

**COMMITTEE-OF-THE-WHOLE MEETING AGENDA  
MONDAY, MARCH 26, 2018 AT 5:00 P.M.  
LEDE ROOM, LEDUC CIVIC CENTRE  
1 ALEXANDRA PARK, LEDUC, ALBERTA  
PAGE 1**

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*Admin.  
Est. of Time*

**I. APPROVAL OF AGENDA**

**II. ADOPTION OF PREVIOUS NOTES**

- a) Approval of Notes of the Committee-of-the-Whole Meeting held Monday, March 19, 2018

**III. DELEGATIONS & PRESENTATIONS**

**IV. BUSINESS ARISING FROM PRESENTATIONS**

**V. IN-CAMERA ITEMS**

**VI. RISE AND REPORT FROM IN-CAMERA ITEMS**

**VII. REPORTS FROM COMMITTEE & ADMINISTRATION**

- |            |    |   |                   |
|------------|----|---|-------------------|
| M. Hay     | a) | 2017 City of Leduc Annual Report                                    | <i>10 minutes</i> |
| M. Hay     | b) | Draft Edmonton Metropolitan Region Board 2018-2023 Strategic Plan   | <i>10 minutes</i> |
| M. Hay     | c) | Agenda Items for Joint City/County Council Meeting on April 3, 2018 | <i>10 minutes</i> |
| J. Cannon  | d) | 2017 Year End Results   | <i>45 minutes</i> |
| J. Cannon  | e) | 2018 Mill Rate Process  | <i>30 minutes</i> |
| M. Pieters | f) | Linsford Gardens Housing Project Update                             | <i>10 minutes</i> |

**VIII. INFORMATION ITEMS**

- a) AUMA's Analysis of Provincial Budget 2018

**IX. ADJOURNMENT**

I.

# **APPROVAL OF AGENDA**

This is your opportunity to make an addition, deletion or revision  
to the Agenda

**COMMITTEE-OF-THE-WHOLE MEETING NOTES**  
**MONDAY, MARCH 19, 2018**  
**PAGE 22**



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Present: Mayor B. Young, Councillors B. Beckett, B. Hamilton, L. Hansen, T. Lazowski and L. Tillack

Absent: Councillor G. Finstad

Also Present: P. Benedetto, City Manager and S. Davis, City Clerk

Mayor B. Young called the meeting to order at 5:02 pm.

**I. APPROVAL OF AGENDA**

**MOVED** by Councillor B. Beckett that the Committee approve the agenda with the following deletion:

VII. Reports from Committee and Administration

d) 2017 City of Leduc Annual Report

Motion Carried Unanimously

**II. ADOPTION OF PREVIOUS NOTES**

a) **Approval of Notes of the Committee-of-the-Whole Meeting held Monday, March 12, 2018**

**MOVED** by Councillor L. Tillack that the notes of the Committee-of-the-Whole meeting held Monday, March 12, 2018, be approved as presented.

Motion Carried Unanimously

**III. DELEGATIONS & PRESENTATIONS**

There were no delegations or presentations.

**IV. BUSINESS ARISING FROM PRESENTATIONS**

**V. IN-CAMERA ITEMS**

**MOVED** by Councillor L. Tillack that the Committee-of-the-Whole move In-Camera at 5:43 pm to discuss:

a) Edmonton International Airport Accord Transit Services and Funding  
*FOIP s. 21, 24 & 25*

b) High School Site in Crystal Creek  
*FOIP s. 16, 21, 24 & 25*

Motion Carried Unanimously

**MOVED** by Councillor B. Beckett that the Committee-of-the-Whole move In-Public at 7:29 pm.

Motion Carried Unanimously

**VI. RISE AND REPORT FROM IN-CAMERA ITEMS**

**COMMITTEE-OF-THE-WHOLE MEETING NOTES**  
**MONDAY, MARCH 19, 2018**  
**PAGE 23**



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**a) Edmonton International Airport Accord Transit Services and Funding**

*FOIP s. 21, 24 & 25*

M. Pieters, General Manager, Infrastructure and Planning, J. Cannon, Director, Finance, P. Benedetto, City Manager, and I. Sasyniuk, General Manager, Corporate Services, made a PowerPoint presentation (Attached).

K. Wenzel, Manager, Public Transportation, I. Sasyniuk, J. Cannon, M. Pieters, Mayor B. Young, and P. Benedetto, answered the Committee's questions.

**b) High School Site in Crystal Creek**

*FOIP s. 16, 21, 24 & 25*

M. Pieters, General Manager, Infrastructure and Planning, and P. Benedetto, City Manager, made a PowerPoint presentation (Attached) and answered the Committee's questions.

The Committee recessed at 7:29 pm.

The Committee reconvened at 7:39 pm.

**VII. REPORTS FROM COMMITTEE & ADMINISTRATION**

**a) Facilities Master Plan ("FMP")**

B. Knisley, Director, Facility and Property Services, introduced R. Baxter, Principal-in-Charge, C. Kjinserdahl, Project Lead and A. Lumby, Urban Designer, from HOK, Inc.

C. Kjinserdahl, R. Baxter and A. Lumby made a PowerPoint presentation (Attached) on the six stage project.

B. Knisley, D. Melvie, General Manager, Community and Protective Services, I. Sasyniuk, General Manager, Corporate Services, P. Benedetto, City Manager, M. Pieters, General Manager, Infrastructure and Planning, and A. Lumby, answered the Committee's questions.

Committee members requested that the FMP take into consideration:

- non-duplication of items already provided by private business
- future technological advancements
- continuing to encourage the creation of community enhancements (ie: playgrounds, skating rinks) by developers

**b) 2018 Tax Review**

J. Cannon, Director, Finance, and G. Damo, Manager, Revenue Services, made a PowerPoint presentation (Attached).

J. Cannon, P. Benedetto, City Manager, and Mayor B. Young, answered the Committee's questions.



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**c) Leduc Transit Commitment for Smart Fare**

M. Pieters, General Manager, Infrastructure and Planning, made a presentation on the Smart Fare Initiative. The cost to commit Leduc Transit to participation in Smart Fare is \$100,000, which will be shared 65/35 with Leduc County. There are seven municipalities being invited to participate in this regional transit undertaking, with three already having signed contracts.

M. Pieters, K. Wenzel, Manager, Public Transportation, P. Benedetto, City Manager, and Mayor B. Young answered the Committee's questions.

Mayor B. Young will speak to the City of Edmonton in an effort to understand why the cost is \$100,000 per municipality across the board regardless of size.

Administration was directed to carry out some preliminary work in order to provide additional information to the Committee to assist with the decision process.

**d) Service Level Review Initiatives**

I. Sasyniuk, General Manager, Corporate Services, made a presentation asking if there are any specific service level initiatives that Committee members would like to see added to the service level review prior to the 2019 budget process.

I. Sasyniuk answered the Committee's questions.

**e) Cannabis Update – Public Use**

D. Melvie, General Manager, Community and Protective Services, and C. Chisholm, Manager, RCMP Administration and Enforcement Services, made a PowerPoint presentation (Attached).

C. Chisholm, B. Loewen, City Solicitor, Mayor B. Young and D. Melvie answered the Committee's questions.

Administration was directed to prepare a report, and a Bylaw, using a moderate private use approach, including a buffer of 50 meters and the use of temporary bans during certain events such as Canada Day celebrations. The Multiway will not be a restricted location.

**f) Cannabis Report – Land Use**

S. Losier, Manager, Current Planning, and P. Benedetto, City Manager, made a PowerPoint presentation (Attached) on amendments to the Land Use Bylaw relative to uses related to cannabis.

S. Losier, B. Loewen, City Solicitor, C. Post, Manager, Geomatic Services, and P. Benedetto answered the Committee's questions.

The Committee agreed with the following:

- 1) Cannabis Lounge and Cannabis Café – agree with no definition at this time;

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2) Cannabis Counselling – agree with definition;

Administration presented five scenarios to the Committee relative to retail store locations. The Committee directed Administration to proceed with the Bylaw based on Scenario 4, with the inclusion of a portion of Leduc Common and a 100 metre buffer.

**VIII. GOVERNANCE**

There were no governance items.

**IX. COUNCIL CALENDAR UPDATES**

There were no updates.

**X. INFORMATION ITEMS**

**a) Oilfield Site**

Councillor T. Lazowski noted development on lands very close to the City of Leduc boundary. Administration will ensure the development is not taking place on City of Leduc lands.

**XI. ADJOURNMENT**

The meeting adjourned at 9:41 pm.

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B. Young  
MAYOR

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S. Davis  
CITY CLERK

# **ADOPTION OF PREVIOUS NOTES**

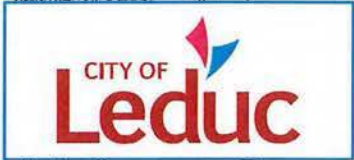
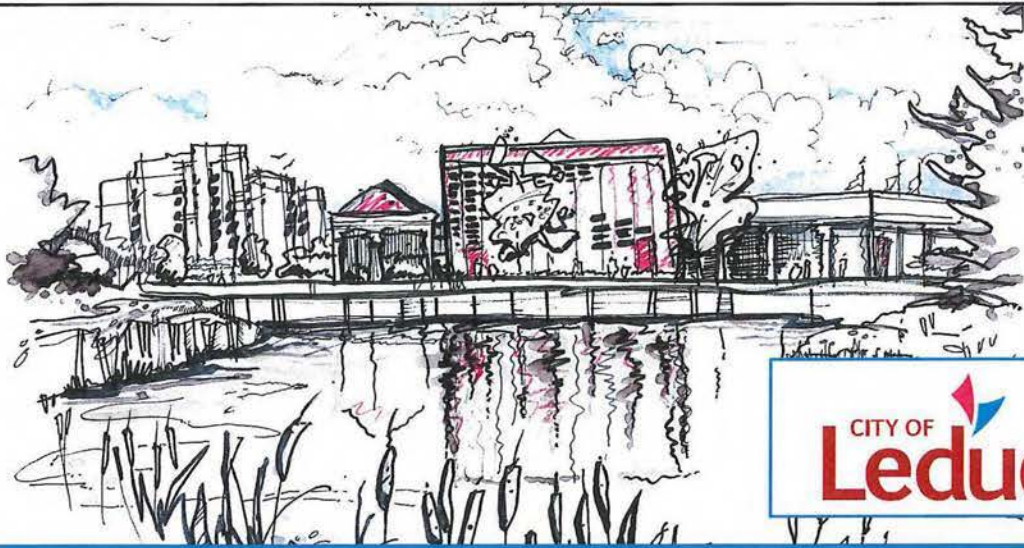
Notes of the Committee-of-the-Whole Meeting  
– March 19, 2018

- \* VI.a. Edmonton International Airport Accord Transit Services and Funding

Attachment Removed Pursuant to Sections 21, 24 & 25 of the FOIP Act.

- \* VI.b High School Site in Crystal Creek

Attachment Removed Pursuant to Sections 16, 21, 24 & 25 of the FOIP Act.



Direction Setting Session | March 19, 2018



## HOK Project Team

CORE TEAM



Robyn Baxter, Principal-in-Charge



Curtis Kjinserdahl, Senior Consultant and Project Lead



Jan Steingahs, Architect



Alison Lumby, Urban Designer



David Crane, Quantity Surveyor

SUBJECT MATTER EXPERTS



## Goals of the Long-Term Facilities Master Plan (LTFMP)

Purpose of a LTFMP: to provide the City of Leduc with a framework for decision making related to City facilities and land matters to meet the requirements of the citizens and the corporation over a 20 year planning horizon

Existing LTFMP is from 2013

This update will:

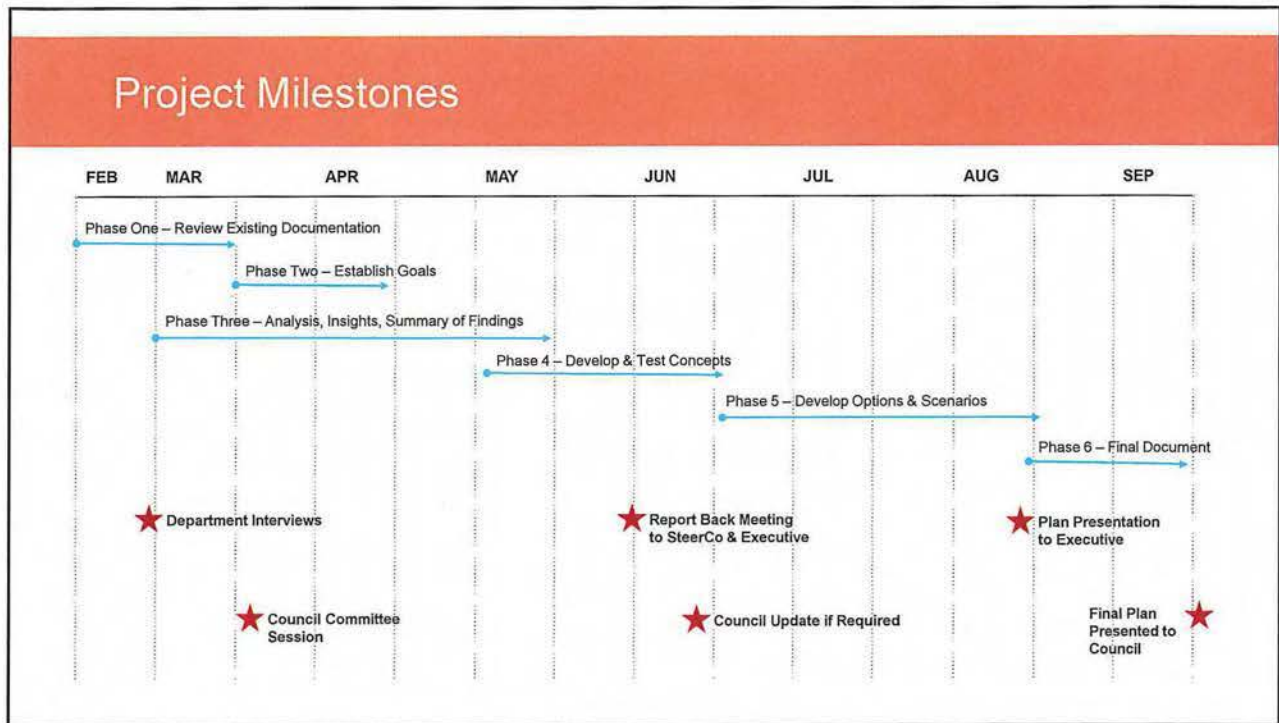
- Incorporate new statutory & strategic planning directions
- Validate future facility space requirements
- Provide recommendations on capital investment, strategic acquisitions & dispositions, geographic considerations, and related timelines
- Confirm costing of recommendations



## Goal of Direction Setting Workshop with Council

Understand and explore Council Objectives and Priorities related to the Long Term Facilities Master Plan (LTFMP)





## Considerations to the Strategic Goals of the City

As this plan has a 20 year planning horizon, what opportunities or challenges should we be considering, related to each of these Strategic Goals?

