

Alberta Municipal Spending Report, 2015

6th Edition: Trends in Operating Spending, 2003-2013

Ashley Stedman, Public Policy and Entrepreneurship Intern

Municipal spending in Alberta has increased at an unsustainable pace from 2003 to 2013, according to the latest available data. Municipalities look to businesses and residents to fund their overspending, as local governments continue to spend far beyond their means. Excessive municipal spending in Alberta has cost households an average of \$9,955 since the year 2003, and \$2,039 in 2013 alone.

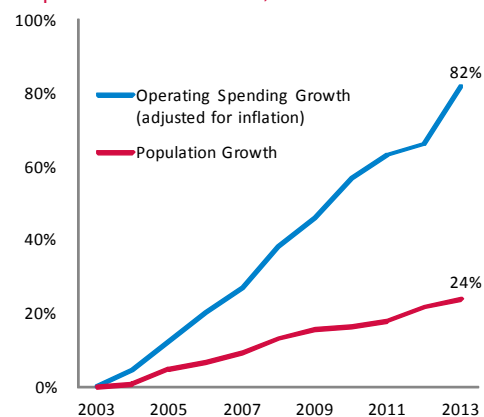
Introduction

In Alberta, municipalities play an integral role in the economy. Local governments are central to the growth of communities as they provide key services, such as infrastructure, to residents and businesses. From 2003 to 2013, municipal inflation-adjusted operating spending increased far in excess of population growth. During the 2013 fiscal year, real operating spending increased by 9.3 per cent while population within the same period grew by 1.6 per cent.

Spending growth in Alberta was unsustainable in 2013, and this contributes to the trend of excessive spending over the past decade. From 2003 to 2013 real operating spending in Alberta grew by a total of 82 per cent, while population only grew by 24 per cent during the same period (see Figure 1.1). The results show that municipal spending across Alberta increased by almost three and a half times the rate of population growth.

The latest analysis by CFIB shows that municipal governments in Alberta have overspent by \$13.8 billion since 2003, and \$2.9 billion in 2013 alone.

Figure 1.1
Alberta Real Operating Spending and Population Growth, 2003-2013



Source : Municipal Affairs, Alberta Government

Key Findings

- ▶ Excessive municipal spending in Alberta has cost households an average of \$9,955 since the year 2003, and \$2,039 in 2013 alone.
- ▶ Alberta's population has increased by 24 per cent over the last ten years, while in the same time period real municipal operating spending grew by 82 percent - almost three and a half times more than population growth.
- ▶ Of the 180 municipalities only three have kept operating spending growth at or below population and inflation growth since 2003. An astounding 98 per cent have increased spending at an unsustainable pace over this ten year span.
- ▶ Province-wide averages show that real operating spending per capita in 2003 was \$1,350, and now sits at \$1,981 in 2013. This is an increase of 47 per cent.
- ▶ At the individual level, 61 per cent of municipalities increased spending at an unsustainable pace between 2012 and 2013.
- ▶ The Municipal District of Opportunity, the Regional Municipality of Bighorn, and High River¹ were the worst three performing municipalities.
- ▶ Nobleford, Medicine Hat², and Sexsmith were the top three best overall performing municipalities.
- ▶ The cost of municipal government is the highest in the Municipal District of Opportunity at \$13,470 per capita, and lowest in Nobleford at \$688 per capita.
- ▶ The Northwest Region was the worst performing region, increasing real operating spending per capita 60 per cent.

¹ See *Impact of 2013 Alberta Flood* section on page 3 of this report to analyze the spending trends of municipalities in flood regions.

² Medicine Hat is an anomaly because it is a major gas producing city. Its high ranking can partially be attributed to CFIB's methodology which excludes gas and electric utility expenses from operating costs to ensure comparability across municipalities.

The Benchmark: Inflation and Population Growth

Why compare inflation-adjusted operating spending increases to population growth?

To provide the same services to more citizens, municipalities should increase their operating spending to accommodate growth in population. In addition, it is reasonable that operating spending should be adjusted for inflation to account for any increase in prices. Small business owners support spending increases to match inflation and population growth, but not beyond.³

The Alberta Consumer Price Index (CPI) is used in this report to measure inflation. While some municipalities may advocate for the use of the Municipal Price Index (MPI) instead, the CPI is more relevant for Canadian taxpayers as it reflects the price increases they face. Moreover, the MPI arbitrarily puts a heavy weight on components that municipalities can control or negotiate, such as wages and salaries of their employees.

Some suggest that Gross Domestic Product (GDP) growth be used as a benchmark for municipal operating spending growth. However, city administration does not need to expand at the same pace as economic growth because many tasks can be done more efficiently. Additionally, economic growth largely captures productivity gains, which occur mostly in the private sector. Therefore, there is no justification for municipal governments to expand at the same pace as the economy.

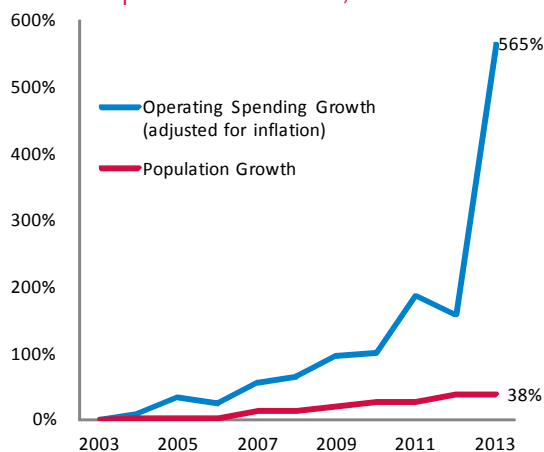
³ When asked, "What Do You Consider an Appropriate Increase in Municipal Spending?" the vast majority (87 per cent) of small business owners said it should not outpace the growth of price levels and population combined. More specifically, 64 per cent opted for "an increase equal to inflation and population growth". CFIB. 2007. *Focus on British Columbia Survey*.

Impact of the 2013 Alberta Flood

The 2013 Alberta Flood caused financial strain for many municipalities thereby contributing to a spike in operating spending. While the flood had a sizable impact on the 2013 figures, municipal spending has steadily increased at an unsustainable pace since 2003, and therefore this trend is not exclusive to flood years.

Figure 1.2

High River's Real Operating Spending and Population Growth, 2003-2013

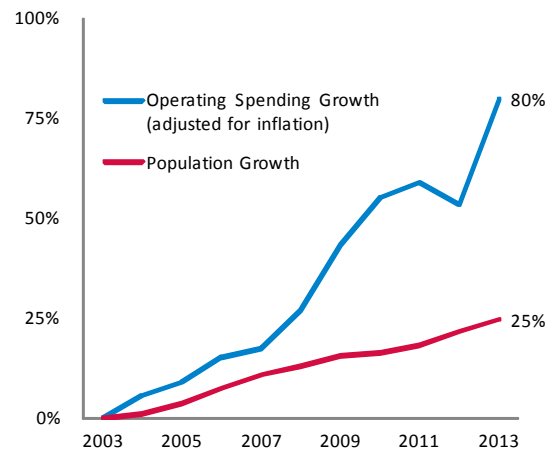


Source : Municipal Affairs, Alberta Government

Figure 1.2 shows the spending trends of High River, a municipality that was devastated by the 2013 flood. The graph shows that real operating spending growth spiked drastically in 2013 due to the financial resources that were allocated towards flood efforts. However, it is also clear that operating spending was increasing at an unsustainable pace prior to the 2013 flood year. In 2011 and 2012, operating spending increased by 186 and 158 per cent since 2003, respectively. The results show that operating spending in High River increased by seven and four times the rate of population growth in the 2011 and 2012 years.

Figure 1.3

Calgary's Real Operating Spending and Population Growth, 2003-2013



Source : Municipal Affairs, Alberta Government

Figure 1.3 shows the spending trends of the City of Calgary, which was also majorly impacted by the 2013 flood. The graph shows that real operating spending growth spiked drastically in 2013, partially due to the 2013 Alberta flood and the financial resources that were allocated towards the flood efforts. The graph shows that operating spending was increasing at an unsustainable pace prior to the 2013 flood year. In 2011 and 2012 operating spending increased by 59 and 53 per cent since 2003, respectively. The results show that operating spending in Calgary increased by well over two and a half times the rate of population growth in the 2011 and 2012 years.

It is clear that the spending trends of municipalities in affected flood regions were exacerbated based upon the necessary resources allocated towards the 2013 Alberta Flood. However, the results from the High River and the City of Calgary demonstrate that such municipalities were spending unsustainably prior to the flood year, and therefore overspending is a trend that can not be overlooked based upon the impact of the 2013 Alberta Flood.

Please find a list of the flood affected municipalities listed in Appendix B of this report to note which municipalities saw significant spikes in spending based upon the 2013 Alberta Flood.

Overall Provincial Rankings

Alberta municipalities with populations above 1,000 were put in order according to the overall sustainability of their spending. Each municipality was given an overall provincial rank, where #1 was the best performing municipality, and #180 was the worst. The complete provincial rankings are included for reference in Appendix 2.

The province-wide average in terms of real operating spending per capita was \$1,981, and there was a growth rate in real operating spending of 82 per cent since 2003.

In Table 1.1, the 20 least sustainable municipalities were listed. In other words, this is a breakdown of the worst performers from across the province. From this we can highlight the municipalities of Opportunity, Bighorn, and High River as the least fiscally sustainable municipalities province-wide.⁴

Real operating spending in Opportunity reached an astonishing \$13,470 per person in 2013, the highest in the province by a margin of \$6,398. There was a growth in real operating spending per capita of 389 per cent since 2003. Magrath, another over-spender, had the worst growth rate in the province over the past ten years at 400 per cent, along with having a real operating spending per capita of \$3,585.

