



# 2025 Land Fund Budget



City of  
**Prince Albert**

# Table of Contents

Instructions . . . . .	3
Budget Overview . . . . .	4
Balanced Budget . . . . .	6
Revenue Breakdown . . . . .	8
Land Sales . . . . .	10
User Charges and Fees . . . . .	12
Expense Breakdown . . . . .	14
Interest . . . . .	17
Salaries, Wages, and Benefits . . . . .	19
Contracted and General Services . . . . .	22
Financial Charges . . . . .	24
Capital, Interfund, & Reserves . . . . .	25
Interfund Transfers . . . . .	27
Debt Principal Payment . . . . .	28
Capital . . . . .	29
Reserves . . . . .	31
Land Development Fund Balance . . . . .	35

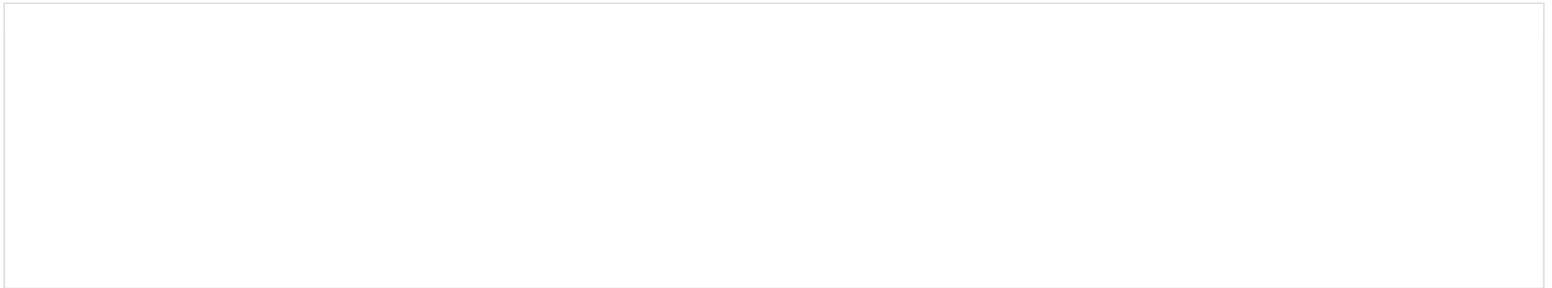
# Instructions

The City of Prince Albert is excited to offer the 2025 Budget in a new digital format. Instructions on how to interact with this new format can be found in the video below.

The structure of the 2025 Budget has remained similar to previous years. The first sections contain highlights and summaries of the budget in its entirety. The sections are then broken down to provide detailed information regarding:

- Capital projects
- Operating budget
- Reserve allocations

The 2025 Budget is also available in a printable PDF format by clicking "Download PDF" in the top right hand corner. Note that the PDF version does not support the interactive features of the digital version.



# Budget Overview

The Land Fund was created via resolution of Council and set up as a combined capital-operating budget that would be run as a self-sustaining fund where all surpluses would be used for future land development. The City was one of the largest land developers but over the years private entities have also been participating in this venture.

The Land Fund contains the City's operations to develop land, which includes lot sales and subdivision development.

The Land Fund documents cash inflows from land sales and cash outflows for land development. Administration's mandate is to operate this fund on the basis that the selling price for developed land is sufficient to recover the costs incurred. In order to generate a profit, the City's prices are typically incremented above the break-even minimum value to ensure that reserves are created to fund future property development. Administration also tries to ensure that there is a balanced mix of properties priced to accommodate demand from low, middle or high income developers.

Over the past few years, Administration has attributed the slowdown in demand, particularly residential, to a number of factors such as: higher lot prices, Provincial Sales Tax implications on housing/construction costs, mortgage regulations, the variety of locations for developers to choose from when making lot purchases (i.e. Crescent Acres versus developing in the West Hill or Adanac Pointe), and the general slump in the Canadian economy. This slowdown appears to remain the trend as inflation and high interest rates are making it challenging for residents and businesses to consider new construction. Looking ahead, Administration continues to be hopeful that lot sales will begin to pick up, though modestly at first, as a result of the City reducing the price of its residential lots and as a result of the announcement and anticipation of two significant industrial businesses, a new entertainment district with aquatic and recreation facilities and construction of the new hospital.



# Balanced Budget

## Operating

	2025: Budget	2024: Budget	Variance
Revenues	460,000	485,000	(25,000)
<i>Land Sales</i>	425,000	450,000	(25,000)
<i>User Charges and Fees</i>	35,000	35,000	0
Expenses	(299,236)	(274,607)	(24,629)
<i>Financial Charges</i>	(2,000)	0	(2,000)
<i>Contracted and General Services</i>	(45,000)	(24,000)	(21,000)
<i>Salaries, Wages, and Benefits</i>	(123,752)	(111,400)	(12,352)
<i>Interest on Long Term Debt</i>	(128,484)	(139,207)	10,723
<b>Grand Total</b>	<b>160,764</b>	<b>210,393</b>	<b>(49,629)</b>

## Debt Principal, Interfund, Improvement Fund, & Reserves

	2025: Budget	2024: Budget	Variance
Long Term Debt Principal	(311,845)	(303,305)	(8,540)

