

PRIORITIES COMMITTEE MEETING AGENDA

Date: **November 22, 2016**
Open Session: **9:00 a.m.**
Location: **Council Chambers**

Pages

- 1. CALL TO ORDER**
- 2. ADDITIONS / DELETIONS / CHANGES TO AGENDA**
- 3. ADOPT AGENDA (Motion)**
- 4. CONFIRMATION OF MINUTES**
 - 4.1 October 18, 2016 Priorities Committee Meeting Minutes 4 - 7
- 5. EMERGING ITEMS**
- 6. TIME SPECIFIC AGENDA ITEMS**
 - 6.1 [1:00 p.m. - 1st Item] Alberta Public Works Association Project of the Year – Entry Signs 8 - 13

To provide an opportunity for Strathcona County to receive the Traffic Safety Innovation Project of the Year award from the Alberta Public Works Association for the "Welcome to Strathcona County" signs.

External Presenter:
Patty Podoborozny, Director, Alberta Public Works Association
 - 6.2 [1:00 p.m. - 2nd Item] Environmental Advisory Committee 2016 Annual Report 14 - 23

To provide the Priorities Committee with an update on the activities of the Environmental Advisory Committee (EAC).

External Presenter:
Rob Sproule, Chair, Environmental Advisory Committee

- 6.3 [1:00 p.m. - 3rd Item] Economic Development and Tourism Advisory Committee 2016 Council Update 24 - 36
- To update the Priorities Committee on the activities of the Economic Development and Tourism Advisory Committee (EDTAC).
- External Presenter:**
Todd Banks, Executive Director/Public Relations, Sherwood Park & District Chamber of Commerce
- 6.4 [2:00 p.m. - 1st Item] 2016 Energy Exploration Advisory Committee (EEC) Annual Report 37 - 48
- To provide the Priorities Committee with the 2016 EEC annual Report.
- External Presenter:**
Richard Paterson, Chair, Energy Exploration Advisory Committee
- 6.5 [2:00 p.m. - 2nd Item] Community Housing Implementation Plan and Heartland Housing Foundation Update 49 - 64
- To provide the Priorities Committee with a status update of the approved recommendations of the Mayor's Task Force on Community Housing, as well as an update from Heartland Housing Foundation about recent projects.
- External Presenter:**
Lynn Olenek, Executive Director, Heartland Housing Foundation
- 6.6 [3:00 p.m. - 1st Item] Audit Planning Report for the Year Ending December 31, 2016 65 - 84
- To present the 2016 Audit Planning Report.
- External Presenters:**
Taylor Rolheiser, Senior Manager, KPMG
Robyn Eeson, Partner, KPMG
- 6.7 [3:00 p.m. - 2nd Item] Strathcona Youth Justice Committee Annual Report 85 - 97
- To provide the Priorities Committee with the 2016 Strathcona Youth Justice Committee Annual Report.
- External Presenters:**
Yasmin Lemmerick, Chairperson, Strathcona Youth Justice Committee
Bill Tonita, Vice Chair, Strathcona Youth Justice Committee
Deborah Gust, Coordinator, Strathcona Youth Justice Committee
- 6.8 [5:30 p.m.] OPEN HOUSE
- Opportunity for members of the public to speak to the Committee once on a given topic, with some exceptions under the Priorities Committee Bylaw.

7. STRATEGIC INITIATIVES AND UPDATES

- | | | |
|-----|---|-----------|
| 7.1 | Municipal Development Plan Update | 98 - 132 |
| | To provide the Priorities Committee with an overview of the Rural Service Area and options for the Rural/Urban Transition Policy Area (Colchester) for the Municipal Development Plan Update. | |
| 7.2 | Municipal Investment on Potential School Sites – Status Update | 133 - 134 |
| | To provide a status update on Council’s request regarding policies and guidelines for Municipal Investment on Potential School Sites. | |
| 7.3 | Guidelines for Establishing Security in Development Agreements | 135 - 142 |
| | To present the draft Guidelines for Establishing Security in Development Agreements. | |
| 7.4 | 2016 Third Quarter Management Report | 143 - 172 |
| | To present the Strathcona County 2016 Third Quarter Management report. | |
| 7.5 | Community Halls Sustainability Strategy Update | 173 - 184 |
| | To provide the Priorities Committee with an update and proposed recommendations from Administration on the Community Hall Sustainability strategy. | |

8. COUNCILLOR REQUESTS (INFORMATION / PROGRAM REQUEST)

- | | | |
|-----|--|-----|
| 8.1 | Councillor Request Report | 185 |
| | To add or remove items from the Councillor Request Report. | |

9. REPORTS FOR INFORMATION

The Priorities Committee is provided with the listed reports in this section for information only. Presentations are not heard at the meeting.

- | | | |
|-----|--------------------------|-----|
| 9.1 | Ward 6 Councillor Report | 186 |
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10. ADJOURNMENT (Motion)

PRIORITIES COMMITTEE MEETING MINUTES

October 18, 2016

9:00 a.m.

Council Chambers

Members Present:

Roxanne Carr, Mayor
Vic Bidzinski, Councillor Ward 1
Dave Anderson, Councillor Ward 2
Brian Botterill, Councillor Ward 3
Carla Howatt, Councillor Ward 4
Paul Smith, Councillor Ward 5
Linton Delainey, Councillor Ward 6
Bonnie Riddell, Councillor Ward 7
Fiona Beland-Quest, Councillor Ward 8

Administration Present:

Rob Coon, Chief Commissioner
Grant Heer, Acting Assoc. Commissioner, Corporate Services
Kevin Glebe, Assoc. Commissioner, Infrastructure and Planning Services
Gord Johnston, Assoc. Commissioner, Community Services
Greg Yeomans, Chief Financial Officer
Sandy Bugeja, Manager, Governance Support Services & Deputy Clerk
Jeremy Tremblett, Legislative Officer
Lana Dyrland, Legislative Officer

1. CALL TO ORDER

Mayor Carr called the meeting to order at 9:05 a.m.

2. ADDITIONS/DELETIONS/CHANGES TO AGENDA &

3. ADOPTION OF AGENDA

The Chair called for additions/deletions/changes to the agenda.

2016/ P44

Moved by: D. Anderson

THAT the October 18, 2016 Priorities Committee agenda be adopted with the following change:

Item 7.4 Social Framework Renewal – Public Launch be made time specific for 9:05 a.m.

In Favour (9): R. Carr, V. Bidzinski, D. Anderson, B. Botterill, C. Howatt, P. Smith, L. Delainey, B. Riddell, and F. Beland-Quest

Carried (9 to 0)

4. CONFIRMATION OF MINUTES

4.1 September 20, 2016 Priorities Committee Meeting Minutes

2016/ P45

Moved by: C. Howatt

THAT the minutes from the September 20, 2016 Priorities Committee meeting be approved.

In Favour (9): R. Carr, V. Bidzinski, D. Anderson, B. Botterill, C. Howatt, P. Smith, L. Delainey, B. Riddell, and F. Beland-Quest

Carried (9 to 0)

5. EMERGING ITEMS

Proclamation

Conflict Resolution Day October 20, 2016

7. STRATEGIC INITIATIVES AND UPDATES

7.4 Social Framework Renewal – Public Launch

The Committee was provided with an update on the launch of the Social Framework Renewal engagement process.

7.1 Successes and Challenges of Motorcycle Noise Provisions in Community Standards Bylaw

The Committee was provided with a report on the successes and challenges encountered by the City of Edmonton in implementing the motorcycle noise provisions of its Community Standards Bylaw and provided information on the implications of a similar bylaw in Strathcona County that would apply to noise from all motorized vehicles.

2016/ P46

Moved by: D. Anderson

THAT the October 18, 2016 report, Successes and Challenges of Motorcycle Noise Provisions in Community Standards Bylaw, be referred to Council for debate and decision at the November 29, 2016 Council Meeting.

In Favour (6): R. Carr, V. Bidzinski, D. Anderson, C. Howatt, P. Smith, and L. Delainey

Opposed (3): B. Botterill, B. Riddell, and F. Beland-Quest

Carried (6 to 3)

ACTION: Enforcement Services/Legislative and Legal Services

DUE: November 29, 2016

7.2 Strathcona County Transit Fare Strategy

The Committee was provided with an update on a new Transit fare strategy based on the recommendations from the Transit Fare Study Final Recommendations from June 2015.

7.3 Pride of Strathcona Awards – Criteria options

2016/ P47

Moved by: C. Howatt

THAT the October 18, 2016 report, Pride of Strathcona Awards – Criteria Options, be referred to Council for debate and decision at the November 8, 2016 Council meeting.

In Favour (9): R. Carr, V. Bidzinski, D. Anderson, B. Botterill, C. Howatt, P. Smith, L. Delainey, B. Riddell, and F. Beland-Quest

Carried (9 to 0)

ACTION: Communications

DUE: November 8, 2016

7.5 Strathcona County Aerial Imagery

The Committee was provided with information on the benefits oblique imagery can provide for improving the current biennial aerial imagery acquisition that will be put forward as a 2017 budget initiative.

7.6 2016 Second Quarter Management Report

The Committee was provided with the Strathcona County 2016 Second Quarter Management report.

8. COUNCILLOR REQUESTS (INFORMATION / PROGRAM REQUEST)

8.1 Councillor Request Report

Ward	Category	Request	Department	Due Date
2 D. Anderson	Information Request	Timing of Flashing Lights Please provide an explanation of the rationale for Strathcona County's choice of time (between 12am and 6am) for flashing lights.	Transportation and Agriculture Services	October 25, 2016

6. TIME SPECIFIC AGENDA ITEMS

6.1 OPEN HOUSE

There were no speakers.

10. ADJOURNMENT

2016/ P48

Moved by: F. Beland-Quest

THAT the Priorities Committee Meeting adjourn at 5:32 p.m.

In Favour (9): R. Carr, V. Bidzinski, D. Anderson, B. Botterill, C. Howatt, P. Smith, L. Delainey, B. Riddell, and F. Beland-Quest

Carried (9 to 0)

Mayor

Deputy Clerk, Legislative & Legal Services

Priorities Committee Meeting_Nov22_2016

Verbal Presentation**Alberta Public Works Association Project of the Year – Entry Signs****Report Purpose**

To provide an opportunity for Strathcona County to receive the Traffic Safety Innovation Project of the Year award from the Alberta Public Works Association for the “Welcome to Strathcona County” signs.

External Presenter:

Dave Rarog, Director, Alberta Public Works Association

Alberta Public Works Association Project of the Year – Entry Signs

Priorities Committee Meeting
November 22, 2016

David Churchill, Director

Project Participants

Carmen Herbers, Director of Communications

Cody Thordarson, Supervisor, Capital Projects

Ryan Wilson, Manager, Transportation Infrastructure

Alberta Traffic Supply

Award - Traffic Safety Innovation

- Foamcore technology
- Cost effective
- Safe – breakaway posts in event of an incident
- “Earth friendly” – low environmental impact, 100% recyclable





Priorities Committee Meeting_Nov22_2016

STRATEGIC INITIATIVE AND UPDATE**Environmental Advisory Committee 2016 Annual Report****Report Purpose**

To provide the Priorities Committee with an update on the activities of the Environmental Advisory Committee (EAC).

Council History

February 12, 2008 – Council amended the Strathcona County Boards and Committees Bylaw 4-2008 to create the EAC.

March 31, 2009 – EAC presented to Council with information on the Strathcona County Reduction of Abandoned Products program.

February 9, 2010 – EAC presented to Council with a report on the Alberta Energy Efficiency Alliance.

June 22, 2010 – EAC updated Council on the Alberta Energy Efficiency membership.

September 27, 2011 – EAC updated Council on work completed in 2010 and 2011.

January 8, 2013 – EAC updated Council on work completed in 2012.

February 11, 2014 – EAC updated Priorities Committee on key activities related to the EAC meetings from November 2012 to December 2013.

April 21, 2015 – EAC updated Priorities Committee on key activities related to the EAC meetings in 2014

March 8, 2016 – EAC updated Priorities Committee on key activities related to the EAC meetings in 2015.

Strategic Plan Priority Areas

Economy: Recommendations provided by EAC for various initiatives prepared in context of Economic Sustainability Framework.

Governance: Recommendations provided by EAC in context of governance.

Social: Recommendation provided by EAC for various initiatives prepared in context of Social Sustainability Framework.

Culture: N/A

Environment: Recommendation provided by EAC for various initiatives prepared in context of Environmental Sustainability Framework.

Other Impacts

Policy: N/A

Legislative/Legal: Section 6.2 of Boards and Committees Bylaw 46-2015 provides that all advisory committees shall provide Council with an annual activity report.

Interdepartmental: Transportation & Agriculture Services and Planning & Development Services

Summary

The report reflects to the key activities related to the EAC meetings in 2016.

Enclosure

- 1 EAC 2016 Annual Report
- 2 2016 Digital Ads

Environmental Advisory Committee (EAC) Update January 2016 – October 2016

The EAC last presented to Council March 8, 2016 to report on their activities for 2015. The EAC met a total of seven times from January 2016 to October 2016. Updates on the Urban Agricultural Strategy, Colchester and Bremner debate, and the Capital Region Board Growth Plan were provided. The EAC was invited to attend public events and council meetings for all the above items. County Connect was launched and the EAC was invited to share concerns and receive answers to questions surrounding the County.

1. Beaver Hills Initiative and Beaver Hills Biosphere

A presentation was given to the EAC summarizing the BHI and the opportunities for the committee members to participate. Members of the EAC attended board and working group meetings.

2. Agricultural Master Plan – Urban Agricultural Strategy

The EAC was given updates on the Agricultural Master Plan by County administration and the consultant and were involved in the public consultation process for the Urban Agricultural Strategy. The consultant attended the May meeting to present and gather feedback. Information packages regarding the Urban Hen Pilot Project and Backyard Bees Pilot Project were shared with the consultants. The EAC was invited to join the newsletter, to attend public consultation/information events and to review the Urban Agricultural Strategy draft.

3. Public and Community Gardens

The EAC continued to explore Public and Community Gardens. Feasibility and potential sites, such as Community Gardens in Transportation Utility Corridors, were discussed as was the implementation of a subcommittee. These initiatives are currently on hold until the Urban Agriculture Strategy is finalized. The EAC was invited to attend the planting of a native pollinator garden at the Legacy Forest.

Recommendation: The EAC recommends that potential areas to increase pollinator gardens should be explored within the County to increase native vegetation and decrease manicured grass.

4. Education and Outreach

Continuing on with last year's Green Informational Program, five digital ad ideas were provided to the communications specialist in Planning & Development Services. A new digital ad begins circulation approximately every two months. The topics for 2016 are attached and include:

1. Environmental Sensitivities
2. Abandoned Items (SCRAP)
3. Lawn Care
4. Fire Pit (air quality)
5. Air Quality Monitoring Station

5. Water Conservation/Stormwater

Many of the current County initiatives were discussed, including:

- a. **Yellow Fish Road & “Stream of Dreams”:** In 2013 Strathcona County signed a Memorandum of Understanding with Trout Unlimited to manage the Yellow Fish Road Program. The EAC did further research on stormwater and drainage for Utilities. Stream of Dreams is a mural of coloured fish on school fences showing what goes where in the stormwater management system. It is a way to potentially build on the current school programming and yellow fish road program.
Recommendation: The EAC recommends that the County to continue or increase school programming related to stormwater.
- b. **Creek Watch:** The Creek Watch program has been implemented in Edmonton and Calgary. Strathcona County would be interested in the program but will have to wait until the program receives more funding and continues.
Recommendation: The EAC recommends that the County supports the Creek Watch program and encourages it to extend to Strathcona County.
- c. **Greenhouse low water plant stickers:** Stickers have been placed on low water, low maintenance plants at both the Salisbury and Greenland greenhouses.
- d. **Annual rain barrel & composter event:** The County currently offers a one-day event promoting the use of rain barrels and composters where a limited amount of rain barrels are available for purchase. It is a very popular event with supplies quickly selling out.
Recommendation: The EAC recommends that if feasible, the event to be expanded to two or three days instead of one, or for the event to be put on multiple times a year.
- e. **Utility bill notes**
Recommendations: The EAC recommends that they review current relevant policy and coordinate with Utilities to suggest relevant changes. The EAC recommends that the utility bill be improved for residents to visualize consumption by including a graph indicating peak hours/annual usage, a comparison of the average use statistic for the area, and/or an one-line ‘translator’ of units to liters. The EAC recommends that the flat rate for water consumption be reviewed and compared to the possibility of offering a tiered or fluctuating rate for residents to offer an incentive for water conservation.
- f. **Water conservation messaging:** The EAC learnt about how current Design and Construction Standards work towards landscapes that help conserve water use. Discussion around residential use of water raised concerns about the need to educate the public about water conservation and alternatives to chemical fertilizer. The Lawn Care digital ad was put into circulation for the summer months. The EAC were updated on the Pond Parties and were invited to attend the three 2016 events.
Recommendations: The EAC recommends that a timely stuffer be included with the utility bill to advertise “Water Conservation Week”.

6. Litter

Concerns were raised surrounding litter, dog waste, construction waste, and garbage and ash receptacles. Compost, winter sanding and the blue bag program were also discussed. Administration explained the current Design and Construction Standards and described the current initiatives. The EAC was invited to share specific concerns using County Connect. The possibility of working with the Chamber of Commerce to provide more prevalent ash receptacles was discussed. The EAC was invited to volunteer in the annual Pitch In event.

Scrap the **abandoned items** on your property.



Did you know that **residents** are responsible for the **removal** of **abandoned products** from **private property**?

Learn more from the Environmental Advisory Committee about the Strathcona County Reduction of Abandoned Products **(SCRAP)** program and other innovative environmental resources!

www.strathcona.ca/EAC



What's good for your lawn is good for you.



**Quick good growing tips to
reduce pesticide use:**

- > mulch your grass
- > crowd out weeds by overseeding
- > consider low maintenance plants

Learn more **tips to care for your lawn and the environment**
from the Environmental Advisory Committee!

www.strathcona.ca/EAC



Stick with only clean, dry wood in your backyard fire pit.



Help keep the air quality pleasant for everyone!

Burning clean, dry wood limits smoke and helps keep the air clear in your neighbourhood.

Learn about air quality and more
from the Environmental Advisory
Committee!

Air quality matters, we monitor for you.



Strathcona County
air quality monitoring
stations.

Did you know there are three stations in the County, providing
real time Air Quality Health Index (AQHI) information?



Learn about air quality and more
from the Environmental Advisory
Committee!

www.strathcona.ca/EAC

Priorities Committee Meeting_Nov22_2016

REPORT FOR INFORMATION**Economic Development and Tourism Advisory Committee 2016 Council Update****Report Purpose**

To update the Priorities Committee on the activities of the Economic Development and Tourism Advisory Committee (EDTAC)

Council History

March 31, 2009 – Council received the Economic Development and Tourism Department Service Review Final Report as information.

August 18, 2009 and November 23, 2009 – Council received update reports on the implementation plans for the Service Review. The terms of reference reflects the new strategic plan recommendations for various sector involvement.

December 14, 2010 – Council received the EDTAC Terms of Reference as information.

January 11, 2011 – Council established the EDTAC and appointed members.

July 5, 2011 – EDTAC updated Council on activities.

January 10, 2012 – EDTAC updated Council on activities.

November 6, 2012 – EDTAC Taxi Bylaw – to provide council with input regarding the creation and implementation of a Taxi Bylaw.

September 10, 2013 – EDTAC updated Council on activities.

November 25, 2014 – EDTAC provided annual update to Priorities Committee on activities.

November 10, 2015 – EDTAC provided annual update to Priorities Committee on activities.

Strategic Plan Priority Areas

Economy: Items relating to the Economy in Strathcona County are discussed including industrial, commercial and residential development.

Governance: Public members are included on the committee, ensuring a good business sector cross section is represented by the members.

Social: n/a

Culture: n/a

Environment: n/a

Other Impacts

Policy: n/a

Legislative/Legal: Bylaw 46-2015 provides that Committee Chairs must provide the Priorities Committee with a report on the activities of the Committee at least once annually, or as requested by the Priorities Committee.

Interdepartmental: n/a

Summary

The EDTAC presentation will update Priorities Committee on the activities of EDTAC and will provide indication of items that will be focused on in the future.

Enclosure

- 1 Economic Development & Tourism Advisory Committee (EDTAC) Update_Nov 22 2016.pptx

Economic Development & Tourism Advisory Committee (EDTAC) Update

November 22, 2016

Todd Banks, EDTAC Committee Chair
Gerry Gabinet, Director, EDT

9390887



STRATHCONA
COUNTY

Agenda

Who we are:

- Committee Members
- History

What we have done:

- Accomplishments
- Next Steps

Committee Members

EDTAC Members are:

- **Mayor Roxanne Carr** - *Ex-Officio*
- **Councillor Bonnie Riddell**- *Council Representative*
- Todd Banks Chamber Representative and Chair
- Dave Quest – Vice Chair
- Myron Dennis
- Ken Lesniak
- Len Shrimpton
- Karim Giga
- Ian Large
- Jerry Keller
- Chase Walker

History to Today

- Past Council direction to form EDTAC
- EDTAC 2.0 has emerged
- Alignment with current Council Direction and Strategy
- Focused discussions and revamped meeting schedule
- More formalized structure and discussion
- Round table discussions

Accomplishments

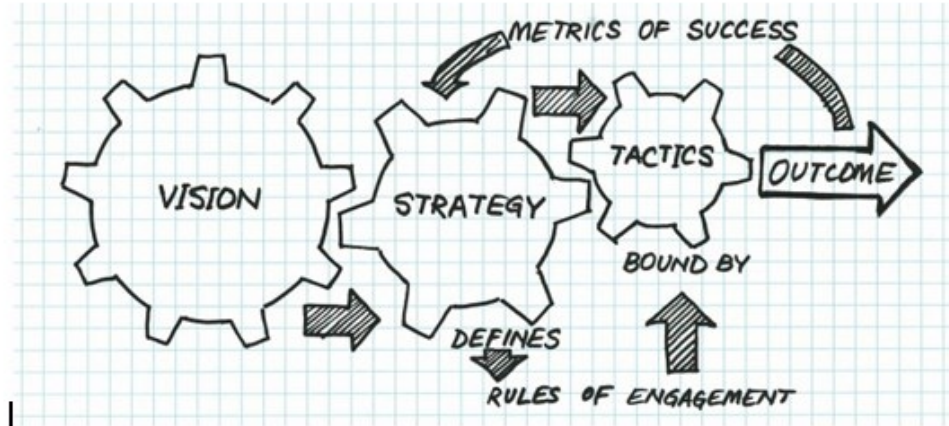
- Organizational meeting with election of new chair and vice chair, orientation for new members – aligning the group with council strategic direction and strategic plan.
- Focused discussions on: Tourism, Residential, Commercial and Industrial development challenges of Strathcona County and Small Business to date.
- Extensive information intelligence sharing regarding economic perspectives, realities and trends.
- Continued support of events like Grand Openings, Small Business Conference (Week), County and Regional Festivals & Events

Accomplishments Continued...

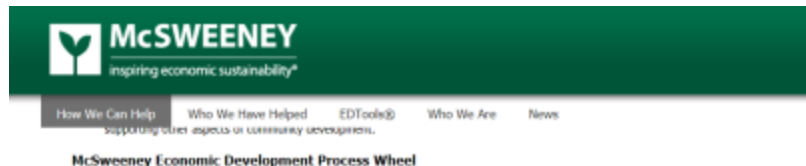
- Committee members participated in Capital Region Board Growth Plan and consultations.
- Motion by committee for Council to investigate new business award as part of our Pride of Strathcona Awards (discussed by Council and draft criteria is being developed for approval).
- Input provided for resolutions to both AUMA and AAMDC on Northern Gateway Pipeline and ongoing efforts against the tanker moratorium.
- Opportunity to comment on the Ag Master Plan and Urban Ag Strategy.

Orientation and Visioning Exercise - McSweeney Report

Vision vs. Strategy vs. Tactics



Identify Strategies EDTAC would like to have positive impact on and define how by supplying tactical activities which will aid in achieving those goals. Affect 1 or 2 of the goals by identifying strategies to follow as a group and the tactics involved that translate to action items.



- 1. Preparing:** These activities form a strong foundation for economic success and other higher level economic activities around the Wheel. They include, but are not limited to: current year data; community/economic profile; an inventory of available properties; maps; and an economic development website.
- 2. Strategizing:** In our opinion, the greatest challenge in economic development is the ability to focus. Analyzing and strategizing activities (such as an economic base analysis, or preparing an economic development strategy) help you to focus on which **Economic Doing®** activities will achieve the greatest return on limited economic development resources.
- 3. Economic Doing®:** These are the activities that really engage with businesses (such as BR+E, entrepreneurship support, investment attraction) whereby economic development officers work to keep, grow and attract business investment.

