

CORPORATE PLAN 2022-2024



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INTRODUCTION



INTRODUCTION

About Spruce Grove

Spruce Grove, Alberta, is a vibrant, dynamic city of approximately 39,000* residents. Located about 11 kilometres west of the provincial capital of Edmonton, it boasts a mix of industry, commerce and community that make Spruce Grove a great place to live, work and experience community.

The characteristics that attracted people to Spruce Grove in its early years are still an essential part of the community’s current appeal. These include offering a welcoming place for the entrepreneurial spirit, having an abundance of trees and ample green space, providing opportunities to enjoy cultural and recreational events, and being a gathering place and bustling trading centre.

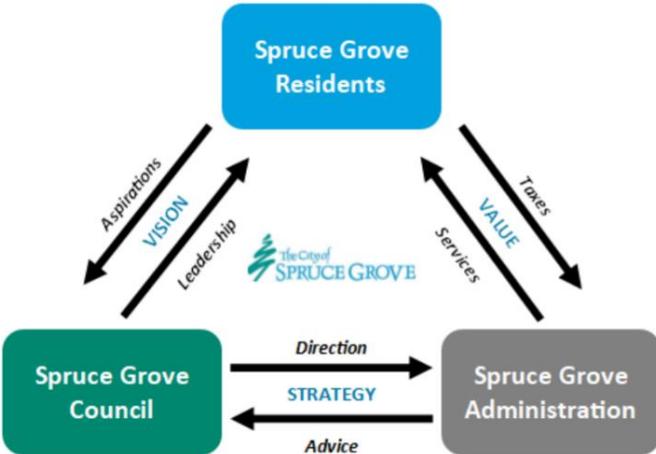
In recent years, Spruce Grove’s industrial and commercial lands have expanded and today the city is the regional service centre and commercial destination for a trade catchment population of 138,000. Amenities such as popular national stores, boutique retailers, personal and health services, as well as schools and entertainment are all within close proximity. The skilled workforce in and around Spruce Grove also contributes towards supporting industry for many years to come.

Along with evolving into a self-sufficient urban centre, Spruce Grove has also developed a strong sense of community pride and identity. Facilities such as the tri-municipally built TransAlta Tri Leisure Centre, Fuhr Sports Park, Horizon Stage and Border Paving Athletic Centre contribute to this sense of community. In addition, diverse recreational and cultural programs, parks and open spaces, like Jubilee Park, and numerous community events have the ability to strengthen social networks and civic engagement in Spruce Grove. The services, amenities and community spirit offered by the City of Spruce Grove all contribute towards building a safe, caring and attractive community.

**Median growth rate identified in the 2016 growth study*

About City Administration

Spruce Grove works in partnership between Council, Administration and our residents, respecting community needs and aspirations while delivering quality services.



Message from City Manager

It is my pleasure to introduce the City of Spruce Grove's 2022-2024 Corporate Plan and Budget 2022. This plan was built on the principles of fiscal sustainability and transparency. It reflects the current state of our City and prepares for the promising future ahead as we move on from post-pandemic recovery.

The past few years have provided both challenges and opportunities. There is no doubt the COVID-19 pandemic has impacted us all. What we have also seen is resilience, agility, and innovation from our community and from Administration. There has also been considerable growth in 2021 that calls for investment to respond to the increased demand on programs and services.

As you'll see throughout the plan, there are key themes that impacted how the plan was built, including the actions within it. These key themes include:

1. Viewing priorities through the pillars of the Triple Bottom Line of economic, social and environmental sustainability; engaging each and all of those pillars to focus priorities on building capacity and resilience.
2. Understanding the historical context of how we got to where we are today financially as a City.
3. Gaining a clearer understanding of how growth rates are impacting the demand on programs and services delivered by the City.
4. Providing a transparent and clear line of sight on investments in the community and municipality, and how those investments will support our evolution into a sustainable growing city.

2022 will see new strategic plans being developed as well as the renewal of the Municipal Development Plan, which work together to support a proactive path forward for a healthy and vibrant community. Major projects such as the proposed Civic Centre development aim to address the needs in our community and the broader tri-municipal area, including sports, recreation, arts and culture, and will bring those amenities into one facility. In addition, the City Centre Area Redevelopment Plan is in progress and will help revitalize our downtown through the redevelopment of Columbus Park, streetscapes that invite pedestrians, and an urban design that attracts both residents and new businesses.

The next year will allow for many different opportunities to continue growing and developing as a city. It is our commitment as Administration to ensure that path builds upon the principles of fiscal sustainability – funding the needs of today while considering the needs of the future, as we evolve into a sustainable growing city.



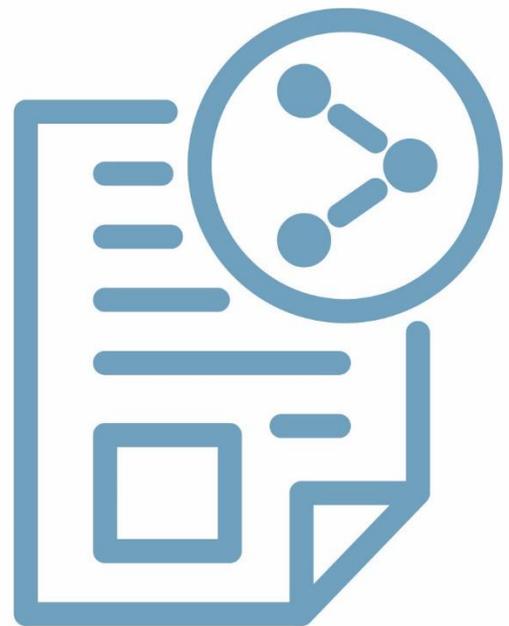
City Manager Dean Screpnek

2022-2024 CORPORATE PLAN OVERVIEW

The focus of this year's 2022-2024 Corporate Plan was to combine both the narrative behind decision making with the resulting financial impact – a change from previous corporate plans where this information was presented separately. Administrative processes around financial information, reporting, and budgeting are evolving to be more robust and transparent, allowing Council and Administration to make better informed decisions. This evolution is reflected in how information is presented within this plan, which includes the following sections:

1. **Budget 2022: The Context and Path Forward:** A review of Budget 2022 through the pillars of the Triple Bottom Line.
2. **Economic and Social State of the City:** A summary of the current state of the City from an economic and social lens. This includes key economic indicators that speak to the health of the community coming out of the COVID-19 pandemic.
3. **Investing in the Municipality:** An overview of the journey of fiscal sustainability and maturation of City processes, programs and services to support a growing city. This section also outlines the investment required in the municipality in order to continue serving the community.
4. **Funding Strategies to Address Required Investment:** Highlighting funding strategies required in order to support investments in the community and municipality.
5. **Evolving the Process:** Understanding how Administration evolved the corporate and fiscal planning processes in 2021 and how that impacted development of the budget for 2022.
6. **Looking Forward to 2022:** An overview of Administration's focus for 2022, including working with the newly elected members of Council to set strategic direction for the City and having a clear translation of that direction into internal corporate and business planning processes.
7. **Budget 2022:** The budget for 2022 is divided into three parts: Municipal, Utility and Developer. In addition, a section on the 10 Year Capital Plan provides a holistic long-term look at capital. This section also provides an update on major projects and a detailed look at funding strategies. It is important to note that the focus of this budget is on the 2022 fiscal year as Administration is focused on maturing budgeting processes for the out years.
8. **Your City:** A look at how City Administration is structured by function and a profile on each department within the six functions.
9. **Appendix:** Additional detail on business cases and capital profiles.

BUDGET 2022: THE CONTEXT AND PATH FORWARD



BUDGET 2022: THE CONTEXT AND PATH FORWARD

Throughout the development of the 2022-2024 Corporate Plan, Administration considered historical context, the current state of the City and what the City needs to continue its evolution as a sustainable growing city. The intent was to ensure Budget 2022 clearly outlined those key factors that integrated the knowledge gained from historical context while still looking to the future. Some of these factors include:

1. Continuing the journey of fiscal sustainability by building a budget that provides greater transparency and line of sight.
2. Understanding key economic and social indicators that provide insight into the current state of the City and how Administration can support the community, especially as we move on from COVID-19 recovery.
3. Gaining a clearer understanding of the impact of historical growth on City programs and services and how adjustments need to be made to support current and future growth.
4. Clearly outlining how Council will invest in the community as well as the municipality.
5. Developing funding strategies to address the revenue requirement within this budget.

This Corporate Plan was built with these factors in mind. As the City faces another period of significant growth, moves on from COVID-19 recovery, and considers historical pressures on City programs and services that need be addressed, this plan includes specific, tangible actions to move the City forward in a sustainable way.

Investing in the Community through the Pillars of the Triple Bottom Line

Continued investment in the community is a key theme of this Corporate Plan and will allow for a sustainable approach to supporting residents and businesses as the City navigates from recovery post-pandemic. The Triple Bottom Line is a sustainability framework that considers an organization's economic, environmental and social impacts. Integrating the philosophy and pillars of the Triple Bottom Line within City programs and services provides a clear line of sight on how Administration is striving towards a more sustainable approach to serving a growing city. The development of the Corporate Plan used this integrated approach, which involves an analysis of human, natural, and capital resources and the development of strategies around them to ensure overall fiscal sustainability for an organization. It is made up of these three pillars:

1. **Economic Prosperity:** Work is being done to ensure the City enables business investment to support a variety of business opportunities, resulting in a stronger community. This will support long-term economic growth without negatively impacting social, environmental and cultural aspects of the community. The focus of this pillar is on smart growth, long range planning and supporting businesses as we work through the recovery stage of the COVID-19 pandemic.



2. **Environmental Stewardship:** The City plays a key role in setting standards, developing policy, delivering programs and being innovators in environmental stewardship within the municipality. These components of environmental stewardship in a municipal environment all need to be considered as part of the City's maturation and evolution. In addition, decisions made by Council and Administration need to be considered through an environmental lens so consideration is given to the true impact. Subsequent reporting should also include environmental impacts to the community.
3. **Social Equity:** Quality of life, community development and equity of opportunity are all factors important to social sustainability. In addition, the COVID-19 pandemic has put a lens on the social issues facing our residents. The demand on social services continues to remain high in 2021 as the pandemic continues. Decisions made by the City will consider the resulting impacts, both positive and negative, to the social fabric of Spruce Grove.

It is important to focus on integrating these three pillars into policy and corporate culture to enhance the governance oversight and decision-making process. Administration intends to use the Triple Bottom Line framework in strategic planning going forward to ensure the City evolves to become more sustainable within the three pillars. With this in mind, the following outlines projects that are included as part of this Corporate Plan, as well as those currently in progress, that support one or more pillars of the Triple Bottom Line.

Civic Centre Development

Status: Proposed

**Note that the proposed Civic Centre Development reflected in this document is subject to final Council approval*

Pillars supported: Economic Prosperity, Social Equity and Environmental Stewardship

At the direction of City Council in April 2021, Administration has been working on a preliminary design of a proposed Civic Centre to respond to the service demands of a growing community. This investment in the region would bring a number of amenities together in one facility, including two ice rinks, a walking track, an art gallery, a black box theatre and a branch of the Spruce Grove Public Library.

Municipal Development Plan Replacement

Status: Budgeted in this plan

Pillars supported: Economic Prosperity, Social Equity and Environmental Stewardship

Administration is moving forward with replacing the current Municipal Development Plan, which is a comprehensive policy plan required of all Alberta municipalities through the Municipal Government Act.

Updated Economic Development Strategy and Action Plan

Status: Budgeted in this plan

Pillar supported: Economic Prosperity

An update to the Economic Development Strategy and Action Plan for the period 2022-2027 will again be done in collaboration with the Economic Development and Advisory Committee. This plan will incorporate how the City needs to adapt and be forward looking in terms of future

opportunities and ensures that the City remains a competitive place to retain and attract investment and talent.

Public Budget Submissions

Status: Budgeted in this plan

Pillar supported: Social Equity

Approval of specific public budget submissions that allow for investment in community events, historical landmarks, arts and culture, and City Centre Business Association events.

City Centre Area Redevelopment Plan

Status: In Progress

Pillars supported: Economic Prosperity, Social Equity and Environmental Stewardship

City Council passed the [City Centre Area Redevelopment Plan \(ARP\)](#) on April 27, 2020, which provides a policy framework for guiding redevelopment and revitalization of the City Centre through consideration of land use, mobility, urban design, building guidelines and implementation. At its core, the City Centre ARP is about revitalizing Spruce Grove's downtown area through the redevelopment of Columbus Park, streetscapes that invite pedestrians, and an urban design that attracts both residents and new businesses.

Community Social Development Department Evolution

Status: In Progress

Pillar supported: Social Equity

The Community Social Development (CSD) Department is in the process of evolving to a partner centric service delivery model. As a result, the department is now working with partners in the community to support their service delivery, which allows the CSD team to focus on addressing more complex needs at a systems level within Spruce Grove and the region.

PathwaysHOME

Status: In Progress

Pillar supported: Social Equity

PathwaysHOME is Spruce Grove's five year strategy to reduce poverty and homelessness. This project provides resources to allow regional community groups to align towards a common set of strategies in order to build capacity and achieve sustainable systemic change through collective action.

Community Inclusion Initiative

Status: In Progress

Pillar supported: Social Equity

The objectives of this project are to update City organizational processes, policies, procedures and culture to support equity, diversity and inclusion (EDI) work, perform an accessibility audit for four City facilities and make partnerships with external stakeholders interested in advancing EDI in the community.

Climate Change Action Plan

Status: In Progress

Pillar supported: Environmental Stewardship

The Climate Change Action Plan will serve as the guiding document for the City to provide the background, modelling, justification and tactics to address climate change through mitigation and adaptation measures over the next 10 years. It will also highlight ways in which the City can mitigate climate change through traditional environmental sustainability programs and measures, such as waste diversion, water conservation and greenhouse gas reduction.

Single-Use Items Reduction Bylaw

Status: In Progress

Pillar supported: Environmental Stewardship

The Single-Use Items Reduction Bylaw was approved by Council in February 2021. The bylaw is a result of the recommendations from the Single-Use Items Reduction Strategy and was developed with input from the public, subject matter experts, and regional partners and serves as a means to reduce the amount of single-use items waste in Spruce Grove.

Improved Culture and Recreation Program and Service Delivery

Status: In Progress

Pillar supported: Social Equity

The Culture and Recreation Departments are in the midst of an evolution in order to better serve residents and enhance recreational and cultural opportunities in the community. This includes determining overall strategic priorities and direction moving forward based on community desires and expected outcomes. The team is using 2022 to conduct this planning work and more information is expected to be presented in 2022.

Conclusion

The above projects within the context of the Triple Bottom Line are meant to support the City moving forward in a more transparent and sustainable way. The Budget 2022 section of this Corporate Plan provides greater detail on these pieces.

Economic and Social State of the City

As mentioned previously, a clear understanding of the economic and social state of the City was an important factor to consider when building the budget. In reviewing current economic and social trends, 2021 proved to be another abnormal year with both challenges from the COVID-19 pandemic and emerging opportunities from a rebounding economy. From an economic perspective, activity within Spruce Grove proved to exceed expectations with higher than predicted growth rates and development activity. There was a short period of significant growth, and that trend is expected to continue for the near future. Although this increased activity is a sign of a healthy local economy, this growth results in added pressures on City programs and services, which were already impacted by the pandemic.

With this in mind, it is important to continue aligning investment with growth as part of a sustainable roadmap, and these investments are outlined within this Corporate Plan. The following sections outline key economic and social factors that informed the development of Budget 2022.

COVID-19 Pandemic

In March 2020 and continuing throughout 2021, the COVID-19 pandemic significantly impacted all areas of the community and municipality, and these impacts are still in play at the time of writing this plan. City operations, service delivery, and resident supports provided by the City were all impacted by restrictions put in place to ensure physical distancing and slow the spread of the virus. Actions taken by Council and Administration to support our community through these unprecedented times were incorporated into the City's Recovery Framework as well as several actions led by the Emergency Management Agency within the City. In addition, Administration is continuing to follow public health guidelines in order to provide services in a safe and efficient manner. The resilience and agility of both staff and the community has been clearly demonstrated throughout the pandemic.

Recovery Framework

The City of Spruce Grove Recovery Framework was developed to enable ongoing recovery in the City while responding to evolving provincial relaunch phases as COVID-19 cases ebb and flow. The Recovery Framework focuses on three elements:

1. **Governance:** easing regulatory burden
2. **Economic:** stimulating economic activity and easing financial burden on residents
3. **Community:** strengthening the social fabric

The Recovery Framework sets out an approach that informs a continuum of plans and actions intended to achieve short to long-term outcomes ([click here](#) to read the May 2021 progress report). Examples of economic and social measures taken in 2021 from the Recovery Framework include:

- Easing business restrictions (sign relaxation, patio expansions)
- Implementing the City's Fibre Optic Broadband Strategy
- Finalizing the Tri-Municipal Regional Plan
- Launching SeniorConnect and HelpSeeker platforms, which made community supports accessible through the use of technology

- Utilizing Municipal Operating Support Transfer operating funding (\$3.71 million received) to address a number of limited time or “one-time” expenses, particularly in areas of the City that had not been addressed in decades. This includes the modernization of Council Chambers, implementation of Enterprise Wireless Systems, the delivery of PathwaysHOME programming and a Community Inclusion Initiative. In addition, a small portion was also used to compensate for lost revenues due to recreation facility closures.

Pandemic Impacts to City Operations

In 2020, the COVID-19 pandemic triggered the implementation of measures that were intended to provide immediate financial relief for citizens, such as:

- Tax and utility penalty deferrals
- Delaying the stormwater utility implementation
- Reducing the planned 3.9% property tax increase to 0%

Although these measures were successful in providing relief for citizens, as the City transitions out of the pandemic sustaining modest increases in taxes will be required.

In addition to the measures listed above, Administration also made the decision to reduce program and service levels, delay programming and reduce the workforce where necessary. These decisions resulted in significant operational savings projected for the end of 2021. While this surplus provides a temporary revenue source for one-time items, it's important to note that Administration is working towards not only returning program and services levels to pre-pandemic levels, but evolving them to address the significant growth realized this past year. This evolution requires investment in the municipality, which is further outlined below.

It is important to note the COVID-19 pandemic is also having a significant impact on the supply chain world-wide. The cascading impacts could potentially increase costs of projects or delay them, depending on when materials and other resources become available. Administration is committed to planning ahead where possible and will ensure clear communication on project delays or change in budget resulting from supply chain issues.

Economic Activity

Various factors can be used to indicate the health of a city from an economic perspective. Vacancy rates, along with provincial unemployment rates, are strong indicators and were used as part of the planning process.

Provincial Unemployment Rates

In September 2021, Alberta's seasonally adjusted unemployment rate was 8.1%, up from 7.9% in August 2021, and down 4.0 percentage points from August 2020. The national unemployment rate was 6.9% in September 2021, down from 9.2% in the same period in 2020.

Vacancy Rates

The following table outlines the data collected on vacancy rates in the industrial, office and retail sectors:

Timeframe	Industrial	Office	Retail
2020 – Q2	7.6%	11.4%	1.0%
2020 – Q3	7.8%	10.1%	1.1%
2020 – Q4	6.1%	10.1%	4.8%
2021 – Q1	3.2%	8.6%	4.2%
2021 – Q2	1.0%	5.3%	6.0%
2021 – Q3	1.0%	6.4%	10.4%

Vacancy rates in the industrial sector continue to show strong demand and little availability. The office sector has seen an overall decreasing trend over the last year, but vacancy rates in Q3 2021 did move up slightly. The retail sector continues to show increasing vacancy rates. These rates can be attributed to a combination of factors including new commercial space, businesses reducing their footprint, and the gap in time between when a business closes/relocates and when the space comes back on the market.

Inflation

As of August 2021, Consumer Price Index has increased 4.7% in Alberta over the past 12 months (Source: StatsCan). The wide variation of rates over the past two years (negative inflation for a period followed by rapid inflation) speaks to the instability of the rate. However, rates projected for 2022-2025 look to stabilize to more historical increases in the 1-2% range.

At this time, it is clear inflation is high and Administration is evaluating options on how to best mitigate this instability. The potential increase in costs will be managed through the contingency built into larger contracts and projects.

Development Activity

Building permit activity in the first three quarters of 2021 is showing residential development across all categories to be significantly exceeding pre-pandemic levels and, in particular, the multi-family and single-detached categories.

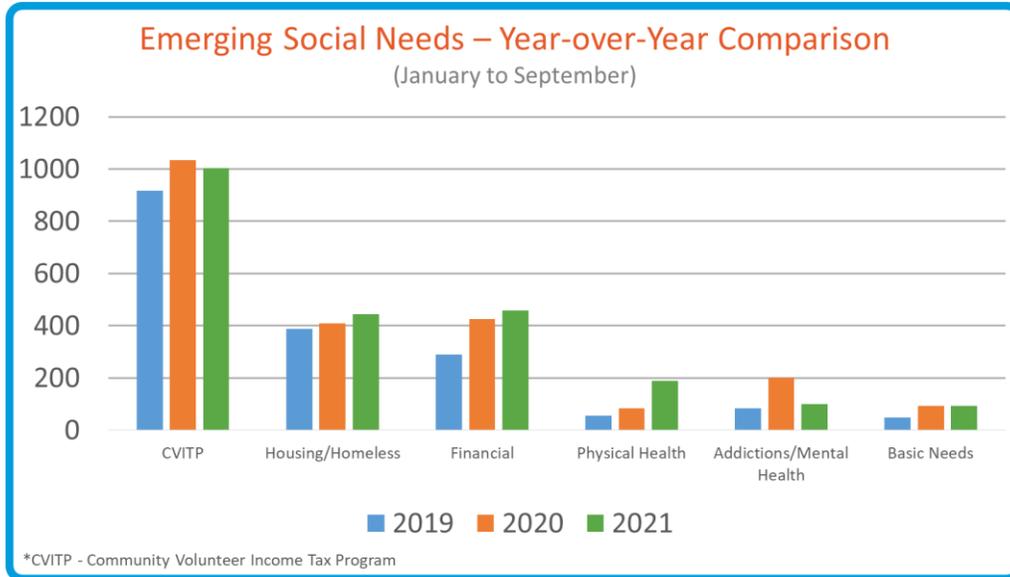
Building Permit Type	Jan to Sept 2019		Jan to Sept 2020		Jan to Sept 2021	
	# of Permits Issued	Value of Permits (\$000)	# of Permits Issued	Value of Permits (\$000)	# of Permits Issued	Value of Permits (\$000)
Commercial	50	\$7,229	32	\$3,956	45	\$8,307
Garages	54	\$1,229	28	\$523	47	\$1,093
Industrial	11	7,043	20	\$6,897	18	\$5,802
Institutional	4	\$20,830	2	\$1,200	5	\$4,310
Multi-family	28	\$4,200	2	\$2,550	36	\$55,798
Semi-detached residential	39	\$12,944	74	\$20,493	94	\$22,599
Single-detached residential	88	\$26,827	60	\$17,678	161	\$50,009
Residential improvements	246	\$3,079	279	\$3,313	297	\$4,124
Total	520	\$83,379	497	\$56,611	703	\$152,043

Note – for commercial, industrial and institutional, improvements and new permits have been combined for the purposes of this plan.

Based on current information, 2022 construction activity is expected to be up from 2021 levels, which were higher than expected. As a result, Administration built into Budget 2022 higher permitting revenue projections. To support this increased construction activity, Administration is implementing CityView, a community development and municipal land management software, which will move paper processes to a more efficient online system. In addition, two new positions in the Planning and Development Department are included as part of this plan to support service delivery.

Emerging Social Needs

The following chart presents a year over year comparison on emerging social needs within the community from January to September of each year. The data in the chart is a reflection of the service requests in each category.

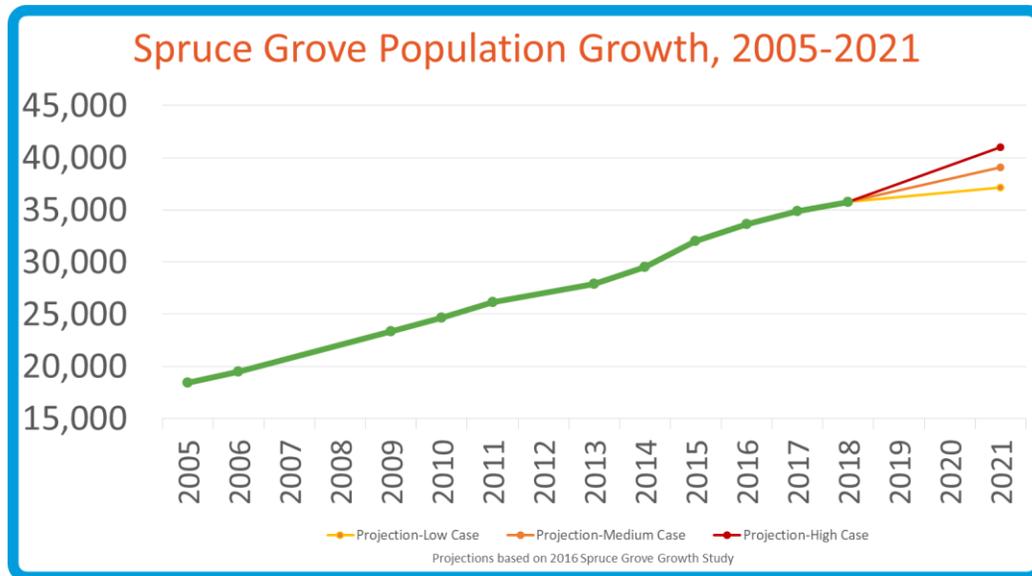


The data in this chart suggests that in the most recent quarter (Q3 2021) the top presenting issues are supports with housing, financial benefits and tax preparation. New clients seeking support with finances are consisting primarily of seniors looking to re-establish the Alberta Seniors Benefit and the Guaranteed Income Supplement after benefits were suspended due to increased income from the previous year (CERB, etc.). The social non-profit sector is also experiencing increased demand for services now that original financial supports have dwindled (CERB, CEWS, etc.).

To address these community needs, the Community Social Development (CSD) Department is continuing to partner with organizations in Spruce Grove that provide these specialized services. In addition, work is continuing on specific community focused projects such as the [Community Inclusion Initiative](#) and [PathwaysHOME](#).

Population Growth

The following graph provides insight into projected population growth based on data from both the federal and municipal census. The projections are taken from the 2016 Spruce Grove Growth Study.



The growth study also indicates that the population is anticipated to grow at an average annual rate of 2.62% over the next three years, and an average annual rate of 2.36% over the next 10 years. Based on this trend, Spruce Grove's projected population is 48,130 by 2031. These projections, along with our development permit trends for 2021, indicate an increased demand on City programs and services.

Conclusion

When developing Budget 2022, Administration took into consideration the economic and social state of the City, which is summarized as follows:

- Provincial unemployment rates have been recovering from highs of the pandemic
- Vacancy rates in Spruce Grove for industrial, office and retail sectors continue to trend low
- Arrears on taxes and utilities are stable at this time
- Increased development activity and population growth in 2021 has led to an increased demand on programs and services
- Emerging social needs require further investment

Investing in the community is a priority to supporting both residents and businesses as the City works toward becoming a stronger and more sustainable growing city.

Regional Context

The City of Spruce Grove works with regional partners to collaborate on various opportunities that also support community development and growth. One major area of collaboration between the Tri-Region municipalities is the [Tri-Municipal Regional Plan](#) (TMRP). Parkland County, the City of Spruce Grove, and the Town of Stony Plain have collaborated on significant projects and initiatives in the past, including the TransAlta Tri-Leisure Centre, Fire Services, Enforcement Services, public transit, special events, Family and Community Support Services delivery, and Accessible Transit Service operations and vehicle maintenance. The commitment to the TMRP represents a more holistic and coordinated effort to enhance and formalize this collaboration. At this time, the three municipalities are having strategic discussions on next steps to implementing recommendations from the report that was presented to Council in June.

From a greater regional perspective, the City is a member of the Edmonton Metropolitan Region Board (EMRB), and participates in various committees within the EMRB. Work within the EMRB this year presented a variety of opportunities around regional servicing, transportation, shared investment for shared benefit and Collaborative Economic Development. The City sees an opportunity for alignment on these committees and will continue to be an active participant in those discussions.

One major opportunity presented in 2021 was the formation of a new Regional Transit Services Commission (RTSC). Council voted to join this commission in 2020 and on January 26, 2021, the Government of Alberta approved its legal formation, with a mandate of improving regional transit and mobility. The commission is currently preparing to implement a service delivery model within the participating communities. More information on the City's involvement in the RTSC can be found in the [Key Budget Highlights](#) section.

Finally, the City is a member of Edmonton Global, the economic development organization for the Edmonton Metropolitan Region. This organization promotes the region globally and is focused on attracting and retaining business investment and trade. The Economic and Business Development Department works closely with Edmonton Global to attract investment into the City. In 2021, the team supported the first year of Edmonton Global's accelerated regional investment strategy, which was based on the development of nine sector investment business cases.

Investing in the Municipality

In order to support sustainable community growth and development, investment is also required in the municipality. Budget 2022 includes investments needed in order to serve a growing city, and how the associated revenue requirement will be met. The following sections outline why these investments are needed at this time and the historical context behind them.

Starting the Fiscal Sustainability Journey

In 2019, the City of Spruce Grove started a journey of fiscal sustainability and maturation of City processes, programs and services to support a growing city. At that time, Administration was working towards:

- Reviewing the financial state of the City (as directed by Council)

- Determining the operational impact of strong growth on City programs and services and where investment was needed
- Establishing a “hold the line” budget on staffing and department budgets to address short-term financial pressures
- Reviewing provincial funding cuts and planning for uncertainty in future provincial funding sources
- Gaining a clearer understanding of the future financial impacts of previous decisions
- Creating further transparency and line of sight through improved reporting and planning processes

The above actions were critical to ensure the City remained in a good financial position in the long term. Administration intended to use 2020 to refine and evolve department budgets, as well as the programs and services required of a growing city, and determine the investment required. However, in the midst of this work, the COVID-19 pandemic began, which strongly impacted this journey.

Budget Impacts of COVID-19

The COVID-19 pandemic forced Administration to shift its focus and navigate through significant business continuity processes in order to continue providing essential programs and services to the community. The agility presented by staff in order to address these challenges was instrumental to ensuring there was no interruption in essential service delivery and to capitalize on lessons learned in agility and adaptation in the midst of a pandemic. At the time of writing this plan, the municipality is still in the midst of navigating through the fourth wave of the pandemic and continuing to address the resulting operational pressures while responding to the needs of the community.

One major impact of the pandemic on the budget relates to service reductions due to the third and fourth waves of the pandemic and public health order implications on programs. In particular, programs offered by Culture and Recreation, as well as Transit, were significantly reduced or temporarily cancelled. The costs to run those programs were no longer required and have resulted in a surplus projected for 2021. Administration will use this surplus to fund one-time community investments.

Although this one-time surplus is available for 2022, a reinvestment in the municipality is still required within the ongoing municipal operating budget in order to continue evolving program and service delivery. Continuing a “hold the line” philosophy in staffing and department budgets will result in a municipality that can no longer effectively serve a community who is leading the region in new growth in a proactive and sustainable way.

Finally, there were substantive financial pressures in 2020 and 2021 that resulted from the pandemic and a loss of projected revenue. As mentioned previously, the City implemented measures in 2020 to help residents and the business community financially sustain the pandemic.

Historical, Current and Projected Growth

Another key factor contributing to the investment required in the municipality is the need to address the compounded pressure on programs and services resulting from a period of significant growth. As mentioned previously, the City was working towards catching up on

historical growth pressures and that process was interrupted as the City shifted its focus to pandemic response and the immediate needs of the community. In addition, the City saw unexpected growth during COVID-19 and that growth is projected to continue moving forward.

These growth pressures continue to have a significant impact on the City’s ability to deliver programs and services in an efficient and effective way using new technologies and mature foundational systems. As part of both this plan and strategic planning for 2022, Administration will continue working towards evolving program and service delivery to meet the current needs of the City and prepare for projected future growth. It is important to take advantage of what was learned through the pandemic and strategic planning opportunities in 2022 to ensure the programs and services are in line with that of a sustainable, growing city.

Budget Pressures on Internal Systems and Processes

In addition to the changes made as part of the journey to fiscal sustainability, as well as budget impacts of the pandemic, it is also important to highlight that in previous years the City had to make trade-offs on funding key foundational systems and processes with funding the pent up demand on City infrastructure. As a result, there is a backlog of pressure on aging key foundational systems and processes that has led to challenges in service delivery.

Administration is continuing to evolve program and service delivery, but significant investment is needed to maintain and mature these foundational systems to be in line with the needs of a growing city. The following investments into City operations and the internal foundation of policies, processes and systems is included within this plan in order to provide better transparency, programs, and services to the residents and businesses of Spruce Grove:

- Mature programs, policies and procedures to ensure that effective program and service delivery is enabled.
- Develop a formal Customer Service Strategy to address growing resident needs and to ensure timely responses to inquiries.
- Support program and service delivery through maximizing the use of technology.

Moving Forward

Having a clear understanding of how the City came to its current position was a key factor in developing Budget 2022. To summarize, four key factors contributed to the investment required in the municipality:



Budget pressures, combined with increased demand on programs and services due to growth, and the loss of planned revenue as a result of the COVID-19 pandemic are all important factors that require investment in the municipality. As part of developing Budget 2022, Administration

attempted to balance pressures on the community along with the needs of the municipality by investing in key areas that allow for programs and services to be delivered that support the ongoing growth and development of the community. In addition, Budget 2022 sets out how Administration will continue balancing investments with our growth rates to ensure continued program and service delivery.

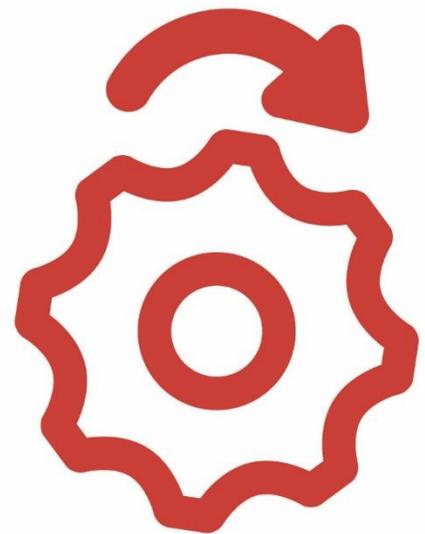
Funding Strategies to Address Required Investment

The City remains at a critical point where investment is required in order to maintain service levels and deliver those programs and services required to support the needs of a sustainable growing city. This plan includes both immediate and long-term funding strategies intended to address these critical investments as well as support a sustainable fiscal framework. They include:

- **Municipal Tax Increase:** The municipal tax increase for 2022 is 2.9%, which will increase the municipal operating budget by \$1,229,150. These funds will be used to address investments in the community and municipality that require ongoing funding.
- **Use of Surplus for One-Time Funding Requirements:** Going forward, one-time funding requirements will be funded by surplus where available. This funding strategy is being used as part of Budget 2022 to ensure business cases that require one-time funding are not built into the ongoing funding requirements, which impact the tax rate.
- **Dedicated 1% Tax Increase for Municipal Lifecycle Reserves:** Continuation of a 1% tax increase (\$423,845) to provide a dedicated revenue stream for transfers to municipal lifecycle reserves to pay for critical infrastructure repair, maintenance and replacement. Note this is year two of the five year Council approved plan for 1% dedicated tax increase for municipal lifecycle reserves.
- **Continuation of Tax Rate Split Shift:** This plan also continues the Council approved shift in the residential/non-residential rate split to move to an average similar to other communities over a seven year period. Administration is currently in the second year of implementing this shift and the split will increase to 0.0545 for 2022 (2021 was a shift of 0.025). This funding strategy will increase the municipal operating budget by \$351,600 for 2022 and similar to the 1% increase, is also dedicated to funding municipal lifecycle reserves.
- **Funding Reserves for Future Capital Requirements:** Municipal tax room is being created by way of a specific purpose reserve to prepare for significant future capital requirements like the proposed Civic Centre Development project. At this time, Budget 2022 includes \$481,000 in tax room to fund future debt servicing costs associated with the Civic Centre Development project.