Medicine Hat, Alberta's most sustainable large municipality, was also the province's second most sustainable spender in 2013. Its real operating spending per capita of \$1,330 was significantly less than the provincial average, and has decreased by 10 per cent since 2003.

The two most populous cities in the province, Calgary and Edmonton, ranked 7th and 8th worst among the largest municipalities and 113th and 107th amongst all ranked municipalities, respectively.

Alberta's 17 incorporated cities were compared separately from the provincial results as their status and powers differ from the other municipalities. These cities are also generally some of the largest and fastest growing municipalities in the province, and share similar governing responsibilities and trends in spending. To enable a comparison amongst Alberta's incorporated cities they have been grouped in Table 1.2 for analysis.

Finally, all other municipalities in the province (with populations under 1,000) are listed in Appendix 3 in alphabetical order, as they are unranked.

⁴ See *Impact of 2013 Alberta Flood* section on page 3 of this report to analyze the spending trends of municipalities in flood regions.

Table 1.1

**Alberta's 20 Worst Performing Municipalities (with populations of 1,000 or larger)
Listed from Worst to Best (by overall Provincial Rank)**

Municipality	2003-2013 Change in Population	2003-2013 Change in Real Operating Spending	Real Operating Spending Per Capita 2013	2003-2013 Real Operating Spending Per Capita Growth	Final Provincial Rank 1=Best 180=Worst
OPPORTUNITY NO. 17, M.D. OF	-14%	319%	\$13,470	389%	180
BIGHORN NO. 8, M.D. OF	3%	316%	\$7,072	303%	179
HIGH RIVER	38%	565%	\$4,274	381%	178
MAGRATH	19%	496%	\$3,585	400%	177
NORTHERN SUNRISE COUNTY	9%	132%	\$5,419	114%	176
GREENVIEW NO. 16, M.D. OF	-3%	93%	\$5,646	98%	175
WOOD BUFFALO, Regional Municipality of	104%	434%	\$3,445	162%	174
SADDLE HILLS COUNTY	-11%	92%	\$4,271	115%	173
VERMILION	2%	174%	\$2,589	167%	172
I.D. NO. 09 (BANFF)	-22%	146%	\$1,029	214%	171
LESSER SLAVE RIVER NO. 124, M.D. OF	3%	109%	\$3,335	135%	170
PENHOLD	43%	270%	\$1,617	158%	169
NORTHERN LIGHTS, COUNTY OF	-2%	76%	\$3,974	80%	168
PAINTEARTH NO. 18, COUNTY OF	-7%	57%	\$4,101	69%	167
BLACK DIAMOND	27%	190%	\$2,320	128%	166
COLD LAKE	24%	181%	\$1,789	126%	165
STARLAND COUNTY	-6%	45%	\$3,803	55%	164
CANMORE	7%	111%	\$2,529	96%	163
BIG LAKES, M.D. OF	-8%	27%	\$4,279	38%	162
FLAGSTAFF COUNTY	-12%	35%	\$3,789	54%	161

Source: Municipal Affairs, Alberta Government & Statistics Canada

The "overall rank" assigned to each municipality is an equally-weighted combination of two indicators: real operating spending per capita growth from 2003-2013, and 2013 operating spending per capita. Above are the twenty worst-performing municipalities according to that measure.

Table 1.2

How Alberta's Cities Spend Listed from Worst to Best (by overall Provincial Rank)

Municipality	2003-2013 Population Growth	2003-2013 Change in Real Operating Spending	Real Operating Spending Per Capita 2013	2003-2013 Change in Real Operating Spending Per Capita	Overall Provincial Rank 1= Best 180= Worst
Cold Lake	24%	181%	\$1,789	126%	165
Lloydminster	52%	127%	\$2,173	49%	125
Grande Prairie	37%	113%	\$1,974	55%	124
Lacombe	18%	97%	\$1,452	67%	120
Spruce Grove	63%	158%	\$1,651	58%	115
Calgary	25%	80%	\$2,028	44%	113
St. Albert	13%	75%	\$1,650	56%	111
Edmonton	23%	74%	\$2,023	42%	107
Leduc	74%	159%	\$1,716	49%	102
Lethbridge	24%	79%	\$1,789	44%	99
Red Deer	34%	91%	\$1,781	43%	96
Brooks	18%	79%	\$1,319	52%	84
Camrose	10%	47%	\$1,734	33%	72
Airdrie	109%	187%	\$1,252	37%	48
Fort Saskatchewan	58%	83%	\$1,774	16%	42
Wetaskiwin	12%	46%	\$1,361	30%	41
Medicine Hat	19%	8%	\$1,330	-10%	2
City Average	36%	99%	\$1,694	47%	

Source: Municipal Affairs, Alberta Government & Statistics Canada

The "overall rank" assigned to each municipality is an equally-weighted combination of two indicators: real operating spending per capita growth from 2003-2013, and 2013 operating spending per capita. Above are the results from major cities in Alberta according to that measure in addition to the city average as calculated by CFIB.

The 2015 Watch List

2012-2013 Annual Spending

To better understand the spending habits of municipalities, spending trends were analyzed between 2012 and 2013 - the most recent time period available. To do this, the change in real operating spending per capita between 2012 and 2013 was observed for municipalities across the province.

Analyzing the ten most improved (Table 2.1) and the ten worst performing (Table 2.2) municipalities across the province highlights improvements and draws attention to municipalities that need to better control spending.

Overall, municipal operating expenditures for 2013 were \$2.9 billion above the baseline, had they been held to levels consistent with population and inflation growth since 2003.

Table 2.1

Alberta's 10 Most Improved Municipalities From 2012 to 2013 (with populations of 1,000 or larger)

Municipality	2012-2013 Change in Real Operating Spending Per Capita
NORTHERN SUNRISE COUNTY	-74%
SADDLE HILLS COUNTY	-42%
FOOTHILLS NO. 31, M.D. OF	-34%
BRAZEAU COUNTY	-22%
SUNDRE	-19%
COALHURST	-17%
STRATHCONA COUNTY	-13%
BRUDERHEIM	-13%
WETASKIWIN, COUNTY OF	-12%
SPIRIT RIVER	-11%

Source: Municipal Affairs, Alberta Government & Statistics Canada

Between 2012 and 2013, Northern Sunrise County was the most improved municipality in Alberta with a 74 per cent decrease in real operating spending per capita.

Table 2.2

Alberta's 10 Worst Performing Municipalities From 2012 to 2013 (with populations of 1,000 or larger)

Municipality	2012-2013 Change in Real Operating Spending Per Capita
BIGHORN, M.D. OF	171%
HIGH RIVER	158%
MAGRATH	101%
BLACK DIAMOND	63%
VERMILION	62%
GREENVIEW NO. 16, M.D. OF	54%
SMOKY LAKE	42%
MEDICINE HAT	35%
CANMORE	34%
VULCAN COUNTY	33%

Source: Municipal Affairs, Alberta Government & Statistics Canada

Between 2012 and 2013, the Municipal District of Bighorn was the worst performing municipality in Alberta with a 171 per cent increase in real operating spending per capita. High River was the second worst performing municipality with a 158 per cent increase in real operating spending per capita.⁵

The average change in real operating spending per capita for ranked municipalities was an increase of 7.2 per cent since 2012. This figure highlights the fact that more needs to be done by local governments to bring municipal operating spending to sustainable levels.

⁵ See *Impact of 2013 Alberta Flood* section on page 3 of this report to analyze the spending trends of municipalities in flood regions

Regional Ranking

Using the same methodology to produce the overall provincial rank, Table 3.1 compares the average spending performance of Alberta's regions.

The Northwest Region, the worst performer by a significant measure, grew real operating spending per capita by 60% since 2003. Over the same period its population grew by only 13 per cent (Table 3.2), giving it an average real operating spending per capita of \$2,120.

In contrast, the Southern region held real operating spending growth to 35 per cent on average over the past ten years, and average real operating spending per capita at \$1,608.

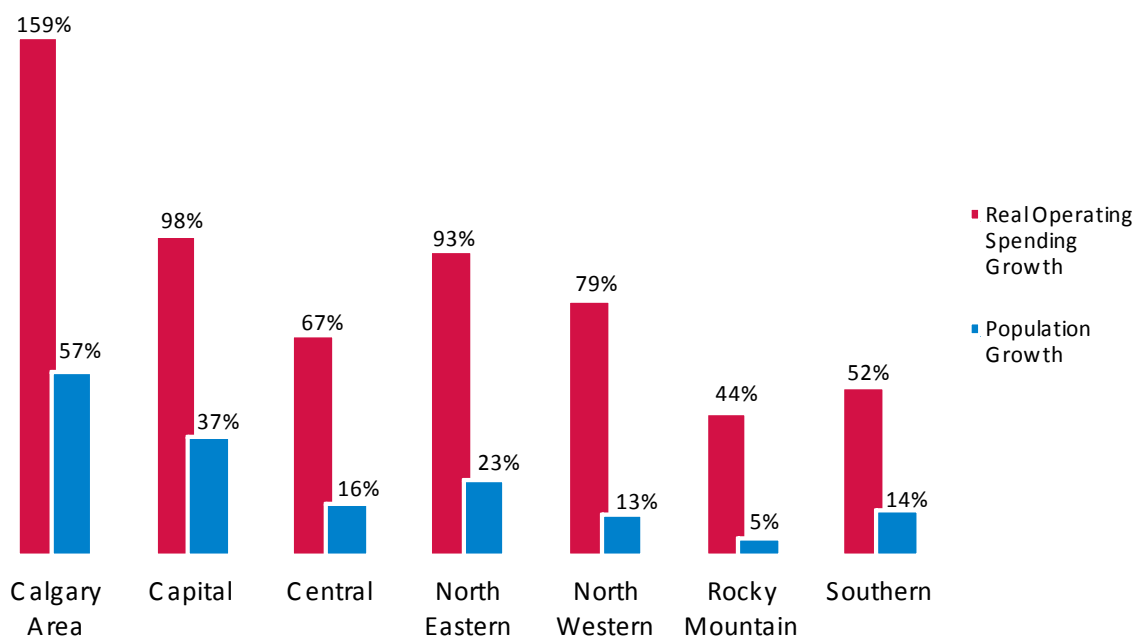
The results for the Southern region are below the provincial averages of 47 per cent and \$1,981 respectively.