	2025: Budget	2024: Budget	Variance
<i>Marquis Road Extension</i>	(94,045)	(90,905)	(3,140)
<i>RBC West Hill Infrastructure</i>	(217,800)	(212,400)	(5,400)
Transfer from other Funds	<b>(72,250)</b>	<b>(76,500)</b>	<b>4,250</b>
Transfer to Improvement Fund	<b>131,106</b>	<b>81,357</b>	<b>49,749</b>
Transfer to Reserves	<b>92,225</b>	<b>88,055</b>	<b>4,170</b>
<i>Community Services Land Fund Reserve</i>	(21,250)	(22,500)	1,250
<i>Development Levies Reserve</i>	152,475	152,555	(80)
<i>Future Land Purchases Reserve</i>	(5,000)	(6,000)	1,000
<i>Housing Reserve</i>	(17,000)	(18,000)	1,000
<i>Planning and Marketing Reserve</i>	(17,000)	(18,000)	1,000
<b>Grand Total</b>	<b>(160,764)</b>	<b>(210,393)</b>	<b>49,629</b>

## Summary: Balanced Budget

	2025: Budget	2024: Budget	Variance
Capital, Interfund, Reserves, Debt Principal	(160,764)	(210,393)	49,629
Operating	160,764	210,393	(49,629)
<b>Grand Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Revenue Breakdown

The revenue in Land Fund has decreased by \$25,000 due to budgeted decrease in the revenue from land sales.

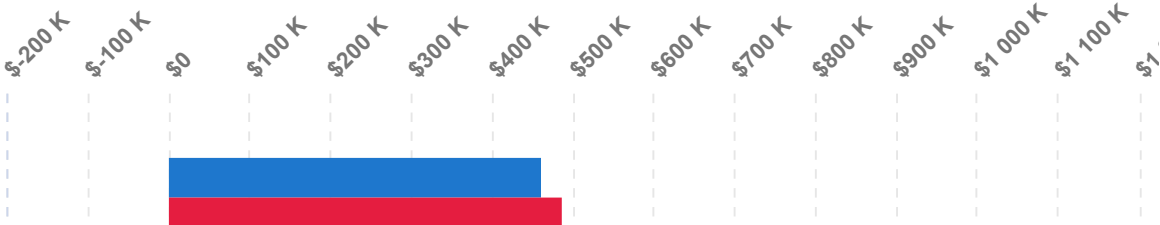
	2025: Budget	2024: Budget	Variance
Revenues	460,000	485,000	(25,000)
<i>Land Sales</i>	425,000	450,000	(25,000)
<i>User Charges and Fees</i>	35,000	35,000	0
<b>Grand Total</b>	<b>460,000</b>	<b>485,000</b>	<b>(25,000)</b>

## Revenue Breakdown | \$460.0K



Amount | Sorted By(2025 Budget) | Broken down by Object Code Type

Revenue Breakdown





Revenues



# Land Sales



This Photo was taken by Pixabay on Pexels.

	2025: Budget	2024: Budget	Variance
Land Sales	425,000	450,000	(25,000)
<i>Residential Land Sales</i>	425,000	450,000	(25,000)
<b>Grand Total</b>	<b>425,000</b>	<b>450,000</b>	<b>(25,000)</b>

## Land Sales | \$425.0K

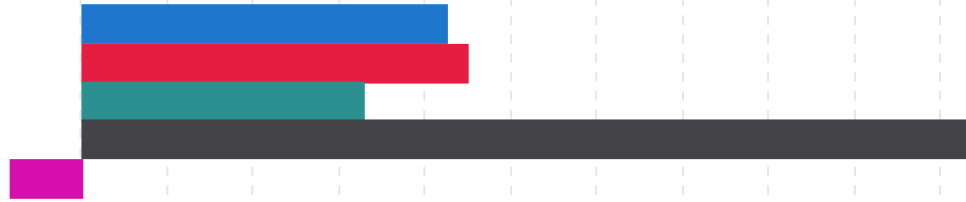


Amount | Sorted By(2025: Budget) | Broken down by Object Category

Land Sales



Land Sales



## Land Sales:

Land sales include both residential and commercial/industrial land sales.

- For 2025, the budget is forecasting the sale of 5 lots in Crescent Acres at an average sale price of \$85,000 for total revenue of \$425,000.
- For 2025, nothing has been budgeted for commercial/ industrial sales as there are no commercial or industrial land sales currently pending.

## Offsite Development Levies:

Collected on sales of land or from developers paying the levy to become part of the City services. This revenue is not easy to project and is transferred directly to the Development Levies Reserve, therefore, is not budgeted.

# User Charges and Fees

User charges and fees are budgeted at \$35,000. This revenue relates to revenue generated from the lease of small tracts of land such as closed walkways, small City easements, signage locations, etc. The revenue is expected to remain consistent with last year.



This Photo was taken by [Nicolas Postiglioni](#) on Pexels.