These funding strategies allow Administration to invest in both programs and services for the community, as well as City infrastructure and services that allow for the continued modernization of foundational corporate policies, processes and systems. Investments in specific elements of the City's Administration and capital needs, along with the growth and development being seen throughout the community, will allow for the City of Spruce Grove to continue on the path of maturing and all of the opportunities that come with it.

EVOLVING THE **PROCESS**



EVOLVING THE PROCESS

In order to have a clear understanding of Budget 2022, it is important to understand the processes Administration worked through in order to develop this plan. Council's priorities and the 2018-2035 Strategic Plan, the corporate and fiscal planning processes, and the ongoing evolution of a fiscal sustainability framework are all key factors considered when developing Budget 2022. The following sections outline how these factors evolved throughout the year and how each contributed to the development of the Corporate Plan.

2021 Corporate Planning Process

As noted in the previous year's Corporate Plan, the corporate planning process is currently evolving to become more holistic and incorporate key financial planning processes to allow for better informed decision making. Key process improvements in 2021 included the following.

Incorporating Council's Priorities

This plan flows from Council's Strategic Plan using the tools of oversight and governance of decision making, of a system that incorporates strategic portfolios, program or organization-wide business cases, and meaningful reporting. As planning and reporting processes evolve, the goal is for the Corporate Plan to reflect a more strategic and organizational approach.

As part of this year's process, having a clear understanding of Council's priorities at the start of the year was key to building a foundation for the budget. Council's focus remained on the fiscal sustainability of the community, particularly given the challenge of the pandemic, and need for investment in infrastructure for both maintenance and new build.

In addition, early indications from the newly elected Council signal customer service and community development with a focus on enhancing community connections as priorities. These priorities are reflected in the Customer Service Strategy business case and work being done by the Community Social Development department.

These investments and priorities, both operating and capital, contained in this plan reflect those strategies in Council's strategic plan that speak to:

- Mobility and connectivity, amenities and policies, and an engaged workforce that is connected to the community and committed to customer service as part of the 'Where People Choose to Live' priority area;
- Arts and culture and leisure, sports and recreation as part of the 'Where People Choose to Experience Community' priority area; and
- A successful business environment and robust, growing economic base as part of the 'Where People Choose to Grow a Business' priority area.

Quarterly Reporting

To support the complex financial decisions facing Council, it was key that Administration mature financial and operating reporting processes. The introduction of more robust quarterly reporting was part of this process.

A report is prepared and presented quarterly to Council on the activities of the organization and its programs and services. The report provides financial highlights for the quarter and includes summaries of revenues and expenses for municipal, utility and developer operations.

In addition to providing Council with financial and operational updates, forecasting on a quarterly basis enables the municipality to be more agile in maximizing the utilization of revenues for emergent priorities. Forecasting also allows Council and Administration the ability to pivot in year and adjust strategies to maximize organizational effectiveness.

Journey to Fiscal Sustainability

One key priority of Council is to continue evolving the Fiscal Sustainability Framework in order to have a continued understanding of the future impact of current decisions. Administration is working towards strategic alignment to provide sound stewardship of natural and physical assets, strong fiscal leadership and a commitment to excellence in service delivery. This work is a priority to complement and support Council and community priorities/initiatives while being thoughtfully aware of limited revenue levers and organizational capacity.

In addition to being strategically aligned, Administration is also reflecting on the learnings from the COVID-19 pandemic. The organization had to implement business continuity processes which taught departments how to run leaner and be more agile. In addition, the City went under substantive financial pressure in 2020 and 2021 to support residents and businesses as they navigated through the pandemic.

Given the COVID-19 pandemic's impact, it is critically important to work towards fiscal sustainability as we move forward as a City. Other key principles of fiscal sustainability Administration has at the forefront include:

- Protect and enhance the City's financial position, while enhancing public programs and services and encouraging community investment.
- Work towards a system that funds today while considering the needs of tomorrow and provides services that are meaningful and affordable so that Spruce Grove continues to be a dynamic, vibrant and welcoming City, one that people will choose to call home.
- Recognize and maintain acceptable levels of risk in the City's investment and other financial activities.
- Ensure the City complies with legislation, accounting standards, regulations and bylaws.

In order to continue down the path of fiscal sustainability, Administration continues to evolve the presentation of Budget 2022 to separate the Municipal, Utility and Developer entities. The budget provides a detailed look at revenues and financial requirements, while also outlining the business cases and capital profiles that are required to maintain and improve City programs, services and operations.

As referenced in the utility operating and capital budget descriptions, part of the journey towards fiscal sustainability is to initiate a [Utility Fiscal Review](#) in 2021 (expected to be completed in

2022) that will be a complete review of the City's utilities from a fiscal standpoint. This is needed to bring sustainability, equity, transparency and competitiveness to that area of the City's operations.

In addition, Administration continues to mature the use of reserve funds for both capital and operating budgets. Reserves contribute to fiscal stability, debt minimization, and flexibility for emergent economic needs while creating dedicated funding sources for long-term capital planning and asset management. More information on this funding strategy can be found in the [Funding Strategies](#) section of the plan.

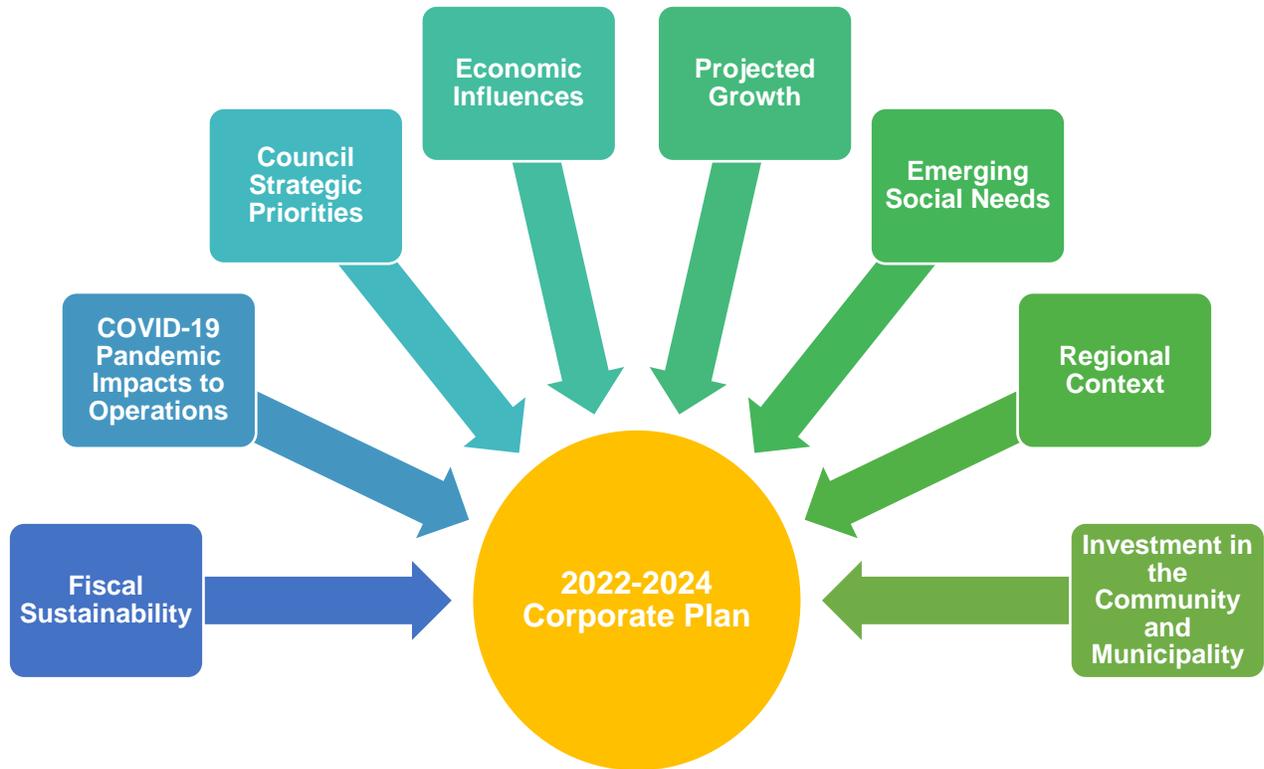
Another major component in the journey towards fiscal sustainability is maturing the City's operating budget processes. The Fiscal and Corporate Planning teams worked closely with departments in 2021 to make improvements to the following processes:

- Enhanced quarterly forecasting to inform opening surplus balances available to fund one-time requests and to provide Administration and Council with accurate quarterly updates on the City's financial position.
- Departments built more underlying detail into the operating budgets, to ensure greater transparency of revenues being collected and expenses being incurred.
- Continued implementation of budget software to allow for more timely and accurate reporting to support decision making and collection of data.
- Introduction of a formal "carry forward" process to increase the transparency and accountability over budgets. Capital budget carry forwards are now being captured in a financial schedule in the [Combined Budget Tables](#) section of the corporate plan. Operating budget carry forwards will be captured in an internally restricted *Carry Forward Reserve* where identified, and brought forward to Council for approval outside of the corporate plan process.

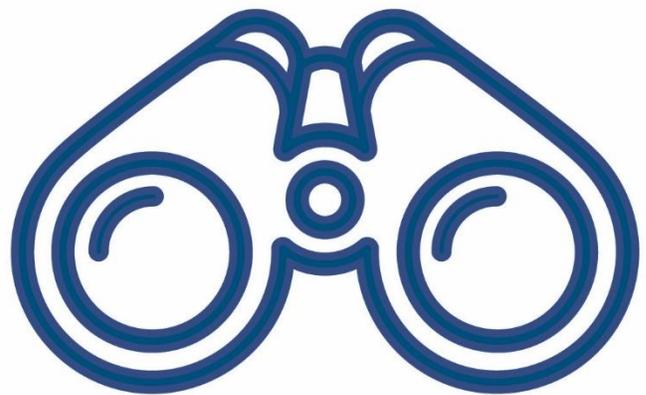
As a key priority of Council, fiscal sustainability is integral to transparent planning and budgeting practices. This year, Administration adjusted budget development processes and presentations in this plan to achieve greater transparency and line of sight for Council and residents. Although significant progress was made, Administration recognizes that there is still work to be done, which is outlined in the [Looking Forward to 2022](#) section of this plan.

Conclusion

Development of the 2022-2024 Corporate Plan is more than just balancing a budget – it’s determining priorities as a City and how Administration will continue to serve residents in a fiscally responsible and sustainable way. The above sections outline the intricacies behind decision making and influencing factors considered as Budget 2022 was developed. It is important that Administration continues to factor in these elements as part of the planning process and ensure a clear line of sight within this plan.



LOOKING FORWARD TO **2022**



LOOKING FORWARD TO 2022

Strategic Planning with New Council

As the newly elected Council begins their term in the fall of 2021, Administration is planning strategic planning retreats in the first and second quarter of 2022 that will set the stage for corporate and business planning events throughout the year. Council’s long-term vision will be captured as part of these strategic planning sessions and will set clear priorities for Administration to move forward.

In addition, Council and Administration will determine priorities within the three pillars of the Triple Bottom Line (Economic, Social and Environment), which then provides direction to Administration on where to focus resources. This line of sight from Triple Bottom Line priorities through to associated business cases and resource allocation will give a stronger connection to the work being done within each pillar.

Sequencing Events within the Planning Hierarchy

As part of process evolution and more robust planning, strategic, corporate and business planning will be sequenced to ensure Council and Administration priorities support and align with each other, as shown here:



Strengthening Internal Systems, Policies, Reporting and Processes

Serving a maturing, growing City calls for systems that inform evidence-based decision-making. With limited options for growth in revenue for the foreseeable future, there is a greater need for those systems to inform the City's investments and the necessary trade-off discussions as part of fiscal sustainability.

Administration is in the process of implementing various systems, policies, and processes in an effort to continuously improve transparency and program and service delivery. Teams are focusing on Administrative policies that need to be created or updated (supported by the [Bylaw and Policy Review](#) Business Case) as well as updating or implementing processes to streamline operations.

Performance Measurement Framework

In 2021, the City started to build a performance measurement framework with clear lines of sight to program outputs and outcomes. The purpose of this framework is to demonstrate the efficiency and effectiveness of City programs and services and will incorporate targets to ensure services are delivered at levels that are cost-effective and responsive to community needs. The data will also provide information on whether Administration is achieving the triple bottom line of sustainability.

At this point, Administration is in the midst of the journey towards creating a robust framework that includes clear outputs and outcomes. The team worked on understanding the data available today that can be used as indicators, which were starting to be used through the Recovery Framework and quarterly reporting process. The next step is to fully understand and document services the City currently provides, the associated service level, and gain a clearer understating of the data required to determine success and where further resource investment is needed.

Transparency and accountability are parts of good governance. Performance measurement and regular reporting of progress to the public are essential to good governance. As the data matures, Administration will be able to show the costs of achieving specific service levels to meet desired outcomes. Although there is a lot of work to complete as part of this framework, it is a clear priority for Administration in 2022.

BUDGET 2022



BUDGET 2022

Budget 2022 reflects the financial requirements to support the City's direction, as outlined through the business cases and capital profiles. The financial requirements of these business cases and capital profiles include revenues, expenses, and expenditures on tangible capital assets used for service delivery and investment in new capital.

The main objective of this budget is to clearly explain and highlight financial information underlying the corporate plan, and to ensure Council has a transparent lens to which review and ultimately approve Budget 2022. The information is intended to enhance the users' understanding of the City's financial position and results of operations – enabling the City to demonstrate accountability for the resources entrusted to it.

Budget 2022 and future forecasts are meant to provide information with a long-term view. Ten years of future capital financial information has been presented, but readers are cautioned that long-term forecasts may change significantly.

A fiscally sustainable budget has the following characteristics:

- The operating budget is balanced without dependency on reserves for ongoing funding.
- The operating budget includes transfers to reserves that adequately fund lifecycle costs.
- The capital budget is balanced and lifecycle costs are able to be funded from reserves.
- The municipal budget does not subsidize the utility or developer budgets.

Budget 2022 has the following realities:

- The 2022-2024 municipal operating budgets are balanced without dependency on reserves for ongoing funding. The City utilizes reserves for one-time costs to minimize the impact on the municipal tax base.
- The municipal operating budget includes transfers to lifecycle reserves by way of a dedicated revenue stream approved by Council in all three years.
- The municipal capital budget balanced through the use of grants for some lifecycle costs due to the need to build reserve funding.
- The City's philosophy is for the utility budget to be self-funded.
- The City paid for some developer projects on behalf of developers and financed this development with long-term debt to advance construction. Amounts owing to the City will be repaid with proceeds from future developer levies.

Budget 2022 provides a detailed look at revenues and financial requirements, while also outlining the business cases and capital profiles that are required to maintain and improve City programs, services and operations. As such, the budget is presented by entity: Municipal, Utility and Developer, in addition to the 10 Year Capital Plan.

Key Budget Highlights

Major Projects

Built into Budget 2022 are major projects that have a significant impact on the capital and operating budgets. The following information provides a look at these projects, how they're funded and the budget for 2022.

Civic Centre Development

The Civic Centre Development is in the preliminary design phase prior to moving forward for final approval by Council. Discussions have been held with the Spruce Grove Saints, Spruce Grove Public Library, the Allied Arts Council, minor sports associations, and many others to identify needs in our community and the broader tri-municipal area, including sports, recreation, arts and culture. Based on these collaborative conversations, this investment in our region will bring a number of amenities together in one facility, including two ice rinks, a walking track, an art gallery, a black box theatre and a branch of the Spruce Grove Public Library.

At this time, the total cost is approximately \$47.1 million and is funded by the following:

- \$18.5 million in Municipal Sustainability Initiative (MSI) grants
- \$24.5 million in debenture proceeds
- \$4.1 million in cost share revenue

Anticipated operating impacts of this capital project are as follows:

- \$13.2 million in debt servicing costs over 10 years; commencing in 2023
- \$1 million per year in operating costs split between the arena and library operations; commencing in 2024

**Note that the Combined Capital table and Municipal Capital tables within Budget 2022 include \$20,759,251 in capital revenues (MSI grants and debentures) and capital expenses related to the proposed Civic Centre Development project, which is subject to final Council approval.*

City Centre Area Redevelopment Plan (ARP)

The City Centre ARP provides a policy framework for guiding redevelopment and revitalization of the City Centre through consideration of land use, mobility, urban design, building guidelines, and implementation. At the time of writing this plan, phase one is currently being implemented with the redevelopment of Columbus Park and continued design and engagement on this ARP with stakeholders. Council approved the streetscape for McLeod Avenue on June 28 and the Main Street cross-section was subsequently approved on August 23, 2021. Preliminary design for the streetscape and underground work was completed October 15, 2021. Detailed design will start the end of October 2021 and will be completed in early 2022 for tendering.

The total cost of this project is \$32.1 million and is comprised of \$1.8 million for Columbus Park, \$17.2 million for streetscape or surface work and \$13.1 million to complete underground utilities work. The total costs are funded as follows:

- \$1.8 million in MSI grants
- \$14.7 million in Canada Community-Building Fund (CCBF) grants
- \$2.4 million in debenture proceeds (utility)

- \$2.5 million in transfers from municipal reserves
- \$10.7 million in transfers from utility reserves

Anticipated operating impacts of this capital project are as follows:

- \$1.4 million in debt servicing costs over 10 years (utility); commencing in 2023

Note that this project is using CCBF grant funding that would typically be allocated to ongoing road and water and sewer rehabilitation work in the City, as completion of the work in the City Centre was seen as a critical investment. There are some costs being carried forward to 2022 for work that will not be completed by the end of 2021 in the amount of \$505,000 for Columbus Park, \$1.5 million for streetscape/surface work and \$2.5 million for underground utilities work. There is also pressure in 2022 to fund additional enhancements identified for this project.

Transit

The City of Spruce Grove is participating in various transit projects such as the Arc electronic fare payment system, development of a regional Transit Hub/Park & Ride facility, and the Edmonton Metropolitan Transit Services Commission in 2022.

At the time of writing this plan, the City is still confirming the cost to join the Transit Commission (starting September 2022) and the resulting impact to current and future transit capital investments. More information on these costs will be provided as it becomes available.

Spruce Grove is participating in Arc, the regional electronic fare payment system. Arc will make paying for and riding transit easier and more convenient. Phase one was implemented in the fall of 2021 with full implementation scheduled for 2022. Transit agencies in Spruce Grove, St. Albert, Strathcona County, Fort Saskatchewan, Leduc, Beaumont and Edmonton are all using the same system. Customers use their Arc card to tap on and off at electronic card readers on buses and at LRT stations.

In 2022 the City will be constructing a regional Transit Hub/Park & Ride facility in conjunction with the Civic Centre Development project. The Transit Hub will include:

- 194 park and ride stalls
- 16 post-ring style bike racks
- A transit centre with capacity for six buses
- A heated shelter on the central platform
- Men's/women's washrooms for transit operators

The \$3.0 million Transit Hub/Park & Ride facility is currently funded by the following:

- \$1.7 million in MSI grants
- \$941,667 in Green Transit Incentives Program (GreenTRIP) grants
- \$397,233 in Investing in Canada Infrastructure Program (ICIP) grants

Anticipated operating impacts of this capital project are as follows:

- \$20,000 in 2022 for repairs and maintenance costs

Serving a Growing City

Program and service delivery is continuing to evolve to support the needs and opportunities of a growing city. Historically, little investment in key areas of Administration for the past five to 10

years has led to significant challenges in service delivery. This, combined with the financial impact to the City resulting from pandemic measures (reduced tax rate, deferral programs, etc.), has resulted in a significant investment needed to maintain and improve systems to be in line with the needs of a growing city. The following investments into City operations and internal foundation of policies, processes, and systems are included within this plan in order to provide better transparency, programs and services to the residents and businesses of Spruce Grove:

- Mature programs, policies and procedures to ensure that effective program and service delivery is enabled.
- Develop a formal Customer Service Strategy to address growing resident needs and to ensure timely responses to inquiries.
- Support program and service delivery through maximizing the use of technology.

In order to move forward with the updated and net new programs and services above, the 2022-2024 Corporate Plan includes an increase of nine full-time, permanent FTE and three full-time, temporary FTE. Given the budget pressures to mature foundational programs and systems, these positions are required to support the evolution of internal operations as Administration adjusts to supporting the needs of a growing city. The requested FTE are as follows:

- Full-time, permanent positions (ongoing funding from municipal operating budget)
 - Communications Advisor
 - Intergovernmental Affairs Advisor
 - HVAC Technician
 - Plumbing/Gasfitter Technician
 - HR Business Partner
 - Planning and Development (2 FTE)
 - Enforcement Services Staffing (2 Bylaw Officers)
- Full-time, temporary positions (funded by municipal surplus)
 - Municipal Development Plan Replacement business case
 - Project Planner – 18-month term
 - Municipal Affairs Intern – 18-month term
 - Investing in our Processes: Initiation of Bylaw and Policy Review business case
 - Legislative Advisor – 24-month term

FTEs are defined as permanent employees (full or part-time) who will have an ongoing impact on the municipal tax base. Council's engagement in the determination of that kind of financial decision is part of the accountability framework. The discretion of Administration to hire temporary staff to address pressures in year or over a short term period is required to ensure efficient deployment of resources while balancing shifting priorities. Ultimately Council approves the overall operating municipal budget, including salaries and wages and administration. Quarterly and annual reporting will align with that budget unless a variance is requested.

Municipal Tax Requirement

The following table provides a high level overview of Budget 2022 to demonstrate the tax revenue requirement.

	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues			
Sales & User Fees	26,574	28,339	29,884
Franchise Fees	6,563	7,226	7,454
Government Transfers - Operating	3,335	3,258	3,244
Fines	2,384	2,384	2,384
Sales to Other Governments	2,667	2,667	2,667
Utility Administration Fees	2,646	2,837	2,920
Rental	1,720	1,859	1,875
Licenses & Permits	1,588	1,590	1,593
Other	810	811	801
Penalties	664	675	686
Investment Income	321	312	303
Transfer From Reserves - MOST	143	136	-
Transfer From Reserves	2,687	2,287	2,460
	52,101	54,381	56,271
Expenses			
Salaries, Wages & Benefits	36,685	37,717	38,569
Contracted & General Services	18,921	18,991	19,348
Purchases from Other Governments	19,503	20,185	20,885
Materials, Goods, Supplies	5,560	5,599	6,162
Principal Repayment on Long Term Debt	2,924	3,426	3,949
Transfers to Government, Agencies and Other Organizations	2,114	2,201	2,701
Interest on Long Term Debt	991	1,229	1,532
Other	380	383	383
Bank Charges	133	133	133
Utility Administration Fee	2,646	2,837	2,920
Transfer To Lifecycle Reserves	1,393	2,235	3,217
Transfer To Reserves	4,155	4,400	5,300
	95,404	99,335	105,099
Base Municipal Requirement	43,302	44,954	48,827
2022 Proposed Business Cases	1,328	1,282	1,069
Municipal Requirement	44,630	46,236	49,897
Property Tax Funding			
Assessment Growth Revenue	1,081	638	1,394
Dedicated Tax Increase	775	842	981
Base Property Tax Revenue	42,025	45,070	47,295
Tax Increase 2.9%, 1.5% and 0.2% Respectively	1,229	745	227
Proposed Municipal Tax Levy	45,111	47,295	49,897
Proposed Transfer to Reserve - Civic Centre	481	1,059	-

Overall Corporate Plan Impact to Ratepayers

As outlined in the charts below, the residential and non-residential tax increase is comprised of a 2.9% general tax rate increase plus a 1% dedicated tax rate increase. In the past two years, the residential and non-residential tax rates only increased by 1% which was dedicated to address the City's longstanding infrastructure investment and maintenance needs. The 1% dedicated increase was approved by Council for the next five years in the 2021-2023 Corporate Plan and as a result it has been included in all three years of this plan.

The following chart breaks down the monthly impact of the tax rate change, as well as utility (water and sewer) and franchise fee increases to the average residential taxpayer:

Residential Rate Changes	Monthly Impact	
Residential taxes – 2.9%	\$5.59	Based on a 2.9% general tax rate increase per a median assessment value of \$346,800*
Residential taxes – 1.0%	\$1.93	Based on a 1.0% dedicated tax rate increase per a median assessment value of \$346,800 to repair, maintain and replace municipal infrastructure, facilities and equipment*
Water and sewer	\$1.74	2% rate increase based on monthly consumption of 14 cubic metres of water.
Solid waste	NIL	No planned increase.
Stormwater utility	\$4.20	Planned increase to \$11.50 for small customers.
Electric franchise fees	NIL	No planned increase.
Natural gas franchise fees	NIL	No planned increase.
Total Monthly Impact	\$13.46	

*Median assessment value of single family detached homes in Spruce Grove.

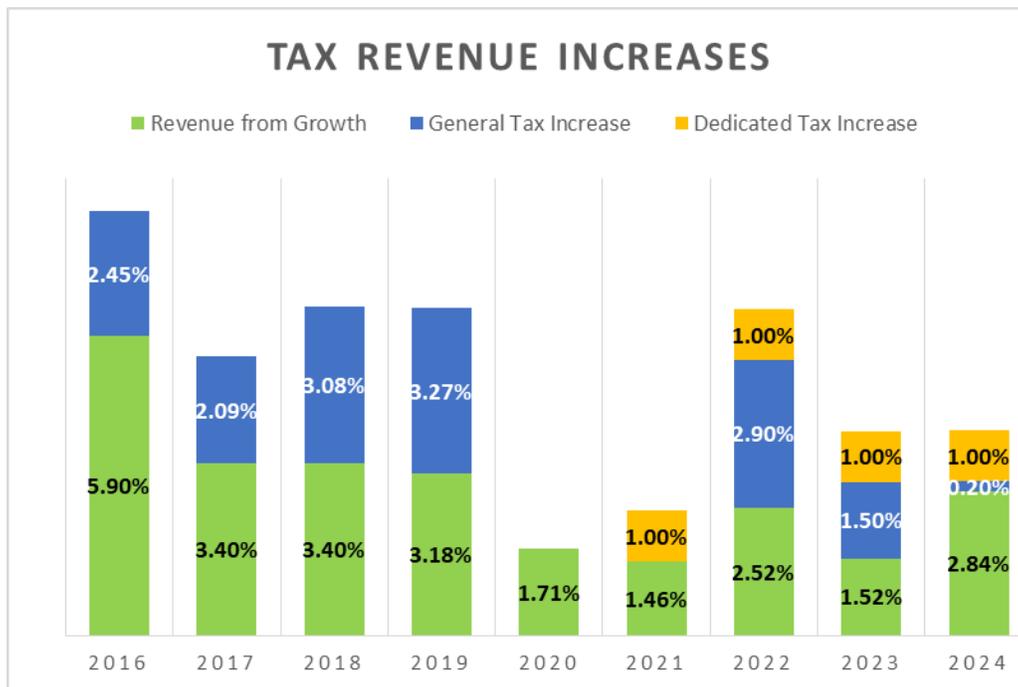
The following chart represents the monthly impact to non-residential customers. The impacts of monthly utility costs and franchise fees (natural gas and electric) would be directly related to the unique consumption levels and as such are not represented on this chart.

Non-residential Rate Changes	Monthly Impact	
Non-residential taxes – 2.9%	\$23.13	Based on a 2.9% general tax rate increase per an assessment value of \$1,000,000**
Non-residential taxes – 1.0%	\$7.98	Based on an approved 1.0% dedicated tax rate increase per an assessment value of \$1,000,000 to repair, maintain and replace municipal infrastructure, facilities and equipment**
Non-residential taxes – tax rate split shift	\$29.43	Based on a property tax split shift of 0.545 for the next 6 years
Stormwater utility	\$8.80	Planned increase to \$46.00 for large customers.
Total Monthly Impact	\$69.34	

**There is such a wide spectrum of non-residential property values that a median assessment value would not accurately represent a typical non-residential assessment value.

Projected growth

The most important driver of City revenue is economic activity, which affects the number of taxable properties, influences construction activity and impacts the demand for City services. Growth in 2022 is projected to be **2.52%**, 1.52% in 2023, and 2.84% by 2024. This has an impact on the revenue the City collects. The following table illustrates the percentage of tax revenue increases applicable to growth and tax rate increases, as well as the historical relationship between tax rate increases and growth:



Assumptions for growth in 2022 were based on general economic opinion as of July 2021. If the actual economic activity differs from what is expected, many of the key revenue and expense projections may be significantly affected.

Funding strategies

The following strategies were used to build Budget 2022:

Municipal Tax Rate and Tax Split

The municipal tax increase for 2022 is 2.9%, in addition to the continuation of a 1% increase to provide a dedicated revenue stream for transfers to municipal lifecycle reserves. This funding strategy will increase the municipal operating budget by \$1.65 million in 2022, \$423,845 of which will be dedicated to municipal lifecycle reserves. Note we are in year two of the five year Council approved plan for 1% dedicated tax increase for municipal lifecycle reserves.

In addition, in order to pay for significant capital projects needed by the City as outlined in the 10 Year Capital Plan, municipal tax room is being created to fund a Specific Purpose Reserve for new capital to prepare for the funding requirements of the future (i.e. Civic Centre Development). At this time, the Budget 2022 includes \$481,000 in tax room for future capital requirements (i.e. debt servicing costs).

This corporate plan continues the Council approved shift of the residential/ non-residential rate split to move to an average similar to other communities over a seven year period. As part of the fiscal sustainability framework, Council has approved the gradual increase of the split between residential and non-residential tax rates over a seven year period to move from the current split of 1.38 to reach the average of the communities currently yielding a split of 1.73. We are currently in the second year of this shift and the split will increase to 0.0545 for 2022 (2021 was a shift of 0.025). This funding strategy will increase the municipal operating budget by \$351,600 for 2022 and is also dedicated to funding municipal lifecycle reserves.

Reserves

The City started the journey to create a reserve policy in 2019 and on June 28, 2021 the policy was approved by Council. This plan represents the continuation of that work, with the goal of finalizing the actual reserve balances for each asset type in 2022 as the asset management policy is fully implemented in the City. It is important to note that our reserve strategy is evolving as we get a clearer line of sight on our asset management planning (i.e. the roads portfolio).

The City is committed to fiscal sustainability and seeks to be transparent in the apportionment of resources for future operating and capital spending through the creation of reserves within the accumulated surplus. Reserves contribute to fiscal stability, debt minimization, and flexibility for emergent economic needs while creating dedicated funding sources for long-term capital planning and asset management. In addition, reserves are designed to smooth out the revenue requirements on uneven expenditures year over year.

Recognizing that future capital projects require significant investment, Administration has included as part of this plan the creation of reserves in an effort to strategically budget for the future.

The following defines the types of reserves being implemented as part of this plan:

- **Externally Restricted Reserves** means reserves where allowable uses are determined by authorities other than the City, fall under legislative requirements or are restricted by an agreement with an outside third party. Currently, this includes developer reserves, which have been set up based on the infrastructure development the City currently charges offsite levies on.
 - Existing reserves:
 - Water
 - Sanitary Sewer
 - Transportation
- **Internally Restricted Reserves** means reserves that have been established for internal City purposes and allowable uses are determined by the City. The four categories of internally restricted reserves are:
 - **Municipal stabilization and contingency reserves**
 - Proposed reserves:
 - Carry forward
 - Snow removal
 - Concrete crushing
 - Heritage grant

- **Municipal lifecycle: repair, maintenance and replacement reserves.** The 1% dedicated tax increase referenced in the municipal tax strategy section is a dedicated revenue stream for transfers to municipal lifecycle reserves. In addition, the 10 Year Capital Plan's for each lifecycle area will be used to determine transfers to the reserve from the operating budget and expenditures from the reserve in the capital budget.
- Proposed reserves:
 - Civic Infrastructure
 - Community Facilities
 - Parks and Open Spaces
 - Public Safety
 - Public Works
 - Transportation
- **Specific purpose reserves.** This type of reserve exists to set aside funds for large infrastructure projects that will be undertaken in the medium to long-term.
- Proposed reserves:
 - Land
 - New Capital (i.e. Civic Centre Development)
 - TLC Lifecycle
- **Utility reserves** are built up over time to help fund the replacement of large infrastructure in the future. The City will work to segregate the utility reserve as follows as part of the Utility Fiscal Review business case:
 - Water
 - Sanitary Sewer
 - Stormwater
 - Waste Management

Use of Surplus for One Time Funding Requirements

Going forward, Administration will fund one-time funding requirements by surplus where available. This funding strategy is being used as part of Budget 2022 to ensure business cases that require one time funding are not built into the ongoing funding requirements, which impact the tax rate.

Other Strategies

In addition to the strategies listed above, the following strategies will be explored as part of the planning process:

- Any revenue realized from growth above and beyond what was predicted (currently at 2.52%) will be used to fund one-time costs, or allocated to internally restricted reserves.
- Future costs of operations and maintenance are factored into decision making for significant capital projects.