City Development: Downtown, Open Space, West End, Municipal Development Plan

Citizens, Non-Profit groups and Grants, Recreation & Culture Needs Assessment Study

Inter-municipal / Jurisdictional partnerships; County/City amalgamation, Aerotropolis, LRFS, Airport Accord, RCMP

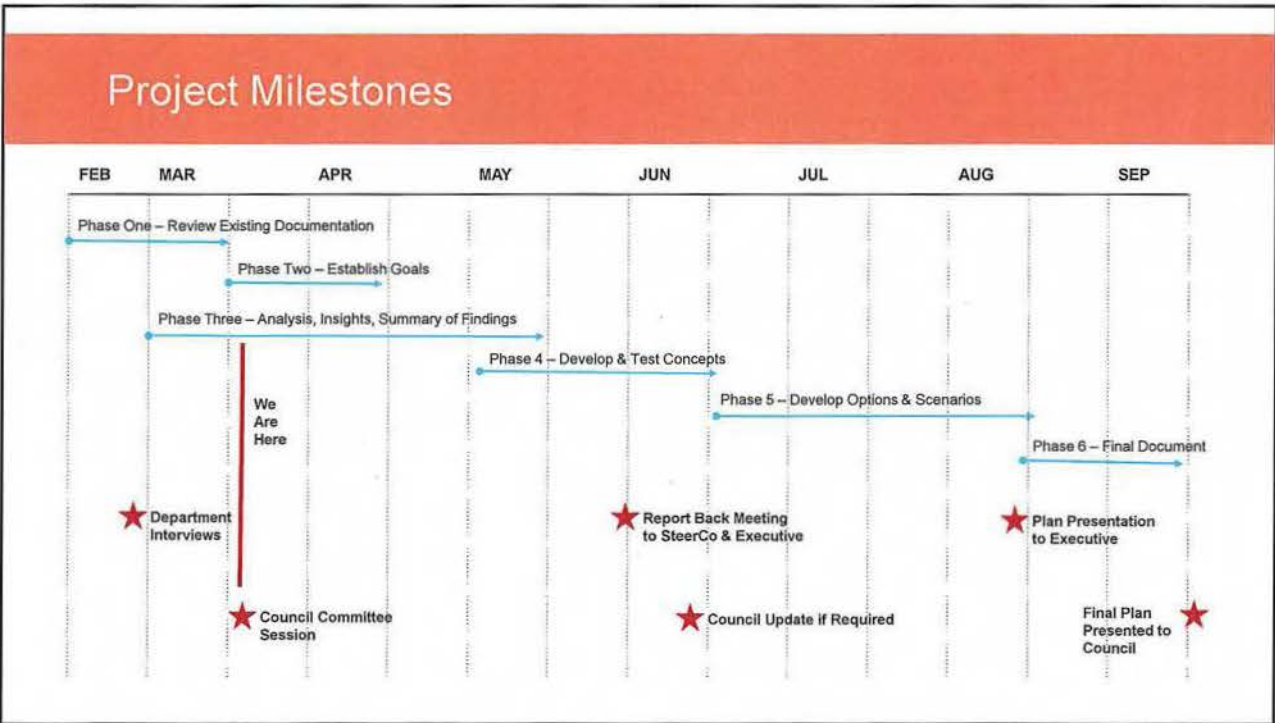
Economic Development Initiatives, including Sports Tourism

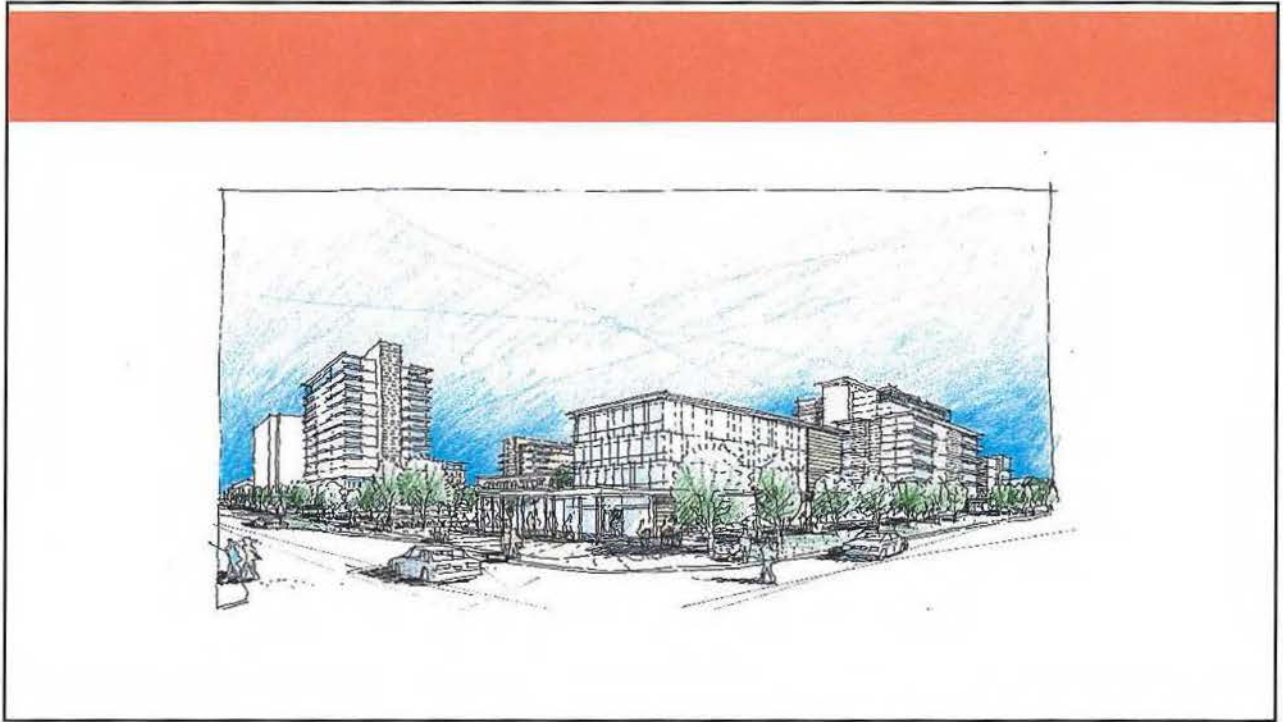
Infrastructure Investment Strategy Policy



## Guiding the Long-Term Facility Master Plan

1. External groups the LTFMP will consider:
  - Non-profits
  - Neighbouring Jurisdictions
  - Other Partners
  
2. Facility qualities the LTFMP will consider
  - Service delivery
  - Community building
  - Fiscal sustainability
  - Operational efficiency
  - Optimize existing assets
  - Employee experience
  
3. Are there other Council drivers that the LTFMP should be considering?





# 2018 Tax Review

Presented by:  
Jennifer Cannon, Director, Finance  
Gino Damo, Manager, Revenue Services



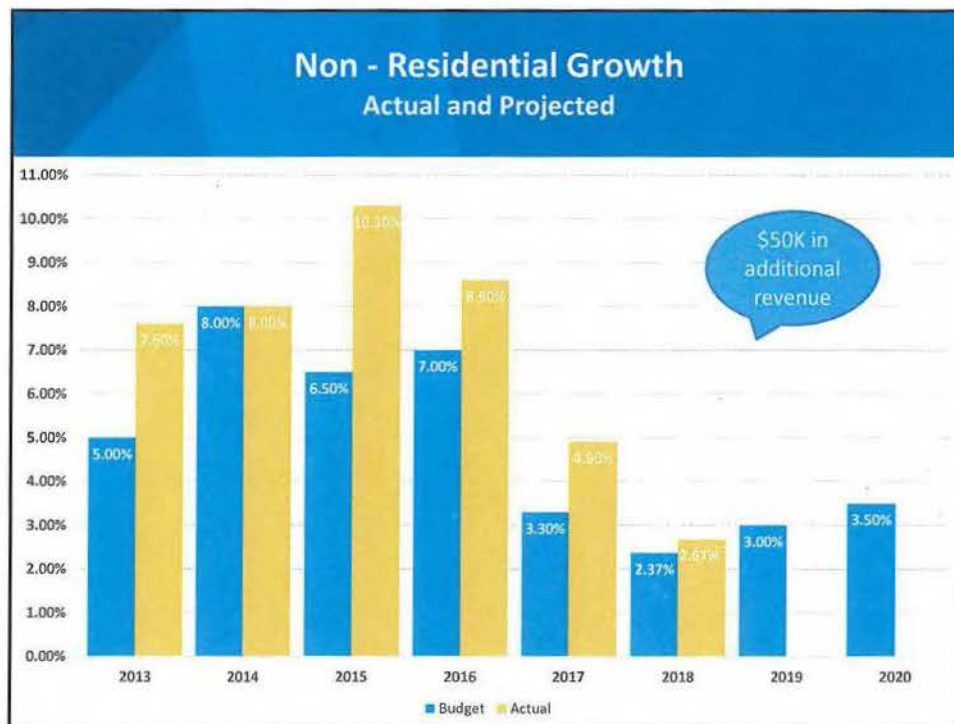
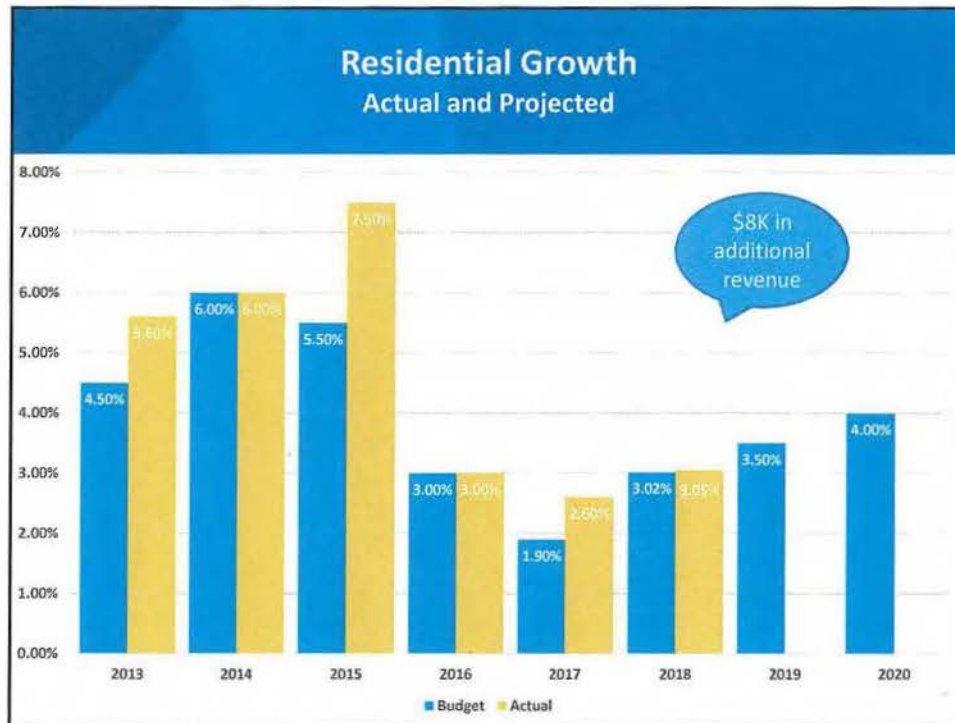
## Forecasting Growth

### Growth

*"New" tax assessment resulting in increased tax revenues.  
i.e. New Construction*

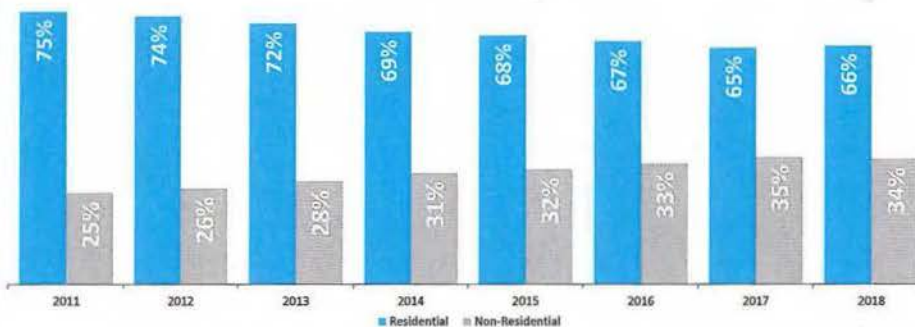
### Inputs for Growth

- Offsite Levies
- Permit Revenue



## How does this align to our Goal of 60/40?

Assessment Split 2011 to 2018



	2011	2012	2013	2014	2015	2016	2017	2018
<b>Taxable Assessment Base</b>								
Residential	2,792,029,840	2,954,189,000	3,205,053,130	3,433,663,970	3,785,971,050	3,996,276,700	3,883,273,900	3,918,794,100
Non-Residential	932,367,590	1,029,251,580	1,237,431,280	1,510,665,360	1,748,921,150	1,834,974,300	2,003,167,400	2,052,452,900
<b>Total</b>	<b>3,724,277,740</b>	<b>4,008,440,590</b>	<b>4,464,463,410</b>	<b>4,944,359,330</b>	<b>5,534,838,240</b>	<b>5,980,251,210</b>	<b>5,977,441,340</b>	<b>5,970,246,450</b>

## Next Steps



- Committee-of-Whole meeting March 26, 2018  
-Assessment Review  
-Mill Rate Discussion



- 1st Reading of Bylaw April 9, 2018



- 2nd and 3rd Reading will be presented for Council's approval on April 23, 2018



# Cannabis Update – Public Use

2018-COW-019



## Cannabis Update – Public Use

### **Alberta Provincial Government Framework Setting the legal age at 18+**

Once legal, adults may:

- Possess up to 30 grams;
- Grow 4 plants indoors per household;
- Smoke in areas smoking tobacco is allowed (exclusions currently include; vehicles, hospital, school or daycare property, near playgrounds, sports fields, skateboard or bicycle parks, outdoor theatres and outdoor pools or splash pads)



## Cannabis Update – Public Use

### As a municipality.....

- can determine where, or if, we would like to allow retail cannabis stores, cannabis production facilities, or consumption on public land.
- three different approaches to legalized cannabis have been mapped out:
  - A) Open
  - B) Moderate
  - C) Restrictive

## Cannabis Update - Public Use

### Approach

**OPEN**

#### What this means.....

Public Use - Adults could use cannabis in public but not in or near areas prohibited by the Province

Set up stricter policies for where cannabis can be smoked or vaped.

**MODERATE**

#### What this means for...

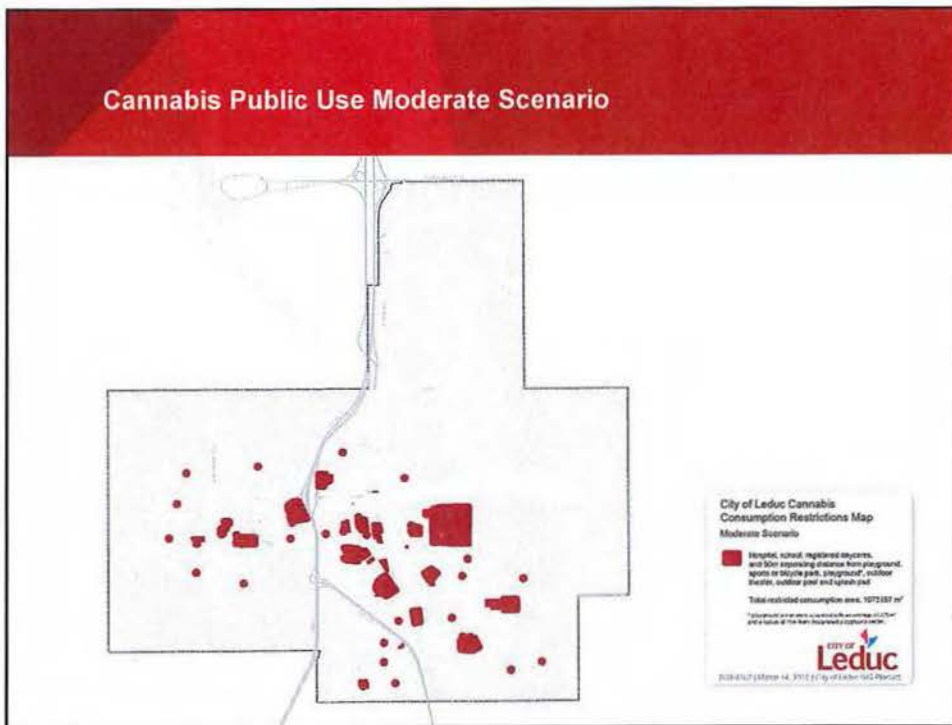
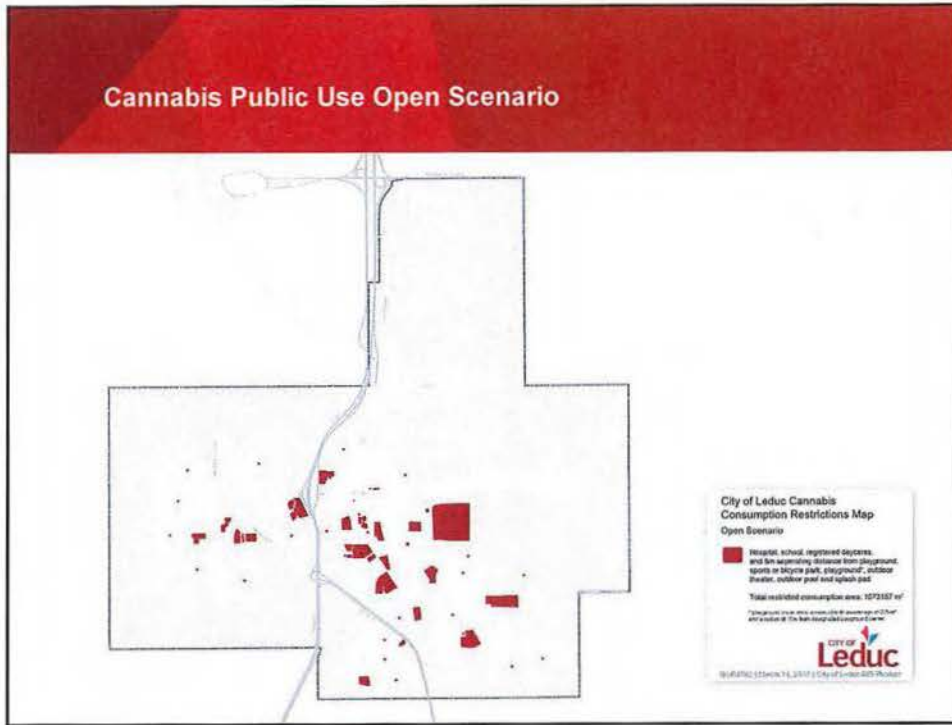
CONSUMPTION - Adults could not consume cannabis on some public lands in addition to currently prohibited areas covered by the Province. Distances from locations prohibited by the Province can be increased and/or new prohibited locations added.

**Restrictive**

Make our policies on cannabis restrictive.

#### What this means for...

CONSUMPTION - Adults may consume cannabis on private property but not on public lands.



## Cannabis Update – Public Use

Next Steps ..

**April 9<sup>th</sup> - First reading of bylaw amendments required to address public use of cannabis in Leduc.**

End of presentation

# Cannabis Land Use Scenarios

2017-CoW-018



## Outline

- A few definitions
- Retail stores
- 5 scenarios
- Other considerations
- Next steps

## Definitions

- Provincial Act prohibits consumption at premises where sold
- Cannabis Café and Cannabis Lounge
- What are the merits/pitfalls of defining something that may never be legalized?

