

April 30, 2021

Interim Report

As reported on June 22, 2021



CITY OF
FORT SASKATCHEWAN
ALBERTA

Interim Report | April 2021

As reported on June 22, 2021

Table of Contents

OPERATING HIGHLIGHTS	2
OPERATING BUDGET	2
CAPITAL PROJECTS.....	2
FINANCIAL POSITION.....	2
FINANCIAL RESULTS FROM OPERATIONS	3
ANALYSIS OF SIGNIFICANT VARIANCES	4
CAPITAL BUDGET HIGHLIGHTS	7
FINANCIAL POSITION HIGHLIGHTS	8
NET FINANCIAL ASSETS (NET DEBT).....	8
CASH AND CASH EQUIVALENTS	8
INVESTMENTS.....	9
PROPERTY TAXES RECEIVABLE	9
LONG-TERM DEBT	10
FINANCIAL RESERVES.....	.. ERROR! BOOKMARK NOT DEFINED.
SUPPLEMENTARY FINANCIAL INFORMATION	11
STATEMENT OF FINANCIAL POSITION	11
STATEMENT OF OPERATIONS.....	12
NET OPERATING BUDGET VARIANCES BY DEPARTMENT	13
FINANCIAL RESERVE BALANCES AND COMMITMENTS.....	14
STRATEGIC PLAN UPDATE	15
POSITIONED FOR GROWTH.....	15
EXCELLENCE IN GOVERNMENT.....	16
A VIBRANT AND THRIVING COMMUNITY	18
WELL PLANNED AND MAINTAINED MUNICIPAL INFRASTRUCTURE.....	19
CAPITAL PROJECTS	20
BUSINESS SUPPORT	25



Interim Report | April 2021

As reported on June 22, 2021

OPERATING HIGHLIGHTS

During the first four months of 2021, many of the City facilities remained closed due to public health orders related to the COVID-19 pandemic.

Subsequent to the period on May 26, 2021, the Province announced the summer reopening plan phases to start on June 1 and lift restrictions by July providing the number of COVID 19 cases do not increase and overwhelm the hospitals.

At a high level, in the first four months, the City:

- Public access to all culture and recreation programming remained closed.
- Observed significant drops in revenues due to facility closures.
- Reduced the municipal property tax increase for 2021 to zero.
- Continued with reductions to operations in response to the operational impacts by redeploying and laying off staff, while continuing to provide work from home accommodations for administrative and operational staff where possible.

With the summer reopening plan and normalizing many of the City service areas, the impacts from the pandemic remain significant for the City and those impacts will be felt for many months.

OPERATING BUDGET

In the first four months of 2021, the City had a \$ 2,072,000 surplus variance compared to its operating budget. The City is forecasting a \$2,283,000 surplus at the end of 2021.

Revenues are expected to be \$28,000 below budget, primarily due to lower user fees and charges as a result of facility closures, which are mostly offset by increased fines and penalties, government transfers and permit revenues in 2021.

Expenditures are expected to be \$2,249,000 below budget due to COVID-19 related restrictions resulting in facility closures, program cancellation, staff layoffs, and other service level changes. Additionally, policing services continue to be below budget due to ongoing negotiations between the National Police Federation and Government of Canada for the Royal Canadian Mounted Police.

CAPITAL PROJECTS

The 2021 capital program includes 43 capital projects. As at April 30, 2021 the City has completed 2 projects while 37 were still in progress, and 4 projects were postponed or deferred to future years. Some projects were postponed due to twinning the highway 15 bridge, developer schedules, and COVID-19.

The City spent \$2,358,000 on capital projects in the first four months of 2021.

FINANCIAL POSITION

As at April 30, 2021, the City had net financial assets of \$ 18,149,000 compared to \$29,392,000 in net financial assets at December 31, 2020. This drop is typical in the first four months of the year due to the majority of taxes being collected in May and June each year.

Significant changes in net financial assets in the current period include a decrease in cash, and cash equivalents of \$13,149,000, a reduction in trade payables of \$4,629,000, and an increase in deferred revenue of \$3,482,000.



FINANCIAL RESULTS FROM OPERATIONS

Expressed in \$000s	Four months ended April 30, 2021			Year ended December 31, 2021		
	Budget	Actual	Variance	Budget	Forecast	Variance
Operating Revenue						
Property Taxes	-	-	-	48,653	48,653	-
Utility User Rates	6,072	5,923	(149)	19,426	19,223	(203)
User Fees & Charges	1,286	1,845	559	5,841	5,574	(267)
Fines and Penalties	751	934	183	2,266	2,417	151
Government Transfers - Operating	338	357	19	1,622	1,925	303
Investment Income	358	324	(34)	987	916	(71)
Other Revenue	7	18	11	22	81	59
Total Operating Revenue	8,812	9,401	589	78,817	78,789	(28)
Operating Expenditures						
Salaries, Wages, and Benefits	(8,860)	(8,379)	481	(29,202)	(28,300)	902
Purchases from other Governments	(4,922)	(4,458)	464	(15,614)	(14,581)	1,033
Contracted Services	(1,226)	(1,202)	24	(6,647)	(6,894)	(247)
Utilities	(1,047)	(935)	112	(2,977)	(2,864)	113
Materials and Supplies	(960)	(767)	193	(3,310)	(2,993)	317
Transfers to Individuals and Organizations	(586)	(581)	5	(1,645)	(1,715)	(70)
Interest on Long Term Debt	(200)	(201)	1	(1,088)	(1,085)	3
Service Maintenance Contracts	(1,223)	(1,233)	(10)	(3,776)	(3,917)	(141)
Advertising & Printing	(173)	(41)	132	(571)	(414)	157
Training & Development	(156)	(68)	88	(619)	(452)	167
Insurance	(242)	(251)	(9)	(727)	(736)	(9)
Phones & Postage	(121)	(122)	(1)	(389)	(379)	10
Memberships	(271)	(181)	90	(500)	(484)	16
Other Expenses	(46)	(46)	-	(239)	(239)	-
Total Operating Expenditures	(20,033)	(18,465)	1,568	(67,304)	(65,055)	2,249
Operating Budget Surplus (Deficit) before Other Items	(11,221)	(9,064)	2,157	11,513	13,734	2,221
Other Items						
Repayment of Debenture Principal	(543)	(567)	(24)	(3,409)	(3,414)	(5)
Net Operating Transfers (to) from Reserves	(9,105)	(9,166)	(61)	(8,104)	(8,037)	67
Net Other Items	(9,648)	(9,733)	(85)	(11,514)	(11,451)	62
Operating Budget Surplus (Deficit)	(20,869)	(18,797)	2,072	-	2,283	2,283