Table 3.1
Alberta's Regional Rankings

Region	2013 Real Operating Spending Per Capita	2003-2013 Real Operating Spending Per Capita Growth	2013 Regional Rank
South	\$1,608	35%	1
Central	\$1,607	45%	2
Capital	\$1,700	46%	3
Northeast	\$1,949	50%	4
Rocky Mtn	\$2,177	37%	5
Calgary	\$1,681	69%	6
Northwest	\$2,120	60%	7
Provincial Average	\$1,981	47%	

Figure 3.2

Alberta Regional Real Operating Spending & Population Growth 2003-2013 For Municipalities with Populations of 5,000 or More



Source: Municipal Affairs, Alberta Government & Statistics Canada

Regional Comparisons

Municipal Spending Trends in Alberta's major regions

This section examines municipal spending trends in the province using geographic regions. Alberta was divided into the following regions:

- ▶ Calgary Area
- ▶ Capital
- ▶ Central
- ▶ North Eastern
- ▶ North Western
- ▶ Rocky Mountain
- ▶ Southern

Each municipality in the above regions with a population of over 5,000 was grouped together to provide the opportunity for analysis within them. Please see Appendix 1 for a complete breakdown of the municipalities in each region.

Calgary Region

The regional average for the Calgary area in terms of real operating spending growth is 69 per cent, and the average real operating spending per capita is \$1,681 (see Appendix 1).

High River was the worst spender in the Calgary Region with a provincial rank of 178, the third worst spender in the province. Real operating spending per capita growth from 2003 to 2013 was 381 per cent, while operating spending per capita in 2013 was \$4,274. Spending related to the 2013 Southern Alberta Flood is captured in these numbers.

Okotoks was the best performer in the region. Real spending per capita was \$1,163, which is far below the regional average. In terms of real spending per capita since 2003, Okotoks grew by only eight per cent.

Alberta's largest city, Calgary was the second largest spender per capita in the region at \$2,028 per person. This is \$865 more than Okotoks, the regions lowest per capita

spender. Real operating spending per capita grew in Calgary by 44 per cent since 2013.

Capital

In terms of the Capital region, the average for real operating spending growth is 46 per cent, and the average real operating spending per capita is \$1,700 (see Appendix 1). Leduc County was the worst performing municipality in the Capital Region. Real operating spending per capita growth from 2003 to 2013 was 51 per cent, while real operating spending per capita in 2013 was \$2,946.

Parkland County was the region's best performer with real operating spending per capita increasing by 33 per cent from 2003 to 2013, and real spending per capita sitting at \$1,250 in 2013.

Real operating spending per capita in Edmonton, the second largest city in the province grew by 42 per cent between 2003 and 2013. Edmonton's 2013 real operating spending per capita is \$2,023, which is \$323 above the regional average.

Central

The Central region's average for real operating spending growth is 45 per cent, and the average real operating spending per capita is \$1,607 (see Appendix 1).

Stettler County is ranked as the worst overall spender in the Central region. The municipality recorded a growth in real operating spending per capita of 77 per cent from 2003 to 2013, while operating spending per capita in 2013 was \$2,273.

In contrast, Sylvan Lake was the best performer in the region as its real operating spending per capita was 19 per cent, and maintained real operating spending per capita at \$1,195.

North Eastern

The North Eastern regional average for real operating spending growth is 50 per cent, and the average real operating spending per capita is \$1,949 (see Appendix 1). The Regional

Municipality of Wood Buffalo was the worst overall spender in the North Eastern region in 2013 and the 7th worst spender in the province. Real operating spending per capita growth from 2003 to 2013 for the municipality spiked to 162 per cent, while real operating spending per capita in 2013 sat at \$3,445.

Wainwright ranked the best in the region. It held real spending per capita growth to nine per cent from 2003 to 2013. Its 2013 real spending per capita is \$1,214 which is well below the regional average of \$1,949.

North Western

The average for the North Western region in terms of real operating spending growth is 60 per cent, and the average real operating spending per capita is \$2,120 (see Appendix 1).

The Municipal District of Greenview was ranked as the worst overall spender in the North Western region. Real operating spending per capita growth from 2003 to 2013 was 98 per cent, and operating spending per capita in 2013 ballooned to \$5,646.

Westlock County took the title of most sustainable spender in the North Western region in 2013. Its 2013 real spending per capita was \$1,402, while real spending per capita increased by 26 per cent since 2003.

Rocky Mountain

The Rocky Mountain regional average for real operating spending growth is 37 per cent, and the average real operating spending per capita is \$2,177 (see Appendix 1).

Canmore was the worst overall spender in the Rocky Mountain region, and this municipality holds a provincial rank of 163. Real operating spending per capita from 2003 to 2013 grew by 96 per cent, while operating spending per capita in 2013 was \$2,529.

Jasper was the best performing municipality in the region. Its real operating spending per capita decreased by 8 per cent over the past decade, as it now sits at \$1,704 per person.

Southern

The regional average for the Southern region in terms of real operating spending growth is 35 per cent, and the average real operating spending per capita is \$1,608 (see Appendix 1).

The County of Newell was the worst overall spender in the Southern region. Real operating spending per capita growth from 2003 to 2013 for the municipality was 56 per cent, while operating spending per capita in 2013 sat at \$2,351.

Medicine Hat was ranked as the best in the Southern region. Medicine Hat decreased real spending per capita by 10 per cent since 2003, and spends \$1,330 per citizen on operating expenditures.⁶

⁶ Medicine Hat is an anomaly because it is a major gas producing city. Its high ranking can partially be attributed to CFIB's methodology which excludes gas and electric utility expenses from operating costs to ensure comparability across municipalities.

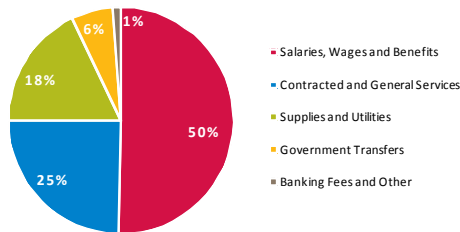
Municipal Spending

Trends & Statistics by Category

The following analysis of municipal spending highlights the categories where spending could be controlled. In 2013, the aggregate total of nominal municipal operating spending in Alberta was \$9.19 billion. About half of this, 50 per cent, was spent on personnel through salaries, wages and benefits. Twenty-five percent of operating spending was used on contracted and general services, and 16 per cent went to supplies and utilities (see Figure 4.1).⁷

Figure 4.1

Alberta Municipal Operating Spending Categories, 2013



Source: Municipal Affairs, Alberta Government

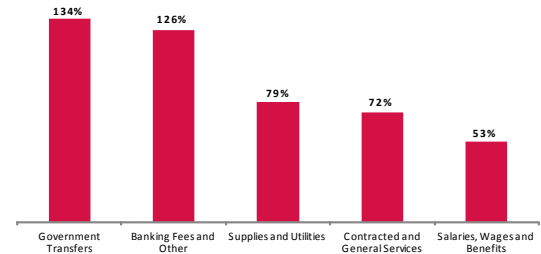
The fact that the total cost of salaries, wages and benefits are equivalent to all other categories combined is representative of a larger spending trend in Alberta. In CFIB's 2015 *Wage Watch Report* local government workers in Alberta have a 16% compensation advantage in salaries and benefits over their private sector counterparts. The report specifically outlines the results from Alberta's two biggest municipalities revealing that the public sector advantage for Calgary's municipal employees sits at 19%, while Edmonton's municipal workers have a 13% wage compensation advantage. Based upon the unsustainable spending trends of such major municipalities, local governments must examine the wage differential between public

⁷ Lloydminster's financial data was not included in the data of this section since their operating expenditures could not be converted into the specific categories used here.

and private sector salaries to control spending.⁸

Figure 4.2

Growth in Municipal Real Operating Spending by Category, 2003-2013



Source: Municipal Affairs, Alberta Government

Through analyzing growth trends in Figure 4.2, it is evident that spending in all categories has risen considerably since 2003. Compared to the population growth benchmark of 24 per cent, spending in these categories doubled at the low end and grew to over five and a half times as much at the high end.

While government transfers and the banking fees and other category have risen the most, they consist of a relatively smaller proportion of municipal spending, and may be reflective of wider trends in intergovernmental affairs and accounting habits as opposed to poor spending restraint.

The main concern in Figure 4.2 is that real municipal spending on salaries, wages, and benefits has risen by 53 percent; over double the pace of population growth. In order for municipalities to achieve sustainable spending, they must ensure that spending is held in line with population growth and that governments rein in excessive wage costs.

⁸ See: "Wage Watch", Canadian Federation of Independent Business (March 2015).