The **Preparing** and **Strategizing** activities greatly enhance successful outcomes from **Economic Doing®** activities.

Formula for Economic Development Success™

People and organizations working in collaboration, to leverage the Economic Development Process - triggering economic development success.



People (and organizations) are a multiplier of the Process. A weakness in either People or Process results in significantly LESS success in keeping, growing and attracting business investment.

- 1. People:** The right attitude and belief of people and organizations that they can affect positive community and economic change through collaboration.
- 2. Process:** The *McSweeney Economic Development Process Wheel* indicates a logical build order for economic activities. Preparing activities are fundamental, upon which Analyzing and Strategizing activities can occur, all of which support **Economic Doing®** activities that are core to economic development, such as business visitation and investment attraction.
- 3. Power of Economic Development:** to increase the economic sustainability (and quality of life) by keeping, growing, and getting businesses that succeed. Growing businesses pay more employees, re-invest more in their community, and pay more taxes – thereby supporting other aspects of community development.

Major Themes from Visioning and Emergent Items

- Number of Meetings per year - 4
 - Each meeting to have a theme presentation
- Themes chosen:
 - Industrial - Petrochemical Diversification
 - Tourism: Beaver Hills Initiative (BHI)
 - Competitiveness (small business & commercial development)
 - Ag Master Plan
- Emergent Items
 - Municipal Government Act Review
 - Update about process and timing
- Update about Regional Economic Activity:
 - AIH updates
 - CRB updates
 - Group of 9 updates

Points of Note

- New members have challenged EDTAC to continue along the path of being effective and thoughtful – this is exciting and energizing!
- Referral of items to EDTAC welcomed and encouraged.
- Positive relationship between EDTAC Members and Staff.

Next Steps for EDTAC

- Continue to align with Strategic and business plans of Strathcona County.
- EDTAC to continue in local economic intelligence gathering and information sharing.
- Relay economic trends seen in the business community and how to maximize opportunity for Strathcona County.
- Continue to foster relationships with current and new partners to create opportunity for Strathcona County businesses.

Conclusion

- Members of the Economic Development and Tourism Advisory Committee will continue to make positive impacts on Strathcona County's economic development initiatives.
- EDTAC engages in positive relationships with all of the community, not just the business community.

Priorities Committee Meeting_Nov22_2016

STRATEGIC INITIATIVE AND UPDATE**2016 Energy Exploration Advisory Committee (EEC) Annual Report****Report Purpose**

To provide the Priorities Committee with the 2016 EEC annual Report.

Council History

June 24, 2003, Council directed administration to establish an ad hoc committee for the purpose of developing policy and guidelines to minimize the impact of oil and gas exploration and extraction to residents and land in Strathcona County.

October 7, 2003, Council amended the Council Committee Bylaw 117-2002 to establish an Energy Exploration Ad Hoc Committee.

September 15, 2015 Bylaw 46-2015: Boards and Committees Bylaw, was approved by Council inclusive of the EEC.

November 10, 2015, EEC updated the Priorities Committee on key activities in 2015.

Strategic Plan Priority Areas

Economy: The EEC encourages a cooperative and collaborative approach to oil and gas development to ensure best outcomes for agricultural producers and industry.

Governance: Educating property owners about energy development on their lands provides for informed decision making by landowners and for the economic use of lands.

Social: The goal of the EEC is to have meaningful engagement about energy development with reduced conflict and ensure least impact to quality of life for residents.

Environment: Environmental protection and reclamation are part of the planning and education process implemented with landowners and industry.

Other Impacts

Policy: n/a

Legislative/Legal: Bylaw 46-2015 requires an annual report to Priorities Committee on Committee activities.

Interdepartmental: The Strathcona County Technical Review Team (administered by the Energy Exploration Liaison) reviews all oil and gas proposals and is made up of Planning and Development Services, Transportation and Agriculture Services, Utilities, Capital Planning and Construction, and Recreation, Parks and Culture.

Enclosure

- 1 2016 Energy Exploration Advisory Committee Report
- 2 ppt 2016 Energy Exploration Advisory Committee Annual Report

2016 Energy Exploration Advisory Committee Annual Report

Changes to the Energy Exploration Committee (EEC):

- Added an additional member for 2016. The additional member will be added with the fall recruitment for a total of 6 public members.
- The Committee web page is now online.

Expected Work for the Committee in 2016 (as outlined in the 2015 Annual Report)

1. Revision of the Strathcona County Protocol to address new issues.
2. Review of the Orphan Wells situation.
3. Interaction with other committees within Strathcona County.
4. Attendance and assistance with the Oil and Gas Landowner Workshop at Heartland Hall.
5. Interaction with other Energy Committees in the province.

2016 Energy Exploration Committee activities:

- Incorporated the Strathcona County Protocol revisions including:
 - Addition of requirements and information on land spray of drilling mud from large pipeline projects. Industry requirements are noted in the Protocol and landowners have both soil and landowner agreement considerations for reference.
 - Recommended land fragmentation statement addition to the Municipal Development Plan (MDP) "Pipeline planning should reduce land fragmentation and cross land parcels along section or quarter section lines or follow existing surface disturbances or other linear infrastructure."
- Included information on Orphan Wells in the Oil and Gas Landowner Workshop. This included oil and gas companies in receivership, and/or not making annual lease payments, and sites that fall under the Orphan Well Program. Updates on companies in receivership were provided to the Committee throughout the year, in particular the Redwater Energy case.
- Presented to the Strathcona County Agricultural Service Board in June. Areas of common interest were discussed, in particular the concerns over drilling mud spraying on agriculture lands.
- Attended the Oil and Gas Landowner Workshop hosted by Strathcona County and Lamont County on March 3, 2016 at Heartland Hall. Information on how surface rights work, pros and cons of land documents, reclamation at creeks and wetlands, and issues with bankrupt companies (funding, clean-up and current cases) were covered. The Committee prepared questions for the speakers in advance. Participant evaluations indicate a desire for an annual event. It was clear that the economy is impacting landowners with increasing concern expressed on the subject of bankruptcy/receivership situations.
- Expanded communication and interaction with other groups within and bordering the County.
 - April 20 Neil Shelley from the AIHA presented to the Committee.
 - Contacted the Wetaskiwin Synergy Initiative and Life in the Heartland.
 - In July the EEC met with the Oil and Gas Energy Extraction and Transportation Committee (OGEETC). This Committee is comprised of representatives from Lamont County, Town of Lamont and Bruderheim. Agenda items included: identification of processes for handling of energy proposals by each municipality; municipal requirements of industry and identification of areas for common

approaches to energy development; and discussion of current issues. As a result administration from Lamont and Strathcona Counties are drafting statements for consistent approaches for energy development (i.e. reduction of land fragmentation) to be included in municipal documents. A draft for Committee discussion will be available in November. The goal is to have neighboring local authorities take a consistent approach and provide that consistency for landowners and industry living or working in those municipalities.

- Of note is the bench-marks established in energy development by Strathcona County and the resulting resources and consultation provided to other cities, towns and counties.

Expected Committee work in 2017

- Finalize Statements for Common Approaches to Energy Development document with OGEETC.
- Continue to monitor and provide resources on wellsites in receivership and Orphan wells.
- Assist with the Oil and Gas Landowner Workshop
- Continue to interact with other committees and associations in Strathcona County and surrounding areas.
- Revise Strathcona County Protocol as required to address new issues.

2016 Energy Exploration Advisory Committee

Annual Report

2016 Committee changes

- The Committee public membership is expected to increase by one to six this month.
- The Committee webpage is now online and provides the public with meeting times, general information about the committee and updates.



RESIDENTS BUSINESSSES DEPARTMENTS ▼

Energy Exploration Advisory Committee

The Energy Exploration Committee, in alignment with Council's Strategic Plan recommends actions and proposes policies that work toward community and environmental sustainability. The four points below outline the duties and responsibilities of the committee.

2016 expected work

- Changes to the Strathcona County Protocol
- Review of Orphan Wells in Strathcona County
- Interaction with other County Committees
- Assistance with the Landowner Oil and Gas Workshop
- Interaction with other energy groups in Alberta

2016 Energy Exploration Advisory Committee activities

Land spray of drilling mud requirements were added to the Protocol for industry. Landowner soil and agreement considerations were also added for agriculture producer reference.



Orphan wells

Orphan wells and companies in bankruptcy were addressed at the Landowner Oil and Gas Workshop in March.



Orphan Well
Association

Appeal over Redwater Energy's idle wells heard this week Court to decide who is stuck with cleaning up company's old wells after 2015 bankruptcy

By Tracy Johnson, CBC News Posted: Oct 12, 2016 2:31 PM MT| Last Updated:
Oct 12, 2016 2:31 PM MT

Presentation to Strathcona County Agricultural Services Board



Co-hosted Oil and Gas Landowner Workshop on March 3, 2016

- How surface rights work
- Pros and cons of land documents
- Reclamation at creeks and wetlands
- Bankrupt companies; funding, clean up and current cases



Meetings and initiatives with groups bordering the County

- Alberta's Industrial Heartland Association
- Oil and Gas Energy Extraction and Transportation Committee (OGEETC)



Questions?

Thank you for your time today. The presenters were:

- Richard Paterson, Chairperson, Energy Exploration Advisory Committee
- Lori Mills, Energy Exploration Liaison

Priorities Committee Meeting_Nov22_2016

STRATEGIC INITIATIVE AND UPDATE

Community Housing Implementation Plan and Heartland Housing Foundation Update

Report Purpose

To provide the Priorities Committee with a status update of the approved recommendations of the Mayor's Task Force on Community Housing, as well as an update from Heartland Housing Foundation about recent projects.

Council History

January 26, 2016 - The Mayor's Task Force on Community Housing final report was presented at the Priorities Committee Meeting.

February 11, 2016 - The Community Housing final report was brought forward to Council for consideration. Council directed Administration to create an implementation plan for the recommendations for Council's consideration.

April 26, 2016 - Administration proposed the Housing Implementation Plan for the recommendations of the task force. Council amended and approved the implementation plan for the recommendations developed by the task force. Direction was given to provide regular updates to Council about the progress in implementing the recommendations from the report.

July 12, 2016 - The first update of the Community Housing Implementation Plan was provided to Priorities Committee. As well, several Community Housing Implementation Plan reports, which were a result of the Task Force recommendations, were also presented at this Priorities Committee meeting; they included Habitat for Humanity, Developer Incentives and Multiple Housing Types.

Strategic Plan Priority Areas

Economy: To support industrial, commercial and small business needs for a stable work force, Strathcona County must have affordable and attractive homes in which many of those people can live.

Governance: Land use is governed by Council, as is setting the vision of "Canada's Most Liveable Community".

Social: Community housing spans the breadth of the housing continuum in order to meet the housing needs of all residents, from emergency shelters to home ownership, with transitional housing and home rentals in between.

Culture: Community structure has significant impact on culture.

Environment: With new development on the horizon, and gentrification of existing development already occurring, making conscious choices about housing types, mixes and locations is important.

Other Impacts

Policy: Policy updates are linked to several recommendations and any policy changes will be identified through the specific actions required to complete the recommendations.

Legislative/Legal: Legislative updates are linked to several recommendations and will be identified through the specific actions required to complete the recommendations.

Interdepartmental: Executive Team, Planning and Development Services, Family and Community Services, Corporate Planning and Intergovernmental Affairs, and Strathcona County Transit

Summary

An internal Community Housing Implementation Committee was formed in spring 2016, consisting of applicable departments and Kevin Glebe, Associate Commissioner, Infrastructure and Planning Services, Gord Johnston, Associate Commissioner, Community Services, along with Heartland Housing Foundation Executive Director, Lynn Olenek. The purpose of this committee is to ensure that the sixteen recommendations are implemented, operationalized and monitored, as well as to provide on-going communication and collaboration around the housing issues related to these recommendations.

The first recommendation from the Task Force is to ensure that community housing is visibly tied to Goal 7 of the County's Strategic Plan: build strong neighbourhoods/communities to support the diverse needs of our residents. Council, once a year, revisits the prioritized strategic goals. This will happen next in January 2017.

Also aligned with Strathcona County's Strategic Plan is the renewed social framework, which will help to provide overall direction to social planning and decision making. Due to the interconnectedness with the social framework renewal and community housing, it is an opportune time to provide an update about the community consultation for the social framework renewal, which began in October 2016.

Heartland Housing Foundation (HHF) plays an integral role in community housing and leads the implementation of four of the Task Force's recommendations. HHF will provide an update to Priorities Committee about the HHF Housing Implementation Committee, as well as current and upcoming HHF projects.

Communication Plan

Actions associated with the recommendations will necessitate communication and will be completed as required. Appropriate communication methods and timelines will be determined by the specific actions related to the recommendations.

Enclosure

- 1 Community Housing Recommendations Chart
- 2 Presentation to Strathcona County Priorities Committee November 22, 2016

	Recommendation	Implementation Lead	Key Date	Update November 2016
1.1	That Administration ensure that community housing is visibly tied into the County's Strategic Plan Goal 7 (Build strong neighbourhoods/communities to support the diverse needs of our residents).	Corporate Planning and Intergovernmental Affairs (CPIA)	Annual, Q1	On-going, as opportunities are presented. County Council next discusses the prioritized strategic goals in the Strategic Plan in January 2017.
1.2	That Administration work with Heartland Housing Foundation to support the Foundation in its efforts to create and host a non-market Housing Registry that may include a roommate registry component, and report back to Council on the results.	Heartland Housing Foundation (HHF)	Report to Council by September 2016	<p>Research underway to identify similar existing housing registries.</p> <p>In spring 2016 HHF worked with Strathcona County, the Chamber of Commerce, and IVC to compile and publish links to rental housing listings to accommodate Wood Buffalo evacuees.</p> <p>The HHF Housing Implementation Committee continues to explore how a registry could be developed.</p>

2.2	That Administration work with Heartland Housing Foundation to bring, for Council's consideration, recommended targets for the number and types of non-market housing units to be achieved and the dates by which they will be achieved.	HHF	Targets presented to Council by October 2016	HHF Housing Implementation Committee met for the first time on May 30. This topic was introduced. Research continues as to how this could be addresses. The results from the November 3 housing consultation will provide direction to the committee as they proceed with this work.
2.3	That Administration work with the Heartland Housing Foundation to facilitate faith, community and business groups in supporting low income families, and report to Council on the results.	Family and Community Services (FCS)	Low income adoption program presented to Council by November 2016	On October 18, 2016, Strathcona County Council launched a broad based engagement to renew the social framework called 'Community Talk'. Faith communities, businesses, and others will be integral to this initiative.
2.4	That Administration explore options to coordinate with the Heartland Housing Foundation for the provision of non-market housing within the County, and report back to Council.	HHF	Recommendation provided to Council by February 2017	This is the core purpose of the HHF Implementation Committee. Research continues as to how this could be addresses. The results from the November 3 housing consultation will provide direction to the committee as they proceed with this work.
2.5	That Administration prepare a report on options for increasing Habitat for Humanity development in Strathcona County	Planning and Development Services (PDS)	Report presented to Council by Q4 2016 along with, but separate from the Municipal Development Plan (MDP)	Habitat for Humanity Report was presented at July 12 Priorities Committee Meeting. https://pub-strathcona.escribemeetings.com/Meeting?Id=151c9820-d99b-4717-9a0c-9e9adf67fbaf&Agenda=Merged&lang=English

2.6	That Administration work with Heartland Housing Foundation to provide for hosting of an annual community housing consultation similar to that hosted by the Community Housing Task Force on June 25, 2015.	HHF	Consultation held in November 2016 (Housing Month)	<p>The annual community housing consultation was held on November 3, 2016. Stakeholders included: Strathcona County and Fort Saskatchewan Council members and administration, social service agencies, non-profits, community groups, business, and developers.</p> <p>Consultation with groups and individuals will also occur on an on-going basis throughout the lifespan of the HHF Housing Implementation Committee.</p>
2.7	That Administration explore options for using private/public partnerships to develop vacant public land into mixed use areas that may include non-market housing, market housing, siting for community-based organizations, or other municipal uses.	PDS	Report presented to Council by Q4 2016 (with the MDP, outlined in a separate report)	Potential Community Housing Sites Report was presented at September 13 Council Meeting (in-camera).
3.1	That Administration prepare a report identifying possible planning policy tools that can be implemented to help ensure developers provide various multiple housing types within all new residential neighbourhoods.	PDS	To coincide with the MDP update, Q4 2016 (outlined in a separate report)	<p>Multiple Housing Types Report was presented at July 12 Priorities Committee Meeting.</p> <p>https://pub-strathcona.escibemeetings.com/Meeting?Id=151c9820-d99b-4717-9a0c-9e9adf67fbaf&Agenda=Merged&lang=English</p>
3.2	That Council continue to support the Mature Neighbourhood Strategy as it adapts existing neighbourhoods to a changing environment.	PDS	Strategies presented to Council by September 2016	<p>Residents had the opportunity to speak about the proposed Mature Neighbourhood Overlay at the Public Hearing on July 19, 2016.</p> <p>The Mature Neighbourhood Overlay was adopted by Council at the September 13 Council Meeting and took effect on November 1, 2016.</p>

				http://www.strathcona.ca/departments/planning-development-services/special-projects-initiatives/mature-neighbourhood-strategy/
3.3	That Administration conduct a review of the costs of getting community housing developments approved with the goal of increasing non-market housing development, and report back to Council.	PDS	Results of review provided to Council by Q4 2016.	<p>Developer Incentives Report was presented at July 12 Priorities Committee Meeting.</p> <p>https://pub-strathcona.escribemeetings.com/Meeting?Id=151c9820-d99b-4717-9a0c-9e9adf67fbaf&Agenda=Merged&lang=English</p>

4.1	That Administration provide a report outlining current policies with regard to land use planning and engineering, and how these current policies support transit service routes within the Sherwood Park Urban Service Area.	Strathcona County Transit (SCT)	Any necessary legislative changes provided to Council by June 2017	<ul style="list-style-type: none"> • Municipal Development Plan (MDP): In progress. Working with PDS to include more transit-supportive policies, which will encourage transit-friendly developments. This document will give developers information about transit requirements for new developments. • Area Structure Plan (ASP): With Transit's input, some ASPs provide specific recommendations (such as bus stop locations) for transit to ensure future transit access. • Integrated Transportation Master Plan (ITMP): Provides guidance for the overall transportation policies and plans that encourages increased transit use. • Design and Construction Standards: In progress. Transit provided comments to CPC regarding bus stop standards and design requirements to ensure service accessibility and safe operations. • Traffic Bylaw: Provisions are provided for bus stops and parking to ensure safe operations and passenger access. • Transit Master Plan (TMP): Soon to be in progress. This document provides a foundation for transit service development from 2012-2021 and includes service standards and guidelines that guide service design and provision in the community to ensure service access, convenience, reliability, quality, performance and safety.
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4.2	That Administration provide a report outlining the barriers perceived by the development industry with respect to community housing (i.e. servicing standards, parking regulations) and include recommended solutions and possible incentives to encourage community housing development.	PDS	To coincide with the MDP update, Q4 2016	<p><i>Developer Incentives Report</i> was presented at July 12 Priorities Committee Meeting.</p> <p>https://pub-strathcona.escribemeetings.com/Meeting?Id=151c9820-d99b-4717-9a0c-9e9adf67fbaf&Agenda=Merged&lang=English</p>
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5.1	That Administration seek opportunities for provincial and federal funding to continue with community housing programs, either alone or in conjunction with Capital Region Board partners, and provide reports to Council on any such opportunities.	CPIA	Ongoing with annual report to Council	<p>CRB - Our Affordable Future Challenge will select up to three market affordable housing projects intending to pursue Market Affordable Housing, as defined by the CRB.</p> <p><u>Government of Alberta:</u> Currently undertaking a provincial affordable housing strategy. The goal is to have a Provincial Affordable Housing Strategy in place by the spring of 2017.</p> <p>2016 Provincial Budget provides:</p> <ul style="list-style-type: none"> • \$230 million for programs delivered by the Alberta Social Housing Corporation • \$94 million for seniors housing • \$67 million for the rental assistance program <p><u>Federal Government:</u> Will be developing a National Housing Strategy over the next two years. Focus will be not just on low income/affordable housing, but looking at the housing spectrum. Results from consultation will be posted on November 22, 2016 at www.letstalkhousing.ca</p> <p>2016 Federal Budget allocated \$2.3 billion over two years for affordable housing, this includes:</p> <ul style="list-style-type: none"> • \$504 million to double the Affordable Housing Initiative • \$200 million to improve access for seniors to affordable housing • \$574 million in retrofits for existing social housing • \$208 million over 5 years in the newly created Affordable Rental Housing Innovation Fund, administered through CMHC • \$111.8 million to strengthen Homelessness Partnering Strategy • \$89.9 million to support shelters for victims of family violence.
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5.2	That Administration include a question on the municipal census on income, so that aggregate numbers and ages of low income people are known and services can be tailored to them.	CPIA	2018 Census	<p>Next municipal census is 2018, changes to questions done in consultation with LLS.</p> <p>Federal Census completed 2016, can anticipate income information within 18 months.</p>
5.3	That Strathcona County offer to host a Capital Region Housing Symposium in 2016 or 2017.	Council	Council decision by March 2016	<p>The 2016 Housing Symposium was hosted by Morinville. Councillor Carla Howatt and Lynn Olenek, from Heartland Housing Foundation, presented a breakout session about the Mayor's Task Force on Community Housing and implementation during the symposium.</p> <p>The CRB Housing Committee has decided that there will be no Housing Symposium in 2017, due to the municipal elections.</p>

Heartland Housing Foundation

Presentation to Strathcona County Priorities Committee

November 22, 2016



Silver Birch Haven Groundbreaking

- 94-unit addition to Silver Birch Lodge
- Will combine lodge accommodations & services with lodge apartments for median-income citizens
- Fully funded through debenture from the County
- Important Dates:
 - Groundbreaking, October 28
 - In ground, November 1



Community Consultation

- Took place November 3
- Initiative of the Subregional Housing Implementation Committee
- Included representatives from the municipalities, government, business, and local community groups across the subregion



CRB Project Grant

- Capital Region Board Market Affordable Housing Challenge invited proposals for the development of such housing in the Capital Region.
- Projects were graded on such criteria as integration, sustainability, livability, and innovation.
- HHF was a successful applicant in this challenge.
- Award included \$5000 micro-grant toward the proposed project, as well as CRB support and advocacy services.



Questions





An Update.

Priorities Committee Meeting_Nov22_2016

STRATEGIC INITIATIVE AND UPDATE**Audit Planning Report for the Year Ending December 31, 2016****Report Purpose**

To present the 2016 Audit Planning Report.

Council History

July 5, 2016 – Council appointed KPMG as the external auditor of Strathcona County for the year ended December 31, 2016.

Strategic Plan Priority Areas

Economy: n/a

Governance: Providing audited financial statements supports public involvement and communication with the community on issues affecting the County's future. This also provides for good governance by supporting strong fiscal management of programs and organizational capacity.

Social: n/a

Culture: n/a

Environment: n/a

Other Impacts

Policy: n/a

Legislative/Legal: Sections 276 – 283 of the Municipal Government Act, R.S.A. 2000 c. M-26, require that a municipality prepare annual financial statements, that Council appoint an auditor, and that the auditor report to Council on the annual financial statements. Furthermore, Canadian Auditing Standard (CAS) 260 of the Chartered Professional Accountants (CPA) Handbook requires that auditors communicate their responsibilities in relation to the financial statement audit and the planned scope and timing of the audit with those charged with governance. Presentation of the Audit Planning Report to the Committee of the Whole discharges these requirements.

Interdepartmental: All departments

Summary

The 2016 Audit Planning Report (the "report") identifies the audit services that will be provided by KPMG. This report provides an overview of the audit process and details the considerations taken into account while developing the audit plan for the County, including the key areas of focus and materiality. The report also introduces the engagement team and provides the planned timing of the audit with significant milestones. The appendices to the report include a copy of the engagement letter, KPMG's Audit Quality Framework, the audit approach and methodology, a listing of required communications, and current developments that are relevant to the County.

Enclosure

- 1 Strathcona County Audit Planning Report for the year ended December 31, 2016
(Document: 9380445)



Strathcona County

Audit Planning Report
For the year ended December 31, 2016

KPMG LLP

Prepared on September 28, 2016

kpmg.ca/audit



The contacts at KPMG in connection with this report are:

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At KPMG, we are **passionate** about earning your **trust**. We take deep **personal accountability**, individually and as a team, to deliver **exceptional service and value** in all our dealings with you.

At the end of the day, we measure our success from the **only perspective that matters – yours**.