The operating budget deficit includes transfers to and from reserves and debt repayments that are excluded from Public Sector Accounting Standards ("PSAS") financial reporting, and excludes amortization and gains or losses on the disposal of tangible capital assets which are included in PSAS. An unconsolidated statement of operations that is consistent with PSAS has been included in Appendix 1. Net variances from the operating budget by departments are also included in Appendix 1. The above forecast does not include allowances for uncollectible property taxes.



ANALYSIS OF SIGNIFICANT VARIANCES

The City continues to be significantly impacted by COVID-19 and public health orders from the Government of Alberta, including a number facility closures, impacts on demand, and increased costs for facility maintenance.

Subsequent to the period on May 26, 2021, the Government of Alberta announced the summer reopening plan for the province beginning in June 2021. The following forecast assumes that most facilities and programs will start to reopen in June 2021. However, a later reopening may have significant impacts to these forecasts.

REVENUES

User Fees and Charges

Revenue from user fees and charges was \$559,000 above budget in the first four months of 2021, and is expected to be \$267,000 below budget for the year.

Planning and Development was \$398,000 above budget in the first four months of 2021, and are expected to be \$806,000 above budget for the year because of a large construction project and higher than budgeted permits and service fees..

Closure of Culture and Recreation facilities for the first months of 2021 continue to result in lost program registration, admissions, rental, and lease revenues and are forecast to be \$938,000 below budget at year end. This forecast assumes that most facilities and programs will start to reopen in June 2021. However, it remains uncertain what the effects that physical distancing and the general economic conditions will have on demand for these services.

Government Operating Grants

The city is expecting to be \$303,000 above budget at the end of 2021 due to MSI funding for the water meter master plan, Cultural Spaces grant and an Alberta Community Partnership grant.

Fines and Penalties

Revenue from fines and penalties were \$183,000 over budget in the first four months of the year and expected to be \$151,000 at the end of the year. The property tax fines were \$194,000 over budget due to a January and February tax penalties higher than budgeted on properties in arrears.

EXPENDITURES

The City continues to monitor operational spending in response to the COVID-19 pandemic.

Salaries, wages, and benefits

Salaries, wages, and benefits were \$481,000 lower than budgeted in the first four months of 2021 and forecasted to be \$902,000 under budget by the end of the year.

During the first four months of 2021, due to facility closures a number of staff had reached their maximum duration for temporary layoffs and their employment status was required to be terminated. In the period, the City continued to minimize staff layoffs by redeploying staff where possible from closed business units to parks and to other business units that are still operating.

Culture and Recreation Services has the largest surplus in salary, wages, and benefits at \$611,000 year to date, and forecasting a surplus of \$1,012,000 due to COVID-19 related facility closures and restructuring.



Financial Report for the four months ended April 30, 2021 (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

Purchases from other Governments

Expressed in \$000s	Results for the four months ended April 30, 2021			Forecast for the year ended December 31, 2021		
	Budget	Actual	Variance	Budget	Actuals	Variance
Wastewater Management Services	1,674	1,597	(77)	5,568	5,490	(78)
Policing Services	1,605	1,375	(230)	4,815	4,281	(534)
Water Supply Services	1,299	1,244	(55)	4,194	4,139	(55)
Commuter Transit Services	175	132	(43)	531	337	(194)
Assessment Services	145	87	(58)	435	261	(174)
Other	24	25	1	72	73	1
Purchase from Other Government Surplus	4,922	4,460	(462)	15,615	14,581	(1,033)

The City was \$462,000 below budget in purchases from other governments in the first four months of 2021, primarily resulting from a variance for policing services. Policing services were \$230,000 below budget in the first four months of 2021. Since July 2019, the National Police Federation and Government of Canada have been bargaining for an inaugural collective agreement for Royal Canadian Mounted Police Regular Members and Reservists. Significant uncertainty exists regarding the impact of unionization, including the amount of any retroactive pay dating back to their last pay increase in 2017. In anticipation of a successful negotiation, the City has set aside \$1,041,000 to cover its share of a one-time retroactive payment.

Contracted Services

Contracted Services is forecast to be over budget at the end of 2021 by \$247,000 due to two operating projects, the medical building demolition and the water meter master plan, that were carried forward from 2020 and funded by reserves and provincial grants.

Other Spending Reductions

With city facilities closed and program cancellations in the first four months of the year the City has seen reduced spending in a number of areas including materials and supplies, training and development, and advertising and printing.



