



# COMMITTEE OF THE WHOLE MEETING AGENDA

November 6, 7 & 8, 2018

4:00 P.M.

## CALL TO ORDER

1. **ADOPTION OF AGENDA**
2. **PRESENTATIONS**
3. **BYLAWS**
4. **BUSINESS ITEMS**
  - a. 2019 - 2021 Recommended Corporate Plan - Cotterill
5. **CLOSED SESSION**
6. **BUSINESS ARISING FROM CLOSED SESSION**

## **ADJOURNMENT**



The City of  
**Spruce Grove**

**Request for Decision**

**Business Items Item #: 4. a.**

**Committee of the Whole Meeting Agenda**

**Meeting Date:** 11/06/2018

**Title:** 2019 - 2021 Recommended Corporate Plan - Cotterill

**Presenter:** Robert Cotterill

**Department:** Corporate Services

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**Request for Decision Summary**

Administration brings forward a Recommended Corporate Plan to Council's Committee of the Whole each year which outlines the investments required to support existing service levels as well as new investments in programs and resources that are needed to meet the needs of a growing community and regional obligations. Committee is requested to provide clear input into desired amendments so that a final recommended plan can be brought to Council for adoption as the 2019 budget and Corporate Plan.

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**Proposed Motion**

That the deliberations and Committee input on the recommended 2019 - 2021 Corporate Plan and amendments be brought to Council as recommendations for consideration.

**Background/Analysis**

The Municipal Government Act R.S.A. 2000 c M-26 (Financial Administration Part 8) requires a Council to adopt an operating budget and a capital budget for each calendar year. The Act also requires, among other requirements, that the budget must include estimated amounts needed to provide for the council's policies and programs and financial obligations. It must also include estimated amounts for sources of revenues and transfers to surplus. Furthermore, a municipality must prepare a written plan respecting its anticipated financial operations for the next 3 financial years and a written plan for anticipated capital property additions over a period of at least the next 5 financial years.

The City of Spruce Grove's Corporate Plan provides Council with a comprehensive operational and capital plan and operating and capital budgets for both municipal and utility services. The Corporate Plan is the principal guiding document for governance, community development, and service delivery.

The annual Corporate Plan is developed through a well-defined process. Council's direction for this proposed plan was sought through Council's strategic planning session and the update of the 2018–2035 Strategic Plan which was adopted by Council on 26

April 2018. The Strategic Plan itself was approved by Council in 2014 with a view of establishing a guiding document for a 20 year planning horizon. The plan was prepared with community input and is intended to work in concert with other major planning documents, such as the MDP and master plans. The intent is that the Strategic Plan be implemented through initiatives and service changes identified in annual corporate plans.

Operational requirements are identified over a three year horizon while capital planning initiatives are anticipated over the next 20 years. Council only approves the first year of the budget; the other years are provided for planning and contextual purposes.

The 2019–2021 Corporate Plan reflects the impact of the expectations of a growing community. Over the term of this corporate plan, the population of Spruce Grove is anticipated to grow at an average annual rate of over 3.8 per cent. Balancing the need to deliver services to a growing community with the need to facilitate new opportunities continues to be challenging with the City’s current resources. The primary drivers in prioritizing and balancing the 2019–2021 Corporate Plan were the impacts on capacity of staff resources and providing residents with quality service at an affordable rate, with continued emphasis on commercial and industrial attraction and development. The majority of the initiatives and service changes recommended in the corporate and department business plans directly relate to the growth and development of the city. There is also a need to invest in the on-going viability of the corporation which supports the continued delivery of services. Departmental business plans reflect the contributing activities of City departments.

The primary drivers in prioritizing and balancing the initiatives and service changes in the Recommended Corporate Plan were managing the impacts on capacity of staff and resources and providing residents with quality services at an affordable rate. Service changes were prioritized first to respond to capacity challenges. Planning assumptions and timelines, funding strategies and revenue sources were all considered to minimize the requirement for property tax and utility rate increases.

The fiscal plan reflects the financial requirements to support existing services and recommended new initiatives and service changes. The financial requirements include revenue, expenses and tangible capital acquisitions.