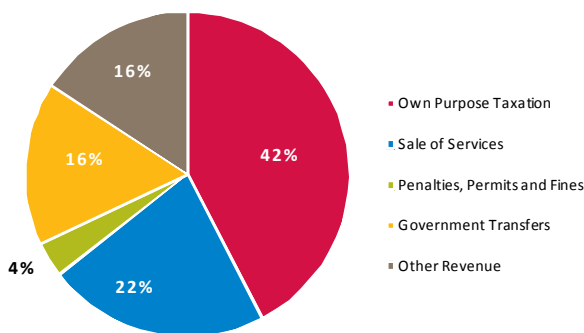
Municipal Revenue

Trends & Statistics by Category

Municipal revenue in Alberta totalled \$14.3 billion in 2013. Just under half of this total, 42 per cent, was raised by Alberta municipalities through direct taxation. In terms of the other categories, the sale of municipal services accounted for 22 per cent, 16 per cent came from government transfers, while 16 per cent came from other revenues. Penalties and fines only accounted for four per cent (see Figure 5.1).

The distribution of revenue sources demonstrates that taxes, almost exclusively property taxes, have been used to fund excessive municipal spending. As municipal spending increases, property taxes also increase to compensate for the excess spending. For the small business owner, this is exacerbated by the existence of a large property tax gap in Alberta, in many cases. In 2013, Alberta businesses paid almost two and a half times more in property tax than equally valued residential property.⁹ These imbalances create a challenging business environment that hinders economic activity within the province and potentially discourages business growth.

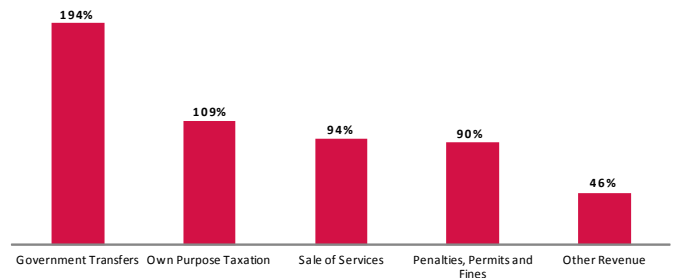
Figure 5.1
Sources of Alberta Municipal Revenue, 2013



Source: Municipal Affairs, Alberta Government

⁹ Ruddy, Amber. CFIB. 2014. Small Business Deserves Property Tax Fairness 2014.

Figure 5.2
Real Growth of Alberta Municipal Revenue Sources, 2003-2013



Source: Municipal Affairs, Alberta Government

Examining growth trends in municipal revenue as seen in Figure 5.2, direct taxation has increased by 109 per cent.

Of interest is also the 194 per cent increase in municipal revenues from government transfers. While local governments have been the subject of some downloading by federal and provincial governments, revenue streams have been increasing over time, meaning that municipalities have been benefitting from more funding sources.¹⁰

Revenue collected from penalties, permits and fines increased by 90 per cent, not an insignificant number. Revenue from these sources also negatively affects businesses and individuals, especially when it's unfairly levied.

Finally, municipalities have increased revenue from other sources including everything from franchise contracts to developer levies, by 46 per cent.

¹⁰ Wong, Queenie. CFIB. 2014. Municipalities are Richer Than They Think.

Conclusion

Sustainable government spending is achieved when operating spending is held in line with population and inflation growth. However, since 2003, municipalities in Alberta have increased spending by almost three and a half times that benchmark. From 2012 to 2013, Alberta municipalities, big and small, spent well in excess of sustainable levels. There are few municipalities that demonstrate fiscal restraint, and therefore such municipalities should be recognized for their efforts. The effects of municipal overspending involve all taxpayers, not just businesses, as municipalities examine the possibility of tax increases. If local governments are serious about minimizing tax increases on property owners they should focus on spending restraint. This report illustrates how municipalities are currently spending, and presents the need for municipalities to make fiscally prudent, timely and effective spending changes. Public awareness of municipal spending trends allows taxpayers to better hold local officials to account, and encourages elected officials to implement spending restraint.

Metro Vancouver residents say NO to new municipal tax!

In 2015, Elections BC conducted a plebiscite in the Metro Vancouver area to determine if citizens were in favour of a proposal to add 0.5% to the PST to fund transportation improvements. On July 2nd, 2015 the results of the Metro Vancouver plebiscite were released and the proposed municipal tax was strongly rejected with 61.7 per cent of voters saying “No” and 38.3 per cent saying “Yes”. Through the plebiscite, Metro Vancouver residents sent a clear signal that Mayors need to explore other options before imposing new taxes on residents.

Recommendations

CFIB recommends that:

1. **Municipalities must control spending.** Real municipal operating spending increases should be limited by the rate of population growth.
2. **Ensure that core services are the top priority for local government.** Core services must be identified and service reviews should be conducted to ensure effective fiscal management.
3. **Public sector wage and hiring control.** The number of full-time municipal employees should be restricted and sustainable wage growth policies should be implemented. In addition, public sector compensation should be better aligned with the private sector.
4. **No new taxation powers for municipalities.** As a part of the ongoing Municipal Government Act (MGA) Review, the Cities of Calgary and Edmonton have consistently lobbied the provincial government for new taxation powers. Municipalities claim that they do not have sufficient funding through their main sources of revenue (e.g. collection of property taxes). However, existing revenue sources, especially government transfers, have drastically increased over the past decade. The results of this report show that municipalities are spending excessively, and therefore do not, in reality, have a revenue problem. Thus, no new taxation powers should be granted based upon the unsustainable spending trends of Alberta’s municipalities. Municipal officials in Alberta, and particularly the mayors of Calgary and Edmonton, should focus on controlling spending rather than seeking additional taxation powers.
5. **Have suitable contingency funds to match the risk of natural disasters.** Special circumstances that require an increase in operating spending for a particular year should be funded by built-up emergency or reserve funds. Emergency flood funds for affected regions

should be assessed regularly to ensure that built-up funds will allow municipalities to avoid drastic spikes in spending due to natural disasters.

- 6. Creation of an independent Municipal Auditor General.** A Municipal Auditor General, following the B.C. model, would mainly conduct performance based analysis' and value-for-money audits and publicly report the findings on a periodic basis. The auditor would improve the accountability and integrity of local government spending practices through ensuring that municipalities are delivering services efficiently, effectively and economically.

Sources

Canadian Federation of Independent Business. 2015. BC Small Business Say No to TransLink Tax. <http://www.cfib-fcei.ca/english/article/6879-transit-referendum-news.html>

Canadian Federation of Independent Business. November 2007. Focus on British Columbia Survey.

City of Lloydminster, Financial Reports. <http://ab-lloydminster.civicplus.com/Archive.aspx?AMID=36>

Fraser Institute. 2015. Government employees in Canada paid 9.7 per cent more than comparable employees in private-sector. <http://www.fraserinstitute.org/research-news/news/display.aspx?id=22936>

Government of Canada, Statistics Canada, CANISM - Table 326-0021 <http://www.statcan.gc.ca/tables-tableaux/sum-som/101/cst01/econ150c-eng.htm>

Government of Alberta, Alberta Emergency Alert Archives. June 20-July 12, 2013. <http://www.emergencyalert.alberta.ca/alerts/2013/06/index.html>

Government of Alberta, Municipal Affairs. Alberta Emergency Management Agency. 2015.

Government of Alberta, Municipal Affairs. Financial Information Return 2014 Manual. http://www.municipalaffairs.alberta.ca/documents/ms/FIR_2014_Manual_final.pdf

Government of Alberta, Municipal Affairs, Municipal Financial and Statistical Data. http://www.municipalaffairs.alberta.ca/municipal_financial_statistical_data.cfm

Karamanis, Samuel. Canadian Federation of Independent Business. 2013. Alberta Municipal Spending Watch 2013. <http://www.cfib-fcei.ca/english/article/5430-alberta-municipal-spending-watch-2013.html>

Mallet, Ted. Canadian Federation of Independent Business. 2015. Wage Watch. <http://www.cfib-fcei.ca/cfib-documents/rr3348.pdf>

Moline, Zack. Canadian Federation of Independent Business. 2014. Alberta Municipal Spending Report, 2014. <http://www.cfib-fcei.ca/cfib-documents/ab0718.pdf>

Ruddy, Amber. Canadian Federation of Independent Business. 2014. Small Business Deserves Property Tax Fairness. <http://www.cfib-fcei.ca/cfib-documents/ab0720.pdf>

Wong, Queenie. Canadian Federation of Independent Business. 2014. Municipalities are Richer Than They Think. <http://www.cfib-fcei.ca/english/article/5966-municipalities-are-richer-than-they-think.html>

Appendix A: Methodology

This report analyzes Alberta municipal operating spending from 2003 to 2013. A ten year rolling average for operational spending analysis is used because elected municipal officials would likely have control over budgets over that time period, if serving consecutive terms.

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

The City of Lloydminster has the unique geographic boundary of being located on the border of Alberta and Saskatchewan. As a result, their financial data was not available on the Alberta Municipal Affairs website, CFIB manually imputed the financial data from Lloydminster's audited financial statements and incorporated the numbers into this report. Although there were some Financial Statement Line Item classification differences in the way that the data was reported, the overall final operational expenditure amount per year was easily comparable to the other municipalities.

The data for the municipality of Fox Creek was not released publically on the Municipal Affairs website, and therefore the results for this municipality are not included in this version of the report.

All figures and tables on municipal spending represent CFIB calculations based on this data.

The number of households in inter-Census years was estimated using the annual compound growth rate of the number of households between Census years. The number of households for 2013 was estimated using the annual growth rate between Census years 2001 and 2011.

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

The 2015 Albert Municipal Spending Report uses a methodology to rank municipalities on the sustainability of their spending trends. Municipalities are ranked by giving equal weight to two measures: real operating spending per capita growth from 2003 to 2013, and 2013 real operating spending per capita¹¹. The higher the rank, the worse off that municipality is in achieving sustainable operating spending.

Only municipalities with populations greater than or equal to 1,000 are included in the rankings. This population floor ensures that all ranked municipalities have at least a similar level of responsibility, allowing for a more robust assessment and comparison amongst municipalities.