Financial Report for the four months ended April 30, 2021 (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

UTILITY OPERATIONS

Water supply, sewer service, and solid waste are 100% utility user rate funded. Property taxes are not used to subsidize utility operations. Likewise, utility user rates do not subsidize the general operations of the City.

Expressed in \$000s	Variances from utilities operating budget			
	Water Supply	Sewer Service	Solid Waste	Total Utilities
For the period ended April 30, 2021				
Revenue				
Utility user rates	(41)	(107)	(1)	(149)
Other revenue	62	(4)	51	109
Expenses				
Salaries, wages and benefits	(2)	(5)	11	4
Commission charges	55	78	-	133
Contracted services	(16)	(181)	23	(174)
Other costs	43	(4)	5	44
Reserve transfers and debt repayment	10	1	(7)	4
YTD Operating Budget Surplus (Deficit)	111	(222)	82	(29)
For the year ending December 31, 2021				
Revenue				
Utility user rates	(76)	(126)	(1)	(203)
Other revenue	122	-	32	154
Expenses				
Salaries, wages and benefits	(21)	(6)	6	(21)
Commission charges	55	78	-	89
Contracted services	(81)	(16)	1	(52)
Other expenses	96	(3)	1	94
Reserve transfers and debt repayment	10	1	(7)	4
Forecast Operating Budget Surplus (Deficit)	105	(72)	32	65

The City's utility operations were \$29,000 above budget in the first four months of 2021 and are expected to have a \$65,000 below budget for the year. The combined utility-user rates revenue from water and sewer were \$148,000 lower than budgeted at April 30, 2021 due to lower than expected consumption in the beginning of the year. Likewise, charges from the Capital Region Northeast Water Services Commission and Alberta Capital Region Wastewater Commission were \$133,000 below budget.



CAPITAL BUDGET HIGHLIGHTS

The 2021 Capital Program includes 9 new projects and 34 multi-year projects that were carried forward from 2020. At April 30, 2021, the City had 37 active projects, 2 that were complete, and 4 that were on hold for various reasons. The capital programs are summarized below. Additional project level details are attached in Appendix 3.

	Carried Forward from 2020	2021 Capital Budget	Authorized in 2021	Authorized Capital Expenditure	2021 Expenditure	Forecast Remaining Expenditure	Forecast Surplus (Deficit)
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
General Administration	596	175	490	1,261	(258)	(985)	19
Protective Services	332	-	-	332	(2)	(365)	(34)
Fire Services	274	36	-	310	(185)	(126)	-
Common Services & Equipment Pool	870	657	-	1,527	(398)	(1,129)	-
Roads & Transportation	7,775	7,675	-	15,450	(206)	(14,937)	307
Recreation Services	1,125	370	-	1,495	(74)	(1,420)	-
Culture Facilities & Programs	121	-	-	121	-	(121)	-
Utility Rate Funded Projects	9,171	770	-	9,941	(1,188)	(8,753)	-
Levy Funded Projects	3,680	-	-	3,680	(47)	(3,361)	(28)
Total	23,944	9,683	490	34,117	(2,358)	(31,497)	264

VEHICLE REPLACEMENT

A plow and sander truck was replaced in January 2021, and a sweeper truck was replaced in February 2021. After the reporting period in May 2021, two skid-steers were replaced. Cost of the replacements were funded from reserves and from proceeds from disposal of old equipment.

HIGHWAY 15 BRIDGE TWINNING

Work by the Province to twin the Highway 15 Bridge, including a pedestrian bridge, is underway. The City is working closely with the Province to coordinate river valley enhancement projects.

TRANSFER STATION ENHANCEMENT

This project will provide major improvements to the current site, including traffic flow and site configuration improvements, new compacting equipment, enhanced drainage and grading, a new site office, and a new scale system to better meet user demand. Costs will be funded from MSI and MSP provincial grants and reserves.

NEIGHBOURHOOD AND LOCAL ROAD REHABS

2021 projects will focus on Southview Way, Sherridon Drive, Southfort Drive, 99 Ave, 96A Ave, 97 Ave, 98 Ave, 101 Ave, 108 St, 103 St, 101 St, sections of HWY 21 and sections of HWY 15.

PUBLIC WORKS SITE FIRE PROTECTION & SECURITY ENHANCEMENT

The Public Works Facility is slated to undergo improvements to its fire protection and security systems. This project is funded from annual capital funding, and will help safeguard the City's assets and improve the overall safety of City employees.



FINANCIAL POSITION HIGHLIGHTS

An unconsolidated statement of financial position for the City of Fort Saskatchewan has been included in Appendix 1.

NET FINANCIAL ASSETS (NET DEBT)

Net financial assets refer to the financial assets of the City less all liabilities, including long-term debt.

As at April 30, 2021, the City had net financial assets of \$18,149,000 compared to the net financial assets of \$29,392,000 at December 31, 2020 and a net debt of \$1,770,000 at April 30, 2020.

The City's balance of net financial assets is typically its lowest in April due to property taxes starting to be collected in May.

CASH AND CASH EQUIVALENTS

The City holds funds expected to be used in the next twelve months in its operating accounts or notice of demand accounts. Funds expected to be needed over longer time horizons are invested in corporate bonds and guaranteed investment certificates ("GIC").

At April 30, 2021, the City had the following cash and short term deposits:

	April 30, 2021			December 31, 2020		
	\$000	Interest Rate %	Benchmark	\$000	Interest Rate %	Benchmark
Cash and Cash Equivalents						
Operating Accounts	9,465	0.80%	0.15%	4,155	0.80%	0.87%
Notice of Demand Accounts	25,029	1.09%	0.15%	43,486	1.09%	0.87%
Total	34,494	1.01%	0.15%	47,641	1.06%	0.87%

The City's notice of demand accounts earn interest at rates from 1.00 to 1.10% and are redeemable upon 31 – 90 days' notice. The City's benchmark for short term investments, FTSE Canada 91 day T-Bills Index, had an annualized yield of 0.15% on May 28, 2021.



