



PROVINCE OF ALBERTA

ANNUAL REPORT
CITY OF ST. ALBERT

FOR THE YEAR ENDED
DECEMBER 31,

2025



stalbert.ca

City of St. Albert
Cultivate Life

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City of St. Albert, Alberta, Canada
2025 Annual Report, for the year ended December 31, 2025
Prepared by: Financial & Strategic Services and Communications & Public Affairs

City of St. Albert
5 St. Anne Street, St. Albert, AB T8N 3Z9
780-459-1500
stalbert.ca



Land Acknowledgement

We respectfully acknowledge that we are on Treaty 6 territory, traditional lands of First Nations and Métis peoples. As treaty People, Indigenous and non-Indigenous, we share the responsibility for stewardship of this beautiful land.

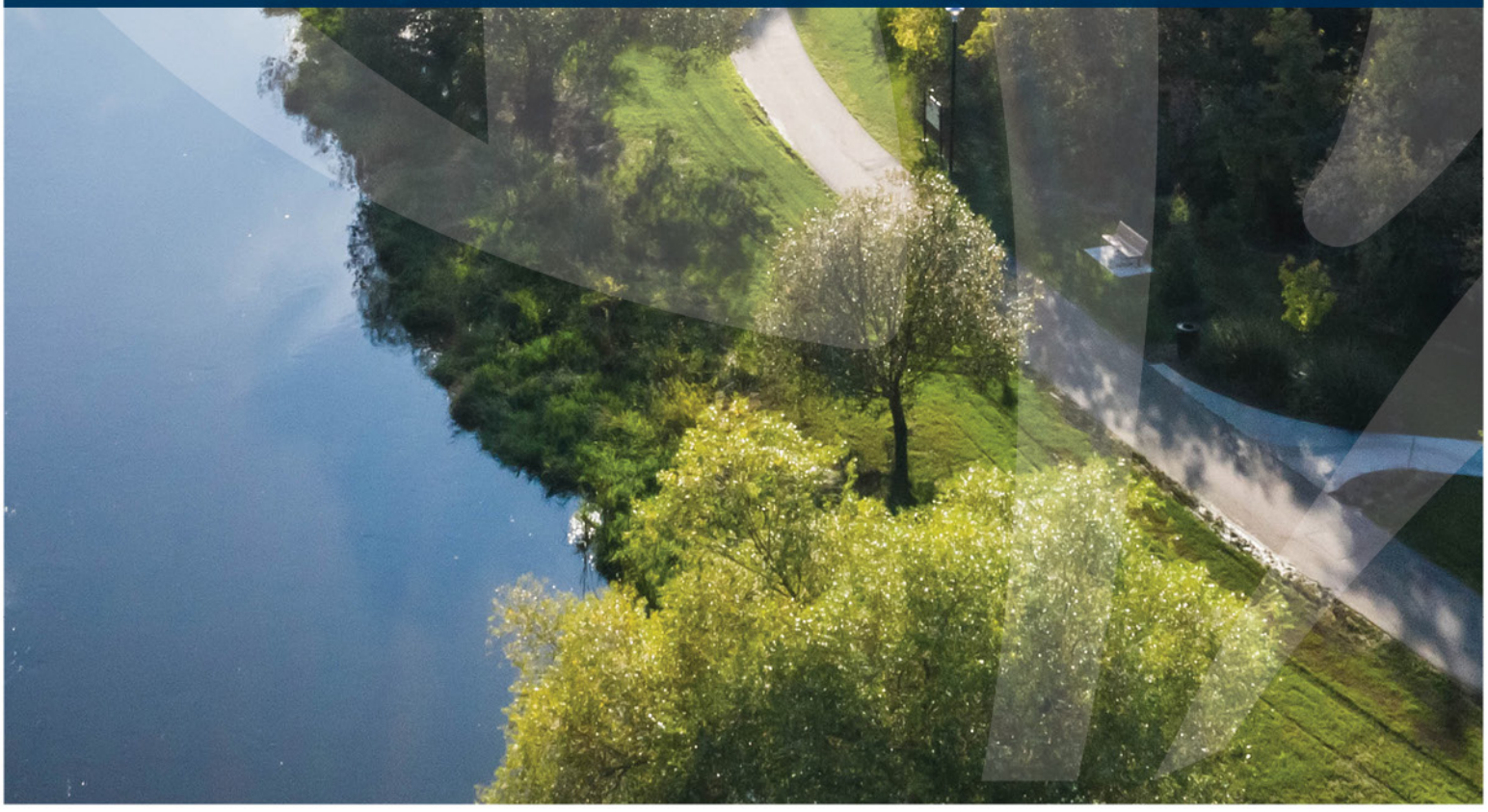


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Downtown St. Albert

Introduction

The City of St. Albert (the “City”) is pleased to present its 2025 Annual Report, which provides an overview of the City’s activities, achievements, and financial position over the past year.

The Annual Report is divided into the following three sections:

- **Introductory Section** – includes messages from the Mayor and Chief Administrative Officer and provides an overview of the City of St. Albert, including its city profile and government structure. This section also includes the Year in Review, an overview of key corporate activities and accomplishments based on the City of St. Albert Council Strategic Plan.

- **Financial Section** – includes the Financial Statement Discussion and Analysis which provides the management and auditor reports and presents the audited financial statements including related notes and schedules. A discussion and analysis of the financial statements is also included to enhance the reader’s understanding of the City’s fiscal results and overall condition.

- **Statistical Section** – includes historical and comparative data on the City of St. Albert’s financial trends, revenue capacity, debt levels and demographic and economic indicators. This section provides insights to enhance understanding of the City's financial condition and operational performance.

MESSAGE FROM THE MAYOR



On behalf of City Council, I am pleased to present the City of St. Albert's 2025 Annual Report. The City provides residents and businesses with a wide range of essential services, delivered with a strong commitment to fiscal responsibility. Council continues to take a long-term, strategic approach to ensure our community remains sustainable and is well-positioned to remain one of the best places in Canada to grow a business or raise a family, now and into the future.

The 2022-2025 St. Albert Council Strategic Plan identified the following five strategic priorities that we as a community are working together to achieve:

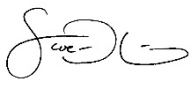
- Economic Prosperity
- Downtown Vibrancy
- Community Well-Being
- Adapt to a Changing Natural Environment
- Financial Sustainability

Your newly elected Council, established in October 2025, will release a new 2026-2029 Strategic Plan in the coming weeks, that sets a vision for our term in office. We thank the previous City Council members for all their contributions, as Council builds upon the foundation they created over the next four years.

In 2025, key milestones were achieved on a variety of initiatives that support these priority areas. Seeing Lakeview Business District break ground as one of Alberta's newest and largest industrial business districts is top of mind. This 600-acre development in west St. Albert is now ready for development, and I cannot wait to see how this changes the game in our city, bringing an estimated 5,000 new jobs to the Edmonton Metropolitan Region. It is strategically positioned along primary national and interprovincial trade corridors, close to rail and the Villeneuve airport, with access to a high-pressure gas main. The district will enable access to regional, national and international markets and help to move the needle on long-term Economic Prosperity and Financial Sustainability.

In collaboration with Homeland Housing and government partners, we progressed the proposed Mixed Market Housing Development at 22 St. Thomas Street, with significant funding support from the Government of Alberta and Government of Canada to enable the project. This will provide St. Albert with much-needed housing in the heart of our community, giving residents more housing choices and increasing the vibrancy of our charming downtown.

I am excited about all the progress made in 2025, and the work we'll do in 2026 for the community. I look forward to continuing to work with residents, the business community and Administration as we make key decisions to ensure St. Albert flourishes as a vibrant, innovative and thriving city.



SCOTT OLIVIERI
Mayor, City of St. Albert
The Botanical Arts City

MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER



On behalf of City of St. Albert Administration, it is my pleasure to showcase the City of St. Albert's 2025 Annual Report. The report details our audited financial statements and provides updates on many initiatives and accomplishments. I encourage you to take a look at the pages that follow to learn more.

The work we achieved in 2025 is in service to over 72,000 residents, 2,800 businesses and a multitude of visitors that value the St. Albert community and all it has to offer. Throughout the year, our organization continued to progress Council priorities as highlighted by Mayor Olivieri, while also advancing our Organizational Excellence priorities that focus on the five key areas of:

- Our people – our team
- Planning and prioritizing
- Operational performance
- Digital transformation
- Service experience

With these priorities in mind, Administration improved our residents' experience by expanding online services and communication tools, including enabling credit card payments for taxes and utilities, and providing tax notices online.

The 2025 Municipal Election saw us end the year with a few familiar faces and many new ones who bring with them fresh perspectives, insights and guidance. However, before our new City Council even stepped into Chambers, a significant amount of work was taking place behind the scenes in preparation for October 20. This included hiring over 250 election workers, planning and preparing new counting methods to ensure accuracy and efficiency, as well as providing timely information to our residents and voters throughout the process.

From a digital transformation perspective, we transitioned the Emergency Communications Centre for the St. Albert RCMP to the Next-Generation 9-1-1 system providing first responders with more detailed and accurate caller locations. This work is a testament to the partnership and collaboration between the City of St. Albert and the RCMP as we work towards upgrading technology together and continuing to ensure the safety of our residents.

Progress continues on the work we do around managing City assets which include everything from bridges to trees to fire hydrants and playgrounds. The City has begun the implementation of the Enterprise Maintenance Management and Asset Management program to create a single technology platform providing an all-encompassing view of the lifecycle of the various types of assets from planning, procurement, operations, maintenance and disposal. Our team also prioritized resources towards a new initiative in 2025 and helped bring the community together during the Stanley Cup Finals by hosting the Big Game on the Big Screen. This event provided a family-friendly, fun and safe place to watch the games for almost 4,000 people and was amazing to watch so many people gather and celebrate.

The City was once again honoured with the Canadian Award for Financial Reporting for its 2024 Annual Report, marking an impressive 24 consecutive years of recognition. This achievement reflects the dedication and professionalism of our staff, who remain committed to providing the community with clear, transparent and comprehensive information.

I look forward to continuing to work on behalf of our dedicated Council in 2026 and alongside our employees and community in advancing our goals for a sustainable and vibrant future.



WILLIAM (BILL) FLETCHER
Chief Administrative Officer



St. Albert Entrance Sign

CITY PROFILE

Today, St. Albert is a vibrant city with a population of over 72,000. Plans are in place to seize new opportunities and strategically plan to grow to a city of 100,000 over the coming decades.

St. Albert's Community Vision states that St. Albert is a vibrant, innovative and thriving city that we all call home, that sustains and cherishes its identity and sense of community. We are the Botanical Arts City.

Located minutes from northwest Edmonton, St. Albert provides residents an outstanding quality of life where they can enjoy a safe small-town feel, without losing access to everything offered from a major metropolitan centre.

Residents enjoy mature tree-lined streets, a bustling downtown district, connected trails and natural areas, an abundant mix of cultural and recreational opportunities and a thriving commercial sector. St. Albert also boasts low unemployment rates, low crime rates, excellent schools and quality healthcare.

HISTORY OF ST. ALBERT

St. Albert is located within Treaty 6 territory, a significant First Nations gathering place and Métis homeland. For thousands of years, the land now known as St. Albert has been home to Indigenous peoples, including the Cree, Dene, Blackfoot, and others, who gathered in the Sturgeon River Valley to raise their families and build rich, diverse communities. Indigenous peoples have had an important role in St. Albert's founding and growth, have celebrated many achievements and continue to contribute to our community.

In the 1820s, Métis people associated with Fort Edmonton first settled on the land known as the Big Lake Settlement, and this Métis community attracted the Oblate Roman Catholic Mission, leading to the settlement being named St. Albert. On January 14, 1861, Mission Hill was proclaimed as the home of the St. Albert mission settlement. By 1870, St. Albert was the largest agricultural settlement west of Winnipeg, with a population of approximately 1,000.



Juneau House is the oldest house in St. Albert. It is one of the City's Municipal Historical Resources and is the current home to Michif Cultural Connections (formerly Michif Cultural Resources Institute).

The village of St. Albert was established on December 7, 1899, by order of Council. St. Albert was declared a new town in the mid-1950s. The City of St. Albert was incorporated on January 1, 1977, and currently covers a total area of 6,531 hectares.

GOVERNMENT STRUCTURE

The City of St. Albert's mandate is to provide social and recreational programs, protective services, transportation systems, public utilities and other services to the community. The municipality consists of two branches – a legislative branch (comprising City Council), and an administrative branch (led by the Chief Administrative Officer).

City Council consists of a mayor and six councillors. Council is elected at large by residents to serve a four-year term and governs in accordance with powers granted under the *Municipal Government Act*. City Council provides strategic direction to Administration through plans, bylaws, policies and other governance processes. The last municipal election took place in October 2025.

CITY COUNCIL

The elected members of Council for the 2025–2029 term are:



CITY COUNCIL VISION, MISSION AND VALUES

The Community Vision describes the type of city that residents and Council want St. Albert to become; the Mission describes the Council's purpose; the Values define how Council will carry out decisions and actions.

COMMUNITY VISION

St. Albert is a vibrant, innovative and thriving city that we all call home, that sustains and cherishes its identity and sense of community. We are the Botanical Arts City.

A Shared Vision

Over ten years ago, St. Albert residents were asked to help develop a vision to guide the city's planning and decision-making for the next 50 years. More than 6,000 residents shared over 15,000 ideas, which were used to help create the Community Vision and five complementary Pillars of Sustainability. These ideas were approved by City Council in 2016, entrenched in Council Policy (C-CG-11) and provided the foundation for Flourish, the City's Municipal Development Plan. The Community Vision was updated in 2025 through engagement with Council Committees.



Social – We are welcoming and inclusive community where everyone feels a sense of belonging. We believe that community starts with the person next door.



Economic – We prosper and excel through a strong and diverse economy that is supported by forward-thinking commerce, outstanding local businesses and a dynamic downtown core.



Built Environment – We build our community towards a balanced and sustainable future while honouring the past, respecting the First Peoples and Metis communities and their ancestral connection to this land.



Natural Environment – We protect and value the natural environment through stewardship, conservation and educational actions.



Culture – We acknowledge our history that has fed and nurtured our festive and culturally rich community.

MISSION

Represents the residents of St. Albert and how we will make decisions in the best interests of the entire community while ensuring the corporation delivers results that will help sustain a high quality of life for all St. Albertans.

VALUES

Community: We consider and recognize the best interests of all.

Courage: We try new things with a focus on making St. Albert better.

Diversity: We recognize there is strength in bringing our unique skills and backgrounds together to make our community the best it can be.

Flexibility: We encourage all to try new approaches to address problems and opportunities.

Integrity: We do what we say we will do.

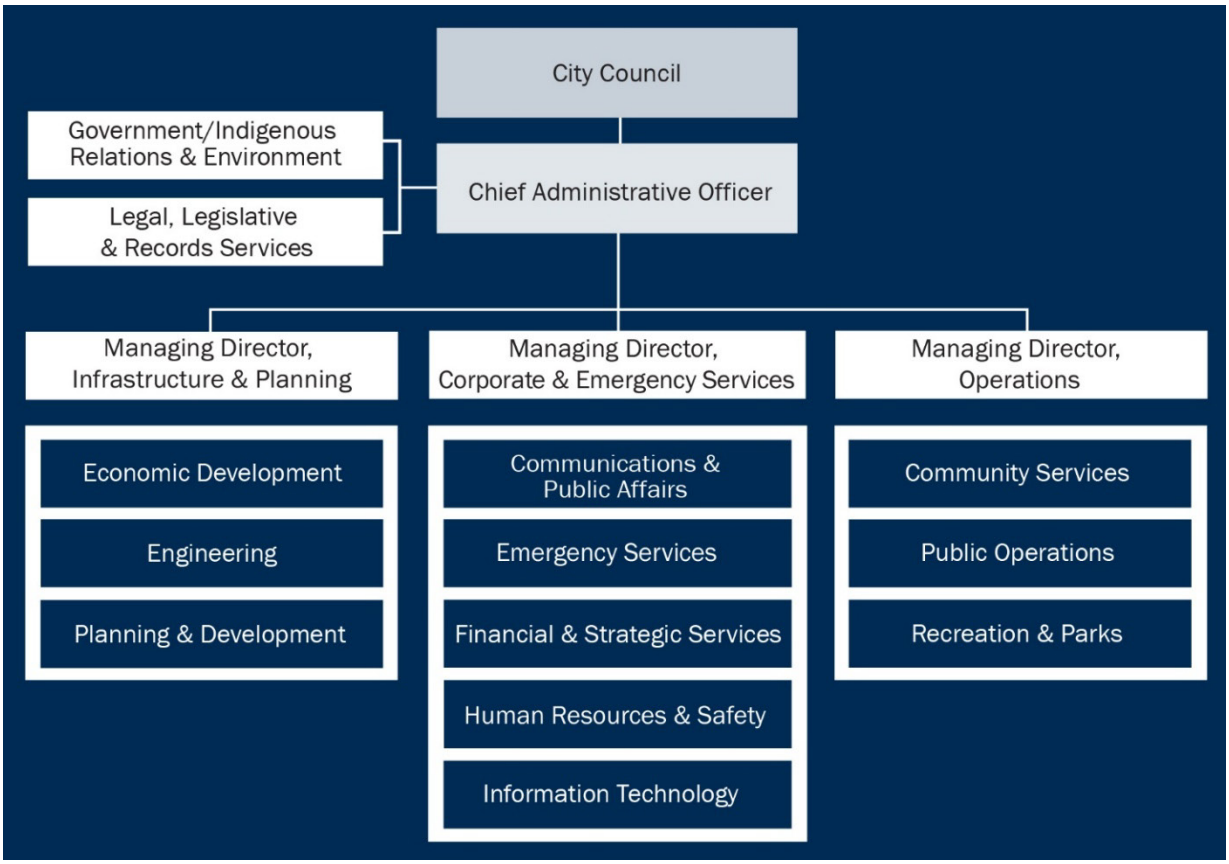
Trust: We listen respectfully and speak honestly.

ADMINISTRATION

The City is governed by City Council and administered by the Chief Administrative Officer (CAO) and three Managing Directors (together referred to as Executive Leadership).

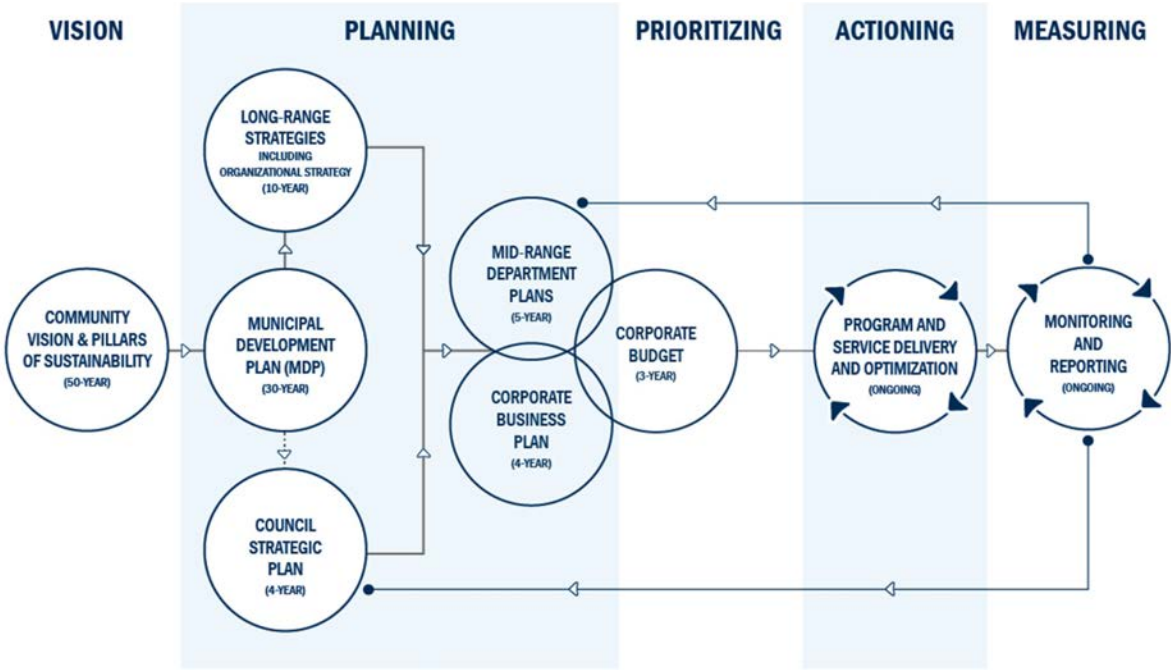
The CAO is Council's only employee. Executive Leadership oversees the work of all City employees through 12 departments led by Directors (referred to as the Leadership Team).

In normal operations, the City employs approximately 1,185 full-time and non-permanent staff (735.49 full-time equivalents (FTE) and 450 casual/temporary/term) who provide various municipal services to the residents of St. Albert.



CITY OF ST. ALBERT STRATEGIC FRAMEWORK

To plan effectively, Administration uses a framework to align the City's strategic and operational practices and achieve outcomes set out in the Community Vision, Pillars of Sustainability and Council's Strategic Plan. This structured framework enables line of sight from the City's most visionary direction to everyday service delivery. The framework is depicted in the figure below:



COMMUNITY VISION AND PILLARS OF SUSTAINABILITY

The Community Vision and Pillars of Sustainability provide Administration with a single, shared community vision and set of sustainability pillars to govern, align and conform all strategic planning and decision-making efforts across the City. The Pillars of Sustainability include social, economic, built environment, natural environment an culture.

MUNICIPAL DEVELOPMENT PLAN

The Municipal Development Plan (MDP), *Flourish – Growing to 100K*, is a comprehensive, City-wide plan (Bylaw 20/2020) for growth and change, envisioning a future population of 100,000, and up to 13,000 new jobs over the coming decades. The goals outlined in the MDP are:

- Green Environment
- Robust Economy
- Housing Options
- Mobility Choices
- Cultural Richness
- Resilient Infrastructure
- Community Well-Being
- Great Places
- Sustainable Growth

The goals and principles established in the MDP are used as a foundation to establish long-range strategies.



Downtown St. Albert

CITY OF ST. ALBERT COUNCIL STRATEGIC PLAN

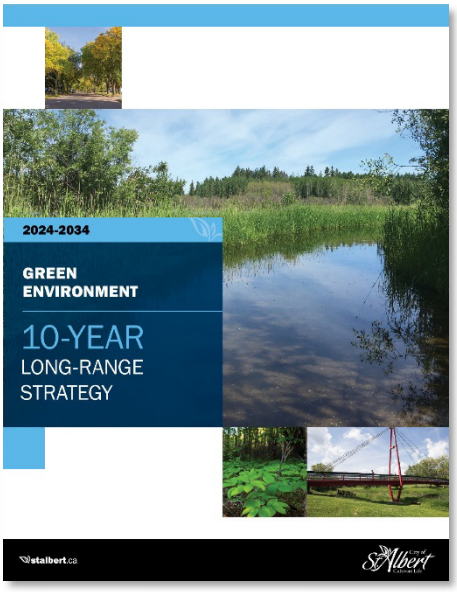
The Council Strategic Plan signals to residents, businesses, community organizations and other partners where St. Albert is headed over the four-year Council term, with the long-term in mind.

To develop the Council Strategic Plan, St. Albert City Council participates in annual strategic planning retreats throughout their Council term. In the first year of their term, the Council Strategic Plan is informed by the Community Vision and Pillars of Sustainability and Municipal Development Plan, as well as input received from the community. Thereafter, the Council Strategic Plan is formally reviewed to note progress towards expected outcomes, to discuss emergent items and re-prioritize, if required. The Council Strategic Plan serves as the main direction to Administration, alongside established service levels and council motions made throughout the year.

LONG-RANGE STRATEGIES

Administration develops long-range strategies to continue meeting the needs of the community. These strategies span 10 years and are used to inform the development of other strategies and business plans and the budget.

The Green Environment Strategy has been finalized, while the Mobility Choices Strategy and the Organizational Strategy are under development. The Community Well-being Strategy and the Resilient Infrastructure Strategy are scheduled for development over the next three years.



CORPORATE BUSINESS PLAN

From the defined Council priorities, Administration develops key actions to accomplish over the next four years to progress towards, and achieve, Council priorities. These actions were captured in the 2022-2025 City of St. Albert Corporate Business Plan and updated in March 2025. The updated Corporate Business Plan includes 44 initiatives to support the advancement of Council's strategic priorities.

In addition to addressing Council's priorities, five Organizational Excellence priority areas were established. Organizational Excellence initiatives support the City in maintaining the organizational foundation to support and enable delivery of services to the community.



The Organizational Excellence priority areas are as follows:

- Our people – our team
- Planning and prioritizing
- Operational performance
- Digital transformation
- Service experience

There are 19 initiatives in the Corporate Business Plan to advance the Organizational Excellence priorities.

In total, 26 initiatives were active in 2025. Thirty-seven initiatives were completed over the Council term.