**Waiting = opportunity and certainty**

## Definitions

- Cannabis Counselling
- Potential impact on well-being and/or life quality
- Standalone definition excluding retail and consumption of cannabis



## Definitions

- Draft definition - means a use where counselling on cannabis is provided by a person or group of persons who are not medical professionals, and whereas no sales or consumption of cannabis is permitted at the premise where the activity is conducted

**Discretionary in districts where retail will be discretionary as well**

## Land use Scenarios

- 5 scenarios within potentially acceptable range from very permissive to restrictive
- Framework under the MGA
- All scenarios have positive and negative impacts – therefore, trade-offs are important



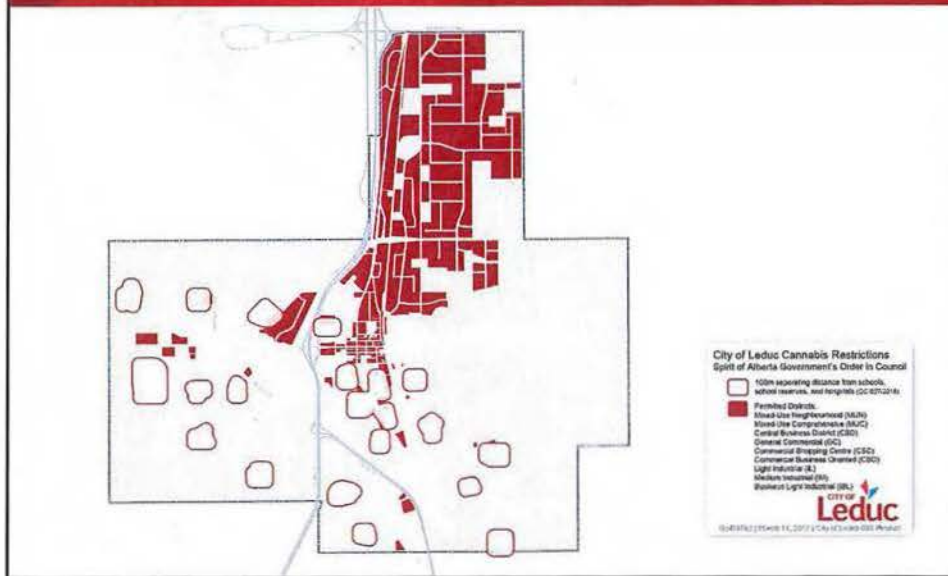
## Land use Scenarios

- Survey results
- Land uses distribution
- Experiences learned in the USA
- Initiatives from other municipalities
- Legislation and objectives of GoC + GoA

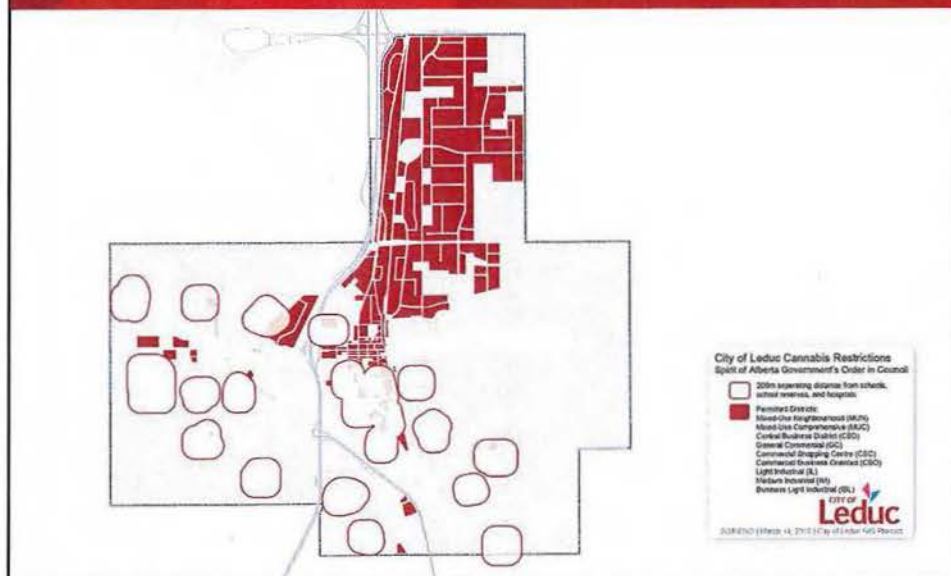
## Sc1 Spirit of Alberta + protection

- Available districts: MUN, MUC, CBD, GC, CSC, CBO, IL, IM, IBL
- Excluded districts: mainly residential
- Separating distance of 100 (schools as per ASP, SR, Leduc Community Hospital)
- Alternate – 200 meters

### Scenario 1 – Spirit of Alberta Government's Order in Council



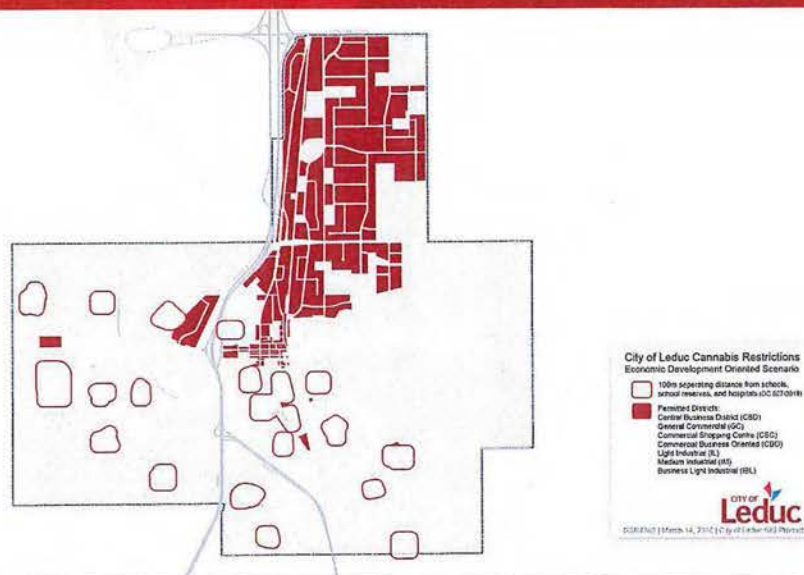
### Scenario 1 – Spirit of Alberta Government's Order in Council



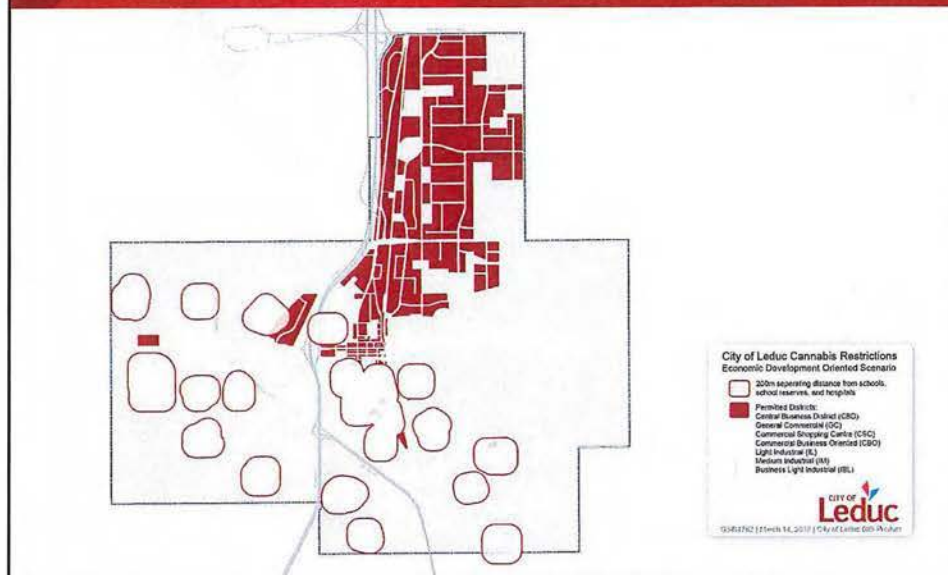
## Sc2 Economic Development Oriented

- Available districts: CBD, GC, CSC, CBO, IL, IM, IBL
- Excluded districts: residential and mixed-use districts
- Separating distance of 100 (schools as per ASP, SR, Leduc Community Hospital)
- Alternate – 200 meters

## Scenario 2 – Economic Development Oriented



## Scenario 2 – Economic Development Oriented

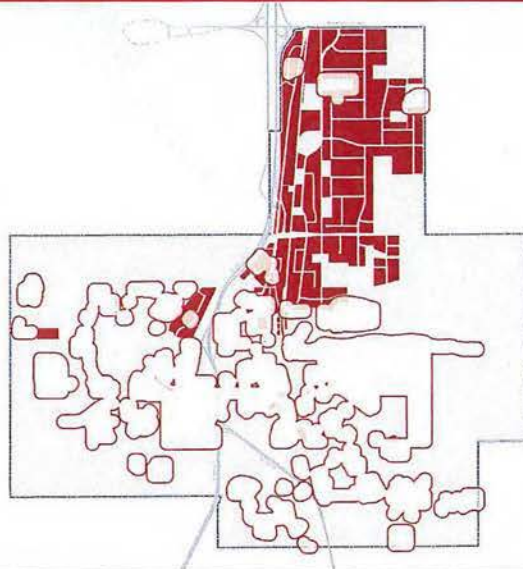


## Sc3 Calibrated Economic Development

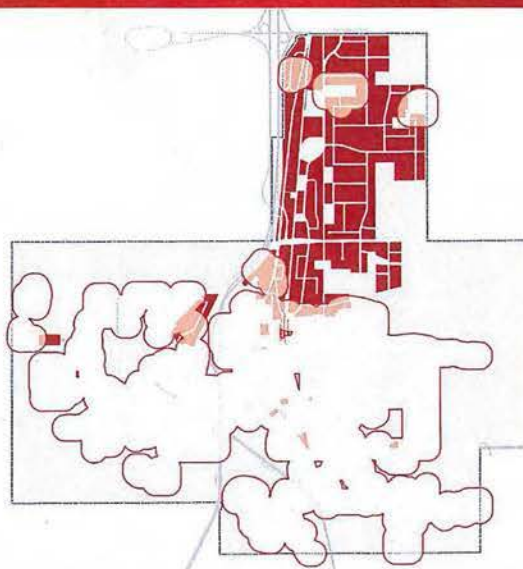
- Available districts: GC, CSC, CBO, IL, IM, IBL
- Excluded districts: residential, mixed-use, and CBD districts
- Separating distance includes additional sensitive uses (parks, playground, library, recreation centres, registered daycares, retail (cannabis and/or liquor))
- Alternate – 200 meters



### Scenario 3 – Calibrated Economic Development



### Scenario 3 – Calibrated Economic Development



## Sc4 Limited Economic Development

- Available districts: GC, IL, IM, IBL
- Excluded districts: residential, mixed-use, and most commercial districts
- Separating distance includes additional sensitive uses (parks, playground, library, recreation centres, registered daycares, retail (cannabis and/or liquor))
- Alternate – 200 meters

## Scenario 4 - Limited Economic Development



City of Leduc Cannabis Restrictions  
 Limited Economic Development Scenario

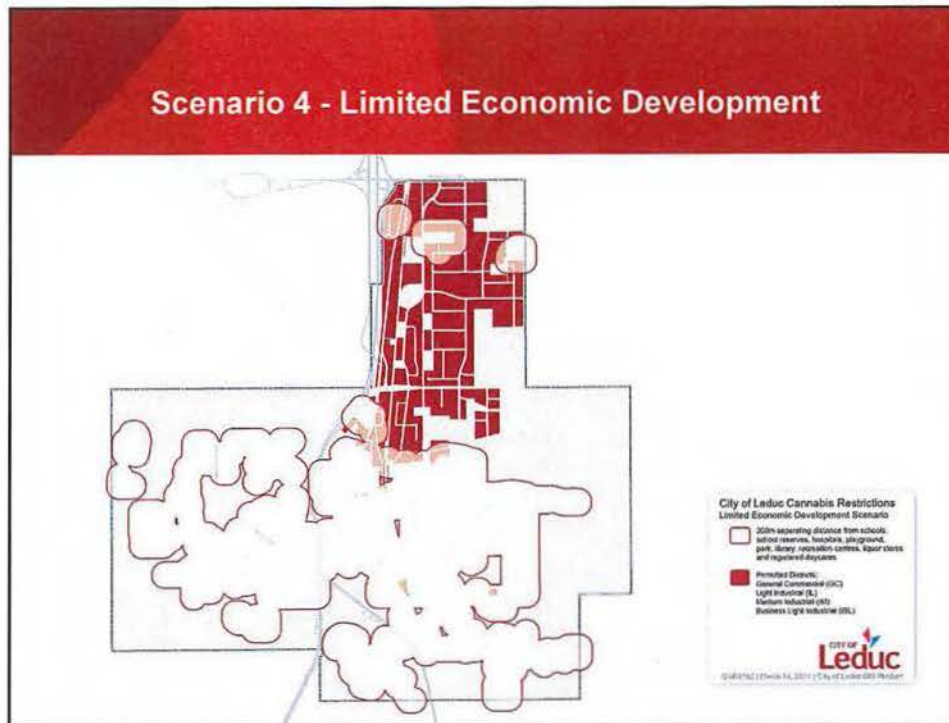
□ 100m separating distance from schools, school reserves, recreation, playground, park, library, recreation centres, liquor stores and registered daycares

■ Permitted Districts:  
 General Commercial (GC)  
 Light Industrial (LI)  
 Medium Industrial (MI)  
 Business Light Industrial (BLI)

CITY OF Leduc

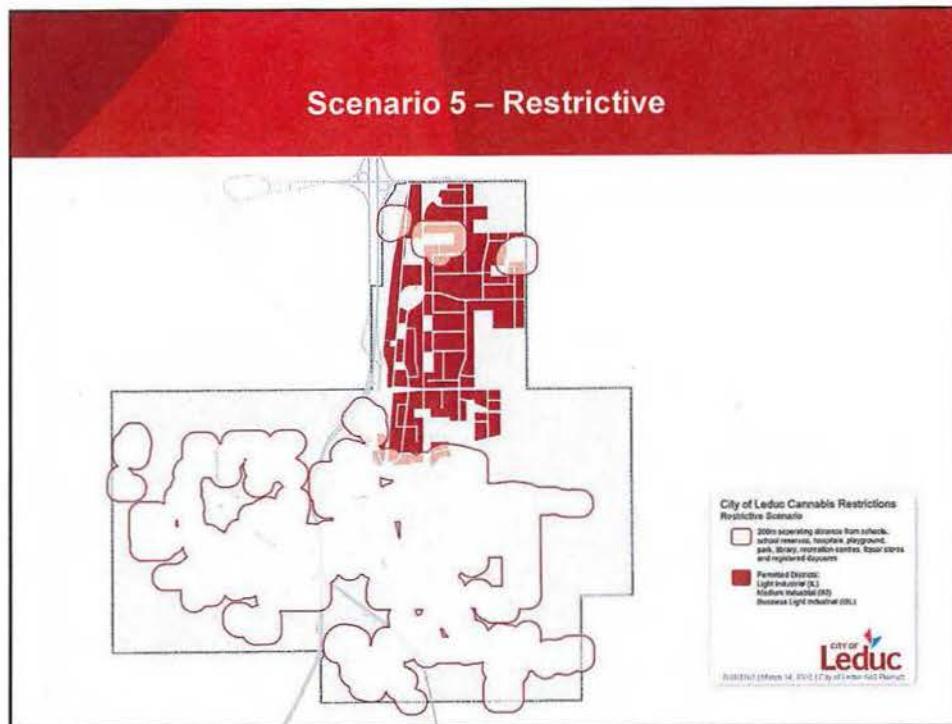
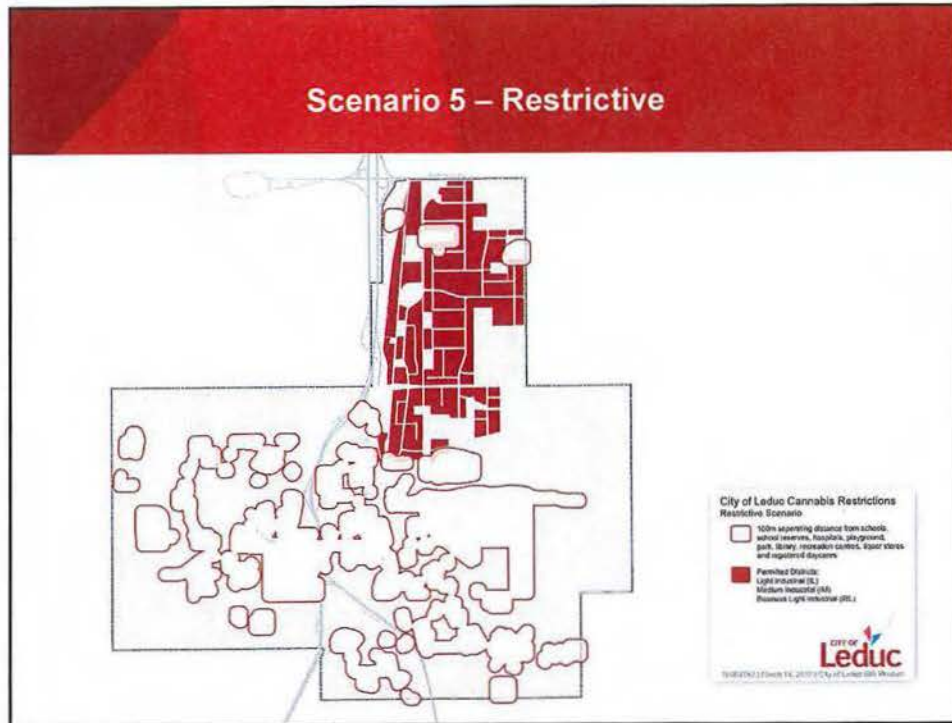
D28-610 | March 14, 2017 | City of Leduc GIS Project





## Sc5 Restrictive

- Available districts: IL, IM, IBL
- Excluded districts: all other districts
- Separating distance includes additional sensitive uses (parks, playground, library, recreation centres, registered daycares, retail (cannabis and/or liquor)
- Alternate – 200 meters



## Scenarios summary

SCEN.	MUN	MUC	CBD	CSC	CBO	GC	IL	IM	IBL
1	●	●	●	●	●	●	●	●	●
2			●	●	●	●	●	●	●
3				●	●	●	●	●	●
4						●	●	●	●
5							●	●	●

## Scenarios summary

- Administration - scenarios 3 and 4
- Separating distances – 200 meters
- Possible to move towards hybrid

## Other considerations

- Personal cultivation of cannabis
- Federal Act 4 plants per dwelling-house
- Province may propose Regulation
- A few cities in the USA are regulating

## Other considerations

- Considerable unknowns
  - Jurisdiction
  - Provincial position on this issue
  - Enforcement process
  - Required resources and training
  - Pros an cons



## Next steps

- April 9 Draft Land Use Bylaw and Business License Bylaw
- Research permitting process for personal cultivation and potentially coming back to CoW

## Next steps

Question ?