Combined Budget Tables

2022 Fund Balances by Entity

	Municipal Operating (\$000)	Municipal Capital (\$000)	Municipal Combined (\$000)	Utility Operating (\$000)	Utility Capital (\$000)	Utility Combined (\$000)	Developer Operating (\$000)	Developer Capital (\$000)	Developer Combined (\$000)	Total (\$000)
Revenues										
Property Taxes	45,111	-	45,111	-	-	-	-	-	-	45,111
Sales & User Fees	2,380	-	2,380	24,195	-	24,195	-	-	-	26,575
Franchise Fees	6,563	-	6,563	-	-	-	-	-	-	6,563
Government Transfers	3,335	24,849	28,184	-	-	-	-	-	-	28,184
Utility Administration Fees	2,646	-	2,646	-	-	-	-	-	-	2,646
Fines	2,484	-	2,484	-	-	-	-	-	-	2,484
Sales to Other Governments	2,667	-	2,667	-	-	-	-	-	-	2,667
Rental	1,720	-	1,720	-	-	-	-	-	-	1,720
Licenses & Permits	1,540	-	1,540	48	-	48	-	-	-	1,588
Other	606	-	606	202	-	202	-	-	-	808
Penalties	664	-	664	-	-	-	-	-	-	664
Investment Income	321	-	321	-	-	-	-	-	-	321
Debt Proceeds	-	10,297	10,297	-	2,400	2,400	-	-	-	12,697
Developer Contributions & Levies	-	-	-	-	-	-	-	388	388	388
	70,037	35,146	105,183	24,445	2,400	26,845	-	388	388	132,416
Expenses										
Salaries, Wages & Benefits	35,605	-	35,605	2,234	-	2,234	-	-	-	37,839
Contracted & General Services	14,960	-	14,960	4,198	-	4,198	-	-	-	19,158
Purchases from Other Governments	9,082	-	9,082	10,420	-	10,420	-	-	-	19,502
Utility Administration Fees	-	-	-	2,646	-	2,646	-	-	-	2,646
Materials, Goods, Supplies	5,063	-	5,063	498	-	498	-	-	-	5,561
Principal Repayment on Long Term Debt	1,780	-	1,780	181	-	181	963	-	963	2,924
Transfers to Government, Agencies and Other Organizations	2,146	-	2,146	-	-	-	-	-	-	2,146
Interest on Long Term Debt	666	-	666	92	-	92	233	-	233	991
Other	362	-	362	19	-	19	-	-	-	381
Bank Charges	133	-	133	-	-	-	-	-	-	133
Capital Expenditures	-	38,248	38,248	-	7,551	7,551	-	388	388	46,187
	69,797	38,248	108,045	20,288	7,551	27,840	1,196	388	1,584	137,468
Other Financing Sources (Uses)										
Transfers To Lifecycle Reserves	(1,393)	-	(1,393)	-	-	-	-	-	-	(1,393)
Transfers To Reserves	(481)	-	(481)	(4,157)	-	(4,157)	-	-	-	(4,638)
Transfer From Reserves - MOST	143	-	143	-	-	-	-	-	-	143
Transfer From Reserves	1,490	3,102	4,592	-	5,151	5,151	1,196	-	1,196	10,940
Net Change in Fund Balance	241	(3,102)	(2,861)	4,157	(5,151)	(994)	(1,196)	-	(1,196)	(5,052)
FUND BALANCES - Beginning of Year	-	-	30,317	-	-	3,894	-	-	(14,038)	20,173
FUND BALANCES - End of Year	-	-	27,456	-	-	2,900	-	-	(15,235)	15,121



Combined Operating Budget Table

	2021 Revised (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues				
Property Taxes	42,291	45,111	47,295	49,897
Sales & User Fees	24,428	26,574	28,339	29,884
Franchise Fees	6,634	6,563	7,226	7,454
Government Transfers - Operating	3,514	3,335	3,258	3,244
Fines	2,923	2,484	2,484	2,484
Sales to Other Governments	2,667	2,667	2,667	2,667
Utility Administration Fees	2,508	2,646	2,837	2,920
Rental	1,724	1,720	1,859	1,875
Licenses & Permits	1,407	1,588	1,590	1,593
Other	1,184	810	811	802
Penalties	860	664	675	686
Investment Income	322	321	312	303
Transfer From Reserves - MOST	852	143	136	-
Transfer From Reserves	1,253	2,687	2,287	2,460
	92,567	97,313	101,776	106,269
Expenses				
Salaries, Wages & Benefits	35,831	37,840	38,886	39,572
Contracted & General Services	18,615	19,159	19,203	19,513
Purchases from Other Governments	19,006	19,503	20,185	20,885
Materials, Goods, Supplies	5,611	5,561	5,599	6,162
Principal Repayment on Long Term Debt	3,144	2,924	3,426	3,949
Transfers to Government, Agencies and Other Organizations	2,255	2,146	2,201	2,701
Interest on Long Term Debt	1,066	991	1,229	1,532
Other	370	379	383	383
Bank Charges	141	133	133	133
Utility Administration Fee	2,508	2,646	2,837	2,920
Transfer To Lifecycle Reserves	618	1,393	2,235	3,217
Transfer To Reserves	3,402	4,638	5,459	5,302
	92,567	97,313	101,776	106,269

Combined Capital Budget Table

	2021 Revised (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues				
Government Transfers - Capital	23,033	24,849	12,262	10,850
Debenture Proceeds	2,397	12,697	15,650	1,250
Developer Contributions & Levies	170	388	185	185
Cost Share	-	-	846	3,279
Transfer From (To) Operating	248	-	-	-
Transfer From Reserves	9,157	8,253	8,234	9,524
	35,006	46,187	37,177	25,088
Expenses				
Engineered Structures	22,641	17,283	11,996	13,572
Buildings	1,895	23,398	20,888	3,834
Machinery & Equipment	3,391	3,188	1,931	2,212
Land Improvement	3,896	1,861	1,373	4,268
Vehicles	640	457	489	202
Land	2,543	-	500	1,000
	35,006	46,187	37,177	25,088

**Note that the table above includes \$20,759,251 in capital revenues (MSI grants and debentures) and capital expenses related to the proposed Civic Centre Development project, which is subject to final Council approval.*

Amortization and Contributed Tangible Capital Assets (TCA) are non-cash budget items that are necessary to comply with legislative requirements and do not impact the tax levy. Contributed TCA are donated assets from external third parties and generally result from development of new sites where developers have completed the base infrastructure and the assets are then turned over to the City. The City recognizes the Contributed TCA as a tangible capital asset and also recognizes a contributed assets revenue amount. The asset and revenue amounts are reported in the City's consolidated annual financial statements.

Non Cash Budget

Amortization	18,413	19,127	20,194	21,877
Contributed TCA	1,836	9,723	10,506	7,420
	20,249	28,850	30,700	29,297

Capital Carry Forward Table

Service Type	Capital Project Description	Start Date	Completion Date	2021 Carry Forwards
Capital Funding				
	Surface: McLeod Avenue - King Street to Queen Street	1-Jan-21	31-Dec-22	1,455,891
	Columbus Park	1-Jan-21	31-Dec-22	505,000
	Civic Centre Development	1-Jan-21	31-Dec-24	266,000
	2006 Sterling - #T Single Axle - Multi Lift	1-Jan-22	31-Dec-22	111,025
	Municipal Sustainability Initiative (MSI) Grants			2,337,916
	Underground: McLeod Ave., Main St., Jespersen (King to Queen and 16A)	1-Jan-21	31-Dec-22	2,397,451
	Debenture Proceeds			2,397,451
	Cityview Software Upgrade and Enhancement	1-Jan-21	31-Dec-22	174,283
	Transfer from Operating			174,283
	Parks Portfolio (not predetermined)	1-Jan-22	31-Dec-22	168,000
	Developer Contributions & Levies			168,000
	Business Process Mapping and Budget Enhancement	1-Jan-21	31-Dec-22	77,000
	2011 Chev Bus	1-Jan-21	31-Dec-22	108,500
	Underground: McLeod Ave., Main St., Jespersen (King to Queen and 16A)	1-Jan-21	31-Dec-22	106,760
	Water meters - Lifecycle Replacement Program	1-Jan-21	31-Dec-22	70,000
	Transfer from Utility Surplus/Reserves			362,260
TOTAL CAPITAL FUNDING				5,439,910
Civic Infrastructure				
	Business Process Mapping and Budget Enhancement	1-Jan-21	31-Dec-22	77,000
	Cityview Software Upgrade and Enhancement	1-Jan-21	31-Dec-22	174,283
	Water meters - Lifecycle Replacement Program	1-Jan-21	31-Dec-22	70,000
Civic Infrastructure Total				321,283
Community Facilities				
	Civic Centre Development	1-Jan-21	31-Dec-24	266,000
Community Facilities Total				266,000
Parks and Open Spaces				
Support to City Center ARP	Columbus Park	1-Jan-21	31-Dec-22	505,000
	Parks Portfolio (not predetermined)	1-Jan-22	31-Dec-22	168,000
Parks and Open Spaces Total				673,000
Public Transit				
Transit Bus Lifecycle Replacement	2011 Chev Bus	1-Jan-21	31-Dec-22	108,500
Public Transit Total				108,500
Public Works				
Equipment Lifecycle Replacement	2006 Sterling - #T Single Axle - Multi Lift	1-Jan-22	31-Dec-22	111,025
Public Works Total				111,025
Transportation				
Support to City Center ARP	Surface: McLeod Avenue - King Street to Queen Street	1-Jan-21	31-Dec-22	1,455,891
Support to City Center ARP	Underground: McLeod Ave., Main St., Jespersen (King to Queen and 16A)	1-Jan-21	31-Dec-22	2,504,211
Transportation Total				3,960,102
TOTAL CAPITAL PROJECTS				5,439,910
SURPLUS (DEFICIT)				-

Municipal Budget

The **Municipal Operating** section of the budget outlines the budget required to fund the day to day operations of the City, including program and service delivery, salaries, materials and supplies. From a fiscal sustainability perspective, the municipal operating budget is built on the continued efficient use of funds, particularly with more robust reporting (informed by quarterly reporting) that allows for more holistic decision making. Consideration must also be given to whether there is a requirement for a long term effect on the tax rate or if the funding required can be addressed through a onetime budget allocation. Note that Administration maturing its processes to develop the out years of the budget.

The **Municipal Capital** section of the budget provides a better understanding of the capital requirements that are funded by the municipal budget over a ten year window. Administration is building the Long-Term Capital Plan to be fully funded, meaning the funding source for capital projects is determined ahead of time. This shift in approach is to ensure members of Council and municipal tax payers have a clear understanding of decisions made and Administration can better plan for future capital requirements.

The following tables provided a detailed look at the 2022 Municipal Budget.

Municipal Operating Budget Table

	2021 Revised (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues				
Property Taxes	42,291	45,111	47,295	49,897
Franchise Fees	6,634	6,563	7,226	7,454
Government Transfers - Operating	3,514	3,335	3,258	3,244
Utility Administration Fees	2,508	2,646	2,837	2,920
Fines	2,923	2,484	2,484	2,484
Sales to Other Governments	2,667	2,667	2,667	2,667
Sales & User Fees	2,276	2,380	2,441	2,492
Rental	1,724	1,720	1,859	1,875
Licenses & Permits	1,320	1,540	1,542	1,545
Other	1,182	606	604	592
Penalties	860	664	675	686
Investment Income	322	321	312	303
Transfer From Reserves - MOST	852	143	136	-
Transfer From Reserves	-	1,490	1,110	1,223
	69,073	71,671	74,446	77,382
Expenses				
Salaries, Wages & Benefits	33,497	35,605	36,567	37,201
Contracted & General Services	14,646	14,960	14,522	14,795
Purchases from Other Governments	9,379	9,082	9,215	9,449
Materials, Goods, Supplies	5,112	5,063	5,102	5,666
Transfers to Government, Agencies and Other Organizations	2,255	2,146	2,201	2,701
Principal Repayment on Long Term Debt	1,982	1,780	2,185	2,654
Interest on Long Term Debt	701	666	866	1,163
Other	355	362	362	362
Bank Charges	141	133	133	133
Transfer To Lifecycle Reserves	618	1,393	2,235	3,217
Transfer To Reserves	387	481	1,059	42
	69,073	71,671	74,446	77,382

Municipal Capital Budget Table

	2021 Revised (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues				
Government Transfers - Capital	23,033	24,849	12,262	10,850
Debenture Proceeds	-	10,297	14,450	-
Cost Share Revenue	-	-	846	3,279
Transfer From (To) Operating	248	-	-	-
Transfer From Reserves	2,070	3,102	3,130	2,618
	25,351	38,248	30,688	16,747
Expenses				
Engineered Structures	13,435	10,353	6,779	7,445
Buildings	1,895	23,398	20,688	3,834
Machinery & Equipment	3,112	3,000	1,693	1,183
Land Improvement	3,726	1,098	1,088	4,083
Vehicles	640	399	440	202
Land	2,543	-	-	-
	25,351	38,248	30,688	16,747

**Note that the table above includes \$20,759,251 in capital revenues (MSI grants and debentures) and capital expenses related to the proposed Civic Centre Development project, which is subject to final Council approval.*

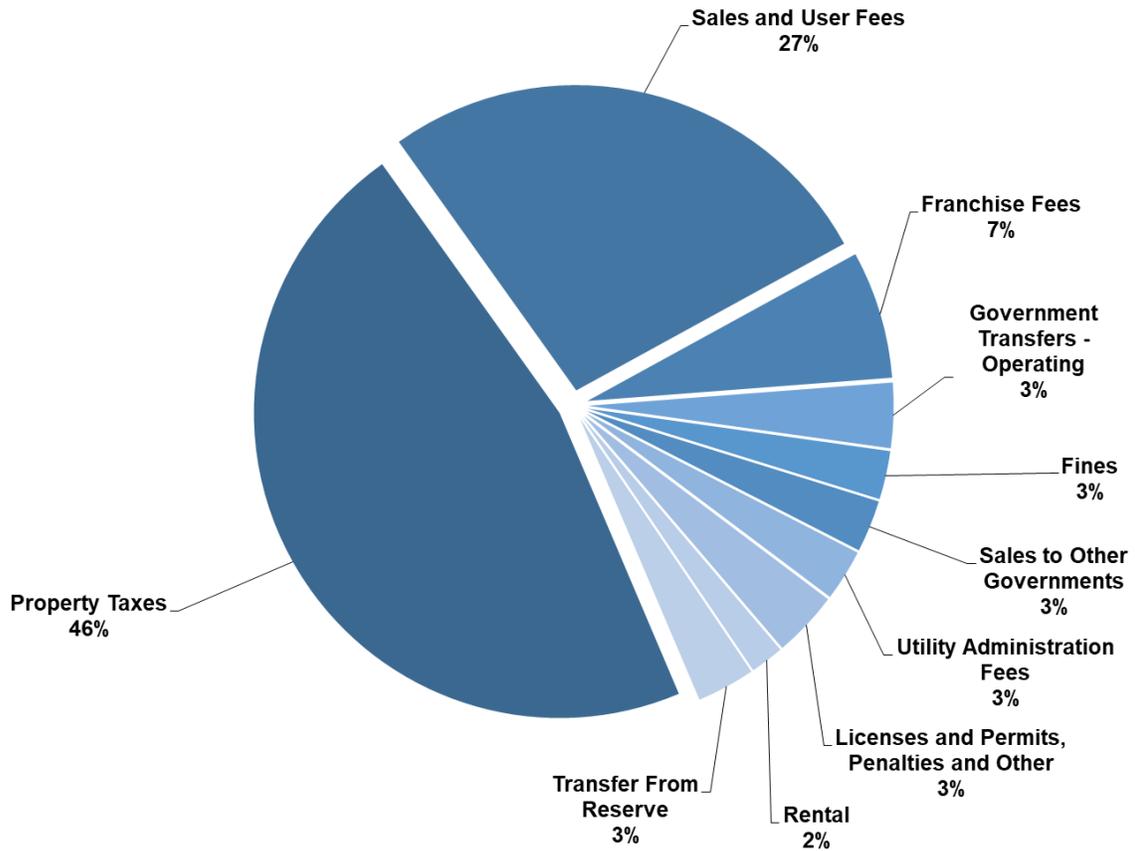
Amortization and Contributed Tangible Capital Assets (TCA) are non-cash budget items that are necessary to comply with legislative requirements and do not impact the tax levy. Contributed TCA are donated assets from external third parties and generally result from development of new sites where developers have completed the base infrastructure and the assets are then turned over to the City. The City recognizes the Contributed TCA as a tangible capital asset and also recognizes a contributed assets revenue amount. The asset and revenue amounts are reported in the City's consolidated annual financial statements.

Non Cash Budget

Amortization	14,559	14,956	15,670	16,842
	14,559	14,956	15,670	16,842

Revenue

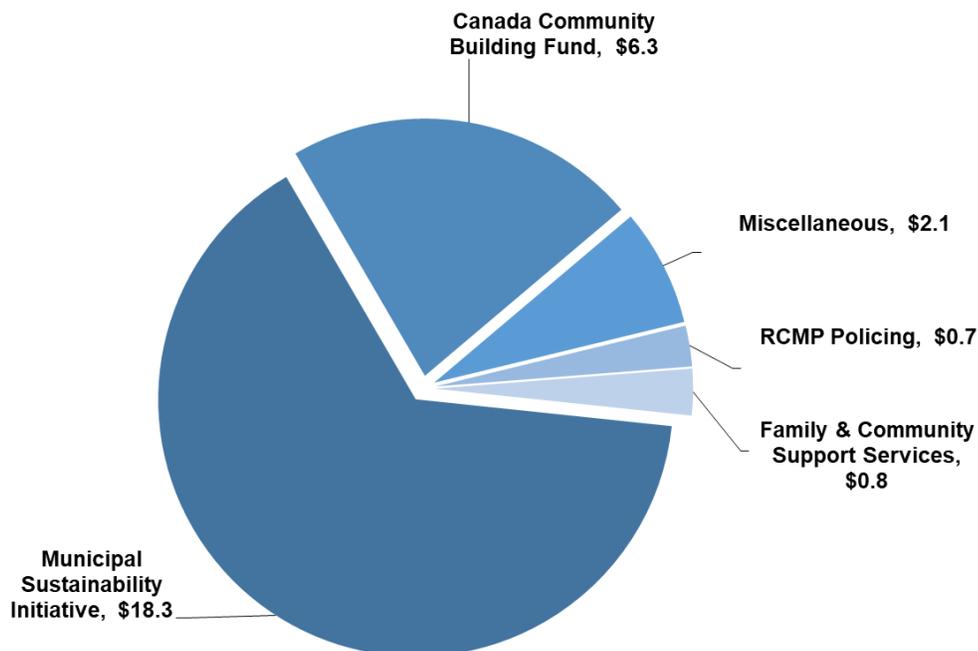
The most important driver of City revenue is economic activity, which affects the number of taxable properties, influences construction activity and impacts the demand for City services. Growth in 2022 is projected to be 2.52% and is projected to be 1.52% in 2023 and 2.84% in 2024. This has an impact on the revenue the City collects. The City receives revenue from the following sources:



Government Transfers

Government transfers, otherwise referred to as grants, make up a large proportion of the financing for capital acquisitions. Grant funding is not used to support utility infrastructure programs. User fees support all water, sewer, stormwater and solid waste costs.

Partnerships with the provincial and federal governments and neighboring communities help provide funding for projects such as new roads, buildings, parks, sports fields and other recreation facilities. The following chart outlines the government transfers received by the City.



The following section outlines four major grants the City expects to receive in 2022 and what they are funding in Budget 2022:

- **Municipal Sustainability Initiative (MSI):** The opening balance available for projects in 2022 is expected to be \$26.46 million. New projects must meet eligibility criteria and a 5% minimum threshold that is based on total funding to be received. For 2022, the City expects to receive \$4.03 million so the threshold is just over \$200,000. MSI is the City's largest grant year over year and it is typically used to build or rehabilitate:
 - Roadways and bridges;
 - Public transit facilities;
 - Recreation and sports facilities; and
 - Other key local priorities

It's important to also note that the MSI program is currently under review by the Government of Alberta.

- **Canada Community Building Fund (Former Federal Gas Tax Fund) (CCBF):** The City received an additional contribution under this grant program in 2021 that set the opening balance for 2022 to \$4.48 million. The City typically receives \$2.0 million per year under this grant program, thus CCBF provides municipalities with a stable source of infrastructure funding that is allocated on a per capita basis. Typically it is used for the City's road rehabilitation projects.
- **Green Transit Incentives Program (GreenTRIP):** In 2018 the City received \$7.3 million for transit projects, and since then the City has used this funding to purchase local and commuter buses as well as a bus storage building. Note that this funding expires February 2022.
- **Investing in Canada Infrastructure Program (ICIP):** This program provides funding for public transit projects, green infrastructure projects, community, culture and recreation projects, and more recently relief funding to help municipalities offset challenges brought on by the COVID-19 pandemic. Note that this funding expires in 2023 and has previously funded the Council Chambers upgrade.

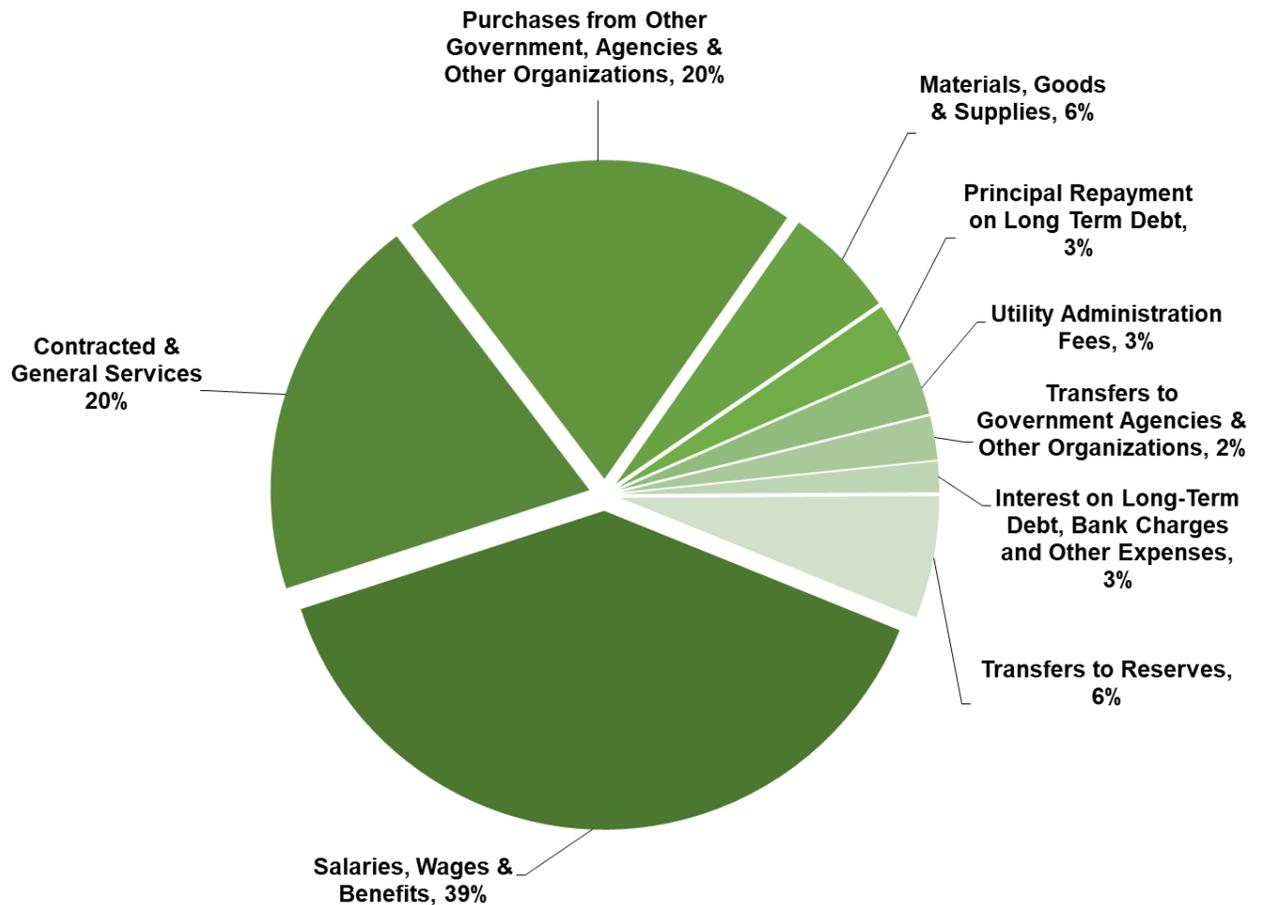
Grants to Other Organizations

	2021 Revised (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Council:				
Mayor's Awards- Annual High School	1	1	1	1
Heritage Grant	-	25	25	25
Annual Funding:				
Domestic Violence	30	30	30	30
Allied Arts Council	23	23	23	23
Spruce Grove & District Agricultural Society	25	25	25	25
Victim Services	11	11	11	11
Public Budget Submissions:				
Project Joy	10	-	-	-
Visitor Information Centre Agreement	20	-	-	-
Spruce Grove City Centre Business Association	10	10	-	-
Spruce Grove & District Agricultural Society	-	15	-	-
Allied Arts Council	-	8	-	-
Provincial Funding- FCSS:				
FCSS Budget- Organizations TBD	-	30	30	30
Funding per Agreements:				
Library- Base Funding	984	980	1,068	1,568
Leisure Centre- Operating	1,138	989	989	989
	2,255	2,146	2,201	2,701

The City provides grants and contributions to not-for-profit organizations and residents in the areas of special events, recreation and cultural development, as well as operational funding and capital renovations and development. Additional grants are provided for the delivery of preventative social services, heritage programming and services, and library services. Partnerships are also funded with community groups for the delivery of sport and recreation programs. The numbers represented in the table below are reviewed annually and may be amended through a variety of agreements and performance outcomes. Note that the summary of grants included as part of the Public Budget Submission process can be found in the [Business Cases](#) section of the Appendix.

General Expenses

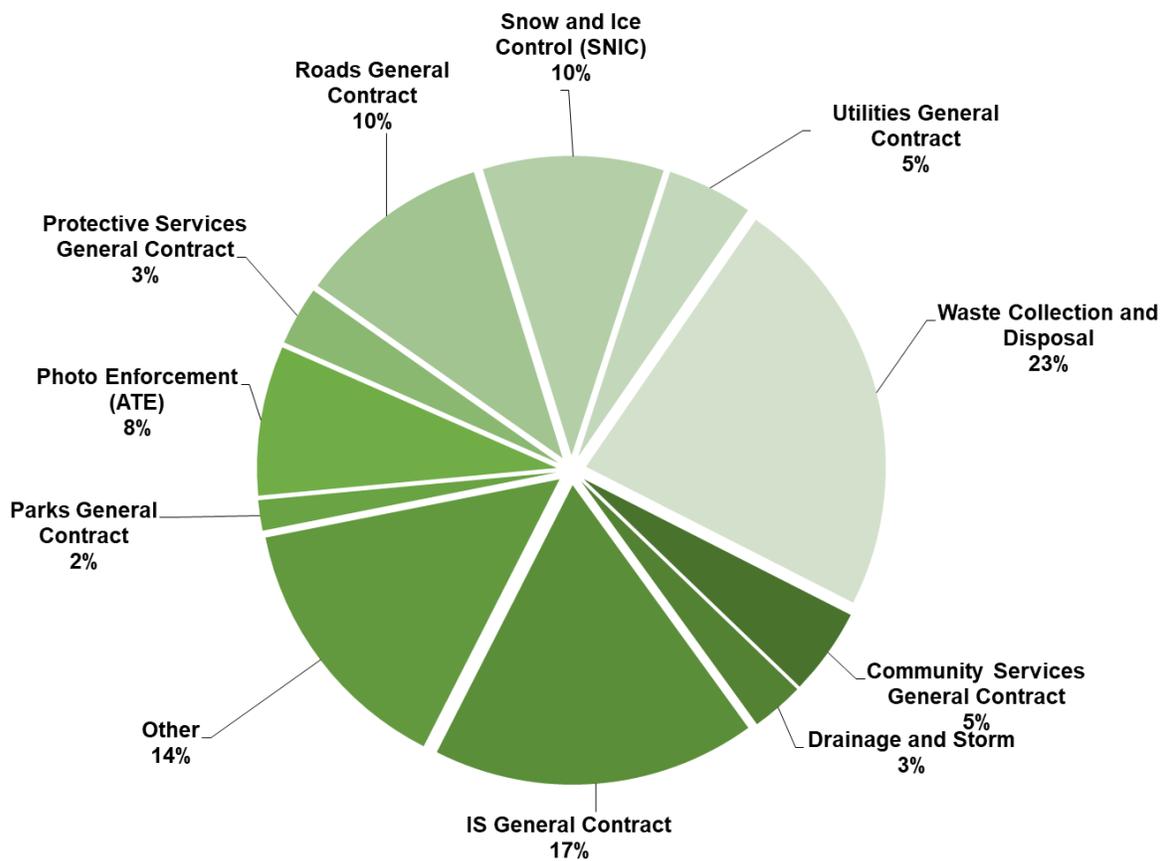
Budget 2022 includes \$97.31 million in expenses, primarily allocated to three categories: Contracted & General Services - \$19.16 million; Purchases from Other Government, Agencies & Other Organizations - \$19.50 million, and Salaries, Wages & Benefits - \$37.84 million.



Contracted and General Services

The City holds major contracts for the below noted services, which make up 20% of expenses and includes the following:

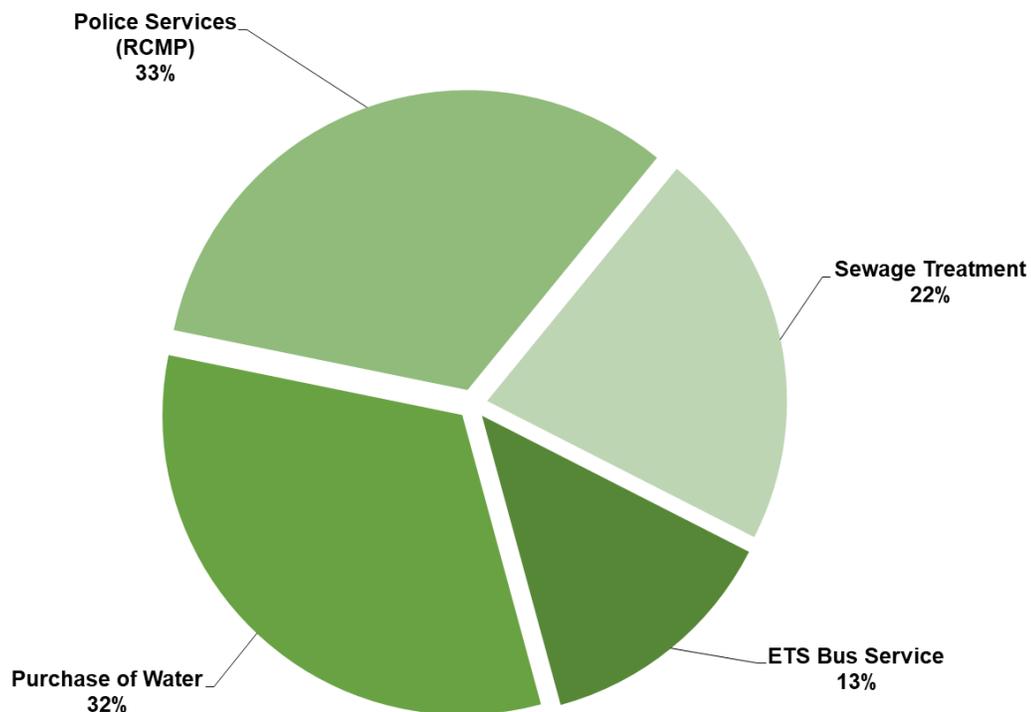
- Roads general contract,
- Information systems general contract,
- Waste collection & disposal,
- Snow and ice control,
- Community services general contract, and
- Automated Traffic Enforcement



Purchases from Other Government, Agencies and Organizations

The City also purchases good and services from other governments, agencies and other organizations to offer the below noted services, which make up 20% of expenses and includes the following:

- Police services (RCMP). Note that the National Police Federation, representing RCMP members, entered into a collective agreement with the federal government and are in the process of implementing commitments from the agreement. This will result in an increase in costs to municipalities moving forward as well as retro pay for up to five years for RCMP salaries. Administration did anticipate this financial pressure as a result of this, and is working with municipal partners (particularly the AUMA and FCM) to advocate to the federal government to contribute to increased salary costs.
- Purchase of water from the water commission.
- Sewage (wastewater) treatment to the commission, and
- Edmonton transit (ETS) bus service. Note that at the time of writing this plan, the City is still confirming the cost to join the transit commission (starting September 2022) and the resulting impact to current and future transit capital investments. More information on these costs will be provided as it becomes available.



Municipal Operating Business Cases Funded by One Time Surplus

The following table outlines municipal operating business cases for 2022 that are funded by one-time surplus from 2021. The cost of these business cases for 2022 is \$474,987 and more information on each can be found in the [Business Cases](#) section of the Appendix.

Business Case Name	Completion Year	2022 Budget	2023 Budget	2024 Budget	Total Cost
Customer Service Strategy	2023	\$47,500	\$47,500		\$95,000
Investing in our Processes - Initiation of a Bylaw and Policy Review	2023	\$97,188	\$97,188		\$194,376
Lifecycle Management of Corporate Data in Applications	2022	\$100,000			\$100,000
Municipal Development Plan Replacement	2024	\$107,799	\$284,718	\$216,537	\$609,054
Public Budget Submission Request – Spruce Grove & District Agricultural Society	2022	\$15,000			\$40,000 (includes base budget)
Public Budget Submission Request – Allied Arts Council	2022	\$7,500			\$30,000 (includes base budget)
Public Budget Submission Request – Spruce Grove City Centre Business Association	2022	\$10,000			\$10,000
Speed Reduction - Safety Review	2022	\$40,000			\$40,000
Updated Economic Development Strategy & Action Plan	2022	\$50,000			\$50,000

Municipal Operating Business Cases Requiring Ongoing Funding

The following table outlines municipal operating business cases planned for 2022 that require ongoing funding by the municipal operating budget. The cost of the ongoing municipal operating business cases for 2022 is \$853,300 and more information on each can be found in the [Business Cases](#) section of the Appendix.

Business Case Name	2022 Budget	2023 Budget	2024 Budget	Ongoing Operating Cost
Communications Advisor 2022	\$92,406	\$92,406	\$92,406	\$92,406/year
Enforcement Services Staffing - 2 Bylaw Officers	\$58,384 Note that the budget required for these two positions is the net total when considering the estimated \$100,000 in revenue. 2022 also includes \$2,500 for uniforms	\$55,884	\$55,884	\$55,884
Fleet and Facilities 2022 - Plumbing/Gasfitter Technician and HVAC Technician	\$233,531	\$234,929	\$234,929	\$234,929
Human Resources 2022 - HR Business Partner	\$97,420	\$97,420	\$97,420	\$97,420
Intergovernmental Affairs Advisor	\$122,291	\$122,291	\$122,291	\$122,291
2 FTE for Planning and Development	\$249,268	\$249,268	\$249,268	\$249,268
RCMP Officer – Note that no additional funds are required as per budget philosophy outlined in the business case.	-	-	-	-

Utility Budget

The **Utility Operating** budget is self-funded (cost to operate covered by utility fees charged to users) and addresses the costs incurred by running the utilities within the City and includes all staffing and operating costs. It's important to note that as part of the journey to fiscal sustainability and the Utility Fiscal Review business case, work is being done to ensure all staffing and operating costs are appropriately assigned to ensure utility rate payers are covering the costs of running the utility, as opposed to all tax payers regardless of utility use.

The **Utility Capital** budget is also self-funded and outlines the capital requirements funded by the utility. As with the utility operating budget, the utility fiscal review will conduct robust utility rate modelling which will provide data on future capital requirements. This will ensure that future utility customers are not paying for current users.

The following tables provided a detailed look at the 2022 utility budget.

Utility Operating Budget Table

	2021 Revised (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues				
Sales & User Fees	22,152	24,195	25,899	27,392
Licenses & Permits	87	48	48	48
Penalties	-	-	-	-
Other	2	202	206	210
	22,241	24,445	26,153	27,650
Expenses				
Purchases from Other Governments	9,627	10,420	10,971	11,436
Contracted & General Services	3,969	4,198	4,682	4,718
Utility Administration Fees	2,508	2,646	2,837	2,920
Salaries, Wages & Benefits	2,334	2,234	2,319	2,371
Materials, Goods, Supplies	497	498	496	496
Principal Repayment on Long Term Debt	176	181	278	285
Interest on Long Term Debt	99	92	149	142
Other	16	19	21	21
Transfer To Reserves	3,015	4,157	4,400	5,261
	22,241	24,445	26,153	27,650

Utility Capital Budget Table

	2021 Revised (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues				
Debenture Proceeds	2,397	2,400	-	-
Transfer From Reserves	7,088	5,151	5,104	6,906
	9,485	7,551	5,104	6,906
Expenses				
Engineered Structures	9,206	6,930	4,017	5,877
Machinery & Equipment	279	188	238	1,029
Buildings	-	-	200	-
Vehicles	-	58	49	-
Land	-	-	500	-
Land Improvement	-	375	100	-
	9,485	7,551	5,104	6,906

Amortization and Contributed Tangible Capital Assets (TCA) are non-cash budget items that are necessary to comply with legislative requirements and do not impact the tax levy. Contributed TCA are donated assets from external third parties and generally result from development of new sites where developers have completed the base infrastructure and the assets are then turned over to the City. The City recognizes the Contributed TCA as a tangible capital asset and also recognizes a contributed assets revenue amount. The asset and revenue amounts are reported in the City's consolidated annual financial statements.

Non Cash Budget

Amortization	3,854	4,171	4,524	5,035
	3,854	4,171	4,524	5,035

Utility Fees and Charges

User fees

User fees are charged to customers in exchange for the use of City services and facilities, and they form a significant portion of the City's operating revenues. Adjustments for population growth and planned service levels are used as a starting point for estimating 2022 volumes.

Utility charges

The cost of both operating and capital replacement of water, sewer, stormwater and solid waste systems is recovered through utility charges to the users of each system. Utility costs are not currently subsidized by grants or property taxes. Separate rates are charged for water and sewer customers, stormwater and solid waste customers. Utility revenue increases with the rise in rates, with growth in the number of customers and with increased consumption.

Water and sewer

The water and sewer utility rate increase for 2022 to cover operating and capital costs is \$0.12 per cubic metre (2.0% increase), which is approximately \$1.74 per month for a household consuming 14 cubic metres of water.

Solid waste

The solid waste rate is affected by growth in the community, contracted costs and new initiatives. There is no increase planned for solid waste utility for 2022.

Stormwater utility

Monthly fees are \$7.30 for small customers and \$37.20 for large customers and are projected to increase to \$11.50 and \$46.00 respectively for 2022.

Electric franchise fees

Electric franchise fees are charged by the City to Fortis Alberta for the exclusive right to provide and operate related assets. Fortis Alberta passes along the cost of the franchise fee to the consumer as a separate charge on the electric bills. The City has reached a maximum rate of 20%.