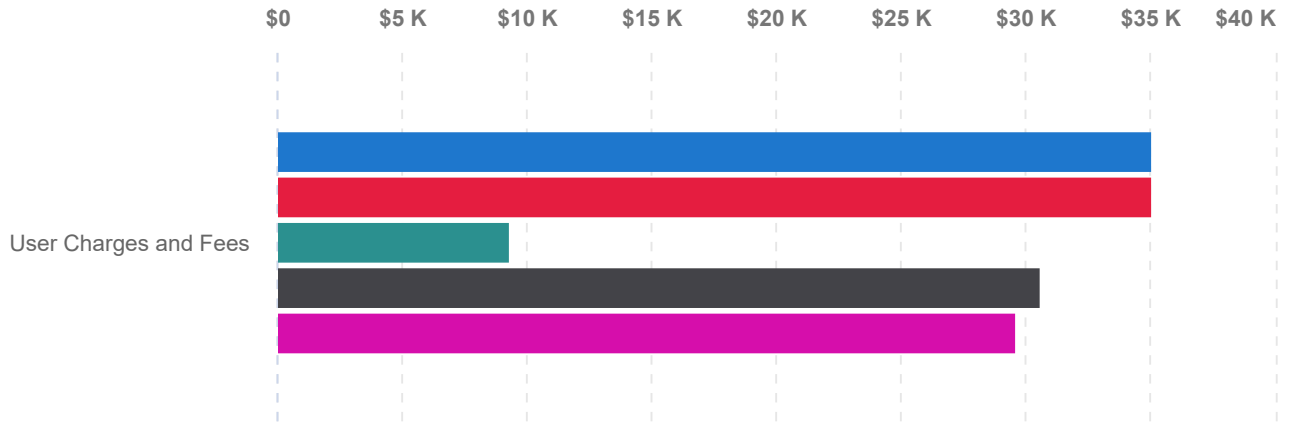
	2025 Budget	2024 Budget	Variance
User Charges and Fees	35,000	35,000	0
<i>Rental and Lease Revenue</i>	35,000	35,000	0
<b>Grand Total</b>	<b>35,000</b>	<b>35,000</b>	<b>0</b>

## User Charges and Fees | \$35.0K



Amount | Sorted By(2025: Budget) | Broken down by Object Category

User Charges and Fees



# Expense Breakdown

The increase in expenditures from 2024 is **\$24,629** which represents an increase of **8.97%**.

Refer to the subsequent pages for further details.

	2025 Budget	2024 Budget	Variance
Expenses	<b>299,236</b>	<b>274,607</b>	<b>24,629</b>
<i>Interest on Long Term Debt</i>	128,484	139,207	(10,723)
<i>Salaries, Wages, and Benefits</i>	123,752	111,400	12,352
<i>Contracted and General Services</i>	45,000	24,000	21,000
<i>Financial Charges</i>	2,000	0	2,000
<b>Grand Total</b>	<b>299,236</b>	<b>274,607</b>	<b>24,629</b>