INVESTMENTS

	April 30, 2021			December 31, 2020		
	Yield %	Years to Maturity	Book Value \$000	Yield %	Years to Maturity	Book Value \$000
Guaranteed Investment Certificates	2.37%	3.59	25,499	2.37%	3.91	25,384
Long Term Bond	2.61%	2.16	1,959	2.61%	2.49	1,964
Other	n/a	n/a	59	-4.45%	n/a	59
	2.38%	3.48	27,517	2.37%	3.80	27,407

The City's operating and notice of demand accounts earn variable rates of interest and are therefore subject to interest rate risk. The City manages interest rate risk in its long term investment portfolio by purchasing securities with maturity dates ranging from 2021 to 2028 so that only a portion of the City's long term portfolio is exposed to interest rate risk in any given year.

ATB Financial, Raymond James Ltd. and Canadian Western Bank are designated financial institutions for investment purposes, pursuant to the Banking Administration Bylaw C24-18.

PROPERTY TAXES RECEIVABLE

As at April 30, 2021, \$1,151,000 in property taxes remained outstanding compared with \$1,792,000 at December 31, 2020. Since December 31, 2020, the City has received \$340,000 for grants in place of taxes from the Province of Alberta, which equals 50% of the 2020 property taxes on certain provincially owned properties within the City's boundaries.

Two multi-unit residential tax rolls and six non-residential tax rolls represent 63.6% of the total property taxes outstanding, while the remainder is substantially all residential properties.



LONG-TERM DEBT

Projects	Weighted Average Interest Rate	April 2021 \$000	December 2020 \$000	Fully Repaid
Debentures				
Dow Centennial Centre	5.705%	3,202	3,202	December 2023
Sewer Service Reline	2.371%	3,121	3,228	December 2026
City Hall	3.308%	10,619	10,856	December 2033
100 Avenue Rehab	3.571%	4,812	4,969	September 2035
Protective Services Building	3.136%	9,144	9,144	December 2036
Total Debentures		30,898	31,399	
Capital Leases				
Capital Lease Obligations		257	326	December 2025
Total Long Term Debt		31,155	31,725	

The City borrows money to fund capital projects by issuing debentures and entering into capital leases. The total debt outstanding at April 30, 2021 is \$31,155,000. In the first four months of 2021, the City paid \$501,000 in principal and \$196,000 in interest expense to service debentures and \$65,000 in principal and \$4,000 in interest to service capital leases.

Debentures are paid semi-annually or annually in accordance with the terms of the debenture.

Capital leases have monthly or annual payments up to the year 2025 with implied interests ranging from 2.29% to 9.16%.

At April 30, 2021 the City was at 26% of its provincial Debt Limit (December 31, 2020 – 26%) and 18% of its provincial Service on Debt Limit (December 31, 2020 – 22%). Capital leases do not impact the City’s debt limit or debt service limit.

In 2020, Council authorized the City to borrow \$292,000 to fund the Pointe Aux Pins waterline. This debenture will be partially repaid through the collection of a local improvement levy. This debenture will be issued upon closing of the project, expected later in 2021.

In order to mitigate the increased risk of non-collection, Council has authorized the City to borrow up to \$40 million to finance the ongoing operating activities of the City. With the City’s spending reductions and receipt of the Municipal Operations Support Transfer, the City did not access this additional borrowing capacity in 2020.



SUPPLEMENTARY FINANCIAL INFORMATION

STATEMENT OF FINANCIAL POSITION

(Unaudited)

	April 30, 2021	December 31, 2020	April 30, 2020
	\$000s	\$000s	\$000s
Financial Assets			
Cash and Cash Equivalents	34,493	47,642	31,048
Revenues Receivable			
Property Taxes Receivable	1,151	1,792	752
Government Transfers Receivable	923	866	1,336
Trade and Other Receivables	2,126	2,074	2,152
Inventory Held for Resale	1,269	1,269	1,306
Investments	27,043	27,408	21,010
Total Financial Assets	67,365	81,051	57,604
Liabilities			
Accounts Payable and Accrued Liabilities			
Trade Payables	(1,921)	(6,550)	(4,735)
Employee Benefit Obligations	(1,678)	(1,516)	(1,698)
Payroll and Remittances	135	(930)	(56)
Interest Payable	(172)	(172)	(228)
Liability for Contaminated Sites	(1,609)	(1,609)	(1,602)
Deferred Revenue	(11,269)	(7,787)	(11,493)
Deposits on Account	(1,547)	(1,374)	(1,435)
Long-Term Debt	(31,155)	(31,721)	(34,587)
Total Liabilities	(49,216)	(51,659)	(55,834)
Net Financial Assets	18,149	29,392	1,770
Other Assets			
Tangible Capital Assets	504,670	501,476	502,117
Prepaid Expenses	938	393	963
Inventories of Supplies	674	747	576
Total Other Assets	506,282	502,616	503,656
Accumulated Surplus	524,431	532,008	505,426

This statement of financial position for the City of Fort Saskatchewan has not been consolidated with the Fort Saskatchewan Public Library ("Library"). The annual financial statements are prepared in accordance with PSAS, which require that the City's financial statement be consolidated with the Library.