¹¹ A standardized index is created for each indicator (between 0 and 100). The ranked municipality with the highest/ lowest 2003 to 2013 real operating spending per capita growth is given a score of 0 and 100, respectively. All other municipalities are given a proportionate score within that range. The same exercise is then applied to the indicator for the 2013 operating spending per capita. The average of the two scores is then converted to a percentage score which is subsequently ranked against the other municipalities.

Appendix B: 2013 Alberta Flood (List of Municipalities)

Municipality

BANFF
BIG LAKES, M.D. OF
BIGHORN NO. 8, M.D. OF
BLACK DIAMOND
CALGARY
CANMORE
CLEARWATER COUNTY
COCHRANE
CROWNEST PASS, Municipality of
DEVON
DRUMHELLER
FOOTHILLS NO. 31, M.D. OF
HIGH RIVER
I.D. NO. 09 (BANFF)
KANANASKIS IMPROVEMENT DISTRICT
KNEEHILL COUNTY
LETHBRIDGE
LETHBRIDGE COUNTY
LONGVIEW
MEDICINE HAT
MOUNTAIN VIEW COUNTY
OKOTOKS
PEACE RIVER
PINCHER CREEK
RANGLAND NO. 66, M.D. OF
ROCKY VIEW COUNTY
SIKSIKA NATION
STONEY (BEARSPAW) BAND
STONEY (CHINIKI) BAND
STONEY (WESLEY) BAND
SUNDRE
TURNER VALLEY
VULCAN COUNTY
WILLOW CREEK NO. 26, M.D. OF
WOOD BUFFALO, Regional Municipality of

⁹ Source: Alberta Emergency Alert Archives, Government of Alberta.

¹⁰ Source: Alberta Emergency Management Agency, Ministry of Municipal Affairs.

¹⁴ CFIB acknowledges that other municipalities were impacted by the 2013 Alberta Flood. The municipalities listed were included if an Alberta Emergency Alert was issued for the region and listed in the archives, or provided by Municipal Affairs directly.

Numbered Appendices

Appendix 1

Municipal Spending Trends within the Calgary Region (Population 5,000 and above)

Listed from Worst to Best (by overall Provincial Rank)

Municipality	2003-2013 Change Population	2003-2013 Change in Real Spending	2013 Real Spending Per Capita	2003-2013 Change in Real Spending Per Capita	Provincial Rank 1= Best 180=Worst
High River	38%	565%	\$4,274	381%	178
Calgary	25%	80%	\$2,028	44%	113
Rocky View County	24%	102%	\$1,377	63%	106
Drumheller	3%	55%	\$1,536	50%	94
Chestermere	176%	349%	\$1,091	63%	89
Wheatland County	5%	37%	\$1,928	30%	79
Cochrane	55%	107%	\$1,480	33%	52
Airdrie	109%	187%	\$1,252	37%	48
Strathmore	43%	79%	\$1,233	25%	28
Foothills, M.D of	20%	47%	\$1,130	22%	18
Okotoks	126%	144%	\$1,163	8%	6
Regional Total/Average	57%	159%	\$1,681	69%	

Appendix 1(b)

Municipal Spending Trends within the Capital Region (Population 5,000 and above)

Listed from Worst to Best (by overall Provincial Rank)

Municipality	2003-2013 Change Population	2003-2013 Change in Real Spending	2013 Real Spending Per Capita	2003-2013 Change in Real Spending Per Capita	Overall Provincial Rank 1= Best 180=Worst
Leduc County	8%	63%	\$2,946	51%	148
Strathcona County	22%	99%	\$2,256	63%	141
Spruce Grove	63%	158%	\$1,651	58%	115
St. Albert	13%	75%	\$1,650	56%	111
Edmonton	23%	74%	\$2,023	42%	107
Leduc	74%	159%	\$1,716	49%	102
Morinville	31%	101%	\$1,368	54%	90
Devon	22%	85%	\$1,316	51%	81
Sturgeon County	8%	53%	\$1,468	41%	67
Beaumont	101%	186%	\$1,293	42%	55
Stony Plain	43%	94%	\$1,387	36%	51
Fort Saskatchewan	58%	83%	\$1,774	16%	42
Parkland County	12%	50%	\$1,250	33%	40
Regional Total/Average	37%	98%	\$1,700	46%	

Appendix 1(c)

Municipal Spending Trends within the Central Region (Population 5,000 and above)

Listed from Worst to Best (by overall Provincial Rank)

Municipality	2003-2013 Change Population	2003-2013 Change in Real Spending	2013 Real Spending Per Capita	2003-2013 Change in Real Spending Per Capita	Overall Provincial Rank 1= Best 180= Worst
Stettler County	-5%	63%	\$2,273	77%	151
Ponoka County	1%	104%	\$1,360	103%	147
Red Deer County	-2%	65%	\$2,010	67%	138
Stettler	10%	89%	\$1,602	72%	129
Lacombe	18%	97%	\$1,452	67%	120
Blackfalds	91%	221%	\$1,255	68%	109
Clearwater County	7%	51%	\$1,891	42%	100
Red Deer	34%	91%	\$1,781	43%	96
Ponoka	7%	67%	\$1,328	56%	91
Yellowhead County	6%	23%	\$2,402	16%	83
Wetaskiwin, County of	2%	50%	\$1,448	47%	82
Rocky Mountain House	18%	61%	\$1,467	37%	56
Olds	29%	71%	\$1,549	33%	54
Lacombe County	2%	25%	\$1,742	23%	50
Beaver County	1%	24%	\$1,633	23%	46
Vermillion River, County of	5%	22%	\$1,807	17%	44
Wetaskiwin	12%	46%	\$1,361	30%	41
Innisfail	14%	50%	\$1,243	32%	36
Mountain View County	2%	22%	\$1,341	20%	25
Sylvan Lake	74%	107%	\$1,195	19%	17
Regional Total/Average	16%	67%	\$1,607	45%	

Appendix 1(d)

Municipal Spending Trends within the North Eastern Region (Population 5,000 and above)

Listed from Worst to Best (by overall Provincial Rank)

Municipality	2003-2013 Change Population	2003-2013 Change in Real Spending	2013 Real Spending Per Capita	2003-2013 Change in Real Spending Per Capita	Overall Provincial Rank 1= Best 180=Worst
Wood Buffalo, R.M. of	104%	434%	\$3,445	162%	174
Cold Lake	24%	181%	\$1,789	126%	165
Vegreville	7%	70%	\$2,217	59%	137
Lloydminster	52%	127%	\$2,173	49%	125
Camrose County	10%	82%	\$1,489	65%	117
Athabasca County	2%	35%	\$2,155	33%	101
Camrose	10%	47%	\$1,734	33%	72
St. Paul	15%	64%	\$1,429	42%	64
Bonnyville, M.D. of	20%	22%	\$2,638	2%	63
St. Paul, County of	0%	19%	\$2,097	18%	61
Lac Ste. Anne County	15%	74%	\$1,379	52%	47
Bonnyville	20%	26%	\$1,581	5%	16
Wainwright	21%	32%	\$1,214	9%	9
Regional Total/Average	23%	93%	\$1,949	50%	

Appendix 1(e)

Municipal Spending Trends within the North Western Region (Population 5,000 and above)

Listed from Worst to Best (by overall Provincial Rank)

Municipality	2003-2013 Change Population	2003-2013 Change in Real Spending	2013 Real Spending Per Capita	2003-2013 Change in Real Spending Per Capita	Provincial Rank 1= Best 180=Worst
Greenview, M.D. of	-3%	93%	\$5,646	98%	175
Slave Lake	3%	117%	\$2,031	111%	159
Drayton Valley	14%	107%	\$2,387	82%	154
Whitecourt	27%	124%	\$1,814	77%	140
Brazeau County	4%	71%	\$2,001	64%	135
Hinton	2%	75%	\$1,683	70%	131
Grande Prairie	37%	113%	\$1,974	55%	124
Peace River	8%	55%	\$2,033	44%	112
Grande Prairie, County of	30%	76%	\$2,150	36%	103
Edson	11%	48%	\$1,717	34%	75
Mackenzie County	13%	52%	\$1,654	35%	66
Barrhead, County of	6%	50%	\$1,073	42%	45
Westlock County	11%	40%	\$1,402	26%	34
Regional Total/Average	13%	79%	\$2,120	60%	

Appendix 1(f)

**Municipal Spending Trends within the Rocky Mountain Region
(Population 5,000 and above)
Listed from Worst to Best (by overall Provincial Rank)**

Municipality	2003-2013 Change Population	2003-2013 Change in Real Spending	2013 Real Spending Per Capita	2003-2013 Change in Real Spending Per Capita	Overall Provincial Rank 1= Best 180=Worst
Canmore	7%	111%	\$2,529	96%	163
Banff	0%	56%	\$2,723	56%	146
Crowsnest Pass, Municipality	-11%	-7%	\$1,751	5%	21
Jasper, Municipality of	25%	15%	\$1,704	-8%	8
Regional Total/Average	5%	44%	\$2,177	37%	

Appendix 1(g)

**Municipal Spending Trends within the Southern Region (Population 5,000 and above)
Listed from Worst to Best (by overall Provincial Rank)**

Municipality	2003-2013 Change Population	2003-2013 Change in Real Spending	2013 Real Spending Per Capita	2003-2013 Change in Real Spending Per Capita	Overall Provincial Rank 1= Best 180=Worst
Newell, County of	0%	56%	\$2,351	56%	139
Willow Creek, M.D. of	-6%	63%	\$1,535	73%	128
Cypress County	18%	66%	\$2,169	41%	114
Lethbridge	24%	79%	\$1,789	44%	99
Taber	6%	55%	\$1,664	46%	95
Brooks	18%	79%	\$1,319	52%	84
Lethbridge, County of	1%	41%	\$1,541	39%	68
Taber, M.D. of	18%	35%	\$1,707	14%	33
Coaldale	25%	58%	\$1,201	26%	27
Redcliff	28%	32%	\$1,086	4%	4
Medicine Hat	19%	8%	\$1,330	-10%	2
Regional Total/Average	14%	52%	\$1,608	35%	