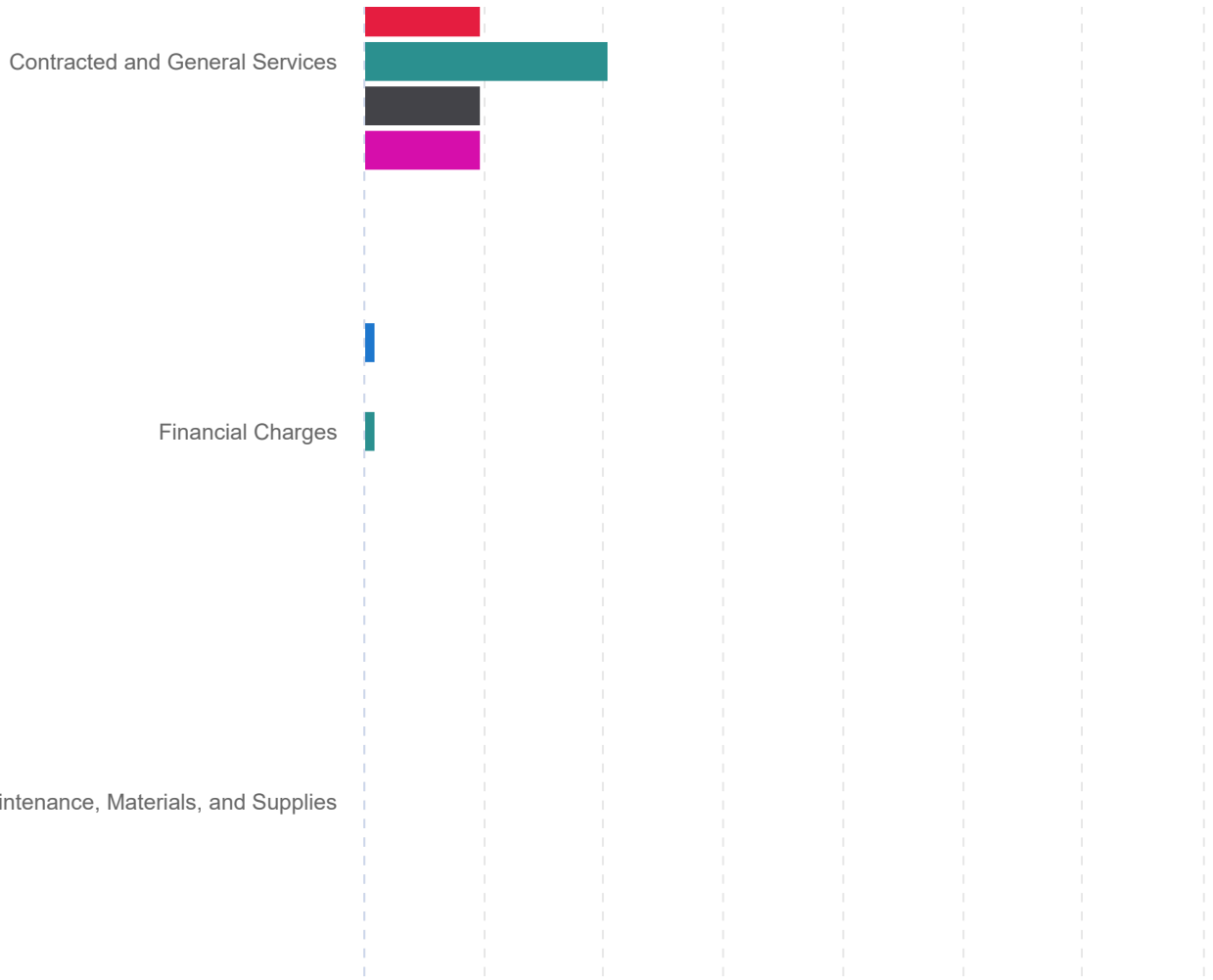
# Expense Breakdown | \$299.2K



Amount | Sorted By(2025 Budget) | Broken down by Object Category

Expense Breakdown > Expenses







# Interest

	2025 Budget	2024 Budget	Variance
Interest on Long Term Debt	128,484	139,207	(10,723)
<i>Marquis Road West Extension Project</i>			
<i>West Hill Development Loan</i>			
<i>Marquis Road West Extension Project</i>	108,430	111,650	(3,220)
<i>West Hill Development Loan</i>	20,054	27,557	(7,503)
<b>Grand Total</b>	<b>128,484</b>	<b>139,207</b>	<b>(10,723)</b>



This Photo was taken by Pixabay on Pexels.

## Marquis East West Expansion Loan

City Council, on February 15, 2022, approved Capital Financing in the amount of \$3,400,000 for roadway construction for the Marquis Road West Extension to be payable over a period of 25 years. The loan was borrowed on March 1, 2022, with a Maturity Date of March 1, 2047. Interest rate of 3.45% for 25 years.

The budgeted amount of **\$108,430** represents the interest payment for the loan borrowed for the Marquis Road West Extension Project.

The interest for the Marquis Road West Extension Project is reducing as more principle is being paid. Decrease of \$3,220.

The principle payment of **\$94,045** is included in the Capital Committed.

Both the Interest and Principle payments for the Marquis Road Extension are funded from the Development Levies Reserve as approved by Council.

## ***West Hill Development Loan***

The development of the West Hill area is paid by property taxes (10%) and by land sales (90%). The interest for the West Hill Development Loan is reducing as more principle is being paid. Decrease of \$7,503.

Last payment is December of 2027. The budgeted amount of **\$20,054** represents 90% charged to the Land Fund for the Interest Payment. Interest rate is 3.40%.

The principle payment of **\$217,800** is included in the Capital Committed.

# Salaries, Wages, and Benefits

## General Wages Adjustments

City Council has approved the following wage adjustments for 2025:

- Out of Scope Staff: 3% effective January 1, 2025
- CUPE 882 Staff:
  - 1.5% increase effective January 1, 2025
  - 1.5% increase effective July 1, 2025
- CUPE 160 Staff:
  - 3% increase effective January 1, 2025

## Payroll Benefits

The maximum CPP cost will increase to \$4,028 in 2025 from \$3,820 in 2024. The employer matches the employee cost for CPP.

The WCB costs have risen from \$2.25/\$100 of WCB assessable earnings in 2024 to \$2.70/\$100 of WCB assessable earnings in 2025.

## Breakdown of Salaries, Wages, and Benefits

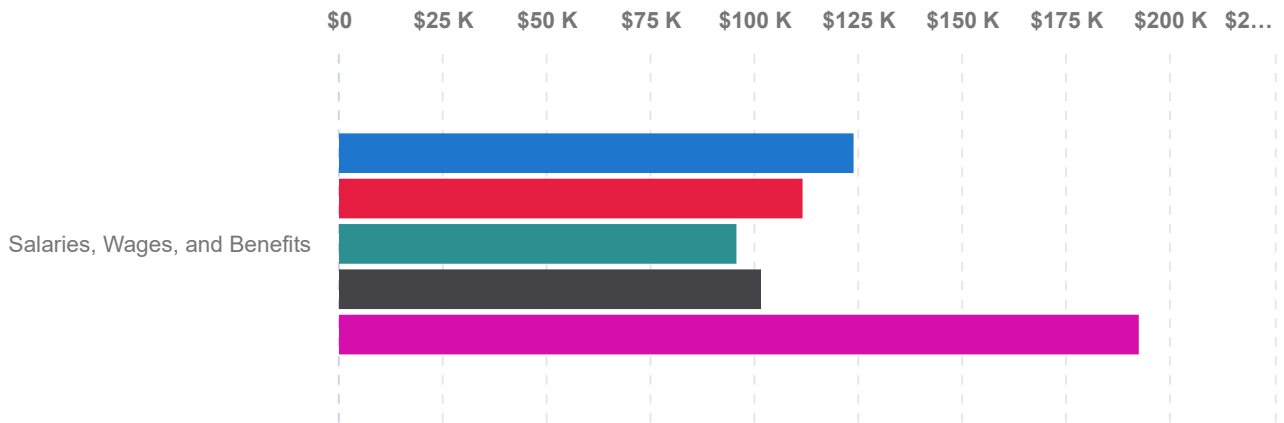
	2025 Budget	2024 Budget	Variance
Salaries, Wages, and Benefits	123,752	111,400	12,352
<i>Salaries Regular</i>	60,503	59,534	969
<i>Wages Regular</i>	35,575	30,305	5,270
<i>Payroll Benefits</i>	27,674	21,561	6,113
<b>Grand Total</b>	<b>123,752</b>	<b>111,400</b>	<b>12,352</b>