Supplementary Financial Information (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

STATEMENT OF OPERATIONS

(Unaudited)

	Expressed in \$000s	Four months ended Apr 30		
		2021 Budget	2021 Actuals	2020 Actuals
Operating Revenue				
Utility User Rates		6,072	5,923	5,868
User Fees & Charges		1,286	1,845	1,977
Fines and Penalties		751	934	747
Government Transfers - Operating		338	357	296
Investment Income		358	324	397
Other Revenue		7	18	102
Total Operating Revenue		8,812	9,401	9,387
Operating Expenses				
Infrastructure & Planning Service				
Public Works		(5,278)	(5,054)	(5,350)
Fleet, Facilities, & Engineering		(2,531)	(2,322)	(2,688)
Planning & Development		(507)	(620)	(636)
Economic Development		(293)	(242)	(338)
		(8,609)	(8,238)	(9,012)
Community and Protective Services				
Culture & Recreation Services		(2,962)	(2,105)	(2,905)
Protective Services		(2,671)	(2,373)	(2,396)
Fire Services		(1,228)	(1,106)	(1,257)
Family & Community Support Services		(439)	(420)	(441)
Emergency Management		(57)	(117)	(64)
		(7,357)	(6,121)	(7,063)
Corporate Services Division				
Information Technology		(994)	(1,024)	(1,152)
Legislative Services		(503)	(513)	(493)
Financial Services		(429)	(429)	(474)
People Services		(389)	(350)	(397)
Corporate Communications		(241)	(189)	(260)
		(2,555)	(2,505)	(2,777)
Senior Leadership		(694)	(628)	(751)
Fiscal Services		(297)	(421)	(496)
Elected Officials		(170)	(120)	(134)
Utility Operations		(5,502)	(5,437)	(5,022)
Total Operating Expenses		(25,181)	(23,470)	(25,255)
Surplus (Deficit) before Other Items		(16,370)	(14,069)	(15,868)
Other Items				
Contributed Tangible Capital Assets		2,511	5,863	2,134
Government Transfers - Capital		3,387	634	1,817
Community Capital Funding		200	-	-
Developer Levies		-	-	-
Gain (Loss) from Annexation		-	-	(460)
Net Other Items		6099	6,497	3,491
Operating Surplus (Deficit)		(10,271)	(7,572)	(12,377)

This statement of operations for the City of Fort Saskatchewan has not been consolidated with the Fort Saskatchewan Public Library ("Library"). The annual financial statements are prepared in accordance with PSAS, which require that the City's financial statements be consolidated with the Library.



Supplementary Financial Information (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

NET OPERATING BUDGET VARIANCES BY DEPARTMENT

Expressed in \$000s	Period ended April 30, 2021			Year ended December 31, 2021		
	Budget	Actual	Variance	Budget	Forecast	Variance
Infrastructure & Planning Division						
Public Works	(2,408)	(2,073)	336	(7,946)	(7,758)	188
Fleet, Facilities, & Engineering	(2,401)	(2,304)	97	(6,465)	(6,514)	(49)
Planning & Development	(208)	77	285	(635)	(149)	486
Economic Development	(173)	(112)	61	(616)	(627)	(11)
Total Infrastructure & Planning Division	(5,190)	(4,412)	778	(15,662)	(15,048)	614
Community & Protective Services Division						
Culture and Recreation Services	(2,809)	(1,955)	854	(6,639)	(5,992)	647
Protective Services	(2,148)	(1,809)	339	(5,533)	(5,029)	4,503
Fire Services	(1,530)	(1,378)	152	(4,006)	(3,681)	325
Family & Community Support Services	(142)	(160)	(18)	(503)	(461)	42
Emergency Management	-	(59)	(59)	-	(146)	(146)
Total Community & Protective Services Division	(6,629)	(5,361)	1,268	(16,681)	(15,309)	1,372
Corporate Services Division						
Information Technology	(1,152)	(1,232)	(80)	(2,852)	(2,862)	(10)
People Services	(389)	(350)	39	(1,382)	(1,284)	98
Financial Services	(429)	(429)	-	(1,369)	(1,379)	(10)
Legislative Services	(484)	(513)	(29)	(1,509)	(1,583)	(74)
Corporate Communications	(235)	(189)	46	(764)	(676)	88
Total Corporate Services Division	(2,689)	(2,713)	(29)	(7,876)	(7,784)	92
Senior Leadership	(634)	(560)	74	(1,931)	(1,880)	51
Fiscal Services	(3,805)	(3,850)	(45)	42,634	42,673	39
Elected Officials	(170)	(120)	50	(484)	(434)	50
Utility Operations	(1,752)	(1,781)	(29)	-	65	65
Operating Budget Surplus (Deficit)	(20,869)	(18,797)	2,072	-	2,283	2,283

Supplementary Financial Information (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

