

August 31, 2023

Interim Report

As reported on October 11, 2023



CITY OF
FORT SASKATCHEWAN
ALBERTA

Interim Report | August 2023

As reported on October 11, 2023

Table of Contents

- Operating Highlights2**
 - Operating Budget.....2
 - Capital Projects3
 - Financial Position3
- Financial Results from Operations4**
 - Analysis of Significant Variances5
- Capital Budget Highlights.....9**
- Financial Position Highlights10**
 - Net Financial Assets10
 - Cash and Cash Equivalents.....10
 - Investments10
 - Property Taxes Receivable.....11
 - Long-term debt11
 - Financial Reserves.....12
- Supplementary Financial Information13**
 - Statement of Financial Position13
 - Statement of Operations14
 - Net Operating Budget Variances by Department15
 - Financial Reserve Balances and Commitments16
- Strategic Plan Update17**
 - Well-Planned Community and Resilient Economy17
 - Strategically Managed Infrastructure20
 - Welcoming, Compassionate and Active Community22
 - Environmental Stewardship and Climate Change Readiness25
 - Operational Excellence and Continuous Improvement27
- Capital Projects.....29**
- Business Support34**

Interim Report | August 2023

As reported on October 11, 2023

OPERATING HIGHLIGHTS

Highlights from the first eight months to August 31, 2023 include:

- Construction began on the Jubilee Recreation Centre modernization project.
- Phase two of the Indoor Recreation Facility Program was presented to Council and approval to proceed to phase three was given.
- Funding was allocated by Council towards elements of the Fire Services Master Plan.
- Support was requested for provincial funding for the Veterans Way Corridor Widening project.
- 2023 Tax rate bylaw was approved for the 2023 collection of property taxes.
- Revised 2023 spring operating and capital budgets were approved.
- RCMP Annual Policing Plan setting out strategic priorities for April 2023 to March 2024 was approved.
- An animal licensing project was conducted to contact pet owners to encourage compliance with the Animal Control Pet Licensing Bylaw.
- Many positive tickets were issued to youth for behavior or positive actions toward safety in the community.
- The City hosted many successful special events for the public throughout the summer and saw an increase in community special event permits for use of the City's outdoor spaces.
- Direct Water Supply Functional Planning Study received \$200,000 funding through an Alberta Community Partnership grant.

OPERATING BUDGET

In the first eight months of 2023, the City had a \$901,000 operating budget deficit, including a \$1,002,000 deficit from municipal operations and \$101,000 surplus from utility operations. The City is forecasting a \$806,000 operating budget deficit for 2023, including a \$1,244,000 deficit from municipal operations and \$438,000 surplus from utility operations. The municipal operations deficit is mainly due to lower-than-expected court fines revenue, increases in the RCMP policing contract, and higher than expected investment interest revenue. The 2023 forecasts presented within this report are estimates based on January to August 2023 actuals and other information currently available, and therefore are subject to change.

Revenues are expected to be \$163,000 above budget for the year. The City is forecasting investment income, other revenues, and Government transfers-operating to be higher than budgeted for the year. However, fines and penalties, property taxes and utility user rates are forecast to be below budget.

Operating expenses are expected to be \$1,566,000 above budget for the year. Several of the variances in operating expenses are the result of timing differences related to grant or reserve funded expenditures one-time projects that carried forward from prior years. The 2023 variance includes reserve funded items such as the City's contribution to the Highway 15 Pedestrian Bridge that were approved in prior years. Purchases from other governments includes a variance for higher than expected policing services, resulting from the final reconciliation of the RCMP's 2022/2023 fiscal year.

Other items are expected to be \$597,000 above budget for the year. Higher than expected Transfers to Reserves relate to Council's decision to allocate part of the 2023 tax assessment growth revenue to the reserves and to fund the firehall renovations capital project. Operations funded from reserves is higher than budget due to funding of one-time projects that were carried over from 2022, such as the City's contribution to the Highway 15 Pedestrian Bridge.

Additional information about operating variances is available in the Analysis of Significant Variances section beginning on page 5 of this report.

Interim Report | August 2023

As reported on October 11, 2023

CAPITAL PROJECTS

The 2023 capital program includes 43 capital projects. As at August 31, 2023, the City has 13 completed projects, 28 projects in progress, two projects on hold and two projects that were cancelled.

The City spent \$9,857,000 on capital projects in the first eight months of 2023 and is expecting to spend an additional \$34,061,000 to complete current projects.

FINANCIAL POSITION

As at August 31, 2023, the City had net financial assets of \$61,904,000 compared to \$40,035,000 in net financial assets at December 31, 2022.

Significant changes in net financial assets during the first eight months of 2023 include increases in cash and cash equivalents, property taxes receivable, trade and other receivables, trade payables, and deposits on accounts, and decreases in investments, and long-term debt.

FINANCIAL RESULTS FROM OPERATIONS

Expressed in \$000's	Eight months ended August 31, 2023			Year ended December 31, 2023		
	Budget	Actual	Variance	Budget	Forecast	Variance
Operating Revenue						
Property Taxes	54,629	54,319	(310)	54,629	54,319	(310)
Utility User Rates	13,935	13,744	(191)	20,437	20,186	(251)
User Fees and Charges	5,163	5,381	218	7,551	7,679	128
Fines and Penalties	1,932	759	(1,173)	2,985	1,392	(1,593)
Government Transfers – Operating	728	752	24	1,875	2,025	250
Investment Income	1,624	2,459	835	2,515	4,058	1,543
Other Revenue	16	508	492	18	514	496
Total Operating Revenue	78,027	77,922	(105)	90,010	90,173	163
Operating Expenses						
Salaries, Wages, and Benefits	(21,928)	(22,416)	(488)	(34,466)	(34,351)	(885)
Purchases from other Governments	(11,185)	(11,735)	(550)	(16,325)	(16,839)	(514)
Contracted Services	(4,762)	(5,214)	(452)	(7,143)	(8,244)	(1,101)
Service Maintenance Contracts	(2,997)	(2,251)	746	(4,526)	(3,359)	1,167
Materials and Supplies	(2,628)	(2,667)	(39)	(3,981)	(4,097)	(116)
Utilities	(1,964)	(2,186)	(222)	(2,997)	(3,286)	(289)
Transfers to Organizations and Individuals	(1,340)	(2,521)	(1,181)	(1,967)	(3,145)	(1,178)
Interest on Long Term Debt	(424)	(422)	2	(826)	(824)	2
Insurance	(547)	(580)	(33)	(817)	(853)	(36)
Training and Development	(476)	(360)	116	(714)	(550)	164
Advertising and Printing	(360)	(212)	148	(588)	(443)	145
General Administration	(765)	(765)	-	(964)	(982)	(18)
Other Expenses	(863)	(190)	(673)	(1,463)	(370)	1,093
Total Operating Expenses	(50,239)	(51,519)	(1,280)	(75,777)	(77,343)	(1,566)
Operating Budget Surplus (Deficit) before Other Items	27,788	26,403	(1,385)	14,233	12,830	(1,403)
Other Items						
Repayment of Long Term Debt	(1,724)	(1,741)	(17)	(3,404)	(3,421)	(17)
Transfers to Reserves	(11,237)	(12,182)	(945)	(11,545)	(12,670)	(1,125)
Operations funded from Reserves	526	1,972	1,446	716	2,455	1,739
Net Other Items	(12,435)	(11,951)	484	(14,233)	(13,636)	597
Operating Budget Surplus (Deficit)	15,353	14,452	(901)	-	(806)	(806)

The operating budget surplus (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 that 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.

ANALYSIS OF SIGNIFICANT VARIANCES

SURPLUS VARIANCES

Investment Income

Investment income was \$835,000 above budget in the first eight months of 2023 and are forecast to be \$1,543,000 above budget at the end of 2023. This variance is due to increased investment balances and higher yields.

As at August 31, 2023, the long term investment balances were \$11,000,000 higher than budgeted and yields were 0.93% over budget. Short term investments were earning yields of 1.73% more than budgeted.