### **Options/Alternatives**

Administration is seeking feedback from Committee on the recommended corporate plan and on any amendments to the plan.

### **Consultation/Engagement**

In April, the Committee received public presentations from residents and community groups outlining the priorities they feel are important to consider in preparation of the corporate plan.

### **Implementation/Communication**

After Committee's review of the recommended corporate plan, Council is scheduled to consider approval of the 2019–2021 Corporate Plan at the Council meeting on 26 November 2018. The plan, once approved by Council, is effective January 1, 2019.

The Recommended Corporate Plan is published on the City website in advance of the Committee of the Whole meetings. It is also promoted via social media and online.

**Impacts**

N/A

**Strategic Vision Element:**

This topic relates to all three of the City's strategic vision elements contained in Council's Strategic Plan

**Related Goal:**

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**Financial Implications:**

The fiscal plan demonstrates strong stewardship of the City's financial management in support of providing services and programs to residents, businesses and the surrounding area.

- Administration is recommending an increase to municipal property taxes of 3.9 per cent in 2019. An increase to municipal property taxes of 3.9 per cent in 2019 equates to \$7.49 per month for a household with an assessed value equal to the median. The property tax increase helps fund ongoing service delivery and maintenance as well as new initiatives and service changes that are not utility or developer related. Ensuring lifecycle maintenance of existing infrastructure, facilities, parks, fleet and equipment, and information systems remains a priority.
- There is no increase in electric franchise fees in 2019.
- The corporate plan recommends adopting a more common calculation for natural gas franchise fees that will increase the rate to 35 per cent over a three year period. The proposed method is based on a percentage of delivery revenue only, rather than the current approach, which uses a combination of delivery revenue and gas cost and is therefore subject to greater volatility. This is the method now used by most municipalities to calculate franchise fees. The change in method will result in a rate of 25 per cent for 2019 and an increase of 5 per cent per year in 2020 and 2021 to reach a maximum rate of 35 per cent. Franchise fees for natural gas are charged by the City to ATCO Gas and Pipelines for the exclusive right to provide natural gas services within the City as well as for access to City lands to construct, maintain and operate related assets. ATCO passes along the cost of the franchise fee to the consumer as a separate charge on natural gas bills.
- The recommended water and sewer utility rate increase is 6.42 per cent (\$0.36 per cubic meter) in 2019 which equates to an increase of \$5.04 per month for a household consuming 14 cubic meters of water. The water and sewer utility rate is affected by many external influences including, but not limited to, the Capital Region Parkland Water Services Commission, the Alberta Capital Region Waste

Water Commission and the cost of future capital work requirements. The City will continue to work with utility customers by providing water conservation initiatives such as leak detection and a water conservation app to help offset rising costs.

- There is no solid waste rate increase again for 2019, although it is unlikely that this trend will continue in future years. The City has been experiencing external pressures on waste management and a new contract is being negotiated that will likely impact future costs. The solid waste rate is affected by growth in the community and covers the cost of waste collection, including garbage, organics, recycling and new initiatives.

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## **Attachments**

Corporate Plan Amendments

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## ADMINISTRATIVE AMENDMENTS

## CORPORATE PLAN AMENDMENTS

## Administrative Amendments

## Amendments To Recommended 2019-2021 Initiatives

The following amendments are a result of new information or proposed changes in direction or scope received after 10 September 2018. Once approved by Council, these amendments will be included in the approved corporate plan.