Executive summary

What is an audit

An audit involves inspecting the County's records and accounts to provide an opinion on whether the financial statements are fairly stated in accordance with Public Sector Accounting Standards. The overall objective of an audit is to obtain reasonable assurance whether the financial statements as a whole are free from material misstatement. An audit obtains reasonable assurance and not absolute, as an audit does not test everything.

Audit testing responds to the risk of an audit failure (ie. the risk that financial statements are materially misstated and that these material misstatements are not detected by the audit), and audit procedures are designed to reduce this risk to an acceptably low level.

Audit and business risk

Our audit is risk-focused. In planning our audit we have taken into account key areas of focus for financial reporting. These include:

- Recognition of revenue amounts subject to external restrictions;
- Completeness of accounts payable and accrued liabilities;
- Accuracy and valuation of contributions of tangible capital assets;
- Completeness and accuracy of environmental obligations and other contingencies;
- Completeness and accuracy of commitments;
- Existence and accuracy of capital expenditures against planned capital projects;
- Accuracy and valuation of investments;
- Follow up on 2015 "Other Matters"; and
- Risk of management override of controls.

See pages 4 – 6

KPMG team

The KPMG team will be led by John Stelter and Taylor Rolheiser. Subject matter experts will be involved to ensure our approach is appropriate and robust.

Effective communication

We are committed to transparent and thorough reporting of issues to Senior Management, the Executive Team and the Mayor and Members of Council.

See page 8 and Appendix 3.

Audit Materiality

Materiality has been determined based on budgeted expenses. We have determined materiality to be \$10 million for the year ending December 31, 2016.

See page 7.

Independence

We are independent and have extensive quality control and conflict checking processes in place. We provide complete transparency on all services and follow Mayor and Council approved protocols.

This Audit Planning Report should not be used for any other purpose or by anyone other than Senior Management, the Executive Team and the Mayor and Council. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Planning Report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Audit approach

Inherent risk is the susceptibility of a balance or assertion to misstatement which could be material, individually or when aggregated with other misstatements, assuming that there are no related controls.

Our assessment of inherent risk is based on various factors, including the size of the balance, its inherent complexity, the level of uncertainty in measurements, as well as significant external market factors or those particular to the internal environment of the County.

Areas of audit focus	Why	Our audit approach
Recognition of revenue amounts subject to external restrictions	There is a risk of inappropriate revenue recognition of amounts received with external restrictions attached to them (special taxes and levies, government transfers and other amounts).	We will review the recognition of amounts subject to external restrictions to ensure they are recognized appropriately. We will confirm all significant government transfers or other similar inflows, examine related agreements, and review the developer levy model, including the list of active development arrangements and the corresponding levies.
Completeness of accounts payable and accrued liabilities	There is a risk that appropriate cut-off of accounts payable and accrued liabilities is not achieved.	We will use our understanding of the County's operations, our discussions with management and our review of Council minutes to determine if completeness of accruals has been achieved as at December 31, 2016. Our year-end procedure will include a search for unrecorded liabilities (primarily through review of unprocessed transactions and payments subsequent to year-end) and a detailed analysis of key accruals.
Accuracy and valuation of contributions of tangible capital assets	There is a risk that contributions of tangible capital assets are not appropriately captured in the consolidated financial statements.	We will evaluate controls over how departments capture tangible capital assets which are contributed from developers and other parties. We will review a sample of developments which have been completed by the County during the year to ensure contributed tangible capital assets have been appropriately recorded. We will review the value ascribed to assets contributed and donated to the County.
Accuracy and valuation of investments	There is a risk that investments are not appropriately valued; specifically, impairment of investments is not appropriately assessed and valuation adjustments are not recorded where appropriate.	We will verify through confirmation of investment accounts the cost and market value of investments. We will recalculate investment premiums/discounts for investments recorded at amortized cost. We will review management's assessment of impairment and consider if any potential impairment of the investments exists. We will review the portfolio of investments to ensure in compliance with the County's risk management and investment policies.

Audit approach (continued)

Areas of audit focus	Why	Our audit approach
Completeness and accuracy of environmental obligations and other contingencies	There is a risk that environmental obligations and other contingent liabilities are not appropriately identified and reasonably estimated.	<p>The County developed a reasonable estimate of environmental obligations, other contingencies, and specifically, environmental liabilities. We will review and test the estimate as applicable for the year-end audit.</p> <p>We will conduct direct communication with the relevant County departments that all significant contingent liabilities including environmental obligations are appropriately disclosed and/or recorded.</p> <p>We will review significant findings with management and internal legal counsel.</p>
Completeness and accuracy of commitments	There is a risk that contractual commitments are not appropriately identified and appropriately recorded and disclosed.	We will review a sample of contracts entered during the year and management's related assessment to ensure appropriately accounted for.
Existence and accuracy of capital expenditures against planned capital projects	There is a risk that capital expenditures are not appropriately recorded in the financial statements and are not appropriately recorded against the planned capital projects.	We will review a sample of capital expenditures and ensured they were applied against the appropriate capital projects.
Follow up on 2015 "Other Matters"	We will revisit items included in our 2015 Audit Findings Report. We will review any changes made by the County during the year and provide an update on the current status of these items.	<p>Other matters described in the 2015 Audit Findings Report included:</p> <ul style="list-style-type: none"> • Budgeting for acquisition of TCA and carry forwards • Allocation of amortization to departments • Development of annual process relating to contaminated sites and other environmental liabilities • Budgeting for contributed TCA • Operating segments

Audit approach (continued)

Professional standards presume the risk of fraudulent revenue recognition and the risk of management override of controls exist in all entities.

The risk of fraudulent recognition can be rebutted, but the risk of management override of control cannot, since management is typically in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Professional requirements	Why	Our audit approach
Fraud risk from management override of controls	This is a presumed fraud risk. We have not identified any specific additional risks of management override relating to this audit.	As the risk is not rebuttable, our audit methodology incorporates the required procedures in professional standards to address this risk. These procedures include testing of journal entries and other adjustments, performing a retrospective review of estimates and evaluating the business rationale of significant unusual transactions.

Materiality

Professional standards require us to re-assess materiality at the completion of our audit based on period-end results or new information in order to confirm whether the amount determined for planning purposes remains appropriate.

Our assessment of misstatements, if any, in amounts or disclosures at the completion of our audit will include the consideration of both quantitative and qualitative factors.

The first step is the determination of the amounts used for planning purposes.

The determination of materiality requires professional judgment and is based on a combination of quantitative and qualitative assessments including the nature of account balances and financial statement disclosures.

Materiality determination	Comments	Amount
Metrics	Relevant metrics include total actual or budgeted revenues or expenditures, program costs and accumulated surplus.	
Benchmark	Based on the budgeted expenditures for the year. The corresponding amount for the prior year's audit was \$323 million.	\$344 million
Materiality	Determined to plan and perform the audit and to evaluate the effects of identified misstatements on the audit and of any uncorrected misstatements on the financial statements. The corresponding amount for the prior year's audit was \$9.5 million.	\$10 million
% of Benchmark	The corresponding percentage for the prior year's audit was 3%.	3%
Performance materiality	Used 75% of materiality, and used primarily to determine the nature, timing and extent of audit procedures. The corresponding amount for the prior year's audit was \$7.1 million.	\$7.5 million
Audit Misstatement Posting Threshold (AMPT)	Threshold used to accumulate misstatements identified during the audit. The corresponding amount for the previous year's audit was \$475,000.	\$500,000

Audit cycle and timetable

Our key activities during the year are designed to achieve our one principal objective:

To provide a robust audit, efficiently delivered by a high quality team focused on key issues.

Our timeline is in line with prior year to avoid any last minute surprises.



Planning Meetings

Management: September 28, 2016

Executive Team: October 26, 2016

Mayor and Council: November 22, 2016

Interim fieldwork: October 31, 2016 – November 4, 2016

Final fieldwork: February 20, 2017 – March 10, 2017

Closing meetings:

Management: March 22, 2017

Executive Team: April 5, 2017

Mayor and Council: April 25, 2017

Reporting

Audit report on financial statements by April 30 2017.

FIR & FCSS by April 30, 2017

LAPP & APEX by June 30, 2017

Audit strategy and discussions based on debrief of audit by June 30, 2017.

Appendices

Appendix 1: Engagement Letter

Appendix 2: Audit quality and risk management

Appendix 3: KPMG's audit approach and methodology

Appendix 4: Required communications

Appendix 5: Current developments

Appendix 1: Engagement Letter



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Mr. Gregory J. Yeomans, CPA, CGA, MBA
Chief Financial Officer
Strathcona County
2001 Sherwood Drive
Sherwood Park, AB T8A 3W7

September 28, 2016

Dear Sir:

Except as specified herein, all provisions of the most recent Engagement Letter between KPMG and Strathcona County ("the Entity") dated September 29, 2015 continue in effect from period to period unless amended or terminated in writing or unless revised due to the issuance of new professional standards.

This letter amends the following terms of our engagement:

FEES

We update our previous engagement letter dated September 29, 2015 with a revised Appendix – Fees for Professional Services.

We are available to discuss these amendments to the terms of our engagement with you at any time. For your convenience in confirming these arrangements, we enclose a copy of this letter. Please sign the copy in the space provided and return it to us.

Yours very truly,

Chartered Professional Accountants

John Stelter, CPA, CA
780-429-6511

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.

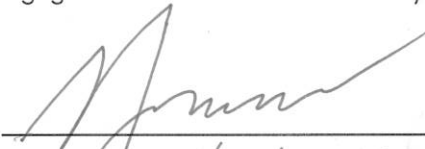
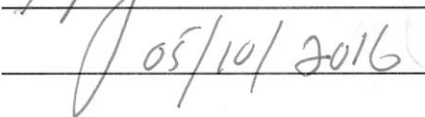
KPMG Confidential



The terms of the engagement for Strathcona County set out are as agreed:

Name and Title

Date (dd/mm/yy)

 Gregory J Yeomus
Chief Financial Officer
 05/10/2016



Appendix – Fees for Professional Services

The Entity and KPMG agree to a fee based on actual hours incurred at mutually agreed-upon rates. The estimated fees are as follows:

	Fee
Strathcona County, including the Municipal Financial Information Report, Local Authorities Pension Plan and Family and Community Support Services	\$92,820
Strathcona County Library	\$15,300

We are aware of potential pension reporting changes that may be effective for the December 31, 2016 year. We will work with management to assess the impact of the changes on the audit and the proposed fees.

The routine technology and support percentage as described in the terms and conditions ("Fee and Other Arrangements") shall be 5%.

Interest on overdue invoices as described in the terms and conditions ("Fee and Other Arrangements") shall be 1% per month, calculated and compounded monthly (effective annual rate of 12.683%).

Appendix 2: Audit quality and risk management

KPMG maintains a system of quality control designed to reflect our drive and determination to deliver independent, unbiased advice and opinions, and also meet the requirements of Canadian professional standards.

Quality control is fundamental to our business and is the responsibility of every partner and employee. The following diagram summarises the six key elements of our quality control systems.

Visit our [Audit Quality Resources](#) page for more information including access to our audit quality report, [Audit quality: Our hands-on process](#).

- Other controls include:
 - Before the firm issues its audit report, Engagement Quality Control Reviewer reviews the appropriateness of key elements.
 - Technical department and specialist resources provide real-time support to audit teams in the field.
- We conduct regular reviews of engagements and partners. Review teams are independent and the work of every audit partner is reviewed at least once every three years.
- We have policies and guidance to ensure that work performed by engagement personnel meets applicable professional standards, regulatory requirements and the firm's standards of quality.



- All KPMG partners and staff are required to act with integrity and objectivity and comply with applicable laws, regulations and professional standards at all times.
- We do not offer services that would impair our independence.
- The processes we employ to help retain and develop people include:
 - Assignment based on skills and experience;
 - Rotation of partners;
 - Performance evaluation;
 - Development and training; and
 - Appropriate supervision and coaching.
- We have policies and procedures for deciding whether to accept or continue a client relationship or to perform a specific engagement for that client.
- Existing audit relationships are reviewed annually and evaluated to identify instances where we should discontinue our professional association with the client.

Appendix 3: KPMG's audit approach and methodology

Technology-enabled audit workflow (eAudit)

Engagement Setup

- Tailor the eAudit workflow to your circumstances
- Access global knowledge specific to your industry
- Team selection and timetable

Completion

- Tailor the eAudit workflow to your circumstances
- Update risk assessment
- Perform completion procedures and overall evaluation of results and financial statements
- Form and issue audit opinion on financial statements
- Obtain written representation from management
- Required Mayor and Council communications
- Debrief audit process



Risk Assessment

- Tailor the eAudit workflow to your circumstances
- Understand your business and financial processes
- Identify significant risks
- Plan the use of KPMG specialists and others including auditor's external experts, management experts, internal auditors, service organizations auditors and component auditors
- Determine audit approach
- Evaluate design and implementation of internal controls (as required or considered necessary)

Testing

- Tailor the eAudit workflow to your circumstances
- Perform tests of operating effectiveness of internal controls (as required or considered necessary)
- Perform substantive tests

Appendix 4: Required communications

In accordance with professional standards, there are a number of communications that are required during the course of our audit. These include:

- **Engagement letter** – the objectives of the audit, our responsibilities in carrying out our audit, as well as management's responsibilities, are set out in the engagement letter and any subsequent amendment letters as attached within Appendix 1.
- **Audit planning report** – as attached
- **Required inquiries** – professional standards require that during the planning of our audit we obtain your views on risk of fraud and other matters. We make similar inquiries to management as part of our planning process; responses to these will assist us in planning our overall audit strategy and audit approach accordingly
- **Management representation letter** – we will obtain from management certain representations at the completion of the annual audit. In accordance with professional standards, copies of the representation letter will be provided to the Executive Team and the Mayor and Council.
- **Audit findings report** – at the completion of our audit, we will provide a report to Senior Management, the Executive Team and the Mayor and Council.

Appendix 5: Current developments

The following is a summary of the current developments that are relevant to the County.

Standard	Summary and implications
PS2200, Related Party Transactions	The new standard requires disclosure of the effect of financially material transactions between related parties. The mandatory effective date of PS2200 is for fiscal periods beginning on or after April 1, 2017.
PS3420, Inter-Entity Transactions	The new standard provides how to account for and report transactions between entities controlled by a government and that comprise the government's reporting entity from both a provider and a recipient perspective. The mandatory effective date of PS3420 is for fiscal periods beginning on or after April 1, 2017.
PS3210, Assets	The new standard provides guidance for applying the definition of assets and establishes general disclosure standards for assets. The mandatory effective date of PS3210 is for fiscal periods beginning on or after April 1, 2017.
PS3320, Contingent Assets	The new standard defines and establishes disclosure standards on contingent assets. The mandatory effective date of PS3320 is for fiscal periods beginning on or after April 1, 2017.
PS3380, Contractual Rights	The new standard defines and establishes disclosure standards on contractual rights. The mandatory effective date of PS3380 is for fiscal periods beginning on or after April 1, 2017.
PS3430, Restructuring Provisions	The new standard establishes standards on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities. The mandatory effective date of PS3430 is for fiscal periods beginning on or after April 1, 2018.
PS1201, Financial Statement Presentation	The new standard requires a new statement of remeasurement gains and losses separate from the statement of operations. Included in this new statement are the unrealized gains and losses arising from the remeasurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. The mandatory effective date of PS1201 is for fiscal periods beginning on or after April 1, 2019.

Appendix 5: Current developments (continued)

Standard	Summary and implications
PS3450, Financial Instruments	The new standard requires a new statement of remeasurement gains and losses separate from the statement of operations. Included in this new statement are the unrealized gains and losses arising from the remeasurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. The mandatory effective date of PS3450 is for fiscal periods beginning on or after April 1, 2019.
PS2601, Foreign Currency Translation	The new standard requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in a foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the new statement of remeasurement gains and losses. The mandatory effective date of PS2601 is for fiscal periods beginning on or after April 1, 2019.
PS3041, Portfolio Investments	The new standard has removed the distinction between temporary and portfolio investments. This standard now includes pooled investments in its scope and was amended to conform to Financial Instruments, PS3450. Upon adoption of PS3450 and PS3041, PS3030 Temporary Investments will no longer apply. The mandatory effective date of PS3041 is for fiscal periods beginning on or after April 1, 2019.

kpmg.ca/audit



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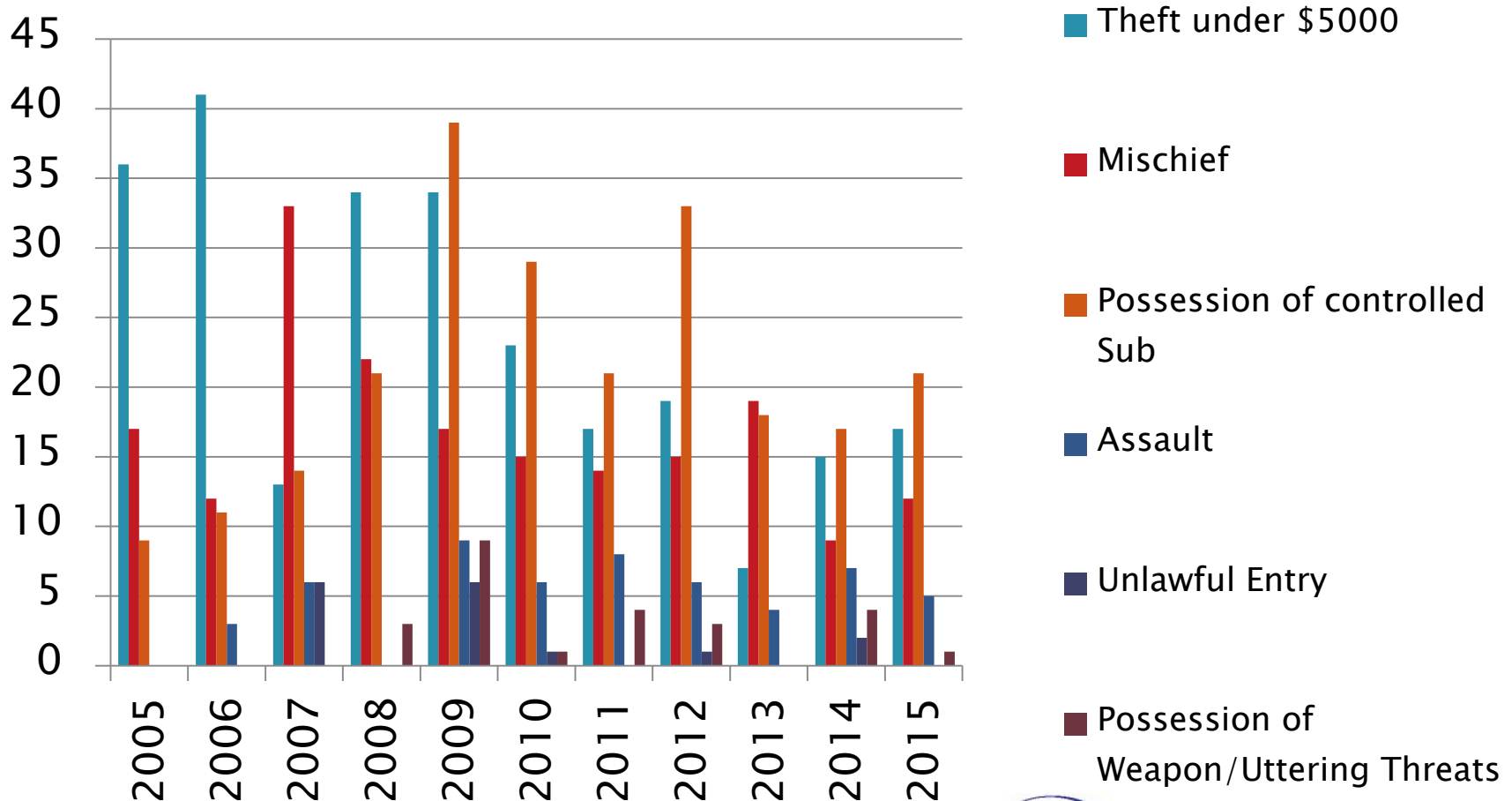
SYJC Update

November 2016

- ▶ Strathcona County Youth Justice Committee (SYJC) – serves the community of Strathcona County and surrounding area. Receives files from Edmonton and across Alberta depending upon where the offence occurred.

- ▶ Committee is made up of 15 volunteers who have a keen interest in serving the youth and families of Strathcona County and assisting them to finding redemption of being charged under the law.

Files over the last Ten Years Include:



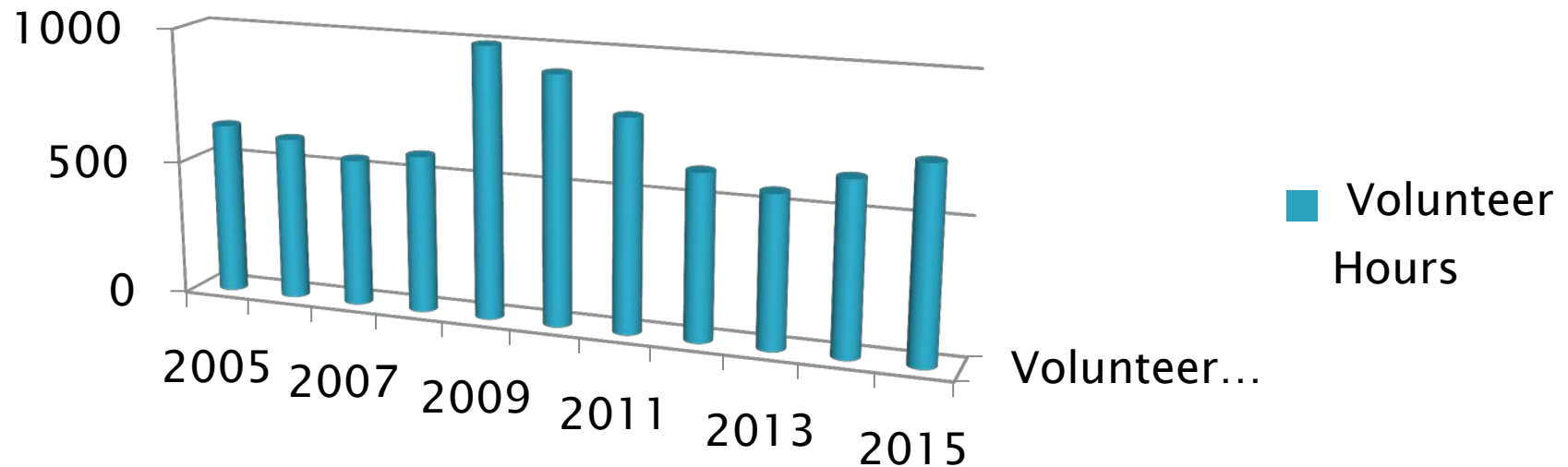
Files Dealt with by the Committee

Address the Following Offenses:

- ▶ Theft under \$5000
- ▶ Possession of a controlled substance
- ▶ Assault
- ▶ Assault with a weapon
- ▶ Trespassing
- ▶ Disturbing the peace
- ▶ Public mischief
- ▶ Criminal harassment
- ▶ Uttering threats
- ▶ Fraud
- ▶ Arson
- ▶ Possession of a dangerous weapon
- ▶ Break and Enter

Volunteer Hours by Committee

Volunteer Hours



Consequences Tailored to the Needs of the Youth May Include:

- ▶ Community Partners
 - Boys and Girls Club
 - Strathcona County Clothes Line
 - Silver Birch lodge
 - Clover Bar Lodge
 - Robin Hood