Appendix 2

Overall Provincial Rank, 2003-2013
Listed from Worst to Best (by overall Provincial Rank)

Municipality	2003-2013 Population Growth	2003-2013 Change in Real Operating Spending	2012-2013 Change in Real Spending Per Capita	2003-2013 Change in Real Spending Per Capita	2013 Real Operating Spending Per Capita	Overall Provincial Rank 1= Best 180= Worst
OPPORTUNITY NO. 17, M.D. OF	-14%	319%	18.2%	389%	\$13,470	180
BIGHORN NO. 8, M.D. OF	3%	316%	171.4%	303%	\$7,072	179
HIGH RIVER	38%	565%	158.2%	381%	\$4,274	178
MAGRATH	19%	496%	100.7%	400%	\$3,585	177
NORTHERN SUNRISE COUNTY	9%	132%	-73.6%	114%	\$5,419	176
GREENVIEW NO. 16, M.D. OF	-3%	93%	54.5%	98%	\$5,646	175
WOOD BUFFALO, Regional Municipality of	104%	434%	12.1%	162%	\$3,445	174
SADDLE HILLS COUNTY	-11%	92%	-41.9%	115%	\$4,271	173
VERMILION	2%	174%	61.9%	167%	\$2,589	172
I.D. NO. 09 (BANFF)	-22%	146%	7.1%	214%	\$1,029	171
LESSER SLAVE RIVER NO. 124, M.D. OF	3%	109%	-2.9%	135%	\$3,335	170
PENHOLD	43%	270%	5.5%	158%	\$1,617	169
NORTHERN LIGHTS, COUNTY OF	-2%	76%	25.0%	80%	\$3,974	168
PAINTEARTH NO. 18, COUNTY OF	-7%	57%	10.2%	69%	\$4,101	167
BLACK DIAMOND	27%	190%	63.3%	128%	\$2,320	166
COLD LAKE	24%	181%	29.8%	126%	\$1,789	165
STARLAND COUNTY	-6%	45%	13.6%	55%	\$3,803	164
CANMORE	7%	111%	34.2%	96%	\$2,529	163
BIG LAKES, M.D. OF	-8%	27%	9.0%	38%	\$4,279	162
FLAGSTAFF COUNTY	-12%	35%	14.7%	54%	\$3,789	161
MINBURN NO. 27, COUNTY OF	-5%	63%	1.9%	71%	\$3,252	160
SLAVE LAKE	3%	117%	3.5%	111%	\$2,031	159
PROVOST NO. 52, M.D. OF	-13%	34%	17.4%	54%	\$3,674	158
SMOKY LAKE COUNTY	-11%	49%	-2.5%	68%	\$2,982	157
SMOKY RIVER NO. 130, M.D. OF	-11%	49%	10.4%	67%	\$2,990	156
SMOKY LAKE	1%	94%	41.6%	92%	\$2,153	155
DRAYTON VALLEY	14%	107%	1.3%	82%	\$2,387	154
WESTLOCK	0%	94%	7.6%	94%	\$1,884	153
SPECIAL AREAS BOARD	-15%	-9%	-9.4%	8%	\$4,419	152
STETTLER NO. 6, COUNTY OF	-5%	69%	7.0%	77%	\$2,273	151
NANTON	16%	122%	7.5%	92%	\$1,830	150
THORHILD COUNTY	10%	88%	10.2%	72%	\$2,417	149
LEDUC COUNTY	8%	63%	20.8%	51%	\$2,946	148
PONOKA COUNTY	1%	104%	17.7%	103%	\$1,360	147
BANFF	0%	56%	9.2%	56%	\$2,723	146
KNEEHILL COUNTY	-7%	48%	1.0%	60%	\$2,527	145
BIRCH HILLS COUNTY	-4%	21%	3.4%	26%	\$3,531	144
TURNER VALLEY	35%	144%	15.6%	81%	\$1,760	143
VULCAN	4%	77%	17.1%	70%	\$2,070	142
STRATHCONA COUNTY	22%	99%	-12.7%	63%	\$2,256	141
WHITECOURT	27%	124%	6.7%	77%	\$1,814	140
NEWELL, COUNTY OF	0%	56%	19.8%	56%	\$2,351	139
RED DEER COUNTY	-2%	65%	28.4%	67%	\$2,010	138
VEGREVILLE	7%	70%	7.0%	59%	\$2,217	137
WAINWRIGHT NO. 61, M.D. OF	-2%	20%	8.5%	23%	\$3,275	136
BRAZEAU COUNTY	4%	71%	-21.7%	64%	\$2,001	135
VALLEYVIEW	6%	60%	-0.5%	50%	\$2,352	134
VULCAN COUNTY	3%	37%	33.3%	33%	\$2,861	133
SUNDRE	19%	100%	-19.0%	68%	\$1,802	132

Municipality	2003-2013 Population Growth	2003-2013 Change in Real Operating Spending	2012-2013 Change in Real Spending Per Capita	2003-2013 Change in Real Spending Per Capita	2013 Real Operating Spending Per Capita	Overall Provincial Rank 1= Best 180= Worst
HINTON	2%	75%	4.6%	70%	\$1,683	131
BARRHEAD	5%	86%	2.6%	77%	\$1,479	130
STETTLER	10%	89%	1.5%	72%	\$1,602	129
WILLOW CREEK NO. 26, M.D. OF	-6%	63%	-8.3%	73%	\$1,535	128
MAYERTHORPE	-11%	57%	5.2%	76%	\$1,444	127
PINCHER CREEK NO. 9, M.D. OF	-1%	42%	18.7%	43%	\$2,386	126
LLOYDMINSTER	52%	127%	-2.0%	49%	\$2,173	125
GRANDE PRAIRIE	37%	113%	3.8%	55%	\$1,974	124
LAMONT COUNTY	-7%	24%	7.8%	34%	\$2,602	123
CALMAR	4%	69%	11.0%	63%	\$1,676	122
BEAVER LODGE	12%	84%	2.4%	64%	\$1,621	121
LACOMBE	18%	97%	8.3%	67%	\$1,452	120
PEACE NO. 135, M.D. OF	-3%	58%	8.3%	64%	\$1,555	119
SWAN HILLS	-19%	21%	-11.2%	49%	\$1,984	118
CAMROSE COUNTY	10%	82%	-6.2%	65%	\$1,489	117
PROVOST	3%	62%	18.4%	57%	\$1,708	116
SPRUCE GROVE	63%	158%	6.0%	58%	\$1,651	115
CYPRESS COUNTY	18%	66%	17.9%	41%	\$2,169	114
CALGARY	25%	80%	14.1%	44%	\$2,028	113
PEACE RIVER	8%	55%	1.5%	44%	\$2,033	112
ST. ALBERT	13%	75%	1.1%	56%	\$1,650	111
TROCHU	4%	60%	-1.6%	54%	\$1,690	110
BLACKFALDS	91%	221%	7.2%	68%	\$1,255	109
FAIRVIEW NO. 136, M.D. OF	-7%	22%	-3.0%	31%	\$2,343	108
EDMONTON	23%	74%	7.7%	42%	\$2,023	107
ROCKY VIEW COUNTY	24%	102%	-4.8%	63%	\$1,377	106
WOODLANDS COUNTY	13%	31%	-3.7%	16%	\$2,773	105
MANNING	-10%	26%	1.9%	40%	\$2,036	104
GRANDE PRAIRIE NO. 1, COUNTY OF	30%	76%	18.5%	36%	\$2,150	103
LEDUC	74%	159%	-2.5%	49%	\$1,716	102
ATHABASCA COUNTY	2%	35%	5.0%	33%	\$2,155	101
CLEARWATER COUNTY	7%	51%	25.9%	42%	\$1,891	100
LETHBRIDGE	24%	79%	0.3%	44%	\$1,789	99
BASSANO	-3%	52%	4.0%	57%	\$1,385	98
WEMBLEY	-9%	56%	8.9%	71%	\$955	97
RED DEER	34%	91%	0.3%	43%	\$1,781	96
TABER	6%	55%	-5.0%	46%	\$1,664	95
DRUMHELLER	3%	55%	11.8%	50%	\$1,536	94
CARDSTON COUNTY	-4%	57%	12.3%	63%	\$1,139	93
FALHER	-3%	33%	1.5%	37%	\$1,903	92
PONOKA	7%	67%	4.9%	56%	\$1,328	91
MORINVILLE	31%	101%	4.1%	54%	\$1,368	90
CHESTERMERE	176%	349%	6.9%	63%	\$1,091	89
PICTURE BUTTE	-3%	51%	1.6%	55%	\$1,293	88
THREE HILLS	-9%	39%	-2.5%	53%	\$1,368	87
GRANDE CACHE	13%	55%	2.5%	37%	\$1,818	86
LAC STE. ANNE COUNTY	15%	74%	-1.7%	52%	\$1,379	85
BROOKS	18%	79%	3.0%	52%	\$1,319	84
YELLOWHEAD COUNTY	6%	23%	-0.2%	16%	\$2,402	83
WETASKIWIN NO. 10, COUNTY OF	2%	50%	-12.0%	47%	\$1,448	82