CORPORATE BUDGETING

The corporate budget is the financial representation of the Council Strategic Plan and delivery of services to the community. All strategic and operational efforts that result from the Council Strategic Plan and Corporate Business Plan are aligned to the City's budget cycle. Budget requests are categorized around four areas of focus, as follows:

- Maintain Service
- Corporate Business Plan Implementation
- Service Optimization
- Growth Initiatives

PROGRAM AND SERVICE DELIVERY

Administration delivers programs and services to meet the needs and enhance the quality of life of residents, businesses and partners. The City maintains a Service and Service Level Inventory (Inventory) to articulate the services and levels of service provided to the community. The Inventory is approved by Council in quarter one (January-March) of every year and serves as the foundation for the development of the proposed budget. The services outlined in the Inventory, and the work required to deliver, maintain, change or optimize them, are taken into consideration as business plans and budgets are developed. In addition, the City continuously reviews processes and services to maintain optimal and efficient service delivery.

EVALUATION AND REPORTING

Performance measurement is essential to provide the business intelligence required for effective decision-making in the allocation of resources, commitment of effort, setting of priorities and annual planning and budgeting. Work is ongoing to mature the practice of performance management at the City of St. Albert. In 2025, significant progress was made to develop and define measures related to the Council Strategic Plan. In early 2026, previously identified measures are being re-aligned with the updated Council Strategic Plan and will be published once data is available and targets are set.

Reporting to Council and the community is provided on a regular basis. Quarterly and annual reports to the community demonstrate progress the City is making toward achieving Council's strategic priorities. Additionally, reports outline the City's financial performance. Administration also provides progress reports on all long-range strategies to Council and the community annually, or as per the frequency established in each strategy.



St. Albert Paramedics

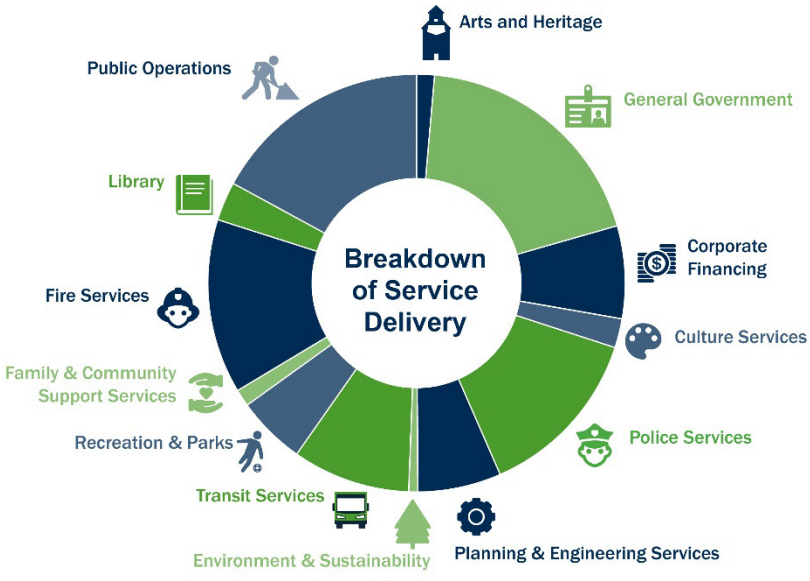
YEAR IN REVIEW

CITY PROGRAMS & SERVICES

Every day, residents encounter services that are offered through the City that make positive impacts on the community. Approximately 82 per cent of the City's operating budget is allocated to the delivery of services to the community, defined in the Council-approved Service and Service Level Inventory. This section includes an overview of City programs and key statistics related to some of the services.

The City provides a wide range of services related to the following programs:

- Community amenities
- Community development
- Environmental stewardship
- Land use development
- Movement of goods and people
- Public safety
- Business and financial management
- Corporate governance and standards
- Local and regional governance



Note: General government activities include services that support and enable direct delivery of services to the community and Council.



Pickleball Courts at Alpine Park

COMMUNITY AMENITIES

ACCESS TO AMENITIES

The City of St. Albert plans for, operates and maintains a wide variety of recreation and culture facilities, amenities and parks to give residents varied opportunities to spend time recreating indoors and outdoors, passively and actively.

The City maintains and provides access to amenities in parks, open spaces and recreation facilities including the following:

- The Arden Theatre
- City Arts Space
- St. Albert Visual Arts Studios
- Aquatics amenities
- Field and fitness amenities
- Ice surfaces
- Multipurpose spaces
- Park amenities
- Playgrounds
- Specialty sport amenities
- Sport fields
- Sport courts

Many parks and open spaces are connected by trail systems for pedestrians and cyclists to enjoy landscapes like the Sturgeon River shoreline and Big Lake.

The City also provides access to purpose-built recreational environments dedicated to specialty recreation and sports activities, such as the Woodlands Skatepark presented by Bright Dental and the Fowler Athletic Park. In addition, running/walking tracks and amenities are available for recreational activities, and ice dedicated for recreational and sporting uses is maintained.

In collaboration with community groups, the City provides programming at indoor and outdoor aquatic facilities, including Grosvenor Outdoor Pool, Fountain Park Recreation Centre, Landrex Water Play Centre and Woodlands Water Play Park.

Additionally, St. Albert recognizes public art as a defining characteristic of our community identity, and as such, the City's public art inventory is maintained. The Grey Nuns White Spruce Park also includes art features which are integrated into the site itself.

SERVICE EXPERIENCE

The City provides front counter services to address needs and inquiries, including the following:

- Tax and assessment
- Revenue collection and payment
- Utility account management
- Planning and development
- Engineering
- Construction information desk
- Police and bylaw
- Cemetery management
- *Access to Information Act* and *Protection of Privacy Act* requests
- Cultural and recreational program information and registration

The City coordinates booking opportunities and access to cultural facilities operated by the City. This includes bookings at St. Albert Place Visual Arts Studios, The Arden Theatre and St. Albert Place lobby and plaza.

Some recreation and sports facilities also provide space for events, social gatherings, business conferences and meetings. Additionally, the City provides facility services assistance at recreation facilities to support users and deliver safe and clean spaces.

The City partners with local businesses to provide food, beverage, professional and retail services to enhance customer experience at City sites. Food and beverage service is provided at six locations through lease agreements, including Woodlands Water Play Park, Grosvenor Outdoor Pool, Jarome Iginla Arena, Fountain Park Recreation Centre, Larry Olexiuk Field and Servus Credit Union Place.



Children’s Festival

COMMUNITY DEVELOPMENT

COMMUNITY EVENTS

The City delivers events and supports groups that organize events by providing services such as policing, water servicing and road closures.

Services also include the provision of funding to eligible applicants in the areas of special events, sport and culture development, operational funding, capital renovations and development through the Civic Granting Program.

In 2025, the City continued to support various community events including Canada Day, Pride in the Park, Rock’n August, Snowflake Festival and New Year’s Eve fireworks.

TRUTH AND RECONCILIATION



To mark National Day for Truth and Reconciliation on September 30, the City helped coordinate an event organized by a working group of local Indigenous partners. The event honoured the survivors of residential schools and the children who never returned home, along with their families and communities. This day has a strong local significance as St. Albert was the home of two former residential schools, The Youville Residential School and the Edmonton Residential School (known as Poundmaker's today). The event included guest speakers, knowledge keepers, First Nation and Métis performers, Inuit Throat singers, Indigenous artisans, exhibits, food vendors and an Honor Walk. The 2025 event saw a record number of attendees who engaged in learning opportunities, activities and the closing round dance.

COMMUNITY ORGANIZATIONS AND GROUPS SUPPORT

The City of St. Albert is committed to ensuring residents have access to a coordinated and connected network of preventive social services that responds to the broad needs of the community. The City actively supports community organizations to deliver essential community services through information and referral services, capacity building services to create self-sustaining community groups related to financial, leadership and governance competencies.

CULTURAL DEVELOPMENT

In 2025, the City supported cultural community organizations, enriching and strengthening the cultural programming available to St. Albert residents:

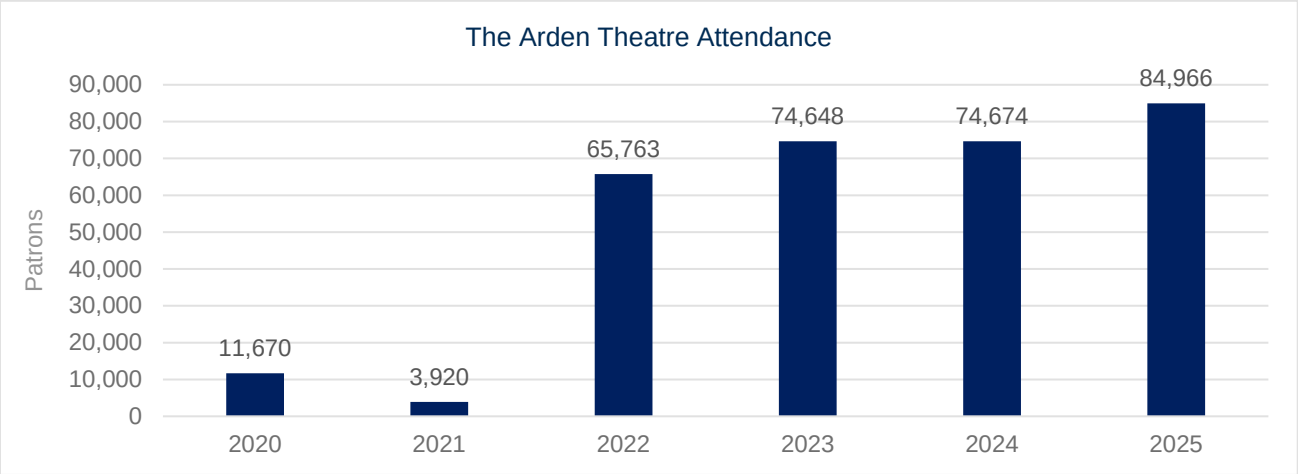
- Africans and African Descendant Friendship Club of St. Albert
- St. Albert Latin Cultural Association
- St. Albert Cultivates the Arts Society
- STARK Poets (St. Albert Rose Kane Poets)
- Alberta Expressive Arts Society
- St. Albert Dinner Theatre Society
- St. Albert Place Visual Arts Council (SAPVAC)
- Creative Quest Foundation
- Visual Arts Studio Association (VASA)

The Arden Theatre

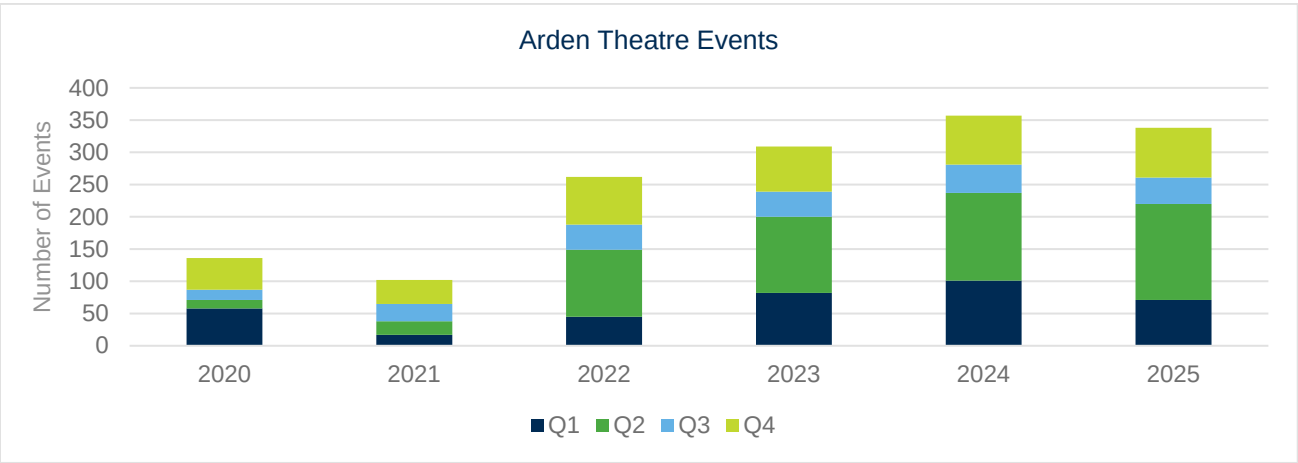
In 2025, the Arden Theatre hosted 338 events, 336 of which took place in downtown St. Albert, including the community focused outdoor Plaza Series, and the 2025-2026 Presenter’s Series. The Arden Theatre was a hub for community connections, hosting 69 events by local non-profits and businesses, bringing people together to celebrate arts, culture, and community. Events at the Arden Theatre attracted nearly 85,000 people to downtown St. Albert, supporting both downtown vibrancy and the venue's financial sustainability.

In 2025, the Plaza Series brought nine free summer concerts to downtown St. Albert, attracting more than 300 people per event and strengthening community vibrancy.





Attendance increased to 84,966 in 2025, up from 74,674 in 2024. This represents a continued recovery and upward trend following the sharp decline in 2020. Over the past three years (2023–2025), overall attendance has averaged approximately 78,000, indicating that participation levels have stabilized and remain strong.



The Arden Theatre hosted 338 events in 2025 which is consistent with recent years. Since 2023, the theatre has hosted an average of approximately 330 events per year, reflecting the theatre's growing role as a cultural hub, with a diverse range of performances, community gatherings and Presenter's Series attracting audiences to downtown St.

Advancing Arts, Culture and Youth Creativity

In 2025, the City supported arts and culture through major programs and events. The 44th International Children's Festival of the Arts welcomed over 14,750 attendees and was supported by 306 volunteers. Amplify engaged 228 young artists and delivered 10 events, while Arienette (Ari) Zak continued her tenure as the 4th St. Albert Poet Laureate.

City of St. Albert's Visual Arts Coordinator and focused on how to apply for public art projects. The session provided practical guidance for artists interested in working in the public realm.

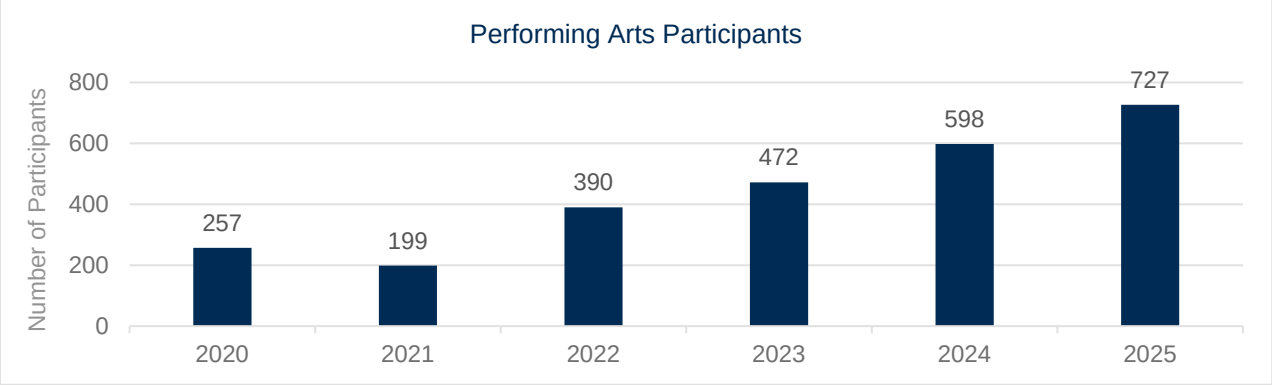


Public Art

Spring 2025 introduced a temporary banner project throughout downtown St. Albert. During the summer, the City unveiled its first public art bus, featured new public art installations during the Festival as well as completed the addition of a mosaic mural at St. Albert BMX Park. Public Art signage has been updated, and care and maintenance to many of the City's outdoor pieces were completed.

Performing Arts Classes/St. Albert Children's Theatre

In 2025, annual performing arts registrations increased by 21.6 per cent over 2024, reaching 727 participants across various performing arts programs. St. Albert Children's Theatre productions also saw audition numbers increase by 10 per cent and cast sizes increase by 25 per cent from the previous year.



Performing arts participation saw consistent growth from 2021 to 2025, with the highest number of participants recorded in 2025.

SOCIAL DEVELOPMENT

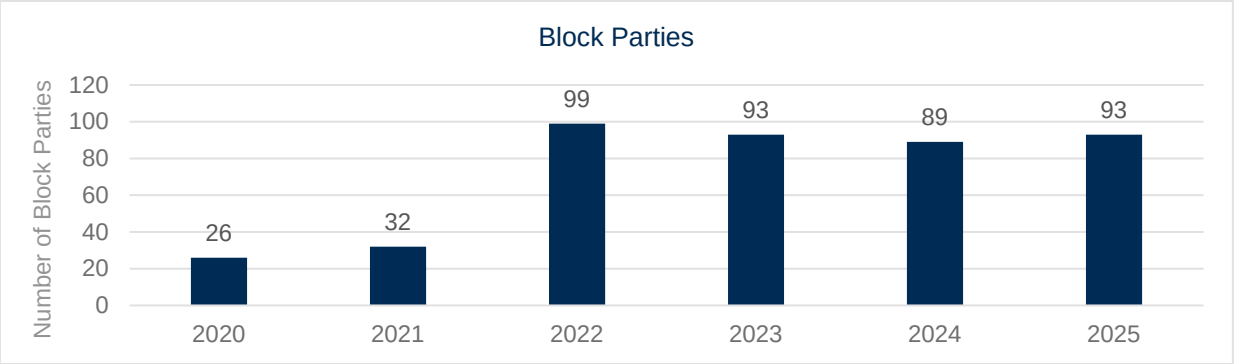
Community Social Roadmap

A comprehensive community social needs assessment was completed to help identify social issues, trends and needs in our community. The analysis formed the foundation for the development of the Community Social Roadmap. The Community Social Roadmap builds upon community accomplishments, partnerships and leading practices over the years established through the provision of preventive social services in our community. In 2025, work advanced from planning to early implementation of the Community Social Roadmap. The roadmap, informed by extensive engagement with more than 1,600 residents and 90 service providers, continues to guide the City's approach to addressing evolving social needs in St. Albert.

Community and Neighbourhood Capacity Building

Communities are strongest when residents know their neighbours and feel connected to the community. By fostering awareness of neighbours and surroundings, residents feel safer, develop a stronger sense of belonging, and take greater pride in their community.

In 2025, block party registrations remained consistent with participation levels in 2024 and 2023, demonstrating sustained community interest in neighbourhood connection initiatives.



Ninety-three block parties were registered in 2025, a slight increase from 89 in 2024. Registration levels continue to trend toward pre-pandemic participation. However, participation can be affected by external factors such as weather conditions and wildfire smoke, which may impact event planning and turnout.

Play Streets, a fun and engaging way for neighbours to connect through active outdoor play, continued to be a valued program since their introduction in 2022 and further supported community connectedness and active neighbourhood engagement.

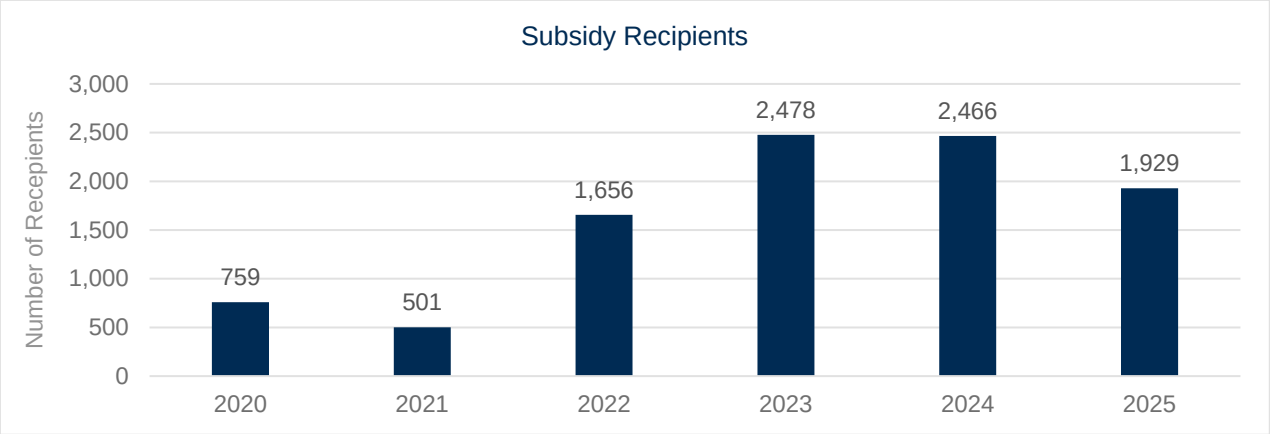
Mental Health Education and Training

In 2025, the City continued to prioritize resident health and well-being through partnerships with the Province and community agencies. Programs such as Menship and Men's Anchor supported men's mental health and reduced social isolation, while the Domestic and Sexual Violence Community Response Committee continued to promote access to counselling services.

Community awareness initiatives, including Family Violence Prevention Month, the Empathy Project, and Soulfire, also supported mental health, resilience and connection for residents, children and youth.

City of St. Albert Subsidy Program

The City provides a Subsidy Program designed to support low-income individuals and families to participate in the City's recreation facilities and programs as well as local/commuter transit services.



In 2025, 1,929 residents accessed the City's subsidy program, a decrease from 2,466 residents in 2024. Despite this decline, overall demand for subsidy support remains elevated compared to pre-2022 levels, reflecting continued cost-of-living pressures in the community. The reduction from 2024 may be influenced by updates to program tracking processes, including changes related to the transit system and administrative streamlining efforts.

ECONOMIC DEVELOPMENT

The health of local businesses is vital to ensuring St. Albert remains a vibrant community. The City provides support and business development services to entrepreneurs, existing businesses, tourism operators and investors through targeted capacity building and grant programs. Additionally, developers are provided with project review and ongoing support of land and real estate developments, from initial contact to project completion.

FINANCIAL GRANTS AND SUPPORT

The City provides various grants to not-for-profit organizations and residents for special events, sport and culture development, operational funding, capital renovations and development and environmental initiatives.

PUBLIC EDUCATION

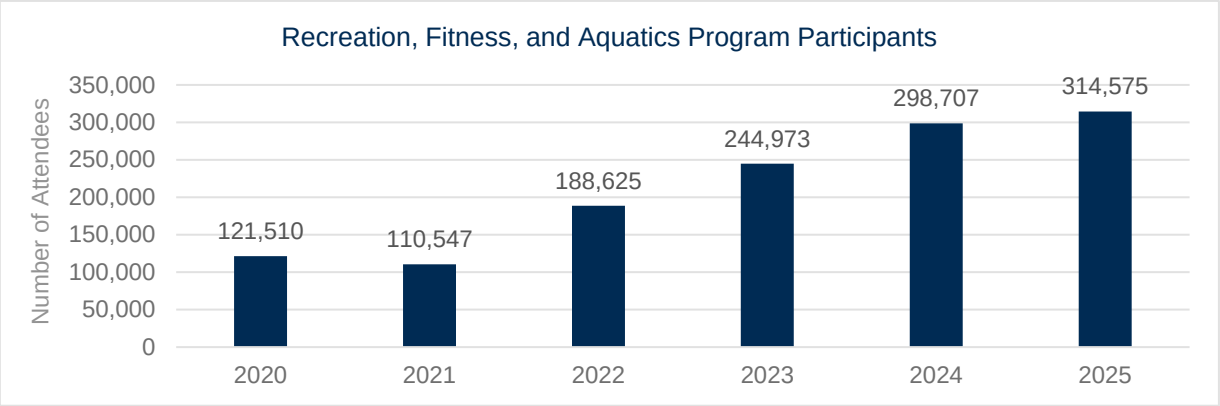
The City coordinates annual programming opportunities to encourage community environmental stewardship and conservation. In 2025, St. Albert residents had the opportunity to participate in the Clean and Green RiverFest, Partners in Parks, Weed Warrior events, a rain barrel sale, Bike Month (free bike tune-ups), community tree planting and neighbourhood and school clean-ups.



Clean & Green Riverfest

RECREATION DEVELOPMENT

The City provides recreational programming for both registered and drop-in participants at parks, open spaces and recreation facilities. This includes programming for aquatics, fitness and recreation.



Recreation, fitness and aquatics program participation increased to 314,575 participants in 2025, up from 298,707 in 2024. This continued growth reflects strong community engagement and recovery following the Fountain Park Recreation Centre shutdown from May 2022 to July 2023 for renovations. Participation levels remain well above 2021 and 2022, indicating sustained demand for recreation programming.



Lacombe Lake Park

ENVIRONMENTAL STEWARDSHIP

The City completed the Green Environment Strategy (GES), which is a decade-long plan leveraging direction set in the Municipal Development Plan to guide City operations and improvements in related City services. It focuses on natural features, biodiversity, water quality and urban forests with clear performance measures. Four strategic directions—Watershed, Biodiversity, Stewardship and Governance—provide a roadmap for future environmental initiatives. The GES includes a dynamic implementation plan with biennial updates and five-year strategy refreshes, ensuring adaptability and progress tracking.

ENVIRONMENTAL MAINTENANCE

A beautiful and functioning natural environment is a keystone of quality of life in St. Albert. Trees and greenspaces in the City's urban, park and natural area settings are monitored and maintained to optimize their aesthetic, recreational and environmental values. The City provides services such as the following:

- grass cutting, fertilizing, aerating and sweeping
- litter collection of sports fields, parks and natural areas
- maintenance of the urban tree canopy, including tree planting, maintenance and inspections
- maintenance of healthy turf and urban forests in public areas

ENVIRONMENTAL PROTECTION

These services are aimed at measuring and monitoring the quality of St. Albert's air, water and other natural resources, ensuring that environmental protection and compliance are incorporated into City activities, and responding to toxic spills and environmental liability issues.

