

Alberta Municipal Spending Watch Report

10th Edition: Trends in Operating Spending, 2007 – 2017

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Executive Summary

This year's edition of the Alberta Municipal Spending Watch Report marks the 10-year anniversary of the Canadian Federation of Independent Business (CFIB) tracking and analyzing spending trends of Alberta's municipalities.

After a decade of examining municipal spending, there are some trends which have remained constant. For instance, real operating spending growth has consistently remained above the sustainable level of population growth.

This edition of the Alberta Municipal Spending Watch Report also places municipal spending trends in context with another trend that has emerged —that of municipal hiring. Municipal spending and hiring are intertwined, and therefore reviewing municipal hiring as an area for improvement is an effective way to review overall municipal operating spending.

For the past 10 years, CFIB has seen how municipal operating spending has decreased, stagnated or increased. This report acknowledges some of Alberta's municipalities that are worthy of recognition for reducing spending growth, while also highlighting a large number of municipalities that must improve operating spending to protect taxpayers from future tax hikes.

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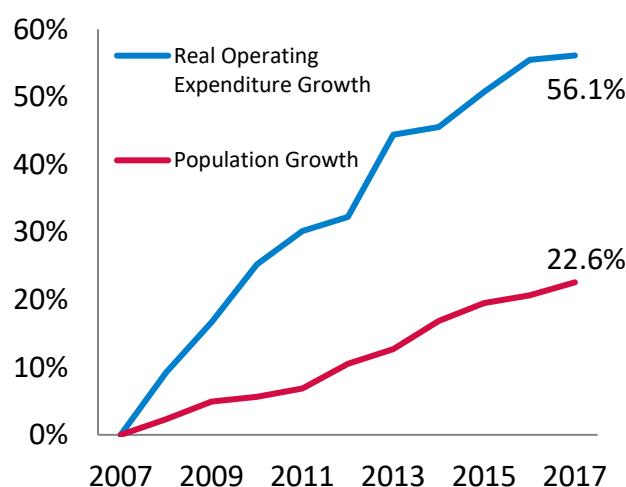
1. Introduction

Municipal governments provide many services that benefit citizens and create an economic environment that supports small and medium-sized businesses (SMEs). When local governments have unsustainable spending SMEs often feel the most impact because the disproportionate share of property taxes they pay.¹

This report analyzes operating spending of Alberta municipalities, with a focus on the 17 largest by population (containing at least 25,000 people in 2017).² These 17 largest municipalities are ranked according to their operating spending between 2007 and 2017 and by 2017 per capita spending. Operating spending refers to municipal expenses associated with day-to-day functions, including things such as: employee salaries and benefits, utilities, and interest on long-term debt. Operating expenditures excludes capital expenditures and amortization.

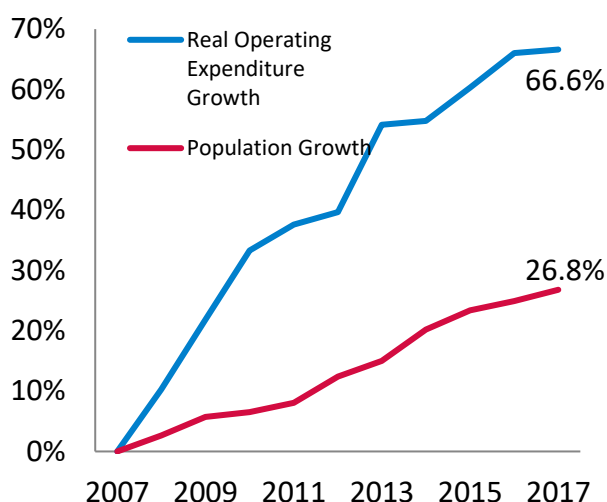
On average, real municipal operating spending across all Alberta municipalities, and within the 17 largest ones, more than double the rate of population growth from 2007-2017 (see Figures 1.1 and 1.2).

Figure 1.1
Alberta Real Operating Spending and Population Growth, 2007-2017



Source: CFIB calculations, Municipal Affairs, Alberta Government, 2007-2017

Figure 1.2
Alberta's 17 Largest Municipalities Real Operating Spending and Population Growth, 2007-2017



Source: CFIB calculations, Municipal Affairs, Alberta Government, 2007-2017

¹ Truscott, Richard, Aaron Aerts, & Muriel Protzer. CFIB, 2019. [Alberta Tax Gap Report](#).

² Medicine Hat was excluded from the analysis because of its unique history of producing gas and electricity for its residents. Due to the large amount of expenditures and revenues generated from Medicine Hat's gas and electricity distribution, direct comparisons with other municipalities using the province's municipal statistics is problematic. For that reason, Medicine Hat is excluded in all charts and figures.

2. Key Findings – 17 Largest Alberta Municipalities Spending, 2007 to 2017

- In Alberta's 17 largest municipalities, unsustainable municipal spending cost an additional \$4,400 per resident over the 2007-2017 period.
- For Alberta's 17 largest municipalities, population increased by 26.8 per cent from 2007-2017, while real municipal operating expenditure grew by 66.6 per cent.
- Cochrane, Okotoks, and Lloydminster were the three best performing municipalities in terms of sustainable spending patterns.
- Of Alberta's 17 largest municipalities, Cochrane was the only one to keep real operating spending growth at a sustainable level below the rate of population growth, from 2007-2017.
- The Regional Municipality of Wood Buffalo (Fort McMurray), Strathcona County, and Grande Prairie are the worst performing in terms of spending patterns.
- Edmonton and Calgary ranked as 10th and 11th worst, respectively.
- In 2017, the cumulative operating spending per capita for Alberta's 17 largest municipalities was \$2,596. Operating spending in the Regional Municipality of Wood Buffalo was the highest at \$5,002 per capita. Operating spending in Cochrane was the lowest at \$1,538 per capita.
- For many municipalities, part of their over-spending problem is the result of expanding the municipal workforce much faster than population growth and increasing municipal wages well beyond the private sector average.

The Benchmark: Inflation and Population Growth

Why compare inflation-adjusted operating spending to population growth?

In order to analyze the trends in a municipality's operating spending, the expenditures must first be adjusted for inflation to account for any increases in prices that occur over time. While there are a number of different ways to measure inflation, this report uses the most common one: The Consumer Price Index (CPI). Unlike alternative inflation measures, CPI reflects the prices that consumers pay and does not place an emphasis on factors that municipalities have a greater degree of control over, such as employee wages and salaries.

This inflation-adjusted operating spending is then compared to population growth. If a municipality's population grows, it is reasonable for municipalities to increase their operating spending by an incremental amount so that they can provide the same services to a greater number of people. Small business owners accept municipal governments may need to increase their spending over time — but only if it does not increase beyond the sustainable spending threshold of inflation plus population growth.³

³ When asked "Which of the following actions would you like to see your local government take to help your business?", 81 per cent of small business owners said that municipalities should keep operating spending increases at or under population growth plus inflation in order to keep property taxes reasonable. CFIB, 2017, Municipal Issues Survey, n=697

Table 1.1

Alberta's 17 Largest Municipalities

Listed from best to worst by overall rank

Municipality	Rank 1=Best 17=Worst	2007-2017 Real Operating Spending Growth per Capita (%)	2007-2017 Real Operating Spending Growth (%)	2007-2017 Population Growth (%)	2017 Operating Spending per Capita (\$)
COCHRANE	1	-9.6%	72.9%	91.3%	1,538
OKOTOKS	2	6.3%	79.1%	68.5%	1,591
LLOYDMINSTER	3	6.3%	98.8%	87.1%	1,818
AIRDRIE	4	15.2%	137.4%	106.0%	1,691
SPRUCE GROVE	5	18.6%	112.2%	78.9%	1,989
FORT SASKATCHEWAN	6	15.0%	81.9%	58.1%	2,379
ROCKY VIEW COUNTY	7	23.3%	40.5%	13.9%	2,262
PARKLAND COUNTY	8	26.8%	37.1%	8.1%	2,243
LETHBRIDGE	9	27.7%	53.6%	20.2%	2,443
EDMONTON	10	23.4%	57.6%	27.7%	2,573
CALGARY	11	28.6%	57.2%	22.2%	2,561
LEDUC	12	29.6%	137.8%	83.5%	2,558
ST. ALBERT	13	38.3%	57.2%	13.6%	2,373
RED DEER	14	39.3%	63.2%	17.2%	2,471
GRANDE PRAIRIE	15	50.0%	88.6%	25.8%	2,470
STRATHCONA COUNTY	16	37.5%	63.4%	18.8%	2,902
WOOD BUFFALO, Regional Municipality of	17	147.4%	222.0%	30.1%	5,002
17 largest	-	31.4%	66.6%	26.8%	2,596

Source: CFIB calculations, Municipal Affairs, Alberta Government, 2007-2017. Red indicates worst in category; green indicates best.

3. Ranking Alberta's 17 Largest Municipalities

Alberta's largest 17 municipalities were ranked according to the sustainability patterns of their spending from 2007-2017.⁴ The rankings assigned to each municipality are based equally and entirely on two distinct metrics: real operating spending per capita growth from 2007-2017, and 2017 operating spending per capita. These rankings are relative rather than absolute—they represent how spending tendencies in each of Alberta's 17 largest municipalities compare to one another and are not representative of how sustainable a municipality's spending might be in general.

⁴ The 10th edition of the Alberta Municipal Spending Watch Report differs in its analysis from previous editions of the report, and rankings from this report are not necessary directly comparable to those of previous reports (see Appendix A: Methodology).

Table 1.1 lists Alberta's 17 largest municipalities according to their rank, from best (most sustainable spending) to worst (least sustainable spending). Cumulative operating spending per capita growth from 2007-2017 for Alberta's 17 largest municipalities was 31.4 per cent, while the operating spending per capita in 2017 was \$2,596. The three best performing municipalities were Cochrane, Okotoks, and Lloydminster, respectively. The three worst performing municipalities were the Regional Municipality of Wood Buffalo (Fort McMurray), Strathcona County, and Grande Prairie.

The Best

Cochrane was found to be the best-ranked municipality, and its operating spending patterns have a few unique characteristics that distinguish it from the other municipalities. With a 2007-2017 real operating spending growth per capita of negative 9.6 per cent, Cochrane is the only municipality to experience a decrease in 2007-2017 real operating spending growth per capita. Cochrane also had the lowest 2017 operating spending per capita, at \$1,538. Additionally, Cochrane was the only municipality examined to have a 2007-2017 real operating spending growth that is at a sustainable level, significantly lower than population growth. Cochrane's 2007-2017 real operating spending growth was 72.9 per cent, while it experienced a 91.3 per cent growth in population during that same period.