- ▶ Personal service to family members/neighbors

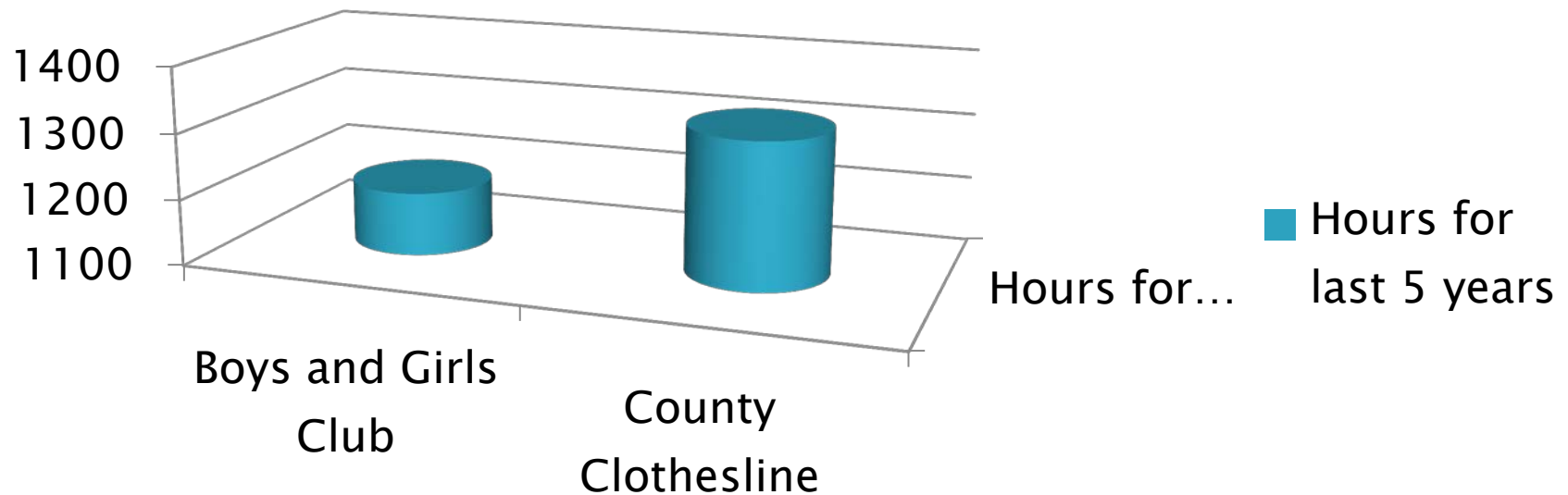
Consequences Tailored to the Needs of the Youth May Include:

(cont'd)

- ▶ Donations to community agencies
 - Boys and Girls Club
 - PEP/Uturn
 - County Clothes line
 - Christmas Bureau
 - Women's Shelter
 - Food Bank
- ▶ Restitution
- ▶ Written work – apology letters, daily journals, oral histories with seniors/grandparents
- ▶ Research projects – Addictions issues/Crime impacts/Career options/Photo essays
- ▶ Painting/special interest projects

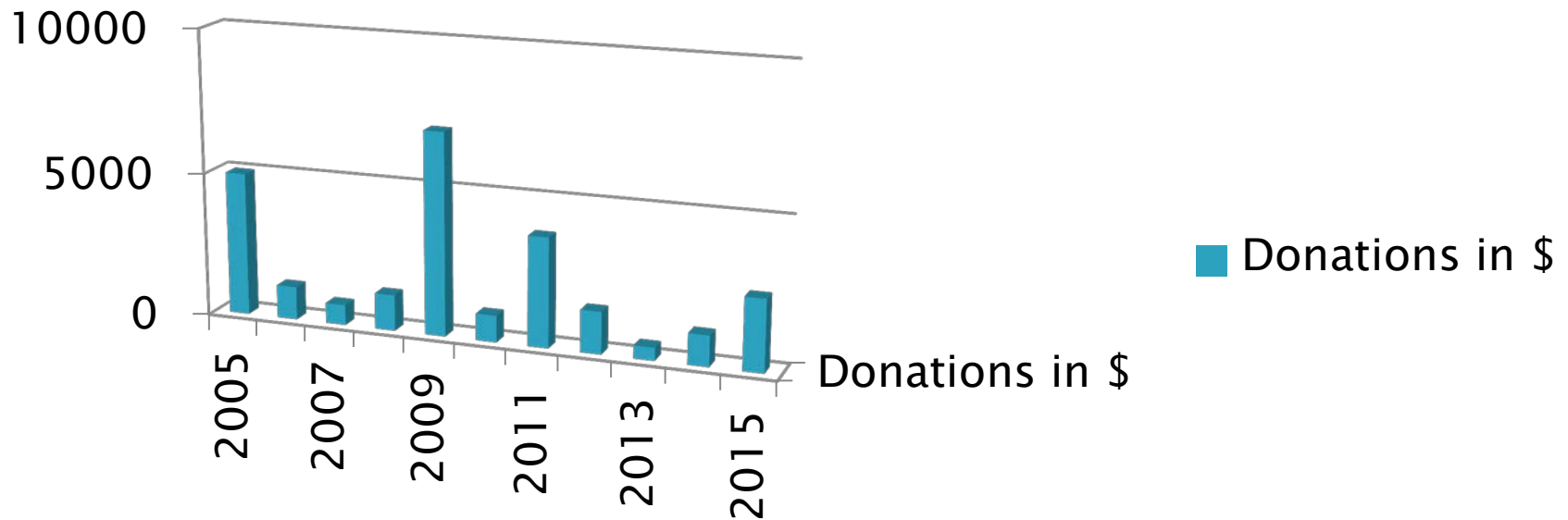
Volunteer Hours completed by Young Offenders

Hours for
last 5 years



Donations Made to Community on Behalf of Young Offenders

Donations in \$



Impact on the community – Quotes:

- ▶ “The success in this program is evident in the fact that I believe it helped put (my sons) on the right track and helped shape who they are today. I am so very proud of each of them, and thank God for them every day.” (Parent)
- ▶ “Hopefully I can make up for all the shame I have brought to my family and make them proud again.” (Youth)

Impact on the community – Quotes: (cont'd)

- ▶ “It is rare for me in (the) 20 years that I have parented so far to find such a genuine “Gemstone” of a program that I never even knew existed before this situation. They asked my son to write a 2000 word essay about how this has affected his sister... tears filled my eyes as it was the most beautiful piece of paper...covered in words of hope, love and concern” (Parent)

► “Our Community... Our Responsibility”

(Strathcona Youth Justice Committee Member 2016)

Priorities Committee Meeting_Nov22_2016

STRATEGIC INITIATIVE AND UPDATE**Municipal Development Plan Update****Report Purpose**

To provide the Priorities Committee with an overview of the Rural Service Area and options for the Rural/Urban Transition Policy Area (Colchester) for the Municipal Development Plan Update.

Council History

March 6, 2007 – Council approved Motions 175/2007 and 176/2007, amendments to Municipal Development Plan Bylaw 1-2007.

May 22, 2007 – Council approved Municipal Development Plan Bylaw 1-2007.

March 11, 2010 – Capital Region Growth Plan was adopted by Province.

February 19, 2013 – Council approved Bylaw 42-2012 to ensure the Municipal Development Plan (MDP) was in conformance with the Capital Region Growth Plan.

April 21, 2015 – Council received an overview of the MDP Update process and public engagement.

July 14, 2015 - Priorities Committee received an update on the MDP Update process and public engagement.

November 10, 2015 - Priorities Committee received an update on the MDP Update process and public engagement.

February 16, 2016 - Priorities Committee received an update on the MDP Update process.

March 22, 2016 - Council directed that administration include consideration of land use options within the rural/urban transition policy area (Colchester) in the current Municipal Development Plan Update.

May 17, 2016 – Priorities Committee received an update on the MDP Update process for information.

June 14, 2016 - Priorities Committee received an update on the MDP Update process.

Strategic Plan Priority Areas

Economy: The economic development section of the MDP will be reviewed to ensure policy aligns with the objectives of the Economic Sustainability Framework and Strategic Plan for a diverse economy and effective and efficient municipal infrastructure.

Governance: The public engagement and communications plan for the MDP Update will aim to create an inclusive process that engages residents and stakeholders.

Social: The MDP Update will review the social development section of the document to ensure it reflects the objectives of the Social Sustainability Framework and Strategic Plan for an active and healthy community.

Culture: The MDP Update will be reviewed to ensure it aligns with the Strategic Plan to create vibrant, creative communities.

Environment: The MDP Update will review the environmental section of the document to ensure it reflects the objectives of the Environmental Sustainability Framework and Strategic Plan to protect our environment and preserve biodiversity.

Other Impacts

Policy: Policy 17.4 of the MDP indicates a major review of the document is to be conducted every five years in order to ensure the Plan remains valid and effective.

Legislative/Legal: Any changes to the MDP will require passage of a bylaw to replace or amend Bylaw 1-2007.

Interdepartmental: Multiple Strathcona County departments are involved in the MDP Update.

Summary

Administration is bringing forward information on the current status of the MDP Update as well as detailed overview on the draft Rural Service Area section of the MDP Update. Given the information provided is regarding the Policy Areas within the Rural Service Area, Administration has also brought forward options for the Colchester area as directed by Council on March 22, 2016. See Enclosure I for detailed information.

Communication Plan

A range of stakeholders such as community groups, school boards, developers, as well as the general public have been, and will continue to be, consulted for the MDP Update. The County has utilized traditional engagement tools such as open houses, stakeholder interviews, posters, newspaper advertisements and the County website. In addition, the County has a white board video, online engagement hub, backgrounder discussion papers, e-newsletters, postcards, bus ads, portable signs and has utilized social media such as Facebook, Twitter, and Instagram to engage the public.

Enclosure

- 1 MDP Update Rural Service Area and Options for Colchester Presentation

Municipal Development Plan Update Rural Service Area and Options for Colchester

Priorities Committee
Nov 22, 2016

MDP Update - Agenda

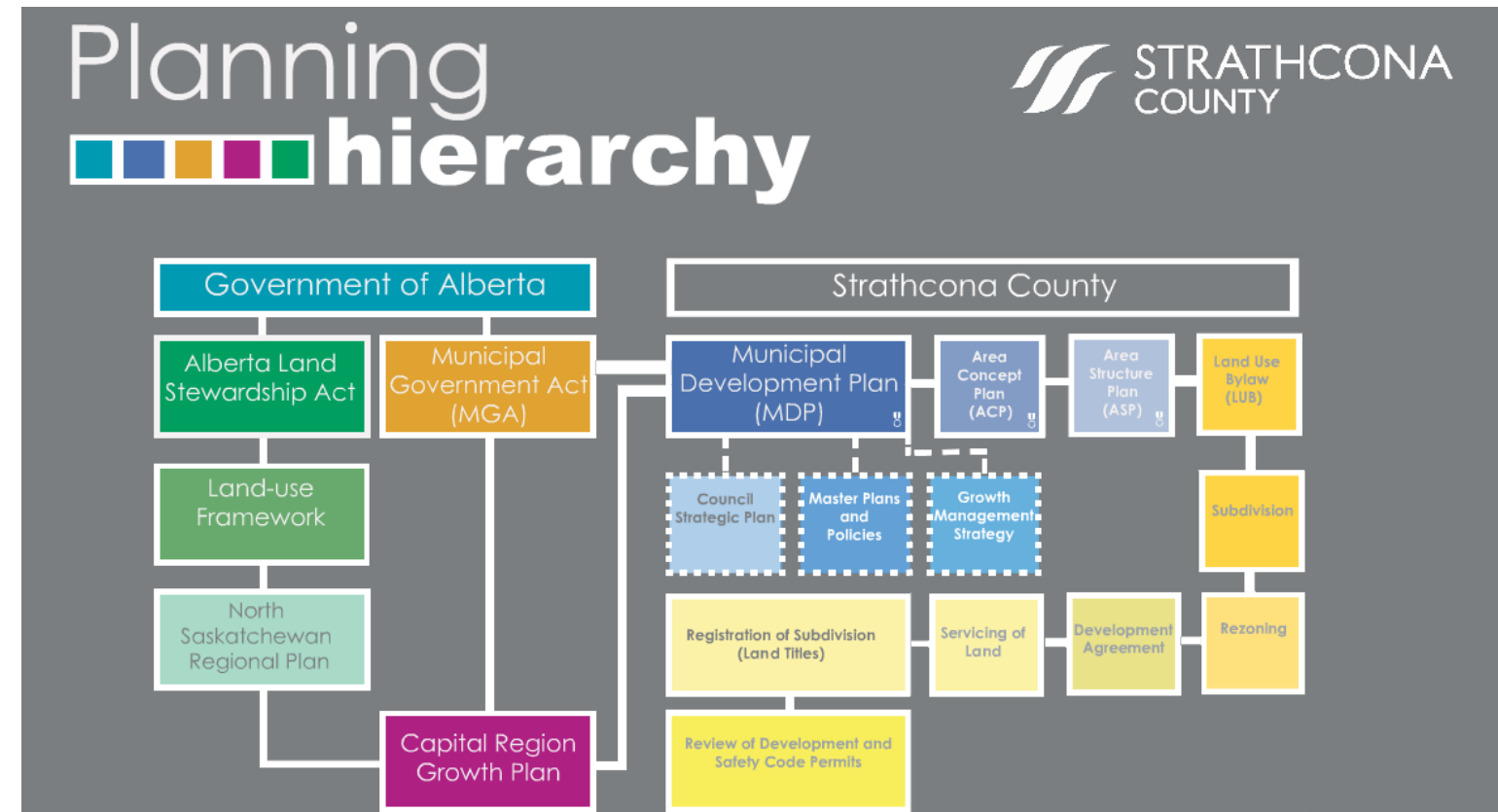
- Current Status of Municipal Development Plan (MDP) Update
- MDP Update – Timeline
- MDP Update – Document Format
- Rural Service Area – Policy Area goals, objectives and highlight of significant policies
 - Agriculture Large Holdings Policy Area
 - Agriculture Small Holdings Policy Area
 - Beaver Hills Policy Area
 - County Residential Policy Area
 - Heartland Policy Area
- Options for Colchester

MDP Update – Current Status

- The MDP update has been drafted to correspond with:
- Edmonton Metropolitan Growth Plan
- MGA Review
- Agriculture Master Plan
- Public and stakeholder consultation

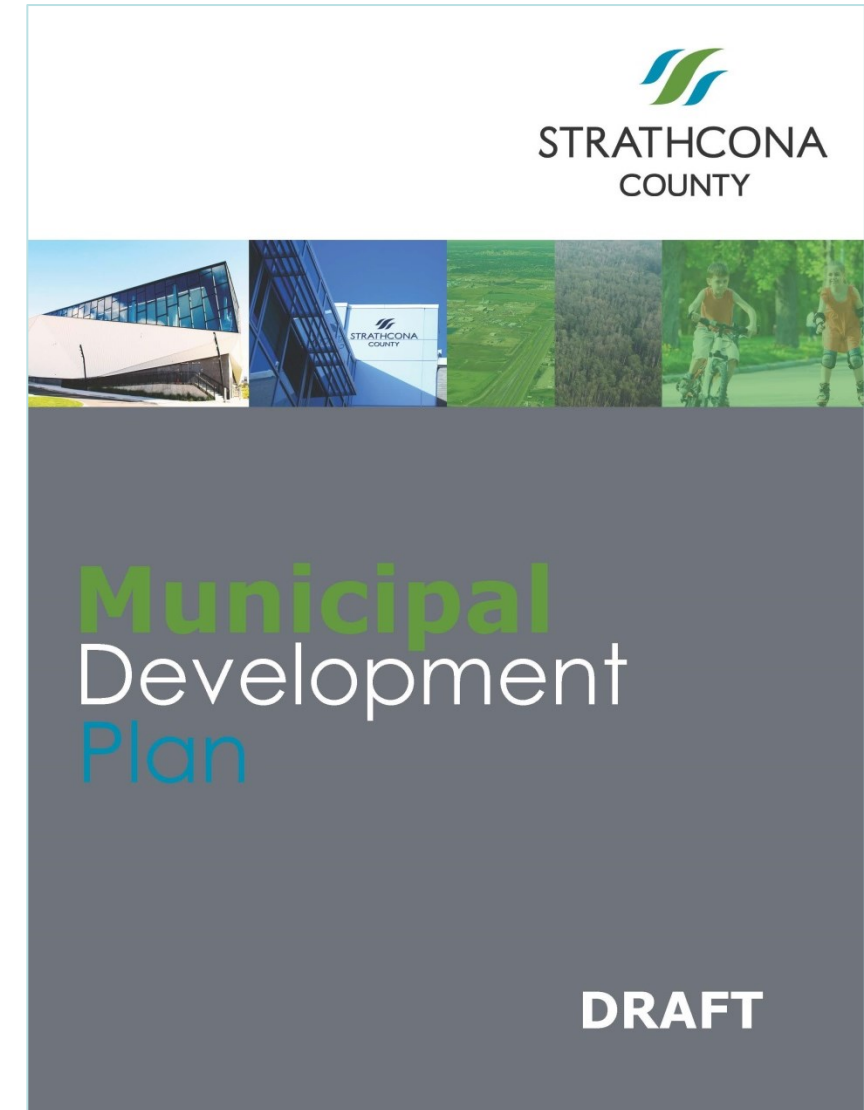
MDP Update - Timeline

- 1st initial draft of the MDP Update has been circulated to internal departments for comment and feedback.
- 2nd draft will be completed end of December 2016.
- Priorities Committee presentation on Urban Areas and Hamlet sections will occur in January 2017.
- Public consultation and external referral on 2nd draft will occur early 2017.
- Priorities Committee presentation on results from the Public consultation as well as implementation items from the MDP will occur in early 2017.
- Final draft presentation to Council and referral to CRB will need to occur subsequent to Provincial approval of the Edmonton Metropolitan Region Growth Plan.



MDP Update – Document Format

- Introduction and Context
- Interpretation
- General
- Sherwood Park Urban Service Area
- Rural Service Area
- Implementation
- Definitions
- Maps



MDP Update – Document Format

- **Introduction and Context**

- This section will discuss what an MDP is as well as Strathcona County's vision and goals.

- **Interpretation**

- This section will discuss the Planning Document Hierarchy and how the terminology in the MDP is to be interpreted.

- **General**

- This section will discuss general objectives and policies for topics such as economic development, heritage and conservation.

- **Implementation**

- This section will identify implementation items resulting from the policies found within the Plan.

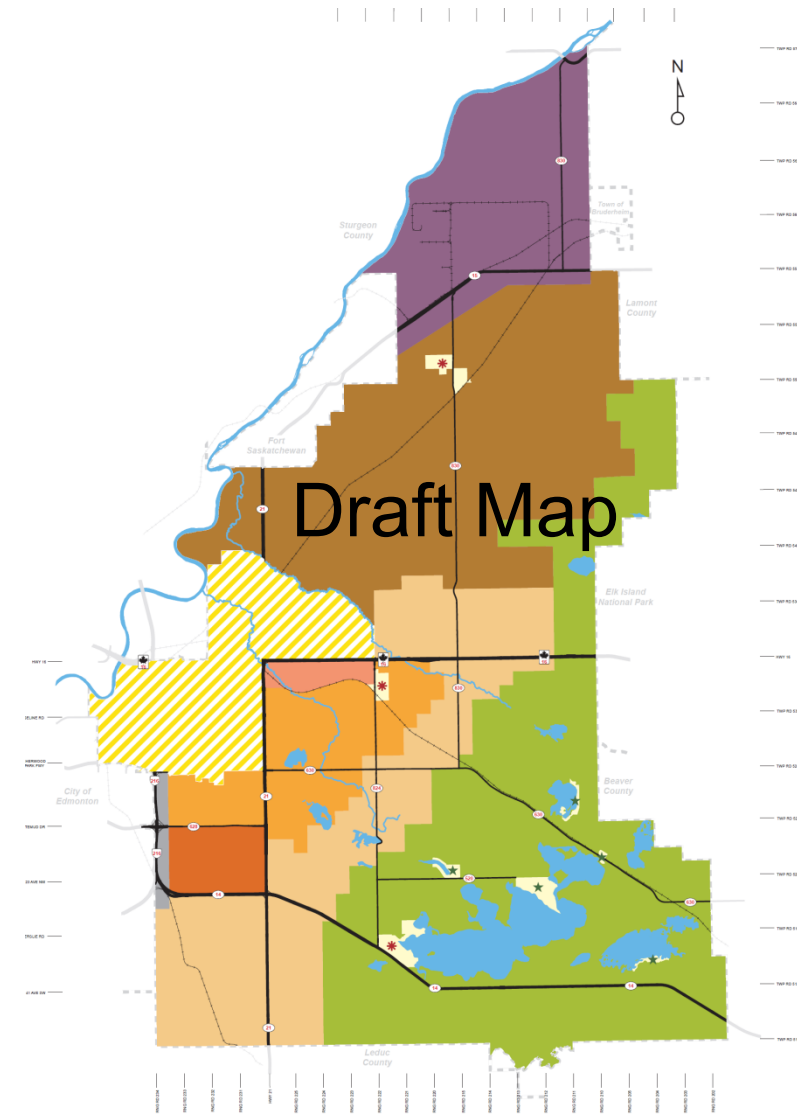
Policy Terms				
Intention			Action	
Ensure	To make sure of something (results) through a requirement	➡	Require	A compulsory obligation
Promote	Shows active County encouragement	➡	Encourage	Shows County support for actions that may or may not be initiated the County
Support	Shows passive County support through conditional consideration	➡	Consider	Provides the County with the discretion to allow or something based on criteria

Implementation Terms				
Intention			Action	
Ensure	To make sure of something (results) through a requirement	➡	Review the need for	Review to determine what action is needed if any
		➡	Update	Update an existing
		➡	Complete	Create a new

MDP Update – Document Format

Sherwood Park Urban Service Area

- Defined as the Sherwood Park Urban Service Area in Strathcona County's Order in Council.
- This section will include policies for Sherwood Park and Bremner.
- Bremner forms part of the Urban Service Area as per the MDP amendment approved by Council on October 25, 2016.
- Detailed presentation on the Sherwood Park Urban Service Area will occur in January 2017.



MDP Update – Rural Service Area

Introduction

- Consists of five Policy Areas, three Growth Hamlets and five Small Hamlets
- Policy Areas are strategically located based on the agricultural quality of soils, proximity to urban centers, historical growth patterns, available infrastructure and location of Regional Environmentally Significant Areas.
- Detailed presentation on the Hamlets will occur in January 2017.

Policy Areas

1. Agriculture Large Holdings Policy Area
2. Agriculture Small Holdings Policy Area
3. Beaver Hills Policy Area
4. Country Residential Policy Area
5. Heartland Policy Area
6. Hamlet Policy Area

MDP Update

Agriculture Large Holdings Policy Area

- Intended to support and promote extensive agriculture on large un-fragmented parcels.
- Commercial and residential uses that support and are related to extensive agriculture.
- Is a contiguous area that is delineated by the high quality soils found in the Area.

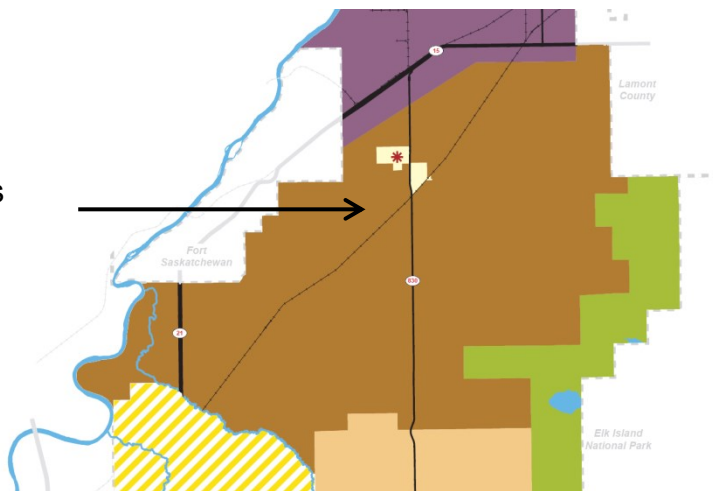
Goal:

Provide for large scale agriculture operations and homesteads that respect the rural landscape and the environment.

Objectives:

1. Prioritizes extensive agriculture;
2. Large contiguous tracks of land with minimal fragmentation;
3. Opportunities for homesteads and live-work;
4. Is viable over the long term;
5. Respects rural, natural and heritage landscapes.

Agriculture Large Holdings
Policy Area



MDP Update

Agriculture Large Holdings Policy Area

- **General Policies:**

- prioritise extensive agriculture by locating new indoor recreation, community and institutional facilities outside of this area.

- **Agriculture Policies:**

- Encourage extensive agriculture, equine and equestrian facilities.
- Consider new or expanded Confined Feeding Operations (CFO's).

- **Residential Policies:**

- Ensure minimal fragmentation by limiting first parcel out to a severed parcel, parcel for an existing residence or parcel for a proposed residence. 80 acre splits would not be considered.

MDP Update

Agriculture Large Holdings Policy Area

- **Commercial Policies:**

- Ensure minimal fragmentation by locating large scale agriculture support services in business and industrial areas.
- Small scale agriculture support services directed to lower class soils.
- Home based businesses limited to the residence or accessory buildings, or is related to or services the agricultural community.
- Agri- tourism supported if mitigates environmental impacts, is rezoned, and is compatible with adjacent land uses.
- Nature based tourism encouraged where it covers a small land area and has limited onsite environmental impacts.

- **Open Space Policies:**

- Municipal Reserve (MR) if owing would be dedicate as land where needed for the County's approved Trails Strategy.

MDP Update

Agriculture Large Holdings Policy Area

- **Conservation Policies:**

- Respect the natural landscape by encouraging the retention of wetlands, tree stands and other natural features.

- **Industry Policies:**

- Consider renewable energy where development is directed to lower class soils.
- Utility and transportation corridors should consider location of prime agriculture lands when establishing alignments.