To do this, the City monitors air quality, greenhouse gas emissions, energy management, water quality of the Sturgeon River, solid waste generation and water consumption. Spills and releases are also monitored, reported and recorded in a central database.

Sturgeon River Water Quality Index

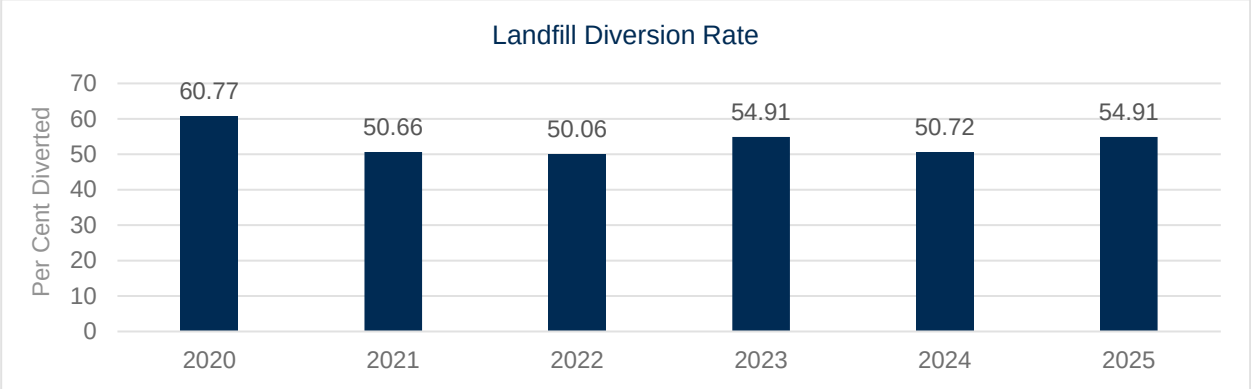
	2020	2021	2022	2023	2024	2025
Total Nitrogen	Good	Excellent	Excellent	Good	Fair	Fair
Total Phosphorus	Good	Excellent	Excellent	Fair	Fair	Fair
Total Suspended Solids	Excellent	Excellent	Excellent	Good	Fair	Fair
Chloride	Pass	Pass	Pass	Pass	Pass	Pass
E. coli	Pass	Pass	Pass	Pass	Pass	Pass

The Sturgeon River continued to show weaker overall water quality in 2025, with total nitrogen, total phosphorus, and total suspended solids remaining at “fair.” In contrast, chloride and e. coli continued to meet guidelines (“pass”).

This pattern suggests that the primary pressures in 2025 were still linked to nutrient loading and suspended sediments rather than chloride or bacterial contamination. Potential impacts include persistent drought conditions and low water levels. However, upstream conditions must also be considered. Further work will be done to look at water quality throughout the entire Sturgeon River watershed.

WASTE MANAGEMENT

Waste collection and disposal services ensure that possible waste is recycled into resources such as compost and that hazardous waste is properly disposed of.



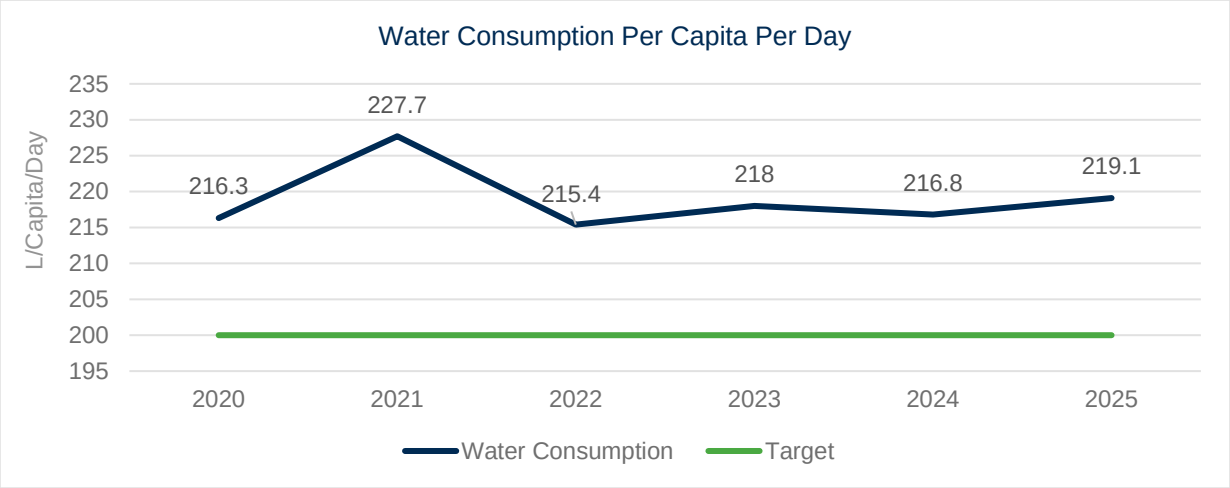
St. Albert residents diverted 54.91 per cent of total waste collected from the landfill in 2025, an increase from 50.72 per cent in 2024. This improvement reflects the continued success of waste diversion initiatives including incentives to reduce garbage bin sizes and disincentives for larger or additional bins. The increase was also influenced by the inclusion of branch material collected at the Compost Yard beginning in 2025.

A complement of waste management services is offered to the community, including:

- collection, processing and disposal of landfill, organic waste and recyclable material for residents, City facilities and community schools
- a centralized site where residents can bring yard waste, recycling (paper, cardboard, food cans and tins, clear glass jars, and Styrofoam), hazardous waste and electronics for proper disposal.

WATER MANAGEMENT

The municipal water supply system is municipally operated to provide safe drinking water for all residents. The City manages neighbourhood drainage problems and the stormwater runoff that ultimately flows into the Sturgeon River and collects and treats wastewater.



Daily water consumption per capita slightly increased in 2025 from 2024. 2025 consumption is still higher than the set target consumption level of 200 litres/capita/day.



Giroux Estates

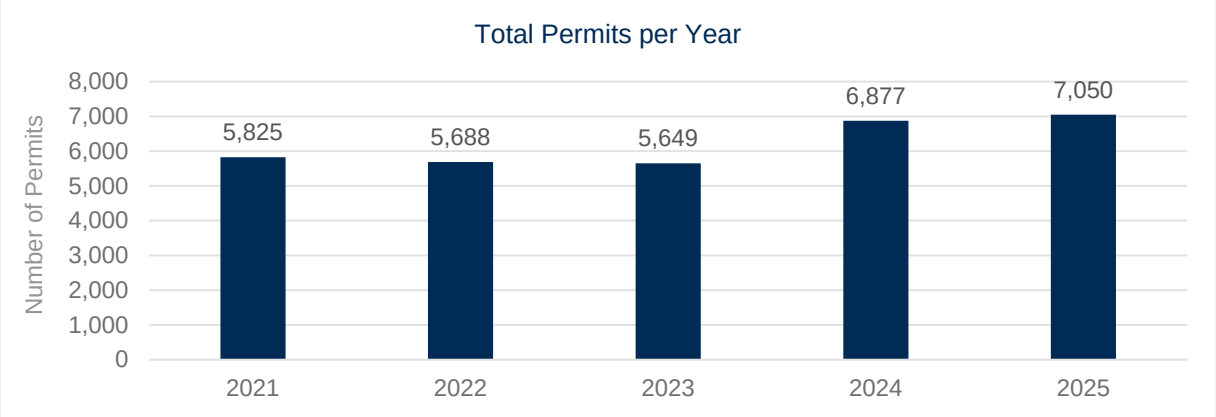
LAND USE DEVELOPMENT

APPLICATION REVIEW AND PERMITTING

The City issues licenses and permits related to land use and development and road right-of-way and conducts environmental reviews of development applications.

INFRASTRUCTURE PLANNING

The City plans for essential infrastructure required to ensure sustain growth in the community. Growth and development are supported through the City's off-site levy program, which funds essential infrastructure and mitigates the effects of new development.



The City issued 7,050 permits in 2025, continuing the strong upward trend in permitting activity. This represents a 2.5 per cent increase compared to 2024 (6,877 permits) and is the highest number of permits recorded in the five-year period. This reflects an upward trend in permit issuance and indicates sustained growth and development activity.

LAND DEVELOPMENT

The City oversees land development for private and public purposes for the community. Identified and demonstrated community needs are used to plan and develop parks and recreation facilities that reflect a wide range of recreation, school, community services and conservation priorities. Land development is also supported through responding to residents' engineering needs, requests, complaints and inquiries.

LAND USE PLANNING

Administration assesses the needs and plans for future community and City buildings, capital improvement projects, schools and affordable housing. Planning for future growth includes long-range land use planning.

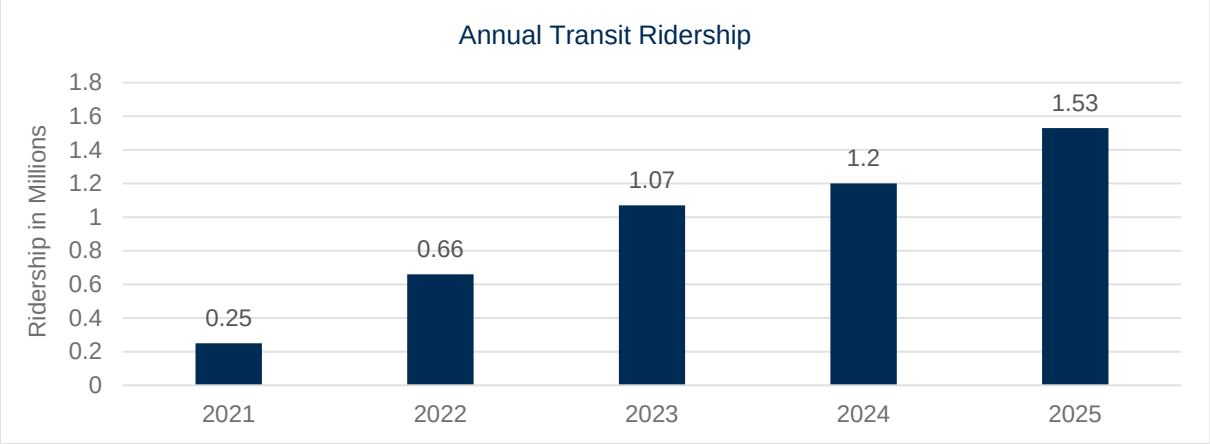
The City is also responsible for processing and coordinating statutory plans, amendments and subdivision and condominium applications. This includes working with developers to process construction applications and permits to ensure compliance with planning goals and regulations related to applications for changes to the Land Use Bylaw, Statutory Plans and applications for the division of land. Once approved, the City issues servicing permits required to connect new development to any City utilities.

MOVEMENT OF GOODS AND PEOPLE

PUBLIC TRANSIT

The City offers local and commuter conventional transit, charter bus services and specialized transit (Handibus) for residents with reduced mobility

St. Albert Transit provides safe, reliable, convenient and cost-effective travel within the community as well as to and from Edmonton.



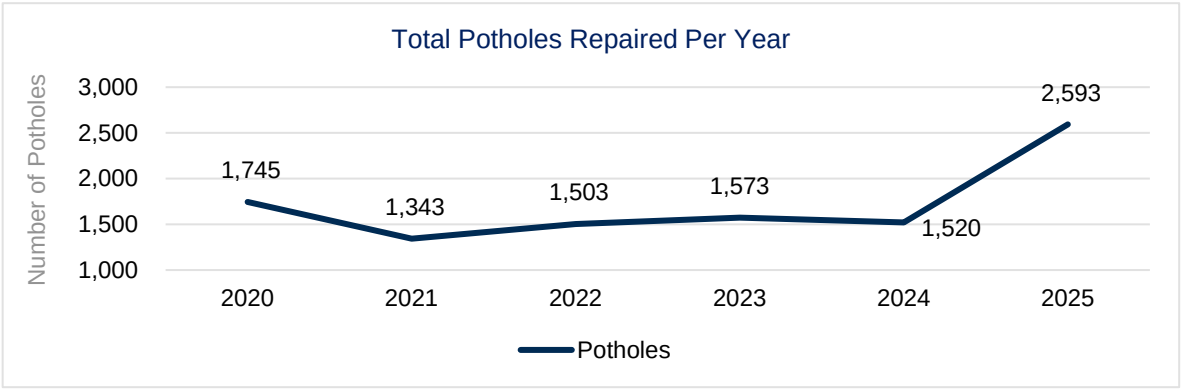
Annual transit ridership continued its strong recovery in 2025, rising to 1.53 million. This is an increase of 0.33 million riders compared with 2024 at 1.20 million. The upward trend that began in 2022 has accelerated through 2023 and 2024, and ridership in 2025 has now surpassed pre-pandemic levels, reaching the highest level.

ROAD ACCESSIBILITY

Key services provided by the City to ensure effective movement of people and goods include the following:

- snow clearing and ice removal from all City bus stops, parking lots and hard surface infrastructure, roads, trails and sidewalks
- routine sweeping of the City road network to remove debris and other hazards





A total of 2,593 potholes were repaired across St. Albert in 2025. This is a noticeable increase compared to 1,520 potholes repaired in 2024 and slightly above the long-term annual average. The higher number of potholes repaired in 2025 is likely due to increased moisture and freeze-thaw conditions, which can accelerate road surface deterioration during spring thaw periods.

VEHICLE NETWORKS

The City provides transportation management services by way of traffic signals and systems, traffic signs and markings to support safe and efficient movement of goods and people. The City is responsible for planning, installing, replacing, inspecting and maintaining these assets and systems. Maintenance of vehicle networks includes responding to reported concerns from the public, existing malfunctions, damage to networks or perceived unsafe conditions.

Additionally, the City collects transportation network data related to network safety and operations. The information is used for network growth analysis and warrant studies (traffic control and pedestrian crossings).



Fire Services Training

PUBLIC SAFETY

EMERGENCY MANAGEMENT

The City maintains emergency management plans and programs in accordance with provincial legislation and regulations. This service addresses preparation, approval, maintenance and coordination of local authority emergency plans and programs required by the Government of Alberta. Emergency management plans and programs are intended to provide prompt coordination of the City's resources when the consequences of an emergency or disaster, and subsequent recovery, are outside the scope of normal operations.

ENFORCEMENT AND LICENSING

Enforcement of Building and Safety Codes, conducting Building Inspection Services, and technical advice allows the City to support ongoing compliance with the *Alberta Safety Code Act*. Furthermore, the City responds to public complaints**,** provides enforcement related to business licensing and issues related to municipal bylaws and provincial statutes, as well as the *Alberta Traffic Safety Act* and portions of the *Alberta Gaming, Liquor and Cannabis Act*.

FIRE, RESCUE AND EMERGENCY MEDICAL SERVICES

Fire, rescue and emergency medical services are provided to St. Albert and the surrounding area. Operating from three stations, first responders strive to be on scene of an emergency in under nine minutes, ninety per cent of the time.

Fire and medical first responses are dispatched by the St. Albert Fire Services team of dedicated dispatchers while ambulance calls are dispatched through Alberta Health Services. Additionally, services are provided through the operation of an after-hours emergency call centre for City of St. Albert and emergency call-in functions.

Fire prevention is also a key priority with the provision of fire and risk education to the public using social media, media and public engagement opportunities. Another key element of fire prevention is inspection and enforcement, whereby the City inspects occupancies for Fire Code compliance.

POLICING SERVICES

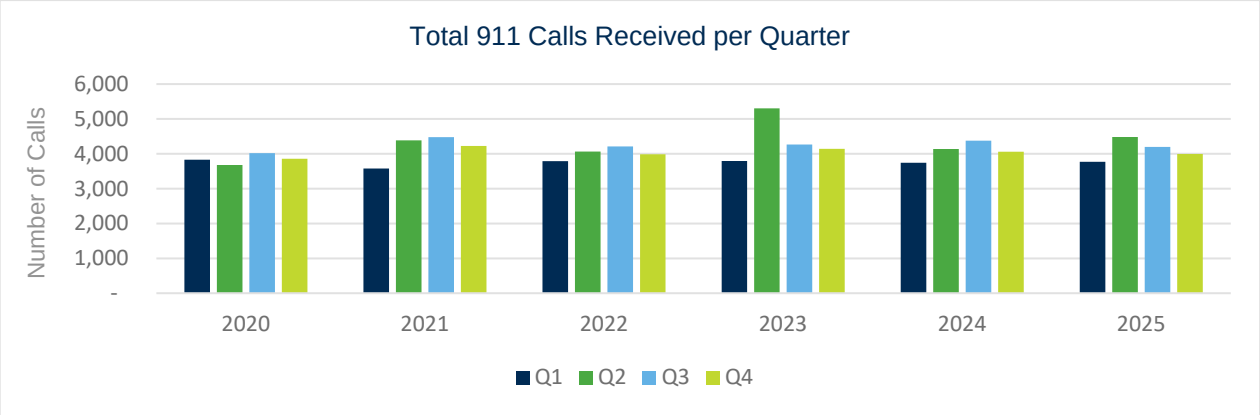


In addition to fire and medical dispatching, the City offers police dispatching. The graph below outlines the number of calls the police received through the 911 system in 2025.

Policing Services in St. Albert are under contract with Public Safety Canada and the RCMP is designated as the Municipal Police Service. As per the agreement, the RCMP provides services necessary to preserve the peace, protect life and property and prevent crime and offences against the laws of Canada and Alberta. This includes the following:

- apprehending criminals, offenders and others who may be lawfully taken into custody
- executing all warrants
- provide services necessary to prevent bylaw offences after giving due consideration to policing demands

The RCMP determines appropriate policing responses in accordance with the Municipal Police Services Agreement.



A total of 16,440 calls to 911 were received in 2025 which is slightly higher than 2024 which saw 16,317 calls. During the last quarter of 2025 (Oct to Dec), the City received 3,993 calls which is slightly lower than the last quarter in 2024 at 4,058 calls.
Overall, 911 call volumes in 2025 remained consistent with recent years and were lower than 2023.Year-over-year increases is expected as the population grows.

TRANSPORTATION SAFETY

The City completes traffic safety improvements within neighborhoods, including school and playground zones to respond to public concerns about traffic safety issues. These improvements consist of engineered traffic calming solutions.



Larry Oxlexiuk Field

BUSINESS AND FINANCIAL MANAGEMENT

ASSET MANAGEMENT

The City maintains several categories of assets for the benefit of residents, including the City's public art collection, recreation assets such as indoor and outdoor facilities and amenities and transit assets such as buses, benches, shelters and centres. Finally, through the City's asset management program, integral transportation network assets are maintained.

STRATEGIC BUSINESS PLANNING

The City plans, according to the City of St. Albert Strategic Framework Policy (C-CG-06), to align the City's short, medium and long-term operational efforts to the Community Vision and Pillars of Sustainability and the Council Strategic Plan. In conjunction with this, the City uses economic data and consultation with the private sector to develop strategies, plans and policies related to growing St. Albert's local economy.

BUSINESS DEVELOPMENT

The City raises funds through advertising and sponsorship opportunities to support the delivery of services to the community.

COMMUNICATION AND MARKETING

The City shares information with the public to support the delivery of services and programs, using the following:

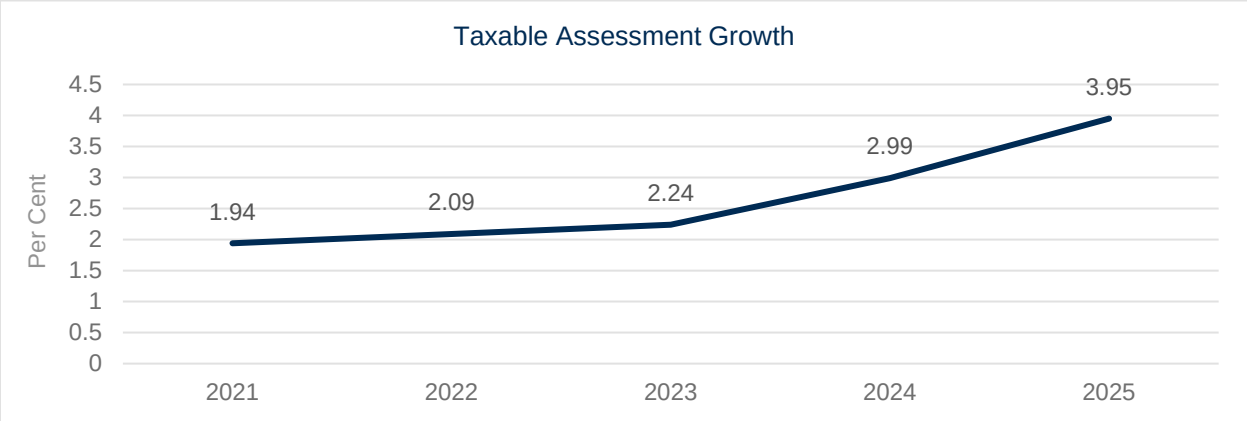
- website
- social media
- publications
- advertising and promotion
- video, photography and multimedia
- responding to customer inquiries

FINANCIAL OPERATIONS AND MANAGEMENT

The City has robust financial operations and management practices. One of the public facing aspects of financial operations is the management of utility accounts. This is performed by the City to facilitate account setup and closure, billing and payment of utility accounts. The City also partners with the St. Albert Village Community and Food Bank to provide financial assistance on utility bills through a one-time annual grant to provide relief to qualifying residents.

MUNICIPAL ASSESSMENT AND TAXATION

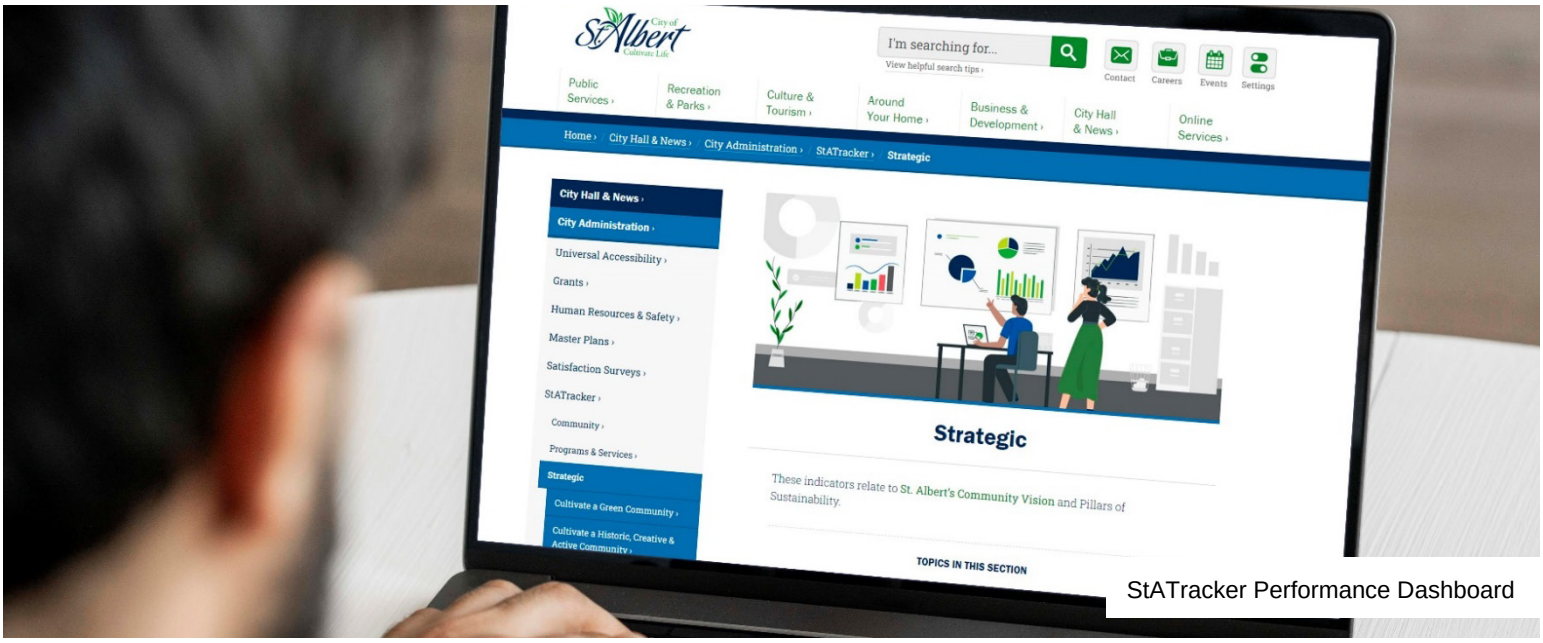
The delivery of accurate and equitable property assessments is essential for the distribution of the annual tax levy. The City is responsible for the development of the annual assessment roll and ensures it is up to date through re-inspections of existing property using building permit data and liaising with residents. Management of accounts supports the collection of tax levies from residents and businesses in accordance with the *Property Tax Bylaw* and the *Municipal Government Act.*



Assessment Growth for 2025 was 3.95 per cent, compared with 2.99 per cent in 2024. This represents a strong year of growth and is above the levels recorded in recent years, driven mainly by residential growth.

CAPITAL PROJECT MANAGEMENT

The City plans, budgets and manages capital projects from the initial concept phase through design, construction and project closeout. This includes "repair, maintain and replace" projects and new community infrastructure. Examples of infrastructure are sidewalks/trails, roads, bridges, parks, utilities and facilities. Capital project management also includes providing a central contact point for resident inquiries on capital construction projects and maintenance of an online construction map on the City's website. The City also ensures each project has its own separate webpage to ensure the public is kept informed.



