

# Alberta Municipal Spending Watch Report

## 8th Edition: Trends in Operating Spending, 2005-2015

Gavin Kaisaris, Policy Analyst

Andrew Sennyah, Public Policy and Entrepreneurship Intern

From 2005 to 2015, operating spending<sup>1</sup> growth in Alberta's municipalities exceeded the sustainable spending growth benchmark of inflation and population growth. Going beyond the benchmark over this time period cost residents \$15.1 billion, the equivalent of \$10,650 per household.<sup>2</sup>

### Introduction

In Alberta, local governments provide key services such as water and sewer, recreation and leisure, as well as emergency services that are essential to support a vibrant and growing small business sector.

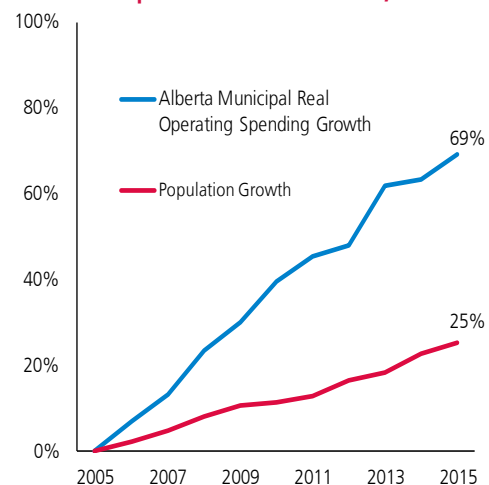
This report analyzes the operating spending of municipalities across Alberta from 2005 to 2015. Alberta's 180 largest municipalities (i.e. with populations of 1,000 residents or more) are ranked, Alberta's 18 cities are compared, and lastly an overview of municipal spending and revenue is presented.

From 2005 to 2015, inflation-adjusted (i.e. real) operating spending in Alberta grew by 69 per cent, while population increased by 25 per cent (see Figure 1.1).<sup>3</sup> Alberta municipalities exceeded the sustainable growth benchmark of inflation plus population growth by \$2.6 billion in 2015. Furthermore, municipal operating spending across Alberta increased

by more than two and a half times the rate of population growth from 2005 to 2015.

Figure 1.1

### Alberta Real Operating Spending and Population Growth, 2005-2015



Source: CFIB calculations, Municipal Affairs, Alberta Government, 2005-2015.

<sup>1</sup> Operating spending refers to all expenses associated with the maintenance and administration of the day-to-day functions of the municipality, including but not limited to employee salaries and benefits, utilities, interest on long-term debt, etc., while excluding capital expenditures and amortization.

<sup>2</sup> 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 2015 was estimated using the annual growth rate between Census years 2001 and 2011.

<sup>3</sup> Note: All numbers, charts, and graphs are in 2005 inflation adjusted (real) dollars unless otherwise stated.

## Key Findings

- ▶ Unsustainable municipal operating spending in Alberta has cost households a total of \$10,650 from 2005 to 2015, including \$1,738 in 2015.
- ▶ Alberta's population increased by 25 per cent from 2005 to 2015, while real municipal operating spending grew by 69 per cent over that same period.
- ▶ Only 13 out of the 180 municipalities have kept real operating spending growth at or below population growth from 2005 to 2015.
- ▶ The provincial average of real operating spending per capita in 2005 was \$1,498, compared to \$2,020 in 2015, an increase of 35 per cent.
- ▶ The Municipal District of Opportunity, the Municipal District of Saddle Hills County, and Slave Lake were the worst three performing municipalities, each with real per capita spending growth of more than 140 per cent over the 11-year time period.
- ▶ Okotoks, Mountain View County, and the County of Lethbridge were the three best overall performing municipalities, decreasing their real per capita spending by more than 10 per cent from 2005 to 2015.
- ▶ In 2015, operating spending in the Municipal District of Opportunity was the highest in the province at \$12,677 per capita. The lowest was Nobleford at \$747 per capita.

### 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 the increase in prices across the economy. Small business owners support spending increases to match inflation and population growth, but not beyond.<sup>4</sup>

The Consumer Price Index (CPI) for Alberta is used in this report to measure inflation. While some municipalities may advocate for the use of the Municipal Price Index (MPI)<sup>5</sup> 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 by maintaining the current levels of resources. 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.

<sup>4</sup> When asked "Which of the following actions would you like to see your local government take to help your business?" the vast majority (81 per cent) of small business owners said that municipalities should keep operating spending increases at or under population growth plus

inflation in order to keep property taxes reasonable. CFIB, 2017, Municipal Issues Survey, n=697

<sup>5</sup> The Municipal Price Index (MPI) serves to measure inflation for a municipality and reflects the mix of goods and services purchased by the municipality.

## Overall Provincial Rankings

Alberta municipalities with populations above 1,000 were ranked according to the overall sustainability of their spending. Each municipality was given an overall provincial ranking, where #1 was the best performing municipality, and #180 was the worst. The rankings are based on growth in real operating spending per capita from 2005 to 2015, and 2015 real operating spending per capita, with both weighted equally. The complete provincial rankings are included for reference in Appendix C.

The average real operating spending per capita among all municipalities in 2015 was \$2,020. Table 1.1, lists the 20 worst performing municipalities. In other words, the list is a breakdown of the municipalities with the least sustainable spending patterns. The municipalities of Opportunity, Saddle Hills County, and Slave Lake are highlighted as the most fiscally unsustainable municipalities in the province.

The Municipal District of Opportunity is the worst performing municipality, with 2015 real operating spending per capita totaling \$12,677. This is the highest in the province by a margin of \$3,368. From 2005 to 2015, Opportunity has grown its real operating spending per capita by an astonishing 185 per cent.

Medicine Hat was Alberta's most fiscally sustainable city. Its real operating spending per capita of \$1,396 was significantly less than the provincial average, and has decreased by eight per cent since 2005.

The two most populous cities in the province, Calgary and Edmonton, ranked 72nd and 98th amongst all ranked municipalities, respectively.

Alberta's 18 incorporated cities<sup>6</sup> were compared separately from the provincial results as their status and population sizes 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 cities, they have been grouped in Table 1.3 for analysis.

Finally, all other municipalities in the province (with populations under 1,000) are unranked and listed alphabetically in Appendix D.<sup>7</sup>

<sup>6</sup> Cities in Alberta are created when they have populations of more than 10,000 people and apply to Alberta Municipal Affairs for city status.

<sup>7</sup> Hamlets are not included in the report as they within the boundaries of specialized municipalities, municipal districts,

and improvement districts, which also administer the hamlets. No financial data was available for the municipalities of Consort, Munson, Sliver Beach, Sundance Beach, and White Gull.

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                           | 2005-2015<br>Population<br>Growth | 2005-2015<br>Change in Real<br>Operating<br>Spending | 2015 Real<br>Operating<br>Spending Per<br>Capita | 2005-2015<br>Change in Real<br>Operating<br>Spending Per<br>Capita | Overall<br>Provincial<br>Rank<br>1=Best<br>180=Worst |
|--|-----------------------------------|--|--|--|--|
| OPPORTUNITY NO. 17, M.D. OF            | -10%                              | 157%   | <b>\$12,677</b>                                  | <b>185%</b>  | 180  |
| SADDLE HILLS COUNTY                    | -11%                              | 115%   | <b>\$9,309</b>                                   | <b>142%</b>  | 179  |
| SLAVE LAKE                             | 3%                                | 239%   | <b>\$3,373</b>                                   | <b>230%</b>  | 178  |
| GREENVIEW NO. 16, M.D. OF              | -3%                               | 112%   | <b>\$7,211</b>                                   | <b>118%</b>  | 177  |
| I.D. NO. 09 (BANFF)                    | -22%                              | 164%   | <b>\$1,268</b>                                   | <b>236%</b>  | 176  |
| FOX CREEK                              | -10%                              | 142%   | <b>\$3,202</b>                                   | <b>168%</b>  | 175  |
| WOOD BUFFALO, Regional Municipality of | 71%                               | 342%   | <b>\$3,415</b>                                   | <b>158%</b>  | 174  |
| KNEEHILL COUNTY                        | -7%                               | 122%   | <b>\$3,607</b>                                   | <b>140%</b>  | 173  |
| WEMBLEY                                | -9%                               | 166%   | <b>\$1,398</b>                                   | <b>191%</b>  | 172  |
| BIGHORN NO. 8, M.D. OF                 | 3%                                | 114%   | <b>\$4,604</b>                                   | <b>107%</b>  | 171  |
| PAINTEARTH NO. 18, COUNTY OF           | -7%                               | 84%  | <b>\$4,565</b>                                   | <b>99%</b>   | 170  |
| STETTLER NO. 6, COUNTY OF              | -5%                               | 124%   | <b>\$3,009</b>                                   | <b>135%</b>  | 169  |
| HIGH RIVER                             | 36%                               | 199%   | <b>\$2,675</b>                                   | <b>121%</b>  | 168  |
| PROVOST NO. 52, M.D. OF                | -13%                              | 36%  | <b>\$4,782</b>                                   | <b>56%</b>   | 167  |
| STARLAND COUNTY                        | -6%                               | 42%  | <b>\$4,259</b>                                   | <b>51%</b>   | 166  |
| FLAGSTAFF COUNTY                       | -12%                              | 35%  | <b>\$3,945</b>                                   | <b>54%</b>   | 165  |
| LLOYDMINSTER                           | 27%                               | 140%   | <b>\$2,487</b>                                   | <b>88%</b>   | 164  |
| THORHILD NO.7, COUNTY OF               | 10%                               | 94%  | <b>\$2,892</b>                                   | <b>77%</b>   | 163  |
| BIG LAKES, M.D. OF                     | -8%                               | 24%  | <b>\$4,688</b>                                   | <b>34%</b>   | 162  |
| CAMROSE                                | 14%                               | 108%   | <b>\$2,555</b>                                   | <b>83%</b>   | 161  |

Source: CFIB calculations, 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 2005-2015, and 2015 operating spending per capita. Above are the twenty worst-performing municipalities according to that measure.