Service and Maintenance Contracts

Spending on service and maintenance contracts was \$746,000 below budget in the first eight months of 2023 and are forecast to be \$1,167,000 below budget by year-end.

The budget variance is mainly due to a delay in automated traffic enforcement camera ticketing earlier in the year which offsets the lower fines and penalties revenue.

A change in the solid waste service maintenance provider in mid 2023 has resulted in significant cost savings for the City as well.

Other Expenses

Due to a Council decision to defer the allocation of the additional revenue from 2023 tax assessment growth, a \$1,202,000 placeholder was added to the Other Expenses line in the budget. In June 2023, Council allocated the 2023 tax assessment growth revenue as follows:

- \$681,000 to fund 2023 Fire Services Master Plan; and
- \$519,000 to be transferred into the Financial Stabilization and Contingency reserve.

Other Surplus Variances

- Revenue from user fees and charges were \$218,000 above budget and are forecast to be \$128,000 above budget due to higher than expected revenue from planning and development permits.
- Government Transfers are forecast to be \$150,000 above budget due mainly to additional grant funding for the Urban Forest project.
- Training and development and advertising and printing are both forecasting to be under budget at the end of the year.

Financial Report for the first eight months ended August 31, 2023 (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

DEFICIT VARIANCES

Contracted Services

Expenses for contracted services were \$452,000 higher than budget in the first eight months of 2023 and are forecasted to be \$1,101,000 over in 2023. Consulting and professional fees, contracted repairs and maintenance, and legal services.

The variance in consulting and professional fees include work on the Urban Forest project which funded by federal grant funding, as well as number of reserve funded one-time projects.

The City incurred higher than expected expenses for repairs and maintenance due to an increase in the traffic signal maintenance contract and unexpected additional repairs of traffic lights.

Costs for snow and ice removal were higher than expected due to an increase in trucking and equipment contract rates. However, these are offset by funding from the Snow and Ice reserve.

Fines and Penalties

Revenue from fines and penalties were \$1,173,000 below budget in the first eight months of 2023 and are forecast to be \$1,593,000 below budget for the year. Court fines from automated traffic enforcement ticketing are lower than budgeted while fine revenue from tax penalties is above budget.

Court fines were \$1,308,000 below budget in the first eight months of 2023 and forecast to be \$1,748,000 under budget at the end of the year. The City hired a new automated traffic enforcement contractor and replaced its aging intersection safety devices in early 2023. expense. The decrease in traffic fine revenue is due to the change over period where tickets were not being issued. The City expects the court fine revenue to return to normal in the remaining months of 2023. The decrease in court fine revenue is offset by a decrease in the service maintenance contract for ticketing processing.

Expressed in \$000s	Results for the first eight months ended August 31, 2023			Forecast for the Year Ended December 31, 2023		
	Budget	Actual	Variance	Budget	Forecast	Variance
Traffic Fine Revenue	(1,668)	(360)	1,308	(2,613)	(865)	1,748
Traffic Fine Ticket Processing Costs	543	44	(499)	815	44	(771)
Net loss in revenue from traffic fines	(1,125)	(316)	809	(1,798)	(821)	977

Financial Report for the first eight months ended August 31, 2023 (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

Purchases from Other Governments

Expressed in \$000s	Results for the eight months ended August 31, 2023			Forecast for the Year Ended December 31, 2023		
	Budget	Actual	Variance	Budget	Forecast	Variance
Wastewater Management Services	4,019	3,828	(191)	5,700	5,356	(344)
Policing Services	3,611	4,521	910	5,356	6,520	1,164
Water Supply Services	2,936	2,801	(135)	4,344	4,090	(254)
Commuter Transit Services	282	214	(68)	424	356	(68)
Assessment Services	275	294	19	413	429	16
Other	62	77	15	88	88	-
Total Purchases from Other Governments	11,185	11,735	550	16,325	16,839	514

The City was \$550,000 above budget in purchases from other governments for the first eight months of 2023 and forecasted to be \$514,000 over at the end of 2023.

Policing services are forecast to be \$1,164,000 over budget by the end of the year due to the final reconciliation of the RCMP's 2022/2023 fiscal year coming in higher than previously forecast. Increased staffing costs related to overtime and higher staffing levels, as well as an 17.7% increase indirect costs primarily related to higher costs for RCMP K Division administration.

Utility User Rates

Revenue from utility user rates were \$191,000 below budget in the first eight months of 2023 and forecast to be \$251,000 under budget at the end of 2023.

The variance in the first eight months of 2023 relates mostly to a decrease in variable sewer consumption due to lower than expected industrial effluent discharge.

Salary, Wages and Benefits

Expressed in \$000s	Results for the eight months ended August 31, 2023			Forecast for the Year Ended December 31, 2023		
	Budget	Actuals	Variance	Budget	Actuals	Variance
Staff (Surplus) Deficit before allowance	22,452	22,416	(36)	34,268	34,629	361
Budgeted vacancy / rate allowance	(524)	-	524	(802)	(278)	524
Net Staff Deficit	21,928	22,416	488	33,466	34,351	885

Salaries, wages, and benefits were \$488,000 higher than budgeted in the first eight months of 2023 and forecasted to be \$855,000 over budget by the end of the year. Staff costs are forecasted to be \$361,000 over budget for the year before the \$524,000 budgeted allowance due to additional fire fighters, temporary project positions, staff turnover, vacancies and leave coverage.

The additional eight fire fighter positions are funded from higher than expected 2023 tax assessment growth, which was budgeted to other expenses. This variance also includes a number of reserve-funded temporary project employees.

Other Deficit Variances

- Transfers to individuals and organizations were higher than expected due to the City's contribution to the Highway 15 Pedestrian Bridge which was funded from reserves.
- Property taxes are \$310,000 below budget in 2023 due to the province continuing to fund only 50% of the grants in place of taxes for provincially owned properties.

Financial Report for the first eight months ended August 31, 2023 (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 ending August 31, 2023				
Revenue				
Utility user rates	35	(208)	(19)	(192)
Other revenue	(68)	79	(41)	(30)
Expenses				
Salaries, wages and benefits	(42)	22	25	5
Commission charges	135	190	-	325
Contracted services	59	(198)	297	157
Other expenses	(26)	(9)	(43)	(78)
Reserve transfers and debt repayment	(80)	(7)	1	(87)
YTD Operating Budget Surplus (Deficit)	11	(130)	220	101
For the year ending December 31, 2023				
Revenue				
Utility user rates	(16)	(216)	(19)	(251)
Other revenue	5	79	(41)	43
Expenses				
Salaries, wages and benefits	(28)	22	25	19
Commission charges	254	344	-	598
Contracted services	(22)	(198)	417	197
Other expenses	(23)	(8)	(43)	(74)
Reserve transfers and debt repayment	(88)	(7)	1	(94)
Forecast Operating Budget Surplus	82	16	340	438

The City's utility operations had a \$101,000 surplus compared to budget in first eight months of 2023 and are forecast to be \$438,000 over budget at the end of the year.

The combined utility-user rates revenue from water and sewer were \$173,000 lower than budget in the first eight months of 2023 which was mostly due to a decrease in industrial effluent discharge affecting sewer consumption which is offset by decreases in commission charges.

Contracted services for solid waster were \$297,000 below budget due to a change in the solid waster service provider in May and forecast to be \$417,000 under budget for the year.

CAPITAL BUDGET HIGHLIGHTS

The 2023 Capital Program included 8 new projects and 32 multi-year projects that were carried forward from 2022, and 3 projects that were approved through the operating budget. At August 31, 2023 the City had completed 13 capital projects, while 28 were in progress, two were on hold, and the two Veterans Way projects were cancelled. The capital programs are summarized below. Additional project level details are attached in Appendix 3.