- **Transportation and Utilities Policies:**

- Road networks to allow for the safe and timely movement of agricultural equipment.
- Maintenance of drainage corridors and infrastructure.

MDP Update

Agriculture Small Holdings Policy Area

- Intended to allow for intensive horticulture, small scale commercial and associated residential uses.
- Acts as a transition between urban and rural land uses.

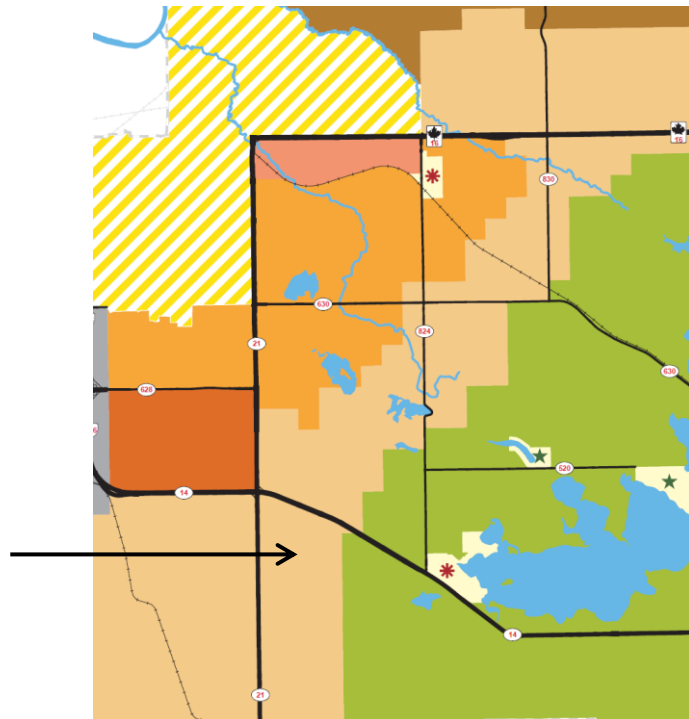
Goal:

Provide opportunities for intensive horticulture operations that allow for live-work, local food production and local food distribution which respects the rural landscape and the environment.

Objectives:

1. Prioritizes intensive horticulture;
2. Provide for live-work, local food production and distribution;
3. Is viable over the long term;
4. Respects rural, natural and heritage landscapes.

Agriculture Small Holdings
Policy Area



MDP Update

Agriculture Small Holdings Policy Area

- **General Policies:**

- Prioritise intensive horticulture by locating new indoor recreation, community and institutional facilities outside of this area.

- **Agriculture Policies:**

- encourage intensive horticulture, equine and equestrian facilities.
- Consider livestock facilities that are sized appropriately and minimize impact on adjacent landowners.
- Prioritize intensive horticulture by requiring a minimum parcel size of 20 acres.

- **Residential Policies:**

- Housing form limited to single dwellings and associated accessory buildings.

MDP Update

Agriculture Small Holdings Policy Area

- **Commercial Policies:**

- Prioritise horticulture by locating large scale agriculture support services in business and industrial areas.
- Support local food production and distribution with small scale agriculture product processing and farm gate sales that is secondary to the agricultural use and mitigates impacts on adjacent landowners.
- Support home based businesses and encourage those that service the agricultural community.
- Agri- tourism supported if mitigates environmental impacts, is rezoned, and is compatible with adjacent land uses.

- **Open Space Policies:**

- MR provided as cash-in-lieu or dedicated as land where needed for the County's approved Trail Strategy, or to enhance recreation next to Environmental Reserve (ER).

MDP Update

Agriculture Small Holdings Policy Area

- **Conservation Policies:**

- ER dedicated adjacent to crown claimed lands, to enhance trail linkages, or within a Regional Environmentally Significant Area.
- Environmental Reserve Easement (ERE) for other environmentally significant features.
- Respect the natural landscape by encouraging the retention of wetlands, tree stands and other natural features.

- **Industry Policies:**

- Prioritize horticulture by encouraging new resource extraction to locate outside of this policy area.

- **Transportation and Utilities Policies:**

- Road networks to allow for the safe and timely movement of agricultural equipment.
- Maintenance of drainage corridors and infrastructure.

MDP Update

Beaver Hills Policy Area

- Intended to conserve the Beaver Hills Moraine.
- Supports rural residential, agriculture, seasonal recreation and tourism uses.

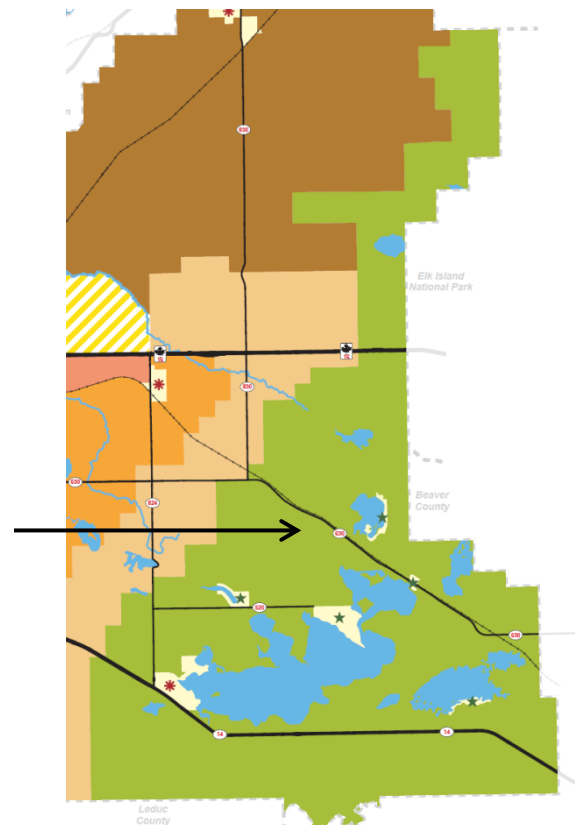
Goal:

Conserve the integrity of the Beaver Hills Moraine and Biosphere and provide residents with opportunities to discover and enjoy the natural landscape.

Objectives:

1. Conserve the Beaver Hills Moraine;
2. Provide opportunities for responsible interaction with nature;
3. Enhance the Beaver Hills Biosphere;
4. Provide opportunities for tourism and recreation.

Beaver Hills Policy Area



MDP Update

Beaver Hills Policy Area

- **General Policies:**

- Conserve the Beaver Hills Moraine by locating new golf courses, new indoor recreation, community and institutional facilities outside of this area.

- **Agriculture Policies:**

- Ensure conservation of the Beaver Hills Moraine by locating new CFO's outside of this area.

- **Residential Policies:**

- Ensure conservation of the Beaver Hills Moraine by limiting first parcel out to a severed parcel or a parcel for an existing residence.

MDP Update

Beaver Hills Policy Area

- **Commercial Policies:**

- Support tourism by considering bareland condo subdivisions that are part of a seasonal recreational resort, is limited to seasonal structures, designed to protect environmental features and mitigate environmental impacts, is rezoned to a seasonal recreational resort district, provides adequate common property, considers public input and has infrastructure that limits the resort to seasonal use.
- Consider small scale commercial uses within and accessory to the seasonal recreational resort that serves the seasonal population of the resort.
- nature based tourism and agri-tourism opportunities.

- **Open Space Policies:**

- MR provided as land for residential subdivision.
- Bareland condo - MR as cash in lieu or dedicated as land where needed for the County's approved Trails Strategy, or to enhance recreation next to ER.
- MR owing for conservation subdivision will be assessed on a case by case basis.
- Promote special purpose parks and outdoor festivals.

MDP Update

Beaver Hills Policy Area

- **Conservation Policies:**

- Conservation subdivision beyond a first parcel out may be considered subject to third party involvement from a conservation organization.
- ER dedicated adjacent to crown claimed lands, to enhance trail linkages, or within a Regional Environmentally Significant Area.
- ERE for other environmentally significant features.
- encourage the retention of wetlands, tree stands and other natural features.
- Require lighting plans for large and medium scale developments to protect the dark sky preserve.

- **Industry Policies:**

- encourage new resource extraction and oil and gas activity to locate outside of this policy area.
- Small scale renewable energy production encouraged.

- **Transportation and Utilities Policies:**

- Require energy efficient and Dark Sky compliant lighting.
- Maintenance of drainage corridors and infrastructure.

MDP Update

Country Residential Policy Area

- Intended to provide an opportunity for a rural residential lifestyle.
- New subdivision will conserve environmentally significant areas and be municipally serviced with water and wastewater.

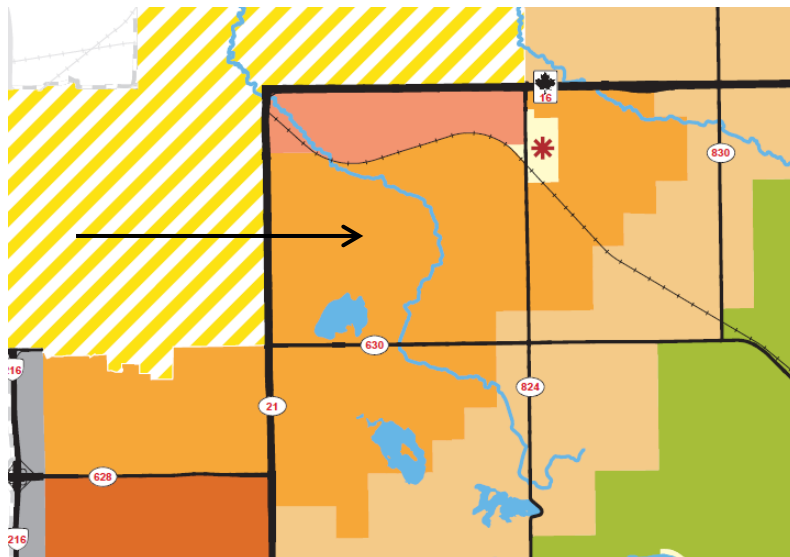
Goal:

Strike a balance between providing opportunities for country residential living and respecting the environment and rural landscapes.

Objectives:

1. Provide rural living opportunities;
2. Efficiently designed development that occurs in an orderly manner;
3. Retain and connect natural and rural landscapes;
4. Balance incompatible land uses.

Country Residential Policy Area



MDP Update

Country Residential Policy Area

- **General Policies:**

- Ensure efficiently designed developments by requiring a Country Residential Area Concept Plan (ACP).
- Require Area Structure Plans (ASP's) pursuant to the ACP.
- community and institutional facilities are to located outside of this area

- **Agriculture Policies:**

- New CR will be required to mitigate land use conflicts with adjacent agricultural uses.
- Retain rural landscape by continuing agriculture uses.
- Balance incompatible land uses by locating new CFO's outside of this area.

- **Residential Policies:**

- CR subdivision to only occur within the Country Residential Policy Area.
- Density for CR must comply with the CRB.
- Housing form limited to single dwellings and associated accessory buildings.

MDP Update

Country Residential Policy Area

- **Commercial Policies:**

- Support rural living by considering home based businesses that do not negatively affect the existing country residential neighbourhood.
- Consider small scale commercial and nature based tourism that is secondary to the primary residential use of a parcel; covers a small land area and has limited environmental impacts.

- **Open Space Policies:**

- Dedicate land where needed for the County's approved Trails Strategy and to connect open spaces within and to adjacent neighbourhoods and ER lands.
- MR should be accessible to all local residents.

MDP Update

Country Residential Policy Area

- **Conservation Policies:**

- Dedication of ER or ERE as identified through a Biophysical Assessment.
- encourage the retention of wetlands, tree stands and other natural features.

- **Industry Policies:**

- encourage new resource extraction and oil and gas activity to locate outside of this policy area.

- **Transportation and Utilities Policies:**

- Require municipal water and wastewater servicing except for first parcel out.
- Cost of developing new CR subdivisions paid for by the developer.

MDP Update

Heartland Policy Area

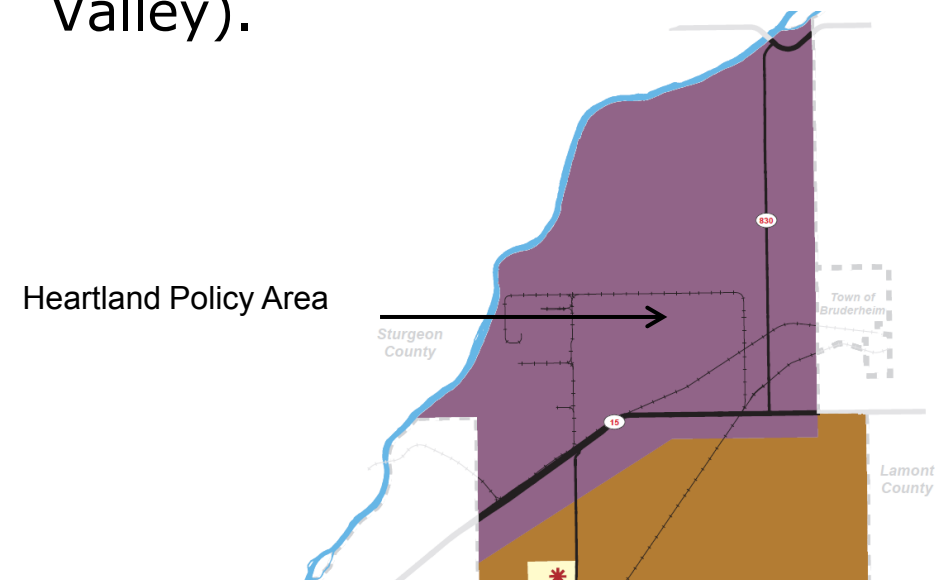
- Intended to accommodate industrial development and is situated within a portion of Alberta's Industrial Heartland.
- Provide for transition to minimize land use conflicts.
- Conserve Regional Environmentally Significant Areas (North Saskatchewan River Valley).

Goal:

Provide opportunities for industrial uses while responsibly managing risk and conflicts between land uses.

Objectives:

1. Prioritize Industrial Development;
2. Responsibly manage risk associated with industrial development;
3. Is viable over the long term;
4. Conserve Regional Environmentally Significant Areas.



MDP Update

Heartland Policy Area

- **General Policies:**

- Ensure long term viability by requiring an Area Structure Plan (ASP) for the area.

- **Agriculture Policies:**

- continuing agriculture uses.
- Support agriculture that utilizes synergies with industrial uses.

- **Residential Policies:**

- Responsibly manage risk by not allowing new residential development in this area.

- **Commercial Policies:**

- Promote large scale agriculture support services.
- encourage large scale agriculture support services to act as a transition between heavy industrial and the Agriculture Large Holdings Policy Area.

MDP Update

Heartland Policy Area

- **Open Space Policies:**

- MR provided as cash-in-lieu except dedicate as land where needed for the County's approved Trails Strategy.

- **Conservation Policies:**

- Dedication of ER or ERE for crown claimed areas and Regional Environmentally Significant Areas.

- **Transportation and Utilities Policies:**

- Encourage industrial development to share infrastructure and right-of-ways.
- Ensure long term viability by requiring a comprehensive transportation network for the Policy Area.

MDP Update

Heartland Policy Area

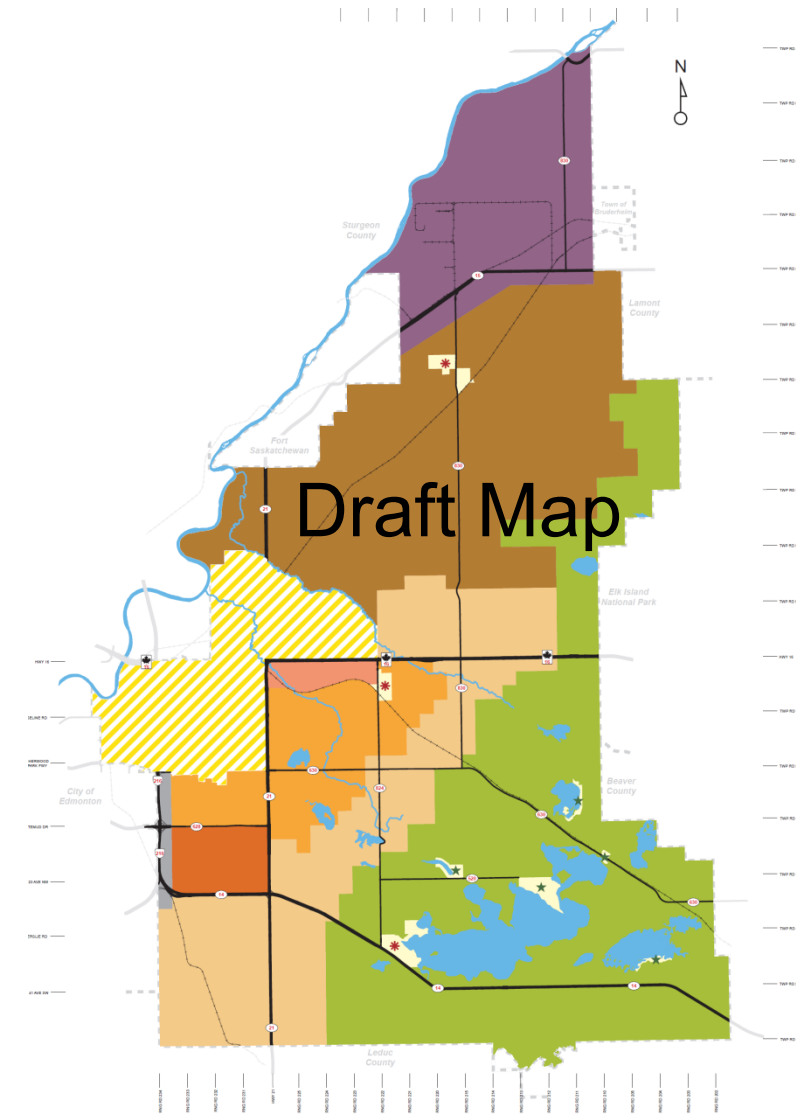
- **Industry Policies:**

- encourage industrial development to locate in this area and encourage synergies between industrial uses.
- Ensure long term viability by requiring heavy industrial development to have acceptable levels of risk and is transitioned to incompatible land uses outside of the Policy Area.
- Require Light/ medium industrial in close proximity to heavy industrial to serve as a transition between incompatible land uses outside of the Policy Area.
- Responsibly manage risk by requiring Strathcona County to maintain a Cumulative Risk Assessment for the Heartland Policy Area.
- Allow for new aggregate extraction.

MDP Update

Options for Colchester

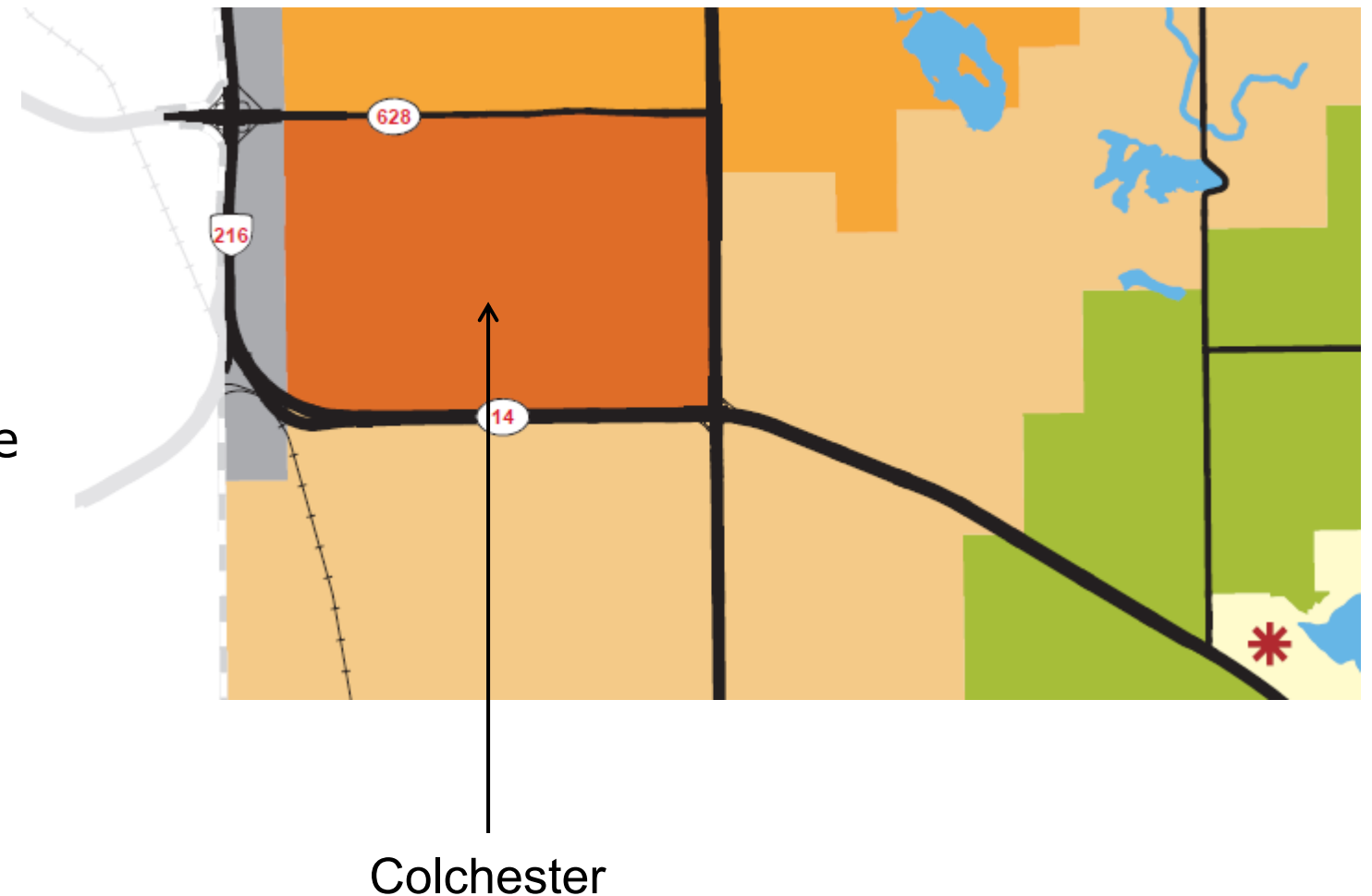
- Since 2007, Colchester has been identified in the MDP as the Rural/Urban Transition Policy Area.
- This Policy Area required the completion of a Growth Management Strategy to determine future development.
- Although the Growth Management Strategy was completed, Council did not choose to endorse the document.
- on March 22, 2016 Council made a motion for Administration to include consideration of land use options within the Rural/Urban Transition Policy Area (Colchester) in the current MDP Update.



MDP Update

Options for Colchester

- The Rural/Urban Transition Policy Area (Colchester) currently acts as a holding area for future development.
- Residents have indicated their desire for Council to make a final decision on land use and subdivision options for this area.
- The following alternative MDP Policy Areas are available for consideration:
 1. Agricultural Small Holdings Policy Area
 2. Agricultural Large Holdings Policy Area
 3. Beaver Hills Policy Area



MDP Update

Options for Colchester

Agricultural Small Holdings Policy Area

- Intended to allow for intensive horticulture, small scale commercial and associated residential uses
- Acts as a transition between urban and rural land uses.
- Subdivide minimum parcel size of 20 acres.

Agricultural Large Holdings Policy Area

- Is a contiguous area that is delineated by the high quality soils (class 1 and class 2) found in the Area.
- Intended to support and promote extensive agriculture on large un-fragmented parcels.
- Commercial and residential uses that support extensive agriculture.
- Subdivision is limited to a first parcel out of a previously un-subdivided quarter section.
- The majority of the Rural/Urban Transition Policy Area (Colchester) contains class 3 and class 4 soils.