Table 1.2:

### Alberta's 20 Best Performing Municipalities (with populations of 1,000 or larger)

Listed from Best to Worst (by overall provincial rank)

| Municipality               | 2005-2015<br>Population<br>Growth | 2005-2015<br>Change in Real<br>Operating<br>Spending | 2015 Real<br>Operating<br>Spending Per<br>Capita | 2005-2015<br>Change in Real<br>Operating<br>Spending Per<br>Capita | Overall<br>Provincial<br>Rank<br>1=Best<br>180=Worst |
|----------------------------|-----------------------------------|--|--|--|--|
| OKOTOKS                    | 140%                              | 109%   | <b>\$1,230</b>                                   | <b>-13%</b>  | 1  |
| MOUNTAIN VIEW COUNTY       | 2%                                | -13%   | <b>\$1,350</b>                                   | <b>-14%</b>  | 2  |
| LETHBRIDGE, COUNTY OF      | 1%                                | -14%   | <b>\$1,453</b>                                   | <b>-15%</b>  | 3  |
| MEDICINE HAT               | 12%                               | 3%   | <b>\$1,396</b>                                   | <b>-8%</b>   | 4  |
| CHESTERMERE                | 134%                              | 135%   | <b>\$1,140</b>                                   | <b>0%</b>  | 5  |
| COCHRANE                   | 82%                               | 79%  | <b>\$1,320</b>                                   | <b>-2%</b>   | 6  |
| BARRHEAD NO. 11, COUNTY OF | 6%                                | 10%  | <b>\$1,124</b>                                   | <b>4%</b>  | 7  |
| REDCLIFF                   | 28%                               | 32%  | <b>\$1,161</b>                                   | <b>3%</b>  | 8  |
| NOBLEFORD                  | 48%                               | 68%  | <b>\$747</b>                                     | <b>14%</b>   | 9  |
| CARDSTON                   | 3%                                | 8%   | <b>\$1,150</b>                                   | <b>5%</b>  | 10   |
| BONNYVILLE                 | 17%                               | 9%   | <b>\$1,752</b>                                   | <b>-7%</b>   | 11   |
| COALHURST                  | 69%                               | 94%  | <b>\$842</b>                                     | <b>15%</b>   | 12   |
| CLEAR HILLS COUNTY         | 2%                                | -42%   | <b>\$3,355</b>                                   | <b>-43%</b>  | 13   |
| CYPRESS COUNTY             | 18%                               | 5%   | <b>\$2,030</b>                                   | <b>-11%</b>  | 14   |
| BONNYVILLE NO. 87, M.D. OF | 58%                               | 30%  | <b>\$2,395</b>                                   | <b>-17%</b>  | 15   |
| STIRLING                   | 39%                               | 60%  | <b>\$1,006</b>                                   | <b>15%</b>   | 16   |
| DIDSBURY                   | 26%                               | 38%  | <b>\$1,334</b>                                   | <b>10%</b>   | 17   |
| ATHABASCA                  | 24%                               | 32%  | <b>\$1,498</b>                                   | <b>7%</b>  | 18   |
| AIRDRIE                    | 117%                              | 142%   | <b>\$1,282</b>                                   | <b>12%</b>   | 19   |
| DRUMHELLER                 | 3%                                | 10%  | <b>\$1,516</b>                                   | <b>6%</b>  | 20   |

Source: CFIB calculations, 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 2005-2015, and 2015 operating spending per capita. Above are the twenty best-performing municipalities according to that measure.

## City Rankings

### Spending patterns of Alberta's 18 cities

Alberta's 18 cities represent some of the most densely populated areas in the province. The City of Calgary (1,230,915) has the highest population in Alberta, followed by Edmonton (877,926). When examining real operating spending growth among the two biggest cities, Calgary and Edmonton both increased spending by more than double their population growths (64 per cent and 66 per cent respectively). Lloydminster is the worst performing city with an 88 per cent increase in real operating spending per capita from 2005 to 2015. Medicine Hat is the best performing, and only city to have a decrease in real operating spending per capita, while Chestermere has kept real operating spending per capita constant from 2005 to 2015.

Table 1.3:

#### How Alberta's Cities Spend Listed from Worst to Best (by overall provincial rank)

| Municipality      | 2005-2015<br>Population<br>Growth | 2005-2015<br>Change in Real<br>Operating<br>Spending | 2015 Real<br>Operating<br>Spending Per<br>Capita | 2005-2015<br>Change in<br>Real Operating<br>Spending Per<br>Capita | Overall<br>Provincial<br>Rank<br>1=Best<br>180=Worst |
|-------------------|-----------------------------------|--|--|--|--|
| LLOYDMINSTER      | 27%                               | 140%   | \$2,487  | 88%  | 164  |
| CAMROSE           | 14%                               | 108%   | \$2,555  | 83%  | 161  |
| COLD LAKE         | 36%                               | 164%   | \$1,891  | 95%  | 157  |
| LACOMBE           | 17%                               | 97%  | \$1,532  | 68%  | 134  |
| SPRUCE GROVE      | 74%                               | 165%   | \$1,771  | 52%  | 116  |
| LEDUC             | 87%                               | 167%   | \$2,020  | 42%  | 108  |
| ST. ALBERT        | 12%                               | 65%  | \$1,767  | 47%  | 106  |
| EDMONTON          | 23%                               | 66%  | \$2,119  | 35%  | 98   |
| WETASKIWIN        | 13%                               | 65%  | \$1,591  | 46%  | 97   |
| BROOKS            | 22%                               | 77%  | \$1,352  | 44%  | 78   |
| GRANDE PRAIRIE    | 54%                               | 111%   | \$1,650  | 37%  | 77   |
| RED DEER          | 27%                               | 70%  | \$1,808  | 33%  | 76   |
| CALGARY           | 29%                               | 64%  | \$1,955  | 27%  | 72   |
| LETHBRIDGE        | 23%                               | 52%  | \$1,834  | 24%  | 61   |
| FORT SASKATCHEWAN | 64%                               | 90%  | \$1,947  | 16%  | 51   |
| AIRDRIE           | 117%                              | 142%   | \$1,282  | 12%  | 19   |
| CHESTERMERE       | 134%                              | 135%   | \$1,140  | 0%   | 5  |
| MEDICINE HAT      | 12%                               | 3%   | \$1,396  | -8%  | 4  |

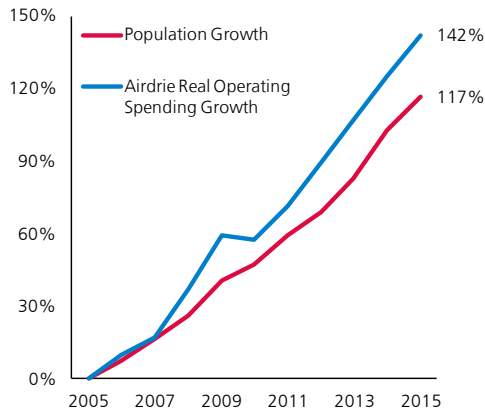
Source: CFIB calculations, Municipal Affairs, Alberta Government & Statistics Canada.

The "overall rank" assigned to each municipality is an equally-weighted combination of two indicators: real operating spending per capita growth from 2005-2015, and 2015 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.