	Carried Forward from 2022	2023 Capital Budget	Authorized in 2023	Authorized Capital Expenditure	2023 Expenditure	Forecast Expenditure	Forecast Surplus (Deficit)
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
General Administration	333	281	-	614	(244)	(562)	(192)
Fire Services	-	260	250	510	(12)	(498)	-
Common Services & Equipment Pool	1,961	2,010	-	3,971	(1,645)	(2,381)	(55)
Roads & Transportation	7,091	7,725	-	14,816	(4,906)	(8,873)	1,037
Recreation Services	3,376	18,070	-	21,446	(2,124)	(19,771)	(449)
Culture Facilities & Programs	211	51	135	397	(224)	(173)	-
Utility Rate Funded Projects	279	600	200	1,079	(702)	(803)	(426)
Levy Funded Projects	1,000	-	-	1,000	-	(1,000)	-
Total	14,251	28,997	585	43,833	(9,857)	(34,061)	(85)

NEIGHBOURHOOD

REHABILITATION PROJECTS

The 2023 neighbourhood rehabilitation program includes 103 Street from 99 Ave to 98 Ave, 104 Street from 99 Ave to 100 Ave, 108 Street north of 102 Ave, Lowe Ave from Elizabeth Drive to Jubilee Drive, and Fort Centre Park Store Ponds in construction. Additionally, landscaping for the 2022 projects on 101 Street and 108 Street between 101 Ave and 102 Ave will be completed in 2023.

HIGHWAY 15 BRIDGE TWINNING

The Province continued work on twinning the Highway 15 Bridge, and adding a pedestrian bridge. The City is working closely with the Province to coordinate river valley enhancement projects.

JUBILEE RECREATION CENTRE

MODERNIZATION CONSTRUCTION

Council approved construction to commence in summer 2023 and the project is expected to be completed in 2025. Renovations will include the lobby, washrooms, showers, concession, meeting rooms, change rooms and lease spaces.

SOUTHFORT MEADOWS PARK

AMENITY

Construction is underway on the new Southfort Meadows Park Amenity. The new amenity will include a lit hard surfaced boarded rink, support building, parking lot, skating area and plaza.

TRANSFER STATION SITE

ENHANCEMENTS

This project will improve traffic flow and drainage, upgrade compacting equipment, replace the office, landscaping, and add a scale system. The new facility is substantially complete with landscaping remaining.

FINANCIAL POSITION HIGHLIGHTS

An unconsolidated statement of financial position for the City of Fort Saskatchewan has been included in Appendix 1. The statement of financial position does not reflect the adoption of new accounting standards in 2023, including PS3280 Asset Retirement Obligations.

NET FINANCIAL ASSETS

As at August 31, 2023, the City had net financial assets of \$61,904,000 compared to the net financial assets of \$40,035,000 at December 31, 2022.

Net financial assets refer to the financial assets of the City less all liabilities, including long-term debt. The City's balance of net financial assets is at its highest due to property taxes levied in May.

CASH AND CASH EQUIVALENTS

The City maintains funds expected to be used in the next twelve months in operating accounts, notice of demand accounts, or cashable guaranteed investment certificates. Funds expected to be needed over longer time horizons are invested in accordance with the City's investment policy.

At August 31, 2023 the City had the following cash and short term deposits:

Cash and Cash Equivalents	August 31, 2023		December 31, 2022	
	Balance \$000	Interest Rate	Balance \$000	Interest Rate
Operating Accounts	45,458	5.43%	5,381	4.71%
Notice of Demand Accounts	326	5.95%	314	5.20%
Total	45,784	5.43%	5,695	4.74%

The City's notice of demand accounts earn interest at 5.95% and are redeemable upon 90 days' notice. The City's operating and notice of demand accounts earn variable rates of interest and are therefore subject to interest rate risk.

INVESTMENTS

	August 31, 2023			December 31, 2022		
	Average Yield	Average Years to Maturity	Book Value \$000	Average Yield	Average Years to Maturity	Book Value \$000
Cashable Guaranteed Investment Certificates	5.23%	0.42	18,500	4.98%	0.40	39,500
Guaranteed Investment Certificates	3.49%	1.72	39,480	2.55%	2.57	28,480
Long-term Bond	-	-	-	2.61%	0.49	1,933
Long-term Note	5.00%	5.69	1,000	5.00%	1.36	1,000
Other	2.16%	n/a	109	2.16%	n/a	64
Total	4.02%	1.38	59,089	3.94%	1.29	70,977

The City manages interest rate risk in its long-term investment portfolio by purchasing securities with maturity dates ranging from one to six years so that only a portion of the City's long-term portfolio is exposed to interest rate risk in any given year.

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

Financial Report for the four months ended August 31, 2023 (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

PROPERTY TAXES RECEIVABLE

	August 31, 2023	December 31, 2022	August 31, 2022
	\$000s	\$000s	\$000s
Property Taxes Receivable			
Current Taxes Receivable			
Current Taxes (FEPP Accounts)	4,709	-	4,436
Current Taxes (Non-FEPP)	1,222	1,743	885
Current Grants in Place of Taxes	3	-	339
Total Current Taxes Receivable	5,934	1,743	5,660
Tax Arrears Receivable	336	276	310
Total Property Taxes Receivable	6,270	2,019	5,970

At August 31, 2023, \$6,270,000 was outstanding in property taxes receivable compared to \$2,019,000 at December 31, 2022 and \$5,970,000 at August 31, 2022.

Of the \$5,934,000 current taxes receivable, \$4,709,000 are on Fort Electronic Payment Plan (FEPP) and will be paid prior to the end of 2023.

The tax arrears receivable are property taxes levied in prior years that remain outstanding as at August 31, 2023. Of the \$336,000 in arrears, \$263,000 was levied in 2022 and \$73,000 in prior years.

LONG-TERM DEBT

Projects	Weighted Average Interest Rate	Aug 31, 2023 \$000	Dec 31, 2022 \$000	Fully Repaid
Debentures				
Dow Centennial Centre	5.705%	562	1,127	December 2023
Sewer Service Reline	2.371%	1,634	1,871	December 2029
City Hall	3.308%	8,944	9,340	December 2033
100 Avenue Rehab	3.571%	4,153	4,322	September 2035
Protective Services Building	3.136%	7,786	8,066	December 2036
Pointe Aux Pins Waterline	4.990%	144	146	June 2042
Total Debentures		23,223	24,872	
Capital Leases				
Capital Lease Obligations		70	99	June 2028
Total Long-Term Debt		23,293	24,972	

The City borrows money to fund capital projects by issuing debentures and entering into capital leases. The total debt outstanding at August 31, 2023 is \$23,923,000. During the first eight months of the year, the City paid \$1,649,000 in principal and \$419,000 in interest expense to service debentures and \$93,000 in principal and \$3,000 in interest to service existing and new 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 2028 with implied interests ranging from 3.024% to 14.68%.

At August 31, 2023, the City was at 17% of its provincial Debt Limit (December 31, 2022 – 19%) and 13% of its provincial Service on Debt Limit (December 31, 2022 – 19%). The City's capital leases do not impact its debt limit or debt service limit.

FINANCIAL RESERVES

In the first eight months of the year, the City had \$71 779,000 in financial reserves, of which \$22,518,000 is committed and the remaining \$49,261,000 is uncommitted. The City's 2023 optimal balance for the reserves is \$47,856,000.

As at August 31, 2023, two reserves are below the optimal balance, the stabilization and contingency reserves are \$3,698,000 below and projects are \$3,031,000 below.

The optimal balances for the reserves are calculated in accordance with the Financial Reserves Policy, FIN-021-C , that was updated in 2023. These optimal balances are based on the expected drawdowns on the reserve identified in the 10-year capital plan within the next five years.

Appendix 1 includes a summary of the City's financial reserve balances and commitments.