The second-best performing municipality was Okotoks, which experienced a 6.3 per cent growth in real operating spending per capita from 2007-2017 and an operating spending per capita of \$1,591 in 2017. Lloydminster, the third best performing municipality, also only increased real operating spending per capita by 6.3 per cent but had a higher per capita spending level of \$1,818 in 2017.

The Worst

The worst-ranked municipality was the Regional Municipality of Wood Buffalo (which includes the city of Fort McMurray), which also exhibited unique spending patterns that differentiated it from other municipalities. From 2007-2017, the Regional Municipality of Wood Buffalo grew its real operating spending per capita by 147.4 per cent, which is much higher than any of the other municipalities examined. Additionally, the Regional Municipality of Wood Buffalo had a substantially higher operating spending per capita in 2017 at \$5,002—the next highest for this metric was Strathcona County, at \$2,902.

The second worst performing municipality was Strathcona County, which experienced a 37.5 per cent growth in real operating spending per capita from 2007-2017 and operating spending per capita of \$2,902 in 2017.

The third worst performing municipality of Grande Prairie experienced a 50.0 per cent growth in real operating spending per capita from 2007-2017, and operating spending per capita of \$2,470 in 2017.

The Regional Municipality of Wood Buffalo

The Regional Municipality of Wood Buffalo has faced a bevy of extenuating circumstances in recent years that have undoubtedly affected its ability to keep operating spending under control. Most notably, the Regional Municipality of Wood Buffalo was devastated by the 2016 Fort McMurray wildfire. This was a big factor as to why the Regional Municipality of Wood Buffalo is the worst-ranked municipality.

However, just how big a factor is not as clear. Prior to this event, the Regional Municipality of Wood Buffalo's operating spending trends were far from sustainable. The 5th edition of the Alberta Spending Report, released in 2014, examines municipal spending trends from 2000-2012. In that report, the Regional Municipality of Wood Buffalo is ranked as third worst (179 out of 171 municipalities).⁵ For more information on the Regional Municipality of Wood Buffalo's operating spending trends over time, refer to Appendix B.

Calgary and Edmonton

Alberta's two biggest metropolitan centres, Calgary and Edmonton, ranked similarly to one another and are 11th and 10th out of 17, respectively. Calgary's real operating spending per capita grew by 28.6 per cent from 2007-2017, and Calgary had operating spending per capita of \$2,561 in 2017. Edmonton's real operating spending per capita grew by 23.4 per cent from 2007-2017, and Edmonton had operating spending per capita of \$2,573.

Calgary's Property Tax-astrophe: Lessons for Alberta

This past June, businesses in Calgary were shocked when they received their property tax bills for 2019: two-thirds of commercial property tax owners saw an increase of at least 10%, while the remaining one-third saw an increase of over 30 per cent. The small business community voiced their outrage over these property tax increases, culminating in a rally on the steps of City Hall. In response, Calgary's city council put together a plan: use \$131 million to reduce non-residential property tax bills by 10 per cent, with \$60 million of this coming from cuts to the 2019 city budget.

There are a few lessons to be learned from Calgary's tax disaster. First, it's an example of the consequences associated with years of uncontrolled municipal spending. Second, it shows with a concerted effort municipal government can control spending. Third, it highlights the risk of relying too heavily on local business owners to pay for municipal government spending increases.

4. Municipal Hiring

The budget item that forms the largest percentage of municipal operating spending is, by far, the category of "wages, salaries, and benefits". If municipalities reduce their spending in this category it would have a significant effect on its overall operating spending level.

Compensation

Employee wages are generally determined by collective bargaining and arbitration systems, which constrains a municipality's ability to determine wages and compensation for its

⁵ Moline, Zack. CFIB, 2014. Alberta Municipal Spending Report, 2014.

unionized employees. Current collective bargaining methods lead to situations where a municipality might not be able to control compensation costs.

Municipalities often encounter situations where they do not have complete decision-making authority. For instance, if a municipality is negotiating salaries and benefits with a union and no agreement can be reached, then they enter arbitration. In this case, a third-party arbitrator will make the decision independently and the municipality is bound to it. These arbitrators may not consider a municipality's (i.e. the taxpayers') ability to fund wage and compensation increases. Furthermore, little transparency and ability to access information regarding wages and benefits, negotiations, and arbitrations make it difficult to hold municipalities accountable.

Once an arbitrator's decision has been made regarding wages, salaries, and benefits for one municipality, a precedent is set for other municipalities to do the same. The current arbitration system appears broken and work needs to be done to better balance the needs of municipal employees with that of local taxpayers.

Municipal Hiring

While municipalities might be somewhat constrained in their decision-making abilities surrounding the level of compensation that they pay to unionized employees, they do have more freedom when it comes to the other half of the equation—the number of employees. The problem of overspending is further compounded by municipalities engaging in unsustainable levels of hiring.

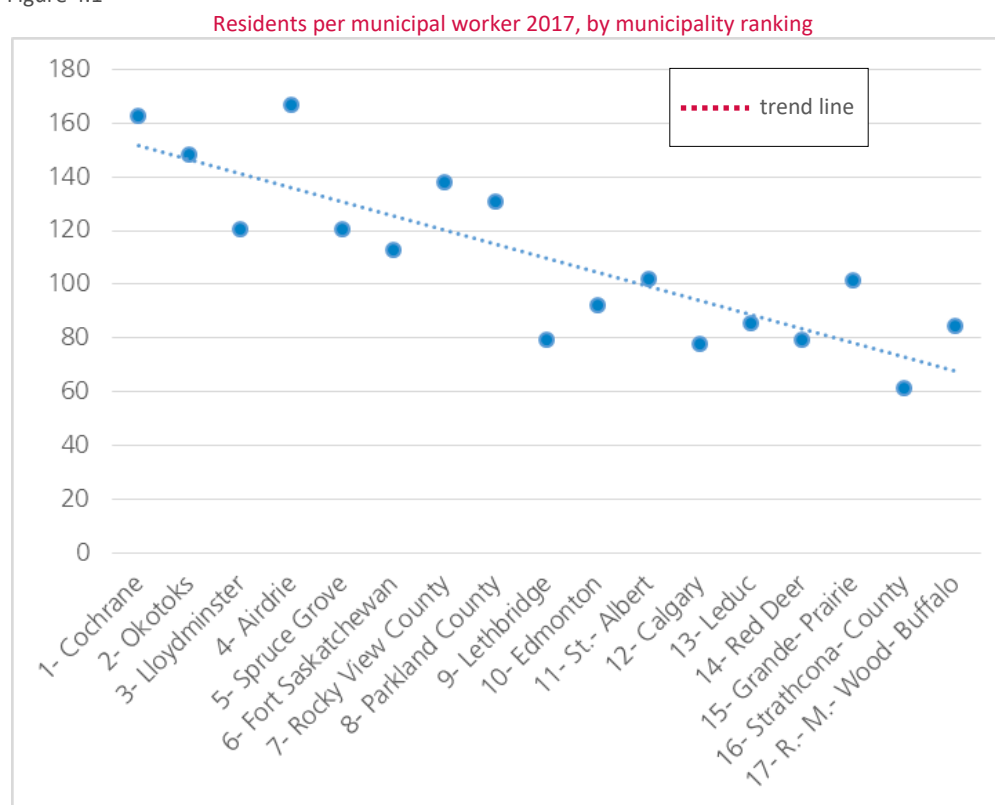
Figure 4.1 shows how many residents each municipality had per full-time municipal worker employed in 2017, with Alberta's largest 17 municipalities ordered by rank. This figure reveals a strong connection between a municipality's ranking and the number of full-time employees it has relative to its population. Generally, municipalities that have a lower resident per municipal worker ratio have much higher operating spending.⁶ The best ranked municipality of Cochrane had one full-time municipal worker for approximately every 162 people, while the worst ranked Regional Municipality of Wood Buffalo had one full-time municipal worker for approximately every 85 people.

Airdrie had the highest population to full-time municipal worker ratio in 2017, and therefore employed the fewest amount of full-time municipal workers relative to its population. Airdrie, ranked 4th best at sustainable spending, employed one full-time municipal worker for approximately every 167 people. In contrast, the municipality that had the lowest population to full-time municipal worker ratio in 2017 was Strathcona County. That municipality, which was ranked as second worst in this report, employed one full-time municipal worker for every 61 people.

This shows that while municipal governments might not be able to control every aspect of their employee compensation system, they are able to mitigate problems by limiting the number of municipal workers employed.

⁶ It is important to note that this data does not capture every aspect of a municipality's hiring habits. For instance, municipalities may contract services out, and this is not reflected in the data presented in this report.

Figure 4.1



Source: CFIB calculations, Municipal Affairs, Alberta Government, 2017.

Inconsistent Definitions – Full-time Equivalents

The Ministry of Municipal Affairs requires municipalities to provide information on the number of full-time equivalents (FTEs) employed by the city on an annual basis. This data is reflected in Figure 4.1.

However, there is a mismatch between how some municipalities define FTEs and how the province defines FTEs for reporting purposes. This can make comparisons difficult, as the number of FTEs may differ between how a municipality reports it and how the province reports it.

Further, directly comparing provincial data is difficult as some FTEs may not be counted. For example, the employee count published by Municipal Affairs for Edmonton is much lower than their own count. This is because Edmonton defines and analyses FTEs differently, focusing more on employees captured by their collective bargaining agreement.

CFIB strongly believes the Alberta government should work with municipalities to establish a single definition of full-time equivalents.