Natural gas franchise fees

Franchise fees for natural gas are charged by the City to ATCO Gas and Pipelines for the exclusive right to provide natural gas services within the City as well as for access to City lands to construct, maintain and operate related assets. ATCO passes along the cost of the franchise fee to the consumer as a separate charge on the natural gas bills. The 2021 rate has been maintained for Budget 2022, and is projected to increase 5.0% in 2023 to reach a maximum rate of 35%.

Utility Fiscal Review

As part of the journey towards fiscal sustainability, Administration will conduct a Utility Fiscal Review in 2022 that will be a complete review of the City's utilities from a fiscal standpoint. Although this is included as a business case in the list below, Administration wanted to highlight the importance of moving this piece forward for 2022. This review is needed to bring sustainability, equity, transparency and competitiveness to that area of the City's operations.

When contemplating utility service delivery, there is a need to balance fiscal sustainability with environmental concerns and excellence in customer service. The Utility Fiscal Review will allow the City to do a review of its utility functions from a fiscal standpoint while considering environmental and social priorities as well. In addition, this complete fiscal review of utility operations includes the development of rate models for water, sanitary sewer and waste management, as well as an update and review of stormwater management rate model. This fiscal review would also include the review of all related fees and charges from a user pay philosophy including the review of owners vs. tenants on the utility customer list.

An update of related policies and bylaws would result from this work and the development of rates that fund operations as well as infrastructure renewal. This work will also leverage the asset management work of the organization and contribute to long term capital planning for the utility's future.

Utility Operating Business Case Funded by the Utility Budget

The following table outlines the utility operating business case planned for 2022 that requires funding by the utility operating budget. The cost of the utility operating business case for 2022 is \$120,000 and more information can be found in the [Business Cases](#) section of the Appendix.

Business Case Name	Completion Year	2022 Budget	2023 Budget	2024 Budget	Total Cost
Utility Fiscal Review	2022	\$120,000			\$120,000

Developer Budget

The Developer Operating budget is a reflection of the operating costs of development. It's important to note that the expenditure and revenue strategies for the developer budget continue to evolve as the City adjusts past historical practices of up fronting the costs of development and putting the burden of such costs on the future.

The Developer Capital budget reflects the new infrastructure built by the City to support growth and development. Developers contribute to these infrastructure costs through the payment of offsite development levies, a mechanism enabling municipalities to recover capital costs of infrastructure required for new development.

The following tables provided a detailed look at the 2022 developer budget.

Developer Operating Budget Table

	2021 Revised (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues				
Transfer From Reserves	1,253	1,196	1,177	1,237
	1,253	1,196	1,177	1,237
Expenses				
Principal Repayment on Long Term Debt	986	963	963	1,010
Interest on Long Term Debt	267	233	214	227
	1,253	1,196	1,177	1,237

Developer Capital Budget Table

	2021 Revised (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues				
Developer Contributions & Levies	170	388	185	185
Debenture Proceeds	-	-	1,200	1,250
	170	388	1,385	1,435
Expenses				
Engineered Structures	-	-	1,200	250
Land	-	-	-	1,000
Land Improvement	170	388	185	185
	170	388	1,385	1,435

Amortization and Contributed Tangible Capital Assets (TCA) are non-cash budget items that are necessary to comply with legislative requirements and do not impact the tax levy. Contributed TCA are donated assets from external third parties and generally result from development of new sites where developers have completed the base infrastructure and the assets are then turned over to the City. The City recognizes the Contributed TCA as a tangible capital asset and also recognizes a contributed assets revenue amount. The asset and revenue amounts are reported in the City’s consolidated annual financial statements.

Non Cash Budget

Contributed TCA	1,836	9,723	10,506	7,420
	1,836	9,723	10,506	7,420

Front Ending Development

Front-ending represents debts owed to the City for past construction undertaken by the City to facilitate future development. The City will front-end development projects when it is necessary to construct infrastructure in advance of new development. Debt servicing costs are generally repaid through subsequent receipt of developer levies. However, there is a risk that developer levies may not be collected, or may not be sufficient to cover the full cost of servicing the debt as developer levies are directly dependent on timing of development, which is unpredictable.

Developer Offsite Levies

Developer offsite levies are collected from developers upon the execution of a development agreement as per the Off-Site Levy Bylaw. The most recent bylaw was approved by Council in May 2020. Under the bylaw funds are restricted for the construction of specific infrastructure and are recognized as revenue once the infrastructure has been built and the City has provided a construction completion certificate.

Developer Contributions

Developer contributions are recognized as revenue in the period they are used for the purpose specified. The City typically collects developer contributions to fund new neighbourhood parks, new district parks and administrative studies. Developer contributions are collected by way of a Developer Contributions Policy.

Next Steps

At this time, Administration is reviewing the front-ending development and levy processes and determining where decisions could be made to ensure greater fiscal sustainability while still meeting the needs of the community. In addition, Administration is reviewing other municipalities’ processes to determine what alternate approaches could be applied, particularly around a sports and recreation levy concept.

10 Year Capital Plan

Although capital components are introduced in the municipal, utility and developer budgets above, this section provides a full picture of all capital pieces in the form of a consolidated capital plan. It is important to note that Administration is maturing Long-Term Capital Plan processes to provide greater accuracy in the out years of the Long-Term Capital Plan (years 4-10). This section will also speak to the debt and net debt figures.

Background

A fully funded three-year draft capital plan was part of the March 2021 Council retreat. The draft plan was then further refined as a result of some over allocations of MSI grant funds and utility surplus in the out years of that plan. The following adjustments were made to the draft plan and presented to Council as part of the spring budget adjustment (2021 Spring Budget Capital Plan):

- Phase 2 design costs of \$50,000 for the Spruce Grove – Stony Plain Trail were deferred to 2022. This project is MSI funded.
- Horizon Stage lifecycle equipment costs of \$120,000 were deferred and later removed from the plan due to uncertainty over future operations. This project was to be reserve funded.
- An increased quote for a new fire truck resulted in \$205,979 in additional lifecycle costs over 2021 and 2022. This project is MSI funded.
- Costs to complete the Columbus Park in the City Centre were increased \$450,698 to include site servicing for future washrooms, a drinking fountain and other amenities. This project is MSI funded.
- Note that the *Municipal New Capital* and *Municipal Capital Funding* tables include \$20,759,251 in capital revenues and capital expenses related to the proposed Civic Centre Development project, which is subject to final Council approval.

The 2022 10 Year Capital Plan was prepared using the 2021 Spring Budget Capital Plan as the starting point and adjusting for capital project profiles submitted by departments.

Municipal New Capital

The following table provides a summary of municipal new capital profiles. Further detail on these profiles can be found in the Appendix, in the [Municipal New Capital Profiles](#) section.

Service Type	Capital Project Description	2022 Proposed	2023 Planned	2024 Planned	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned	2030 Planned	2031 Planned
Civic Infrastructure											
	Implementation of Electronic Meeting Management	-	-	-	-	-	-	-	-	-	-
	Business Process Mapping and Budget Enhancement	77,000	-	-	-	-	-	-	-	-	-
	Delivery of Technology Services	-	-	-	-	24,000	-	-	-	-	24,000
	Implement Enterprise-Wide Asset Management System	20,000	20,000	-	-	-	-	-	-	-	-
	Cityview Software Upgrade and Enhancement	174,283	-	-	-	-	-	-	-	-	-
	Implementation of the Fibre-Optic Broadband Strategy	-	-	-	-	-	-	-	-	-	-
	Enterprise Wireless Systems	146,000	-	-	-	-	-	-	-	-	-
	Fibre Ring	445,763	175,638	226,300	154,813	594,113	253,775	-	-	-	-
	Electric Vehicle Strategy	15,000	15,000	15,000	-	-	-	-	-	-	-
	Solar Installation at Protective Services	424,911	-	-	-	-	-	-	-	-	-
	Solar Installation at Agrena	-	-	-	-	753,229	-	-	-	-	-
	Solar Installation at Border Paving Athletic Centre	-	-	-	-	-	-	302,503	-	-	-
	Solar Installation at City Hall	-	-	-	-	-	-	-	-	102,470	-
	Public Works 2nd Floor Buildout	-	-	-	-	-	75,000	750,000	-	-	-
	410 King Street Renovations	-	-	-	-	-	-	-	125,000	1,300,000	-
	Administrative Facilities – Customer Service Renovation	20,000	200,000	-	-	-	-	-	-	-	-
	<i>This item has been removed as per sections 16, 25 and 24 of the Freedom of Information and Protection of Privacy Act.</i>										
Civic Infrastructure Total		1,330,457	485,638	241,300	154,813	1,371,342	328,775	1,052,503	125,000	1,402,470	24,000
Community Facilities											
	Civic Centre Development	20,759,251	20,414,351	3,278,900	-	-	-	-	-	-	-
Community Facilities Total		20,759,251	20,414,351	3,278,900	-						
Parks and Open Spaces											
	Spruce Grove - Stony Plain Trail - Phase 1 & 2	50,000	450,000	-	-	-	-	-	-	-	-
	Implementation of Outdoor Facilities Strategy	-	-	-	50,000	1,050,000	160,000	920,000	900,000	145,000	985,000
	Jubilee Park Master Plan Implementation	-	-	-	2,630,000	4,170,000	2,000,000	-	-	-	-
	Re-Imagined Central Park	50,000	350,000	2,120,000	880,000	-	-	-	-	-	-
Parks and Open Spaces Total		100,000	800,000	2,120,000	3,560,000	5,220,000	2,160,000	920,000	900,000	145,000	985,000
Public Safety											
	Automated License Plate Reader (ALPR)	25,000	-	-	-	-	-	-	-	-	-
	Enforcement Services Bylaw Vehicle	41,000	-	-	-	-	-	-	-	-	-
Public Safety Total		66,000	-	-	-	-	-	-	-	-	-
Public Transit											
	Transit Infrastructure - Park and Ride	1,662,500	-	-	-	-	-	-	-	-	-
	Transit - Local Service: Install Bus Stops	62,500	62,500	62,500	62,500	62,500	62,500	-	-	-	-
Public Transit Total		1,725,000	62,500	62,500	62,500	62,500	62,500	-	-	-	-
Public Works											
	Fleet Fuel Station	-	-	-	675,000	-	-	-	-	-	-
	Water Well Fill Facility	-	-	272,500	-	-	-	-	-	-	-
	Detailed Design and Construction of Snow Dump Site	-	-	1,725,600	-	-	-	-	-	-	-
Public Works Total		-	-	1,998,100	675,000	-	-	-	-	-	-
Transportation											
	Spruce Ridge Gardens Phase 3	450,000	310,000	-	-	-	-	-	-	-	-
	High Load Truck Route	550,000	-	-	-	-	-	-	-	-	-
Transportation Total		1,000,000	310,000	-							
NEW CAPITAL TOTAL		24,980,708	22,072,489	7,700,800	4,452,313	6,653,842	2,551,275	1,972,503	1,025,000	1,547,470	1,009,000



Municipal Lifecycle Capital

The following table provides a summary of municipal lifecycle capital profiles. Further detail on these profiles can be found in the Appendix, in the [Municipal Lifecycle Capital Profiles](#) section.

Service Type	Capital Project Description	2022 Proposed	2023 Planned	2024 Planned	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned	2030 Planned	2031 Planned
Civic Infrastructure											
	Information Systems Lifecycle Replacement Plan	346,939	675,277	219,889	289,600	288,633	392,820	788,396	229,889	280,600	301,000
	Vehicle Lifecycle Replacement Plan	48,000	-	-	37,000	220,500	158,500	99,500	79,500	-	29,000
Civic Infrastructure Total		394,939	675,277	219,889	326,600	509,133	551,320	887,896	309,389	280,600	330,000
Community Facilities											
	Equipment Lifecycle Replacement Plan	-	121,000	25,000	25,000	-	15,000	12,000	-	-	50,000
	Facilities Lifecycle Replacement Plan	200,000	40,000	326,126	1,400,715	375,000	-	-	-	-	-
	Furniture Lifecycle Replacement Plan	-	-	-	-	-	-	-	-	-	-
	Workplace Renovations - City Hall Office Restack	525,000	-	-	-	-	-	-	-	-	-
Community Facilities Total		725,000	161,000	351,126	1,425,715	375,000	15,000	12,000	-	-	50,000
Parks and Open Spaces											
	Equipment Lifecycle Replacement Plan	323,000	196,700	208,000	156,500	210,000	83,000	123,500	233,000	287,000	487,000
	Pedestrian Walkways Program	-	125,000	-	125,000	-	125,000	-	125,000	-	125,000
	Vehicle Lifecycle Replacement Plan	69,000	109,000	144,600	-	42,000	-	-	-	64,000	230,700
	Parks & Open Spaces Rehabilitation	230,000	100,000	175,000	100,000	120,000	100,000	100,000	100,000	200,000	200,000
	Support to City Center Area Redevelopment Plan	505,000	-	-	-	-	-	-	-	-	-
Parks and Open Spaces Total		1,127,000	530,700	527,600	381,500	372,000	308,000	223,500	458,000	551,000	1,042,700
Public Safety											
	Equipment Lifecycle Replacement Plan	999,788	-	448,500	161,000	232,000	93,000	-	210,000	995,000	1,590,000
	Vehicle Lifecycle Replacement Plan	-	161,000	57,500	140,500	82,000	82,000	243,000	217,500	41,000	-
Public Safety Total		999,788	161,000	506,000	301,500	314,000	175,000	243,000	427,500	1,036,000	1,590,000
Public Transit											
	Transit Bus Lifecycle Replacement Plan	183,100	74,600	-	750,000	824,600	-	-	40,000	74,600	183,100
Public Transit Total		183,100	74,600	-	750,000	824,600	-	-	40,000	74,600	183,100
Public Works											
	Equipment Lifecycle Replacement Plan	111,025	-	-	12,500	20,000	-	380,000	-	44,000	250,000
Public Works Total		111,025	-	-	12,500	20,000	-	380,000	-	44,000	250,000
Transportation											
	Equipment Lifecycle Replacement Plan	761,500	625,000	223,000	968,000	848,700	601,500	425,000	125,000	275,000	966,000
	Road Rehabilitation Program	-	1,608,869	761,011	819,572	882,283	4,362,753	4,740,520	5,133,507	5,574,133	6,050,010
	Vehicle Lifecycle Replacement Plan	58,000	95,000	-	-	55,000	-	117,300	55,000	40,300	43,500
	Support to City Center Area Redevelopment Plan	6,258,000	1,600,000	2,725,527	2,966,848	3,215,012	-	-	-	-	-
	Arterial Roadways and Hwy 16A Resurfacing	1,150,000	900,000	1,000,000	1,400,000	1,000,000	1,000,000	1,000,000	500,000	400,000	400,000
	Collector/Local Roadway/Lane Resurfacing	1,500,000	1,200,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
	Industrial Watermain and Surface Rehabilitation	-	984,000	1,432,080	-	1,426,896	941,760	-	1,505,760	-	-
Transportation Total		9,727,500	7,012,869	7,441,618	7,454,420	8,727,891	8,206,013	7,582,820	8,619,267	7,589,433	8,759,510
LIFECYCLE CAPITAL TOTAL		13,268,352	8,615,446	9,046,233	10,652,235	11,142,624	9,255,333	9,329,216	9,854,156	9,575,633	12,205,310

2022 Municipal Capital Funding

Service Type	Capital Project Code	Capital Project Description	2022 Proposed	Transfer from Operating	Transfer from Reserves	MSI	CCBF	Other Grants	Debt
Civic Infrastructure									
	Various	Information Systems Lifecycle Replacement Plan	346,939		346,939				
	Various	Vehicle Lifecycle Replacement Plan	48,000		48,000				
Civic Infrastructure Total			394,939	-	394,939	-	-	-	-
Community Facilities									
	Various	Facilities Lifecycle Replacement Plan	200,000		200,000				
	CP_CI430	Workplace Renovations - City Hall Office Restack	525,000		525,000				
Community Facilities Total			725,000	-	725,000	-	-	-	-
Parks and Open Spaces									
	Various	Equipment Lifecycle Replacement Plan	323,000			323,000			
	Various	Vehicle Lifecycle Replacement Plan	69,000		69,000				
	CP_CE727	Support to City Center Area Redevelopment Plan	505,000			505,000			
	Parks Rehab	Parks & Open Spaces Rehabilitation	230,000		230,000				
Parks and Open Spaces Total			1,127,000	-	299,000	828,000	-	-	-
Public Safety									
	Various	Equipment Lifecycle Replacement Plan	999,788			999,788			
Public Safety Total			999,788	-	-	999,788	-	-	-
Public Transit									
	Various	Transit Bus Lifecycle Replacement Plan	183,100		183,100				
Public Transit Total			183,100	-	183,100	-	-	-	-
Public Works									
	Various	Equipment Lifecycle Replacement Plan	111,025		-	111,025			
Public Works Total			111,025	-	-	111,025	-	-	-
Transportation									
	Various	Equipment Lifecycle Replacement Plan	761,500			761,500			
	Various	Vehicle Lifecycle Replacement Plan	58,000		58,000				
	CP_CE727	Support to City Center Area Redevelopment Plan	6,258,000				6,258,000		
	CP_CE1481	Arterial Roadways and Hwy 16A Resurfacing	1,150,000			1,150,000			
	CP_CE1485	Collector/Local Roadway/Lane Resurfacing	1,500,000			1,500,000			
Transportation Total			9,727,500	-	58,000	3,411,500	6,258,000	-	-
LIFECYCLE CAPITAL TOTAL			13,268,352	-	1,660,039	5,350,313	6,258,000	-	-

2022 Municipal Capital Funding Table (continued)

Service Type	Capital Project Code	Capital Project Description	2022 Proposed	Transfer from Operating	Transfer from Reserves	MSI	CCBF	Other Grants	Debt
Civic Infrastructure									
	CP_CI1315	Business Process Mapping and Budget Enhancement	77,000		77,000				
	CP_CI163	Implement Enterprise-Wide Asset Management System	20,000		20,000	-			
	CP_CI1053	Enterprise Wireless Systems	146,000			146,000			
	CP_CI417	Fibre Ring	445,763			445,763			
	CP_CI1314	Cityview Software Upgrade and Enhancement	174,283		174,283				
	CP_CE1610	Electric Vehicle Strategy	15,000		15,000				
	CP_CI1097	Solar Installation at Protective Services	424,911					127,473	297,438
	CP_CI1109	Administrative Facilities – Customer Service Renovation	20,000		20,000				
	CP_CI1110	Administrative Facilities – Community Social Development Relocation	7,500		7,500				
Civic Infrastructure Total			1,330,457	-	313,783	591,763	-	127,473	297,438
Community Facilities									
	CP_CE448	Civic Centre Development	20,759,251			10,759,251			10,000,000
Community Facilities Total			20,759,251	-	-	10,759,251	-	-	10,000,000
Parks and Open Spaces									
	CP_CE415	Spruce Grove - Stony Plain Trail - Phase 1 & 2	50,000			50,000			
	CP_CE1306	Re-Imagined Central Park	50,000			50,000			
Parks and Open Spaces Total			100,000	-	-	100,000	-	-	-
Public Safety									
	CP_DP81	Automated License Plate Reader (ALPR)	25,000		25,000				
	CP_DP82	Enforcement Services Bylaw Vehicle	41,000		41,000				
Public Safety Total			66,000	-	66,000	-	-	-	-
Public Transit									
	CP_CE265	Transit Infrastructure - Park and Ride	1,662,500			1,265,267		397,233	
	CP_CE1099	Transit - Local Service: Install Bus Stops	62,500		62,500				
Public Transit Total			1,725,000	-	62,500	1,265,267	-	397,233	-
Transportation									
	S.R.Gardens	Spruce Ridge Gardens Phase 3	450,000		450,000				
	CP_CE1612	High Load Truck Route	550,000		550,000				
Transportation Total			1,000,000	-	1,000,000	-	-	-	-
NEW CAPITAL TOTAL			24,980,708	-	1,442,283	12,716,281	-	524,706	10,297,438
TOTAL			38,249,060	-	3,102,322	18,066,594	6,258,000	524,706	10,297,438



Municipal Operating Impacts of Capital

Service Type	Capital Project Code	Capital Project Description	10 Year Capital Budget	2022 Proposed	2023 Planned	2024 Planned
Civic Infrastructure						
Growth Capital	CP_CI1097	Solar Installation at Protective Services	424,911	-	24,915	24,915
Growth Capital	CP_CI1106	Solar Installation at Agrena	753,229	-	-	-
Growth Capital	CP_CI1107	Solar Installation at Border Paving Athletic Centre	302,503	-	-	-
Growth Capital	CP_CI1108	Solar Installation at City Hall	102,470	-	-	-
Growth Capital	CP_CI1055	Delivery of Technology Services	48,000	-	-	-
Growth Capital	CP_CI163	Implement Enterprise-Wide Asset Management System	40,000	20,000	20,000	10,000
Growth Capital	CP_CI1053	Enterprise Wireless Systems	146,000	81,895	11,895	11,895
Growth Capital	CP_CI417	Fibre Ring	1,850,402	64,700	22,700	32,250
Growth Capital	CP_CE1610	Electric Vehicle Strategy	45,000	5,150	450	750
Growth Capital	CP_CI463	Public Works 2nd Floor Buildout	825,000	-	-	-
RMR (Lifecycle) Capital	CP_CI1055.1	Delivery of Technology Services	72,000	-	-	-
RMR (Lifecycle) Capital	CP_CI1053.1	Enterprise Wireless Systems	326,000	-	-	-
Civic Infrastructure Total			4,935,515	171,745	79,960	79,810
Community Facilities						
Growth Capital	CP_CE448	Civic Centre Development	44,452,502	-	642,623	2,571,214
Community Facilities Total			44,452,502	-	642,623	2,571,214
Parks and Open Spaces						
Growth Capital	CP_CE413	Jubilee Park Master Plan Implementation	8,800,000	-	-	-
Growth Capital	CP_CE415	Spruce Grove - Stony Plain Trail - Phase 1 & 2	500,000	8,000	8,000	8,000
Growth Capital	CP_CE480	Implementation of Outdoor Facilities Strategy	4,210,000	-	-	-
Growth Capital	CP_CE1306	Re-Imagined Central Park	3,400,000	-	-	-
Parks and Open Spaces Total			16,910,000	8,000	8,000	8,000
Public Safety						
Growth Capital	CP_DP82/82.1	Enforcement Services Bylaw Vehicle	41,000	12,000	12,000	12,000
Public Safety Total			41,000	12,000	12,000	12,000
Public Transit						
Growth Capital	CP_CE265	Transit Infrastructure - Park and Ride	1,662,500	20,000	-	-
Growth Capital	CP_CE1099	Transit - Local Service: Install Bus Stops	375,000	-	14,000	28,000
Public Transit Total			2,037,500	20,000	14,000	28,000
Public Works						
Growth Capital	CP_CI515	Fleet Fuel Station	675,000	-	-	-
Growth Capital	CP_CI1027	Water Well Fill Facility	272,500	-	-	-
Growth Capital	CP_CE428	Detailed Design and Construction of Snow Dump Site	1,725,600	-	-	-
Public Works Total			2,673,100	-	-	-
Transportation						
RMR (Lifecycle) Capital	CP_CE1481	Arterial Roadways and Hwy 16A Resurfacing	8,750,000	2,500	2,500	2,500
Transportation Total			8,750,000	2,500	2,500	2,500
TOTAL			79,799,617	214,245	759,084	2,701,524

Utility New Capital

The following table provides a summary of utility new capital profiles. Further detail on these profiles can be found in the Appendix, in the [Utility New Capital Profiles](#) section.

Service Type	Capital Project Description	2022 Proposed	2023 Planned	2024 Planned	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned	2030 Planned	2031 Planned
Civic Infrastructure											
	Water Meters Growth Plan	188,400	188,400	188,400	188,400	188,400	188,400	188,400	188,400	188,400	188,400
Civic Infrastructure Total		188,400	188,400	188,400	188,400	188,400	188,400	188,400	188,400	188,400	188,400
Public Works											
	Hydro Vac Drying Pad Facility	375,000	-	-	-	-	-	-	-	-	-
	Spruce Grove- Stony Plain Joint Eco Centre	-	850,000	-	-	-	-	-	-	-	-
Public Works Total		375,000	850,000	-							
NEW CAPITAL TOTAL		563,400	1,038,400	188,400							

Utility Lifecycle Capital

The following table provides a summary of utility lifecycle capital profiles. Further detail on these profiles can be found in the Appendix, in the [Utility Lifecycle Capital Profiles](#) section.

Service Type	Capital Project Description	2022 Proposed	2023 Planned	2024 Planned	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned	2030 Planned	2031 Planned
Civic Infrastructure											
	Water Meter Replacement	139,600	309,900	310,000	309,900	309,900	309,900	309,600	309,700	310,000	309,500
Civic Infrastructure Total		139,600	309,900	310,000	309,900	309,900	309,900	309,600	309,700	310,000	309,500
Public Works											
	Equipment Lifecycle Replacement Plan	-	-	841,000	-	-	-	-	-	-	135,000
	Vehicle Lifecycle Replacement Plan	58,000	49,000	-	144,500	43,500	138,000	-	40,000	105,500	-
Public Works Total		58,000	49,000	841,000	144,500	43,500	138,000	-	40,000	105,500	135,000
Transportation											
	Storm Sewer Rehab (Catch Basins)	250,000	262,000	262,000	262,000	275,000	275,000	275,000	290,000	290,000	290,000
	Storm System Upgrades	-	400,000	-	800,000	-	-	-	-	-	-
Transportation Total		250,000	662,000	262,000	1,062,000	275,000	275,000	275,000	290,000	290,000	290,000
Water & Sewer											
	Industrial WM and Surface Rehab	1,782,900	-	2,016,000	-	1,248,000	1,516,800	2,978,160	-	-	-
	Support to City Center Area Redevelopment Plan	2,888,000	3,045,231	3,288,849	3,551,957	-	-	-	-	-	-
	Sanitary Sewer Rehabilitation	300,000	-	-	-	375,000	375,000	375,000	400,000	400,000	400,000
	Water Rehabilitation Program	1,569,658	-	-	-	3,461,114	3,768,003	4,099,443	4,432,399	4,818,991	5,236,511
Water & Sewer Total		6,540,558	3,045,231	5,304,849	3,551,957	5,084,114	5,659,803	7,452,603	4,832,399	5,218,991	5,636,511
LIFECYCLE CAPITAL TOTAL		6,988,158	4,066,131	6,717,849	5,068,357	5,712,514	6,382,703	8,037,203	5,472,099	5,924,491	6,371,011

2022 Utility Capital Funding

Service Type	Capital Project Code	Capital Project Description	2022 Proposed	Transfer from Reserves	MSI	FGTF	Other Grants	Debt
Civic Infrastructure								
	Various	Water Meter Replacement	139,600	139,600	-	-	-	-
Civic Infrastructure Total			139,600	139,600	-	-	-	-
Public Works								
	Various	Equipment Lifecycle Replacement Plan	-	-	-	-	-	-
	Various	Vehicle Lifecycle Replacement Plan	58,000	58,000	-	-	-	-
Public Works Total			58,000	58,000	-	-	-	-
Transportation								
	Storm Rehab	Storm Sewer Rehab (Catch Basins)	250,000	250,000	-	-	-	-
Transportation Total			250,000	250,000	-	-	-	-
Water & Sewer								
	CP_CE1474	Industrial WM and Surface Rehab	1,782,900	1,782,900	-	-	-	-
	CP_CE727	Support to City Center Area Redevelopment Plan	2,888,000	488,000	-	-	-	2,400,000
	Sewer Rehab	Sanitary Sewer Rehabilitation	300,000	300,000	-	-	-	-
	Water Rehab	Water Rehabilitation Program	1,569,658	1,569,658	-	-	-	-
Water & Sewer Total			6,540,558	4,140,558	-	-	-	2,400,000
LIFECYCLE CAPITAL TOTAL			6,988,158	4,588,158	-	-	-	2,400,000
Civic Infrastructure								
	WTR-105	Water Meters Growth Plan	188,400	188,400	-	-	-	-
Civic Infrastructure Total			188,400	188,400	-	-	-	-
Public Works								
	CP_CE421	Hydro Vac Drying Pad Facility	375,000	375,000	-	-	-	-
Public Works Total			375,000	375,000	-	-	-	-
NEW CAPITAL TOTAL			563,400	563,400	-	-	-	-
TOTAL			7,551,558	5,151,558	-	-	-	2,400,000

Utility Operating Impacts of Capital

Service Type	Capital Project Code	Capital Project Description	10 Year Capital Budget	2022 Proposed	2023 Planned	2024 Planned
Transportation						
RMR (Lifecycle) Capital	CP_CE1067	Storm System Upgrades	1,200,000	2,500	2,750	3,250
Transportation Total			1,200,000	2,500	2,750	3,250
Public Works						
Growth Capital	CP_CE419	Spruce Grove- Stony Plain Joint Eco Centre	850,000	-	74,776	74,776
Public Works Total			850,000	-	74,776	74,776
Water & Sewer						
RMR (Lifecycle) Capital	CP_CE727	Support to City Center Area Redevelopment Plan	12,774,037	-	154,230	154,230
RMR (Lifecycle) Capital	CP_CE1474	Industrial WM and Surface Rehab	9,541,860	2,000	1,000	1,000
Water & Sewer Total			22,315,897	2,000	155,230	155,230
TOTAL			23,515,897	4,500	232,756	233,256

Developer New Municipal Capital

The following table provides a summary of developer new capital profiles. Further detail on these profiles can be found in the Appendix, in the [Developer New Capital Profiles](#) section.

Service Type	Capital Project Description	2022 Proposed	2023 Planned	2024 Planned	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned	2030 Planned	2031 Planned
Parks and Open Spaces											
	New Growth Parks	388,000	185,000	185,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000
Parks and Open Spaces Total		388,000	185,000	185,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000
Transportation											
	New Growth Transportation	-	1,200,000	-	2,100,000	2,600,000	600,000	4,400,000	100,000	3,900,000	4,485,000
Transportation Total		-	1,200,000	-	2,100,000	2,600,000	600,000	4,400,000	100,000	3,900,000	4,485,000
NEW CAPITAL TOTAL		388,000	1,385,000	185,000	2,275,000	2,775,000	775,000	4,575,000	275,000	4,075,000	4,660,000

Developer New Utility Capital

Service Type	Capital Project Description	2022 Proposed	2023 Planned	2024 Planned	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned	2030 Planned	2031 Planned
Transportation											
	Boundary Trunk Sewer Extension	-	-	1,250,000	5,750,000	-	-	-	-	-	-
Transportation Total		-	-	1,250,000	5,750,000	-	-	-	-	-	-
NEW CAPITAL TOTAL		-	-	1,250,000	5,750,000	-	-	-	-	-	-

2022 Developer Capital Funding

Service Type	Capital Project Code	Capital Project Description	2022 Proposed	Transfer from Reserves	Developer Contributions	MSI	FGTF	Other Grants	Debt
Parks and Open Spaces									
	CP_CE139	New Growth Parks	388,000	-	388,000	-	-	-	-
Parks and Open Spaces Total			388,000	-	388,000	-	-	-	-
NEW CAPITAL TOTAL			388,000	-	388,000	-	-	-	-
TOTAL			388,000	-	388,000	-	-	-	-

Developer Operating Impacts of Capital

Service Type	Capital Project Code	Capital Project Description	10 Year Capital Budget	2022 Proposed	2023 Planned	2024 Planned
Parks and Open Spaces						
Growth Capital - Municipal	CP_CE139	New Growth Parks	1,983,000	5,200	5,200	5,300
Parks and Open Spaces Total			1,983,000	5,200	5,200	5,300
Transportation						
Growth Capital - Municipal	CP_CE137	New Growth Transportation	19,385,000	-	-	77,115
Growth Capital - Utility	CP_CE138	Boundary Trunk Sewer Extension	7,000,000	-	-	5,000
Transportation Total			26,385,000	-	-	82,115
TOTAL			26,385,000	5,200	5,200	87,415

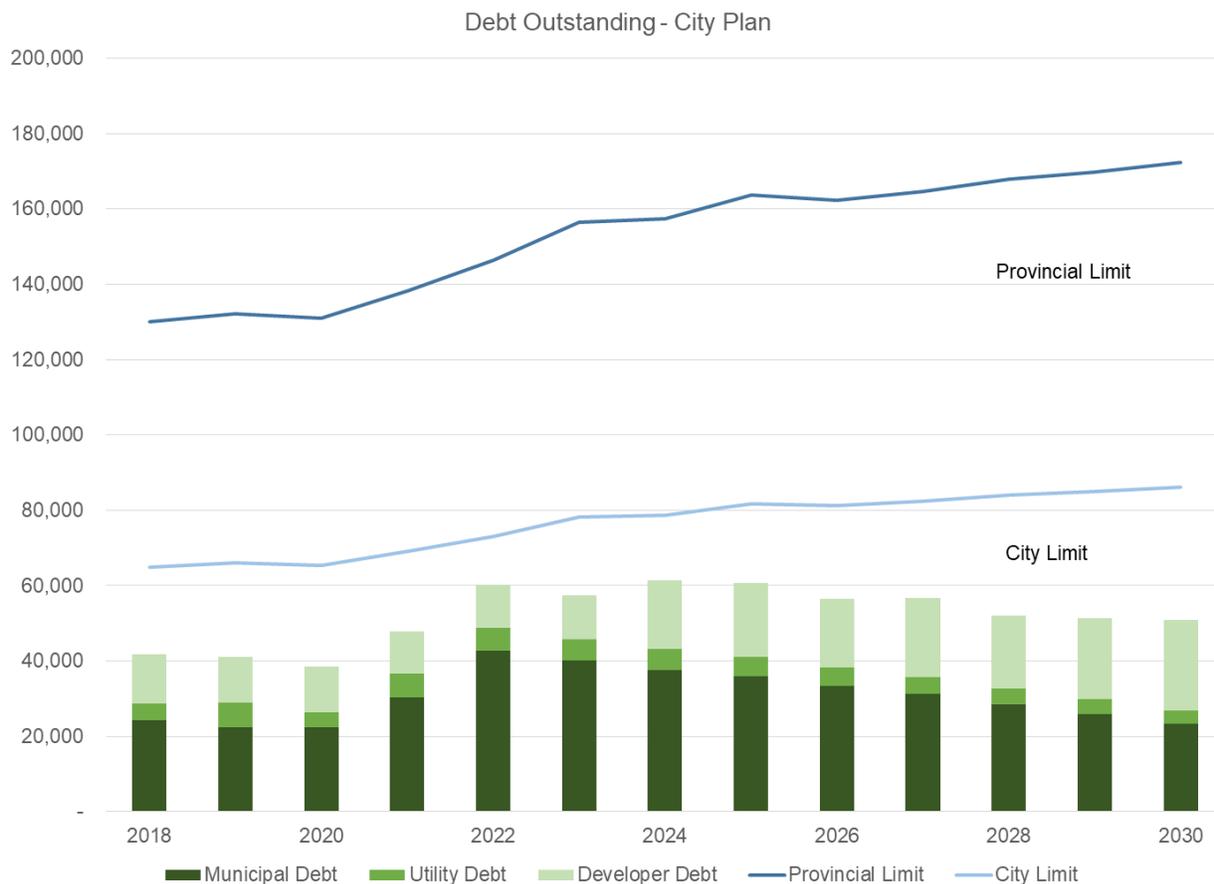


Debt

The City maintains debt levels that allow for a healthy degree of flexibility in providing programs and services. The City recognizes that debt can be used to appropriately accelerate capital projects necessary for the well-being of the community, giving consideration to the associated inherent financing costs.

New debt is considered when funding from grants and other sources cannot be secured. When the balance of cash on hand allows, consideration is given to reducing or deferring new debt.

The City has a financial policy that requires maintaining debt at 50% of the provincial debt limit. The provincial limit is a requirement set out by the *Municipal Government Act* and the Debt Limit Regulation which requires that “the debt limit of a municipality at a point in time is, (a) in respect of the municipality’s total debt, 1.5 times the revenue of the municipality, and (b) in respect of the municipality’s debt service, 0.25 times the revenue of the municipality.” The City’s self-imposed debt limits are 50% of the provincial limits. The City is projecting to stay below the municipal policy limit throughout the duration of the plan and into the foreseeable future.