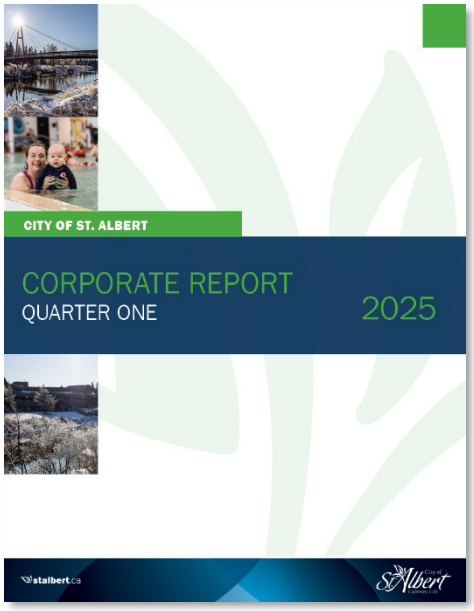
StATracker Performance Dashboard

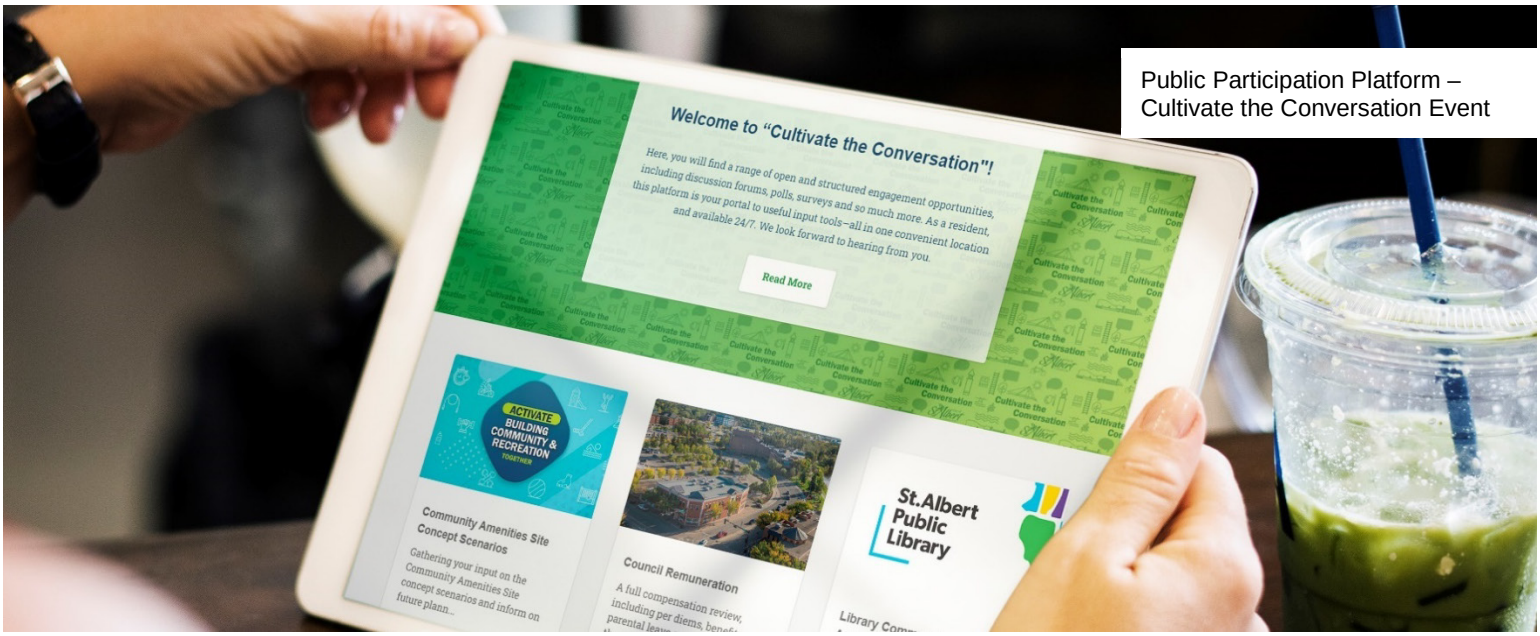
CORPORATE GOVERNANCE AND STANDARDS

CORPORATE REPORTING

The City has a comprehensive corporate reporting process to Council and the community to maintain transparency through regular reporting of the City's achievements. It helps monitor and report on results against plans, including strategic plans, long-term plans, business plans and budgets. These reporting processes include the following:

- The City’s annual reporting
- Corporate quarterly reporting
- Long range strategy reporting
- StATracker Performance Dashboard





Public Participation Platform – Cultivate the Conversation Event

LOCAL AND REGIONAL GOVERNMENT

MUNICIPAL ELECTIONS AND DEMOCRATIC PROCESSES

The City provides City Council with technical advice and expertise regarding compliance with governing legislation and coordination and development of agendas, reports, materials and minutes/records for Council and committee meetings. Additionally, the City coordinates key legislative processes such as municipal elections and municipal censuses.

The City places a high priority on including public input into plans and actions that shape St. Albert's future. Residents' opinions and satisfaction are included in decision-making processes to continuously improve service delivery to the community.

In 2025, the municipal election was administered, providing residents with the opportunity to participate in the democratic process and select members of City Council. The election was conducted in accordance with legislative requirements, ensuring a transparent and accessible process for eligible voters.

Voting opportunities were provided through four advance voting stations and five election day voting stations, with measures in place to support participation. A total of 16,451 voters participated out of 54,849 eligible voters, representing a voter turnout of 30 per cent. Public awareness and communication efforts were implemented throughout the election period to inform voters of key dates, voting locations, and processes, supporting continued community engagement in local governance.

The election was supported by 387 workers, including City staff, who were responsible for administering voting processes and ensuring compliance with established procedures. Ballot handling and vote counting were conducted in accordance with these procedures, with 44,635 ballots manually counted from 204 ballot boxes following the closure of polls. Results were compiled and reported with appropriate controls in place to maintain transparency, accuracy and accountability in the election process



St. Albert City Council

COUNCIL STRATEGIC PLAN PROGRESS UPDATE

City Council membership changes over time, however, many strategic initiatives extend beyond a single Council term. The priorities outlined in the 2022–2025 Corporate Business Plan were established by the previous Council, whose term concluded in 2025. Throughout 2025, Administration continued advancing these priorities to maintain momentum on multi-year initiatives and ongoing projects. At the end of 2025, a new Council was elected, and work began to support the development of priorities for the next four-year term, ensuring continuity while enabling the newly elected Council to define future strategic direction.

Administration continued to advance initiatives aligned with the 2022–2025 Council Strategic Plan, while supporting the newly elected Council in developing priorities for the upcoming four-year term. This approach ensures continuity in service delivery, maintains momentum on long-term initiatives, and supports a smooth transition between Council terms.

The Council Strategic Plan outlines City Council's priorities for their four-year term spanning 2022 to 2025.

Council's goal is to ensure that the strategies identified in the Council Strategic Plan will keep St. Albert on the right path and help guide it into the future. The strategies identified in the plan provide direction for the activities in the Corporate Business Plan and ensure that St. Albert continues its journey as one of the most desirable and best places to live.

The following section provides an overview of progress made in 2025 towards achieving the strategic priorities outlined in the Council Strategic Plan. For more details on the progress of individual initiatives, please see the Corporate Quarterly Reports on the City's website.

The Council Strategic Plan describes five priority areas that Council focuses on and gives direction to Administration.

The Council Strategic Plan priority areas include the following:

1. **Economic Prosperity** – Support an investment positive environment that encourages economic growth and the development of new and existing sectors.
2. **Downtown Vibrancy** – Foster a downtown where people come to live, gather, celebrate, shop and do business.
3. **Community Well-Being** – Respond to changing demographics, accommodate the diverse needs of residents and continue to foster an inclusive community where everyone has an opportunity to fully participate and feel welcomed. This includes communicating and engaging in meaningful and transparent ways with the community.
4. **Adapting to a Changing Natural Environment** – Build resiliency that allows the City to prepare for, and respond to, climate change and ensure the vitality of our land, river, natural resources and resilient infrastructure for future generations.
5. **Financial Sustainability** – Ensure responsible and transparent fiscal management, decision making and long-term financial sustainability that allows the City to respond to changes to revenue sources.

COUNCIL STRATEGIC PRIORITIES

STRATEGIC PRIORITY #1:
Economic Prosperity

DESIRED OUTCOME

Support an investment positive environment that encourages economic growth and the development of new and existing sectors.

PROGRESS TO DATE

In 2025, the City continued to advance key initiatives under Economic Prosperity, with progress made across design, approvals and implementation activities.

The Lakeview Business District Servicing initiative progressed through detailed design, including continued work on roadways, utilities and supporting infrastructure. A key milestone was achieved with its official groundbreaking in June, while further work was undertaken to refine land requirements and align servicing design with Neighbourhood Plan requirements.

The St. Albert West Area Structure Plan work continued, with Neighbourhood Plan C approved in June, enabling further advancement of planning activities. Ongoing technical studies and updates to land use concepts, development statistics and servicing design briefs were completed for Neighbourhood Plan A (Badger Lands). Timelines were extended to accommodate the complexity of the work and integration of new information.

Initiatives Supporting This Priority
Lakeview Business District Servicing Design
Develop the St. Albert West Area Structure Plan and Neighbourhood Plan
Regional and sub-regional economic development and participation in the Collaborative Economic Development (CED) project
Update of Land Use Bylaw to align it with the new Municipal Development Plan
Develop Infill Strategy to guide infill and intensification
Integration of annexed lands into City technical plans and studies *(Scheduled to start in 2026)*

The Collaborative Economic Development (CED) project was completed in 2025, following Council's approval of the Memorandum of Understanding in April. This milestone formalized the City's participation in a regional economic development framework and supports coordinated implementation with partner municipalities.

Throughout 2025, work also continued to implement the updated Land Use Bylaw to align with City systems, processes and documentation, as well as supporting ongoing service delivery.

As part of the City's approach to managing growth and advancing Council's priority of economic prosperity, development of the Infill Strategy was initiated to support redevelopment within established neighbourhoods and encourage more efficient use of land. Broader engagement and strategy development are anticipated in 2026.

Integration of annexed lands into City technical plans and studies is scheduled to begin in 2026, supporting coordinated long-term growth and an investment-positive environment that enables economic growth and the development of new and existing sectors

These achievements reflect continued progress toward supporting sustainable growth, coordinated development and long-term economic resilience.

COUNCIL STRATEGIC PRIORITIES

STRATEGIC PRIORITY #2:
Downtown Vibrancy

DESIRED OUTCOME

Foster a downtown where people come to live, gather, celebrate, shop and do business.

PROGRESS TO DATE

In 2025, the City concluded the remaining strategic initiatives identified for the 2022-2025 term.

Initiatives under this priority resulted in the completion of planning for the Downtown Area Redevelopment Plan (DARP) updates and the finalization of frameworks for business community facilitation and community events.

Initiatives Supporting This Priority
Completion of planning for Millennium Park Development

Council directed City to stop work on the Millennium Park Development project following the defeat of the Borrowing Bylaw in April 2024

As these strategic projects have met their defined objectives, they have been transitioned to operational teams for ongoing execution, ensuring the continued vitality of the downtown core without the need for further project-based reporting.

COUNCIL STRATEGIC PRIORITIES

STRATEGIC PRIORITY #3:
Community Well-Being

DESIRED OUTCOME

Respond to changing demographics, accommodate the diverse needs of residents and continue to foster an inclusive community where everyone has an opportunity to fully participate and feel welcomed. This includes communicating and engaging in meaningful and transparent ways with the community.

PROGRESS TO DATE

In 2025, continued progress was made across key Community Well-Being initiatives, with several projects advancing through approvals, planning and early implementation activities.

Progress continued on the development of mixed market housing at 22 St. Thomas Street, with funding discussions and approvals advancing at both the provincial and federal levels. Homeland Housing continued to work with the Canada Mortgage and Housing Corporation to secure financing, while additional funding opportunities were explored. Development permit timelines were extended to allow for confirmation of project requirements, and coordination efforts continued to support advancement of the project toward implementation.

Planning for a community amenities site progressed, building on the completion of concept work in early 2025. Technical site studies, partnership reviews and functional program development informed next steps, with project planning activities underway to support future design and development phases.

Initiatives Supporting This Priority
Develop and advance mixed market housing for 22 St. Thomas Street
Complete a feasibility study for youth transitional housing
Complete a community amenities needs assessment and concept planning
Establish an Indigenous Advisory Committee and explore synergistic opportunities
Complete a Community Social Needs Assessment, to provide a comprehensive community demographic profile, identification of community social issues and trends and compilation of community inventory of social sector organizations
Develop the City's overall strategy, identify tactics and an implementation plan for diversity, equity and accessibility

Work to advance Indigenous relations continued through development of the Reconciliation Action Plan and Indigenous Relations Framework. Draft versions of both documents were progressed, with additional engagement planned to support refinement. This work will inform future steps toward establishing an Indigenous advisory structure and strengthening relationships with Indigenous communities.

The Community Social Needs Assessment, completed in 2024, continued to guide planning and decision-making in 2025 through the implementation of the Community Social Roadmap. Efforts

focused on aligning services, strengthening partnerships and responding to identified social trends and community needs.

Following Council approval of the Inclusion, Diversity, Equity and Accessibility (IDEA) Policy, work progressed in 2025 to develop the IDEA Strategy. Efforts focused on establishing the strategy framework and initiating implementation planning, including advancing priorities and actions identified within the multi-year plan.

These initiatives reflect continued progress in strengthening community well-being, enhancing service delivery and supporting an inclusive and responsive community.

COUNCIL STRATEGIC PRIORITIES

STRATEGIC PRIORITY #4:
Adapting to a Changing Natural Environment

DESIRED OUTCOME

Build resiliency that allows the City to prepare for, and respond to, climate change and ensure the vitality of our land, river, natural resources and resilient infrastructure for future generations.

PROGRESS TO DATE

Initiatives supporting this priority were completed in prior years, apart from the development of a Resilient Infrastructure Long-Range Strategy, which is scheduled to begin in 2026. As a result, no work was carried out on this priority in 2025.

Initiatives Supporting This Priority
Develop a Resilient Infrastructure Long-Range Strategy *(Scheduled to start in 2026)*

COUNCIL STRATEGIC PRIORITIES

STRATEGIC PRIORITY #5:
Financial Sustainability

DESIRED OUTCOME

Ensure responsible and transparent fiscal management, decision making and long-term financial sustainability that allows the City to respond to changes to revenue sources.

PROGRESS TO DATE

In 2025, progress was made across key Financial Sustainability initiatives, with a coordinated focus on strengthening financial management practices, modernizing systems and improving service delivery and organizational effectiveness.

Foundational work completed in prior years, including the long-term debt strategy, continued to inform financial planning and capital investment decisions. Building on this, efforts to standardize capital project and contract management practices progressed, with work focused on developing a phased implementation approach, strengthening project oversight and supporting more consistent delivery across the organization.

Advancement of the asset management program and implementation of the Enterprise Maintenance Management and Asset Management system supported more informed, data-driven decision-making and long-term infrastructure planning. This work included updates to the Asset Management Policy, alignment of foundational elements, and preparation for broader organizational integration.

At the same time, enhancements to online access for City services and expansion of digital service delivery improved accessibility and efficiency for residents and businesses. This included progress on online building and development applications, with Stage 1 completed to enable submission and processing of select permits, and additional phases under development.

Initiatives Supporting This Priority
Develop a long-term debt strategy
Standardized capital project and contract management procedures
Explore and implement a centralization asset management model
Enhancement of online access to City services
Extending online options for building and development application process
Develop a process for multi-year budgeting
Enhance records and information management practices
Procurement audit implementation
Advance integrated risk management framework and practice
Identify and implement improvements to selected planning, development and/or engineering process(s), as per Council motion

Efforts to strengthen financial planning and internal processes also continued. Development of a multi-year budgeting approach advanced, alongside enhancements to records and information management practices to improve accessibility, support digitization and enable more effective information use across the organization.

Implementation of Procurement Audit recommendations progressed through updates to processes, development of training materials and alignment with operational needs, while work to advance an integrated risk management framework and process improvements in planning, development and engineering remained ongoing as part of broader continuous improvement efforts.

Collectively, these initiatives reflect a coordinated approach to enhancing financial sustainability, improving service delivery and strengthening the City’s ability to plan, manage and deliver services effectively.



Financial Section

Riel Recreation Park

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

The 2025 Annual Report provides its recent financial performance, including significant financial practices, strategies and events.

Combined with the City's consolidated financial statements, the Financial Statement Discussion and Analysis (FSD&A) section of the Annual Report is prepared by management in accordance with the principles and standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada, and the *Municipal Government Act* and provincial and federal regulations.

The FSD&A aims to provide the results of the past year, with a summary of the sources, allocation and use of the economic resources, while capturing significant differences between the reported year and previous year as well as budgeted and actual results. It reports on how the financial resources entrusted to the City are being managed to provide municipal infrastructure, programs and services. It depicts how the activities of the period affected the City's results.

Management has made every effort to ensure the consolidated financial statements present a fair accounting of the City's consolidated operating and capital activities for the fiscal year ended December 31, 2025. The City's consolidated financial statements are prepared and reported in observation of the City's policies and bylaws, where Council provides governance and guidance to policy and bylaw changes and approval. To ensure accountability, Council conducts quarterly and year-end reviews of the financial results. The consolidated financial statements include the City government and its utilities, the St. Albert Library Board and the Arts and Heritage Foundation of St. Albert.

The City's auditor, KPMG LLP, has audited the consolidated financial statements and provided the accompanying Independent Auditor's Report. The consolidated financial statements and auditor's report satisfy a legislative reporting requirement as set out by the *Municipal Government Act*.

The FSD&A should be read in conjunction with the audited consolidated financial statements and accompanying notes. The responsibility for the preparation of both the consolidated financial statements and the FSD&A rests with the City's management. A multi-year statistical and financial section is provided for additional information.

The 2025 Consolidated Financial Statements include the following:

- **Consolidated Statement of Financial Position**
  Reports financial assets, liabilities, net financial assets, non-financial assets and accumulated operating surplus as at the December 31 year-end. This statement is used to evaluate the City's ability to finance its activities and satisfy its obligations and commitments.
- **Consolidated Statement of Operations and Accumulated Operating Surplus**
  Reports revenues earned, expenses incurred, and results of the fiscal year as annual surplus or deficit and summarizes the change in accumulated operating surplus.
- **Consolidated Statement of Changes in Net Financial Assets**
  Reports the changes in net financial assets at year-end. This statement provides information regarding the extent to which expenditures in the year were met by revenues recognized in the year. It is a key indicator of the City's overall financial health.
- **Consolidated Statement of Remeasurement Gains and Losses**
  Reports on the unrealized gains and losses arising from the remeasurement of certain financial instruments and certain items denominated in foreign currencies.
- **Consolidated Statement of Cash Flows**
  Reports the cash resources provided by operations, investing, capital activities and financing, and how cash was used during the reporting period. It reflects the net change in cash and cash equivalents since the last reporting period.



Children's Bridge

FINANCIAL ASSETS

Financial assets include cash and cash equivalents, investments and receivables, which are resources that are considered as cash (or could be turned into cash, if required), to fund day-to-day government services. At December 31, 2025, the City's financial assets increased by $6.6 million to close the year at $299.6 million. The Consolidated Statement of Financial Position summarizes the financial assets at year end.

CASH AND INVESTMENTS

Cash Position

Cash and cash equivalents are financial resources that consist of short-term cash and investments with maturities of up to three months and that are held to pay for ongoing expenditures and obligations. Uses of cash are subject to the City's Cash Management Policy, which is in place to optimize the cash position to take advantage of investment opportunities.

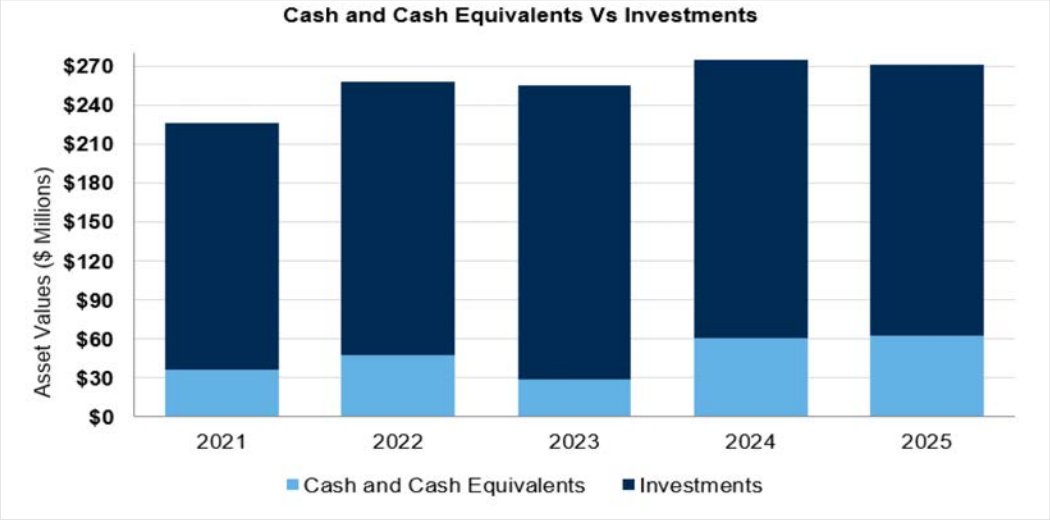
During 2025, the changes in the City's cash position were largely due to the following:

- $88.0 million generated from City operations
- $102.9 million invested in tangible capital assets and $0.4 million incurred in settlement of asset retirement obligations, offset by proceeds on disposal of tangible capital assets of $0.2 million
- $5.5 million received from maturity of investments net of purchases
- $20.7 million received from the issuance of new long-term debt offset by $9.2 million in principal repayments

Investments

Ranging from short-term investments to long-term bonds, the City invests funds to generate income, which provides another source of funding for services. Short-term investments have maturity terms from three months to three years, which consists of notes and deposits. Long-term investments are financial securities that have varying maturity terms that extend past three years, which includes corporate and government bonds and principal protected notes.

In comparison to 2024, the carrying value of investments was lower by $5.3 million, which represents a decrease of 2.5 per cent, primarily due to decreases in the investments base. The investment income earned in the year was $8.2 million, a decrease of $0.5 million from the prior year resulting from a change in the mix of investments. Details on investments are provided in Note 4 of the consolidated financial statements.



As at December 31, 2025, the total cash and cash equivalents and investments were $271.5 million: $62.6 million and $208.9 million respectively. Further information regarding the City's sources and uses of cash and cash equivalents are summarized in the Consolidated Statement of Cash Flows.

RECEIVABLES

Receivables are amounts owed by taxpayers and customers for general taxes, trade, sales and user fees and other revenues. In the past year, receivables increased by $10.0 million to $28.0 million. The change in the balance of receivables is due to the contribution receivable for the Local Government Fiscal Framework (LGFF) funding and does not present substantive risks to the City.



Sturgeon River

LIABILITIES

Liabilities include accounts payable and accrued liabilities, deferred revenue, off-site levy liabilities, deposit liabilities, long-term debt, asset retirement obligations and environmental liabilities. At year end, total liabilities increased by $19.2 million to $229.2 million. The Consolidated Statement of Financial Position summarizes the City's liabilities as of December 31, 2025.

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are current short-term amounts owed to vendors for goods purchased, work completed or services rendered to the City as well as salaries and benefits. The payments to these vendors will be made within the next year. As at December 31, 2025, the balance increased by $2.6 million to $46.0 million primarily due to timing of vendor invoices. Additional details on employee future benefits are provided in Note 5 to the consolidated financial statements.

DEFERRED REVENUE

Deferred revenue, representing mostly restricted capital funding, is held due to restrictions placed on funds by provincial and/or federal governments based on funding agreements. Amounts in deferred revenue are recognized as revenue in the period when the timing or conditions associated with the funding agreements have been satisfied. Generally, this means that revenues can be recognized as eligible expenditures and are made on grant funded capital or operating projects.

During the year, deferred revenue increased by $7.6 million due to the following:

- $53.9 million contributions received;
- $1.1 million of interest earned; and offset by
- $47.4 million revenue recognized.

The deferred revenue balance at year end of $37.4 million was comprised of $31.9 million related to capital projects supported by government transfers and the remaining $5.5 million designated for operating purposes. Note 6 to the consolidated financial statements provides more detailed information on deferred revenue.

OFF-SITE LEVY LIABILITIES

The City's key services include working with developers to oversee land development for private and public purposes in the community. This involves processing development applications and permits to maintain compliance with planning goals and regulations. One of the major components when developing a new area of land is ensuring that key connecting infrastructure such as roadways, water, sanitary and storm are in place to support the proposed development.

The City collects off-site levies from developers to fund the construction of these items. The funds are held by the City, restricted, and reported as off-site liabilities until the infrastructure is built.

The balance of this fund fluctuates over time based on the pace of development. The Off-site Levy Program specifies that the burden of paying for the cost of the infrastructure rests with developers and supports a growth-pays-for-growth philosophy.