FINANCIAL RESERVE BALANCES AND COMMITMENTS

	Dec 31	Activity			Apr 30	Forecast Remaining Commitments	Forecast Uncommitted Balance	2021 Optimal Balance	Over (Under) Funded
	2020 Balance	Contributions	Interest	Withdrawals	2021 Balance				
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Stabilization and Contingency									
Financial Stabilization and Contingency	15,139	-	-	-	15,139	(2,277)	12,862	13,408	(546)
Future Facility Operating	5,842	1,101	-	-	6,943	-	6,943	-	6,943
Snow Removal	994	-	-	-	994	-	994	994	-
Total Stabilization and Contingency	21,975	1,101	-	-	23,076	(2,277)	20,799	14,402	6,397
Capital Projects	10,650	2,557	-	(1,151)	12,056	(5,723)	6,333	7,556	(1,223)
Infrastructure Lifecycle, Maintenance and Replacement									
Municipal	9,046	2,381	52	(454)	11,025	(1,169)	9,782	10,528	(672)
Utilities	8,088	2,953	48	(86)	11,003	(7,633)	3,370	6,331	(2,961)
Total Infrastructure Lifecycle, Maintenance and Replacement	17,134	5,334	100	(540)	22,028	(8,802)	13,226	16,859	(3,633)
Total Over/(Under) Funded							40,358	38,817	1,541
Specific Purpose									
Land Purchases	1,956	-	-	-	1,956	(145)	1,811		
Health, Safety, & Wellness	730	-	-	(58)	672	(258)	414		
Economic Development	683	-	-	(10)	673	(208)	465		
Family & Community Support Services	119	-	-	-	119	(109)	10		
Art in Public Places	131	20	-	-	151	(8)	143		
River Valley Enhancement	363	89	-	-	452	(126)	326		
Total Specific Purpose	3,982	109	-	(68)	4,023	(854)	3,169		
Total Internally Restricted Reserves	53,741	9,102	100	(1,759)	61,183	(17,656)	43,527		
Externally Restricted Reserves									
Developer Levies	6,015	-	32	(47)	6,002	(3,487)	2,513		
Contributions in Lieu of Municipal Reserve Land	1,005	-	6	-	1,011	(400)	611		
Fire Waterline	883	-	-	-	883	(110)	773		
Perpetual Care	510	22	3	-	535	(21)	514		
Transportation Assistance	63	-	-	-	63	-	63		
Westpark Estates Community Enhancement	18	-	-	-	18	-	18		
Drug Abuse Resistance Education (D.A.R.E.)	19	-	-	-	19	-	19		
Total Externally Restricted Reserves	8,513	22	41	(47)	8,530	(4,018)	4,511		
Total Reserves	62,254	9,123	141	(1,806)	69,713	(21,674)	48,038		

Interim Report | April 2021

Appendix 2 – Strategic Plan Update

STRATEGIC PLAN UPDATE

In June 2018, the City adopted a strategic plan for 2018 – 2022, identifying four goals and a number of strategic initiatives to advance those goals. The report below indicates the progress made toward those goals between January and April 2020.

POSITIONED FOR GROWTH

Goal	Strategically plan, prepare and manage responsible and sustainable growth for our residents and businesses
Outcome	Excellence in planning and smart land use has balanced quality of life, sustainability, and economic development that has shaped how our community has grown to maintain its small-town feeling at heart and where a strong sense of community thrives.

Strategic Initiatives	Progress
Refresh of Land Use Bylaw – (2019 and 2021)	<ul style="list-style-type: none">Phase I of the Land Use Bylaw renewal continues. The City is researching approaches to land use and regulation to examine how a variety of approaches might be applied to different areas to achieve the City’s long term goals. Engagement will follow. Phase II is anticipated for 2022 with completion by mid 2023.
Actively participate in the initiatives of Alberta Industrial Heartland Association, Edmonton Global and other regional economic initiatives	<ul style="list-style-type: none">The City is represented on the Alberta Industrial Heartland Association Designated Industrial Zone Working Group. The working group is establishing coordinated processes to streamline regulatory approvals.
Ensure strong business retention, support and attraction strategies and programs are in place to retain and grow business and industry	<ul style="list-style-type: none">The City and the Waste Water Commission investigating the impacts of permitting an industrial facility to release industrial waste water into the City’s sewer system.

Interim Report | April 2021

Appendix 2 – Strategic Plan Update

EXCELLENCE IN GOVERNMENT

Goal	Continuous improvement; constantly looking for ways to improve our services through planning, innovation, collaboration and consultation
Outcome	Problem solving, collaboration and leadership has fostered ongoing improvements focusing on our customers' needs enabling positive change to ensure service delivery is efficient and effective and can be delivered on a sustainable basis

Strategic Initiatives	Progress
Enhance public engagement and communication where public is encouraged to be involved	<ul style="list-style-type: none"> • In preparation for the October 2021 municipal election, a communication plan is underway to advertise for candidate nominations, the candidate information session, and hiring of election workers. • RCMP participated in a virtual meeting with the Fort Black Community group, where they were given the opportunity to listen and learn from the experiences of the black community members. • RCMP created a virtual 'Online Child Safety' presentation geared towards youth and their guardians in relation to online child luring and safe online presence was completed. This presentation has been uploaded to the City's YouTube Channel. • The City will do parades of the schools in recognition of their hard work and resiliency during COVID 19. • The City is developing detailed plans to engage residents as part of the Land Use Bylaw renewal initiative. Engagement is anticipated in September 2021.
Continue ongoing policy and bylaw review to guide actions and minimize risk	<ul style="list-style-type: none"> • Council repealed 121 obsolete or inactive bylaws. Council expects to consider repealing an additional 120+ obsolete bylaws in the fall. • Council adopted three new policies on Asset Management, Service Levels, and Policy Development & Management. Council also updated the Council Remuneration & Expenses Policy and Procedure. • In preparation for the 2021 municipal election, a new Elections Bylaw was adopted; and updates to the Election Campaign Provisions Policy were approved by Council. • Council adopted updates to the Community Standards Bylaw in February.

