



**Alberta Urban Municipalities Association  
Business Plan & Budget  
2010 - 2012**

**Approved  
November 03, 2009**

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## **MUNICIPALITY STRATEGIC OBJECTIVES AND OUTCOMES**

AUMA approved its long term Strategic Plan in August 2006. In that plan there are six (6) long-term strategic objectives and desired outcomes identified to achieve municipal sustainability. This Business Plan is linked to the strategic plan, ensuring that its tactical initiatives are striving to achieve the following strategic objectives and long-term outcomes of our member municipalities.

### **Objectives**

#### **1. Alberta Communities are Viable and Vibrant**

##### **Desired Outcome:**

- ◆ Communities have the sustainable financial and human resources they need to provide affordable, cost-effective municipal public services and infrastructure
- ◆ Communities are experiencing economic growth and population increases
- ◆ Governments have found ways to align their efforts individually and collectively, resulting in more effective and efficient public services
- ◆ Progressive planning practices have made communities attractive and satisfying places to live

#### **2. Alberta's Diverse Municipalities are Respected and Empowered**

##### **Desired Outcome:**

- ◆ Urban municipalities are able to articulate sound solutions and common priorities
- ◆ There is understanding and trust among municipalities, governments, and citizens on the core responsibilities of municipalities
- ◆ Governance legislation and structures facilitate good relationships and effective partnerships among municipalities
- ◆ Relationships with other orders of government reflect municipal autonomy and self-reliance
- ◆ Governments, citizens, and businesses make effective use of information technologies

#### **3. Alberta Communities are Safe, Healthy, and Caring**

##### **Desired Outcome:**

- ◆ Communities are tolerant and caring places where citizens realize their individual potential, and form strong bonds of mutual support
- ◆ Housing is safe and accessible for citizens of all income and age ranges, and is not a financial burden to municipalities
- ◆ Communities have the capacity to successfully address issues of crime and well being
- ◆ Citizens have access to safe water and transportation systems
- ◆ Municipalities individually, or in regional partnerships, have the capacity to effectively respond to all types of incidents impacting their communities
- ◆ Communities have the means through which citizens can express their creativity and develop their cultural well being

**4. Alberta Communities are Environmental Stewards**

**Desired Outcome:**

- ◆ Communities have the leadership and capacity to think and act long term in maintaining or improving the environment while addressing the needs of their citizens
- ◆ Municipalities implement smart growth strategies for sustainable transportation systems and land uses and follow best practices for waste reduction, water, air, and land uses
- ◆ Municipalities encourage private investments in the development and implementation of environmental strategies
- ◆ Municipalities continuously improve the efficient use of energy and continue to switch to renewable sources of energy

**5. Communities are Well Governed**

**Desired Outcome:**

- ◆ Municipal governments are trusted and ethical
- ◆ Municipal governments lead an active democracy that incorporates meaningful citizen participation
- ◆ Citizens are knowledgeable about municipalities and engage their leaders in the development of positive community strategies
- ◆ Municipal leaders are well educated in their role as governors
- ◆ Well qualified citizens are interested and aspire to participate in the governance of communities

**6. AUMA is a solution base and effective advocate for Members**

**Desired outcome:**

- ◆ AUMA analyzes, interprets and advises members on relevant issues
- ◆ AUMA develops solutions to issues that can be acted on by governments, members, other stakeholders or AUMA itself
- ◆ Collective positions are presented to decision makers, members and stakeholders
- ◆ AUMA is an effectively and efficiently run organization
- ◆ Through its subsidiary AMSC, the AUMA indirectly provides a broad range of cost-effective business solutions that meet municipalities' specific and evolving needs, including sustainability

## AUMA Strategic Roles and Performance Measures

There are five (5) roles AUMA carries out to assist its member municipalities in accomplishing the strategic objectives and outcomes. These roles, along with performance measures developed to determine the adequacy that AUMA is performing in its strategic role, are outlined below:

### Core Business 1: Advocacy

The long term strategies AUMA will follow to meet this core business requirement is:

- ◆ AUMA explores municipal issues, researches options for solutions and works with other governments and municipalities to move issues to a solution forward
- ◆ AUMA meets with Government representatives to lobby and/or advocate for solutions that support municipalities
- ◆ AUMA advocates to municipalities to work together to build common solutions to issues and working together
- ◆ AUMA partners with other organizations that align to support meeting the sustainability objectives facing municipalities
- ◆ AUMA keeps informed, develops trust, and is easily accessible in developing solutions for a broadly-based member advocacy efforts
- ◆ The AUMA leverages the special supportive relationship linking advocacy and business efforts, between AUMA and AMSC, and within AUMA itself

### Performance Measure

Measure	Description	Last Actual	Targets		
			2010	2011	2012
Advocacy Satisfaction	Percentage of members who are 'satisfied' or 'very satisfied' with the impact of AUMA's advocacy efforts	(2008) <u>Target</u> 90%  <u>Actual</u> 78%	90%	90%	90%