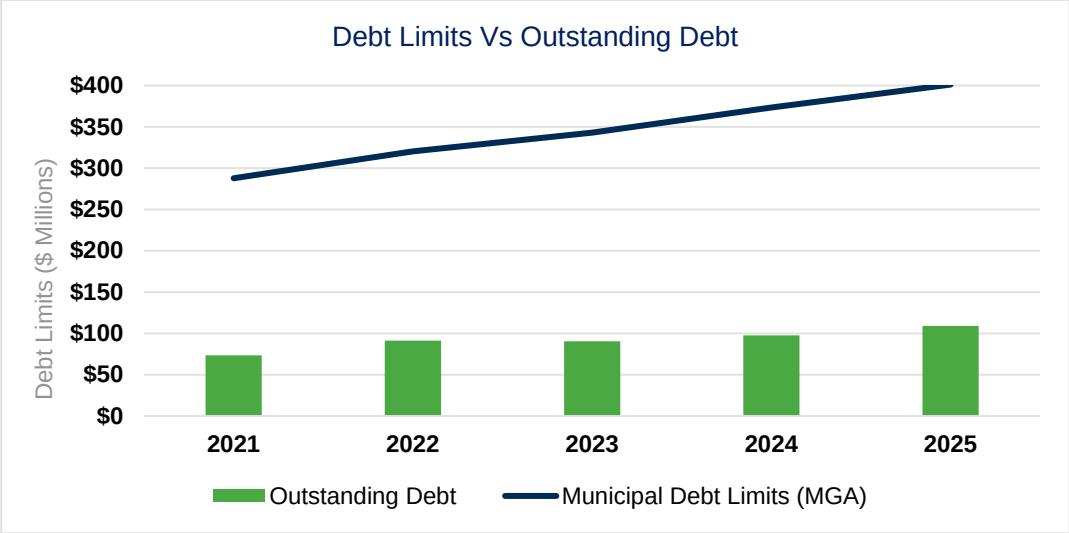
Off-site levy liabilities decreased by $0.5 million to $31.0 million in 2025 as a result of approved reimbursements during the year that exceeded new development agreements or contributions. More detailed information is specified within the Off-site Levy Bylaw and Note 7 to the consolidated financial statements.

LONG-TERM DEBT

City Council considers long-term debt when internal financing is unavailable to fund capital projects and when it is prudent to do so. Current long-term debt consists of fixed-term financing agreements with the Alberta Treasury Board and the Federation of Canadian Municipalities. The interest rates were established at the time of borrowing and remain constant throughout the term. The City's current debt repayments are both tax and reserve-funded, with a requirement for semi-annual payments of principal and interest. During the year, the City borrowed $20.7 million, and repaid the principal amount of $9.2 million, resulting in a year-end balance of $109.2 million. Total interest expense of $3.7 million was incurred on long-term debt during the year.

The City has $109.2 million in outstanding debt, which is lower than the limit established through the *Municipal Government Act*. The issuance of new long-term debt relates to the following five significant projects:

- Transit Garage Expansion- $6.0 million
- North St. Albert Trail - $5.5 million
- Fire Hall 4 - $4.7 million
- Clean Energy Improvement Program - $2.5 million
- Villeneuve Road - $2.0 million



The ability to borrow is governed by the *Municipal Government Act*, which sets maximum limits to ensure a municipality does not take on too much debt or exceed its ability to service that debt. The regulation safeguards municipalities from over-extending their limits to ensure that they can meet the required payments. Debt, when used strategically, is an effective long-term financing strategy. St. Albert remains significantly below the prescribed debt limit set by the Government of Alberta. More detailed information is provided in Note 9 to the consolidated financial statements.

ASSET RETIREMENT OBLIGATIONS AND ENVIRONMENTAL LIABILITIES

Asset Retirement Obligations (ARO) are legal obligations that arise from the City's control of tangible capital assets or leased assets, which include assets in productive or non-productive use. As of December 31, 2025, the ARO liability of $2.4 million consists of retirement liabilities related to tangible capital assets, such as removal of asbestos and other hazardous materials, leasehold improvements, landfill closure, post-closure activities and ongoing monitoring costs.

In addition, in 2025, environmental liabilities of $0.3 million consisted of expected future monitoring costs connected to the effects of salt on soil and groundwater.

More detailed information is provided in Note 10 to the consolidated financial statements.



Servus Place

NET FINANCIAL ASSETS

A government's net financial assets position is a function of its total liabilities and its total financial assets. This calculation is a key financial indicator related to the City's financial position as it reflects the relationship between annual surplus, tangible capital asset acquisitions/disposals/amortization and treatment of other inventories or prepaid expenses. In 2025, the City's net financial assets position decreased by $12.5 million to $70.5 million. The year-over-year decrease in net financial assets is primarily due to the increase in long-term debt incurred to fund capital projects related to City facilities, community infrastructure and the Clean Energy Improvement Program. In addition, a portion of the rise in liabilities relates to delayed revenue recognition for grant funding due to project timing, as well as the timing of vendor invoice payments. These impacts are partially offset by increases in cash and cash equivalents and receivables resulting from the timing of collections from customers. The Consolidated Statement of Changes in Net Financial Assets provides more detailed information on the net financial assets as of December 31, 2025.

NON-FINANCIAL ASSETS

Non-financial assets are largely comprised of tangible capital assets but also include inventories of materials and supplies and prepaid expenses. These assets are acquired and used in the production of goods and services primarily for the purpose of providing services to the community. The non-financial assets increased by $74.8 million, ending the year at $1,441.2 million. The Consolidated Statement of Financial Position outlines the non-financial assets balances as at December 31, 2025.

TANGIBLE CAPITAL ASSETS

Costs are incurred to construct, buy, maintain and retire assets such as roads, buildings or equipment, which are considered tangible capital assets. Any increase in tangible capital assets is a form of investment in the community for which citizens can expect benefits in future years. In general, these assets have physical substance and have a long-lived service life greater than one year, and in some cases, decades. Examples of tangible capital assets would include such

things as transit buses, recreation centres, parks, trails, cultural amenities, roadways and water reservoirs.

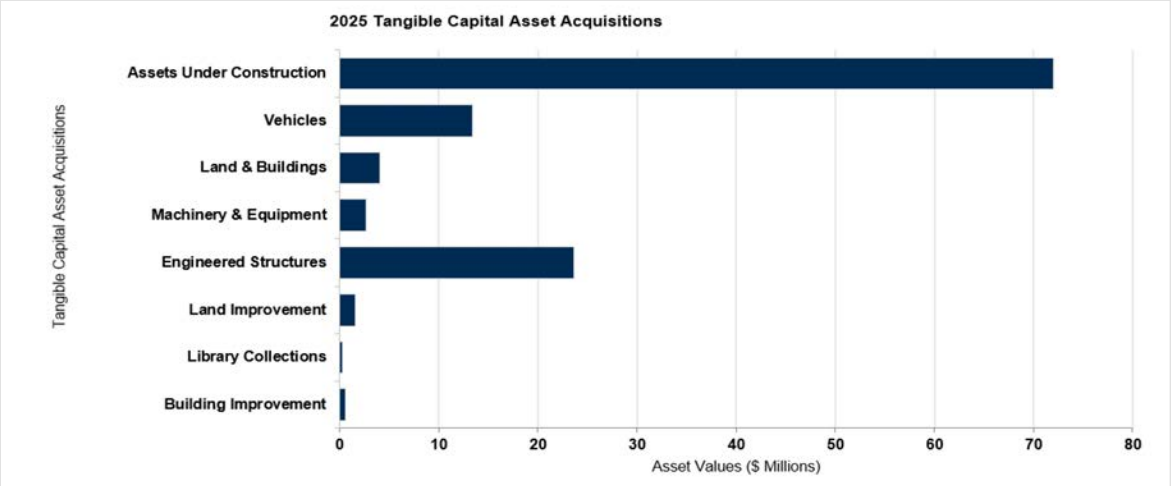
There are three streams of tangible capital assets – contributed assets, self-constructed/purchased assets and the leased assets. In the normal course of operations, the City receives ownership of tangible capital assets from developers and records them as contributed tangible capital assets. Once contributed as tangible capital assets, the City takes on the future responsibility for repairs, maintenance and eventual replacement of those assets. Contributed tangible capital assets provide a future economic benefit to the City and include such things as roads, land, sidewalks and street lighting. These contributions are reported as revenue upon receipt from developers and at the time of project completion, which results in an increase in the accumulated operating surplus.

For the year, the changes in the value of the City's tangible capital assets are comprised of:

- $118.3 million increase in tangible capital assets acquisitions and transfers (including $15.2 million in contributed tangible capital assets); offset by
- $43.1 million amortization expenses; and,
- $0.3 million of disposals.

Net tangible capital assets increased by $74.9 million, ending the year at $1,437.2 million.

Capital spending in the past year was mainly on assets under construction, vehicles and engineered structures such as a roadway system, water system and wastewater system. Tangible capital assets amortization, also referred to as depreciation, is a drawdown of its value, representing an estimated annual cost of using the asset due to wear and tear from use. Land is not a depreciable asset. Note 11 to the consolidated financial statements provides more information on the major components of tangible capital assets, along with the respective amortization amounts in 2025.



During the year, there was a large number of projects completed and moved into service, as a result, $28.1 million was transferred from Assets under Construction. More details are provided in Note 11 to the consolidated financial statements.



Fountain Park

ACCUMULATED OPERATING SURPLUS

Accumulated operating surplus, also known as municipal equity, is a balance representing the book value of the City and consists of both restricted and unrestricted reserves, and equity invested in tangible capital assets. It is driven by the City's investments and ownership of capital assets over time. The accumulated operating surplus balance is attributed to all assets exceeding all liabilities. A positive balance typically indicates that the government has sufficient net resources to enable the City to provide services in the future. At December 31, 2025, the City's accumulated operating surplus increased by $62.1 million, closing the year at $1,511.4 million. The Consolidated Statement of Operations and Accumulated Operating Surplus summarizes the accumulated operating surplus, with additional information in Note 13 to the consolidated financial statements.

RESERVES

Reserves are funds set aside to provide for capital investments, budget shortfalls or unexpected economic events through general fund contributions and investment income, in an effort to stabilize future tax. The City's reserves are designated for operating and capital purposes, however, most of the reserves are funds for future repairs, maintenance and replacement of existing assets as part of the asset management program. A growing reserve balance represents good financial management - indicative of healthy fundamental practices and is consistent with the City's strategic approach.

The City's internally restricted reserves increased by $0.4 million. Fluctuation in the reserves balance is due to timing of lifecycle purchases, surplus transfers as well as delays in projects. As a result, restricted reserves ended the year at $188.1 million.

FINANCIAL OPERATIONS

The Consolidated Statement of Operations and Accumulated Operating Surplus summarizes the City's operating results during 2025. While contributing positively to the City's strong financial position, this year's annual surplus of $62.1 million is primarily attributed to revenues recognized for contributed assets, developer contributions and levies, and capital grants. The segmented information on the lines of service provided by the City is detailed in Note 23 to the consolidated financial statements. This note also includes corresponding revenues and expenses, presented by object in each functional category.

OPERATING REVENUES

COMPARISON TO BUDGET

Overall, the City's consolidated operating revenues of $257.2 million exceeded the budget by $7.2 million.

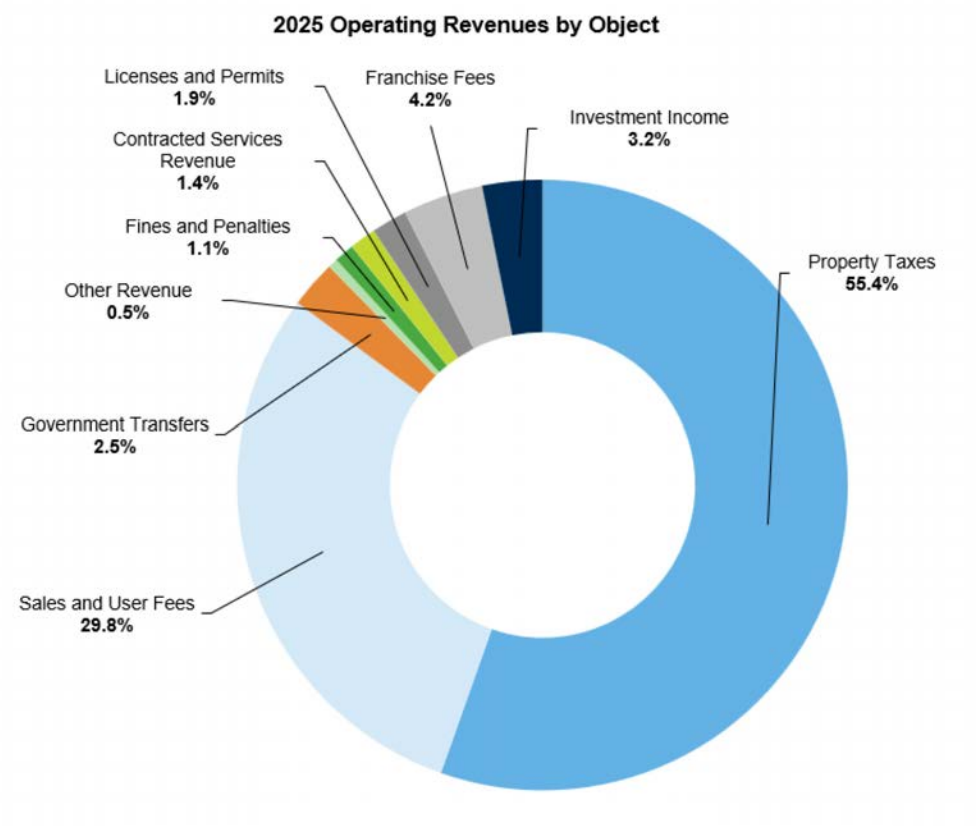
Sales and User Fees were higher than budgeted due to an increase in demand for recreation services, facility rentals and transit services. In addition, the development and subdivision fees were higher due to growth and there was an increase recovered costs generated from the transitioned recycling program from the municipality to producers and other recovered costs.

Government Transfers were higher than budgeted mainly due to an increase of unbudgeted grants, including a one-time Low income transit pass grant and Arts and Heritage Foundation grant.

Fines and Penalties were higher than budgeted due to increases in traffic tickets issued due to proactive traffic programming; there were also increases in tax penalties and tax certificates resulting from higher volumes, as well as a higher ambulance contract and billing driven by demand and surge requests from Alberta Health Services.

Licenses and Permits were higher than budgeted due to higher than expected community growth resulting in an increase in collection of licenses and permits.

Franchise Fees were higher than budgeted due to St. Albert's growth resulting in an increase in collection of Franchise Fees.



Numbers above are rounded and may not equal exactly 100%

COMPARISON TO PRIOR YEAR

2025 Operating Revenues were higher than 2024 by $13.3 million.

Property Taxes increased due to an approved budget and tax increase in 2025.

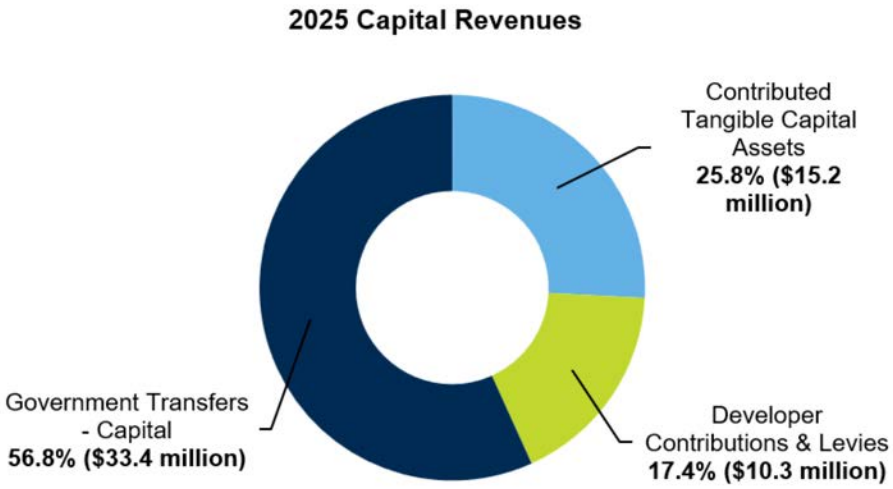
Sales and User fees increased primarily due to higher demand for services and adjustments made through the City's annual fee review process for recreation, culture, and utility rates.

Franchise Fees increased due to delivery rate adjustments and St. Albert 's growth for natural gas franchise fees.

Licenses and Permits decreased mainly due to a decrease in building, development, and electrical permit activity from the prior year.

Investment Income decreased due to a change in the mix of investments.

CAPITAL REVENUES



The 2025 capital revenues varied by $31.4 million from budget primarily due to timing of contributed assets, developer contributions and levies, and government transfers for capital projects. The capital revenues reported include projects that were not only approved in the current year but also consisted of projects from prior years. A total of $58.9 million in capital revenues were recognized during the year.

OPERATING EXPENSES

COMPARISON TO BUDGET

The City's 2025 consolidated expenses of $254 million were lower than budget by $8.0 million.

Corporate Financing expenses were lower due to budgeted financing interest expenses that are reported corporately, with the actuals being allocated to each functional category and lower amortization offset by an increase in employment relations costs.

Public Operations expenses were lower than budgeted due to lower amortization and fuel costs due to the elimination of the carbon levy, a new diesel contract and partly offset by higher contracted services and wages for snow and ice removals because of unfavourable weather.

General Government expenses were lower due to lower amortization as well as lower Information Technology contract costs as a result of the cost reduction achieved from management of software licenses as well as phased implementation of the Next Generation 911 system.

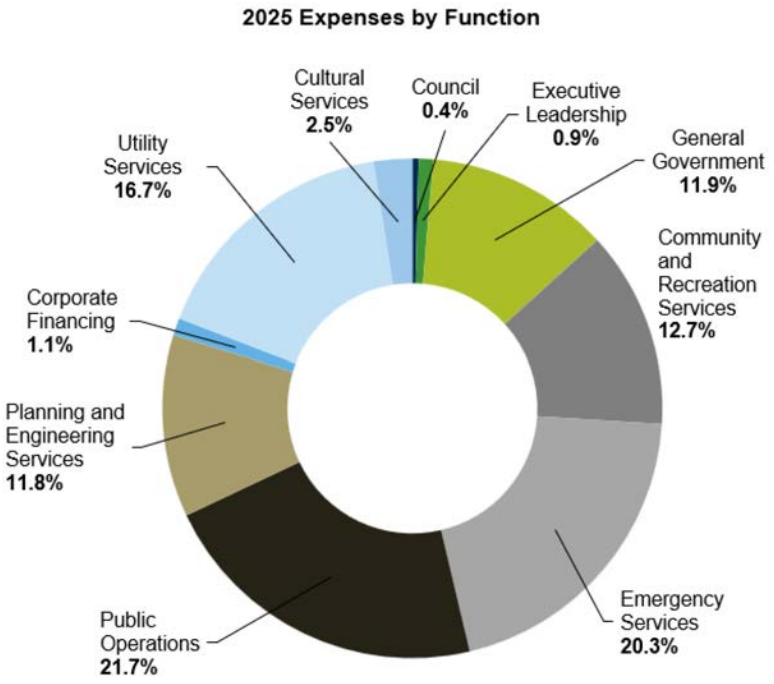
Community and Recreation Services expenses were lower due to lower amortization and partly offset by increases in contracted, general services and recreation facility costs such as chemical and janitorial supplies.

Emergency Services expenses were higher due to increases of salaries for fire services personnel and overtime as a result of personnel shift differentials. This is offset by personnel savings from the Royal Canadian Mounted Police contract as a result of vacant positions.

Planning and Engineering Services were higher primarily due to unbudgeted non-capital expense transfers and an increase in amortization cost.

Utility Services expenses were higher due to increases in water purchases, wastewater treatment rates and costs associated with an increase in water loss. Also, costs were higher due to the acquisition of water meters and parts aligning with the lifecycle replacement program.

Cultural Services expenses were higher due to increases from an externally funded portion of the ongoing operations of the Arts & Heritage Foundation not budgeted by the City.



Numbers above are rounded and may not equal exactly 100%

COMPARISON TO PRIOR YEAR

2025 Operating Expenses were higher than 2024 by $16.4 million.

Planning and Engineering Services expenses increased due to inflationary increases in salaries, wages and benefits, amortization costs and non-capital transfer expenses.

Utility Services expenses increased due to annual utility rate increase, the purchase of water and wastewater treatment costs from a third party and amortization costs.

Public Operations expenses increased due to inflationary increases in salaries, wages and benefits, increased transit contract costs for growth areas and ridership, as well as snow and ice removals due to unfavourable weather and a switch to contracted services for Nakî Transit Centre as compared to 2024.

General Government expenses increased due to inflationary increases in salaries, wages and benefits, insurance expenses and the recruitment of new staff. This is offset by slightly lower amortization costs as compared to prior year.

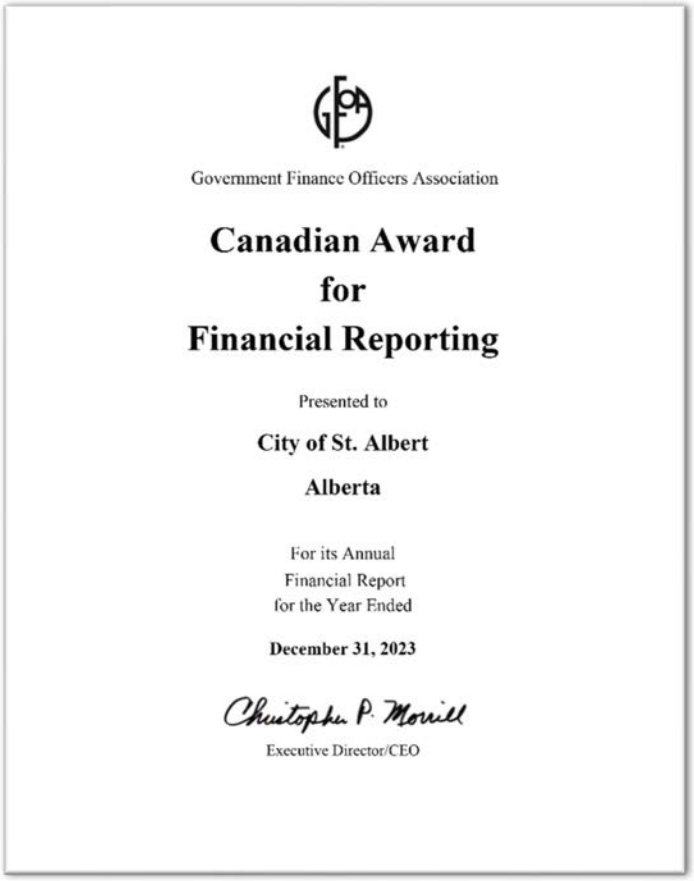
Community & Recreation Services expenses increased due to inflationary increases in salaries, wages and benefits, and the recruitment of new staff.

Corporate Financing expenses increased due to salaries, wages and benefits for future contract settlements.

Executive Leadership expenses increased due to inflationary increases in salaries, wages and benefits, and contracted services.

ANNUAL SURPLUS

The City's annual surplus remains financially strong at $62.1 million. The annual surplus is equal to the current year's excess of revenues over expenditures. With a realized healthy surplus, the City strengthened its net assets position reflecting continued financial sustainability.



Government Finance Officers Association

Canadian Award
for
Financial Reporting

Presented to

City of St. Albert

Alberta

For its Annual
Financial Report
for the Year Ended

December 31, 2023

Christopher P. Morrill

Executive Director/CEO

CANADIAN AWARD FOR FINANCIAL REPORTING

For the last 24 years, the City has received a Canadian Award for Financial Reporting for its Annual Financial Reports. This award, presented by the Government Finance Officers Association of the United States and Canada (GFOA), is presented to governments across Canada who publish high-quality financial reports.

In order to qualify, a government must publish an easily readable and efficiently organized annual financial report, the contents of which conform to program standards beyond the minimum requirements prescribed by Canada's Generally Accepted Accounting Principles. Such a report should clearly communicate the municipality's financial condition, enhance an understanding of financial reporting, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one-year only.

The City of St. Albert believes its current Report continues to conform to the program award requirements and will therefore again forward it to the Government Finance Officers Association for award consideration.



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Management's Report

To the Mayor and Members of Council of the City of St. Albert,

Management of the City of St. Albert is responsible for the integrity, relevance and comparability of the data in the accompanying consolidated financial statements. The consolidated financial statements have been prepared by Management in accordance with Canadian Public Sector Accounting Standards. The preparation of the consolidated financial statements necessarily includes some amounts which are based on Management's best estimates.

It is City policy to practice the highest standard of ethics. The City also has policies and procedures for internal controls.

Management is committed to maintaining an extensive system of internal controls, providing reasonable assurance that:

* all transactions are appropriately authorized

* assets are properly accounted for and safeguarded

* all transactions are appropriately recorded, and financial records are reliable for the preparation of consolidated financial statements.

Oversight for Management's responsibilities for financial reporting is provided by City Council. There are regular meetings between Council, Management and the City's independent external auditors to discuss auditing and reporting on financial matters, and to ensure that Management is carrying out its responsibilities with its preparation of the consolidated financial statements. The independent auditors have full and free access to Council and Management.

The consolidated financial statements have been audited by the independent external audit firm of KPMG LLP.