**DELEGATIONS  
&  
PRESENTATIONS**

IV.

**BUSINESS ARISING  
FROM  
PRESENTATIONS**

V.

# **IN-CAMERA ITEMS**



VI.

# **RISE AND REPORT FROM IN-CAMERA ITEMS**

**MEETING DATE:** March 26, 2018

**SUBMITTED BY:** Michelle Hay, Director Intergovernmental Affairs and Corporate Planning

**PREPARED BY:** Michelle Hay, Director Intergovernmental Affairs and Corporate Planning

**REPORT TITLE:** 2017 City of Leduc Annual Report

## REPORT SUMMARY

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The attached draft 2017 City of Leduc Annual Report provides Council with a preview of the information that will be made publicly available as a status update on the City of Leduc 2014-2018 Strategic Plan.

## BACKGROUND

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### KEY ISSUES:

The 2017 City of Leduc Annual Report serves as an update on the 2014-2018 City of Leduc Strategic Plan and is the primary conduit for citizens to monitor progress. The report contains achievements for each focus area along with statistics and a financial overview of revenues and expenses. It's been compiled with the public audience in mind and will be available online following finalization and in hardcopy approximately 2 weeks thereafter.

### ATTACHMENTS:

1. 2017 City of Leduc Annual Report

## RECOMMENDATION

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This item is for information only.

Others Who Have Reviewed this Report

P. Benedetto, City Manager



# Annual Report

2017



CITY OF  
**Leduc**



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# Your 2017–2021 City of Leduc Council Team

On October 16, 2017, approximately 26 per cent (up 8.8 per cent from the 2013 election) of eligible Leduc voters came out to the polls in the municipal election, ushering in a significant changing of the council guard for the City of Leduc.

Following the election, the City of Leduc said goodbye to two long-serving municipal leaders, councillors Dana Smith and Dave MacKenzie. And, after 22 years on council, including 13 years as mayor, Greg Kruschke retired from municipal politics, and the election allowed a new leader to emerge in Mayor Bob Young. Rounding out the 2017–2021 council team are three new faces—Bill Hamilton, Lars Hansen and Laura Tillack—and three familiar faces in returning councillors Beverly Beckett, Glen Finstad and Terry Lazowski.

## Stay connected with your council:



[Leduc.ca/council](http://Leduc.ca/council)



[Facebook.com/CityofLeduc](https://www.facebook.com/CityofLeduc)

[Facebook.com/LeducCityCouncil](https://www.facebook.com/LeducCityCouncil)



780-980-7177



**Back, left to right:** Councillor Terry Lazowski, Mayor Bob Young, Councillor Lars Hansen

**Front, left to right:** Councillor Bill Hamilton, Councillor Beverly Beckett, Councillor Laura Tillack, Councillor Glen Finstad



## Mayor's Message

This past year has been one of optimism in our community as signs of economic recovery began to emerge. The last few years have been a challenge for not only the City, but for our citizens as well. I am very pleased that we have been able to weather the challenges, and in 2017 we were able to embrace a new tone of optimism.

Despite economic uncertainty, more than 600 new residents chose to call Leduc home last year, representing just over a 2 per cent population increase. This growth demonstrates that Leduc continues to be a destination of choice where people want to live, work and play.

To support our long-term community needs and growth, Council and Administration choose to invest in Leduc in 2017. Three areas emerged as opportunities for intensified focus: economic development, regional partnerships and connecting our community.

We continue to believe that economic development is vital to our city's long-term sustainability and growth. We helped form Edmonton Global, the first regional economic development organization for the Edmonton Metropolitan Region.

We also elevated our engagement in regional partnerships through the Inter-Jurisdictional Airport Accord where, together, with the City of Edmonton, Leduc County and the Edmonton International Airport, we will advance the region and produce greater shared benefits for all.

Finally, and most importantly, we connected our community through a variety of local initiatives. We honoured our citizens through various awards and recognitions, we



invested in infrastructure through projects like the Telford Lake Boardwalk extension, we celebrated our community through events like the 5km Foam Fest and Canada 150 celebrations and we started an ongoing conversation with our citizens through a new engagement process.

On behalf of Leduc City Council, I am very proud of what we have achieved and I encourage you to read the 2017 Annual Report to share in our excitement and hope as we look to the future.

*Bob Y.*

Mayor Bob Young

... in 2017 we were able to embrace  
a new tone of optimism.



## City Manager's Message

As predicted, 2017 was the year of cautious optimism as Alberta experienced a slow, yet steady, growth across a number of sectors. In Leduc, we weren't any different and even during our most challenging times, our population growth reached a conservative level of 2 per cent. This is a positive indicator the tides are changing for the local economy.

I am pleased to echo Mayor Young's message in that 2017 was an exciting year of success, change and optimism. The City's attractiveness was evidenced not only by continued population growth, which is exceptional even in an economic recovery, but also through increased development and investment. From 2017, we're proud to report a 30 per cent increase in construction permit values, a 46 per cent increase in new housing starts, along with almost a 26 per cent increase in commercial and industrial development.

Notwithstanding these positive indications, we remained steadfast to the ongoing and long-term sustainability of our great community and committed to our citizens through a renewed focus on engagement.

We welcomed new mayor, Bob Young, and our new Leduc City Council (2017 – 2021) following the fall election, which highlighted a variety of community opportunities, citizen priorities and valuable feedback.

Our commitment remains to be what's best for this city; for today and down the road. We provide excellent programs and services, and take every opportunity to examine and re-evaluate our processes and procedures to ensure we're evolving with the needs and expectations of the community. Of course, this requires a delicate balance between citizen expectation and maintaining reasonable and fair taxes that allows us to maintain current service levels.

In 2017, we took further steps in working with our valued partners, in particular Leduc County, to ensure this region flourishes and continues as economic hub in the southern Edmonton Metropolitan Region. I'm particularly proud of our collaborative work in the following three areas of economic development:

- » advancing the Aerotropolis Implementation/Cluster Research and Development project;



**"Our commitment remains to be what's best for this city; for today and down the road."**

- » welcoming the 2018 SMART Airports and Regions Conference and Exhibition to the Edmonton region; and
- » becoming the first shareholder of Edmonton Global.

We are so excited for what the future holds and hope you will join us in helping to shape and plan for the Leduc of tomorrow.

On behalf of my colleagues at the City of Leduc, serving this community is why we're here and we're proud of what we were able to accomplish this past year. We appreciate your time in reviewing this report and hope that you pick up a few interesting tidbits along the way.

CAO Paul Benedetto



## Vision



Well situated in an economic region, Leduc is a safe community where residents value the close community feel and availability of comprehensive services, quality infrastructure and good neighbours.

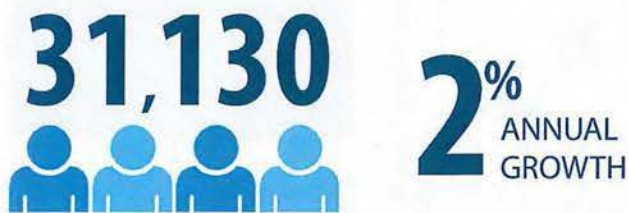
## Mission



Our mission is to protect and enhance the quality of life in our community and the unique environment of our area through effective, innovative, responsible leadership and consultation.

## Community Profile

### TOTAL POPULATION



TOTAL GROWTH 2008 - 2017



### A YOUNG CITY



AGE RANGE: **28% of residents** are between 29 - 40 years old

### WHERE WE WORK



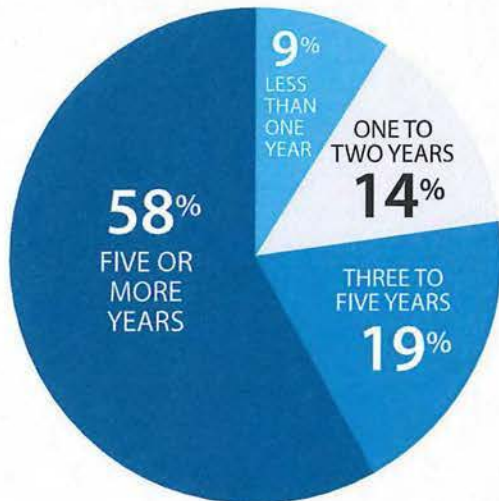
### CONSTRUCTION VALUES





# Community Profile

## LONG-TERM RESIDENTS



## LOCATION

Leduc sits within the southern portion of the Edmonton Metropolitan Region along Highway 2, neighbouring the Edmonton International Airport and the Nisku Business Park, and just 15 minutes to Alberta's capital city—Edmonton



## HEALTHY TAX ASSESSMENT BASE SPLIT



RESIDENTIAL: 66%



NON-RESIDENTIAL: 34%

## SIZE

43.07 sq. km (16.63 sq. mi)





# Goals

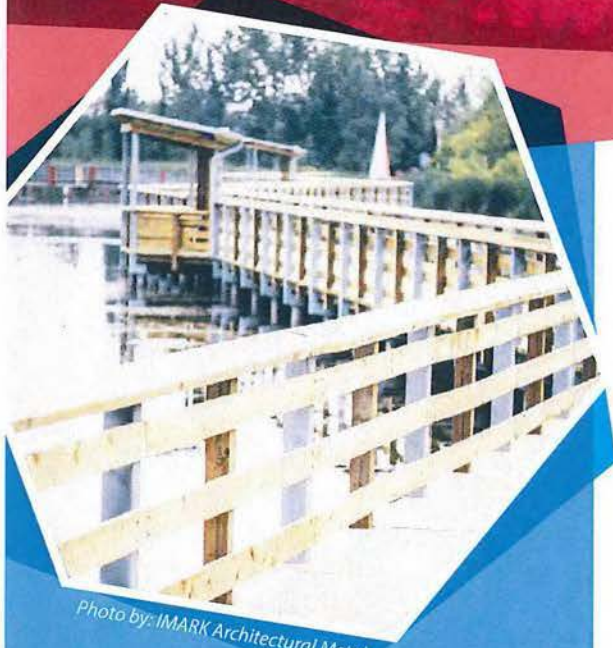


Photo by: IMARK Architectural Metals

The Downtown Master Plan (DMP), approved in 2012, is a long-range plan for revitalizing downtown Leduc. It addresses key economic, environmental, and social issues for a comprehensive approach to revitalizing our city's downtown over time. It contains an in-depth urban design plan, design guidelines, as well as policies and implementation projects to support a vibrant and sustainable downtown area.

## Goal 1: Community Character

Community Character in Leduc represents streets, open spaces, parks and infrastructure that reflect our city's heritage, values and lifestyle. As a municipality, we expect vibrant and diverse facilities that encourage active community spaces and neighbourhoods. We will strategically invest in community-building projects and programs that allow for ongoing municipal operations and continually enhance our culture.

### Outcomes: Achievements + Results

#### 1.1 Successfully host the 2016 Summer Games

- Completed in 2016

#### 1.2 Plan and construct Telford Lake amenities

- Telford Lake boardwalk on the multiway was completed and opened to the public in June 2017.
- Design of the Leduc Lions Park multiway took place in fall 2017; construction planned for 2018.
- Park signage was installed in Leduc Lions Park.
- Design and utility servicing of two washroom facilities, for Leduc Lions Park and Fred Johns Park, was completed; installation is planned for spring 2018.

#### 1.3 Complete Phase 2 of Leduc's Downtown Master Plan

- Purchased and installed new holiday lights for Main Street.
- The storefront program issued \$30,000 in grants leading to seven storefront improvements in 2017; since the start of the program in 2014, we've seen 23 storefronts completed on 10 separate downtown buildings.
- The Downtown Patio Policy was updated in 2017 to make building a temporary seasonal patio on or near Main Street more flexible and convenient for business; one application was approved during this first year of the program (2017).
- Landscaping was completed as part of the large scale Main Street Capital Improvement Project to provide a more vibrant and walkable downtown.



- Several successful community events hosted in the newly developed downtown Main Street including the *Rock the Block* grand opening in June, the *Leduc Art Walk* in the summer and the *Chili Cook-Off* in the fall.

#### 1.4 Invest in arts and culture

- City partnered with the Nisku-Leduc Rotary Club to start the planning and design of a clock tower on Main Street in downtown Leduc; work will continue in 2018.
- City commissioned mayoral portraits from local artist, Susan Abma. Portraits of first mayor, C.W. Gaetz, and recent Mayor Greg Krischke were both unveiled in the fall of 2017.
- Following detailed analysis and extensive consultation with partners Black Gold Regional Schools and Maclab Centre for the Performing Arts Society, council opted to assume operations of the Maclab Centre for the Performing Arts. Council recognized the value of this facility to the community and the region and wanted to ensure its long-term sustainability.

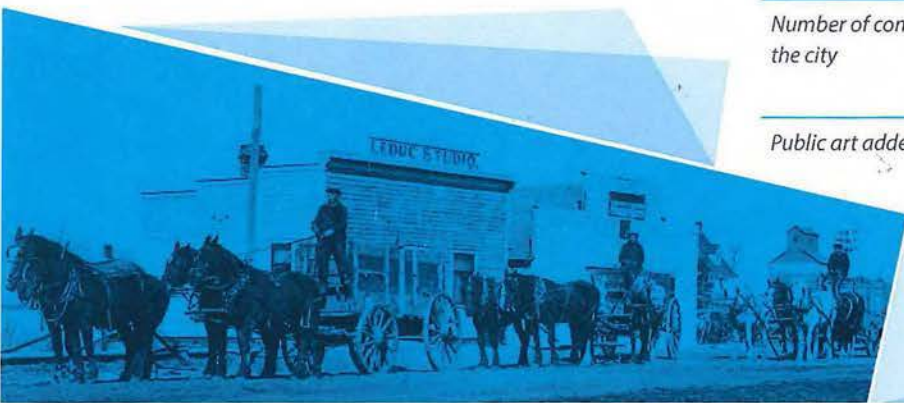
#### 1.5 Preserve the City of Leduc's history including buildings, individual stories and artifacts

- Leduc Library:
  - » developed a 'local history' section that contains a collection of books, documents and photographs
  - » partnered with the Dr. Woods House Museum to host a children's pioneer story time, craft and museum visit to engage young families in the history of Leduc
- Provided community development and financial assistance to:
  - » the Grain Elevator Interpretive Centre project
  - » Dr. Woods House Museum for recent building improvements
- Ten aging city park signs were replaced with new signage depicting not only the park name, but also the significance of this person to our city. Ten more sign replacements are planned in 2018.

### Other Successes:

- » **William F. Lede Park**
  - William F. Lede Park Master Plan was updated and presented to council in June 2017; implementation of the revised plan will begin in 2018.
- » **Playground projects**
  - Through a partnership with STAR Catholic Schools + Father Leduc School Council, playground installation was completed at Father Leduc School.
  - Upgrades completed to the playground at Kinsmen Park.
  - Installation of a new outdoor fitness park and replacement playground near Sunshine playground in Lede Park, in celebration of Canada 150.
  - Design of a natural playground in Fred Johns Park.
- » **Plane monument relocation**
  - Through a partnership with Leduc Legion, relocated the Royal Canadian Air Force plane to Fred Johns Park; work will continue in 2018.
- » **Leduc Recreation Centre (LRC) + pool upgrades:**
  - upgrades to the aquatics facility + shower/ steam room spaces, and enhanced viewing area
  - reconfiguration of the west guest services desk, fitness desk and office spaces

Key Performance Indicator	2017 Results	Change from 2016
Percentage of citizens that rate overall quality of life in the City of Leduc as very good or excellent	75%	3%
Percentage of citizens that rate overall satisfaction with City of Leduc services and programs as very good or excellent	81%	1%
Number of community events hosted by the city	21	5
Public art added annually – Target 1	2	Exceeded Target





## Goal 2: Community Wellness

Safe, healthy, active and caring community defines what we consider Community Wellness in Leduc. As a municipality, we support initiatives for a healthy and sustainable environment and want to ensure quality opportunities are available for citizens to participate in all aspects of the community to foster a sense of belonging for everyone.