At the close of 2022, the City is projected to reach a debt level of \$47.89 million, which represents 35% of the provincial limit and 70% of the municipal policy limit. Long-term debt contributes to the increase of the City’s net debt position and the service of that debt reduces available operating budget dollars.

Debt Tables

	2021 Revised (\$000s)	2022 Proposed (\$000s)	2023 Planned (\$000s)	2024 Planned (\$000s)
RCMP Facility	7,818	7,375	6,933	6,490
Protective Services Facility	5,017	4,668	4,308	3,936
Civic Centre Development	-	10,000	24,059	23,094
Public Works Facility	4,306	4,123	3,933	3,736
Local Improvements	3,287	2,946	2,596	2,235
Agrena	496	304	104	-
Library	499	339	173	-
Tri-Leisure Centre	41	-	-	-
Westwind Lands	452	-	-	-
Printer Leases	95	45	-	-
Solar Panel Leases	359	633	595	555
Municipal Loans Outstanding	22,370	30,435	42,700	40,046
Storm System Upgrades	2,029	1,940	1,848	1,755
Industrial Watermain and Surface Rehab	2,071	1,980	1,887	1,793
Support to the City Centre ARP	2,397	2,400	2,306	2,210
Utility Loans Outstanding	6,498	6,320	6,042	5,758
New Growth Transportation	11,199	10,309	10,619	9,682
Sanitary Sewer	-	-	-	1,250
Water Reservoir	901	827	754	681
Developer Loans Outstanding	12,100	11,136	11,373	11,613
TOTAL	40,967	47,891	60,115	57,416

Principal and interest repayments as of December 31, 2022 are as follows:

Year	Principal (\$000s)	Interest (\$000s)	Total (\$000s)
2023	3,426	1,231	4,657
2024	3,949	1,535	5,483
2025	3,784	1,461	5,246
2026	4,157	1,552	5,709
2027	4,264	1,544	5,809
Subsequent	71,992	14,692	86,683
	91,572	22,015	113,587

Debenture debt, other than land assembly debt, is repayable to the Alberta Capital Financing Authority, Canadian Imperial Bank of Commerce and Pacific and Western Bank bearing interest at rates ranging from 1.88% to 6.38% per annum, before provincial subsidy, and matures in periods 2021 to 2040. Debenture debt is issued on the credit and security of the City of Spruce Grove.

Debt Limit Tables

The province sets legislated limits for debt outstanding and debt servicing. These limits are based on revenue earned by the City in a particular year. Revenue as defined in Alberta Regulation 255/00 is calculated using the total revenue for the reporting year less capital government transfers and contributed tangible assets recognized in the year.

	2021 Revised (\$000s)	2022 Proposed (\$000s)	2023 Planned (\$000s)	2024 Planned (\$000s)
Total Revenue	112,993	126,797	120,315	122,623
Contributed Tangible Capital Assets	(1,836)	(9,723)	(10,506)	(7,420)
Government Transfers - Capital	(23,033)	(24,849)	(12,262)	(10,850)
Revenue for Debt Limit	88,124	92,225	97,547	104,353

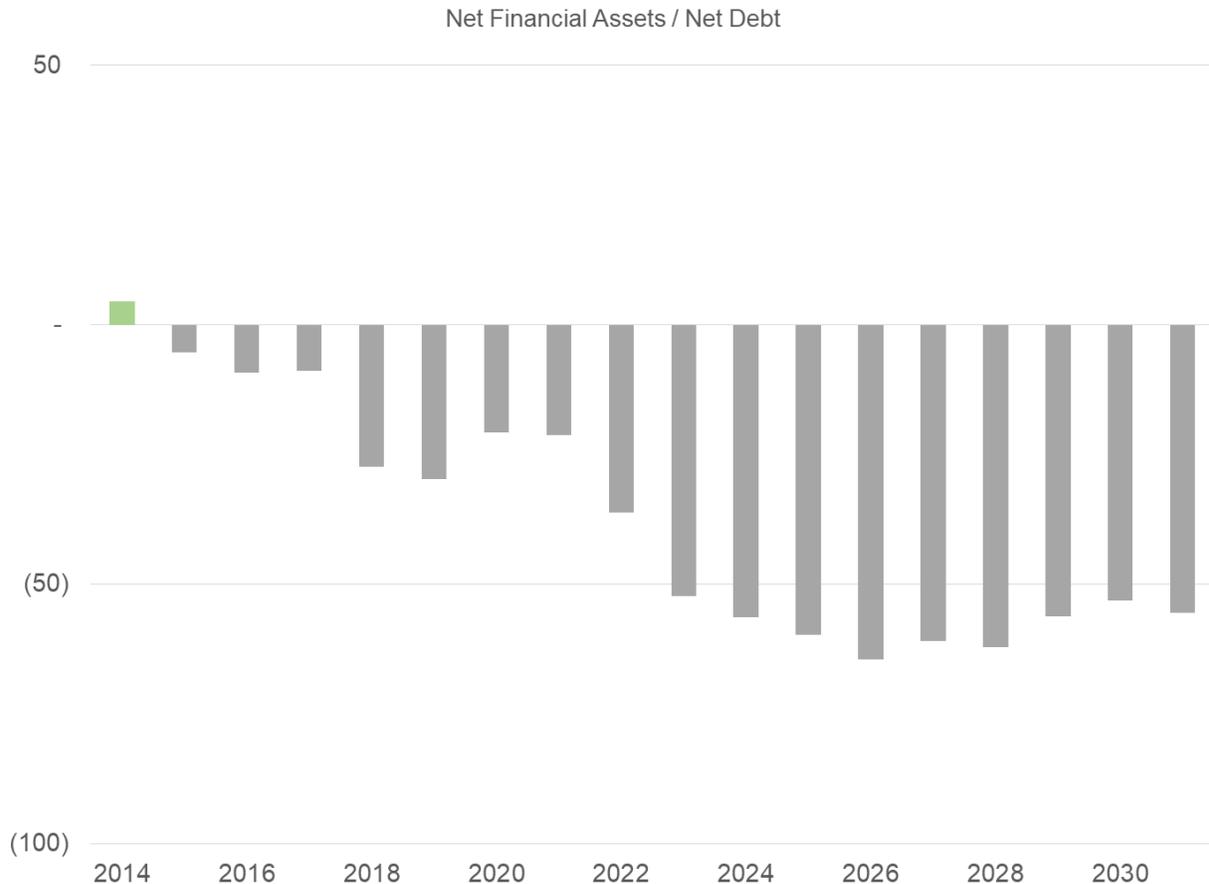
Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/00 for the City be disclosed as follows:

	2021 Revised (\$000s)	2022 Proposed (\$000s)	2023 Planned (\$000s)	2024 Planned (\$000s)
Total Debt Limit (1.5 X Revenue),	132,186	138,338	146,320	156,530
Less Total Debt	(40,967)	(47,891)	(60,115)	(57,416)
Amount of Debt Limit Unused	91,219	90,446	86,205	99,113
	-	0	0	0
Debt Servicing Limit (0.25 X Revenue)	22,031	23,056	24,387	26,088
Less Debt Servicing	(4,209)	(3,879)	(4,622)	(5,449)
Amount of Debt Servicing Limit Unused	17,822	19,177	19,765	20,639

Net Financial Assets or Net Debt

Net financial assets or net debt indicates the affordability of additional spending. It is calculated as the difference between the City’s financial assets and liabilities at a point in time.

The City maintained a net financial asset position to the end of 2014 and moved to a net debt position from 2015 onward. As illustrated in the chart below, the City is projecting to be in a net debt position for the duration of this plan and into the foreseeable future. To revert back to a net financial asset position, the City must earn more surplus than is being spent on assets. Beginning to build reserves will shift this position over time.



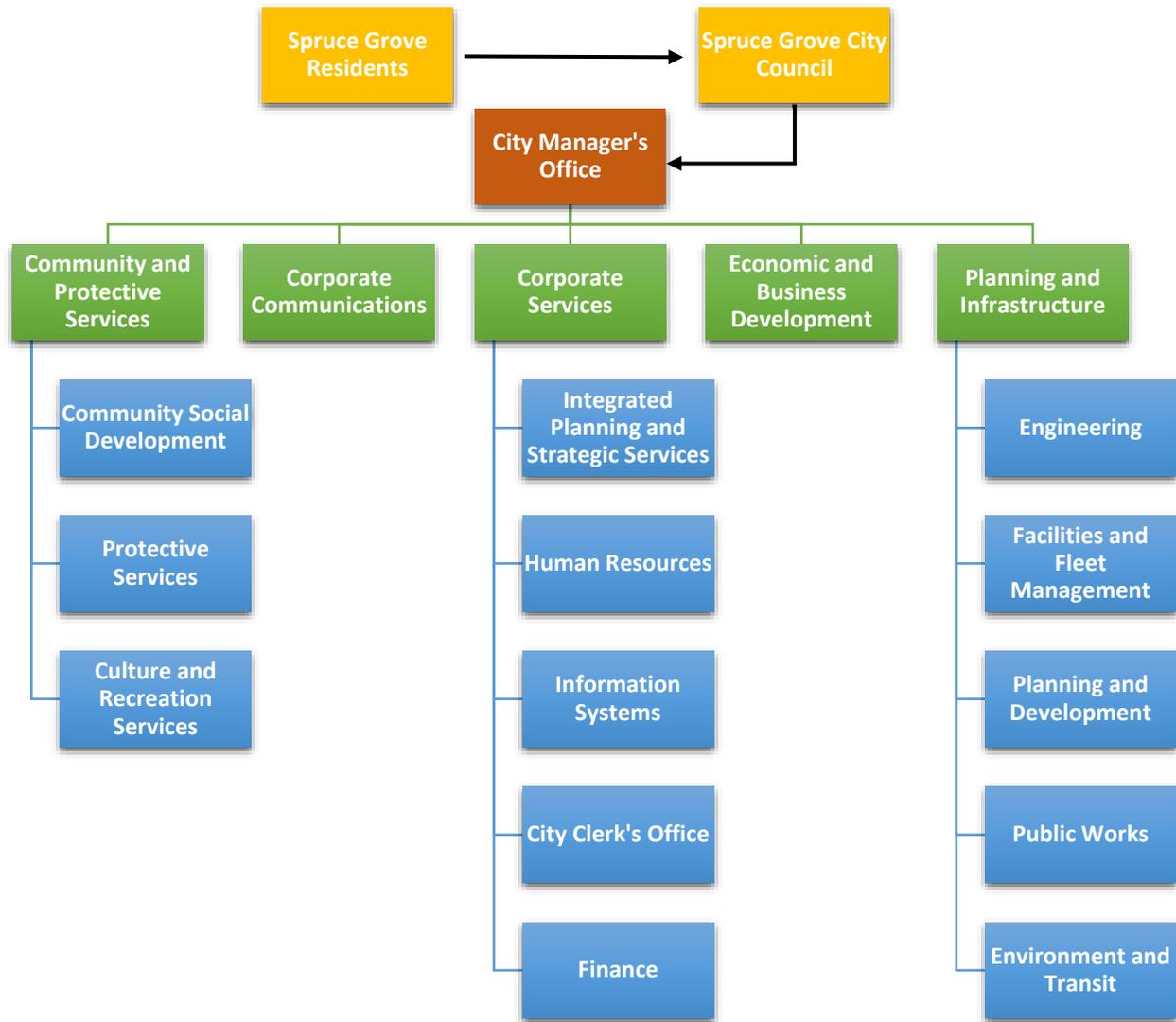
Net financial assets indicate that there are sufficient resources on hand to settle existing liabilities and pay for future operations. Net debt indicates that future revenues are required to pay for past transactions or events. The net debt position at the close of 2022 is projected to be \$36.11 million.

Financial forecasts present, to the best of Administration's knowledge and belief, the City's expected financial position, results of operations and cash flows for the forecast period. Accordingly, forecasts reflect judgments as of October 14, 2021, the date of these forecasts, of the expected conditions and Administration's expected course of action. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

YOUR CITY



YOUR CITY: AN OVERVIEW



Spruce Grove City Council

The City of Spruce Grove is governed by an elected Council of a mayor and six councillors. Spruce Grove City Council is responsible for identifying the overall vision for the community and developing a long-term strategic plan for the City. Council also reviews and approves new or amended policies, procedures, and bylaws and approves the annual corporate plan, which is the City’s principal guiding document for providing residents with a high quality of life at an affordable rate, while also staying the strategic course of municipal economic sustainability.

Corporate Office

The Corporate Office includes the City Manager's Office, Corporate Communications and Economic and Business Development Departments. The Chief Administrative Officer (CAO) is responsible for the overall administration of the City of Spruce Grove and plays a key administrative leadership role in the organization. The CAO acts as a liaison between Spruce Grove City Council and Administration and ensures the implementation of City policies and programs. Corporate Communications leads communications planning and consulting, branding and visual identity, writing and editing, issues management, crisis communications, and media relations for the organization and supports the communication needs of other departments within the City. Economic and Business Development is responsible for facilitating programs and services intended to help local businesses prosper and grow, and attract new business and investment to Spruce Grove.

Corporate Services

The Corporate Services division provides operational, technological and strategic enabling services to the organization. It is comprised of departments that focus on integrated strategic planning, legislative and policy administration, information management, insurance, risk and legal administration, election and census administration, and customer service program coordination. Other responsibilities include human resource management, labour and employee relations, financial planning and reporting, information technology and network administration, corporate planning and asset management.

Community and Protective Services

The Community and Protective Services division works to create and sustain a healthy, safe, caring and socially inclusive community that people want to call home. It is comprised of departments that are responsible for preventative social programming, counselling, indoor and outdoor facility management, open space planning, recreation, community events, Horizon Stage, volunteer development, Enforcement Services and integrated Fire/EMS. In addition, Community and Protective Services works as the City's administrative liaison to the Spruce Grove Public Library, RCMP Officer in Charge, TransAlta Tri Leisure Centre, Specialized Transit Service, Yellowhead Regional Library and Allied Arts Council, and facilitates a number of boards and committees including the Community Police Advisory Committee, Horizon Stage Theatre Advisory Board and the Joint Use Committee.

Planning and Infrastructure

The Planning and Infrastructure division works to ensure quality and sustainable community development by building and supporting civic infrastructure and responding to the development needs of the community. It is comprised of departments that are responsible for long-range planning, construction-related projects, monitoring the construction of new infrastructure by private interests, sustainability initiatives, and the ongoing maintenance of most of the City's traditional servicing infrastructure and physical assets. In addition, Planning and Infrastructure is responsible for providing a number of primary services through contract arrangements, including Spruce Grove Transit, solid waste, organics and recyclable materials collection, and all building, plumbing, electrical and gas inspections for new construction.

YOUR CITY: BY FUNCTION

Considering program and service delivery, the City is divided in six key functions:

- General Government;
- Protective Services;
- Transportation and Roadway Services;
- Community Services;
- Development Services; and
- Utility Services.

Details of the specific functions, operating budget and departments profiles are provided below.

General Government

The General government function contains the following areas:

- Council
- City Manager's Office
- City Clerk's Office
- Corporate Communications
- Finance
- Human Resources
- Information Systems
- Integrated Planning and Strategic Services

Operating Budget

	2020 Actuals (\$000)	2021 Revised (\$000)	2021 Forecast (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues						
Property Taxes	40,745	41,982	41,982	45,071	47,295	49,898
Franchise Fees	6,149	6,634	6,588	6,563	7,226	7,454
Utility Administration Fees	2,320	2,508	2,551	2,646	2,837	2,920
Penalties	902	860	877	664	675	686
Investment Income	732	200	566	231	230	230
Government Transfers - Operating	-	226	286	93	85	85
Sales & User Fees	150	141	180	141	141	141
Other	134	62	97	36	35	37
Transfer From Reserves - MOST	-	327	139	-	-	-
Transfer From Reserves	-	-	4,251	367	145	-
	51,132	52,941	57,517	55,811	58,668	61,451
Expenses						
Salaries, Wages & Benefits	7,885	8,703	8,357	9,238	9,555	9,637
Contracted & General Services	3,023	4,390	8,494	4,732	4,353	4,268
Materials, Goods, Supplies	403	740	664	554	529	561
Principal Repayment on Long Term Debt	44	47	47	50	45	-
Transfers to Government, Agencies and Other Organizations	1	1	1	26	26	26
Interest on Long Term Debt	10	19	19	4	1	-
Other	97	354	304	361	361	361
Bank Charges	107	140	135	132	132	132
Transfer To Lifecycle Reserves		618	618	1,393	2,235	3,217
Transfer To Reserves	9,695	387	3,680	481	1,059	42
	21,265	15,398	22,319	16,971	18,296	18,243
Annual Surplus	29,867	37,543	35,198	38,840	40,372	43,208

City Clerk's Office

The City Clerk's Office supports the democratic governance model for City Council, all City departments and Spruce Grove residents. The office also administers the electoral and legislative programs of the City.



Programs and Services Overview

The following list of programs and services are provided by the City Clerk's Office:

- Overseeing, guiding and tracking the entire legislative process, from drafting of proposed legislation to final approval and publication.
- Creating and publishing agendas for all Council and Committee of the Whole meetings and providing parliamentary procedural guidance to Council and Administration.
- Planning, coordinating and executing the municipal census, municipal and local school board elections, and Council orientation programs.
- Overseeing the Subdivision and Development Appeal Board and associated processes.
- Coordination of Council remuneration reviews.

Key Department Highlights

This past year saw significant shifts in how the City Clerk's Office provides services to its clients. The COVID-19 pandemic forced the process for Council meetings to transition fully virtual, which also required updating and adding electronic hardware in Council Chambers to support webcasting. In addition to having to shift in service delivery, the team was also able to start implementing the new meeting management software (eSCRIBE), successfully conduct a municipal election and make changes to the Subdivision and Development Appeal Board process to increase transparency and fairness.

Looking Ahead to 2022

The City Clerk's Office is focusing on the following opportunities for 2022:

- **Committee governance structure review:** Review of primarily internal committee composition and recruiting processes. This also includes how these committees operate from a governance perspective.
- **Implementing meeting management software:** The new eSCRIBE software is expected to be implemented more broadly in the organization to help manage meeting documentation.

Other key opportunities for the team in 2022 include the launch of the following business cases:

- **Bylaw and policy review and update:** Investment is needed to review and update bylaws and policies to ensure they are up to date and reflect current legislation.

Corporate Communications

The Corporate Communications Department leads external communications planning and consulting, branding and visual identity, writing and editing, issues management, and media relations for the organization as well as providing strategic advice to departments within the City on public participation practices. Corporate Communications also provides communications support to Council.



Using various tools and tactics, the department helps inform Spruce Grove residents, City staff, and other stakeholders about the City's activities, programs, policies and initiatives.

Programs and Services Overview

Key department responsibilities include:

- External communications and advertising to increase public awareness of City (Council) decisions, programs and services.
- Graphic design and brand management.
- External website development and management.
- Social media engagement and management.
- Public engagement consultation with departments and management of public engagement software platform (Bang the Table EngagementHQ).

Key Department Highlights

Starting in the spring of 2020, the City's Emergency Management Agency identified communications regarding the global pandemic as a key priority. With rapidly changing protocols and situations, an estimated 80% of the team's capacity shifted to pandemic response in order to keep the public and staff informed. A number of internal and external communications campaigns were launched to raise awareness and inform and educate the public and staff about the City's response to COVID-19.

The team also released the City's digital annual report, supported internal communications, and found new and innovative ways to connect with the public. This included shifting some events to a video format (eg: Light Up at Central Park) and finding opportunities for the Mayor to share live updates with the community (eg: Mayor's Facebook Live events). The department also launched the new digital version of CityPulse magazine.

Looking Forward to 2022

Key opportunities for the Corporate Communications team in 2022 include the launch of the following business cases:

- **Customer Service Strategy:** In order to enhance our delivery of customer service, a Customer Service Strategy will be developed that will include a formal assessment of our current customer service practices, inventory of tools, processes and procedures currently in place, engagement with the community and staff to determine needs and expectations, and research best practices. Components of the implementation will include a recommendation for a CRM system to track and respond to inquiries, a formalized knowledge base for internal and external audiences, and defined processes, procedures, and expectations related to customer service.

- **Platform Replacement for Intranet:** The City's internal staff Intranet, the Hub, is an internal website where staff can find organizational information, while also being updated on City/corporate news and events. The current platform (software) is antiquated and enhancements are no longer supported by the vendor, resulting in several issues and functionality gaps.

Finance

The Finance Department provides confidence in the City's fiscal decision-making through supplying dependable financial information and advice to internal and external users, ensuring regulatory compliance, and maintaining stewardship of public funds.



The team has direct relationships with colleagues in other departments to support their budgeting, planning and reporting processes, in addition to preparing policy for Council and Administration review and approval. They also help to provide required financial support for decisions in every area of the organization as well as day to day needs through Accounts Receivable and Accounts Payable. From an external perspective, the team supports ratepayers and taxpayers through utility and tax accounts and the processes related to those areas.

Programs and Services Overview

Key programs and services provided by the Finance Department include:

- Financial management
- Accounting and reporting
- Financial planning
- Revenue services
- Frontline services

Key Department Highlights

2020 presented unprecedented challenges due to the COVID-19 pandemic. The team worked hard to successfully shift service delivery to external customers to a virtual format. In 2021, the team was able to implement new budgeting software in a completely virtual setting with the support of Information Systems and the selected vendor. The team also transitioned Accounts Payable to a paperless environment and a digital filing format. Other key highlights include:

- Established a split Operations and Capital model which was subsequently approved by Council and allowed for the shift towards development of reserves. This contributes to greater transparency in budgeting and reporting.
- Developed a Reserves and Accumulated Surplus Policy to guide the division of the accumulated surplus and provide transparent funding for lifecycle and capital programs as well as some operational priorities.
- Developed a Long-Term Capital Plan to be built into the planning framework for the organization.

Looking Forward to 2022

Looking internally, 2022 is providing key opportunities for the Finance Department to leverage support from leadership for the development of more mature finance principles, policies, and

practices. The team will also focus on the continued development of fiscal sustainability principles in the organization.

Other key opportunities for the team in 2022 include the launch of the following business case:

- Utility Fiscal Review

Human Resources

The Human Resources Department is an advisor and strategic partner for the organization to support achieving business objectives while ensuring the fair and equitable treatment of all employees. The team oversees the management and development of people resources, enabling both employee and organizational success. Human Resources also manages payroll and benefit processing and oversees the Health and Safety Program, which represents the City's commitment to ensuring the health and well-being of every employee.



Programs and Services Overview

Human Resources provides leadership, functional expertise, and advice in the following disciplines:

- Recruitment, selection, and employee orientation
- Workforce planning and succession management
- Benefits and compensation management
- Organizational learning and development
- Employee and labour relations
- Occupational health and safety

2021 Department Highlights

Supporting employees and the organization through the COVID-19 pandemic has been the main priority for the Human Resources function. Human Resources managed ongoing staff movement in support of changing business needs through organizational redesign and workforce optimization.

Other accomplishments of note for Human Resources in the past year include:

- Introduction of the Human Resources/Labour Relations Manager role to provide organizational expertise in the areas of employee and labour relations.
- Implementation of the leadership competency framework to build organizational capacity.
- Continuing the partnership with the City of St. Albert and Strathcona County for firefighter recruitment, as well as conducting female firefighter recruitment.
- To address COVID-19, a remote work procedure was established to ensure service level continuity; field level hazard assessments were conducted at City sites, while implementing appropriate safety measures, and recruitment, interviewing, and orientation shifted to a virtual format.

Looking Forward to 2022

Human Resources will continue to act as advisors and partners to its clients, providing meaningful solutions and strategies. Priorities for 2022 include:

- Development of a revised Human Resources function framework focusing on strategic partnership, aligning with organizational goals.
- Implementing a leadership development program that integrates leadership competencies.
- Review of the employee lifecycle model to enhance employee experience and engagement level.

Information Systems

The Information Systems Department is responsible for the development and implementation of the City's technology plan, the strategy and standards for the City's information technology platform and electronic data information system. The team designs, develops, secures, implements, and maintains an integrated network of computer systems and software applications in a cost-effective manner. In addition, Information Systems oversees the City's responsibilities under the Freedom of Information and Protection of Privacy Act and the City's Information Management program.



Programs and Services Overview

Though Information Systems does provide technology for use by the residents of Spruce Grove, such as public Wi-Fi, the focus of the team is to partner with business units to select, deliver, and operate cost effective technology solutions. This is accomplished through:

- Desktop support\service delivery
- Server and network administration
- Technology strategic planning and architecture design
- Security administration
- Vendor management

Key Department Highlights

In response to COVID-19, the team worked tirelessly to transition both Administration and Council to a virtual environment. This significant amount of change in a short period of time was successfully handled by the team and marks a key department highlight from 2020.

In addition to navigating changes brought on by the pandemic, the team also had other key accomplishments from the past year:

- Partnered with Finance and a vendor to implement a new budgeting solution that hosts data in one place and allows for Administration to provide more in-depth analysis and tracking for financial information.
- Partnered with Finance to rollout out electronic signatures and workflows for invoice approvals.

- Continued partnership with the Planning and Development Department and the Engineering Department, working towards the implementation of CityView for additional online licence and permit processing with full implementation expected in early 2022.
- Mapped 76 kilometres of data for the GIS system, allowing the team to use data collected to inform decision making.
- Rolled out Wi-Fi to several City facilities and completed core infrastructure upgrades.

Looking Forward to 2022

Key opportunities for the team in 2022 include the launch of the following business cases and capital profiles:

- Implementation of the fibre network build

The team will also work as a business partner supporting various business cases within the organization, such as the Customer Service Strategy, buildout of the fibre optic broadband network, and any with a focus on implementing new solutions or process improvements.

Integrated Planning and Strategic Services

The Integrated Planning and Strategic Services (IPSS) Department connects people and processes to get the best value from decisions. IPSS serves to continuously evolve and improve strategic corporate programs with an integrated, coordinated and collaborative approach.



Programs and Services Overview

The programs and services delivered by the IPSS Department include:

- Strategic, corporate and business planning
- Corporate performance measures
- Asset management
- Integrated risk management
- Procurement, contracting and legal services
- Project management

Key Department Highlights

The IPSS Department accomplished significant pieces of work in the past year, especially considering the work was done in the midst of the COVID-19 pandemic. Some of those accomplishments include:

- Introduced quarterly reporting, which supports Council's desire to be more open and transparent and enhance their ability to communicate with the community on what's happening in the City.
- Introduced sustainable procurement with a policy statement being approved by Council.
- Advanced the asset management program with the roads, water, and sanitary lifecycle plans being built this year. This is being operationalized to support coordination and planning as well as streamline workflows by using the technology in the field.
- Advanced risk management through an Integrated Risk Management Framework that is being developed to be used both strategically and operationally.

Looking Forward to 2022

As a significant piece of the IPSS Department's work is around effective planning, a major project for 2022 is working with the newly elected members of Council to develop an updated strategic plan. Once this strategic plan is developed, a series of corporate objectives will follow that will inform Administration's corporate planning process and parallel department business planning process. Implementing this planning hierarchy is a key piece of work that is led by the IPSS Department for 2022.

The City also received a \$50,000 grant from the Federation of Canadian Municipalities (FCM) Municipal Asset Management Program. This grant will be used to collect asset data and do an assessment for the facilities portfolio. This will provide a greater understanding of the condition of the City's facility assets, which in turn informs better decision making and sustainable budgeting over the long term.

Other key opportunities for the team in 2022 include the launch of the following business cases:

- Maturing Processes - an Organizational Approach to Procurement - Procurement Specialist
- Intergovernmental Affairs Advisor

Protective Services

The protective services function contains the following areas:

- Spruce Grove Fire Services
- Enforcement Services
- Safe City

Operating Budget

	2020 Actuals (\$000)	2021 Revised (\$000)	2021 Forecast (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues						
Fines	1,539	2,923	2,384	2,484	2,484	2,484
Sales to Other Governments	2,667	2,667	2,776	2,667	2,667	2,667
Sales & User Fees	1,343	1,116	1,103	1,116	1,116	1,117
Government Transfers - Operating	726	701	701	720	720	720
Rental	362	579	443	582	585	585
Licenses & Permits	2	2	2	2	2	2
	6,647	7,989	7,409	7,573	7,576	7,576
Expenses						
Salaries, Wages & Benefits	8,987	9,682	9,301	10,802	11,258	11,659
Purchases from Other Governments	5,494	6,487	6,198	6,305	6,324	6,439
Contracted & General Services	1,176	1,974	2,063	2,056	2,062	2,073
Materials, Goods, Supplies	688	644	696	702	707	717
Transfers to Government, Agencies and Other Organizations	11	11	11	11	11	11
Principal Repayment on Long Term Debt	-	-	-	-	16	16
Interest on Long Term Debt	-	-	-	-	9	8
	16,356	18,797	18,269	19,876	20,387	20,925
Annual Deficit	(9,709)	(10,808)	(10,860)	(12,304)	(12,811)	(13,349)

Protective Services (Department)

Protective Services is comprised of three units: Spruce Grove Fire Services, Enforcement Services and Safe City.



Programs and Services Overview

Programs and services delivered by the Protective Services Department include:

Spruce Grove Fire Services (SGFS):

- Suppression of fires including all structures, natural areas and motor vehicles
- Providing Advanced Life Support ambulances to Alberta Health Services 24/7
- Providing an initial response and command oversight of all dangerous goods releases in Spruce Grove
- Investigation of every fire in Spruce Grove
- Working cooperatively with other protective services agencies, such as police, to assist them in their duties as required

Enforcement Services:

- Bylaw enforcement
- Provincial legislation enforcement
- Animal control
- Traffic enforcement
- Delivering Safe City initiatives such as the Intersection Safety Program
- Providing and delivering public safety education programs to the community

Safe City:

- Promoting and enhancing Safe City initiatives where residents are and feel safe
- Partnering with and supporting community groups and organizations that promote Safe City objectives and initiatives
- Management of Automated Traffic Enforcement (ATE) contract
- Fulfilling the requirements of the Fire Inspection program approved in the Quality Management Plan

Key Department Highlights

The Protective Services Department played a significant role in managing the pandemic by maintaining the Emergency Management Agency and providing expertise in emergency management. The department prepared for staff shortages, assisted other municipalities as they struggled with staff shortages, and assisted AHS with ambulance shortfalls.

In addition to the pandemic response, the department also instituted a pilot project on traffic enforcement. This pilot program introduced a dedicated traffic unit consisting of two officers, which reduces ATE mobile hours. The pilot was successful and is included as part of this corporate plan, becoming a permanent unit moving forward (see Enforcement Services Staffing business case). This business case and permanent dedicated traffic unit is supported by the Traffic Safety Committee.

Finally, the department spent time in 2021 to operationalize the newly opened Protective Services Facility. This facility is home to Spruce Grove Enforcement Services and Fire Services.

Looking Forward to 2022

A key priority for the Protective Services Department in 2022 is to prepare the long term 10 year staffing plan. At this point, the staffing levels have reached the apex of where they need to be, but those levels need to be maintained in line with population growth in the City. This staffing plan will provide key information for Administration as budgets are prepared in the coming years.

In addition, the department is continuing program and service delivery in line with public health measures resulting from the COVID-19 pandemic and ensuring continued service provision.

Transportation and Roadway Services

The transportation and roadway services function contains the following areas:

- Engineering
- Environment and Transit
- Facilities and Fleet Management
- Public Works

Operating Budget

	2020 Actuals (\$000)	2021 Revised (\$000)	2021 Forecast (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues						
Government Transfers - Operating	4,217	1,109	1,025	1,071	1,001	1,072
Sales & User Fees	717	595	548	734	795	845
Other	241	482	446	281	281	286
Rental	105	148	87	92	92	93
Licenses & Permits	54	70	70	60	62	65
Investment Income	21	24	18	14	11	8
Transfer From Reserves - MOST	-	222	116	-	-	-
Transfer From Reserves	-	-	-	933	681	1,006
	5,355	2,650	2,310	3,185	2,923	3,375
Expenses						
Salaries, Wages & Benefits	7,222	7,809	7,437	8,209	8,257	8,394
Contracted & General Services	4,551	5,740	4,953	5,550	5,286	5,735
Materials, Goods, Supplies	2,631	3,045	3,011	3,140	3,204	3,266
Purchases from Other Governments	2,004	2,674	1,834	2,559	2,672	2,791
Principal Repayment on Long Term Debt	954	978	978	997	1,016	1,036
Interest on Long Term Debt	586	510	510	531	501	471
	17,948	20,756	18,723	20,986	20,935	21,693
Annual Deficit	(12,593)	(18,106)	(16,413)	(17,801)	(18,012)	(18,318)

Engineering

The Engineering Department provides the leadership and direction for all engineering related responsibilities for the City. The department undertakes many aspects of its work in house, but also draws on the services of specialized private engineering consultants to complete design, tender, contract document preparation and contract administration for many Capital Works projects. For new developments, developers are responsible for hiring engineering consultants to design new private and public infrastructure.



Responsibilities of this department include:

Programs and Services Overview

Services delivered by the Engineering Department include:

- Asset management within Capital Works programs for rehabilitation and major maintenance of water mains, sanitary sewers, storm sewers and roads/sidewalks.
- Managing new growth (development related) roads, sanitary sewer, and water main construction to developing areas of Spruce Grove.
- Updating master plans for water network, sanitary sewer network, storm sewer network, and transportation network and implementing upgrades and new construction recommended in master plans.
- Managing City municipal development standards.
- Management of New Growth Parks program and the Lifecycle Parks program.
- Preparation and management of development agreements and associated construction.
- Development of policy frameworks to guide major infrastructure development and lifecycle management.

Key Department Highlights

As with many other departments within the City, the COVID-19 pandemic required a significant shift in how the Engineering team conducted their work and delivered services. The team successfully shifted to accommodate remote work and remote service delivery without an interruption of service. In addition, as many residents were at home during the pandemic, the team saw an increase in service requests that they were able to successfully address.

From a project point of view, the City Centre Area Redevelopment Plan (ARP) was a significant accomplishment. Approval received by Council meant that Columbus Park redevelopment could begin and is on schedule to be completed in 2022. In addition, the team is working with the Manager of Asset Management to gather up to date data on City assets to build a comprehensive lifecycle plan.

Looking Forward to 2022

There are a variety of priorities the Engineering team will be focusing on in 2022. Internally, the team is looking to review their processes, policies, and future resource requirements to ensure they are aligned to address the needs of a growing city.

From an external priority perspective, the team is actively working on the City Centre ARP, which is in year one of the six year project.

Other key opportunities for the team in 2022 include the launch of the following business cases:

- Speed Reduction – safety review
- Spruce Grove/Stony Plain trail connection
- Lifecycle plans – roads, underground (storm, sanitary and water), stormwater facilities
- Capital profiles – industrial water main and surface rehab, high load truck route, new growth parks

Environment and Transit

The Environment and Transit Department provides two streams of service: Transit Operations and Environmental Services. The focus of Transit Operations is to provide cost effective and efficient commuter and local transit service with on-going discussions with our regional partners. The focus of Environment is to study, promote, educate and work with the community, regional partners and City operations in support of reducing waste to landfill, conserving water and energy, reducing greenhouse gas emissions, mitigating/adapting to climate change and managing environmental liabilities.



Programs and Services Overview

The following programs and services are delivered by the Environment and Transit Department:

Climate change mitigation:

- Greenhouse gas reduction
- Energy efficiency and Green building support
- Waste diversion and water conservation
- Water conservation

Climate change adaptation:

- Extreme weather event risk evaluation and preparedness
- Corporate risk evaluation as it relates to a changing climate

Environmental compliance:

- Environmental liabilities management
- Environmental release reporting
- Stormwater management facility monitoring program development
- Natural areas management – natural environmental protection

Transit management:

- Monitor the commuter transit system for the City once the Regional Transit Commission begins in fall 2022
- Local transit service planning

Key Department Highlights

The work done by the Environment and Transit Department was significantly impacted by the COVID-19 pandemic, particularly with Transit Operations. Ridership on local and commuter transit was 80% lower than normal, requiring a shift in service provision and implementation of enhanced health and safety protocols. Recovery back to pre-COVID-19 levels is in progress and the team is anticipating the recovery to take two to three years. In addition, on-demand

local service was introduced, the UPass program was renegotiated with the post-secondary institutions for another four year period, the rollout of the Arc electronic fare payment system began in August, and the shift towards the Regional Transit Commission is in progress.