William Fletcher (Apr 21, 2026 11:51:50 MDT)

William Fletcher
Chief Administrative Officer

Diane McMordie (Apr 21, 2026 11:07:39 MDT)

Diane McMordie, CPA,CMA
Managing Director, Corporate & Emergency Services/CFO

KPMG LLP
2200, 10175 – 101 Street
Edmonton, AB T5J 0H3
Canada
Telephone 780-429-7300
Fax 780-429-7379

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Members of Council of the City of St. Albert

Opinion

We have audited the consolidated financial statements of the City of St. Albert (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2025;
- the consolidated statement of operations and accumulated operating surplus for the year then ended;
- the consolidated statement of changes in net financial assets for the year then ended;
- the consolidated statement of remeasurement gains and losses for the year ended;
- the consolidated statement of cash flows for the year then ended;
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2025, and its consolidated results of operations, its consolidated changes in net financial assets, its consolidated remeasurement gains and losses and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information comprises the information, other than the financial statements and the auditor's report thereon, included in the "2025 Annual Report".

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in 2025 Annual Report as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.



Chartered Professional Accountants

Edmonton, Canada

April 21, 2026

CITY OF ST. ALBERT
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2025, with comparative information for 2024 (in thousands of dollars)

	2025	2024
Financial Assets		
Cash and Cash Equivalents (Note 2)	**$ 62,627**	$ 60,727
Accounts Receivable	**24,583**	14,559
Taxes Receivable (Note 3)	**3,423**	3,448
Land and Inventories Held for Resale	**130**	127
Investments (Note 4)	**208,913**	214,174
Total Financial Assets	**299,676**	293,035
Financial Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	**45,985**	43,384
Deferred Revenue (Note 6)	**37,456**	29,897
Offsite Levy Liabilities (Note 7)	**31,049**	31,542
Deposit Liabilities (Note 8)	**2,882**	5,037
Long-Term Debt (Note 9)	**109,152**	97,629
Asset Retirement Obligations and Environmental Liabilities (Note 10)	**2,664**	2,537
Total Financial Liabilities	**229,188**	210,026
Net Financial Assets	**70,488**	83,009
Non-Financial Assets		
Tangible Capital Assets (Note 11)	**1,437,217**	1,362,357
Inventories of Materials and Supplies	**1,607**	1,603
Prepaid Expenses	**2,373**	2,430
Total Non-Financial Assets	**1,441,197**	1,366,390
Accumulated Surplus	**$ 1,511,685**	$ 1,449,399
Accumulated Operating Surplus (Note 13)	**$ 1,511,385**	$ 1,449,287
Accumulated Remeasurement Gains	**$ 300**	$ 112

Commitments and Contingencies (Note 14)

Contractual Rights (Note 15)

Approved by: Scott Olivieri (Apr 21, 2026 11:21:49 MDT) Ken MacKay (Apr 21, 2026 10:53:27 MDT)

Mayor Councillor

The accompanying notes are an integral part of these consolidated financial statements.

CITY OF ST. ALBERT
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED OPERATING SURPLUS

Year Ended December 31, 2025, with comparative information for 2024 (in thousands of dollars)

	2025 Budget (Note 21)	2025	2024
Operating Revenue			
Property Taxes (Note 17)	$ 142,218	**$ 142,489**	$ 134,715
Sales and User Fees	72,525	**76,557**	70,618
Franchise Fees (Note 16)	10,424	**10,925**	9,846
Investment Income	8,501	**8,168**	8,663
Government Transfers - Operating (Note 18)	5,493	**6,503**	6,593
Licenses and Permits	4,308	**4,896**	5,819
Contracted Services Revenue	3,481	**3,583**	3,721
Fines and Penalties	2,088	**2,781**	2,832
Other Revenue	947	**1,275**	1,112
Total Operating Revenue	249,985	**257,177**	243,919
Expenses			
Public Operations	60,368	**55,012**	52,528
Emergency Services	46,865	**51,597**	50,368
Utility Services	40,897	**42,329**	38,741
Community and Recreation Services	33,105	**32,358**	30,693
General Government	31,728	**30,245**	28,445
Planning and Engineering Services	25,349	**29,902**	25,785
Cultural Services	5,577	**6,302**	6,252
Executive Leadership	2,165	**2,390**	1,728
Council	1,169	**1,013**	1,024
Corporate Financing	14,739	**2,817**	2,106
Total Expenses	261,962	**253,965**	237,670
Annual Surplus (Deficiency) Before Capital Revenue	(11,977)	**3,212**	6,249
Capital Revenue			
Contributed Tangible Capital Assets	11,439	**15,204**	23,539
Developer Contributions and Levies	-	**10,264**	4,984
Government Transfers - Capital (Note 18)	16,040	**33,418**	14,580
Total Capital Revenue	27,479	**58,886**	43,103
Annual Surplus	15,502	**62,098**	49,352
Accumulated Operating Surplus, Beginning of Year	1,449,287	**1,449,287**	1,399,935
Accumulated Operating Surplus, End of Year (Note 13)	$ 1,464,789	**$ 1,511,385**	$ 1,449,287

The accompanying notes are an integral part of these consolidated financial statements.

CITY OF ST. ALBERT
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year Ended December 31, 2025, with comparative information for 2024 (in thousands of dollars)

	2025 Budget (Note 21)	2025	2024
Annual Surplus	$ 15,502	$ 62,098	$ 49,352
Acquisition of Tangible Capital Assets	(368,786)	(103,086)	(63,417)
Contributed Tangible Capital Assets	(11,439)	(15,204)	(23,539)
Proceeds on Disposal of Tangible Capital Assets	-	245	493
Amortization of Tangible Capital Assets	50,852	43,064	41,638
Loss (Gain) on Disposal of Tangible Capital Assets	-	121	(211)
	(329,373)	(74,860)	(45,036)
Acquisition of Inventories of Materials and Supplies	-	(1,607)	(1,603)
Prepayment of Prepaid Expenses	-	(2,373)	(2,430)
Consumption of Inventories of Materials and Supplies	-	1,603	1,646
Use of Prepaid Expenses	-	2,430	3,533
Net Remeasurement Gains	-	188	122
	-	241	1,268
Increase (Decrease) in Net Financial Assets	(313,871)	(12,521)	5,584
Net Financial Assets, Beginning of Year	83,009	83,009	77,425
Net Financial Assets (Net Debt), End of Year	$ (230,862)	$ 70,488	$ 83,009

The accompanying notes are an integral part of these consolidated financial statements.

CITY OF ST. ALBERT
CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

Year Ended December 31, 2025, with comparative information for 2024 (in thousands of dollars)

	2025	2024
Accumulated Remeasurement Gains (Losses), Beginning of Year	**$ 112**	$ (10)
Unrealized Gains Attributable to:		
Investments with Embedded Derivatives	**300**	112
Amounts Reclassified to the Statement of Operations Attributable to:		
Realized Losses (Gains) on Investments with Embedded Derivatives	**(112)**	10
Net Remeasurement Gains	**188**	122
Accumulated Remeasurement Gains, End of Year	**$ 300**	$ 112

The accompanying notes are an integral part of these consolidated financial statements.

CITY OF ST. ALBERT
CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended December 31, 2025, with comparative information for 2024 (in thousands of dollars)

	2025	2024
Cash Provided by (Used in):		
Operating Activities		
Annual Surplus	**$ 62,098**	$ 49,352
Items Not Involving Cash:		
Amortization of Tangible Capital Assets	**43,064**	41,638
Contributed Tangible Capital Assets	**(15,204)**	(23,539)
Loss (Gain) on Disposal of Tangible Capital Assets	**121**	(211)
Accretion Expense	**240**	131
	90,319	67,371
Change in Non-Cash Assets and Liabilities:		
Accounts Receivable	**(10,024)**	773
Taxes Receivable	**25**	87
Land and Inventories Held for Resale	**(3)**	(5)
Accounts Payable and Accrued Liabilities	**2,601**	(2,931)
Deferred Revenue	**7,559**	1,409
Offsite Levy Liabilities	**(493)**	6,867
Deposit Liabilities	**(2,155)**	707
Asset Retirement Obligations and Environmental Liabilities	**163**	(21)
Inventories of Materials and Supplies	**(4)**	43
Prepaid Expenses	**57**	1,103
Cash from Operating Activities	**88,045**	75,403
Capital Activities		
Acquisition of Tangible Capital Assets	**(102,921)**	(63,417)
Proceeds on Disposal of Tangible Capital Assets	**245**	493
Settlement of Asset Retirement Obligations	**(441)**	(53)
Cash applied to Capital Activities	**(103,117)**	(62,977)
Investing Activities		
Purchase of Investments	**(99,823)**	(49,366)
Maturity of Investments	**105,272**	61,523
Cash from Investing Activities	**5,449**	12,157
Financing Activities		
Issue of Long-Term Debt	**20,709**	16,750
Repayment of Long-Term Debt	**(9,186)**	(9,618)
Cash from Financing Activities	**11,523**	7,132
Increase in Cash and Cash Equivalents	**1,900**	31,715
Cash and Cash Equivalents, Beginning of Year	**60,727**	29,012
Cash and Cash Equivalents, End of Year	**$ 62,627**	$ 60,727

The accompanying notes are an integral part of these consolidated financial statements.

The City of St. Albert (the "City") is a municipality in the Province of Alberta and operates under the provisions of the Municipal Government Act, R.S.A., 2000, c. M-26, as amended (MGA).

1. Significant Accounting Policies

The consolidated financial statements ("financial statements") of the City are the representations of management and have been prepared in accordance with Canadian Public Sector Accounting Standards (PSAS).

Significant accounting policies adopted by the City are as follows:

a. Reporting Entity

The financial statements reflect the assets, liabilities, revenues, expenses and accumulated surplus of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards that are owned or controlled by the City and are, therefore, accountable to the Council for the administration of their financial affairs and resources. In addition to the City's municipal government operations, consolidated entities include the St. Albert Library Board and the Arts & Heritage Foundation of St. Albert. Inter-departmental and inter-organizational transactions and balances between these entities have been eliminated. The financial statements also include requisitions for educational and other organizations that are not part of the City.

b. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Future events, such as changes to regulatory requirements, may result in significant changes to the reported amounts and will be recognized prospectively as a change in estimate when applicable.

Significant estimates include assumptions used in determining the useful lives of tangible capital assets, provision for allowances in accounts receivable, provision for tax exempt appeals, investment impairment, if any, accumulating non-vesting sick leave benefit liability and asset retirement obligations and environmental liabilities.

Actual results could differ from these estimates.

c. Basis of Accounting

The financial statements are prepared using the accrual basis of accounting.

i. Revenue

Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred.

Revenue from transactions with performance obligations, including sales and user fees, franchise fees, licenses and permits, contracted services revenue and other revenue, is recognized as the performance obligations are satisfied by providing the promised goods or services to the payor.

Revenue from transactions with no performance obligations, including fines and penalties, is recognized when the City has the authority to claim or retain an inflow of economic resources resulting from a past transaction or event giving rise to an asset.

1. Significant Accounting Policies (continued)

c. Basis of Accounting (continued)

i. Revenue (continued)

Offsite levies are collected from a developer upon the execution of a Development Agreement as per the Offsite Levy Bylaw. These funds are restricted to fund the construction of specific infrastructure and are recognized as revenue once the said infrastructure has been built and the City has provided a construction completion certificate.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase or construction of tangible capital assets. These transfers are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. These are recognized in the financial statements as revenue 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 determined.

ii. Expenses

Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

d. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and cash equivalents that are highly liquid with orginal maturities of three months or less.

e. Financial Instruments

The City's financial instruments include cash and cash equivalents, accounts receivable, taxes receivable, investments, accounts payable and accrued liabilities, and long-term debt. The carrying value of cash and cash equivalents, accounts receivable, taxes receivable, accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these financial assets and liabilities.

The following is a list of the City's financial instruments and their related measurement basis:

- Cash and cash equivalents – cost or amortized cost
- Accounts receivable – cost or amortized cost
- Taxes receivable – cost or amortized cost
- Investments with embedded derivatives – fair value
- Investments other than investments with embedded derivatives – cost or amortized cost
- Accounts payable and accrued liabilities – cost or amortized cost
- Long-term debt – cost or amortized cost.

1. Significant Accounting Policies (continued)

e. Financial Instruments (continued)

The three levels of information that may be used to measure fair value are:

- Level 1 – Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 – Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

Derivatives are recorded at fair value in the Consolidated Statement of Financial Position. Unrealized gains and losses from changes in the fair value of derivatives are recognized in the Consolidated Statement of Remeasurement Gains and Losses.

Contractual obligations are evaluated for the existence of embedded derivatives. The City measures and recognizes embedded derivatives separately from the host contract when the economic characteristics and risk of the embedded derivative are not closely related to those of the host contract, when it meets the definition of a derivative and when the entire contract is not measured at fair value. An election can be made to either measure the entire contract at fair value or measure the value of the derivative component separately when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself. For investments with embedded derivatives, the City has made an irrevocable election to measure the entire contract at fair value.

Investment premiums and discounts for investments measured at amortized cost are amortized on the straight line basis over the term of the respective investments.

Financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the Consolidated Statement of Operations.

Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability. For investments measured at cost or amortized cost, transaction costs are added to the carrying value of the instruments when they are initially recognized. For investments measured at fair value, transaction costs are expensed as incurred. Investment income is reported as revenue in the period earned. When required by agreement or legislation, investment income earned on deferred revenue is added to the deferred revenue balance.

f. Land and Inventories Held for Resale

Land held for resale is recorded at the lower of cost and net realizable value. Inventories held for resale are valued at lower of cost and net realizable value.

1. Significant Accounting Policies (continued)

g. Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for the use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations.

i. Tangible Capital Assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to the acquisition, construction, development, betterment and retirement of the assets. The cost, less residual value of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Buildings and Building Improvement	10 to 50 years
Land Improvement	10 to 30 years
Library Collections	5 years
Engineered Structures	
Roadway System	15 to 50 years
Water System	20 to 75 years
Wastewater System	30 to 75 years
Storm System	30 to 75 years
Machinery and Equipment	5 to 20 years
Vehicles	5 to 18 years

Assets under construction are not amortized until the asset is available for productive use.

ii. Contributions of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

iii. Leases

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

1. Significant Accounting Policies (continued)

g. Non-Financial Assets (continued)

iv. Works of Art and Historical Treasures

Cultural and historical assets such as works of art, historical and heritage sites are not recorded as tangible capital assets.

v. Inventories of Materials and Supplies

Inventories of materials and supplies consist mainly of parts and road maintenance materials and are valued at the lower of cost and replacement cost.

h. Employee Future Benefits

i. Pension Plans

The City participates in multi-employer pension plans. As such, contributions for current and past service pension benefits are recorded as expenses in the year in which they become due.

ii. Accumulating Non-Vesting Sick Leave Benefits

Sick leave benefits accumulate with employees' service and are provided by the City to certain employee groups of the City, as defined by employment or collective bargaining agreements, to cover illness related absences that are outside of short-term and long-term disability coverage. Benefit amounts are determined and accumulate with reference to employees' earnings at the time they are paid out. The cost of the accumulating non-vesting sick leave benefits is expensed as the benefits are earned.

The City recognizes a liability and expense for accumulating non-vesting sick leave benefits using an actuarial cost method as the employees render services to earn the benefits. The liability and expense is determined using the projected benefit method pro-rated for service and management's best estimates of expected discount rate, inflation, rate of compensation increase, termination and retirement dates, and mortality. Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the related employee groups.

i. Asset Retirement Obligations and Environmental Liabilities

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the end of the reporting period when there is a legal obligation for the City to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes costs directly attributable to asset retirement activities, based on information available at the end of the reporting period. The best estimate of an asset retirement obligation may incorporate a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized on a straight-line basis over the useful life of the related asset. At each reporting date, the City reviews the carrying amount of the liability. Where a present value technique is used to measure

1. Significant Accounting Policies (continued)

i. Asset Retirement Obligations and Environmental Liabilities (continued)

a liability, the City recognizes period-to-period changes to the liability due to the passage of time as accretion expense in the Consolidated Statement of Operations. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

Environmental liabilities are related to liabilities for contaminated sites. Contaminated sites are defined as the result of contamination being introduced into air, soil, water, or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of a contaminated site is recognized when a site is not in productive use and is management's estimate of the cost of post-remediation activities including operation, maintenance and monitoring. The best estimate of the liability for contaminated sites may incorporate a present value technique. Sites that are currently in productive use are only considered contaminated sites if an unexpected event results in remediation. At each reporting date, the City reviews the carrying amount of the liability. Where a present value technique is used to measure a liability, the City recognizes period-to-period changes to the liability due to the passage of time as accretion expense in the Consolidated Statement of Operations. Changes to the liability arising from revisions to timing, amount of the original estimate of undiscounted cash flows, or the discount rate are recognized in the Consolidated Statement of Operations. In cases where the City's responsibility is not determinable, a contingent liability may be disclosed.

The City continues to recognize liabilities related to asset retirement obligations and contaminated sites until they are settled or otherwise extinguished. Disbursements made to settle the liabilities are deducted from the reported liabilities when they are made.

j. Deferred Revenue

Deferred revenues represent government transfers, donations, and other amounts which have been collected, but for which the related services have yet to be performed or agreement stipulations have not been met. These amounts will be recognized as revenues when revenue recognition criteria have been met. Interest earned on deferred revenues, reserves, and offsite levies are calculated using an average investment earnings on a monthly basis.

k. Requisition Over-levy and Under-levy

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

l. Future Accounting Standard Pronouncements

The following summarizes upcoming changes to Canadian public sector accounting standards. In 2026, the City will continue to assess the impact and prepare for the adoption of these standards. While the timing of standard adoption may vary, certain standards must be adopted concurrently.

1. Significant Accounting Policies (continued)

l. Future Accounting Standard Pronouncements (continued)

i. Conceptual Framework

The Revised Conceptual Framework will replace the existing conceptual framework, which consists of Section PS 1000, Financial Statement Concepts, and Section PS 1100, Financial Statement Objectives and is effective for fiscal years beginning on or after April 1, 2026, with earlier adoption permitted. The conceptual framework is to be applied prospectively.

ii. Financial Statement Presentation

PS1202, Financial Statement Presentation, outlines a new reporting model that will build upon existing Section PS101, Financial Statement Presentation. Key changes include a new "Statement of Net Financial Assets or Liabilities" and "Statement of Changes in Net Assets or Liabilities", restructuring and updated classification for assets and liabilities on the Statement of Financial Position, and restructuring of the Statement of Cash Flows. This standard is applicable for fiscal years beginning on or after April 1, 2026 and will be adopted at the same time as the Conceptual Framework.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents have effective interest rates of 0.00% to 3.75% (2024 - 0.00% to 3.80%).

3. TAXES RECEIVABLE

	2025	2024
Taxes receivable	**$ 2,031**	$ 2,123
Penalties and arrears	**1,392**	1,325
Total taxes receivable	**$ 3,423**	$ 3,448

4. INVESTMENTS

	2025 Carrying Value	2024 Carrying Value
Investments Measured At Amortized Cost		
Short-term Investment Portfolio (a)	**$ 50,789**	$ 72,324
Long-term Investment Portfolio (b)	**133,359**	132,243
Credit Union Shares	**200**	200
	184,348	204,767
Investments Measured At Fair Value		
Investments with Embedded Derivatives (c)	**24,565**	9,407
	$ 208,913	$ 214,174

a. Short-term Investments

The Short-term Investment Portfolio is primarily comprised of notes and deposits and have effective interest rates of 3.13% to 6.14% (2024 - 4.17% to 6.35%), are for fixed terms, and have original maturity dates of three years or less.

b. Long-term Investments

The Long-term Investment Portfolio is comprised primarily of corporate and government bonds and have effective rates of 1.61% to 5.58% (2024 - 1.55% to 8.12%), with maturity dates ranging between 2025 and 2035. These investments are comprised of both marketable and non-marketable securities. Marketable securities as at December 31, 2025, have an aggregate carrying value of $98,669 (2024 - $81,269) and an aggregate fair value of $99,452 (2024 - $80,244).

c. Derivatives

Investments with embedded derivatives are primarily comprised of equity linked principal protected notes and linear accrual notes and are classified as level 2 within the fair value hierarchy.

5. Employee Future Benefits

Included in accounts payable and accrued liabilities are employee future benefits related to accrued vacation pay, accumulating non-vesting sick leave benefits, and other employee benefits. Sick leave benefits are paid by the City; there are no employee contributions and no assets set aside to support the obligation of $4,674 as at December 31, 2025 (2024 - $4,655). Key assumptions used in the determination of the accumulating non-vesting sick leave obligation are:

Estimated Average Remaining Service Life	9 Years
Discount Rate	3.90%
Rate of Compensation Increase Per Year	3.30%
Average Percentage Employees Using Sick Leave Bank Hours (Annually)	8.45%
Average Utilization of Sick Leave Bank in Hours (Annually)	292

6. DEFERRED REVENUE

	2024	Net Contributions	Interest Earned	Revenue Recognized	2025
Deferred Revenue - Capital Government Transfers					
Municipal Sustainability Initiative	$ 14,492	$ -	$ 445	$ (7,332)	**$ 7,605**
Local Government Fiscal Framework	(2,222)	8,897	-	(6,675)	**-**
Drought and Flood Protection Program	78	(78)	-	-	**-**
Canada Community Building Fund (Formerly Federal Gas Tax Fund)	8,934	4,442	289	(6,288)	**7,377**
Ray Gibbon Drive Provincial Funding	128	-	-	-	**128**
Green Trip Grant	3,191	2,617	158	(176)	**5,790**
Green & Inclusive Community Building	-	3,078	-	(3,078)	**-**
FCM Community Building Retrofit	-	100	-	(100)	**-**
Housing Accelerator Fund	-	2,953	-	(237)	**2,716**
Ray Gibbon Drive	-	17,500	215	(9,447)	**8,268**
Other Capital	238	(153)	-	(85)	**-**
Total Deferred Revenue - Capital Government Transfers	24,839	39,356	1,107	(33,418)	**31,884**
Deferred Revenue - Operating Government Transfers					
Library	22	464	-	(465)	**21**
Low Income Transit Pass Grant	-	559	-	(508)	**51**
Family & Community Support Services	-	1,489	-	(1,489)	**-**
AB Community Partnership Grant	94	(35)	2	(61)	**-**
Local Government Fiscal Framework	-	984	-	(984)	**-**
Growing Canada's Canopies	-	60	-	(18)	**42**
First Responders	82	79	2	(77)	**86**
Arts and Heritage Foundation	101	205	-	(200)	**106**
Clean Energy Improvement Programs	433	297	-	(245)	**485**
Other Operating	428	2,438	-	(2,456)	**410**
Total Deferred Revenue - Operating Government Transfers	1,160	6,540	4	(6,503)	**1,201**
Deferred Revenue - Other					
Servus Place	1,598	3,594	-	(3,459)	**1,733**
Licensing	973	1,034	-	(973)	**1,034**
Community	58	118	-	(145)	**31**
Rec and Park	66	338	-	(404)	**-**
Utilities	16	-	-	-	**16**
Performing Arts	127	1,237	-	(1,106)	**258**
Arts & Heritage Foundation	57	194	-	(187)	**64**
Engineering	261	-	-	(18)	**243**
Developer Contribution	-	271	-	-	**271**
Other Operating	743	1,203	-	(1,225)	**721**
Total Deferred Revenue - Other	3,899	7,989	-	(7,517)	**4,371**
Total Deferred Revenue	$ 29,898	$ 53,885	$ 1,111	$ (47,438)	**$ 37,456**

7. OFFSITE LEVY LIABILITIES

	2024	Contributions	Interest Earned	Applied	2025
Offsite Levy Liabilities					
Transportation Offsite Levy	$ 7,849	$ 6,056	$ 168	$ (7,818)	**$ 6,255**
Water Offsite Levy	20,156	569	718	(52)	**21,391**
Sanitary Sewer Levy	2,259	1,716	50	(2,250)	**1,775**
Stormwater Levy	1,278	444	50	(144)	**1,628**
Total Offsite Levy Liabilities	$ 31,542	$ 8,785	$ 986	$ (10,264)	**$ 31,049**

8. DEPOSIT LIABILITIES

Deposit liabilities can either be interest bearing or non-interest bearing and are held based on the term of the related transactions or agreements.

The City has taken securities from developers in the form of cash, recorded as deposit liabilities and letters of credit or development bonds. Security is retained based on a percentage of the infrastructure constructions costs required to service the development and is held to secure performance obligations under the development agreements or permits. The amount of security can be reduced or increased, at the discretion of the City, as the associated development activity progresses. As at December 31, 2025 the City held $2,882 (2024 - $5,037) of deposit liabilities for development agreements and permits and held letters of credit or development bonds in the amount of $45,404 (2024 - $41,821).

9. LONG-TERM DEBT

a. Long-term debt consists of:

	2025	2024
Municipal Tax Supported Debenture	**$ 109,152**	$ 97,629

Debenture debt has been issued on the credit and general security of the City. Debentures are held by the Alberta Treasury Board and the Federation of Canadian Municipalities. Debenture interest is payable at rates ranging from 2.08% to 4.98% per annum. The debentures are payable in annual or semi-annual amounts and mature in periods ranging from 2026 to 2047.

