7.50	no change
SPECIAL EVENTS		
Adult	\$2.50	no change
Youth/Senior	\$2.25	no change
CHARTER RATES (excluding GST)		
First Hour Rate	\$112.00	no change
Subsequent Service Hour Rate	\$92.00	no change
Out-of-Town Hourly Rate	\$92.00	no change

Con't next page

Transit



Budget Changes for 2008 (\$000s)

<u>Cost increases on 2007 Services</u>	
Non-personnel Inflation increases	7,017
Personnel inflation increases	7,216
Delayed hiring/vacancy discounting personnel cost reduction	(559)
Annualization of 2007 Service Pkgs	3,445
Historical Adjustments	624
Other Major Cost Impacts	698
Non Farebox Revenue - Advertising	97
Inflation capping strategy	(373)
Total Cost increases on 2007 Services	18,165

Service Needs

Operating Impact of Completed Capital Projects

SLRT Operating Impacts	1,314
Bus Fleet, Facilities & Equipment Growth	24
LRT Electrical Systems	124
DATS MDC and IVR	160
Total Operating Impact Capital	1,622

Growth and Other New Services

Schedule & Capacity Adjustments - Peak	774
Schedule & Capacity Adjustments - OffPeak	736
Service to New Areas - Offpeak	1,205
Seniors Coordinating Council	40
Shift Design Critical Replacement	100
Security Improvements	344
Total Growth on Other New Services	3,199

Total Expenditure Change **\$ 22,986**

Impact on Full Time Equivalents

Annualization of 2007 Service Pkgs	30.6
DATS vacation absence (Self Funded)	2.0
SLRT Project Office (CPP Funded)	1.0
Non Farebox Revenue - Advertising	0.5
SLRT Operating Impacts	11.1
Other CPP Operating Impacts	2.4
Schedule & Capacity Adjustments - Peak	8.8
Schedule & Capacity Adjustments - OffPeak	8.3
Service to New Areas - Offpeak	13.6
Edmonton Seniors Coordinating Council	0.5
Shift Design Critical Replacement	1.0
Security Improvements	4.0

Total Full Time Equivalent Change **83.8**

	Budget	Budget	Budget	Approved
	2005	2006	2007	2008
Cost recovery ratios - Edmonton Transit				
Cost recovery ratio trend	40.97%	41.16%	41.28%	42.07%

Transit



Performance Based Budgeting Measures of Efficiency

Edmonton Transit - Overall Customer Satisfaction (000's)

Year		Inputs		Outputs	Efficiency		Notes
		FTEs	Annual Operating Costs		Overall Customer Satisfaction	Standard Performance	
2004	Actual	1544.0	\$ 147,333	88%	90%	98%	Excellent - 90%+
2005	Actual	1629.0	\$ 161,616	89%	90%	99%	Acceptable - 70-89%
2006	Actual	1713.6	\$ 162,487	90%	90%	100%	Not Acceptable - <70%
2007	Projected	1765.8	\$ 179,619	90%	90%	100%	
2008	Budget	1852.1	\$ 197,586	90%	90%	100%	

•

Performance Efficiency Explanations:

- Maintaining high levels of Customer Satisfaction requires consistent performance in meeting the needs of over 300,000 new and current customer boardings each weekday.
- For 2007 we expect to see similar satisfaction results as seen in the fall of 2006. Going forward we expect to see an increase in overall satisfaction and have set a target of 93% in the fall of 2009.
- Introduction and roll out of the Customer Service Standards initiative in Transit will help us in meeting the expectations of our customers and achieving our 2009 goal of 93% overall customer satisfaction.

Transit



Performance Based Budgeting Measures of Effectiveness

Bus & LRT - Ridership (000's)

Year		Inputs		Ridership	Indicator: Target			Notes Only Population ¹
		FTEs	Annual Operating Costs		Output/ 1,000 Citizens	Ridership/ 1,000 Citizens	Effectiveness Performance	
2004	Actual	1544.0	\$ 147,333	47,485.3	67.15	64.46	104%	707.2
2005	Actual	1629.0	\$ 161,616	54,413.0	76.39	66.38	115%	712.3
2006	Actual	1713.6	\$ 162,478	57,451.5	78.67	74.73	105%	730.3
2007	Projected	1765.8	\$ 179,619	59,334.9	79.96	77.53	103%	742.1
2008	Budget	1852.1	\$ 197,586	61,364.4	80.75	80.75	100%	759.9

Performance Effectiveness Explanations:

- Steady ridership increases are forecasted into 2008 resulting in increased demand for all Transit services.
- Increasing number of peak-hour worker commutes and post secondary students (U-Pass) are traveling from growing suburbs and surrounding communities into Edmonton's inner-city¹, and downtown core.
- Suburban commercial and industrial job growth increases demands for more transit services for these destinations.

¹ 'Inner city' is defined as communities established prior to 1980 and consists mostly of communities within the "inner ring road" system.

* Population figures from Draft Spring Outlook Projections.

Transit



Performance Based Budgeting Measures of Efficiency

SLRT - Project Completion Dates

Year		Original Completion Date	Completion Date	Standard	Efficiency Performance
2005-2009	South Campus	12/31/08	12/31/08	12/31/08	100%
2005-2009	Century Park	12/31/09	12/31/09	12/31/09	100%

SLRT - Budget (000's)

Year		Budgeted Capital Costs	Capital Costs	Standard	Efficiency Performance
2005-2009	Budget	\$ 673,000	\$ 733,000	\$ 673,000	92%

Performance Effectiveness Explanations:

05-66-1671 SLRT (Federal Fuel Tax Rebate)

This project provides funding to design and construct LRT from Health Sciences to Century Park including the purchase of 26 LRT cars and expansion of the D. L. MacDonald garage.

The original project budget was \$607.994 million as approved by City Council on May 31, 2005 and adjusted through the 2006 carry forward process. Construction completion was scheduled for South Campus at the end of 2008, and to Century Park at the end of 2009.

On August 28th, 2007 City Council approved a budget adjustment and scope change. The revised projected cost was \$733 million (a \$125 million increase). The adjustment included deferring the Century Park park and ride facility projected to cost \$60 million, and increase the project budget by \$65 million, from \$608 million to \$673 million.

The Budget Adjustment report for Council is online in the August 28th minutes. Noted in the report is that the first phase from Health Sciences to South Campus is on budget and on time. The phase from South Campus to Century Park estimated in 2005 at \$295 million was projected to be \$420 million. The original costs were escalated at 8%. The \$420 projection is equivalent to 20% escalation, which is less than the industry experience for the Edmonton area since 2005 (25% in 2006, 40% in 2007). Costs have been mitigated by early purchasing and contracting strategies. Completion of this phase is also projected to be on time. Cars have been ordered and are scheduled to arrive starting in May, 2008, on time and on budget.

Transit



Performance Based Budgeting Measures of Efficiency

North LRT Planning and Preliminary Engineering - Completion Dates

Year		Original Completion Date	Completion Date	Standard	Efficiency Performance
2005-2009	Concept Planning	Spring 2008	Spring 2008	Spring 2008	100%
2005-2009	Preliminary Design	Spring 2009	Spring 2009	Spring 2009	100%

North LRT Planning and Preliminary Engineering - Budget (000's)

Year		Budgeted Capital Costs	Capital Costs	Standard	Efficiency Performance
2007-2009	Budget	\$ 10,000	\$ 10,000	\$ 10,000	100%

Performance Effectiveness Explanations:

North LRT Planning and Preliminary Engineering

This project is being funded through 05-66-1665 Bus Rapid Transit (AMIP). Approval to proceed with completion of concept planning and preliminary design using \$10 million from the above project, and retaining UMA Engineering for professional services was given by Transportation and Public Works Committee of Council on June 26, 2007 (report is online in minutes).

The schedule for completion of phase 1 (Concept Planning) is Spring 2008, and phase 2 (Preliminary Design) is Spring 2009. A stakeholder advisory committee has been formed and the first meeting held September 27, 2007. This project is in early stages and thus the projected costs and completion times have not changed.

Transit



Performance Based Budgeting Measures of Effectiveness

DATS - Ridership (000's)

Year		Inputs		Ridership	Indicator: Target			Notes Only Population*
		FTEs	Annual Operating Costs		Output/ 1,000 Citizens	Ridership/ 1,000 Citizens	Effectiveness Performance	
2004	Actual	156.7	\$ 14,760	855.1	1.21	1.30	93%	707.2
2005	Actual	173.8	\$ 18,945	822.9	1.16	1.29	90%	712.3
2006	Actual	184.3	\$ 20,685	835.6	1.14	1.25	92%	730.3
2007	Projected	186.0	\$ 22,538	864.1	1.16	1.24	94%	742.1
2008	Budget	190.4	\$ 25,124	916.7	1.21	1.21	100%	759.9

Performance Effectiveness Explanations:

- DATS ridership has increased over 2006 and it appears that expressed demand is being met. Similar growth is expected in 2008.
- There have been a few unforeseen factors that have affected DATS ridership over the last few years. These items include:
 - Increased disabled ridership on conventional transit (up 34%). This is in part due to the increase in low floor infrastructure on our regular transit system.
 - Less demand YTD than previous years (seems that overall people are riding less)
 - Effect of re-registering all eligible riders

* Population figures from Draft Spring Outlook Projections.

Transit



(S000 - incremental)

SLRT Operating Impacts

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	1,314	0	1,314	11.1	4,160	600	3,560	20.8	5,805	1,400	4,405	17.5
Description												
<p>SLRT extension to South Campus requires funding in 2008 to ensure staff are trained and ready to support operation in January 2009 plus materials, contracts, vehicles & utilities (\$926 & 10.4 FTE's). Funding for Public Education Program, advertising & materials (\$211K & 0.7 FTE). Overtime related to online orientation and practice driving for all licensed staff (\$91K); Overtime for training A-Book licensed staff on operating new LRV's (\$86K). 2009 includes commissioning costs (OT and contracts), (\$174K and 0.2 FTE).</p> <p>The bus operational impact for the LRT extension from Health Sciences to Century Park includes Operators, fuel, maintenance, as well as increased revenues due to a modal shift to public transit with the extension of the LRT. Cost reductions in bus operations can be realized when SLRT is extended from Health Sciences to South Campus in 2009, and to Century Park in 2010. A revenue increase is also reflected in 2009 & 2010.</p> <p>Bus hour savings related to each extension include a reduction in hours of 20,000 in 2009 & 30,000 in 2010. Achieving full cost savings & revenue increases in the years indicated is contingent upon opening each extension in January each year. As scheduled opening dates are not finalized, these figures may be adjusted in the future to reflect actual the actual start date (Amortization into the following year would be required).</p>												
Justification												
<p>The extension to Century Park has been approved by Council in May/05. Additional operating costs will be offset by cost reductions in bus operations through the removal of bus routes that duplicate the SLRT operation, increased revenues and LRT efficiencies.</p> <p>Extending the LRT to South Campus for operation in 2009 and to Century Park for operation in 2010 meets the priority objectives established in the Transportation Master Plan and High Speed Transit reports.</p>												
Links to 2008 Strategic Direction: Focus Areas and Priorities												
<p>Supports the Environment by providing Economic Development to build a business positive sustainable urban environment that attracts and supports a population living and working in Edmonton. Also linked to Planned Growth / Services to People / Operational Efficiencies/Transportation Master Plan/High Speed Transit Plan</p>												
2009 Annualization:												
Incremental To Full Year Service												
	Exp	Rev	Tax Levy	Ftes								
	531	-	531	4.6								

Transit



(\$000 - incremental)

CPP Funded Operating Impacts

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	308	0	308	2.4	528	0	528	0.6	171	0	171	1.0
Description												
<p>Automate Digital Subscriber Line (ADSL) Card Reading System for new bus terminals consisting of 16 ADSL lines. Operating impacts for new bus terminals: Leger and Meadows in 2009 and Lewis Estates in 2010.</p> <p>DATS Computer System Operating Impacts: Require 1.0 FTE for Scheduler/Dispatcher to implement the automated scheduling software with extra 0.4 FTE to assist in minimization of service disruptions during system implementation. The funding for these FTE's will be recovered through the Capital Project 06-66-1423, therefore no tax levy dollars required. This is a one time requirement and removed in 2009.</p> <p>Mobile Data Computers (MDC) and Interactive Voice Response (IVR) Operating Impacts: mobile radio rent and 0.5 FTE for Operations Technician to troubleshoot and calibrate MDC inventory. Require 0.5 FTE for Clerk II to cover increased length of calls to verify IVR telephone numbers of registrants, funds for telephone charges for dedicated IVR lines and for software licensing and maintenance agreements.</p> <p>2009: Operating impact for the new Belvedere east side Park n' Ride facilities to be constructed in 2009 as part of the Fort Road widening project.</p> <p>Increased budget is required to operate and maintain LRT electrical systems and equipment, approved in the funded CPP. Increase in Security Systems funded over this period of time.</p> <p>2008-2009: Includes digital CCTV implementation</p>												
Justification												
<p>If funding is not approved, new bus facilities and equipment will not be maintained properly. CCTV monitoring will not be done on the garage facilities which includes farebox vault areas. Warranty may be voided in situations with new equipment being installed.</p> <p>Additional resources are required to minimize service disruptions with the implementation of the new computer system. MDC costs are required once warranty period expires in November 2007. IVR function is an ongoing feature of the DATS service in order to reduce waiting time of DATS vehicles in service.</p> <p>Funding required to operate and maintain the Park n' Ride facility.</p> <p>If funding is not approved, new LRT electrical systems equipment will not be maintained properly, resulting in system failures, revenue service delays, and possible operational safety concerns. Warranty may be voided.</p>												
Links to 2008 Strategic Direction: Focus Areas and Priorities												
<p>Supports the Social and Cultural needs of the City of Edmonton by addressing strategic issues for Safe Communities, Organizational Effectiveness/Services to People and Maintain Infrastructure</p> <p>Linked to 05-66-9550 Fort Road Development Concept Transportation Infrastructure.</p>												
2009 Annualization:												
				Incremental To Full Year Service								
	Exp	Rev	Tax Levy	Ftes								
	-	-	-	-								



(S000 - incremental)

Shift Design Critical Replacement Training

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	100	0	100	1.0	4	0	4	0.0	(115)	0	(115)	(1.0)

Description

The Shift Design area requires coverage of critical positions that deal with the scheduling of approximately 2 million bus hours and 1400 Operators per year and work within the parameters of the collective agreement. Training of two additional staff at 0.5 FTE each is required for 2008 and 2009 - will come out in 2010. As part of the Branch's succession planning this will allow for appropriate trained staff to assume the Shift Design position upon current staff retirements.

Funded

Justification

Edmonton Transit has two employees in the Shift Design area who are currently in a position to retire. The skills required for this position are Transit specific and are only obtained through in-house specialized training. A relief pool is required to support this area and funding is necessary to bring the skills and experience of these individuals to a level of competency required. These positions are critical to the operation of Edmonton Transit. Training in this area requires a one year cycle to receive experience and training on five major sign-ups. Lack of trained staff in this very specialized field would compromise Edmonton Transit ability to organize resources for operational requirements. Significant risk would exist in our ability to provide services in a cost effective manner.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This package supports the Environment Focus for Diverse Communities which provide affordable housing and transportation. Services to the People - This is necessary for succession planning to ensure efficient and effective management of resources.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
-	-	-	-



(\$000 - incremental)

Security Improvements

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	344	0	344	4.0	16	0	16	0.0	15	0	15	0.0

Description

Transit Security Improvements required for implementation of the 'Peace Officer Act' that includes a Security Complaints Coordinator and a Video Evidence Technician to respond to the requirements for tracking correspondence, develop alternative resolution methodologies and disposition processes pertaining to public safety. In addition these resources will review the existing CCTV camera inventory (over 500) and the addition of 231 mobile bus camera systems (1,155 additional cameras) to meet the legal responsibility of providing this evidence. These costs are unavoidable and the service is mandated by provincial statutes. (2.0 FTE'S). Transit Security improvements that are required for the success of the Intelligence-led needs based deployment model include a Safety Analyst and a Control Center Superintendent. The Safety Analyst will conduct research, analysis, coordination and correlation of data to provide strategic recommendations, solutions and information for problem solving. A Control Superintendent will be responsible for coordinating all activities within the control center operations. (2.0 FTE'S).

Justification

The impact of funding above will enable Transit to meet the commitment for the safety and security of Transit passengers and to meet the legal responsibility to provide evidence for the successful litigation and implementation of the 'Peace Officer Act'.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Supports the Social and Cultural needs of the City of Edmonton by addressing strategic issues for Safe Communities. This Service package links to the 'Peace Officer Act'.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
-	-	-	-

Transit



(\$000 - incremental)

Schedule & Capacity Adjustments - PEAK

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	774	166	608	8.8	2,069	496	1,573	20.2	2,293	519	1,774	21.0
Description												
<p>Costs for 2008 include 8.8 FTEs, Fuel and Maintenance to respond to passenger overcrowding during peak hours of operation.</p> <p>Hours delivered are as follows: 2008 - New Peak = 7,905; 2009 Annualization = 16,275 2009 - New Peak = 8,483; 2010 Annualization = 17,465 2010 - New Peak = 8,483</p> <p>Overloaded buses are being experienced throughout the city during peak periods, including corridors to downtown and post-secondary institutions. Also addresses increased demand resulting from residential infill in developing communities. Service in industrial areas would be augmented. Schedule adherence problems in peak periods would be addressed.</p>												
Justification												
<p>Residential & employment growth & infill occurring in communities that presently have bus service has created higher demand for increasing service. New riders will use up existing capacity creating overload conditions in some cases. The additional ridership will create delays on existing routes due to more boarding/alighting activities. Growth results in added traffic volumes on city streets, resulting in traffic congestion & additional delays to bus service. Without this package, the reliability of peak service will be affected and overall situations may occur. Even with funding approved, the limitation on the number of additional peak period buses that can be deployed limits ETS's ability to address all anticipated schedule & capacity problems, given the rapid growth occurring in the city and in transit ridership. This package will facilitate growth in ridership & maintenance of customer service levels. Results would be immediate, with some long term ridership growth accommodated with service improvements to address capacity problems. An affordable, reliable & competitive transit system is a key component to the overall transportation system in the city, as documented in the Transportation Master Plan.</p>												
Links to 2008 Strategic Direction: Focus Areas and Priorities												
<p>Supports the Environment - Diverse Communities by providing affordable transportation. Supports Social and Cultural - Safe Communities to promote physical environments where people of all ages can safely participate in normal daily activities. Relates to City Council's 2006 Priority "Growth, including transit, roads, protection of people and property, planning consultation and recreation". Consistent with Transportation Master Plan objectives for public transit.</p>												
2009 Annualization:												
Incremental To Full Year Service												
	Exp	Rev	Tax Levy	Ftes								
	1,374	326	1,048	13.3								

Transit



(\$000 - incremental)

Schedule and Capacity Adjustments - OFF-PEAK

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	736	170	566	8.3	1,775	408	1,367	18.4	1,018	224	794	9.3

Description

Costs for 2008 include 8.3 FTE's, Fuel and Maintenance to respond to passenger overcrowding during off-peak hours of operation.

Hours delivered are as follows:

2008 - New Off Peak = 8,126; 2009 Annualization = 16,730

2009 - New Off Peak = 3,655; 2010 Annualization = 7,525

2010 - New Off Peak = 3,655

Service overloads are being experienced in some areas of the city during off-peak periods, including corridors to downtown and post-secondary institutions. Increased demand resulting from residential infill in developing communities puts increased pressure on bus routes in downtown corridors. Schedule adherence problems in off-peak periods would be addressed.

Justification

Residential & employment growth occurring in communities that presently have bus service has created higher demand for increasing service. New riders will use up existing capacity and, in some cases, create overload conditions on busy routes. The additional ridership will create delays on existing routes due to more boarding/alighting activities. Further, growth results in added traffic volumes on city streets, resulting in traffic congestion and additional delays to bus service. Without this package, the reliability of off-peak service will be affected and overload situations may occur. Implementation of this package will facilitate growth in ridership and maintenance of customer service levels (reliability & on-time performance). Results would be immediate, with some longer term ridership growth accommodated with service improvements to address capacity problems. An affordable, reliable and competitive transit system is a key component to the overall transportation system in the city, as documented in the Transportation Master Plan.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Supports the Environment - Diverse Communities by providing affordable transportation. Supports Social and Cultural - Safe Communities to promote physical environments where people of all ages can safely participate in normal daily activities. Relates to City Council's 2006 Priority "Growth, including transit, roads, protection of people and property, planning consultation and recreation". Consistent with Transportation Master Plan objectives for public transit.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
1,474	335	1,139	15.0

Transit



(S000 - incremental)

Service to New Areas - OFF-PEAK

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	1,205	277	928	13.6	2,531	605	1,926	25.1	901	189	712	7.1

Description

This service package is held in abeyance until the outcome of developer negotiations is known or the mill rate is set, whichever comes first.

Costs for 2008 include 13.6 FTE's. Fuel and Maintenance for service to newly developed areas during off-peak hours of operation.