**Core Business 2: Change Facilitator**

The long term strategies AUMA will follow to meet this core business requirement is:

- ◆ AUMA develops, leads and supports solutions that help municipalities meet their sustainability objectives and the tools necessary to make changes to the solutions developed
- ◆ AUMA develops the internal resources and expertise to help municipalities meet the changing environment
- ◆ AUMA develops partnerships with other governments and the private sector to support the need for change within the municipal environment
- ◆ AUMA investigates and researches future municipal sustainability objectives and how municipalities can meet those municipal sustainability objectives
- ◆ AUMA brings experts to municipalities that provide change options for municipalities to meet sustainability objectives
- ◆ Through its subsidiary AMSC, the AUMA indirectly provides a broad range of cost-effective business solutions that meet municipalities’ specific and evolving needs, including sustainability
- ◆ AUMA utilizes AMSC to create added value, through synergies inherent in the AMSC – AUMA relationship

Performance Measures

Measure	Description	Last Actual	Targets		
			2010	2011	2012
Membership	Number of Regular (R), Associate (A), and Affiliate (F) AUMA members	<b>(2008)</b> <u>Targets</u> R: 278 A: 400 F: 75  <u>Actuals</u> R: 278 A: 519 F: 75	R: 278 A: 525 F: 80	R: 278 A: 535 F: 85	R: 278 A: 550 F: 85
Web Site Information	Average monthly number of visitors to the AUMA web site ( <a href="http://www.auma.ca">http://www.auma.ca</a> ) who visited more than once	<b>(2008-09)</b> <u>Target</u> 3100  <u>Actual</u> 3173	<b>(2009-10)</b> 3200	<b>(2010-11)</b> 3300	<b>(2011-12)</b> 3400

**Core Business 3: Governance Supporter**

The long term strategies AUMA will follow to meet this core business requirement is:

- ◆ AUMA develops the expertise to help municipalities govern effectively
- ◆ AUMA develops education and training programs that will build governance capacity of locally-elected decision-makers.
- ◆ AUMA researches and develops solutions that improve elected officials’ decision-making capabilities and build trust in locally-elected officials
- ◆ AUMA develops legislative changes that support better governance and advocates those changes to government
- ◆ AUMA aligns the governance requirements for municipalities to meet their sustainability objectives
- ◆ AUMA develops methods and frameworks that help municipalities build good governance structures internally (including their own corporations, Boards or committees) or in regional efforts

Performance Measures

Measure	Description	Last Actual	Targets		
			2010	2011	2012
Board Self-Assessment	Percentage of Board members who ‘agree’ or ‘strongly agree’ that: <ul style="list-style-type: none"> <li>• The Board has performed satisfactorily in the past year (P)</li> <li>• The Budget aligns available resources in support of AUMA’s Mission/ Vision/ Goals and the Business Plan (B)</li> </ul>	<b>(2008-09)</b> <u>Targets</u> P: 90% B: 90%  <u>Actuals</u> P: 93% B: 87%	P: 90% B: 90%	P: 90% B: 90%	P: 90% B: 90%
Alignment with Toronto Stock Exchange (TSX) Governance Guidelines	Number of TSX Governance Guidelines fully met by the AUMA Board	<b>(2008-09)</b> <u>Target</u> 14 of 14  <u>Actual</u> 14 of 14	14 of 14	14 of 14	14 of 14
Executive Committee Self-Assessment	Percentage of Executive Committee members who are ‘satisfied’ or ‘very satisfied’ with Executive Committee performance	<b>(2008-09)</b> <u>Target</u> 90%  <u>Actual</u> 83%	90%	90%	90%

Measure	Description	Last Actual	Targets		
			2010	2011	2012
Financial Reporting Timeliness	Number of months that the Financial Reports are released by the 15 <sup>th</sup> day of the following month without material mis-statement or omissions (February to December Financial reports).	(2008) <u>Target</u> 11  <u>Actual</u> 6	11	11	11
Return on Investment	Percentage return on investments	New	Review Investment Policy and establish a Benchmark for return on investment	Meet established benchmark	Meet established benchmark

**Core Business 4: Information Manager**

The long term strategies AUMA will follow to meet this core business requirement is:

- ◆ AUMA provides useful, reliable information that is tailored to the specific needs of local government decision makers
- ◆ AUMA is the key player in the process of collecting, structuring, analyzing, and distributing the information members need to govern effectively

Performance Measures

Measure	Description	Last Actual	Targets		
			2010	2011	2012
Annual Convention Satisfaction	Percentage of attendees who are 'satisfied' or 'very satisfied' with the annual convention	(2008) <u>Target</u> 81%  <u>Actual</u> 91%	85%	90%	90%
AUMA Communications	Percentage of members who are confident they receive all pertinent information from the AUMA	(2008) <u>Target</u> 75%  <u>Actual</u> 71%	75%	75%	75%