## Salaries, Wages and, Benefits Comparison by Budget Year | \$123.8K



Amount | Sorted By(2025 Budget) | Broken down by Object Category

Salaries, Wages and, Benefits Comparison by Budget Year



## Salaries Allocation

Salary costs are allocated to the Land Fund in the following percentages to reflect the salaries and payroll benefit costs:

Director of Public Works	10%
Engineering Services Manager	15%
Utilities Manager	10%

Senior CAD Technologist 10%

# Contracted and General Services

\$45,000 total contracted and general services for spraying and discing undeveloped land owned by the city to address the growth of weeds. The budget has increased from the prior year as the budget for 2025 is adjusted to the actual requirement for maintaining the land.



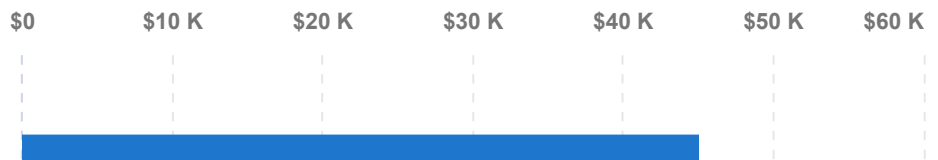
	2025 Budget	2024 Budget	Variance
Contracted and General Services	45,000	24,000	21,000
<b>Grand Total</b>	<b>45,000</b>	<b>24,000</b>	<b>21,000</b>

## Contracted and General Services | \$45.0K

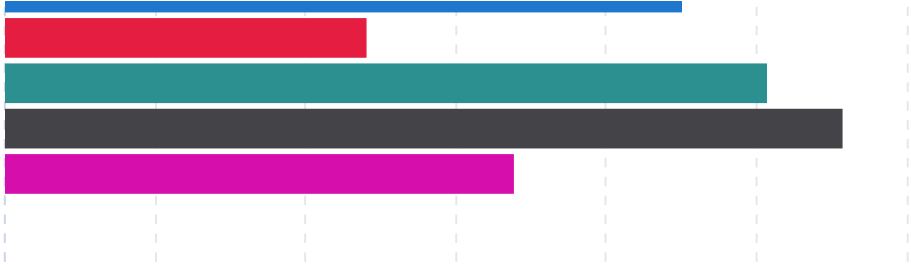


Amount | Sorted By(2025 Budget) | Broken down by Object Category

Contracted and General Services



Contracted and General Services

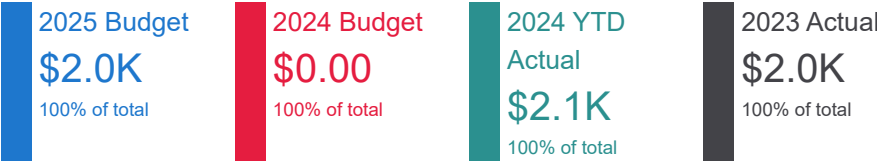


# Financial Charges

\$2,000 is budgeted as financial charges for property tax paid to RM of Prince Albert for a parcel of land that is owned by the city but is outside the city limits. The amount was not budgeted in 2024 budget and therefore results in a budget expense increase of \$2,000.

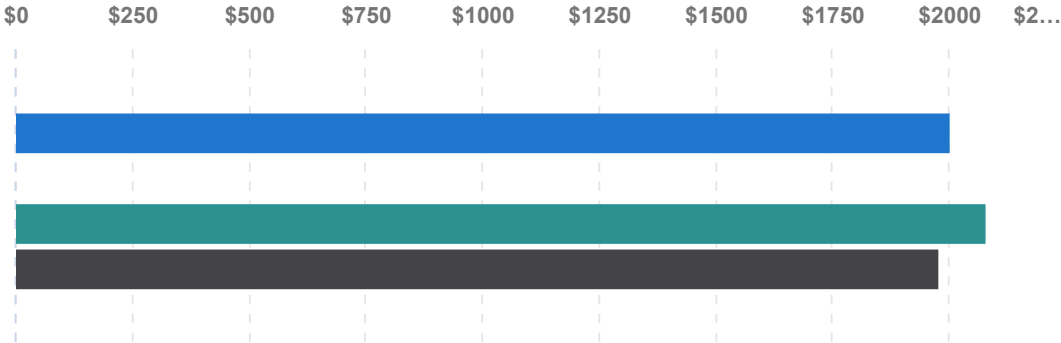
	2025 Budget	2024 Budget	Variance
Financial Charges	2,000	0	2,000
<b>Grand Total</b>	<b>2,000</b>	<b>0</b>	<b>2,000</b>