### Outcomes: Achievements + Results

#### 2.1 Implement initiatives identified in the Environmental Sustainability Plan

- Focused on the educational initiatives of the plan including:
  - » introduction of three-stream (litter, recycling, organics) sorting station in Leduc's downtown and city facilities
  - » installation of garbage and beverage recycling units for bus stop locations (32 in the city and one in the county)
- Completion of the PCP/ greenhouse gas inventory as part of the Greenhouse gas reduction project; stakeholder engagement to take place in 2018
- Secured a service provider to conduct an audit of energy efficiencies at city facilities; a detailed review, which will identify opportunities for energy savings, is expected for 2018.

#### 2.2 Develop and implement a youth engagement strategy

- Implementation and ongoing development of the youth engagement strategy was highlighted by the following activities in 2017:
  - » Hosted Rock the Rails youth event with various activities and demonstrations directed at youth interest in August
  - » International Youth Day Celebration at Alexandra Pool
  - » Hosted 6<sup>th</sup> annual Mayor's Youth Leadership luncheon honouring 55 local youth in October
  - » Youth Open Mic Nights hosted in October, November and December
  - » Youth movie night hosted in October
  - » partnered with local organizations on the 9<sup>th</sup> annual positive ticketing campaign to recognize local youth for good behaviour
  - » Youth Distracted Driving Conference in October



- Ongoing strategy development continued through:
  - » consultation with youth who attended question and answer session with council
  - » exploring partnership opportunities with local schools on projects and initiatives

#### 2.3 Maintain a strong and resilient community by understanding social, health, and community trends and providing appropriate programs and resources

- Expanded program offerings and hours of operation at the Alexandra Outdoor Pool, resulting in a 50 per cent increase in attendance (23,509 – up 7,800 over 2016).
- Highest participation to date for the summer camp program; looking to expand in 2018.
- In 2016, the Caring Community Initiative (CCI) was introduced to support citizens as they cope with the economic downturn. In 2017, work continued on the following programs under the CCI:
  - Housing Advocacy & Eviction Prevention Program**
    - » The City provided supports to individuals facing eviction including building relationships with landlords and local agencies.
  - Subsidized Counselling Program:**
    - » Increased requests for support; added a second service provider to provide choices to low income residents seeking counselling services



- Hosted several life-skills and information workshops (budgeting, resume writing, interviewing skills, housing, fentanyl information, family focused)
- Hosted Breakfast with the Guys event in support of Family Violence awareness; \$18,000 donated to Riseup Society
- Supporting community organizations, groups and individuals:
  - » nearly \$24,000 approved and distributed in municipal grants to individuals and groups in support of their travel and hosting expenses
  - » almost \$58,000 distributed in grants in support of sports tourism initiatives (like 2017 Frescon Bros Canadian Ringette Championships and FoamFest)
  - » more than \$457,000 distributed to non-profit community organizations through the Grants to Organizations program

## 2.4 Reach new residents by establishing community-based programs and spontaneous, accessible opportunities to participate

- Neighbourhood engagement initiatives:
  - » hosted two well-attended neighbourhood barbeques in Linsford Park (60 people) and Meadowview (150 people); additional support provided by several community organizations and city departments
  - » initiated a new brand for neighbour engagement – #YAYbour
  - » hosted the 5<sup>th</sup> annual celebration honouring 70 Good Neighbours (YAYbours), the highest number ever of nominations received.

In 2017, the grants to organization program was reviewed to ensure grants funds were maximized for those non-profit organizations that benefit the needs of Leduc citizens. Grant funds are intended to provide short-term support for social services programs and initiatives, as well as recreation and cultural programs. The review also assessed ways to support or address longer term and recurring funding requests.

## Other Successes:

### » Traffic Safety Initiatives

- In consultation with regional partners and stakeholders, drafted a plan for Leduc to move towards implementation of a Vision Zero program—a strategy to eliminate all traffic fatalities and severe injuries, while increasing safe, healthy, equitable mobility for all.
- In partnership with the Municipal Integrated Traffic Unit and the Safety Advisory Committee started a pilot research project along Highway 2 using automated traffic enforcement equipment to collect data to help improve traffic safety and reduce collisions. Received a \$17,000 Alberta Transportation Safety Fund grant; data will help support University of Alberta traffic safety study.

### » Environmental Initiatives

- Finalized and began implementing the City's 2017 Integrated Pest Management Plan, which an environmentally sensitive decision making model used to prevent and manage invasive species, pests and weeds on public and private lands.
- Finalized the City's draft Environmentally Significant Areas (ESA) Study – anticipated council adoption in 2018.
- First year of solar results included:
  - » generation of more than 1,600 megawatt hours (MWh) of power from the LRC and city operations facility—that's enough to power 233 homes in Alberta.
  - » annual operational savings: \$101,000

### » Emergency Management

- Coordinated Exercise Dark Cloud, which tested the compatibility of our city's Municipal Emergency Plan with those used by our industrial businesses within our business park.
- A mock Active Threat exercise was held in August, which tested our first responders response to a shooting in a school environment.

### » Fire Prevention

- Through our fire prevention program, continued to work in older neighbourhoods to ensure that residences have active smoke and carbon monoxide alarms.
- Continued City's Inspection Blitz program with all places of worship in 2017 to ensure compliance with Alberta Fire Safety Code.



## Municipal Accolades:

- » City of Leduc was awarded **Sustainable Sport of the Year Award** by the Canadian Sport Tourism Alliance for hosting the 2016 Alberta Summer Games.
- » City of Leduc's Executive Leadership team awarded the 2017 Alberta Urban Municipalities Association and Society of local Government Managers' **Dedicated Senior Municipal Team Award**.
- » City of Leduc received the 2017 Government Finance Officers Association's **Distinguished Budget Presentation Award** for the City's 2017 budget.



Key Performance Indicator	2017 Results	Change from 2016
Percentage of waste diversion annually	50%	-1%
Percentage of citizens that rate overall satisfaction with City of Leduc curbside recycling (blue bag) program as very good or excellent	87%	8%
Crime severity index – decreasing trend target	81%	6%
Crime severity index – decreasing trend target	96%	-9%
Average LRC Memberships Sold	Q1: 2760 Q2: 2095 Q3: 1985 Q4: 2287 Annual Average: 2285	1%
Average LRC Daily Admissions	Q1: \$2120 Q2: \$1136 Q3: \$536 Q4: \$1522 Annual Average: \$1325	13%

## Celebrating our Citizens

### Volunteer Appreciation Banquet + Citizens of Distinction Awards

The City held its annual Volunteer Appreciation and Citizens of Distinction banquet in April to recognize the outstanding individuals in our community. Honourees included:

- o **Bob Brown** – Arts, Culture and Heritage Award
- o **Jordon Cooke** – Athletic Achievement Award
- o **Julia Youm** – Youth Award of Merit
- o **Katie Oliver** – Environmental Achievement Award
- o **The Friends of the Alexandra Pool Society** – Community Spirit Award
- o **Lorne and Tina Mix** – Mayor's Special Award

### Sports Hall of Fame

In October, the City in association with Leduc Minor Hockey hosted the 2<sup>nd</sup> annual celebration inducting four local sports leaders to Leduc's 2017 Sports Hall of Fame.

- o **Jeff Drummond**, hockey player
- o **Stan Kern**, fastball player
- o **Randy Mitton**, NHL linesman
- o **Ed Stein**, Leduc broomball founder

Arbour Day 2017 saw 850 trees planted, which is up from the 600 per year average thanks to Tree Canada grant



## Goal 3: Transportation

Leduc's central location within the province with highway, air and rail connectivity allows us the opportunity to build our position as a transportation hub and offer multiple and effective travel options that include internal and regional transit. We will continue to effectively build infrastructure to promote transportation in our city and throughout the region.

### Outcomes: Achievements + Results

#### 3.1 Advance the importance of the 65th Avenue Interchange with stakeholders

- Secured provincial funding to proceed with detailed design of the 65 Avenue Interchange in partnership with Edmonton International Airport and Government of Alberta. Consultant selected; work expected to take two years.
- Partnered with Leduc County to submit a comprehensive proposal to the National Trade Corridors Fund (NTCF) grant program for the Alberta Aerotropolis Trade Corridor project; announcement regarding status of the application expected in 2018.

#### 3.2 Evaluate and optimize Leduc's transit system and service

- Constructed a roadside bus pullout northbound along 50 Street beside Alexandra Park; this extra segment roadway allows a bus to pull off the main road allowing traffic flow while permitting passengers to safely board and leave the bus.
- Added four safety/ security cameras to Leduc's Assisted Transportation Service (LATS) busses.



#### 3.3 Represent Leduc's interests in Airport Vicinity Protective Area (AVPA) regulation review

- Successfully advocated school definition change within the revised regulation to only include grade schools; post-secondary and trade schools are no longer restricted, which provides more options for the City of Leduc's economic development diversification.

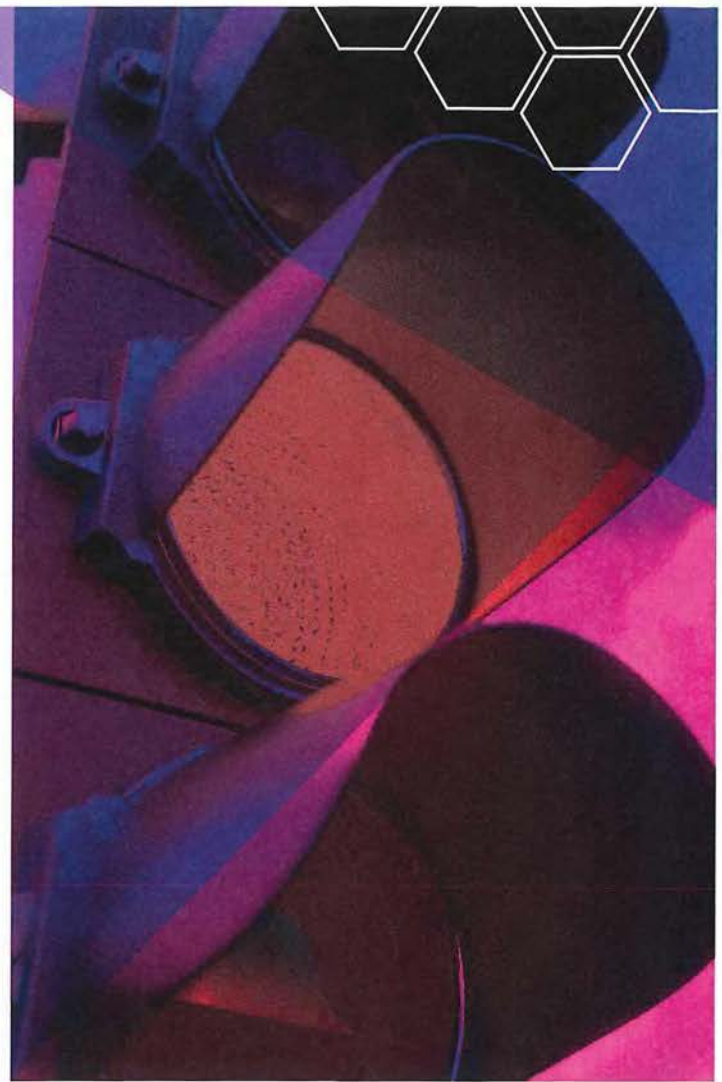
#### 3.4 Support regional transportation initiatives

- Worked with various community and regional stakeholders to investigate options for a transit route to EIA; service deemed not viable at this time, but will review at a later date.
- Worked with our regional transit partners Edmonton, St. Albert, Strathcona County, Fort Saskatchewan, and Spruce Grove to develop and implement a four-year U-Pass agreement, which started in September 2017.
- Started initial planning with regional transit partners on the development of a Smart-Fare electronic payment system for transit users. Work will continue with anticipated implementation in 2020.

**Alberta Aerotropolis Trade Corridor** project is a partnership between City of Leduc and Leduc County to create a true trade corridor by completing the 65 Avenue interchange and the Nisku Spine Road. Once completed, this trade corridor will provide a critical connection between the transportation hub of the EIA with surrounding industries, multi-modal transportation networks (incl. a direct connection to the new Canadian Pacific Railway (CPR) intermodal yard located in south Edmonton) and current/ emerging sectors and markets.



Key Performance Indicator	2017 Results	Change from 2016
Percentage of transportation master plan on target as outlined by population thresholds	100%	No Change
Average Leduc Transit Ridership	Q1: 7775 Q2: 6078 Q3: 5839 Q4: 7526 Annual Average: 6805	18%
Average LATS (Leduc Assisted Transportation Services) Ridership	Q1: 2544 Q2: 2310 Q3: 2207 Q4: 2477 Annual Average: 2385	5%
Revenue over cost ratios for transit and LATS	16%	14%
Cost of transit per capita	\$51.54	2%



### Other Successes:

- » **New traffic signals (lights) installation**
  - Alton Drive + Black Gold Drive
  - Allard Avenue + 43 Street
- » **Road construction**
  - Completed three capital road construction projects totalling nearly 3.5 km of new pavement and more than 2.6 km of road reconstruction.





## Goal 4: Economic Development

Leduc's economic development is defined through effectively leveraging our market strengths and opportunities to maximize development that will benefit our community and this region. Leduc heralds this region's unique economic drivers and opportunities provincially, nationally and internationally for 'the' location as Canada's energy services leader.

### Outcomes: Achievements + Results

#### 4.1 Capture the economic advantages of Leduc's proximity to the Edmonton International Airport (EIA)

- With our partner Leduc County and under the management of the Leduc-Nisku Economic Development Association (LNEDA), initiated the first phase of the Aerotropolis Implementation/Cluster Research and Development project.
  - » Secured a \$300,000 Alberta CARES grant to fund half the project with remainder being funded by the City and the County.
  - » This work will build on the findings and recommendations of the Aerotropolis Viability Study (AVS) to determine the next steps required for full development of the cluster approach.
  - » City of Leduc, Leduc County, EIA and City of Edmonton sit as partners on the steering committee.
  - » First phase of project to generate a detailed analysis of AVS-recommended clusters; final report anticipated in April 2018.



- Actively pursuing Agri-foods and Warehousing and Distribution cluster business development.
- Through continued targeted support, engagement and promotion, the City of Leduc and its regional partners were successful in attracting the 2018 SMART Airports and Regions Conference and Exhibition to the Edmonton region. The partnership of the City of Leduc, Leduc County, City of Edmonton, EIA, Edmonton Economic Development Corporation (EEDC) and the LNEDA will jointly host the global conference on July 23-25, 2018.

#### 4.2 Participate in and evaluate joint economic development opportunities with regional partners, including more collaborative and co-ordinated marketing

- City of Leduc became an early adopter of the Edmonton Metropolitan Regional Economic Development concept by signing on as the first shareholder of Edmonton Global; Mayor Greg Krischke was appointed as chair of the 15-member stakeholder group.

**Edmonton Global** is the first regional economic development company for the Edmonton Metropolitan Region and was incorporated June 9, 2017. It's vision is to build and promote the Edmonton Metropolitan Region as a business location of choice for global investment, collaboratively built on regional assets.



#### 4.3 Implement a strategy to capitalize on Leduc's competitive advantages, including diversification

- Initiated implementation of the Economic Development Marketing Plan including updating marketing materials and redevelopment of the business and economic development pages of [www.leduc.ca](http://www.leduc.ca).

#### 4.4 Foster opportunity-specific post-secondary education, adult learning and non-traditional training opportunities

- In partnership with the Leduc Public Library and its board, City of Leduc developed and implemented the successful transition of the Leduc Adult Learning (LAL) program under the management of the library.
- Explored adult learning partnership with NorQuest College: Surveyed local non-profit organizations in the Leduc region to determine adult learning needs in our regional communities; data was shared with NorQuest College, who will identify applicable courses to be brought to the community to address and support learning needs.
- Piloted a course offering with NorQuest, but the course was cancelled due to lack of interest. Future opportunities with NorQuest to be explored as education sector develops through the emerging aerotropolis.

Key Performance Indicator	2017 Results	Change from 2016
Percentage of real increase in assessment value based on growth	N/A	N/A
Percentage of business licenses renewed	77%	5%
Percentage increase in new business licenses	-5%	N/A
Number of new housing starts	325	46%
Number of new residents	632	2%
Value of commercial and industrial building permits	\$45,044,520	26%

#### Other Successes:

- » Hosted the **2017 Freson Bros Canadian Ringette Championships** March 27 – April 1, 2017 generating:
  - \$1.5 million in Leduc to the GDP (net economic activity)
  - \$2.3 million direct visitor spending
  - \$2.7 million in initial event expenditure (visitor and event organizer expenses combined)
  - Industry Output (overall impact) \$5.1 million in Canada of which \$3.5 million was in Leduc
  - \$1.2 million in wages supported in Alberta; \$947,212 in wages (17 jobs) in Leduc
- » Hosted the **5K Leduc FoamFest** on July 1, 2017 as part of the **Canada Day** celebrations generating:
  - \$551,811 in Leduc to the GDP (net economic activity)
  - \$725,353 in direct visitor spending
  - \$946,786 in initial event expenditures (visitor and event organizer expenses combined)
  - Industry Output (overall impact) \$1.8 million in Canada of which \$1.3 million was in Leduc
  - \$465,794 in wages supported in Alberta





## Goal 5: Regional Partnerships and Governance

As the City of Leduc, establishing regional partnerships and governance is characterized as working co-operatively with partners to optimize resources and ensure project success. We are a trusted and collaborative partner in building a vibrant capital region through effective decision-making, service provision and supportive actions.



### Outcomes: Achievements + Results

#### 5.1 Maintain and strengthen relationships with key stakeholders in Leduc region, including Leduc County, the capital region, City of Edmonton, school boards, EIA, and other stakeholders

- A new regional growth management board, known as the Edmonton Metropolitan Region Board (EMRB), replaced the Capital Region Board.