**Core Business 5: Network Participant**

The long term strategies AUMA will follow to meet this core business requirement is:

- ◆ AUMA creates and manages networks relevant to municipalities’ interests
- ◆ AUMA is a network manager, and members trust AUMA to identify, create, or shape the networks of organizations and stakeholders needed to ensure members’ interests are aggressively pursued in an informed and consistent manner
- ◆ AUMA operates in a networked environment and plays a variety of roles depending on its strategic interests
- ◆ AMSC is a wholly-owned subsidiary of the AUMA, and therefore owned by members

Performance Measure

Measure	Description	Last Actual	Targets		
			2010	2011	2012
Government Relations	Number of meetings with elected and appointed government officials	(2008-09) <u>Target</u> 55  <u>Actual</u> 67	55	55	55

## Organizational Structure

The Alberta Urban Municipalities Association (AUMA) was founded in 1905 and represents all Alberta's urban municipalities including cities, towns, villages, summer villages, and specialized municipalities.

Effective January 1, 2005, AUMA was split into the separate legal entities of AUMA and AMSC (Alberta Municipal Services Corporation). All financial transactions of these entities are separately recorded and reported.

For decision-making purposes, there are five boards:

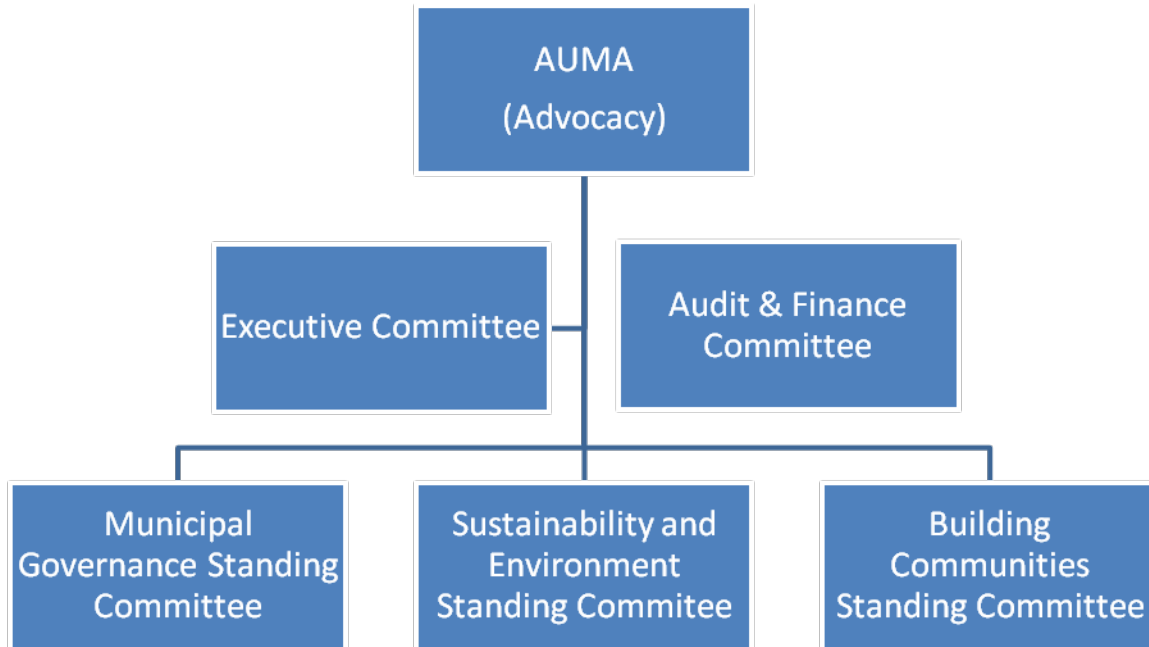
1. AUMA Board – accountable to regular members for overall direction and effectiveness of the organization's advocacy activities.
2. AMSC Board – accountable to regular members for overall direction and effectiveness of all services, new and current.
3. AMSCIS Board – accountable to regular members for overall direction and effectiveness of general insurance and benefits activities.
4. APEX Board – accountable to participating employers for the overall direction and effectiveness of this supplementary defined benefit pension plan, as well as evolution of new or refined pension services as required.
5. MUNIX Board – accountable to those signatory to the insurance reciprocal agreement for the overall direction and effectiveness of this self-insurance vehicle.

Standing committees are responsible for providing advice and recommendations to the appropriate board, followed by implementation of the final board decisions.

For coordination and integration purposes, there is one governance committee that is accountable to the AUMA and AMSC Boards:

1. Audit Committee – accountable to members for the overall probity and integrity of financial systems and practices across both advocacy and customer service activities.

# AUMA Governance Structure



## Vision

The Alberta Urban Municipalities Association is valued by our membership and trusted as a voice for urban municipalities.