Hours delivered are as follows:

2008 - New Off Peak 13,192; 2009 Annualization = 27,660

2009 - New Off Peak = 3,077; 2010 Annualization = 6,335

2010 - New Off Peak 3,077

Neighbourhoods expected to warrant new offpeak period service include Terwillegar Towne, Haddow, Rutherford, Ellerslie Crossing, Westridge, Northwest Industrial, Carleton Place, Belle River, Moylican, Ozerna, Kiarvatten, Brintnell, Summerside, Blackburne, and Hollick Kenyon. A new community bus route would be provided.

Funding for new offpeak service was not available in the 2006 or 2007 Operating Budget. This service package reflects funding needed to provide offpeak services warranted in 2006, 2007 and 2008.

New offpeak service is warranted when the population of a neighborhood reaches 2000 and the expectation that minimum ridership levels will be achieved (30 passengers per hour during weekday, midday; 15 passengers per hour during other offpeak time periods).

Justification

Public transit service to developing neighbourhoods provides an option to using the private automobile, increasing mobility for those who cannot drive or afford to operate a private vehicle and reducing potential roadway congestion. Early implementation of bus service in a developing neighbourhood has been shown to be an effective initiative for increasing overall transit ridership.

Without this package, ETS would be unable to provide new offpeak transit service to outlying neighbourhoods where new service is warranted.

Service implementation promotes increased public transit ridership and a more comprehensive transportation system. Increased ridership would occur immediately with implementation of this service package, and would continue with infill into the affected neighbourhoods.

Links to 2008 Strategic Direction: Focus Areas and Priorities

Supports the Environment - Diverse Communities by providing affordable transportation. Supports Social and Cultural - Safe Communities to promote physical environments where people of all ages can safely participate in normal daily activities. Relates to City Council's 2006 Priority "Growth, including transit, roads, protection of people and property, planning consultation and recreation". Consistent with Transportation Master Plan objectives for public transit.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
2,279	543	1,736	22.7

Transit



(S000 - incremental)

Edmonton Seniors Coordinating Council

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	40	0	40	0.5	1	0	1	0.0	1	0	1	0.0

Description

The Transit Mobility Choices Travel Training requires 0.5 FTE to assist with arrangements for presentation bookings, presentation materials including background research, and to assist with presentations to the community; position at Clerk III level.

This was part of the Services Transportation Report that went to Council in September 2007.

Justification

Expanded travel training and outreach programs will address existing demand for this service and will provide additional resources to coordinate the recommendations from the Edmonton Seniors Coordinating Committee.

Links to 2008 Strategic Direction: Focus Areas and Priorities

City Council Special Initiatives: Seniors Issues. Supports the Social and Cultural needs of the City of Edmonton by addressing strategic issues for Safe Communities. The TMP 2.2.5 Providing Travel Choices recommends improving information services and the marketing of transit. P. 64 "Marketing and promotional campaigns should strive to more explicitly differentiate between different services offered by Edmonton Transit"; "Marketing campaigns should be planned, designed and targeted at identified and discreet segments of Edmonton Transit's markets, both existing and prospective".

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
-	-	-	-



Service Description

The Edmonton Economic Development Corporation (EEDC) is an independent corporation established by the City of Edmonton for the purposes of promoting economic development. In addition to its core economic development responsibilities, the City has also assigned to EEDC responsibility for tourism development, the management of the Shaw Conference Centre, and management of the Edmonton Research Park.

The 2008 Business Plan highlights the strategic priorities of the organization, and ensures that the corporation's efforts are fully aligned against those priorities. These priorities are driven by EEDC's mandate, the environment in which the Edmonton region and EEDC must operate, and key issues and challenges facing both the City and the region.

Operational Service Challenges

EEDC has established seven strategic priorities that will drive its activities over the coming fiscal year and the foreseeable future.

- 1. Establish Globally Competitive Industries and a Diversified Economy:** The strength of Alberta's oil and gas industry is creating serious challenges for other industry sectors. EEDC has implemented a cluster strategy designed to establish and grow globally competitive industries based in Edmonton.
- 2. Promotion of a Strong Tourism Industry:** Declining U.S. and international tourism are expected to impact on the Edmonton region. Programs are being implemented to improve the tourism attractiveness of Edmonton, and encourage tourism from new markets.
- 3. Workforce Improvement and Expansion:** A shortage of labour is expected to be a continuing problem for the Edmonton region, both over the near and longer terms. EEDC is implementing a number of programs designed to increase work force participation rates, expand immigration and improve productivity.
- 4. Improvement of Edmonton's Image:** A lack of awareness and/or a poor image of Edmonton are an important issue identified by a significant proportion of the community. Together with the City of Edmonton, EEDC is beginning implementation of a broad based, long term program to improve Edmonton's recognition and image.
- 5. Development of a Strong Convention Centre:** The Shaw Convention Centre is effectively at capacity and in need of capital investment. A long term capital program and business plan is being developed for the SCC to ensure that it continues to meet the needs of the Edmonton market.
- 6. Development of a Strong Edmonton Research Park:** The ERP is now effectively at capacity, and development of the Southlands Project will be required to meet the needs of Edmonton's growing high technology industry.
- 7. EEDC Governance, Management and Operations:** EEDC is continually working to improve the effectiveness and efficiency of its efforts. The organization is also looking at options for better representing the interests of the region and the community as a whole.

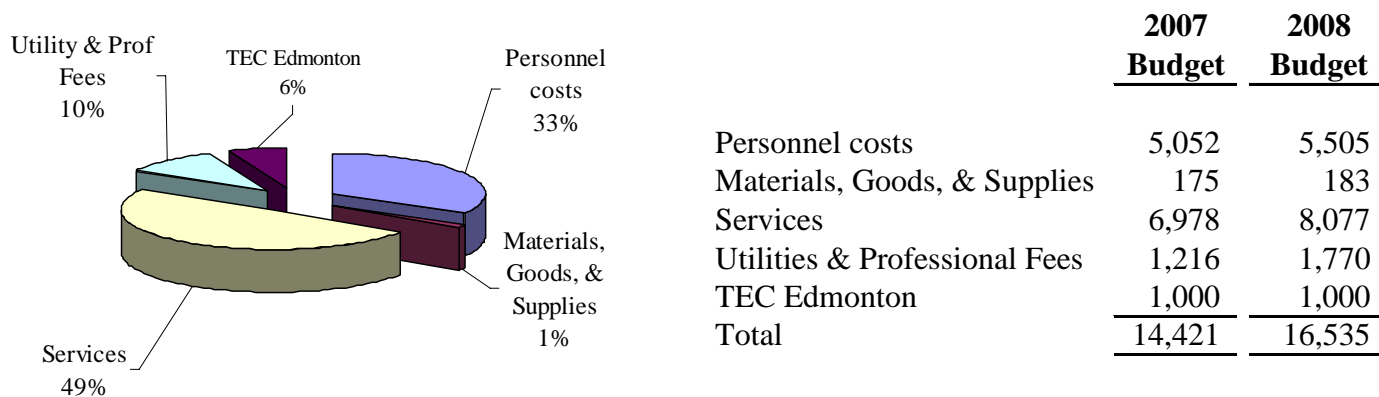


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers	\$ 4,722	\$ 5,721	\$ 1,038	\$ 6,759
Total Revenue & Transfers	4,722	5,721	1,038	6,759
Expenditures:				
Operating & Program Expenses	13,476	14,421	2,114	16,535
deduct deficit	(228)	-	-	-
			-	-
			-	-
Total Expend. & Transfers	13,248	14,421	2,114	16,535
Tax Levy	\$ 8,526	\$ 8,700	\$ 1,076	\$ 9,776
Full Time Equivalents	85.0	87.0	-	87.0

Resource Distribution





Budget Changes for 2008 (\$000s)

Revenue & Transfers

Transalta funding reduction (related to Festival City campaign)	\$ (250)
Growth in BBDC/ERP revenue	1,084
Initiation of Shlumberger land rental/ERP	312
Reduction in GECS spending	(504)
External funding of Edmonton Image Campaign	393
Miscellaneous	3
Total Revenue & Transfer Change	<u>1,038</u>

Cost increases on 2007 Services

Non-personnel inflation	382
Growth in BBDC expense	1,164
Shlumberger pass through to City	297
Increased research, Beijing Olympic programs, etc	154
Compensation adjustments for staff retention	477
Delayed hiring/vacancy discounting personnel cost reduction	(23)
Edmonton Image Campaign	393
Other	131
Reduction in GECS spending	(504)
Inflation capping strategies	(137)
Other savings	(220)
	<u>2,114</u>

Service Needs

Operating Impact of Completed Capital Projects	-
---	---

Growth and Other New Services

Total Expenditure Change	<u>\$ 2,114</u>
---------------------------------	------------------------

Impact on Full Time Equivalents	-
--	---

Total Full Time Equivalent Change	<u>0.0</u>
--	-------------------



**Performance Based Budgeting
Measures of Effectiveness
(000's)**

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>Budget 2007</u>	<u>Budget 2008</u>
Internal performance measures					
Number of Business leads	164	290	478	250	400
Number of New prospects	14	58	31	20	30
Number of Jobs created	750	65	437	200	150
Business retention site visits	374	260	212	250	200
Number of undeveloped lots	8	4	4	2	0
Number of Tenants in ERP	11	26	40	50	53
Film Expenditures (\$M)	23	25	15	20	25
Convention room nights booked (000's)	82.1	35.5	70.3	52.0	75.0



Service Description

The Shaw Conference Centre (SCC) is a full service meeting facility and the largest convention centre in Alberta. Current economic impact assessments indicate a contribution to the local economy of about \$40 million annually.

SCC offers a high standard of products and services to a broad range of public and private sector clients through the provision of convention, meeting, food and beverage, and trade/consumer show services. The addition of Hall D provides us with the opportunity to attract more major entertainment events as well.

Marketing and sales efforts are focused primarily on Canadian and International organizations. Our environmental scan indicates the strong growth of the past few years is expected to continue for both Edmonton and the SCC in large part as a consequence of high oil prices. Given the SCC's high occupancy rate in 2005, 2006 and again in 2007, the challenge we must meet is 'how will the expected continuing growth in business be absorbed'?

Operational Service Challenges

The SCC faces a number of significant issues and challenges that must be addressed over the foreseeable future:

Capital Deficit of the SCC: the capital deficit of the SCC is estimated to be in the range of between \$10 and \$44 million. The lower end of this range represents the costs associated with keeping the SSC operational, while the costs in the upper end of the range represent the cost of modernizing the SSC in order to keep the facility competitive with new and more modern convention centres being developed both within Canada and across North America.

SSC Long Term Growth: need to determine long term growth requirements of the SCC, and to put in place a facility plan to satisfy and fund those requirements. Directly related to this issue is the question of where the SCC would expand, and the concern that current planning in the downtown may not have adequately considered the expansion requirements of the SCC.

Downtown Arena: within the relatively near term it will be necessary to address questions relating to how a new downtown arena would interact with or impact on an expanded convention centre and the extent to which, if any, their development and operations should be integrated.

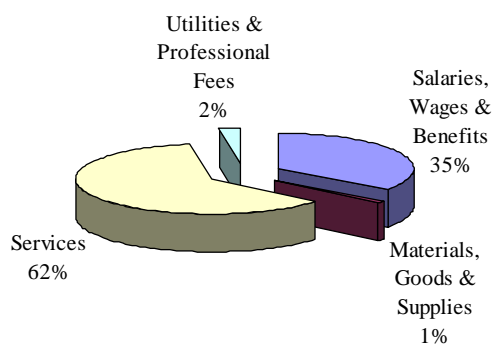
The attracting and maintaining of quality and competent service staff on a cost effective basis is a growing challenge.



Budget Summary (\$000s)

	Operating Budget			2008
	2006 Actual	2007 Budget	Change	Approved Budget
Revenue & Transfers				
External Revenue	\$ 10,653	\$ 7,500	\$ 3,450	\$ 10,950
Other			-	-
Total Revenue & Transfers	10,653	7,500	3,450	10,950
Expenditures:				
Operating & program expenses	12,495	10,277	3,382	13,659
Net Surplus	873	-		-
				-
				-
Total Expend. & Transfers	13,368	10,277	3,382	13,659
Tax Levy	\$ 2,715	\$ 2,777	\$ (68)	\$ 2,709
Full Time Equivalents	165.0	165.0	7.0	172.0

Resource Distribution



	2007 Budget	2008 Budget
Salaries, Wages & Benefits	4,547	4,781
Materials, Goods & Supplies	132	139
Services	5,459	8,404
Utilities & Professional Fees	139	335
Total	10,277	13,659



Budget Changes for 2008 (\$000s)

Revenue & Transfers	\$ 3,450
Total Revenue & Transfer Change	<u><u>3,450</u></u>
Cost increases on 2007 Services	
Increase in direct costs attributable to growth	3,136
Higher compensation costs for union and other personnel	255
Delayed hiring/vacancy discounting personnel cost reduction	(21)
Cost increases associated with inflation	156
Inflation capping strategy	(144)
	<u><u>3,382</u></u>
Service Needs	
Operating Impact of Completed Capital Projects	-
Growth and other New Services	<u>-</u>
Total Expenditure Change	<u><u>\$ 3,382</u></u>
Impact on Full Time Equivalents	7.0
Total Full Time Equivalent Change	<u><u>7.0</u></u>



**Performance Based Budgeting
Measures of Efficiency
(000's)**

Year		Inputs		→	Outputs	Indicator: Cost/ Output
		FTEs	Annual Operating Costs		# major conferences	
2004	Actual	150.0	\$ 9,856		39.0	\$ 252.7
2005	Actual	157.0	\$ 11,468		37.0	\$ 310.0
2006	Actual	165.0	\$ 12,495		44.0	\$ 284.0
2007	Budget	165.0	\$ 10,277		37.0	\$ 277.8
2008		172.0	\$ 13,659		47.0	\$ 290.6

**Performance Based Budgeting
Measures of Effectiveness
(000's)**

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>Budget 2007</u>	<u>Budget 2008</u>
Customer Performance Measures					
Client's approval rating (score out of 5)	4.21	3.78	4.1	4.5	4.6
As expected, approval rating have improved for 2007 marking the completion of Hall D and the end of inconveniences caused by construction.					
Estimated economic impact (\$M)	33	40	42	38	43
Total attendee days (000's)	407	487	506	420	517



EDMONTON POLICE COMMISSION 2008 Approved Budget

2008 Budget:

Operating & Capital Plan



**Committed to
policing excellence**





EDMONTON POLICE COMMISSION

2008 Approved Budget

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EDMONTON POLICE COMMISSION

2008 Approved Budget Executive Summary

Under the governance of the Edmonton Police Commission (EPC), the Edmonton Police Service (EPS) focuses its efforts on a four-part community policing mandate that includes crime prevention, law enforcement, addressing matters of public safety, and the maintenance of public order.

In keeping with its Community Policing Mandate, the EPS introduced a new patrol service delivery model in 2007. We are looking at our organizational effectiveness and how we match our police resources to the workload generated by the community as a whole. We are striving to be more strategic in how we identify and respond to problems. The goals of the model are to provide a more balanced workload for patrol members, focus on accountability and ownership for all members, and achieve a high level of customer service to the citizens of Edmonton.

Last year, a commitment was made between Council and the EPC regarding the 2007 budget to not put forward any requests to fund new positions or services in the 2008 budget process. The 2008 budget upholds this commitment. To maintain the existing level of service to the Citizens of Edmonton, the EPC requires \$188.8 million net operating budget for 2008. This is an increase of \$15.7 million over the 2007 net operating budget of \$173.1 million.

Throughout 2008, the EPS will continue efforts to be more effective and efficient in how resources are utilized. The EPS will complete the review of the new patrol service delivery model, as well as initiate a comprehensive review of police investigative services in order to ensure that resources correspond with emerging needs and priorities.

The next five years will mark an important period of transformation for the City of Edmonton, characterized by a prosperous economy, significant population growth, greater ethnic diversity and continual technological advancement. It is estimated that the population of the Greater Edmonton Area will increase by about 12,000 people in the next year alone. In order for the EPS to accommodate these growth pressures and keep pace with our changing community, additional police resources may be required in the future.

Operating Budget

2008 Operating Budget

Introduction

Under the governance of the Edmonton Police Commission (EPC), the Edmonton Police Service (EPS) focuses its efforts on a four-part policing mandate to prevent crime, enforce the laws, address matters of public safety, and maintain social order – all within a city that continues to experience tremendous growth but still requires the same levels of service for all its citizens.

The EPS strives to build safe communities through leadership and policing excellence through the day-to-day work practice known as community policing.

Community policing is a philosophy in which the police are seen as members of the community, with police officers being part of where they live and work. This often includes having more police officers who “walk the beat” as opposed to driving around in police cars. The basic idea is to create bonds of trust and reliance between police and public.

This approach requires officers to be open minded, unbiased, and sensitive to the concerns and problems of others; also known as the new policing paradigm. Even if officers do not agree with a complainant’s viewpoint, they should try to listen and understand the problem. Police should display empathy and compassion with sincerity. Police must also develop skill in planning, problem solving, organization, interpersonal communications, and perhaps most importantly, critical thinking.

It is characterized by an appropriate balance of:

- Community consultations;
- Community partnerships;
- Prevention;
- Problem solving, and
- Response, investigation and enforcement.

Our success will be measured by:

- A reduction in crime;
- A reduction in disorder;
- An increase in traffic safety, and
- A high level of public trust.

Each police officer, regardless of their assigned work area and specific responsibilities, is expected to follow this work practice.

Strategic Directions

In 2006, a joint strategic planning process took place between members of the EPC and EPS’s Chief’s Committee whereby five strategic directions were identified and will continue through 2008. The EPS has made significant progress implementing the recommendations that arose under each strategic direction.

We have highlighted below the proposed plans highlighted in our 2008 operating budget and a synopsis of the 2006-07 progress.

Strategic Direction 1 – Reduce Victimization

Work with the people of Edmonton to help them feel safe in their homes and communities by addressing crime and disorder issues.

Proposed plans for 2008 will focus on:

- Services to vulnerable groups (i.e. those with mental illness, at-risk neighborhoods, children, ethnic communities and hearing impaired);
- Community policing (i.e. visibility, geographic assignment, public involvement and working with youth);
- Crime management (i.e. collecting, analyzing and disseminating intelligence).

2008 Operating Budget

Following is a synopsis of the 2006-07 progress:

Priorities	Results / Initiatives
<ul style="list-style-type: none"> • Crime Reduction • Traffic Safety • Social Order • Public Safety 	<ul style="list-style-type: none"> • 3% reduction in eight crime indicators in 2006 • 8% reduction in the crime rate in 2006 • 9% reduction in property crime in 2006 • 7% reduction in eight crime indicators set as a target for 2007 • Introduction of the Community Safety Initiative (CSI) teams to address crime and disorder in patrol divisions • Tactical Response for Auto Theft Prevention (TRAP) initiative. In the period of June – December 2006, TRAP recovered 233 stolen vehicles valued at \$3,726,550 • Curb the Danger Campaign was introduced. In the first three months of the program 430 drivers were stopped resulting in 153 impaired driving charges and 12 24-hour suspensions. The program will continue through 2007. • Traffic fatalities remained unchanged in 2006 over 2005. • Injury collisions increased in 2006 • Implementation of the Public Safety Compliance Team

Strategic Direction 2 – Improve Service

Enhance community policing in order to meet citizens' expectations around quality customer service, collaboration, and sharing of information.

Proposed plans for 2008 will focus on:

- Two-way information sharing (i.e. website, citizen-generated calls for service)
- Emergency preparedness

Following is a synopsis of the 2006-07 progress:

Priorities	Results / Initiatives
<ul style="list-style-type: none"> • Customer Responsiveness • Customer Approach • Changing Community Needs 	<ul style="list-style-type: none"> • Calls for service in 2006 increased by 11% • Introduced new dispatch guidelines to reduce Priority 1 response time, resulting in a 50% reduction in dispatch delay time • In 2006 the Patrol Response Multiplier Program was implemented to assist in response to calls for service during peak summer months. At the conclusion of the program, 108 members had contributed an extra 248 shifts or the equivalent of 2,480 hours. Volunteers contributed 39 shifts or 390 hours in total • Introduction of the Verbal Judo course to all members to improve communication skills • Conduct Citizen Satisfaction Survey with results available in the fall of 2007 • Implementation of the new patrol delivery model in April 2007 created new geographical boundaries, new patrol deployment structure, revised roles and responsibilities for patrol personnel, new shift schedules and performance targets for emergency response to calls

2008 Operating Budget

Strategic Direction 3 – Improve Effectiveness, Efficiency and Innovation in Business Processes

Improve 'how we do business' by implementing more efficient processes and technological solutions that would allow police officers to spend more time in the community.

Proposed plans for 2008 will focus on:

- Enabling police to better direct their activities (i.e. differential staffing, use of civilian staff)
- Continuous evaluation of police processes/services (i.e. use of analysts)

Following is a synopsis of the 2006-07 progress:

Priorities	Results / Initiatives
<ul style="list-style-type: none"> • Criminal justice system • Integration of policing services • Partnerships with City of Edmonton • Business process simplification • EPS process simplification • Enabling technology/IT • Differentiated staffing • Risk management • Innovation – reward and innovation 	<ul style="list-style-type: none"> • Creation of court reporting management offices in each patrol Division to assist in arrest file review and prosecutor requests resulting in a 44% reduction in incomplete files • Modify report formats to eliminate duplication and improve quality of information • Implementation of the new records management system – Edmonton Police Reporting and Occurrence System (EPROS) • Deployment of new business intelligence reports to Divisional Management Teams • Decentralize Quality Assurance Unit staff out into patrol divisions to increase data entry efficiencies, decrease the time to access reports and decrease data entry errors • Conduct an investigative services review of specialized and general investigations areas • Implementation of electronic reporting from mobile workstations • Work with our justice partners to mitigate the impact of repeat or habitual offenders on the community • Conduct a community peace officer review to investigate opportunities provided by the new Peace Officer Act • Assign a senior officer to conduct an efficiency review of EPS processes • Successfully achieve CALEA reaccreditations

Strategic Direction 4 – Improve Financial Investment, Sustainability and Accountability

Increase public confidence by ensuring the EPS is making efficient and effective use of the dollars.