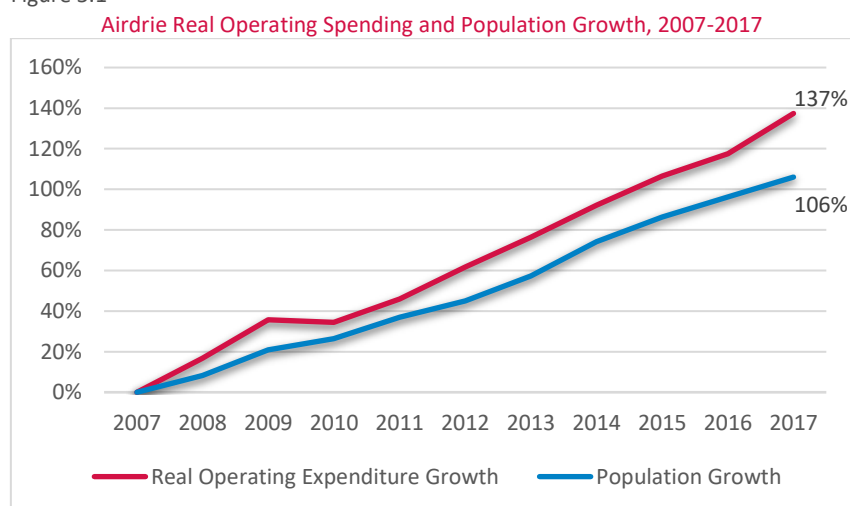
5. Top Performers

In honour of the 10th anniversary of the Alberta Municipal Spending Report, CFIB would like to recognize some municipalities that have consistent sustainable municipal spending. Out of Alberta's largest 17 municipalities, the following three are recognized as top performers.

MOST CONSISTENT: AIRDRIE

Airdrie has consistently done well in the rankings year after year. In the 4th edition of the Alberta Municipal Spending Report released in 2013, Airdrie ranked at 26 out of 181 municipalities for the 2000-2011 period.⁷ While this doesn't seem impressive in comparison to the 10th edition that only examines the 17 largest municipalities, this ranking of 26 means that out of the 17 municipalities analyzed in this report, only two of them (Okotoks and Lloydminster) ranked better than Airdrie.⁸ For every subsequent report, Airdrie is ranked in the top three municipalities examined in the 10th edition report.

Figure 5.1



Source: CFIB calculations, Municipal Affairs, Alberta Government, 2007-2017

Figure 5.1 shows Airdrie's real operating spending and population growth have remained consistent over time. The two measures remain roughly parallel to one another from 2007-2017, with a relatively narrow gap between them.

MOST IMPROVED: COCHRANE

Throughout the years, many municipalities have changed where they place in municipal rankings. It is important to acknowledge and congratulate municipalities that have improved

⁷ The 4th edition of the Alberta Municipal Spending Report used a reversed ranking system, where 1 was worst and 181 was best. Therefore, Airdrie was ranked at 156th worst municipality. This has been changed to 26th best municipality to allow for direct comparison to more current editions of the report.

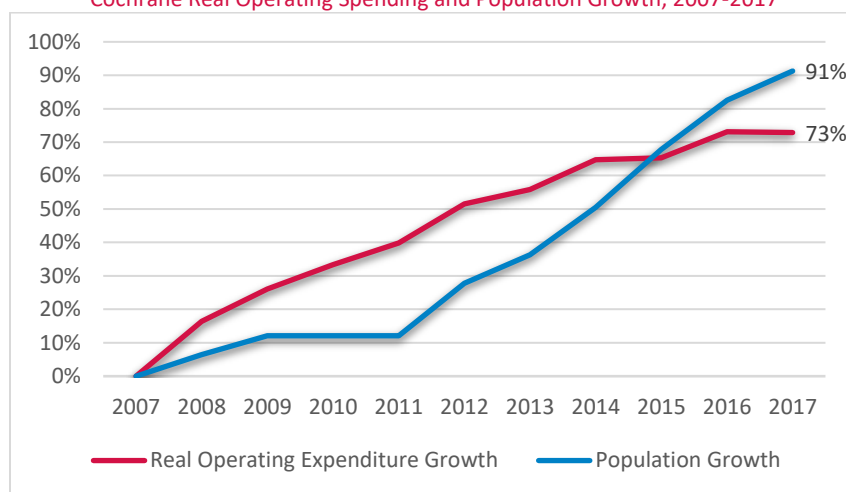
⁸ Karamanis, Samuel. CFIB, 2013. [Alberta Municipal Spending Watch 2013](#).

their operational spending and climbed in the rankings. The municipality of Cochrane has successfully been able to do this.

In the 4th edition of the Alberta Municipal Spending Report released in 2013, Cochrane was ranked 122 out of 171 municipalities for the 2000-2011 period.⁹ Since then, Cochrane has improved in the rankings in every new edition of the report. In the 9th edition of the report, released in 2018, Cochrane ranked third out of 182 municipalities for the 2006-2016 period.¹⁰ In the 10th edition, Cochrane is the best out of Alberta's 17 biggest municipalities for the 2007-2017 period, and is the only municipality examined that kept 2007-2017 real operating spending growth at a sustainable level.

Figure 5.2

Cochrane Real Operating Spending and Population Growth, 2007-2017



Source: CFIB calculations, Municipal Affairs, Alberta Government, 2007-2017

Figure 5.2 shows Cochrane's real operating spending habits over time. While population growth has increased over the years, with a sharp increase beginning in 2011, real operating spending has become flatter relative to population growth. This means that Cochrane was able to gradually decrease the gap between real operating expenditure growth and population growth, eventually achieving sustainable levels of real operating spending growth after 2015. Additionally, over time Cochrane has managed to improve their full-time municipal worker to population ratio. In 2009, Cochrane employed one full-time municipal worker for approximately every 123 people. In 2017, there was one full-time municipal worker for every 162 people.

MOST RESILIENT: OKOTOKS

There are some factors that influence a municipality's operating spending that are outside their control. Natural disasters can often force municipalities to spend more than they planned to,

⁹ The 4th edition of the Alberta Municipal Spending Report used a reversed ranking system, where 1 was worst and 181 was best. Therefore, Cochrane was ranked at 60th worst municipality. This has been changed to 122nd best municipality to allow for direct comparison to more current editions of the report.

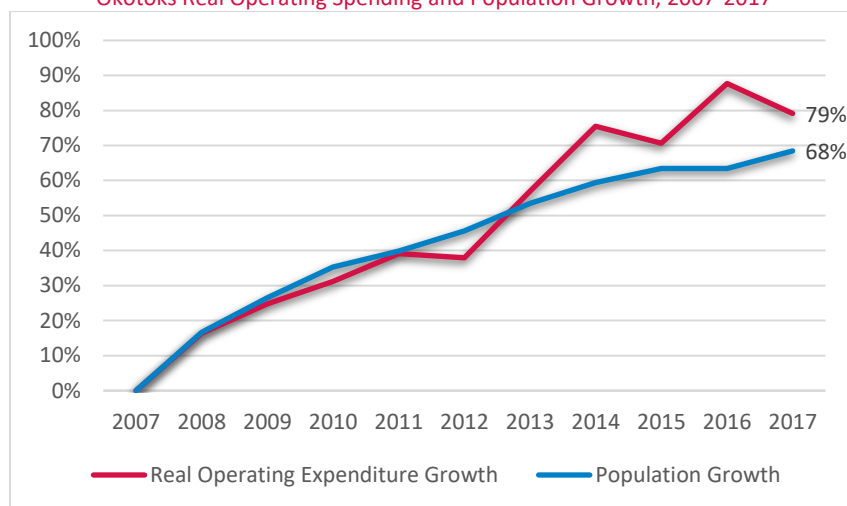
¹⁰ Hazlett, Shannon. CFIB, 2018. [Alberta Municipal Spending Watch Report](#).

especially when they are destructive such as, the 2013 floods which devastated much of southern Alberta.

The 6th edition of the Alberta Municipal Spending Watch Report released in 2015 examines operating spending trends of Alberta's municipalities from 2003-2013. That edition of the report lists municipalities that saw a significant spike in spending because of the 2013 Alberta floods.¹¹ Okotoks, saw real operating expenditure increase 38 per cent in six years from 2007-2012. In the year following the 2013 floods operating expenditures spiked up 75 per cent as the city put resources towards clean-up and reconstruction efforts.

Figure 5.3

Okotoks Real Operating Spending and Population Growth, 2007-2017



Source: CFIB calculations, Municipal Affairs, Alberta Government, 2007-2017

Figure 5.3 shows just how severely Okotoks' real operating spending was affected by the 2013 floods—real operating expenditure growth increased at a relatively stable level until 2012, where it spiked significantly until 2014. However, in 2014, Okotoks experienced a decrease in real operating expenditure growth which brought it closer in line with population growth. There was another minor spike in 2015, followed by another subsequent decrease in real operating expenditure growth. Okotoks is an example of how municipalities over time can control real operating expenditure growth a natural disaster.

6. Conclusion

From 2007-2017, the majority of Alberta's 17 largest municipalities grew operating spending well above the sustainable benchmark of inflation and population growth. Cochrane was the only municipality that kept operating spending growth at a sustainable level in this period. Although some municipal governments have made substantial efforts to reduce operating spending, much more needs to be done to rein in spending. Excessively high municipal

¹¹ [Stedman, Ashley. CFIB, 2015. Alberta Municipal Spending Report, 2015.](#)

operating spending leads to a combination of lower infrastructure spending and/or increased taxation, both of which dampen economic development and job creation. If municipalities do not control their operating spending, taxpayers bear higher costs. For small businesses owners, this reduces the ability to expand, thrive, and create jobs. Small businesses are particularly impacted by property tax increases because as they are taxed at a rate two to four times higher than residents with the same property valuation.¹²

7. Recommendations

CFIB makes the following recommendations to municipal governments:

- ▶ **Limit operating spending** growth to not exceed inflation plus population growth.
- ▶ **Engage in sustainable spending practises.** This includes adopting strategies such as reviewing core services and contracting services to the private sector, to ensure that services are being delivered in an efficient way.
- ▶ **Implement appropriate contingency funds in case of natural disasters.** Alberta's municipalities are at risk of being impacted by natural disasters and often forced to increase operating spending following the event. Emergency natural disaster funds should be assessed regularly to ensure they are available for clean-up and reconstruction efforts.
- ▶ **Pursue reforms to employee compensation systems.** Municipalities should cooperate on collective bargaining best practices to ensure settlements on wages and benefits are affordable for local taxpayers, including small business. Municipal governments should implement sustainable compensation systems and wage growth policies and call for reforms to collective bargaining and arbitration systems.
- ▶ **Better control the number of municipal employees.** A lower ratio of full-time municipal employees to population growth ensures that real operating spending is more in line with population growth and inflation.
- ▶ **Develop consistent definitions of full-time municipal workers.** The province mandates municipalities provide information on their full-time municipal staffing levels. However, the definition differs because of how some municipalities calculate their staffing levels, which leads to inconsistent reporting. The province should work with municipalities to establish a single method of counting full-time municipal employees.

