





PROVINCE OF ALBERTA

ANNUAL REPORT
CITY OF ST. ALBERT

FOR THE YEAR ENDED
DECEMBER 31,

2022





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City of St. Albert Cultivate Life

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City of St. Albert, Alberta, Canada
2022 Annual Report, for the year ended December 31, 2022
Prepared by: Strategic Services & Communication and Financial Services

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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.

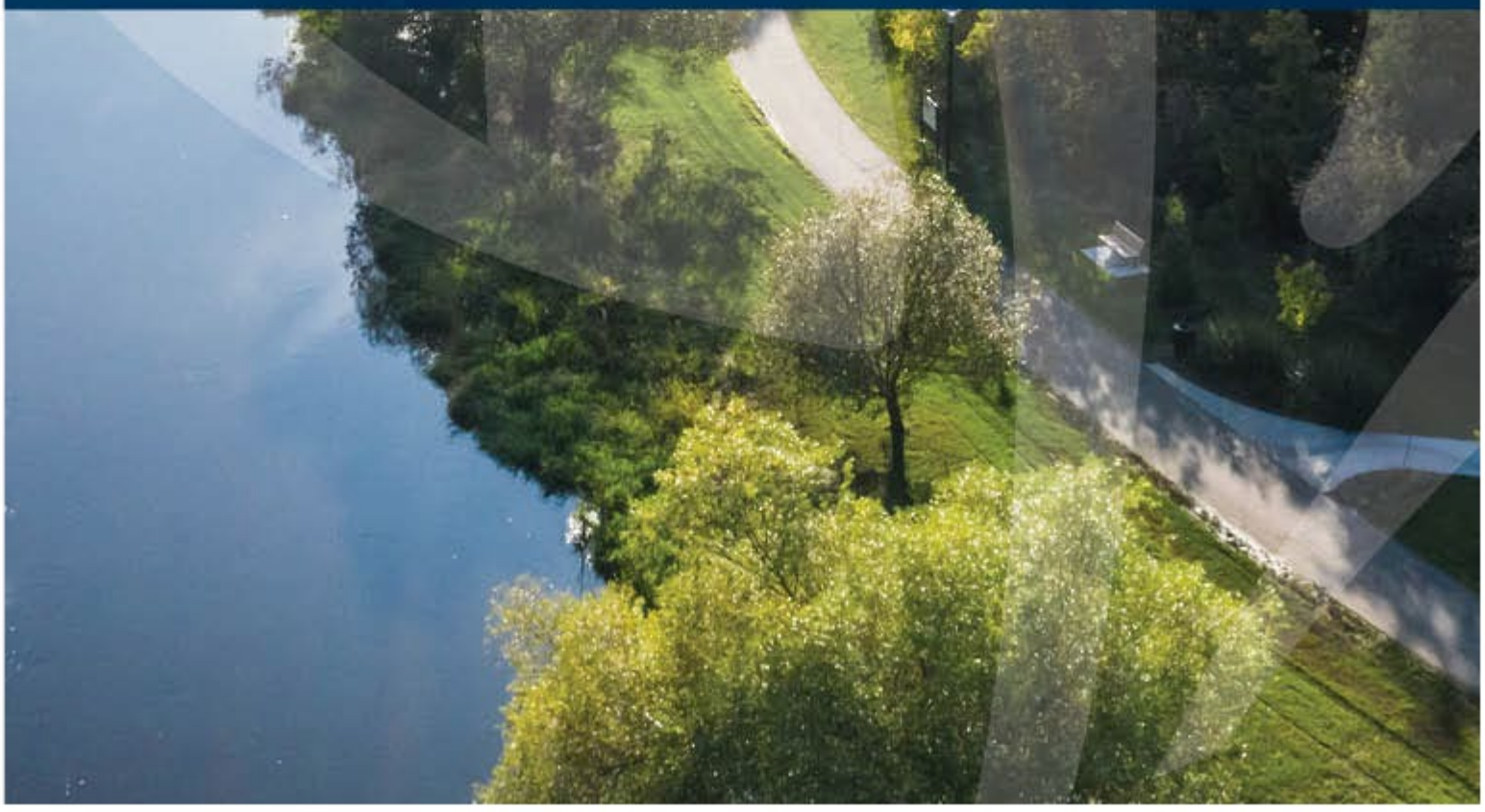


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Introduction

Woodlands Area

The City of St. Albert is pleased to present its 2022 Annual Report, which provides an overview of the City's various corporate and financial accomplishments throughout the year. These accomplishments are based on the City of St. Albert Council Strategic Plan outlined in the report and the City's audited financial statements.

The Annual Report is divided into two 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 also includes the Year in Review, an overview of key corporate activities and accomplishments based on the City of St. Albert Council Strategic Plan. Finally, it 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 – provides a summary of various financial and general statistics.

MESSAGE FROM THE MAYOR



While it is true that the lingering impacts of the pandemic continue to be felt throughout the world, our strength and resilience as a community continued to shine in 2022. This was also our first year together as a Council that featured some new faces and I am very proud of the work we did.

One of our first undertakings in 2022 was the development of a four-year Strategic Plan, which identifies what Council will focus on during its term of office. It is an important foundational piece as we move forward together to ensure that we can continue to build a strong community while we support day-to-day delivery of services.

Council has identified five priority areas for its term:

- **Economic Prosperity** – Focus on advancing plans for development of the Lakeview Business District, completing plans for annexed lands, and creating a positive environment for development.
- **Downtown Vibrancy** – Supporting a variety of community events that help promote our heritage, arts and culture, support downtown businesses and encourage the establishment of a Business Improvement Area.
- **Community Well-being** – Responding to changing demographics and fostering a community where everybody has an opportunity to fully participate and feel welcomed.
- **Adapting to a Changing Natural Environment** – Exploring innovative ways to reduce our footprint, protecting waterways and green spaces, and ensuring resilient social systems and infrastructure.
- **Financial Sustainability** – Council remains focused on exploring opportunities to diversify revenue sources and invest in long-term net positive revenue generating infrastructure. We also support the work to realize efficiencies identified within the Operational and Fiscal Review, as well as advance practice and process for the Internal Audit Committee.

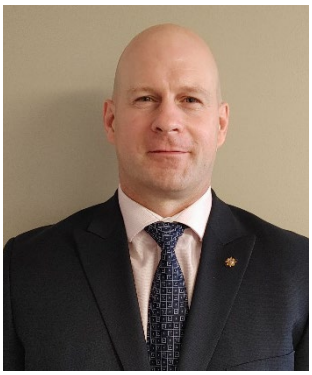
These priorities and related strategies guided Council's decision-making in 2022 and will continue to do so throughout our term. They also guide the work of Administration, in addition to day-to-day services provided to the community. I invite you to read the 2022 Annual Report to learn about the key corporate activities and accomplishments Administration has achieved to advance priorities identified by Council as we continued to deliver valuable services to the community.

Looking ahead, Council will continue to work diligently with Administration towards our vision for the future. We will work to ensure St. Albert continues to be one of the finest cities in which to live, work, and play.

C. Heron

CATHY HERON
Mayor, City of St. Albert
The Botanical Arts City

MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER



On behalf of City of St. Albert Administration, I am pleased to present the 2022 Annual Report. This document highlights many of our accomplishments from last year and includes our audited financial statements.

In 2022, we created a new four-year Corporate Business Plan, which is a foundational document that prioritizes and orients our efforts on behalf of the City. This plan supports the advancement of Council's Strategic Plan and aligns Administration's activities with Council priorities. Additionally, complementary to Council's Strategic Plan, we have included organizational excellence priorities to ensure a strong foundation for the sustainable and efficient delivery of services to the community as we grow and mature.

The following overview highlights Administration's progress related to the five overarching priorities in Council's Strategic Plan. Further details are included in the report.

- **Economic Prosperity** – The City expanded opportunities for employment and economic growth by advancing plans for land development in the west, including the Lakeview Business District and annexed lands. Additionally, Administration made progress in strategies to foster development, including creating an Investment Attraction Strategy, which will guide investment and attraction activities over the next three to five years.
- **Downtown Vibrancy** – Work got underway in 2022 to update the Downtown Area Redevelopment Plan. Administration advanced project planning for the development of Millennium Park and engaged downtown stakeholders to support interest in establishing a Business Improvement Area.
- **Community Well-being** – The City supported the development of mixed housing choices in various ways. This includes the transfer of City-owned land at 22 St. Thomas Street to Homeland Housing with a portion of that future development designated as below-market. We set the conditions for the advancement of planning for youth transitional housing. Administration also made progress in planning for a community amenities site as well as supporting further work and collaboration on Indigenous-led initiatives. Work was advanced on a collaborative community response to Gender Based Violence including a new partnership to provide counseling in St. Albert for individuals who have experienced sexual violence or abuse and those that support them.
- **Adapting to a Changing Natural Environment** – Community engagement efforts and a waste audit undertaken in 2022 will inform our environmental strategies in 2023. Administration is working on waste minimization approaches as well as setting goals for key environmental opportunities and risks impacting the community. Additionally, two energy efficiency programs launched in late 2022: the Clean Energy Improvement Program and Home Energy Efficiency Grant.
- **Financial Sustainability** – The City explored opportunities related to partnerships and alliances which may support financial sustainability strategies. Progress was made on a number of opportunities to ensure efficiency in service delivery with a focus on long-term sustainability, including completing a comprehensive review of our 911 Dispatch Delivery.

The organizational excellence priorities stem from five specific focus areas: our people – our team, planning and prioritizing, digital transformation, operational performance, and residents/customers. We made great progress on developing and implementing key strategic and business plans for improved organizational alignment, collaboration and focus to the betterment of our community.

We continue to identify ways to modernize and improve our processes and services using technology and automation, but more importantly, by emphasizing and maturing the best practices that balance effectiveness with efficiency and enable informed decision-making. Workforce and succession planning are also progressing to ensure the City is able to attract and retain top talent. We are improving our initiatives to support healthy and resilient employees.

I am proud of the work we as Administration have done in 2022 and I look forward to our continued progress supporting our residents and positioning St. Albert for a successful and sustainable future.



WILLIAM (BILL) FLETCHER

Chief Administrative Officer

CITY PROFILE

Today, St. Albert is a vibrant city with a population of 68,632 (2021 Census report). Plans are in place to seize new opportunities and proactively plan to grow to a City of 100,000 over the coming decades.

The community vision is to create a friendly and inclusive community of passionate equals, where everyone feels a sense of belonging. We believe that the community starts with the person next door.

Located minutes to the northwest of Edmonton, St. Albert affords residents an outstanding quality of life where they can enjoy a secure, small-town feel, without losing access to everything needed from a major metropolitan region.

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

HISTORY OF SETTLEMENT IN ST. ALBERT

St. Albert is located within Treaty 6 territory, a significant First Nations gathering place and Métis homeland. Indigenous peoples have had an important role in St. Albert's founding and growth, have celebrated many achievements and continue to make ongoing contributions to our community. January 14, 1861, proclaimed Mission Hill 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. 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 after an annexation was approved in 2021.



St. Albert's oldest residence – Juneau House

GOVERNMENT STRUCTURE

The City of St. Albert's mandate is to provide social and recreational programs, protective services, transportation systems, public utilities, and other local 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 2021.

CITY COUNCIL

CITY COUNCIL 2021–2025



CITY COUNCIL VISION, MISSION AND VALUES

The 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

The Community Vision and Pillars of Sustainability are the results of rigorous community engagement. The Community Vision describes the direction St. Albert residents would like the community to move in, defining the unique identity that makes our City thrive now and into the future.

A vibrant, innovative, and thriving city that we all call home, that sustains and cherishes its unique identity and small-town values. We are the Botanical Arts City.

PILLARS OF SUSTAINABILITY

The people of St. Albert embrace a balanced sustainable living philosophy which is at the core of our city's soul. We remain committed to our sustainable community vision and celebrate our stories and successes as we continue to write the next chapter of St. Albert's history.



Social – We are a friendly and inclusive community of passionate equals, 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 the future to sustain balanced development, with a reverent eye to the past, honouring our unique settlement history and distinct identity.



Natural Environment – We protect, embrace, and treasure our deeply-rooted connections with the natural environment through championing environmental action.



Culture – We are proud of our storied history that has fed and nurtured our festive and culturally-rich community.



2022 Canada Day Celebration

MISSION

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

City Administration is led by an appointed Chief Administrative Officer (CAO). The CAO is Council's only employee. The CAO oversees 673 permanent full-time equivalent positions along with seasonal and other non-permanent staff who carry out the day-to-day operations of the City.

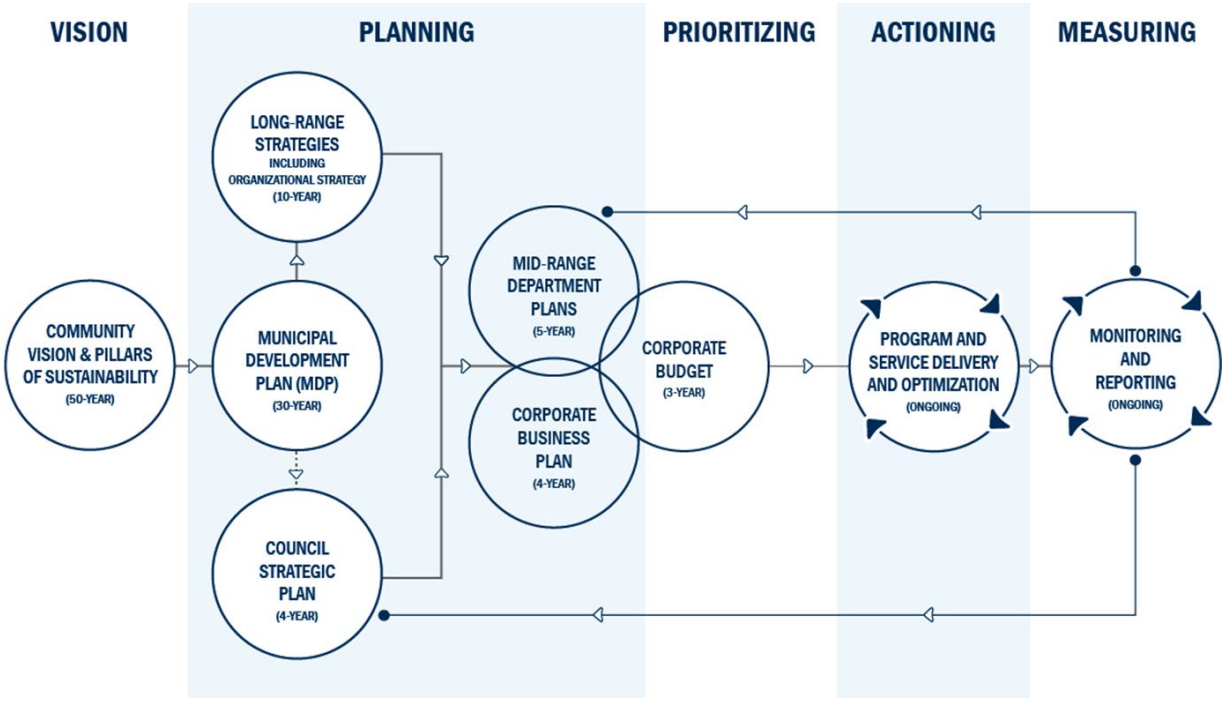
The Executive Leadership Team provides strategic direction to the organization. In 2022, the Executive Leadership Team included the CAO, the Deputy Chief Administrative Officer (DCAO), two Assistant DCAOs.

A broader Leadership Team, made up of department directors, provides essential support and operational direction. In early 2023 the Organization's structure was re-organized, and the below diagram is reflective of the previous year.



CITY OF ST. ALBERT STRATEGIC FRAMEWORK

To plan effectively, Administration uses a strategic framework to align the City's strategic and business planning, budgeting, management and reporting practices and processes to achieve outcomes established in the Community Vision and Pillars of Sustainability and City of St. Albert Council Strategic Plan. This structured framework provides clarity, directs the City's future, and provides a balanced approach to achieving long-range plans while focusing on short-term actions and ongoing delivery of services to the community. The framework is depicted in the figure below:



COMMUNITY VISION AND VALUES

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, culture, natural environment and built environment.

MUNICIPAL DEVELOPMENT PLAN

The Municipal Development Plan (MDP) is a comprehensive, city-wide plan for growth and change, envisioning a future population of 100,000, and up to 13,000 new jobs over the coming decades. The MDP is developed according to Bylaw 20/2020.

The goals outlined in the MDP are: Green Environment, Robust Economy, Housing Options, Mobility Choices, Cultural Richness, Resilient Infrastructure, Community Well-Being, Great Places, and Sustainable Growth. The goals and principles established in the MDP are used as a foundation to establish Long-Range Strategies.

CITY OF ST. ALBERT COUNCIL STRATEGIC PLAN

Early in 2022, St. Albert City Council participated in a strategic planning retreat to set strategic priorities and specific strategies that Council would like to focus on during their term. Annually, the plan is formally reviewed to note progress towards the achievement of priorities and expected outcomes, to discuss emergent items and re-prioritize priorities if required. Together with services and associated service levels and motions made throughout the year, the Strategic Plan serves as the main direction to Administration.

The Strategic Plan signals to residents, the business community, community organizations, and other stakeholders where St. Albert is headed over the four-year Council term, with the long term in mind. Development of the Strategic Plan was informed by the Community Vision and Pillars of Sustainability and Municipal Development Plan, as well as input received from the community through formal and informal opportunities. The Council Strategic Plan (2022-2025) describes the five priority areas which Council will focus on and provides direction to Administration. Administration uses this information to plan and prioritize initiatives in the Corporate Business Plan.

The 2022-2025 Council Strategic Plan outlines five priorities for the term. These include:

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.

LONG-RANGE STRATEGIES

Administration develops long-range strategies relating to the needs of the community. These strategies span from 10 years and are used to form the development of Council's Strategic Plan, the Corporate Business Plan, mid-range department plans, and the budget. The Green Environment Strategy is in development with Mobility Choices, Resilient Infrastructure, and the Organizational Strategy to be developed over the next three years.

CORPORATE BUSINESS PLAN

From the defined Council priorities, Administration developed key actions that would need to be accomplished over the next four years to progress towards and achieve these priorities. These actions were captured in the 2022-2025 City of St. Albert Corporate Business Plan. The new Corporate Business Plan includes 44 initiatives to support the achievement 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:

- Our People, Our Team
- Planning and Prioritization
- Digital Transformation
- Operational Performance
- Customers/Residents

There are 24 initiatives identified in the Corporate Business Plan to advance the Organizational Excellence priorities.

CORPORATE BUDGETING

The corporate budget is the financial representation of the City of St. Albert Council Strategic Plan and delivery of services to community. All strategic and operational efforts that result from the Council Strategic Plan and Corporate Business Plans are aligned to the City's budget cycle. Budget Requests are categorized around five areas of focus:

- Maintaining Service
- Corporate Business Plan Implementation
- Service Changes or Improvements
- Long-Range Strategy Implementation
- Growth Initiatives

PROGRAM & SERVICE DELIVERY

City Administration delivers programs and services to meet the needs and enhance the quality of life of residents, businesses, and stakeholders. The City of St. Albert maintains a Services and Service Levels Inventory to articulate the services and levels of service provided to the community. The Inventory is approved by Council in quarter one of every year and it serves as the foundation for 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 ensure the service delivery to community is optimized and efficient.

EVALUATION & 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 in annual planning and budgeting. Work continues to mature this practice at the City of St. Albert.

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 towards 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.



2022 Council in the Community Event



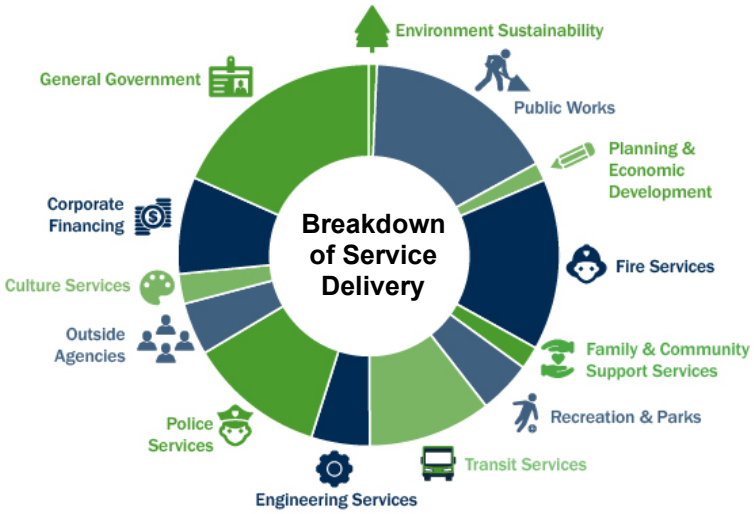
Fire Hall 1 Grand Opening

YEAR IN REVIEW

CITY SERVICES

The City provides a wide range of services related to:

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



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

Every day, residents encounter services that are offered through the City that make positive impacts on the community. Approximately 82% of the City's operating budget is allocated to delivery of services to community, according to Council approved Services and Service Levels Inventory. This section includes an overview of City services along with key statistics to help illustrate the context in which these services are delivered.



2022 Grand Opening of Versailles 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 offers access to and maintenance of amenities in parks, open spaces, and in recreation facilities:

- Arden Theater
- City Arts Space
- Culture Wall of Fame
- 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 served by trail connections 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 skateboard park and the Fowler Athletic Park. In addition, running/walking tracks and amenities are available for recreational use and maintains ice dedicated for recreational and sporting uses.

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

In 2022, the City conducted the Recreation Needs Assessment. The results included a prioritized listing of recreation amenities based on utilization, public engagement and philosophical alignments that will inform the future planning and infrastructure needs beyond the Community Amenities Site.

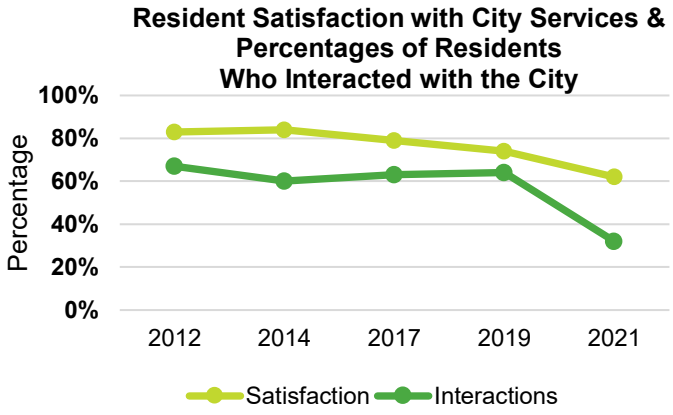
In fall of 2022 the City completed construction on development of the Grey Nuns White Spruce Park, a historically significant conservation park in St. Albert with over four km of new trails, two viewpoints, nature-based play area, outdoor classrooms, integrated public art, and a large picnic area.

Additionally, St. Albert recognizes public art as a defining characteristic of our community identity. As such, the City is responsible for the maintenance of the City's public art inventory through the maintenance, addition, and removal of pieces from the inventory. The Grey Nuns White Spruce Park also introduced integrated art to the City's practice, in which art is integrated into development of the site itself.

