



2025 BUDGET HIGHLIGHTS AND 2025-2027 RECOMMENDED CORPORATE PLAN

INTRODUCTION FROM CITY MANAGER



I am pleased to introduce the highlights from the City of Spruce Grove's 2025-2027 Recommended Corporate Plan and 2025 budget. This overview captures what City Administration is recommending to Council in terms of programs, services, fees and property taxes.

The 2025-2027 Recommended Corporate Plan balances fiscal sustainability with the opportunities that come alongside a growing and developing city. When developing the plan, Administration considered factors that impact the municipality as well as those that impact our residents.

In the past 15 years, Spruce Grove has grown significantly, and in 2024 we hit a population milestone of 40,000 residents! While it is exciting to be part of a growing municipality, it also adds pressure to maintain infrastructure and service levels.

In addition to our growth, the role of municipal government continues to evolve. Spruce Grove City Council is playing a greater role in the capital region, working alongside other municipal partners advocating for our communities on a

provincial level. Furthermore, the organization is building strategic policies and plans that will support Spruce Grove's growth.

Considering these factors, Administration has developed the 2025-2027 Recommended Corporate Plan with service delivery and fiscal responsibility at the forefront. As such, the Corporate Plan recognizes and levels out future year impacts to the taxpayer, creating stability for our community.

In 2025, Administration recommends a tax strategy that continues to maintain service delivery and funds municipal asset maintenance and replacement, creating a foundation of long-term fiscal sustainability that supports our aging infrastructure and ensures we are meeting the needs of our community today.

During the upcoming Governance and Priorities Committee meetings on November 4-6, 2024, City Council will determine how to balance funding requests within the financial constraints we are facing as a city. I invite you to review this highlights document as well as the full 2025-2027 Recommended Corporate Plan. There is also an opportunity for you to ask a question about the Recommended Corporate Plan or 2025 budget. For details, visit sprucegrove.org/CorporatePlan.

Dean Screpnek, CPA,CMA,CLGM
City Manager

WHAT IS A CORPORATE PLAN?

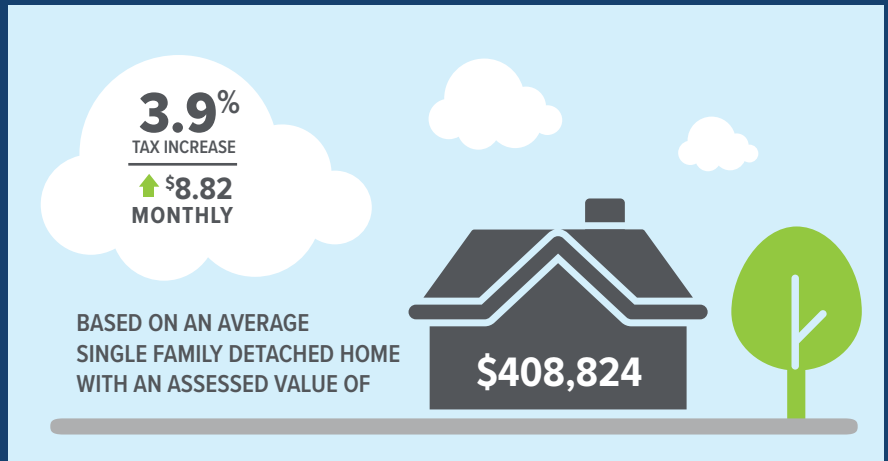
As a municipal government, the City of Spruce Grove is responsible for infrastructure, programs and services that directly impact the day-to-day lives of City residents.

This includes transportation networks (roads and trails), utility services and structures (water, sanitary sewer, stormwater and solid waste), and parks and open spaces, as well as funding community facilities such as the TransAlta Tri-Leisure Centre and the Spruce Grove Public Library. The Corporate Plan outlines the resources required to deliver these programs and services, provide funding to the community, as well as implementing Council's vision for the City of Spruce Grove, as described in the 2022-2025 Strategic Plan.



2025 RECOMMENDED MUNICIPAL OPERATING BUDGET

Your tax dollars in Spruce Grove go a long way! They fund the program and service delivery for the City's transportation networks, the provision of public transit and public safety services, parks and open spaces, community programming and so much more! As a growing City, we are dedicated to maintaining and enhancing the amenities and offerings we provide our community in a fiscally responsible way.