¹² [Truscott, Richard, Aaron Aerts, & Muriel Protzer. CFIB, 2019. Alberta Tax Gap Report.](#)

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Appendix A: Methodology

This report analyzes Alberta municipal operating spending from 2007 to 2017. A ten-year rolling average for operational spending analysis is used because elected municipal officials serving consecutive terms have control over budgets during that time period.

The 10th edition of the Alberta Municipal Spending Watch Report differs in its analysis from previous editions of the report. Previous editions included a comprehensive provincial ranking of all municipalities with populations greater than 1,000 and included a subsidiary analysis of Alberta's 17 most densely populated areas. The 10th edition of the Alberta Municipal Spending Watch Report only analyzes 17 Alberta municipalities with a population greater than 25,000 in 2017. Therefore, the municipality rankings in this year's report cannot be directly compared to the rankings in previous editions of this report.

Unless otherwise indicated, the data in this report on municipal revenues, expenditures, and population was obtained from the Ministry of Municipal Affairs, and the Alberta government. To calculate inflation, Statistics Canada CPI measures were used. This report used city-specific measures where available (i.e. Calgary and Edmonton), while the provincial figure was used for all other municipalities.

The City of Lloydminster is uniquely located along the border of Alberta and Saskatchewan. As a result, their financial data was not available on the Alberta Municipal Affairs website, CFIB manually imputed the financial data from Lloydminster's audited financial statements and incorporated the numbers into this report. Although there were some line item classification differences in the financial statements, the overall final operational expenditure amount per year was comparable to the other municipalities.

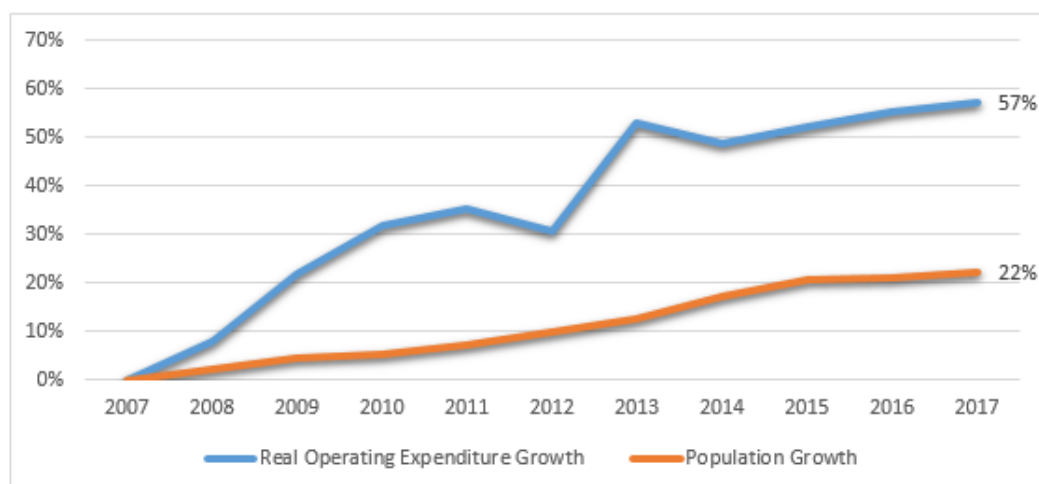
To isolate operating spending, capital related costs were carefully subtracted from each municipality's spending totals. Prior to 2009, capital spending was reported separately from operating spending. However, from 2009 to 2013 there was an accounting change and capital costs were identified as amortization of capital assets. As only a few municipalities operate their own gas and electric utilities, any spending on these items after 2009 was also excluded from the operating spending calculations to allow for consistency.

Municipal rankings are based on two factors: real operating spending per capita growth from 2007-2017, and 2017 operating spending per capita which are equally weighted. Alberta's largest 17 municipalities were first ranked on each factor independently, then were given a score from 0 to 100 for each factor based on this ranking. These two scores are then equally weighted to create a total score that is ranked against the other municipalities and determines each municipality's ranking.

Previous editions of Alberta spending reports used real operating spending per capita for current year (i.e. adjusting 2017 per capita spending data for inflation). This year's report uses nominal per capita spending for current year (i.e. not adjusted for inflation) to better reflect what the actual cost per resident was for that year. Therefore, comparisons between this year's spending per capita in the current year and previous year's reports are not directly comparable.

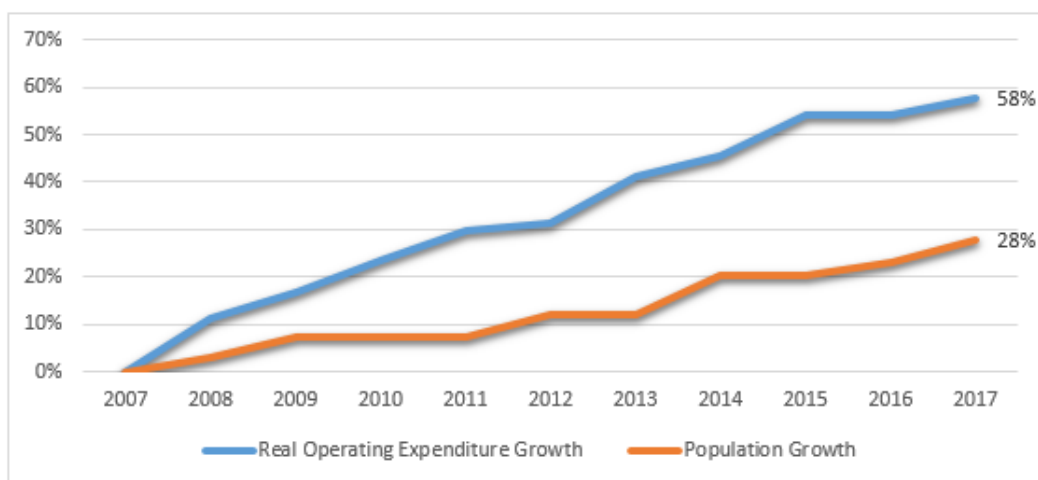
Appendix B: Real Operating Spending and Population Growth of Alberta's 17 Largest Municipalities, 2007-2017

Calgary Operating Expenditure Trends, 2007 to 2017 Ranked 12 out of the 17 largest AB Municipalities



Calgary	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Real Operating Expenditure Growth	0%	8%	22%	32%	35%	31%	53%	49%	52%	55%	57%
Population Growth	0%	2%	4%	5%	7%	10%	13%	17%	21%	21%	22%
Real Per Capita Spending	\$1,705	\$1,801	\$1,988	\$2,140	\$2,154	\$2,026	\$2,312	\$2,164	\$2,148	\$2,183	\$2,193

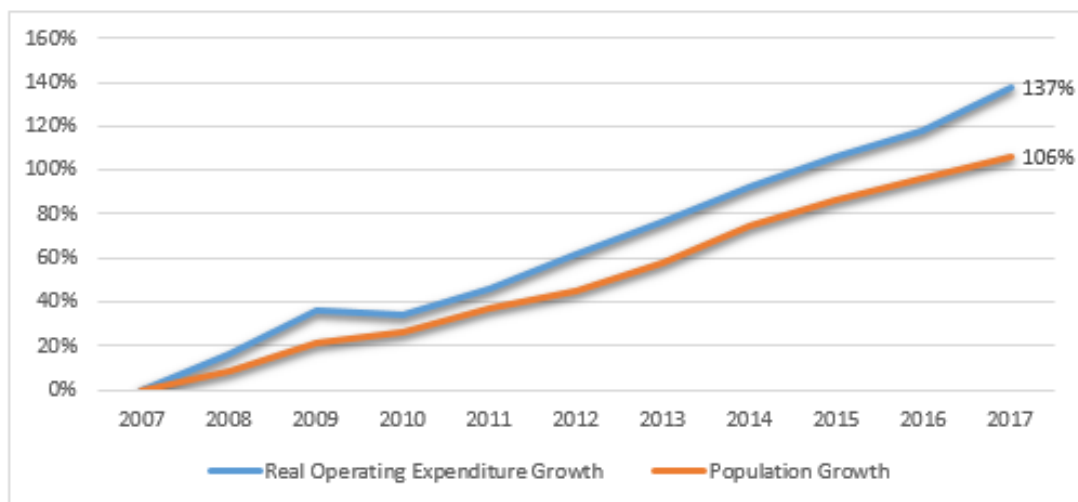
Edmonton Operating Expenditure Trends, 2007 to 2017 Ranked 10 out of the 17 largest AB Municipalities



Edmonton	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Real Operating Expenditure Growth	0%	11%	17%	23%	30%	31%	41%	46%	54%	54%	58%
Population Growth	0%	3%	7%	7%	7%	12%	12%	20%	20%	23%	28%
Real Per Capita Spending	\$1,786	\$1,931	\$1,945	\$2,056	\$2,166	\$2,094	\$2,255	\$2,164	\$2,291	\$2,235	\$2,204

Airdrie Operating Expenditure Trends, 2007 to 2017

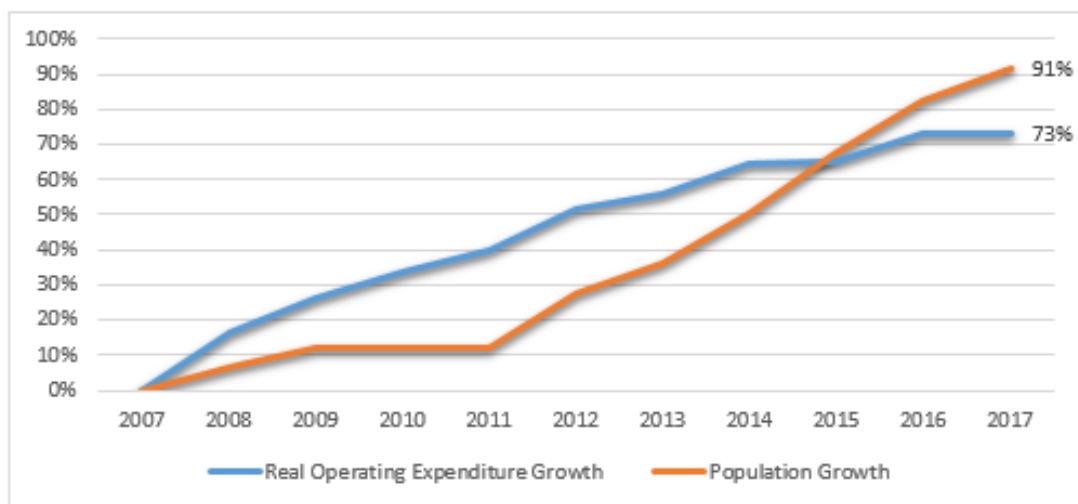
Ranked 4 out of the 17 largest AB Municipalities