Proposed plans for 2008 will focus on:

- Staffing to address financial accountability of supervisors/managers, and completion of capital projects
- Internal audit function to be fully established with first audit plan underway this year

2008 Operating Budget

Following is a synopsis of the 2006-07 progress:

Priorities	Results / Initiatives
<ul style="list-style-type: none"> • Fiscal responsibility and transparency • Appropriate financial resources • Technology and capital investment • Risk Management • Intergovernmental fiscal challenges • Financial performance Management system 	<ul style="list-style-type: none"> • Completion of Fleet Management internal audit • Work continued in 2006 around the development and implementation of an integrated risk management model • Efforts continued to move financial accounting to the lowest managerial level by having finance staff improve monthly reporting financial information • New processes implemented in Informatics to ensure the availability and security of information systems resulting in 99% availability • Electronic storage systems improved and upgraded • Establish an internal auditor within the EPS

Strategic Direction 5 – Enhance Professionalism

Meet public expectations that police officers will be suitable by character, competent through training, and responsible and accountable in all they do.

Proposed plans for 2008 will focus on:

- More timely response to and resolution of public complaints and requests for information
- Enhancing Occupational Health & Safety initiatives

Following is a synopsis of the 2006-07 progress:

Priorities	Results / Initiatives
<ul style="list-style-type: none"> • Ethics/Ethics training • Succession planning • Continuous learning • Performance management 	<ul style="list-style-type: none"> ▪ Introduction of Chief's Crime Conferences. The Crime Conference provides a method to regularly monitor whether or not divisional commanders are aware of where crime and disorder are occurring and are developing strategies to reduce victimization ▪ The William Griesbach Training Centre opened in January 2006 ▪ Introduction of the new Online Information and Learning (OIL) System that provides 24-7 access to timely and informative resources such as interactive courses, policy updates, recertification training and testing and access to personal information ▪ Ethics training was incorporated as a mandatory learning objective in all recruit training and in-service training ▪ Human Resource introduced the new Performance Review and Development process by amending the form to reflect individual feedback based on competencies developed for each rank ▪ Tuition reimbursement was increased to support members studying in degree and diploma programs ▪ Established a senior officer in the role of a permanent hearing officer ▪ Improved complaint investigation process in Professional Standards ▪ Developed a stronger leadership development

2008 Operating Budget

2007 Service Improvements and Efficiencies

The EPS is an efficient organization – only 13% of expenditures are related to administrative activities.

Additionally, the EPS has undertaken a number of measures and initiatives to contribute to cost savings for the City of Edmonton. The more significant measures and initiatives accomplished using 2007 budget dollars have been highlighted.

In 2006, the EPS formalized the Five Strategic Directions the service would embrace. Following the introduction of these strategic directions, a realignment of services and addition of new initiatives has been undertaken in 2007 and will continue in 2008. Through efficiencies, the EPS will be able to expand programs and initiatives at no additional cost. The significant programs and initiatives are:

- **Community Policing Service Delivery Model - Managing Patrol Performance “MPP”**
EPS has implemented a new Community Policing Service Delivery model effective April 29, 2007 that will provide a more effective management and deployment of frontline patrol members, resulting in a more effective and efficient response to incidents of crime and disorder, as well as, proactive community policing.

Outcome: The results from the first four months of the model are being evaluated. Preliminary results indicate that service delivery targets are being achieved. Evaluation of the model is due December 31, 2007.
- **Community Service Officer Program**
EPS has continued and expanded the initiative of adding special constables to patrol from the downtown core and Whyte Avenue as a visible patrol presence and to target specific community concerns.

Outcome: The program continued throughout the summer using pre-hire recruits. A review is currently underway evaluating the program and looking at further opportunities and staffing options.
- **Community Policing – Five Division Model**
On April 29, 2007 the Edmonton Police Service added a fifth community policing division located in Southwest Edmonton. The new division was funded through reallocation of existing resources to staff the new division. From our funded capital plan, a new Southwest Division Station will commence construction in 2008, upon finalization of a site selection in 2007, for occupancy in 2010.

Outcome: The addition of the fifth community policing division station was an important component of the new service delivery model “MPP”. The reallocation of resources created staffing challenges in the summer due to annual leave. Site selection of the new Southwest Division station is still in negotiations.
- **Internal Audit Position**
The internal audit position will bring an independent disciplined approach to assessing the effectiveness of operations and ensure that the EPS is in compliance with EPS and EPC policies and procedures. This position resulted from a reallocation of a new 2007 position.

Outcome: The position is currently in the interview and selection stage.
- **Auto Theft Enforcement Team**
EPS created a team to target the high number of city-wide stolen vehicles. Human resources were reallocated from other areas of the organization for specified periods of time. There were some operational costs for vehicle and related equipment, but no new personnel costs.

Outcome: Tactical Response for Auto Theft Prevention (TRAP) initiative. In the period of June – December 2006, TRAP recovered 233 stolen vehicles valued at \$3,726,550. TRAP has contributed to a 7% reduction in Theft of Auto in the first six months of 2007

2008 Operating Budget

- **Closed Circuit Television (C.C.T.V.)**

Reallocation of a funded capital Information Technology project of \$1.0 million (approved by City Council on July 17, 2007) allowed EPS to implement and comply with Provincial Policing Standards for prisoner holding cells and custody areas which are effective January 1, 2008. An offsetting increase to the unfunded capital Information Technology project is required to complete projects that have been deferred.

Outcome: The EPS is able to implement and comply with Provincial Policing Standards for prisoner holding cells and custody areas which are effective January 1, 2008.

- **Downtown Renovations (Phase III)**

Following the construction of a new prisoner detention area (Phase II), the former prisoner detention area will be reconstructed to meet industry, occupational health and safety standards and legislation through a reallocation of operating funds.

Outcome: The EPS is able to meet industry, occupational health and safety standards and legislation.

- **Strategic Crime Management**

The process of strategic crime management was implemented as a service-wide initiative to maintain and reduce crime with existing resources. Eight major crime indicators were established and are monitored and reported during the daily crime conferences.

Outcome: Strategic Crime Management strategies resulted in a 3% reduction in the eight crime indicators in 2006. There was 8% reduction in Edmonton's crime rate in 2006. A 7% reduction in the eight crime indicators set as a target for 2007

- **Organized Crime**

EPS developed a process to target the principal players in the organized crime networks as a means to disrupt organized crime activity and its outcomes. This process involved the development of new investigative techniques and modified intelligence utilization without the need for any new personnel costs.

Outcome: Integrated intelligence initiatives with policing partners targeting gangs, illicit drugs and financial crime were successful in identifying and targeting known organized crime groups within the greater Edmonton Region

- **Big Five Collaboration**

EPS met with members of the 'Big Five' (community, social and government agencies, political leaders, media and police) to develop collaborative solutions to youth crime, violence, and theft from auto. This involved no new resources, but developed new, sustainable problem solving partnerships with people who live and work downtown.

Outcome: The EPS has formed several partnerships with members of the Big Five. Notably, Chief Boyd was selected as a member of the Alberta Government's Crime Reduction and Safe Community Task Force that was established to gather input and ideas from Albertans on ways to reduce crime, enhance community safety and improve public confidence in the criminal justice system.

2008 Operating Budget

	<u>Revenue</u>	<u>Expenditure</u>	<u>Net Budget (Note 1)</u>	<u>FTEs</u>
2007 Budget	\$ 48,913	\$ 224,242	\$ 175,329	1,858.5
Less: Provincial Grant Carry Forward	0	(2,237)	(2,237)	-
2007 Budget (Note 2)	48,913	222,005	173,092	1,858.5
Maintain Existing Services (Note 3)	939	15,711	14,772	20.0
Operating Impacts of Capital Projects	0	915	915	0.5
	939	16,626	15,687	20.5
2008 Net Operating Budget	<u>\$ 49,852</u>	<u>\$ 238,631</u>	<u>\$ 188,779</u>	<u>1,879.0</u>
Percentage Change from 2007 Budget	1.9%	7.5%	9.1%	

Notes to Chart:

1. The EPS contributed significantly to identifying efficiencies and cost savings, as requested by the EPC. See the section titled '2007 Service Improvements and Efficiencies' for a summary of EPS initiatives.
2. The 2007 approved budget of \$172,747 was adjusted by \$345 as a result of the collective bargain settlement for the Senior Officers Association. The adjusted budget is \$173,092 as at May 31, 2007.
3. The revenue component of 'Maintain Existing Services' is an increase to the tow lot revenue (\$952) which is offset by additional related expenses including staff (1.0 FTE). Also, included is a decrease in revenue related to alarm permits issued, based on historical trends for a total increase of \$939.

2008 Operating Budget

Details of Significant Changes

Maintain Existing Services **(\$14.8 M Net; 20.0 FTE)**

In order to maintain the existing level of services, the EPC and EPS will require funding to cover cost impacts of \$15.7 million offset by identified revenue increases of \$0.9 million.

1. Cost Impacts (\$15.7 M; 20.0 FTE)

FTEs:

- Based on 2007 approved FTEs, we are annualizing 19.0 FTEs in 2008.
- The tow lot has an increase to formalize 1.0 FTE offset by increased revenues.

Contract Negotiations:

- Currently, all EPS unions are under contract to the end of 2008 and the contract increase in 2008 is 5%. The benefit effective rate for 2008 is 22.45%, reflecting changes to date.

General Inflation:

- In accordance with City of Edmonton guidelines, a 5% general inflationary factor has been applied to all non-personnel cost categories.

2. Revenue Increase (\$0.9 M)

- An increase in tow lot revenues of \$0.9 million reflects a rate increase for storage. This revenue increase is offset by related tow expenditures including staffing (1.0 FTE).

Operating Impacts of Capital Projects **(\$0.9 M; 0.5 FTE)**

The operating impacts of capital projects are \$0.9 million from the following projects:

- Hangar 38 is an amalgamated facility for the Traffic, Tactical and Flight Operations sections. The operating costs include lease, maintenance and utilities, as the planned operational date is October 1, 2008 (2008 - 3 months \$450; annual total of \$1,800).
- Information Technology projects that result in additional licensing, maintenance agreements, technical maintenance and staff support. Also, upgrades to the internet and network connections to off-site facilities such as the divisional stations.

Proposed Service Packages **(\$0.0 M; 0.0 FTE)**

A commitment was made between Council and the EPC regarding the 2007 budget to not put forward any requests to fund new positions or services in the 2008 budget process.

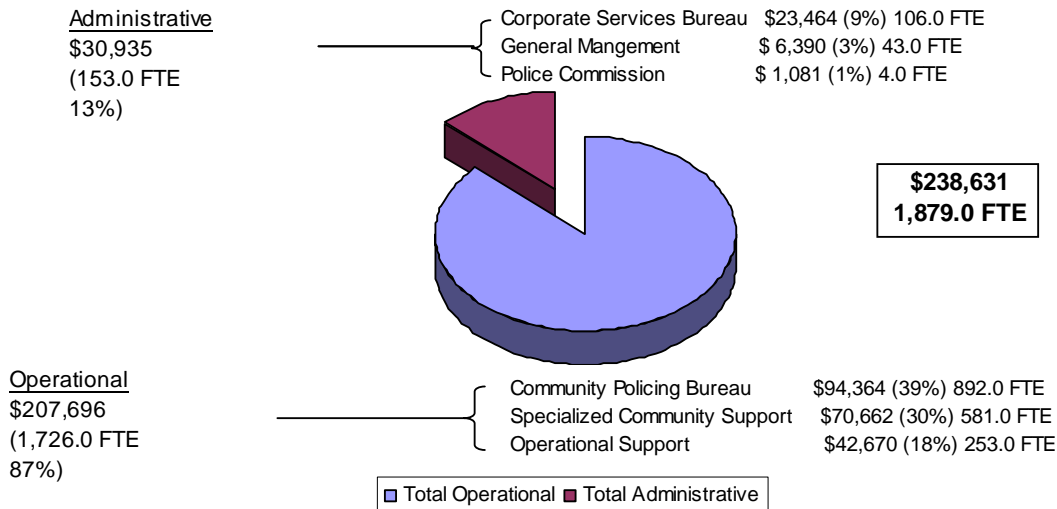
2008 Operating Budget

Operating Budget Summary (\$000s)

This summary reflects all EPC requests to maintain existing services (\$15,711) and to address the operating costs of capital (\$915) for a total increase in expenditures of \$16,626. With an increase in revenue (\$939) the net budget increase is \$15,687.

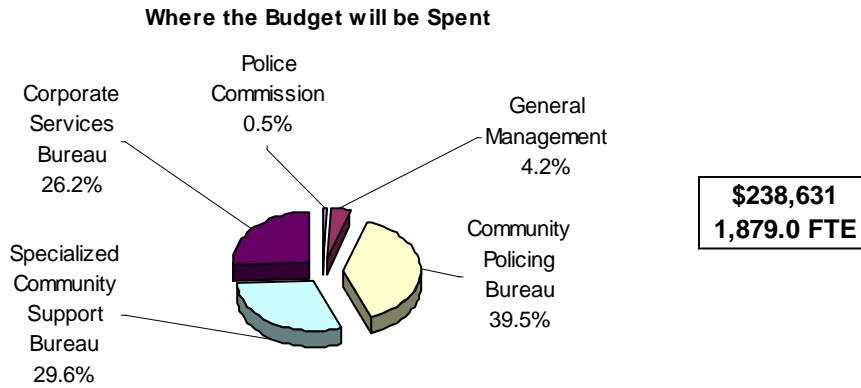
	2006 Actual	2007 Budget	Change	2008 Proposed Budget
Revenues:				
Fines	\$ 25,529	\$ 27,735	\$ -	\$ 27,735
Municipal Policing Assistance Grant	11,398	11,398	-	11,398
User fees, permits, etc.	10,658	9,780	939	10,719
	<u>47,585</u>	<u>48,913</u>	<u>939</u>	<u>49,852</u>
Expenditures:				
Police Commission	766	1,009	72	1,081
General Management	7,597	8,603	1,310	9,913
Community Policing Bureau	83,475	93,535	829	94,364
Specialized Community Support Bureau	63,978	66,455	4,207	70,662
Corporate Services Bureau	46,632	52,403	10,208	62,611
Provincial Grant Expenditures	722	-	-	-
Total Expenditures	<u>203,170</u>	<u>222,005</u>	<u>16,626</u>	<u>238,631</u>
Net Budget	<u>\$ 155,585</u>	<u>\$ 173,092</u>	<u>\$ 15,687</u>	<u>\$ 188,779</u>
Full Time Equivalents	<u>1,796.0</u>	<u>1,858.5</u>	<u>20.5</u>	<u>1,879.0</u>

2008 Operational Versus Administrative (000's)

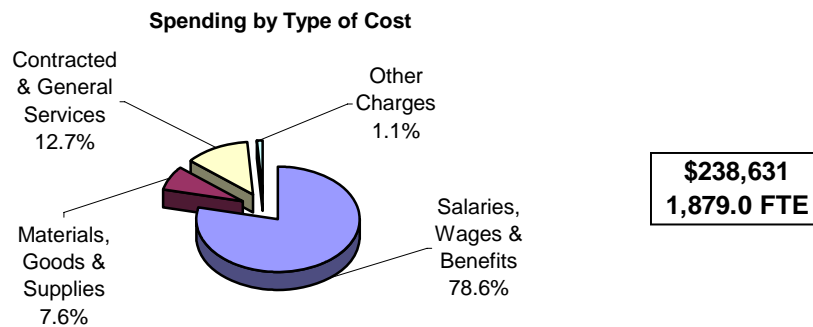


2008 Operating Budget

2008 Spending by Bureau



2008 Spending by Type



Note: Nearly 80% of total EPS expenditures relate to personnel costs.

Emerging Issues

Photo Radar Study

On July 17, 2007, a joint report from the City Manager and the EPC was approved by City Council to have the revenues from the photo radar program and associated contract expenditures be moved to the City's corporate revenue and expenditure program, commencing in the 2009 budget year. Currently, the revenue and expenses resides within the EPS' Specialized Community Support Bureau.

Capital Budget



2008-2012 Capital Plan

Highlights of the Funded 2008 - 2012 Capital Plan (\$50.0 M)

The EPS Funded 2008—2012 Capital Budget reflects a continuing investment in maintaining the infrastructure under the stewardship of the Service— investigative equipment, information technology, telecommunications and facilities. A listing of the Funded Capital Budget is found on page 18.

Also included in this plan is the construction of Southwest Division Station, which is facing two challenges: the need to identify an alternate location at a considerably higher cost and the escalating construction costs resulting from the delay. These anticipated cost increases are currently unfunded, however, the City remains committed to completing the project.

Highlights of the Unfunded 2008 - 2012 Capital Plan (\$127.2 M)

The 2008-2012 Capital Priorities Plan reflects a transition plan where the 2008 budget requests were approved by Council during the 2007 budget deliberations. The EPS has determined through a prioritization process conducted in 2007 the unfunded projects that are the Service's top priorities for funding in 2008. Initial 2008 funding for these projects would be \$23.5 million. A further \$73.9 million in funding will be required to complete these projects between 2009 and 2012.

2008 Top Priorities (\$23.5)

- 07-60-1761 - Officer Safety Equipment / OH&S (\$0.2 M)**
This project is vital for setting up an annual replacement cycle schedule for key officer safety equipment without having to resort to large scale one-time purchases. This project is the unfunded portion of project 02-60-1743 (Officer Safety Equipment / OH&S).
- 07-60-1353 - Officer Safety Training Centre (Griesbach replacement) (\$3.5 M)**
This project encompasses the enhancement of the Officer Safety Training Centre to provide a centralized facility for necessary police training to meet legal obligations and prescribed training standards. This facility will house areas for the majority of mandatory and on-going training requirements for all EPS members. The Griesbach facility lease expires on October 31, 2008.
- 09-60-1444 - Public Safety Radio Network Replacement ¹ (\$3.6 M)**
This project relates to the replacement / upgrade of the voice communications components of the current Public Safety Public Service Radio System to ensure ongoing highly reliable service to Edmonton's public safety agencies and public service departments, and the replacement of EPS-specific user equipment.
- 07-60-1355 - Southwest Station (Unfunded portion) ² (\$3.6 M)**
This project identifies the cost escalation for the funded Southwest Division Station project (07-60-1356). Cost escalations are \$1.1 M for construction costs and an additional \$6.0 M to cover the purchase cost of land. The Leger Site which is City-owned cannot accommodate EPS which is the preferred location for a Southwest Division Station. EPS will now need to pay market rates for the land as well as fund the cost escalation of the Southwest Division Station.
- 07-60-1858 - Downtown Division Renovations and Facilities Infrastructure/Rehabilitation ³ (\$0.9 M)**
This Downtown division project consists of renovations to the Downtown division area or the main floor of Police Headquarters. This project is required to address issues surrounding space relationships, standards, and allocation; building code requirements; and, more effective utilization of existing space.
- 07-60-1375 - Northwest Division Station ⁴ (\$3.1 M)**
A new facility to support a six-division model as the city expands.

2008-2012 Capital Plan

7. **08-60-1359 - Integrated Operational / Storage Facility - Phase I (Unfunded portion) (\$1.5 M)**
This project identifies the cost escalations for the funded Integrated Operational / Storage Facility - Phase I (06-60-1357) for the acquisition of a 35 acre parcel of land. A future integrated facility would consolidate EPS operational and storage areas including areas for seized vehicles, files / records, materials and equipment, property and exhibit storage as well as additional facilities to address Occupational Health and Safety issues. Together, the funded and unfunded projects are sufficient to purchase land, if the land is City owned. If the land is not owned by the City, then a funding increase will be required to complete this project.
8. **07-60-1436 - Police IT Systems - Infrastructure (Unfunded portion) (\$1.7 M)**
This composite project encompasses various initiatives to extend the life and enhance the dependability and capability of mission-critical police operation systems. This project is the unfunded portion of composite project 07-60-1433.
9. **07-60-1461 - Police IT Systems - Projects (Unfunded portion) (\$5.2 M)**
This composite project encompasses various initiatives to improve the availability of information and enhance the technological capability to support policing requirements. This project is the unfunded portion of composite project 07-60-1460.
10. **07-60-1419 - Telecommunications Systems Replacement (\$0.2 M)**
All telecommunications systems and equipment have a finite useful life. This composite project serves to replace telecom systems and equipment so as to maintain continuity in the functionality EPS members expect from these tools. Major replacements included in this planning period include replacing Centrex telephone sets (2008), upgrading the hardware for the voicemail system (2008), replacing videoconferencing systems (2009) and replacing or conducting a major upgrade to the administrative telephone system at the divisions (2009).

