



File #: IR-25-020, **Version:** 1

TAMRMS#: B05

INFORMATION REQUEST (IR) - FTEs in Second Year

Requested by: Councillor Hughes

Date of Request: July 8, 2025

Date Response Due: August 7, 2025

Confidential Response: **No**

QUESTION

Please provide the analysis to justify not amending the financial policies to accommodate the increased staff salary and benefit costs for all new FTEs in the second year of the hiring. Please provide as much detail as possible.

RESPONSE

The specific allocation of assessment growth dollars has been included in Council Policy C-FS-05 for close to a decade. The policy was updated in July 2021 to amend the allocation to apportion 20% of the dollars to RMR reserves. The policy supports a growth pays for growth philosophy while recognizing that:

- a. new residents utilize and enjoy existing infrastructure and therefore should contribute to the maintenance of those assets and;
- b. existing residents should, at some level, also benefit from this growth due to economies of scale.

It has been generally agreed that the allocation of assessment growth dollars within the policy supports the goals outlined above.

At present the policy allows for 55% (reduced from 70%) to be allocated toward growth business cases which may include new staffing but may also include other investment into programs and service levels. Some of these investments are ongoing in nature and others are one-time. These business cases are required to maintain service levels and align with Council and corporate priorities

In the most recent proposed amendments to the policy, Administration did not propose amendments to this section as it is believed that the intent stated above is still being achieved.

In alignment with policy, FTE's are budgeted for nine months for the first year with full twelve-month funding and step increments included in subsequent years. Additionally, the first-year budgets may also include one-time costs for items such as computer equipment or furniture, which are excluded from future budgets.

While future impacts of operating business cases are built into the base budget, they are offset by the 25% assessment growth that is applied to the base.

According to Section 14.b.i. of C-FS-05 Budget and Taxation Guiding Principles:

The City shall apply new assessment growth revenue through a balanced approach of 55 per cent growth revenue to fund new initiatives (business cases and/or capital charters), 20 per cent as contribution to lifecycle reserves, and 25 per cent to offset the base budget.

This allocation is designed to mitigate the impact of growth to maintain existing service levels for new residents while balancing effect on the base budget for existing residents.

The attached documents - 2023-2025 Operating Business Cases and 2024-2026 Operating Business Cases - illustrate the net impact on the base budget in future years.

They detail the approved operating business cases, the amount of assessment growth used to fund them and the 25% of the next year's assessment growth applied to the base.

Both attachments show that second year budgets increase due to the full year impact of salaries and step increases. However, these are offset by the removal of one-time business cases and onboarding expenses of new staff.

- For the 2023-2025 Operating Business Cases the increase from 2023 to 2024 was \$184,000. The 25% of 2024 assessment growth applied to the base was \$679,500, comprising the budgeted \$562,500 and an additional \$117,000 from the budget adjustment.
- For the 2024-2026 Operating Business Cases the increase from 2024 to 2025 was \$150,300. The 25% of 2025 assessment growth applied to the base was \$967,500, consisting of the budgeted \$650,000 and an additional \$317,500 from the budget adjustment.

In both attachments the 25% assessment growth applied to the base far exceeded the increase in the second year of the operating business cases which supports the goal of having growth benefit existing residents.

Report Date: August 7, 2025
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City of St. Albert
Municipal Business Cases
(Net Budget requirements per year - not incremental)

DEPARTMENT & BUSINESS CASE NAME	FTE	APPROVED 2023 \$	APPROVED 2024 \$	APPROVED 2025 \$
Funded Growth Business Cases				
Emergency Services		22,000	22,000	38,500
Enhanced Department Training				
Engineering Services	1.00	1,500	1,500	1,500
Capital Projects Resource Coordinator				
Engineering Services		32,200	32,200	32,200
Junior Engineer / Technologist				
Engineering Services		90,000	90,000	90,000
Landscape Technologist				
Engineering Services	1.00	1,500	1,500	1,500
Project Resource Administrator				
Engineering Services	1.00	1,500	1,500	1,500
Transportation Data Coordinator				
Financial Services and Information Technology	1.00	82,500	134,800	138,400
Financial Controller				
Financial Services and Information Technology		108,400	-	-
IT Business Analyst -Purchasing Audit				
Financial Services and Information Technology	1.00	81,300	108,400	108,400
IT Security Analyst				
Financial Services and Information Technology	1.00	82,400	108,400	111,600
Procurement Specialist				
HR/Safety and Environment	1.00	-	-	-
Abilities Management Advisor				
HR/Safety and Environment	1.00	10,600	10,600	10,600
Environmental Compliance Associate				
HR/Safety and Environment		47,000	47,000	47,000
Safety Enhancements				
Office of CAO/DCAO	2.00	480,000	480,000	480,000
Executive Leadership Capacity				
Public Operations	1.00	-	93,500	93,500
Grader Operator				
Public Operations	1.00	-	93,500	93,500
Sidewalk Machine Operator				
Total Funded Growth Business Cases	12.00	\$ 1,040,900	\$ 1,224,900	\$ 1,248,200

Increase in Next Year's Base due to OBC's			184,000	23,300
55% Assessment Growth		1,100,000		
25% Assessment growth Revenue Applied against Base			562,500	650,000
25% Assessment growth applied against Base at Budget Adjustment			117,000	317,500

City of St. Albert
Municipal Business Cases
(Net Budget requirements per year - not incremental)

DEPARTMENT & BUSINESS CASE NAME	FTE	APPROVED 2024 \$	APPROVED 2025 \$	APPROVED 2026 \$
Funded Growth Business Cases (Cont'd)				
Community Services Administrative Assistant	1.00	5,100	7,300	7,400
Community Services Violence Prevention Coordinator	1.00	25,100	29,000	29,800
Engineering Services Engineering Development Supervisor	1.00	91,000	125,000	128,500
Engineering Services Municipal Land Specialist	1.00	92,500	127,300	135,900
Financial & Strategic Services Insurance and Claims Resource	-	50,000	-	-
Human Resources & Safety HRIS Integration (Analyst FTE)	1.00	132,000	136,000	140,000
Human Resources & Safety Maintain IT/Corporate Training	1.00	25,000	25,000	25,000
Information Technology IT Application Analyst (ES)	1.00	83,200	110,500	113,700
Information Technology IT Application Analyst (R&P)	0.12	12,400	14,400	14,400
Information Technology IT Application Analyst (RIM)	1.00	73,400	97,500	100,400
Information Technology IT Investment Fund	-	300,000	300,000	300,000
Legal, Legislative & Records Solicitor		30,000	-	-
Planning & Development Building Compliance Officer	1.00	56,200	77,300	79,200
Planning & Development Development Officer 1	1.00	82,300	100,200	103,000
Public Operations PW Fleet Maintenance Staff	1.00	85,500	118,000	118,000
Public Operations Transit Fleet Maintenance Staff	1.00	85,500	118,000	118,000
Operating impacts from Growth Capital		6,000		
Total Funded Growth Business Cases	12.12	\$ 1,235,200	\$ 1,385,500	\$ 1,413,300

Increase in Next Year's Base due to OBC's			150,300	27,800
55% Assessment Growth		1,237,500		
25% Assessment growth Revenue Applied against Base			650,000	
25% Assessment growth applied against Base at Budget Adjustment			317,500	