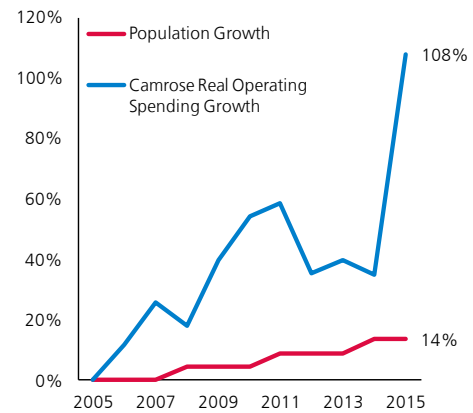
Figure 3.1

### Real Operating Spending and Population Growth Alberta Cities, 2005 - 2015

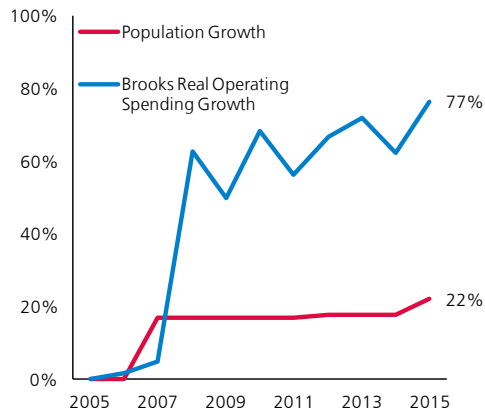
#### Airdrie



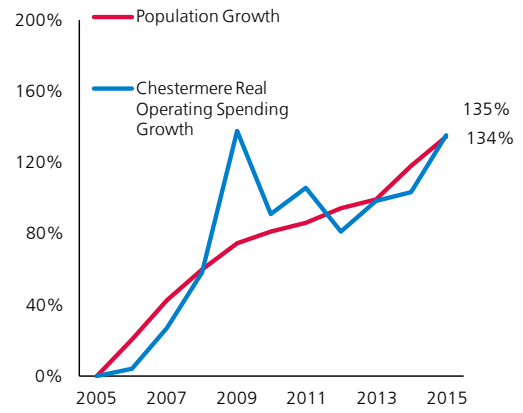
#### Camrose



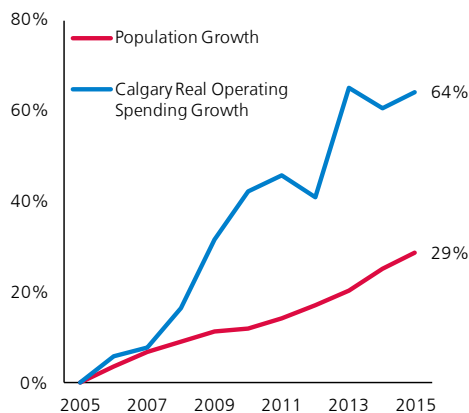
#### Brooks



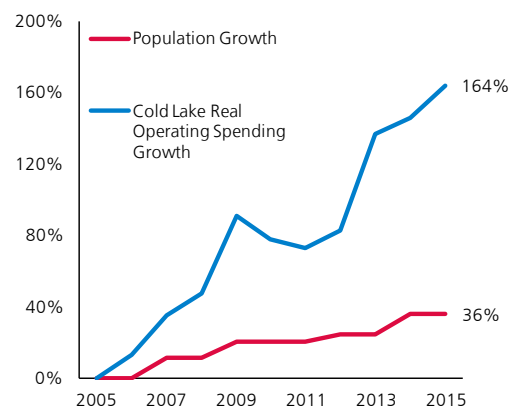
#### Chestermere



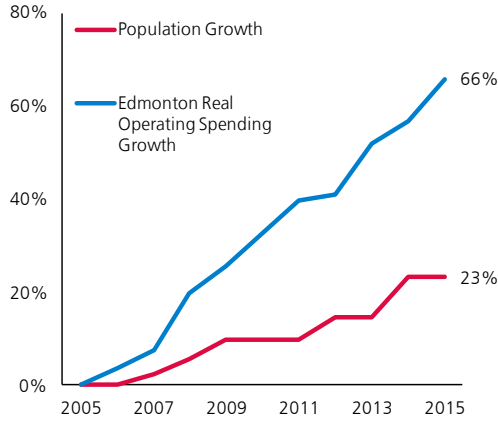
#### Calgary



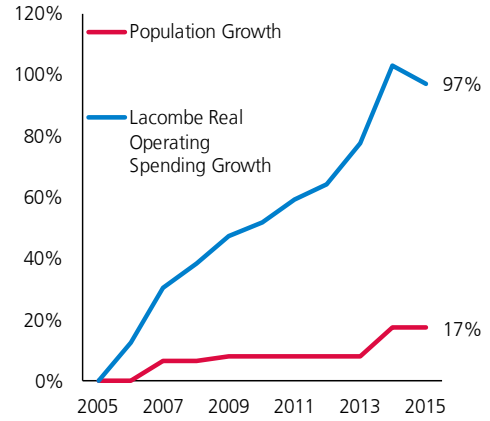
#### Cold Lake



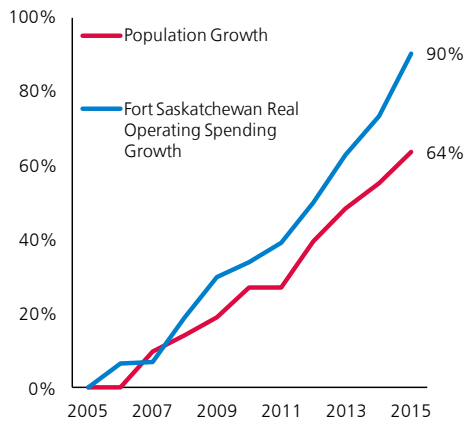
### Edmonton



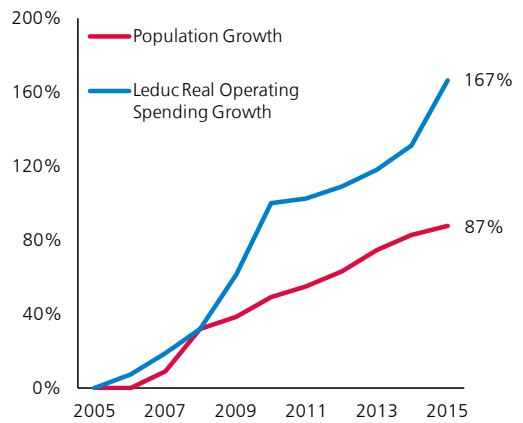
### Lacombe



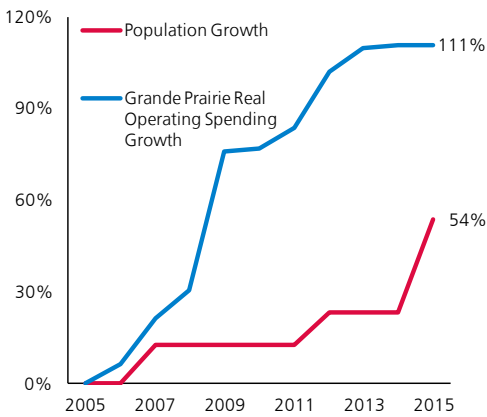
### Fort Saskatchewan



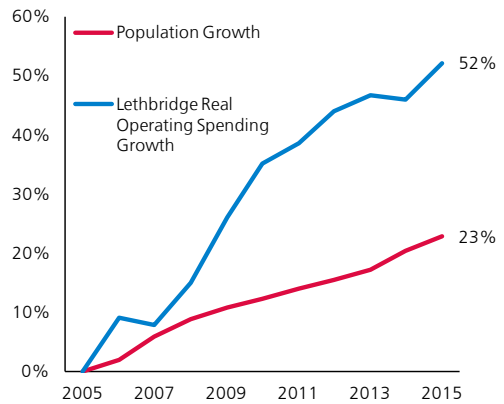
### Leduc



### Grande Prairie

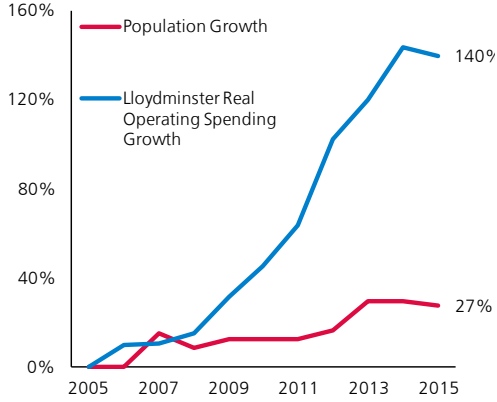


### Lethbridge

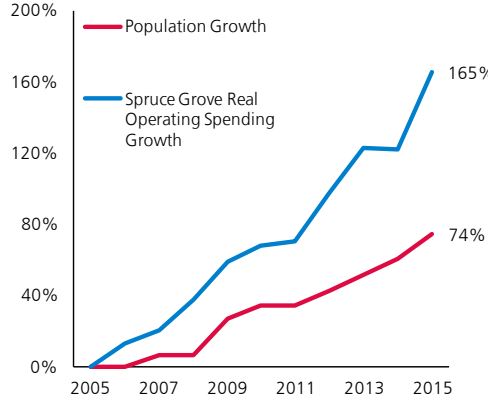




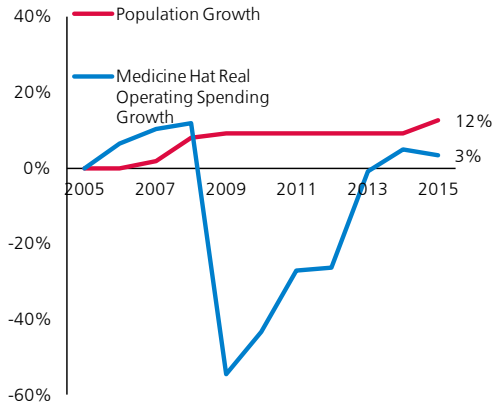
### Lloydminster



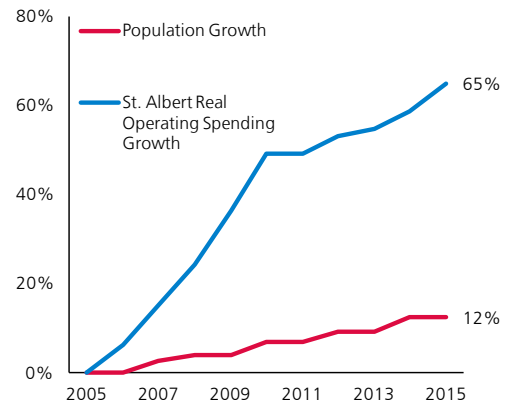
### Spruce Grove



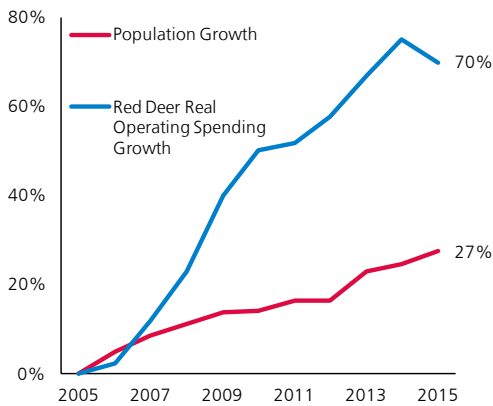
### Medicine Hat



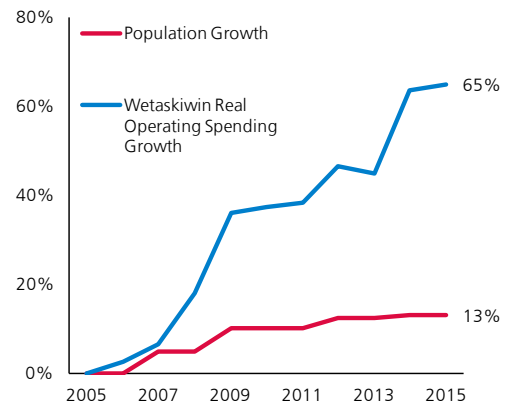
### St Albert



### Red Deer



### Wetaskiwin



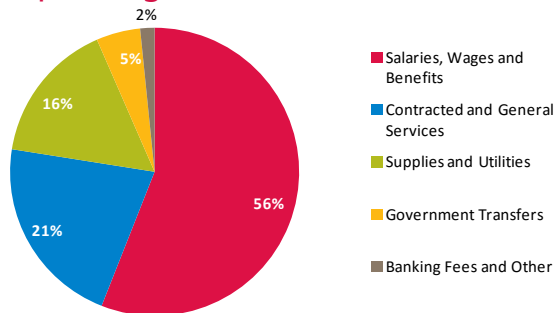
Source: CFIB calculations, Municipal Affairs, Alberta Government, 2005-2015.