## Financial Charges | \$2.0K



Amount | Sorted By(2025 Budget) | Broken down by Object Category

Financial Charges





# Capital, Interfund, & Reserves

The City creates a balanced budget, which means that non-income statement related items such as capital expenditures and reserve transactions (which sit on the balance sheet) are budgeted for in the year they occur:

- Accounting treatment for capital items has them being capitalized on the balance sheet to demonstrate the City possessing a future economic benefit from that item. Annually, to demonstrate the usage of that capital item, amortization is expensed on the income statement. Once that capital asset is at the end of its useful life, it will have been fully expensed through amortization on the income statement, and will no longer have a value on the balance sheet.
  - The City is required to budget for the entire capital outlay of an asset in the year it is acquired, instead of budgeting for the annual amortization. This results in a capital budget item for 100% of the capital cost, and no budget for amortization.
- Reserves represent equity which is a balance sheet item. They are amounts that have been set aside for another future purpose.
- Interfund transfers are transactions that happen between the different funds the City controls.

	2025 Budget	2024 Budget	Variance
Long Term Debt Principal	<b>311,845</b>	<b>303,305</b>	<b>8,540</b>
<i>RBC West Hill Infrastructure</i>	217,800	212,400	5,400
<i>Marquis Road Extension</i>	94,045	90,905	3,140
Transfer from other Funds	<b>(72,250)</b>	<b>(76,500)</b>	<b>4,250</b>
<i>Transfer to General Fund</i>	(72,250)	(76,500)	4,250
Transfer to Reserves	<b>(92,225)</b>	<b>(88,055)</b>	<b>(4,170)</b>
<i>Community Services Land Fund Reserve</i>	21,250	22,500	(1,250)
<i>Planning and Marketing Reserve</i>	17,000	18,000	(1,000)
<i>Housing Reserve</i>	17,000	18,000	(1,000)
<i>Future Land Purchases Reserve</i>	5,000	6,000	(1,000)
<i>Development Levies Reserve</i>	(152,475)	(152,555)	80
Transfer to Improvement Fund	<b>(131,106)</b>	<b>(81,357)</b>	<b>(49,749)</b>

	2025 Budget	2024 Budget	Variance
<b>Grand Total</b>	<b>16,264</b>	<b>57,393</b>	<b>(41,129)</b>

# Interfund Transfers

Interfund Transfers for Year 2025 are budgeted at **\$72,250** for the Transfer to General Fund.

The calculation of the Transfer to the General Fund is based on the forecasted number of residential properties to be sold in 2025. Transfer to General Fund is 17% of the land sales. Based on the projected number of residential land sales, it is expected that the transfer to the General Fund will decrease from \$76,500 to \$72,250 due to a projected decrease in the lot sale revenue.

	2025 Budget	2024 Budget	Variance
Transfer to General Fund	(72,250)	(76,500)	4,250
<b>Grand Total</b>	<b>(72,250)</b>	<b>(76,500)</b>	<b>4,250</b>

# Debt Principal Payment

Administration is requesting **\$311,845 for Debt Principal Payment** for the Land Fund in 2025. A brief description is provided below:

- \$217,800 for Long Term Loan Principal Payment related to the West Hill Infrastructure Development loan **to be funded from the Land Development Fund Balance.**
- \$94,045 for Long Term Loan Principal Payment related to the Marquis Road West Extension - Roadway Construction project **to be funded from the Development Levies Reserve.**

<b>Debt Principal Payment</b>	<b>2025 Budget</b>	2024 Budget
<b>Budgeted Transactions</b>		
<b>Funding:</b>		
Funding for Capital - via transfer from Land		
Development Fund Balance	<b>217,800</b>	212,400
Development Levies Reserve	<b>94,045</b>	90,905
<b>Total Funding</b>	<b>311,845</b>	303,305
<b>Expenditures:</b>		
Long term Debt Principal - West Hill Infrastructure	<b>217,800</b>	212,400
Long Term Debt Principal - Marquis Road West Extension	<b>94,045</b>	90,905
<b>Total Expenditures</b>	<b>311,845</b>	303,305