USER EXPERIENCE

City staff provide front counter services to address needs and inquiries including:

- tax and assessment inquiries;
- revenue collection and payment;
- utility account management;
- business licences and permits/licences issuance;
- planning and development inquiries;
- engineering inquiries;
- construction information desk;
- police and bylaw inquiries;
- cemetery management;
- *Freedom of Information and Protection of Privacy* (FOIP) requests; and,
- cultural and recreational program information and registration.



The Community Satisfaction Survey is conducted every two years.

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 sport facilities also provide a space for events such as social gatherings, business conferences and meetings. St. Albert provides facility services assistance at recreation facilities to support users and meet their needs in safe and clean facilities.

The City partners with St. Albert businesses in the provision of food, beverage, professional and retail services to enhance the 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, Iginla Arena, Fountain Park Recreation Centre, Larry Olexiuk Field, and Servus Place.



The Arden Theatre



2022 International Children's Festival of the Arts

COMMUNITY DEVELOPMENT

COMMUNITY EVENTS

The City delivers events and supports groups that organize their own events. In support of event groups, the City provides services such as policing, water servicing, and/or road closures.

Services also include the provision of funding to eligible applicants in the areas of special events, sport and culture development, operational funding and capital renovations and development through the Community Capital Grant Program, the Community Events Grant Program and the Outside Agencies Grant Program.

In 2022, the City provided road closures to support various events including the St. Albert Road Race, RunWild, St. Albert Celebrates Canada Day, Rock'n August, Snowflake Festival, and New Years Eve Fireworks.

TRUTH AND RECONCILIATION

In 2022, Truth and Reconciliation efforts included the City's involvement in the Inuvialuit Regional Corporation's Nanilavut Initiative, a federally supported initiative to locate Inuit who passed away during the 1940-1960's tuberculosis epidemic after being sent to health care facilities such as the Charles Camsell Indian Hospital. The Inuvialuit Grave Marking Commemoration Ceremony and the Journey of Remembrance was attended by more than 200 people. Five cemeteries were visited to honour the 12 Inuvialuit whose burials were discovered in the region, and seven of which are buried in the St. Albert Municipal Cemetery. The families honoured the seven Inuvialuit through ceremony and the placement of individual grave markers. The closure, healing, and relief expressed by the families is a defining moment on the journey of reconciliation for the City.

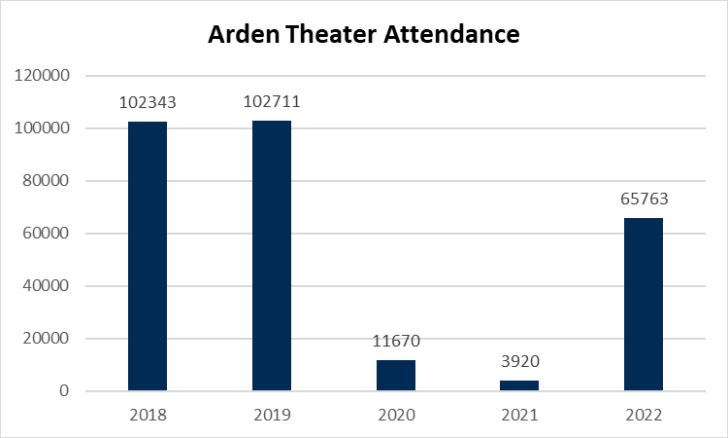
COMMUNITY ORGANIZATIONS AND GROUPS SUPPORT

St. Albert highly values the work of groups and individuals who are active in promoting the community's well-being and development in the areas including arts and culture, recreation, and environmental protection. The City maintains contact with active community groups, creates opportunities for residents to volunteer on community issues and service delivery, and works with groups to facilitate and support their activities.

CULTURAL DEVELOPMENT

In 2022, in-person cultural events gradually returned.

The Arden Theatre returned post-pandemic to host 262 events, 237 of which took place in the downtown core, including the successful community focused outdoor Plaza Series. These events brought more than 65,000 people to St. Albert, and our downtown core. This was a remarkable recovery given that regular use of the Arden did not resume until March. The cost recovery rate for 2022 exceeded that of the previous five years.



In support of our diverse cultural community, a number of cultural community organizations were supported through the use of Arden Theatre, including:

- Africans and African Descendant Friendship Club
- A Night for Ukraine
- Outloud
- St. Albert Latin Cultural Association

The 41st International Children's Festival of the Arts returned June 2-5, 2022 live and in-person, and Virtual options to experience the festival was also offered. Feature performances, workshops, and free site activities were available and ensured there was something for everyone who attended, with over 10,000 tickets sold. The 2022 festival was made possible with the assistance of a total of 346 volunteers who donated their time over the four-day festival totaling over 3,000 volunteer hours.

The Walk Walk Dance Public Art initiative, supported by the Arts Development Advisory Committee, made its western Canadian premiere in St. Albert. Created for and during the pandemic, Walk Walk Dance is a series of music-making lines exploring how participation and interaction can create new spaces for play. Step, jump, roll or dance on the lines to trigger music. This project was designed to be accessible to everyone. Due to popular demand, the City extended the experience until the end of July and during the ten-week run of this installation, almost nine million notes were played.



Walk Walk Dance

ECONOMIC DEVELOPMENT

The health of local businesses is vital to making sure 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 project review and ongoing management support of land and real estate developments, from initial contact to project completion.

Sponsorship and advertising opportunities are provided to the business community at various City facilities and physical spaces, such as recreation facilities.

FINANCIAL GRANTS AND SUPPORT

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

FUNDING PARTNERSHIPS

The City currently partners with the Arts and Heritage Foundation for the operation, management, and stewardship of the City's historical and cultural artifacts, resources, and archives. This partnership also provides residents and visitors with registered and drop-in programs. A funding partnership is in place with the St. Albert Public Library for the provision of library services to the community. Partnerships are also funded with community groups for the delivery of sport and recreation programs.

Additional grants are provided for the delivery of preventative social services. In 2022, in addition to City counselling offerings, residents were supported through a new model for short-term counselling in which the City contracted with local service providers. Furthermore, in 2022 the City of St. Albert supported 18 nonprofit organizations to participate in the Digital Economy Program, offered by Business Link, Digital Main Street, and the University of Alberta. The program provides one-on-one assistance with digital services, equipping organizations with the skills needed to expand their organization's digital reach. Ten social service agencies, three sport and recreation agencies, and five arts and culture organizations signed up to participate in the program.

PUBLIC EDUCATION

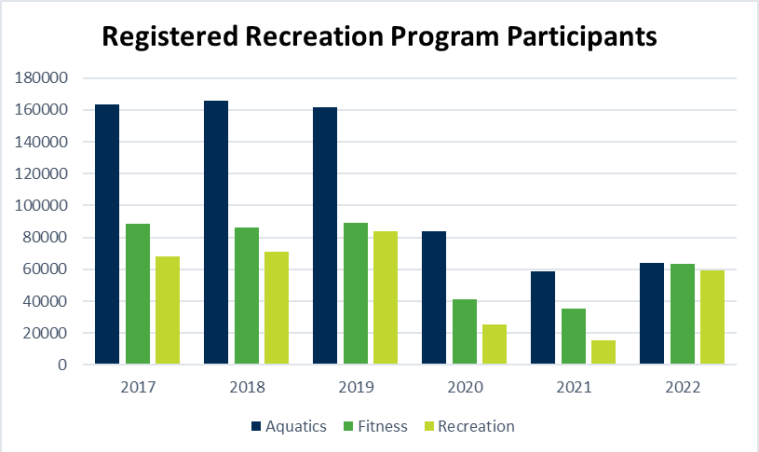
The City coordinates annual programming opportunities to encourage community environmental stewardship and conservation. In 2022, St. Albert residents had the opportunity to participate in Clean and Green RiverFest, Partners in Parks, Weed Warrior events, rain barrel sale, Bike Month (free bike tune ups), community tree planting, and neighbourhood and school clean ups.

Environmental awareness and education is also facilitated through campaigns and resources. Of note, a Classroom Home Energy Assessment Toolkit resource was developed for Grades 5, 7 and 11 to test the current energy and water usage at school and home.

In collaboration with Indigenous partners and community representatives, the City supports events and ceremonies of annual commemoration and acknowledgement, including but not limited to Red Dress Day, National Indigenous Peoples Day, Treaty 6 Recognition and Acknowledgement Day, National Day for Truth and Reconciliation, Métis Week, etc. These ceremonies of significant recognition are an opportunity for community to come together, share truths and raise awareness about the local Indigenous context of St. Albert.

RECREATION DEVELOPMENT

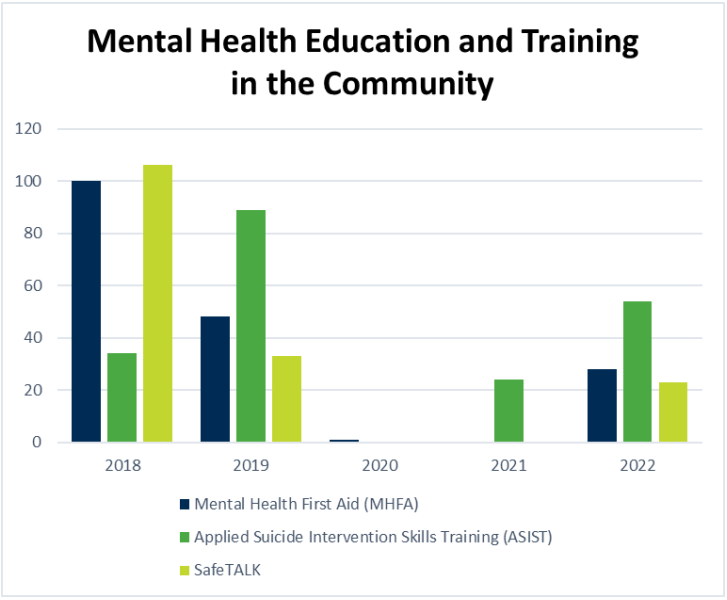
The City provides recreational programming for both registered and drop in participant at parks, open spaces, and recreation facilities. This includes programming for aquatics, fitness, and recreation.



SOCIAL DEVELOPMENT

The City seeks out and creates opportunities to educate and promote awareness of social issues that may affect individuals or groups. Services are proactive to reach out to community members that may not have the capacity to advocate for themselves and to bring community members together to address issues and solve problems.

The City is committed to the health and well-being of our residents and continues to work with the Government of Alberta and community agencies to provide support and resources to residents. In 2022, an ongoing mental health campaign helped raise awareness of community resources available to residents experiencing mental health challenges, family violence, and sexual assault. This included access to help lines and resources available for support 24/7.

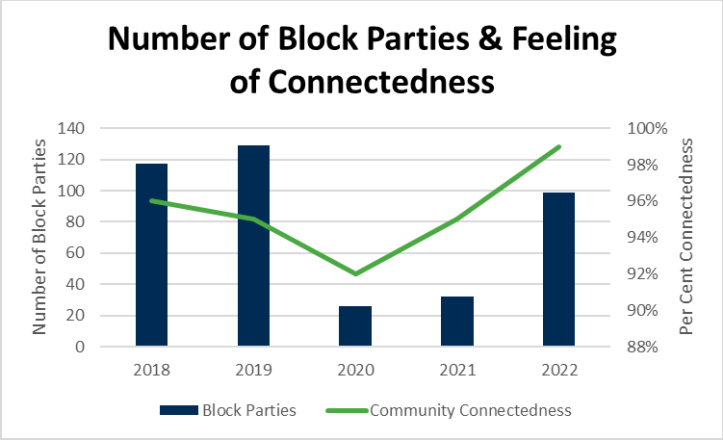


From the onset, the pandemic has had an unprecedented impact on individual and community wellbeing and heightened the need for mental health supports. In 2022, the Healing Project was created as a way for our community to process our collective grief experienced during the pandemic. Residents were invited to contribute their thoughts, feelings, and experiences which were displayed at St. Albert Place for others to view.

In 2022 the St. Albert Domestic and Sexual Violence Community Response Committee worked together as service providers to discuss the needs within St. Albert and worked collaboratively to find solutions. The City offered several programs aimed at preventing Gender Based Violence including:

- Wiseguyz pilot aimed to connect with men and boys in partnership with SAiF.
- The Sexual Violence Counselling project was implemented, and counselling is now offered in St. Albert by SAFFRON for both individuals who have experienced sexual violence or abuse and those that support them.

The City also supports community connectedness through support of the Block Party program. Since 2008, block parties have become a big part of living in St. Albert and in 2022 there was a significant increase with the removal of pandemic restrictions. Neighbourhood development activities were enthusiastically received and provided many reconnection opportunities with 99% of those participating in block parties reporting a strong sense of community connectedness.

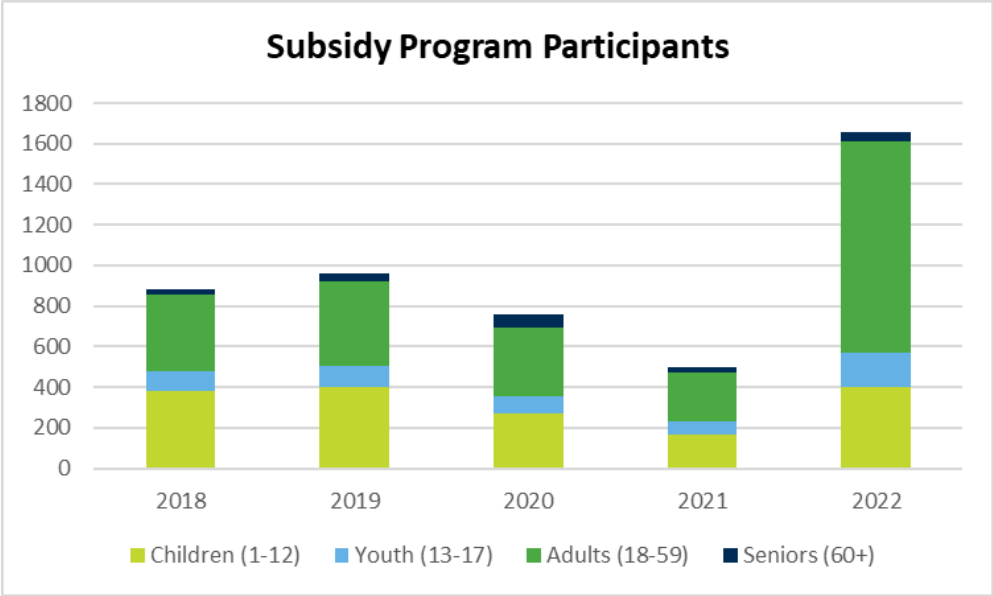


Communities are strongest when residents know their neighbours and feel connected to the community. Through fostering a better awareness of one's neighbours and surroundings, people feel safer, have a sense of belonging, and take greater pride in their community.

The City also offers the Subsidy Program, which is designed to support low-income individuals and families to participate in the City's recreation facilities and programs, and local and commuter transit services. Family and Community Support Services provides the screening for this program and the opportunity is also used to connect with participants and assess if other social supports may be needed.

After a decrease in participant numbers due to the pandemic, 2022 has seen unprecedented increase in St. Albert residents accessing the subsidy programs. Residents are returning to more post-pandemic activities and families are facing economic pressures.

The graph below represents a 210% increase of new households from the previous year, as well as a significant of 96% increase from average pre-pandemic new households accessing the program.





BLESS Wildlife Viewing Platform at Big Lake

ENVIRONMENTAL STEWARDSHIP

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:

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

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 is incorporated into City activities, and responding to toxic spills and environmental liability issues.

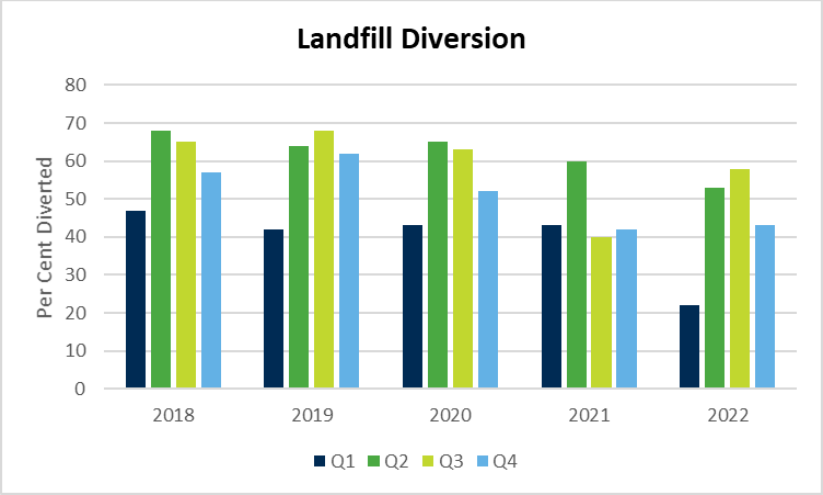
To do this, the City monitors air quality, greenhouse gas emissions, energy management, water quality of the Sturgeon River, solid waste generation, and water consumption. Spills and releases are also monitored, reported, and recorded in a central database.

Sturgeon River Water Quality Index

	2018	2019	2020	2021	2022
Total Nitrogen	Good	Good	Good	Excellent	Excellent
Total Phosphorus	Excellent	Good	Good	Excellent	Excellent
Total Suspended Solids	Excellent	Good	Excellent	Excellent	Excellent
Chloride	Pass	Pass	Pass	Pass	Pass
E. coli	Pass	Pass	Pass	Pass	Pass

WASTE MANAGEMENT

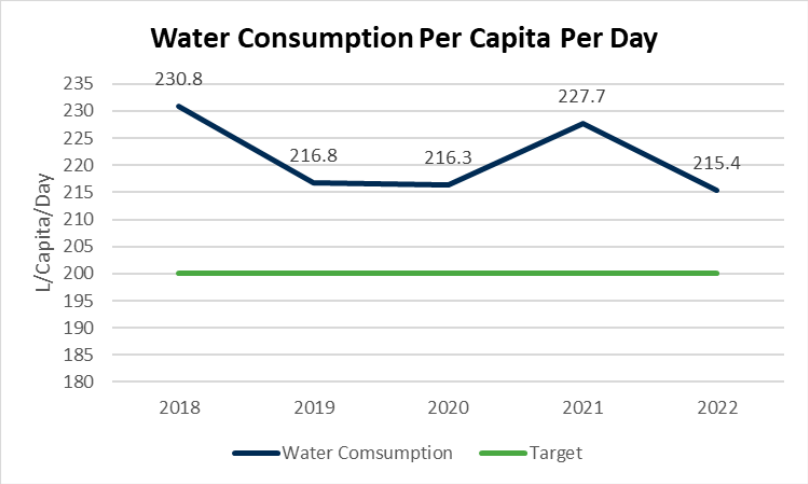
Waste collection and disposal services ensure that possible waste is recycled into resources such as compost and that hazardous wastes are properly disposed. St. Albert offers a complement of waste management services to the community including:



- collection, processing and disposal of landfill, organic waste and recyclable material for residents, City facilities and community schools; and, to
- 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

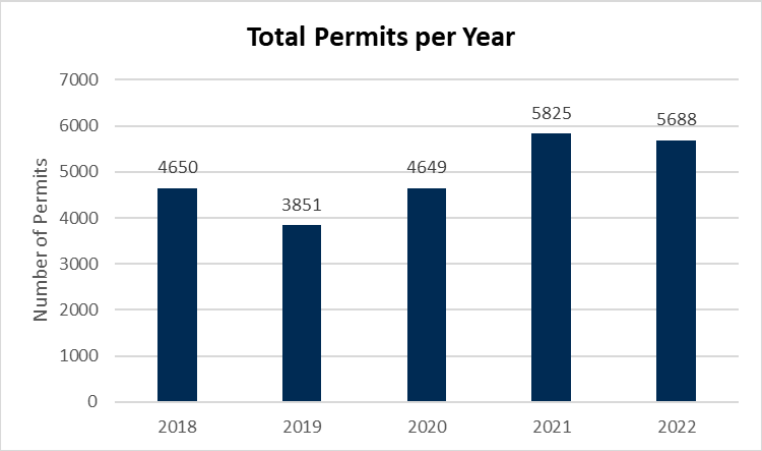
The municipal water supply system is municipally operated to provide safe drinking water to all residents. The City manages neighbourhood drainage problems and the stormwater runoff that ultimately flows into the Sturgeon River and collects and treats wastewater.



LAND USE DEVELOPMENT

APPLICATION REVIEW AND PERMITTING

The City conducts environmental reviews of development applications and issues licenses, and permits related to land use, and development permits, and road right of way. The City saw a 25 per cent increase in building permits issued in 2021, the highest number of permits issued over the last five years and total permits issued in 2022 has remained similarly high.



INFRASTRUCTURE PLANNING

Growth and development is supported by the City through administration of the City's off-site levy program, which funds the development of essential infrastructure and mitigate the effects of new development.

LAND DEVELOPMENT

The City oversees land development for private and public purposes for the community. Identified and demonstrated community need is 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 resident's engineering needs, requests, complaints, and inquiries.

LAND USE PLANNING

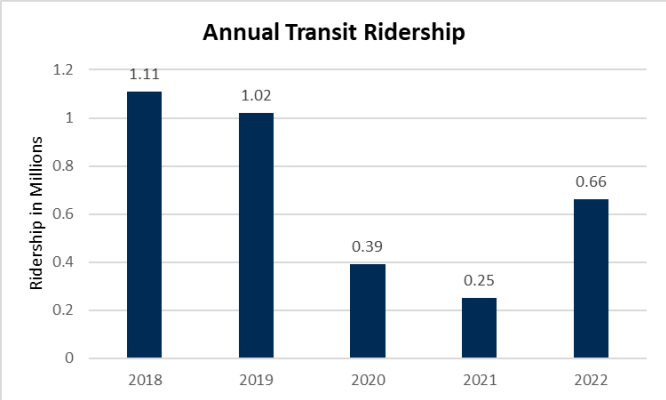
Administration assesses the needs and plans for future community and City buildings, capital improvement projects, schools, and affordable housing. Planning for future growth includes long range land use planning. The City is also responsible for processing and coordinating statutory plans, amendments, 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, to Statutory Plans, and application for division of land. Once approved, the City issues servicing permits required to connect new development into any City utilities.

MOVEMENT OF GOODS AND PEOPLE

PUBLIC TRANSIT

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

For St. Albert residents, public transit services provide safe, reliable, equitable, convenient, and cost-effective travel within the city, and to and from Edmonton.

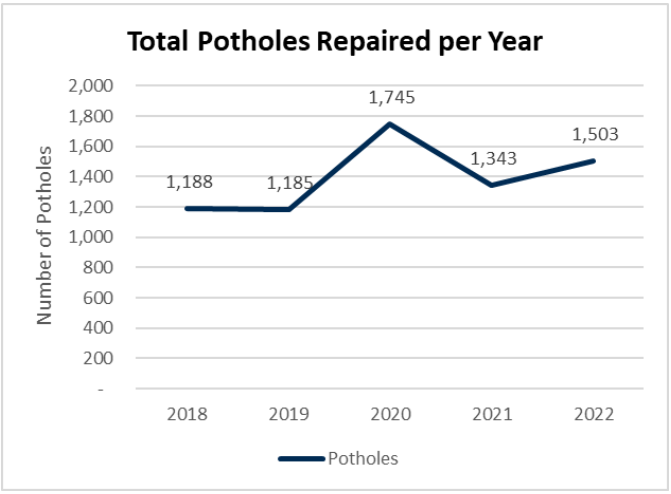


Transit overall ridership in 2022 has started to rebound from the pandemic.