## Municipal Spending

The following analysis of municipal spending highlights the categories where spending could be controlled. In 2015, the aggregate nominal municipal operating spending in Alberta was \$9.9 billion. More than half of this spending (56 %) was spent on public sector personnel through salaries, wages and benefits (see Figure 4.1).<sup>6</sup>

Figure 4.1

### Overall Municipal Real Operating Spending by Category, Alberta 2015 (% of total operating spending)



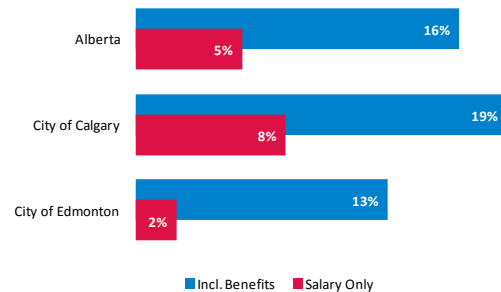
Source: CFIB calculations & Municipal Affairs, Alberta Government.

The fact that the total cost of salaries, wages, and benefits is greater than all other categories combined is representative of a larger spending trend in Alberta. According to CFIB's 2015 *Wage Watch Report*, municipal public sector workers in Alberta have a 16 per cent compensation advantage in salaries and benefits over their private sector counterparts.<sup>7</sup> 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 per cent, while Edmonton's municipal workers have a 13 per cent wage and benefit compensation advantage (see Figure 4.2).<sup>8</sup> Based on the unsustainable spending trends of these municipalities, local governments must do more to close the wage

gap to bring operating spending growth to sustainable levels.<sup>9</sup>

Figure 4.2

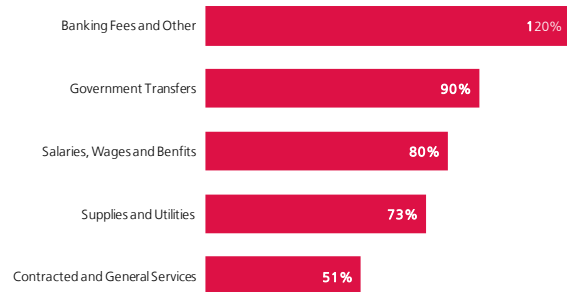
### Municipal Public Sector Wage and Benefit Advantages



Source: CFIB Wage Watch Report 2015.

Figure 4.3

### Growth in Municipal Real Operating Spending by Category, 2005-2015



Source: CFIB calculations & Municipal Affairs, Alberta Government.

Real spending in all categories has grown considerably from 2005 to 2015 (see Figure 4.3). While banking fees and government transfers have risen the most, they only represent a relatively small proportion of total municipal operating spending.

The biggest concern in Figure 4.3 is that real spending on labour costs has grown by 80 per cent; over triple the rate of population growth. In order for municipalities to achieve sustainable spending growth, they must get growth in labour costs under control.

<sup>6</sup> Lloydminster's financial data was not included in this section since their operating expenditures could not be converted into the specific categories used here.

<sup>7</sup> Benefits include working hours and pensions. For more information see: CFIB Wage Watch Report 2015

<sup>8</sup> Figure 4.2: Alberta category includes Calgary and Edmonton.

<sup>9</sup> "Wage Watch", Canadian Federation of Independent Business (March 2015).

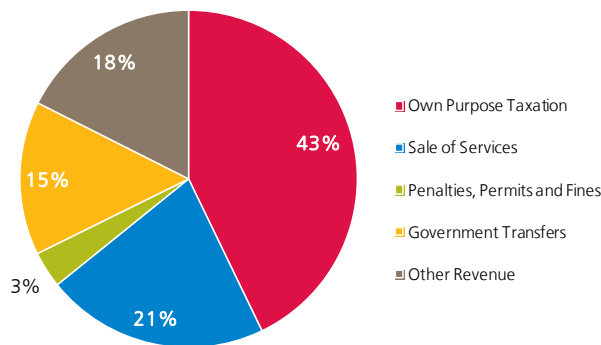
## Municipal Revenue

Nominal municipal revenue in Alberta totalled just over \$16 billion in 2015. Just under half of this total, 43 per cent, was raised through direct taxation by Alberta municipalities. While the sale of municipal services accounted for 21 per cent, 18 per cent came from “other revenues”, and 15 per cent came from government transfers. Permits and fines only accounted for three per cent (see Figure 5.1).

The distribution of revenue sources indicates that taxes, have been used to fund unsustainable municipal spending. As municipal spending increases, property taxes have also increased. For small business owners in Alberta, this is exacerbated by the existence of large municipal property tax gaps. In 2016, Alberta businesses paid, on average, almost two and a half times more in property tax than similarly valued residential properties.<sup>10</sup> These imbalances create a challenging business environment that hinders economic activity within the province and discourages business growth.

Figure 5.1

### Sources of Alberta Municipal Revenue in 2015

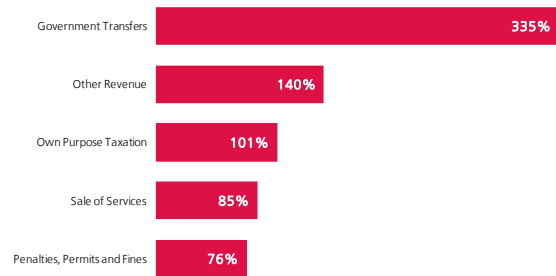


Source: CFIB calculations & Municipal Affairs, Alberta Government.

<sup>10</sup> Yule, Andrew. CFIB. 2017. Entrepreneurs Deserve Property Tax Fairness 2017.

Figure 5.2

### Real Growth in Alberta Municipal Revenue Sources, 2005-2015



Source: CFIB calculations, Municipal Affairs, Alberta Government.

Trends in municipal revenue growth (as seen in Figure 5.2) reveal that direct taxation has increased by 101 per cent between 2005 and 2015. Most notably is the 335 per cent increase in municipal revenues from transfers from senior levels of government transfers. This means municipalities are predominantly bolstering revenues through a rise in government transfers, in addition to an increase in municipal taxation.<sup>11</sup> This further proves that municipalities are getting 15 per cent of every tax dollar, not the 8 cents they claim to receive.

Lastly, municipalities have experienced a relatively less significant increase in revenues from other sources (i.e. franchise contracts, developer levies, and returns on investments, etc) by 140 per cent.

<sup>11</sup> Wong, Queenie. CFIB. 2014. Municipalities are Richer Than They Think.

---

## Conclusion

From 2005 to 2015, the vast majority of Alberta municipalities grew operating spending well above the sustainable benchmark of inflation and population growth. Over the 11 year period of this study, only 13 municipalities have kept real operating spending growth at or below population growth. Although some governments have made efforts to rein in their spending in recent years, much more needs to be done to hold spending growth to sustainable levels. Unnecessarily high municipal operating spending ultimately leads to a combination of lower infrastructure spending and/or increased taxation, both of which dampen economic development and job creation within the economy. If municipalities do not control their operating spending, taxpayers will have to bear a higher cost and the ability of small business to grow, prosper, and create jobs, will be limited.

---

## Recommendations

CFIB recommends:

1. **Municipalities better control spending.** Real municipal operating spending increases should be limited by the rate of population growth.
2. **Core services must be the top priority for local government.** Core services (snow removal, road maintenance, etc.) must be identified and reviews conducted to ensure effective service delivery within a framework of fiscal restraint.
3. **Where cost efficient, services are contracted to the private sector.** Municipalities will be able to offer the same quality of services to residents at a lower cost to the taxpayer if private firms are able to compete for contracts.
4. **The implementation of a sustainable wage policy for public sector wage, compensation, and hiring.** Municipal governments should implement compensation systems and wage growth policies for employees that are sustainable and align closely with those of private sector workers. Additionally, a cap on the number of full-time municipal employees should be considered so that real operating spending will be more in line with population growth and inflation.
5. **No new taxation powers for municipalities.** As a part of the Municipal Government Act (MGA) Review, the cities of Calgary and Edmonton have consistently asked the provincial government for new taxation powers. Although no major powers have been granted to date, the Government of Alberta should refrain from doing so in the future. Municipalities claim that they do not have sufficient funding through their main sources of revenue (i.e. collection of property taxes). However, existing revenue sources, including government transfers, have drastically increased over the past decade. The analysis in this report shows that municipalities are spending in excess of what is sustainable, and therefore do not have a revenue problem. Municipal officials in Alberta, should focus on controlling spending rather than seeking additional taxation powers now or in the future.
6. **Not proceed with the City Charter proposal that allows municipal governments to run multi-year operational deficits.** The proposal to allow municipalities to start running deficits is concerning. Granting the authority to balance municipal budgets over four years is not needed and may put the province at risk. At the very least, this measure should be restricted to capital and not operational budgets. CFIB urges big-cities instead to undertake significant cost cutting and spending restraint exercises before demanding additional revenues or taking on debt.

7. **Appropriate contingency funds are put in place in case of natural disasters.** Special circumstances that require an increase in operating spending for a particular year should be funded by a reasonable level of emergency or reserve funds. Emergency flood and fire 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.
8. **An independent Municipal Auditor General be created.** A Municipal Auditor General would conduct performance-based analysis, value-for-money audits, and publicly report the findings. The auditor would improve the accountability and integrity of local government spending practices by ensuring municipalities are delivering services efficiently and effectively.

---

## Sources

Canadian Federation of Independent Business. July 2017. Municipal Issues Survey.