Municipality	2003-2013 Population Growth	2003-2013 Change in Real Operating Spending	2012-2013 Change in Real Spending Per Capita	2003-2013 Change in Real Spending Per Capita	2013 Real Operating Spending Per Capita	Overall Provincial Rank 1= Best 180= Worst
DEVON	22%	85%	2.1%	51%	\$1,316	81
TWO HILLS NO. 21, COUNTY OF	21%	55%	-9.7%	28%	\$1,986	80
WHEATLAND COUNTY	5%	37%	24.2%	30%	\$1,928	79
REDWATER	-3%	32%	7.5%	36%	\$1,746	78
TWO HILLS	31%	93%	20.1%	47%	\$1,394	77
FORTY MILE NO. 8, COUNTY OF	-3%	15%	-0.4%	18%	\$2,259	76
EDSON	11%	48%	10.5%	34%	\$1,717	75
HIGH PRAIRIE	-8%	18%	6.6%	28%	\$1,904	74
HIGH LEVEL	-12%	9%	7.1%	24%	\$2,010	73
CAMROSE	10%	47%	3.2%	33%	\$1,734	72
PINCHER CREEK	-1%	38%	5.6%	39%	\$1,532	71
ELK POINT	9%	57%	11.4%	44%	\$1,387	70
HANNA	-10%	23%	-4.0%	37%	\$1,591	69
LETHBRIDGE COUNTY	1%	41%	-2.6%	39%	\$1,541	68
STURGEON COUNTY	8%	53%	10.7%	41%	\$1,468	67
MACKENZIE COUNTY	13%	52%	-1.4%	35%	\$1,654	66
VIKING	-1%	23%	-4.0%	24%	\$1,966	65
ST. PAUL	15%	64%	11.9%	42%	\$1,429	64
BONNYVILLE NO. 87, M.D. OF	20%	22%	8.1%	2%	\$2,638	63
CROSSFIELD	25%	85%	3.0%	49%	\$1,190	62
ST. PAUL NO. 19, COUNTY OF	0%	19%	6.2%	18%	\$2,097	61
BRUDERHEIM	8%	45%	-12.6%	35%	\$1,604	60
WARNER NO. 5, COUNTY OF	1%	35%	5.5%	34%	\$1,603	59
SPIRIT RIVER	-7%	28%	-11.4%	37%	\$1,502	58
GIBBONS	11%	61%	7.7%	45%	\$1,218	57
ROCKY MOUNTAIN HOUSE	18%	61%	5.6%	37%	\$1,467	56
BEAUMONT	101%	186%	-0.4%	42%	\$1,293	55
OLDS	29%	71%	9.0%	33%	\$1,549	54
BONACCORD	-3%	31%	4.5%	35%	\$1,456	53
COCHRANE	55%	107%	-3.6%	33%	\$1,480	52
STONY PLAIN	43%	94%	8.6%	36%	\$1,387	51
LACOMBE COUNTY	2%	25%	-1.1%	23%	\$1,742	50
TOFIELD	20%	57%	13.0%	31%	\$1,488	49
AIRDRIE	109%	187%	0.6%	37%	\$1,252	48
LAMONT	4%	40%	-0.5%	35%	\$1,292	47
BEAVER COUNTY	1%	24%	-10.7%	23%	\$1,633	46
BARRHEAD NO. 11, COUNTY OF	6%	50%	5.2%	42%	\$1,073	45
VERMILION RIVER, COUNTY OF	5%	22%	-7.4%	17%	\$1,807	44
CARSTAIRS	53%	106%	0.0%	35%	\$1,244	43
FORT SASKATCHEWAN	58%	83%	1.8%	16%	\$1,774	42
WETASKIWIN	12%	46%	-1.0%	30%	\$1,361	41
PARKLAND COUNTY	12%	50%	9.5%	33%	\$1,250	40
OYEN	-3%	40%	3.9%	17%	\$1,699	39
LEGAL	16%	54%	2.9%	33%	\$1,204	38
RAYMOND	24%	71%	-4.9%	38%	\$1,055	37
INNISFAIL	14%	50%	-2.4%	32%	\$1,243	36
FORT MACLEOD	4%	27%	11.0%	22%	\$1,517	35
WESTLOCK COUNTY	11%	40%	-6.4%	26%	\$1,402	34
TABER, M.D. OF	18%	35%	-2.3%	14%	\$1,707	33
CLARESHOLM	4%	35%	-1.5%	30%	\$1,188	32

Municipality	2003-2013 Population Growth	2003-2013 Change in Real Operating Spending	2012-2013 Change in Real Spending Per Capita	2003-2013 Change in Real Spending Per Capita	2013 Real Operating Spending Per Capita	Overall Provincial Rank 1= Best 180= Worst
BOW ISLAND	19%	57%	-4.3%	32%	\$1,124	31
CLEAR HILLS COUNTY	2%	-21%	0.0%	-22%	\$2,743	30
ATHABASCA	24%	40%	14.3%	13%	\$1,665	29
STRATHMORE	43%	79%	10.3%	25%	\$1,233	28
COALDALE	25%	58%	2.0%	26%	\$1,201	27
VAUXHALL	16%	39%	0.3%	20%	\$1,386	26
MOUNTA IN VIEW COUNTY	2%	22%	13.2%	20%	\$1,341	25
BOWDEN	6%	36%	-1.6%	29%	\$1,071	24
GRIMSHAW	3%	26%	5.2%	22%	\$1,261	23
DIDSBURY	26%	50%	13.4%	19%	\$1,327	22
CROWNEST PASS, Municipality of	-11%	-7%	8.3%	5%	\$1,751	21
MILLET	3%	33%	5.5%	30%	\$1,006	20
BENTLEY	4%	22%	5.0%	18%	\$1,340	19
FOOTHILLS NO. 31, M.D. OF	20%	47%	-34.0%	22%	\$1,130	18
SYLVAN LAKE	74%	107%	-2.7%	19%	\$1,195	17
BONNYVILLE	20%	26%	3.6%	5%	\$1,581	16
STIRLING	31%	65%	-7.7%	26%	\$906	15
ONOWAY	23%	32%	-2.5%	8%	\$1,442	14
IRRICANA	11%	30%	-9.0%	17%	\$1,075	13
CARDSTON	3%	12%	9.2%	8%	\$1,318	12
RIMBEY	10%	14%	10.8%	4%	\$1,405	11
ECKVILLE	10%	22%	-2.9%	10%	\$1,176	10
WA INWRIGHT	21%	32%	1.3%	9%	\$1,214	9
JASPER, Municipality of	25%	15%	2.4%	-8%	\$1,704	8
FAIRVIEW	0%	1%	-10.1%	1%	\$1,401	7
OKOTOKS	126%	144%	7.9%	8%	\$1,163	6
COALHURST	56%	78%	-16.6%	14%	\$820	5
REDCLIFF	28%	32%	1.3%	4%	\$1,086	4
SEXSMITH	46%	54%	7.1%	5%	\$1,004	3
MEDICINE HAT	19%	8%	34.6%	-10%	\$1,330	2
NOBLEFORD	63%	77%	2.1%	9%	\$688	1

Appendix 3

Listing of Unranked Municipalities, 2003-2013
Listed in Alphabetical Order

Municipality	2003-2013 Population Growth	2003-2013 Real Spending Growth	2012-2013 Real Operating Spending Per	2003-2013 Real Operating Spending Per	2013 Real Operating Spending Per
A CADIA NO. 34, M.D. OF	-3%	325%	-32.8%	340%	\$7,184
A CME	1%	65%	3.8%	63%	\$1,567
A LBERTA BEACH	14%	90%	57.9%	67%	\$2,775
A LIX	1%	84%	16.3%	83%	\$2,368
A LLIANCE	2%	46%	1.8%	43%	\$1,949
A MISK	14%	49%	-17.6%	30%	\$877
A NDREW	-57%	40%	109.9%	227%	\$3,514
A RGENTIA BEACH	-38%	-30%	-18.6%	12%	\$10,460
A RROWWOOD	-1%	17%	2.0%	18%	\$909
B ARNWELL	48%	90%	7.8%	28%	\$701
B ARONS	0%	52%	-14.6%	43%	\$1,353
B ASHA W	6%	42%	-0.5%	34%	\$1,274
B AWLF	11%	67%	9.2%	50%	\$982
B EISEKER	-5%	66%	4.5%	76%	\$1,589
B ERWY N	23%	62%	12.5%	69%	\$1,426
B ETULA BEACH	0%	122%	50.2%	122%	\$4,273
B IG V ALLEY	7%	18%	6.1%	10%	\$1,132
B IRCH COVE	67%	62%	-21.3%	-3%	\$1,028
B IRCHCLIFF	7%	161%	12.8%	145%	\$1,704
B ITTERN LAKE	1%	48%	5.2%	46%	\$1,106
B ONDISS	2%	-44%	0.4%	-45%	\$858
B ONNYV ILLE BEACH	28%	-21%	-8.7%	-38%	\$664
B OTHA	-6%	15%	-32.2%	23%	\$1,013
B OYLE	9%	96%	6.4%	80%	\$2,221
B RETON	1%	59%	6.3%	56%	\$1,714
B URNSTICK LAKE	60%	98%	32.8%	24%	\$2,786
C ARBON	12%	22%	-12.8%	9%	\$1,296
C ARMANGAY	0%	31%	46.6%	30%	\$1,477
C AROLINE	-10%	-2%	-27.8%	9%	\$1,316
C ASTLE ISLAND	90%	126%	-9.7%	19%	\$2,404
C ASTOR	0%	42%	8.6%	43%	\$2,120
C EREAL	-16%	74%	-45.0%	107%	\$2,415
C HAMPION	6%	54%	4.7%	45%	\$1,287
C HAUVIN	-10%	9%	-13.8%	22%	\$1,664
C HIPMAN	9%	60%	-1.7%	47%	\$1,700
C LIV E	14%	104%	6.2%	79%	\$1,045
C LYDE	2%	51%	36.5%	47%	\$1,023
C ORONATION	-12%	23%	-1.4%	39%	\$1,708
C OUTTS	-24%	1%	-2.8%	32%	\$1,492
C OWLEY	5%	96%	-42.0%	87%	\$1,597
C REMONA	10%	108%	18.1%	89%	\$1,480
C RY STAL SPRINGS	25%	50%	-5.2%	-4%	\$1,861
C ZAR	-19%	20%	-41.2%	48%	\$730
D AYSLAND	4%	64%	-10.1%	58%	\$1,484
D ELBURNE	15%	64%	3.6%	42%	\$1,378
D ELIA	-13%	111%	49.3%	144%	\$3,114
D EW BERRY	0%	101%	33.0%	100%	\$2,165
D ONALDA	13%	75%	13.4%	56%	\$1,431
D ONNELLY	-19%	73%	7.6%	113%	\$1,855
D UCHESS	19%	33%	-9.4%	12%	\$888
E DBERG	12%	61%	-13.8%	44%	\$1,125