Airdrie	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Real Operating Expenditure Growth	0%	17%	36%	35%	46%	62%	76%	92%	107%	117%	137%
Population Growth	0%	8%	21%	26%	37%	45%	57%	74%	86%	96%	106%
Real Per Capita Spending	\$1,261	\$1,359	\$1,415	\$1,342	\$1,343	\$1,405	\$1,414	\$1,390	\$1,398	\$1,397	\$1,452

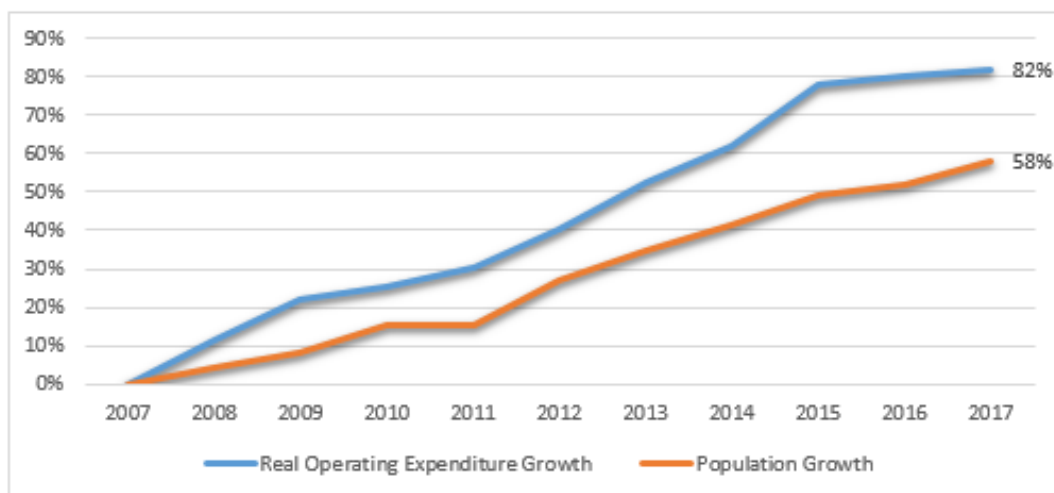
Cochrane Operating Expenditure Trends, 2007 to 2017

Ranked 1 out of the 17 largest AB Municipalities



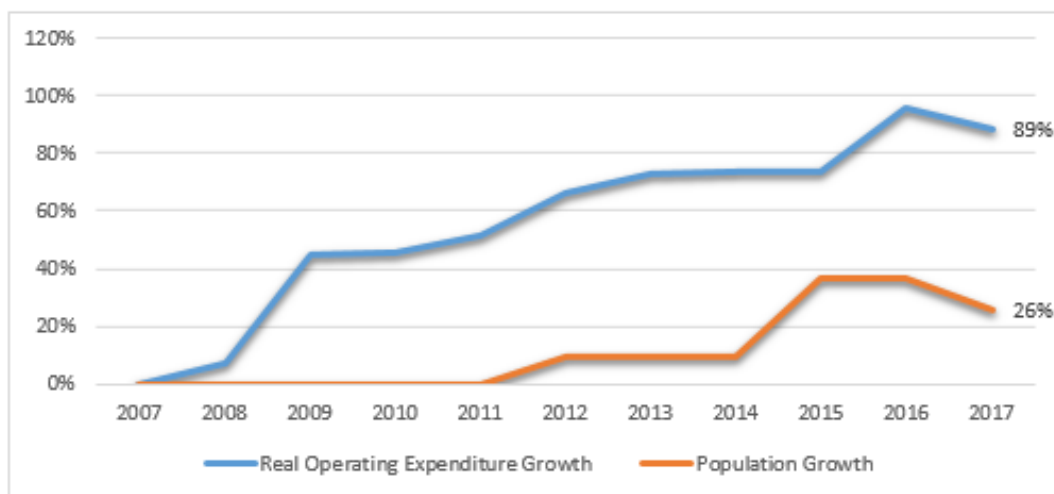
Cochrane	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Real Operating Expenditure Growth	0%	16%	26%	33%	40%	52%	56%	65%	65%	73%	73%
Population Growth	0%	6%	12%	12%	12%	28%	36%	50%	68%	83%	91%
Real Per Capita Spending	\$1,462	\$1,598	\$1,644	\$1,739	\$1,824	\$1,734	\$1,671	\$1,600	\$1,440	\$1,386	\$1,321

Fort Saskatchewan Operating Expenditure Trends, 2007 to 2017 Ranked 6 out of the 17 largest AB Municipalities



Fort Saskatchewan	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Real Operating Expenditure Growth	0%	11%	22%	25%	30%	41%	52%	62%	78%	80%	82%
Population Growth	0%	4%	8%	16%	16%	27%	35%	41%	49%	52%	58%
Real Per Capita Spending	\$1,776	\$1,904	\$1,938	\$1,929	\$2,002	\$1,968	\$2,004	\$2,038	\$2,123	\$2,104	\$2,043

Grande Prairie Operating Expenditure Trends, 2007 to 2017 Ranked 15 out of the 17 largest AB Municipalities



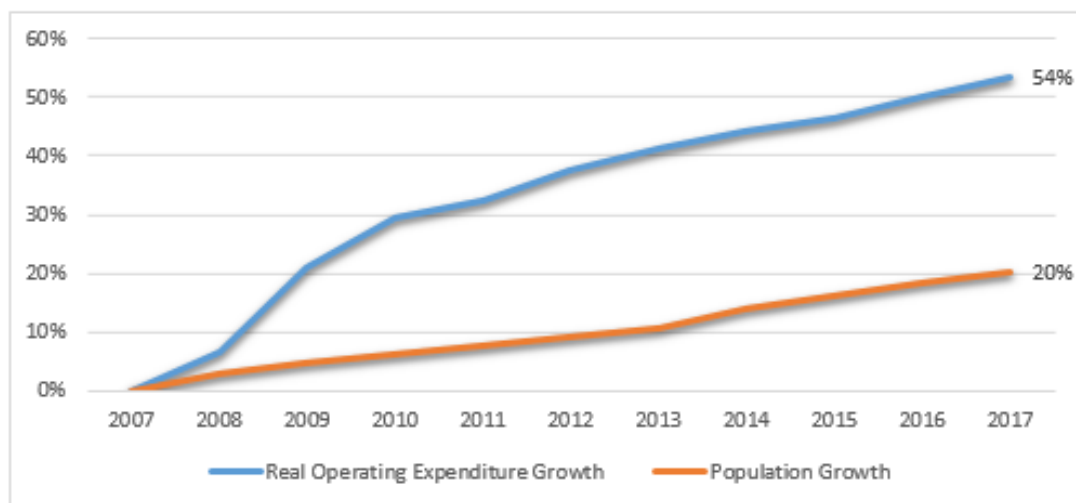
Grande Prairie	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Real Operating Expenditure Growth	0%	7%	45%	46%	51%	66%	73%	74%	74%	96%	89%
Population Growth	0%	0%	0%	0%	0%	10%	10%	10%	36%	36%	26%
Real Per Capita Spending	\$1,414	\$1,517	\$2,050	\$2,058	\$2,138	\$2,147	\$2,229	\$2,241	\$1,800	\$2,027	\$2,121

Leduc Operating Expenditure Trends, 2007 to 2017 Ranked 13 out of the 17 largest AB Municipalities



Leduc	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>Real Operating Expenditure Growth</i>	0%	11%	36%	69%	71%	76%	84%	94%	125%	140%	138%
<i>Population Growth</i>	0%	21%	27%	37%	42%	50%	61%	68%	73%	80%	83%
<i>Real Per Capita Spending</i>	\$1,695	\$1,551	\$1,812	\$2,082	\$2,032	\$1,988	\$1,938	\$1,956	\$2,204	\$2,267	\$2,197

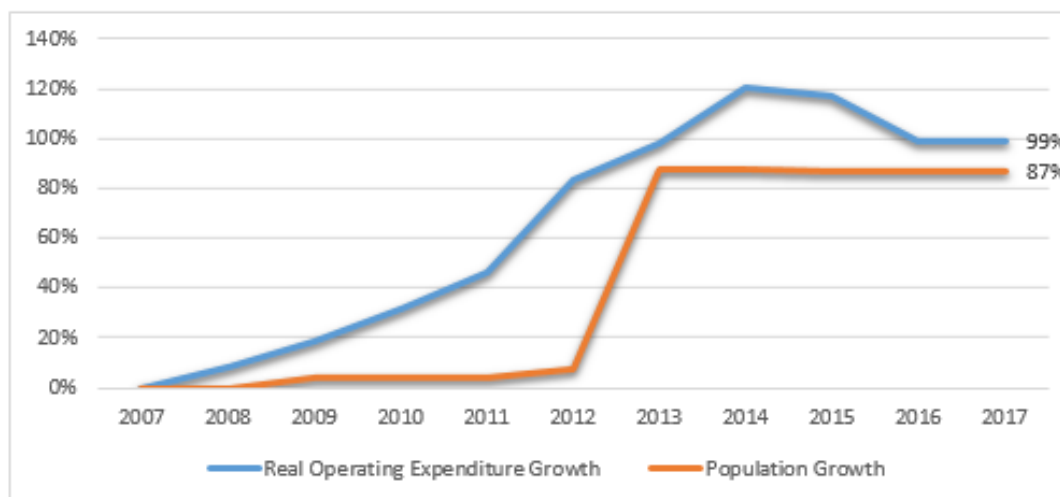
Lethbridge Operating Expenditure Trends, 2007 to 2017 Ranked 9 out of the 17 largest AB Municipalities