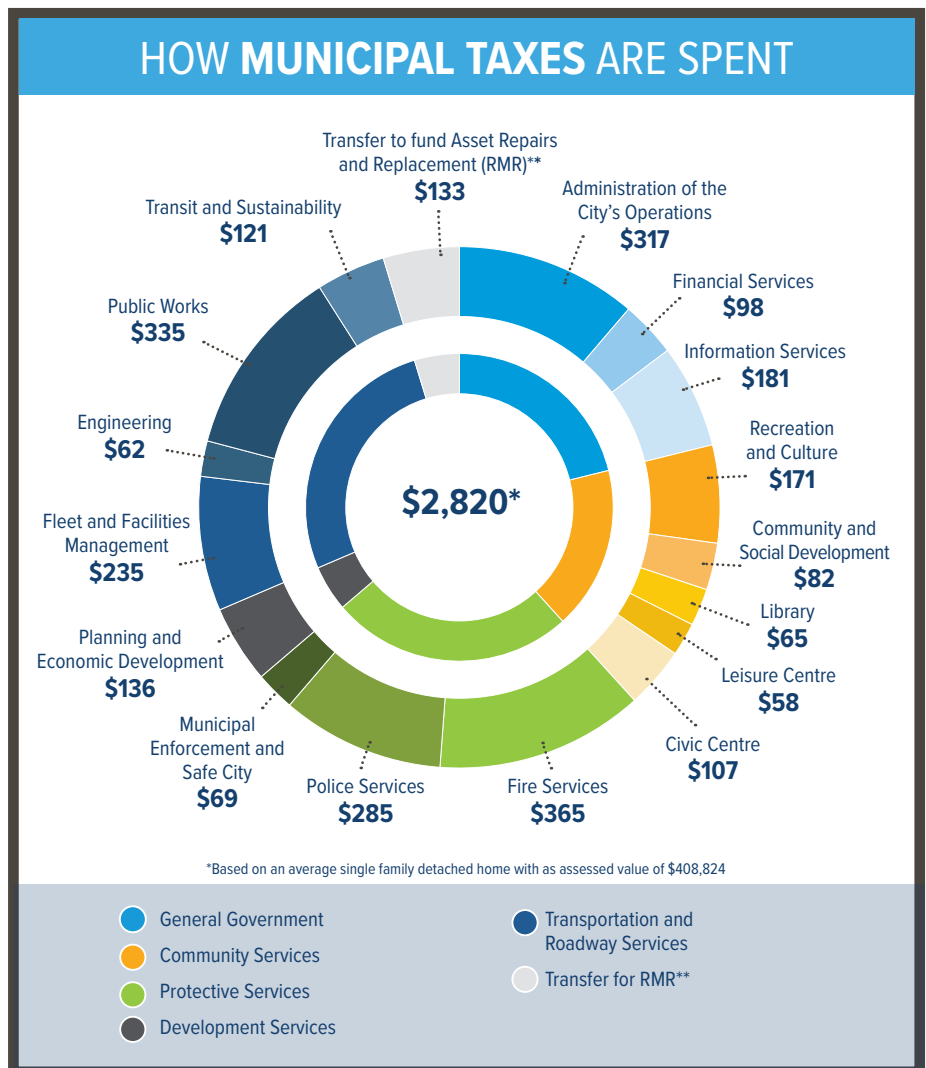


The 2025 Recommended Municipal Operating Budget of \$90.96 million includes a 3.9 per cent tax increase.

- A 2.9 per cent general tax increase supports the maintenance and expansion of City services; and
- Continuation of the 1.0 per cent tax increase to fund the repair, maintenance and replacement of existing infrastructure, vehicles and equipment, which is part of a funding strategy that was approved by Council in 2021.

For a single family detached home with an assessed value of \$408,824, a 3.9 per cent tax increase represents a monthly increase of \$8.82 in 2025 and translates to an annual property tax bill of \$2,820.

**Transfer to fund Asset Repairs and Replacement (RMR) in the chart to the right represents the use of municipal tax dollars to pay for critical infrastructure repairs, maintenance and replacement.





FUNDING OUR COMMUNITY



In 2025, \$3.95 million will be directed towards supporting community initiatives, such as the Spruce Grove Public Library, small business development, the TransAlta Tri-Leisure Centre, underrepresented and equity deserving groups, and much more.