Interim Report | August 2023

Appendix 1

SUPPLEMENTARY FINANCIAL INFORMATION

STATEMENT OF FINANCIAL POSITION

(Unaudited)

	August 31, 2023	December 31, 2022	August 31, 2022
	\$000s	\$000s	\$000s
Financial Assets			
Cash and Cash Equivalents	45,784	5,695	13,130
Revenues Receivable			
Property Taxes Receivable	6,270	2,019	5,970
Government Transfers Receivable	1,100	1,581	1,443
Trade and Other Receivables	6,739	5,319	5,164
Inventory Held for Resale	1,442	1,441	1,268
Investments	59,089	70,977	91,817
Total Financial Assets	120,424	87,032	118,792
Liabilities			
Accounts Payable and Accrued Expenses			
Trade Payables	(19,486)	(7,713)	(18,600)
Employee Benefit Obligations	(1,562)	(1,583)	(1,533)
Payroll and Remittances	(1,129)	(1,186)	(1,048)
Interest Payable	(809)	(136)	(167)
Liability for Contaminated Sites	(1,358)	(1,366)	(1,243)
Deferred Revenue	(8,455)	(8,258)	(9,237)
Deposits on Account	(2,428)	(1,783)	(1,635)
Long-Term Debt	(23,293)	(24,972)	(26,687)
Total Liabilities	(58,520)	(46,997)	(60,150)
Net Financial Assets	61,904	40,035	58,642
Other Assets			
Tangible Capital Assets	515,827	517,138	513,966
Prepaid Expenses	717	806	678
Inventories of Supplies	666	624	808
Total Other Assets	517,210	518,568	515,452
Accumulated Surplus	579,114	558,603	574,094

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. This statement does not reflect changes to PSAS that are effective for 2023.

Supplementary Financial Information (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

STATEMENT OF OPERATIONS

(Unaudited)

	Eight months ended August 31		
	2023	2023	2022
	Budget	Actuals	Actuals
	<i>Expressed in \$000s</i>		
Operating Revenue			
Property Taxes	54,629	54,319	50,852
Utility User Rates	13,935	13,744	14,161
User Fees & Charges	5,163	5,381	4,991
Fines and Penalties	1,932	759	1,524
Government Transfers - Operating	728	752	801
Investment Income	1,624	2,459	1,075
Other Revenue	16	509	84
Total Operating Revenue	78,027	77,923	73,488
Operating Expenses			
Infrastructure & Planning Service			
Public Works	(12,234)	(13,043)	(12,794)
Fleet, Facilities, & Engineering	(8,804)	(7,197)	(6,446)
Planning & Development	(1,299)	(1,394)	(1,140)
Economic Development	(734)	(671)	(637)
	(23,071)	(22,305)	(21,017)
Community and Protective Services			
Culture & Recreation Services	(7,393)	(7,360)	(7,045)
Protective Services	(6,329)	(6,626)	(5,206)
Fire Services	(3,355)	(2,892)	(2,589)
Family & Community Support Services	(950)	(890)	(863)
	(18,027)	(17,768)	(15,703)
Corporate Services Division			
Information Technology	(2,317)	(2,302)	(2,190)
Legislative Services	(1,240)	(1,340)	(1,185)
People Services	(1,272)	(1,100)	(988)
Financial Services	(1,080)	(1,029)	(892)
Corporate Communications	(533)	(518)	(496)
	(6,442)	(6,289)	(5,751)
Senior Leadership	(1,379)	(1,564)	(1,447)
Elected Officials	(365)	(322)	(298)
Fiscal Services	(1,295)	(1,126)	(1,008)
Utility Operations	(13,235)	(13,022)	(12,463)
Total Operating Expenses	(63,814)	(62,396)	(57,687)
Surplus (Deficit) before Other Items	14,213	15,527	15,801
Other Items			
Contributed Tangible Capital Assets	3,460	-	3,306
Government Transfers - Capital	-	4,236	3,647
Community Capital Funding	-	-	98
Developer Levies	-	748	1,838
Gain (Loss) from Annexation	-	-	52
Net Other Items	3,460	4,984	8,941
Operating Surplus (Deficit)	17,673	20,511	24,742

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. This statement does not reflect changes to PSAS that are effective for 2023.

Supplementary Financial Information (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

NET OPERATING BUDGET VARIANCES BY DEPARTMENT

Expressed in 000's	Eight months ended August 31, 2023			Year ended December 31, 2023		
	Budget	Actuals	Variance	Budget	Forecast	Variance
Infrastructure & Planning Division						
Public Works	(5,779)	(5,894)	(115)	(8,664)	(8,761)	(97)
Fleet, Facilities, & Engineering	(5,584)	(5,170)	414	(7,526)	(7,448)	78
Planning & Development	(295)	(168)	127	(611)	(481)	130
Economic Development	(372)	(388)	(16)	(586)	(637)	(51)
Total Infrastructure & Planning Division	(12,030)	(11,620)	410	(17,387)	(17,327)	60
Community & Protective Services Division						
Culture and Recreation Services	(4,830)	(4,585)	245	(6,959)	(6,874)	85
Protective Services	(4,347)	(5,941)	(1,594)	(5,917)	(7,933)	(2,016)
Fire Services	(3,703)	(3,078)	625	(5,130)	(4,722)	408
Family & Community Support Services	(412)	(328)	84	(618)	(540)	78
Total Community & Protective Services Division	(13,292)	(13,932)	(640)	(18,624)	(20,069)	(1,445)
Corporate Services Division						
Information Technology	(2,312)	(2,471)	(159)	(3,262)	(3,326)	(64)
Legislative Services	(1,207)	(1,314)	(107)	(1,829)	(1,972)	(143)
People Services	(1,272)	(1,100)	172	(1,915)	(1,798)	117
Financial Services	(1,080)	(1,029)	51	(1,664)	(1,546)	118
Corporate Communications	(530)	(518)	12	(803)	(865)	(62)
Total Corporate Services Division	(6,401)	(6,432)	(31)	(9,473)	(9,507)	(34)
Senior Leadership	(1,221)	(1,255)	(34)	(1,932)	(1,986)	(54)
Elected Officials	(355)	(322)	33	(548)	(541)	7
Fiscal Services	49,511	48,771	(740)	47,964	48,186	222
Utility Operations	(859)	(758)	101	-	438	438
Operating Budget (Deficit)	15,353	14,452	(901)	-	(806)	(806)

Supplementary Financial Information (UNAUDITED)

Rounded to the nearest thousand dollars, except where otherwise stated

FINANCIAL RESERVE BALANCES AND COMMITMENTS

	Dec 31 2022 Balance	2023 Activity			Aug 31 2023 Balance	Remaining Commitments	Uncommitted Balance	2023 Optimal Balance	Over (Under) Funded
		Contributions	Interest	Withdrawals					
<i>Expressed in 000's</i>									
Stabilization and Contingency									
Financial Stabilization and Contingency	14,395	519	-	(1,622)	13,292	1,163	12,129	15,118	(2,989)
Snow and Ice Removal	504	-	-	(112)	392	-	392	1,101	(709)
Total Stabilization and Contingency	14,899	519	-	(1,734)	13,684	1,163	12,521	16,219	(3,698)
Projects									
Municipal Operating Projects *	853	-	-	(25)	828	529	299	600	(301)
Utility Operating Projects *	180	-	-	-	180	30	150	180	(30)
Future Facility Operating	7,971	1,101	-	-	9,072	10,359	(1,287)	-	(1,287)
Capital Projects *	8,808	3,373	-	(1,845)	10,336	4,540	5,796	9,185	(3,389)
Land Purchases	2,299	-	-	(40)	2,259	282	1,977	-	1,977
Total Projects	20,111	4,474	-	(1,910)	22,675	15,740	6,935	9,965	(3,030)
Infrastructure Lifecycle									
Municipal Infrastructure and Equipment	11,343	2,569	353	(1,377)	12,888	1,100	11,788	11,312	476
Facility Lifecycle and Maintenance*	2,116	65	58	-	2,239	-	2,239	1,600	639
Utilities Infrastructure and Equipment	7,155	3,322	259	(2,247)	8,489	2,971	5,518	6,620	(1,102)
Total – Infrastructure Lifecycle	20,614	5,956	670	(3,624)	23,616	4,071	19,545	19,532	13
Specific Purpose									
Art in Public Places	171	20	-	-	191	-	191	-	191
Economic Development	1,042	45	-	(33)	1,054	309	745	750	(5)
Family and Community Support Services	67	-	-	-	67	-	67	-	67
Health, Safety, and Wellness	689	-	-	-	689	31	658	-	658
River Valley Enhancement	445	89	-	-	534	-	534	-	534
Total - Specific Purpose	2,414	154	-	(33)	2,535	340	2,195	750	1,445
Restricted Reserves									
Contributions in Lieu of Municipal Reserve Land	51	-	1	(11)	41	1	40	-	40
Youth Drug and Safety Education	20	-	1	-	21	-	21	-	21
Fire Waterline	883	-	-	-	883	110	773	-	773
Perpetual Care *	622	37	17	(22)	654	124	530	1,390	(860)
Transportation Assistance**	63	-	-	(63)	-	-	-	-	-
Westpark Estates Community Enhancement	551	-	-	-	551	-	551	-	551
Total - Restricted Reserves	2,190	37	19	(96)	2,150	235	1,915	1,390	526
Developer Levies	6,208	748	171	(8)	7,119	969	6,150	-	6,150
Total Reserves	66,436	11,888	860	(7,405)	71,779	22,518	49,261	47,856	1,405