Interim Report | April 2021

Appendix 2 – Strategic Plan Update

Strategic Initiatives	Progress
Continue enhancements to water billing and transmission programs	<ul style="list-style-type: none">• The water meter reading enhancement project is near completion. Overall, nearly 3,800 meters were replaced. All meters are now communicating with a remote reading system using two antennas.• Associated software and technologies have been integrated into City billing system, which is being tested for data collection. The new remote reading system is scheduled to be in use in June. The water portal will also be used in June as a customer service tool for supporting clients with water consumption monitoring. A final Council project update is scheduled for the June 15 Committee of the Whole meeting.
Ensure programs are in place to support corporate culture and values, staff retention/attraction, leadership, and subject matter learning	<ul style="list-style-type: none">• Protective Services has trained staff in peer support and participates in the Alberta Critical Incident Stress Management program, helping First Responders deal with trauma.• Two sessions of GBA+ training were offered to management and senior leadership.
Continue to develop and maintain strong relationships with our neighbouring municipalities and civic organizations	<ul style="list-style-type: none">• Protective Services is collaborating with Strathcona County Traffic Safety on a project to analyze repeat offenders going through Intersection Safety Devices and creating a template to share with our CRISP partnership members.• Municipal Enforcement attended the first Edmonton Regional Community Peace Officer Supervisor meeting for information sharing and collaborations.• Alberta Industrial Heartland Association Designated Industrial Zone Municipal Engagement working group is exploring how to streamline regulatory processes. Representatives from five municipalities, AIHA, and the Province make up the working group.

Interim Report | April 2021

Appendix 2 – Strategic Plan Update

A VIBRANT AND THRIVING COMMUNITY

Goal	Support diverse community needs to create a complete community where everyone, regardless of circumstance is able to experience all the City has to offer
Outcome	Residents live in vibrant, inclusive, and livable neighbourhoods where they are able to participate fully in all aspects of the community.

Strategic Initiatives	Progress
Undertake a collaborative approach to addressing community needs through coordinated partnerships with local agencies and organizations	<ul style="list-style-type: none"> Protective Services signed a memorandum of understanding with the Alberta Sheriffs to conduct commercial vehicle enforcement in our Municipality. The City, along with other community partners from Fort Saskatchewan and Strathcona County, attended an annual Violence Threat Risk Assessment table top exercise. Training for Violence Threat Risk Assessment Level I will be offered in the fall for new staff. The City facilitated a meeting between the Special Transportation Service Society and Robin Hood to discuss a potential partnership.
Develop strategies and advocate for a variety of housing options integrated throughout the community to serve the needs of residents	<ul style="list-style-type: none"> The City is exploring an updated RC land use district with the aim to encourage diverse housing forms to meet the needs of all demographic groups.
Utilize data, studies and community engagement to better understand community social issues and needs and community service gaps	<ul style="list-style-type: none"> The City consulted with community partners regarding the Prohibition on Conversion Therapy Bylaw. This consultation included faith groups, LBGTQ2S+ serving organizations and groups. The information obtained will be used to inform the bylaw.
Build community awareness of social issues to facilitate social inclusion and social support networks	<ul style="list-style-type: none"> The City and Strathcona County have been working on a regional mental health campaign that will be launched in the summer focusing on mental health with three focus areas. The City, along with other community partners, have been working on several projects to raise awareness about family violence and the resources available. Magnets have been created with crisis numbers listed that will be placed in public areas in the community as COVID restrictions lift.
Ensure a continuum of social supports, education, and resources are available that evolve to meet changing community needs	<ul style="list-style-type: none"> The City's Family and Community Support Services has fielded over 200 calls from local seniors and attended approximately 50 home visits during this reporting period. Many seniors in the community are expressing feeling isolated and lonely.
Promote awareness and involvement in community and cultural events that help to create a sense of place for our city and enhance community interaction and connectedness	<ul style="list-style-type: none"> Seniors Week will be June 7-13 this year. Planning is underway to offer a variety of activities and promotions to seniors throughout the week, such as, nominate a senior and a virtual yoga class.

Interim Report | April 2021

Appendix 2 – Strategic Plan Update

WELL PLANNED AND MAINTAINED MUNICIPAL INFRASTRUCTURE

Goal	Strategically manage, invest, and plan for sustainable municipal infrastructure
Outcome	Critical infrastructure is in place, maintained, optimized and strategically planned to meet the future needs of the community

Strategic Initiatives	Progress
Ongoing development and refinement of asset management program	<ul style="list-style-type: none">Subsequent to adopting an asset management policy, the City formed a Corporate Asset Management Steering Committee to promote asset management best practices and training, and to facilitate implementation of the policy
Continued exploration of regional collaboration opportunities for projects (Edmonton Metropolitan Regional Board Servicing Plan, Inter-municipal Collaboration Frameworks, River Valley Alliance)	<ul style="list-style-type: none">The City continued exploring partnership opportunities for a secondary water supply. The City has joint effort with EPCOR and Strathcona County for determining the options and associated cost sharing for accessing EPCOR infrastructure through a North Saskatchewan River crossing.

Interim Report | April 2021

Appendix 3 – Capital Projects

CAPITAL PROJECTS

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Surplus (Deficit) \$000s	Estimated Completion Date	Comments
General Operations							
General Administration							
16021	City Hall Space Development	1,100	989	111	-	Aug 2021	
16033	Project Management Software	100	94	6	-	Aug 2021	Systems integration in progress
19011	Computer Equipment Replacement	333	314	-	19	Complete	
19012	Computer Network Infrastructure	381	293	88	-	On-Going	
19017	Computer Hardware / Software New Acquisitions	775	660	115	-	On-Going	
21013	Council Chamber Audio Visual and Space Updates	490	-	490	-	On-Going	
21014	Asset Management Software	175	-	175	-	Dec 2021	
Total General Administration		3,354	2,350	985	19		