Row	Department	Name	Amendment	2018 Costs	2019 Costs	2020 Costs	2021 Costs	Funding Sources
1	Community & Protective Services – Protective Services	CE 588.4 Design and Construct New Protective Services Facility	Move funds from 2019 and 2020 to reflect additional work completed in 2018.	(\$669,590)	\$593,266	\$76,324		Debt
2	Corporate Services – City Clerk's Office	SC410.1 – Legislative Advisor	Moving position start date to July 2019. Funding of \$60,000 for 2019 to come from contingency (Council and City Manager).		\$60,000			Contingency
3	Corporate Services – City Clerk's Office	DP662.4 – Implement Electronic Meeting Management Software	Move project forward from 2021 to 2019. <i>Note: This amendment was submitted prior to completion of the recommended corporate plan, and has already been reflected in the corresponding fiscal plan. It is identified here for completeness.</i>		\$53,000		(\$41,250)	Taxes
4	Corporate Services – Information Systems	CI 681.4 – Implement an Enterprise Wide Collaboration Tool	Deleted – Initiative no longer required with implementation of Office 365.			(\$40,760)		Taxes
5	Planning & Infrastructure – Environment & Transit	CE267.6 – Transit Service Growth	Funding for this initiative indicated only the initial September to December cost for each of the three years, where the full year costs were not carried into the following year.		\$117,239	\$356,486	\$455,874	Taxes
6	Planning & Infrastructure – Facilities & Fleet Management	SC466.1 – Fleet Administrative Assistant	Move the start of this position to 2019/01 from 2019/06 in order to maintain continuity of the current temporary staffing.		\$28,322			Taxes
7	Corporate Services – Information Systems	New Positions – 2019	Costs for hardware, software and telephone equipment for recommended new positions in 2019.		\$56,672			Taxes



Row	Department	Name	Amendment	2018 Costs	2019 Costs	2020 Costs	2021 Costs	Funding Sources
8	Planning & Infrastructure – Facilities & Fleet Management	New Positions – 2019	Costs for new workstations for new positions in 2019.		\$52,500			Taxes
<b>Total Amendments – 2019-2021 Initiatives</b>				<b>-\$669,590</b>	<b>\$960,999</b>	<b>\$392,050</b>	<b>\$414,624</b>	

### Amendments To Approved 2018-2020 Initiatives

The following amendments are a result of new information or proposed changes in schedule, direction or scope received on projects currently approved for 2018. Once approved by Council, these amendments will be included in the 2019 budget.

Row	Department	Name	Amendment	2018 Costs	2019 Costs	2020 Costs	2021 Costs	Funding Sources
1	Community & Protective Services – FCSS	CE1070.1 – Develop A Strategy To Reduce Homelessness	Move unused budget from 2018 to 2019.	(\$11,210)	\$11,210			Taxes
2	Community & Protective Services – Protective Services	DP666.3 – Next Phase of Fire Training Ground	Move project from 2018 to 2019. Move approved effort and budget from 2018 to 2019. <i>Note: This amendment was submitted prior to completion of the recommended corporate plan, and has already been reflected in the corresponding fiscal plan. It is identified here for completeness.</i>	(\$25,000)	\$25,000			Grant
3	Community & Protective Services – Recreation Services	CE413.4 – Jubilee Park Master Plan Implementation	Move budget costs and receipt of TransMountain Legacy Funding from 2018 to 2019.	\$0	\$0			N/A
4	Corporate Services – Corporate Services Administration	CI163.5 - Implement Enterprise-Wide Asset Management System	Move unused budget from 2018 to 2019. Increase effort by 734 hours.	(\$72,195)	\$72,195			Grant - MSI
5	Corporate Services – Corporate Services Administration	CI1075.1 – Asset Management System – Fundamentals (Phase 1)	Increase effort by 70 hours.					N/A
6	Corporate Services – Information Systems	DP370.4 - Develop Information Systems Account Management Process	Remove initiative – will be addressed within core services. Remove 370 hours effort.					N/A

ADMINISTRATIVE AMENDMENTS

Row	Department	Name	Amendment	2018 Costs	2019 Costs	2020 Costs	2021 Costs	Funding Sources
7	Corporate Services – Information Systems	CI384.4 – Implement the Project Management Strategy	Move unused budget from 2018 to 2019 to accommodate planned Connections upgrade. Increase effort by 60 hours.	(\$30,000)	\$30,000			Taxes
8	Planning & Infrastructure - Engineering	DP186.5 – New Growth - Water Reservoir	Move unused budget from 2018 to 2019.	(\$500,000)	\$500,000			Debt
9	Planning & Infrastructure – Engineering	DP137.5 – New Growth – Transportation	Move unused budget for missing pedestrian links from 2018 to 2019.	(\$40,000)	\$40,000			Taxes
10	Planning & Infrastructure – Engineering	DP137.5 – New Growth – Transportation	Move unused budget for Pioneer Road from 2018 to 2019.	(\$2,200,000)	\$2,200,000			Debt
11	Planning & Infrastructure – Engineering	CE735.2 – Spruce Ridge Road Completion	Move unused budget from 2018 to 2019.	(\$85,000)	\$85,000			Taxes
12	Planning & Infrastructure – Environment & Transit	CE507.4 – Transit System Growth – Local Service	Move unused budget from 2018 to 2019.	(\$377,665)	\$377,665			Grant - MSI
<b>Total Amendments – 2018-2020 Initiatives</b>				<b>-\$3,341,070</b>	<b>\$3,341,070</b>	<b>\$0</b>	<b>\$0</b>	