ROAD ACCESSIBILITY

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

- 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.



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.

The graph above shows traditional pothole repair rates. In recent years, the City has been more proactive in its repairs and has incorporated new techniques. As such, the longevity of the repair has increased.

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).



Pot Hole Repairs



Fire Services

PUBLIC SAFETY

EMERGENCY MANAGEMENT

The City of St. Albert 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 about, and provides enforcement related to business licensing, and issues related to municipal bylaws and provincial statutes. This includes, but is not limited to community standards enforcement, animal control, parking enforcement, as well as the *Alberta Traffic Safety Act* and portions of the *Alberta Gaming, Liquor and Cannabis Act*.

FIRE, RESCUE, AND EMERGENCY MEDICAL SERVICES

The City offers dispatch services for fire and medical response teams for St. Albert as well as regional municipalities to ensure sufficient coverage in case of emergency. Additionally, the Medical First Response service is provided for very serious medical emergencies or when there is a known delay in response for an ambulance.

Fire Services responds to all types of emergency events including fire, rescue, service calls, dangerous goods releases, motor vehicle accidents, and ice/water rescue.

Additionally, services are provided through the operation of an after-hours emergency call centre for City of St. Albert and emergency call-in functions.

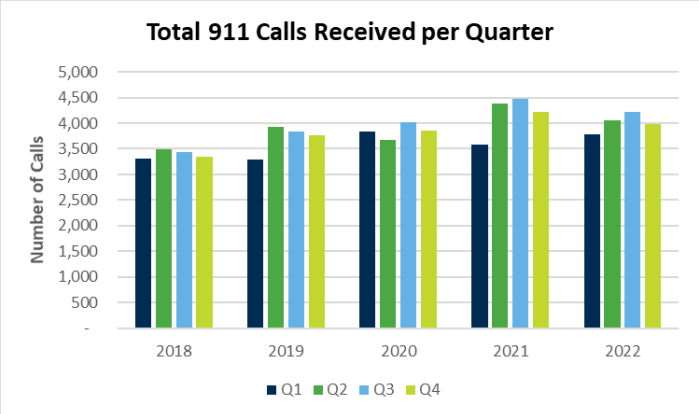
Fire prevention is also a key priority with the provision of fire and risk education to the public using social media, media, and face to face opportunities. Another key element of fire prevention is inspection and enforcement, whereby the City inspects occupancies for Fire Code compliance.

POLICING SERVICES

In addition to fire and medical dispatching, the City offers police dispatching. The graph below outlines the number of calls Police received through the 911 system. The City is also responsible for photo enforcement for speeding and red light offences through the use of automated technology.

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, prevent crime, and offences against the laws of Canada and Alberta. This includes:

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

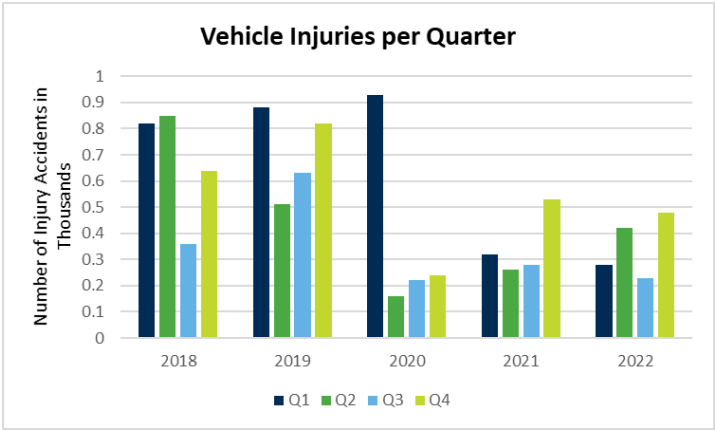


Year over year increases in 911 calls is to be expected as the City population continues to grow.

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

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.



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 City of St. Albert Council's 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 disseminates information to the public to support the delivery of services, such as recreation & cultural programming, using:

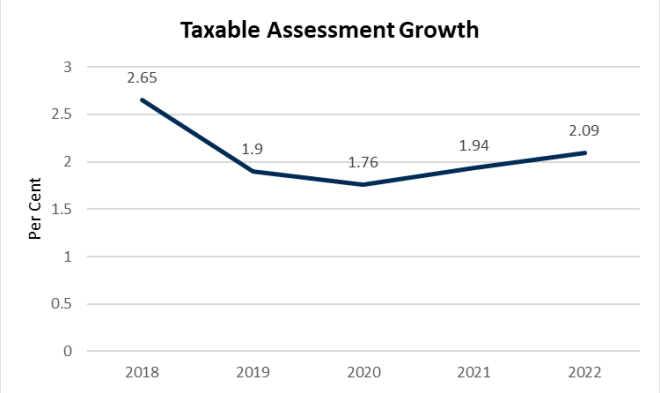
- website
- social media
- publications
- advertising and promotion
- video, photography, and multimedia
- customer inquiries

FINANCIAL OPERATIONS AND MANAGEMENT

Management of utility accounts is performed internally to facilitate account set-up and closure, billing, and payment of utility accounts. The City partners with the St. Albert Village Community and Food Bank to provide financial assistance on utility bill 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 development of the annual assessment taxation 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 continues to rebound and has increased from 2021 up to 2.09% in 2022.

PROJECT AND CHANGE 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 a map of construction location on the City's website. Administration also ensures each project has its own separate webpage to ensure the public is kept informed. Operational projects are also managed to ensure successful implementation of new practices, systems, service reviews, and business process improvement.



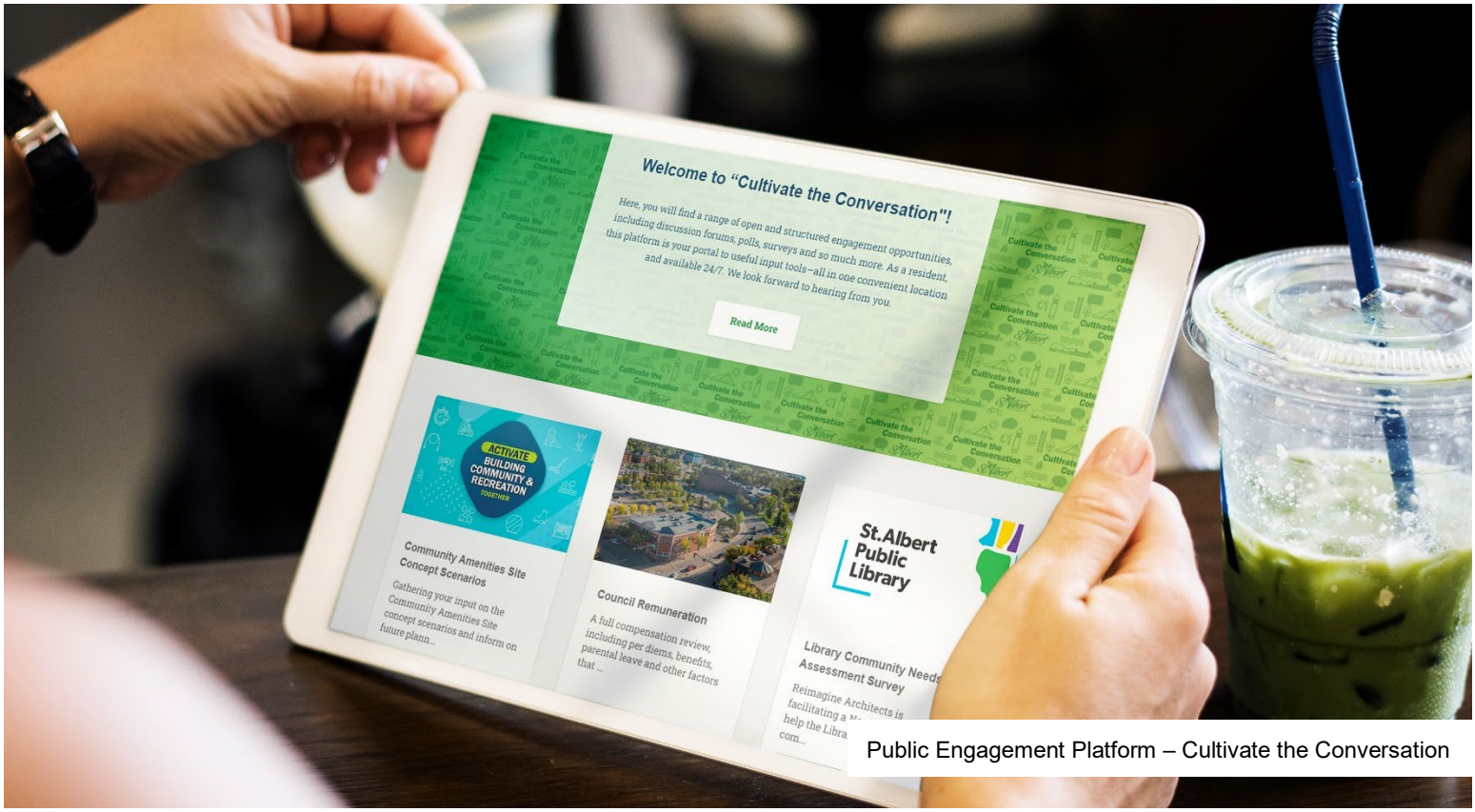
StATracker Performance Dashboard

CORPORATE GOVERNANCE AND STANDARDS

CORPORATE REPORTING

The City has a comprehensive Corporate reporting process to Council and the community to maintain transparency to the community 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 City’s Annual Report
- The Corporate Budget Report
- Quarterly Reporting
- Long Range Strategy Reporting
- StATracker Performance Dashboard



Public Engagement Platform – Cultivate the Conversation

LOCAL AND REGIONAL GOVERNMENT

MUNICIPAL ELECTIONS AND DEMOCRATIC PROCESSES

Administration provides technical advice and expertise regarding compliance with governing legislation and coordination of the 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.

Employees advise on plans and execute strategies to inform residents and communicate the value of the City's programs, services and initiatives, and Council's goals and priorities. The City's social media, web presence, communications, media relations, and publicity for City activities and events are managed in-house.

In response to pandemic restrictions on in-person gathering, the City moved all public engagement online. Using the Cultivate the Conversation platform, the City has reached over 50,500 community stakeholders since the platform was launched in 2020 and has engaged over 4,800 participants on 42 various projects. In 2022, there were 15 projects open for public feedback, some of which included the St. Albert West Area Structure Plan, the Local & Diversified Business Survey, and the E-Scooter Pilot. Post-pandemic, the City has moved some engagement back to in-person, such as with the Municipal Naming project, and the Land Use Bylaw Pop-Up at the Farmers' Market.



Perron Street, St. Albert

COUNCIL STRATEGIC PLAN PROGRESS UPDATE

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

In February 2022, Council held a strategic planning session to set goals and priorities for their term. The Strategic Plan signals to residents, the business community, community organizations, and other stakeholders where St. Albert is headed over the four-year Council term, with the long-term in mind. The Council Strategic Plan (2022-2025) describes the five priority areas which Council will focus on and provides direction to Administration.

Council's goal is to ensure that the strategies identified in the Strategic Plan will keep St. Albert on the right path and help guide it into the future. The strategies identified in the Strategic 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 2022 towards achieving the strategic priorities outlined in the City of St. Albert Council Strategic Plan. For more details on progress of individual initiatives, please see the Corporate Quarterly Reports on the City's website. As the Strategic Plan was only recently set earlier in the year, progress on some of the initiatives is limited.

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

Work progresses on developing the St. Albert West Area Structure Plan (ASP) which will provide an opportunity to implement a new two-tier planning governance framework for ASPs and the introduction of Neighbourhood Plans. This new governance structure will also enable the City to conform to the new Edmonton Metropolitan Region Growth Plan. In 2022, the City engaged key stakeholders, including Indigenous communities, landowners, and the public for feedback on the proposed ASP. Technical studies were also conducted.

In 2022, Regional and Sub-regional Economic Development moved forward, including the development of the Indigenous Engagement Strategy. A major win also included the receipt of a grant from the Alberta Community Partnership Strategic Initiatives program provided the project with support towards key deliverables.

Following the approval of the new Municipal Development Plan (MDP), Flourish, the City has been working to update the Land Use Bylaw to align with Flourish. Additionally, project planning to integrate the newly annexed lands into City plans, including the MDP, commenced in 2022.

Work on development of a report for Green Tape 2.0 initiatives was underway, this report addresses emergent opportunities to enable increased growth, investment, and commerce in collaboration with industry development.

Finally, the Investment Attraction Strategy made great progress. This Strategy will have a focus on Lakeview Business District to grow new industrial and commercial assessment.

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
Integration of Annexed Lands into City Technical Plans and Studies
Develop and recommend Green Tape 2.0 initiatives to enable increased growth, investment, and commerce in St. Albert focusing on a strong collaborative model with the development industry.
Development of an Investment Attraction Strategy

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

Work commenced on reviewing and updating the Downtown Area Redevelopment Plan (DARP) through development of a prioritization matrix and a jurisdictional scan. This work will provide the City with insight into which initiatives in DARP reflect best practice and best return on investment.

Initiatives Supporting This Priority
Conduct an update and re-prioritization to the Downtown Area Redevelopment Plan (DARP)
Completion of planning for Millennium Park Development
Facilitate and support the coordination of Downtown Business Stakeholders

In 2022, the City moved forward on engagement with downtown business stakeholders through supporting business owners in facilitating a forum to discuss opportunities and challenges for business owners in the downtown. Coming out of this meeting, the City will explore establishing a Business Improvement Area to provide an affordable business levy for businesses and a more equitable approach than assessing a levy based on business value.

COUNCIL STRATEGIC PRIORITIES

STRATEGIC PRIORITY #3:
Community Wellbeing

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 2022, planning for development of Mixed Market Housing for 22 St. Thomas Street commenced. The City has partnered with Homeland Housing to develop the site, with the City acting as the development regulator. A key milestone was reached where the land was transferred to Homeland Housing.

Work moved forward on the Community Amenities site and project, with ownership of the site being secured in 2022, and with draft concept scenarios put forward for Council and the public's input.

The City is dedicated to exploring Synergistic Opportunities to support reconciliation. A draft bylaw to establish an Indigenous Advisory Committee was presented to Council in June 2022. Administration is continuing to address the feedback provided and consider potential amendments. Administration is expected to return to Council in the new year.

Initiatives Supporting This Priority
Develop and advance Mixed Market Housing for 22 St. Thomas Street
Complete a Feasibility Study for Youth Transitional Housing.
Enhance Housing Options to respond to changing demographics and diverse needs of residents.
Complete a Community Amenities Needs Assessment and Concept planning
Secure Ownership of Community Amenities Land
Establish an Indigenous Advisory Committee and explore Synergistic Opportunities
Develop a comprehensive community-wide engagement strategy to shape a new Municipal Naming policy

Finally, significant progress was made towards the Municipal Naming policy focused on public engagement and education. In November 2022, a panel discussion took place at the Arden Theater to present to the audience how a municipality establishes names. Four workshops were also held at various St. Albert schools for the purpose of learning how young people perceive community values and names. Indigenous communities and organizations were invited to participate in focus groups and gave feedback on various aspects of the draft policy.

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
Explore innovative Waste Minimization Strategies
Develop a Climate Adaptation Plan to assess risks and impacts related to adverse weather events
Deliver Energy Efficiency Community Based Programs
Develop a Green Environment Long-Range Strategy
Develop a Resilient Infrastructure Long-Range Strategy

The final report to summarize identified waste minimization strategies was started in 2022. These strategies seek to take advantage of innovative environmental and conservation opportunities, including single-use item reduction education and efforts. At the same time, work towards the Climate Adaptation Plan commenced. In December 2022, the first Edmonton Metropolitan Region Climate Risk and Vulnerability Assessment technical work group meeting was held where member municipalities reviewed the Climate Adaptation workplan, and feedback was incorporated into the project plan.

The Clean Energy Improvement Program was launched in fall 2022, and within one day the financial threshold for the first year was met, as the program administrator received applications totaling $1.4 million in energy efficiency upgrades. The Home Energy grant was also launched in December 2022, which quickly received over 40 program enrollments. The City's focus is currently on administration of both these energy efficiency programs, and funding allocations.

In 2022, significant progress was made towards development of the Long-Range Green Environment Strategy with completion of a draft implementation plan and related strategies. This plan is expected to be finalized in 2023.

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

There were obstacles to leveraging intermunicipal partnerships to enhance regional service delivery, as the City of Edmonton opted out of funding its portion of transit costs incurred through the Edmonton Metropolitan Transit Services Commission.

In 2022, City Council opted to terminate the Solar Farms/Badger Lands Project due to unfavorable economic analysis and incompatibility with urbanization of the area. However, administration continues to assess the viability of potential strategic alliance and merger opportunities for utility services, with the initial assessment stage nearing completion.

The City undertook a comprehensive review of options for 911 dispatching in 2022, and Council directed Administration to contract a secondary Public Safety Answering Point and Fire Dispatch to an external service provider. Administration proceeded with exploring options for potential service providers to ensure required services and service levels are maintained, before a final decision is made.

The City has also commenced work to undertake a review of the Arden Theater Operating Model. This work will evaluate alternative models for operating the Arden Theater to reduce the City's net cost of service delivery. In 2022, a cross-functional team was assembled and completed external research to help inform model options and recommendations.

Initiatives Supporting This Priority
Leverage Intermunicipal Partnerships and frameworks to enhance regional service provision through economies of scale.
Identify and recommend Revenue Generating Infrastructure Opportunities
Seek and evaluate Strategic Alliance and Merger Opportunities
Develop a Long-Term Debt Strategy
Conduct the Arden Theater Operating Model Options Review as identified in the Operational and Fiscal Review
Standardized Capital Project and Contract Management Procedures
Explore and Implement a Centralization Asset Management model
Enhancement of Online Access to City Services
Define organizational direction, scope and requirements for Customer Relationship and Issue Management for City departments.
Implement Customer Relationship and Issue Management direction for City departments.
Extending Online options for Building and Development Application Process

In 2019, the City retained MNP LLP to conduct a review of the City's procurement practices. In 2022, this project continued to make significant progress, with the implementation of major procurement software modules.

Additional work to support the Internal Audit Committee was moved forward through the issuance of a Request for Proposal for a consultant to complete work required to establish Internal Audit Practices and Processes, and furthermore to develop a multi-year Internal Audit Plan. The consultant will be chosen in 2023.

Initiatives Supporting This Priority *(Con't)*
Modernize the City's budget through development of a Multi-Year Budgeting process.
Improved consistency and increase efficiencies through development of Shared Services for Public Participation
Enhance and mature the City's Records and Information Management Practice
Implement Recommendations from the Procurement Audit
Support the Internal Audit Committee by establishing relevant Practices and Processes
Implement recommendations from the Integrated Risk Management (IRM) Audit report and Advance the IRM Framework and Practice



Financial Section

Downtown

FINANCIAL STATEMENT DISCUSSION & ANALYSIS

The 2022 Annual Report for the City of St. Albert 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, as well as the *Municipal Government Act* and provincial and federal regulations.

The FSD&A aims to provide the past year's results, 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. This 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 have affected the municipality's results. Moreover, the FSD&A also identifies trends, risks, and anticipated events that could have financial implications on the operations of the City.

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, 2022. The City's consolidated financial statements are prepared and reported in observation of the City's policies and bylaws, where City Council provides governance and guidance to policy and bylaw changes and approval. To ensure accountability, City 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 Public Library, 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 2022 Consolidated Financial Statements include:

- **Consolidated Statement of Financial Position**
  It reports financial assets, liabilities, net financial assets, non-financial assets, and accumulated surplus as at 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 Surplus**
  It reports revenues earned, expenses incurred, and results of the fiscal year as annual surplus or deficit and summarizes the change in accumulated surplus.
- **Consolidated Statement of Changes in Net Financial Assets**
  It 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 Cash Flows**
  It reports the cash resources provided by operations, investing 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.

FINANCIAL HIGHLIGHTS

The significant events that contributed to the positive result as at December 31, 2022 include:

- The City's net financial assets position increased by $3.4M to $92.8M. This change is due to increases in cash and cash equivalents as well as investments and offset by increases in deferred revenue and debt taken to fund several capital projects.
- On May 16, 2022, Council advanced priorities by approving a non-residential tax increase of 2.8 per cent and a residential tax increase of 2.8 per cent, to generate municipal property taxes of $117.5M. The City's Property Tax Bylaw 22/2022 authorizes the rates of property taxation that were levied in 2022. While municipal taxes exclude education and homeland housing requisitions, the bylaw includes total taxes inclusive of requisitions.
- During 2022, the City's operating revenues increased by $16.3M to $205.6M. This change was primarily due to increases in property taxes, sales and user fees, government transfers-operating, franchise fees, licenses and permits, investment income, and partly offset by decreases in fines and penalties and other revenue. The operating expenses increased by $15.4M to $208.4M driven by increases related to salaries and wages, transit and RCMP contracts from the prior year. This change was primarily due to increases in public operations, emergency services, community and recreation services, general government, and planning and engineering services expenses. It was slightly offset by decreases in utility services and corporate financing.
- The City's 2022 results ended on a positive note, as reflected by the annual surplus of $50.4M. This strengthened the City's financial position, resulting in an increase in the accumulated surplus. The surplus was generated through a net increase of $46.4M in tangible capital assets and an increase in net financial assets of $3.4M.



St. Albert Farmers' Market

ECONOMY

The Canadian economy was resilient in the past year, growing at an estimated 3.6 per cent of real Gross Domestic Product (GDP). Economic growth was supported by export growth, consumer spending, and business investments before the effects of rising interest rates began to weaken economic activity, specifically in the fourth quarter of 2022. To rein in inflation, and to return the economy to balance, the Bank of Canada pursued monetary tightening by rapidly raising the interest rate by 425-basis points; this brings the key interest rate from 0.25 per cent a year ago to 4.50 per cent as of March 8, 2023. The triple threat of higher interest rates, higher inflation, and higher borrowing costs work to reduce purchasing power leading to the shrinking of spending and investments. Higher borrowing costs weigh on consumer spending, housing market activity, and business investments that slowed demand and restrained activity. The Canadian dollar depreciated year-over-year to about $1.30 CAD per U.S. dollar. And as expected, the higher energy prices spurred robust growth in the oil-producing provinces, with Alberta's growth estimated at 4.8 per cent of real GDP in 2022.

The shortage of labour supply marked by the dislocation of job-seeker skills vs employment opportunities continued to present a challenge for firms. With a young skilled workforce and solid population growth, including a positive net interprovincial migration, Alberta has strong fundamental support for growth. Last year, Canada realized strong jobs gains which improved the unemployment rate significantly to 5.3 per cent compared to 7.5 per cent in 2021. The jobless rate is at an all-time low. Alberta's unemployment rate also fell to 5.8 per cent versus 8.7 per cent in the prior year.