For Environment Services, the Single-Use Items Reduction Bylaw is on track to be implemented in 2022. In addition, the team is in the midst of developing the Climate Change Action Plan and is currently collecting data and conducting public engagement. The greenhouse gas inventory was also updated, which provides better data on how emissions are trending for both City operations and the community as a whole.

Looking Forward to 2022

Transit Operations has significant priorities in 2022, which are outlined as follows:

- Spruce Grove is participating in Arc, the regional electronic fare payment system. Phase 1 was implemented in the fall of 2021 with full implementation scheduled for 2022.
- Support the transfer of transit service to the new Edmonton Metropolitan Transit Services Commission in 2022. As a member of the commission, the City of Spruce Grove will be billed an annual requisition for the net cost of the service.

Environmental Services also has significant priorities for 2022, which include:

- Begin implementation of year one of the 10 year Climate Change Action Plan.
- Explore potential implementation of the Clean Energy Improvement Program (CEIP), delivered through the Municipal Climate Change Action Centre (MCCAC).

Other key opportunities for the team in 2022 include the launch of the following business cases:

- In 2022 Spruce Grove will be constructing a regional Transit Hub/Park & Ride facility in conjunction with the Civic Centre Project. Note that this facility is partly funded by the GreenTRIP and ICIP grants.
- Changes in the provincial requirements regarding the handling of hydro vac waste have prompted the investigation into installing and operating a hydro vac drying bed to mitigate environmental risks, liabilities and costs associated with management of the waste materials.

Facilities and Fleet Management

Facilities and Fleet Management is responsible for the management and maintenance of the City of Spruce Grove's facilities and fleet. Activities include: long-range capital planning; project management; real estate management; capital construction projects; creating specifications and procuring products, vehicles and equipment; preventative maintenance; daily operations; and work requests.



Programs and Services Overview

The programs and services delivered by the Facilities and Fleet Department include:

- Asset security management
- Contract and lease management
- Facilities maintenance and lifecycle management
- Fleet vehicle/equipment maintenance and lifecycle management
- Governmental inspection management
- Long range strategic facilities space planning

Key Department Highlights

This past year saw a significant pressure added to the Facilities and Fleet Department given updated public health guidelines from the COVID-19 pandemic that in turn impacted program and service delivery. Increased sanitization, cleaning and improved air quality were all incorporated into current services. In addition, the team led a Relaunch Committee to address facility issues throughout the pandemic and to bring people back to the office.

In addition to responding to the pandemic, the team also continued implementation of Cartegraph software to provide greater reporting and data collection. This will in turn inform the Asset Management program, leading to better planning and budgeting.

The Facilities and Fleet Department is also supporting the Civic Centre project through project management, procurement, and providing subject matter expertise as the project moves forward through the initial design phase. The team supported this work throughout 2021 and continues to support the project as it progresses through the design phase.

Looking Forward to 2022

Another priority is the fleet lifecycle plan and facilities lifecycle plan. This work is being supported through the Asset Management program and data collected as a result will be used for better planning, reporting and budgeting purposes. Having a clear understating of our assets, many of which are managed by the Facilities and Fleet Department, is a key priority moving forward in 2022. It's also important to note that the team received a grant for an Agrena Building Management System to provide better energy data that will inform future decisions.

From a space planning perspective, the pandemic prompted the team to re-evaluate where staff members conduct their work and the resources they need to do so. Because of this, an update to the annual Space Planning Report is required and will be done as part of the team's 2022 priorities. This update will include a post-pandemic restack of staff in the Planning and Development and Engineering offices as well as potentially City Hall.

Public Works

The Public Works Department operates and maintains many of the City's physical infrastructure assets following their initial construction through to the end of their service lives.



The primary focus of the department is the delivery of services, both tax funded and utility funded. Tax funded services include work done to operate and maintain parks and open spaces, as well as roadways. Utility funded service delivery includes work done to operate and maintain stormwater, water, waste water, and solid waste systems. A multitude of tasks are completed within annual work plans to achieve the service levels associated with these services that support City priorities.

Programs and Services Overview

Programs and services delivered by the Public Works Department include:

- **Residential solid waste utility**
 - Curbside solid waste program
 - Eco Centre operations
 - Special collection events
- **Parks & Open Spaces operations and maintenance**
 - Sport field, pathway trail and turf grass maintenance
 - Cemetery operation and maintenance
 - Urban forestry
 - Horticulture
- **Roadway operations and maintenance**
 - Street sweeping operations
 - Road repair and maintenance
 - Roadway snow and ice control operations
 - Sidewalk repair and maintenance
 - Traffic control operations and maintenance
- **Stormwater Utility**
 - Stormwater management facility operation and maintenance
 - Ditches, culverts and overland conveyance maintenance
 - Stormwater mains, manhole and catch basin maintenance
- **Wastewater Utility**
 - Sewer main, lateral and manhole maintenance
 - Sewage lagoon operations and maintenance
- **Water Utility**
 - Reservoir and pump house operation and maintenance
 - Hydrant operation and maintenance
 - Truck Fill Station operation and maintenance
 - Water main, meter and CC operation and maintenance

Key Department Highlights

As with many other departments in the City, services and programs delivered by the Public Works Department were impacted by the COVID-19 pandemic. Changes to service levels and

greater flexibility of staff allowed for the department to continue service provision to the community. In addition to this, the department had several other highlights:

- Increased versatility, use of technology, and greater collaboration with other departments.
- A more proactive approach, combined with improved customer service, has led to fewer issues reported.
- Storm ponds were treated this year, resulting in less odour and less concerns raised from residents.
- Completed review program to test for lead hazard in drinking water.

Looking Forward to 2022

Operationally, the department is looking to return to pre-pandemic service provision and incorporate the learnings from pandemic operations into existing programs and services. In addition, the team is continuing with the ongoing adaption and use of technology. This includes implementing the Cartegraph software for asset management, which will allow for greater accuracy with data collection and reporting that will better inform planning and budgeting. This software also allows the team to use technology in the field leading to process efficiencies.

In addition to the operation pieces above, the team is looking to update current service levels and tracking data to determine where they are met and where improvements need to be made. The team recognizes the gap in data collection practices and are working towards addressing that gap in 2022 through the performance measurement framework project.

From a project perspective, the Public Works Department is exploring the feasibility of building and operating a new Eco Centre with Stony Plain.

Community Services

The community services function contains the following areas:

- Community Social Development
- Culture and Recreation

Operating Budget

	2020 Actual (\$000)	2021 Revised (\$000)	2021 Forecast (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues						
Government Transfers - Operating	1,582	1,468	1,460	1,451	1,452	1,367
Rental	672	995	656	1,045	1,180	1,195
Sales & User Fees	6	317	14	289	289	290
Property Taxes	309	309	310	41	-	-
Other	64	120	61	121	122	101
Transfer From Reserves - MOST	-	207	109	107	100	-
Transfer From Reserves	-	-	-	23	-	-
	2,633	3,416	2,610	3,077	3,143	2,953
Expenses						
Salaries, Wages & Benefits	3,997	5,010	3,989	4,673	4,757	4,792
Transfers to Government, Agencies and Other Organizations	2,295	2,213	2,143	2,099	2,164	2,665
Contracted & General Services	1,014	1,755	1,323	1,880	1,964	1,862
Materials, Goods, Supplies	517	668	629	652	648	1,108
Principal Repayment on Long Term Debt	596	626	626	392	757	1,241
Purchases from Other Governments	65	218	218	218	218	218
Interest on Long Term Debt	97	73	73	41	275	614
Other	-	1	1	1	1	1
Bank Charges	-	1	1	1	1	1
	8,581	10,565	9,003	9,957	10,786	12,502
Annual Deficit	(5,948)	(7,149)	(6,393)	(6,880)	(7,643)	(9,549)

Community Social Development



The mission of the Community Social Development (CSD) Department is to *foster social wellbeing through information, collaboration, capacity building, and engagement by supporting community, organizations, and individuals towards enhanced quality of life*. CSD is structured to help build a strong community that meets the diverse needs of residents in support of the City of Spruce Grove's 2018-2035 Strategic Plan.

Social sustainability is about ensuring we can collectively meet the needs of residents today as well as into the future. For that reason, CSD focuses on empowerment within two functional areas: individuals and families, and community.

CSD operates in accordance with relevant statutes, codes and regulations, adheres to program standards and best practices, and maintains professional certifications for credentialed staff. The department provides stewardship of the Social Sustainability Plan and receives a portion of its mandate from the Provincial Family and Community Support Services Regulation.

Programs and Services

The Community Social Development Department is divided into two core functions:

Family and Community Support Services (FCSS) – empowering individuals and families

- Systems navigation
- Income tax preparation support
- Counselling
- Mental wellness capacity building
- Preventative social programs

Social Planning – empowering community

- Civic engagement
- Community capacity building
- Planning and evaluation
- Research and Policy development
- Funding

Key Department Highlights

The past year has seen significant change for the CSD not only because of the COVID-19 pandemic, but also because the department went through a restructure. The FCSS Plan of Service and subsequent implementation meant that the department began to shift away from direct service delivery to focus more on community building. As a result, the department is now working with partners in the community to support their service delivery, which allows the CSD team to focus on addressing more complex needs at a systems level within our city and region.

In addition to this shift in service delivery, the CSD team also had to adjust work and priorities based on community needs resulting from the COVID-19 pandemic. CSD saw an increase in support requests with the greatest change being an increase for mental health and addictions supports due to financial stressors, and social isolation experienced within the community as a result of the pandemic.

Looking Forward to 2022

The CSD team is in the process of restructuring their service delivery model, which is expected to continue in 2022.

Culture and Recreation

At this time, the Culture and Recreation Departments are being led by one director and are in the process of evolving into a new entity. More information will be provided in 2022 on the direction the City is proposing these departments move towards.



Cultural Services provides arts and cultural services to the community. Horizon Stage is the central cultural venue in the region used by local schools, arts groups and educational institutions. Cultural Services is also responsible for production of City sanctioned special events, as well as liaising with local groups such as the Spruce Grove Public Library, Allied Arts Council and Spruce Grove and District Agricultural Heritage Society. Finally, Cultural Services develops, plans, and promotes policy for future artistic and cultural growth within the City including public art, cultural city planning and more.

The Recreation Services section coordinates the facilitation and delivery of recreation programs, schedules community facility use and leads parks planning initiatives. This area also provides support in the delivery of other organizational initiatives including community events, and park and open space capital projects.

Activities within this area include:

- Community development initiatives designed to increase the capacity of the local recreation and leisure groups and agencies so they can deliver sustained programs and services to the community.
- Coordination and implementation of facility scheduling and bookings for all municipally owned facilities including the Elks Hall, Agrena, Fuhr Sports Park, Henry Singer Park, Border Paving Athletic Centre and natural turf sport fields, as well as acting as a booking agent for joint use facilities.
- Parks planning initiatives including community needs and public consultation and user group liaison.
- Assessment and research of program trends and the implementation of effective recreation and leisure programs and opportunities for the community.
- Support the coordination and delivery of community events and celebrations.

Programs and Services Overview

Programs and services delivered by Cultural Services and Recreation Services include:

Culture Services

- Act as City liaison for schools, libraries, cultural organizations and events
- Manage arts policy, heritage portfolio and public art program
- Maintain the City's Municipal Art Collection
- Operation and management of Ticket Centre and Horizon Stage
- Operational support for Spruce Grove Saints

- Production of City special events

Recreation Services

- Support community development and public engagement
- Manage community events and celebrations
- Community needs assessment
- Event Hosting Strategy
- Facility scheduling
- Parks planning

Key Department Highlights

The Culture and Recreation teams were able to successfully offer a variety of programs and activities to the community in the midst of the COVID-19 pandemic. Highlights of these activities are as follows:

- **Pop-Up-Playground:** A modified Pop-Up Playground was offered during July and August and seven weekly theme activities were offered Monday-Friday in various neighbourhood parks throughout the city.
- **Ken Morrison/REMAX Excellence Spray Park and splash pads:** The spray park opened in late May and concluded at the beginning of September, in addition to two splash pads, one in Central Park and one at the Fuhr Sports Park.
- **Canada Day 2021:** A “roving” Canada Day event was delivered to residents in 2021, with activities such as a hotdog drive-through lunch at the Tri Leisure Centre parking lot, roving performers at various locations including Jubilee Park, Central Park, Lakewood Park, Fairway Park, Harvest Ridge and McLaughlin Park, and ended with two fireworks displays so most residents could see show from their homes.
- Other community events were supported by the Culture and Recreation teams such as Rotary Ribfest, Spruce Grove Public Library’s Notorious Cree performance, and future events such as Remembrance Day, Mini Monster Bash, and the Light Up at Central Park.

In addition, the teams supported the ongoing work for the Civic Centre. In April 2021, Council was presented an Arena Complex Report that proposed the development of a Civic Centre facility to meet the identified needs of ice surfaces as well as other community and cultural priorities. Throughout 2021, staff and other professionals undertook extensive work to develop preliminary facility design, land assembly and site layout, and planning as well as updating operating and capital cost assumptions.

Looking Forward to 2022

The Culture and Recreation Departments are in the midst of an evolution in order to better serve residents and enhance recreational and cultural opportunities in our community. This includes determining overall strategic priorities and direction moving forward based on community desires and expected outcomes. The team is using 2022 to conduct this planning work and more information is expected to be presented in 2022.

Development Services

The development services function contains the following areas:

- Economic and Business Development
- Planning and Development

Operating Budget

	2020 Actual (\$000)	2021 Revised (\$000)	2021 Forecast (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues						
Licenses & Permits	1,249	1,248	1,531	1,478	1,478	1,478
Other	125	517	196	167	167	167
Sales & User Fees	82	107	187	99	99	99
Investment Income	94	98	22	76	71	65
Government Transfers - Operating	43	10	10	-	-	-
Rental		1	1	1	1	1
Transfer From Reserves - MOST	-	96	61	36	36	-
Transfer From Reserves	-	-	-	168	285	217
	1,593	2,077	2,008	2,025	2,137	2,027
Expenses						
Salaries, Wages & Benefits	2,186	2,294	2,228	2,682	2,740	2,719
Contracted & General Services	565	787	834	742	857	857
Purchases from Other Governments						
Interest on Long Term Debt	89	99	99	90	80	70
Transfers to Government, Agencies and Other Organizations	37	30	30	10	-	-
Materials, Goods, Supplies	11	16	16	15	15	15
Principal Repayment on Long Term Debt	323	332	332	341	351	360
	3,211	3,557	3,539	3,880	4,043	4,021
Annual Deficit	(1,618)	(1,480)	(1,531)	(1,854)	(1,906)	(1,994)

Economic and Business Development

The Economic and Business Development Department is responsible for facilitating and delivering programs and services intended to help local businesses prosper and grow, and attract new business and investment to Spruce Grove.



Programs and Services Overview

The Economic and Business Development Department provides a variety of services including:

- Implement the Economic Development Strategy and Action Plan for Spruce Grove intended to grow the commercial and industrial tax base.
- Coordinate business retention and investment attraction efforts through marketing and ensuring that Spruce Grove offers a competitive environment for businesses and investors.
- Pursue strategies designed to take advantage of Spruce Grove's strategic location as the western gateway to Edmonton on the Yellowhead TransCanada Highway.
- Lead efforts to recruit corporate sponsorships for City facilities, promote sports tourism and attract major events to Spruce Grove.
- Manage the City's land inventory and develop and implement strategies to acquire, sell and otherwise maximize the value of City-held lands.

Key Department Highlights

The COVID-19 pandemic had a strong impact on the local economy and the Economic and Business Development team shifted priorities in order to provide different types of support. The team established a shop local campaign (along with the Greater Parkland Regional Chamber of Commerce) and participated in the Recovery Team that sought to provide resources and direction to local businesses. In addition, the team regularly provided information and access to COVID-19 support and recovery programs made available through the provincial and federal governments.

Along with supporting the local economy through the pandemic, the Economic and Business Development team supported the approval of the City Centre Area Redevelopment Plan and subsequent implementation, led development of the Fibre Optic Broadband Strategy and implementation of the fibre network build starting in 2021, and developed the Industrial and Employment Lands Strategy. From a regional economy perspective, the team also supported the first year of Edmonton Global's accelerated regional investment strategy, which was based on the development of nine sector investment business cases. Together, the pieces work together to build the local and regional economy and provide residents and businesses with more opportunities.

Looking Forward to 2022

Shifts in the local, regional and global economy are presenting significant opportunities for the City of Spruce Grove. This will require adaptation by existing industries and the potential to attract investment in new products and services that emerge in response to these trends.

Key opportunities for the Economic and Business Development team in 2022 include the launch of the following business case:

- Update the Economic Development Strategy & Action Plan to reflect the post-COVID-19 world and broader environmental factors.

Planning and Development

The Planning and Development Department supports and oversees community building through land-use planning, subdivision, development, and administration of safety codes. By encouraging a well-designed and sustainable community, the team strives to achieve a high quality of life for residents.



Programs and Services Overview

The Planning and Development Department provides a variety of services, including:

- **Planning and policy:** Undertake and maintain long-term planning and develop policy framework for land development processes and decision-making to facilitate growth and development.
- **Land use:** Prepare and maintain regulations and guidelines for the legal control of the use and intensity of development.
- **Subdivision:** Approve division of land into smaller parcels for development and assign municipal addressing.
- **Development:** Issue permits authorizing development, monitor and enforce compliance.
- **Building:** Issue building and trades permits to construct or change buildings or structures, and inspect them for compliance and safety.
- **Business licences:** Issue business licences to allow individuals or companies to conduct business within Spruce Grove, and monitor and enforce compliance.

Key Department Highlights

Given the unprecedented impact that the COVID-19 pandemic had on City operations, the Planning and Development team had to adjust from in person to virtual service delivery. The team worked together to create new workflows for staff working as well as establish new processes for clients. This switch to virtual interaction with the public allowed the team to continue offering services.

In addition to the service delivery adjustments, the team also implemented several process and efficiency improvements that were customer centric including reducing turnaround time for issuing homeowner/small permits and improving relationships with developers.

The team also provided support for the City Centre Area Redevelopment Plan, which passed in April 2020 and provides a policy framework for guiding redevelopment and revitalization of the City Centre through consideration of land use, mobility, urban design, building guidelines and implementation.

Looking Ahead to 2022

2022 is expected to bring a number of updates to the Planning and Development Department's policies and bylaws.

Other key opportunities for the team in 2022 include the launch of the following business case:

- Municipal Development Plan, which guides how the City grows and develops.

Utility Services

The utility services function contains the following areas:

- Sanitary Sewer
- Solid waste
- Stormwater
- Water

Operating Budget

	2020 Actual (\$000)	2021 Revised (\$000)	2021 Forecast (\$000)	2022 Proposed (\$000)	2023 Planned (\$000)	2024 Planned (\$000)
Revenues						
Sales & User Fees	20,648	22,152	22,599	24,195	25,899	27,392
Licenses & Permits	29	87	87	48	48	48
Other	71	2	2	202	206	210
Penalties	80	-	-	-	-	-
	20,828	22,241	22,688	24,445	26,153	27,650
Expenses						
Purchases from Other Governments	9,320	9,627	10,032	10,420	10,971	11,436
Contracted & General Services	3,493	3,969	3,939	4,198	4,682	4,718
Utility Administration Fee	2,320	2,508	2,551	2,646	2,837	2,920
Salaries, Wages & Benefits	2,023	2,334	2,239	2,234	2,319	2,371
Materials, Goods, Supplies	477	497	503	498	496	496
Principal Repayment on Long Term Debt	84	176	176	181	278	285
Interest on Long Term Debt	70	99	99	92	149	142
Other	2	16	16	19	21	21
Transfer To Reserves	3,038	3,015	3,133	4,157	4,400	5,261
	20,828	22,241	22,688	24,445	26,153	27,650
Annual Surplus	-	-	-	-	-	-

The Engineering, Public Works and Finance Departments support the utility services function and their department profiles are contained above.

APPENDIX

Business Cases

The following business cases provided greater detail on the business case summary tables in this Corporate Plan.

Customer Service Strategy

Business Case Name	Customer Service Strategy
Department	Corporate Communications
Total Project Cost	\$95,000
Start Date	2022-01-10
Completion Date	2025-12-19

Description

In order to enhance our delivery of customer service, a Customer Service Strategy will be developed that will include a formal assessment of our current customer service practices, inventory of tools, processes and procedures currently in place, engagement with the community and staff to determine needs and expectations, and research best practices. Components of the implementation will include a recommendation for a CRM system to track and respond to inquiries, a formalized knowledge base for internal and external audiences, and defined processes, procedures and expectations related to customer service.

Business Need

Governments face higher expectations than ever before when it comes to serving their citizens and broader customer base. We must develop a plan to meet the standards our citizens and broader customer base has come to expect when interacting with the private sector (financial institutions, e-commerce). A growing movement is underway among government leaders who have begun to champion customer experience as a powerful tool for achieving mission outcomes, increasing employee engagement, improving revenue collection and building overall trust in government.

By focusing on developing our processes, internal organizational knowledge and leveraging technology to facilitate customer self-service, the City of Spruce Grove will be taking steps in the journey toward developing and living a culture focused on customer service excellence.

Risk Analysis

May see resistance to change in processes, accountabilities.
Expectations of what can be done within human and financial capacities.

Impact If Not Implemented

Customer service delivery would be status quo and we risk lower resident satisfaction levels.

Outcome/Benefit	Success Measures
Consistent responses and information provided	Use of knowledge base responses measure with digital analytics
Increased customer service levels	Higher satisfaction scores on resident survey
Increased organizational knowledge	Staff feel more informed and are empowered
Reduction in time answering phone calls, emails as stakeholders can self-serve questions and answers	Data and analytics comparing volumes
Standardized service levels	KPIs from CRM

Stakeholder & Impact

Stakeholder	Impact
Council	Engaged through the process
Other municipalities	Engaged in the research phase
Public	Engaged at specific points in the implementation of the strategy
Staff	Engaged through the process as well as after

Investing in our Processes - Initiation of a Bylaw and Policy Review

Business Case Name	Investing in our Processes - Initiation of a Bylaw and Policy Review
Department	City Clerk
Total Project Cost	\$194,376
Start Date	2022-01-03
Completion Date	2023-12-31

Description

As the City of Spruce Grove grows into a sustainable City, there is a need to mature processes and address policy gaps. The development and initiation of a multi-year bylaw and policy review project is required to ensure the bylaws and policies of the municipality are relevant, efficient, and meet the needs of the community. A review will also serve to ensure bylaws and policies comply with legislation and align with Council priorities, follow consistent wording and formatting, and consider equality, diversity and inclusion. While statistics are currently unknown for bylaws currently in effect, it is estimated that the City of Spruce Grove has 165 policies on the books, 145 of which are older than four years. There is an increased exposure to risk when bylaws and policies have been enacted but are not followed.

Business Need

Several City bylaws and policies are currently in effect that are not consistent with other municipal, provincial and/or federal legislation, and do not reflect current business requirements. Many of our bylaws and policies are dated and have not been recently reviewed, which has resulted in situations where current organizational practices do not align with the established policy.

Further, there is a need to review our bylaws and policies through an equity, diversity and inclusion lens to ensure that we are doing our part to be an inclusive community, reduce disparities between groups, and treat everyone with dignity and respect.

Risk Analysis

The amount of unanticipated projects assigned to the City Clerk's Office and the resources required could slow down or curtail this project, as could the unavailability of relevant SMEs and stakeholders.

Impact If Not Implemented

If this business case is not implemented, the City will continue to be exposed to additional risk. It may also result in slower service delivery due to lack of clarity in process and an increased demand for issue management.

Outcomes & Benefits

Outcome/Benefit	Success Measures
Bylaw and policies that align with Council priorities	
Established processes for bylaw and policy review	Established review schedule

Stakeholder & Impact

Stakeholder	Impact
City Clerk's Office	Lead project, develop supporting materials, SME, commence review of complex and high risk policy
City Manager	Provide policy direction, approve administrative policy
Council	Provide policy direction and approve amended bylaws and corporate policies
Residents and Businesses	May be required to provide feedback on proposed bylaw and policy amendments
Subject Matter Experts	

Lifecycle Management of Corporate Data in Applications

Business Case Name	Lifecycle Management of Corporate Data in Applications
Department	Information Services
Total Project Cost	\$100,000
Start Date	2021-10-01
Completion Date	2022-12-31

Description

The City of Spruce Grove relies on its information management (IM), information technology (IT), privacy and risk practices to meet its objectives and deliver its services in an effective and efficient manner. Currently, City information stored outside of Content Manager 9 (CM9) is not compliant with the *Municipal Government Act*, the Information Management Bylaw and other related legislation. With more processes moving from physical to electronic, it is necessary to ensure the information is still managed, increase organizational productivity and reduce risk. Currently CM9 is the sole application that manages information according to the Classification and Retention schedule, leaving approximately 80% (and growing) out of compliance with the MGA.

The objective of this review will be to determine if the City of Spruce Grove has an effective management control framework in place to govern the management of its data to ensure alignment with both the corporate business goals and statutory requirements, identify gaps and provide recommendations moving forward.

Business Need

Best business practice in information management is to manage all corporate information throughout its lifecycle using a consistent standard. The City is working toward this through the development of file plans. Currently however, the only software system that manages corporate information throughout its lifecycle is CM9. All other corporate information held in software systems throughout the organization is not managed consistently nor in accordance to legislation.

The City of Spruce Grove is currently experiencing the following issues associated with not managing information consistently within software systems:

- Duplicate information between systems, no single source of truth leading to increased staff time to find information, and inability to easily validate that the information is credible and current.
- E-discovery during litigation and FOIP requests is time consuming and expensive. Recently a FOIP request was received that required a heavy amount of staff time to respond to. Had the request been approved, over 200 hours of staff time would have been required to locate the information. Recently, inaccurate documentation resulted in the City not effectively being able to defend itself during incident discovery. Further to this, a piece of software reached end of life. As data ownership and transfer had not been taken into account, the City lost vital and highly confidential information.

- Information assets within software systems may not be authentic, reliable, complete, transparent or legally defensible.
- Information assets that are considered vital or long-term do not have parameters to actually manage the information. With more departments choosing to go paperless, lifecycle and retention requirements must be considered as part of the process to ensure the City meets legislated requirements.
- Considerable staff time is used towards locating information that is current and reliable.

Risk Analysis

As this impacts all lines of business, the largest risk is support to do the work in a centralized manner. Other risks involve being able to prove transparency in decision making, set the organization to support residents effectively as one corporation. Finally, an additional risk is that some software applications may not allow for end-to-end lifecycle data management.

Impact If Not Implemented

- Increased volume of electronic information and data assets resulting in increased risk, staff time and capacity to access, properly secure, use and dispose of corporate information.
- Continued exposure and risk to the City with non-compliance and documented acceptance of the risks.

Outcomes & Benefits

Outcome/Benefit	Success Measures
Compliance and alignment with the retention schedule	Annual documented disposition of all corporate information is possible
Data based decision making on credible information	Business Intelligence can be completed without verifying across multiple systems
Data management and retention plan applied to current and future applications	Requirements for data retention documented
Defined systems of record	Increase in time to respond to access and information requests

Stakeholder & Impact

Stakeholder	Impact
Employees	Increased trust of corporate information and applications, and they can access what they need to.

Municipal Development Plan Replacement

Business Case Name	Municipal Development Plan Replacement
Department	Planning & Development
Total Project Cost	\$609,054
Start Date	2022-01-01
Completion Date	2024-10-31

Description

Administration is planning to replace the current Municipal Development Plan (MDP). The MDP is a comprehensive policy plan required of all Alberta municipalities through the Municipal Government Act. An MDP provides:

- A long-term guide toward the community's future, anchored by a community vision
- Policy direction and framework for decision-making and coordinated action
- Foundation for implementation, not an action plan

The current plan is over 10 years old and the vision and policies do not reflect the city Spruce Grove is becoming. The bulk of the land is planned out with Area Structure Plans, except for the recently annexed lands. Older neighbourhoods are nearing a phase of redevelopment, interest in the City Centre is growing with the ARP, new large-scale recreational developments are showing interest in the community and industrial land continues to be in demand.

Business Need

Spruce Grove has continued to see unprecedented growth and development for many years, and is now a significant growing city. CMA data shows Spruce Grove as the seventh fastest growing city in Canada between 2011 and 2016 (30%). Its five year annualized growth rate of 4.5% puts it at number four, according to a June 2020 article on procore.com.

The City is seeing changes in demographics, economic and employment growth, and has a key role to play in the broader regional perspective. In addition, there are changing ideals and demands for communities physically, economically and socially as a result of COVID-19.

Risk Analysis

Other priority projects that could arise in the City, commitment required of other department staff to support may be impacted by priorities in their areas

Impact If Not Implemented

Should the MDP update not proceed, the City will continue to use the existing policy framework guiding decisions that do not align with the current situation and new way forward. The City will be challenged to embrace new and innovative development approaches and will not be able to build on the current momentum of its tremendous growth and could find itself losing out on economic and development opportunities.

Outcomes & Benefits

Outcome/Benefit	Success Measures
Community supported plan	Comprehensive engagement
Policy and decision making framework for future growth	Minimal amendments required
Updated comprehensive plan for community	Council approval of plan, completed on time and on budget

Stakeholder & Impact

Stakeholder	Impact
Community residents	Input into community's future vision and plans
Council and Administration	Updated comprehensive plan for the community's future and related decision making
Development and building community	Clarity and opportunity for input into community's future vision and plans

Public Budget Submissions

Business Case Name	Public Budget Submission Requests
Department	IPSS
Total Project Cost	\$80,000 (this includes base funding)
Start Date	2022-01-03
Completion Date	2022-12-31

Description

Each year, residents and community groups have an opportunity to make a public budget submission to the City of Spruce Grove for consideration when developing the corporate plan. This is part of an annual process where the City welcomes public input into the corporate planning and fiscal planning process. For the 2022-2024 Corporate Plan, public submissions were accepted digitally until April 30, 2021. In total, seven requests were received and submitted to the appropriate Director for analysis and recommendation. Of the seven submissions, three are moving forward for funding totaling \$80,000 (includes base funding already received by two organizations), three will be considered as part of future planning, and one will be discussed further as part of strategic planning. The summary of these submissions is as follows:

- 1) **Spruce Grove & District Agricultural Society:** Requesting \$40,000 to increase the electrical power to the property and replace and add panels in the grain elevator. The Director of Recreation Services recommends we approve this funding request. Note that the society has previously received \$25,000/year starting in 2011 as well as \$25,000 in additional project based funding.
- 2) **Allied Arts Council:** Requesting \$30,000 for 2022, which is an increase of \$7,500 from the previous year's funding. Note that this organization has received yearly funding starting in 2011. This funding will go towards supporting increased wages and instructor fees, some gallery improvements in technology to support online and distanced classes, increased advertising, as well as staff and board development. This would also help recovery from a year with very minimal class income. The Director of Recreation Services recommends we approve this year's funding request.
- 3) **Spruce Grove City Centre Business Association:** Requesting \$10,000 to assist in the successful programming, delivery and growth of various signature events within the City Centre. The Director of Economic Development recommends we approve this funding request.
- 4) **Joe Young:** Proposal to build a trail from Hwy 16A to Cpl. Jim Galloway Memorial Off Leash Area. The Director of Planning and Development and the Director of Recreation Services agree that this project is viable in meeting the City's future development plans for the area and it will be considered as the area is developed in the future.

5) **Lorne Corbett:** Proposal to build a second fire station. Protective Services does not concur with this proposal as a full analysis of the city was completed and the current station is adequate. A new review will take place in 2022 using 2020 federal census data released in 2021 in order to complete a new review for future planning needs.

6) **Spruce Grove Disc Golf Association:** Proposal to extend the current course from nine holes to 18 holes. The Director of Recreation Services recommends that expansion of the existing nine hole Disc Golf Course be incorporated as part of the final phase design plan to Jubilee Park which is tentatively scheduled to commence in 2024/2025.

7) **Parkland Food Bank:** Requesting formal commitment to join in conversations to become a partner. The Director of Community and Social Development recommends this be a conversation with the OLG and CLT groups given the complexity of the decision.

Business Need

Every year the public budget submission process allows for both members of the community or organizations to apply for funding from the City to support their projects or programs. This opportunity allows for community groups to support the community directly through various programs and events.

Impact If Not Implemented

If no funding is provided to public budget submissions, some community groups will struggle to offer programming or even stay running as City funding may be used for salaries.

Outcomes & Benefits

Outcome/Benefit	Success Measures
Programs delivered by external organizations to support a diverse community	

Speed Reduction - Safety Review

Business Case Name	Speed Reduction - Safety Review
Department	Engineering
Total Project Cost	\$40,000
Start Date	2022-04-14
Completion Date	2022-09-30

Description

There is a movement to reduce the risk of injury and improve safety by lower speed limits within municipalities to 40km/hr on local roads. This review will look at the impacts of reducing the speed limits and review the overall performance of our transportation network with the lower speed limits.

Business Need

Safety is paramount for the City of Spruce Grove. Lowering the speed limits provides safer roads for both pedestrians and vehicles. The lower speed limits have been adopted in other municipalities in Alberta and throughout Canada and the United States.

Impact If Not Implemented

The City continues with the 50km/hr limit for local roads.

Outcomes & Benefits

Outcome/Benefit	Success Measures
	Lower risk of injury and near misses
Lower speed limits along local roads	Lower complaints regarding safety and speeding in residential areas

Stakeholder & Impact

Stakeholder	Impact
City	Replacement of current speed signage with new signage will be required.
Public	Will see lower speed limits in residential areas.



Updated Economic Development Strategy and Action Plan

Business Case Name	Updated Economic Development Strategy and Action Plan
Department	Economic Development
Total Project Cost	\$50,000
Start Date	2022-01-03
Completion Date	2022-12-23

Description

The current five-year Economic Development Strategy and Action Plan expires in 2022 and was developed in collaboration with the Economic Development Advisory Committee (EDAC). It is proposed to update the Economic Development Strategy and Action Plan for the period 2022-2027 which will again be done in collaboration with EDAC. The world has changed substantially over the past five years with the deployment of new technologies such as artificial intelligence (AI), the impact of COVID-19 and the movement to radically reduce greenhouse gas admissions among other trends. This requires the City to adapt and be forward looking in terms of future opportunities and ensuring that we remain a competitive place to retain and attract investment and talent.

The final product will be brought forward by EDAC to City Council on completion. The updated strategy needs to accomplish a number of objectives. These include a strategic overview of Spruce Grove's competitiveness, our opportunities and priorities moving forward, and the integration with regional economic development initiatives such as Edmonton Global. It also needs to establish the policies, programs and, other initiatives that are needed in implementing a successful economic development strategy.

Business Need

The City's economic development strategy was last updated for the years of 2017-2022; the intent was to review and update the strategy every five years and to keep it evergreen by extending the life of it by five years. This is an update from the last strategy titled, Partnerships for Prosperity: Economic Development Strategy & Action Plan 2017-2022.

Risk Analysis

There could be lack of consensus between the City and business stakeholders on what the direction should be moving forward.

Impact If Not Implemented

We would be left with an outdated economic development strategy and action plan for the City.

Outcomes & Benefits

Outcome/Benefit	Success Measures
An approved strategy communicates the City's vision and plan for economic development to business owners, developers and residents and signals the City's commitment for creating and maintaining a sound business environment.	A completed strategy that is actionable.