##### Highlights of the new board include:

- » *New Board composition - Moving from 24 members to 13, the Board now is comprised of the regional municipalities with populations of 5,000 or more (cities of Edmonton, Leduc, St. Albert, Spruce Grove and Fort Saskatchewan; towns of Beaumont, Devon, Stony Plain, Morinville; counties of Leduc, Parkland, Strathcona and Sturgeon).*
  - » *An expanded mandate - In addition to its role to plan for responsible regional growth through implementation of the region's newly approved 30-year growth plan, the EMRB is now tasked with creating a regional metropolitan servicing plan.*
- Collaborated with other mid-sized cities by advocating for continued long-term predictable revenue sharing from the province (i.e. Municipal Sustainability Initiative (MSI) funding).
  - Continued to work with other mid-sized cities to address:
    - » *the upcoming cannabis legislation and how it will affect municipalities*
    - » *the opioid crisis and how municipalities can coordinate their efforts in prevention and support*

- Municipalities need long-term predictable funding from other levels of government to allow continued planning and delivery of complex, community-based services and infrastructure that benefit citizens. The following City of Leduc projects were enabled in 2017 thanks to the MSI funding:

- » *Water distribution system upgrades*
- » *Fire hall improvements and site servicing*
- » *North Telford development*
- » *Telford Lake multiway*
- » *Operations building expansion*
- » *Reservoir improvements*
- » *City of Leduc road program*

- Following consultation and review with RCMP, council approved proceeding with a multi-million dollar expansion of the current Protective Services/ RCMP facility. Current facility is at capacity and the expansion will provide space to accommodate growth over the next 20-30 years, including an emergency operations centre; design of the new facility will take place in 2018.

#### 5.2 Continue Leduc's pursuit of regional collaboration and governance initiatives

- Through extensive work and collaboration, City of Leduc and Leduc County proceeded with the development of an implementation plan to bring together city and county fire and emergency services under one regional umbrella or service—Leduc Regional Fire Services (LRFS). Both councils joint approved the LRFS Conceptual Implementation Plan and directed administrations to continue work on a detailed financial analysis to further assess the cost benefits of the regional initiative. Both municipalities see the value in a regional service and work will continue on the LRFS initiative in 2018.



- Following the initiation of the Alternate Municipal Structure (AMS) project in 2016, which examines the viability of creating an alternate municipal structure with our municipal partner, Leduc County, both municipal councils received the much-anticipated report in 2017. The detailed analysis confirms that we are stronger together. But, we are also sustainable as individual municipalities. Work was paused on the project until 2018, when the new councils can make decisions on further actions.
- City and County continued with the shared fire inspector program to help educate and identify non-compliance with fire code in both municipalities; position will continue in 2018.
- Worked with Leduc County to update the City-County intermunicipal development plan to align with aerotropolis priorities and allow related development.
- Worked with local school boards to develop a school site rationalization strategy to more accurately reflect the future needs of communities and subdivisions. This process will also look at options to leverage land assets over a larger area to deliver school placement solutions more aligned with community needs; project will continue in 2018.
- Hosted a joint governance session for regional councils as part of our new council orientation process to help familiarize new and returning council members to municipal governance (regional partners in attendance included Leduc County, Calmar, Thorsby and Warburg). Regional relationship building to continue in 2018.

### 5.3 Participate and influence the annexation/ EIA Inter-jurisdictional Cooperation Accord process based on city council's principles

- Leduc County and City of Edmonton reached an agreement on annexation, detailing an uncontested annexation area of 8,860 hectares of land to the City of Edmonton. This represents 45 per cent (7300 hectares) less land to be annexed than was requested in Edmonton's original annexation proposal. The Edmonton

International Airport lands were also excluded from the annexation agreement, meaning they will stay within Leduc County.

- As part of the annexation agreement, regional partners (the City of Edmonton, Leduc County, the City of Leduc and the Edmonton International Airport (EIA) formed a new partnership—the Inter-Jurisdictional Cooperation Accord—aimed at helping the EIA reach its full potential as a key economic driver bringing benefits to the entire Edmonton metropolitan region and all of Alberta.
- Phase 1 of the Accord is anticipated to need 12-24 months to deliver the high-level conceptual frameworks for land use, servicing and transportation, economic development, and cost-benefit sharing. Further coordinated efforts will be developed for coordinated engagement of senior orders of government and other stakeholders.
- Each partner contributed start-up funding of \$100,000 to advance the work of the Accord.

Key Performance Indicator	2017 Results	Change from 2016
Number of regional initiatives	30	
Revenue from cost-sharing agreements	\$3,938,680	13% 

## Regional collaboration + Governance:

together with our regional partners, we continue to pursue initiatives that make sense for our region and benefit our citizens. Through these initiatives, our collective intent is to determine if and how we can make better use of the resources we have in both municipalities and whether we can provide better services to our citizens. It really is about **Building Our Best Future**.





## Goal 6: Fiscal Sustainability

Fiscal sustainability within this community is demonstrated through fiscal integrity, efficiency and effectiveness as we understand the benefits and costs of doing business for the overall betterment of this city.

### Outcomes: Achievements + Results

#### 6.1 Continue to seek revenue generation and cost-saving opportunities

- Event and facility sponsorship and advertising reached more than \$280,000, which represents a 1.8 per cent increase over 2016
- Introduced two new membership options at the LRC – a matinee and student membership. Seven matinees and 8 to 15 monthly student memberships were sold in 2017
- Recommended changes to the Fees and Charges Bylaw completed; will be presented to Council in November as part of budget deliberations.

#### 6.2 Foster all types of development that result in a sustainable, healthy residential/ industrial assessment base

- Created a more robust community profile on the city's website including demographics, labour force, taxation, utilities, housing and other information to assist in the attraction of investors to Leduc.



"Our three-year operational budget allows us to strike a balance with being financially responsible and ensuring this is a stable and vibrant community."

#### 6.3 Implement and maintain fiscal sustainability plan

- Developed and implemented an online tax calculator, on [www.leduc.ca](http://www.leduc.ca), to help citizens understand where and how tax dollars are calculated. It also helps citizens to estimate their upcoming property taxes, based on their property's assessed value.
- Engaged citizens through the annual budget survey to help inform the upcoming 2018 City of Leduc budget; long-term sustainability was identified as a top priority for our residents.
- Continued implementation of the new asset management program; fleet and utility services asset management will be implemented in 2018, and work will continue to further parks and roads implementation. Once rolled out, the system will allow for better workflow tracking and maintenance of city assets.
- Approved new debt policy.

## Did you know?

Leduc relies on provincial funding to help offset the costs of many important services, including infrastructure improvements and maintenance, public library, Family and Community Support Services, and RCMP. Conducting an annual census helps ensure the city receives provincial funding proportionate with Leduc's fast growing population.







The City Clerk's office plays an integral role in ensuring council's values of transparency are intrinsic in its actions. In 2017, these included improvements to the annual census program and a modernized municipal election process.

#### 6.4 Regular review of select services for efficiency/ effectiveness

- Contracted a service provider to implement automated vehicle locator (AVL) tracking for public services. AVL helps to reduce operating expenses, optimize resources, improve safety and customer service, and save time. Work will continue towards implementation in 2018.
- Updated the Off Site Levy bylaw to reflect updated construction costs of various infrastructure projects, resulting from new development. Frequent updates to the city's off site levy bylaw reduces the probability of significant changes in rates from year to year and is a valued asset to the development community.
- Revamped the annual census program to be paperless through the use of the secured online census survey option and the use of tablets by census workers going door-to-door; these options allowed for more timely and accurate information.
- Implemented a new pay structure and process for census that resulted in less census workers required and overall savings of \$6,000.
- Modernized 2017 Municipal Election process

**For the first time in Leduc, employed use of electronic vote tabulators:**

- » municipal and school board candidates listed on one ballot
- » ballots were run through electronic vote tabulators located within the voting stations
- » eliminated human error when counting ballots, and resulted in cost savings as fewer election workers were required
- » Leduc was first to post election results in the region, with first results posted as early as 8:30 p.m.
- » Negotiated new contracts with the school boards allowing local schools to be used as voting stations at no charge, saving approximately \$5,000.
- Effectively transitioned a new council team through new orientation and updated budget processes.

#### 6.5 Enhance Leduc's attractive and competitive tax advantage

- Council approved a three-year tax strategy (2018-2020) to meet the growing needs in the three areas of safe communities, economic development, and arts and culture that will see a 3.65 per cent increase for 2018, including:
  - » 2.33 per cent to support current service levels and enhance support to arts and culture, and concentrate on economic development
  - » 1.32 per cent dedicated to safe communities in support of enhanced protective services
- Completed the 2017 annual City of Leduc census, which captured a population growth of two per cent over 2016, with 31,130 people calling Leduc home.

Key Performance Indicator	2017 Results	Change from 2016
Percentage of citizens that rate their value for taxes as good or above	70%	3%
Non-residential/residential assessment ratio is maintained or increased	34/66	1% change
Percentage of debt limit available	65%	4%
Sponsorship revenue – target is 25% by 2018	23%	2%
Percentage of fiscal sustainability plan implemented	35%	10%





CANADA 150

As part of Canada 150 celebrations in 2017 and with thanks in part to Canada 150 grants, the City of Leduc was able to engage in the following projects and initiatives:



### **Two show tulip beds**

Design, construction and installation of two show tulip beds, located at Leduc Civic Centre and the Stone Barn Garden. Two varieties of tulips were planted—500 White Hakuun and 500 Red Impression. The city was given these bulbs from Veseys Seeds Ltd. and the Canadian Garden Council through the 150<sup>th</sup> Celebrations Gardens program.

### **Upgrades to the Mix Family Aquatic Centre**

In October, the Mix Family Aquatic Centre (the pool) at the Leduc Recreation Centre reopened after three-month closure to complete much needed renovations. Improvements made to the facility focused on enhancing safety and amenities, particularly in areas such as the main pool basin and underground piping system, which have not been renovated since the centre was originally built in 1980. Additional enhancements include a new viewing area, updated acoustical controls, a more functional guest services desk and upgrades to shower and steam room spaces.

As the final step in upgrades that began in 2016, these renovations were part of \$250,000 in federal funding the City of Leduc received through the Canada 150 Community Infrastructure Program. A grand re-opening celebration was held in October to welcome the public back to the facility.

*"These improvements to the recreational pool at the Leduc Recreation Centre create an environment that encourages children and families to play and enhances the well-being of the entire community." - Honourable Navdeep Bains, Minister of Innovation, Science and Economic Development (Canada)*

### **Telford Lake Boardwalk**

In June, the Telford Lake Boardwalk extension was completed and commemorated with a special grand opening ceremony to coincide with the city's Canada 150 celebrations. A total of 280m, the boardwalk connects existing trail to the North Telford Playground and includes a number of scenic viewpoints for trail users to enjoy.

The city was able to secure additional funding for the project through the Canada 150 Community Infrastructure Program, which saw the Government of Canada invest in projects that celebrate our shared heritage, create jobs, and improve the quality of life for Canadians. As a requirement of the grant, projects must rehabilitate existing cultural and community facilities provide long-term benefits to a community and /or ensure a lasting legacy resulting from Canada 150.

Canada 150 branded medallions were installed along the boardwalk in recognition of the sesquicentennial celebration.

### **Canada Day 150 celebrations**

As July 1, 2017 marked the 150<sup>th</sup> anniversary of confederation, the city planned a special Canada Day celebration filled with a variety of events and activities. Celebrations exceeded the traditional pancake breakfast, parade and spectacular display of fireworks - providing residents and visitors numerous options to enjoy their day.

Other activities included a ball tournament, Celebrate Canada food event, flag raising, outdoor concert with headliner Tebey, community barbeque, family carnival, farmers' market and the 5K Foam Fest fun run, which saw more than 6,000 participants.





## Let's Talk Leduc: Engaging Our Public

In 2017, there was a renewed public interest in being heard and having a say. Citizens are becoming more curious, more engaged and more involved. The public craves information and wants to be involved and help influence decisions that affect their future, their community and their well-being.

This heightened sense of interest is not unique to local government, but it is also being heard at the regional, provincial and federal levels. The Government of Alberta amended the Municipal Government Act in 2017 to include the requirement for all municipalities to develop public participation policy, with the intention of mandating all communities to consult their citizens about upcoming changes and decisions.

The City of Leduc recognized this trend and launched a new public engagement initiative, called **Let's Talk Leduc**, in November. The initiative supports many programs aimed at getting citizens of Leduc more engaged in planning, decision-making and shaping the future.

Most notably, in November and December the city went to the public seeking input on the renewal of the community's vision and four-year strategic plan that will guide Leduc now and into the future. A detailed What We Heard report will be available early in 2018.

The **Let's Talk Leduc** branded public engagement program will span multiple city projects and initiatives to create a "one-stop-shop" for citizens to recognize an opportunity to get involved. In 2018, watch for more engagement opportunities on the development of the strategic plan, initiation of the Municipal Development Plan review, cannabis legalization and more.





# Financials

MONEY IN (REVENUES)

## MUNICIPAL REVENUE SOURCES

The City of Leduc receives revenue from several sources as indicated in the chart below. Residential and non-residential property taxes comprised 50 percent of the total revenues received by the city in 2017. Utilities, user fees and government transfers represent some of the other major revenue sources.



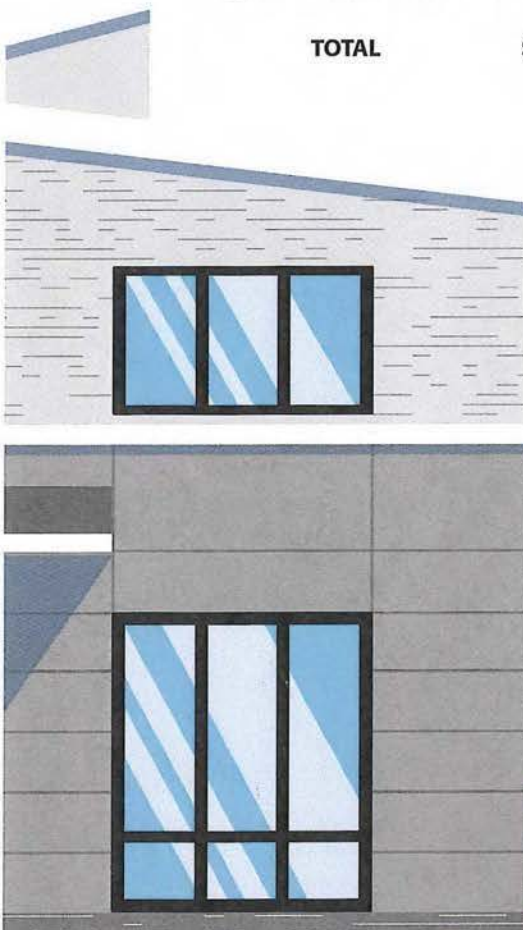


## PROPERTY TAXES

Municipal tax revenues are comprised of a mix of residential and non-residential property taxes.

Did you know that of the \$61,030,404 the City of Leduc collected in property taxes in 2017, roughly 29% goes to other agencies over which the city has no control or management (provincial education/school taxes and Leduc Foundation tax); the city collects these taxes on behalf of the Province, who then requisitions these funds from the city.

Category	Residential		Non-Residential		Total	
	Amount	%	Amount	%	Total	%
Municipal Taxes	\$26,188,089	71.75%	\$17,030,655	69.42%	\$43,218,743	70.82%
Provincial School Taxes	\$10,243,898	28.07%	\$7,464,583	30.43%	\$17,708,481	29.02%
Leduc Foundation Taxes	\$66,803	0.18%	\$36,377	0.15%	\$103,180	0.17%
<b>TOTAL</b>	<b>\$36,498,789</b>	<b>100%</b>	<b>\$24,531,614</b>	<b>100%</b>	<b>\$61,030,404</b>	<b>100%</b>



The City of Leduc's current tax assessment split of 66 residential to 34 non-residential plays an important part in keeping our community viable while remaining affordable. Work will continue to maintain a balanced residential to non-residential tax assessment split.



**MUNICIPAL EXPENDITURES**







**City of Leduc Civic Centre**  
#1 Alexandra Park Leduc, AB T9E 4C4



780-980-7177



Leduc.ca



@CityofLeduc



/CityofLeduc

# **REPORTS FROM COMMITTEE & ADMINISTRATION**

Draft Edmonton Metropolitan Region  
Board 2018 – 2023 Strategic Plan

(Distributed Under Separate Cover)

Presented by

M. Hay



# **REPORTS FROM COMMITTEE & ADMINISTRATION**

Agenda Items for Joint City/County  
Council Meeting on April 3, 2018  
(verbal discussion)

Presented by

P. Benedetto

# **REPORTS FROM COMMITTEE & ADMINISTRATION**

2017 Year End Results

Presented by

J. Cannon



# **REPORTS FROM COMMITTEE & ADMINISTRATION**

2018 Mill Rate Process

Presented by

J. Cannon

# **REPORTS FROM COMMITTEE & ADMINISTRATION**

Linsford Gardens Housing Project Update  
(verbal)

Presented by

M. Pieters



VIII.

# **INFORMATION ITEMS**



# *2018 Provincial Budget Analysis by AUMA*

*March 23, 2018*



WE ARE  
**economies**  
OF SCALE

WE ARE THE  
**support**  
YOU NEED

WE ARE THE  
**experts**  
IN MUNICIPALITIES

WE ARE YOUR  
**advocate**



## Budget 2018 – Highlights for Municipalities

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[Budget 2018 – A recovery built to last](#), was released on March 22, 2018. We were forewarned by the Premier and the Minister of Municipal Affairs at the AUMA Convention last November, that the Province would be “carefully cutting spending to balance the budget.”