## Mission

The Alberta Urban Municipalities Association provides leadership in advocating local government interests to all orders of government and other organizations.

## **AUMA Guiding Principles**

1. Municipal Governments must have the fiscal capacity to fulfill their mandate through:
  - a. Primary access to the property tax base; and
  - b. Sustainable, predictable, long-term sources of revenue.
2. The federal and provincial governments have sole responsibility for direct income redistribution programs and services.
3. The primary focus of urban government is to provide locally oriented services to property and people.
4. Each local urban council will maintain responsibility for the establishment of local standards of services to property and people.
5. Any new standards or requirements imposed by the provincial or federal orders of government must be fully funded by that order of government.
6. Amendments and changes to legislation and regulations relating to municipal governments shall only proceed when AUMA has actively participated and agreed, through meaningful input in a review process.
7. Responsible stewardship of our ecological systems is essential to the economic viability, quality of life, and sustainability of our community.
8. Quality infrastructure is critical to supporting healthy, financially sustainable communities, and strengthens the quality of life for all Albertans, and is the foundation for the Alberta Advantage.

## **AUMA Operating Principles**

1. *Stewardship and Governance Practices*
  - a. Provide independent ongoing leadership through development, articulation and communication of a clear and informed vision and strategy.
  - b. Advocacy and service activities are forward looking and solution based. Challenges and opportunities are identified, solutions designed, and then effective member oriented responses are implemented.
  - c. Leadership is based on ongoing, comprehensive, and current understanding of the expressed needs and interests of members
  - d. Implementation is the responsibility of management, using overall principles of network management, within a clearly communicated accountability framework.
  - e. Practice transparent and efficient stewardship of its resources in a manner consistent with stated vision and strategy, within a comprehensive risk management framework.
  - f. Take an inclusive and team oriented approach to strategy development and implementation.
  - g. Practices strong Board Governance, using the Toronto Stock Exchange (TSX) governance guidelines as the model to emulate and follow.
  - h. Provides leadership on environmental issues.
2. *Empowerment of Members and Accountability of the Association*
  - a. Maximum use of effective empowerment and delegation, within a comprehensive and clear accountability framework. The direct involvement of members is encouraged and enabled.
  - b. Maximize use of elected officials in all empowerment and delegation activities.
  - c. Resource allocations are consistent with empowerment and delegation.
3. *Marketing and Transparency of Communications*
  - a. Communications are open, clear, and managed in accordance with corporate strategy.
  - b. Communications reflect the functional differences between advocacy and service delivery.
  - c. All communications activities promote and protect the AUMA brand.
  - d. New technology is used wherever possible to enhance communications.
4. *Service Delivery and Ethical Fairness*
  - a. Service design and delivery recognizes member diversity
  - b. AUMA owns the customer interface in all service activities.
  - c. AUMA strives to be preferred employer. Human Resource practices reflect an ongoing commitment to fairness, recognition and support for equality and diversity, and the development and enhancement of human resources.
5. *Objectives, Measurement, and Results*
  - a. All AUMA activities, including those of the Board itself, are regularly and systematically evaluated against stated corporate goals and objectives.
  - b. Incorporates best practices and efficiencies in its operations.
6. *Learning and Growth*
  - a. AUMA is a learning organization. Board members and staff are committed to ongoing development and skill enhancement.

## Business Plan Initiatives

AUMA has established a number of business plan initiatives to meet each one of the member municipality's desired objectives, as outlined in AUMA's Strategic Plan.

### OBJECTIVE 1:

#### Alberta Communities are Viable and Vibrant

AUMA recognizes that effective and efficient provision of municipal infrastructure and services is paramount in municipalities. AUMA strives to assist members in achieving viability and vibrancy through advocating to provincial and federal governments, and by supporting a comprehensive municipal sustainability planning process that takes into account all dimensions of sustainability – economic, social, cultural, environmental and governance.

#### INITIATIVES

- New Provincial-Municipal Relationship – Advocate for a new relationship between the Government of Alberta and Municipalities that includes:
  - Grants to municipalities are connected to the overall provincial revenues
  - Municipalities have direct access to other tax sources (i.e. – amusement tax, municipal income tax, hotel tax, land transfer tax, etc.)
  - Establishment of objective based funding with appropriate accountability reporting
  - That an effective local government system is in place with capacity to meet responsibilities
  - Development of an partnership agreement between AUMA and Provincial Government
- Role of AUMA/Members – Government – Implement a strategic planning session for improving the relationship between AUMA, its Members, and Government.
- Property Assessment Review – Continue the work based on the detailed review of property tax and assessment in Alberta, and develop solutions to the key issues identified in the policy paper produced in 2009 to improve the assessment policies, practices and procedures in Alberta.
- Attracting and Retaining Municipal Employees – Work with various groups to develop a Municipal Awareness Week in Alberta.