Strong oil prices and demand are expected to boost oil production, leading to output increases. Though, with the recent pullback of oil prices, contributions to output would be moderated. This improves government incomes as more revenues are collected. Once the Trans Mountain Expansion (TMX) project moves to completion, export capacity is anticipated to contribute to output in 2024.

Alberta continues to diversify its economy. The Province is building a hydrogen economy by leveraging its competitiveness and business advantages as well as the energy sector. On November 8, 2022, the provincial and federal governments announced funding of $461M in support of Air Products' new transformative $1.6B hydrogen facility in Edmonton. This new

facility, with projected completion in 2024, is anticipated to use advanced technology and an innovative design to deliver net-zero emissions. Alberta is set to be the western centre of Canada's hydrogen economy that will create jobs, grow the economy, reduce emissions, and put Canada on a path to achieving net-zero by 2050.

The projected slowdown of the U.S. economy coupled with the Russia-Ukraine War and the rapid re-opening of China's economy contribute to global uncertainty and remains a headwind to the Canadian economy. Increasing oil demand from China could push oil prices upward which may fuel inflationary pressures. The U.S. Federal Reserve has indicated further interest rate hikes are being considered. This indicates that additional interest rate hikes will strengthen the U.S. dollar compared to the Canadian dollar; therefore, the Canadian dollar is forecast to depreciate in 2023. Historically, aggressive central bank monetary tightening has led to a recession. The Bank of Canada is among the global central banks (U.S. Federal Reserve, Bank of England, European Central Bank) that have adopted the restrictive monetary stance to cool inflation. The current tightening cycle is slowing growth, which leads to a forecast recession this year.

The domestic economy is downshifting to slowing growth while slowing inflation. With slower output growth ahead, the labour market tightness is expected to moderate as hiring declines. Excluding food and energy, inflation, as measured by the Consumer Price Index CPI, receded in the second half of 2022 from its peak of 8.1 per cent and ended the year at about three times the Bank of Canada's 2.0 per cent target rate. Inflation is set to decelerate significantly in 2023, with the Bank of Canada estimating that inflation will decline to about 3.0 per cent by mid-year. This projection assumes that gasoline prices decline more than anticipated and global supply chain disruptions resolve faster than expected.

Once in a recession, the economic strain may require the Bank of Canada to reverse course, but this is not anticipated until 2024; thus, forecasters are estimating that interest rate cuts will occur next year to boost economic growth as the high interest rate is not sustainable in the long-term.

The Bank of Canada is committed to restoring price stability to Canadians; hence, further interest rate hikes may be considered to tame inflation and slow demand in the next few quarters; however, the full effects of the sharply raised interest rates from the prior year has yet to take hold. The Bank of Canada's January 2023 forecast estimates the economy to grow 1.0 per cent this year and 1.8 per cent in 2024.



City Employees in City Hall

FINANCIAL PLANNING

Financial Planning, which enables stewardship of assets and ongoing continuity of the City, is a critical tool for management to achieve stated objectives, including fiscal responsibility and sustainability. To carry out its commitment to strong fiscal management, Administration prepares a 10-Year Capital Plan, which provides a future outlook of long-range requirements, comprised of key strategic inputs over the planning horizon, and a framework for the three-year Operating Plan.

Consistent with the three-year Operating Plan, the annual operating budget includes the required revenues to fund the City's delivery of approved programs and services to the community; and represents City Council's priorities as identified in the City of St. Albert's Council Strategic Plan, the Corporate Business Plan, and other sources. As the operating budget is prepared on a modified cash flow basis, the City uses tax revenues, reserve transfers, and government transfers to balance its operating budget.

To advance Council's strategic priorities, Administration executes investments in infrastructure and capital assets to ensure it adheres to the annual Capital Budget and 10-Year Capital Plan. The purpose of the plan is to identify the capital projects and requirements to maintain the City's infrastructure, as well as to support the growth requirements and desires of the community.

A portion of the City's annual capital budget is often carried forward to future years for projects not completed in the year, and as a result, capital budgets are not directly comparable with current year actual results.

FINANCIAL ASSETS

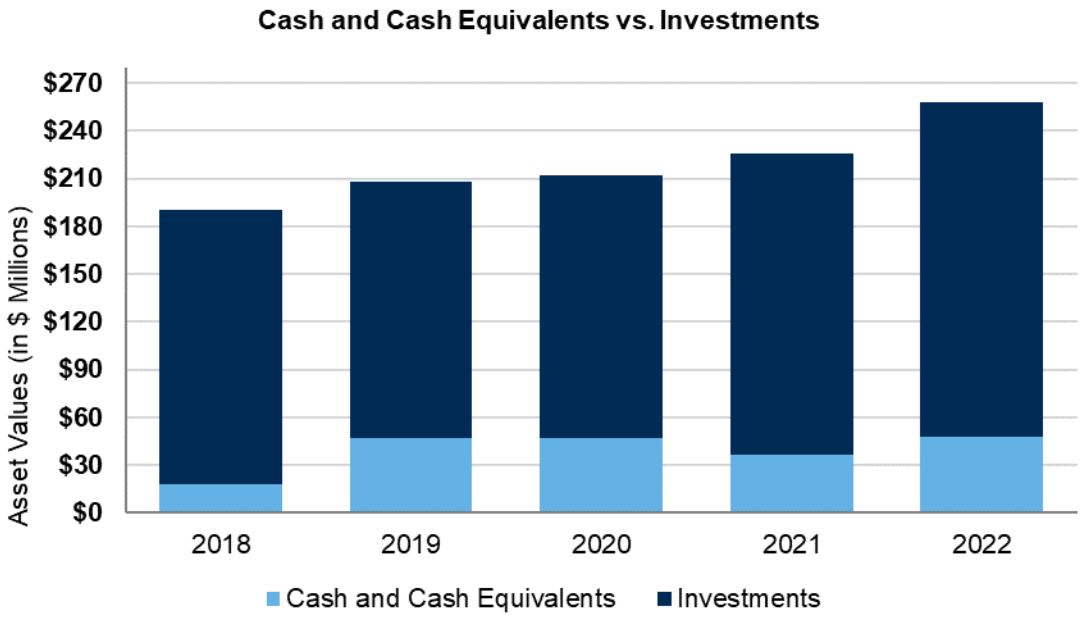
From cash to receivables to investments, financial assets are resources that are considered as cash or could be turned into cash if required to fund day-to-day government services. In comparison to 2021, financial assets increased by $26.3M primarily as a result of increases of cash and cash equivalents and investments, partly offset by a decrease of receivables. With financial assets trending higher, the City continues to be in a stable financial position. The Consolidated Statement of Financial Position summarizes the financial assets at year end.

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 ensure the cash position is optimized in order to take advantage of investment opportunities.

During 2022, the City's changes in cash position were largely due to:

- $73.5M generated from City operations;
- $62.4M invested in capital assets offset by $3.1M received proceeds from disposal of capital assets;
- $21.0M applied in the net acquisition of investments; and,
- $26.0M received from the issuance of new long-term debt offset by $8.2M in principal repayments.



As at December 31, 2022, the total cash and cash equivalents and investments was $258.0M: $47.6M and $210.4M 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 tax payers and customers for general taxes, trade, sales and user fees, and other revenues. In the past year receivables decreased by $5.8M to $15.5M, indicating more funds were collected and available for use by the City. The balance in receivables is generally due to timing and does not present substantive risks to the City.

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. Long-term investments are financial securities that have varying maturity terms that extend past three years.

Investment Objectives:

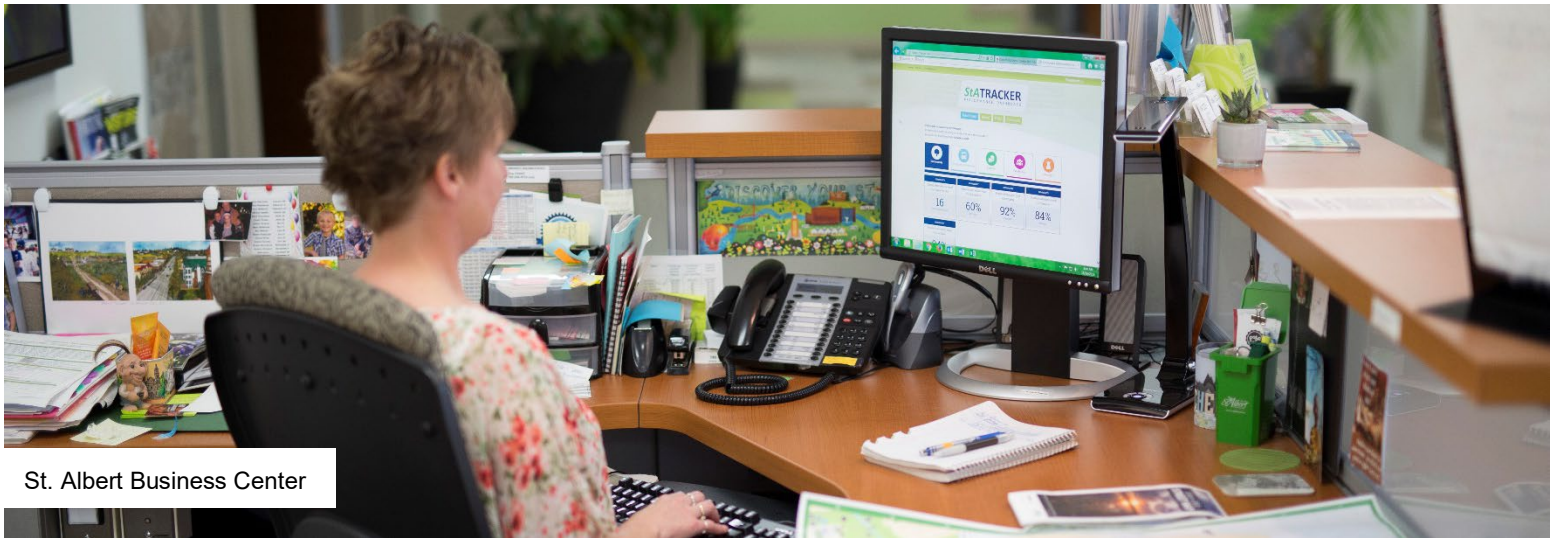
1. Preserve Capital
2. Maintain Liquidity
3. Optimize Rate of Return

Guided by the City's Investment Policy, investments are consistent with the objectives of preserving capital, maintaining liquidity, and achieving an optimum rate of return. Investment performance is benchmarked against the three-month, six-month, and one-year Federal Treasury Bill rate; and the three-year, seven-year, and ten-year Government of Canada benchmark bond yield rates. In 2022, the City's investments consisted of short-term notes and deposits and long-term corporate and government bonds. Overall, investment returns were mixed in the year compared to designated benchmarks; returns for short-term investments were favourable due to rising interest rates; however, overall returns for investments greater than three years to ten years were below benchmark rates as these were purchased when the rates were lower and have not matured. Investments are also maintained in compliance with regulations stipulated in the *Municipal Government Act*. These regulations are limited to instruments in which the principal is unconditionally guaranteed.

In comparison to 2021, the carrying value of investments was higher by $21.0M, which represents an increase of 11.1 per cent, primarily due to increases in the investments base. The investment income earned in the year was $4.1M, an increase of $1.2M from the prior year due to higher interest rates and the maturity of lower rate investments. Details on investments are provided in Note 4 to the consolidated financial statements.

RATES OF RETURN COMPARISON

	Term	St. Albert Portfolio Rates of Return	Bank of Canada T-Bill and Bond Rates	Benchmark
Short-Term Investments	0-90 days	0.00-5.10%	2.30%	3 months
	91-180 days	5.30-5.72%	2.66%	6 months
	181 days-1yr	5.18-6.03%	3.00%	1 year
	1-3 yrs	1.20-6.03%	2.93%	3 years
Long-Term Investments	3-10 yrs	1.55-4.25%	2.74 - 2.93%	3 years - 10 years



St. Albert Business Center

LIABILITIES

Liabilities include accounts payable and accrued liabilities, deferred revenue, off-site levy liabilities, debt, and other liabilities. At year end, total liabilities increased by $22.9M to close at $180.9M, as a result of increases in deferred revenue, deposit liabilities, long-term debt, environmental liabilities and slightly offset by decreases in accounts payable, accrued liabilities and off-site levy liabilities. The Consolidated Statement of Financial Position summarizes the City's liabilities as at December 31, 2022.

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are current short-term amounts owed to vendors for work completed or services rendered to the City. The payments to these vendors will be made within the next year. As at December 31, 2022, this account decreased by $1.9M to $28.6M broadly due to timing of payments to vendors.

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 revenues have been satisfied. Generally, this means that revenues can be recognized as eligible expenditures are made on grant funded capital or operating projects. During the year, deferred revenue increased by $5.5M due to:

- $32.2M revenue recognized;
- $0.7M earnings on interest; and offset by
- $37.0M net contributions received.

Deferred revenue year end balance of $31.3M was comprised of $26.4M related to capital projects supported by government transfers and the remaining $4.9M designated for operating purposes. Note 5 to the consolidated financial statements provides more detailed information on deferred revenue.

OFF-SITE LEVY LIABILITIES

Net offsite levy liabilities decreased $0.2M due to net applied payment of required levies.

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 ensure 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 liability until such time as 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 slightly by $0.2M to $24.4M in 2022 due to net applied payment of required levies. More detailed information is specified within the Off-site Levy Bylaw and Note 6 to the consolidated financial statements.

DEBT

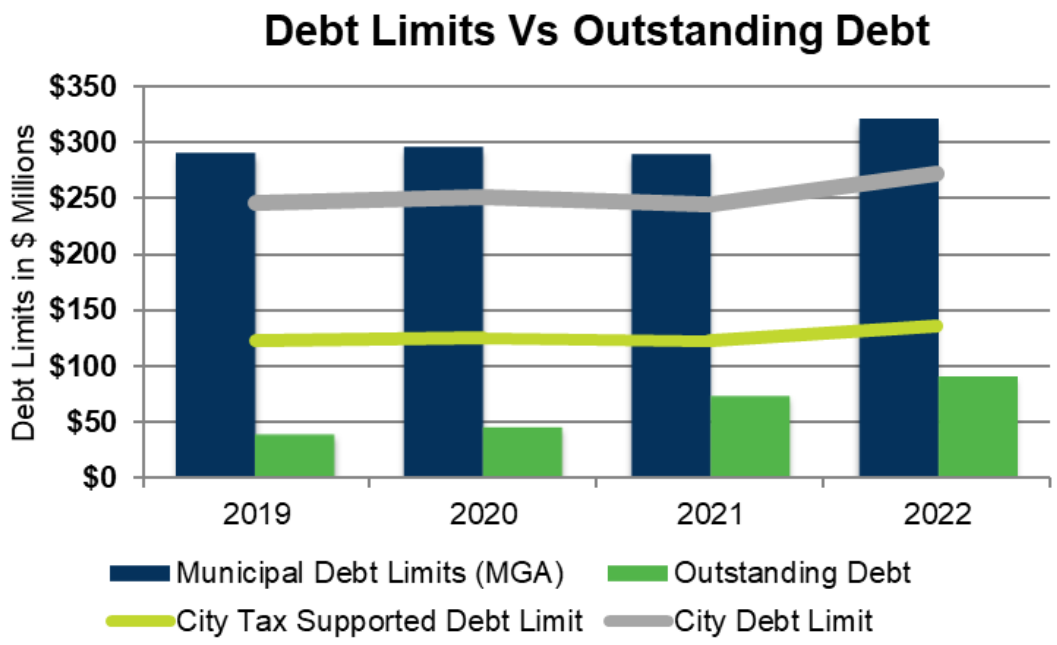
City debt is low at 29 per cent of the provincial limit.

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 Alberta Treasury Board & Finance. 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 $26.0M, and repaid a principal amount of $8.2M, resulting in a year-end balance of $91.2M. A total interest expense of $2.4M was accrued on long-term debt in the past year.

The City has $91.2M debt outstanding, which is lower than the municipal and internal debt limits. The increase in debt relates to three significant projects:

- Ray Gibbon Drive of $15.0M
- North St. Albert Trail of $7.0M
- Community Amenities Site & Lakeview Business District (RR260) of $4.0M

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. If there is a risk associated with rising interest rates, the regulation safeguards municipalities from over-extending their limits to ensure that they are able to meet the required payments. Debt, when used strategically, is an effective long-term financing strategy. St. Albert remains largely below prescribed debt limits set by the Government of Alberta and internal limits imposed by its Debt Management Policy. More detailed information is provided in Note 8 to the consolidated financial statements.

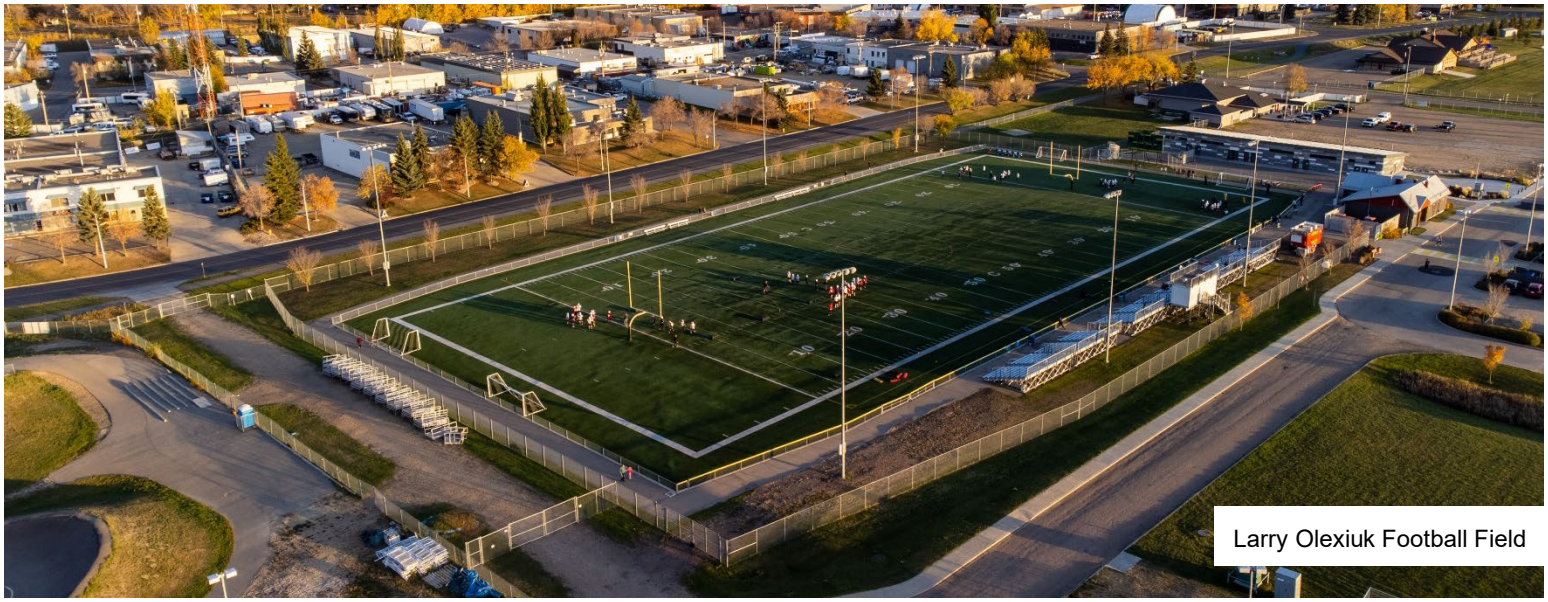


ENVIRONMENTAL LIABILITIES

The City has previously recognized the estimated costs on obligations, which currently sits at $1.5M as at December 31, 2022, pertaining to contaminated sites, landfill closure, and post closure liabilities. These obligations are based on estimates and assumptions, using the best information available to management. These costs are primarily related to ongoing environmental monitoring activities for 25 years. Future events, such as changes to regulatory requirements, may result in changes to these estimated costs. More detailed information is provided in Note 9 to the consolidated financial statements.



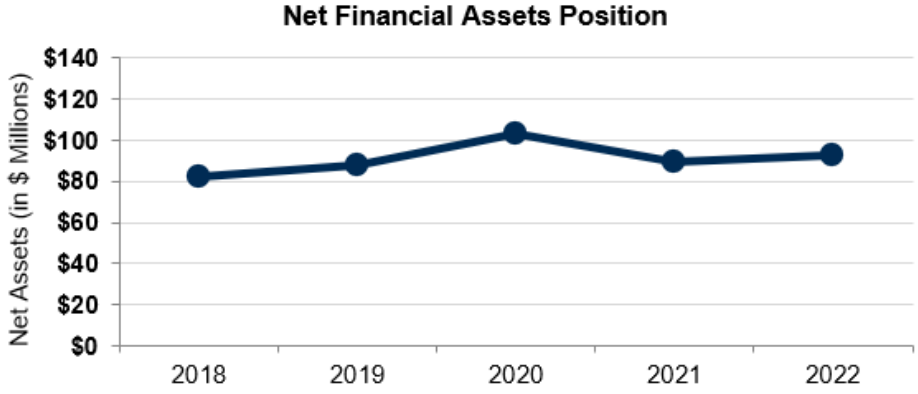
Recycling Depot



Larry Olexiuk Football Field

NET FINANCIAL ASSETS

A government's net financial assets (net debt) 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. The City's net financial assets position increased by $3.4M to $92.8M. This change is due to increases of cash and cash equivalents as well as investments and mainly offset by increases in deferred revenue and debt taken to fund several capital projects. The Consolidated Statement of Changes in Net Financial Assets provides more detailed information on the net financial assets as at December 31, 2022.



NON-FINANCIAL ASSETS

Non-Financial Assets are comprised largely of tangible capital assets (TCA), 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 its citizens. Overall, non-financial assets increased by $47.0M which was attributed to increases in the tangible capital asset base in 2022. The Consolidated Statement of Financial Position outlines the non-financial assets balances for the year.

TANGIBLE CAPITAL ASSETS

$46.4M of net tangible capital assets added in 2022

Whether costs are incurred to construct, buy, or maintain assets such as roads, buildings, or equipment, these costs are considered tangible capital assets. Any increase of tangible capital assets is; therefore, a form of investment in the community for which citizens can expect to benefit 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 and trails, cultural amenities, roadways, and water reservoirs.

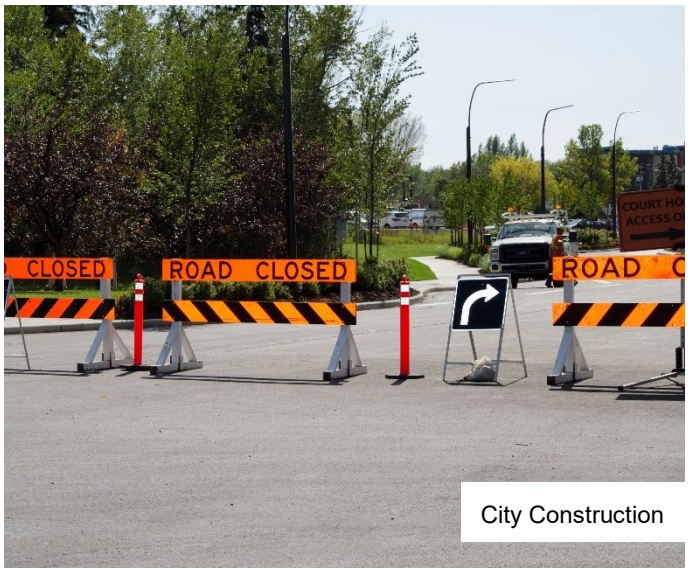
There are three streams of tangible capital assets – contributed assets, self-constructed/purchased, and the leased assets. In the normal course of operations, the City receives ownership of tangible capital assets from developers and records them as contributed tangible capital assets. Once contributed 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 surplus.