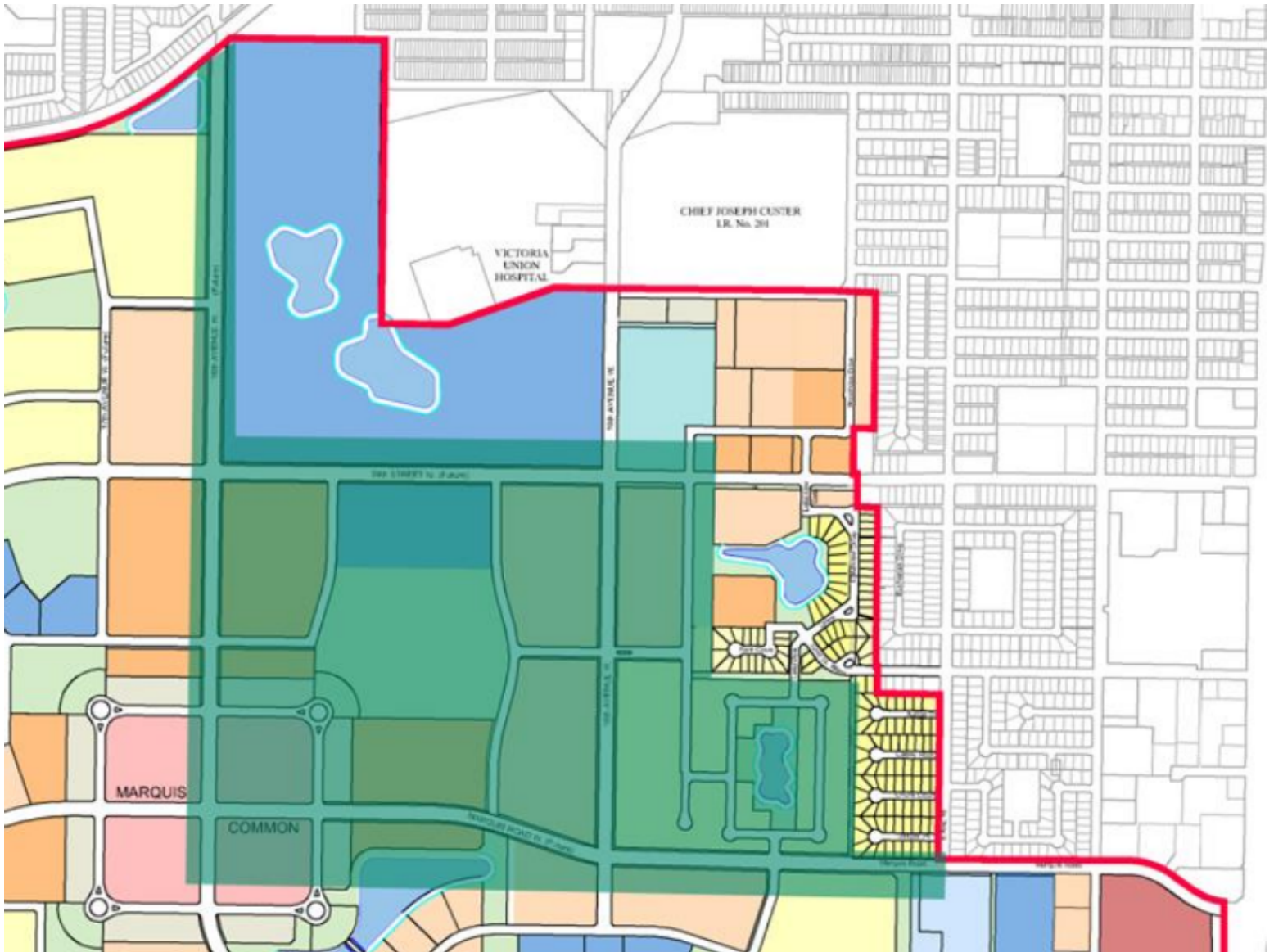
Debt

# Capital

\$350,000 is budgeted for **West Hill Expansion Master Plan** to be funded from the **Planning and Marketing Reserve**. A brief description and funding source is provided below:

	2025 Budget
West Hill Expansion Master Plan	350,000
<p><i>In 2022 the construction of 10 Avenue and Marquis Road West was completed to facilitate future development. Since that time, existing developments have occurred directly west of 10th Avenue and the commitment of additional developed lands west of 10th Avenue on 28 Street West. There was a West Hill Master Plan (WHMP) developed in 2018 which provided the framework for development including trunk mains for water systems, sanitary sewer, storm sewer, storm ponds, transportation network, land use and Municipal Reserve development. The City now requires the detailed design of the area surrounding 10 Avenue from 28 Street to Marquis Road West so that future developments are designed to integrate with the surface and underground infrastructure.</i></p> <p><i>Funding Source: Planning and Marketing Reserve</i></p>	350,000
<b>Grand Total</b>	<b>350,000</b>

This project is for detailed engineering design of the surface and underground utility infrastructure for the area shaded in green on the image below.



# Reserves

The transfer to the reserves are as follows:

	2025 Budget	2024 Budget	Variance
Transfer to Reserves	(92,225)	(88,055)	(4,170)
<i>Community Services Land Fund Reserve</i>	21,250	22,500	(1,250)
<i>Development Levies Reserve</i>	(152,475)	(152,555)	80
<i>Future Land Purchases Reserve</i>	5,000	6,000	(1,000)
<i>Housing Reserve</i>	17,000	18,000	(1,000)
<i>Planning and Marketing Reserve</i>	17,000	18,000	(1,000)
<b>Grand Total</b>	<b>(92,225)</b>	<b>(88,055)</b>	<b>(4,170)</b>

Marquis Road West Expansion project loan principal and interest payment is paid from Development Levies Reserve. The total principal and interest of this loan is \$202,475 which is transferred from Development Levies Reserve to the Land Fund. This is partially offset by a transfer of \$50,000 from Land Fund to Development Levies Reserve. Therefore, on a net basis \$152,475 is transferred from Development Levies Reserve to the Land Fund.