As you will see in the Summary of Capital and Operating Grant Programs section, there was a total reduction of \$623.6 million in capital grants, but much of this decrease is the result of the province’s decision to advance MSI funds in the 2017-18 fiscal year, and reduce in future years. We did see a cut of \$152 million to MSI, but it will not be felt by the majority of our members, and instead shared by the Cities of Edmonton and Calgary, who will receive other funding to offset their reduced share of MSI. The province also indicated MSI would remain unchanged for the next three years, giving our members some stability in capital planning.

As important was the commitment to working with AUMA and the Rural Municipalities of Alberta (formerly AAMDC) on a replacement program for MSI, one that is stable, predictable, and legislated. We have been advocating strongly for this on behalf of our members and look forward to working with the province on ensure a funding program that meets the needs of Alberta municipalities is legislated this fall and implemented in 2021.

Although AUMA does not like to see cuts to grant programs, we recognize the province’s efforts to restructure and re-profile some of the core capital grant programs. We will continue to advocate for our smaller communities, as they in particular were at a disadvantage with the current competitive grant programs.

In addition to outlining the changes to the operating and capital grant programs, this document will also provide you a more detailed analysis of areas of particular importance to our members:

- Education Property Tax
- Municipal Sustainability Initiative (MSI)
- Provincial Contribution to the Investing in Canada Fund
- Policing Funding and the *Police Act*
- Cannabis Legalization
- Implementation of the Climate Leadership Plan

Finally, the Analysis document also includes highlights of the Provincial Economic Outlook, as well as summaries of the Provincial Capital and Operating Plans.

*The 2018 Provincial Budget Analysis by AUMA*, along with the [Government Responses to AUMA’s 20 Questions regarding Provincial Budget](#), and the [AUMA News Release – Budget 2018](#), should provide our members with a better understanding of the provincial budget and its impact on municipalities’ ability to attract business, create jobs, grow local and regional economies, and deliver important social programs for Albertans.

## Summary of Capital and Operating Grant Programs

### Core Capital Grants to Municipal Governments (\$ millions)

Capital Grant	Budget 2017-18	Budget 2018-19	Comment
Municipal Sustainability Initiative (MSI) Capital	846.0	294.0	In March of 2018, the province provided an additional \$800 million in MSI through its 2017-18 fiscal year. \$400 million of that allocation represented an advance on the 2018-19 MSI and the remaining \$400 million is an advance on the 2019-20 MSI. In effect, the 2018-19 MSI capital is \$694 million. While this represents a decrease of \$152 million from 2017, the reduction is only applied to Calgary and Edmonton. 2018 MSI funding for all other municipalities will remain the same as last year, with variances based on updates to the data used in the MSI allocation formula.
Basic Municipal Transportation Grant (BMTG) – A component of MSI	335.0	344.0	2018-19 funding is \$9 million more than last year, which aligns with the government's commitments in Budget 2017. Funding is forecasted to increase by \$9 million per year for the following three years.
Water for Life	55.0	75.3	Funding increases in 2018 but it is \$30 million less than what was projected in Budget 2017. Funding in 2019-20 is forecasted to decrease to \$53 million. Note: Government documents present conflicting figures of \$75.3 million and \$69 million. AUMA is in the processing of clarifying the correct figure.
Municipal Water and Wastewater Program	50.0	45.0	The \$5 million decrease in 2018-19 aligns with the province's forecasts in Budget 2017. Funding is forecasted to reduce further to \$25 million in 2019-20.
Strategic Transportation Infrastructure Program (STIP)	35.0	26.5	Actual STIP spending in 2017 is estimated to \$50 million more than the 2017 budget. 2018-19 funding is \$3.5 million less than the province's forecasts in Budget 2017. Funding is forecasted to reduce to \$18 million in 2019 and \$15 million in 2020.
Alberta Community Transit Fund	40.0	22.4	This program, formerly known as the Municipal Transit Initiative, was announced in Budget 2017 but is estimated to have zero expense in the year. Details of the program are still to be announced and the 2018-19 funding is \$63 million less than what was forecasted in Budget 2017.
Alberta Community Resilience Program	57.8	-	This program is zero-funded in 2018-19 but the deadline to apply for 2019-20 funding is September 30, 2018.
Watershed Resiliency and Restoration Program	3.5	3.5	Despite a budget of \$3.5 million, actual spending in 2017-18 is estimated to be \$51 million.



<b>Capital Grant</b>	<b>Budget 2017-18</b>	<b>Budget 2018-19</b>	<b>Comment</b>
Flood Recovery / Mitigation	12.4	1.0	This funding is linked to the 2013 flood recovery under Environment and Parks for Community Stabilization.
First Nations Water Tie-In Program	25.0	24.4	Formerly called the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) – Access to Regional Drinking Water Systems.
<b>Subtotal</b>	<b>\$1,459.7</b>	<b>\$836.1</b>	A total reduction of \$623.6 million driven largely by the province's decision to advance MSI funds in fiscal 2017-18 and reduce MSI in 2018-19 by a corresponding amount including a \$152 million decrease for Calgary and Edmonton.

### Capital funding linked to federal funding programs

Gas Tax Fund (GTF)	222.0	229.5	GTF is distributed based on the federal funding formula. It is estimated to be \$229.5 million per year for the next five years.
GreenTRIP	484.4	250.0	Actual GreenTRIP funding in 2017-18 is forecasted to be \$122.2 more than budgeted. The decline in GreenTRIP funding in 2018-19 is a trend that will continue into the future as federal funding is used up.
Public Transit Infrastructure Fund (PTIF) – Phase 1	285.0	136.5	The 2018-19 funding represents unused funding from 2017-18 that has been re-profiled to 2018-19. The funding is forecasted to end in 2019-20 with \$75 million in funding.
Clean Water Wastewater Fund (CWWF) Phase 1 Federal Contribution	165.0	59.0	The majority of 2018-19 funding represents unused funding from 2017-18. The funding is forecasted to end in 2019-20 with \$20 million in funding. The province's contribution under the CWWF is through the Water for Life program.
New Building Canada Fund – Small Communities Fund	31.0	16.8	The budgeted amounts in 2017-18 and 2018-19 simply reflect the cash flows associated with previously approved projects. No new funding has been allocated for the program.
<b>Subtotal of funding linked to federal programs</b>	<b>\$1,187.4</b>	<b>\$691.8</b>	A total reduction of \$495.6 million from 2017 due to federal funding being used up and programs coming to a close. There will be additional federal funding in the near future once a bilateral agreement between the provincial and federal governments is complete under the Investing in Canada fund.
<b>Total – all capital funding</b>	<b>\$2,647.1</b>	<b>\$1,527.9</b>	

### Core Operating Grants to Municipal Governments (\$ millions)

Operating Grant	Budget 2017-18	Budget 2018-19	Comment
Municipal Sustainability Initiative (MSI) Operating	30.0	30.0	No changes have been made to MSI operating funding levels.
Alberta Community Partnership	18.5	18.5	2018-19 ACP funding will remain consistent to support municipal collaboration and capacity building.
Family and Community Support Services (FCSS)	100.7	100.7	The province maintained FCSS funding at the 2017 funding level.
Police Assistance Grant	55.8	57.7	2018-19 funding increased by \$1.9 million.
Police Officer Grant Program	30.0	30.0	The province maintained the Police Officer Grant Program at the 2017 funding level.
Emergency Preparedness Grant	0.2	0.2	Municipalities will continue to have access to funding for fire services and emergency management training.
Grants in Place of Taxes (GIPOT)	59.3	58.7	The province maintained its 2015 decision to not provide GIPOT funding for properties owned by the Alberta Social Housing Corporation.
Rural Bus Service Pilot	-	1.0	A new program designed to connect medium-sized cities with surrounding communities.
<b>Total</b>	<b>\$ 294.5</b>	<b>\$ 296.8</b>	

### Notable Grants to Community Organizations

Grant	Budget 2017-18	Budget 2018-19	Change (\$)
Housing Operating	165.2	177.7	12.5
Community Facility Enhancement Program	38.0	38.0	-
Library Services Grant (operating)	29.9	29.9	-
Organized and Serious Crime funding (ALERT)	29.1	29.1	-
Family and Community Safety Program	18.6	18.2	(0.4)
Major Fairs and Exhibitions	15.3	15.3	-
Agricultural Service Boards Grants	11.5	11.5	-
Agricultural Societies and Exhibitions Grants	11.5	11.5	-
Summer Temporary Employment Program (STEP)	10.0	10.0	-
Economic Development	9.3	7.6	(1.7)
Alberta Historical Resources Foundation	2.1	2.1	-
Public Lands Trail Development	1.3	1.3	-
Search and Rescue Grants	0.2	0.2	-



## Municipal Sustainability Initiative - Now and into the Future

AUMA’s persistent advocacy on the importance of MSI has ensured funding will remain stable for another year. In March 2018, the Government of Alberta announced it was advancing \$800 million of future MSI funding to municipalities, which entails a \$400 million advance on the 2018-19 MSI funding and a \$400 million advance on the 2019-20 funding. In turn, the province reduced the budgeted amounts for MSI in 2018 and 2019 by a corresponding amount. The following table shows total MSI capital in 2018 is \$152 million less than in 2017; however, the province has only reduced MSI funding for Calgary and Edmonton. All other municipalities will receive a similar level of funding as 2017, except for the usual variance that results from updates in the data used in the MSI allocation formula.

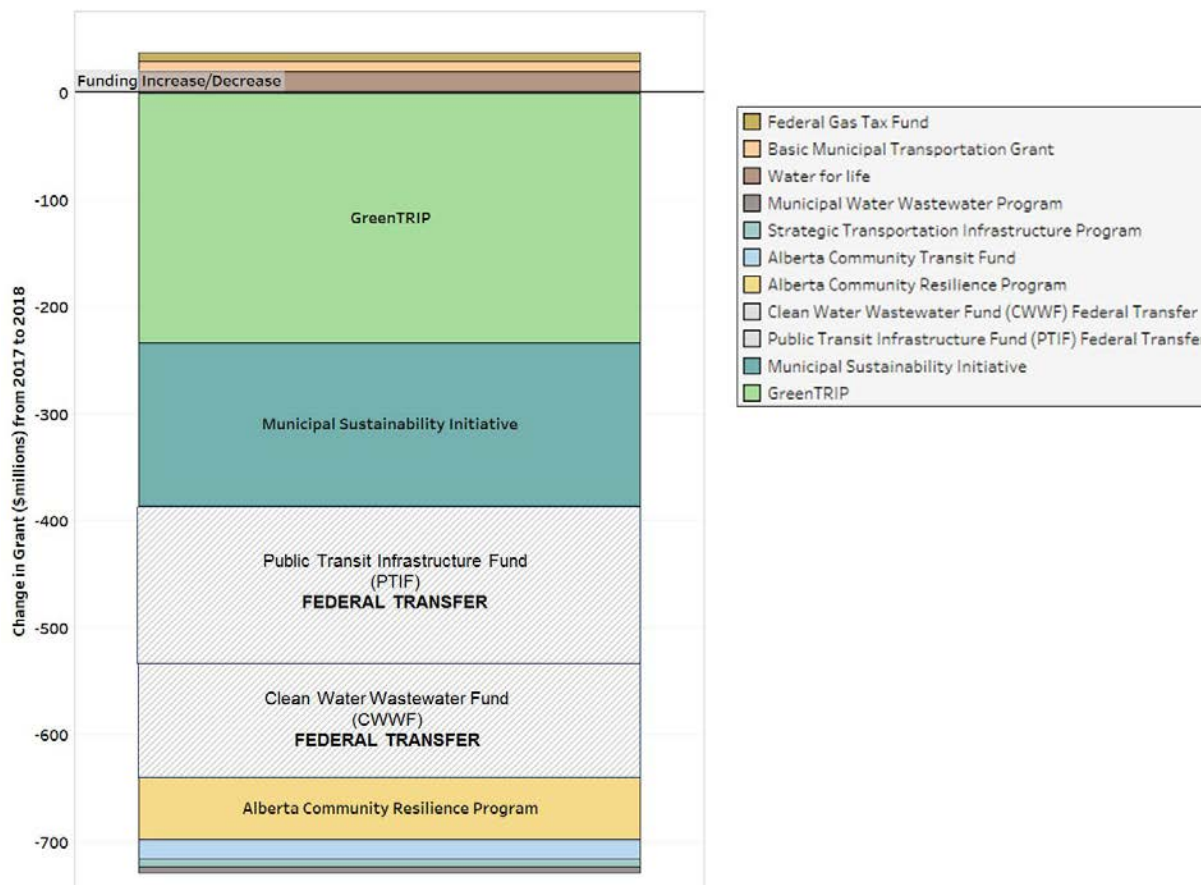
(\$ millions)	2018 Budget	2019 Target	2020 Target	2021 Target	2022 Target
Advance of future MSI in March 2018	400	400	-	-	-
MSI Capital	294	294	694	667	-
<b>Total</b> (not including BMTG)	<b>\$ 694</b>	<b>\$ 694</b>	<b>\$ 694</b>	<b>\$ 667</b>	-
2017 MSI Capital	846				
Change	\$ (152)*	*Specific to Calgary and Edmonton			

Over the past two years, AUMA has advocated municipalities need infrastructure funding to be delivered in a more stable and predictable manner to support long-term financial planning. AUMA is pleased Budget 2018 states that the province is “committed to working with municipalities, over the coming months, to replace MSI with a new infrastructure grant program, with a funding formula based on revenue sharing.” AUMA looks forward to this long-awaited discussion. In the meantime, Budget 2018 demonstrates the province is still committed to delivering the original \$11.3 billion in MSI by 2021-22. This funding will ensure Albertans continue to enjoy safe water systems, quality roads, updated recreational facilities, and opportunities for construction jobs in communities across the province.

## Provincial and Federal Capital Investments

The following chart shows the change in funding from Budget 2017 to Budget 2018 for capital grants. Only three programs saw an increase in funding: Federal Gas Tax Fund (\$7.5 million), Basic Municipal Transportation Grant (\$9 million) and Water for Life (\$20.3 million). The loss of over \$700 million in funding is primarily driven by federal funding programs that are coming to a close, and a decrease of \$152 million in MSI for Calgary and Edmonton<sup>1</sup>. While the chart presents a negative picture, when federal programs and reductions in MSI for Edmonton and Calgary are removed from the equation, the core capital funding only decreased by \$71.6 million in Budget 2018. This represents a limited impact compared to the message the government delivered at AUMA’s convention in fall 2017.

<sup>1</sup> The chart is presented with \$400 million of the 2018-19 MSI that was advanced in the 2017-18 fiscal year.



## Provincial Contribution to the Investing in Canada Fund

The Investing in Canada Fund remains a priority issue for our members. In reviewing the budget document, we noted no money has currently been allocated to cover the provincial portion of the fund.

The province has indicated they hope to have an agreement with the federal government in place in the coming weeks. AUMA has requested clarification from the government as to where the money will be included within the budget once the agreement is signed. AUMA will continue to update members as more information becomes available.

## Policing Funding and the *Police Act*

Justice and Solicitor General's expenses are budgeted at \$1.47 billion, up slightly from the 2017-18 budget of \$1.4 billion. This includes an increase to the provincial contract for policing from \$255 million in 2017-18 to \$256 million in 2018-19. This increase is intended to cover the RCMP salary settlement, new RCMP officers, and policing services provided at no direct cost to all rural municipalities, including municipal districts, counties and Métis settlements,

regardless of population, as well as towns, villages and summer villages with populations of 5,000 or less.

Municipal Policing Assistance Grants have increased slightly from \$55.8 million in 2017-18 to \$57.7 million for 2018-19; Police Officer Grants were held constant at \$30 million.

Municipalities have signaled this funding is not adequate and AUMA has been advocating to the province for increased funding on their behalf.

AUMA has also been advocating for a more equitable funding model in which everyone pays. We were disappointed there was no mention in the business plans to include a review of the Police Act. This would enable engagement with municipalities on funding and other policy issues.

Unfortunately, funding for the Alberta First Responders Radio Communications system (AFRRCS) has decreased from \$13 million in 2017-18 to \$7 million in 2018-19 and is projected to fall to \$5 million in 2019-20; however, this decrease was projected in last year's budget.

## Cannabis Legalization

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AUMA has advocated the Alberta government share 70 per cent of Alberta's cannabis excise taxes with municipalities and requested the province to transfer \$30 million in Budget 2018-2019 to support municipal efforts on implementing legalization of cannabis. Neither requests were included in the budget despite the federal government's commitment to transfer 75 per cent of the cannabis excise taxes to the provinces.

The Alberta government estimates the cannabis revenue would be \$26 million in 2018-19, \$80 million in 2019-20, and it could go up to \$99 million by 2020-21.

In the Ministry of Justice and Solicitor General Business Plan 2018 to 2021, the ministry highlights one of the key strategies is to have legislation, regulations, policies and programs in place to implement the federal government's decision to legalize cannabis in 2018. No further details have been provided on how it plans to involve municipalities, or if it will work with AUMA to determine a cannabis revenue-sharing formula.

AUMA is concerned with the lack of detail, especially since many municipalities are preparing for the legalization and are ready to partner with the provincial government on making the transition.