Lethbridge	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>Real Operating Expenditure Growth</i>	0%	7%	21%	29%	32%	38%	41%	44%	46%	50%	54%
<i>Population Growth</i>	0%	3%	5%	6%	8%	9%	11%	14%	16%	19%	20%
<i>Real Per Capita Spending</i>	\$1,642	\$1,704	\$1,896	\$2,002	\$2,023	\$2,075	\$2,096	\$2,082	\$2,073	\$2,082	\$2,098

Lloydminster Operating Expenditure Trends, 2007 to 2017

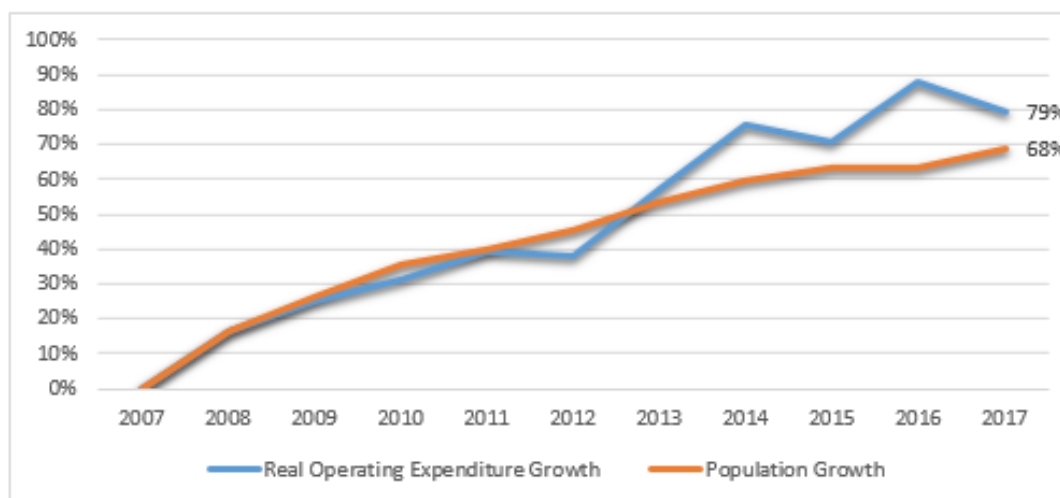
Ranked 3 out of the 17 largest AB Municipalities



Lloydminster	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>Real Operating Expenditure Growth</i>	0%	9%	18%	31%	46%	83%	98%	121%	117%	99%	99%
<i>Population Growth</i>	0%	0%	4%	4%	4%	7%	88%	88%	87%	87%	87%
<i>Real Per Capita Spending</i>	\$1,469	\$1,595	\$1,676	\$1,863	\$2,069	\$2,505	\$1,555	\$1,729	\$1,706	\$1,564	\$1,561

Okotoks Operating Expenditure Trends, 2007 to 2017

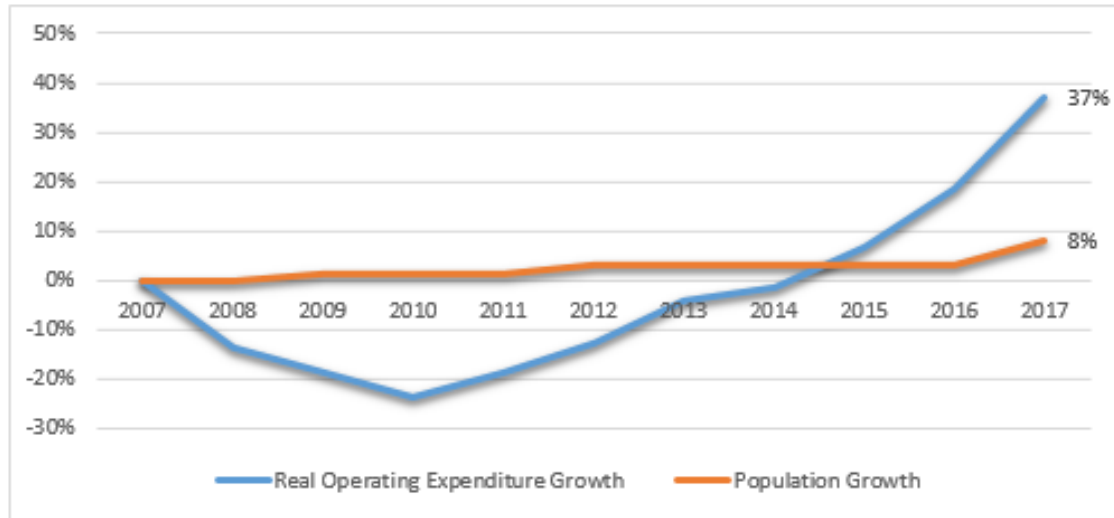
Ranked 2 out of the 17 largest AB Municipalities



Okotoks	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>Real Operating Expenditure Growth</i>	0%	16%	25%	31%	39%	38%	57%	75%	71%	88%	79%
<i>Population Growth</i>	0%	17%	27%	35%	40%	46%	54%	59%	63%	63%	68%
<i>Real Per Capita Spending</i>	\$1,285	\$1,282	\$1,267	\$1,246	\$1,278	\$1,217	\$1,313	\$1,414	\$1,342	\$1,476	\$1,366

Parkland County Operating Expenditure Trends, 2007 to 2017

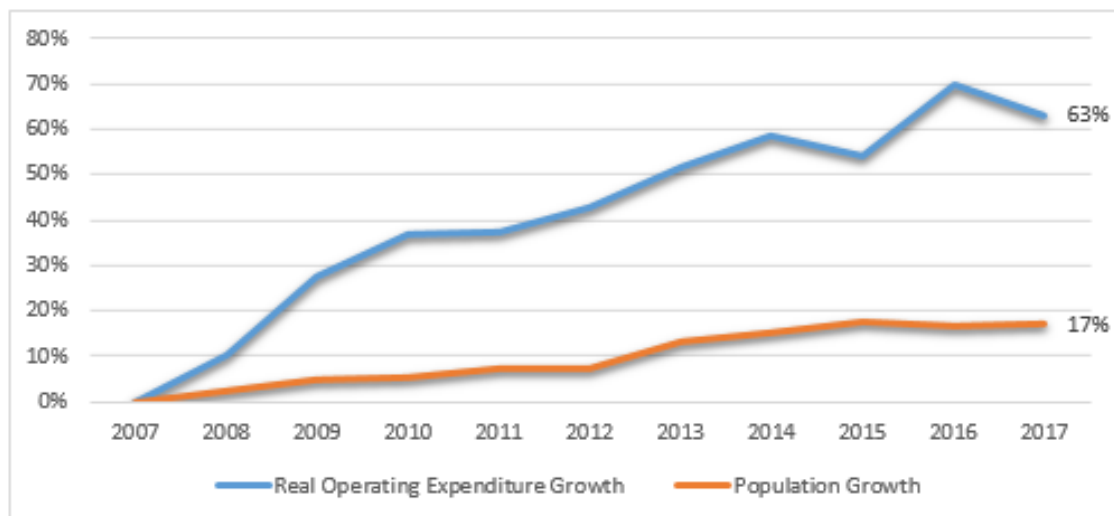
Ranked 8 out of the 17 largest AB Municipalities



Parkland County	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>Real Operating Expenditure Growth</i>	0%	-14%	-19%	-24%	-19%	-13%	-4%	-1%	7%	19%	37%
<i>Population Growth</i>	0%	0%	1%	1%	1%	3%	3%	3%	3%	3%	8%
<i>Real Per Capita Spending</i>	\$1,520	\$1,314	\$1,219	\$1,144	\$1,219	\$1,290	\$1,412	\$1,455	\$1,576	\$1,749	\$1,926

Red Deer Operating Expenditure Trends, 2007 to 2017

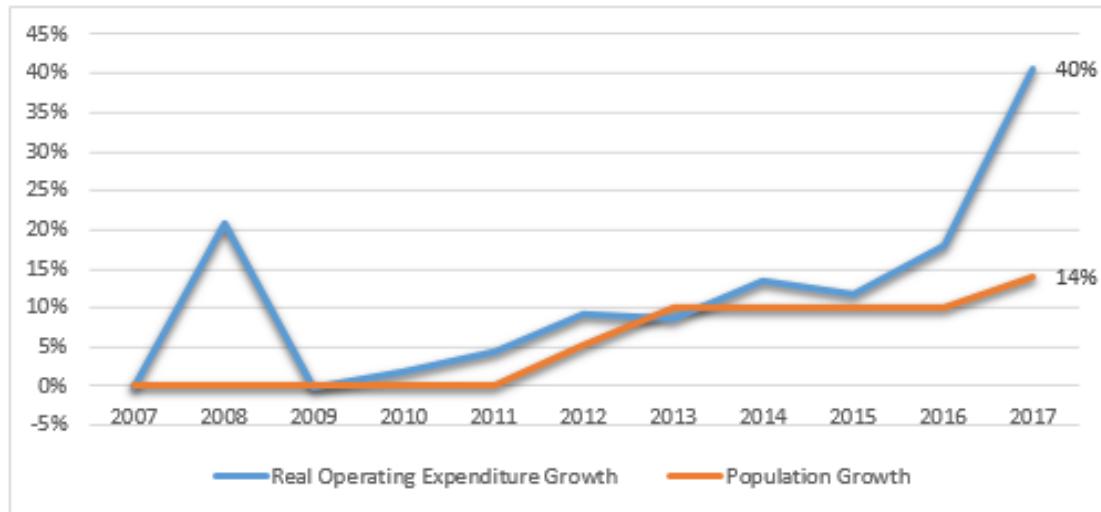
Ranked 14 out of the 17 largest AB Municipalities



Red Deer	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>Real Operating Expenditure Growth</i>	0%	10%	27%	37%	37%	43%	51%	58%	54%	70%	63%
<i>Population Growth</i>	0%	2%	5%	5%	7%	7%	13%	15%	18%	16%	17%
<i>Real Per Capita Spending</i>	\$1,524	\$1,636	\$1,848	\$1,982	\$1,953	\$2,029	\$2,035	\$2,099	\$1,996	\$2,221	\$2,122