* Estimated balance only and may be subject to change

** Transportation Assistance Reserve closed in 2023

Interim Report | August 2023

Appendix 2 – Strategic Plan Update

STRATEGIC PLAN UPDATE

In June 2022, the City adopted a strategic plan for 2023 – 2026, identifying five goals and a number of strategic initiatives to advance those goals. The report below indicates the progress made toward those goals between January to April 2023.

WELL-PLANNED COMMUNITY AND RESILIENT ECONOMY

Goal	Strategically plan, prepare, and manage responsible and sustainable growth for our residents and businesses.
Outcome	Excellence in planning and land use has balanced quality of life, sustainability, and economic development that has shaped how our community has grown to maintain its smalltown feeling, a strong sense of community and a resilient local economy.

Strategic Initiatives	Progress
Creation of a new Land Use Bylaw to align with the Municipal Development Plan, promoting efficiency and cohesion between plans.	<ul style="list-style-type: none"> Since the beginning of 2022, the City has been actively engaged in the task of aligning the City's Land Use Bylaw with the Municipal Development Plan. The City is working alongside the consultants to reevaluate project roles and responsibilities. This collaborative effort is essential to ensure a clear understanding of the City's expectations and the project's objectives. The City anticipates that the project will be fully underway in late 2023.
Municipal Development Plan (2021) implementation of policies, strategies, and planning projects to help achieve the Community Direction Statement for the future of the City with 50,000 residents.	<ul style="list-style-type: none"> In early 2023, Administration updated Council on the implementation of the Municipal Development Plan (MDP). The update was the first bi-annual update on the progress of the MDP implementation targets and projects since its adoption. The next Municipal Development Plan Bi-Annual Implementation Report will be presented in 2025. Implementation items from the MDP that are now complete include the Area Structure Plan Terms of Reference, Downtown Action Plan, FDI Strategy, Public Engagement Framework Update, and Transit Service Levels Review. Implementation items that will be presented to Council in late 2023 include creation of the new Land Use Bylaw and Infill Strategy, and the Urban Forest Protection and Enhancement Plan.
Downtown Action Plan (2021) implementation of recommendations to help attract customers, new development and increase the vibrancy of downtown	<ul style="list-style-type: none"> In May 2023, 100th Ave. Parklet and 102nd St. Parklet were reinstalled with new branded signage. Two new murals were created in July 2023; "Welcome to Fort Sask" by Dave Thomas on 99th Ave. and "Grow in Fort Saskatchewan" on 102nd St. by Ashley Rosenow. An additional mural is planned on 104th Ave. for installation in fall 2023. In July 2023, street banners with 10 different designs were installed throughout downtown.

Interim Report | August 2023

Appendix 2 – Strategic Plan Update

Strategic Initiatives	Progress
<p>Development of growth/annexation area servicing plans and levy plans to prepare lands for future use</p>	<ul style="list-style-type: none"> • Servicing plans are complete and were presented to Council in April 2023. • The development of Offsite Levies is underway. An updated Offsite Levy Bylaw will be presented in 2024, and will consider the inclusion of previously excluded expenses (ex. firehall, recreation amenities)
<p>Development of School Board Joint Use and Planning Agreements to enable the integrated and long-term planning and coordinated placement of new school sites and redevelopment of existing school sites</p>	<ul style="list-style-type: none"> • The Joint Use and Planning Agreement is in its final development stages. It includes provisions for early collaboration with school boards during the area structure plan to determine school site requirements. The agreement outlines the approach for handling surplus reserve and non-reserve school sites, includes maps for shared use areas and a table identifies donated municipality-owned school sites. • The draft agreement will be shared with the School Boards in fall 2023
<p>Edmonton Metropolitan Region Board Growth Plan interim review and update with Council.</p>	<ul style="list-style-type: none"> • The City interim Growth Plan review and update presents an opportunity to collect and analyze data and information to understand the performance of the growth plan policies in achieving the Region’s goals. • The first phase of this review included data gathering to update the Population & Employment projections to 2044. • The Edmonton Metropolitan Region Board Administration is in the process of scoping Phase II of the project which is Impact Analysis. Various member motions are under consideration regarding increasing the scope of this interim update.
<p>Alberta Industrial Heartland Association, Edmonton Global and other regional economic development initiatives participation with strategic and economic benefit for the City</p>	<ul style="list-style-type: none"> • The City continues to work with Alberta Industrial Heartland Association (AIHA) and Edmonton Global regarding advocacy at all levels of government, encouraging investment attraction and business growth, and advancing and incubating entrepreneurship and innovation to help establish and grow the next generation of businesses in the region. • The City attended the AIHA Stakeholder event on September 14th. The City of Fort Saskatchewan is host to several of the major projects discussed, including Dow’s proposed Path2Zero, Wolf Midstream, Keyera KAPS, and Aurora Hydrogen. • Administration worked with Edmonton Global on a “Deal Book” and will be meeting with site selectors at an Edmonton Global organized event in fall 2023.

Interim Report | August 2023

Appendix 2 – Strategic Plan Update

Strategic Initiatives	Progress
Coordination for designated industrial zone policy and development permit processes with Alberta Industrial Heartland Association to manage and encourage sustainable industrial growth	<ul style="list-style-type: none">• The Designated Industrial Zone (DIZ) in Alberta’s Heartland finalized its boundaries with consultation from stakeholder municipalities in April 2023.• Central to the DIZ’s vision is the concept of Cluster Infrastructure. Industrial clusters, especially in areas like the Alberta Industrial Heartland, provide unique opportunities for facilities in close vicinity to share resources and infrastructure. Sharing resources can reduce costs, bolster the economic viability of projects, and enhance the environmental performance of the entire cluster. Fort Saskatchewan has participated in a Key Informant Interview regarding the creation of regional water supply infrastructure that can serve multiple stakeholders in the area.• In July 2023, the Industrial Heavy-Designated Industrial Zone (IH-DIZ) Advisory- Committee update was received, including updates on the status of the IH-DIZ implementation, Natural Gas Access Scoping Study, Regulatory Streamlining Task Team, Municipal Permitting Working Group, Air Task Team, and the Water Task Team.• The DIZ initiative aims to streamline regulations, ensuring efficiency, certainty, and consistency to attract growth and investment in DIZ areas. This involves aligning municipal development permit requirements across municipalities within the DIZ. The City remains actively engaged in collaboration with the Alberta Industrial Heartland Association (AIHA) on this effort. The City of Fort Saskatchewan is recognized as an example for other municipalities in this endeavor.

Interim Report | August 2023

Appendix 2 – Strategic Plan Update

STRATEGICALLY MANAGED INFRASTRUCTURE

Goal	Maximize our existing infrastructure and plan for long-term efficiency, cost and resiliency when considering new infrastructure.
Outcome	Strategic investment and strong asset management practices have ensured critical infrastructure is in place, maintained, optimized, and strategically planned to meet the future needs of the community.