Stakeholder & Impact

Stakeholder	Impact
City of Spruce Grove	Increased tax assessment
Investors and Business Owners	Provides direction on the City's business and investment attraction strategy
Residents	Increased employment opportunities

Communications Advisor 2022

Business Case Name	Communications Advisor 2022
Department	Corporate Communications
Ongoing Operating Cost/Year	\$92,406
Start Date	2022-01-04

Description

As we continue supporting a sustainable growing city, the demands on communications resources continues to grow. In the past five years, the requests for communications support has more than doubled. To address this demand, as well as to handle new business cases that are approved through the corporate plan, take a lead role in advising the organization on public participation and to maintain the City's resident and internal communications, a second permanent Communications Advisor is required. This position would provide communication planning support for both internal and external communications as well as assist with public participation activities.

Business Need

The demand on Corporate Communications for external and internal communications support has more than doubled in the past five years. Additionally:

- In 2018, the modernized Municipal Government Act legislated that municipalities have a public participation policy and as a result, City departments require an increased level of support for public participation activities.
- In early 2019, Council indicated improved resident communication as a priority.
- In 2020, leading the Customer Service Reframe Group was put into Communications and as a result, the development of a customer service strategy will take place in 2022 with possible implementation in future years.
- The pandemic identified the importance of strong internal communications. After the pandemic, the expectation of the increased level of internal communication support will continue.
- As the city grows, it will be faced with more complex issues and issues briefs will be expected on a more regular basis rather than the current practice of ad hoc and reactive.

The highest demands are currently on communications planning, written communications, issues management and public participation support. As new programs, initiatives or service levels are introduced and turn into status quo, these need to be added to our regular workflow in core services. Since 2015, the number of communications or advertising support requests received and subsequently produced have more than doubled yet resourcing has remained the same. Additionally, the complexity of the communication plans have increased.

Impact If Not Implemented

Core service and new initiative communications (whether led by Corporate Communications or another department) and public participation support will have to be contracted out or service levels will decrease. Also, more of the responsibility for core service or new initiative communication development would have to be shifted to departmental subject matter experts.

The City also runs the risk of falling behind other municipalities in their communication efforts or seeing the current positive satisfaction with the City's communication efforts fall.

Enforcement Services Staffing – 2 Bylaw Officers

Business Case Name	Enforcement Services Staffing
Department	Enforcement and Safe City
Ongoing Operating Cost/Year	\$55,884
Start Date	2022-01-12

Description

Originally in 2017, a review identified the need for two additional Community Peace Officers (CPOs) in 2020 simply to maintain services levels. With a slowdown in anticipated City growth these two positions were proposed to be split between 2020 and 2021. They were then pushed out to 2022 with a pilot project approved to determine the effectiveness of a dedicated traffic unit consisting of two officers. This pilot was the result of a reduction in Automated Traffic Enforcement (ATE) mobile hours and a recent comparison to the City of Edmonton, which identified that on a per capita basis the City of Spruce Grove would need two dedicated traffic officers to be on par with the City of Edmonton's traffic enforcement system (ATE + traffic officers).

In addition to the above factors, the Alberta Solicitor General has adopted recommendations of the 2017 public fatality inquiry into the death of CPO Rodney Francis Lazenby who was murdered on the job. One of these recommendations is the elimination of CPO II positions. Both current CPO II positions in Spruce Grove will have to be trained and certified to CPO I positions even if their duties are limited to that of the former CPO II positions. Currently the deadline for this conversion is December 31, 2021

In consideration of the above the following is proposed:

1. Effective April 1, 2021, dedicate two CPO I positions to traffic enforcement (they will still do non-traffic active calls). This was approved in 2020 and implemented as a pilot.
2. Monitor the revenue specific to these two traffic positions – estimated \$100,000 revenue
3. April 1, 2022, based on revenue projection being achieved, hire two bylaw officers to meet the increased demand on bylaw enforcement related to animals, parking, snow removal and unsightly premises. This would also require the acquisition of an additional vehicle which would be needed as these positions are not legally permitted to operate a peace officer vehicle. Estimated cost is \$41,000.

Business Need

Changes to legislation removing the CPO II designation, reduction of mobile ATE, and a desire for traffic enforcement in Spruce Grove to focus on violations not covered by ATE such as distracted drivers, racing, insurance, and equipment requirements such as mufflers.

Risk Analysis

There are no anticipated issues with the program, however the revenue projections may fall short. The pilot program will have several months under its belt prior to budget approval and the amount of revenue will be known prior to a final decision.

Impact If Not Implemented

The two officers in the pilot would be returned to regular duties and there would be acceptance of very limited enforcement of traffic laws in Spruce Grove.

Outcomes & Benefits

Outcome/Benefit	Success Measures
Improved road safety	Violations totaling more than \$100,000

Stakeholder & Impact

Stakeholder	Impact
Public	Safer streets

Fleet and Facilities 2022 - Plumbing/Gasfitter Technician and HVAC Technician

Business Case Name	Fleet and Facilities 2022
Department	Facilities and Fleet Management
Ongoing Operating Cost/Year	\$234,929
Start Date	2022-01-04

Description

The Facility Operations Department has identified the need for two FTE trades positions (Plumbing/Gasfitter and HVAC) to reduce the risks of unknown and unforeseen asset failure, support sustainable service delivery and increase the efficiency of our budget expenditures.

Business Need

Facilities Management is currently managing over \$200 million of City building assets. With the completion of the Protective Services Facility and Parkland RCMP Detachment in 2019 and the purchase of a Transit Operations facility, an increase in FTE was developed within the 2019 and 2020 corporate plans, but was removed due to business needs.

With Cartegraph now implemented and data being captured, Facilities Operations has documented over 1,100 open building operations tasks for Spruce Grove facilities, which is a substantial backlog. We are concerned that month over month trends indicate that Facilities Operations struggle and consistently do not complete preventative maintenance tasks on facility components.

Impact If Not Implemented

In the immediate term, facility component preventative maintenance are not being completed and over time the failure to complete maintenance will increase the costs to own these facilities due to premature failure of building components. Facilities Trade specialties also provide a value to the organization to confirm that the contractors that we hire to complete work provide effective and efficient work, which is not captured in the knowledge of a generalist operator, supervisor or director. This additional value will not be realized.

Human Resources 2022 - HR Business Partner

Business Case Name	Human Resources 2022
Department	Human Resources
Ongoing Operating Cost/Year	\$97,420
Start Date	2022-01-04

Description

This HR Business Partner position is responsible for aligning business objectives with employees and management in designated business units. The HR Business Partner serves as a consultant to management on human resource related issues, acts as an employee champion and change agent, and assesses and anticipates HR related needs. As the business and operations of the City continues to mature, so does the need for robust human resource support and management support.

Business Need

The current HR Business Partner vacancy was used to fill the HR Labour and Employee Relations position, as that was an emerging need identified that needed to be addressed. This Full-time, permanent FTE will now be used to hire for an HR Business Partner.

Impact If Not Implemented

Capacity to do this work will become more of a challenge with growth and when more issues arise. The status quo will continue where the HR Director, with the support of the other HR Business Partners, will continue to cover as issues arise. This approach limits the amount of strategic work in this area.

Intergovernmental Affairs Advisor

Business Case Name	Intergovernmental Affairs Advisor
Department	Integrated Planning
Ongoing Operating Cost/Year	\$122,291
Start Date	2022-01-04

Description

The Intergovernmental Affairs Advisor works in a multi-disciplinary environment where solid knowledge and interest in government systems and background in public policy will be used to provide analysis and advice to senior management in support of Council's direction and advances the City of Spruce Grove's strategic interest. This position will work collaboratively with City departments to identify issues and opportunities to advocate to other orders of government including regional and civic partners. This position will also support the City Manager and members of Council with briefings and research to ensure the City maximizes its engagement in intergovernmental matters that continue to grow in breadth and complexity.

Business Need

- As the City grows, there is a need to mature the Intergovernmental Affairs portfolio in order to have a strong, coordinated response to various intergovernmental files.
- The regional opportunities and issues Council and Administration are required to address are becoming increasingly complex. There is need for additional internal support to coordinate and manage intergovernmental activities. This includes research and analysis, briefing and report writing, advocacy, relationship development and policy work.

Impact If Not Implemented

If not implemented, the City will continue to have a decentralized approach to intergovernmental affairs and the Corporate Leadership Team and Council will not receive the support they need to be fully informed on the different intergovernmental files.

2 FTE for Planning and Development

Business Case Name	2 FTE for Planning and Development
Department	Planning and Development
Ongoing Operating Cost/Year	\$249,268
Start Date	2022-01-04

Description

2 FTE added to the Planning and Development Department to address increased activity. Note that costs will be offset partially with increased revenue due to growth, which is projected to be 2.52% in 2022.

Business Need

Given an increase in development activity and projected growth in the city, Administration is proposing the addition of two full-time, permanent FTE to the Planning and Development Department to address this increased activity and ensure efficient processes.

Impact If Not Implemented

Should these positions not be approved, processes and service levels will remain where they are at and efficiencies will not be realized.

RCMP Officer

Business Case Name	RCMP Officer
Department	Community Services Administration
Ongoing Operating Cost/Year	-
Start Date	2022-04-01 <i>Note that the recruitment process will start in January 2022, with the position expected to be filled Q1 2022</i>

Description

One additional regular member officer to be added to detachment. The estimated cost per officer in 2022 is \$178,250 and the City is billed for 90% of that value. This salary includes a 7.5% estimated increase over 2021 compensation as a result of the union negotiations that the RCMP recently settled. Actual expenditures have consistently come under budget and a detailed review of the budget process indicates an appropriate budgeting philosophy of budgeting for one less member than the approved complement. As part of this plan, the complement would increase by one member to 30 and the budget remains at 29.

Business Need

The City has only added a few regular members (two in 2019) over the last number of years. With the City's significant growth there is an increasing demand being placed on detachment members taking away from reactive and proactive policing. There are many factors that influence detachment policing needs; however, generally some of the more common measurements are case file numbers per member and officer to population ratios. While there are some benefits gained from our integrated detachment model, Spruce Grove lags well behind provincial averages in both and our additional officers have not kept pace with our growth. Additionally, as the community has grown the detachment is faced with additional pressures/issues that come with a growing city.

Risk Analysis

The only risk, beyond what has been indicated in the impacts, about being able to deliver on this business case is the RCMP's ability to fill the request. There have been some recruitment issues in the past and following results of the RCMP recruitment process, the municipality will fund any additional manpower costs not originally budgeted should that be required.

Impact If Not Implemented

The community will start to see a degradation of service, especially in the non-emergency calls/complaints. Issues around community safety in regards to property crime especially will be difficult to stay on top of and investigate. Additionally, as per member case files increase and the detachment gets busier and busier, members themselves would likely start looking to transfer to other detachments where the workload is less. This will mean more vacancies in our existing numbers.

Outcomes & Benefits

Outcome/Benefit	Success Measures
Better policing response/service	Continued reduced crime rates and case files per officer ratio reduction.

Stakeholder & Impact

Stakeholder	Impact
Multiple stakeholder across community from residents, visitors, businesses.	Reduced crime rates thus saving costs and insurance. Perception of safer community.



Utility Fiscal Review

Business Case Name	Utility Fiscal Review	Business Case Number	CP_CE1601
Department	Finance		
Total Project Cost	\$120,000		
Start Date	2022-01-01		
Completion Date	2022-12-31		

Description

A complete fiscal review of the utility operations of the organization including the development of rate models for water, sanitary sewer, and waste management, as well as an update and review of stormwater management rate model. This fiscal review would also include the review of all related fees and charges from a user pay philosophy including the review of owner's versus tenant's on the utility customer list. Update of related policies and bylaws would result from this work and the development of rates that fund operations as well as infrastructure renewal would result. This work will leverage the asset management work of the organization and contribute to long term capital planning for the utility's future.

Business Need

A complete review of the City's utilities from a fiscal standpoint is needed to bring sustainability, equity, transparency and competitiveness to that area of the City's operations. When contemplating utility service delivery, there is a need to balance fiscal sustainability with environmental concerns and excellence in customer service. It is proposed that the City do a review of how its utility functions are operating from a fiscal standpoint while considering environmental and social priorities as well.

The City is committed to separating the utilities into four separate segments: water, sanitary sewer, waste management, and stormwater management. This will mean separation of revenues and expenses and reserves for each segment. In the build out of the City's lifecycle plans related to the utility operations, it will be essential to build rates that capture contributions to utility reserves.

The City's current water and sanitary rate is a combined rate that does not allow for transparent rate setting for each segment and complicates separate revenue and expense tracking. The current stormwater rates are sourced from the stormwater utility rate model that was built in 2019. The rate structure requires a steady implementation of the rates over a 10 year period to come to a fully funded independent model. The City did have a delayed implementation and a reduced residential implementation of this rate so the model has already been altered from the first iteration in 2019. By 2022, there may be a need to update the model for asset changes, etc. The waste management rates are currently determined by calculating rates that cover all operating costs and will need to be modified for inclusion of lifecycle plans as well. It would be desirable to have a separate rate model built for this stream of the service.

In determining new rate models and reviewing existing models, the City would also like to review fees and charges related to this service delivery and explore tenets of a user pay

philosophy. A thorough exploration of an owner's vs. tenant's model would also be explored. Finally through the full study of this area, there would be determined policy and bylaw changes that would be brought forward for approval.

Risk Analysis

Uncertainties with any rate model are in the successful implementation of rates over time based on the tolerance of the rate base for change. Another uncertainty can relate to the ability to gain actual asset information related to each utility segment in order to plan for replacement and return on investment for building reserves, etc.

Impact If Not Implemented

If this business case is not implemented the City will carry on with rate setting based on total costs and lifecycle plans without opportunity for transparency related to each utility segment or direct line of sight between commodity usage and customer billings. Ensuring the long term financial viability of the utility infrastructure would be less certain without a consistent and reviewed utility rate structure that is tied to long term infrastructure plans.

Outcomes & Benefits

Outcome/Benefit	Success Measures
The outcome of this project will be a complete review of the utility fiscal structure related to revenues and expenses providing transparency and sustainability for each utility segment.	Individual rates for each utility segment, fully funded capital plan for utilities.

Stakeholder & Impact

Stakeholder	Impact
CFO, Controller, Assistant Controller, Treasury and Utility billing team	Consultant interface and management
Engineering team	Provide information for consultant and for completion of asset management data.
Utilities operations teams	Provide information for consultant and aid in determining philosophical approach.

Capital Profiles

Municipal New Capital Profiles

The following profiles provide greater detail on the Municipal New Capital section of this Corporate Plan.

Capital Profile:	Business Process Mapping and Budget Enhancement
Timelines:	2022
Asset Category:	Civic Infrastructure
Cost:	\$77,000
Summary	
<p>There is a demand for greater accessibility to information and services for all sectors of the organization and community. As well, there is a need for a standard approach to service delivery, decision making and governance. Decisions need to be well informed and evidence driven.</p>	
Background	
<p>The community and organization has changing service expectations that require new ways of doing business. Currently, we have disjointed processes and systems that make it challenging to improve service delivery to the organization and the community. There is a need for greater efficiencies in the organization’s business processes to minimize the requirement for additional resources.</p>	
Risks	
<ul style="list-style-type: none"> • Continuing to use our current business processes will leave the City with many disjointed, manual, time consuming processes. As with any manual process there is the potential for human error. Reliable and robust budget software that allows for scenario planning and version control and also allows for an audit trail of changes is required. Not having this impacts the entire organization and does not provide for timely, sound decision making. • Without having a clear, documented picture of our current state it is difficult to know how to best make service delivery improvements. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Public: Improved service delivery, better access to information. • Finance: Efficient streamlined processes, improved budgeting system allowing for information. • Leadership: Access to the necessary financial information required for decision making. • Corporate Planning: Easier access to information. 	

Capital Profile:	Implement Enterprise-Wide Asset Management
Timelines:	January 2017 to December 2023
Asset Category:	Civic Infrastructure
Cost:	2022: \$20,000 2023: \$20,000
Summary	
<p>This initiative involves the development and implementation of an enterprise-wide asset management program that will enable the City of Spruce Grove to manage its assets to minimize the total cost of owning, operating, and maintaining assets at acceptable levels of service.</p>	
Background	
<p>There is a need for a robust and integrated asset management system to support fiscal sustainability, evidence based decision making, efficiency in operations and line of sight to corporate objectives. Internally the implementation of asset management will provide the ability to track assets within the City which will include housing an accurate asset inventory, inspection information, the criticality of the asset, cost data, planned maintenance, resource tracking, work orders and asset risk information. The lifecycle of the asset would be managed in a consistent and systematic fashion supported by asset management software, Cartegraph and its ability to generate forward looking scenarios and other analytics. Integrating and communicating the outcomes will be done in an asset management plan. The financial implications will be coordinated with the City’s financial strategy and help to inform the long-term capital plan.</p>	
Risks	
<ul style="list-style-type: none"> • Roles and responsibilities not clear leading to conflicting priorities and slowdowns. • Change management issues while adopting new workflows and technology. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Public: Improved service delivery. • Finance: Asset plans that will inform the long-term capital plan and contribute to fiscal sustainability. • Leadership: Integrated single source of asset information that will support decision making. • Asset Managers: Supports day to day processes, business objectives and long-term plans. 	

Capital Profile:	Cityview Software Upgrade and Enhancements
Timelines:	2019-2022
Asset Category:	Civic Infrastructure
Cost:	2022: \$174,283 carry forward costs from 2021 for completion of the CityView project including finalization of City of Spruce Grove specific enhancements
Summary	
<p>The City has been using CityView software since 2009. In 2019 the Council approved the capital expenditure to upgrade the 2009 CityView software. From 2019 to 2022, Administration and CityView have been incorporating the necessary modifications for the City to effectively deploy CityView upgrades and realize efficiencies for both City Administration, residents and businesses.</p>	
Background	
<p>The original plan for CityView implementation was 2020. Due to a number of challenges including staffing changes with the vendor, the implementation date was revised to January 2022. This revised date allows for integration with continued process improvements with the Planning and Development, and Engineering Departments. This timeline also aligns with the refinements to the Development Fees and Fines Bylaw amendments passed by Council in fall 2021.</p>	
Risks	
<ul style="list-style-type: none"> • The risk of not completing the implementation in 2022 is low, but the impact of not completing the project is high. Administration is actively developing various support tools to enable a successful on boarding of external users of CityView in 2022. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Online service access; improved response time. • Developers: Online service access; improved response time. • Planning: Significant shifts in processes and administration time savings. • Engineering: Significant shifts in processes and administrative time savings. 	

Capital Profile:	Enterprise Wireless System
Timelines:	2021-2022
Asset Category:	Civic Infrastructure
Cost:	\$146,000
<p>Summary</p> <p>Technology has a critical effect on business operations and scalable and reliable infrastructure, such as an enterprise wireless system, is key to technology being successful within business operations. Technology affects the City’s ability to communicate internally and externally and with investment, Administration can provide a more reliable delivery of service. This will also allow the ability for growth of services, both internally and for those services accessed by the public. As businesses such as the City are subject to security threats, technology can be used in safeguarding corporate information and assets from unauthorized disclosure, use, modification, or loss due to internal or external threats.</p> <p>This capital profile is an investment in the City’s future growth of technology and resiliency as a municipality, with a focus on ensuring service continuity and continuous improvement of our services.</p>	
<p>Background</p> <p>At this point in technology evolution, the City’s Information Systems Department is continually running with inadequate and obsolete infrastructure and processes. The purpose of this is to bring a modern stable technology architecture to all our technology services.</p> <p>Key deliverables include:</p> <ul style="list-style-type: none"> • Enterprise wireless in remaining City facilities (BPAC, Planning and Development, and Engineering, Log Cabin, Horizon Stage) • Server room investments to address aged cooling infrastructure • City-wide Cyber Security Training Program (continuation) • Desktop monitoring 	
<p>Risks</p> <ul style="list-style-type: none"> • Cyber attacks on City information assets. The City has already been exposed to such attacks and attempts to de-fraud the City. • Degradation of City information technology assets as a result of improperly cooled server rooms and other facility challenges. 	
<p>Stakeholder Impact</p> <ul style="list-style-type: none"> • Residents: Assurance of City system access (access on line applications, etc.) and protection of personal information. • Council and Administration: Effective oversight of information assets and mitigation of privacy breaches or cyber-attack risks. 	

Capital Profile:	Fibre Ring
Timelines:	2022-2027
Asset Category:	Civic Infrastructure
Cost:	2022: \$445,763
	2023: \$175,638
	2024: \$226,300
	2025: \$154,813
	2026: \$594,113
	2027: \$253,775
Summary	
<p>Work required to leverage the broadband project fibre connections to City facilities including the provision, configuration and testing of equipment (firewalls, switches, wireless). This project is possible due to the broadband investment that the City partnered with Telus on in 2021.</p>	
Background	
<ul style="list-style-type: none"> • Ensure that City facilities have redundant network connections and access to high speed connectivity to improve access to systems/data and reduce risk of unscheduled outages. This investment will increase speeds for business users and increase the public Wi-Fi available in key areas of the City. • Key deliverables include: <ul style="list-style-type: none"> ○ Designing the network ○ Determining and acquiring necessary equipment ○ Stage, configure and test equipment ○ Launch and monitor the updated system connectivity • Each component of the plan in the out years is independent 	
Risks	
<ul style="list-style-type: none"> • At this time, the City does not have a backup if connectivity is lost in a City facility. The fibre ring will ensure that one facility losing an outage can access connectivity through the fibre ring. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Increased access to public Wi-Fi locations in City facilities. • Administration: Productivity losses minimized when connectivity is impacted in a City facility. 	

Capital Profile:	Electric Vehicle Charging Stations
Timelines:	2022
Asset Category:	Civic Infrastructure
Cost:	2022 \$15,000 2023 \$15,000 2024 \$15,000
Summary	
<p>This project will see the in-house development of an Electric Vehicle Strategy and Charging Stations. This strategy will review our current vehicle fleet and set out a “road map” to electrify the City’s fleet over the coming years through regular vehicle lifecycle replacements or as grant funding becomes available.</p>	
Background	
<ul style="list-style-type: none"> • Costs for future purchase of Electric Vehicles (EV) will be included into the lifecycle planning once the EV Strategy is complete. The strategy will also review and develop an EV charging network within the City. Having a network that can connect into other provincial charging networks will ensure that Spruce Grove is on the map within the EV world. This type of network will help draw EV drivers to the City, while also being accessible to residents of Spruce Grove and for City’s future EV fleet. We are currently proposing the installation of one Level 2 charger a year for the next three years to build the awareness that Spruce Grove has charging stations and then increase the number of stations as the demand increases. These charging stations will be planned through the EV strategy. • To commence the strategy, a Level 2 charger will be installed at a location to be determined out of the strategy work. 	
Risks	
<ul style="list-style-type: none"> • Analysis on how many vehicles in the City will require a charging station will impact the program need. • The ability to access grants to support the expansion of this program will be critical. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Living in a City that promotes the use of electric vehicles and enables their viability. • Council: Contribution to the environmental pillar of the Triple Bottom Line. 	

Capital Profile:	Solar Installation and Protective Services
Timelines:	2022
Asset Category:	Civic Infrastructure
Cost:	\$424,911
<p>Summary Installation of 223.9MWh solar array at the Protective Services Building. The 2021-2024 Corporate Plan had this project scheduled for 2024; however, there is grant funding available through the Municipal Climate Change Action Centre (MCCAC) to cover roughly 30% of the project costs. This grant funding is only available until April 30, 2022. To take advantage of the grant funding, Environment & Transit in partnership with Facilities & Fleet would like to move this project to 2022.</p>	
<p>Background This solar array installation will:</p> <ul style="list-style-type: none"> Align with City's energy reduction targets as stated in the GHG Inventory and Energy Management Plan, and analyzed further in the 2018-2019 GHG Inventory and Analysis; Support the 5% reduction in energy use required to meet the funding agreement with the MCCAC for the Municipal Energy Manager program; Help the City achieve LEED certification at the Protective Services Building (the building upgrade was constructed to LEED standards, but the City is still experiencing difficulty getting the final approval required for LEED certification). A solar array will provide the points required to meet the LEED certification needs; Help secure electricity pricing for the life of the installation (40 plus years); and Save the City roughly \$12,200 annually in electricity costs. This will result in a payback period of 34 years without the grant funding and 24 years with the grant funding. Moving the project from 2024 to 2022 will save 11 years on the payback period. 	
<p>Risks</p> <ul style="list-style-type: none"> This project can remain scheduled for 2024, however at that time there is no guarantee of grant funding being available to support the project. Losing the potential grant funding will extend the payback period for this solar installation by 11 years. If this project is not done, it will impact the City's ability to achieve the necessary points to achieve LEED certification at the Protective Services Building, a requirement stated in the City's Green Building Policy. 	
<p>Stakeholder Impact</p> <ul style="list-style-type: none"> Council: GHG reductions achieved from this project will help the City meet the targets set out in the 2016 GHG Inventory and Energy Management Plan. Finance: The GHG reductions achieved will also support the 5% in emissions reduction required as part of the grant funding agreement with MCCAC for the Municipal Energy Manager program. 	

Capital Profile:	Administrative Facilities – Customer Service Renovation
Timelines:	2022-2023
Asset Category:	Civic Infrastructure
Cost:	2022: \$20,000
	2023: \$200,000
Summary	
Customer service renovation project will redesign the customer service interface on the first floor of City Hall to integrate new customer service methods, and improve space utilization.	
Background	
2020/2021 has provided the opportunity to streamline customer service interactions and the renovation of customer service points has not occurred since 2004. This renovation will provide the opportunity to improve service delivery to our residents and visitors and allow facilities to maximize space utilization on the first floor of City Hall.	
Risks	
<ul style="list-style-type: none"> • Not proceeding with this project will maintain the current floor lay out and customer service experience which does not allow for effective administration space utilization or customer service locations. • New construction will need to meet new code requirements and hazardous materials testing and removal will need to be completed for wall renovations or changes. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Improved customer service experience at main floor City Hall. • Administration (Finance): Improved lay out and maximization of office space for City staff. 	

This item has been removed as per sections 16, 25 and 24 of the Freedom of Information and Protection of Privacy Act.

Capital Profile:	Civic Centre Development
Timelines:	2021-2024
Asset Category:	Community Facilities
Cost:	<p>2021: \$2,672,500</p> <p>2022: \$20,759,251</p> <p>2023: \$20,414,351</p> <p>2024: \$ 3,278,900</p>

Summary

Since 2017, the City has been hearing from residents and sporting groups for the need for ice surfaces in addition to other recreation amenities/facilities such as a leisure pool, fieldhouse, and dry floor spaces. Over the 2017-2021 period, City Administration has been researching, analyzing and engaging with residents and regional partners on the optimal civic centre design and components. The proposed Civic Centre Development includes both recreational and cultural experiences as well as incorporating other key City partners such as the Spruce Grove Public Library and Allied Arts Council.

Background

- The City of Spruce Grove first began market feasibility studies for a Multi-Use Sport and Entertainment Centre (MUSEC) in 2014. Preliminary assessments and high level public information were released in 2016 and 2017. Options were narrowed down and presented to Council in a public session, in January 2019.
- In July 2020, City Administration presented further analysis of the three options to Council. At this time, Council chose not to pursue the MUSEC and to proceed with more detailed analysis of the other two options, as well as engaging the community on them. The Arena Complex Project Public Engagement Report was presented to Council in October 2020.
- In April 2021, Administration provided a further update to Council. This update noted that after further analysis and in line with public engagement themes there was an opportunity to construct a spectator arena with a secondary ice sheet while also adding additional community amenities including:
 - Two NHL sized rinks with one having a seating capacity of minimum of 1,700 seats
 - Concourse area with community walking track
 - Approximately 25,000 square feet of community space including a black box theater/flex space, multi-purpose rooms, library space and an art gallery.

Risks

- City Administration continues to refine the costs of the Civic Centre Development, but current inflationary costs observed worldwide with construction inputs such as steel could impact the cost of construction.

Stakeholder Impact

- Residents will have access to modern civic facilities for both recreational and cultural experiences.
- Regional municipalities and their residents will also have access to these same facilities.
- Organized sporting groups and cultural groups will benefit due to more recreational and cultural space availability.

Capital Profile:	Spruce Grove – Stony Plain Trail
Timelines:	2022-2023
Asset Category:	Parks and Open Spaces
Cost:	2021: \$300,000 (first route) 2022: \$ 50,000 (second route) 2023: \$450,000 (second route)
Summary	
<p>To build a multi-use trail south along Highway 16A from Stony Plain to Spruce Grove. This work will be led by Town of Stony Plain Administration and supported by the City of Spruce Grove. Both municipalities will be paying for a portion of the work. In the spring of 2021, Council directed Administration to provide funds to the second phase of this work and that the trail would be completed by 2024.</p>	
Background	
<p>There is a strong need for multiple connections between the two municipalities (Stony Plain and Spruce Grove) for residents to use non-motorized forms of transportation to provide a multi-use connection between the two communities. Currently the two municipalities are building a connection along Boundary Road as the first stage and then supplementing this access with a second route by providing a southern connection to the existing Stony Plain Trail west of Veteran's Way and running south of Highway 16A. The route and location of the trail is currently be explored by Stony Plain Administration.</p>	
Risks	
<ul style="list-style-type: none"> As the trails are built, being mindful of any current or future development will be critical. 	
Stakeholder Impact	
<ul style="list-style-type: none"> Residents of both communities will benefit greatly from this connecting infrastructure. Local businesses in each community may benefit from increased exposure from the non-motorized form of community exploration that the trails will create. 	

Capital Profile:	Re-imagine Central Park
Timelines:	2022-2025
Asset Category:	Parks and Open Spaces
Cost:	<p>2022: \$ 50,000</p> <p>2023: \$ 350,000</p> <p>2024: \$ 2,120,000</p> <p>2025: \$ 880,000</p>

Summary

Central Park remains a highly valued outdoor area in the community. Its location along current inventory of system elements renders the location as a premier outdoor spontaneous use destination. The development plan proposes an overall site refreshment along with a scale of redevelopment thereby ensuring the site continues to meet community needs for all ages, interests and ability levels.

Background

- The following is an overview of existing and proposed (new or retrofitted) amenities that are recommended for Central Park:
 - New skate park (includes expansion and retrofit to existing space), playground and picnic area
 - Fitness area
 - Electronic events board sign
 - Pump track and
 - Restroom facility (pre-cast concrete building).
- The initiative would include both internal and external consultation exercises to address questions such as desired program elements and seasonal expectations.
- Key steps include:
 - Issue RFP - January 2022
 - Select Vendor - February 2022
 - Complete draft report - June 2022
 - Present final report - October - 2022

Risks

- On occasion the greater Central Park area has been viewed as a location associated with negative behaviour. Through a combination of site redesign along with the addition of various spontaneous elements, this negative behaviour will be displaced and subsequently Central Park will grow in reputation as a safe/community friendly spontaneous outdoor destination location.

Stakeholder Impact

- Engagement will drive the input into stakeholder impact.

Capital Profile:	Automated Licence Plate Reader
Timelines:	2022
Asset Category:	Public Safety
Cost:	\$25,000
Summary	
<p>As of January 1, 2021 the Government of Alberta ceased the issuance of validation stickers as a cost saving measure to reduce red tape and modernize service delivery. In addition to no longer issuing validation stickers, the Government of Alberta is issuing licence plates made of reflective material which are easier to scan using Automated Licence Plate Reader (ALPR) technology. The impact of these changes without the introduction of ALPR technology at the municipality has created administrative inefficiencies for enforcement officers that over time is substantive in cost.</p>	
Background	
<ul style="list-style-type: none"> • Manual queries on plates is approximately 50-100 in a 12 hour shift with the ALPR technology doing 3,000 in the same time period. Utilizing ALPR technology as other added benefits including: <ul style="list-style-type: none"> ○ Assisting in locating vehicles with expired registration ○ Alerting the officer if the registered owner of the vehicle is a suspended driver • The adoption of ALPR technology would vastly improve officer efficiency by conducting the licence plate queries autonomously. It would also improve road safety by efficiently identifying suspended drivers, maintain public confidence in targeted enforcement as each identified violation through ALPR would be verified by an officer through a traditional traffic stop, and allow the City of Spruce Grove to maintain a technological pace in line with the current expectations of the Government of Alberta. 	
Risks	
<ul style="list-style-type: none"> • If the City were not to adopt this technology, there will be an increased demand on officer's time to address searches on expired registrations. • The opportunity to enhance officer safety through an automatic licence plate reader will also be lost. • To address the public perception concerning privacy impacts, the City will be providing the public with facts about how ALPR works and the data retention periods for the information captured. This approach has been used successfully in other jurisdictions. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Officer safety will be enhanced. • Driver experience will be enhanced with the added features to address certain violations in a safe and effective manner. 	

Capital Profile:	Enforcement Services Bylaw Vehicle
Timelines:	2022
Asset Category:	Public Safety
Cost:	\$41,000
Summary	
<p>This vehicle is tied to the business case for Enforcement Services staffing. If there is approval to proceed with the staffing plan resulting in the hiring of two dedicated bylaw officers there would be a need for a vehicle for them.</p>	
Background	
<p>Unlike community peace officer vehicles, which are purchased a year ahead of hiring due to the complexity and limited ordering window, a bylaw vehicle does not require the same technologies and safety features. This vehicle could be ordered at any time of the year. Costing is based on a Ford Escape.</p>	
Risks	
<ul style="list-style-type: none"> • If the staffing model is approved and the vehicle is not purchased, there will be a challenge in deploying the staff for the purposes of which they were recruited. • Leasing a vehicle is not an option. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Enforcement Services staffing will have the tools to fulfill their professional accountabilities. 	

Capital Profile:	Park and Ride
Timelines:	2022
Asset Category:	Transit Infrastructure
Cost:	2021: \$1,412,500 (land acquisition) 2022: \$1,662,500
Summary	
Construction of a Park and Ride facility and Transit Hub. The project will include parking, bus bays, pedestrian island, shelter and operator washrooms.	
Background	
<ul style="list-style-type: none"> Improved access to the public transit system. There is a demonstrated need for designated off-street parking with improved passenger amenities for Spruce Grove Transit customers. Buses also need to be able to connect at a major transfer location without creating traffic safety concerns or traffic delays. The parking will also be available for the Civic Centre during the evening and on weekends. This project is dependent on the approval of the Civic Centre Development. The responsibility for transit planning and operations is being transferred to the new Edmonton Metropolitan Transit Services Commission in September 2022. The transfer of infrastructure assets to the commission has not yet been negotiated. The commission is expected to take the position that the park and ride asset is provincially funded transit infrastructure that should be leased to the commission and controlled by the commission. Given that the parking lot is intended to be joint use with the Civic Centre, the City might take the position that only the transit centre portion of the park and ride facility should be leased to the commission. The transit centre portion includes the bus bays and passenger waiting areas. 	
Risks	
<ul style="list-style-type: none"> The project cost might exceed the estimate. If this happens the project scope will have to be scaled back. The design of the transit centre (e.g. number of bus bays) will be based on the expected future state of the transit network. It is possible that the design will underestimate or overestimate the future requirements. 	
Stakeholder Impact	
<ul style="list-style-type: none"> Residents will have improved access to public transit. 	

Capital Profile:	Transit – Local Service Install Bus Stops
Timelines:	2022-2027
Asset Category:	Transit Infrastructure
Cost:	\$62,500 (for each year)
Summary	
<p>This project will address bus stop improvements including bus stop concrete pads, shelters and sidewalk connections.</p>	
Background	
<ul style="list-style-type: none"> • With the implementation of local service in 2019 and the transition to on-demand local service in 2021 there are now 120 existing and virtual bus stops within the City. Sixty-one of these stops have unpaved pedestrian access. Concrete pads and sidewalk connections will ensure that pedestrians are able to safely access the transit service. • Planned locations will be finalized by December 2023. • The affected bus stops will be closed or their location will be shifted during construction. • The responsibility for transit planning and operations is being transferred to the new Edmonton Metropolitan Transit Services Commission in September 2022. The transfer of infrastructure assets to the commission has not yet been negotiated. The commission is expected to take the position that bus stop pads are for local service and are therefore the responsibility of the individual municipalities. 	
Risks	
<ul style="list-style-type: none"> • Construction could have weather-related delays. • If on-demand local service is unsuccessful at attracting a sufficient number of passengers, the service could be cancelled prior to the completion of this five-year project. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Transit users will have a safe and convenient access to the bus stop. 	