Amendments to Status Quo Budget

Row	Department	Name	Amendment	2018 Costs	2019 Costs	2020 Costs	2021 Costs	Funding Sources
1	Planning & Infrastructure – Fleet & Facilities Management	Fleet Lifecycle Replacement	Move budget for 1 ton pick up truck from 2018 to 2019 to reflect expected early 2019 delivery.	(\$45,000)	\$45,000			Taxes
2	Planning & Infrastructure – Environment	Transit Service	To request funding for two additional morning trips and two additional evening trips on route 560 to alleviate overcrowding. Ridership for September is up 20% year over year. Trip will only run while post-secondary institutions are in session.		\$189,313	\$235,435	\$242,498	Taxes
<b>Total Amendments – Status Quo</b>				<b>-\$45,000</b>	<b>\$234,313</b>	<b>\$235,435</b>	<b>\$242,498</b>	
<b>Total Administrative Amendments</b>				<b>-\$4,055,660</b>	<b>\$4,536,382</b>	<b>\$627,485</b>	<b>\$657,122</b>	





### Corrections

The following are corrections and clarifications to the Recommended Corporate Plan. Once the corporate plan has been approved by Council, these changes will be included in the approved corporate plan.

Row	Department	Name	Correction	2018 Costs	2019 Costs	2020 Costs	2021 Costs	Funding Sources
1	Community & Protective Services – Cultural Services	SC9.6 – Change to the Spruce Grove Library Operating Grant	Start date incorrectly appears on page 305 as 2020/07, rather than 2019/01. The start date appears accurately on the service change in the division plan on page 98.					
2	Community & Protective Services – Protective Services	SC382.2 – 2.0 FTE Community Peace Officer	Two positions, recommended in corporate pan to be staggered across two years: <ul style="list-style-type: none"> <li>• First position starts in 2020/05</li> <li>• Second position starts in 2021/05</li> </ul> Only the start date of the second position appears on the service change definition on page 122). The start dates appear accurately on the Org Chart (page 117) and FTE table (page 118), and on the service change definition on page 306.					
3	Corporate Services – City Clerk's Office	SC410.1 – Legislative Advisor	Start date appears in Org Chart (page 129) and FTE table (page 130) as starting in 2019, reflecting the amendment to advance this position, as defined above in Amendments to Recommended 2019-2021 Initiatives (Row 2). Prior to the amendment, this appeared in the corporate plan as beginning in 2020 (as reflected on pages 132 and 308).					
4	Planning & Infrastructure – Planning & Development	SC207.4 – 0.5 FTE Planner	Start date for this position inaccurately reflected as 2019/01 on pages 177 and 307, rather than 2020/01. The start date appears accurately on the Org Chart (page 174) and FTE table (page 175).					

CORRECTIONS

Row	Department	Name	Correction	2018 Costs	2019 Costs	2020 Costs	2021 Costs	Funding Sources
5	Planning & Infrastructure – Public Works	SC469.1 – 2.0 FTE Roads & Drainage Operators	<p>Two positions, recommended in corporate plan to be staggered across two years:</p> <ul style="list-style-type: none"> <li>• First position starts in 2019/05</li> <li>• Second position starts in 2020/05</li> </ul> <p>Only the start date of the second position appears on the service change definition on pages 183 and 305). The start dates appear accurately on the Org Chart (page 179) and FTE table (page 180).</p>					
6	Planning & Infrastructure – Public Works	DP1058.2 – Underground Inspection Camera	Funding source identified as taxes rather than utilities in service change definition on page 289.					Utilities: \$22,000