Reserve continuity schedules with estimated reserve balance at the end of 2025 are given below:

## Development Levies Reserve

<b>Development Levies Reserve</b>	<b>2025 Budget</b>	<b>2024 Budget</b>
<b>Budgeted Transactions</b>		
<b>Funding:</b>		
Allocation from Operations	<b>50,000</b>	50,000
<b>Expenditures:</b>		
Marquis Road West Expansion - Long Term Debt Interest	<b>108,430</b>	111,650
Marquis Road West Extension - Long Term Debt Principle	<b>94,045</b>	90,905
<b>Total Expenditures</b>	<b>202,475</b>	202,555
<b>Budgeted Increase (Decrease) to Reserve</b>	<b>(152,475)</b>	(152,555)
<b>Reserve Deficit, beginning of year (estimated)</b>	<b>(4,775,092)</b>	(4,622,537)
<b>Reserve Deficit, end of year (estimated)</b>	<b>(4,927,567)</b>	(4,775,092)



# Future Land Purchases Reserve

<b>Future Land Purchases Reserve</b>	<b>2025 Budget</b>	<b>2024 Budget</b>
<b>Budgeted Transactions</b>		
<b>Funding:</b>		
Allocation from Operations	<b>5,000</b>	6,000
<b>Expenditures:</b>	-	-
<b>Budgeted Increase (Decrease) to Reserve</b>	<b>5,000</b>	6,000
<b>Reserve Surplus, beginning of year (estimated)</b>	<b>27,763</b>	21,763
<b>Reserve Surplus, end of year (estimated)</b>	<b>32,763</b>	<b>27,763</b>

# Planning and Marketing Reserve

<b>Planning and Marketing Reserve</b>	<b>2025 Budget</b>	2024 Budget
<b>Budgeted Transactions</b>		
<b>Funding:</b>		
Allocation from Operations	<b>17,000</b>	18,000
<b>Expenditures:</b>		
West Hill Expansion Master Plan	<b>350,000</b>	-
<b>Budgeted Increase (Decrease) to Reserve</b>	<b>(333,000)</b>	18,000
<b>Reserve Surplus, beginning of year (estimated)</b>	<b>439,657</b>	421,657
<b>Reserve Surplus, end of year (estimated)</b>	<b>106,657</b>	439,657

# Land Development Fund Balance



A summary of the 2025 budget's impact on the Land Development Fund balance is as follows:

- A **surplus** from operations is **\$160,764** out of which **\$72,250** is transferred to general fund, the remaining **\$88,514** to be transferred to the Land Development Fund.
- The capital expenditure for the Long Term Debt Principle Payment for the West Hill Infrastructure is **\$217,800** to be funded from the Land Development Fund.
- The interest and principle payments for the Long Term Debt for the Marquis Road West Extension is being funded by the Development Levies Reserve, as such, **\$202,475** is transferred from the Development Levies Reserve to the Land Development Fund.
- A transfer of **\$110,250** from the Land Development Fund to General Fund and Land Fund Reserves.
- This results in an estimated net **increase** to the **deficit** in the Land Development Fund in 2025 of **\$131,106**, resulting in a **closing deficit balance to \$2,462,028**.

<b>Land Development Fund Balance</b>	<b>2025 Budget</b>	<b>2024 Budget</b>
<b>Budgeted Transactions</b>		
<b>Funding:</b>		
Total Surplus	<b>160,764</b>	210,393
Transfer to General Fund	<b>(72,250)</b>	(76,500)
Net Surplus Available in Land Fund	<b>88,514</b>	133,893
Transfer from Development Levies Reserve - Interest	<b>108,430</b>	111,650
Transfer from Development Levies Reserve - Principal	<b>94,045</b>	90,905
<b>Total Funding</b>	<b>290,989</b>	336,448
<b>Expenditures:</b>		
Long Term Debt Principal - West Hill Infrastructure	<b>217,800</b>	212,400
Principal Payment - Marquis Road West Extension	<b>94,045</b>	90,905
<b>Total Expenditures:</b>	<b>311,845</b>	303,305
Less: Allocation to Reserves	<b>(110,250)</b>	(114,500)
Less: Transfer to Recreation Centre Reserve		(845,142)
<b>Budgeted Increase (Decrease) to Funded Balance</b>	<b>(131,106)</b>	(926,499)
<b>Fund Deficit Balance, beginning of year (estimated)</b>	<b>(2,330,922)</b>	(1,404,423)
<b>Fund Deficit Balance, end of year (estimated)</b>	<b>(2,462,028)</b>	(2,330,922)

As shown in the table above **\$845,142** was transferred to the Recreation Centre Reserve in 2024. This transfer was approved by the Council on **September 16, 2024**.

## Reserve Allocations

Amounts are transferred from Land Development Fund to other reserves as per the rates set by the council. The reserve allocations are as follows:

<b>Reserve Allocations</b>	<b>2025 Budget</b>	<b>2024 Budget</b>
Community Services Reserve (General Fund)	<b>(21,250)</b>	(22,500)
Development Levies Reserve	<b>(50,000)</b>	(50,000)
Future Land Purchase Reserve	<b>(5,000)</b>	(6,000)
Housing Reserve (General Fund)	<b>(17,000)</b>	(18,000)
Planning and Marketing Reserve	<b>(17,000)</b>	(18,000)
	<b>(110,250)</b>	(114,500)