Notes

1. The EPS has identified that the Public Safety Radio Network will require life cycle replacement. This unfunded project (09-60-1444) represents the anticipated cost of replacing the radio system used by EPS, Emergency Response Department and other civic departments. The unfunded costs are estimated at \$21,822 million. Project 09-60-1440 represents initial funding for this replacement of \$1,068 million. In order to maintain this system's integrity, life cycle replacement in the later years of the five-year plan is necessary.
2. Reflects cost escalations and purchase of land for the Southwest Division Station. This unfunded project would not affect the start of the Southwest Division Station funded project. However, the shortfall needs to be dealt with by 2009/2010 at the latest.
3. The project has been reduced by the use of 2007 one time operating dollars for Phase III (\$230,000) and 2008 one time operating dollars for Phase IV (\$125,000) to deal with renovations to the prisoner detention areas.
4. Northwest Division Station has been estimated at the same cost as the Southwest Division Station. This estimate needs to be further refined (size, requirements, expected land costs, etc.).

The EPS continues to monitor all significant infrastructure needs and plan for future replacement and upgrades especially for facilities, information technology and telecommunications.

Funded 2008-2012 Capital Plan

Project Number	Description	Prior Years						Total	2008-2012 Total
			2008	2009	2010	2011	2012		
<u>Buildings</u>									
05-60-1350	Conceptual Study of Downtown Facility	388	-	-	-	-	-	388	-
06-60-1357	Integrated Operational/Storage Facility	29	1,291	1,253	-	-	-	2,573	2,544
06-60-1856	Facilities Infrastructure/Rehabilitation	910	-	-	-	-	-	910	-
07-60-1856	Facilities Infrastructure/Rehabilitation	795	950	650	285	485	2,638	5,803	5,008
07-60-1356	Southwest Division Station ¹	200	4,400	6,250	6,922	3,000	-	20,772	20,572
06-60-1363	Amalgamated Traffic, Tactical & Flight Operations Facility	1,000	-	-	-	-	-	1,000	-
02-60-1893	Officer Safety Training Centre (Judgmental Training Facility)	2,008	-	-	-	-	-	2,008	-
		5,330	6,641	8,153	7,207	3,485	2,638	33,454	28,124
<u>Technology Equipment - Police Communications</u>									
05-60-1420	Mobile Wireless Telecommunications	1,536	-	-	-	-	-	1,536	-
06-60-1423	Communications Systems Replacements	800	-	-	-	-	-	800	-
07-60-1423	Communications Systems Replacements	-	-	-	478	2,157	-	2,635	2,635
09-60-1440	Public Safety Radio Network Replacement	-	-	1,068	-	-	-	1,068	1,068
		2,336	-	1,068	478	2,157	-	6,039	3,703
<u>Technology Equipment - Police IT</u>									
07-60-1433	Police IT Systems - Infrastructure	2,083	1,104	854	2,826	667	1,954	9,488	7,405
06-60-1460	Police IT Systems - Projects	1,174	-	-	-	-	-	1,174	-
07-60-1460	Police IT Systems - Projects ²	1,940	1,800	1,179	3,370	1,520	1,620	11,429	9,489
02-60-1470	PROBE (EPROS) Revitalization	6,246	-	-	-	-	-	6,246	-
		11,443	2,904	2,033	6,196	2,187	3,574	28,337	16,894
<u>Other Police Equipment</u>									
07-60-1753	Closed Circuit Television ²	1,000	-	-	-	-	-	1,000	-
05-60-1742	Intoxilyzer Equipment Replacement	-	243	-	-	-	-	243	243
02-60-1743	Officer Safety Equipment / Occupational Health and Safety	1,320	-	-	-	-	-	1,320	-
07-60-1747	Automated Fingerprint Identification System	-	1,000	-	-	-	-	1,000	1,000
		2,320	1,243	-	-	-	-	3,563	1,243
Total Funded 2008-2012 Capital Plan		21,429	10,788	11,254	13,881	7,829	6,212	71,393	49,964
General Financing		21,429	6,223	5,159	6,999	4,829	6,212	50,851	29,422
AMFC Surplus & Other Reserves		-	650	-	-	-	-	650	650
AMIP		-	3,915	6,095	6,882	3,000	-	19,892	19,892
Total Financing		21,429	10,788	11,254	13,881	7,829	6,212	71,393	49,964

¹ Cost escalations for Southwest Station are included in the unfunded portion of the Capital Plan. Cost escalations are \$1.1 M for total construction costs and \$6.0 M for land costs, because the original budget assumed that site was already City owned.

² The CCTV project was approved by City Council on July 17, 2007 for a budget reallocation of \$1.0 million from the funded IT Systems - Project (07-60-1460). Also, a reciprocal increase in unfunded IT Systems - Projects of \$1.0 M (07-60-1461) is required.

Unfunded 2008-2012 Capital Plan

Project Number	Description	2008	2009	2010	2011	2012	Total
Buildings							
07-60-1858	Downtown Division Renovations & Facilities Infrastructure/Rehabilitation	913	680	260	114	495	2,462
07-60-1355	Southwest Division Station Cost Escalations ¹	3,631	3,240	320	-	-	7,191
07-60-1353	Officer Safety Training Centre (Griesbach replacement)	3,530	5,829	4,500	6,980	-	20,839
07-60-1366	Arrest Processing Facility ²	-	8,155	5,436	-	-	13,591
07-60-1380	Backup Communications Centre	-	500	38	39	40	617
07-60-1375	Northwest Division Station	3,125	6,440	7,840	4,340	1,120	22,865
08-60-1359	Integrated Operational/Storage Facility - Phase I	1,500	-	-	-	-	1,500
10-60-1358	Integrated Operational/Storage Facility - Phase II	-	-	1,500	3,500	-	5,000
07-60-1382	Communications Centre	-	-	3,955	485	342	4,782
07-60-1384	Command Centre	-	-	535	227	118	880
		12,699	24,844	24,384	15,685	2,115	79,727
Technology Equipment - Police Communications							
07-60-1419	Communications Systems Replacements	223	1,145	-	-	-	1,368
07-60-1421	Mobile Wireless Telecommunications	-	3,250	230	80	-	3,560
09-60-1444	Public Safety Radio Network Replacement	3,615	2,182	16,025	-	-	21,822
		3,838	6,577	16,255	80	-	26,750
Technology Equipment - Police IT							
07-60-1436	Police IT Systems - Infrastructure	1,701	1,671	-	1,137	500	5,009
07-60-1461	Police IT Systems - Projects ³	5,150	3,021	-	1,436	-	9,607
		6,851	4,692	-	2,573	500	14,616
Other Police Equipment							
05-60-1753	Closed Circuit Television ³	948	800	600	-	-	2,348
07-60-1761	Officer Safety Equipment / Occupational Health and Safety	135	756	140	418	944	2,393
07-60-1399	In Car Video Recording System	-	500	-	-	-	500
05-60-1751	Explosives Disposal Equipment	-	-	467	-	427	894
		1,083	2,056	1,207	418	1,371	6,135
Total Funded 2008-2012 Capital Plan		24,471	38,169	41,846	18,756	3,986	127,228
General Financing		21,346	31,729	34,006	14,416	2,866	104,363
Tax Supported Debt		3,125	6,440	7,840	4,340	1,120	22,865
Total Financing		24,471	38,169	41,846	18,756	3,986	127,228

¹ Cost escalations for Southwest Station are included in the unfunded portion of the Capital Plan. Cost escalations are 40% for total construction costs (\$1.1 Million) and \$6.0 M dollars for land costs, because the original budget assumed that site was already City owned.

² Alberta's Solicitor General has indicated an interest in taking over the operation of provincial arrest processing facilities. Enabling legislation has been tabled, but neither a budget nor time frame has been established. Until a decision is made by the Province, this remains an unfunded EPS project.

³ The CCTV project was approved by City Council on July 17, 2007 for a budget reallocation of \$1.0 million from the funded IT Systems - Project (07-60-1460). Also, a reciprocal increase in unfunded IT Systems - Projects of \$1.0 M (07-60-1461) is required.



Service Description

- The key services provided by the Library include: library branch services (access to library collections and programming), information services (research and assistance in locating information), library access (services to persons with disabilities).
- The library operates based on the value and belief of intellectual freedom and access to information for all people.
- The mission of the Edmonton Public Library is to connect the people of Edmonton to the knowledge and cultures of the world through access to library collections, programs and services.
- A key operating consideration is ensuring quality customer service to the people of Edmonton.
- The Library is governed by the Edmonton Public Library Board as directed under the Alberta Libraries Act.
- Trustees are appointed to the Board by City Council to provide strategic direction and act as a governance body in the delivery of library services to customers.
- The Board's key strategic focus is on ensuring accessible services, meeting the needs of a diverse community, social responsibility and technological innovation.

Operational Service Challenges

- Municipal per capita library support is below the national average for the 34 large urban Canadian public libraries. The level of funding does not support a sustainable library system for a city that has exceeded growth estimates. Customer visits, circulation and website visits have been and will continue to grow creating significant pressures on existing library facilities, staff, collections and service. In the 2007 budget, the Board established a three year goal of securing increased funding from the City of Edmonton to at least reach the national average of municipal per capita support.
- Despite a 10 year library plan for rehabilitation, replacement and growth in the facilities, securing funding for library building infrastructure has been an ongoing challenge due to the limited funding allocated to library capital projects. The City of Edmonton owns and funds most Library facilities and currently no capital funding has been allocated to the Library after 2008.
- With strong economic growth in the Edmonton region the Library has experienced higher costs to operate and maintain existing library facilities. In addition, a more competitive labour market has resulted in challenges in recruitment and retention of staff.

Public Library

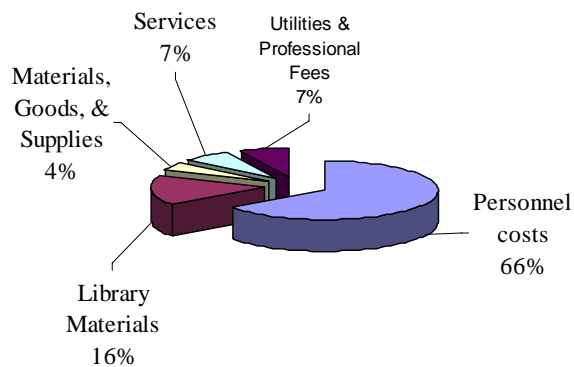


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenues:				
- Provincial Grant	\$ 3,056	\$ 3,056	\$ 59	\$ 3,115
- General Revenue	2,020	1,788	346	2,134
Total Revenue	5,076	4,844	405	5,249
Expenditures:				
Public Services:				
- Library Materials	5,204	5,791	188	5,979
- Information Services	1,671	1,735	187	1,922
- Library Access	231	246	30	276
- Branch Services	17,491	19,008	2,810	21,818
Other Activities:				
- Administration	3,515	3,949	335	4,284
- Systemwide & Central Operations	2,165	1,594	45	1,639
- Marketing & Fund Development	671	868	73	941
Total Operating Expenditures	30,948	33,191	3,668	36,859
Transfers To Reserves	45	-	-	-
Total Expend. & Transfers	30,993	33,191	3,668	36,859
Tax Levy	\$ 25,917	\$ 28,347	\$ 3,263	\$ 31,610
Full Time Equivalent	395.6	405.1	6.0	411.1

Resource Distribution



	2007 Budget	2008 Approved
Personnel Costs	21,199	23,985
Library Materials	5,791	5,979
Materials, Goods, & Supplies	1,405	1,583
Services	2,374	2,716
Utilities & Professional Fees	2,422	2,596
Total	33,191	36,859



Budget Changes for 2008 (\$000s)

Revenue & Transfers

Volume increase in fines, facility rentals and higher interest earnings	\$ 319
Provincial per capita grant funding increase due to the revised 2006 Federal Census (subject to Provincial Government approval of its 2008 budget)	59
Revenues from partnership with the University of Alberta Libraries - Satellite Edmonton Public Library location	27
Total Revenue & Transfer Change	405

Cost increases on 2007 Services

Union negotiated increase for personnel costs, benefit cost increases, merit / increments and costs for a position leveling initiative	2,566
Non-personnel inflation based on City Administration Guidelines	856
Less: Inflation capping strategy (capped at 3%)	(168)
Annualization: Lois Hole Library (4 months of operating costs - 2.9 FTE's)	79
Annualization: Self-Service Checkout Project (operating and maintenance costs -1.0 FTE)	101
	3,434

Service Needs

Growth and Other New Services

Penny McKee - Abbottsfield Branch Library Lease Expansion - funded through Library revenues (2.1 FTE's)	207
Partnership with University of Alberta Libraries - Satellite Edmonton Public Library location funded through increased revenues (cost recovery)	27
	234

Total Expenditure Change **\$ 3,668**

Impact on Full Time Equivalents

Annualization of 2007 approved services	3.9
Growth and other new services	2.1
Total Full Time Equivalent Change	6.0



Performance Based Budgeting Measures of Efficiency (000's)

Year		Inputs Annual Operating Costs		Circulation	Indicator:		
		FTEs	(\$000's)		Cost/ Circulation	Standard*	Efficiency Performance
2004	Actual	373.4	\$ 27,171	8,419,730	\$ 3.20	\$ 4.00	125%
2005	Actual	386.4	\$ 29,150	9,037,826	\$ 3.20	\$ 4.20	131%
2006	Actual	395.6	\$ 30,948	9,508,185	\$ 3.30	\$ 4.20	127%
2007	Budget	405.1	\$ 31,842	10,413,000	\$ 3.10	\$ 4.20	135%
2008		411.1	\$ 36,859	11,403,919	\$ 3.20	\$ 4.20	131%

* Based on the average cost per circulation for 34 Canadian Urban Libraries --> Source: Canadian Urban Libraries Council.
For 2007 and 2008, assume the same standard as 2006 actual.

This efficiency measure assesses the cost of handling library materials to make them available and accessible by library customers (cost per item circulated and/or handled).

Inputs:

The following investments in resources are all direct inputs into the circulation and handling of library resources for use by customers: (i) investment in library materials to appeal to various customer groups; (ii) investment in staff: librarians, circulation, public and support services staff; (iii) technology investment including accessible self service checkout stations, computer desktops at library locations and online access to web services; and, (iv) investment in library facilities — optimum hours of service, number of locations and ease of accessibility.

Performance Efficiency Explanations:

- The Edmonton Public Library is very efficient in making library materials accessible to customers, despite operating costs being higher than other large urban libraries due to the current economic environment in Edmonton.
- In 2006, the circulation of library materials was ranked in the top 15% of all large urban libraries as reported by the Canadian Urban Libraries Council (CULC).
- The cost per item circulated over 2004 to 2008 is expected to maintain a consistent average of \$3.20 per item circulated, well below the CULC figure of \$4.20.
- Over the period 2004 to 2008, circulation and materials handling are expected to increase by 28%, while FTE's (full time equivalent positions) are only expected to grow by 10%.
- Over that same period of time, investment in library materials will have increased by 30% thereby improving customer access to collections.

Public Library



Performance Based Budgeting Measures of Effectiveness (000's)

Year		Population	Outputs		Circulation Indicator			Visits Indicator		
			Circulation	Customer Visits	Circulation / Citizen	Target*	Effectiveness Performance	Visits / Citizen	Target*	Effectiveness Performance
2004	Actual	712,400	8,419,730	5,220,329	11.82	10.79	110%	7.33	6.00	122%
2005	Actual	728,000	9,037,826	5,364,329	12.41	10.84	114%	7.37	6.05	122%
2006	Actual	741,000	9,508,185	5,413,008	12.83	11.04	116%	7.31	6.19	118%
2007	Budget	754,000	10,413,000	5,664,000	13.81	11.04	125%	7.51	6.19	121%
2008		754,000	11,403,919	5,926,630	15.12	11.04	137%	7.86	6.19	127%

* Based on the average circulation per citizen for 34 Canadian Urban Libraries -> Source: 2006 Canadian Urban Libraries Council.
For 2007 and 2008, assume the same standard as 2006 actual.

Outputs:

This effectiveness indicator provides a benchmark for two key measures:

- How well the library is doing in terms of getting library materials into the hands of citizens (number of library items circulated per citizen) and,
- Citizen usage of library services (number of library visits per citizen).

Performance Effectiveness Explanations:

Circulation Indicator:

- The Edmonton Public Library has been very effective in increasing the circulation of library materials exceeding the target performance on average by 20% over 2004 to 2007.
- One of the key factors influencing this effectiveness measure is the broad selection of library materials and the quality and quantity of library collections. With past investment made by City Council in additional library materials, the Library has been able to build upon its success and increase the volume of materials circulated to Edmontonians.
- In addition, improved access to library locations has also assisted in improving the performance results.

Visits Indicator:

- The number of in person visits is a good indicator of the overall quality of service and effectiveness in meeting the diverse needs of customers. For the period 2004 to 2008, the number of visits to EPL is on average over 20% higher than other large urban libraries across Canada.
- In addition to the number of in person visits by our customers, the library website activity over the last 5 years has also increased substantially from 2.4 million website visits in 2004 to approximately 7.9 million by the end of 2007 (375% increase).

Although the measures of effectiveness and efficiency are very favourable, the ability to sustain these results will be driven by capacity issues and the need to grow library resources in the near future.

Public Library



(\$000 - incremental)

Penny McKee - Abbottsfield Library Branch Lease Expansion

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	207	207	0	2.1	125		125	1.5	11		11	0.0

Description

This initiative is funded by Library revenues in 2008. The Abbottsfield Library is a leased facility located in Northeast Edmonton serving a high needs community. In July 2007, the lease expired on the current 4,670 square foot space in the Abbottsfield Shoppers Mall. The Library is in discussions with the mall owners to expand the leased space to 10,000 square feet to meet the minimum standard established by the Library Board for provision of quality customer services. The current location is in the heart of the community and will serve the interests and needs of library customers. This service package assumes the expansion will be completed by July 2008. In total, 3.6 additional FTE's are required for the expansion, plus additional costs for the lease and operations and maintenance. In 2009, the Library will require assistance from the City in funding the remaining operating costs of \$125 (including 1.5 FTE's).

Justification

This is a low income / high needs community and the Library Board supports the expansion of the existing library. This initiative supports City Council in the areas of reinvestment in mature neighbourhoods and promotion of the arts and culture. It will also support the safe communities concept through providing children of the Abbottsfield community with a welcoming environment that encourages literacy and learning. Although this is a smaller community branch, the levels of visits, program attendance, internet sessions and information requests are similar to a medium-sized library such as Riverbend, Castle Downs or Woodcroft locations. Expanding the library branch will better serve the community and provide accessibility to library collections, computers and community meeting space required by library customers. Providing additional resources will also relieve the operational pressures faced by the staff in serving customers and in delivering programming.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This initiative supports the following key focus areas and priorities of the Library Board and City Council:

- Library Board strategic direction on accessibility to services and meeting the needs of a diverse community;
- City Council priority of reinvestment in mature neighbourhoods, promotion of the arts and culture and safe communities through providing children of the Abbottsfield community with an opportunity to access the library services, thereby encouraging literacy and learning.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTE's
125	-	125	1.5

Public Library



(\$000 - incremental)

University of Alberta Satellite Library

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	27	27	0	0.0	1	1	0	0.0	1	1	0	0.0

Description

In partnership with the University of Alberta Libraries (UAL), the Edmonton Public Library (EPL) is planning to establish a satellite library location for students and staff at the University of Alberta. The UAL will develop a 980 square foot site for use by EPL to provide limited access to library collections. It is expected that the site will be funded and staffed by UAL. EPL will provide access to popular library materials. This arrangement will target the 18-26 year old demographic group not currently well represented in the EPL membership database. The details of the partnership are currently being reviewed / discussed with UAL and it is expected that the operating costs to EPL will be recovered from UAL.

Justification

This is consistent with the strategic direction provided by the Library Board and the approved EPL Business Plan. This is an innovative and economical approach to providing improved access to customers and promotes increased membership at EPL in the short and long term. This is a cost recovery initiative and should not impact the financial operations of EPL.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This initiative supports the following key focus areas and priorities of the Library Board and City Council:

- Library Board strategic direction on accessibility to services and meeting the needs of a diverse community;
- Promotion of Partnerships with key educators in the Edmonton Region;
- Reinvestment in mature neighbourhoods through development of satellite sites in an existing community; and
- Vibrant Communities through the promotion of the arts and culture.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	FTE's
1	1	-	-



Service Description

Core services of the program

- support to not-for-profit arts and festival organizations and individual artists
- development of arts and cultural policies
- implementation of per cent for art program and public art master plan
- support and production of special projects involved the arts and culture participation in civic forums and committees

Focus Area and Priority Alignment:

Social and Cultural development

Operational Service Challenges

- increased economic activity has created a deficit of space for arts and cultural activities
- increased population growth and cultural diversity of people moving to Edmonton has created a need to integrate arts and culture and validate ongoing cultural connections.