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

- $85.5M increase in tangible capital assets acquisitions and transfers (including $23.1M in contributed tangible capital assets);
- $37.1M amortization expenses; and,
- $1.1M gain on disposals net of amortization and $3.1M in proceeds received on disposals.

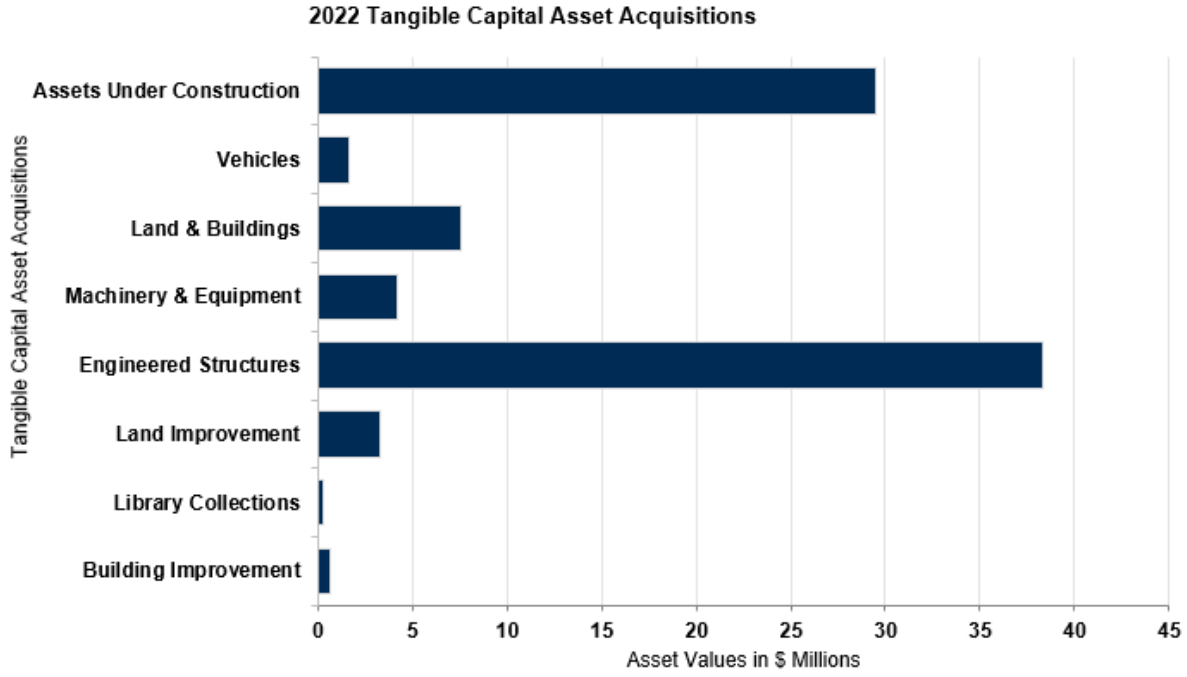
Net tangible capital assets increased by $46.4M, ending the year at $1,245.1M.

Capital spending in the past year was mainly on assets under construction, land and land improvements, machinery and equipment, 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 10 to the consolidated financial statements provides more information on the major components of tangible capital assets, along with its respective amortization amounts in 2022.



City Construction

During the year, there was a large number of projects completed and moved into service, as a result, $38.3M was transferred from Assets under Construction. More details are provided in Note 10 to the consolidated financial statements.



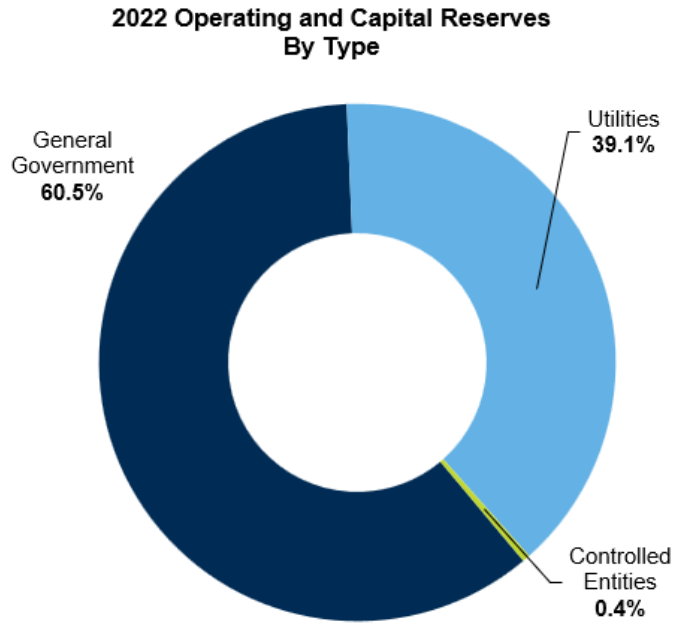
ACCUMULATED SURPLUS

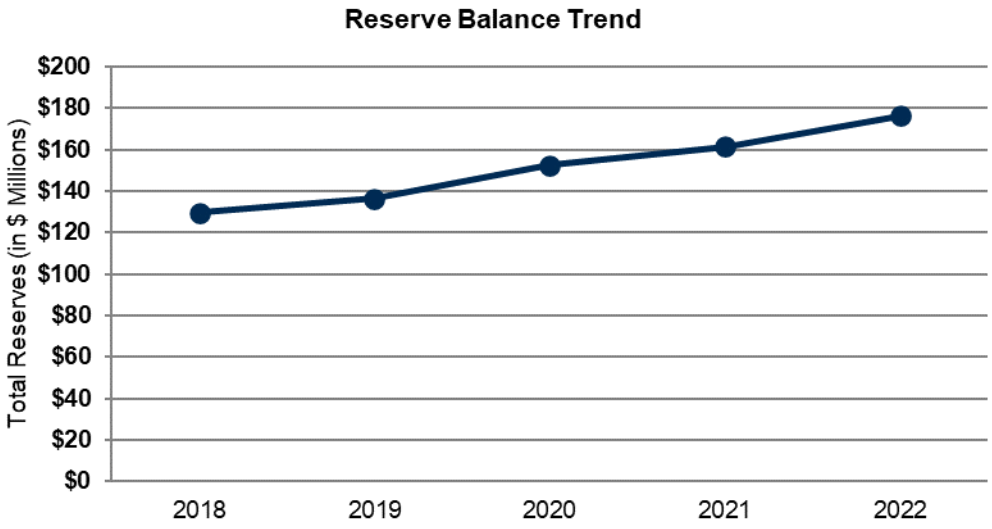
Accumulated surplus, also known as municipal equity, is a balance representing the book value of the City and consists of both restricted and unrestricted reserves, and equity invested in tangible capital assets. It is driven by the City's investments and ownership of capital assets over time. The accumulated surplus balance is attributed to all assets exceeding all liabilities over time. A positive balance typically indicates that the government has sufficient net resources to enable the City to provide services in the future. As at December 31, 2022, the City's accumulated surplus increased by $50.4M, primarily due to capital revenues and offset by a net increase in operating expenses. The accumulated surplus ended the year at $1,341.0M compared to $1,290.6M in 2021. The Consolidated Statement of Operations and Accumulated Surplus summarizes the accumulated surplus, with additional information in Note 12 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, the majority of reserves are for capital projects as part of the plan for future expenditures. A growing reserve balance represents good financial management - indicative of healthy fundamental practices and is consistent with the City's conservative approach.

The City's restricted reserves increased by $14.6M. Reserves balance fluctuation is due to timing of lifecycle purchases, surplus transfers as well as delays in projects. As a result, restricted reserves ended the year at $176.1M.


2022 Operating and Capital Reserves
By Type
General
Government
60.5%
Utilities
39.1%
Controlled
Entities
0.4%


Reserve Balance Trend
Total Reserves (in $ Millions)
$200
$180
$160
$140
$120
$100
$80
$60
$40
$20
$0
2018
2019
2020
2021
2022

FINANCIAL OPERATIONS

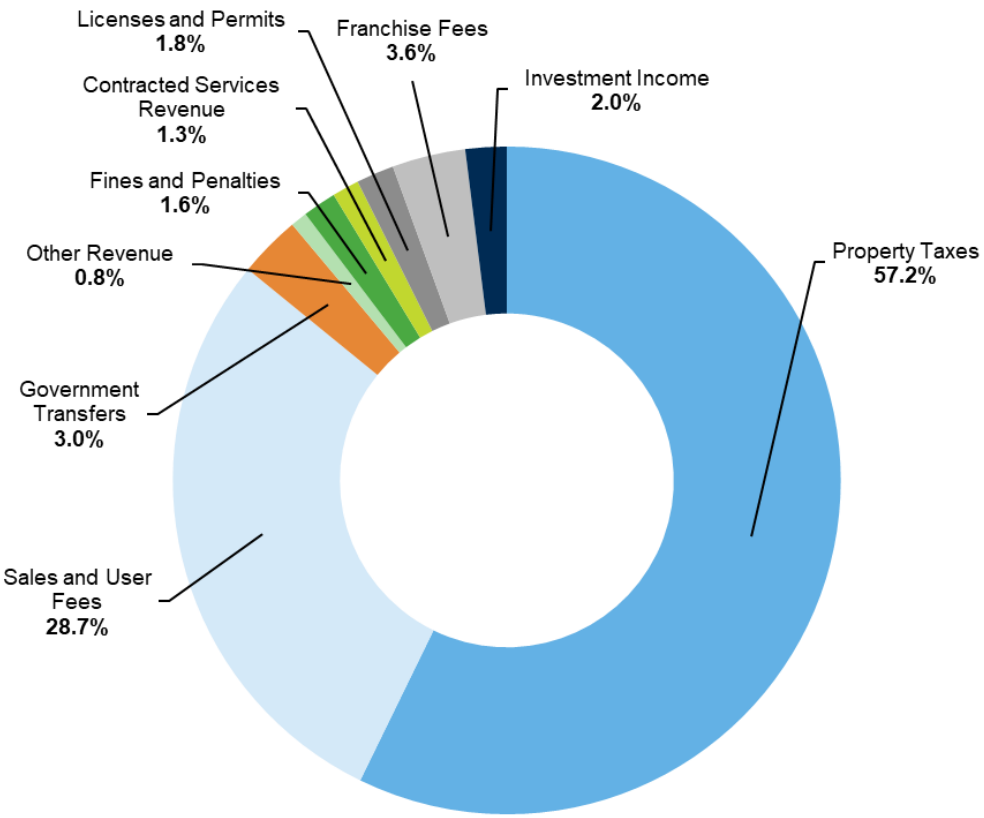
The Consolidated Statement of Operations and Accumulated Surplus summarizes the City's operating results in 2022. While contributing positively to the City's strong financial position, this year's annual surplus of $50.4M is primarily attributed to revenues recognized for capital projects completed. 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 (2022 ACTUAL VS. BUDGET)

Property tax is the City's primary source of revenue; however, sales and user fees and government transfers also provide a steady stream of revenues. In general, some of the City's revenues fluctuated with economic conditions, while other revenue sources performed largely as budgeted.

In 2022, the City's consolidated operating revenues of $205.6M were consistent with the budget. The breakdown of actual revenues received is as follows:

2022 Operating Revenues by Object



Numbers above are rounded and may not equal exactly 100%.



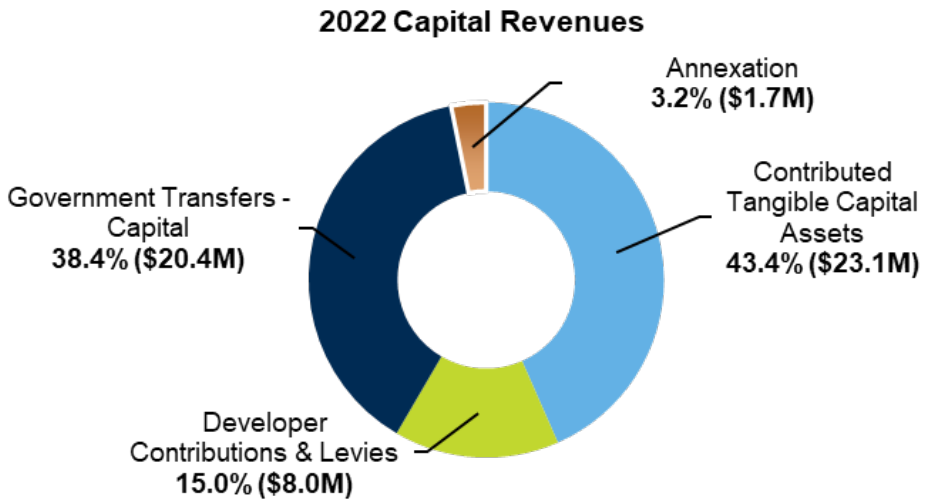
Fountain Park Recreation Centre

Variances of actual revenues from budgeted amounts are as follows:

- $2.1M higher in Government Transfers-Operating due to additional unbudgeted 911 grants for updated cell phone fees and grants for secondary public safety answering point (PSAP), Arden Theatre, and Family and Community Support Services (FCSS) programs as well as receipt of miscellaneous grants for operations.
- $1.0M higher in Franchise Fees due to increases in delivery rates in the year and consumption due to growth as reflected in rising utility site/customer counts.
- $1.0M higher in Other Revenue due to unbudgeted Arts & Heritage Revenue.
- $0.6M lower in Fines and Penalties due to a decrease in traffic tickets issued. This was offset by increases in tax penalties, web/tax certificates and ambulance billing as a result of higher volume and request for surge capacity from Alberta Health Services.
- $0.5M lower in Sales and User Fees due to Fountain Park Pool shutdown for maintenance and rehabilitation work and due to the coffee shop no longer being operated by the City. Also, lower sales and water charges as a result of a decrease of water purchases due to less water requirements from residents, resulting in lower revenues of water and wastewater. This was partly offset by an increase in transit ticket sales due to ridership growing at a higher pace than anticipated during pandemic uncertainty.

2022 OPERATING REVENUES BY OBJECT ($ Million)							
Account	2022 Approved Budget	2022 Actual	Variance $ vs Approved Budget	Variance % vs Approved Budget	2021 Actual	Variance $ vs Prior Year	Variance % vs Prior Year
Property Taxes	$117.7	$117.7	$0.0	0%	$111.8	$5.9	5%
Sales and User Fees	$59.4	$58.9	-$0.5	-1%	$51.7	$7.2	14%
Government Transfers - Operating	$4.1	$6.2	$2.1	51%	$4.7	$1.5	32%
Franchise Fees	$6.3	$7.3	$1.0	16%	$6.4	$0.9	14%
Licenses and Permits	$3.4	$3.7	$0.3	9%	$3.4	$0.3	9%
Investment Income	$4.2	$4.1	-$0.1	-2%	$2.9	$1.2	41%
Contracted Services Revenue	$2.8	$2.7	-$0.1	-4%	$2.7	$0.0	0%
Fines and Penalties	$3.9	$3.3	-$0.6	-15%	$3.6	-$0.3	-8%
Other Revenue	$0.7	$1.7	$1.0	143%	$2.1	-$0.4	-19%
Total Operating Revenues	$202.5	$205.6	$3.1	2%	$189.3	$16.3	9%

CAPITAL REVENUES (2022 ACTUAL VS. BUDGET)



Funding for capital projects comes from a variety of sources such as tax revenues, reserves, government transfers, third-party contributed assets, developer contributions and levies, and to a lesser extent, investment income and other revenues. In 2022, 38.4 per cent of capital funds were received from government transfers, 43.4 per cent were related to contributed tangible capital assets, 15.0 per cent from developer contributions and levies as well as 3.2 per cent of annexation from the municipality of Sturgeon County.

In addition, capital revenues for capital activities can vary from year-to-year depending on the timing of capital project schedules, thus comparison of current year to prior year actuals provides nominal value. As project expenditures are incurred, related revenues are earned. Thus, delays in capital projects result in delays in revenue recognition for projects. The 2022 capital revenues varied by $7.0M from budget primarily due to actual timing of contributed assets. This was partly offset by slight increases in the annexation from Sturgeon County and capital transfers, as actual amounts encompass projects that were not only approved in 2022 but also consisted of projects from prior years. A total of $53.2M capital revenues were recognized in the year. OBJ

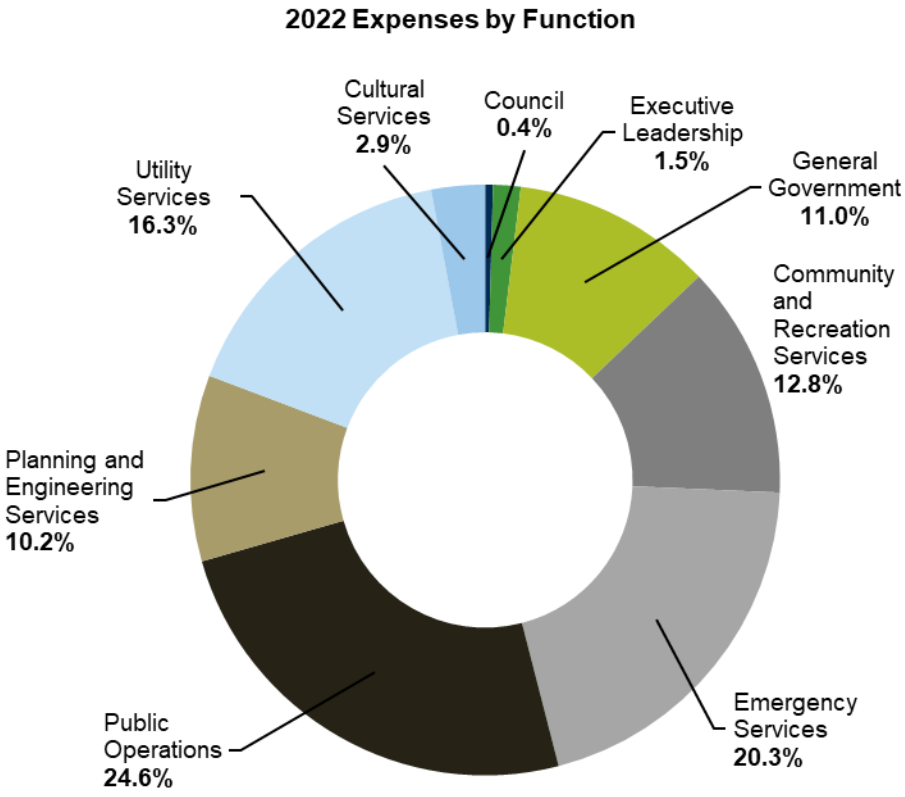
EXPENSES

In the delivery of municipal services, the City incurs expenditures for work performed by employees, vendors, and contractors. This requires cash outflows to settle amounts owed by the City. In general, the City's expenditures are subject to inflationary pressures. As such, the effects of inflation on contracted services, materials, goods, and supplies continue to put pressure on costs associated with delivering programs and services.

EXPENSES (2022 ACTUAL VS. BUDGET)

The City's consolidated expenses of $208.4M were consistent with the budget.

The breakdown of actual expenses incurred is as follows:



Numbers above are rounded and may not equal exactly 100%.



City Snow Removal

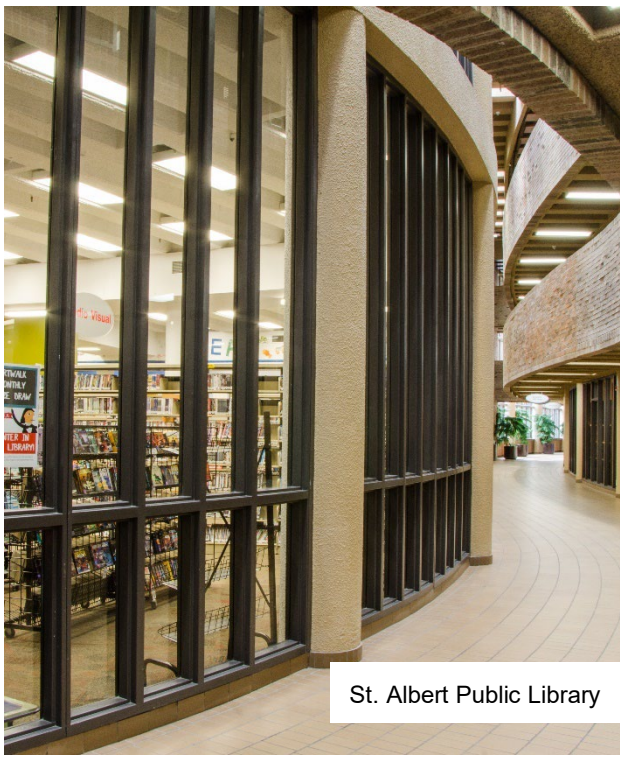
Variances of actual expenses to budgeted amounts are as follows:

- $5.7M lower in Corporate Financing due to actual interest being transferred to deferred revenue and reserves and a net gain on disposals of capital assets.
- $3.6M lower in Community and Recreation Services expenses due to temporary closure of Fountain Park Pool for repairs and replacement work, a decrease of operations expense due to the coffee shop no longer being operated by the City, as well as personnel cost savings due to staff vacancies. This is slightly offset by an increase in amortization.
- $1.5M lower in Public Operations expenses primarily due to a decrease in amortization and offset by increases in: contracted services and salaries and benefits related to above normal snow and ice removal as a result of extreme weather; fuel costs related to rising fuel prices; energy and waste costs due to current market trends; and rentals & leases for rental vehicles used in summer programs due to market shortages.
- $1.4M lower in Utility Services expenses including water, wastewater, stormwater, and solid waste is primarily due to a decrease of water purchases (as a result of increased precipitation) and offset by an increase in amortization.
- $4.7M higher in Planning and Engineering Services expenses due to: contracted & general services on new projects; amortization from an increase in contributed assets; maintenance costs related to projects that were approved in prior years and not part of current year budget; and higher energy costs due to current market trends, offset by personnel cost savings due to vacancies which is only partly offset by temporary staff coverage.
- $1.4M higher in Cultural Services expenses (Arts & Heritage Foundation & St. Albert Public Library) primarily due to increases related to externally funded portion of ongoing operations of the Arts & Heritage Foundation not budgeted by the City.