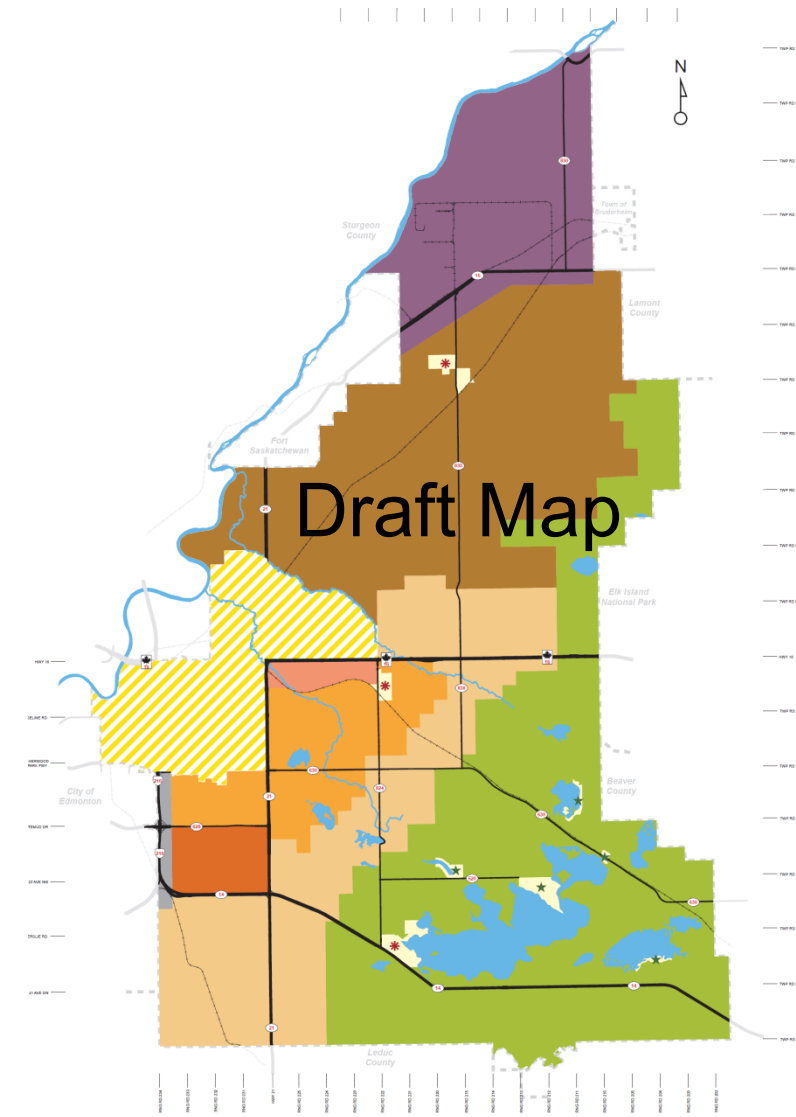
Beaver Hills Policy Area

- Intended to preserve the Beaver Hills Moraine.
- Supports rural residential, agriculture, seasonal recreation and tourism uses.
- Subdivision is limited to a first parcel out of a previously un-subdivided quarter section.
- Notwithstanding, additional conservation subdivision may be considered.
- The majority of the Rural/Urban Transition Policy Area (Colchester) is within the Beaver Hills Moraine boundary.

MDP Update

Options for Colchester

- Administration does not recommend country residential as a suitable alternative Policy Area for consideration.
- As of 2016, Strathcona County has 3,500 ha (8,649 ac) of unabsorbed country residential land accounting for roughly 30% of the Country Residential Policy Area.
- As demand has been declining over the past 20 years, there is ample supply of land designated for country residential to meet demand over the life of the MDP.
- The Edmonton Metropolitan Region Growth Plan Country Residential policies result in no new Country Residential opportunities for Strathcona County aside from what is already designated under the existing MDP (Country Residential Policy Area).



MDP Update

Discussion

Priorities Committee Meeting_Nov22_2016

STRATEGIC INITIATIVE AND UPDATE**Municipal Investment on Potential School Sites – Status Update****Report Purpose**

To provide a status update on Council's request regarding policies and guidelines for Municipal Investment on Potential School Sites.

Council History

February 16, 2016 – Priorities Committee requested information regarding policies and guidelines that guide the decision-making process when investing in recreation facilities on Municipal Reserve designated lands.

April 26, 2016 – Council directed that Administration prepare for Council's consideration, a policy that will ensure criteria for any municipal investment, including recreation facilities, on potential school sites by the end of Q2 2016.

July 5, 2016 – Council directed that Administration prepare for Council's consideration, a policy that will ensure criteria for any municipal investment, including recreation facilities, on potential school sites by the end of Q2 2016, be amended by replacing "Q2" with "Q3."

Strategic Plan Priority Areas

Economy: Strategically planning municipal investment in infrastructure on public service lands will ensure sound investment and fiscal sustainability.

Governance: Working collaboratively with affected users and operators of public service lands will build trust with the community and foster sound relationships.

Social: Public service lands are areas which create a sense of community; bring people together in a safe and inclusive way.

Culture: Public service lands when successfully planned can provide a space for creative community gatherings.

Environment: Planning public service lands collaboratively will limit land use conflicts and protect environmentally sensitive areas.

Other Impacts

Policy: N/A

Legislative/Legal: Policy will be reviewed by Legislative and Legal Services

Interdepartmental: Other departments affected by the policy are: Recreation, Parks and Culture, Financial Services, Capital Planning and Construction, Utilities, Transit, Family and Community Services, Communications, Emergency Services, and Transportation and Agriculture Services.

Summary

Planning and Development Services is working on coordinating a process for the use of Municipal Reserve land that has been identified for a future school site. The intent is to strategically plan these lands for public use and ensure all municipal infrastructure is placed according to community needs.

To achieve this, Administration is reviewing the use of Park Master Plans in advance of any new infrastructure being placed on lands that have been identified as potential school sites. The purpose of a Parks Master Plan will be to identify how the Municipal Reserve can be utilized with the understanding that there is a potential for a future school site on the property in the near or distant future. A "building pocket" for a future school site will be identified as part of this process. Once the building pocket for the school is identified, the remainder of the site can be programmed with respect to the building pocket. In addition, these Master Plans can review pedestrian connectivity, traffic, utilities, safety considerations, environmental sensitivities, recreational needs, school authority needs, and financial implications.

The intent is to identify the use of Park Master Plans throughout the planning hierarchy. Planning and Development Services is currently updating the Municipal Development Plan and identifying the need to use Park Master Plans for future school sites. As the planning process continues from the statutory planning phase to rezoning, Park Master Plans will be created for each new school site.

For existing Municipal Reserve lands that have not been developed but have been identified for future school sites, a Parks Master Plan will be required prior to Recreation Parks and Culture or any other department planning or building infrastructure on the site. If it is identified that a school site is not suitable at that location as part of this process, Planning and Development Services can bring back amendments to Council in order to remove the school site designation from the existing Area Structure Plan.

Park Master Plans will be sent to the School Site Allocation Committee to ensure the School Boards are in agreement with planning of the site and future school location. All Park Master Plans will require approval by Council.

Communication Plan:

Consultation with the School Boards will be required when creating a Park Master Plan for a potential future school site.

Priorities Committee Meeting_Nov22_2016

STRATEGIC INITIATIVE AND UPDATE**Guidelines for Establishing Security in Development Agreements****Report Purpose**

To present the draft Guidelines for Establishing Security in Development Agreements.

Council History

January 19, 2016 - Council approved motion 2016/6 THAT Administration work with the Urban Development Institute and Canadian Home Builders Association to create guidelines for establishing security in the County's standard development agreement, and bring forward a report for Council discussion at the end of the 3rd quarter 2016

Strategic Plan Priority Areas

Economy: Adequate security is essential to guarantee the developer's obligations and to ensure limited risk to the municipality.

Governance: n/a

Social: n/a

Culture: n/a

Environment: n/a

Other Impacts

Policy: n/a

Legislative/Legal: Section 655 (1)(b)(vi) of the *Municipal Government Act* states that a subdivision authority may impose by the subdivision and development regulations on a subdivision approval issued by it, a condition that the applicant enter in an agreement with the municipality to give security to ensure the terms of the agreement under this section are carried out.

Interdepartmental: n/a

Summary

On January 19, 2016, Council approved motion 2016/6 THAT Administration work with the Urban Development Institute and Canadian Home Builders Association to create guidelines for establishing security in the County's standard development agreement, and bring forward a report for Council discussion at the end of the 3rd quarter 2016.

The purpose of the motion was to direct administration to work with the development industry to establish guidelines to be included in Development Agreements based on developer's past performance and reducing security requirements for developers who have a positive track record.

As a result of the motion, a working committee was established in May 2016 consisting of representatives from Planning and Development Services and the Urban Development Institute to work towards establishing the guidelines. As builders generally do not enter into development agreements for construction, the Canadian Home Builders Association has provided comments on the Guidelines as drafted indicating that at this time they are neither recommending nor suggesting any changes to the document. They have however requested that we work with their association on security requirements under the Land Use Bylaw.

Currently the County requires all developers to follow the security as noted in Category B below. This practice limits our liability if a developer was to default on its obligation under the Development Agreement.

The proposed Guidelines categorize developers based on their past performance in the County. Based on their performance category, the Security amount required to be posted will be defined within the Development Agreement.

The working committee agreed upon developing 3 categories being Category A, Category B and Category C developers.

Category A: Describes a developer whose past performance includes ALL of the following Criteria:

- a) Being a party to two (2) or more Development Agreements with Strathcona County in past five (5) years where all Construction Completion Certificates were issued within the timelines set out in the agreements; or
- b) References from another municipality in the Capital Region certifying the completion of two (2) or more Development Agreements in the past five (5) years where all Construction Completion Certificates were issued within the timelines set out in the agreements.

Category B: Describes a developer whose past performance includes ALL of the following Criteria:

- a) No previous Development Agreements with Strathcona County in past five (5) years where all Construction Completion Certificates were issued within the timelines set out in the agreements; or
- b) Being a party to only of one (1) Development Agreement with Strathcona County in past five (5) years where all Construction Completion Certificates were issued within the timelines set out in the agreements.

Category C: Describes a developer who has been involved in a breach of the terms and conditions of previous Development Agreements, or a developer who has frequent minor breaches of the terms and conditions of previous Development Agreements including Development Agreements with other municipalities in the Capital region.

Once a developer has been categorized, the amount of security to be posted will be based on a percentage of the construction cost estimates for the particular stage of development. Construction cost estimates must be stamped and signed by a Professional Engineer. The percentage of security will vary depending on the category in which the developer has been placed.

Category	Initial Security (prior to County acceptance of the construction drawings)	Further Security (prior to endorsement)	Security held During Guarantee Period (after CCC)
A	10%	50% of the cost to complete all municipal improvements	10% (or 50% of cost to complete - whichever's greater)
B	10%	115% of the cost to complete all municipal improvements	10% (or 115% of cost to complete - whichever's greater)
C	115%	--	10% (or 115% of cost to complete - whichever's greater)

If we move towards implementing a category system, the County would be exposed to additional risk as we would not hold the entire cost to complete outstanding deficiencies if a Category A developer did not complete their obligations under the development agreement. Rather than holding 115% of the cost to complete, we would only be holding 50% of the cost to complete under this category.

Enclosure

1 Draft - Guidelines for Establishing Security in Development Agreements



Guidelines for Establishing Security in Development Agreements

FINAL DRAFT (October 31, 2016)

1. SUMMARY

Planning & Development Services establishes the Security amount to be included in a Development Agreement using the guidelines described below. Developers are categorized based on their past performance in the County. Based on their performance category, the Security amount required to be posted will be defined within the Development Agreement.

2. FORMS OF SECURITY

Strathcona County will accept Security as part of the Development Agreement in the form of:

- An Irrevocable Letter of Credit issued by a Chartered Bank or the Treasury Branch, or
- Cheque; or
- Bank Draft

3. CATEGORY

Based on past performance within the County, a Developer will be categorized at the discretion of the Director of Planning & Development Services as follows:

Category A: Describes a developer whose past performance includes ALL of the following Criteria:

- a) Being a party to two (2) or more Development Agreements with Strathcona County in past five (5) years where all Construction Completion Certificates were issued within the timelines set out in the agreements; or
- b) References from another municipality in the Capital Region certifying the completion of two (2) or more Development Agreements in the past five (5) years where all Construction Completion Certificates were issued within the timelines set out in the agreements.

Category B: Describes a developer whose past performance includes ALL of the following Criteria:

- a) No previous Development Agreements with Strathcona County in past five (5) years where all Construction Completion Certificates were issued within the timelines set out in the agreements; or
- b) Being a party to only of one (1) Development Agreement with Strathcona County in past five (5) years where all Construction Completion Certificates were issued within the timelines set out in the agreements.

Category C: Describes a developer who has been involved in a breach of the terms and conditions of previous Development Agreements, or a developer who has frequent minor breaches of the terms and conditions of previous Development Agreements including Development Agreements with other municipalities in the Capital region.

4. SECURITY AMOUNT

Once a developer has been categorized, the amount of security to be posted will be based on a percentage of the construction cost estimates for the particular stage of development. Construction cost estimates must be stamped and signed by a Professional Engineer. The percentage of security will vary depending on the category in which the developer has been placed.

Category	Initial Security (prior to County acceptance of the construction drawings)	Further Security (prior to endorsement)	Security held During Guarantee Period (after CCC)
A	10%	50% of the cost to complete all municipal improvements	10% (or 50% of cost to complete - whichever's greater).
B	10%	115% of the cost to complete all municipal improvements	10% (or 115% of cost to complete - whichever's greater).
C	115%	--	10% (or 115% of cost to complete - whichever's greater).

Initial Security:

In accordance with provisions of the County's standard Development Agreement, the initial security shall be delivered and deposited with the County prior to the acceptance of the construction drawings for all Municipal Improvements proposed to be constructed and installed in connection with the Development Area.

The amount of the initial security is based on the estimated cost of constructing and installing the **Municipal Improvements** listed below:

- All sanitary sewer mains and appurtenances; and
- All drainage systems, including storm sewers, storm sewer connections, provisions for weeping tile flow, storm retention ponds and associated works, all as and where required by the County; and
- All water mains, including all fittings, valves, and hydrants and looping as required by the County, in order to safeguard and ensure the continuous and safe supply of water in the Development Area; and
- All concrete curbs, gutters, sidewalks and sub-grade, base and asphaltic pavement; and
- All traffic signs, street signs, development identification signs, zoning signs, and directional signs, berming and noise attenuation devices all as and where required by the County; and
- all landscaping and land improvements which are to be constructed and installed to the satisfaction of the County, and in accordance with the landscaping plan to be submitted for the acceptance of the County; and
- Such construction or development of streets and lanes as may be required by the County; including, but in no manner limited to, a second or temporary access for vehicular traffic from the Development Area; and
- Major entrance features shall be located either on an added dedication to the required road right-of-way or on private property. The required dedication shall be defined at the time the plan of subdivision for the development is submitted for approval. Any

major entrance feature located on private property shall require the registration of an easement to provide for maintenance access to the feature. The easement shall be to the satisfaction of the County.

- Such uniform fencing, (noise attenuation, or screen) either permanent or temporary, of a standard and of a design satisfactory to the County, all of which is to be constructed and located to the satisfaction of the County; and
- Any additional amount of security specified in Schedule "D" of the Development Agreement.

CATEGORY	INITIAL SECURITY
A	Shall be TEN (10%) percent of the estimated cost of constructing and installing the Municipal Improvements noted above.
B	Shall be TEN (10%) percent of the estimated cost of constructing and installing the Municipal Improvements noted above.
C	Shall be ONE HUNDRED AND FIFTEEN (115%) percent of the estimated cost of the municipal improvements noted above.

Further Security:

In accordance with provisions of the County's standard Development Agreement, further security shall be delivered and deposited with the County at the time the Developer submits to the County for endorsement the Plan of Subdivision for the Development Area.

CATEGORY	FURTHER SECURITY
A	Shall be equal to FIFTY (50%) percent of the estimated cost of completing and installing the Municipal Improvements noted above.
B	Shall be equal to ONE HUNDRED AND FIFTEEN (115%) percent of the total estimated cost to complete all Municipal Improvements noted above.
C	N/A

** In the event that the Municipal Improvements noted above have been completed accepted (CCC issued) at the time that the Plan of Subdivision is submitted to the County for endorsement, the further security shall not be less than **TEN (10%) percent** of all municipal improvements noted above.

5. HOLDBACK AFTER ISSUANCE OF CONSTRUCTION COMPLETION CERTIFICATE

Category A:

The amount of security will be reduced on application by the Developer upon the Developer having received a Construction Completion Certificate. After the issuance of any Construction Completion Certificates and prior to the issuance of Final Acceptance Certificates for all of the Municipal Improvements noted above, the security shall not be less than the greater of **TEN (10%) percent** of the estimated costs of the Municipal Improvements described above OR, FIFTY (50%) percent of the total estimated cost of completing all Municipal Improvements for which a Construction Completion Certificate has not been issued.

Category B and Category C:

The amount of security will be reduced on application by the Developer upon the Developer having received a Construction Completion Certificate. After the issuance of any Construction Completion Certificates and prior to the issuance of Final Acceptance Certificates for all of the Municipal Improvements noted above, the security shall not be less than the greater of TEN (10%) percent of the estimated costs of the Municipal Improvements described above OR, ONE HUNDRED AND FIFTEEN (115%) percent of the total estimated cost of completing all Municipal Improvements noted above for which a Construction Completion Certificate has not been issued.

6. RELEASE OF SECURITY

Security will be released upon the County's issuance of a Final Acceptance Certificate for the municipal improvements (including receipt of all as-built drawings).

7. RE-CATEGORIZATION OF DEVELOPER

The categorization of a developer may be adjusted based on positive performance as follows:

- A developer will be reassigned from a Category B to a Category A once criteria for Category A has been met.
- A developer may be reassigned from a Category C to a Category B once criteria for Category A has been met and at the discretion of the Director of Planning & Development Services.

The categorization of a developer may be adjusted based on negative performance as follows:

- A developer will be re-categorized from Category A or Category B directly to Category C for a breach of the terms of the Development Agreement.

The following items are considered a breach:

- Commencement of construction prior to acceptance of the Engineering Drawings;
- Commencement of construction prior to approval of the Development Agreement;
- Failure to complete construction within the timelines set out in the Development Agreement;
- Failure to apply for Construction Completion Certificates or Final Acceptance Certificates within the timelines set out in the Development Agreement;
- Failure to submit offsite levies in accordance with the timelines set out in the Development Agreement;
- Failure to renew insurance coverage in accordance with the timelines set out in the Development Agreement.
- Commencement of construction prior to receipt of insurance.

8. DATE EFFECTIVE

These guidelines are effective January 1, 2017 and will not be applied retroactively to existing Development Agreements.

Priorities Committee Meeting_Nov22_2016

STRATEGIC INITIATIVE AND UPDATE**2016 Third Quarter Management Report****Report Purpose**

To present the Strathcona County 2016 Third Quarter Management report.

Council History

December 9, 2014 – Council approved the 2015-2018 Corporate Business Plan.

December 8, 2015 – Council approved the 2016 Operating and Capital Budgets.

Strategic Plan Priority Areas

Economy: n/a

Governance: Quarterly reporting supports public involvement and communication with the community on issues affecting the County's future. This also provides for good governance by supporting strong fiscal management of programs and organizational capacity.

Social: n/a

Culture: n/a

Environment: n/a

Other Impacts

Policy: FIN-001-010: Financial Reporting

Legislative/Legal: n/a

Interdepartmental: All County Departments

Summary

The Strathcona County 2016 Third Quarter Management Report (Enclosure 1) provides the operating results for the period compared to the approved budget (otherwise known as the operating variance), a forecast of the annual operating surplus for tax purposes, a review of the year-to-date capital activity, and an assessment of the County's financial condition using key financial indicators.

Communication Plan

Other: Strathcona County Website, Financial Services page

Enclosure

- 1 Strathcona County Q3 2016 Management Report (Document: 9377261)
- 2 2016 Third Quarter Management Report Presentation(Document: 9384990)

Strathcona County

Q3 2016 Management Report

Prepared by Financial Services

Prepared for
Priorities Committee
November 22, 2016

Year-to-Date Operating Variance and the Year-End Forecast of the Annual Operating Surplus for Tax Purposes for Municipal, Utility, Library Operations and Pioneer Housing Foundation (PHF)

1. Year-to-Date Operating Variance

The operating variance at September 30, 2016 is **\$24.5 million** (Q3 2015 \$22.1 million). The operating variance is the difference between the year-to-date actual and budgeted results, and is comprised of timing differences that are expected to reverse during the remainder of the year, and permanent differences that have occurred and will affect the year-end results.

County Operating Segments	Q3 2016 YTD Timing Differences \$M	Q3 2016 YTD Permanent Differences \$M	Q3 2016 YTD Variance \$M	Q3 2015 YTD Variance \$M
Municipal	9.9	13.2	23.1	18.3
Utility	0.1	1.2	1.3	3.6
Library	0.1	-	0.1	0.2
PHF	-	-	-	-
TOTAL	10.1	14.4	24.5	22.1

The year-to-date operating variance includes reserve transactions and debt repayments that are excluded from Public Sector Accounting Standards (PSAS) financial reporting.

2. Year-End Forecast of the Annual Operating Surplus for Tax Purposes (Permanent Differences + Forecasted Items)

County Operating Segments	Q3 2016 Forecast \$M	Q3 2015 Forecast \$M
Municipal	15.8 (5.6%)	11.7 (4.3%)
Utility	1.3 (2.2%)	2.4 (4.2%)
Library	0.1 (1.3%)	-
PHF	-	-
TOTAL	17.2 (4.9%)	14.1 (4.2%)

Please note that the percentages represent the proportion of forecast surplus compared to the respective annual operating budgets. The annual operating surplus for tax purposes includes reserve transactions and debt repayments that are excluded from Public Sector Accounting Standards (PSAS) financial reporting.

The year-end forecast is based on the information available as of September 30, 2016 and is subject to the uncertainty of unknown events or circumstances which may transpire during the remainder of the year.

3. Analysis of the 2016 Year-End Forecast

a. Municipal Operations – \$15.8 million – Contributing Factors (In Order of Significance)

Favourable:

- i. Personnel cost savings due to staff turnover, vacancies, and deferred hiring (net of slippage);
- ii. Savings due to lower winter maintenance than anticipated;
- iii. Municipal property tax revenues and supplemental taxes exceeding the budget;
- iv. Favourable contract circumstances;
- v. Savings from lower fuel prices and volumes than anticipated;
- vi. Savings on supplies and materials for road maintenance;
- vii. Gains on the disposal of investments and investment income; and
- viii. Unbudgeted emergency services 911 grant and EMS billing revenues.

Unfavourable:

- i. Lower value and volume of building and development permits; and
- ii. Lower user fee revenues from Millennium passes and admissions.

b. Utility Operations – \$1.3 million – Contributing Factors (In Order of Significance)

Favourable:

- i. Higher user fee revenue due to increased residential water consumption and budgeted;
- ii. Personnel cost savings due to staff turnover, vacancies, and deferred hiring; and
- iii. Higher user fee revenue than anticipated due to customer volume.

c. Library Operations – No significant impacts to report.

d. Pioneer Housing Foundation Operations – No significant impacts to report.

Capital Activity (Excluding PHF)

1. 2016 Capital Budget and Spending

The 2016 Capital Budget (cash flowed), as amended, totals \$239.8 million. The capital spending, as of September 30, 2016, totals \$64.7 million (Q3 2015 \$60.7 million), which represents 27% of the planned expenditures for the year.

2. 2016 Capital Budget Amendments

Nineteen project amendments have been approved as of Q3 2016 for a \$2.9 million total net increase of the capital budget.

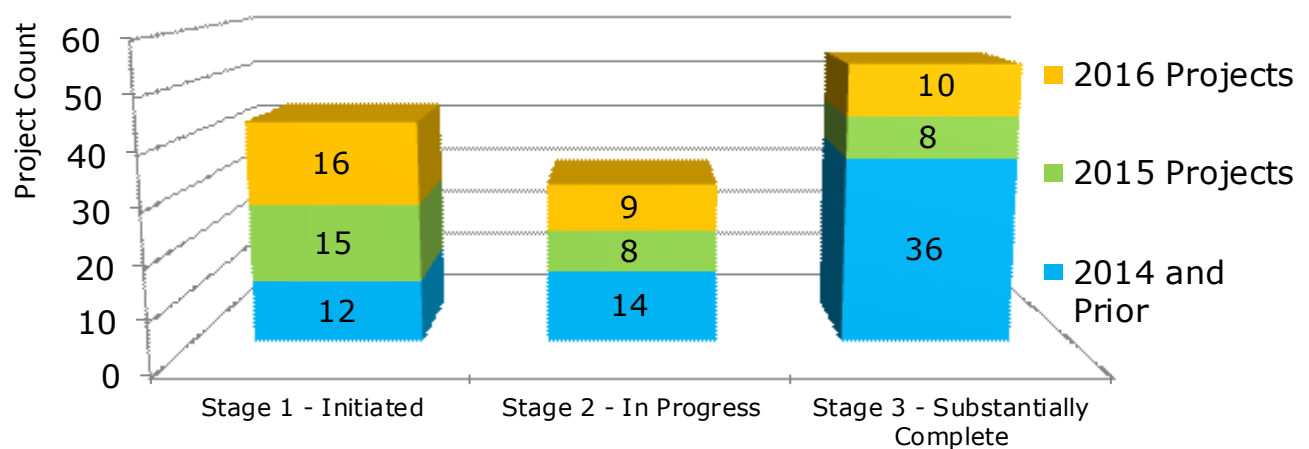
3. Update on Completed Projects

During the first three quarters of 2016, 28 projects were completed \$4.3 million under a total combined budget of \$55.4 million. Of the unused funding, \$0.9 million was budgeted to be funded from external grants, debentures and other sources, and \$3.4 million was budgeted from internal sources (reserves). All funds released are allocated back to their original funding sources, and are available for other emergent or future priorities.