Strategic Initiatives	Progress
Asset Management continued implementation of the program that enables coordinated, cost effective and sustainable approaches for stewardship of the City’s resources.	<ul style="list-style-type: none"> Preparations for a field-level trial of the new Asset Management software is nearing completion. A pilot of the system will start in fall 2023 with the Utilities team.
Neighbourhood Rehabilitation Study to determine and validate long-term costing of the program to ensure a reliable road and utility network by replacing infrastructure at the end of its functional life.	<ul style="list-style-type: none"> The draft report has been received and reviewed. The City identified issues with preliminary drafts and is working with the consultant to further revise the report.
Determine the preferred option to meet future water needs as the City’s demands continue to increase.	<ul style="list-style-type: none"> The City Functional Planning Study for the secondary waterline is nearing completion. The study will be presented to Council in fall 2023 and a request to fund design of a direct waterline will follow in 2024.
Continued study and future planning of roadways to guide the City’s transportation infrastructure including the Transportation Master Plan update (2026) which will incorporate an Active Transportation Master Plan.	<ul style="list-style-type: none"> Servicing plans for the annexed lands were presented to Council in April 2023.
Assess existing storm ponds and develop a Stormwater Drainage Plan that ensures best practices and climate change readiness standards that are incorporated into development regulations and maintenance processes.	<ul style="list-style-type: none"> Existing storm ponds were inspected and surveyed to determine condition and water quality. The data will be evaluated in 2024 to produce a storm pond maintenance and rehabilitation plan.
Undertake a Wastewater System Master Plan to support wastewater service and system planning	<ul style="list-style-type: none"> The Wastewater Master Plan Update is tentatively scheduled for 2025.
Ongoing review and refinements to 10-year Capital Plan content, process and supporting documentation.	<ul style="list-style-type: none"> The 10-Year Capital Plan was initially reviewed by Council June 27, 2023. The 2024 Capital Budget and 10 -Year capital Plan Council review and deliberations are scheduled for fall 2023.

Interim Report | August 2023

Appendix 2 – Strategic Plan Update

Strategic Initiatives	Progress
<p>Continued use and implementation of Vision Zero strategies and the Safe Systems Model with resultant changes to roadway infrastructure and traffic safety culture.</p>	<ul style="list-style-type: none">• The City upgraded seven pedestrian crossings with flashing pedestrian crossing light standards in 2023.• Design work on the Westpark Drive and 95A Avenue round-a-bouts is nearing completion.• The City and the RCMP partnered together on an Option 4 Program for stop signs and red light violations. Drivers were given an option for an educational presentation on the dangers of these offences. 52 tickets were issued and 48 participants attended the educational presentation and had their ticket withdrawn.• The City commercial vehicle enforcement continues to ensure that commercial vehicles traveling through Fort Saskatchewan are doing so safely. In 2023, 39 violations tickets were issued to commercial vehicles, 40 inspections were conducted with 11 commercial vehicles being put out of service due to defects, 10 required minor attention and 13 passed inspections.• The City conducted traffic noise operations to educate drivers on the new decibel readings within the traffic bylaw. The City issued 1 warning and several vehicles tested were compliant with the decibel readings.

Interim Report | August 2023

Appendix 2 – Strategic Plan Update

WELCOMING, COMPASSIONATE AND ACTIVE COMMUNITY

Goal	Support diverse community needs to create a complete community where everyone, regardless of circumstances is able to experience all the City has to offer.
Outcome	Residents live in vibrant, inclusive neighborhoods and a welcoming compassionate city where they can participate fully in all aspects of the community and where diverse and accessible recreation, culture and arts opportunities thrive.

Strategic Initiatives	Progress
Continue to implement the Truth and Reconciliation and Indigenous Relations Multi-Year Plan including relationship building, knowledge gathering, and education.	<ul style="list-style-type: none"> On June 27th the Treaty 6 and Métis Nation of Alberta flags were raised permanently at City Hall. Elders from Treaty 6 and the Métis Nation of Alberta and representative of the Indigenous Society of Fort Saskatchewan spoke about the significance of this step forward. <ul style="list-style-type: none"> The City also officially unveiled Every Child matters sidewalk mural at City Hall that was designed and painted by local Indigenous artist Ellie LaGrandeur. The City hosted a free Indigenous Education fair for local graded 3-5 elementary students to celebrate June 21st National Indigenous Peoples Day. Students learned about different elements of Indigenous culture and tradition. As part of the City’s Urban Forest Protection and Enhancement Plan, Indigenous engagement and knowledge gatherings activities were coordinated, and results will be integrated into the development of the Plan. The City partnered with the Indigenous Society of Fort Saskatchewan to: <ul style="list-style-type: none"> raise awareness about Missing and Murdered Indigenous Women, Girls, and Two-Spirit People (MMIWG2S) on May 5. celebrate National Indigenous Peoples Day through a community round dance and pipe ceremony. commemorate Indigenous History Month in June with a screening of the film “On Sacred Land” at the Shell Theatre. to host a Father’s Day event at City Hall and its offering of powwow dance lessons to the community on a weekly basis up from January to June 14th, 2023.
Diversity, Equity, and Inclusion Action Plan continued implementation with emphasis on community accessibility of City venues and community and employee mental health and wellness.	<ul style="list-style-type: none"> The City is meeting with external groups and internal departments to support accessibility goals. New partnerships are emerging with equity seeking groups, which is fundamental in the City’s commitment to Diversity, Equity and Inclusion.
Development of Community Social Response Framework to understand issues, City roles and responses that reflect our commitment to an inclusive and welcoming community.	<ul style="list-style-type: none"> The first phase of the engagement was completed, with over 200 people taking part. The project is on track to update Council in early 2024.

Interim Report | August 2023

Appendix 2 – Strategic Plan Update

Strategic Initiatives	Progress
<p>Undertake an Indoor Recreation Infrastructure Service Level Review to collect relevant information and data to help inform future aquatic, indoor ice, and fitness/wellness infrastructure.</p>	<ul style="list-style-type: none"> On July 4, 2023, Council approved the City to start the second phase which is a Facility Program to set baseline indoor recreation service levels. The Facility Program recommended only the leisure and program aquatics amenities for “enhancement” of service levels for future facility amenities. Arenas and fitness amenities rendered a “maintain” service level recommendation. The final body of work the analysis of the ability to meet the Facility Program’s enhanced aquatics service levels and what facilities (i.e., Harbour Pool, Dow Centennial Centre) offer the most efficient and effective opportunities for any proposed expansion is scheduled to go Council in the fall of 2023.
<p>Undertake outdoor parks and trails plans and projects including River Valley Master Plan, Open Spaces Master Plan, and Fort Centre Park Phase One development.</p>	<ul style="list-style-type: none"> The Fort Centre Park project was delayed until an oral history for the area was completed through the Urban Forest Protection and Enhancement Plan. The project is expected to move forward during the 2024 construction season. Work commenced on the development of the Bike Skills Feasibility Study. A consultant was hired to initiate a review process and the final report is scheduled to go to Council in the fall of 2023.
<p>Undertake Jubilee Recreation Centre modernization.</p>	<ul style="list-style-type: none"> The two year construction project for the Jubilee Recreation Centre modernization is underway. The construction has been planned to take place while still maintaining the regular ice season functions.