2022 EXPENSES BY FUNCTION ($ Million)							
Account	2022 Approved Budget	2022 Actual	Variance $ vs Approved Budget	Variance % vs Approved Budget	2021 Actual	Variance $ vs Prior Year	Variance % vs Prior Year
Public Operations	$52.8	$51.3	$1.5	3%	$45.7	-$5.6	-12%
Emergency Services	$42.1	$42.5	-$0.4	-1%	$38.1	-$4.4	-12%
Utility Services	$35.5	$34.1	$1.4	4%	$34.7	$0.6	2%
Community and Recreation Services	$30.3	$26.7	$3.6	12%	$22.2	-$4.5	-20%
General Government	$23.6	$23.0	$0.6	3%	$20.9	-$2.1	-10%
Planning and Engineering Services	$16.6	$21.3	-$4.7	-28%	$19.8	-$1.5	-8%
Cultural Services	$4.7	$6.1	-$1.4	-29%	$6.1	$0.0	0%
Executive Leadership	$2.8	$3.1	-$0.3	-11%	$3.0	-$0.1	-5%
Council	$0.9	$0.9	$0.0	0%	$0.8	-$0.1	-13%
Corporate Financing	$5.1	-$0.6	$5.7	112%	$1.7	$2.3	135%
Total Expenses	$214.4	$208.4	$6.0	3%	$192.9	-$15.4	-8%



Musée Héritage Museum


St. Albert Public Library



New Development – Midtown

ANNUAL SURPLUS

Annual surplus is the difference between the current year's excess of revenues over expenditures.

In 2022, the City realized an annual surplus of $50.4M, which strengthened its net assets position.

FINANCIAL CONTROL AND ACCOUNTABILITY

The City maintains a number of processes and financial controls to ensure that accountability is maintained, and that management is able to proactively identify and address financial challenges.

FINANCIAL GOVERNANCE

Notwithstanding that the City's management is responsible for the preparation of the FSD&A and consolidated financial statements, the City's governance structure requires a review of various quarterly reporting, financial policies, audit findings, significant or unusual financial transactions, and accounting treatments or estimates. City Council has established the Standing Committee of the Whole to conduct these reviews and also to assist Council by making recommendations on these matters. City Council is ultimately responsible for approving the City's budget, appointing the independent auditor, and providing general financial authority and oversight.

BUDGETING AND FINANCIAL REPORTING

Based on the input from citizens, businesses, and numerous other stakeholders, City Council establishes an annual operating budget each year. This operating budget includes the required revenues to fund the delivery of desired programs and services to the community and

represents Council's priorities as identified in the City of St. Albert's Council Strategic Plan and other sources. From year-to-year, services may be altered when Council identifies a clear need. Note that the operating budget is also prepared on a modified cash flow basis. Based on this method, the City uses tax revenues, reserve transfers, and government transfers to balance its operating budget.

The City also prepares an annual capital budget based on the long-term projections of its 10-Year Capital Plan. Budget items for the current year are carefully reviewed on a project basis and funded through a variety of mechanisms such as tax revenues, reserve transfers or government transfers. As there is typically a portion of the capital budget carried forward for projects not completed within the fiscal year, budgets are not directly comparable with current year actual amounts.

The City is organized into various business areas, each responsible for managing the delivery of program services in accordance with the resources allocated to those programs. While all departments share a common accounting and reporting system, financial and accounting services are administered within the Financial and Strategic Services department and delivered to each business area based on its needs.

The City utilizes three fund categories to record and monitor its financial operations: operating fund, capital fund, and reserves fund. In addition, these funds are utilized in the preparation of the City's budget and the distribution and use are applied in accordance with the respective fund policy.

INTERNAL CONTROLS

The City uses financial policies and procedures to ensure appropriate financial internal controls are in place. Policies and procedures are reviewed annually to comply with the *Municipal Government Act* and Canadian Public Sector Accounting Standards. A proactive approach is taken to identify and address financial challenges.

AUDITING PROCESS

The *Municipal Government Act* requires a municipal council to appoint an independent auditor. In 2017, a tender for audit services was completed and City Council appointed the chartered professional accounting firm of KPMG LLP as the external auditor for a five-year term, with an option to extend an additional four years, at Council's discretion. On June 20, 2022, Council provided approval to renew this contract for an additional four years from 2022 to 2025. Following a comprehensive audit process and after working closely with management, the independent auditor must report to City Council with the annual consolidated financial statements. Council approved the 2022 Consolidated Financial Statements at its meeting on April 18, 2023.



St. Albert Botanic Park

RISKS AND UNCERTAINTIES

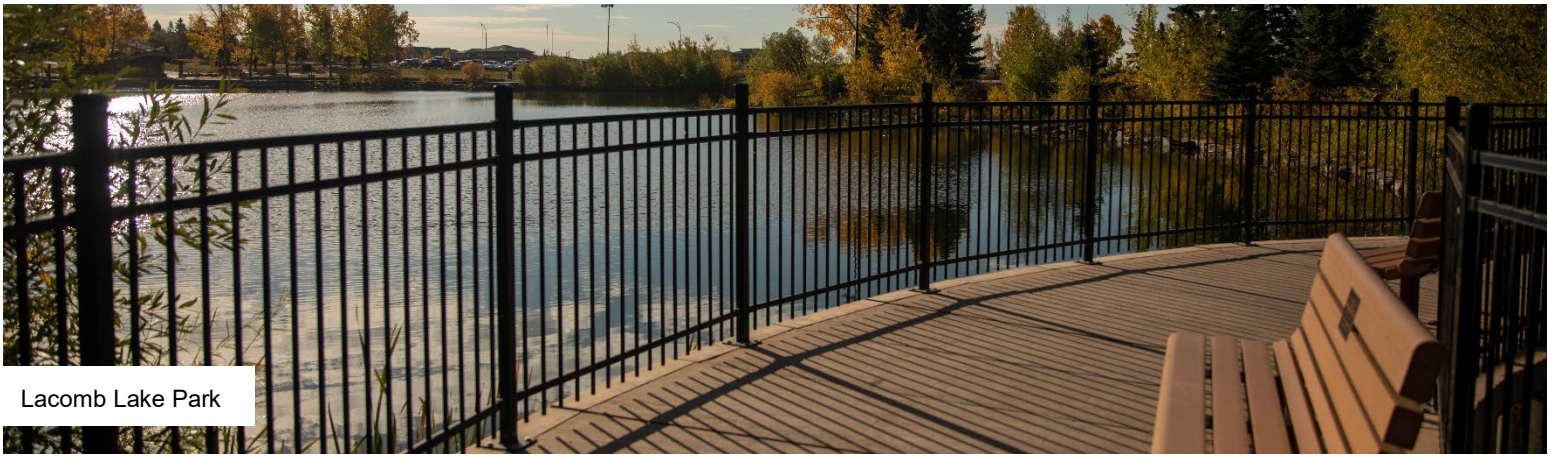
The City is committed to an integrated approach to risk management, where it is viewed as a key component of sound business practice and due diligence. Management promotes a proactive, corporate-wide, and systematic approach to managing risks that could affect City objectives. The City is exposed to various risks that are mitigated through operational and financial controls.

NORMAL OPERATIONAL RISKS

Normal operational risks are related to delivery of programs and services; as well as social, legal, regulatory, and economic events that could impact City operations, human resource availability and costs, and investment risks related to volatile financial markets. Along with the use of estimates and judgments, the City maintains a system of internal controls to provide reasonable assurance that attests to the fairness and reliability of information and data. To protect and safeguard City assets, control systems are regularly reviewed and enhanced as required.

REVENUE VOLATILITY

The City's revenue is exposed to economic or other external influences. To address the challenge connected with revenue volatility, the City adopts strategies and practices, which include conservative budgeting, quarterly forecasting, a long-term investment strategy, and environmental scanning techniques to identify market changes. When appropriate, the City lobbies senior government and other organizations for sufficient and reliable transfers; however, the current provincial government's financial challenges present a risk related to future transfers.



Lacomb Lake Park

INFRASTRUCTURE REPLACEMENT

Municipal infrastructure is required to support a community's economy and quality of life. To ensure that sufficient local infrastructure is available, the City applies long-term construction and maintenance plans or strategies. In many cases, the City's identified infrastructure requirements exceed its funding capacity; therefore, Council engages in a ranking process and seeks other sources of funding, such as borrowing or government transfers. If not addressed, a municipality's infrastructure deficit could result in lost productivity, damage to property, and decreased quality of life.

INSURANCE LOSS

The City maintains an insurance program to cover losses related to its activities, operations, assets, and infrastructure. This program has two components: an insurance program purchased through well capitalized external insurers and a self-funded insurance program for all losses falling below policy deductibles. The City's approach to risk management attempts to achieve a balance between risk and total cost.

A claims reserve was established in 2008 to fund the City's self-insured program. As at December 31, 2022, the City's outstanding and fully reserved insurance claims related liability were $0.1M, and its claims self-insurance reserve fund was $1.3M.

ENVIRONMENTAL RISK

The City employs environmental management professionals to assist departments in complying with environmental laws, regulations, and best practices. The City has also adopted policies and procedures to govern the City's approaches, and it follows environmental systems that provide a sound model to effectively deal with environmental impacts associated with municipal activities. In addition, insurance policies are in place to handle potential unexpected environmental risks.

The City's environmental portfolio also includes actions and targets related to energy management, greenhouse gas reduction, and alternative energy generation. This approach incorporates progressive actions aimed at lowering facility energy costs, reducing maintenance requirements, and diversifying energy production at City-owned facilities.



2022 - National Indigenous Peoples Day

FUTURE OUTLOOK

The City continued to deliver exceptional services by providing critical value-added programs and services to the community. As the COVID-19 pandemic fades and the economy transitions to growth, the City is strategically positioned to capture opportunities within Alberta and achieve its goals.

In 2022, the City celebrated its progress on many projects and notable accomplishments within the organization that contributed to providing quality services and infrastructure to St. Albert's growing population. From the opening of the re-build to the completion of Phase 2 of Twinning Ray Gibbon Drive, the City worked hard to maintain and enhance services and infrastructure to its citizens. Also, Administration took steps to advance projects that meet City Council's five strategic plan priorities. This included initial steps to service Lakeview Business District to ensure it is development-ready and moving forward with planning for Millennium Park, which stemmed from Council's identified priorities. Despite the lingering impacts of the pandemic, particularly as it relates to the slower recovery of recreational fees and transit fares, the City closed the year in a strong financial position with a healthy stabilization reserve balance. The City's commitment to sound fiscal management during difficult years while achieving productivity provides a financial buffer for future years, thus, this sets the City on the path to financial sustainability.

In tandem with the renewable energy sector growth in Alberta, the City launched the Clean Energy Improvement Program (CEIP) in November 2022 that quickly generated over 50 applications in the first year of an approximately $1.4M in total energy efficiency upgrades. CEIP is a financing program for residential property owners to implement energy efficiency and renewable energy upgrades at a low interest rate, with repayment through the municipal property taxes bill at a pre-determined fixed term. As the CEIP

program is delivered in partnership with Alberta Municipalities, there is a cost-sharing of the operating expenditures for which a $1.67M operating grant was provided by the Federation of Canadian Municipalities (FCM) and which will be reimbursed over the four-year pilot program.

In alignment with its commitment to regional collaboration, the City pursued business growth opportunities through the Collaborative Economic Development (CED) and the Intermunicipal Planning Framework (IPF) projects which secured a total of $0.65M in provincial funding in the past year. These projects support investment attraction and are intended to advance economic opportunities through new, non-residential growth and jobs for participating municipalities across municipal boundaries in the Edmonton Metropolitan region. Through these innovative projects, St. Albert will achieve development, and look to enhance efficient planning and delivery of municipal services and infrastructure. The projects are anticipated to continue throughout 2023 and 2024.

On February 28, 2023, the Government of Alberta unveiled its Budget 2023 with key priorities to support investment and growth, centered on economic prosperity. Budget 2023 is focused on responsible fiscal management, economic investment and growth, healthcare support, improving affordability and public safety. St. Albert is pleased with the improvements and increased funding for municipal infrastructure, emergency services, affordable housing, and the provincial government's sustained commitment to Twinning Ray Gibbon Drive Project, with the first injection of provincial funds to be provided in 2025-26 in the amount of $3.0M. With the Local Government Fiscal Framework (LGFF) set to replace Municipal Sustainability Initiative (MSI) as the single-largest source of provincial funding to municipalities, final impacts to the City of St. Albert will not be fully understood until the allocation formula is determined later this year.

Additionally, the City is poised to increase its electrical franchise fee revenue in 2023 from 10 per cent to 15 per cent, thereby generating an incremental revenue of $1.7M, which reduces the current year tax increase by 1.4 per cent. This enables the City to diversify its sources of revenue from taxes and sustain revenue growth as the population grows.

The past year's success is made possible through the efforts of the dedicated staff of the City of St. Albert. Their hard work and continuing service ensures the delivery of high-quality programs and services and effectively maintains and grows our civic infrastructure. Our appreciation is extended to those who make St. Albert a great place to live and work.

April 18, 2023

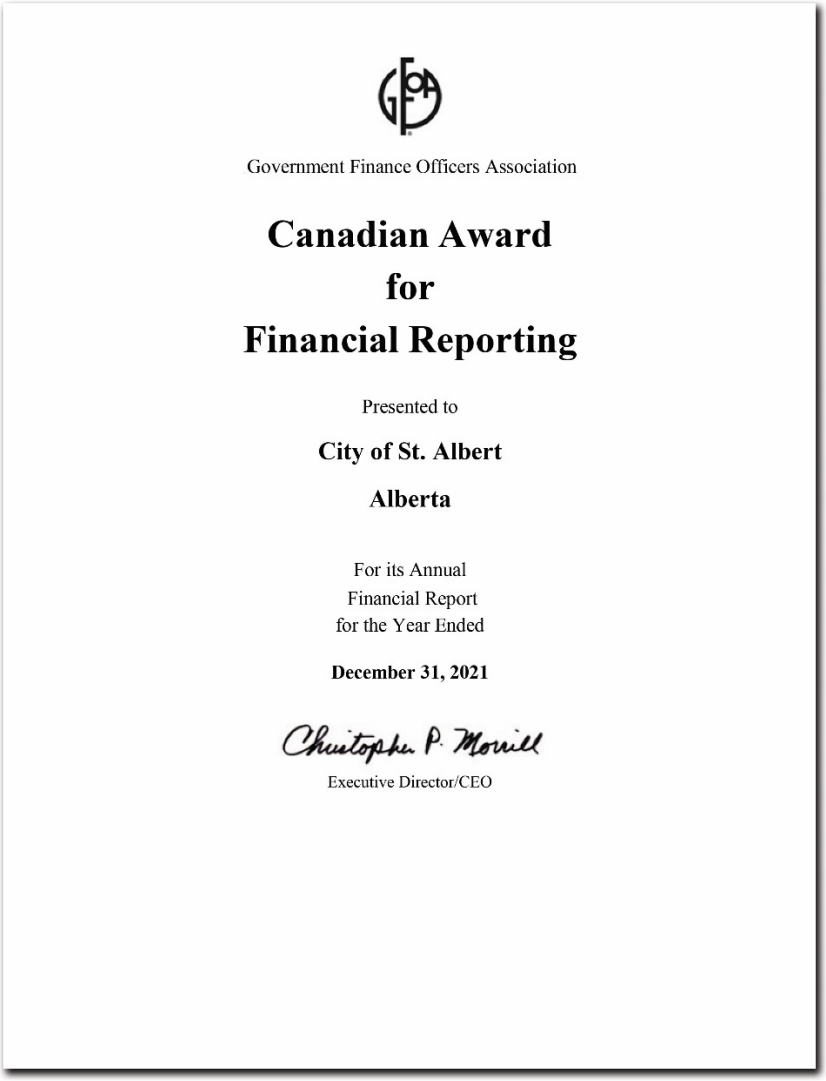
CANADIAN AWARD FOR FINANCIAL REPORTING

For the last 21 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.



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, 2021

Christopher P. Morrill

Executive Director/CEO



Financial Section

Residential Area

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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, 2023 08:01 MDT)

William Fletcher
Chief Administrative Officer

Diane McMordie

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

KPMG LLP
2200, 10175 – 101 Street
Edmonton, AB T5J 0H3
Telephone (780) 429-7300
Fax (780) 429-7379
www.kpmg.ca

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, 2022
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then 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, 2022, and its consolidated results of operations, its consolidated changes in net financial assets 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 "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 therein, included in the "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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants

Edmonton, Canada

April 18, 2023

CITY OF ST. ALBERT
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2022, with comparative information for 2021 (in thousands of dollars)

	2022	2021
Financial Assets		
Cash and Cash Equivalents (Note 2)	$ 47,627	$ 36,589
Accounts Receivable	11,891	17,963
Taxes Receivable (Note 3)	3,633	3,323
Land and Inventories Held for Resale	123	120
Investments (Note 4)	210,420	189,422
Total Financial Assets	273,694	247,417
Financial Liabilities		
Accounts Payable and Accrued Liabilities	28,584	30,521
Deferred Revenue (Note 5)	31,324	25,793
Offsite Levy Liabilities (Note 6)	24,351	24,562
Deposit Liabilities (Note 7)	3,940	2,613
Long-Term Debt (Note 8)	91,254	73,442
Environmental Liability (Note 9)	1,469	1,095
Total Financial Liabilities	180,922	158,026
Net Financial Assets	92,772	89,391
Non-Financial Assets		
Tangible Capital Assets (Note 10)	1,245,152	1,198,758
Inventories of Materials and Supplies	1,327	1,221
Prepaid Expenses	1,783	1,301
Total Non-Financial Assets	1,248,262	1,201,280
Accumulated Surplus (Note 12)	$ 1,341,034	$ 1,290,671

Commitments and Contingencies (Note 13)

Contractual Rights (Note 14)

Approved by:

Cathy Heron (Apr 20, 2023 22:38 MDT)

Mayor

K MacKay (Apr 21, 2023 06:53 MDT)

Councillor

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

Year Ended December 31, 2022, with comparative information for 2021 (in thousands of dollars)

	2022 Budget (Note 20)	2022	2021
Operating Revenue			
Property Taxes (Note 16)	$ 117,732	**$ 117,710**	$ 111,800
Sales and User Fees	59,366	**58,874**	51,674
Government Transfers - Operating (Note 17)	4,098	**6,179**	4,667
Franchise Fees (Note 15)	6,326	**7,303**	6,373
Licenses and Permits	3,351	**3,755**	3,443
Investment Income	4,201	**4,097**	2,949
Contracted Services Revenue	2,802	**2,685**	2,685
Fines and Penalties	3,927	**3,350**	3,602
Other Revenue	724	**1,658**	2,128
Total Operating Revenue	202,527	**205,611**	189,321
Expenses			
Public Operations	52,784	**51,250**	45,744
Emergency Services	42,168	**42,487**	38,103
Utility Services	35,531	**34,148**	34,696
Community and Recreation Services	30,336	**26,712**	22,170
General Government	23,590	**22,951**	20,879
Planning and Engineering Services	16,618	**21,296**	19,764
Cultural Services	4,693	**6,144**	6,072
Executive Leadership	2,752	**3,160**	3,057
Council	872	**884**	804
Corporate Financing	5,089	**(630)**	1,688
Total Expenses	214,433	**208,402**	192,977
Annual (Deficiency) Surplus Before Capital Revenue	(11,906)	**(2,791)**	(3,656)
Capital Revenue			
Contributed Tangible Capital Assets	33,403	**23,080**	30,707
Developer Contributions and Levies	7,729	**7,958**	2,535
Government Transfers - Capital (Note 17)	19,117	**20,434**	44,893
Annexation (Note 22)	-	**1,682**	-
Total Capital Revenue	60,249	**53,154**	78,135
Annual Surplus	48,343	**50,363**	74,479
Accumulated Surplus, Beginning of Year	1,290,671	**1,290,671**	1,216,192
Accumulated Surplus, End of Year	$ 1,339,014	**$ 1,341,034**	$ 1,290,671

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

Year Ended December 31, 2022, with comparative information for 2021 (in thousands of dollars)

	2022 Budget (Note 20)	2022	2021
Annual Surplus	$ 48,343	$ 50,363	$ 74,479
Acquisition of Tangible Capital Assets	(196,549)	(62,393)	(92,197)
Contributed Tangible Capital Assets	(33,403)	(23,080)	(30,707)
Proceeds on Disposal of Tangible Capital Assets	-	3,095	663
Amortization of Tangible Capital Assets	38,562	37,115	33,935
(Gain) Loss on Disposal of Tangible Capital Assets	-	(1,131)	97
	(191,390)	(46,394)	(88,209)
Acquisition of Inventories of Materials and Supplies	-	(1,327)	(1,221)
Acquisition of Prepaid Expenses	-	(1,783)	(1,301)
Consumption of Inventories of Materials and Supplies	-	1,221	1,232
Use of Prepaid Expenses	-	1,301	1,257
	-	(588)	(33)
Increase (Decrease) in Net Financial Assets	(143,047)	3,381	(13,763)
Net Financial Assets, Beginning of Year	89,391	89,391	103,154
(Net Debt) Net Financial Assets, End of Year	$ (53,656)	$ 92,772	$ 89,391

CITY OF ST. ALBERT
CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended December 31, 2022, with comparative information for 2021 (in thousands of dollars)

	2022	2021
Cash Provided by (Used in):		
Operating Activities		
Annual Surplus	$ 50,363	$ 74,479
Items Not Involving Cash:		
Amortization of Tangible Capital Assets	37,115	33,935
Contributed Tangible Capital Assets	(23,080)	(30,707)
(Gain) Loss on Disposal of Tangible Capital Assets	(1,131)	97
	63,267	77,804
Change in Non-Cash Assets and Liabilities:		
Accounts Receivable	6,072	(8,487)
Taxes Receivable	(310)	175
Land and Inventories Held for Resale	(3)	5
Accounts Payable and Accrued Liabilities	(1,937)	6,057
Deferred Revenue	5,531	(5,650)
Offsite Levy Liabilities	(211)	7,930
Deposit Liabilities	1,327	265
Environmental Liability	374	12
Inventories of Materials and Supplies	(106)	11
Prepaid Expenses	(482)	(44)
Cash from Operating Activities	73,522	78,078
Capital Activities		
Acquisition of Tangible Capital Assets	(62,393)	(92,197)
Proceeds on Disposal of Tangible Capital Assets	3,095	663
Cash applied to Capital Activities	(59,298)	(91,534)
Investing Activities		
Purchase of Investments	(66,844)	(127,182)
Maturity of Investments	45,846	103,194
Cash applied to Investing Activities	(20,998)	(23,988)
Financing Activities		
Issue of Long-Term Debt	26,000	33,100
Repayment of Long-Term Debt	(8,188)	(5,989)
Cash from Financing Activities	17,812	27,111
Increase (Decrease) in Cash and Cash Equivalents	11,038	(10,333)
Cash and Cash Equivalents, Beginning of Year	36,589	46,922
Cash and Cash Equivalents, End of Year	$ 47,627	$ 36,589

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 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 Public Library 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.

Significant estimates include assumptions used in determining the fair value of contributed tangible capital assets. Other areas that estimates are used are in determining the useful lives of tangible capital assets, provision for allowances in accounts receivable, provision for tax exempt appeals, investment impairment, if any, 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

Revenue is accounted for in the period in which it is earned and measurable. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

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

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.

c. Basis of Accounting (continued)

i. Revenue (continued)

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. Investments

Investments are recorded at amortized cost. Investment premiums and discounts are amortized on the straight line basis over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

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.

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 all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. 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. If an estimate of fair value cannot be made, the tangible capital assets are recorded at a nominal value.

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.