The City has an operating line of credit with its bank of $20,000 (2024 - $20,000). This operating line is split into two credit facilities: one for $15,000 for general operating and the second for $5,000 for the Clean Energy Improvement Program (CEIP). Both credit facilities bear interest at the Scotia Bank Composite Prime minus 1.00% and were not drawn on at December 31, 2025.

The City's total cash payments for interest in 2025 were $3,713 (2024 - $3,368).

9. LONG-TERM DEBT (continued)

b. Long-term debt principal and interest amounts due in each of the next five years and thereafter are as follows:

	Principal	Interest	Total
2026	**$ 8,845**	**$ 4,069**	**$ 12,914**
2027	**8,484**	**3,717**	**12,201**
2028	**7,897**	**3,386**	**11,283**
2029	**7,572**	**3,081**	**10,653**
2030	**7,174**	**2,792**	**9,966**
Thereafter	**69,180**	**14,580**	**83,760**
	$ 109,152	**$ 31,625**	**$ 140,777**

c. Debt Limits

Section 276(2) of the Municipal Government Act requires that debt and debt limits, as defined by Alberta Regulation 255/2000 for the City be disclosed as follows:

	2025	2024
Total Debt Limit	**$ 401,162**	$ 373,354
Long-Term Debt	**(109,152)**	(97,629)
Amount of Debt Limit Unused	**292,010**	275,725
Maximum Allowable Debt Servicing Limit	**66,860**	62,226
Annual Payments of Existing Debt	**(12,899)**	(12,986)
Amount of Debt Servicing Limit Unused	**$ 53,961**	$ 49,240

The debt limit is calculated at 1.5 times revenue of the City (as defined in Alberta Regulation 255/2000) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the City, rather, the financial statements and other factors must be considered.

10. ASSET RETIREMENT OBLIGATIONS AND ENVIRONMENTAL LIABILITIES

	2025	2024
Asset Retirement Obligations (a)	**$ 2,367**	$ 2,316
Environmental Liabilities (b)	**297**	221
Total Asset Retirement Obligations and Environmental Liabilities	**$ 2,664**	$ 2,537

a. Asset Retirement Obligations

The City's asset retirement obligations are comprised of the following:

Landfill Obligation

Under Provincial legislation, the City has a liability for closure and post closure care of landfill sites, which includes final covering and landscaping, plumbing of groundwater and leachates from the sites, and ongoing environmental monitoring, site inspections and maintenance. The current post-closure activities include objectives that will maintain the integrity of the containment berms, minimize the generation of leachate and continued monitoring of the groundwater.

The City's landfill post closure monitoring costs are based on estimated future monitoring expenses for approximately 15 years, based on third party quotations, discounted to the present value using a discount rate of 4.30% (2024 - 4.79%) and an inflation rate of 2.44% (2024 - 2.44%). The liabilities are adjusted for the passage of time and accretion expense is recorded in the Consolidated Statement of Operations. At December 31, 2025, the aggregate undiscounted amount of the estimated future cash flows required to settle this obligations is approximately $562 (2024 - $593). The obligation is expected to be settled over the next 15 years.

Asbestos Obligations

The City owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. The estimated costs related to the removal of asbestos was primarily based on third party quotations, discounted to the present value using a discount rate of 4.30% (2024 - 4.79%) and an inflation rate of 2.44% (2024 - 2.44%). The liabilities are adjusted for the passage of time and accretion expense is recorded in the Consolidated Statement of Operations. At December 31, 2025, the aggregate undiscounted amount of the estimated future cash flows required to settle these obligations is approximately $2,691 (2024 - $3,160). The obligations are expected to be settled over the next 37 years.

Hazardous Materials Obligations

The City has engineered structures including bridges, roads, lift stations, etc. that are known to have hazardous materials which represent a health hazard upon demolition and there is an obligation to remove it. The estimated costs related to the removal of hazardous materials was primarily based on third party quotations, discounted to the present value using a discount rate of 4.30% (2024 - 4.79%) and an inflation rate of 2.44% (2024 - 2.44%). The liability is adjusted for the passage of time and accretion expense is recorded in the Consolidated Statement of Operations. At December 31, 2025, the aggregate undiscounted amount of the estimated future cash flows required to settle these obligations is approximately $1,795 (2024 - $0). The obligations are expected to be settled over the next 50 years.

10. ASSET RETIREMENT OBLIGATIONS AND ENVIRONMENTAL LIABILITIES (continued)

Leasehold Improvements

The City has several leased buildings that have retirement obligations at end of the lease. The City has recognized obligations relating to the removal of leasehold improvements as required by the lease. The estimated costs related to the removal of leasehold improvements was based on management's best estimates, using relevant market data discounted to the present value using a discount rate of 4.30% (2024 - 4.79%) and an inflation rate of 2.44% (2024 - 2.44%). The liability is adjusted for the passage of time and accretion expense is recorded in the Consolidated Statement of Operations. At December 31, 2025, the aggregate undiscounted amount of the estimated future cash flows required to settle these obligations is approximately $126 (2024 - $126). The obligations are expected to be settled at the end of the leases which expire in 4 years.

b. Environmental Liabilities

Under Provincial legislation, the City is required to monitor certain lands, through risk management plans, with salt contamination in excess of Provincial environmental standards. These environmental liabilities relate to salt impacts, which are affecting the soil and groundwater from a former salt storage shed. The City's contaminated sites liabilities are based on estimated future monitoring expenses for approximately 18 years, based on third party quotations, discounted to the present value using a discount rate of 4.30% (2024 - 4.79%) and an inflation rate of 2.44% (2024 - 2.44%). The liabilities are adjusted for the passage of time and accretion expense is recorded in the Consolidated Statement of Operations. At December 31, 2025, the aggregate undiscounted amount of the estimated future cash flows required to settle these obligations is approximately $436 (2024 - $456). The obligations are expected to be settled over the next 17 years.

Changes to asset retirement obligations during the year are as follows:

	2024	Liability Incurred (settled)	Revisions in Estimate	Accretion Expense	2025
Landfill Obligation	$ 300	$ (12)	$ 97	$ 15	**$ 400**
Asbestos Obligation	1,914	(429)	-	154	**1,639**
Leasehold Improvements	102	-	-	7	**109**
Hazardous Materials Obligation	-	165	-	54	**219**
Environmental Liabilities	221	(17)	83	10	**297**
	$ 2,537	$ (293)	$ 180	$ 240	**$ 2,664**

	2023	Liability Incurred (settled)	Revisions in Estimate	Accretion Expense	2024
Landfill Obligation	$ 305	$ (13)	$ (8)	$ 16	$ 300
Asbestos Obligation	1,856	(40)	-	98	1,914
Leasehold Improvements	97	-	-	5	102
Environmental Liabilities	222	(4)	(9)	12	221
	$ 2,480	$ (57)	$ (17)	$ 131	$ 2,537

11. TANGIBLE CAPITAL ASSETS

	2025									
	Building Improvement	Library Collections	Land Improvement	Engineered Structures	Buildings	Machinery and Equipment	Land	Vehicles	Assets Under Construction	Total
Cost										
Balance, Beginning of Year	$ 56,193	$ 1,421	$ 128,688	$ 1,033,417	$ 175,585	$ 42,865	$ 458,724	$ 56,317	$ 18,254	**$ 1,971,464**
Acquisitions and Contributions	612	266	1,601	23,630	98	2,645	3,983	13,408	72,047	**118,290**
Disposals	-	(263)	-	-	-	(3,981)	(5)	(2,273)	(213)	**(6,735)**
Internal Transfers	(2,634)	-	5,057	25,643	-	-	-	-	(28,066)	**-**
Balance, End of Year	**54,171**	**1,424**	**135,346**	**1,082,690**	**175,683**	**41,529**	**462,702**	**67,452**	**62,022**	**2,083,019**
Accumulated Amortization										
Balance, Beginning of Year	9,658	712	57,597	394,212	87,079	27,081	-	32,768	-	**609,107**
Amortization	1,928	284	5,765	23,582	3,476	4,231	-	3,798	-	**43,064**
Disposals	-	(263)	-	-	-	(3,918)	-	(2,188)	-	**(6,369)**
Balance, End of Year	**11,586**	**733**	**63,362**	**417,794**	**90,555**	**27,394**	**-**	**34,378**	**-**	**645,802**
Net Book Value, End of Year	**$ 42,585**	**$ 691**	**$ 71,984**	**$ 664,896**	**$ 85,128**	**$ 14,135**	**$ 462,702**	**$ 33,074**	**$ 62,022**	**$ 1,437,217**

11. TANGIBLE CAPITAL ASSETS (continued)

2024

	Building Improvement	Library Collections	Land Improvement	Engineered Structures	Buildings	Machinery and Equipment	Land	Vehicles	Assets Under Construction	Total
Cost										
Balance, Beginning of Year	$ 50,139	$ 1,556	$ 123,450	$ 966,040	$ 170,830	$ 42,420	$ 454,526	$ 53,707	$ 25,513	**$ 1,888,181**
Acquisitions and Contributions	6,012	260	2,228	20,638	2,328	2,814	4,332	3,382	44,962	**86,956**
Disposals	-	(398)	-	-	-	(2,369)	(132)	(769)	(5)	**(3,673)**
Internal Transfers	42	-	3,010	46,739	2,427	-	-	-	(52,218)	**-**
Balance, End of Year	**56,193**	**1,418**	**128,688**	**1,033,417**	**175,585**	**42,865**	**458,726**	**56,320**	**18,252**	**1,971,464**
Accumulated Amortization										
Balance, Beginning of Year	7,535	812	52,142	371,626	83,626	24,926	-	30,193	-	**570,860**
Amortization	2,123	298	5,455	22,586	3,453	4,386	-	3,337	-	**41,638**
Disposals	-	(398)	-	-	-	(2,231)	-	(762)	-	**(3,391)**
Balance, End of Year	**9,658**	**712**	**57,597**	**394,212**	**87,079**	**27,081**	**-**	**32,768**	**-**	**609,107**
Net Book Value, End of Year	**$ 46,535**	**$ 706**	**$ 71,091**	**$ 639,205**	**$ 88,506**	**$ 15,784**	**$ 458,726**	**$ 23,552**	**$ 18,252**	**$ 1,362,357**

11. TANGIBLE CAPITAL ASSETS (continued)

a. Assets Under Construction

Assets under construction have a cost of $62,022 (2024 - $18,252) and will be amortized when the assets are available for productive use.

b. Contributed Tangible Capital Assets

Contributed tangible capital assets have been recognized at fair value at the date of contribution. The fair value of contributed tangible assets received during the year is $15,204 (2024 - $23,539). This amount is comprised of roads infrastructure in the amount of $4,655 (2024 - $9,502), water, storm and wastewater infrastructure in the amount of $8,988 (2024 - $11,864), and land in the amount of $1,561 (2024 - $2,173).

c. Asset Retirement Obligations

Included in buildings and building improvement are asset retirement costs of $441 and $79 (2024 - $441 and $79), respectively and related accumulated amortization of $349 and $51 (2024 - $339 and $43), respectively. Included in engineered structures are asset retirement costs of $165 (2024 - $0) and related accumulated amortization of $2 (2024 - $0).

d. Other

During the year ended December 31, 2025 and 2024, the City has not recorded any capitalized interest or write-downs of tangible capital assets.

12. EQUITY IN TANGIBLE CAPITAL ASSETS

	2025	2024
Tangible Capital Assets	**$ 2,083,019**	$ 1,971,464
Accumulated Amortization	**(645,802)**	(609,107)
Asset Retirement Obligation	**(2,367)**	(2,316)
Long-Term Debt*	**(106,643)**	(97,629)
	$ 1,328,207	$ 1,262,412

* Long-Term Debt above includes only debt used to fund Tangible Capital Assets.

13. ACCUMULATED OPERATING SURPLUS

Accumulated operating surplus consists of unrestricted, restricted and amounts invested in tangible capital assets as follows:

	2025	2024
Surplus		
Unrestricted Deficit	**$ (4,923)**	$ (871)
Equity in Tangible Capital Assets	**1,328,207**	1,262,412
	1,323,284	1,261,541
Reserves		
Operating	**26,631**	25,003
Capital	**110,002**	109,089
Controlled Entity - Operating	**459**	454
Controlled Entity - Capital	**396**	242
Utilities	**50,613**	52,958
Total Reserves	**188,101**	187,746
Total Accumulated Operating Surplus	**$ 1,511,385**	$ 1,449,287

*Controlled Entity includes the St. Albert Library Board and the Arts & Heritage Foundation of St. Albert.

14. COMMITMENTS AND CONTINGENCIES

a. Legal Claims

As at December 31, 2025, the City was involved in various legal disputes. While it is not possible to estimate the outcome of all these disputes, management believes that there will be no material adverse effect on the City's financial position.

b. Lease Commitments

The City has entered into several operating lease agreements comprised of base rent plus a proportionate share of operating costs and management fees for space rental. Lease commitments over the next five years are as follows:

2026	$ 576
2027	546
2028	552
2029	365
2030	203
	$ 2,242

15. CONTRACTUAL RIGHTS

The City has a contractual right to Provincial and Federal government transfer funding allocations. In 2025, the City was allocated $9,257 in Local Government Fiscal Framework (LGFF) funding (2024 - $7,970 in LGFF funding). The future receipt of these amounts is dependent on satisfying subsequent reporting requirements. At December 31, 2025, the total allocated but unpaid LGFF funding was $17,227 (2024 - $7,970). Of this amount, $8,897 (2024 - $0) has been accrued within accounts receivable based on costs incurred on eligible expenditures.

16. FRANCHISE FEES

Disclosure of utility franchise agreement annual revenues as required by Alberta Regulation 313/2000, Section 1.1 is as follows:

	2025	2024
ATCO Gas and Pipelines Ltd.	**$ 4,176**	$ 3,113
FortisAlberta Inc.	**6,749**	6,733
	$ 10,925	$ 9,846

17. PROPERTY TAXES

	2025 Budget (Note 21)	2025	2024
Taxation			
Real Property Taxes	$ 184,371	**$ 184,603**	$ 172,646
Linear Property Taxes	1,256	**1,336**	1,256
Government Grants in place of property tax	234	**219**	235
Downtown Business Improvement Area	-	**22**	23
Total Taxation	185,861	**186,180**	174,160
Requisitions			
Alberta School Foundation Fund	(34,406)	**(34,406)**	(30,469)
Opted Out School Board	(7,962)	**(7,962)**	(7,730)
Homeland Housing	(1,268)	**(1,268)**	(1,238)
Other	(7)	**(55)**	(8)
Total Requisitions	(43,643)	**(43,691)**	(39,445)
Property Taxes Available for Municipal Purposes	$ 142,218	**$ 142,489**	$ 134,715

18. GOVERNMENT TRANSFERS

	2025 Budget (Note 21)	2025	2024
Government Transfers for Operations			
Provincial Transfers	$ 5,004	**$ 5,945**	$ 5,968
Federal Transfers	489	**533**	569
Other	-	**25**	56
Total Operating Transfers	5,493	**6,503**	6,593
Government Transfers for Capital			
Provincial Transfers	9,646	**23,657**	9,352
Federal Transfers	6,394	**9,712**	5,222
Other	-	**49**	6
Total Capital Transfers	16,040	**33,418**	14,580
Total Government Transfers	$ 21,533	**$ 39,921**	$ 21,173

19. SALARIES AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for elected municipal officials, the chief administrative officer, and the designated officer is required by Alberta Regulation 313/2000. This information is not presented in thousands of dollars.

	Salaries (a)	Benefits and Allowances (b)	2025	2024
Mayor Heron	$ 140,331	$ 11,568	**$ 151,899**	$ 169,601
Mayor Olivieri	25,133	3,289	**28,422**	-
Councillor Joly	57,789	10,262	**68,051**	75,778
Councillor K. MacKay	71,472	11,851	**83,323**	80,787
Councillor Brodhead	60,539	11,206	**71,745**	82,115
Councillor Hughes	68,622	11,972	**80,594**	76,256
Councillor Biermanski	70,522	8,460	**78,982**	78,442
Councillor Killick	58,548	1,732	**60,280**	69,959
Councillor Clark	13,628	1,251	**14,879**	-
Councillor Korotash	13,628	2,150	**15,778**	-
Councillor Patrick	13,628	2,267	**15,895**	-
Chief Administrative Officer	274,290	42,716	**317,006**	313,884
Designated Officer	163,149	37,201	**200,350**	212,930

a. Salaries

Salaries above include regular base salary and any retiree allowance.

b. Benefits and Allowances

Benefits and allowances above, include any allowances, as well as the City's share of all employee benefits and contributions or payments made on behalf of employees including retirement pension, Canada Pension Plan, employment insurance, WCB, health care, dental coverage, vision coverage, group life insurance, accidental death and dismemberment insurance, long and short term disability plans, professional memberships, and car allowances.

c. Related Party Transactions

Related parties include key management personnel of the City. The City has defined key management personnel to include those individuals disclosed above, Managing Directors, and the Director of Financial and Strategic Services. Transactions with key management personnel primarily consist of compensation related payments.

20. PENSION PLANS

a. Local Authorities Pension Plan

744 (2024 – 723) employees of the City participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the Alberta Public Sector Pension Plans Act. The plan is financed by employer and

20. PENSION PLANS (continued)

a. Local Authorities Pension Plan (continued)

employee contributions and investment earnings of the LAPP Fund. The City is required to make current service contributions to the LAPP of 8.45% (2024 - 8.45%) of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 11.65% (2024 - 11.65%) on pensionable earnings above this amount. Employees of the City are required to make current service contributions of 7.45% (2024 - 7.45%) of pensionable salary up to the year's maximum pensionable salary and 10.65% (2024 – 10.65%) on pensionable salary above this amount.

Total contributions by the City to the LAPP in 2025 were $7,120 (2024 - $6,017). Total contributions by the employees of the City of St. Albert to the LAPP in 2025 were $6,374 (2024 - $5,375). At December 31, 2024, the plan reported the value of its assets at $70.7 billion and disclosed an actuarial surplus of $19.60 billion. Plan asset and actuarial surplus data as at December 31, 2025 was not yet available.

b. APEX

The APEX supplementary pension plan, an Alberta Urban Municipalities Association (AUMA) sponsored defined benefit pension plan covered under the provisions of the Alberta Employment Pension Plans Act, commenced on January 1, 2004. This plan provides supplementary pension benefits to a prescribed class of employees, consisting of 19 beneficiaries (2024 - 20). The plan supplements the Local Authorities Pension Plan.

Contributions are made by the prescribed class of employees and the City. The employees and the City are required to make current service contributions to APEX of 2.42% and 2.96% (2024 - 2.42% and 2.96%) respectively, of pensionable earnings up to $188 (2024 - $181). Total current service contributions by the City to APEX in 2025 were $94 (2024 - $87). Total current service contributions by the employees of the City to APEX were $77 (2024 - $71).

As at December 31, 2025, the APEX supplementary pension plan has vested with approximately 83% of eligible employees. At December 31, 2024, APEX reported total assets of $111,720 and an accumulated surplus of $17,157. Total assets and accumulated surplus data as at December 31, 2025 was not yet available.

c. MuniSERP

The MuniSERP supplementary overcap retirement plan extend LAPP and APEX pension benefit levels beyond the Canada Revenue Agency maximum. The plan commenced on January 1, 2003, and provides supplementary benefits to a prescribed class of employees, consisting of 4 beneficiaries (2024 - 4). MuniSERP supplements APEX and LAPP and is a voluntary, non-contributory, non-registered supplementary employee retirement plan. The cost of post-retirement benefits earned by employees is actuarially determined using the projected benefit method prorated on service, management's best estimate of salary and benefit escalation, and retirement ages of employees. As at December 31, 2025, an actuarial costing has been completed along with corresponding disclosure of designated assets. As at December 31, 2025, the defined benefit obligation for the City is $80 (December 31, 2024 - $66) in respect of this retirement plan.

21. BUDGET INFORMATION

The budget data presented in these financial statements is based upon the 2025 operating and capital budgets approved by Council. The 2025 operating budget, approved by Council (2024 - December 17, 2024), is reported on the accrual basis in accordance with Canadian Public Sector Accounting Standards, which excludes the repayment of long-term debt and reserve transactions. The capital budget reports the authorized activity for the year ended December 31, 2025, as follows:

		2025		2024
Capital Budget approved by Council	**$**	**139,074**	$	63,878
Approved Capital Budget Amendments		**24,604**		67,334
Unspent Prior Years Budgeted Capital Expenditures and Amendments		**220,152**		175,658
Amounts Deemed Not Capital in Nature		**(15,044)**		(8,128)
Revised Capital Budget for Acquisition of Tangible Capital Assets	**$**	**368,786**	$	298,742

Budgets established for capital acquisitions and related financing are calculated on a project oriented basis. As these transactions may be carried out over one or more years, they are not directly comparable with current year actual amounts.

22. FINANCIAL INSTRUMENTS

The City has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk, and market risk including foreign currency risk and interest rate risk.

Council is responsible for ensuring that the City has identified its major risks and ensures that management monitors and controls them. Council oversees the City's systems and practices of internal control and ensures that these controls contribute to the assessment and mitigation of risk. The City has experienced no significant change in its risk exposure and has not made any significant changes to its risk management policies and procedures.

Credit Risk

Credit risk is the risk of a financial loss to the City if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held by the City consisting of cash and cash equivalents, accounts receivables, taxes receivable and investments.

i. Cash and Cash Equivalents

The City's exposure to credit risk associated with cash is assessed as low because the City's cash deposits are held by Canadian Schedule 1 Chartered banks.

ii. Accounts Receivable and Taxes Receivable

The City's exposure to credit risk associated with accounts receivable and taxes receivable is assessed as low as a result of the large number and diversity of taxpayers and other counterparties.

Allowances for doubtful accounts are provided for potential losses that have been incurred at the reporting date. The amounts disclosed on the Consolidated Statement of Financial Position are net of these allowances

22. FINANCIAL INSTRUMENTS (continued)

ii. Accounts Receivable and Taxes Receivable (continued)

for doubtful accounts. All accounts receivable and taxes receivable are considered for impairment based on the type of revenue and historical repayment information.

The City's accounts receivable and taxes receivable have a carrying value of $28,006 as at December 31, 2025 (2024 - $18,007) and are receivable within the next year.

iii. Investments

As required by the City's investment policy, investments are to be held in a portfolio of cash and short-term investments, and corporate and government bonds. Through its investments, the City is indirectly exposed to the credit risk of the underlying investments of those funds. These risks are managed at the investment manager level.

Liquidity Risk

Liquidity risk is the risk that the City will not be able to meet its financial obligations as they become due. The City's objective is to have sufficient liquidity to meet these liabilities when due. The City monitors its cash balance and cash flows generated from operations to meet its liquidity requirements.

The liquidity risk arises from the financial liabilities consisting of accounts payable and accrued liabilities, and long-term debt. The City's accounts payable and accrued liabilities had a carrying value of $45,985 as at December 31, 2025 (2024 - $43,384) and are due within the next year.

The City's long-term debt has remaining undiscounted contractual cash flows of $140,777 as at December 31, 2025 (2024 - $126,296).

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other price risks, will affect the City's net results of operations or the fair value of its holdings of financial instruments.

i. Foreign Currency Risk

Currency risk is the risk that the value of financial assets and liabilities denominated in foreign currencies will fluctuate due to changes in their respective exchange rates. The City is not exposed to any significant currency risk.

ii. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. It is management's opinion that the City is not exposed to significant interest rate risk arising from investments or long-term debt. These financial instruments generally bear fixed interest rates and the fair value can fluctuate due to market rates of interest. However, the City intends to hold investments to maturity, and settle long-term debt over the contractual terms of the agreements.

23. SEGMENTED INFORMATION

Segmented information has been presented by Function, which is based upon the City's organizational structure. Functions are the highest level grouping and departments are sections under the function. City services are provided by departments and their activities are reported by functional area as follows:

a. Council

Council is the City's governing body providing high level direction in the nature of:

- Developing municipal corporate strategy and related policies
- Ensuring municipal powers are exercised appropriately
- Ensuring municipal duties and functions are fulfilled.

This area includes all Councillors and the Mayor.

b. Executive Leadership

Executive Leadership provide direct advice to Council and corporate leadership on all aspects of the municipal entity including supporting Council in their governance role. This function funds the offices of the Chief Administrative Officer (CAO), the Deputy Chief Administrative Officer (DCAO), Intergovernmental Relations and Community Relations.

c. General Government

The General Government functional area provides strategic guidance, planning, advice and resources to Council and the municipal entity to support the City's initiatives today and in the future for the benefit of the City. The following departments are included in this function:

- Legal & Legislative Services
- Economic Development
- Financial Services & Information Technology
- Human Resources, Safety and Environment
- Strategic Services & Communication.

23. SEGMENTED INFORMATION (continued)

d. Community and Recreation Services

The Community and Recreation Services functional area provides external services in the areas of culture, community and social development as well as recreation and parks. The function also acts as the liaison for local boards and outside agencies such as the St. Albert Seniors Centre, Community Services Advisory Board, Strategy and Mobilization (SAM) Committee and the Affordable Housing Advisory Board (in cooperation with the Planning department). The following departments are included in this function:

- Community Services (Excluding Cultural Services in (j))
- Recreation and Parks.

e. Emergency Services

The Emergency Services functional area provides external services in the areas of fire and policing. The function is responsible for the delivery of essential programs and services related to the overall safety and security of residents.

f. Public Operations

The Public Operations functional area maintains parks, facilities and roads through quality infrastructure management and through professional, courteous and efficient service. The Public Operations function also provides safe, reliable local and commuter transportation to residents.

g. Planning and Engineering Services

The Planning and Engineering functional area is a key contributor in assisting the community in achieving the strategies within the City's Strategic Plan and focuses around the Built Environment and Service Delivery Strategy.