4. Capital Status

The 128 active capital projects, as of September 30, 2016, have been grouped based on work completed according to assessments provided by the responsible departments, consisting of the following project stage groupings; Stage 1 (0 - 10%) Initiated, Stage 2 (11 - 85%) In Progress, and Stage 3 (86 - 99%) Substantially Complete, as illustrated below:

Active Capital Projects at September 30, 2016



STAGE TOTALS = Stage 1 - 43 (34%), Stage 2 - 31 (24%), Stage 3 - 54 (42%)

Assessment of the County's Financial Condition – Key Financial Indicators

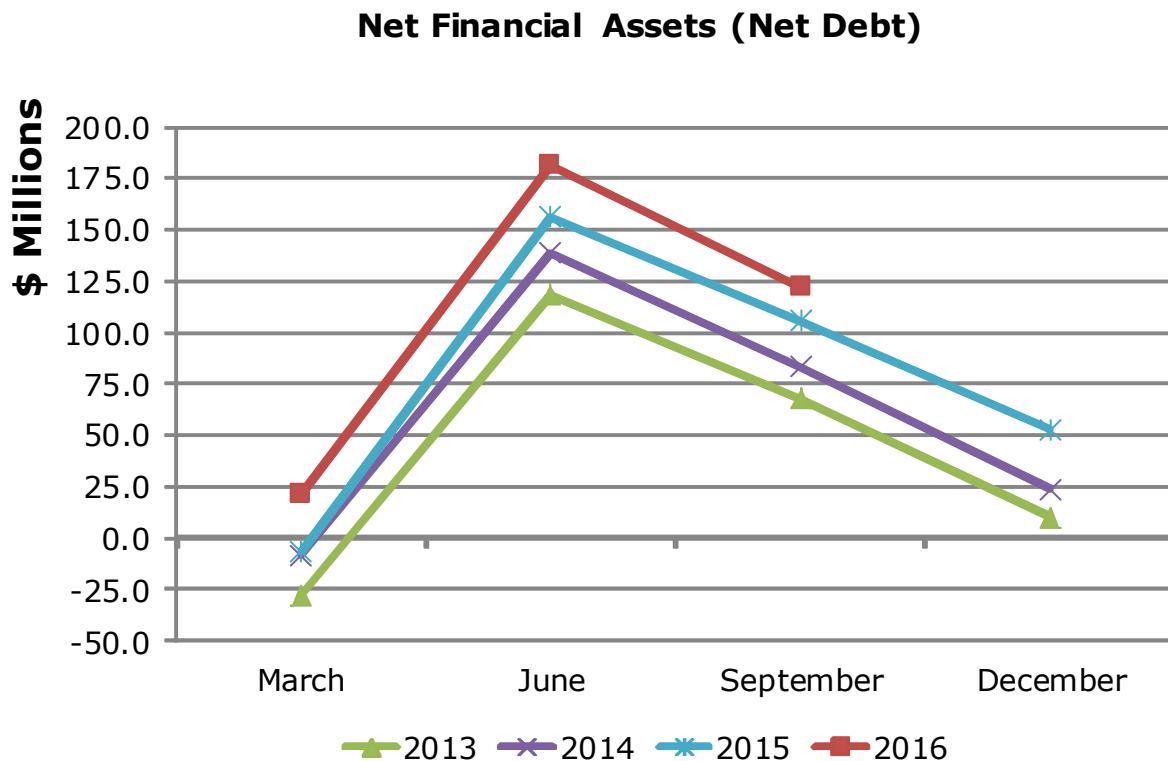
The following section is prepared based on the Q3 2016 Strathcona County Consolidated Financial Statements (unaudited) provided in Appendix 1. The Consolidated Financial Statements are prepared in accordance with Public Sector Accounting Standards (PSAS).

Statement of Financial Position – Highlights

a. Net Financial Assets (Net Debt) Position

As of September 30, 2016, the County's net financial asset position is \$121.6 million compared to a \$53.3 million net financial asset position at December 31, 2015, an increase of \$68.3 million. The increase in net financial assets is expected and mainly due to the timing of property tax revenue, which will be drawn down to finance operations for the final quarter of 2016.

b. Net Financial Assets Trend Analysis



c. Long-term debt

The County has issued \$13.0 million of new debt during 2016 for the following capital projects:

Pioneer Housing Foundation - \$3.5 million

RCMP Building Expansion - \$4.0 million

Glen Allan Recreation Complex - \$5.5 million

d. Reserve Reporting

The following table provides a summary of the County's reserve balances as at September 30, 2016:

Reserves	Committed \$M	Designated \$M	Total \$M	Optimal Variance \$M
Municipal				
Stabilization and Contingency	-	9.5	9.5	(2.6)
Projects	40.3	19.2	59.5	(2.4)
Infrastructure, Lifecycle, Maintenance and Replacement	33.5	40.4	73.9	6.7
Special Purpose	15.1	12.7	27.8	3.7
Total Municipal	88.9	81.8	170.7	5.4
Utilities				
Stabilization and Contingency	-	1.2	1.2	(1.3)
Projects	-	-	-	-
Infrastructure, Lifecycle, Maintenance and Replacement	4.5	40.5	45.0	(33.3)
Special Purpose	4.2	-	4.2	-
Total Utilities	8.7	41.7	50.4	(34.6)
Total Library	-	4.2	4.2	-
Total Reserves	97.6	127.7	225.3	(29.2)
Percentage	43%	57%	100%	

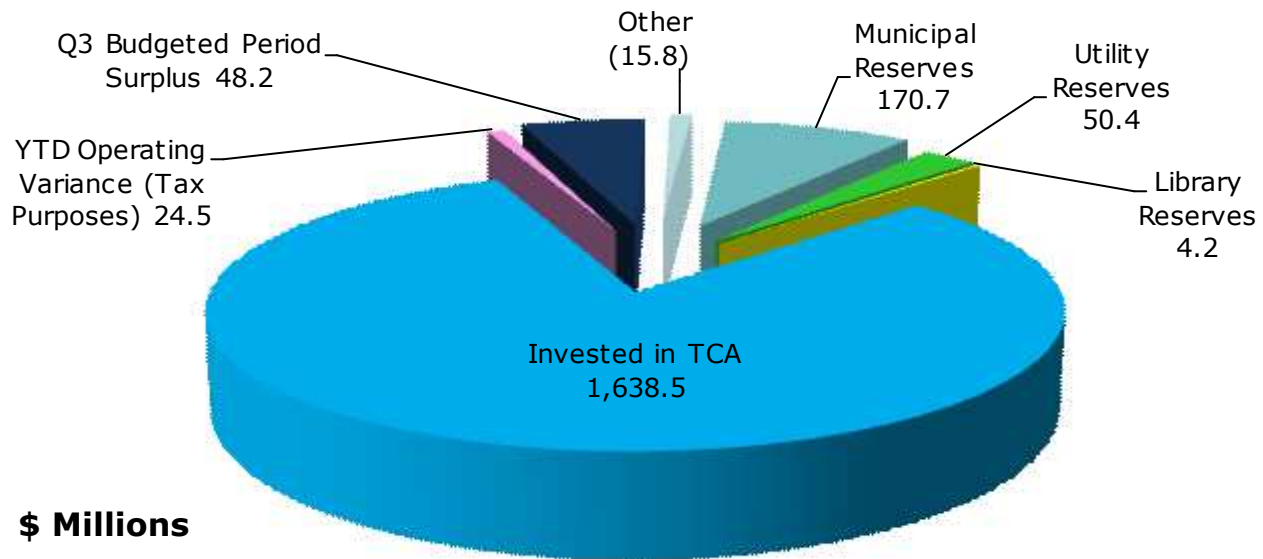
The presentation of reserve groupings is in accordance with the Policy: FIN-001-024 Municipal Reserves. Please note that the optimal variance column is determined through a comparison of the reserve's optimal balance with the designated funds available within the respective reserve. A positive figure indicates a balance above the optimal amount and a negative figure indicates a balance below the optimal amount.

e. Accumulated Surplus

Accumulated surplus totals \$1,920.7 million at September 30, 2016 (\$1,824.6 million at December 31, 2015). The composition of the Q3 2016 accumulated surplus is as follows:

- i. Reserves of \$225.3 million (Q4 2015 - \$223.4 million);
- ii. Investments in tangible capital assets of \$1,638.5 million (Q4 2015 - \$1,611.6 million);
- iii. The September 30, 2016 budgeted period operating surplus of \$48.2 million (Q4 2015 - \$nil);
- iv. The September 30, 2016 year-to-date favourable operating variance of \$24.5 million (Q4 2015 - \$nil after year end surplus allocation); and
- v. The unrestricted surplus (deficit) of (\$15.8) million (Q4 2015 - (\$10.3) million).

Composition of Accumulated Surplus



Appendix

1. Consolidated Financial Statements and Supporting Schedules for the Period Ended September 30, 2016 (unaudited)
2. Glossary of Terms

STRATHCONA COUNTY

Consolidated Financial Statements

For the Period Ended September 30, 2016 (in thousands of dollars)

(unaudited)

STRATHCONA COUNTY
Consolidated Statement of Financial Position
As at September 30, 2016 (in thousands of dollars)

	September 30 2016 (unaudited)	December 31 2015
FINANCIAL ASSETS		
Cash and Cash Equivalents	\$ 4,136	\$ 4,214
Accounts Receivable		
Property Taxes	22,181	4,827
Government Transfers	331	9,853
Trade and Other	17,116	13,630
Development Levies and Charges	2,516	2,816
Land Held for Resale	1,844	2,632
Investments	368,094	291,293
Investment Interest Receivable	9,227	8,217
	425,445	337,482
LIABILITIES		
Accounts Payable and Accrued Liabilities	55,763	44,777
Deposit Liabilities	17,121	18,639
Deferred Revenue	72,282	64,088
Capital Leases	3	108
Long-Term Debt	158,638	156,545
	303,807	284,157
NET FINANCIAL ASSETS	121,638	53,325
NON-FINANCIAL ASSETS		
Tangible Capital Assets	1,797,142	1,767,591
Inventories of Materials and Supplies	942	975
Prepaid Expenses	1,025	2,738
	1,799,109	1,771,304
ACCUMULATED SURPLUS	\$ 1,920,747	\$ 1,824,629

STRATHCONA COUNTY
Consolidated Statement of Operations and Accumulated Surplus
For the period ended September 30, 2016 (in thousands of dollars)

	2016 Period Budget <i>(unaudited)</i>	September 30 2016 <i>(unaudited)</i>	September 30 2015 <i>(unaudited)</i>
REVENUE			
Property Taxes	\$ 219,653	\$ 221,530	\$ 208,997
Government Transfers - Operating	3,585	5,310	5,912
Utility User Rates	40,894	41,174	42,331
User Fees and Charges	30,200	29,182	30,970
Penalties and Fines	4,725	4,967	4,965
Investment Income	4,479	5,396	6,277
Other	5,960	11,394	7,279
TOTAL REVENUES	309,496	318,953	306,731
EXPENSES			
Infrastructure and Planning Services			
Capital Planning and Construction	3,374	2,990	2,158
Economic Development and Tourism	1,026	1,002	902
Planning and Development Services	8,183	6,354	6,852
Transportation and Agriculture Services	25,147	19,364	21,029
Utilities	41,418	39,828	40,591
	79,148	69,538	71,532
Community Services			
Emergency Services	25,404	24,441	22,274
Family and Community Services	5,622	6,069	5,492
Strathcona Transit	14,283	12,924	13,029
RCMP and Enforcement Services	17,425	17,997	15,889
Recreation, Parks and Culture	31,656	30,379	28,538
	94,390	91,810	85,222
Corporate Services	25,967	23,294	21,226
Chief Financial Officer	4,908	4,348	4,024
Senior Administration	4,864	4,528	4,504
Elected Officials	964	835	824
Fiscal Services	37,588	37,763	37,200
Strathcona County Library	7,534	7,777	7,137
Pioneer Housing Foundation	1,249	325	485
	83,074	78,869	75,400
TOTAL EXPENSES	256,612	240,217	232,154
SURPLUS BEFORE CAPITAL REVENUE	52,884	78,736	74,577
CAPITAL REVENUE			
Contributed Tangible Capital Assets	-	4,349	18,067
Government Transfers - Capital	28,529	10,739	26,138
Other Capital Revenues	43,498	2,294	2,483
TOTAL CAPITAL REVENUE	72,027	17,382	46,688
PERIOD SURPLUS	124,911	96,118	121,265
ACCUMULATED SURPLUS, BEGINNING OF PERIOD	1,824,629	1,824,629	1,697,101
ACCUMULATED SURPLUS, END OF PERIOD	\$ 1,949,540	\$ 1,920,747	\$ 1,818,366

STRATHCONA COUNTY
Consolidated Statement of Change in Net Financial Assets (Net Debt)
For the period ended September 30, 2016 (in thousands of dollars)

	2016 Period Budget <i>(unaudited)</i>	September 30, 2016 <i>(unaudited)</i>	December 31, 2015
PERIOD SURPLUS	\$ 124,911	\$ 96,118	\$ 127,528
Acquisition of Tangible Capital Assets	(179,857)	(64,651)	(88,863)
Contributed Tangible Capital Assets	-	(4,349)	(60,325)
Amortization of Tangible Capital Assets	39,963	39,032	51,153
Loss on Tangible Capital Assets Transfers and Disposals	-	171	307
Proceeds from Transfers and Disposals of Tangible Capital Assets	-	245	417
	<u>(14,983)</u>	<u>66,566</u>	<u>30,217</u>
Acquisition of Inventories of Materials and Supplies	-	(477)	(1,908)
Acquisition of Prepaid Expenses	-	(902)	(3,608)
Use of Inventories of Materials and Supplies	-	510	1,783
Use of Prepaid Expenses	-	2,615	3,198
	<u>-</u>	<u>1,746</u>	<u>(535)</u>
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(14,983)	68,312	29,682
NET FINANCIAL ASSETS, BEGINNING OF PERIOD	<u>53,325</u>	<u>53,325</u>	<u>23,643</u>
NET FINANCIAL ASSETS, END OF PERIOD	<u>\$ 38,342</u>	<u>\$ 121,636</u>	<u>\$ 53,325</u>

STRATHCONA COUNTY
Consolidated Statement of Cash Flows
For the period ended September 30, 2016 (in thousands of dollars)

	September 30 2016 <i>(unaudited)</i>	December 31 2015
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Period Surplus	\$ 96,118	\$ 127,528
Items Not Involving Cash:		
Contributed Tangible Capital Assets	(4,349)	(60,325)
Amortization of Tangible Capital Assets	39,032	51,153
Amortization of Discount on Investments	48	51
Loss on Tangible Capital Assets Transfers and Disposals	171	307
Gain on Disposal of Investments	(719)	(1,835)
Changes to Non-Cash Assets and Liabilities:		
Property Taxes Receivable	(17,354)	(1,528)
Government Transfers Receivable	9,522	(7,444)
Trade and Other Receivables	(3,486)	1,871
Development Levies and Charges	300	3,974
Land Held for Resale	788	(7)
Accounts Payable and Accrued Liabilities	10,987	7,583
Deposit Liabilities	(1,518)	2,063
Deferred Revenue	8,194	(14,970)
Inventories of Materials and Supplies	33	(125)
Prepaid Expenses	1,713	(410)
Cash Provided by Operating Activities	<u>139,479</u>	<u>107,886</u>
CAPITAL		
Proceeds from Transfers and Disposals of Tangible Capital Assets	245	417
Acquisition of Tangible Capital Assets	(64,651)	(88,863)
Cash Applied to Capital Activities	<u>(64,406)</u>	<u>(88,446)</u>
INVESTING		
Purchase of Investments	(268,747)	(332,130)
Proceeds from Sale/Maturity of Investments	192,618	329,609
Change to Investment Interest Receivable	(1,010)	(1,924)
Cash Applied to Investing Activities	<u>(77,139)</u>	<u>(4,445)</u>
FINANCING		
Long-Term Debt Issued	(5,331)	4,600
Capital Leases Repaid	(105)	(138)
Long-Term Debt Repaid	7,424	(11,779)
Cash Provided by (Applied to) Financing Activities	<u>1,988</u>	<u>(7,317)</u>
EQUIVALENTS	(78)	7,678
CASH AND CASH EQUIVALENTS (CHEQUES ISSUED IN EXCESS OF CASH), BEGINNING OF PERIOD	<u>4,214</u>	<u>(3,464)</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u><u>\$ 4,136</u></u>	<u><u>\$ 4,214</u></u>

STRATHCONA COUNTY
Consolidated Schedule of Segmented Information
For the period ended September 30, 2016 (in thousands of dollars)

	Municipal Operations	Utility Operations	Library Operations	Pioneer Housing Foundation	Eliminations	September 30 2016 (unaudited)	September 30 2015 (unaudited)	2016 Period Budget (unaudited)
OPERATING REVENUE								
Property Taxes	\$ 212,268	\$ 6	\$ 9,256	\$ -	\$ -	\$ 221,530	\$ 208,997	\$ 219,653
Government Transfers - Operating	4,727	23	560	-	-	5,310	5,912	3,585
Utility User Rates	-	41,174	-	-	-	41,174	42,331	40,894
User Fees and Charges	28,179	959	44	-	-	29,182	30,970	30,200
Penalties and Fines	4,836	-	131	-	-	4,967	4,965	4,725
Investment Income	4,614	703	80	-	-	5,396	6,277	4,479
Other	10,255	60	367	1,122	(411)	11,393	7,279	5,960
TOTAL OPERATING REVENUE	264,879	42,925	10,438	1,122	(411)	318,953	306,731	309,496
EXPENSES								
Salaries, Wages and Benefits	105,199	7,968	4,527	-	-	117,694	111,248	122,459
Contracted and General Services	30,544	7,969	249	-	-	38,762	40,002	45,676
Supplies, Materials and Utilities	17,193	16,676	868	-	-	34,738	34,984	40,708
Interest on Long-Term Debt	2,441	1,901	744	411	(411)	5,086	5,440	5,053
Grants and Requisitions	1,778	-	-	-	-	1,778	1,717	1,617
Amortization	32,748	5,260	1,024	325	-	39,357	37,129	39,963
Loss (Gain) on Tangible Capital Assets								
Transfers and Disposals	171	-	-	-	-	171	123	-
Other Expenses	2,211	54	366	-	-	2,631	1,510	1,135
TOTAL EXPENSES	192,286	39,828	7,777	736	(411)	240,217	232,154	256,612
SURPLUS BEFORE CAPITAL REVENUE	72,593	3,097	2,660	386	-	78,736	74,576	52,884
CAPITAL REVENUE								
Contributed Tangible Capital Assets	4,349	-	-	-	-	4,349	18,067	-
Government Transfers - Capital	10,280	459	-	-	-	10,739	26,138	28,529
Other Capital Revenues	2,021	272	2	-	-	2,294	2,483	43,498
TOTAL CAPITAL REVENUE	16,650	731	2	-	-	17,382	46,688	72,027
ANNUAL SURPLUS	89,242	3,829	2,662	386	-	96,118	121,265	124,911
ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF PERIOD	1,494,241	312,737	9,450	15,625	(7,424)	1,824,629	1,697,101	1,824,629
ACCUMULATED SURPLUS (DEFICIT), END OF PERIOD	\$ 1,583,484	\$ 316,566	\$ 12,113	\$ 16,011	\$ (7,424)	\$ 1,920,747	\$ 1,818,366	\$ 1,949,540

STRATHCONA COUNTY
Consolidated Schedule of Tangible Capital Assets
As at September 30, 2016 (in thousands of dollars)

Cost	Balance at January 1 2016 (unaudited)	Additions (unaudited)	Contributed Additions (unaudited)	Disposals (unaudited)	Balance at September 30 2016 (unaudited)
Land	\$ 473,870	\$ -	\$ -	\$ -	\$ 473,870
Land Improvements	98,507	1,092	168	-	99,767
Buildings	374,102	27,961	-	(37)	402,025
Engineered Structures	1,125,477	5,101	4,181	-	1,134,760
Machinery and Equipment	68,349	1,886	-	(292)	69,944
Books and Periodicals	5,592	379	-	-	5,970
Vehicles	69,404	6,893	-	(2,219)	74,078
Assets under Construction	67,687	21,338	-	-	89,025
	\$ 2,282,988	\$ 64,651	\$ 4,349	\$ (2,548)	\$ 2,349,439

Accumulated Amortization	Balance at January 1 2016 (unaudited)	Disposals (unaudited)	Amortization Expense (unaudited)	Balance at September 30 2016 (unaudited)
Land Improvements	\$ 29,860	\$ -	\$ 3,356	\$ 33,216
Buildings	90,961	(37)	5,983	96,906
Engineered Structures	329,834	-	20,694	350,528
Machinery and Equipment	31,886	(281)	4,495	36,100
Books and Periodicals	2,526	-	419	2,945
Vehicles	30,330	(1,813)	4,085	32,602
Assets under Construction	-	-	-	-
	\$ 515,397	\$ (2,132)	\$ 39,032	\$ 552,297

Net Book Value	Balance at January 1 2016 (unaudited)	Balance at September 30 2016 (unaudited)
Land	\$ 473,870	\$ 473,870
Land Improvements	68,647	66,551
Buildings	283,141	305,119
Engineered Structures	795,643	784,231
Machinery and Equipment	36,463	33,844
Books and Periodicals	3,066	3,026
Vehicles	39,074	41,476
Assets under Construction	67,687	89,025
	\$ 1,767,591	\$ 1,797,142

GLOSSARY OF TERMS:

- **Annual Operating Surplus for Tax Purposes** – The annual surplus or (deficit) resulting on the modified cash flow basis, which includes debt repayment expenditures and reserve transactions, and excludes amortization expense, gains/losses on asset disposals and capital revenues, unlike the PSAS Surplus.
- **Cash Flow** – Planned or actual timing of expenditures/costs and/or the receipt or disbursement of funding or financing sources.
- **Committed** – Funding approved as per FIN-001-024: Municipal Reserves policy to be applied towards specific expenditures.
- **Designated** – Funding designated to reserves for a specific purpose, which has not yet been approved by Council to be applied towards specific expenditures.
- **Forecast Variances** – Future variances that have yet to occur, but are expected to be realized based on current information, and are projected to affect the year-end surplus or (deficit).
- **Permanent Differences** – Variances to budget that have occurred and will affect the year-end surplus or (deficit).
- **Public Sector Accounting Standards Surplus** – The surplus or (deficit) resulting from financial statements prepared in accordance with Public Sector Accounting Standards (PSAS).
- **Timing Differences** – Variances to budget that are expected to reverse during the remainder of the year and not affect the year-end surplus or (deficit).
- **Year-End Forecast** – Permanent Differences plus the Forecast Variances make up the Year-End Forecast surplus or (deficit).

2016 THIRD QUARTER MANAGEMENT REPORT

Strathcona County Priorities Committee Presentation November 22, 2016

Overview

- 2016 Third Quarter Management Report includes:
 - The year-to-date consolidated operating results, and the year-end forecasted Annual Operating Surplus for Tax Purposes;
 - The year-to-date capital activity update;
 - Review of the key financial indicators of the County.

Consolidated Operating Variance (page 2)

For the Period Ended September 30, 2016

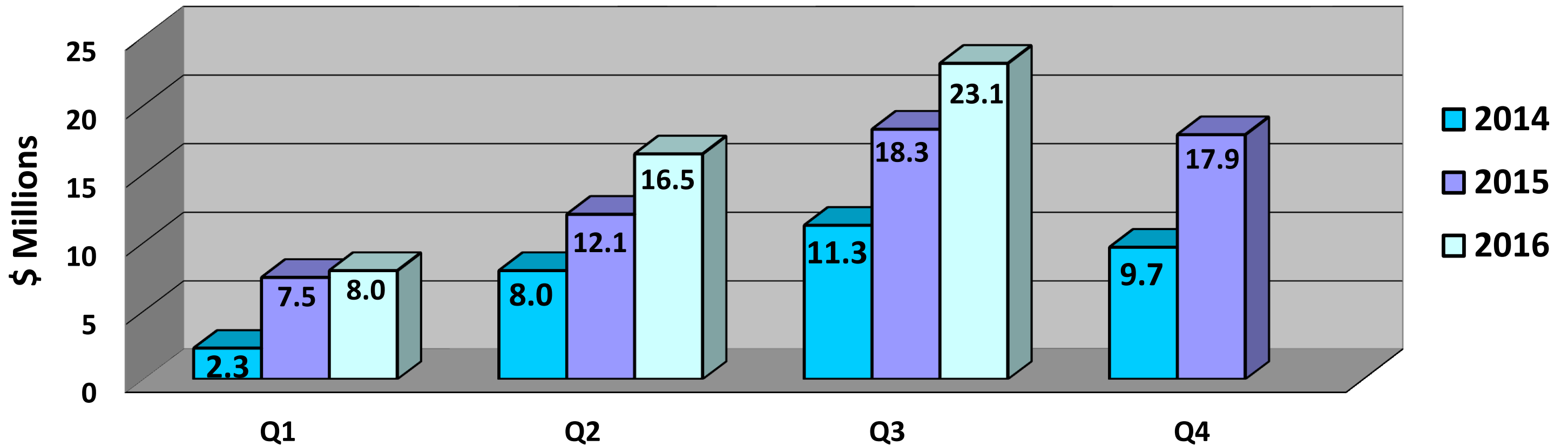
The year-to-date operating variance of **\$24.5 million** (Q3 2015 \$22.1 million) is comprised of both timing and permanent budget differences.