## **OBJECTIVE 2:**

### **Alberta's Diverse Municipalities are Respected and Empowered**

AUMA works towards enhanced partnerships with provincial and federal governments, and encourages partnerships between municipalities and municipal associations. Citizen engagement is also promoted. In the process of building such partnerships, the governance dimension of sustainability is addressed, leading to the achievement of positive outcomes for Alberta communities.

#### **INITIATIVES**

- Land Use Planning - Monitor and manage Provincial actions and regulations under the Land Stewardship Act in order to keep members informed of the implications of the Land Stewardship Act.
- Strategic Alliance with AAMDC – AUMA will work on developing a protocol agreement with AAMDC to ensure a united voice and strategic advocating position for all of Alberta's municipalities.
- Provincial Strategy on Transit and Transportation - Advocate for a comprehensive provincial strategy on transit and advocate for a move to a fuller provincial transportation strategy.
- First Impressions Community Exchange (FICE) – Working in partnership with the Rural Development Branch of Employment, Immigration, and Industry, AUMA will continue its work on the FICE program which fosters community building and a culture of regional collaboration.

## **OBJECTIVE 3:**

### **Alberta Communities are Safe, Healthy, and Caring**

Social and cultural dimensions of sustainability are key to achieving overall municipal sustainability. AUMA supports municipalities in providing safe, healthy and caring communities.

#### **INITIATIVES**

- Social Dimensions of Crime - Conduct a study of the social dimensions of crime which will examine the correlation between crime and factors such as age, class, gender, and race.
- Welcoming and Inclusive Communities – Continue work assisting communities in attracting and retaining newcomers, increasing community cohesiveness and enhancing social sustainability. This will allow communities to initiate projects intended to prevent conflict and foster community development.

## **OBJECTIVE 4:**

### **Alberta Communities are Environmental Stewards**

Through advocacy, policy development and creation of tools, AUMA assists members in planning for top quality natural and built environments, while balancing this with other sustainability dimensions.

#### **INITIATIVES**

- Municipal Sustainability Planning – Continue with project activities in accordance the with the project schedule for 2009-11. The end result being the development of templates that will allow AUMA members can carry out municipal sustainability planning.
- Municipal Sustainability Planning Website Redesign – Complement the MSP work by redesigning the website to include useful tools and descriptions of challenges and best practices.
- Water Conservation Plan - Continue work on Water Conservation and Efficiency Planning by implementing the targets identified in the policy paper by developing guides and education materials as well as hosting learning events to build the capacity of municipalities to meet water conservation and efficiency targets.
- Municipal Climate Change Action Plans – In partnership with Alberta Environment, Alberta Municipal Affairs, and AAMDC, AUMA will work on the development of a Municipal Climate Change Action Plan and establish a Municipal Climate Change Action Centre to provide support to municipalities.
- Cumulative Effects Management System - Work with Alberta Environment as it develops a CEMS and assist in educating members on the relevance of CEMS to municipal sustainability planning, land use planning, and municipal operations.

## **OBJECTIVE 5:**

### **Communities are Well Governed**

AUMA stands for and supports strategic, visionary leaders with accountable governance systems that enable inclusive, active and effective citizen participation.

#### **INITIATIVES**

- Dissolving Municipalities – Study the dissolution process in Alberta and examine what approaches AUMA can take to help municipalities facing dissolution.
- Future of Local Governance Toolkit and Performance Measures – Develop policy and program changes, along with legislative amendments, to improve municipal governance and sustainability and provide performance measures to help municipalities better understand and measure their sustainability and provide a toolkit to help municipalities secure a sustainable and viable future.
- Four Year Terms for Elected Officials – Continue to advocate four-year terms for municipal elected officials by engaging the Public and Separate School Boards and developing a communication strategy to heighten the issue.

## **OBJECTIVE 6:**

### **AUMA is a solution base and effective advocate for Members**

In addition to developing solutions to address municipal challenges, AUMA encourages and models best practices for sustainability in its own operations, policy, and governance.

#### **INITIATIVES**

- Relocate to New Building – implement the plan to occupy the third floor space at the building 8616 – 51Ave.
- Manage Rental Properties – secure long-term leases for the 1<sup>st</sup> and 2<sup>nd</sup> floors of the new AUMA building and the Saskatchewan Drive property.
- IT CRM Solution - Implement industry standard Customer Relationship Management (CRM) integrated with call centre and document technology to improve service to membership.
- Board Strategic Session – host a planning session, where a complete review and update of all the corporate strategic plans, business plans, and risk analysis will be undertaken.
- AUMA and Group of Companies to be classified with Paramunicipality Status –continue with application process with CRA.