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Surplus (Deficit) \$000s	Estimated Completion Date	Comments
Protective Services							
19035	Animal Control Kennel Building	355	389	-	(34)	Complete	
20001	Protective Services Equipment Lifecycle Replacement	280	-	280	-	Deferred	
20048	ME Patrol Vehicle	85	-	85	-	Dec 2021	
Total Protective Services		720	389	365	(34)		
Fire Services							
20042	Fire Station Direct Capture Exhaust System	275	185	90	-	Aug 2021	Installation underway
21010	Thermal Imaging Cameras	36	-	36	-	Aug 2021	Equipment has been ordered
Total Fire Services		311	185	126	-		



Interim Report | April 2021

Appendix 3 – Capital Projects

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Surplus (Deficit) \$000s	Estimated Completion Date	Comments
Common Services & Equipment Pool							
19013	Transit Smart Fare Equipment	234	-	234	-	Aug 2021	Equipment has been ordered, but receiving may be delayed at border due to COVID
19027	Vehicle Replacement	2,804	2,109	695	-	Ongoing	
21019	Public Works Site Fire Protection & Security Enhancement	200	-	200	-	Dec 2021	
Total Common Services & Equipment Pool		3,238	2,109	1,129	-		



Interim Report | April 2021

Appendix 3 – Capital Projects

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Surplus (Deficit) \$000s	Estimated Completion Date	Comments
Roads & Transportation							
18036	Point Aux Pins Road Enhancement	1,900	1,179	332	390	Aug 2021	
18037	River Road Realignment	400	76	324	-	On-Hold	Pending negotiations with land owners
19007	Local Road Rehabilitation Program	12,364	8,181	4,183	-	On-Going	Rehab to begin Summer 2021
19008	Neighbourhood Rehabilitation Program	15,065	6,134	8,931	-	On-Going	101 Street construction ongoing, 108 street will commence Summer 2021, 103 Street in design
19009	Veterans Way Corridor Widening	500	309	191	-	Dec 2021	
20002	Roadway Safety Improvements	175	25	75	75	Dec 2021	
20028	112st Widening	1,300	1,425	33	(158)	Dec 2021	Roadway complete pending sidewalk and trail completion. Overrun funded from Point Aux Pins
21012	Veterans Way – Pedestrian Crossing North	250	31	219	-	Dec 2021	
21033	94 Street Widening – Phase 1	650	-	650	-	Dec 2021	
Total Roads & Transportation		32,604	17,360	14,937	307		



Interim Report | April 2021

Appendix 3 – Capital Projects

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Surplus (Deficit) \$000s	Estimated Completion Date	Comments
Recreation Services							
12025	River Valley Trail System	4,201	3,130	1,071	-	On-Hold	Trail and bridge on hold due to Hwy-15 twinning project
18043	Gymnastic Building	3,468	3,456	12	-	Aug 2021	Parking lot work remaining
20047	DCC Equipment Lifecycle Replacement	93	52	41	-	Dec 2021	
20060	Sportsplex Ice Plant	850	884	(34)	-	Aug 2021	
21017	Natural Playground at Legacy Park	250	-	250	-	Dec 2021	
21023	Fort Centre Park – Phase 1	80	-	80	-	Dec 2021	
Total Recreation Services		8,942	7,522	1,420	-		
Cultural Facilities & Programs							
14040	River Valley Enhancements	195	74	121	-	On-Hold	Project on hold as a result of work being done on highway alignment
Total Cultural Facilities & Programs		195	74	121	-		
Total General Operations		49,364	29,989	19,083	292		



Interim Report | April 2021

Appendix 3 – Capital Projects

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Surplus (Deficit) \$000s	Estimated Completion Date	Comments
Utility Operations							
18003	Water Meters - Lifecycle Replacement	2,352	1,824	528	-	Dec 2021	Cost saving found within design phase
18023	Bulk Water Station Modernization	570	164	406	-	Dec 2021	
18028	Water Reservoir Lifecycle Renewal	1,920	218	1,702	-	Dec 2021	
19018	Sump Pump Retrofit Program	2,458	1,225	1,223	-	Dec 2021	
19039	River Road Waterline	2,450	1,434	1,016	-	Aug 2021	Additional Funding of \$2 million approved by council
20014	Pointe Aux Pins Water Supply Connection	389	229	160	-	Aug 2021	
20021	Transfer Site Enhancement	3,695	156	3,539	-	Dec 2021	Now includes project 16039 Transfer Station Office Replacement
Total Utility Operations		14,004	5,252	8,753	(1)		
City Funded Capital Projects		63,368	35,241	27,836	291		

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Surplus (Deficit) \$000s	Estimated Completion Date	Comments
Levy Funded Capital Projects							
15014	Southfort Meadows - Park Amenity	650	-	650	-	Aug 2022	Pending new development
16050	119 Street & Hwy 15 Intersection Upgrades	2,150	158	1,992	-	Dec 2021	
19010	450 mm Water main – Area 3 to Dow Main	1,000	-	1,000	-	On-Hold	Pending new development
19060	94st Southpointe Roundabout	581	590	19	(28)	Dec 2021	Expected overage to be funded from levy
Total Levy Funded Capital Projects		4,381	749	3,661	(28)		
City and Developer Capital Projects		67,749	35,989	31,497	263		



BUSINESS SUPPORT

The City paid the following amounts in the first four months of 2021 pursuant to the Business Development Incentives Policy FIN-014-C:

Recipient	Nature & Scope	Estimated Project Cost	Incentive Approved	Incentive Paid To Date
Primary Heating	Education- Accounting courses	\$800	\$400	\$400
		\$ 800	\$ 400	\$ 400

The City has approved 20 incentives this year to date which will be paid during the remaining months of 2021. Council approved an additional \$75,000 for business support grants for 2021.