City of Edmonton. Municipal Price Index. 2016.  
[https://www.edmonton.ca/business\\_economy/documents/MPI%202016.pdf](https://www.edmonton.ca/business_economy/documents/MPI%202016.pdf)

Florizone, Erik. Canadian Federation of Independent Business. 2016. Alberta Municipal Spending Report, 2016. <http://www.cfib-fcei.ca/cfib-documents/ab0736.pdf>

Government of Canada, Statistics Canada, CANISM - Table 326-0021 <http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/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](http://www.municipalaffairs.alberta.ca/documents/ms/FIR_2014_Manual_final.pdf)

Government of Alberta, Municipal Affairs, Municipal Financial and Statistical Data. 2005-2015.  
[http://www.municipalaffairs.alberta.ca/municipal\\_financial\\_statistical\\_data.cfm](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>

Steadman, Ashley. Canadian Federation of Independent Business. 2015. Alberta Municipal Spending Report, 2015. <http://www.cfib-fcei.ca/cfib-documents/ab0718.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>

Yule, Andrew. Canadian Federation of Independent Business. 2017. Entrepreneurs Deserves Property Tax Fairness. <http://www.cfib-fcei.ca/cfib-documents/ab0745.pdf>

## Appendix A: Methodology

This report analyzes Alberta municipal operating spending from 2005 to 2015. An eleven 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.

At the time the report was written, No financial data was available for the municipalities of Consort, Munson, Sliver Beach, Sundance Beach, and White Gull.

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 2015 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 2017 Alberta 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 2005 to 2015, and 2015 real operating spending per capita. The higher the rank, the worse off that municipality is in achieving sustainable operating spending.

A standardized index is created for each indicator (between 0 and 100). The ranked municipality with the highest/ lowest 2005 to 2015 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 2015 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.

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.

## Appendix B: 2013 Alberta Flood (List of Municipalities)<sup>12</sup>

| Municipality                           |
|--|
| BANFF                                  |
| BIG LAKES, M.D. OF                     |
| BIGHORN NO. 8, M.D. OF                 |
| BLACK DIAMOND                          |
| CALGARY                                |
| CANMORE                                |
| CLEARWATER COUNTY                      |
| COCHRANE                               |
| CROWSNEST 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                          |
| RANCLAND 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 |

Source: Alberta Emergency Alert Archives, Government of Alberta; Alberta Emergency Management Agency, Ministry of Municipal Affairs. CFIB acknowledges that other municipalities were impacted by the 2013 Alberta Flood.

<sup>12</sup> The municipalities listed were affected by the 2013 Alberta Flood and were included if an Alberta Emergency Alert was issued for the region and listed in the archives, or provided by Municipal Affairs directly.

## Appendix C: Overall Provincial Rank, 2005-2015

| Municipality                           | 2005-2015<br>Population<br>Growth | 2005-2015<br>Change in Real<br>Operating<br>Spending | 2005-2015<br>Change in<br>Real Spending<br>Per Capita | 2015 Real<br>Operating<br>Spending<br>Per Capita | Overall<br>Provincial<br>Rank<br>1=Best<br>180=Worst |
|--|-----------------------------------|--|---|--|--|
| OPPORTUNITY NO. 17, M.D. OF            | -10%                              | 157%   | <b>185%</b>   | <b>\$12,677</b>                                  | 180  |
| SADDLE HILLS COUNTY                    | -11%                              | 115%   | <b>142%</b>   | <b>\$9,309</b>                                   | 179  |
| SLAVE LAKE                             | 3%                                | 239%   | <b>230%</b>   | <b>\$3,373</b>                                   | 178  |
| GREENVIEW NO. 16, M.D. OF              | -3%                               | 112%   | <b>118%</b>   | <b>\$7,211</b>                                   | 177  |
| I.D. NO. 09 (BANFF)                    | -22%                              | 164%   | <b>236%</b>   | <b>\$1,268</b>                                   | 176  |
| FOX CREEK                              | -10%                              | 142%   | <b>168%</b>   | <b>\$3,202</b>                                   | 175  |
| WOOD BUFFALO, Regional Municipality of | 71%                               | 342%   | <b>158%</b>   | <b>\$3,415</b>                                   | 174  |
| KNEEHILL COUNTY                        | -7%                               | 122%   | <b>140%</b>   | <b>\$3,607</b>                                   | 173  |
| WEMBLEY                                | -9%                               | 166%   | <b>191%</b>   | <b>\$1,398</b>                                   | 172  |
| BIGHORN NO. 8, M.D. OF                 | 3%                                | 114%   | <b>107%</b>   | <b>\$4,604</b>                                   | 171  |
| PAINTEARTH NO. 18, COUNTY OF           | -7%                               | 84%  | <b>99%</b>  | <b>\$4,565</b>                                   | 170  |
| STETTLER NO. 6, COUNTY OF              | -5%                               | 124%   | <b>135%</b>   | <b>\$3,009</b>                                   | 169  |
| HIGH RIVER                             | 36%                               | 199%   | <b>121%</b>   | <b>\$2,675</b>                                   | 168  |
| PROVOST NO. 52, M.D. OF                | -13%                              | 36%  | <b>56%</b>  | <b>\$4,782</b>                                   | 167  |
| STARLAND COUNTY                        | -6%                               | 42%  | <b>51%</b>  | <b>\$4,259</b>                                   | 166  |
| FLAGSTAFF COUNTY                       | -12%                              | 35%  | <b>54%</b>  | <b>\$3,945</b>                                   | 165  |
| LLOYDMINSTER                           | 27%                               | 140%   | <b>88%</b>  | <b>\$2,487</b>                                   | 164  |
| THORHILD NO.7, COUNTY OF               | 10%                               | 94%  | <b>77%</b>  | <b>\$2,892</b>                                   | 163  |
| BIG LAKES, M.D. OF                     | -8%                               | 24%  | <b>34%</b>  | <b>\$4,688</b>                                   | 162  |
| CAMROSE                                | 14%                               | 108%   | <b>83%</b>  | <b>\$2,555</b>                                   | 161  |
| BARRHEAD                               | 5%                                | 113%   | <b>103%</b>   | <b>\$1,655</b>                                   | 160  |
| NORTHERN SUNRISE COUNTY                | 9%                                | 12%  | <b>4%</b>   | <b>\$5,850</b>                                   | 159  |
| GRANDE CACHE                           | 13%                               | 110%   | <b>86%</b>  | <b>\$2,295</b>                                   | 158  |
| COLD LAKE                              | 36%                               | 164%   | <b>95%</b>  | <b>\$1,891</b>                                   | 157  |
| PENHOLD                                | 62%                               | 217%   | <b>95%</b>  | <b>\$1,701</b>                                   | 156  |
| DRAYTON VALLEY                         | 14%                               | 95%  | <b>72%</b>  | <b>\$2,688</b>                                   | 155  |
| WESTLOCK                               | 7%                                | 104%   | <b>91%</b>  | <b>\$1,774</b>                                   | 154  |
| EDSON                                  | 3%                                | 93%  | <b>87%</b>  | <b>\$1,948</b>                                   | 153  |
| SMOKY LAKE COUNTY                      | -11%                              | 34%  | <b>51%</b>  | <b>\$3,191</b>                                   | 152  |
| LAMONT COUNTY                          | -7%                               | 39%  | <b>49%</b>  | <b>\$3,179</b>                                   | 151  |
| BLACKFALDS                             | 101%                              | 275%   | <b>87%</b>  | <b>\$1,468</b>                                   | 150  |
| WAINWRIGHT NO. 61, M.D. OF             | -2%                               | 37%  | <b>40%</b>  | <b>\$3,402</b>                                   | 149  |
| VEGREVILLE                             | 7%                                | 71%  | <b>60%</b>  | <b>\$2,381</b>                                   | 148  |
| VERMILION                              | 2%                                | 78%  | <b>74%</b>  | <b>\$1,776</b>                                   | 147  |
| MANNING                                | -10%                              | 42%  | <b>57%</b>  | <b>\$2,448</b>                                   | 146  |
| MINBURN NO. 27, COUNTY OF              | -2%                               | 41%  | <b>43%</b>  | <b>\$2,956</b>                                   | 145  |
| YELLOWHEAD COUNTY                      | 6%                                | 48%  | <b>40%</b>  | <b>\$3,087</b>                                   | 144  |
| ATHABASCA COUNTY                       | 2%                                | 62%  | <b>59%</b>  | <b>\$2,187</b>                                   | 143  |
| LEDUC COUNTY                           | 8%                                | 50%  | <b>39%</b>  | <b>\$2,950</b>                                   | 142  |
| LESSER SLAVE RIVER NO. 124, M.D. OF    | 8%                                | 42%  | <b>31%</b>  | <b>\$3,312</b>                                   | 141  |
| PONOKA                                 | 7%                                | 82%  | <b>70%</b>  | <b>\$1,620</b>                                   | 140  |
| WHITECOURT                             | 21%                               | 99%  | <b>64%</b>  | <b>\$1,849</b>                                   | 139  |
| CANMORE                                | 14%                               | 75%  | <b>53%</b>  | <b>\$2,325</b>                                   | 138  |
| TURNER VALLEY                          | 41%                               | 131%   | <b>64%</b>  | <b>\$1,787</b>                                   | 137  |
| STETTLER                               | 10%                               | 81%  | <b>65%</b>  | <b>\$1,693</b>                                   | 136  |
| ECKVILLE                               | 10%                               | 83%  | <b>66%</b>  | <b>\$1,647</b>                                   | 135  |
| LACOMBE                                | 17%                               | 97%  | <b>68%</b>  | <b>\$1,532</b>                                   | 134  |
| BANFF                                  | 12%                               | 60%  | <b>43%</b>  | <b>\$2,593</b>                                   | 133  |
| VULCAN COUNTY                          | 3%                                | 40%  | <b>36%</b>  | <b>\$2,882</b>                                   | 132  |

Source: CFIB calculations, Municipal Affairs, Alberta Government & Statistics Canada.