Capital Profile:	Spruce Ridge Gardens Phase 3
Timelines:	2022-2027
Asset Category:	Transportation
Cost:	2021: \$400,000 2022: \$450,000 2023: \$310,000
Summary	
<p>The project is to complete the work for a current subdivision (Spruce Ridge Gardens) that has been abandoned by the developer. There have been numerous deficiencies that need to be completed including some safety concerns for residences currently living in the subdivision and future residence.</p>	
Background	
<ul style="list-style-type: none"> • The City entered into a Development Agreement in August 2014 for the development at Spruce Ridge Gardens Stage 3. Construction Completion Certificates (CCC) were issued in 2015 for both Surface Improvements and Underground Utilities with some minor deficiencies. Administration made several attempts to schedule Final Acceptance Certificate (FAC) inspections with the developer and their consultant. These attempts were unsuccessful. • In June/July 2018, Administration issued a default letter to the developer as well as demanded the Letter of Credit. The City was later notified that the company that issued the security held by the City was dissolved in 2015. The Letter of Credit issued was to be automatically extended on an annual basis but the City received no notice from the issuing lender that they elected to not renew it. • Administration started receiving emails from residents of the area in June of 2018 regarding deficiencies in the development and has been working with the current homebuilder in the area to address imminent issues. The City continued to note deficient items based on inspections completed in 2018/2019/2020. • The City remains in litigation to try to recover the funds from the Letter of Credit, however in October 2020, Council directed administration to address the deficiencies and fund them accordingly. 	
Risks	
<ul style="list-style-type: none"> • Not addressing the deficiencies will leave the City exposure to continued concerns by the residents of the community. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • The residents living in the subdivision will have a safe operational area to live. 	

Capital Profile:	High Load Truck Route
Timelines:	2022
Asset Category:	Transportation
Cost:	\$550,000
Summary	
<p>The industrial area of the City currently lacks an established high load corridor which allows over-sized and over-weight vehicles to connect with the Alberta high load corridor. This is affecting a number of companies in terms of their Spruce Grove operations and creates a competitive disadvantage in attracting new investment in areas such as modular construction, steel fabrication and logistics. These businesses have reached out to Economic Development to see if the City could establish a high load corridor through Spruce Gove that would provide access to the provincial network via the Yellowhead Highway.</p>	
Background	
<ul style="list-style-type: none"> • This route utilizes Jennifer Heil Way northbound and Highway 16 eastbound to access Highway 60. The length of this route is approximately 17.1km which includes 1.6km of Diamond Avenue, 3.8km of Jennifer Heil Way, and 11.7km of Highway 16. Diamond Avenue and Jennifer Heil Way are owned and operated by the City of Spruce Grove while Highway 16 is owned and operated by Alberta Transportation. • The work would mainly be the installation of swivel intersection lights (bases) along Jenn Heil north bound. 	
Risks	
<ul style="list-style-type: none"> • In the absence of this project being completed, the lack of a dedicated connection to the provincial high load network will continue to be a significant disadvantage for Spruce Grove in retaining and attracting investment. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Business would have a direct route to market from our industrial area. 	

Municipal Lifecycle Capital Profiles

The following profiles provide greater detail on the Municipal Lifecycle Capital section of this Corporate Plan.

Capital Profile:	IS Lifecycle Replacement Plan
Timelines:	2022
Asset Category:	Civic Infrastructure
Cost:	\$346,939
<p>Summary</p> <p>The lifecycle replacement plan has been established to manage assets to ensure functionality and productivity for the organization. The maintenance and replacement of the assets is planned for optimal lifespan and to limit downtime from equipment failure. IS equipment includes such items as servers, firewall, printers, network switches, storage drives and technology.</p>	
<p>Background</p> <p>The equipment identified in the plan has a specific lifespan and as technology improves, the replacement of the equipment improves the reliability of services. The blade infrastructure (computer power) is required to operate server systems so employees can access data / systems, which we have become more dependent on as we have moved to increased use of remote access through the pandemic. This allows for the business to operate systems so employees can work at full capacity while providing services to internal and external clients. With up to date equipment there is less likelihood of non-scheduled outages or risks from a security perspective. Business need from a size/speed perspective to systems and data will continue to grow. Additional purchases of replacement storage discs are required as a result of discs being damaged due to loss of facility coolant in 2021.</p>	
<p>Risks</p> <ul style="list-style-type: none"> • New technology is getting faster and faster, could look to replace with less but run the risk of not sizing properly. • Resource risk and scheduling risk 	
<p>Stakeholder Impact</p> <ul style="list-style-type: none"> • Public: Improved service delivery, reliable access to information. • Organization: Reliable access to systems/data and new technology limits downtime from equipment failure. 	

Capital Profile:	Workplace Renovations - City Hall Office Restack
Timelines:	2022
Asset Category:	Civic Infrastructure
Cost:	\$525,000
Summary	
<p>2021 required a temporary change in customer service and staffing office locations to re-open City Hall. The plan is to renovate City Hall customer service and restack of office locations to arrange new office requirements and allow Community Social Development to be accommodated in City Hall and create space to ensure customer service needs are met for the future.</p>	
Background	
<p>Workplace renovations allow space to be best utilized to meet current and emerging business needs, and the investment in physical renovations of workplace assets allows workgroups to achieve business goals. COVID-19 has created a shift in the way customer service and staff accommodation is provided and the expectations of service. Temporary customer service and staff restacking requirements will be developed by the end of 2021, with detailed design work for permanent customer service interface and staff restacking to follow in 2022. Construction will occur in 2022.</p>	
Risks	
<ul style="list-style-type: none"> • Continuing temporary solutions in accommodation of customer service and staff accommodation. • Impact on safety. • Impact on service levels. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Reliable service delivery. • Organization: Potential increase in safety risks to employees. 	

Capital Profile:	Facilities Lifecycle Replacement Plan
Timelines:	2022
Asset Category:	Community Facilities
Cost:	\$200,000
Summary	
Artificial turf fields have a subbase that requires adjustments after the turf field has been installed and used for a number of years.	
Background	
The artificial turf fields at Fuhr Sports Park require the turf to be lifted and the sub base adjusted to ensure turf stability and smoothness and to extend the lifespan of the turf field. Residents rely on the field to be in a condition that is safe and that the field is available for use with limited downtime due to unplanned repairs. The work required on the sub base will assist in maintaining service levels that the residents are accustomed to.	
Risks	
<ul style="list-style-type: none"> • Turf field damage from shifted sub base while residents/public are using the field. • Reduced lifespan of the field, increasing the overall cost of the turf field. • Downtime for repairs reducing revenue from rental of field. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Reliable sports field to rent and use for sports organizations. 	

Capital Profile:	Equipment Lifecycle Replacement Plan
Timelines:	2022
Asset Category:	Parks and Open Spaces
Cost:	\$323,000
Summary	
<p>The lifecycle replacement plan has been established to manage park and open spaces assets such as mowers, tractors, bobcats and gators to ensure functionality and productivity for the organization. The maintenance and replacement of the assets is planned for optimal lifespan and to limit downtime from equipment failure.</p>	
Background	
<p>The equipment identified in the plan has a specific lifespan; as the equipment ages, there is increased wear on them which can result in an increase in downtime for repairs. In 2022 there are mowers and gators planned for replacement. This equipment is utilized to maintain the recreation and green spaces in the City. The timely replacement of the equipment improves the reliability of the units for the employees to use as part of their work and maintains service levels that the residents are accustomed to.</p>	
Risks	
<ul style="list-style-type: none"> • Equipment failure putting City employee in harm and/or a bystander. • Renting equipment while repairs are being completed. • Long wait times for equipment if no planned timeline for replacement due to stock shortage; Administration has seen this impact from factory shutdowns due to COVID-19. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Reliable service delivery. • Organization: Reliable access to equipment required for employees day to day work. 	

Capital Profile:	Vehicle Lifecycle Replacement Plan
Timelines:	2022
Asset Category:	Parks and Open Spaces
Cost:	\$117,000
Summary	
<p>The lifecycle replacement plan has been established to manage assets to ensure functionality and productivity for the organization. The maintenance and replacement of the assets is planned for optimal lifespan and to limit downtime from equipment failure.</p>	
Background	
<p>The equipment identified in the plan has a specific lifespan, as the vehicles age, there is increased wear on them which can result in an increase in downtime for repairs. The three units being replaced include a 2009 3/4-ton truck, a 2012 one-ton chassis with aerial bucket and a one-ton with hydraulic dump box that are used in the maintenance of the City green areas. The timely replacement of the vehicles improves the reliability of the equipment for the employees to use as part of their work and maintains service levels that the residents are accustomed to.</p>	
Risks	
<ul style="list-style-type: none"> • Vehicle failure putting other motorists in harm and/or City employee. • Renting vehicles while repairs are being completed. • Long wait times for vehicles if no planned timeline for replacement due to stock shortage. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Reliable service delivery. • Organization: Reliable access to vehicles required for their day to day work. 	

Capital Profile:	Parks & Open Spaces Rehabilitation
Timelines:	2022
Asset Category:	Parks and Open Spaces
Cost:	\$230,000
Summary	
<p>This work provides rehab upgrades to current parks in City. Identified areas of the City over time require the rehab work as park for the life cycle of the park. Residents are able to enjoy park areas when rehab work is completed.</p>	
Background	
<p>Providing safe parks require constant rehab and work to our parks. The public uses the parks and counts on these facilities to be safe and a place to enjoy. Longview Park has been identified as the park area which requires rehab to increase the safety for users of the park area. Parks can become unsafe if proper work is not completed at proper times. Ensuring these parks are safe and kept at a level expected of the public is essential.</p> <p>Future park maintenance and repair include:</p> <ul style="list-style-type: none"> • Harvest Ridge (2023) • Downtown Nature Playground (2024) • Victoria (Junior) (2025) • Woodside (2026) • Century Crossing (2027) 	
Risks	
<ul style="list-style-type: none"> • Injuries from unsafe play area if not maintained/rehabbed. • Closure to residents due to park safety concerns. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Reliable safety level and park space to enjoy. • Organization: Reduced complaints regarding unsafe park area/equipment. 	

Capital Profile:	Support to City Centre Area Redevelopment Plan
Timelines:	2022-2026
Asset Category:	Parks and Open Spaces, Transportation and Utilities
Cost:	<p>Parks and Open Spaces:</p> <ul style="list-style-type: none"> • 2021: \$1,308,000 • 2022: \$ 505,000 <p>Transportation:</p> <ul style="list-style-type: none"> • 2021: \$ 462,000 • 2022: \$6,258,000 • 2023: \$1,600,000 • 2024: \$2,725,527 • 2025: \$2,966,848 • 2026: \$3,215,012 <p>Utility:</p> <ul style="list-style-type: none"> • 2021: \$ 297,000 • 2022: \$2,888,000 • 2023: \$3,045,231 • 2024: \$3,288,849 • 2025: \$3,551,957

Summary

Spruce Grove’s Municipal Development Plan (MDP) identified the City Centre’s revitalization as an important initiative that established the objective of re-invigorating the City Centre as a mixed-use hub of activity with a distinct identity. The City’s MDP specifically identified the need for a City Centre Area Redevelopment Plan (CCARP), which was adopted in April 2020, to guide redevelopment.

Background

The City Centre has been awaiting redevelopment as a more holistic plan was developed and approved by Council. The work to re-vitalize the City Centre is needed as the underground infrastructure is in need of repair as well as modernization of surface level.

Under the asset category of Parks and Open spaces, the upgrades to Columbus Park are key. With work commencing in 2021, there are elements that will be completed in 2022 and will see a capital carry over to address. Enhancements to Columbus Park include site servicing for future washrooms, a drinking fountain and other amenities.

Under the asset category of Transportation, the areas of work include:
 2022: McLeod Ave – King Street to Queen Street and Main Street
 2023: Jespersen and Queen Street
 2024: First Avenue, McLeod Avenue, Calahoo Road and lanes
 2025: Church Road, Mohr Avenue, McPherson Avenue

2026: King Street

Under the asset category of Utilities, the areas of work include:

2022: McLeod Avenue, Main Street, Jespersen Avenue (King Street to Queen Street and Highway 16A),

2023: First Avenue, Calahoo Road and lanes

2024: Church Road, Mohr Avenue, McPherson Avenue

2025: King Street

Risks

- Unexpected situations when the ground is opened up, unknown contamination.
- Impact to businesses if there are delays.
- Cost overrun due to inflationary pressures.

Stakeholder Impact

- **Residents:** Will benefit from the downtown revitalization; however there is a consequence to other transportation projects in local neighborhoods being delayed.
- **Businesses:** The redevelopment is a priority of the City Centre Business Association.

Capital Profile:	Equipment Lifecycle Replacement Plan
Timelines:	2022
Asset Category:	Public Safety
Cost:	\$999,788
Summary	
<p>The lifecycle replacement plan has been established to manage assets to ensure functionality and productivity for the organization. The maintenance and replacement of the assets in public safety such as defibrillators, SCBA packs, fire pump trucks, ambulances and thermal cameras are planned for optimal lifespan and to limit downtime from equipment failure.</p>	
Background	
<p>The timely replacement of the equipment improves the reliability of the equipment and maintains service levels that the residents are accustomed to. Planned replacement of two defibrillators, the Volvo fire pump (approved by Council to order in 2021) and an ambulance ensure that the safety levels expected by the residents are maintained. These pieces of equipment are critical to ensure that Administration can serve the growing demand on the ambulance services in particular.</p>	
Risks	
<ul style="list-style-type: none"> • Equipment failure reducing the safety levels for residents. • Services no longer able to be provided to the residents. • Long wait times for vehicles if no planned timeline for replacement due to stock shortage. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Reliable safety and service delivery will be maintained. • Organization: Reliable access to equipment required for fire and ambulance services in the City. 	

Capital Profile:	Transit Bus Lifecycle Replacement Plan
Timelines:	2022
Asset Category:	Public Transit
Cost:	\$183,100
Summary	
<p>The lifecycle replacement plan has been established to manage assets to ensure functionality and productivity for the organization. The maintenance and replacement of the assets is planned for optimal lifespan and to limit downtime from equipment failure.</p>	
Background	
<p>The equipment identified in the plan has a specific lifespan, as the buses age, there is increased wear on them which can result in an increase in downtime for repairs. The timely replacement of the buses improves the reliability of the bus service that the residents are accustomed to. Planned for replacement are a 22-passenger bus and a specialized van that can transport two passengers and two wheelchairs that are part of the bus fleet.</p> <p>The specialized van is part of the specialized transit unit program run by Stony Plain that service the Stony Plain and Spruce Grove area travelling to and within Edmonton and the two municipalities and used to transport low mobility customers.</p>	
Risks	
<ul style="list-style-type: none"> • Bus failure putting other motorists in harm and/or City employee. • Renting buses while repairs are being completed. • Long wait times for vehicles if no planned timeline for replacement due to stock shortage. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Reliable service delivery. 	

Capital Profile:	Equipment Lifecycle Replacement Plan
Timelines:	2022
Asset Category:	Public Works
Cost:	\$111,025
Summary	
<p>The lifecycle replacement plan has been established to manage assets to ensure functionality and productivity for the organization. The maintenance and replacement of the Public Works assets such as multi lifts, forklifts, trailers and tilt trailers is planned for optimal lifespan and to limit downtime from equipment failure.</p>	
Background	
<p>The equipment identified in the plan has a specific lifespan, as the equipment ages, there is increased wear on them which can result in an increase in downtime for repairs. The timely replacement of the 2006 Sterling single axle multi dump will improve the reliability of the equipment for the employees to use as part of their work and maintains service levels that the residents are accustomed to.</p>	
Risks	
<ul style="list-style-type: none"> • Vehicle failure putting other motorists in harm and/or City employee. • Renting vehicles while repairs are being completed. • Long wait times for vehicles if no planned timeline for replacement due to stock shortage. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Reliable service delivery. • Organization: Reliable access to vehicles required for their day to day work. 	

Capital Profile:	Equipment Lifecycle Replacement Plan
Timelines:	2022
Asset Category:	Transportation
Cost:	\$761,500
Summary	
<p>The lifecycle replacement plan has been established to manage assets to ensure functionality and productivity for the organization. The maintenance and replacement of the Transportation assets such as snowplows, haulers, snow blowers, graders, loaders, etc. is planned for optimal lifespan and to limit downtime from equipment failure.</p>	
Background	
<p>The equipment identified in the plan has a specific lifespan, as the vehicles age, there is increased wear on them which can result in an increase in downtime for repairs. The timely replacement of the vehicles improves the reliability of the equipment for the employees to use as part of their work and maintains service levels that the residents are accustomed to. Plans to replace a snowplow, snow blower and street sweeper will allow the City to provide safer travel/roads for the residents and public. This equipment, particularly the snowplow and snow blower, have a direct correlation to snow and ice service level expectations by residents.</p>	
Risks	
<ul style="list-style-type: none"> • Equipment and machinery failure putting other motorists in harm and/or City employee. • Unsafe road conditions for the public. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Reliable road maintenance and service levels maintained. • Organization: Upkeep of safe road conditions to the public. 	

Capital Profile:	Vehicle Lifecycle Replacement Plan
Timelines:	2022
Asset Category:	Transportation
Cost:	\$58,000
Summary	
<p>The lifecycle replacement plan has been established to manage assets to ensure functionality and productivity for the organization. The maintenance and replacement of the Transportation vehicle assets such as dump trucks, small trucks, flat decks, etc., is planned for optimal lifespan and to limit downtime from equipment failure.</p>	
Background	
<p>The equipment identified in the plan has a specific lifespan, as the vehicles age, there is increased wear on them which can result in an increase in downtime for repairs. Unit 264 is a 2012 one-ton with hydraulic dump box that is utilized in the maintenance of the road system. The timely replacement of the vehicles improves the reliability of the equipment for the employees to use as part of their work and maintains service levels that the residents are accustomed to.</p>	
Risks	
<ul style="list-style-type: none"> • Vehicle failure putting other motorists in harm and/or City employee. • Renting vehicles while repairs are being completed. • Long wait times for vehicles if no planned timeline for replacement due to stock shortage. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Reliable service delivery. • Organization: Reliable access to vehicles required for their day to day work. 	

Capital Profile:	Arterial Roadways and Hwy 16A Resurfacing
Timelines:	2022
Asset Category:	Transportation
Cost:	\$1,150,000

Summary

Pavement has a finite life before there is a need to replace the total structure. Resurfacing adds years to the life of a pavement structure, if caught at the right time. If the City misses the opportunity to re-surface and the road deteriorates to a level then a more expensive option will have to be implemented to bring the road to a safe standard.

Background

The City's arterial roadways form the backbone of the road network, transporting high volumes of vehicles to residential neighborhoods, commercial developments, recreation destinations and other areas. It is important that the arterial roads, including Highway 16A, are maintained to an appropriate standard to accommodate traffic safely and efficiently. This asset management program is the life cycling process for pavement structure in which various treatments are applied to increase the longevity of the pavement.

The planned area for resurfacing in 2022 is Highway 16A East Bound – Jennifer Heil Way to Nelson Drive and Highway 16A East Bound - Century Road to east City limits.

Road sections identified for resurfacing in the future years include:

- 2023 Highway 16A WB – Eastern City limits to Century Road
- 2024 Century Road NB & SB - Grove Drive to North City limits & Grove Drive EB
Century Road to Greystone Drive
- 2025 Jennifer Heil Way NB & SB - NCL to McLeod Avenue & Grove Drive EB and WB
Jennifer Heil Way to HR Dr.
- 2026 Calahoo Road NB & SB - McLeod Ave to Longview Drive
- 2027 Grove Drive WB from Greystone Drive to Calahoo Road
- 2028 Grove Drive EB from Century Road to Greystone Drive

Risks

- Roads will continue to deteriorate and reach a point where expensive rebuilding will be needed. It is imperative that we catch the roads and a time where less expensive treatments can be applied.
- If this work is not done, there will be a need for an increase in the public works operating maintenance budget, as the City will need to deal with the deteriorating roads.

Stakeholder Impact

- **Residents:** Reliable road conditions and less damage to vehicles from deteriorating roads.
- **Public Works:** Lower maintenance budget for road repairs.

Capital Profile:	Collector/Local Roadway/Lane Resurfacing
Timelines:	2022
Asset Category:	Transportation
Cost:	\$1,500,000
Summary	
<p>Pavement has a finite life before there is a need to replace the total structure. Resurfacing adds years to the life of a pavement structure, if caught at the right time. If the City misses the opportunity to re-surface and the road deteriorates to a level that the more expensive option will have to be implemented to bring the road to a safe standard.</p>	
Background	
<p>The City's pavement management application assesses each road segment in Spruce Grove and attaches a pavement quality index number (PQI) to each road segment. Over the past at least 15 years, typically the roads that have been rehabilitated, have been local roads that had water/sewer work done the previous year. This has led to a greater volume of other local and collector roads not being rehabilitated and being in need of improvements. This proposed program of rehabilitating local roads/collector roads/lanes will allow for the roads in need of improvement and not subject to watermain/sanitary sewer work prior to surface work, to be rehabilitated. This will allow for the local road/collector roads/lanes to be kept to a more acceptable pavement quality index level.</p> <p>Due to the investment in the City Centre Area Redevelopment Plan, some areas were moved out to future years including the Millgrove area.</p> <p>The planned area for rehabilitation in 2022 is Lakewood and Deer Park.</p> <p>Road sections identified for resurfacing in the future years include:</p> <ul style="list-style-type: none"> • 2023 Deer Park and Fieldstone • 2024 Hilldowns, King Street from Grove Drive to Brookwood Drive • 2025 Westgrove, Lakewood Weston Drive • 2026 Stoneshire and Harvest Ridge • 2027 Legacy Park • 2028 Heatherglen • 2029 Spruce Ridge 	
Risks	
<ul style="list-style-type: none"> • Roads not treated at the proper time may need more extensive treatment costing the City sustainably more money. It is essential to do the treatment at the proper time. • Increased complaints from residents regarding road conditions and damage to their vehicles. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Reliable road conditions. • Public Works: Lower maintenance budget for road repairs. 	

Utility New Capital Profiles

The following profiles provide greater detail on the Utility New Capital section of this Corporate Plan.

Capital Profile:	Water Meter Growth Program
Timelines:	2022 (annual recurring)
Asset Category:	Civic Infrastructure
Cost:	\$188,400
Summary	
<p>Water meters are used for new residential, commercial and industrial areas in the City. Every year the utility funds the purchase of 370 residential and 13 commercial/industrial water meters to accommodate new growth utility access.</p>	
Background	
<p>Water meters are used for new residential, commercial and industrial areas in the City. Every year the utility funds the purchase of 370 residential and 13 commercial/industrial water meters to accommodate new growth utility access. These estimates are based on the same growth estimates that inform property tax assessment. City operations installs the meters in residential properties while ticketed plumbers are retained for larger commercial and industrial installations.</p>	
Risks	
<ul style="list-style-type: none"> Without water meters acquired, residents and businesses cannot access the City utility services. 	
Stakeholder Impact	
<ul style="list-style-type: none"> Residents: Access to City run utilities. Businesses: Access to City run utilities. 	

Capital Profile:	Hydro Vac Drying Bed
Timelines:	2022
Asset Category:	Public Works
Cost:	\$375,000
Summary	
<p>Changes in the provincial requirements regarding the handling of hydro vac waste have prompted the investigation into installing and operating a hydro vac drying bed to mitigate environmental risks, liabilities and costs associated with management of the waste materials.</p>	
Background	
<p>Changes in the provincial requirements regarding the handling of hydro vac waste have prompted the investigation into installing and operating a hydro vac drying bed to mitigate environmental risks, liabilities and costs associated with management of the waste materials. Hydro vac waste is the common term used for the slurry waste created in the completion of hydro vac excavation work. The resulting slurry that is created is generally comprised of about 60% liquid and 40% solid material which necessitates that the slurry be treated at a unique waste facility that is capable of separating the solid from the liquid.</p> <p>The City, as a generator of a waste (as the owner of the land being hydro excavated and/or the proponent for the hydro vac activity) by way of the hydro vac activity, is responsible to ensure that the waste generated is characterized, classified and managed in accordance with the Province of Alberta Environmental Protection and Enhancement Act Waste Control Regulation (Alberta Regulation 192/1996). The City hydro vac drying bed facility must be operated as an uncontaminated site.</p> <p>While there are relatively local privately operated licensed hydro vac slurry handling and disposal facilities in the region the operational logistics and associated costs for disposal are considered prohibitive for effective use. The turnaround time for a single load disposal at the nearest location is estimated to be over 1.5 hours and require access arrangements and payment of significant disposal fees.</p>	
Risks	
<ul style="list-style-type: none"> • Outdoor project work is subject to weather delays. Project costs are currently estimated so there is a risk that proposals could exceed planned contingencies. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Will see a continued efficient use of their utility payments (versus cost increases due to work around situations). • Organization: Operation effectiveness and risk mitigation. 	

Utility Lifecycle Capital Profiles

The following profiles provide greater detail on the Utility Lifecycle Capital section of the Corporate Plan.

Capital Profile:	Water Meter Lifecycle Replacement Program
Timelines:	2022
Asset Category:	Civic Infrastructure
Cost:	\$139,600
Summary	
<p>The lifecycle replacement plan has been established to manage assets to ensure functionality and productivity for the organization. The maintenance and replacement of the assets is planned for optimal lifespan and to limit downtime from equipment failure.</p>	
Background	
<p>The water meters identified in the plan have a specific lifespan and as technology improves, the replacement of the equipment improves the reliability of services. The City tracks the water meters in the asset management system, which produces the replacement plan by year. This allows for the business to take readings that are consistent and customer billing is on time. With up-to-date equipment there is less likelihood of failure and loss of revenue with inaccurate or no readings taken. The 2022 expenditure includes a \$70,000 carry forward from work not completed in 2020 and 2021 due to a pause on any non-urgent meter replacements during COVID-19 restrictions.</p> <p>In 2022, Administration will be reviewing the replacement plans to ensure the effective replacement of aging water meters in a more timely manner.</p>	
Risks	
<ul style="list-style-type: none"> • With older equipment that is past its lifespan, there is risk of inaccurate readings, equipment failure and no readings available. • Revenue loss due to readings not taken/inaccurate. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Improved service delivery, reliable readings and billing. • Organization: Reliable meter readings and limits downtime from equipment failure. 	

Capital Profile:	Vehicle Lifecycle Replacement Plan
Timelines:	2022
Asset Category:	Public Works
Cost:	\$58,000
Summary	
<p>The lifecycle replacement plan has been established to manage assets to ensure functionality and productivity for the organization. The maintenance and replacement of the assets is planned for optimal lifespan and to limit downtime from equipment failure.</p>	
Background	
<p>The equipment identified in the plan has a specific lifespan, as the vehicles age, there is increased wear on them which can result in an increase in downtime for repairs. Unit 265 is a 2012 one-ton chassis with attached body that is utilized in the maintenance of the water systems. The timely replacement of the vehicle will improve the reliability of the equipment for the employees to use as part of their work and maintain service levels that the residents are accustomed to.</p>	
Risks	
<ul style="list-style-type: none"> • Vehicle failure putting other motorists in harm and/or City employee. • Renting vehicles while repairs are being completed. • Long wait times for vehicles if no planned timeline for replacement due to stock shortage. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Reliable service delivery. • Organization: Reliable access to vehicles required for their day-to-day work. 	

Capital Profile:	Storm Sewer Rehab (Catch Basins)
Timelines:	2022
Asset Category:	Transportation
Cost:	\$250,000
Summary	
<p>The catch basin system is connected to the storm lines within the City’s underground infrastructure. They require maintenance and replacement as they age and/or fail and are replaced on an as need basis, as there is no set lifespan to them.</p>	
Background	
<p>The City has a network of catch basins/storm drains that are used to redirect water from streets to prevent flooding. Catch basins collect snow melt or rain water and directing the water runoff into the storm lines. They catch sediments and large debris that can be found in runoff, which prevents storm system overload. There is no planned area of treatment, the work is reactive to the conditions after snow melt or when storms have gone through the area. In 2022, the most problematic basin will be upgraded with concrete to address deficiencies.</p>	
Risks	
<ul style="list-style-type: none"> • Backup of water on roadways, which can lead to traffic problems and/or road failure when the backup water erodes the materials around the catch basin. • Increased in the Public Works maintenance budget, as Public Works will need to deal with the repairs to the drain and the deteriorating roads materials from water sitting on the surface/seeping under the material. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Reliable road conditions and less traffic delays. • Public Works: Lower maintenance budget for drainage and road repairs. 	

Capital Profile:	Industrial Watermain and Surface Rehab
Timelines:	2022
Asset Category:	Water & Sewer
Cost:	\$1,782,900
<p>Summary</p> <p>The City needs to provide a safe and reliable water network for our public. The areas identified for replacement in this program have shown signs of deterioration and are seeing more repairs costs. The work this would be part of the lifecycle of the asset.</p>	
<p>Background</p> <p>In recent years, due to groundwater issues impacting road base and the impact of heavy traffic usage, the industrial area roads have started to deteriorate and are in need of repair. This is most evident in spring when the frost is coming out of the ground. Watermains within these roads were installed in the early 1970s and should be replaced with new watermains prior to road construction as they are nearing the end of their expected life and have shown some evidence of wear. Required repairs to the sanitary sewers in this immediate area would be completed at the same time as the replacement of the watermain. The surface portion of this work is dependent on the underground portion of the project.</p> <p>In 2022, the planned areas of work include Diamond Avenue and Century Road.</p> <p>Future years work include Madison Crescent (2024), Alberta Avenue and Yellowhead Road (2026), Shep Street and South Avenue (2027), and Diamond Avenue and Oswald Drive (2028).</p>	
<p>Risks</p> <ul style="list-style-type: none"> • The City could not do the work and spend more and more budget on spot repairs and risk the possibility of interrupting water to the area. • Failure of water delivery and unreliable service to customers and public. • Costly repairs. • Impact to businesses and residents. 	
<p>Stakeholder Impact</p> <ul style="list-style-type: none"> • Residents: Failure of water delivery and unreliable service • Businesses: Failure of water delivery and unreliable service interrupting the work their business completes, reducing earnings. 	

Capital Profile:	Support to City Centre Area Redevelopment Plan <i>*Note this capital profile is also included in the Municipal Lifecycle profiles</i>
Timelines:	2022-2026
Asset Category:	Parks and Open Spaces, Transportation and Utilities
Cost:	Parks and Open Spaces: <ul style="list-style-type: none"> • 2021: \$1,308,000 • 2022: \$ 505,000 Transportation: <ul style="list-style-type: none"> • 2021: \$ 462,000 • 2022: \$6,258,000 • 2023: \$1,600,000 • 2024: \$2,725,527 • 2025: \$2,966,848 • 2026: \$3,215,012 Utility: <ul style="list-style-type: none"> • 2021: \$ 297,000 • 2022: \$2,888,000 • 2023: \$3,045,231 • 2024: \$3,288,849 • 2025: \$3,551,957

Summary

Spruce Grove’s Municipal Development Plan (MDP) identified the City Centre’s revitalization as an important initiative that established the objective of re-invigorating the City Centre as a mixed-use hub of activity with a distinct identity. The City’s MDP specifically identified the need for a City Centre Area Redevelopment Plan (CCARP), which was adopted in April 2020, to guide redevelopment.

Background

The City Centre has been awaiting redevelopment as a more holistic plan was developed and approved by Council. The work to re-vitalize the City Centre is needed as the underground infrastructure is in need of repair as well as modernization of surface level.

Under the asset category of Parks and Open spaces, the upgrades to Columbus Park are key. With work commencing in 2021, there are elements that will be completed in 2022 and will see a capital carry over to address. Enhancements to Columbus Park include site servicing for future washrooms, a drinking fountain and other amenities.

Under the asset category of Transportation, the areas of work include:

2022: McLeod Avenue – King Street to Queen Street and Main Street

2023: Jespersen Avenue and Queen Street

2024: First Avenue, McLeod Avenue, Calahoo Road and lanes

2025: Church Street, Mohr Avenue, McPherson Avenue

2026: King Street

Under the asset category of Utilities, the areas of work include:

2022: McLeod Avenue, Main Street, Jespersen Avenue (King Street to Queen Street and Highway 16A),

2023: First Avenue, Calahoo Road and lanes

2024: Church Street, Mohr Avenue, McPherson Avenue

2025: King Street

Risks

- Unexpected situations when the ground is opened up, unknown contamination.
- Impact to businesses if there are delays.
- Cost overrun due to inflationary pressures.

Stakeholder Impact

- **Residents:** Will benefit from the downtown revitalization however there is a consequence to other transportation projects in local neighborhoods being delayed.
- **Businesses:** The redevelopment is a priority of the City Centre Business Association.

Capital Profile:	Sanitary Sewer Rehabilitation
Timelines:	2022
Asset Category:	Water & Sewer
Cost:	\$300,000
Summary	
<p>There is a need for the City to provide safe and reliable sanitary system to the public. While underground sanitary systems can last numerous years they through there life may require major rehab work or replacement for them to remain efficient and reliable.</p>	
Background	
<p>This is a yearly rehab program that rehabs old or failing sanitary lines in order to bring them to an operational capacity that makes them reliable and efficient. The work is part of the lifecycle of the asset and once completed reduces the cost associated with constant repairs. This work coincides with the road and water rehab but is also used for troubled areas in the City.</p> <p>The work from 2023 to 2025 will be directed to the City Centre Redevelopment. In 2022 the planned area of work is the Grove Meadows neighbourhood.</p>	
Risks	
<ul style="list-style-type: none"> • The maintenance repairs can continue and cost the City more money if we leave the sanitary system in certain area as is. Over time these repairs will cost the City more money and resources in order to get water flowing. • There is a risk of leaks and backups if systems are left to a point of non-operational. • Impact to homeowners and businesses. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Failure of system leading to leaks and backups, causing property damage. • Businesses: Failure of system leading to leaks and backups, causing property damage and business closures for repairs. 	

Capital Profile:	Water Rehabilitation Program
Timelines:	2022
Asset Category:	Water & Sewer
Cost:	\$1,569,658
Summary	
<p>There is a need for the City to provide safe and reliable water to the public. While underground water systems can last numerous years they through there life may require major rehab work or replacement for them to remain efficient and reliable.</p>	
Background	
<p>This is a yearly rehab program that rehabs old or failing water lines in order to bring them to an operational capacity that makes them reliable and efficient. The work is part of the lifecycle of the asset and once completed reduces the cost associated with constant repairs.</p> <p>The work from 2023 to 2025 will be directed to the City Centre Redevelopment and the 2022 planned area of work is the Grove Meadows neighbourhood.</p>	
Risks	
<ul style="list-style-type: none"> • The maintenance repairs can continue and cost the City more money if we leave the sanitary system in certain area as is. Over time these repairs will cost the City more money and resources in order to get water flowing. • Costly repairs and more resources will be required to keep the system operational. • Public and businesses would see more water interruptions. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Failure of system leading to line breaks or leaks which can cause unreliable service and potential property damage. • Businesses: Failure of system leading to line breaks or leaks which can cause unreliable service and potential property damage and business closures for repairs. 	

Developer New Capital Profiles

The following profiles provide greater detail on the Developer New Capital section of the Corporate Plan.

Capital Profile:	New Growth – Parks (Developer)
Timelines:	2022
Asset Category:	Public Works
Cost:	\$388,000
Summary	
<p>This project involves providing landscaping and structural site amenities (i.e. playgrounds, trails, etc.) in neighborhood parks within newly developing areas. The parks have yet to be determined that will be constructed in 2022.</p>	
Background	
<p>This project involves providing landscaping and structural site amenities (i.e. playgrounds, trails, etc.) in neighborhood parks within newly developing areas. Park spaces are developed as required by growth. Developers pay the City of Spruce Grove a development charge which will fund the work and developers are responsible for site grading and seeding of the park areas.</p>	
Risks	
<ul style="list-style-type: none"> • Cost overage for park amenities. 	
Stakeholder Impact	
<ul style="list-style-type: none"> • Residents: Will benefit from more green spaces near their place of residence. • Developers: Green space and park development are added features to their developments 	