Budget Summary (\$000s)

	Operating Budget			2008
	2006 Actual	2007 Budget	Change	Approved Budget
Revenue & Transfers				
MSI Grant	\$ -	\$ -	\$ 460	\$ 460
	6		-	-
Total Revenue & Transfers	6	-	460	460
Expenditures:				
Festivals	1,063	1,076	54	1,130
Arts Organizations	1,732	1,772	1,188	2,960
Individual Artists	200	204	10	214
Arts Council Operating	344	350	18	368
Parade/Celebration Grant	38	51	3	54
Community Public Art	100	102	5	107
Total Expend. & Transfers	3,477	3,555	1,278	4,833
Tax Levy	\$ 3,471	\$ 3,555	\$ 818	\$ 4,373
Full Time Equivalents				0.0



Cariwest Festival



Da Camera Singers



Symphony Under the Sky



Budget Changes for 2008 (\$000s)

Revenue & Transfers

MSI Grant Funding \$ 460

Total Revenue & Transfer Change 460

Cost increases on 2007 Services

Inflationary increase 178

178

Growth and Other New Services

Arts and Museum Operating Grant A 460

Arts and Museum Operating Grant B 540

Multi-Cultural Outreach Programming 100

1,100

Total Expenditure Change \$ 1,278

Impact on Full Time Equivalents

Total Full Time Equivalent Change 0



(S000 - incremental)

Arts and Museum Building Operating Grant A

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	460	460	0	0.0			0	0.0			0	0.0

Description

Funding is for the Community Investment Arts and Museum Building Operating Grant program, including any costs of administering the program.

Justification

On July 3, 2007 City Council passed Bylaw 14636 which established a new "Arts and Museum Building Operating Grant" be established for arts and museum organizations to cover up to 25% of the annual costs associated with maintaining clean, well lighted, heated and secure facilities on an ongoing basis, with funding from an increase in the tax levy. Further Council approved the recommendation that funding for this grant program be provided as a service package in the amount to not exceed \$1 million through the City's annual budget process.

Administration is proposing that this service package be funded by MSI grant (Municipal Sustainability Initiative), because the expenditures align with the type of grant funding available from this program.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Vibrant Communities" focus area, supporting the strategic priority to "Promote Edmonton as an arts and cultural center", and "Encourage recreational, cultural, artistic and entertainment opportunities for all residents".

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



(\$000 - incremental)

Arts and Museum Building Operating Grant B

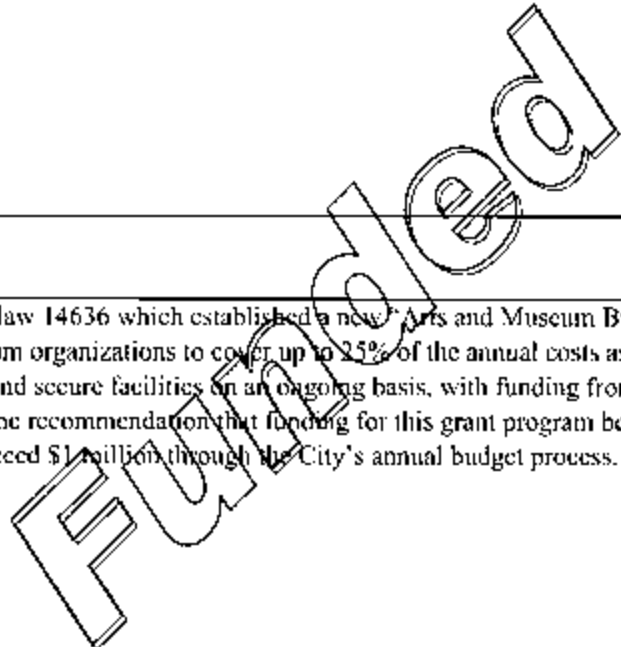
	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	540		540	0.0			0	0.0			0	0.0

Description

Funding is for the Community Investment Arts and Museum Building Operating Grant program.

Justification

On July 3, 2007 City Council passed Bylaw 14636 which established a new "Arts and Museum Building Operating Grant" be established for arts and museum organizations to cover up to 25% of the annual costs associated with maintaining clean, well lighted, heated and secure facilities on an ongoing basis, with funding from an increase in the tax levy. Further Council approved the recommendation that funding for this grant program be provided as a service package in the amount to not exceed \$1 million through the City's annual budget process.



Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Vibrant Communities" focus area, supporting the strategic priority to "Promote Edmonton as an arts and cultural center", and "Encourage recreational, cultural, artistic and entertainment opportunities for all residents".

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



(\$000 - incremental)

Multi-Cultural Outreach Programming

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	100	0	100	0.0			0	0.0			0	0.0

Description

Funding is for Community Investment outreach to artists from distinct ethnic backgrounds who, because of cultural or conceptual barriers, are not fully participating in regular Edmonton Arts Council grant competitions. Funds are for awards, grants and administration of the program.

Justification

The Edmonton 2007 Cultural Capital of Canada program provide one-time only support for emerging artists and artists that have recently arrived in Edmonton from diverse ethnic and social backgrounds. Support for emerging artists is being continued through a new program funded by the province and federal government but there is not a comparable development for artists from diverse ethnic backgrounds that have recently arrived in Edmonton.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Vibrant Communities" focus area, supporting the strategic priority to "Promote Edmonton as an arts and cultural center", and "Encourage recreational, cultural, artistic and entertainment opportunities for all residents".

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



Service Description

The Edmonton Federation of Community League's (EFCL's) mandate is to foster healthy neighbourhoods and sustainable community leagues by providing advice and support to the leagues and by promoting and coordinating their programs, projects and services.

City of Edmonton funding in support of community leagues is directed to five different program streams. Three of these streams provide grant funding directly to community leagues, administered by the Community Services Department under direction of City Council Policy C502.

- **COMMUNITY LEAGUE OPERATING** - Offset expenses incurred by community leagues in providing programs and activities for residents.
- **COMMUNITY LEAGUE MAINTENANCE / RENOVATION** - Assist with capital costs of facility maintenance and renovation with priority for upgrades to meet building codes, along with preventative maintenance and periodic repairs.
- **EMERGING COMMUNITY LEAGUES** - Assist in establishing new community leagues or re-establishing a previously defunct league.

The other two streams are:

- **EFCL OPERATING** - Assist in funding EFCL services, all of which are designed to support community league operations. Details are described in the *Partnership Agreement* approved by City Council November 16, 2004.
- **LAND DRAINAGE FEE** - To offset the fee charged by the drainage department on lands owned by the city but held under license by community leagues.

Operational Service Challenges

- **Neighborhood Development:** Community Leagues, with the support of the EFCL, are becoming more and more isolated in their attempts to develop and strengthen neighborhood networks, as their traditional partners drift away. For example, the role played by schools in neighborhood development has diminished markedly, as many neighborhoods don't have a local school and many of the other schools have adopted a regional focus, where the child sitting next to yours is as likely to come from across town as across the street. The role of churches has similarly diminished, as neighborhood-based congregations are almost a thing of the past. In addition, many community residents now shop at a regional shopping centre and attend regional multi-purpose recreation facilities, again reducing the opportunities for interaction with their neighbors. In many of our city's neighborhoods the community league is essentially the last group left standing, still attempting to bring neighbors together so they develop friendships, a sense of pride in their neighborhood and a commitment to make it a better place to live.



- **Volunteer Recruitment and Retention:** Community Leagues are finding it increasingly difficult to attract sufficient volunteers, as the demands for everyone's time continues to increase. Many people are now working longer hours and recreational activities for their children are increasingly structured and time consuming. Many people are also spending much more time driving than they did 10 or 15 years ago, and that time comes straight out of the disposable hours they have available for volunteer activities. This shortage of volunteers and volunteer hours also puts a good deal of stress on the EFCL to provide whatever support it can to those running its member leagues.
- **Staff Recruitment and Retention:** As detailed in one of our service packages, the vibrant economy and resulting labor shortage has intensified the problems the EFCL is experiencing in attracting and retaining staff. Wages have always been an issue for the organization; it is simply now more pronounced.
- **Information Technology:** The development and use of electronic communication, including web pages, presents a wide number of challenges for the EFCL and its member leagues. Information systems constantly need to be updated and people need to be trained to do the work.
- **Neighborhood Planning and Development:** Neighborhood redevelopment proposals and various planning initiatives (i.e. Focus Edmonton, Transportation Master Plan, Conversation Plan, Sidewalk and transit and bike route strategies) are consuming a good deal of volunteer time formerly spent on programs and activities in neighborhoods.
- **Infrastructure Costs:** The cost of building, repairing or replacing everything from community league halls to playgrounds, rinks and parking lots is increasing dramatically, forcing league volunteers to spend much more time fundraising. It is also resulting in a gradual deterioration of facilities as some leagues are simply unable to keep up.



2007 Accomplishments

COMMUNITY LEAGUE SHOWCASE

A one-time event designed to raise public awareness about the projects, programs and services offered by community leagues and area councils. Funded through private and public sponsorships, the gala event was attended by 250 people, including league representatives, elected officials, partner agency representatives, city staff and sponsors.

VOLUNTEER RECOGNITION

Over 400 community league volunteers were thanked at Community Day, an EFCL-sponsored summer picnic which featured activities for all ages.

MEMBER SUPPORT

Areas of note included a \$25,000 advertising program to promote community league memberships; co-ordination and provision of membership supplies; direct office support for community league treasurers and a bylaws workshop for league board members. Progress was also made in resolving organizational difficulties at many leagues

EFCL COMMUNICATIONS

A new EFCL logo and slogan was developed and work continued on a new website.

PLANNING AND DEVELOPMENT PROCESSES

Improved planning and development procedures to facilitate early and effective public consultation. Helped facilitate consultations on redevelopment and transportation matters in 15 community leagues. Recruited knowledgeable citizens for a dozen city focus groups (i.e. MDP, TMP, Smart Choices, High Speed Transit, Affordable Housing, Natural Areas.) Participated in many work groups on technical design models (i.e neighborhood design, school/park planning, contaminated sites, bus service, LRT routes, sidewalk systems, bike routes, affordable housing).

CITY INITIATIVES

Assisted with a variety of civic committees, such as SafeEdmonton, Active Edmonton, Focus Edmonton and Tools For Treasurers.



Budget Summary (\$000s)

	Operating Budget			2008
	2006 Actual	2007 Budget	Change	Approved Budget
Revenue & Transfers				
Other	\$ -	\$ -	\$ -	\$ -
Total Revenue & Transfers	-	-	-	-
Expenditures:				
Community League Operating	1,243	1,382	273	1,655
Community League Maintenance/Renovation		90	-	90
Community League Emerging Grant		3	2	5
Federation of Community League Operating	254	276	20	296
Land Drainage Fee	49	67	-	67
Total Expend. & Transfers	1,546	1,818	295	2,113
Tax Levy	\$ 1,546	\$ 1,818	\$ 295	\$ 2,113
Full Time Equivalents				0.0



Budget Changes for 2008 (\$000s)

Revenue & Transfers

\$ -

Total Revenue & Transfer Change

-

Cost increases on 2007 Services

Inflation

91

91

Service Needs

Community League Operating Grants

106

Business Plan

40

Staff Salary Upgrade

35

Web Page

13

EFCL Reorganization

10

204

Growth and Other New Services

-

Total Expenditure Change

\$ 295

Impact on Full Time Equivalent

Total Full Time Equivalent Change

0



(\$000 - incremental)

Development of Business Plan and Financial Strategy

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	40		40	0.0	(40)		(40)	0.0	0		0	0.0

Description

This is a review of the EFCL's operations with an eye on areas the organization would like to grow into in the future. For example, the EFCL currently provides very little support to member leagues in the area of programs, such as sports, arts, crime-prevention and housing. Another area of concern is the amount of assistance the EFCL is able to provide to community league board members, to help volunteer presidents, treasurers and hall rental officers (to name three) do their jobs.

Justification

It is essential that the EFCL update its business plan in order to serve its members properly. This will necessitate some research, a number of planning sessions and some assistance from one or more consultants, particularly in the development of a financial strategy.

It is expected that this work will pay long term dividends. Once in place, EFCL will be in a better position to support its member leagues, who in turn will be able to do a better job of strengthening the city's neighborhoods.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Vibrant Communities" and "Inclusive Communities" focus areas.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



(S000 - incremental)

Community League Operating Grants

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	106		106	0.0	78		78	0.0	82		82	0.0

Description

This is the second year of a two-year, increase in community league operating grants. City Council approved a \$175,000 increase in 2007. In 2005 and 2006, community league operating grants were limited to inflation.

The community league operating grant is the only form of operational funding the City of Edmonton provides to each of city's 150 leagues. Each league receives a base amount of \$3,500 and \$1.21 per capita. On average, this results in an average grant of approximately \$9,200 per league.

Justification

Community leagues are under growing financial pressure as budget revenue continues to decline and operating expenditures, such as utility costs, continue to increase. In an effort to maintain financial viability, some leagues are being forced to cut programs or significantly raise program fees, which negatively impacts participation.

Community leagues are also finding it increasingly difficult to attract sufficient volunteer help to run their programs and facilities. Incremental grant funding will afford community leagues opportunities to recognize volunteer contributions and purchase equipment that make it easier for volunteers to do their jobs.

Community leagues have not been successful in obtaining operational funding from the Province of Alberta.

Community league operating grants help provide each league with the funding it needs to provide programs and operate facilities. These dollars are fundamental to the work they do to build strong communities.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Vibrant Communities" and "Inclusive Communities" focus areas.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



(S000 - incremental)

Staff Salary Upgrade

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	35		35	0.0	0		0	0.0	0		0	0.0

Description

These funds would be allocated across the board as raises to the five staff members at the EFCL (executive director, office manager, communications and events coordinator, community planner, financial assistant).

An emphasis would be placed on those positions which are felt to be "below scale" the most, in order to bring them closer in line with what non-profit organizations are paying for these services.

Justification

A staff salary survey conducted by Peter T. Beland and Associates has demonstrated that salaries at the EFCL are \$35,000 below those offered by other non-profit agencies for these types of positions in Alberta. This discrepancy in pay level becomes even more acute when the wages at the EFCL are compared to those paid by the city, the province, government agencies or the private sector.

In order to attract and retain qualified staff, it is important that the EFCL be competitive with the marketplace. In particular, it is imperative that the organization be competitive with others in the non-profit sector, which is where much of its talent pool is traditionally found.

Staff turnover is currently a problem at the EFCL and continued difficulty in attracting and retaining qualified staff will severely hamper the organization's ability to maintain operations, let alone move forward.

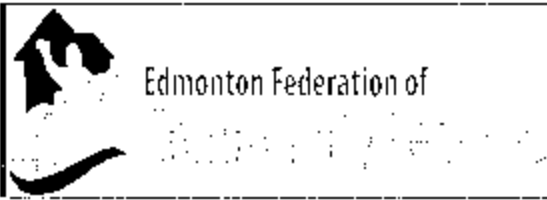
Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Vibrant Communities" and "Inclusive Communities" focus areas.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



(\$000 - incremental)

EFCL Web Page

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	13		13	0.0	(13)		(13)	0.0	0		0	0.0

Description

This represents half of the cost (\$25,000) of developing an interactive component to the EFCL's new web site. Through the use of passwords, each league will be able to access the web site and post their own information, such as hall rentals, membership rates, league executive lists and program information. Ultimately, the objective is to let leagues sell memberships, take registrations and hall rentals electronically.

The EFCL is in the midst of developing an entirely new web page that works much better than the existing one and is capable of accommodating the interactive component. The new web page, complete with a training program and associated software, is estimated to cost \$95,000. An application to the provincial Community Initiative Program has been made for \$45,000.

Justification

This web page will help the city's 150 leagues disseminate information and conduct their business. It will also ease the pressure on their volunteers significantly.

For example, leagues will be able to place information about their hall on the web site and ultimately accept hall rental applications. This will save the hall rental person a great deal of time now spent showing the hall to prospective tenants who may or may not follow through with a rental. Similarly, leagues will be able to advertise their membership rates and various programs and accept applications for each of these on line.

Leagues will also have the ability to list contact names and numbers if they so choose, which will make it much easier for the public to contact the league and save the EFCL a tremendous amount of time attempting to coordinate these contacts.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Vibrant Communities" and "Inclusive Communities" focus areas.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



(\$000 - incremental)

EFCL Reorganization

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	10		10	0.0	(10)		(10)	0.0			0	0.0

Description

This package is designed to review and ultimately rework the organizational structure of the Edmonton Federation of Community Leagues. A major focus will be on the operations and make-up of the board. The goal is to develop a model that better accommodates Edmonton's area councils and ensures that the board is able to spend more of its time on policy development.

Funds would be used for meetings (hosting and facilitation), legal assistance (bylaw amendments) and for research purposes.

Justification

It is essential that the EFCL have a board that is representative of the entire city and is of a size that can focus on policy development and planning matters.

The current system of district representatives has been criticized as being ineffectual, as it is difficult for board members to properly consult with each of the leagues in their area. The suggestion has been made that the area councils be given a greater role in selecting members to the board and hence one or more models utilizing this approach needs to be examined.

It is critical that the organization come up with a structure that is supported by the membership, including the area councils, if the EFCL is to move forward and function properly.

Links to 2008 Strategic Direction: Focus Areas and Priorities

This service package aligns with the "Social and Cultural" council outcome, in the "Vibrant Communities" and "Inclusive Communities" focus areas.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



Service Description

- The Greater Edmonton Foundation (GEF) was established in 1959, and was recognized as a management body by Ministerial Order in 1996.
- GEF provides affordable and secure housing and supportive living services to low-income seniors (65 years +) in the City of Edmonton.
- These services include managing provincially owned and funded apartments, city owned homes and operating lodge accommodations.
- GEF's governing Ministerial Order has established the city's obligation to fund its requisitions for annual deficits arising from the lodge housing and supportive living operations.

Operational Service Challenges

- Rapidly increasing housing costs in the Edmonton area has increased demand for affordable housing for seniors that are on a fixed income and generally unable to afford significant rent increases. GEF has plans to meet this demand. See the 2008-2010 Business Plan.
- The low unemployment rate in Edmonton has caused challenges in recruiting and retaining staff, particularly frontline service staff. GEF continues to benchmark compensation to the market place and develop innovative ways to remain an employer of choice without compromising the quality of service to its seniors.
- The resident satisfaction survey completed in 2007 demonstrated GEF residents and tenants continue to be very satisfied. Consistent with 2006, over 91% of apartment tenants and over 88% of lodge residents reported they were satisfied with living in GEF residences, a 1% increase in satisfaction from 2006. Over 90% of residents and tenants would recommend GEF to others seeking housing. This achievement is impressive given the GEF's challenges.

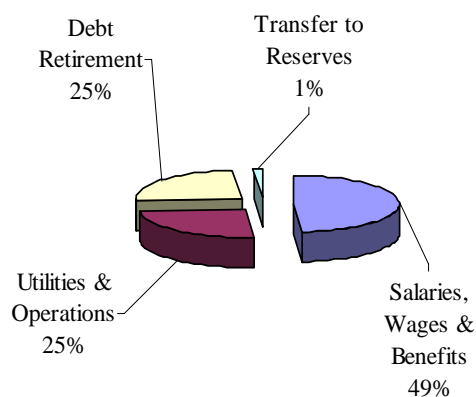


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
Rent and other revenue	\$ 12,838	\$ 12,376	\$ 593	\$ 12,969
Provincial grants	2,589	2,325	275	2,600
Transfer from Reserves	-	-	4,660	4,660
Total Revenue & Transfers	15,427	14,701	5,528	20,229
Expenditures:				
Lodge operations	16,077	16,500	969	17,469
Debt retirement	1,400	1,401	4,559	5,960
Transfer to Reserves	1,450	300	-	300
Total Expend. & Transfers	18,927	18,201	5,528	23,729
Tax Levy	\$ 3,500	\$ 3,500	\$ -	\$ 3,500

Resource Distribution



	2007 Budget	2008 Approved
Salaries, Wages & Benefits	\$ 10,850	\$ 11,515
Utilities & Operations	5,650	5,954
Debt Retirement	1,401	5,960
Transfer to Reserves	300	300
Total	\$ 18,201	\$ 23,729



Budget Changes for 2008 (\$000s)

Revenue & Transfers

Additional rent and other revenue		\$	593
Additional Lodge Assistance Grant			275
Transfer from Debt Retirement Fund to pay off McQueen Mortgage			4,660
Total Revenue & Transfer Change			5,528

Cost increases on 2007 Services

Additional compensation and operating costs			969
Pay off McQueen Mortgage in September	4,660		
Mortgage payment reduction for October through December	(101)		4,559
			5,528

Service Needs

Operating Impact of Completed Capital Projects n/a

Growth and Other New Services

n/a

Total Expenditure Change

\$ 5,528



Service Description

The Edmonton Space & Science Foundation is a non-profit organization, which operates TELUS World of Science – Edmonton, a broad-based and interactive science center.

Our facility offers five permanent exhibit galleries, one feature gallery, an Imax theatre, the Margaret Zeidler Star Theatre, a science demonstration stage, observatory, numerous school and community programs, a Gift Shop and a Café.

Our Mission is to create a positive science and technology culture in our region that inspires and motivates people to learn about, and contribute to, science and technology advances that strengthen themselves, their families, and their community

Our Vision: To inspire voyages of life-long discovery.

TELUS World of Science – Edmonton is growing, evolving towards a world-class facility that aims to offer superior programming, well-designed and functional space for visitors, high quality exhibit galleries, and frequent traveling exhibits, building a continuously stronger and meaningful connection to our various publics within our community.

To reach that goal, we are building on existing programs of excellence and developing new initiatives to take us into the realm of a world-class science center. Our aim is to be recognized as one of the world’s leading science centers by 2020 – a science center that will provide the best possible opportunities to learn about and be inspired by science and technology, all in a highly engaging, modern, and interactive environment.