Interim Report | August 2023

Appendix 2 – Strategic Plan Update

Strategic Initiatives	Progress
<p>Continue to promote indoor venues and outdoor spaces, events, festivals, and history that create community benefit as well as economic benefit by attracting visitors to see and experience what the City has to offer.</p>	<ul style="list-style-type: none">• The City hosted the “Emperor Pic and the Lassandro Woman: The Notorious Bootlegging Duo” event to showcase the NWMP Fort and highlight Fort Saskatchewan’s history of crime and punishment.• To help ensure all resident have an opportunity to take part in the City’s recreation opportunities the City:<ul style="list-style-type: none">○ added to its free Pop up and Play events at the Sheep Shack Natural Playground by added nine portable disc golf baskets that are available for free use by residents and schools. These baskets can be picked up and dropped off at either Harbour Pool or Dow Centennial Centre.○ There are also now youth and adult fishing rods that can be borrowed from the Dow Centennial Centre to enjoy fishing at West River’s Edge at the Fort Lion’s Community Fishing pond or the river. An Alberta Sport Fishing licence is needed for anyone 16 years and older.○ Harbour Pool opened the Lifejacket Loaner Station in May 2023 and closed following the September long weekend. Total usage showed that 145 lifejackets were borrowed throughout the season, with highest usage in July.○ The City’s Access for Everyone Program provided approximately \$43,000 to support 367 residents, as of August 31, 2023, the highest number in the program’s history.• The City offered cultural and recreation opportunities to families and individuals affected by wildfire evacuations from British Columbia and Northwest Territories.• June was Recreation and Parks Month. The City encouraged activities through taking part in the Participaction Challenge. In total our community tracked 1.2 million minutes of activity – placing 12th in Alberta out of 218 communities and 86th place nationally out of 2,400 communities.• Legacy Park Family festival partnered with YouthFest this year for a great combined event.• Due to weather Canada Day 2023 didn’t see the same number of attendees, but many enjoyed the activities throughout the day and the evening fireworks display.• The City summer programs had a very successful summer with many participants in 45 different program choices.• The City awarded funding to two events held in the city: 1) the MESA Tennis Tournament in early July, which saw participants using both tennis facilities and featured social events including an Industrial Heartland bus tour, and 2) Minor Baseball hosting Provincials at Turner Park for U11 AA, with teams from across Alberta.

Interim Report | August 2023

Appendix 2 – Strategic Plan Update

ENVIRONMENTAL STEWARDSHIP AND CLIMATE CHANGE READINESS

Goal	A commitment is in place to using our resources wisely and preparing City operations to manage climate change impacts.
Outcome	Programs and supporting tools are in place to foster the well-being of the environment. Efforts are taken to reduce usage of limited resources and City operations and infrastructure have adapted for climate change impacts.

Strategic Initiatives	Progress
Operationalize the new Eco/Transfer Station and implement Provincial Extended Producer Responsibility standards to help encourage waste reduction and diversion programs.	<ul style="list-style-type: none"> The Transfer + Eco Station became fully operational in June 2023 following the commissioning of the scale.
Prepare an Urban Forest Protection and Enhancement Plan to further improve and add to existing assets while also preventing unnecessary or premature loss.	<ul style="list-style-type: none"> The Urban Forest Protection and Enhancement Plan public engagement sessions were held during the months the second trimester of 2023. Council was provided with an update at the September 19, 2023 Committee of the Whole meeting. The work is scheduled to be completed in mid 2024
Assess the condition of the riverbank to ensure land uses are not creating slope instability.	<ul style="list-style-type: none"> An assessment of recreational trails found in the Riverbank was completed in 2023.
Conduct assessments of City water and energy usage and develop strategies the City can use to conserve usage, both in City venues and outdoor spaces as well as private homes and businesses.	<ul style="list-style-type: none"> The City Utility & Sustainability Department was established in August 2023 with a Director position and are looking to hire a Sustainability Manager in 2024. Once this department is fully staffed usage assessments and conservation strategies will be undertaken.
Review alternatives and cost impacts to determine preferred fuel sources for the City's small and large fleet to best serve the community for next 10 to 20-year period.	<ul style="list-style-type: none"> The City Utility & Sustainability Department once fully staffed will review alternatives and cost impacts to determine preferred fuel sources.
Naturalize strategically selected greenspaces for environmental and economic benefit and monitor the health/well-being of naturalized spaces.	<ul style="list-style-type: none"> The City assessed five green space sites mid 2023. The sites are showing positive results on biodiversity through habitat support for plants, animals, and insects. The next steps for the naturalized program includes installing signage, additional plantings in existing sites and expanding the naturalized areas along 112 Street by two sites.
Investigate usage of satellite City maintenance yards for efficiencies and to reduce travel distances for City vehicles and equipment.	<ul style="list-style-type: none"> A Public Works Yard Needs Assessment will be included in the 2024 Budget. The assessment will consider the use of satellite yards to reduce space demands at the James E. Graham Site.
Support the ATCO hydrogen blending pilot project within the City to reduce greenhouse gas intensity of the natural gas stream and support economic stimulation and innovation within the energy industry.	<ul style="list-style-type: none"> ATCO will provide an update on the hydrogen blending pilot project during the October Committee of the Whole meeting.

Interim Report | August 2023

Appendix 2 – Strategic Plan Update

Strategic Initiatives	Progress
Preparation of an Urban Agricultural Plan to increase awareness and understanding for business and residents of the importance of agriculture and agri-food sectors within urban service areas, to help grow the regional economy, as well as promote the ecological and social benefits urban agriculture provides to communities. (Regional Agriculture Master Plan-Edmonton Metropolitan Region Board).	<ul style="list-style-type: none">• An Urban Agriculture Plan for the City is being prepared in collaboration with Northern Alberta Institute of Technology-Bachelor of Technology Program. The project is scheduled to be complete mid 2024. The plan is a requirement of the Edmonton Metropolitan Region Board’s Growth Plan and must be completed by January 2025.
Participate in Edmonton Metropolitan Region Board strategic priorities work to develop a framework to monitor and disseminate information on progress made to assess the impacts of growth and servicing plan initiatives on the environment and climate change in the region	<ul style="list-style-type: none">• A Regional Agriculture Master Plan (RAMP) Regional Context Statement will be presented to Council in October of 2023. The Regional Context Statement must be completed by December 20, 2023 and the MDP must be updated to reflect RAMP by December 20, 2024.

Interim Report | August 2023

Appendix 2 – Strategic Plan Update

OPERATIONAL EXCELLENCE AND CONTINUOUS IMPROVEMENT

Goal	Continuous improvement; constantly looking for ways to improve our services through innovative practices, technology, collaboration, and consultation
Outcome	Problem solving, collaboration and leadership has fostered ongoing improvements focusing on our customers’ needs enabling positive change to ensure service excellence is delivered in an efficient, effective, and sustainable basis.

Strategic Initiatives	Progress
Ongoing review and refinement of advocacy strategies to direct and strengthen the City’s message when addressing policies, issues, and funding with other levels of government, regional neighbours and agencies including Machinery and Equipment assessment, regional transportation, and Veterans Way improvements.	<ul style="list-style-type: none"> The Canadian Strategy Group (CSG), a public affairs firm, is supporting the City’s efforts to secure Provincial funding support for the Veterans Way Corridor Widening project.
Continue to collaborate in regional partnerships with the Edmonton Metropolitan Region Board, Strathcona County Intermunicipal Relations Committee and other regional initiatives that may gain efficiency and effectiveness for the City from a regional approach.	<ul style="list-style-type: none"> The City continues its collaboration with regional municipal transit agencies. Initiatives include: 1) The regional smart bus and smart fare projects. 2) Discussions with neighbouring municipalities on regional services in general and 3) Exploring a new option for routing and service provider for our commuter transit program.
Continue focus on organizational technology and modernization including Microsoft 365/Teams, records management, Enterprise Resource Planning and IT Security and Data Management to ensure innovation advancement across the organization.	<ul style="list-style-type: none"> Microsoft 365 continues to roll out to City departments with five departments completed, three more to be completed by year end and the remaining departments will be completed in 2024. SharePoint is being used for Budget 2024 document preparation and collaboration. The City has completed an action plan and agreement for a 24/7 managed cybersecurity service. Potential security risk alerts are proactively monitored providing real time action to the source of the threat. An external consulting team has started work on an Enterprise Resource Planning systems assessment looking at key City software to determine how to make best use of existing software and identify future needs.
Continued evolution of the City’s Emergency Management Program to ensure strong plans, measures and programs are in place pertaining to prevention, preparedness, response, and recovery.	<ul style="list-style-type: none"> The City is currently working on completing a posting for an Emergency Management position in 2023. Work has been started on the request for proposal for emergency response plans.
Undertake a Fire Services Master Plan to guide the department over the long-term including operations, facilities, emergency preparedness, service levels, and costing.	<ul style="list-style-type: none"> The City Fire Services Master Plan presented identified 13 recommendations to come back to council over the next 5 years. The two priority recommendations, to come back in 2024, are the fire station and a service level document.