Rocky View County Operating Expenditure Trends, 2007 to 2017

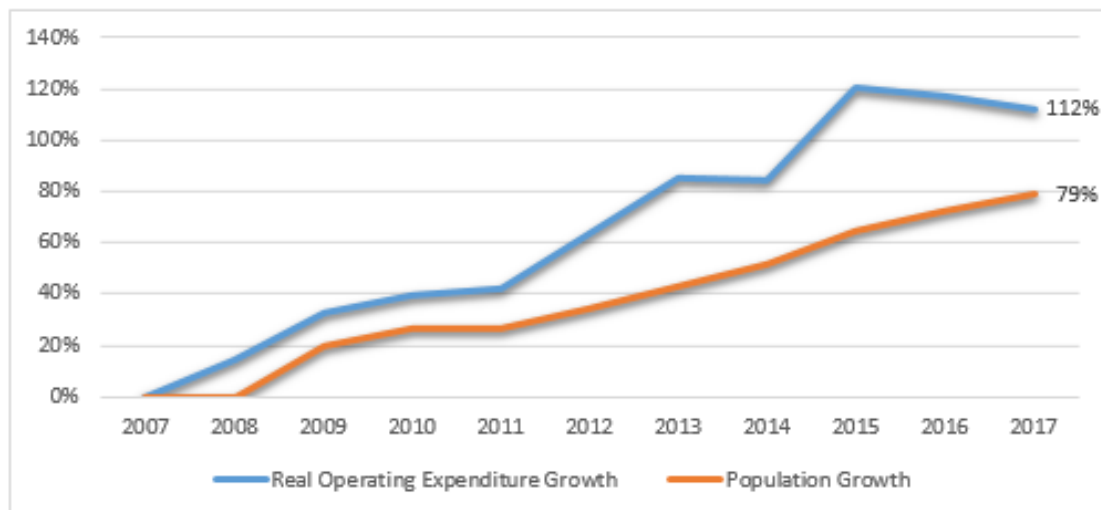
Ranked 7 out of the 17 largest AB Municipalities



Rocky View County	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>Real Operating Expenditure Growth</i>	0%	21%	0%	2%	4%	9%	9%	13%	12%	18%	40%
<i>Population Growth</i>	0%	0%	0%	0%	0%	5%	10%	10%	10%	10%	14%
<i>Real Per Capita Spending</i>	\$1,575	\$1,903	\$1,571	\$1,606	\$1,645	\$1,633	\$1,555	\$1,624	\$1,601	\$1,689	\$1,943

Spruce Grove Operating Expenditure Trends, 2007 to 2017

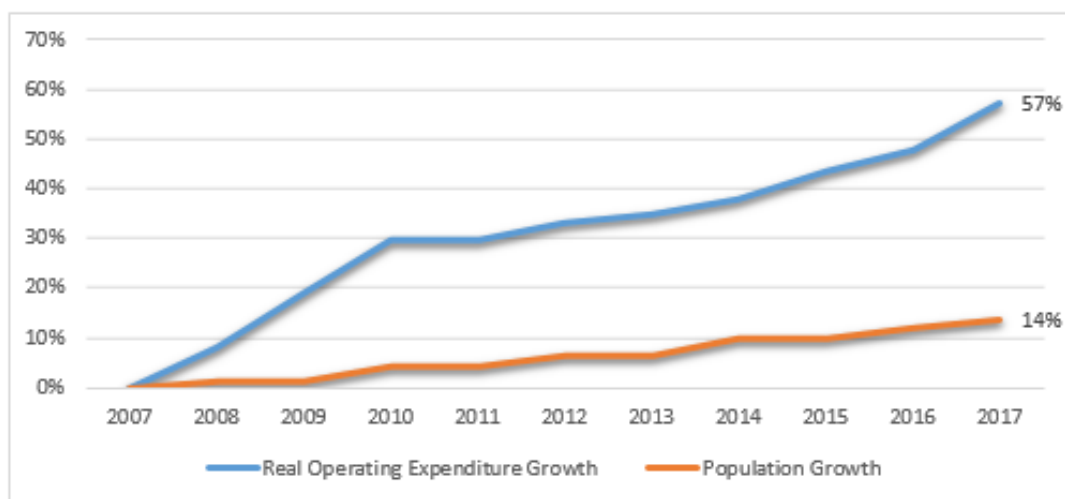
Ranked 5 out of the 17 largest AB Municipalities



Spruce Grove	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>Real Operating Expenditure Growth</i>	0%	14%	32%	40%	42%	64%	85%	84%	120%	117%	112%
<i>Population Growth</i>	0%	0%	20%	26%	26%	34%	43%	51%	64%	73%	79%
<i>Real Per Capita Spending</i>	\$1,440	\$1,644	\$1,591	\$1,590	\$1,616	\$1,760	\$1,865	\$1,754	\$1,932	\$1,815	\$1,708

St. Albert Operating Expenditure Trends, 2007 to 2017

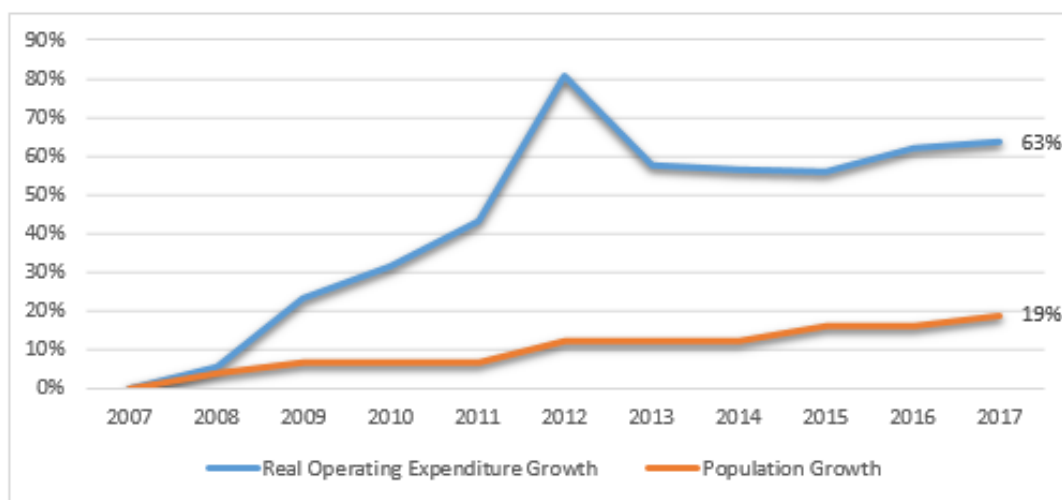
Ranked 11 out of the 17 largest AB Municipalities



St. Albert	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Real Operating Expenditure Growth	0%	8%	19%	30%	30%	33%	35%	38%	43%	48%	57%
Population Growth	0%	1%	1%	4%	4%	6%	6%	10%	10%	12%	14%
Real Per Capita Spending	\$1,474	\$1,572	\$1,725	\$1,833	\$1,833	\$1,844	\$1,863	\$1,854	\$1,927	\$1,945	\$2,038

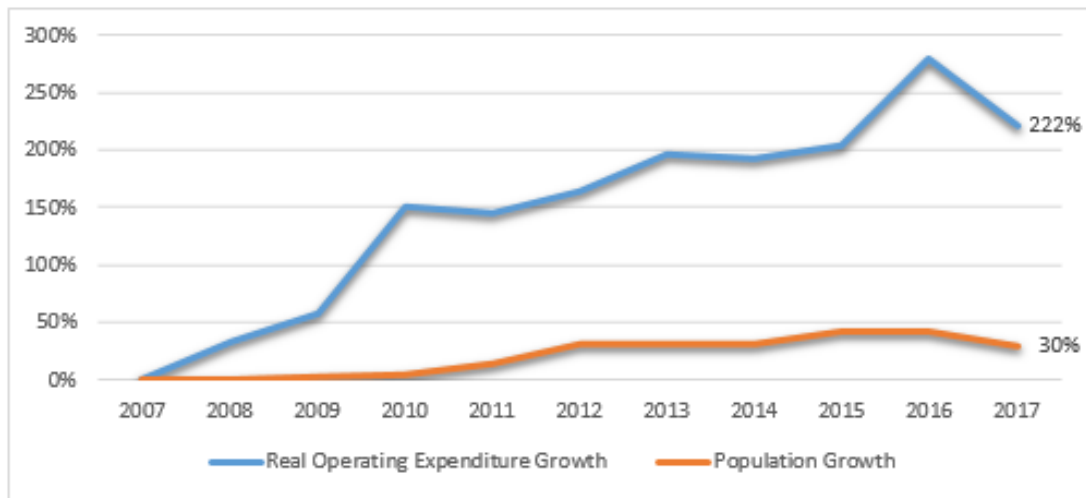
Strathcona County Operating Expenditure Trends, 2007 to 2017

Ranked 16 out of the 17 largest AB Municipalities



Strathcona County	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Real Operating Expenditure Growth	0%	5%	23%	31%	43%	81%	58%	56%	56%	62%	63%
Population Growth	0%	4%	7%	7%	7%	12%	12%	12%	16%	16%	19%
Real Per Capita Spending	\$1,813	\$1,845	\$2,089	\$2,232	\$2,432	\$2,919	\$2,548	\$2,530	\$2,442	\$2,531	\$2,492

Wood Buffalo Operating Expenditure Trends, 2007 to 2017
Ranked 17 out of the 17 largest AB Municipalities



Wood Buffalo, Regional Municipality of	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>Real Operating Expenditure Growth</i>	0%	34%	57%	151%	144%	164%	196%	192%	204%	279%	222%
<i>Population Growth</i>	0%	0%	2%	4%	15%	32%	32%	32%	42%	42%	30%
<i>Real Per Capita Spending</i>	\$1,736	\$2,324	\$2,671	\$4,188	\$3,691	\$3,471	\$3,891	\$3,835	\$3,725	\$4,636	\$4,295

Appendix C: Albertan Municipalities, Population and Spending Growth, 2007-2017 and Per Capita Operating Spending