The Foundation is committed to volunteerism. It is governed by a volunteer Board of Directors who provide a broad community perspective, and is supported by volunteers who contribute time, talent and skills towards various activities of the organization.

Operational Service Challenges

Challenge

Human Resources

- Current Labour Market Conditions

School Programs

- School programs are nearing capacity
- Limitations on available transportation to TWOSE for programs

Attendance

- Increase public attendance

Strategy

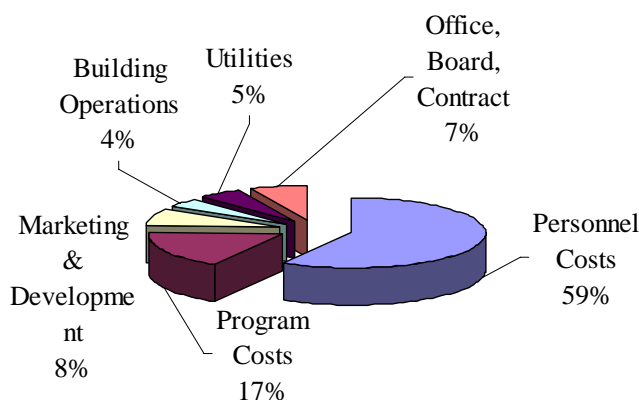
1. Increase profile to “Employer of Choice”
 2. Participate in diversified recruitment activities, including Job Fairs
 3. Restructure of internal work units to capitalize on current resources without adding additional new resources
1. Develop an exciting new “Engineering is Elementary” teacher training program
 2. Develop a distance learning outreach program using video conferencing technology
 3. Continued development of program material for life-long learners and pre-school children
1. Expand program and exhibit offerings
 2. Present exhibits and programs on current and emerging science topics
 3. Develop stronger and more frequent promotions
 4. Launch of new Early Childhood Gallery



**Budget Summary (\$000s)
Operating Budget**

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
Imax Theatre - Public	809	921	136	1,057
General Facility & Membership	710	978	200	1,178
School Programs	643	646	30	676
Community Programs	319	337	(6)	331
Giftshop	324	332	48	380
Development/Fundraising	642	828	38	866
Food Services, Grants & Other Revenue	570	528	93	621
Total Revenue & Transfers	4,017	4,570	539	5,109
Expenditures:				
Salaries, Wages, Benefits	3,082	3664	275	3,939
Program Costs (Exhibits, Programs, Royalties)	889	952	305	1,257
Marketing/Development	549	496	57	553
Building Operations	224	266	10	276
Office, Administration, Board. Contract	398	395	71	466
Utilities	301	356	-	356
Total Expend. & Transfers	5,443	6,129	718	6,847
Tax Levy	\$ 1,426	\$ 1,559	\$ 179	\$ 1,738
Full Time Equivalents	68	74	3.5	77.5

Resource Distribution



	2007 Budget	2008 Approved
Personnel Costs	3,664	3,939
Program Costs	952	1,257
Marketing & Development	496	553
Building Operations	266	276
Utilities	356	356
Office, Board, Contract	395	466
Total	6,129	6,847



**EDMONTON SPACE & SCIENCE FOUNDATION
Approved Budget Changes for 2008 (\$000s)**

Revenue & Transfers

Increased Revenue from Imax, General Admission Memberships, School & Community Programs, Other Ancillary Revenues	\$ 501
Increase to Development/Fundraising	38
Total Revenue & Transfer Change	<u>539</u>

Cost increases on 2007 Services

Program Costs for royalties, lease, etc.	205
Personnel Costs	275
Operational Cost (Office, Bldg., Marketing, Utilities)	138
Total Expenditure Change	<u>618</u>

Service Needs

Planned Growth - Programs & Exhibits	<u>100</u>
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Total Expenditure Change	<u>\$ 718</u>
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Impact on Full Time Equivalents

New Positions	3.5
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Total Full Time Equivalent Change	<u>3.5</u>
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PERFORMANCE MEASURES

Measures of Efficiency & Effectiveness

	2005	2006	2007	Approved 2008
Financial Performance Measures	77%	75%	75%	75%
Customer Performance Measures - Attendance				
<u>Attendance Statistics</u>				
Imax Public	140,198	129,807	132,550	144,300
General Admission	133,850	121,448	159,000	162,400
School Programs	183,537	177,710	186,000	186,000
Other	44,467	36,000	45,000	45,000
TOTAL	502,052	464,965	522,550	537,700
Volunteer Service Hours	17,723	17,716	18,000	18,500
Number of Volunteers	262	260	265	270
Number of Communities Served	211	224	230	240



(\$000 - incremental)

Programs & Exhibits

	2008				2009				2010			
	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs	Exp	Rev	Tax Levy	FTEs
	100		100	1.0	0		0	0.0	0		0	0.0

Description

\$100,000 for programs and exhibit costs to support the development and implementation of new initiatives to facilitate the expansion of product offerings.

Justification

Based on 5-Year Business Plan presented to City Council in June 2003.

Funded

Links to 2008 Strategic Direction: Focus Areas and Priorities

In June 2003, City Council participated in the "5-Year Business Plan" presentation. During this presentation, City Council was advised that the TELUS World of Science - Edmonton would be requesting an additional \$500,000 over 5 years or \$100,000 per year for five years for exhibit and program upgrades.

2009 Annualization:

Incremental To Full Year Service

Exp	Rev	Tax Levy	Ftes
		-	



Service Description

The mandate of the Edmonton Taxi Commission is to ensure the safe and orderly provision of vehicle for hire services to Edmontonians by overseeing the implementation of bylaw regulations and licencing provisions and advising City Council on changes and improvements to those provisions. Public safety and protection of persons and property are enhanced through vehicle inspections, driver screening and driver training initiatives.

The Commission meets on regular bases in public and consults with both patrons and industry representatives. In addition the Commission undertakes research and reviews of best practices in other jurisdictions to ensure the best possible service to citizens.

2007 Accomplishments:

- 2007 saw the culmination of a number Commission initiatives.
- The first Driver Appreciation event was held and will be an annual event.
- A variety of Safety initiatives were undertaken including GPS, panic buttons and trunk releases. Cameras were also added to Accessible Taxis.
- City Council approved 35 Accessible Taxi licences and the Commission oversaw the awarding of these licences. Accessible Taxi service is now available in Edmonton.
- The Commission undertook a complex amalgamation of existing bylaws and the introduction of new provisions resulting in a new Vehicle for Hire Bylaw being adopted by City Council in September 2007.

Operational Service Challenges

- Continue to improve on street licencing enforcement by making best use of available enforcement staff.
- Ensure that the new accessible taxis are fulfilling their service obligations.
- Review and respond to the consultants report regarding the appropriate number of licences in Edmonton.
- Oversee the implementation of the new vehicle for hire bylaw.

Taxi Cab Commission

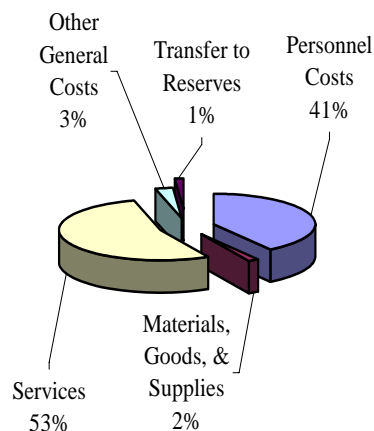


Budget Summary (\$000s)

Operating Budget

	2006 Actual	2007 Budget	Change	2008 Approved Budget
Revenue & Transfers				
Taxi Cab Licences	\$ 556	\$ 596	\$ 20	\$ 616
Transfer from Reserves	37	-	-	\$ -
Total Revenue & Transfers	593	596	20	616
Expenditures:				
Taxi Cab Commission	593	560	48	608
Transfer to Reserves	-	36	(28)	8
Total Expend. & Transfers	593	596	20	616
Tax Levy	\$ -	\$ -	\$ -	\$ -
Full Time Equivalents	4.0	4.0	0.0	4.0

Resource Distribution



	2007 Budget	2008 Approved
Personnel Costs	223	250
Materials, Goods, & Supplies	9	10
Services	309	330
Other General Costs	19	18
Transfer to Reserves	36	8
Total	596	616

Taxi Cab Commission



Budget Changes for 2008 (\$000s)

Revenue & Transfers

Volume Increase - Vehicle for Hire Bylaw	\$ 10
Rate Increases - Minor Adjustments	10
Total Revenue & Transfer Change	<u>\$ 20</u>

Cost increases on 2007 Services

Personnel Increases - Settlements and Regrades	\$ 26
Non-personnel Inflation	17
Historical Adjustments - Parking and Honorariums	12
Inflation Capping Strategy	(7)
Reduction in Transfer to Reserves	(28)
	<u>20</u>

Service Needs

Operating Impact of Completed Capital Projects

-
<u>-</u>

Growth and Other New Services

-
<u>-</u>

Total Expenditure Change

<u>\$ 20</u>

Impact on Full Time Equivalents

0.0
<u>0.0</u>

Total Full Time Equivalent Change

<u>0.0</u>

	2005	2006	2007	Proposed 2008
Cost recovery ratios - Taxi Cab Commission	100%	100%	100%	100%
Cost recovery ratio trend	100%	100%	100%	100%



Focus Areas and Priorities



Message from the City Manager

Edmonton's 2007-08 *Strategic Direction: Focus Areas and Priorities* document was approved by City Council on March 6, 2007.

This was one of our first steps in building a corporation-wide strategic plan that will describe what kind of city we aspire to be and how we can continue to be successful in building it. Once we complete our corporate strategic plan, we will have a framework to guide our planning and service delivery, integrate our work, develop a positive partnership between governance and administration, as well as communicate our progress and successes.

For 2007, we developed and confirmed with Council a strategic direction based on existing plans and past Council decisions. Four outcome areas and ten focus areas were identified. These outcome and focus areas are intended to:

- Assist us in developing the 2008 operating and 2009 - 11 capital budgets
- Guide department planning efforts by establishing common high level corporate reference points
- Align reports and recommendations provided to Council
- Begin to create a common context for us to communicate to stakeholders about our direction, decisions, plans, progress and outcomes.

For 2008, we are developing a community-based vision for Edmonton. This vision, to be approved by our newly elected Council, will adjust, affirm and anchor our outcome and focus areas, and provide overall direction and guidance to shape our priorities for a successful future we can all take pride in.

Al Maurer
City Manager

Focus Areas and Priorities



Background

In the past, directional documents and planning have not distinguished between operational issues which stress continuity, and strategic issues which emphasize change. As a result, there is a need to improve direction-setting in an organized fashion, and to begin the process of integrating the corporate strategic planning directions with Council for all the departments.

Edmonton's 2007-08 Strategic Direction does not present a change in direction, but instead clarifies and consolidates past Council decisions and departmental directional documents (e.g., Plan Edmonton, Building the Capital City, and so forth), distilling a set of focus areas and priorities to guide the planning and implementation efforts of the municipal corporation.

Three existing sources of information were used: 74 directional plans, past council directional decisions, and public consultation findings.

To ensure that the identification of focus areas and priorities was accurate and comprehensive, the Corporate Business Planning team consulted with key staff from all departments to gather their input, insights and feedback. Their commitment to this process and insights proved invaluable; many of their thoughts are incorporated into this final document.

Approach

Edmonton's 2007 Strategic Direction takes an integrated approach toward sustainability by balancing the corporation's activities across four key outcome areas:

- Environment
- Social and Cultural
- Economic Development
- Governance

Each key outcome area is presented individually and broken down into four sections for clarity:

Focus area

An area of strategic concentration the organization will use to direct strategic priorities. Out of necessity, Focus Areas are broad enough to represent the consensus of Council and to ensure each department is able to see its role in contributing to it.

Strategic issue

A critical challenge affecting the organization's mandates, products or services, clients, users or payers, costs, structure, and processes.

Strategic priorities

Address strategic issues to further the achievement of the focus area.

Emerging issues and insights

Provide a more complete picture of what is happening or impacting the organization. Emerging issues and insights reflect recent public consultations and discussions with City Council, and may not yet be formally approved or reflected in planning documents.

Focus Areas and Priorities



Environment



"Edmonton provides a quality environment through a healthy ecosystem, diverse communities, and balanced infrastructure management."

The City of Edmonton recognizes that a quality natural and built environment is the cornerstone in creating a successful city.

FOCUS AREA

Healthy Ecosystem

Strategic Issues

As part of the largest chemical and petrochemical-producing region in Canada, Edmonton has always faced challenges in providing citizens with a quality natural environment. The Kyoto Accord and other federal and provincial environmental requirements, combined with the city's new role as one of Canada's fastest growing municipalities, have created additional challenges. The city is under enormous pressure to house more people, move more people and goods, build new infrastructure and accommodate greater use of existing infrastructure. Concentrating people in ever-larger urban settlements can cause considerable environmental disruption through pollution of air, land and water, consumption of limited resources, loss of natural habitat and altered drainage patterns if not managed properly.

Through provincial legislation and their own bylaws and policies, municipal governments have considerable influence over the way natural resources are used and managed and communities are developed.

The City of Edmonton is a world-class "green" leader and is pursuing an agenda — including investment in the Edmonton Waste Management Centre of Excellence, Edmonton's Waste Gasification Project, working with EPCOR on the proposed Centre of Excellence for Water Research, and the Carbon Dioxide Reduction Edmonton strategy — that will make it North America's most environmentally innovative city.

Priorities

- Minimize the impact of human activities on our air, land, and water systems
- Use our natural resources prudently
- Maintain biodiversity.

Focus Areas and Priorities



FOCUS AREA

Diverse Communities

Strategic Issues

In cities around the world, there is a growing concern that traditional development patterns — dominated by ongoing growth on the urban perimeter — are not always in the long-term interest of the cities, existing suburbs, small towns and rural communities, or wilderness areas. Many communities question the economic sense of building new infrastructure in outlying areas rather than optimizing infrastructure existing in the core. As one of Canada's fastest growing cities, Edmonton has similar concerns. These concerns combined with rising house prices and the growing socio-economic diversity of its population has prompted the City to adopt new patterns of development.

The City of Edmonton is committed to developing healthy communities that offer citizens choices in housing, transportation, employment opportunities, and shopping, parks, sport and recreation facilities, and other lifestyle amenities.

Priorities

- Provide affordable housing and transportation
- Encourage smart growth through transit oriented development, improved walkability, reinvestment in mature neighbourhoods, small scale and medium density residential infill, redevelopment of underutilized commercial and industrial lands, and improved planning and development consultation processes
- Provide adequate land and infrastructure for residential and economic development
- Revitalize the downtown into a residential, economic, social and cultural area of distinction.

Emerging Issues and Insights

- **Integrated mobility** — Develop a range of accessible, interconnected transportation options that promote the health of the environment as well as the health of individuals.
- **Healthy citizens** — Support the health of individuals through the provision of community-level social activities, public safety, active recreation opportunities, access to green spaces, and the development of environments where walking, cycling and public transit are practical options.

FOCUS AREA

Balanced Infrastructure Management

Strategic Issues

Infrastructure is all the physical assets developed and used by the City to support the community's social, economic and environmental activities. It includes roads, sewer lines, transit, emergency response vehicles, city-owned sport and recreation facilities, parks, waste management facilities, affordable housing, civic buildings, information technology and more.

The job of building and maintaining these infrastructure assets is becoming increasingly difficult. The majority of Edmonton's infrastructure is in the latter half of its life expectancy. Rapid growth has created significant demand for new infrastructure. Substantial inflationary increases in the construction sector have diminished purchasing power. A substantial gap has developed between necessary infrastructure investment and available funding. These issues, along with other social and political factors, make infrastructure management a difficult task. Edmonton recognizes it faces a delicate balancing act, maintaining and replacing existing infrastructure while dealing with increasing demands of growth.

The City is committed to balancing infrastructure needs to manage growth, encourage economic development and protect public safety.

Priorities

- Balance available resources between rehabilitation and growth across four asset groups: transportation, environment and safety, social infrastructure and corporate infrastructure
- Establish and increase funding for operations and maintenance, rehabilitation and replacement as new assets are added.
- **Beauty** — Preserve the beauty of Edmonton's river valley as a dominant and internationally notable characteristic of the city.
- **Environmental stewardship** — Improve current practices through decisions that acknowledge our contribution to the global environment and the importance of the environment for future generations
- **Quality** — Set high standards for public and private development.
- **Sustainability** — Make decisions that focus on long-term viability.

Focus Areas and Priorities



Social & Cultural



"Edmonton promotes vibrant, inclusive and safe communities."

FOCUS AREA

Vibrant Communities

Strategic Issues

An important social element of successful cities is providing focal points to bring people together. Areas can be designated and beautified to provide opportunities for social interaction, sports, entertainment, and arts and culture. Other features can include retail facilities, libraries, childcare, fitness and wellness facilities. Edmonton currently has vibrant communities. However, Edmonton is growing rapidly. As a "big city," Edmonton will need to ensure that opportunities for people to come together in new areas are provided along with maintaining the vibrancy that exists in mature neighbourhoods.

Priorities

- Facilitate the revitalization of neighbourhoods in need
- Promote Edmonton as an arts and cultural center
- Encourage recreational, cultural, artistic, and entertainment opportunities for all residents
- Revitalize the downtown into a residential, economic, social and cultural area of distinction.

The City of Edmonton recognizes that vibrant, inclusive and safe communities are major contributors to the quality of community life. Creating a social atmosphere that is responsive to lifestyle preferences, diversity, and the needs of its residents, while providing a safe and secure environment, impacts both the attractiveness of our city and the well-being of our residents.

Focus Areas and Priorities



FOCUS AREA

Inclusive Communities

Strategic Issues

Edmonton recognizes that social fragmentation is a destructive force. Successful cities continually adjust their social architecture and programming to include all residents in community life. This means ensuring that people of all ages, ethnicity, gender, and income-level are able to meet their basic needs, have access to decent and affordable housing as well as opportunities to participate in the social, cultural, and recreational opportunities that the community has to offer. The City knows that certain segments of its population are not well-positioned to participate in all that Edmonton has to offer, and is identifying barriers and working toward solutions. With the rapid influx of newcomers, inclusion continues to be an important area of focus.

Priorities

- Ensure accessible and ethno-culturally sensitive services
- Continue to target programs and services to segments of the community
- Provide affordable housing and transportation.

FOCUS AREA

Safe Communities

Strategic Issues

Edmonton promotes safe communities where residents feel a sense of security, care about each other and respect each others' rights and differences. Safe communities ensure residents receive support in event of an emergency and provide a physical setting structured to reduce the dangers of crime. As Edmonton grows, the City will continue to build safe communities where residents feel secure and are confident that their emergency needs will be met.

Priorities:

- Promote physical environments where people of all ages can safely participate in normal daily activities
- Facilitate community-based partnerships to promote safety and security and encourage prevention
- Continue to set standards for the delivery of emergency services
- Continue to focus on community-based policing.

Emerging Issues and Insights

- **Healthy citizens** – support the health of individuals through the provision of community-level social activities, public safety, active recreation opportunities, access to green spaces, and the development of environments where walking, cycling and public transit are practical options.

Focus Areas and Priorities



Economic Development



"Edmonton secures a prosperous future through the development and maintenance of its economic vitality, diversity and sustainability."

The City of Edmonton recognizes that an economically successful city features widespread employment which generates the wealth that supports the overall standard of living and quality of life.

FOCUS AREA

Build a Business Positive Sustainable Urban Environment

Strategic Issues

Edmonton recognizes that like all cities, it is in competition with other municipalities in attracting and retaining business. Competition is especially tight for knowledge-based businesses which require little infrastructure investment to generate wealth in the community. Edmonton must also manage growth pressures to maintain and enhance its competitive position.

Priorities:

- Ensure Edmonton is able to:
 - a. Compete favorably with other municipalities for site location
 - b. Encourage population and workforce diversity, attraction and retention
 - c. Plan adequate service and infrastructure development, provision and maintenance
 - d. Maintain a reserve of serviced land for economic use
- Expand and diversify the economic base through business and workforce attraction and by developing an entrepreneurial culture
- Maintain our advantages by managing the impact of growth.

Focus Areas and Priorities



FOCUS AREA

Promote the urban environment to target business sectors and workers, building the appropriate partnerships to succeed

Strategic Issues

Edmonton is committed to providing a quality urban environment that is attractive to and therefore retains workers as a choice community to live, work and thrive. By promoting this strength, Edmonton positions itself to attract diverse businesses including high-value knowledge-based industries to diversify and expand its economy.

Additionally, Edmonton as the home of several leading post-secondary institutions including a leading research university is capable of deploying the highly skilled and educated work force required by business. Many businesses while highly portable are dependent on a supply of qualified workers to both establish themselves and thrive, and therefore locate in areas where these workers choose to live.

The competitive environment requires that Edmonton market its advantages and strengths to targeted audiences both businesses and the types of workers required by them. Edmonton must also promote itself to key city-building and community partners, regional partners and other levels of government to build a competitive regional economy.