Municipality	2003-2013 Population Growth	2003-2013 Real Spending Growth	2012-2013 Real Operating Spending Per Capita Growth	2003-2013 Real Operating Spending Per Capita Growth	2013 Real Operating Spending Per Capita
EDGERTON	0%	40%	-2.8%	41%	\$1,499
ELNORA	21%	57%	5.3%	29%	\$1,198
EMPRESS	10%	-12%	0.0%	-20%	\$1,588
FERINTOSH	8%	97%	-7.4%	83%	\$1,427
FOREMOST	-1%	120%	16.1%	122%	\$1,948
FORESTBURG	-4%	49%	13.0%	56%	\$1,538
GADSBY	-38%	72%	1.0%	176%	\$2,532
GALAHAD	-26%	8%	12.6%	46%	\$2,301
GHOST LAKE	17%	69%	-16.3%	44%	\$805
GIROUXVILLE	-13%	29%	-2.3%	48%	\$1,764
GLENDON	6%	48%	-21.8%	40%	\$1,111
GLENWOOD	11%	7%	-3.4%	-4%	\$1,253
GOLDEN DAYS	13%	110%	7.2%	86%	\$2,724
GRANDVIEW	27%	31%	-12.8%	3%	\$2,201
GRANUM	14%	6%	-3.3%	-7%	\$1,131
GULL LAKE	-15%	127%	35.4%	166%	\$2,854
HALF MOON BAY	3%	95%	2.4%	90%	\$2,133
HALKIRK	3%	42%	-29.1%	37%	\$1,579
HARDISTY	-14%	36%	-17.8%	58%	\$1,834
HAY LAKES	23%	70%	-0.4%	38%	\$1,138
HEISLER	-17%	54%	0.0%	87%	\$1,871
HILL SPRING	-15%	79%	-0.4%	110%	\$1,057
HINES CREEK	-13%	74%	-19.3%	101%	\$2,042
HOLDEN	2%	44%	-6.5%	41%	\$1,208
HORSESHOE BAY	-29%	227%	63.7%	359%	\$3,320
HUGHENDEN	10%	8%	-6.0%	-1%	\$1,140
HUSSAR	-3%	23%	0.9%	26%	\$1,475
HYTHE	15%	53%	2.5%	33%	\$1,097
I.D. NO. 04 (WATERTON)	-43%	1039%	-71.1%	1907%	\$2,339
I.D. NO. 12 (JASPER NATIONAL PARK)	-31%	-57%	-89.3%	-39%	\$1,100
I.D. NO. 13 (ELK ISLAND)	-63%	142%	-96.2%	554%	\$1,541
I.D. NO. 24 (WOOD BUFFALO)	60%	127%	-92.6%	42%	\$46
INNISFREE	0%	-15%	-0.4%	-16%	\$1,904
IRMA	5%	-2%	-5.3%	-7%	\$1,442
ISLAND LAKE	13%	51%	-33.0%	34%	\$577
ISLAND LAKE SOUTH	1%	99%	-18.9%	96%	\$957
ITASKA BEACH	100%	33%	-27.4%	-33%	\$6,850
JARVIS BAY	64%	283%	14.8%	134%	\$1,361
KANANASKIS IMPROVEMENT DISTRICT	-46%	21%	28.7%	125%	\$5,857
KAPASWIN	0%	57%	14.9%	57%	\$2,760
KILLAM	-2%	42%	-0.6%	45%	\$1,432
KITSCOTY	44%	213%	1.1%	117%	\$1,502
LAKEVIEW	73%	218%	13.8%	84%	\$2,336
LARKSPUR	81%	35%	10.4%	-25%	\$848
LINDEN	14%	85%	7.2%	63%	\$1,475
LOMOND	1%	6%	-17.9%	4%	\$1,396
LONGVIEW	2%	32%	-39.2%	29%	\$1,841
LOUGHEED	20%	36%	-2.6%	14%	\$1,582
MA-ME-O BEACH	40%	13%	-25.9%	-19%	\$4,016
MANVILLE	11%	64%	27.5%	47%	\$2,325

Municipality	2003-2013 Population Growth	2003-2013 Real Spending Growth	2012-2013 Real Operating Spending Per Capita Growth	2003-2013 Real Operating Spending Per Capita Growth	2013 Real Operating Spending Per Capita
MARWAYNE	35%	122%	-72.4%	65%	\$1,327
MCLENNAN	1%	24%	-2.6%	23%	\$1,575
MEWATHA BEACH	-22%	12%	5.5%	43%	\$1,409
MILK RIVER	-8%	24%	31.0%	35%	\$1,564
MILO	6%	135%	-2.8%	122%	\$2,694
MINBURN	19%	101%	46.1%	69%	\$2,081
MORRIN	-3%	65%	4.9%	69%	\$1,249
MUNDARE	31%	76%	17.7%	34%	\$1,649
MUNSON	-8%	42%	-10.4%	54%	\$1,268
MYRNAM	15%	64%	17.2%	42%	\$1,304
NAKAMUN PARK	16%	111%	36.3%	82%	\$4,552
NAMPA	-3%	120%	3.0%	126%	\$3,153
NORGLNWOLD	-13%	213%	20.4%	261%	\$1,573
NORRIS BEACH	59%	66%	-6.7%	5%	\$2,912
PARADISE VALLEY	14%	100%	-1.5%	75%	\$1,479
PARKLAND BEACH	28%	204%	1.4%	138%	\$2,194
PELICAN NARROWS	45%	-27%	3.8%	-50%	\$561
POINT ALISON	0%	-29%	70.9%	-29%	\$2,066
POPLAR BAY	-5%	16%	25.4%	21%	\$3,176
RAINBOW LAKE	-27%	27%	5.1%	73%	\$3,179
RANCHLAND NO. 66, M.D. OF	8%	65%	-3.9%	52%	\$13,742
ROCHON SANDS	12%	215%	29.3%	181%	\$4,507
ROCKY FORD	-13%	88%	-24.2%	117%	\$2,502
ROSALIND	0%	62%	0.3%	62%	\$1,183
ROSEMARY	15%	18%	14.2%	2%	\$1,147
ROSS HAVEN	26%	47%	-32.1%	17%	\$1,452
RYCROFT	3%	103%	12.0%	97%	\$2,130
RYLEY	14%	110%	58.6%	85%	\$2,193

Municipality	2003-2013 Population Growth	2003-2013 Real Spending Growth	2012-2013 Real Operating Spending Per Capita Growth	2003-2013 Real Operating Spending Per Capita Growth	2013 Real Operating Spending Per Capita
SANDY BEACH	11%	-23%	10.5%	-31%	\$1,159
SEBA BEACH	4%	18%	-0.4%	13%	\$3,539
SEDEWICK	-1%	33%	-14.3%	34%	\$1,007
SILVER SANDS	22%	89%	-6.2%	55%	\$1,729
SOUTH BAPTISTE	18%	47%	-74.3%	24%	\$1,096
SOUTH VIEW	-13%	67%	4.9%	91%	\$1,735
SPIRIT RIVER NO. 133, M.D. OF	-13%	25%	8.5%	44%	\$3,470
SPRING LAKE	34%	50%	3.4%	12%	\$627
STANDARD	-3%	29%	-12.2%	33%	\$1,362
STAVELY	11%	29%	-2.9%	16%	\$1,034
STROME	-16%	29%	-5.2%	54%	\$1,538
SUNBREAKER COVE	-20%	47%	-19.5%	83%	\$2,534
SUNRISE BEACH	57%	101%	-0.4%	28%	\$1,215
SUNSET BEACH	-12%	106%	72.9%	134%	\$1,637
SUNSET POINT	26%	163%	61.9%	109%	\$2,120
VALQUENTIN	10%	65%	4.6%	51%	\$1,603
VETERAN	-15%	40%	-13.7%	64%	\$1,483
VILNA	46%	29%	14.3%	-11%	\$1,841
WABAMUN	10%	17%	8.7%	6%	\$2,526
WAPIROUS	-24%	192%	100.7%	282%	\$2,268
WARBURG	41%	47%	-3.0%	5%	\$961
WARNER	3%	46%	17.6%	41%	\$1,841
WEST BAPTISTE	13%	-35%	-2.7%	-42%	\$926
WEST COVE	15%	43%	-4.5%	24%	\$1,531
WHISPERING HILLS	-8%	91%	-79.0%	108%	\$1,058
WHITE SANDS	25%	152%	-11.3%	102%	\$2,126
WILLINGDON	9%	66%	4.8%	52%	\$1,641
WILLINGDON	-4%	30%	4.8%	36%	\$1,641
YELLOWSTONE	34%	80%	-6.1%	35%	\$1,412
YOUNGSTOWN	-3%	56%	-62.3%	61%	\$1,962