2025 RECOMMENDED MUNICIPAL CAPITAL BUDGET

The municipal capital budget reflects significant investments in community facilities, transportation networks, and parks and open spaces. The City is also creating reserves for the repair, maintenance and replacement of existing infrastructure, vehicles and equipment in the City that will be funded by the 1.0 per cent dedicated tax increase and split tax.

Significant municipal capital investments for the City include:

- The Heavy Metal Place recreation and culture facility, which will be the largest capital project in Spruce Grove history (Municipal cost \$65 million; Developer cost \$20.2 million)*
- Re-imagined Central Park (\$8.2 million) and road surface rehabilitation (\$3.6 million)*

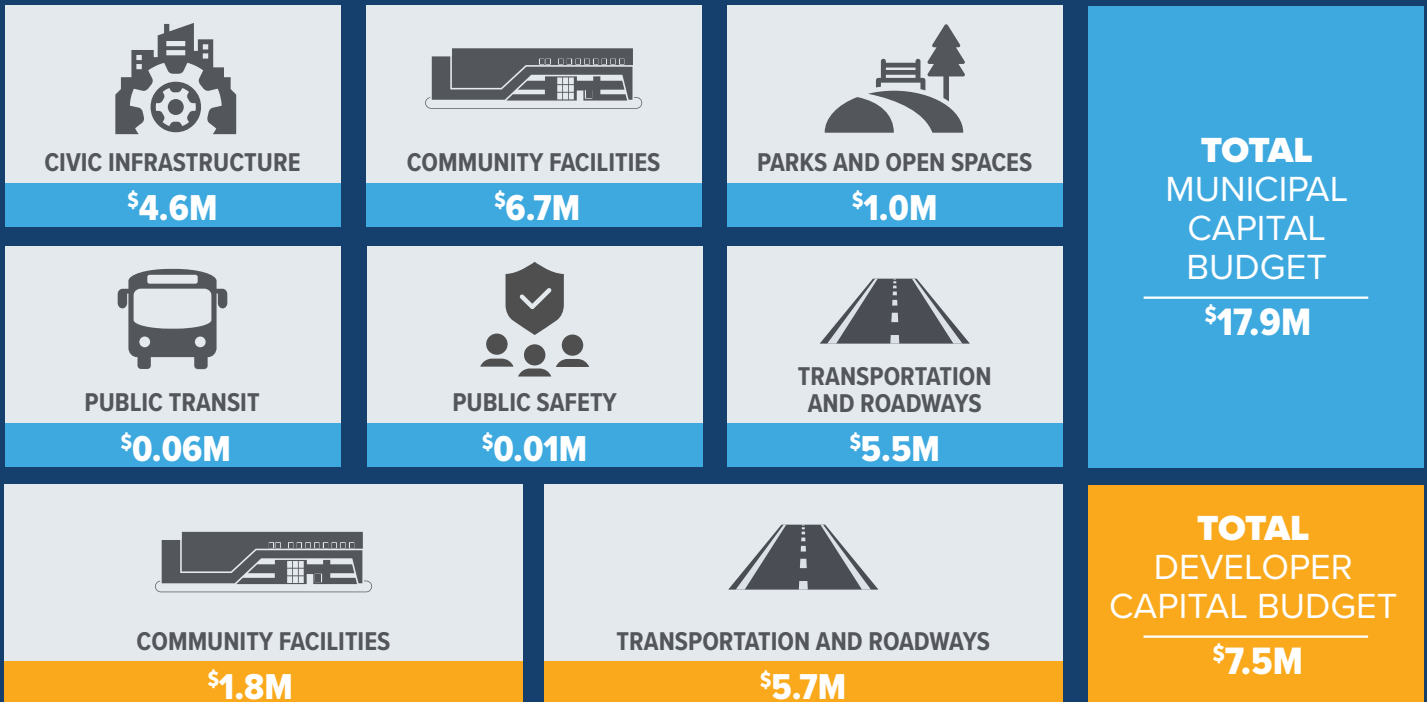
2025 RECOMMENDED DEVELOPER CAPITAL BUDGET

Developer Capital projects are undertaken for new growth-related projects for transportation, sanitary sewer, water, stormwater, recreation, and library infrastructure to support growth and development. These projects are funded through developer levies and recoverable debt when developer levies collected to date are insufficient.