Priorities:

- Promote and expand Edmonton as a smart and vibrant city with a young, educated and skilled workforce nationally and internationally
- Build effective relationships with key city-building partners (Capital Health, Edmonton Public Schools, Edmonton Catholic Schools, post-secondary institutions and others) to develop a welcoming and compelling business environment
- Partner with regional municipalities to build a stronger and more diverse regional economy
- Partner with provincial and federal governments, agencies and boards to make the necessary investments to capitalize in times of high growth and level out in slower economic conditions.

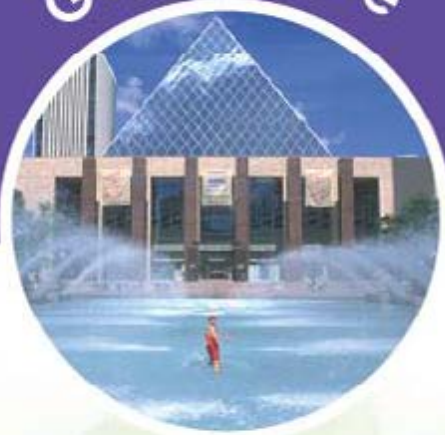
Emerging Issues and Insights

- **Integrated mobility** – develop a range of accessible, interconnected transportation options that promote the health of the environment as well as the health of individuals
- **Quality** – set high standards for public and private development
- **Sustainability** – make decisions that focus on long-term viability.

Focus Areas and Priorities



Governance



"Edmonton promotes effective governance structures and processes to achieve its economic, social, cultural and environmental success."

Edmonton is the capital city of Alberta and is one of Canada's fastest growing municipalities. Given the size and significance of the city and today's environment, the issue of governance has taken on new importance and visibility. How power is exercised, how decisions are made and how stakeholders are involved in decision-making are all critical factors.

FOCUS AREA

Optimize Regional Growth and Development

Strategic Issues

The absence of any regional planning structure is placing enormous pressures on the current structure of local government relationships in Alberta, but more importantly for the Capital City because of its unique geographic location. Surrounded by twenty-two municipalities, often with competing needs and priorities, Edmonton often finds itself dealing with differing land-use policies and fiscal inequity among the local governments. Additionally, no systematic regional approach to sharing costs and revenue currently exists in the region.

To capitalize on the potential of the region, existing governance structures and processes need to be improved. To address cross-regional issues and manage municipal relationship issues, regional governance structures require an effective mandate. Clear rules must be expressed to govern relationships.

Priorities:

- Explore innovative regional governance frameworks to optimize the potential of the region
- Advocate and influence policy and decision-making to promote good urban governance
- Improve services by supporting the development of strong and effective regional service delivery mechanisms
- Build partnerships with all orders of government, as well as key City-building partners, to help address and mitigate the impact of modern municipal pressures (i.e. growth) on Edmonton's residents.

Focus Areas and Priorities



FOCUS AREA

Build Organizational Capacity

Strategic Issues

Improving governance in municipalities is not just about reforming institutions and finance; it is also about changing attitudes and the culture of governance. Achieving change in the culture of governance requires opening up the process to citizens and other stakeholders, as both have legitimate concerns and interests in the decision-making process. Today, more "inclusive" and effective participation in formal decision-making processes of governance are needed.

To further build an organization's capacity, good governance requires local governments to set a clear direction for the future and provide sound management practices (i.e. accountability, effective and efficient services, community capacity building, sound fiscal management and strong training and development).

Priorities:

- Involve and engage the public, local government, private, key City-building partners, and community stakeholders in decision-making processes
- Set a common strategic direction for the City and align resources appropriately
- Improve decision-making capacity in the organization by employing sound management practices.

Emerging Issues and Insights

- Longwood's public consultation findings indicate that the public would prefer a new level of regional government that deals with area-wide issues (i.e. transit, roads, waste management, emergency services, revenue and cost-sharing), leaving community issues to local councils
- The Minister's Council on Sustainability Relationship Working Group has forwarded a recommendation on the preferred regional governance model to the Minister. On June 12, 2007 Premier Ed Stelmach announced the terms of reference for a Capital Region Integrated Growth Management Plan, to be completed by January 2008. The terms of reference will allow the 24 municipalities in the Capital Region and the Industrial Heartland to develop a long term, integrated management plan to support economic growth, with particular attention to the economic, social and environmental impacts on all residents of the region.

Council Initiatives



At the May 8, 2007 Council Meeting, the following motion was carried:

“That the 2008 Budget reflect the funding and implementation process for the various Council initiatives”.

The following table summarizes the activities and funding in support of the Council Special Initiatives:

Council Special Initiatives	Lead Department	Statement of Implementation Process	2008 Budget
1. Affordable Housing	AMPW	In order to cope with the expectations and demands that are being made on housing, the Housing Branch was established effective January 29, 2007. The Housing Branch has prepared, and Council approved, a “Road Map” for Cornerstones Plan implementation from 2006 to 2010.	Cornerstones: \$5 million
2. Neighbourhood Revitalization	Community Services	The Neighbourhood Revitalization Initiative has been identified as a corporate wide initiative and will form part of the new Corporate Business Plan being developed for 2009 – 2010. The newly created Neighbourhood Development Section will begin the work of coordinating municipal services across the corporation at a neighbourhood level.	\$600K
3. Downtown East	Planning & Development	<ul style="list-style-type: none"> • Implement the vision approved by Council: <ol style="list-style-type: none"> 1. Complete the Area Redevelopment Plan and Zoning Amendments; 2. Complete the designs for the Armature, Breaking the Grid, and Streetscape infrastructure projects; 3. Tender packages for 2008 2nd Quarter; 4. Complete the Community Revitalization Plan for Provincial approval; 5. Complete the Feasibility Study for the Funicular; 	\$876K Operating \$3M Capital

Council Initiatives



		<p>6. Property purchases completed for construction projects;</p> <p>7. Community Action Plan completed for input into the designs and Housing and Displacement Issues Report.</p> <ul style="list-style-type: none"> • Assist developers to secure land and development in the Quarters. • Develop and implement last aspects of the Marketing Plan. • Work on implementing the “Clean and Green” and security aspects of the vision. • Work on Housing Strategy for the Area of the Quarters. • Assist in the proposed Arena Project. Continue to liaise and assist the University of Alberta in their Downtown activities. 	
4. Mayor’s Drug Strategy	Community Services	The Drug Strategy will be folded into the Safedmonton Initiative.	\$100K, 2.0 FTEs (Office of Community Safety)
5. Mayor’s Task Force on Traffic Safety	Transportation & Police	Establishment of the Office of Traffic Safety, Continue and enhance the “Curb the Danger” program on impaired drivers.	\$561K
6. Child Friendly City	Community Services	The initiative has been folded into Branch and unit business plans as the program has been established and is now part of ongoing operations. It will continue to focus on the three goals of Advocacy & Awareness, Accessibility, and Services “fit” for Children.	\$0 – within existing allocations
7. City of Edmonton Promotion	Corporate Services	A joint undertaking of EEDC and the City of Edmonton, Image Edmonton continues 2007 efforts to define and enhance the local, national and international image of Edmonton. Initiatives include: leveraging envisionEdmonton and aligning the message platform to our vision; extending	\$500K Base \$500K 2008 one time Service Package

Council Initiatives



		and expanding the Stakeholder Forum to include an Edmonton Experience Committee; setting the foundation for a citizen word-of-mouth/ambassador campaign supporting civic pride; and enhanced and expanded National and International Media Relations.	
8. Edmonton Arts	Community Services	<p>Support of the Edmonton Arts Council and the Cultural Events and Arts Festivals have been integrated into the operations of the Department. These activities will be folded into the NCD Branch business plan and the Edmonton Cultural Plan.</p> <p>Recommended additions to the 2008 Budget: \$1,000,000 – to fund the City Council approved Arts and Museum Building Operating Grant program A 5% COL increase has been added to the base budget of \$3,455,000.</p>	\$460k – Arts Council
9. Capital Health	Community Services	<p>EMS will continue to work in partnership with Capital Health to address systemic issues related to the transfer of patient care and the entry of patients into the health system.</p> <p>Other initiatives currently underway and continuing in 2008 include:</p> <p>Operationalize the Proof of Concept pilot to transport patients to non-emergency department sites. Further expansion of dedicated space in emergency departments for EMS crews to consolidate patients while waiting to transfer care to Capital Health. Implementing data transfer and system performance reporting between EMS and Capital Health. Investigation into alternate approaches to handling emergency ambulance calls such as referral to the capital health link call centre, or the use of outreach teams.</p>	\$200K
10. Northern Strategy	Mayor's Office	Verbal responses to be provided as required.	

Council Initiatives



11. Provincial MLA Relations	Mayor's Office	Verbal responses to be provided as required.	
12. Post-Secondary Relationships	Community Services	This initiative has been folded into the Community Services Department Business Plan and appropriate Branch Business Plans.	\$0 – within existing
13. Aboriginal Issues	Corporate Services	Council's Declaration <i>Strengthening Relationships Between the City of Edmonton and Urban Aboriginal People</i> ; Administration's implementation of the <i>Edmonton Urban Aboriginal Accord</i> relationship agreement with the urban Aboriginal community and creation of the Aboriginal Relations Office; Administration's hiring of an Aboriginal Employment Outreach Consultant in Human Resources and City sign-on to a tri-partite <i>Aboriginal Workforce Participation Initiative (AWPI)</i> agreement; and completion and commemoration of the Rossdale Burial Grounds and Fort Edmonton Cemetery have all positioned the City well to proceed with building positive and productive employment and service delivery relationships with Aboriginal people in Edmonton and the region. A staff training module developed through a 2007 Provincial grant is currently being finalized for 2008 implementation.	\$ -
14. Immigration & Settlement	Corporate Services	<p>The Office of Diversity and Inclusion will continue to support implementation of the 2007 Council Approved Immigration and Settlement Policy, including creation of a cross-departmental Implementation Team that will refine procedures and the Implementation Framework, for SMT review and approval in 2008. The Team will also monitor and report on immigration and settlement matters and implementation of the policy framework.</p> <p>In accordance with the Council approved Declaration of Membership in the Canadian Coalition of Municipalities Against Racism and Discrimination (CCMARD), a multi-stakeholder committee has been formed and is developing a <i>Municipal Action Plan for a Racism and Discrimination Free Edmonton</i>. The Plan will be presented to Council for approval in 2008.</p>	\$121 Expenditure (\$91 Grant)

Council Initiatives



		<p>Provincial funding has been secured to hire a Co-ordinator and develop education resources to assist the City fulfill CCMARD commitments. Additional funds are required to cover costs associated with Committee support, communications and representation at provincial and national Coalition meetings.</p>	
15. Mayor's Multi-cultural Council	Mayor's Office	Verbal responses to be provided as required.	
16. Seniors Issues	Community Services	<p>City Council has directed that \$50,000 be allocated to the Seniors Coordinating Council to develop a long term plan for service to seniors. Council has further directed that a grant be established to provide funds to Seniors center to cover escalating building operating costs.</p>	<p>\$50K for Seniors' Coordinating Council (NCD)</p> <p>\$650K for Long Term Seniors Centres Building Operating Grant</p>
17. Edmonton's Next Generation Task Force	Community Services	<p>Next Gen's Governance Model includes 5 sub-committees: Special Projects, Communications, Events and Networking, Sustainability and the WiFi Initiative. The workplan includes:</p> <ul style="list-style-type: none"> • Ongoing implementation of the 9 recommendations adopted by Council • Communications and Awareness to the public and the Next Gen e-mail database about the work Next Gen is doing • Sustainability of the Next Gen by obtaining and securing sponsorship from organizations to help fund and promote the activities of Next Gen • Providing meaningful input to the City and IT Branch on creating wireless zones in Edmonton <p>Networking and learning events that will engage young professionals and promote volunteerism among young people.</p>	\$0 – within existing allocations

Council Initiatives



18 Youth Employment Initiatives	Clr Krushell	Verbal responses to be provided as required.	
19. Sports, Recreation Opportunities	Community Services	This initiative has been folded into the Community Services Department Business Plan and appropriate Branch Business Plans.	\$ - within existing allocations
20. Industrial Land Strategy	Planning & Dev't & AMPW	<p>The Industrial Land Strategy Initiative increases business investment and employment by attracting, accommodating and facilitating business activities. Proposed implementation activities for 2008 include:</p> <ul style="list-style-type: none"> • Two Industrial Area Structure Plans in the Winterburn area and the Maple Ridge & Southeast Industrial area, initiated in 2007 to be complete in 2008; • Engineering and planning work for industrial area ASPs in North East Edmonton to align with of the Province's work on eco-industrial clusters and regional planning for economic development and to respond to industrial land demand; • Engineering and planning work to update infrastructure design and staging where obsolete plans are restricting or delaying development. 	\$ 965
21. Customer Input Process for City Departments	Corporate Services	The Corporate Services department has two initiatives underway: 311 Citizens Action Center and the Public Participation Process. The 311 Citizens Action Center implementation will be completed and operational in 2008. The Public Participation Process initiative has had its operating policy approved in 2006 and implementation of the program is continuing as scheduled in 2007.	311 – \$10M Capital Budget

Governance Structure



Edmonton City Council is made up of 13 elected representatives including the Mayor and 12 Councillors. The Mayor is elected by all voters while Councillors are elected by voters in the wards they represent.

Edmonton is divided into six wards, with population ranging from 115,931 to 123,397 per ward (based on 2005 municipal census). The Province of Alberta holds a municipal election every three years, with the current Council elected on October 15, 2007.



Mayor
Stephen Mandel



Ron Hayter Kim Krushell

Ward 2



Ed Gibbons Tony Caterina

Ward 3



Karen Leibovici Linda Sloan

Ward 1



Jane Batty Ben Henderson

Ward 4



Bryan Anderson Don Iveson

Ward 5



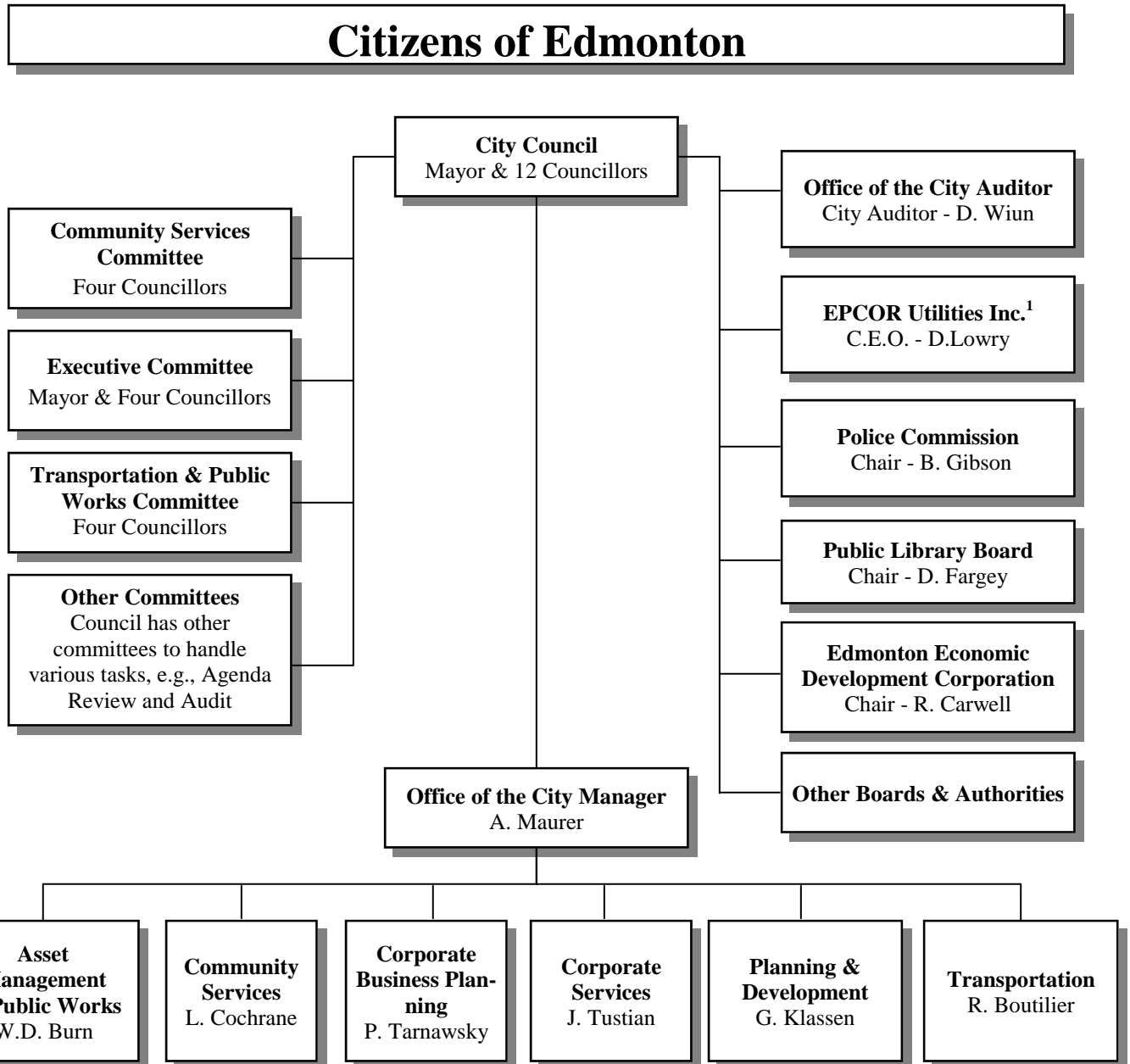
Amarjeet Sohi Dave Thiele

Ward 6

Governance Structure



In order to deliver services to the citizens of Edmonton, the City of Edmonton is organized into the legislative and administrative structure shown below:



¹ EPCOR is a wholly owned subsidiary of the City of Edmonton, governed by an independent Board of Directors reporting to Council. Its budget is submitted directly to City Council as shareholder and is not included in this budget document.

Basis of Budgeting



Overview

The City of Edmonton has prepared the 2008 budget on an accrual basis. This means that:

- revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues
- government transfers are recognized as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made
- funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified
- Expenditures are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due

This is in accordance with Generally Accepted Accounting Principles (GAAP) and follows the recommendations from the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The consolidated financial statements are reported on the same basis.

Fund Accounting

The consolidated financial statements are reported on a Fund Structure, consisting of an Operating, Capital and Reserve funds. Under this model, all Funds share a common accounting and reporting system. Financial and accounting services are administered corporately.

Interfund transactions are eliminated for financial reporting purposes. Interfund transactions are reflected as transactions in their respective areas for budgetary purposes.

Operating Fund

The Operating Fund balance represents the amount available to offset future operational revenue requirements. There are five separate operations within the Operating Fund. Each Fund has been established with a distinct purpose and specific operational guidelines surrounding revenues, expenditures, and retained earnings.

Basis of Budgeting



1. Tax Levy Supported Operations

Tax Supported Operations include all operating activities provided through Civic Programs, Boards & Authorities, and Corporate Programs. Activities within this fund are primarily supported by a combination of property taxation, business tax, user fees, return on investment, and grants from other orders of government.

2. Land Enterprise

Land Enterprise is a self-sustaining operation and is not funded by Tax Supported Operations. The Fund is established for the purpose of managing the land requirements of the corporation and to position the City of Edmonton in a manner that can actively promote development from the perspectives of sustainability, revitalization, and urban form. The operations of the Land Enterprise is governed by City Policy C511- Land Management Policy. Annual surplus or deficits are added to or reduced from the Land Enterprise Fund Balance.

3. Mobile Equipment Services (MES)

Mobile Equipment Services also operates as a self-sustaining operation that is not funded directly by property taxes. MES consists of activities associated with integrated fleet management (acquisition, management, maintenance, and salvage) for all vehicles, equipment, transit buses, and emergency units (fire, ambulance, and police) used by the City of Edmonton. In addition, the branch provides these services to external related parties such as EPCOR Utilities Inc.

MES generates revenues by charging fixed and variable rates to user departments for the services provided. The objective of the rates is to ultimately provide full life cycle costing of the City's fleet and equipment. Annual surplus or deficits are added to or reduced from the MES Fund Balance.

4. Drainage Services

Drainage Services provides for the management of sanitary and land drainage for the

Basis of Budgeting



residential, commercial, industrial, and institutional customers of Edmonton. The program operates based upon the principles provided in the regulations of the Energy Utilities Board (EUB). Utility rates are established to provide for the operating and capital requirements of the drainage systems. The Utility is a self-sustaining operation with no funding support provided from Tax Supported Operations.

The operations of the Utility is governed by the City of Edmonton's Utility Fiscal Policy (C304A).

5. Ed Tel Endowment Fund

The Ed Tel Endowment Fund was established to manage the proceeds from the sale of the municipal telephone utility in 1995. Earnings from the Fund are applied to support municipal operations. The Fund is governed by City Bylaw #11713.

6. Excess Earnings on Sinking Fund

The Excess Earnings on Sinking Fund was established to meet future obligations to the purchasers of certain City of Edmonton debentures. Under an agreement entered into January 1, 1996, excess earnings within the Sinking Fund are shared between the City of Edmonton and EPCOR Utilities Inc.

Capital Fund

The Capital Fund balance represents the amounts available to finance future capital projects. The Capital Fund captures the sources of revenues necessary to finance the City of Edmonton's rehabilitation in capital infrastructure and in the enhancement/acquisition of new infrastructure. Capital expenditures typically include the acquisition, development, or major renovations of assets where the benefit of the expenditure extends into the future.