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. Post-Employment Benefits

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.

i. Environmental Liability

The costs to close and maintain solid waste landfill sites are based on estimated future expenses, adjusted for the Alberta Capital Finance Authority discount rate and Consumer Price Index rate to current dollars. These costs are reported as a liability in the Consolidated Statement of Financial Position.

Pursuant to the Alberta Environmental Protection and Enhancement Act, the City is required to fund the closure of its landfill site and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control, and visual inspection. The liability for closure and post-closure care has been recognized based on an estimate of future expenses.

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. Sites that are currently in productive use are only considered contaminated sites if an unexpected event results in remediation. In cases where the City's responsibility is not determinable, a contingent liability may be disclosed.

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 2023, 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. The requirements in Financial Statement Presentation (PS1201), Financial Instruments (PS3450), Foreign Currency Translations (PS2601) and Portfolio Investments (PS3041) must be implemented at the same time.

i. Financial Statement Presentation

PS1201, Financial Statement Presentation, requires a new statement of re-measurement gains and losses separate from the statement of operations. Included in this new statement are the unrealized gains and losses arising from the re-measurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. This standard is applicable for the fiscal years beginning on or after April 1, 2022.

ii. Foreign Currency Translation

PS2601, Foreign Currency Translation must be adopted in conjunction with PS3450. It requires that monetary assets and liabilities be denominated in a foreign currency and non-monetary items included in the fair value category that are denominated in a foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. This standard is applicable for fiscal years beginning on or after April 1, 2022.

iii. Portfolio Investments

PS3041, Portfolio Investments has removed the distinction between temporary and portfolio investments and was amended to conform to Financial Instruments, PS3450. Once PS3450 and PS3041 are adopted, Temporary Investments PS3030 will no longer apply. This standard is applicable for fiscal years beginning on or after April 1, 2022.

iv. Financial Instruments

PS3450, Financial Instruments, establishes recognition, measurement, and disclosure requirements for derivative and non-derivative financial instruments. The standard requires fair value measurement of derivatives and equity instruments; all other financial instruments can be measured at cost, amortized cost, or fair value at the election of the government. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of

l. Future Accounting Standard Pronouncements (continued)

iv. Financial Instruments (continued)
financial liabilities. This standard is applicable for fiscal years beginning on or after April 1, 2022.

v. Asset Retirement Obligations

PS3280, Asset Retirement Obligations defines which activities would be included in a liability for retirement of a tangible capital asset, establishes when to recognize and how to measure a liability for asset retirement, and provides the related financial statement presentation and disclosure requirements. This new standard will effectively replace PS3270, Solid Waste Landfill Closure and Post-closure Liability. This standard is applicable for fiscal years beginning on or after April 1, 2022.

vi. Revenue

PS3400, Revenue establishes standards on how to account for and report on revenue, specifically in regards to revenue arising from transactions with performance obligations (exchange transactions) and those without performance obligations (non-exchange transactions). This standard is applicable for fiscal years beginning on or after April 1, 2023.

vii. Purchased Intangibles

PSG-8, Purchased Intangibles, allows for purchased intangible assets to be recognized as assets in the public sector entity's financial statements. This standard is applicable for fiscal years beginning on or after April 1, 2023.

viii. Public Private Partnerships

PS3160, Public Private Partnerships, establishes standards on how to account for certain arrangements between public and private entities. The standard provides guidance on situations where a public entity acquires infrastructure assets using a private sector partner that designs, builds, or finances the infrastructure asset past the point where it is ready for use. This standard is applicable for fiscal years beginning on or after April 1, 2023.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents have effective interest rates of 0.00% to 5.10% (2021 - 0.10% to 0.80%).

3. TAXES RECEIVABLE

	2022	2021
Taxes receivable	**$ 2,124**	$ 2,136
Penalties and arrears	**1,509**	1,187
Total taxes receivable	**$ 3,633**	$ 3,323

4. INVESTMENTS

	2022		2021	
	Amortized Cost	Market Value	Amortized Cost	Market Value
Short Term Investment Portfolio	**$ 65,126**	**$ 65,126**	$ 50,068	$ 50,068
Long Term Investment Portfolio	**145,094**	**135,457**	139,154	139,846
Credit Union Shares	**200**	**200**	200	200
	$ 210,420	**$ 200,783**	$ 189,422	$ 190,114

The Short Term Investment Portfolio includes notes and deposits and have effective interest rates of 1.20% to 6.03% (2021 - 0.85% to 1.26%), are for fixed terms, and have maturity dates less than three years. The City's Long Term Investment Portfolio includes corporate and government bonds and have effective rates of 1.55% to 4.25% (2021 - 1.40% to 3.22%), with maturity dates ranging between 2023 and 2035.

5. DEFERRED REVENUE

	2021	Net Contributions	Interest Earned	Revenue Recognized	2022
Deferred Revenue - Capital Government Transfers					
Municipal Sustainability Initiative	$ 6,959	$ 18,217	$ 368	$ (10,096)	**$ 15,448**
Canada Community Building Fund (Formerly Federal Gas Tax Fund)	10,573	3,960	235	(7,083)	**7,685**
Ray Gibbon Drive Provincial Grant Funding	128	-	-	-	**128**
Green Trip Grant	3,525	-	74	(448)	**3,151**
ICIP Covid	-	2,047	-	(2,047)	**-**
Other Capital	243	551	-	(760)	**34**
Total Deferred Revenue - Capital Government Transfers	21,428	24,775	677	(20,434)	**26,446**
Deferred Revenue - Operating Government Transfers					
Municipal Sustainability Initiative	-	492	-	(492)	**-**
Library	-	446	-	(445)	**1**
Family & Community Support Services	355	1,070	-	(1,425)	**-**
ACP Grant - Inter Municipal Collaboration	33	600	7	(99)	**541**
Provincial Highway Maintenance Grant	-	119	-	(119)	**-**
Labour Market Partnership	-	24	-	(1)	**23**
Community	2	-	-	(2)	**-**
Arts and Heritage Foundation	269	105	-	(236)	**138**
Clean Energy Improvement Programs	-	631	-	(54)	**577**
RESTOR (Transit Grant)	-	795	-	(795)	**-**
Other Operating	411	2,481	-	(2,511)	**381**
Total Deferred Revenue - Operating Government Transfers	1,070	6,763	7	(6,179)	**1,661**
Deferred Revenue - Other					
Servus Place	1,350	2,752	-	(2,850)	**1,252**
Other Operating	718	586	-	(532)	**772**
Licensing	953	947	-	(953)	**947**
Community	78	55	-	(9)	**124**
Utilities	30	-	-	(5)	**25**
Performing Arts	166	1,143	-	(1,212)	**97**
Total Deferred Revenue - Other	3,295	5,483	-	(5,561)	**3,217**
Total Deferred Revenue	$ 25,793	$ 37,021	$ 684	$ (32,174)	**$ 31,324**

6. OFFSITE LEVY LIABILITIES

	2021	Contributions	Interest Earned	Applied	2022
Offsite Levy Liabilities					
Transportation Offsite Levy	$ 5,747	$ 4,017	$ 38	$ (5,548)	**$ 4,254**
Water Offsite Levy	16,432	852	367	-	**17,651**
Sanitary Sewer Levy	1,673	1,681	57	(1,700)	**1,711**
Stormwater Levy	710	725	10	(710)	**735**
Total Offsite Levy Liabilities	$ 24,562	$ 7,275	$ 472	$ (7,958)	**$ 24,351**

7. 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 value of securities can be reduced or increased, at the discretion of the City, as the associated development activity progresses. As at December 31, 2022 the City held $3,940 (2021 - $2,613) of deposit liabilities for development agreements and permits and held letters of credit or development bonds in the amount of $2,964 (2021 - $2,508).

8. LONG-TERM DEBT

a. Long-term debt consists of:

	2022	2021
Municipal Tax Supported Debenture	**$ 91,254**	$ 73,442

Debenture debt has been issued on the credit and general security of the City. Debentures are held by the Alberta Treasury Board. Debenture interest is payable at rates ranging from 2.08% to 5.00% per annum. The debentures are payable in annual or semi-annual amounts and mature in periods ranging from 2024 to 2042.

The City has an operating line of credit with its bank of $20,000 (2021 - $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, 2022.

The City's total cash payments for interest in 2022 were $2,432 (2021 - $1,639).

8. 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
2023	**$ 9,758**	**$ 3,338**	**$ 13,096**
2024	**8,904**	**2,929**	**11,833**
2025	**6,690**	**2,601**	**9,291**
2026	**5,118**	**2,349**	**7,467**
2027	**4,557**	**2,155**	**6,712**
Thereafter	**56,227**	**15,786**	**72,013**
	$ 91,254	**$ 29,158**	**$ 120,412**

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:

	2022	2021
Total Debt Limit	**$ 320,347**	$ 287,787
Long-Term Debt	**(93,654)**	(75,142)
Amount of Debt Limit Unused	**226,693**	212,645
Maximum Allowable Debt Servicing Limit	**53,392**	47,964
Annual Payments of Existing Debt	**(10,620)**	(7,629)
Amount of Debt Servicing Limit Unused	**$ 42,772**	$ 40,335

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.

Total debt is comprised of outstanding debt of $91,254 plus the outstanding loan guarantee of $2,400 (2021 - $73,442 plus the outstanding loan guarantee of $1,700) as described in Note 13c.

9. ENVIRONMENTAL LIABILITY

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 action plan includes objectives that will maintain the integrity of the containment berms, minimize the generation of leachate and continued monitoring of the groundwater. In addition, under Provincial legislation, the City is required to monitor certain lands, through risk management plans, with salt contamination in excess of Provincial environmental standards related to a former salt storage shed.

The City's landfill post closure and contaminated sites monitoring costs are based on estimated future monitoring expenses for approximately 25 years, in current dollars by applying Alberta Treasury discount rate of 4.87% (2021 - 3.39%) and the Consumer Price Index rate of 6.90% (2021 applied the St. Albert Municipal index rate of 2.81%). An amount of $937 (2021 - $707) has been set up for the landfill post closure monitoring expenses and an amount of $532 (2021 - $388) has been set up for contaminated sites monitoring costs. These environmental liabilities relate to salt impact, which are affecting the soil and groundwater from a former salt storage shed.

The reported liabilities are based on estimates and assumptions with respect to future events using the best information available to management. Future events, such as changes to regulatory requirements, may result in significant changes to the estimated total expenses and will be recognized prospectively as a change in estimate when applicable.

	2022	2021
Estimated Post Closure Monitoring Costs	**$ 937**	$ 707
Estimated Contaminated Site Monitoring Costs	**532**	388
Estimated Monitoring Costs	**$ 1,469**	$ 1,095

10. TANGIBLE CAPITAL ASSETS

2022

	Building Improvement	Library Collections	Land Improvement	Engineered Structures	Buildings	Machinery and Equipment	Land	Vehicles	Assets Under Construction	Total
Cost										
Balance, Beginning of Year	$ 29,599	$ 1,693	$ 107,985	$ 853,703	$ 155,261	$ 32,851	$ 441,591	$ 52,877	$ 21,652	**$ 1,697,212**
Acquisitions and Contributions	639	290	3,249	38,328	150	4,234	7,428	1,628	29,527	**85,473**
Disposals	-	(376)	-	-	-	(1,184)	(883)	(2,044)	(328)	**(4,815)**
Internal Transfers	5,662	-	5,283	13,160	13,186	1,022	-	-	(38,313)	**-**
Balance, End of Year	**35,900**	**1,607**	**116,517**	**905,191**	**168,597**	**36,923**	**448,136**	**52,461**	**12,538**	**1,777,870**
Accumulated Amortization										
Balance, Beginning of Year	4,551	894	42,077	329,317	76,797	18,989	-	25,829	-	**498,454**
Amortization	1,265	331	4,866	20,527	3,340	3,727	-	3,059	-	**37,115**
Disposals	-	(376)	-	-	-	(1,084)	-	(1,391)	-	**(2,851)**
Balance, End of Year	**5,816**	**849**	**46,943**	**349,844**	**80,137**	**21,632**	**-**	**27,497**	**-**	**532,718**
Net Book Value, End of Year	**$ 30,084**	**$ 758**	**$ 69,574**	**$ 555,347**	**$ 88,460**	**$ 15,291**	**$ 448,136**	**$ 24,964**	**$ 12,538**	**$ 1,245,152**

10. TANGIBLE CAPITAL ASSETS (continued)

2021

	Building Improvement	Library Collections	Land Improvement	Engineered Structures	Buildings	Machinery and Equipment	Land	Vehicles	Assets Under Construction	Total
Cost										
Balance, Beginning of Year	$ 23,840	$ 1,788	$ 92,715	$ 775,342	$ 153,216	$ 30,334	$ 427,941	$ 51,633	$ 21,695	**$ 1,578,504**
Acquisitions and Contributions	1,738	305	5,627	36,737	220	2,252	14,322	1,608	60,095	**122,904**
Disposals	-	(400)	-	-	-	(2,760)	(672)	(364)	-	**(4,196)**
Internal Transfers	4,021	-	9,643	41,624	1,825	3,025	-	-	(60,138)	**-**
Balance, End of Year	**29,599**	**1,693**	**107,985**	**853,703**	**155,261**	**32,851**	**441,591**	**52,877**	**21,652**	**1,697,212**
Accumulated Amortization										
Balance, Beginning of Year	3,551	945	37,778	310,466	73,650	18,452	-	23,113	-	**467,955**
Amortization	1,000	349	4,299	18,851	3,147	3,209	-	3,080	-	**33,935**
Disposals	-	(400)	-	-	-	(2,672)	-	(364)	-	**(3,436)**
Balance, End of Year	**4,551**	**894**	**42,077**	**329,317**	**76,797**	**18,989**	**-**	**25,829**	**-**	**498,454**
Net Book Value, End of Year	**$ 25,048**	**$ 799**	**$ 65,908**	**$ 524,386**	**$ 78,464**	**$ 13,862**	**$ 441,591**	**$ 27,048**	**$ 21,652**	**$ 1,198,758**

10. TANGIBLE CAPITAL ASSETS (continued)

a. Assets Under Construction

Assets under construction have a cost of $12,538 (2021 - $21,652) 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 $23,080 (2021 - $30,707). This amount is comprised of roads infrastructure in the amount of $10,806 (2021 - $9,566), water, storm and wastewater infrastructure in the amount of $10,665 (2021 - $15,467), and land in the amount of $1,609 (2021 - $5,674).

11. EQUITY IN TANGIBLE CAPITAL ASSETS

	2022	2021
Tangible Capital Assets	**$ 1,777,870**	$ 1,697,212
Accumulated Amortization	**(532,718)**	(498,454)
Long-Term Debt	**(91,254)**	(73,442)
	$ 1,153,898	$ 1,125,316

12. ACCUMULATED SURPLUS

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

	2022	2021
Surplus		
Unrestricted Surplus	**$ 10,989**	$ 3,821
Equity in Tangible Capital Assets	**1,153,898**	1,125,316
	1,164,887	1,129,137
Reserves		
Operating	**21,539**	23,435
Capital	**84,950**	76,090
Controlled Entity - Operating	**463**	540
Controlled Entity - Capital	**328**	444
Utilities	**68,867**	61,025
Total Reserves	**176,147**	161,534
Total Accumulated Surplus	**$ 1,341,034**	$ 1,290,671

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

13. COMMITMENTS AND CONTINGENCIES

a. Legal Claims

As at December 31, 2022, 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 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 and thereafter are as follows:

2023	$	564
2024		534
2025		502
2026		343
2027		343
Thereafter		506
	$	2,792

c. Loan Guarantee

The City and the City of Edmonton have provided loan guarantees totaling $7,000 (City's proportion is $2,400 as authorized by City Bylaw 39/2021) relating to the outstanding indebtedness of the Edmonton Metropolitan Transit Services Commission (EMTSC) of approximately $5,200 (City's proportion is $1,800) as at December 31, 2022. The EMTSC determined that it is unable to deliver on its stated mandate and in 2023 has commenced a formal process of winding down. As a result of the ongoing EMTSC wind down and financial settlement activities, the City is unable to determine whether it will be required to fund any amounts under this loan guarantee arrangement.

14. CONTRACTUAL RIGHTS

The City has a contractual right to Provincial and Federal government transfer funding allocations. In 2022, the City was allocated $7,435 (2021 - $18,335) in Municipal Sustainability Initiative (MSI) Capital funding. The future receipt of these amounts is dependent on satisfying subsequent reporting requirements.

15. FRANCHISE FEES

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

		2022		**2021**
ATCO Gas and Pipelines Ltd.	**$**	**3,342**	$	2,724
FortisAlberta Inc.		**3,961**		3,649
	$	**7,303**	$	6,373

16. PROPERTY TAXES

	2022 Budget (Note 20)	2022	2021
Taxation			
Real Property Taxes	$ 153,425	**$ 153,632**	$ 146,616
Linear Property Taxes	1,266	**1,033**	1,266
Government Grants in place of property tax	200	**211**	238
Total Taxation	154,891	**154,876**	148,120
Requisitions			
Alberta School Foundation Fund	(28,796)	**(28,615)**	(26,960)
Opted Out School Board	(7,248)	**(7,429)**	(7,528)
Homeland Housing	(1,109)	**(1,109)**	(1,232)
Other	(6)	**(13)**	(600)
Total Requisitions	(37,159)	**(37,166)**	(36,320)
Property Taxes Available for Municipal Purposes	$ 117,732	**$ 117,710**	$ 111,800

17. GOVERNMENT TRANSFERS

	2022 Budget (Note 20)	2022	2021
Government Transfers for Operations			
Provincial Transfers	$ 4,015	**$ 5,314**	$ 4,220
Federal Transfers	83	**865**	447
Total Operating Transfers	4,098	**6,179**	4,667
Government Transfers for Capital			
Provincial Transfers	9,749	**11,391**	31,590
Federal Transfers	9,368	**9,043**	13,303
Total Capital Transfers	19,117	**20,434**	44,893
Total Government Transfers	$ 23,215	**$ 26,613**	$ 49,560

18. 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)	2022	2021
Mayor Heron (i)	$ 144,426	$ 9,494	**$ 153,920**	$ 148,108
Councillor Hansen (i)	-	-	**-**	52,927
Councillor Joly (i)	56,261	9,122	**65,383**	62,655
Councillor K. MacKay (i)	56,261	9,122	**65,383**	62,655
Councillor Watkins (i)	-	-	**-**	51,018
Councillor Brodhead	56,261	9,837	**66,098**	62,872
Councillor Hughes	56,261	9,367	**65,628**	62,893
Councillor Biermanski (ii)	56,261	6,474	**62,735**	9,254
Councillor Killick (ii)	56,261	1,430	**57,691**	8,566
Chief Administrative Officer (d)	183,578	117,387	**300,965**	312,102
Designated Officer	137,276	36,027	**173,303**	167,018

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 and the Director of Finance & Assessment/Chief Financial Officer. Transactions with key management personnel primarily consist of compensation related payments.

d. Chief Administrative Officer (CAO)

Salaries, benefits, and allowances for the Chief Administrative Officer (CAO) includes outgoing CAO and interim CAO plus severance costs and related benefit payouts.

19. PENSION PLANS

a. Local Authorities Pension Plan

692 (2021 – 675) 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 employee contributions and investment earnings of the LAPP Fund. The City is required to make current service contributions to the LAPP of 8.45% (2021 - 9.39%) of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 12.80% (2021 - 13.84%) on pensionable earnings above this amount. Employees of the City are required to make current service contributions of 7.45% (2021 - 8.39%) of pensionable salary up to the year's maximum pensionable salary and 11.80% (2021 – 12.84%) on pensionable salary above this amount.

Total contributions by the City to the LAPP in 2022 were $5,768 (2021 - $6,171). Total contributions by the employees of the City of St. Albert to the Local Authorities Pension Plan in 2022 were $5,176 (2021 - $5,610). At December 31, 2021, the plan reported the value of its assets at $61.7 billion and disclosed an actuarial surplus of $11.92 billion. Plan asset and actuarial surplus data as at December 31, 2022 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 15 beneficiaries (2021 - 16). 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 2.61% and 3.85% (2021 - 2.61% and 3.85%) respectively, of pensionable earnings up to $171 (2021 - $162). Total current service contributions by the City to APEX in 2022 were $95 (2021 - $93). Total current service contributions by the employees of the City were $64 (2021 - $63).

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. The cost of post-retirement benefits are fully funded.

As at December 31, 2022, the APEX supplementary pension plan has vested with approximately 88% of eligible employees.

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 3 beneficiaries (2021 - 3). 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, 2022, an actuarial costing has been completed along with corresponding disclosure of designated assets. As at December 31, 2022, the defined benefit obligation for the City is $68 (December 31, 2021 - $96) in respect of this retirement plan.

with corresponding disclosure of designated assets. As at December 31, 2022, the defined benefit obligation for the City is $68 (December 31, 2021 - $96) in respect of this retirement plan.

20. BUDGET INFORMATION

The budget data presented in these financial statements is based upon the 2022 operating and capital budgets approved by Council. The 2022 operating budget, approved by Council December 20, 2021 (2021 - December 21, 2020), 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, 2022, as follows:

		2022		2021
Capital Budget approved by Council	**$**	**80,191**	$	81,392
Approved Capital Budget Amendments		**(13,058)**		4,658
Unspent Prior Years Budgeted Capital Expenditures and Amendments		**134,938**		128,620
Amounts Deemed Not Capital in Nature		**(5,522)**		(3,087)
Revised Capital Budget for Acquisition of Tangible Capital Assets	**$**	**196,549**	$	211,583

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.

21. FINANCIAL INSTRUMENTS

The City's financial instruments consist of cash and cash equivalents, accounts receivable, taxes receivable, investments, accounts payable and accrued liabilities, deposit liabilities, and long term debt.

The City is subject to credit risk with respect to accounts receivable and taxes receivable. Credit risk arises from the possibility that taxpayers and customers to which the City provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

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 bear fixed interest rates and the fair value can fluctuate due to market rates of interest. However, the City intends to settle long-term debt over the contractual terms of the agreements, and hold investments to maturity.

22. ANNEXATION

On January 1, 2022, the City annexed 1558 hectares (3,580 acres) of land and related roads from the municipality of Sturgeon County (the "County"). Roads transferred to the City have been recorded at the aggregate carrying amount of approximately $523, as previously recorded by the County, and have been included within engineered structures. As the aggregate carrying amount of the land transferred from the County was not readily determinable, the City estimated the carrying amount based on the approximate current replacement cost of the land and adjusted such amounts by the estimated increase in the cost of the land from the County's estimated acquisiton date(s), using the Alberta Consumer Price Index. This has resulted in an increase in the carrying value of the City's land by approximately $1,159. The transferred land and related roads have resulted in an increase in capital revenue of approxmimately $1,682 as recorded in the consolidated statement of operations and accumulated surplus for the year ended December 31, 2022. Further, in December 2021, the City made a lump-sum payment of $600 to the County for the loss of municipal property taxes, for existing development, and maintaining the annexed territory in a substantially unfragmented state.

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; and
- Enduring 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 corporation 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 corporation 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

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 Culture)

23. SEGMENTED INFORMATION (continued)

d. Community and Recreation Services (continued)

- 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 that help ensure the overall safety and security of residents.

f. Public Operations

The Public Operations functional area helps to ensure that St. Albert residents are proud of our 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.