Developer Capital Investments in 2025 include:

- Heavy Metal Place recreation and library facility (Developer cost \$20.2 million; Municipal cost \$65 million)*
- Boundary Road construction (\$11.4 million)*


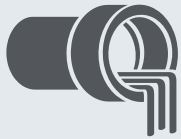


*Entire project costs included for the multi-year durations of the projects





RECOMMENDED UTILITY BUDGET AND DISTRIBUTION FOR 2025

Utility operations should be self-sustaining, which means the rates a user pays for a utility, such as water and waste removal, fully fund that utility. In summer 2023, the City conducted a utility rate review and rates were updated as required to ensure the utilities remain self-sustaining. The average user will experience a \$8.51 increase in their 2025 monthly utility charges as a result of an increase in the water rate, sanitary sewer rate and stormwater rate.

 WATER	 SANITARY SEWER
INCREASE \$3.22/MONTH	INCREASE \$5.60/MONTH
2025 UTILITY OPERATING BUDGET \$16.2M	2025 UTILITY OPERATING BUDGET \$8.3M
2025 UTILITY CAPITAL BUDGET \$4.2M	2025 UTILITY CAPITAL BUDGET \$2M
 SOLID WASTE	 STORMWATER
DECREASE \$3.37/MONTH* (EFFECTIVE APRIL 1, 2025)	INCREASE \$3.06/MONTH
2025 UTILITY OPERATING BUDGET \$4.3M	2025 UTILITY OPERATING BUDGET \$3.5M
2025 UTILITY CAPITAL BUDGET \$0.1M	2025 UTILITY CAPITAL BUDGET \$1.3M

TOTAL UTILITY BUDGET

2025 UTILITY OPERATING BUDGET **\$32.3M**

2025 UTILITY CAPITAL BUDGET **\$7.6M**

*The solid waste utility rate reduction is effective April 1, 2025.

TOTAL MONTHLY IMPACT ON A RESIDENTIAL RATE PAYER



TAX INCREASE
\$8.82



UTILITY FEE INCREASE
\$8.51*

= 17.33 PER MONTH

Based on an average single family detached home with an assessed value of \$408,824, consuming 14 cubic metres of water per month with a one-inch water meter.

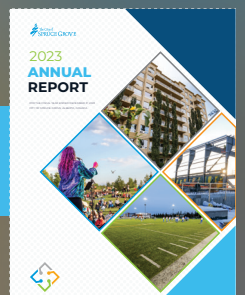
* The solid waste utility rate reduction is effective April 1, 2025.

Franchise fees for natural gas are charged by the City to ATCO Gas and Pipelines for the exclusive right to provide natural gas services within the City, as well as for access to City lands to construct, maintain and operate related assets. ATCO passes along the cost of the franchise fee to the consumer as a separate charge on the natural gas bills.



2022-2025 Strategic Plan

2023 Annual Report





WHAT ARE THE NEXT STEPS?

Budget 2025 will be presented to City Council as part of the 2025-2027 Recommended Corporate Plan at a series of Governance and Priorities Committee Meetings on November 4-6, 2024. Following these meetings, City Administration will amend the plan based on the Committee's direction. The revised plan will be presented to City Council for final approval on December 2, 2024. At this time, the City's 2025 budget is also approved; however, the property tax rates for 2025 are not finalized until the following spring when the actual growth in property assessment values is known and the Education, Meridian Housing Foundation, and Designated Industrial Property Requisition tax rates are set.

HAVE A QUESTION ABOUT THE BUDGET?

Have a question about the 2025-2027 Recommended Corporate Plan? You can register in advance to ask a question in person during the public question and answer period during the Governance and Priorities Committee meeting on November 4, 2024, or you can submit a question to be asked on your behalf.

In person

To ask a question in person, please register in advance by emailing cityclerk@sprucegrove.org or calling 780-962-7615 before noon on November 4. When registering, please provide the question you intend to ask. In-person attendees will have two minutes to ask their question.

Submit a question

Alternately, you can submit a question to be asked on your behalf by emailing cityclerk@sprucegrove.org. Questions will be accepted until the close of the question-and-answer period at the Governance and Priorities Committee meeting on November 4. One question per person is permitted.

Questions may be answered during the meeting or may be referred to Administration for further research. In all cases you will receive a reply to your question.

The full 2025-2027 Recommended Corporate Plan will be available online by October 31 at sprucegrove.org/CorporatePlan.





sprucegrove.org/CorporatePlan