	2007-2017 Population Growth	2007-2017 Growth in Real Operating Spending	Per Capita Operational Spending
AIRDRIE	106%	137%	\$1,691
ALBERTA BEACH	15%	31%	\$2,394
ATHABASCA	15%	40%	\$2,449
ATHABASCA COUNTY	4%	42%	\$2,829
BANFF	2%	51%	\$4,000
BARRHEAD	9%	99%	\$2,137
BARRHEAD NO. 11, COUNTY OF	8%	25%	\$1,371
BASSANO	-13%	23%	\$1,842
BEAUMONT	88%	127%	\$1,691
BEAVER COUNTY	4%	8%	\$2,200
BEAVERLODGE	9%	18%	\$2,086
BENTLEY	0%	6%	\$1,842
BIG LAKES COUNTY	8%	-9%	\$5,109
BIGHORN NO. 8, M.D. OF	6%	108%	\$5,891
BIRCH HILLS COUNTY	6%	19%	\$4,057
BLACK DIAMOND	36%	56%	\$1,908
BLACKFALDS	105%	151%	\$1,688
BON ACCORD	0%	19%	\$1,728
BONNYVILLE	9%	36%	\$2,391
BONNYVILLE NO. 87, M.D. OF	29%	59%	\$3,812
BOW ISLAND	9%	53%	\$1,499
BOWDEN	3%	25%	\$1,815
BRAZEAU COUNTY	10%	57%	\$2,734
BROOKS	6%	67%	\$1,669
BRUDERHEIM	8%	59%	\$1,988
CALGARY	22%	57%	\$2,561
CALMAR	12%	29%	\$2,176
CAMROSE	18%	7%	\$2,015
CAMROSE COUNTY	18%	14%	\$2,195
CANMORE	16%	40%	\$2,780
CARDSTON	0%	4%	\$1,527
CARDSTON COUNTY	11%	21%	\$1,427
CARSTAIRS	54%	67%	\$1,682
CHESTERMERE	81%	91%	\$1,361

	2007-2017 Population Growth	2007-2017 Growth in Real Operating Spending	Per Capita Operational Spending
CLARESHOLM	2%	50%	\$1,646
CLEAR HILLS COUNTY	11%	-15%	\$4,515
CLEARWATER COUNTY	1%	40%	\$2,651
COALDALE	33%	77%	\$1,676
COALHURST	75%	162%	\$1,523
COCHRANE	91%	73%	\$1,538
COLD LAKE	16%	106%	\$2,665
CROSSFIELD	15%	37%	\$1,782
CROWSNEST PASS, Municipality of	-3%	11%	\$2,256
CYPRESS COUNTY	14%	3%	\$2,560
DEVON	3%	45%	\$1,814
DIDSBURY	23%	36%	\$1,648
DRAYTON VALLEY	5%	61%	\$3,058
DRUMHELLER	1%	26%	\$1,978
DUCHESS	11%	64%	\$1,434
ECKVILLE	12%	23%	\$1,994
EDMONTON	28%	58%	\$2,573
EDSON	1%	34%	\$2,371
ELK POINT	-4%	43%	\$2,046
FAIRVIEW	-9%	22%	\$1,963
FAIRVIEW NO. 136, M.D. OF	12%	17%	\$3,534
FALHER	11%	26%	\$2,666
FLAGSTAFF COUNTY	7%	23%	\$4,636
FOOTHILLS NO. 31, M.D. OF	15%	-16%	\$1,570
FORT MACLEOD	-3%	40%	\$2,017
FORT SASKATCHEWAN	58%	82%	\$2,379
FORTY MILE NO. 8, COUNTY OF	5%	8%	\$2,679
FOX CREEK	-13%	77%	\$3,895
GIBBONS	11%	88%	\$1,688
GRANDE CACHE	-6%	-1%	\$3,018
GRANDE PRAIRIE	26%	89%	\$2,470
GRANDE PRAIRIE NO. 1, COUNTY OF	24%	2%	\$3,102
GREENVIEW NO. 16, M.D. OF	2%	70%	\$9,454
GRIMSHAW	7%	43%	\$1,556
HANNA	-10%	34%	\$2,328
HIGH LEVEL	3%	9%	\$2,441
HIGH PRAIRIE	-10%	7%	\$2,545

	2007-2017 Population Growth	2007-2017 Growth in Real Operating Spending	Per Capita Operational Spending
HIGH RIVER	27%	63%	\$2,062
HINTON	1%	44%	\$2,367
I.D. NO. 09 (BANFF)	10%	77%	\$1,944
INNISFAIL	2%	60%	\$1,890
IRRICANA	-2%	25%	\$1,720
JASPER, Municipality of	-1%	42%	\$3,176
KNEEHILL COUNTY	-4%	2%	\$3,945
LAC LA BICHE COUNTY	4%	41%	\$4,173
LAC STE. ANNE COUNTY	15%	-5%	\$1,796
LACOMBE	13%	54%	\$1,935
LACOMBE COUNTY	-1%	7%	\$2,402
LAMONT	7%	-5%	\$1,698
LAMONT COUNTY	-1%	69%	\$4,198
LEDUC	83%	138%	\$2,558
LEDUC COUNTY	8%	11%	\$3,688
LEGAL	13%	30%	\$1,483
LESSER SLAVE RIVER NO. 124, M.D. OF	-1%	53%	\$5,131
LETHBRIDGE	20%	54%	\$2,443
LETHBRIDGE COUNTY	0%	-10%	\$1,910
LLOYDMINSTER	87%	99%	\$1,818
MACKENZIE COUNTY	12%	7%	\$2,453
MAGRATH	17%	27%	\$1,220
MANNING	-21%	42%	\$2,885
MAYERTHORPE	-10%	46%	\$2,459
MILLET	-8%	52%	\$1,614
MINBURN NO. 27, COUNTY OF	-4%	20%	\$4,687
MORINVILLE	46%	78%	\$1,750
MOUNTAIN VIEW COUNTY	4%	-6%	\$1,931
NANTON	6%	72%	\$1,998
NEWELL, COUNTY OF	10%	108%	\$6,748
NOBLEFORD	85%	83%	\$853
NORTHERN LIGHTS, COUNTY OF	3%	4%	\$4,391
NORTHERN SUNRISE COUNTY	-26%	60%	\$12,668
OKOTOKS	68%	79%	\$1,591
OLDS	27%	74%	\$2,175
ONOWAY	18%	23%	\$2,221

	2007-2017 Population Growth	2007-2017 Growth in Real Operating Spending	Per Capita Operational Spending
OPPORTUNITY NO. 17, M.D. OF	-2%	83%	\$15,880
OYEN	-7%	38%	\$2,537
PAINTEARTH NO. 18, COUNTY OF	-1%	80%	\$6,456
PARKLAND COUNTY	8%	37%	\$2,243
PEACE NO. 135, M.D. OF	17%	15%	\$1,863
PEACE RIVER	8%	47%	\$2,681
PENHOLD	67%	152%	\$1,993
PICTURE BUTTE	14%	26%	\$1,414
PINCHER CREEK	0%	56%	\$2,439
PINCHER CREEK NO. 9, M.D. OF	-10%	70%	\$4,082
PONOKA	10%	45%	\$1,923
PONOKA COUNTY	13%	-12%	\$1,492
PROVOST	-4%	25%	\$2,180
PROVOST NO. 52, M.D. OF	-13%	27%	\$5,565
RAYMOND	20%	74%	\$1,890
RED DEER	17%	63%	\$2,471
RED DEER COUNTY	2%	7%	\$2,156
REDCLIFF	10%	33%	\$1,491
REDWATER	-6%	28%	\$2,329
RIMBEY	14%	-3%	\$1,605
ROCKY VIEW COUNTY	14%	40%	\$2,262
SADDLE HILLS COUNTY	-9%	78%	\$11,650
SEXSMITH	16%	55%	\$1,300
SLAVE LAKE	-5%	69%	\$2,600
SMOKY LAKE COUNTY	-9%	30%	\$4,408
SMOKY RIVER NO. 130, M.D. OF	-17%	-9%	\$3,539
SPECIAL AREAS BOARD	-12%	21%	\$11,065
SPRUCE GROVE	79%	112%	\$1,989
ST. ALBERT	14%	57%	\$2,373
ST. PAUL	10%	71%	\$2,559
ST. PAUL NO. 19, COUNTY OF	9%	25%	\$3,163
STARLAND COUNTY	-13%	13%	\$5,133
STETTLER	10%	52%	\$2,149
STETTLER NO. 6, COUNTY OF	6%	4%	\$2,757
STIRLING	33%	4%	\$1,291
STONY PLAIN	39%	72%	\$1,989
STRATHCONA COUNTY	19%	63%	\$2,902

	2007-2017 Population Growth	2007-2017 Growth in Real Operating Spending	Per Capita Operational Spending
STRATHMORE	24%	69%	\$1,720
STURGEON COUNTY	10%	-13%	\$2,225
SUNDRE	8%	63%	\$2,469
SWAN HILLS	-21%	25%	\$2,800
SYLVAN LAKE	38%	107%	\$1,865
TABER	11%	45%	\$2,239
TABER, M.D. OF	14%	14%	\$2,346
THORHILD COUNTY	7%	76%	\$3,637
THORSBY	7%	21%	\$2,776
THREE HILLS	-3%	10%	\$1,962
TOFIELD	11%	21%	\$2,036
TROCHU	0%	36%	\$2,229
TURNER VALLEY	34%	106%	\$2,546
TWO HILLS	17%	45%	\$1,677
TWO HILLS NO. 21, COUNTY OF	30%	31%	\$3,118
VALLEYVIEW	-1%	57%	\$3,794
VAUXHALL	14%	16%	\$1,914
VEGREVILLE	3%	63%	\$3,125
VERMILION	-7%	70%	\$2,531
VERMILION RIVER, COUNTY OF	11%	-10%	\$2,563
VIKING	0%	44%	\$3,491
VULCAN	-1%	38%	\$2,583
VULCAN COUNTY	4%	-9%	\$3,572
WAINWRIGHT	16%	33%	\$1,879
WAINWRIGHT NO. 61, M.D. OF	9%	-7%	\$4,250
WARNER NO. 5, COUNTY OF	2%	22%	\$2,137
WEMBLEY	5%	134%	\$1,688
WESTLOCK	2%	88%	\$2,377
WESTLOCK COUNTY	4%	-7%	\$1,670
WETASKIWIN	8%	44%	\$1,866
WETASKIWIN NO. 10, COUNTY OF	6%	9%	\$1,972
WHEATLAND COUNTY	8%	61%	\$3,384
WHITECOURT	14%	93%	\$2,607
WILLOW CREEK NO. 26, M.D. OF	-3%	18%	\$2,096
WOOD BUFFALO, Regional Municipality of	30%	222%	\$5,002
WOODLANDS COUNTY	14%	-36%	\$3,500
YELLOWHEAD COUNTY	9%	-4%	\$3,949