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 ensure that the City's Utilities infrastructure is developed and maintained in a cost-effective manner consistent with regulated safety and environmental standards.

The following departments are included in the Utility Services Function:

- Water

23. SEGMENTED INFORMATION (continued)

i. Utility Services (continued)

- 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, 2022	Council	Executive Leadership	General Government	Community and Recreation Services	Emergency Services	Public Operations	Planning and Engineering Services	Corporate Financing	Utility Services	Cultural Services	Total 2022	Budget 2022
Operating Revenue												
Property Taxes	$ 499	$ 1,784	$ 12,955	$ 15,078	$ 23,983	$ 29,003	$ 12,021	$ (356)	$ 19,275	$ 3,468	**$ 117,710**	$ 117,732
Sales and User Fees	3	-	352	8,351	1,871	3,900	1,955	11	41,967	464	**58,874**	59,366
Government Transfers - Operating	-	591	56	1,809	2,048	984	10	-	-	681	**6,179**	4,098
Fines and Penalties	-	-	1,210	-	1,902	-	-	-	238	-	**3,350**	3,927
Licenses and Permits	-	-	902	-	419	27	2,407	-	-	-	**3,755**	3,351
Contracted Services Revenue	-	-	-	-	2,685	-	-	-	-	-	**2,685**	2,802
Investment Income	-	-	47	129	43	376	-	2,114	1,379	9	**4,097**	4,201
Franchise Fees	-	-	-	-	-	-	-	7,303	-	-	**7,303**	6,326
Other Revenue	2	-	10	529	-	239	15	501	40	322	**1,658**	724
Total Operating Revenue	504	2,375	15,532	25,896	32,951	34,529	16,408	9,573	62,899	4,944	**205,611**	202,527
Expenses												
Salaries, Wages and Benefits	595	2,192	15,764	13,504	24,006	14,013	7,009	610	5,950	5,344	**88,987**	87,166
Contracted and General Services	154	824	5,121	2,551	1,692	16,364	2,715	43	5,005	1,005	**35,474**	35,671
Amortization of Tangible Capital Assets	86	114	1,469	4,319	857	14,321	7,867	575	6,977	530	**37,115**	38,562
Purchases from Other Governments	-	-	-	-	12,771	-	-	-	13,458	-	**26,229**	26,135
Materials, Goods and Utilities	29	30	400	2,794	967	7,579	3,300	(1)	1,228	906	**17,232**	15,840
Transfers to Individuals & Organizations	20	-	29	2,848	-	-	-	131	11	(1,644)	**1,395**	3,475
Interest on Long-Term Debt	-	-	-	331	-	1,827	-	-	282	-	**2,440**	2,712
Other Expenses	-	-	168	365	1,584	(2,779)	119	(7)	1,203	8	**661**	4,872
(Gain)/Loss on Disposal of Tangible Capital Assets	-	-	-	-	610	(75)	286	(1,981)	34	(5)	**(1,131)**	-
Total Expenses	884	3,160	22,951	26,712	42,487	51,250	21,296	(630)	34,148	6,144	**208,402**	214,433
Excess (Deficiency) of Revenue over Expenses before Capital Revenue	(380)	(785)	(7,419)	(816)	(9,536)	(16,721)	(4,888)	10,203	28,751	(1,200)	**(2,791)**	(11,906)
Capital Revenue												
Contributed Tangible Capital Assets	-	-	-	-	-	10,806	-	1,609	10,665	-	**23,080**	33,403
Developer Contributions and Levies	-	-	-	-	-	5,549	-	-	2,409	-	**7,958**	7,729
Government Transfers - Capital	41	-	809	3,324	75	3,279	11,066	-	1,840	-	**20,434**	19,117
Annexation	-	-	-	-	-	1,644	-	38	-	-	**1,682**	-
Excess (Deficiency) of Revenue over Expenses	$ (339)	$ (785)	$ (6,610)	$ 2,508	$ (9,461)	$ 4,557	$ 6,178	$ 11,850	$ 43,665	$ (1,200)	**$ 50,363**	$ 48,343

23. SEGMENTED INFORMATION (continued)

December 31, 2021	Council	Executive Leadership	General Government	Community and Recreation Services	Emergency Services	Public Operations	Planning and Engineering Services	Corporate Financing	Utility Services	Cultural Services	Total 2021	Budget 2021
Operating Revenue												
Property Taxes	$ 466	$ 1,772	$ 12,098	$ 12,848	$ 22,081	$ 26,509	$ 11,453	$ 950	$ 20,105	$ 3,518	**$ 111,800**	$ 112,175
Sales and User Fees	3	-	490	4,180	1,538	2,485	2,061	13	40,659	245	**51,674**	53,669
Government Transfers - Operating	-	512	270	1,739	1,311	176	16	-	-	643	**4,667**	4,014
Fines and Penalties	-	-	1,167	-	2,189	-	-	-	246	-	**3,602**	4,025
Licenses and Permits	-	-	881	-	414	26	2,122	-	-	-	**3,443**	3,299
Contracted Services Revenue	-	-	-	-	2,685	-	-	-	-	-	**2,685**	2,802
Investment Income	-	-	37	110	31	215	-	1,510	1,038	8	**2,949**	4,601
Franchise Fees	-	-	-	-	-	-	-	6,373	-	-	**6,373**	6,176
Other Revenue	-	-	60	208	1	410	31	657	38	723	**2,128**	527
Total Operating Revenue	469	2,284	15,003	19,085	30,250	29,821	15,683	9,503	62,086	5,137	**189,321**	191,288
Expenses												
Salaries, Wages and Benefits	572	1,898	14,823	11,701	23,300	13,409	7,066	776	5,857	5,063	**84,465**	84,956
Contracted and General Services	119	1,037	4,236	1,378	1,640	14,630	3,101	132	5,571	809	**32,653**	32,319
Amortization of Tangible Capital Assets	86	114	1,305	3,832	605	13,893	6,206	590	6,759	544	**33,934**	26,348
Purchases from Other Governments	-	-	-	-	10,070	-	-	-	13,775	-	**23,845**	23,524
Materials, Goods and Utilities	20	8	376	2,149	997	5,675	3,273	(59)	1,117	834	**14,390**	15,001
Transfers to Individuals & Organizations	2	-	47	2,471	-	-	-	128	8	(1,185)	**1,471**	3,439
Interest on Long-Term Debt	-	-	-	493	-	812	-	(2)	306	-	**1,609**	1,647
Other Expenses	5	-	92	146	1,502	(2,789)	124	123	1,303	7	**513**	4,534
(Gain)/Loss on Disposal of Tangible Capital Assets	-	-	-	-	(11)	114	(6)	-	-	-	**97**	-
Total Expenses	804	3,057	20,879	22,170	38,103	45,744	19,764	1,688	34,696	6,072	**192,977**	191,768
Excess (Deficiency) of Revenue over Expenses before Capital Revenue	(335)	(773)	(5,876)	(3,085)	(7,853)	(15,923)	(4,081)	7,815	27,390	(935)	**(3,656)**	(480)
Capital Revenue												
Contributed Tangible Capital Assets	-	-	-	-	-	9,566	-	5,674	15,467	-	30,707	9,508
Developer Contributions and Levies	-	-	-	-	-	1,750	-	-	785	-	2,535	-
Government Transfers - Capital	22	-	1,632	7,981	10,705	1,388	19,058	-	4,107	-	44,893	33,122
Excess (Deficiency) of Revenue over Expenses	$ (313)	$ (773)	$ (4,244)	$ 4,896	$ 2,852	$ (3,219)	$ 14,977	$ 13,489	$ 47,749	$ (935)	**$ 74,479**	$ 42,150

24. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

Council has approved these consolidated financial statements.



Statistical Section

Summer Camps

Statistical Section 105

General Statistical Information 106

General Financial Information 107

GENERAL STATISTICAL INFORMATION

(Unaudited)

For the Years Ended December 31, 2018 - 2022

	2022	2021	2020	2019	2018
POPULATION (2)	**66,082**	**66,082**	**66,082**	**66,082**	**66,082**
NUMBER OF DWELLING UNITS (4)	**28,986**	28,671	27,607	27,062	26,847
MUNICIPAL AREA (IN HECTARES)	**6,531**	4,973	4,973	4,973	4,973
BUILDING PERMITS VALUE (IN THOUSANDS)					
Residential	**156,629**	170,376	96,906	99,107	111,301
Commercial	**27,841**	42,627	11,984	38,437	26,540
Industrial	**41,442**	14,156	44,079	2,170	12,236
Institutional	**25,907**	1,941	48,355	3,542	1,997
	251,819	229,100	201,324	143,256	152,074
BUILDING PERMITS ISSUED					
Residential	**785**	897	734	591	726
Commercial	**81**	125	70	105	79
Industrial	**34**	41	42	52	50
Institutional	**26**	13	18	22	22
	926	1,076	864	770	877
PARK AREA (IN HECTARES) (3)	**528**	525	546	544	542
TAX COLLECTION RATE (PERCENTAGE)	**95.57**	95.74	97.59	97.68	97.92
LONG TERM DEBT					
Long-Term Debt **(IN THOUSANDS)**	**91,254**	73,442	46,331	40,122	42,993
Retired Within 5 Years %	**38.4**	43.2	56.5	65.3	57.6
Retired Thereafter %	**61.6**	56.8	43.5	34.7	42.4
RESIDENTIAL TAX INCREASE % (6)	**2.8**	0.1	0.7	0.9	1.6
QUALITY OF LIFE SATISFACTION (7)	**96**	96	96	98	-
CONSUMER PRICE INDEX CHANGE (PERCENTAGE) (1)					
Alberta	**6.0**	4.8	0.8	2.3	2.4
Canada	**6.3**	4.8	0.7	2.2	2.3
UNEMPLOYMENT RATE(PERCENTAGE) (1)					
Alberta	**5.6**	7.5	11.1	7.0	6.4
Canada	**5.0**	6.0	8.8	5.6	5.6
CITY OF ST. ALBERT EMPLOYEES (5)	**668.43**	677.28	668.90	657.28	661.78
NET DEBT PER CAPITA	**1,381**	1,111	701	607	651

Notes

1. Consumer Price Index and Unemployment Rate data obtained from Statistics Canada
2. The City typically conducts municipal censuses every five years, which are timed to occur at intervals between scheduled federal censuses. The next scheduled census is planned for 2023.
3. Provincial Parks and Urban Reserves are not included within Park Area Calculation
4. Number of Dwelling Units is based on Assessment Department data
5. Positions are stated in full time equivalents
6. Overall tax increase including municipal, education, and Homeland Housing tax components
7. Quality of Life Satisfaction Survey will next be conducted in 2025

GENERAL FINANCIAL INFORMATION

TAXATION AND ASSESSMENT

For the Years Ended December 31, 2018 - 2022 (in thousands of dollars)

	2022	2021	2020	2019	2018
TAX RATES					
Municipal - Residential	**8.468**	8.521	8.358	8.023	7.898
Municipal - Non-Residential	**12.075**	11.558	10.880	11.014	11.008
Public School					
Residential	**2.555**	2.566	2.590	2.574	2.535
Non-Residential	**3.948**	3.865	3.662	3.432	3.368
Separate School (Catholic)					
Residential	**2.555**	2.566	2.590	2.574	2.535
Non-Residential	**3.948**	3.865	3.662	3.432	3.368
ASSESSMENT (percentage change)					
Residential - Market Value	**3.40**	(1.20)	(2.18)	(0.64)	0.70
Residential - Growth	**1.55**	1.43	1.65	2.65	1.81
Non-Residential Market Value	**(1.60)**	(5.22)	1.18	0.95	0.06
Non-Residential Growth	**4.05**	3.75	3.29	2.64	7.23

TAXATION AND REQUISITIONS

For the Years Ended December 31, 2018 - 2022 (in thousands of dollars)

	2022	2021	2020	2019	2018
TAXATION					
Real Property Taxes	**$ 153,632**	$ 146,616	$ 143,637	$ 136,877	$ 132,232
Linear Property Taxes	**1,033**	1,266	1,168	1,125	1,095
Government Grants in Place of Property Taxes	**211**	238	229	2,431	2,222
	154,876	148,120	145,034	140,433	135,549
REQUISITIONS					
ASFF/Opted Out (Residential)	**(28,615)**	(26,960)	(26,831)	(25,956)	(24,854)
ASFF/Opted Out (Non-Residential)	**(7,429)**	(7,528)	(7,568)	(7,671)	(7,498)
St. Albert Homeland Housing	**(1,109)**	(1,232)	(1,203)	(1,166)	(1,134)
Other Requisitions	**(13)**	(600)	(6)	(6)	(80)
	(37,166)	(36,320)	(35,608)	(34,799)	(33,566)
TAXES AVAILABLE AND COLLECTED FOR MUNICIPAL PURPOSES	**$ 117,710**	$ 146,616	$ 143,637	$ 136,877	$ 132,232

TAXABLE ASSESSMENT AND GOVERNMENT GRANTS IN PLACE OF PROPERTY TAXES

For the Years Ended December 31, 2018 – 2022

	2022	2021	2020	2019	2018
TAXABLE ASSESSMENT					
Residential	**$ 11,030,972**	$ 10,506,207	$ 10,483,189	$ 10,542,733	$ 10,336,462
Commercial	**1,153,917**	1,157,332	1,233,244	1,155,999	1,132,033
Industrial	**741,911**	703,766	660,813	503,083	479,537
Linear and M & E	**88,775**	81,820	80,242	78,167	76,230
	13,015,575	12,449,125	12,457,488	12,279,982	12,024,262
GOVERNMENT GRANTS IN PLACE OF PROPERTY TAXES	**20,697**	18,946	19,409	170,471	153,266
TOTAL TAXABLE ASSESSMENT AND GOVERNMENT GRANTS IN PLACE OF PROPERTY TAXES	**$ 13,036,272**	$ 12,468,071	$ 12,476,897	$ 12,450,453	$ 12,177,528
TOTAL TAXABLE ASSESSMENT AND GOVERNMENT GRANTS IN PLACE OF PROPERTY TAXES (PERCENTAGE)					
Residential	**84.6**	84.3	84.0	84.7	84.9
Commercial	**8.9**	9.3	9.9	9.3	9.3
Industrial	**5.7**	5.6	5.3	4.0	3.9
Linear and M & E	**0.7**	0.7	0.6	0.6	0.6
Grants in Place	**0.2**	0.1	0.2	1.4	1.3
RESIDENTIAL / NON-RESIDENTIAL SPLIT* (PERCENTAGE)					
Residential	**84.6**	84.3	84.0	84.7	84.9
Non-Residential	**15.4**	15.7	16.0	15.3	15.1

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

Property Owner	Property Commonly Known as
Alberta Gaming Liquor & Cannabis	AGLC
BCIMC Realty Corp.	U-Line
St. Albert Centre Holdings Inc.	St. Albert Centre Mall
Calloway REIT Inc.	Wal-Mart
Jim Pattison Developments Ltd.	Village Landing
Fortis Alberta Inc.	Fortis
Bellevue Village Properties GP Inc.	Bellevue Village
Costco Wholesale Canada Ltd.	Costco
Broadwalk REIT Properties Holdings Ltd.	Strugeon Point Villas
Cidex (Giroux) Corp.	Ville Giroux

TAX COLLECTION

For the Years Ended December 31, 2018 – 2022

	2022	2021	2020	2019	2018
CURRENT LEVY	**$ 154,691**	$ 147,764	$ 145,112	$ 140,301	$ 135,626
TAXES RECEIVABLE					
Current	**2,442**	2,432	2,408	2,395	1,936
In Arrears for More than One Year	**1,191**	891	1,090	870	885
	$ 3,633	$ 3,323	$ 3,498	$ 3,265	$ 2,821
TAXES OUTSTANDING, BEFORE ALLOWANCE					
Total %	**2.35 %**	2.25 %	2.41 %	2.33 %	2.08 %

Note that the top 10 principle taxpayers made up only 5 per cent of the 2022 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, 2018 – 2022

	2022	2021	2020	2019	2018
Long-Term Debt					
Tax Supported	**$ 91,254**	$ 73,442	$ 46,331	$ 40,122	$ 42,993
	91,254	73,442	46,331	40,122	42,993
TOTAL LONG-TERM DEBT					
Maximum Allowable Annual Debt Servicing	**$ 53,392**	$ 47,964	$ 49,169	$ 48,192	$ 47,826
Annual Servicing on Existing Debt	**10,620**	7,629	6,923	6,682	6,341
Amount of Limit Used (Percentage)	**20**	16	14	14	13

RESTRICTED SURPLUS RESERVE BALANCE

For the Years Ended December 31, 2018 – 2022

	2022	2021	2020	2019	2018
City of St. Albert					
Operating	**$ 21,539**	$ 23,435	$ 21,699	$ 14,670	$ 12,929
Capital	**84,950**	76,090	72,862	67,086	67,530
	106,489	99,525	94,561	81,756	80,459
***Controlled Entities**					
Operating	**463**	540	413	480	219
Capital	**328**	444	483	484	482
	791	984	896	964	701
Utilities	**68,867**	61,025	57,141	53,711	48,563
TOTAL RESTRICTED SURPLUS RESERVES	**$ 176,147**	$ 161,534	$ 152,598	$ 136,431	$ 129,723

*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, 2018 – 2022

	2022	2021	2020	2019	2018
Total Financial Assets	**$ 273,694**	$ 247,417	$ 225,455	$ 224,509	$ 208,343
Total Liabilities	**180,922**	158,026	122,301	136,819	126,103
Net Financial Assets	**92,772**	89,391	103,154	87,690	82,240
Total Non-Financial Assets	**1,248,262**	1,201,280	1,113,038	1,044,157	1,020,607
Total	**1,341,034**	1,290,671	1,216,192	1,131,847	1,102,847
Key Components of Financial Assets Include:					
Cash and Cash Equivalents	**47,627**	36,589	46,922	46,987	18,347
Investments	**210,420**	189,422	165,434	$ 161,342	$ 172,218
Key Components of Financial Liabilities Include:					
Long-Term Debt	**91,254**	73,442	46,331	40,122	42,933
Key Components of Non-Financial Assets Include:					
Tangible Capital Assets	**1,245,152**	1,198,758	1,110,549	1,041,835	1,018,639
Key Components of Accumulated Surplus Include:					
Invested in Tangible Capital Assets	**1,153,898**	1,125,316	1,064,218	1,001,712	975,646
Restricted Surplus - Reserves	**$ 176,147**	$ 161,534	$ 152,598	$ 136,431	$ 129,723

	2022	2021	2020	2019	2018
ACQUISITIONS OF TANGIBLE CAPITAL ASSETS					
Building Improvements	**$ 639**	$ 1,738	$ 305	$ 723	$ 666
Library Collections	**290**	305	263	398	354
Land Improvement	**3,267**	5,627	1,301	787	2,144
Engineered Structures	**38,310**	36,737	25,771	14,808	23,713
Buildings	**150**	220	6,014	-	7,660
Machinery and Equipment	**4,234**	2,252	3,135	1,765	980
Land	**7,428**	14,322	11,566	1,549	9,261
Vehicles	**1,628**	1,608	6,009	1,033	5,754
Assets Under Construction	**29,527**	60,095	45,825	33,078	36,980
TOTAL TANGIBLE CAPITAL ASSET ACQUISITIONS	**$ 85,473**	$ 122,904	$ 100,189	$ 54,141	$ 87,512

REVENUE BY SOURCE, EXPENSE BY FUNCTION, AND ANNUAL SURPLUS

For the Years Ended December 31, 2018 – 2022

	2022	2021	2020	2019	2018
REVENUE AND OTHER					
Property Taxes	**$ 117,710**	$ 111,800	$ 109,426	$ 105,634	$ 101,983
Sales and User Fees	**58,874**	51,674	49,812	59,218	59,800
Fines and Penalties	**3,350**	3,602	2,351	5,068	4,568
Government Transfers - Operating	**6,179**	4,667	12,559	4,807	5,025
Franchise Fees	**7,303**	6,373	5,260	4,108	2,316
Investment Income	**4,097**	2,949	3,108	3,899	4,106
Other Revenue	**1,658**	2,128	1,374	3,710	1,927
Licenses and Permits	**3,755**	3,443	3,178	2,728	2,679
Contracted Services Revenue	**2,685**	2,685	2,685	2,685	2,684
TOTAL REVENUE BY SOURCE	**205,611**	189,321	189,753	191,857	185,088
EXPENSE BY FUNCTION					
Public Operations	**51,250**	45,744	42,860	45,297	43,946
Emergency Services	**42,487**	38,103	37,064	36,058	35,200
Utility Services	**34,148**	34,696	32,180	30,041	28,520
Community and Recreation Services	**26,712**	22,170	24,321	29,915	29,685
General Government	**22,951**	20,879	19,688	19,523	18,347
Planning & Engineering Services	**21,296**	19,764	18,069	18,401	16,258
Cultural Services	**6,144**	6,072	6,233	6,045	5,939
Executive Leadership	**3,160**	3,057	2,609	1,571	1,460
Council	**884**	804	738	976	808
Corporate Financing	**(630)**	1,688	2,849	3,532	4,529
TOTAL EXPENSE BY FUNCTION	**208,402**	192,977	186,611	191,359	184,692
ANNUAL (DEFICIENCY) SURPLUS BEFORE CAPITAL REVENUE	**(2,791)**	(3,656)	3,142	498	396
CAPITAL REVENUE					
Contributed Tangible Capital Assets	**23,080**	30,707	35,820	9,442	23,950
Developer Contributions and Levies	**7,958**	2,535	6,923	1,013	6,217
Government Transfers - Capital	**20,434**	44,893	38,460	18,047	18,690
Annexation	**1,682**	-	-	-	-
TOTAL CAPITAL REVENUE	**53,154**	78,135	81,203	28,502	48,857
ANNUAL SURPLUS	**50,363**	74,479	84,345	29,000	49,253
ACCUMULATED SURPLUS, BEGINNING OF YEAR	**1,290,671**	1,216,192	1,131,847	1,102,847	1,053,594
ACCUMULATED SURPLUS, END OF YEAR	**$ 1,341,034**	$ 1,290,671	$ 1,216,192	$ 1,131,847	$ 1,102,847

EXPENSES BY OBJECTS

For the Years Ended December 31, 2018 – 2022

	2022	2021	2020	2019	2018
Salaries, Wages and Benefits	**$ 88,987**	$ 84,465	$ 83,346	$ 86,652	$ 84,093
Contracted and General Services	**35,474**	32,653	32,132	34,497	31,408
Amortization	**37,115**	33,934	31,075	28,915	26,443
Purchases from Other Governments	**26,229**	23,845	21,571	19,917	21,051
Materials, Good and Utilities	**17,232**	14,390	13,977	15,288	14,903
Transfers to Individuals & Organizations	**1,395**	1,471	1,878	1,660	1,429
Interest on Long Term Debt	**2,440**	1,609	1,642	1,773	1,919
Other Expenses	**661**	513	736	700	1,297
(Gain)/Loss on Disposal of Tangible Capital Assets	**(1,131)**	97	254	1,957	2,149
TOTAL EXPENSES	**$ 208,402**	$ 192,977	$ 186,611	$ 191,359	$ 184,692

2022 Annual Report
City of St. Albert
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