## Budget Planning Assumptions

### External Environment

#### Sources of Information

1. Alberta Economic Development – Economic Outlook – 2009
2. City of Calgary – Economic Outlook: 2009-2019
3. ScotiaGroup – September 2009 Global Forecast Update
4. Mercer – 2010 Salary Forecasts
5. Alberta Government – Pay Plans and Salary Grids

#### Relevant Statistics

	<b>2010</b>	<b>2011</b>	<b>2012</b>
Growth Rate – Alberta	2.3 %	3.0 %	3.5 %
Inflation – Alberta CPI	1.7 %	2.1 %	2.2 %
Prime Interest Rate – Canada	2.5 %	4.0 %	4.5 %
Unemployment Rate – Alberta	6.5 %	6.2 %	5.5 %
Remuneration Increases	2.5 %	3.0 %	3.5%

#### Summary

The Alberta economy in 2010 will continue in the lower growth, low inflation, and low interest rate environment. The 2010 forecasted inflation rate for Alberta at 1.7% is down substantially from the 4-6% levels experienced in 2004-07.

Alberta wage settlements will return to their historic median levels in 2010, and remain in line with productivity growth and inflation for the next few years.

2009-10 is the last year of the three year Government of Alberta Employee wage settlement, which was playing catch up to the prior years' larger than average Alberta CPI increases. In 2009-10 the Government of Alberta employee wage increase was 4.3%, but going forward the wage growth is expected to decrease substantially, with early indications that the 2010-11 wages could be frozen at the previous years' levels.

Alberta unemployment will also peak in 2010, but it is expected that all the Alberta economic indicators will return to normal growth levels in 2011.

## **Internal Environment**

### **Organizational Makeup**

1. AUMA will operate as an Advocacy entity and its operating revenues will include:
  - ◆ Membership fees
  - ◆ Advocacy services
  - ◆ Investment income
  - ◆ AMSC dividend
  - ◆ Management and administration fees
  - ◆ Building Rentals
  
2. AUMA is normally budgeted to operate on a breakeven basis. This means that expenses will not exceed the amount of revenues, including the allowable dividend amounts as received from the Alberta Municipal Services Corporation (AMSC). In 2010, with the challenges that AMSC is facing with the purchase of a building, subsequent upgrades, and subletting the Buildings, the business dividend will not be sufficient to cover the entire advocacy expenses incurred by AUMA. AUMA is then being budgeted in 2010 to have a Net Loss of \$306,000. But on a Corporate consolidated basis, AUMA is budgeted to have a slight operating surplus of \$80,000.
  
3. AUMA incurs expenditures on behalf of AMSC, but will recover these through administrative and management fees.

### **Revenue and Expenditure trends**

1. Revenues
  - Membership fees – budgeting a 3.0% rate increase for 2009, through to 2012.
  
  - Investment incomes – as the portfolios of AUMA are mainly comprised of fixed income instruments, investment returns are forecasted to increase moderately each year, due to year over year portfolio growth
  
2. Expenses
  - Salaries – the 2010 AUMA budget will follow the settlement reached with the Alberta Provincial employees. The 2009-10 settlement came in at a 4.3% increase, (note: AUMA applies this wage cost of living increase, nine months subsequent to the Province). After factoring in performance increases, the 2010 year over year increase for AUMA employee has been budgeted at 4.8%. It is forecasted that the provincial government will take action to freeze or cut the Elected Officials, and Management and employee salaries in 2010, which will have an impact on this three year business plan.
  
  - General Operating – while AUMA administration strives to be cost effective and uses bottom-up budgeting, certain costs are inflationary sensitive. For these identified costs, price increases will be set at the expected Alberta CPI of 1.7 % in 2010, increasing to 2.2% through to 2012.

## Income Statement

	<b>2010</b>	<b>2011</b>	<b>2012</b>
	<b><u>Budget</u></b>	<b><u>Forecast</u></b>	<b><u>Forecast</u></b>
<b>Revenues:</b>			
Membership fees	1,140,000	1,175,000	1,200,000
Membership services	130,000	145,000	155,000
Investment revenue	70,000	75,000	78,000
Dividend revenue	72,000	690,000	750,000
Rental Revenue	826,060	797,700	797,700
	<b>\$ 2,238,060</b>	<b>\$ 2,882,700</b>	<b>\$ 2,980,700</b>
<b>Expenses:</b>			
Salaries and Benefits	4,880,000	5,125,000	5,375,000
Consultants	300,000	350,000	400,000
Staff development	45,000	50,000	50,000
Subscriptions and memberships	25,000	28,000	28,000
Office administration	125,000	130,000	135,000
Building operations	250,000	275,000	285,000
Telecommunications	100,000	110,000	115,000
Electronic communications	23,000	24,000	25,000
Promotions and marketing	50,000	50,000	50,000
Travel	110,000	130,000	135,000
Accounting & Audit Fees	60,000	65,000	70,000
Solicitor charges	20,000	25,000	25,000
Equipment expenses	165,000	170,000	175,000
Bank and service charges	2,000	2,000	2,000
Board and Committee Costs	400,000	550,000	550,000
Other expenses	50,000	10,000	10,000
Interest expense	365,000	355,000	340,000
Insurance - D & O	25,000	26,000	27,000
Depreciation and amortization	965,000	990,000	950,000
	<b>\$ 7,960,000</b>	<b>\$ 8,465,000</b>	<b>\$ 8,747,000</b>
Less Management & Administration fee recoveries	5,416,000	5,725,000	5,900,000
	<b>\$ 2,544,000</b>	<b>\$ 2,740,000</b>	<b>\$ 2,847,000</b>
<b>Operating Income(loss) Before Special Items</b>	<b>\$ (305,940)</b>	<b>\$ 142,700</b>	<b>\$ 133,700</b>
<b>Special Items - Net</b>			
Workshops and seminars	-	-	-
<b>Net</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Income (Loss)</b>	<b>\$ (305,940)</b>	<b>\$ 142,700</b>	<b>\$ 133,700</b>