The province has indicated it will be moving forward with changes to the Municipal Government Act regarding assessment and taxation of cannabis production facilities, removing them from the farm building classification, which is exempt from municipal assessment.



## Implementation of the Climate Leadership Plan

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Budget 2018 projects \$1.3 billion in spending this year from the Carbon Levy, combined with the Low Carbon Economy Leadership Fund (federal government) and the Climate Change Management Fund. The total Climate Leadership Plan is \$1.9 billion in 2018-19.

Over the next three years, the Alberta government estimates \$5.3 billion will be spent to advance climate change initiative including public transit, innovative research and energy efficiency program, and infrastructure projects. A further \$632 million will provide tax relief to businesses through the small business tax rate reduction and investment in clean technologies.

\$5.2 billion over three years is going towards other climate change programs including \$1.3 billion to support transit, development of low-carbon transit fleets and expand light rail transit system in Calgary and Edmonton, \$1.6 billion in household and other rebates for 60 per cent of Albertans, and \$662 million over three years to support energy efficiency projects.

AUMA has long advocated that municipalities receive financial support from the carbon levy to support municipal climate change initiatives. AUMA is pleased with the \$54 million over five years for the Municipal Climate Change Action Centre, a partnership among AUMA, Rural Municipalities of Alberta (previously known as AAMDC), and the Government of Alberta. This funding focuses on greening municipal fleet, community generation projects, community energy efficiency projects, and provide funding for solar and renewable energy options for schools. Unfortunately, the budget is silent on AUMA's request for municipalities to receive a rebate for the cost of the levy they incur in order to neutralize the financial impact of the levy. AUMA plans to continue working with the provincial government on finding solutions to mitigate this financial impact.

AUMA continues to call on the province to support municipalities impacted by the phasing out of coal-fired electricity generation. The recent announcement provided approximately \$5 million to support 12 projects in 17 communities. AUMA believes this is a good start to support these communities, but not enough to transition these communities to a sustainable future.

## Education Property Tax

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Between 2008 and 2016, the province increased education property taxes by an average of 6.5 per cent per year. This was partly driven by the government's policy in 2013 to link the amount of education property tax to be fixed at 32 per cent of provincial education operating costs. In 2017, the province chose to freeze revenue from the education property tax and AUMA is pleased that Budget 2018 will keep the education property tax at the 2017 level, which will fund approximately 31 per cent of the education operating costs.

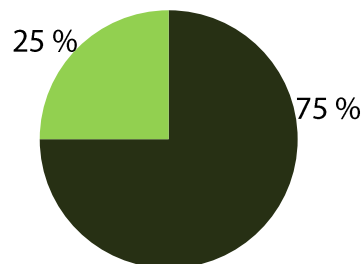
Although the revenue level was frozen in the fiscal year, it will result in an increase on the calendar year and an increase in mill rates in order to raise the same revenue. The residential/ farmland rate will increase from \$2.48 to \$2.56 per \$1,000 of equalized assessment. The non-residential rate will increase to \$3.76 from \$3.64 per \$1,000 of equalized assessment.

**Education Property Tax Requisition\* (\$ millions)**

<b>Fiscal year</b>	<b>2017-18</b>	<b>2018-19</b>	<b>Change</b>
Residential	1,492	1,492	0%
Non-Residential	954	954	0%
<b>Total</b>	<b>2,446</b>	<b>2,446</b>	<b>0%</b>
<b>Calendar year</b>	<b>2017</b>	<b>2018</b>	<b>Change</b>
Residential	1,493	1,516	1.54%
Non-Residential	939	929	-1.06%
<b>Total</b>	<b>2,432</b>	<b>2,445</b>	<b>0.53%</b>

\*Sources: Alberta Treasury Board and Finance and Municipal Affairs

**Distribution of Property Tax (2016)**



■ Municipal ■ Provincial

## Budget 2018 – Fiscal Plan

### Provincial Economic Outlook

Consolidated Revenue:  
\$47.9 B

Consolidated Expense  
\$56.2 B

Consolidated Deficit  
\$8.8 B

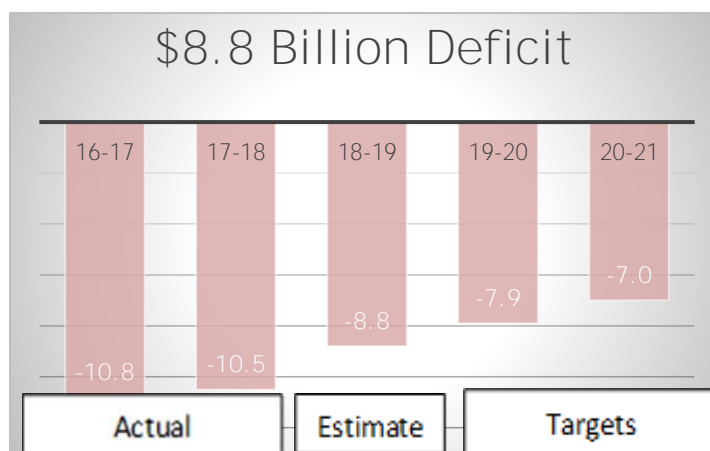
#### Budget 2018 – Key Fiscal Metrics (billions of dollars)

	2016-17 Actual	2017-18 Budget	2017-18 Forecast	2018-19 Estimate	2019-20 Target	2020-21 Target
Total Revenue	42.3	44.9	46.9	47.9	50.6	53.8
Total Expense	53.1	54.9	55.9	56.2	57.8	59.8
Risk Adjustment	-	(0.5)	-	(0.5)	(0.7)	(1.0)
<b>Surplus / (Deficit)</b>	<b>(10.8)</b>	<b>(10.5)</b>	<b>(9.1)</b>	<b>(8.8)</b>	<b>(7.9)</b>	<b>(7.0)</b>
Other Key Metrics:						
Capital / Other Non-financial Assets	49.4	52.7	52.0	53.8	55.3	56.8
Heritage Fund Year-end Balances	15.4	15.7	15.6	16.0	16.3	16.6
Net Financial Assets / Net Debt	(8.9)	(22.6)	(20.3)	(30.5)	(39.8)	(48.2)
Net Debt to Nominal GDP Ratio	2.8%	7.0%	6.0%	8.7%	10.8%	12.4%

Source: Alberta Treasury Board and Finance

The consolidated deficit will drop this year to \$8.8 billion with a forecasted drop to \$7.9 billion in 2019-20 and \$7.0 billion in 2020-21.

This forecast is based on the WTI oil price averaging US \$59/bbl in 2018-19, \$60 in 2019-20, and \$63 in 2020-21.



Source: Alberta Treasury Board and Finance

#### Energy and Economic Assumptions

	2016-17 Actual	2017-18 Budget	2017-18 Forecast	2018-19 Estimate	2019-20 Target	2020-21 Target
WTI Oil (US\$/bbl)	47.93	55.00	54.00	59.00	60.00	63.00
Light-Heavy Differential (US\$/bbl)	13.93	16.00	14.50	22.40	21.00	22.30
WCS@Hardisty (Cdn\$/bbl)	44.67	51.30	50.40	46.00	48.80	50.90
Natural Gas (Cdn\$/GJ)	2.01	2.90	1.90	2.00	2.20	2.40
Conventional Crude Oil Production (000s barrels/day)	431	416	449	461	468	466
Raw Bitumen Production (000s barrels/day)	2,549	2,906	2,855	3,163	3,302	3,462
Exchange Rate (US¢/Cdn\$)	76.2	76.0	78.0	80.0	80.0	80.0
Real GDP (% change)	(3.7)	2.6	4.5	2.7	2.5	2.4
Population (% change)	1.4	1.3	1.2	1.4	1.5	1.5

Source: Alberta Treasury Board and Finance



## Budget 2018 – Fiscal Plan (continued)

### 2018-2023 Provincial Capital Plan

The Budget 2018 Capital Plan includes \$26.6 billion in projects over five years. This is a reduction from the Budget 2017 Capital Plan, which included \$29.5 billion in projects over four years.

A quarter of the 2018-19 capital plan is dedicated to municipalities as outlined in the Summary of Capital and Operating Grants earlier in this document. What follows highlights potential impacts to municipalities in some of the other funding envelopes.

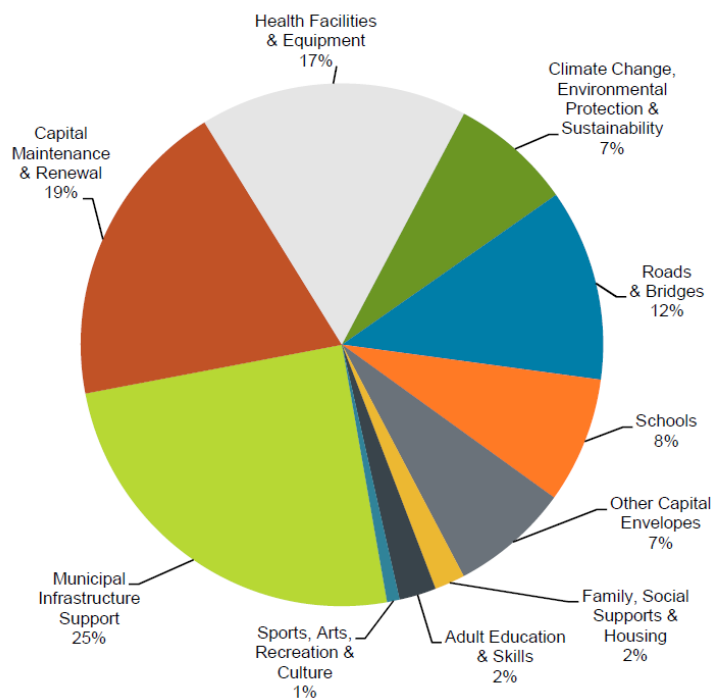
### Housing

As part of implementing the *Provincial Affordable Housing Strategy*, in September 2017 Alberta Seniors and Housing released a Capital Planning Framework, which outlined the capital programs related to the strategy. The 2018 Capital Plan provides information on funding that will be allocated to each program, which is anticipated to total \$504 million over the next five years. In 2018-19 the funding allocation is as follows:

- \$45 million for the Family and Community Housing Development and Renewal to facilitate major renovation, replacement and extension projects to government-owned and/or supported affordable family and community housing operated under the *Alberta Housing Act* or through long-term operating agreements.
- \$20 million for the Affordable and Specialized Housing program to develop new affordable housing projects that provide supportive social or health services for Albertans with a focus on reducing homelessness and ensuring suitable housing is available for populations with specialized needs.
- \$3 million each year for the next three years for planning to support the identification of capital projects and to complete the options analysis and other activities that clarify the proposed project scope, schedule and budget allocation.
- \$144 million in 2018-19 for the Seniors Housing Development and Renewal program to facilitate major renovation, replacement and redevelopment projects at government-owned and/or supported affordable independent and supportive seniors housing operated under the *Alberta Housing Act* or through long-term operating agreements.

### Budget 2018 Capital Plan – Allocation by Envelope

(% of Total Capital Plan)



- \$52 million for capital maintenance and repair for the preservation and maintenance of existing government-owned and/or supported affordable housing operated under the Alberta Housing Act or through long-term operating agreements.
- \$1 million for the Indigenous Housing Capital Program, which there is limited information available at this time.
- \$3 million for the Infrastructure and Housing for Metis Settlements to fulfill commitments made under the Long-Term Governance and Funding Agreement with the Metis Settlements General Council.

## Roads and Bridges

Targets for increased investment in roads and bridges have been delayed as evidenced in the following chart:

(\$ millions)	2017-18 Budget	2018-19 Target/ Budget	2019-20 Target	2020-21 Target	2021-22 Target	2022-23 Target
Budget 2017	450	507	559	588		
Budget 2018		410	380	380	560	560

The capital plan includes investment in the completion of existing projects such as the Gaetz Ave-Highway 2 project at Red Deer, the Highway 2-Peace River Bridge, the Grande Prairie-Highway 43X bypass, the Highway 15 bridge at Fort Saskatchewan, and the Southwest Calgary Ring Road.

It also includes \$131 million in 2018-19 for “highway twinning, widening and expansion,” but does not provide details on which highways are included. The list of unfunded capital projects includes a number of highway projects that met the priority criteria but will not receive funding this year. This includes work to reduce congestion and address increased trucking on Highway 3.

## Access to Health Care

The province is investing \$4.6 billion over five years in capital projects related to health care. This includes the new hospital in Edmonton, the Calgary Cancer Centre, the Norwood Long Term Care Facility, and the Edmonton Clinical Laboratory Hub. During AUMA’s 2017 Convention, members adopted a resolution calling on the province to reinstate the expansion of the Red Deer Regional Hospital to the capital priorities list. The capital budget does include \$1 million for capital planning for the Red Deer region but does not set aside any additional funding for subsequent years.

## Schools

The capital plan includes \$393 million for 20 new school projects, including seven new schools, seven replacements, three modernizations, one addition to an existing school, and two projects that have been approved for design. The new schools will address pressures in urban areas of Edmonton, Calgary, Grande Prairie, and Lethbridge, while the replacement schools will be located in Delia, Provost, Tilley, Brooks, St. Albert, Stony Plain, and Camrose.

Based on a resolution adopted by members in 2015, AUMA has been advocating for the need for municipalities to be better engaged in the planning process for new schools.

## Budget 2018 - Fiscal Plan

### Overall expenditures

Keeping on pace with previous years, health, education and social services account for more than 70 per cent of the province's spending.

Health continues to be the largest budget, with expenses estimated at \$22.1 billion, an increase in budget of 2.7% in 2018-19. Key investments include hundreds of continuing care beds, which will help support the shift to community-based care, as well as \$87 million budgeted for addictions and mental health.

Education's expense is budgeted at \$8.4 billion in 2018-19, which represents a 1.7% increase. The budget will fully fund the expected enrolment growth across the province.

Advanced Education's expense is budgeted at \$6.1 billion in 2018-19, which includes extending the tuition freeze into a fourth consecutive year. This represents a 2.5 per cent increase over Budget 2017.

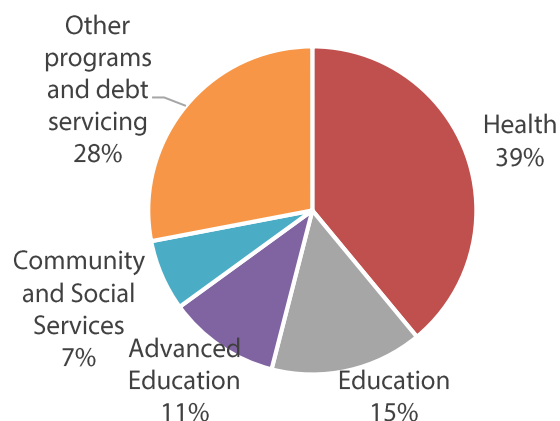
Community and Social Services' expense is budgeted at \$3.7 billion, which represents a 9.9 per cent increase over 2017-18. Included in the budget is \$1.3 billion allocated to the delivery of disability service programs and \$123 million budgeted for Community Supports and Family Safety, which includes \$101 million for Family and Community Support Services (FCSS).

Budget 2018 increases the Ministry of Children's Services spending by 10.1 per cent to \$1.5 billion.

Environment and Parks' expense is reduced by 5.9 per cent to \$526 million in 2018-19. This will provide \$107 million for parks, which will include funding to advance cooperative management of Alberta's Parks with Indigenous peoples, and developing new Alberta Parks capital infrastructure through the Capital Management and Renewal Program.

Culture and Tourism's budget increases by 9.5 per cent to \$381 million in 2018-19, which will include \$101 million for arts and cultural industries. The budget will also include \$132 million in funding through community grant programs, including the Community Facility Enhancement Program, the Community Initiatives Program, and the Major Fairs Program. Also included in the budget is \$56 million for tourism development and marketing and \$63

**Expense as a percentage of total provincial expenditures**





million to ensure Albertans and visitors have continued access to our museums, archives and historic resources.

Municipal Affairs' budget is reduced by 32.9 per cent to \$1.2 billion. The reduction in 2018-19 reflects the re-profiling of 2018-19 MSI to the 2017-18 fiscal year as well as the \$152 million reduction in Calgary and Edmonton's MSI. Calgary and Edmonton will receive other funding such as investments in light rail transit to offset their reduced share in MSI.

Infrastructure's expense is budgeted at \$670 million, which represents a 3.5 per cent decrease from Budget 2017. Within the expenses, \$595 million has been earmarked for the effective and sustainable management of owned and leased space using asset management solutions. The budget will also provide \$49 million in funding for delivery of innovative and responsible infrastructure solutions that meet current and future provincial needs.

Transportation expense is budgeted at \$1.5 billion in 2018-19. This represents a 35.4 per cent decrease in spending compared to Budget 2017 but a 13.5 per cent increase on spending in 2016-17. The 2018-19 budget includes \$423 million for on-going provincial highway maintenance and \$667 million in capital grants. The capital grants are for priority municipal public transit projects and critical drinking water and wastewater facilities. Additionally, almost \$35 million is committed to enhancing transportation safety.

Public sector compensation for 2018-19 is budgeted at \$26.6 billion, which amounts to more than half of total operating costs.

## Next steps

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Given what was not included in the budget, it is clear AUMA has more work to do, particularly with respect to cannabis and revenue-sharing, and policing including reopening the *Police Act* and updating the funding model. Of particular importance is getting clarification from the province that adequate funding is included for the provincial portion of the Investing in Canada Fund as this is needed for municipalities to have access to federal infrastructure funding.

IX.

# **ADJOURNMENT**