The Engineering Services and Planning and Development departments work closely together to manage the City’s growth and sustainability. This includes monitoring the quality and safety of buildings, land developments and public infrastructure.

The following departments are included in this function:

- Engineering Services
- Planning & Development.

h. Corporate Financing

The Corporate Financing function supports required debt payments, provides contributions to municipal capital reserve and projects, and also includes common corporate revenues and expenses such as interest income and bank fees.

23. SEGMENTED INFORMATION (continued)

i. Utility Services

The Utility Services functional area provides water, wastewater, storm water, garbage collection and disposal, compost and recycling services for residents of St. Albert. The Utility Services function helps to foster the development and maintenance of the City's Utilities infrastructure in a cost-effective manner consistent with regulated safety and environmental standards.

The following departments are included in the Utility Services Function:

- Water
- Wastewater
- Storm
- Solid Waste Management.

j. Cultural Services

The Cultural Services functional area includes the St. Albert Library Board and Arts & Heritage Foundation of St. Albert. All cultural programs, services, and events are included in this area.

23. SEGMENTED INFORMATION (continued)

December 31, 2025	Council	Executive Leadership	General Government	Community and Recreation Services	Emergency Services	Public Operations	Planning and Engineering Services	Corporate Financing	Utility Services	Cultural Services	Total 2025	Budget 2025
Operating Revenue												
Property Taxes	$ 573	$ 1,317	$ 17,244	$ 18,278	$ 28,401	$ 30,976	$ 15,965	$ 2,273	$ 23,926	$ 3,536	**$ 142,489**	$ 142,218
Sales and User Fees	1	30	1,014	11,459	1,498	5,500	2,529	6	53,998	522	**76,557**	72,525
Government Transfers - Operating	-	-	344	2,242	2,191	1,044	-	-	4	678	**6,503**	5,493
Fines and Penalties	-	-	1,396	-	1,031	-	-	58	296	-	**2,781**	2,088
Licenses and Permits	-	-	984	-	453	35	3,424	-	-	-	**4,896**	4,308
Contracted Services Revenue	-	-	-	-	3,583	-	-	-	-	-	**3,583**	3,481
Investment Income	-	-	100	265	21	1,098	-	4,774	1,902	8	**8,168**	8,501
Franchise Fees	-	-	-	-	-	-	-	10,925	-	-	**10,925**	10,424
Other Revenue	-	-	5	790	22	16	44	58	51	289	**1,275**	947
Total Operating Revenue	574	1,347	21,087	33,034	37,200	38,669	21,962	18,094	80,177	5,033	**257,177**	249,985
Expenses												
Salaries, Wages and Benefits	737	2,041	20,840	17,140	30,046	15,874	8,959	1,600	6,995	5,619	**109,851**	99,249
Contracted and General Services	141	195	7,500	3,056	1,461	18,212	4,123	40	5,212	1,063	**41,003**	39,568
Amortization of Tangible Capital Assets	87	114	1,425	4,709	1,332	15,350	10,158	585	8,847	457	**43,064**	50,852
Accretion Expense	-	-	-	-	-	-	-	212	24	4	**240**	-
Purchases from Other Governments	-	-	-	-	15,099	-	-	-	17,916	-	**33,015**	33,006
Materials, Goods and Utilities	39	40	395	3,674	1,583	7,667	4,131	15	1,764	1,018	**20,326**	20,515
Transfers to (from) Individuals & Organizations	9	-	17	3,324	-	-	100	132	9	(1,940)	**1,651**	3,856
Interest on Long-Term Debt	-	-	-	7	-	1,348	2,110	-	231	-	**3,696**	4,216
Other Expenses (Recovery)	-	-	68	448	2,076	(3,367)	103	233	1,356	81	**998**	10,700
Loss (Gain) on Disposal of Tangible Capital Assets	-	-	-	-	-	(72)	218	-	(25)	-	**121**	-
Total Expenses	1,013	2,390	30,245	32,358	51,597	55,012	29,902	2,817	42,329	6,302	**253,965**	261,962
Excess (Deficiency) of Revenue over Expenses before Capital Revenue	(439)	(1,043)	(9,158)	676	(14,397)	(16,343)	(7,940)	15,277	37,848	(1,269)	**3,212**	(11,977)
Capital Revenue												
Contributed Tangible Capital Assets	-	-	-	-	-	4,655	1,561	-	8,988	-	**15,204**	11,439
Developer Contributions and Levies	-	-	-	-	-	7,818	-	-	2,446	-	**10,264**	-
Government Transfers - Capital	-	-	1,007	3,309	116	5,746	21,730	-	1,510	-	**33,418**	16,040
Excess (Deficiency) of Revenue over Expenses	$ (439)	$ (1,043)	$ (8,151)	$ 3,985	$ (14,281)	$ 1,876	$ 15,351	$ 15,277	$ 50,792	$ (1,269)	**$ 62,098**	$ 15,502

23. SEGMENTED INFORMATION (continued)

December 31, 2024	Council	Executive Leadership	General Government	Community and Recreation Services	Emergency Services	Public Operations	Planning and Engineering Services	Corporate Financing	Utility Services	Cultural Services	Total 2024	Budget 2024
Operating Revenue												
Property Taxes	$ 580	$ 979	$ 16,123	$ 17,397	$ 28,549	$ 29,774	$ 14,615	$ 1,194	$ 21,959	$ 3,545	**$ 134,715**	$ 134,405
Sales and User Fees	12	-	590	11,126	1,594	4,894	2,496	-	49,370	536	**70,618**	67,976
Government Transfers - Operating	-	-	526	2,205	2,156	934	4	-	2	766	**6,593**	5,547
Fines and Penalties	-	-	1,231	-	1,332	-	-	-	269	-	**2,832**	3,084
Licenses and Permits	-	-	922	-	439	40	4,418	-	-	-	**5,819**	3,621
Contracted Services Revenue	-	-	-	-	3,721	-	-	-	-	-	**3,721**	2,901
Investment Income	-	-	104	315	87	1,085	138	4,537	2,385	12	**8,663**	7,001
Franchise Fees	-	-	-	-	-	-	-	9,846	-	-	**9,846**	9,130
Other Revenue	32	-	9	725	-	28	13	36	38	231	**1,112**	893
Total Operating Revenue	624	979	19,505	31,768	37,878	36,755	21,684	15,613	74,023	5,090	**243,919**	234,558
Expenses												
Salaries, Wages and Benefits	688	1,507	19,202	15,727	32,016	14,949	8,147	1,023	6,451	5,530	**105,240**	95,443
Contracted and General Services	165	90	7,001	2,884	1,604	16,561	2,503	39	5,200	967	**37,014**	39,955
Amortization of Tangible Capital Assets	87	114	1,694	4,560	1,130	15,418	9,445	584	8,121	483	**41,636**	46,231
Accretion Expense	-	-	-	-	-	-	-	101	27	3	**131**	-
Purchases from Other Governments	-	-	-	-	12,279	-	-	-	15,850	-	**28,129**	30,851
Materials, Goods and Utilities	73	17	321	3,505	1,371	7,812	3,734	120	1,560	1,065	**19,578**	19,389
Transfers to (from) Individuals & Organizations	11	-	90	3,435	-	-	-	133	13	(1,823)	**1,859**	3,721
Interest on Long-Term Debt	-	-	-	53	-	1,370	1,692	-	245	-	**3,360**	7,025
Other Expenses (Recovery)	-	-	137	529	1,968	(3,245)	150	106	1,269	20	**934**	5,724
Loss (Gain) on Disposal of Tangible Capital Assets	-	-	-	-	-	(337)	114	-	5	7	**(211)**	-
Total Expenses	1,024	1,728	28,445	30,693	50,368	52,528	25,785	2,106	38,741	6,252	**237,670**	248,339
Excess (Deficiency) of Revenue over Expenses before Capital Revenue	(400)	(749)	(8,940)	1,075	(12,490)	(15,773)	(4,101)	13,507	35,282	(1,162)	**6,249**	(13,781)
Capital Revenue												
Contributed Tangible Capital Assets	-	-	-	-	-	9,502	2,173	-	11,864	-	**23,539**	1,896
Developer Contributions and Levies	-	-	-	-	-	4,076	-	-	908	-	**4,984**	19,650
Government Transfers - Capital	-	-	461	155	-	3,384	9,920	-	660	-	**14,580**	22,114
Excess (Deficiency) of Revenue over Expenses	$ (400)	$ (749)	$ (8,479)	$ 1,230	$ (12,490)	$ 1,189	$ 7,992	$ 13,507	$ 48,714	$ (1,162)	**$ 49,352**	$ 29,879

24. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

Council has approved these consolidated financial statements.



Statistical Section

PlayCare at Servus Place

Statistical Section 106

General Statistical Information 107

General Financial Information 108

GENERAL STATISTICAL INFORMATION

(Unaudited)

For the Years Ended December 31, 2021 - 2025

	2025	2024	2023	2022	2021
POPULATION (1)	**72,316**	**72,316**	**66,082**	**66,082**	**66,082**
NUMBER OF DWELLING UNITS (2)	**29,446**	28,735	28,590	28,986	28,671
MUNICIPAL AREA (IN HECTARES)	**6,533**	6,533	6,531	6,531	4,973
BUILDING PERMITS VALUE (IN THOUSANDS)					
Residential	**285,014**	381,537	244,271	156,629	170,376
Commercial	**18,918**	14,409	9,593	27,841	42,627
Industrial	**6,081**	1,052	1,787	41,442	14,156
Institutional	**31,847**	27,653	4,057	25,907	1,941
	341,860	424,651	259,708	251,819	229,100
BUILDING PERMITS ISSUED					
Residential	**1,074**	1,082	918	785	897
Commercial	**79**	85	85	81	125
Industrial	**49**	35	45	34	41
Institutional	**18**	22	19	26	13
	1,220	1,224	1,067	926	1,076
PARK AREA (IN HECTARES) (3)	**529**	522	529	528	525
TAX COLLECTION RATE (PERCENTAGE)	**95.88**	96.25	95.90	95.57	95.74
LONG TERM DEBT					
Long-Term Debt **(IN THOUSANDS)**	**109,152**	97,629	90,497	91,254	73,442
Retired Within 5 Years %	**36.6**	33.5	36.5	38.4	43.2
Retired Thereafter %	**63.4**	66.5	63.5	61.6	56.8
RESIDENTIAL TAX INCREASE % (4)	**3.9**	4.5	3.2	2.8	0.1
QUALITY OF LIFE SATISFACTION	**98**	96	96	96	96
CONSUMER PRICE INDEX CHANGE (PERCENTAGE) (5)					
Alberta	**2.1**	2.5	3.0	6.0	4.8
Canada	**2.4**	1.8	3.4	6.3	4.8
UNEMPLOYMENT RATE(PERCENTAGE) (5,6)					
Alberta	**6.7**	6.8	6.5	5.7	6.9
Canada	**6.8**	6.7	5.8	5.0	5.9
CITY OF ST. ALBERT EMPLOYEES (7)	**721.95**	707.95	689.63	668.43	677.28
NET DEBT PER CAPITA	**1,509**	1,350	1,369	1,381	1,111

Notes

1. The last municipal census took place in 2024. A municipal census is conducted every five years.
2. Number of Dwelling Units is based on Assessment Department data; the methodology for collecting data changed in 2023.
3. Provincial Parks and Urban Reserves are not included within Park Area Calculation.
4. Overall tax increase including municipal, education, and Homeland Housing tax components.
5. Consumer Price Index and Unemployment Rate data obtained from Statistics Canada.
6. Unemployment Rate data has been restated to conform to updated information obtained from Statistics Canada.
7. Positions are stated in full time equivalents.

TAXATION AND ASSESSMENT

For the Years Ended December 31, 2021 - 2025

	2025	2024	2023	2022	2021
TAX RATES					
Municipal - Residential	**8.608**	8.686	8.465	8.468	8.521
Municipal - Non-Residential	**13.136**	13.128	12.775	12.075	11.558
Public School					
Residential	**2.575**	2.487	2.463	2.555	2.566
Non-Residential	**3.887**	3.656	3.796	3.948	3.865
Separate School (Catholic)					
Residential	**2.575**	2.487	2.463	2.555	2.566
Non-Residential	**3.887**	3.656	3.796	3.948	3.865
ASSESSMENT (percentage change)					
Residential - Market Value	**3.77**	2.23	3.77	3.40	(1.20)
Residential - Growth	**3.28**	2.41	2.20	1.55	1.43
Non-Residential Market Value	**2.80**	3.44	(0.21)	(1.60)	(5.22)
Non-Residential Growth	**1.38**	1.27	2.09	4.05	3.75

TAXATION AND REQUISITIONS

For the Years Ended December 31, 2021 - 2025 (in thousands of dollars)

	2025	2024	2023	2022	2021
TAXATION					
Real Property Taxes	**$ 184,603**	$ 172,646	$ 161,407	$ 153,632	$ 146,616
Linear Property Taxes	**1,336**	1,256	1,171	1,033	1,266
Government Grants in Place of Property Taxes	**219**	235	238	211	238
Downtown Business Improvement Area	**22**	23	-	-	-
	186,180	174,160	162,816	154,876	148,120
REQUISITIONS					
ASFF/Opted Out (Residential)	**(34,406)**	(30,469)	(28,813)	(28,615)	(26,960)
ASFF/Opted Out (Non-Residential)	**(7,962)**	(7,730)	(7,657)	(7,429)	(7,528)
St. Albert Homeland Housing	**(1,268)**	(1,238)	(1,210)	(1,109)	(1,232)
Other Requisitions	**(55)**	(8)	(7)	(13)	(600)
	(43,691)	(39,445)	(37,687)	(37,166)	(36,320)
TAXES AVAILABLE AND COLLECTED FOR MUNICIPAL PURPOSES	**$ 142,489**	$ 134,715	$ 125,129	$ 117,710	$ 111,800

TAXABLE ASSESSMENT AND GOVERNMENT GRANTS IN PLACE OF PROPERTY TAXES

For the Years Ended December 31, 2021 - 2025

	2025	2024	2023	2022	2021
TAXABLE ASSESSMENT					
Residential	**$ 13,304,402**	$ 12,248,899	$ 11,698,974	$ 11,030,972	$ 10,506,207
Commercial	**1,249,539**	1,194,135	1,172,109	1,153,917	1,157,332
Industrial	**845,672**	817,627	746,230	741,911	703,766
Linear and M & E	**101,877**	97,672	93,923	88,775	81,820
	15,501,490	14,358,333	13,711,236	13,015,575	12,449,125
GOVERNMENT GRANTS IN PLACE OF PROPERTY TAXES	**15,123**	17,854	18,594	20,697	18,946
TOTAL TAXABLE ASSESSMENT AND GOVERNMENT GRANTS IN PLACE OF PROPERTY TAXES	**$ 15,516,613**	$ 14,376,187	$ 13,729,830	$ 13,036,272	$ 12,468,071
TOTAL TAXABLE ASSESSMENT AND GOVERNMENT GRANTS IN PLACE OF PROPERTY TAXES (PERCENTAGE)					
Residential	**85.7**	85.2	85.2	84.6	84.3
Commercial	**8.1**	8.3	8.5	8.9	9.3
Industrial	**5.5**	5.7	5.4	5.7	5.6
Linear and M & E	**0.7**	0.7	0.7	0.7	0.7
Grants in Place	**0.1**	0.1	0.1	0.2	0.1
RESIDENTIAL / NON-RESIDENTIAL SPLIT* (PERCENTAGE)					
Residential	**85.7**	85.2	85.2	84.6	84.3
Non-Residential	**14.3**	14.8	14.8	15.4	15.7

* With grant in place allocated between residential and non-residential.

PRINCIPAL CORPORATE TAXPAYERS

Property Owner	Property Commonly Known as
Alberta Gaming Liquor & Cannabis	AGLC
BCIMC Realty Corp.	U-Line & Distribution Warehouse
St. Albert Centre Holdings Inc.	St. Albert Centre Mall
Calloway REIT Inc.	Walmart
2563080 Alberta Ltd.	Careadon Village
Jim Pattison Developments Ltd.	Village Landing
Fortis Alberta Inc.	Fortis
Yarrow II GP Inc.	All Seniors Care
Boardwalk REIT	Sturgeon Point Villas
Costco Wholesale Canada Ltd.	Costco St. Albert

TAX COLLECTION

For the Years Ended December 31, 2021 - 2025

	2025	2024	2023	2022	2021
CURRENT LEVY	**$ 186,368**	$ 173,649	$ 162,529	$ 154,691	$ 147,764
TAXES RECEIVABLE					
Current	**2,031**	2,123	2,116	2,442	2,432
In Arrears for More than One Year	**1,392**	1,325	1,419	1,191	891
	$ 3,423	$ 3,448	$ 3,535	$ 3,633	$ 3,323
TAXES OUTSTANDING, BEFORE ALLOWANCE					
Total %	**1.84 %**	1.99 %	2.17 %	2.35 %	2.25 %

Note that the top 10 principle taxpayers made up less than 5 per cent of the 2025 tax levy; therefore, no undue reliance is placed upon any one taxpayer.

TOTAL LONG-TERM DEBT AND LONG-TERM DEBT SERVICING LIMITS

For the Years Ended December 31, 2021 - 2025

	2025	2024	2023	2022	2021
Long-Term Debt					
Tax Supported	**$ 109,152**	$ 97,629	$ 90,497	$ 91,254	$ 73,442
	109,152	97,629	90,497	91,254	73,442
TOTAL LONG-TERM DEBT					
Maximum Allowable Annual Debt Servicing	**$ 66,860**	$ 62,226	$ 57,156	$ 53,392	$ 47,964
Annual Servicing on Existing Debt	**12,899**	12,986	13,096	10,620	7,629
Amount of Limit Used (Percentage)	**19**	21	23	20	16

RESTRICTED SURPLUS RESERVE BALANCES

For the Years Ended December 31, 2021 - 2025

	2025	2024	2023	2022 (Restated)	2021
City of St. Albert					
Operating	**$ 26,631**	$ 25,003	$ 22,749	$ 21,539	$ 23,435
Capital	**110,002**	109,089	95,062	84,950	76,090
	136,633	134,092	117,811	106,489	99,525
***Controlled Entities**					
Operating	**459**	454	474	463	540
Capital	**396**	242	272	328	444
	855	696	746	791	984
Utilities	**50,613**	52,958	59,748	68,867	61,025
TOTAL RESTRICTED SURPLUS RESERVES	**$ 188,101**	$ 187,746	$ 178,305	$ 176,147	$ 161,534

*Controlled Entities include the St. Albert Library Board and the Arts & Heritage Foundation of St. Albert.

KEY COMPONENTS OF FINANCIAL POSITION

For the Years Ended December 31, 2021 - 2025

	2025	2024	2023	2022 (Restated)	2021
Total Financial Assets	**$ 299,676**	$ 293,035	$ 274,210	$ 273,694	$ 247,417
Total Liabilities	**229,188**	210,026	196,785	182,861	158,026
Net Financial Assets	**70,488**	83,009	77,425	90,833	89,391
Total Non-Financial Assets	**1,441,197**	1,366,390	1,322,500	1,248,436	1,201,280
Total	**1,511,685**	1,449,399	1,399,925	1,339,269	1,290,671
Key Components of Financial Assets Include:					
Cash and Cash Equivalents	**62,627**	60,727	29,012	47,627	36,589
Investments	**208,913**	214,174	226,209	210,420	189,422
Key Components of Financial Liabilities Include:					
Long-Term Debt	**109,152**	97,629	90,497	91,254	73,442
Asset Retirement Obligations and Environmental Liabilities	**2,664**	2,537	2,480	3,408	1,095
Key Components of Non-Financial Assets Include:					
Tangible Capital Assets	**1,437,217**	1,362,357	1,317,321	1,245,326	1,198,758
Key Components of Accumulated Surplus Include:					
Invested in Tangible Capital Assets	**1,328,207**	1,262,412	1,224,566	1,151,196	1,125,316
Restricted Surplus - Reserves	**$ 188,101**	$ 187,746	$ 178,305	$ 176,147	$ 161,534

	2025	2024	2023	2022 (Restated)	2021
ACQUISITIONS OF TANGIBLE CAPITAL ASSETS					
Building Improvements	**$ 612**	$ 6,012	$ 887	$ 639	$ 1,738
Library Collections	**266**	260	303	290	305
Land Improvement	**1,601**	2,228	3,287	3,249	5,627
Engineered Structures	**23,630**	20,638	42,427	38,328	36,737
Buildings	**98**	2,328	693	150	220
Machinery and Equipment	**2,645**	2,814	6,384	4,234	2,252
Land	**3,983**	4,332	6,434	7,428	14,322
Vehicles	**13,408**	3,382	1,729	1,628	1,608
Assets Under Construction	**72,047**	44,962	50,081	29,527	60,095
TOTAL TANGIBLE CAPITAL ASSET ACQUISITIONS	**$ 118,290**	$ 86,956	$ 112,225	$ 85,473	$ 122,904

REVENUE BY SOURCE, EXPENSE BY FUNCTION, AND ANNUAL SURPLUS

For the Years Ended December 31, 2021 - 2025

	2025	2024	2023	2022 (Restated)	2021
REVENUE AND OTHER					
Property Taxes	**$ 142,489**	$ 134,715	$ 125,129	$ 117,710	$ 111,800
Sales and User Fees	**76,557**	70,618	63,797	58,874	51,674
Fines and Penalties	**2,781**	2,832	2,836	3,350	3,602
Government Transfers - Operating	**6,503**	6,593	6,444	6,179	4,667
Franchise Fees	**10,925**	9,846	8,868	7,303	6,373
Investment Income	**8,168**	8,663	7,252	4,097	2,949
Other Revenue	**1,275**	1,112	1,266	1,658	2,128
Licenses and Permits	**4,896**	5,819	3,778	3,755	3,443
Contracted Services Revenue	**3,583**	3,721	3,041	2,685	2,685
TOTAL REVENUE BY SOURCE	**257,177**	243,919	222,411	205,611	189,321
EXPENSE BY FUNCTION					
Public Operations	**55,012**	52,528	50,799	51,250	45,744
Emergency Services	**51,597**	50,368	46,579	42,487	38,103
Utility Services	**42,329**	38,741	33,469	34,148	34,696
Community and Recreation Services	**32,358**	30,693	28,725	26,712	22,170
General Government	**30,245**	28,445	25,596	22,951	20,879
Planning & Engineering Services	**29,902**	25,785	24,871	21,296	19,764
Cultural Services	**6,302**	6,252	6,100	6,151	6,072
Executive Leadership	**2,390**	1,728	1,817	3,160	3,057
Council	**1,013**	1,024	912	884	804
Corporate Financing	**2,817**	2,106	6,671	(531)	1,688
TOTAL EXPENSE BY FUNCTION	**253,965**	237,670	225,539	208,508	192,977
ANNUAL SURPLUS (DEFICIENCY) BEFORE CAPITAL REVENUE	**3,212**	6,249	(3,128)	(2,897)	(3,656)
CAPITAL REVENUE					
Contributed Tangible Capital Assets	**15,204**	23,539	38,865	23,080	30,707
Developer Contributions and Levies	**10,264**	4,984	6,210	7,958	2,535
Government Transfers - Capital	**33,418**	14,580	18,719	20,434	44,893
Annexation	**-**	-	-	1,682	-
TOTAL CAPITAL REVENUE	**58,886**	43,103	63,794	53,154	78,135
ANNUAL SURPLUS	**62,098**	49,352	60,666	50,257	74,479
ACCUMULATED OPERATING SURPLUS, BEGINNING OF YEAR	**1,449,287**	1,399,935	1,339,269	1,289,012	1,216,192
ACCUMULATED OPERATING SURPLUS, END OF YEAR	**$ 1,511,385**	$ 1,449,287	$ 1,399,935	$ 1,339,269	$ 1,290,671

EXPENSES BY OBJECT

For the Years Ended December 31, 2021 - 2025

	2025	2024	2023	2022 (Restated)	2021
Salaries, Wages and Benefits	**$ 109,851**	$ 105,240	$ 97,564	$ 88,987	$ 84,465
Contracted and General Services	**41,003**	37,014	34,914	35,437	32,653
Amortization	**43,064**	41,636	39,994	37,134	33,934
Accretion Expense	**240**	131	188	124	-
Purchases from Other Governments	**33,015**	28,129	29,319	26,229	23,845
Materials, Goods and Utilities	**20,326**	19,578	17,563	17,232	14,390
Transfers to Individuals & Organizations	**1,651**	1,859	1,691	1,395	1,471
Interest on Long-Term Debt	**3,696**	3,360	3,304	2,440	1,609
Other Expenses	**998**	934	1,075	661	513
(Gain)/Loss on Disposal of Tangible Capital Assets	**121**	(211)	(73)	(1,131)	97
TOTAL EXPENSES	**$ 253,965**	$ 237,670	$ 225,539	$ 208,508	$ 192,977

2025 Annual Report
City of St. Albert
5 St. Anne Street, St. Albert, AB T8N 3Z9
780-459-1500
stalbert.ca