Reserves Fund

Reserve funds are governed by City Policy C217A which states that the establishment and transfers to and from these accounts require Council approval through the Budget. Accordingly, a summary review of the changes to the individual Reserve Fund balances resulting from the proposed 2008 budget are provided at the end of the Basis of Budgeting section. Brief explanations of the purpose of the individual reserves are also included.

Basis of Budgeting



Reporting Entity

The reporting entity is comprised of all the City of Edmonton's Operating, Capital, and Reserve Funds. The activities of the three funds are consolidated in the reporting of the overall financial position and financial activities of the City. In addition to elements listed under Fund Accounting, they include the following:

- The Edmonton Public Library
- Edmonton Economic Development Corporation
- EPCOR Utilities Inc.
- The City of Edmonton Non-Profit Housing Corporation

EPCOR Utilities Inc. and The Edmonton Non-Profit Housing Corporation are subsidiary corporations of the City of Edmonton. They are accounted for on a modified equity basis, consistent with GAAP in the treatment for government business enterprises.

Under the modified equity basis, the business enterprise's accounting principles are not adjusted to conform with those of the City, and inter-organizational transactions and balances are not eliminated.

Financial Reporting

For financial reporting purposes, the Province of Alberta requires that the entity's financial statements be reflected on the basis of its Operating Fund, Capital Fund, and Reserve Fund. Differences between the basis used for budgetary purposes and financial reporting requirements are described below:

1. **The Edmonton Public Library** operates under the authority of the Libraries Act of Alberta. The operations are administered by an independent board (The Edmonton Public Library Board) which reports to Edmonton City Council.



For budget purposes, the Library's operations are provided to Council for information, with the amount requested from the City of Edmonton shown as tax levy requirement.

For financial reporting purposes, the Library's assets, liabilities, revenues, expenditures, and changes in fund balances and financial position are consolidated with the City of Edmonton's financial statements. Inter-organizational transactions are eliminated.

2. **The Edmonton Economic Development Corporation (EEDC)** is established under Part 9 of the

Basis of Budgeting



Companies Act (Alberta) to promote economic development and tourism in the City of Edmonton. In addition, EEDC operates and maintains the Shaw Conference Centre and the Edmonton Research Park. The corporation is wholly owned by the City of Edmonton and its funding, in part, is from an annual grant provided by the City of Edmonton.

For budget purposes, the EEDC's operations are provided to Council for information, with the amount requested from the City of Edmonton shown as tax levy requirement.

For financial reporting purposes, the EEDC's assets, liabilities, revenues, expenditures, and changes in fund balances and financial position are consolidated with the City of Edmonton's financial statements. Inter-organizational transactions are eliminated.

3. **EPCOR Utilities Inc. (EPCOR)** is a wholly owned subsidiary governed by an independent Board of Directors. EPCOR is responsible for the provision of power and water utilities to the citizens of Edmonton and to other customers. The Board submits its budget directly to City Council and accordingly, its budget is not included in this document.

For budget purposes, only the amount paid by EPCOR to the City of Edmonton is shown.

For financial reporting purposes, the results of the subsidiary's operations are reported in the annual financial statements using the modified equity method of accounting.

4. **The City of Edmonton Non-Profit Housing Corporation** is a wholly owned subsidiary of the City of Edmonton. It was established for the purpose of providing non-profit housing for the citizens of Edmonton, with assistance from the Canadian Mortgage Housing Corporation (CMHC) and from Alberta Seniors.

There is no budgetary impact of the corporation on the City of Edmonton. This is based upon the assumption that the corporation receives continued operating assistance from CMHC and Alberta Seniors to achieve a level of operations sufficient to fund future operations.

For financial reporting purposes, the results of the subsidiary's operations are reported in the annual financial statements using the modified equity method of accounting.

5. Debt principal repayments are accounted for as expenditures for budgetary purposes and as reductions on long-term debt liability for financial reporting purposes.

Reserve Funds



Name of Reserve / Purpose	Actual Opening Balance	From PY Surplus	Inter- Reserve Transfers	Interest Income	From Operating Fund	(To) Operating Fund	(To) Capital Fund	Budgeted Ending Balance
Affordable Housing Reserve	15,825			110	-	(1,000)		14,935
Funding for Cornerstones & Fixed Rate Rent Supplement agreement								
Aggregate Site Development	1,320				411		(20)	1,711
Funds equipment replacement, site preparation, and future land purchases								
Benefit Plan	5,661							5,661
Addresses changes in specific benefit plans over time (i.e. short-term disability)								
Commonwealth Stadium Enterprise Reserve	2,569			76	334	(53)		2,926
Comprises surpluses from operations, and funds any deficits incurred in a given year								
Energy Conservation Reserve	1,511				700	(882)		1,329
Provides funding for energy-related projects repaid through utility savings								
Enterprise Portfolio Reserve	4,839			123	1,161		(2,520)	3,603
Operating surpluses from Rec. Facilities (i.e. Kinsmen) are accumulated to fund capital purchases and/or cyclical downturns								
Facade & Storefront Improvement	913					(913)		0
A grant program to encourage owners to invest in storefront renovations that improve the appearance and function of their building's façade and storefront. This reserve will expire on Dec. 31/08.								
Financial Stabilization Fund - Unappropriated	83,953	8,990	(8,990)					83,953
Targeted at 7% of annual expenditures to a maximum of \$85M for protecting the City from unforeseen operating costs								
Financial Stabilization Fund - Appropriated	27,469		8,990			(9,240)	(9,988)	17,231
Contains the balance above the Unappropriated fund, and is applied against the subsequent three years operating budgets or used for one-time expenditures								
Fort Edmonton Train Maintenance	146			4	5	(5)		150
Provides maintenance funding for the steam rail system								
Funds in Lieu - Residential	18,248			286			(1,307)	17,227
Required reserve pursuant to the MGA for 10% dedication to parkland								
Heritage Conservation	2,492							2,492
Provides funding toward historically significant structures								

Reserve Funds



Name of Reserve / Purpose	Actual Opening Balance	From PY Surplus	Inter- Reserve Transfers	Interest Income	From Operating Fund	(To) Operating Fund	(To) Capital Fund	Budgeted Ending Balance
Local Improvements - Asset Management Policies C204 & C200A require a reserve of \$250 to finance losses on Local Improvement construction	250							250
Natural Areas Created for the receipt of external funds to purchase natural areas	4,290				1,000		(1,800)	3,490
Northlands Capital (Mun. Airport) Created as a condition of the lease agreement for holdback funds and contingencies	1,118							1,118
Parkland Reserve Municipal Government Act requires this reserve to be used for public parks, recreation areas, school authority purposes & to separate areas of different use	6,590						(1,413)	5,177
Perpetual Care Funding for long-term care of cemeteries	3,763							3,763
Self Insurance Required reserve pursuant to Section 67 of the Motor Vehicle Act	2,500							2,500
SLRT Risk Mitigation Strategy Council approved strategy for accumulating .25% tax levy increase per year through 2015 to mitigate the Federal Fuel Tax funding	4,870				4,926			9,796
Storm Development Charges Reserve Funding to cover the combined sewer relief charges schedule until 2010	310					(174)		136
Tax Supported Debt Represents timing differences between debt servicing and receipt of taxes associated with tax supported capital financing	5,284							5,284
Telus Field Capital Reserve Reserve established pursuant to a license agreement for future structural repairs at Telus Field	68				24			92
Tree Management Policy C456 - Funding for renewal of trees and shrubbery resulting from removal and replacement	914							914
Waste Management Rate Stabilization Stabilizes user fees required to fund the initiatives at the Waste Management Centre	14,670			250	-	(2,590)		12,330
Total Reserves	\$ 209,573	\$ 8,990	\$ -	\$ 849	\$ 8,561	\$ (14,857)	\$ (17,048)	\$ 196,068

(Note: Library reserves, consisting of \$5,154 of grants and donations as at December 31, 2007, are not included in the above schedule. Use of reserve amounts are approved by the Library Board and in 2008 include \$54 of interest earnings from the City of Edmonton.)

Terms and Definitions



Accrual Basis. Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Externally restricted earnings are accounted for as deferred revenue until used for the purpose specified. Expenditures are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

Activity. A subdivision of an operating budget program, usually a major administrative or functional unit.

Alberta Municipal Infrastructure Program (AMIP). A grant from the Province of Alberta to assist municipalities in addressing their core infrastructure backlog and longer term infrastructure requirements. Core infrastructure is strictly defined as municipal roads, bridges, public transit vehicles and facilities, water and waste water systems and facilities, storm drainage systems and facilities, emergency service vehicles and facilities and infrastructure management systems. Funding is a per capita amount beginning in 2005 with funding over a five-year period, and project completion over a ten year period.

Annualization. Represents the financial impact of implementing an approved service package over the full fiscal year.

Appropriate. To approve funds for specific purpose or project.

Assessment. The valuation of a property for property taxation purposes. Property Taxes are calculated by multiplying the property assessment by the mill rate.

Assessment Classes. All assessed property within the City of Edmonton is divided into the following assessment classes:

- Residential Property - single family and other residential
- Non-residential Property
- Farmland
- Machinery and Equipment

Authorities. Autonomous organizations with separate boards or commission, but related to the City of Edmonton through operating agreements, which usually include financial obligations.

Bond Rating. This is a measure of the City's capacity to repay debt.

Budget. A financial plan and a service delivery guide for a given period of time.

Terms and Definitions



Budget Adjustment. Amendments to the approved operating and capital budgets are made through the budget adjustment process, which outlines the procedures and defines the approval authority of City Council, the City Manager, and General Managers.

Budget Guidelines. Overall parameters set by City Council that must be followed in the preparation of the budget.

Business Tax. Revenue generated through the collection of taxes levied on the gross annual rental values of premises occupied or entered for the purpose of doing business.

Bylaws. Legislation enacted by City Council under the provisions of the Municipal Government Act.

Capital Budget. Provides the statutory approval to expend funds in the undertaking of specified capital improvements or developments and to appropriate the required financing. Approval is granted on an annual basis for projects beginning the first year of the planned period.

Capital Financing. The funding provided to capital projects through operating budget contributions, reserves, and grants from other orders of government or other sources.

Capital Priorities Plan Committee (CPPC). A team of Branch Managers assigned with the responsibilities of allocating financing to the Capital Priorities Plan, reviewing and approving capital projects and providing advice/direction for overall infrastructure requirements.

Capital Priorities Plan (CPP). A comprehensive five-year corporate capital plan, which identifies the proposed capital project expenditures, and sources of financing of all departments. Projects within the Plan are ranked using Corporate Capital Criteria and urgency to determine which will be funded. The “funded” portion of the Plan is accommodated within the given financial constraints and means of the Corporation. The “unfunded” portion of the Plan is beyond the given financial constraints and means of the Corporation and, therefore, cannot be undertaken.

Capital Project. Expenditures relating to the acquisition, construction, upgrade or rehabilitation of a City’s asset that is prioritized through the Capital Priorities Plan process.

Census. An official enumeration of a population.

Census Metropolitan Area (C.M.A.). The threshold as defined by Statistics Canada where census data is being gathered for an agglomeration that have an urban core of 100,000 people.

City Council. A group of elected representatives with powers given by the Provincial Government to provide good government to a community.

Terms and Definitions



City Manager. An individual appointed by City Council to serve as the Chief Administrative Officer of the municipality.

Civic Program. Departments that directly report to the City Manager. Each Civic Department is comprised of one or more programs for budgetary purposes.

Committed. Committed fund balances and reserves designates funding that has been earmarked or set-aside for a specific project or operating program.

Committees. A group of individuals delegated to perform a specific function or functions.

Consumer Price Index (CPI). Reflects the impact of inflation on the purchasing power for goods and services.

Core Infrastructure. Refers to municipal roads, bridges, public transit vehicles and facilities, water and wastewater systems and facilities, emergency service vehicles and facilities, and infrastructure management systems.

Corporate Expenditures. Expenditures which cannot be directly associated with a specific program/department and therefore are budgeted under the Corporate Program.

Corporate Revenues. Revenues which cannot be directly associated with a specific program/department and therefore are budgeted under the Corporate Program.

Cost Impacts. Cost increases due to inflation, personnel contract settlements, annualization, and historical performance. It represents the re-costing of the current year's budget in terms of next year's dollars.

Debt. An obligation resulting from the borrowing of money. The City of Edmonton categorizes debt as follows:

- **Tax-supported debt** refers to debt issued to provide funding for capital expenditures, the retirement of which is being paid for using tax levy revenues.
- **Self-liquidating debt** refers to debt issued, generally for municipal enterprise operations that is repaid through the fees generated from the operations.

Debenture. The sale of a municipal bond to the Alberta Capital Financing Authority.

Terms and Definitions



Debt Limit. The Provincially-legislated limit by which a municipality may incur debt. The debt limit is defined as two times revenue net of capital government transfers. Incurring debt beyond these limits requires approval by the Minister of Municipal Affairs.

Debt Service Limit. The Provincially-legislated borrowing limit by which a municipality may incur. The debt service limit is calculated at 0.35 times of the revenue net of capital government transfers. Incurring debt beyond these limits requires approval by the Minister of Municipal Affairs.

Demographics. Various statistics used to characterize human populations.

Duplex/Triplex. A house with two or three dwelling units sharing common walls or floors.

Expenditures. Costs associated with the provision of municipal services.

Edmonton Socio-Economic Outlook. A report prepared by an internal City committee, produced twice annually, with forecasts of major economic and social indicators over the next five years. Civic departments use this forecast in preparing their capital priority plans and operating budgets. They also use it in their strategic and business planning.

Effectiveness. Is (1) the ratio of standard, estimated or budgeted performance to actual performance expressed as a percentage; (2) the outcome or output received from an approach or program. Ideally it is a quantitative measure which can be used to evaluate the level of performance in relation to some standard, set of criteria, or end objective; (3) the actual accomplishment of delivering acceptable outputs, on time, within the quality requirements specified. It is the ratio of Actual Output (A.O.) divided by Expected Output (E.O.). *Note: Effectiveness may be stated in terms of outcomes in place of outputs.*

Efficiency. Is the relationship between the planned resource requirements, such as labour or machine time, for task(s) and the actual resource time charged to the task(s). It is the ratio of the Resources Expected or forecasted to be Consumed (R.E.C.) divided by Resources Actually Consumed (R.A.C.).

EPCOR. Edmonton Power Corporation, a wholly owned subsidiary of the City of Edmonton.

Federal Infrastructure Program. On February 28, 2000, the Federal Government of Canada announced a national infrastructure program focusing on three areas:

- Promoting environmental technologies.
- Assisting the homeless.
- Strengthening Federal, Provincial, and Municipal infrastructure.

Franchise Fees. Fees in lieu of taxes or compensation for exclusive rights, based on an agreement with

Terms and Definitions



the holder of a special franchise. e.g. ATCO Gas.

Full-Time Equivalents (FTEs). The hours and associated personnel costs one full-time employee would work in a year.

- Reserve fund reflects funds authorized by City Council to be set aside for the funding of future operating and capital expenditures, including municipal equity.

Fund Accounting. Funds within the City of Edmonton consolidated financial statements consist of the operating, capital, and reserve funds, defined below:

- Operating fund reflects the financial activities associated with the provision of general municipal and utility services during the year. It includes the Civic/Corporate Programs, Boards & Authorities, Land Enterprise, Mobile Equipment Services, Drainage Services, Ed Tel Endowment Fund, and the Excess Earnings on Sinking Fund.
- Capital fund reflects the financial activities associated with the acquisition, construction, and funding of capital assets.

General Financing. The amount provided annually from the Tax-Supported Operating Fund to finance capital projects.

General Managers. Department heads of civic programs.

Greater Edmonton Region. Please see Capital Region.

Grants. Funding provided by a senior order of government.

Infrastructure. Facilities on which the continuance and growth of a community depends (e.g. roads, sewers, public buildings, parks, storm sewers, etc.).

Infrastructure Canada Alberta Program (ICAP). A body set up to administer the Federal Infrastructure Program (FIP) called Strengthening Federal, Provincial and Municipal infrastructure. Funding is shared 1/3 from each order of government: Canada, Alberta, and the City of Edmonton.

Infrastructure Gap. A term used to describe the funding shortfall between capital investment requirements and funding availability.

Local Improvements. The construction or replacement of roads, sidewalks, lanes and underground services for which a portion is paid by the abutting property owner.

Terms and Definitions



Long Range Financial Plan (LRFP). A financial report prepared annually that outlines the financial principles and policies followed in support of Council's approved plans, programs, and projects.

Maintenance/upgrade projects. Capital expenditures related to the maintenance and/or replacement of existing facilities, which include the expansion or additional amenities (enhancements) of existing facilities up to 50.0% of the total project costs.

Market Value Assessment. Provincial government legislation requires that properties must be assessed on an annual basis to reflect current market conditions. Starting in 1999, all properties were assessed at market or on the basis of provincial regulations and were taxed on this value by the City of Edmonton.

Municipal Enterprise Operations. Refers to those activities for which tax dollars are not anticipated to be required to fund the operations. They are financially self-funded operations established to provide management and control of major activities of the City. Land Enterprise and Mobile Equipment Services are Municipal Enterprises.

Municipal Equity. The amount calculated as the excess of Total Assets less Total Liabilities and any funding set aside for specific purposes in Reserves.

Municipal Government Act (MGA). Provincial legislations setting out the powers and responsibilities of Alberta municipalities.

Non-Residential Construction Price Index. Measures the cost of construction materials and labour used for commercial, industrial, and institutional development.

One-time Items. Expenditures associated with a limited term project that will not become an ongoing budget item in future years.

Operating Budget. Revenues and expenditures pertaining to the daily operations of the City.

Outcome. Outputs quantify the amount of work completed, while outcomes (or effectiveness) report the results achieved as expressed in the eyes of the customer, or in the case of the City of Edmonton, Citizens.

Output. Are goods or services created by inputs. Examples of Outputs are units produced and hours of service provided.

Pay-As-You-Go (PAYG). The process by which property tax previously set aside for debt repayment was made available to fund capital works.

Terms and Definitions



Payment-in-Lieu of Taxes. Payments equivalent to municipal property taxes, made by the federal and provincial governments for Crown-owned properties.

Performance Measures. Qualitative or quantitative measures or indicators of progress toward specified outcomes or goals. A means for determining how a program is accomplishing its mission through the delivery of products, services, or processes by measuring quantity, effectiveness, and/or efficiency.

Program. A program represents a group of like services or activities in delivering a service, with a definable client and a clear benefit or outcome.

Program Based Budgeting. The budget material uses the Program structure in order to provide a greater focus on service delivery.

Project. A single project is a non-routine capital work with a “singular” identity. The location, time and design of a single project are clearly identifiable. A composite project is the grouping of routine capital improvements.

Property Tax. Revenue generated through the collection of taxes levied on real property assessment, including realty and business tax.

Realty Tax. A mandatory charge levied by government for the purpose of financing services performed for the common benefit.

Realty Tax Levy. The total amount to be raised through property and business taxation and payment-in-lieu of taxes for purposes specified in the annual operating budget.

Reserves. A source of funding appropriated from retained earnings or other surplus funds for a specific or general purpose.

Retained Earnings. Earnings not available for distribution in the form of dividends, but rather are re-invested in the core business, or used to pay off debt. Also referred to as fund balance.

Revenue. Funds the City receives and records as income. Revenue is broken down by major sources as follows: user fees, fines, permits, grants from other orders of government, utility dividends, franchise fees, Ed Tel Endowment fund, and investment earnings.

Self-liquidating Debentures. Debt issued by the Sanitary Sewer Utility that is repaid through the fees generated by the Utility.

Service Package. Operating Budget changes are presented in packages for Council’s review.

Terms and Definitions



Senior Management Team (SMT). Refers to the working team consisting of the City Manager and the five General Managers.

Sinking Fund. The City of Edmonton makes annual payments into the Sinking Fund as required by each debenture issue. These funds are invested by the Sinking Fund in securities as approved by existing legislation. The annual rate of return required by the issue is allocated to meet the future debt requirements. Earnings in excess of those requirements are maintained within the Fund as unappropriated surplus, which may be used as approved by Council.

Tangible Capital Asset. Tangible capital assets are non-financial assets having physical substance that meet all of the following criteria:

- (a) are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets;
- (b) have useful economic lives extending beyond an accounting period;
- (c) have been acquired to be used on a continuing basis; and
- (d) are not intended for sale in the ordinary course of business.

Tax Rate. Municipal property tax revenue is calculated by applying the tax rate to the projected assessment base. The tax rate is expressed in terms of mills. One mill is one thousandth of the assessment base. Additional property tax revenue is generated through an increase in the tax rate and/or growth in the assessment base.

Tax-Supported Operations. Civic Departments, Commissions, Boards, and Authorities are funded in whole or in part through revenue from property tax, business tax, and payment-in-lieu of taxes.

Uncommitted. Uncommitted Operating Fund balances and reserves designates funding that is not earmarked or set aside for a specific capital project or operating program initiative and is available for allocation.

Unconditional Operating Grants. An amount provided by other orders of government to municipalities for operating purposes, without any requirements as to the area in which the fund is used.

Utility Operations. Refers to Drainage Services (include sanitary drainage and land drainage) where tax dollars are not needed to support the operations. The utility rates are governed by the Utility Fiscal Policy.