Interim Report | August 2023

Appendix 2 – Strategic Plan Update

Strategic Initiatives	Progress
<p>Continue transition work with the Edmonton Metropolitan Transit Services Commission and supporting Smart Fare program for better coordination of service and resultant efficiencies.</p>	<ul style="list-style-type: none"> The Arc Card system will officially launch in Fort Saskatchewan for local service once the City replacement buses arrive and should be functional by the end of 2023. Arc Card's can be used on the commuter route to Edmonton (Transit Smart Fare Collection Card) and will be for sale at City Hall and the Dow Centennial Centre.
<p>Undertake review of City branding as well as a comprehensive update of City's website to meet future requirements.</p>	<ul style="list-style-type: none"> The review of City branding public engagement is planned for late 2023 to early 2024. The City wants to ensure the corporate brand reflects the community's unique characteristics and invokes images and experiences important to the City.
<p>Ongoing implementation of programs and processes for risk management and insurance to identify, evaluate and mitigate risk within City operations.</p>	<ul style="list-style-type: none"> Assessment of insurance providers is being undertaken for 2024.
<p>Continued focus on business planning framework including refinements to department service level documentation and development of performance measures to inform program delivery and support continuous improvement.</p>	<ul style="list-style-type: none"> Department Business Plans have been developed to align with the City's Strategic Plan 2023-26. A Strategic Plan check-in for Council is tentatively scheduled for late 2023. Department Service Level documentation was updated in 2023 and are available on the City website. Performance measures work is ongoing and anticipated to be complete late 2023/early 2024.

Interim Report | August 2023

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	1,032	128	(60)	Dec 2023	Additional Funding from ICIP Grant
19012	Computer Network Infrastructure	156	106	50	-	Ongoing	
21014	Asset Management Software	175	20	225	(70)	Apr 2024	Overage funded by annual capital funding
22105	Christmas Lights	110	54	56	-	Dec 2023	
23013	New Columbaria	125	22	103	-	Dec 2023	
23100	Wooden Pergola	31	31	-	-	Complete	
23102	Leased Photocopiers	-	62	-	(62)	Complete	Capital Lease
Total General Administration		1,697	1,327	562	(192)		

Interim Report | August 2023

Appendix 3 – Capital Projects

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Surplus (Deficit) \$000s	Estimated Completion Date	Comments
Fire Services							
23009	Mobile Computer Aided Despatch	60		60		Dec 2023	
23029	Smart Intersection System	200	-	200	-	Dec 2023	
23101	Firehall Renovations	250	12	238	-	Dec 2023	
Total Fire Services		510	12	498	-		

		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	153	81	-	Dec 2023	
19027	Vehicle Replacement	6,129	3,829	2,300	-	Ongoing	
22020	Loader with bucket & Snow Blade	380	420	-	(40)	Complete	
22104	Concrete Planer Drum Upgrade	-	16	-	(16)	Jan 2023	Funded from operations
23031	Steep Slope Mower and Trailer	70	69	-	1	Mar 2023	
Total Common Services & Equipment Pool		6,813	4,487	2,381	(55)		

Interim Report | August 2023

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	1,417	18	465	Dec 2023	Landscaping ongoing
18037	River Road Realignment	400	95	130	175	Dec 2023	
19007	Local Road Rehabilitation	16,250	14,686	1,564	-	Ongoing	
19008	Neighbourhood Rehabilitation	18,094	13,099	4,995	-	Ongoing	
19009	Veterans Way Corridor Widening	500	523	-	(23)	Cancelled	Cancelled
20002	Roadway Safety Improvements	325	153	172	-	Ongoing	Complete
20028	112 Street Widening	1,650	1,618	-	32	complete	
21012	Veterans Way - Pedestrian Crossing North	250	145	-	105	Cancelled	Cancelled
21033	94 Street Widening - Phase 1	1,870	1,463	315	92	complete	
21034	TWP RD 542 Culvert Replacement	1,325	100	1,225	-	Dec 2024	
22102	Range Road 224 Culvert Replacement	555	440	-	115	complete	
22103	Greenfield Way Traffic Calming	260	259	-	1	complete	
23002	Westpark Drive Round-A-Bout	300	-	300	-	Dec 2024	design underway
23004	Henderson Park-Parking Lot Paving	150	71	4	75	Complete	Pending final invoices
23030	92 Street Trail Conversion	150	-	150	-	Dec 2023	
Total Roads & Transportation		43,979	34,069	8,873	1,037		

Interim Report | August 2023

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	On Hold
15014	Southfort Meadows - Park Amenity	2,269	2,095	625	(451)	Dec 2023	Overage funded from surpluses in various projects
21017	Natural Playground at Legacy Park	250	248	-	2	Complete	
21023	Fort Centre Park - Phase 1	1,650	88	1,562	-	Dec 2024	Construction will start until 2024.
22100	Jubilee Recreation Centre Modernization	17,819	1,306	16,513	-	Jul 2025	
Total Recreation Services		26,040	6,867	19,751	(580)		

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Surplus (Deficit) \$000s	Estimated Completion Date	Comments
Cultural Facilities & Programs							
14040	River Valley Enhancements	195	73	121	-	On Hold	Project on hold to coordinate highway alignment
19006	Culture Equipment Lifecycle Replacement	276	223	52	-	Ongoing	
Total Cultural Facilities & Programs		471	296	173	-		
Total General Operations		79,659	47,058	32,258	341		

Interim Report | August 2023

Appendix 3 – Capital Projects

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Surplus (Deficit) \$000s	Estimated Completion Date	Comments
Utility Operations							
18028	Water Reservoir Lifecycle Renewal	1,920	1,762	32	126	Dec 2023	Project in closeout
19018	Sump Pump Retrofit Program	3,900	3,584	316	-	Dec 2023	
20021	Transfer Site Enhancement	3,720	4,206	66	(552)	Complete	Funded from surpluses in various projects
22018	HVAC Replacement - River Road Lift Station	110	99	11	-	Dec 2023	
23011	Alternate Water Supply Functional Planning Study	700	322	378	-	Dec 2023	
Total Utility Operations		10,350	9,973	803	(426)		
City Funded Capital Projects		90,009	57,031	33,061	(85)		

		Project Budget \$000s	Expenditure To Date \$000s	Forecast Expenditure \$000s	Forecast Surplus (Deficit) \$000s	Estimated Completion Date	Comments
Levy Funded Capital Projects							
19010	450 mm Water main – Area 3 to Dow Main	1,000	-	1,000	-	Dec 2023	
Total Levy Funded Capital Projects		1,000	-	1,000	-		
City and Developer Capital Projects		91,009	57,031	34,061	(85)		

Interim Report | August 2023

Appendix 4 – Business Support

BUSINESS SUPPORT

The City awarded the following amounts in the first eight months of 2023 pursuant to the Business Development Incentives Policy FIN-014-C:

Recipient	Nature & Scope	Estimated Project Cost	Incentive Approved	Incentive Paid to Date
Caught in the Cookie Jar	Education	\$1,197	\$500	Request Withdrawn-
Sweet K&A Bakery	Equipment & Technology Incentive	\$11,780	\$5,000	\$5,000
Tilted Toes	Equipment & Technology Incentive	\$2,970	\$1,485	\$1,485
Maid in Philippines	Equipment & Technology Incentive	\$5,270	\$2,365	\$2,365
Dickeys Barbecue Pit	Equipment & Technology Incentive	\$28,000	\$5,000	-
Fort Gasland	Equipment & Technology Incentive	\$9,583	\$5,000	-
My Sweet Passion	Equipment & Technology Incentive	\$7,345	\$1,300	-
Nexus Therapeutics	Equipment & Technology Incentive	\$13,820	\$5,000	-
You Renew Wellness Studio	Equipment & Technology Incentive	\$5,500	\$2,750	-
Switzer Financial Services	Equipment & Technology Incentive	\$11,763	\$6,801	-
		\$97,228	\$35,201	\$8,850

As at August 31, 2023, \$35,201 grant funding has been awarded and \$26,000 have conditional acceptance. New grant funding requests of \$18,000 are awaiting review.