| Municipality                    | 2005-2015<br>Population<br>Growth | 2005-2015<br>Change in Real<br>Operating<br>Spending | 2005-2015<br>Change in<br>Real Spending<br>Per Capita | 2015 Real<br>Operating<br>Spending<br>Per Capita | Overall<br>Provincial<br>Rank<br>1=Best<br>180=Worst |
|---------------------------------|-----------------------------------|--|---|--|--|
| PEACE RIVER                     | 8%                                | 60%  | 48%   | \$2,342  | 131  |
| ELK POINT                       | 14%                               | 88%  | 64%   | \$1,647  | 130  |
| GRANDE PRAIRIE NO. 1, COUNTY OF | 30%                               | 90%  | 46%   | \$2,409  | 129  |
| STRATHCONA COUNTY               | 19%                               | 78%  | 50%   | \$2,239  | 128  |
| HANNA                           | -10%                              | 44%  | 61%   | \$1,733  | 127  |
| MAYERTHORPE                     | -11%                              | 47%  | 65%   | \$1,559  | 126  |
| GIBBONS                         | 11%                               | 87%  | 69%   | \$1,288  | 125  |
| NANTON                          | 16%                               | 86%  | 60%   | \$1,599  | 124  |
| HINTON                          | 2%                                | 57%  | 53%   | \$1,860  | 123  |
| BRAZEAU COUNTY                  | 4%                                | 44%  | 38%   | \$2,530  | 122  |
| BIRCH HILLS COUNTY              | -4%                               | 17%  | 22%   | \$3,172  | 121  |
| WILLOW CREEK NO. 26, M.D. OF    | -6%                               | 47%  | 56%   | \$1,709  | 120  |
| FALHER                          | -3%                               | 45%  | 49%   | \$1,962  | 119  |
| FORT MACLEOD                    | 4%                                | 60%  | 54%   | \$1,747  | 118  |
| REDWATER                        | -3%                               | 49%  | 53%   | \$1,769  | 117  |
| SPRUCE GROVE                    | 74%                               | 165%   | 52%   | \$1,771  | 116  |
| BRUDERHEIM                      | 12%                               | 76%  | 57%   | \$1,574  | 115  |
| THREE HILLS                     | -9%                               | 44%  | 59%   | \$1,463  | 114  |
| TROCHU                          | 4%                                | 52%  | 47%   | \$1,953  | 113  |
| BEAVERLODGE                     | 9%                                | 64%  | 51%   | \$1,709  | 112  |
| SMOKY RIVER NO. 130, M.D. OF    | -11%                              | 11%  | 24%   | \$2,852  | 111  |
| SWAN HILLS                      | -19%                              | 17%  | 45%   | \$1,965  | 110  |
| BEAUMONT                        | 101%                              | 208%   | 54%   | \$1,554  | 109  |
| LEDUC                           | 87%                               | 167%   | 42%   | \$2,020  | 108  |
| SMOKY LAKE                      | 1%                                | 46%  | 45%   | \$1,875  | 107  |
| ST. ALBERT                      | 12%                               | 65%  | 47%   | \$1,767  | 106  |
| INNISFAIL                       | 10%                               | 69%  | 53%   | \$1,470  | 105  |
| VALLEYVIEW                      | 6%                                | 43%  | 35%   | \$2,268  | 104  |
| CARSTAIRS                       | 38%                               | 109%   | 52%   | \$1,531  | 103  |
| BENTLEY                         | 3%                                | 58%  | 54%   | \$1,415  | 102  |
| PARKLAND COUNTY                 | 3%                                | 57%  | 52%   | \$1,445  | 101  |
| TABER                           | 9%                                | 57%  | 44%   | \$1,779  | 100  |
| ST. PAUL NO. 19, COUNTY OF      | 0%                                | 29%  | 28%   | \$2,447  | 99   |
| EDMONTON                        | 23%                               | 66%  | 35%   | \$2,119  | 98   |
| WETASKIWIN                      | 13%                               | 65%  | 46%   | \$1,591  | 97   |
| ST. PAUL                        | 17%                               | 71%  | 47%   | \$1,534  | 96   |
| RAYMOND                         | 29%                               | 98%  | 53%   | \$1,269  | 95   |
| SEXSMITH                        | 25%                               | 97%  | 57%   | \$1,074  | 94   |
| BEAVER COUNTY                   | 1%                                | 35%  | 34%   | \$2,067  | 93   |
| PINCHER CREEK NO. 9, M.D. OF    | -1%                               | 17%  | 19%   | \$2,683  | 92   |
| PROVOST                         | -2%                               | 39%  | 41%   | \$1,689  | 91   |
| CALMAR                          | 5%                                | 49%  | 42%   | \$1,666  | 90   |
| ONOWAY                          | 0%                                | 43%  | 42%   | \$1,609  | 89   |
| CROWSNEST PASS, Municipality of | -11%                              | 19%  | 34%   | \$1,945  | 88   |
| SUNDRE                          | 19%                               | 63%  | 37%   | \$1,768  | 87   |
| MILLET                          | -2%                               | 49%  | 52%   | \$1,126  | 86   |
| DEVON                           | 9%                                | 59%  | 46%   | \$1,359  | 85   |
| RED DEER COUNTY                 | -2%                               | 36%  | 38%   | \$1,696  | 84   |
| HIGH PRAIRIE                    | -8%                               | 21%  | 32%   | \$1,947  | 83   |
| OLDS                            | 29%                               | 76%  | 37%   | \$1,706  | 82   |

Source: CFIB calculations, Municipal Affairs, Alberta Government & Statistics Canada.

| Municipality                 | 2005-2015<br>Population<br>Growth | 2005-2015<br>Change in Real<br>Operating<br>Spending | 2005-2015<br>Change in<br>Real Spending<br>Per Capita | 2015 Real<br>Operating<br>Spending<br>Per Capita | Overall<br>Provincial<br>Rank<br>1=Best<br>180=Worst |
|------------------------------|-----------------------------------|--|---|--|--|
| NEWELL, COUNTY OF            | 0%                                | 21%  | 21%   | \$2,390  | 81   |
| PINCHER CREEK                | -1%                               | 38%  | 40%   | \$1,555  | 80   |
| WOODLANDS COUNTY             | 21%                               | 33%  | 10%   | \$2,813  | 79   |
| BROOKS                       | 22%                               | 77%  | 44%   | \$1,352  | 78   |
| GRANDE PRAIRIE               | 54%                               | 111%   | 37%   | \$1,650  | 77   |
| RED DEER                     | 27%                               | 70%  | 33%   | \$1,808  | 76   |
| MORINVILLE                   | 44%                               | 106%   | 43%   | \$1,369  | 75   |
| WETASKIWIN NO. 10, COUNTY OF | 2%                                | 41%  | 39%   | \$1,503  | 74   |
| CROSSFIELD                   | 12%                               | 60%  | 42%   | \$1,322  | 73   |
| CALGARY                      | 29%                               | 64%  | 27%   | \$1,955  | 72   |
| CARDSTON COUNTY              | -4%                               | 41%  | 46%   | \$1,147  | 71   |
| VIKING                       | -1%                               | 28%  | 30%   | \$1,856  | 70   |
| JASPER, Municipality of      | 2%                                | 24%  | 22%   | \$2,118  | 69   |
| STURGEON COUNTY              | 4%                                | 36%  | 31%   | \$1,708  | 68   |
| TABER, M.D. OF               | 18%                               | 54%  | 30%   | \$1,742  | 67   |
| TWO HILLS                    | 29%                               | 75%  | 36%   | \$1,446  | 66   |
| WESTLOCK COUNTY              | 11%                               | 46%  | 31%   | \$1,629  | 65   |
| FORTY MILE NO. 8, COUNTY OF  | -3%                               | 11%  | 14%   | \$2,287  | 64   |
| BOW ISLAND                   | 19%                               | 64%  | 38%   | \$1,263  | 63   |
| PICTURE BUTTE                | -3%                               | 34%  | 38%   | \$1,252  | 62   |
| LETHBRIDGE                   | 23%                               | 52%  | 24%   | \$1,834  | 61   |
| ROCKY MOUNTAIN HOUSE         | 10%                               | 44%  | 31%   | \$1,442  | 60   |
| BOWDEN                       | 6%                                | 45%  | 37%   | \$1,187  | 59   |
| BON ACCORD                   | -3%                               | 26%  | 30%   | \$1,470  | 58   |
| IRRICANA                     | 5%                                | 41%  | 34%   | \$1,267  | 57   |
| GRIMSHAW                     | 3%                                | 37%  | 33%   | \$1,327  | 56   |
| STONY PLAIN                  | 53%                               | 96%  | 28%   | \$1,501  | 55   |
| STRATHMORE                   | 38%                               | 82%  | 32%   | \$1,314  | 54   |
| LEGAL                        | 16%                               | 51%  | 30%   | \$1,365  | 53   |
| CLARESHOLM                   | 4%                                | 41%  | 36%   | \$1,113  | 52   |
| FORT SASKATCHEWAN            | 64%                               | 90%  | 16%   | \$1,947  | 51   |
| TWO HILLS NO. 21, COUNTY OF  | 21%                               | 16%  | -4%   | \$2,791  | 50   |
| FAIRVIEW NO. 136, M.D. OF    | -7%                               | -16%   | 0%  | \$2,617  | 49   |
| WHEATLAND COUNTY             | 5%                                | 17%  | 12%   | \$2,109  | 48   |
| BASSANO                      | -3%                               | 24%  | 28%   | \$1,405  | 47   |
| VERMILION RIVER, COUNTY OF   | 8%                                | 24%  | 15%   | \$1,953  | 46   |
| TOFIELD                      | 20%                               | 49%  | 24%   | \$1,545  | 45   |
| ROCKY VIEW COUNTY            | 25%                               | 54%  | 23%   | \$1,468  | 44   |
| HIGH LEVEL                   | -1%                               | 8%   | 9%  | \$2,046  | 43   |
| WARNER NO. 5, COUNTY OF      | 1%                                | 20%  | 19%   | \$1,513  | 42   |
| CAMROSE COUNTY               | 10%                               | 31%  | 19%   | \$1,490  | 41   |
| WAINWRIGHT                   | 17%                               | 40%  | 20%   | \$1,458  | 40   |
| NORTHERN LIGHTS, COUNTY OF   | -2%                               | -22%   | -21%  | \$3,180  | 39   |
| LACOMBE COUNTY               | -3%                               | 8%   | 11%   | \$1,792  | 38   |
| CLEARWATER COUNTY            | 7%                                | 10%  | 3%  | \$2,125  | 37   |
| FAIRVIEW                     | 0%                                | 20%  | 20%   | \$1,413  | 36   |
| SPIRIT RIVER                 | -7%                               | 4%   | 12%   | \$1,722  | 35   |
| OYEN                         | -9%                               | 54%  | 0%  | \$2,228  | 34   |
| COALDALE                     | 23%                               | 52%  | 24%   | \$1,214  | 33   |
| MACKENZIE COUNTY             | 21%                               | 30%  | 7%  | \$1,842  | 32   |