## Revenues

	<b>2010 Budget</b>	<b>2011 Forecast</b>	<b>2012 Forecast</b>
<b>Revenues</b>			
<b>Membership Fees</b>			
Cities	621,761	640,000	655,000
Towns	326,474	336,000	343,000
Villages	60,993	63,000	64,000
Summer Villages	20,938	21,500	22,000
Associate	64,009	66,000	67,000
Affiliates	45,825	48,500	49,000
subtotal	<u>1,140,000</u>	<u>1,175,000</u>	<u>1,200,000</u>
<b>Investment Revenue</b>			
Bank Interest	1,200	1,500	1,500
Investment Revenue	72,400	79,900	84,200
Investment Fees	(3,600)	(4,000)	(4,000)
Investment subtotal	<u>70,000</u>	<u>75,000</u>	<u>78,000</u>
<b>Membership services</b>			
Queens Printer	4,105	4,300	4,500
Web-site Advertising	125,895	140,700	150,500
	<u>130,000</u>	<u>145,000</u>	<u>155,000</u>
<b>Dividend Revenue</b>			
	72,000	690,000	750,000
<b>Rental Revenue</b>			
8616 - 51 Ave	678,060	620,100	620,100
Saskatchewan Drive	148,000	177,600	177,600
	<u>826,060</u>	<u>797,700</u>	<u>797,700</u>
<b>Revenue Totals</b>	<b>\$ <u>2,238,060</u></b>	<b>\$ <u>2,882,700</u></b>	<b>\$ <u>2,980,700</u></b>

## Expenses

	<b>2010 Budget</b>	<b>2011 Forecast</b>	<b>2012 Forecast</b>
<b>Wages</b>			
Salary - Permanent Staff	4,002,000	4,200,000	4,405,000
Benefits (Salary staff)	846,000	887,000	930,000
Temporary Staff	32,000	38,000	40,000
	<u>4,880,000</u>	<u>5,125,000</u>	<u>5,375,000</u>
<b>Consultants</b>	300,000	350,000	400,000
<b>Travel</b>			
Travel Expenses	77,500	95,000	100,000
Hosting Expenses	32,500	35,000	35,000
	<u>110,000</u>	<u>130,000</u>	<u>135,000</u>
<b>Staff Development</b>	45,000	50,000	50,000
<b>Subscription &amp; Membership</b>	25,000	28,000	28,000
<b>Office Administration</b>			
Office Supplies	72,200	75,000	78,000
Minor Equipment	4,800	5,000	6,000
Coffee/Water Supplies	6,000	6,000	6,000
Courier	18,000	19,000	20,000
Postage	24,000	25,000	25,000
	<u>125,000</u>	<u>130,000</u>	<u>135,000</u>
<b>Board and Committee Costs</b>			
Honoraria	194,290	275,000	275,000
Member Expenses	181,069	250,000	250,000
Meeting Expenses	9,641	10,000	10,000
Board Training Costs	15,000	15,000	15,000
	<u>400,000</u>	<u>550,000</u>	<u>550,000</u>
<b>Telecommunications</b>			
Telephone Expenses	33,870	38,000	40,000
Supernet Access Expense	23,590	25,000	25,000
Cellular Expenses	36,420	40,000	42,000
AirCard Expenses	6,120	7,000	8,000
	<u>100,000</u>	<u>110,000</u>	<u>115,000</u>
	-	-	-
<b>Building Operations</b>			
Building R&M	5,870	-	-
Yard and Parking Lot R&M	3,000	-	-
Utilities - Electric Power	3,160	-	-
Utilities - Natural Gas	200	-	-
Utilities - Water & Sewage	140	-	-
Utilities - Cable	1,440	1,500	1,500
Utilities - Alarm Services	260	-	-
Janitorial Services	13,500	5,000	5,000