Source: CFB calculations, Municipal Affairs, Alberta Government & Statistics Canada.

| Municipality               | 2005-2015<br>Population<br>Growth | 2005-2015<br>Change in Real<br>Operating<br>Spending | 2005-2015<br>Change in<br>Real Spending<br>Per Capita | 2015 Real<br>Operating<br>Spending<br>Per Capita | Overall<br>Provincial<br>Rank<br>1=Best<br>180=Worst |
|----------------------------|-----------------------------------|--|---|--|--|
| VAUXHALL                   | 16%                               | 31%  | 13%   | \$1,529  | 31   |
| LAMONT                     | 4%                                | 16%  | 12%   | \$1,542  | 30   |
| FOOTHILLS NO. 31, M.D. OF  | 20%                               | 40%  | 16%   | \$1,320  | 29   |
| SYLVAN LAKE                | 68%                               | 101%   | 19%   | \$1,173  | 28   |
| MAGRATH                    | 20%                               | 47%  | 22%   | \$1,040  | 27   |
| PONOKA COUNTY              | 1%                                | 15%  | 14%   | \$1,306  | 26   |
| BLACK DIAMOND              | 27%                               | 32%  | 4%  | \$1,708  | 25   |
| PEACE NO. 135, M.D. OF     | -3%                               | 1%   | 4%  | \$1,692  | 24   |
| RIMBEY                     | 10%                               | 20%  | 9%  | \$1,487  | 23   |
| VULCAN                     | 4%                                | -1%  | -5%   | \$2,057  | 22   |
| LAC STE. ANNE COUNTY       | 15%                               | 23%  | 7%  | \$1,475  | 21   |
| DRUMHELLER                 | 3%                                | 10%  | 6%  | \$1,516  | 20   |
| AIRDRIE                    | 117%                              | 142%   | 12%   | \$1,282  | 19   |
| ATHABASCA                  | 24%                               | 32%  | 7%  | \$1,498  | 18   |
| DIDSBURY                   | 26%                               | 38%  | 10%   | \$1,334  | 17   |
| STIRLING                   | 39%                               | 60%  | 15%   | \$1,006  | 16   |
| BONNYVILLE NO. 87, M.D. OF | 58%                               | 30%  | -17%  | \$2,395  | 15   |
| CYPRESS COUNTY             | 18%                               | 5%   | -11%  | \$2,030  | 14   |
| CLEAR HILLS COUNTY         | 2%                                | -42%   | -43%  | \$3,355  | 13   |
| COALHURST                  | 69%                               | 94%  | 15%   | \$842  | 12   |
| BONNYVILLE                 | 17%                               | 9%   | -7%   | \$1,752  | 11   |
| CARDSTON                   | 3%                                | 8%   | 5%  | \$1,150  | 10   |
| NOBLEFORD                  | 48%                               | 68%  | 14%   | \$747  | 9  |
| REDCLIFF                   | 28%                               | 32%  | 3%  | \$1,161  | 8  |
| BARRHEAD NO. 11, COUNTY OF | 6%                                | 10%  | 4%  | \$1,124  | 7  |
| COCHRANE                   | 82%                               | 79%  | -2%   | \$1,320  | 6  |
| CHESTERMERE                | 134%                              | 135%   | 0%  | \$1,140  | 5  |
| MEDICINE HAT               | 12%                               | 3%   | -8%   | \$1,396  | 4  |
| LETHBRIDGE, COUNTY OF      | 1%                                | -14%   | -15%  | \$1,453  | 3  |
| MOUNTAIN VIEW COUNTY       | 2%                                | -13%   | -14%  | \$1,350  | 2  |
| OKOTOKS                    | 140%                              | 109%   | -13%  | \$1,230  | 1  |

Source: CFIB calculations, Municipal Affairs, Alberta Government & Statistics Canada.

## Appendix D: Listing of Unranked Municipalities, 2005-2015

Listed in Alphabetical Order (Population under 1000)

| Municipality           | 2005-2015<br>Population<br>Growth | 2005-2015<br>Change in Real<br>Operating<br>Spending | 2005-2015<br>Change in Real<br>Spending Per<br>Capita | 2015 Real<br>Operating<br>Spending Per<br>Capita |
|------------------------|-----------------------------------|--|---|--|
| ACADIA NO. 34, M.D. OF | -3%                               | 64%  | 70%   | \$2,967  |
| ACME                   | 1%                                | 26%  | 25%   | \$1,486  |
| ALBERTA BEACH          | 14%                               | 39%  | 23%   | \$1,932  |
| ALIX                   | 1%                                | 84%  | 83%   | \$2,761  |
| ALLIANCE               | 2%                                | 76%  | 73%   | \$2,151  |
| AMISK                  | 14%                               | 59%  | 39%   | \$1,128  |
| ANDREW                 | -22%                              | 1%   | 30%   | \$1,670  |
| ARGENTIA BEACH         | -38%                              | 11%  | 78%   | \$14,702   |
| ARROWWOOD              | -1%                               | 81%  | 83%   | \$1,241  |
| BARNWELL               | 75%                               | 105%   | 17%   | \$658  |
| BARONS                 | 7%                                | 49%  | 39%   | \$1,462  |
| BASHAW                 | 6%                                | 43%  | 36%   | \$1,272  |
| BAWLF                  | 11%                               | -11%   | -20%  | \$1,188  |
| BEISEKER               | -5%                               | 44%  | 51%   | \$1,559  |
| BERWYN                 | -4%                               | 0%   | 3%  | \$1,368  |
| BETULA BEACH           | 0%                                | 106%   | 106%  | \$3,922  |
| BIG VALLEY             | 2%                                | -8%  | -10%  | \$1,307  |
| BIRCH COVE             | 137%                              | 57%  | -34%  | \$1,035  |
| BIRCHCLIFF             | 7%                                | 63%  | 52%   | \$1,892  |
| BITTERN LAKE           | 1%                                | 68%  | 66%   | \$1,019  |
| BONDISS                | 2%                                | -33%   | -34%  | \$933  |
| BONNYVILLE BEACH       | 28%                               | 39%  | 8%  | \$670  |
| BOTHA                  | -6%                               | 64%  | 74%   | \$1,560  |
| BOYLE                  | 11%                               | 54%  | 38%   | \$1,944  |
| BRETON                 | 1%                                | 79%  | 77%   | \$1,958  |
| BURNSTICK LAKE         | 60%                               | -3%  | -39%  | \$2,560  |
| CARBON                 | 12%                               | 38%  | 24%   | \$1,353  |
| CARMANGAY              | 0%                                | 11%  | 10%   | \$1,397  |
| CAROLINE               | -10%                              | -30%   | -23%  | \$1,379  |
| CASTLE ISLAND          | 90%                               | 136%   | 24%   | \$2,696  |
| CASTOR                 | 0%                                | 48%  | 48%   | \$2,191  |
| CEREAL                 | -16%                              | 29%  | 54%   | \$2,333  |
| CHAMPION               | 6%                                | 91%  | 80%   | \$1,547  |
| CHAUVIN                | -10%                              | 41%  | 57%   | \$1,844  |
| CHIPMAN                | 9%                                | 48%  | 35%   | \$1,496  |
| CLIVE                  | 14%                               | 77%  | 55%   | \$1,077  |
| CLYDE                  | 2%                                | 103%   | 98%   | \$1,293  |
| CORONATION             | -12%                              | 47%  | 67%   | \$1,996  |
| COUTTS                 | -24%                              | 40%  | 84%   | \$1,808  |
| COWLEY                 | 5%                                | 29%  | 23%   | \$1,150  |
| CREMONA                | 10%                               | 86%  | 69%   | \$1,652  |
| CRYSTAL SPRINGS        | 25%                               | 135%   | 88%   | \$3,273  |
| CZAR                   | -19%                              | 9%   | 34%   | \$835  |
| DAYS LAND              | 4%                                | 96%  | 90%   | \$1,680  |
| DELBURNE               | 15%                               | 35%  | 17%   | \$1,412  |
| DELIA                  | -13%                              | 59%  | 84%   | \$2,329  |
| DEWBERRY               | 0%                                | -1%  | -2%   | \$1,560  |
| DONALDA                | 13%                               | 87%  | 66%   | \$1,384  |
| DONNELLY               | -19%                              | -15%   | 5%  | \$1,808  |
| DUCHESS                | 19%                               | 86%  | 57%   | \$1,700  |
| EDBERG                 | 12%                               | 16%  | 4%  | \$997  |

Source: CFIB calculations, Municipal Affairs, Alberta Government & Statistics Canada.

| Municipality                       | 2005-2015<br>Population<br>Growth | 2005-2015<br>Change in Real<br>Operating<br>Spending | 2005-2015<br>Change in Real<br>Spending Per<br>Capita | 2015 Real<br>Operating<br>Spending Per<br>Capita |
|------------------------------------|-----------------------------------|--|---|--|
| EDGERTON                           | 0%                                | 35%  | 35%   | \$1,656  |
| ELNORA                             | 17%                               | 105%   | 75%   | \$1,471  |
| EMPRESS                            | 10%                               | -12%   | -20%  | \$1,791  |
| FERINTOSH                          | 3%                                | 50%  | 46%   | \$1,481  |
| FOREMOST                           | -1%                               | 63%  | 64%   | \$1,652  |
| FORESTBURG                         | 2%                                | 35%  | 33%   | \$1,471  |
| GADSBY                             | -38%                              | 124%   | 259%  | \$3,233  |
| GALAHAD                            | -26%                              | 31%  | 78%   | \$2,726  |
| GHOST LAKE                         | 17%                               | 55%  | 32%   | \$1,012  |
| GIROUXVILLE                        | -13%                              | 43%  | 64%   | \$1,825  |
| GLENDON                            | 6%                                | 67%  | 57%   | \$1,097  |
| GLENWOOD                           | 11%                               | -17%   | -26%  | \$1,128  |
| GOLDEN DAYS                        | 13%                               | 20%  | 6%  | \$2,357  |
| GRANDVIEW                          | 27%                               | 42%  | 11%   | \$2,106  |
| GRANUM                             | 6%                                | -8%  | -13%  | \$1,183  |
| GULL LAKE                          | -15%                              | -14%   | 0%  | \$1,912  |
| HALF MOON BAY                      | 3%                                | 84%  | 79%   | \$2,717  |
| HALKIRK                            | 3%                                | 9%   | 5%  | \$1,708  |
| HARDISTY                           | -16%                              | 23%  | 46%   | \$2,044  |
| HAY LAKES                          | 24%                               | 48%  | 0%  | \$1,097  |
| HEISLER                            | -17%                              | 11%  | 35%   | \$1,729  |
| HILL SPRING                        | -15%                              | 51%  | 77%   | \$1,037  |
| HINES CREEK                        | -13%                              | -9%  | 5%  | \$1,801  |
| HOLDEN                             | 2%                                | -19%   | -20%  | \$1,287  |
| HORSESHOE BAY                      | -29%                              | 46%  | 106%  | \$1,423  |
| HUGHENDEN                          | 10%                               | 55%  | 41%   | \$1,513  |
| HUSSAR                             | -3%                               | -1%  | 2%  | \$1,631  |
| HYPHE                              | 9%                                | 33%  | 22%   | \$1,233  |
| I.D. NO. 04 (WATERTON)             | -43%                              | 1963%  | 3533%   | \$8,269  |
| I.D. NO. 12 (JASPER NATIONAL PARK) | -31%                              | 687%   | 1034%   | \$9,721  |
| I.D. NO. 13 (ELK ISLAND)           | -63%                              | -6%  | 154%  | \$741  |
| I.D. NO. 24 (WOOD BUFFALO)         | 60%                               | 982%   | 577%  | \$230  |
| INNISFREE                          | 0%                                | -10%   | -10%  | \$1,931  |
| IRMA                               | 5%                                | 51%  | 44%   | \$1,833  |
| ISLAND LAKE                        | 13%                               | 76%  | 56%   | \$700  |
| ISLAND LAKE SOUTH                  | 1%                                | 41%  | 39%   | \$964  |
| ITASKA BEACH                       | 100%                              | 30%  | -35%  | \$7,038  |
| JARVIS BAY                         | 64%                               | 115%   | 31%   | \$1,541  |
| KANANASKIS IMPROVEMENT DISTRICT    | -46%                              | 61%  | 199%  | \$7,897  |
| KAPASIWIN                          | 0%                                | 79%  | 79%   | \$3,801  |
| KILLAM                             | -2%                               | 37%  | 40%   | \$1,512  |
| KITSCOTY                           | 39%                               | 73%  | 25%   | \$940  |
| LAKEVIEW                           | 73%                               | 84%  | 6%  | \$1,980  |
| LARKSPUR                           | 81%                               | 8%   | -40%  | \$886  |
| LINDEN                             | 12%                               | 76%  | 58%   | \$1,624  |
| LOMOND                             | 1%                                | 16%  | 15%   | \$2,383  |
| LONGVIEW                           | 0%                                | 11%  | 11%   | \$1,718  |
| LOUGHED                            | 20%                               | 0%   | 28%   | \$1,932  |
| MA-ME-O BEACH                      | 40%                               | 24%  | -11%  | \$3,661  |
| MANNVILLE                          | 11%                               | 18%  | 6%  | \$2,022  |
| MARWAYNE                           | 21%                               | 87%  | 54%   | \$1,250  |
| MCLENNAN                           | 1%                                | 18%  | 17%   | \$1,578  |

Source: CFIB calculations, Municipal Affairs, Alberta Government & Statistics Canada.

| Municipality                  | 2005-2015<br>Population<br>Growth | 2005-2015<br>Change in Real<br>Operating<br>Spending | 2005-2015<br>Change in Real<br>Spending Per<br>Capita | 2015 Real<br>Operating<br>Spending Per<br>Capita |
|-------------------------------|-----------------------------------|--|---|--|
| MEWATHA BEACH                 | -22%                              | 39%  | 78%   | \$1,288  |
| MILK RIVER                    | 1%                                | 349%   | 343%  | \$5,402  |
| MILO                          | 6%                                | 103%   | 92%   | \$2,673  |
| MORRIN                        | -3%                               | 61%  | 66%   | \$1,354  |
| MUNDARE                       | 20%                               | 73%  | 45%   | \$1,810  |
| MYRNAM                        | 15%                               | 97%  | 72%   | \$1,367  |
| NAKAMUN PARK                  | 16%                               | 87%  | 61%   | \$4,556  |
| NAMPA                         | -3%                               | 152%   | 159%  | \$4,017  |
| NORGLLENWOLD                  | -13%                              | 55%  | 79%   | \$1,861  |
| NORRIS BEACH                  | 59%                               | 68%  | 6%  | \$2,852  |
| PARADISE VALLEY               | 14%                               | 25%  | 9%  | \$1,336  |
| PARKLAND BEACH                | 28%                               | 24%  | -3%   | \$1,473  |
| PELICAN NARROWS               | 45%                               | 5%   | -28%  | \$589  |
| POINT ALISON                  | 0%                                | -37%   | -37%  | \$2,028  |
| POPLAR BAY                    | -5%                               | 69%  | 77%   | \$2,834  |
| RAINBOW LAKE                  | -21%                              | 26%  | 59%   | \$3,240  |
| RANCHLAND NO. 66, M.D. OF     | 8%                                | 32%  | 22%   | \$15,110   |
| ROCHON SANDS                  | 12%                               | 166%   | 137%  | \$4,255  |
| ROCKYFORD                     | -13%                              | 67%  | 93%   | \$3,286  |
| ROSALIND                      | -6%                               | 77%  | 88%   | \$1,405  |
| ROSEMARY                      | 15%                               | 53%  | 33%   | \$1,242  |
| ROSS HAVEN                    | 26%                               | -15%   | -32%  | \$1,450  |
| RYCROFT                       | 3%                                | 44%  | 40%   | \$1,734  |
| RYLEY                         | 14%                               | 66%  | 46%   | \$1,691  |
| SANDY BEACH                   | 11%                               | 14%  | 3%  | \$1,013  |
| SEBA BEACH                    | 4%                                | -2%  | -6%   | \$3,186  |
| SEDGWICK                      | -1%                               | 29%  | 31%   | \$1,103  |
| SILVER SANDS                  | 22%                               | 46%  | 20%   | \$2,048  |
| SOUTH BAPTISTE                | 18%                               | 33%  | 12%   | \$1,596  |
| SOUTH VIEW                    | -13%                              | -12%   | 0%  | \$1,710  |
| SPIRIT RIVER NO. 133, M.D. OF | -13%                              | -24%   | -12%  | \$3,678  |
| SPRING LAKE                   | 13%                               | 54%  | 36%   | \$671  |
| STANDARD                      | -3%                               | 35%  | 39%   | \$1,573  |
| STAVELY                       | 11%                               | 38%  | 25%   | \$1,102  |
| STROME                        | -16%                              | 77%  | 112%  | \$1,926  |
| SUNBREAKER COVE               | -20%                              | -5%  | 18%   | \$3,355  |
| SUNRISE BEACH                 | 57%                               | 19%  | -24%  | \$1,082  |
| SUNSET BEACH                  | -12%                              | 37%  | 56%   | \$1,062  |
| SUNSET POINT                  | 26%                               | 91%  | 52%   | \$1,483  |
| VAL QUENTIN                   | 10%                               | 63%  | 48%   | \$1,735  |
| VETERAN                       | -15%                              | 39%  | 63%   | \$1,626  |
| VILNA                         | 8%                                | 10%  | 2%  | \$1,889  |
| WABAMUN                       | 10%                               | 26%  | 14%   | \$3,377  |
| WAIPAROUS                     | 16%                               | 59%  | 37%   | \$1,092  |
| WARBURG                       | 41%                               | 83%  | 30%   | \$1,390  |
| WARNER                        | 3%                                | 39%  | 34%   | \$1,932  |
| WASKATENAU                    | 1%                                | -9%  | -11%  | \$1,267  |
| WEST BAPTISTE                 | 13%                               | 240%   | 201%  | \$4,335  |
| WEST COVE                     | 15%                               | 55%  | 35%   | \$1,970  |
| WHISPERING HILLS              | -8%                               | 144%   | 167%  | \$1,159  |
| WHITE SANDS                   | 25%                               | 135%   | 88%   | \$2,325  |
| WILLINGDON                    | -4%                               | 110%   | 119%  | \$2,058  |
| YELLOWSTONE                   | 34%                               | 123%   | 67%   | \$2,456  |
| YOUNGSTOWN                    | -3%                               | 12%  | 15%   | \$1,512  |

Source: CFIB calculations, Municipal Affairs, Alberta Government & Statistics Canada.