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General Building Services/Supplies	6,410	4,500	5,000
Common Area Maintenance (CAM)	161,760	200,000	204,000
Property Taxes	51,260	60,000	65,000
Building Insurance	3,000	4,000	4,500
total	<u>250,000</u>	<u>275,000</u>	<u>285,000</u>
<b>Interest Expense</b>	365,000	355,000	340,000
<b>Audit &amp; Accounting</b>	56,000	61,000	66,000
Payroll Processing	4,000	4,000	4,000
	<u>60,000</u>	<u>65,000</u>	<u>70,000</u>
<b>Equipment</b>			
Equipment & Computer Maintenance	52,390	54,000	55,000
Equipment & Computer Leases	39,160	40,000	41,500
Software Purchases & Support	57,180	59,000	61,000
Computer Consumables	16,270	17,000	17,500
total	<u>165,000</u>	<u>170,000</u>	<u>175,000</u>
<b>Amortization</b>	965,000	990,000	950,000
<b>Solicitor Charges</b>	20,000	25,000	25,000
<b>Promotion &amp; Marketing</b>	50,000	50,000	50,000
<b>Electronic Communication</b>	23,000	24,000	25,000
<b>Other Expenses</b>			
Miscellaneous Expenses	50,000	10,000	10,000
<b>Bank Services Charges</b>			
Bank Service Fees	2,000	2,000	2,000
	-	-	-
<b>Insurance - D &amp; O</b>	25,000	26,000	27,000
	-	-	-
<b>Total Expenses</b>	<u><u>\$ 7,960,000</u></u>	<u><u>\$ 8,445,000</u></u>	<u><u>\$ 8,722,000</u></u>

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<b>Management and Administration Fees</b>	<b><u>2010 Budget</u></b>	<b><u>2011 Forecast</u></b>	<b><u>2012 Forecast</u></b>
AMSCIS - Benefits			
Administration Cost Recovery	\$ 1,112,160	\$ 1,175,000	\$ 1,210,000
Management Fees	724,210	765,000	789,000
AMSCIS - General Insurance			
Administration Cost Recovery	371,544	395,000	405,000
Management Fees	385,819	410,000	420,000
MUNIX			
Administration Cost Recovery	743,100	785,000	810,000
Management Fees	771,793	815,000	840,000
MUNIX Claims			
Administration Cost Recovery	-	-	-
Management Fees	142,088	150,000	155,000
AMSC			
Administration Cost Recovery	261,330	275,000	285,000
Management Fees	567,556	600,000	620,000
APEX			
Administration Cost Recovery	89,060	95,000	98,000
Management Fees	247,340	260,000	268,000
<b>Management and Administration Fees</b>	<b><u>\$ 5,416,000</u></b>	<b><u>\$ 5,725,000</u></b>	<b><u>\$ 5,900,000</u></b>

## Proforma Balance Sheet

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
<b><u>ASSETS</u></b>		
Current Assets		
Cash	\$ 200,000	\$ 300,000
Investments	2,200,000	2,500,000
Accounts Receivable	100,000	100,000
	<u>2,500,000</u>	<u>2,900,000</u>
Property and Equipment	19,700,000	18,500,000
	<u><b>\$ 22,200,000</b></u>	<u><b>\$ 21,400,000</b></u>
 <b><u>LIABILITIES AND EQUITY</u></b>		
Current Liabilities		
Accounts Payable	\$ 700,000	\$ 700,000
Deferred Contributions	1,200,000	1,500,000
Long Term Liabilities		
Bank Loan	9,800,000	10,100,000
Due to AMSC	7,500,000	5,700,000
	<u>17,300,000</u>	<u>15,800,000</u>
Net Assets		
Net Assets Invested in Property and Equipment	2,400,000	2,700,000
Net Assets Internally Restricted	500,000	500,000
Unrestricted Net Assets	100,000	200,000
	<u>3,000,000</u>	<u>3,400,000</u>
	<u><b>\$ 22,200,000</b></u>	<u><b>\$ 21,400,000</b></u>

## Capital Budget

	<b>2010</b>	<b>2011</b>	<b>2012</b>
	<b><u>Budget</u></b>	<b><u>Forecast</u></b>	<b><u>Forecast</u></b>
<b>Land</b>	\$ -	\$ -	\$ -
<b>Building</b>			
Improvements/Upgrades	2,000,000	1,000,000	-
<b>Office Equipment</b>			
Miscellaneous	20,000	20,000	20,000
<b>Office Furniture</b>			
Furniture for New Building	45,000	-	-
Miscellaneous	-	30,000	-
<b>Computer Equipment</b>			
Server Room	65,000		20,000
Personal Computer Replacements	10,000	60,000	20,000
Personal Computer - New Staff	15,000	-	-
<b>Software</b>			
Miscellaneous software	10,000	10,000	10,000
	<b>\$ 2,165,000</b>	<b>\$ 1,120,000</b>	<b>\$ 70,000</b>