County Operating Segments	YTD Timing Differences \$M	YTD Permanent Differences \$M	YTD Operating Variance \$M
Municipal	9.9	13.2	23.1
Utility	0.1	1.2	1.3
Library	0.1	-	0.1
Pioneer Housing Foundation	-	-	-
Total	10.1	14.4	24.5

Municipal Operating Variance

For the Period Ended September 30, 2016

Municipal (Tax Supported) Operating Variance Trend Analysis



2016 Year-end Forecast (page 2)

(Permanent Differences + Forecasted items)

For the Period Ended September 30, 2016

The County's 2016 year-end forecast annual operating surplus for tax purposes¹ is **\$17.2 million – 4.9%** of the 2016 Operating Budget (Q3 2015 \$14.1 million – 4.2%).

County Operating Segments	Forecast \$M	Forecast %
Municipal	15.8	5.6%
Utility	1.3	2.2%
Library	0.1	1.3%
Pioneer Housing Foundation	-	-
Year-End Forecast Surplus	17.2	4.9%

¹**Annual operating surplus for tax purposes** (cash based budgeting) includes debt repayment expenditures and reserve transactions, and excludes amortization expense, gains/losses on asset disposals and capital revenues, unlike the **PSAS surplus**.

2016 Year-end Forecast (page 3)

(Permanent Differences + Forecasted items)

For the Period Ended September 30, 2016

Municipal Operations = \$15.8 million (In Order of Significance)

- Personnel cost savings
- Lower winter maintenance than anticipated
- Municipal property taxes and supplemental taxes exceeding the budget
- Favourable contract circumstances
- Savings from lower fuel prices and volumes than anticipated
- Savings on supplies and materials for road maintenance

Overall favourable variance was offset by:

- Lower value and volume of building and development permits

Capital Activity (Page 4)

As at September 30, 2016

2016 Capital Budget (Cash Flowed):

- The 2016 Capital Budget (cash flowed), as amended, totals **\$239.8 million**.
- The capital spending, as of September 30, 2016, totals \$64.7 million (Q3 2015 \$60.7 million), which represents 27% of the planned expenditures for the year.

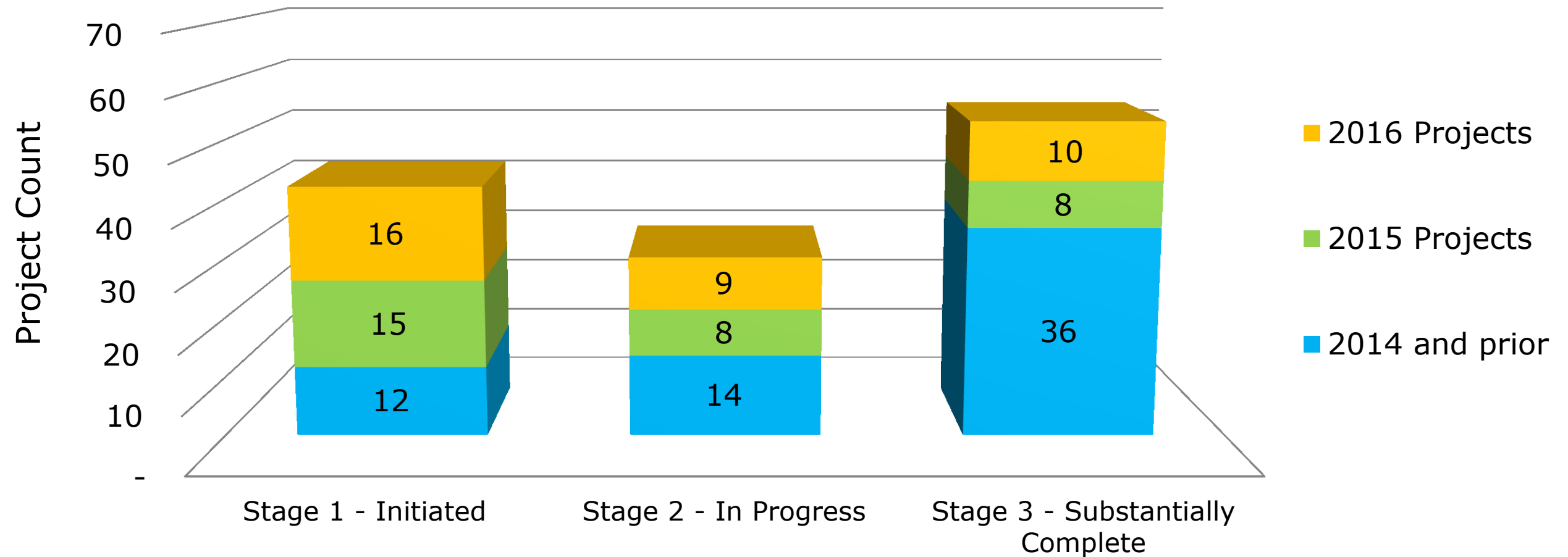
Update on Completed Projects:

- 28 projects were completed \$4.3 million under a total combined budget of \$ 55.4 million
- All funds released are allocated back to their original funding sources

Capital Activity (Page 4)

As at September 30, 2016

128 Active Capital Projects at September 30, 2016



Assessment of Financial Condition (page 5 - 7)

- Key Financial Indicators

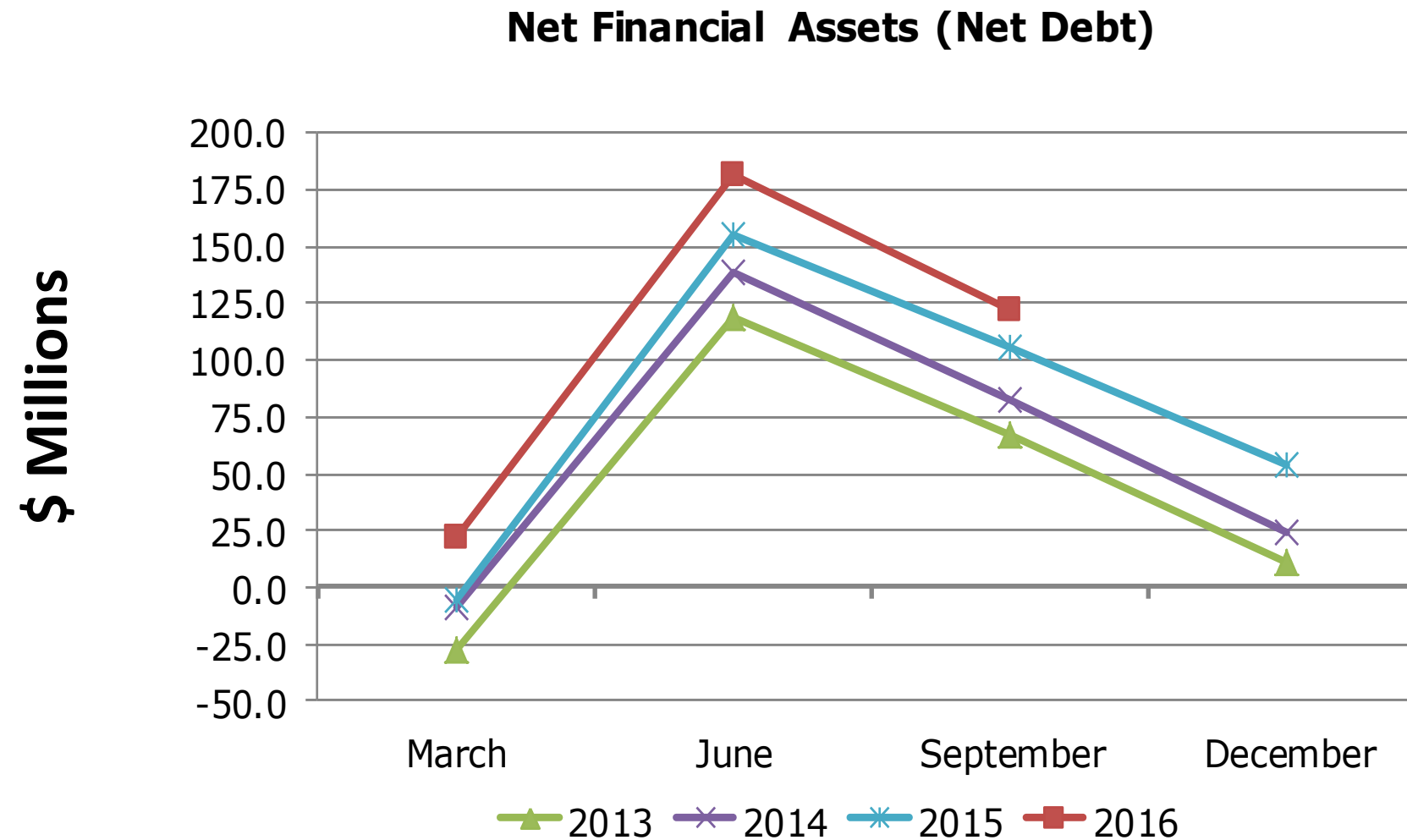
The Key Financial Indicators are based on the Unaudited Consolidated Financial Statements for the period ended September 30, 2016 (Appendix 1):

- Net Financial Asset (Net Debt) Position
- Reserves
- Accumulated Surplus

*The unaudited consolidated financial statements are prepared in accordance with **Public Sector Accounting Standards (PSAS)**.*

Key Indicator: Net Financial Assets (Net Debt)

September 30, 2016 Net Financial Assets Total \$121.6 Million



2016 County Reserve Balances (page 6)

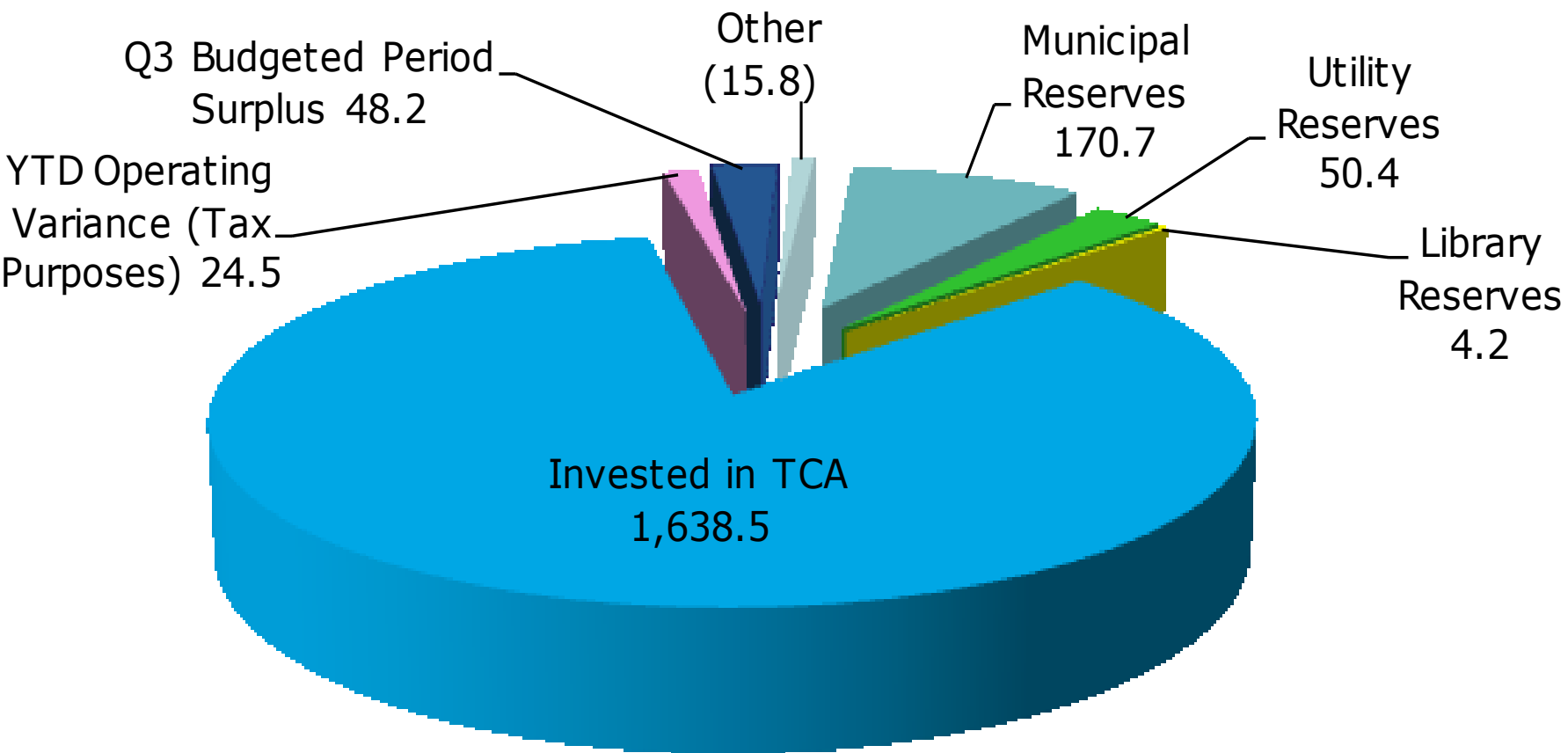
September 30, 2016 Reserve Balance is \$225.3 Million

County Reserves	Committed \$M	Designated \$M	Total \$M	Optimal Variance \$M
Total Municipal	88.9	81.8	170.7	5.4
Total Utilities	8.7	41.7	50.4	(34.6)
Total Library	-	4.2	4.2	-
Total Reserves	97.6	127.7	225.3	(29.2)
Percentage	43%	57%	100%	

Key Indicator: Accumulated Surplus (Page 7)

September 30, 2016 Accumulated Surplus is \$1,921 Million

Composition of Accumulated Surplus



\$ Millions

Questions?

Priorities Committee Meeting_Nov22_2016

STRATEGIC INITIATIVE AND UPDATE**Community Halls Sustainability Strategy Update****Report Purpose**

To provide the Priorities Committee with an update and proposed recommendations from Administration on the Community Hall Sustainability strategy.

Council History

July 14, 2015 – Council directed administration to bring forward a report on the utilization and overall physical condition of Community Halls and Senior Centres after a public consultation has been completed with the community and licensed hall operators.

May 17, 2016 – Council requested an update on the public consultation and community hall condition assessments completed in Q1 of 2016.

Strategic Plan Priority Areas

Economy: Community halls support the communities in which they reside including rural agriculture business, farmers markets and small business.

Governance: n/a

Social: The community associations provide a place for connectedness and collaboration for residents. The community hall network supports program delivery for community development.

Culture: Community halls support our history and the rural lifestyle. They are places where our residents gather for support and to participate in social and cultural pursuits.

Environment: Community hall associations provide a place for training and collaboration on issues relating to our environment.

Other Impacts

Policy: n/a

Legislative/Legal: n/a

Interdepartmental: The community hall associations are supported by Facility Services, Family and Community Services, Information and Technology Services, Recreation Parks and Culture, Transportation and Agriculture Services and other departments throughout the year. The community halls provide a venue for the delivery of services including the Strathcona County Public Library, Family and Community Services and various community based programs.

Summary

The community halls and senior centers within Strathcona County are important community hubs. Over time their various associations have experienced challenges with managing the infrastructure costs, attracting new board members and the needed volunteers to support community programs.

To gain a better understanding of the challenges facing the community hall associations, a public engagement process was undertaken in early 2016 where Calder Bateman Communications was used to engage the community hall associations, their users and the general public through a series of meetings, surveys and follow up group sessions.

Through this engagement process, a “What We Heard” report was developed by Calder Bateman Communications that identified the challenges and opportunities that affect the continued sustainability of these important community groups and the County owned facility assets.

Using the findings from the “What We Heard” report including the suggestions for improvement made by the community hall associations, Administration has developed a series of proposed service changes to address the key themes of Governance and Community Development, Communications and Facility Asset Management that emerged from the public consultation. In review of these themes, Administration will implement a support program for the community hall associations by providing the following:

A. Governance and Community Development

Family and Community Services will provide training through their existing programs and support for the community associations in developing board governance and aid objective setting for programs and community development. Their services will be delivered based on community hall association interest and needs. The Information and Volunteer Centre will work with Family and Community Services to support program delivery as well as assisting the community hall associations with program planning, grant identification and applications and the development of an online web site for the sharing of best practise information between the community hall associations.

B. Communications

Transportation and Agriculture Services will become a single point of contact for the associations through the rural contact offices where all requests made by the associations can be received, tracked and forwarded to the appropriate department to address concerns and respond accordingly. Through follow up sessions, the contact offices will verify that the information or services received are timely and are of benefit.

Information Technology Services will continue to install and maintain wireless internet access to each community hall to support programs and communications.

C. Facility Asset Management

Facility Services will be responsible to provide all building specific maintenance services and facility life cycle projects. In order to do this, a budget funding request will be made through the 2017 annual budget approval process. The funding request will be for additional resources to provide the same level of maintenance services provided to other County owned public facilities.

Facility lifecycle funding for the community halls will also align with all other facility lifecycle projects. The funding for the required work for the community halls and senior centers will be part of the annual facility lifecycle program, where funding is approved annually to support the ongoing renewal of facility elements.

Community hall and senior centre replacement or expansion will be addressed through short and long range facility planning where the community halls will be reviewed as to their overall condition and community use. Commencing in 2017, a review of the Josephburg Community Hall and senior centre will be undertaken as part of the Recreation Parks and Culture’s Open Space and Facilities Recreation Strategy (OSFRS) update for the Moyer Recreation Centre.

Author: Diehl Townsley, Director Facility Services

Page 2 of 3

Director(s): Bree Claude, Director Family and Community Services, David Churchill Director, Transportation and Agriculture Services, Diehl Townsley Director, Facility Services, Russ Avery, Information and Technology Services, Russ Pawlyk, Director, Recreation Parks and Culture

Associate Commissioner: Lori Cooper, Associate Commissioner Corporate Services, Kevin Glebe, Associate Commissioner, Infrastructure and Planning, Gord Johnston, Associate Commissioner, Community Services

Lead Department: Facility Services

D. Oversight Committee

To ensure the service and support programs are meeting the needs of the community hall associations, a review will be conducted every six months by an oversight committee comprising of the directors from Family and Community Services, Transportation and Agriculture Services, Facility Services and Recreation, Parks and Culture. Input from the community hall associations will be gathered through routine meetings, tracking of service requests and any concerns brought forward by the associations. The oversight committee will review the program and make adjustments where necessary to provide the required level of support. Updates to Council will be made during a priorities committee meeting where the program's successes and challenges will be presented.

Communication Plan

Transportation and Agriculture Services will provide formal communication of the available support programs and how to access these services by the community hall associations through their rural contact offices.

Enclosure

- 1 Community Hall Sustainability Strategy (Doc: 9386985)

Community Hall Sustainability Strategy

Priorities Committee
November 22, 2016



Home to ...

- **Antler Lake/Uncas Community League**
- **Ardrossan 55 Plus Club**
- **Ardrossan Recreation & Agricultural Society**
- **Art Society of Strathcona County**
- **Brookville Community League**
- **Colchester Community League**
- **Deville/North Cooking Lake Community League**
- **The Good Hope Community League**
- **Sherwood Park Minor Baseball Association**
- **Hastings Lake Community Association**
- **Josephburg Agricultural Society**
- **Partridge Hill Community Club**
- **Sherwood Park 55 Plus Club**
- **South Cooking Lake Community League**
- **South Cooking Lake Senior Citizen's Association**
- **Strathcona Area 5 Senior Citizen's Association**
- **Whitecroft Community League**
- **Wye Community League**

Strategic priorities

Goal 7:

Build strong neighbourhoods/communities to support the diverse needs of our residents

Goal 11:

Ensure facilities and activities are available, accessible and used by residents



Identifying opportunities

2016 engagement with Community Hall Associations

To understand:

- Services and programs provided
- Impact on quality of life
- Challenges and barriers
- Recent progress
- Suggested improvements

Three key themes emerged to strengthen and support:

- Governance and Community Development
- Communications
- Facility Asset Management

Governance and Community Development

community capacity building

Support to:

- **Strategic planning**
 - goals and objectives setting, measurement
- **Board development**
 - roles, responsibilities, accountabilities
- **Program development**
 - resources, links, collaboration, communications
- **Volunteer development**
 - recruitment, training, recognition, retention
- **Learning events and networking**
 - connect, network and learn between associations

Support by:

Family and Community Services

Information and Volunteer Centre

Communications

service liaison and information sharing

Support to:

- **Central point of contact**
 - contact offices, staff liaison, County Connect
- **Online collaboration tool**
 - across association sharing (files and discussion boards)
- **Community Hall Associations newspaper page**
 - events, programs and volunteer opportunities
- **Wi-Fi in community halls**
 - Library, Shell Canada Ltd., County partnership

Support by:

**Transportation and
Agriculture Services**

Family and Community Services
(leverage IVC's system tool)

Information and Volunteer Centre

Information Technology Services

Facility Asset Management

care of our investments

Support to:

- **Facility maintenance**
 - increased level of routine maintenance
- **Facility lifecycle upgrades**
 - lifecycle replacement of building components
- **Facility renewal or retirement**
 - long-range facility planning
- **Playgrounds, park spaces, amenities**
 - service / maintenance through existing programs
- **Parking lot maintenance**
 - service / maintenance through existing programs

Support by:





Community Hall Sustainability Strategy

liaison • support • service

County oversight committee



Governance and Community Development

- Strategic planning
 - Board development
 - Program development
 - Volunteer development
 - Learning events and networking
- Family and Community Services
- Information Volunteer Centre

Communications

- Central contact
 - Online collaboration tool
 - CHA newspaper page
 - Wi-Fi in community halls
- Transportation and Agriculture Services
- Family and Community Services
- Information Volunteer Centre
- Information Technology Services
(Library, Shell Canada partnership)

Facility Asset Management

- Facility maintenance (Janitorial excluded, responsibility of associations)
 - Facility lifecycle upgrades
 - Facility renewal or retirement
 - Playgrounds, park spaces, amenities
 - Parking lot maintenance
- Facility Services
- Recreation, Parks and Culture
- Transportation and Agriculture Services

Moving forward

- 2017 Budget request
 - maintenance service level increase
 - wireless internet services
- Oversight committee – key departments
- Program evaluation every six months
- Report to Council annually

#	Elected Official Name	Subject	Req type	Meeting date	Due date	Resp Dept	2nd Dept	Request	Reponse date	Reponse	Status
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No outstanding items

Priorities Committee Meeting_Nov22_2016

Ward 6 Councillor Report

Elected Official: Linton Delainey
Time Period: September 23, 2016 to October 31, 2016

Boards and Committees:

September 26	Governance Advisory Committee Meeting with Boards and Committees Board Chairs
September 29	R.C.M.P. Community Advisory Committee
September 29	Governance Advisory Committee Meeting
October 12	Governance Advisory Committee Boards and Committees Interviews
October 13	Governance Advisory Committee Boards and Committees Interviews
October 14	Governance Advisory Committee Boards and Committees Interviews
October 18	Priorities Committee Meeting
October 21	Edmonton Salutes Committee Meeting

County Business:

September 27	Council Meeting
September 29	Economic Development and Diversification Review Interview
October 11	Council Meeting
October 15	Beaumont Mayor's Prayer Breakfast
October 19	Council and Chief Administrative Officer Meeting
October 20	Strathcona County Emergency Services Convocation and Medal Ceremonies
October 20	Meeting with the Fort Saskatchewan Public Library Board
October 24	Priority Based Budgeting Update and Refresher
October 25	Council Meeting

Professional Development:

October 5 - 7	Alberta Urban Municipalities Association Convention and Tradeshow
October 17	Small Business Conference

County Functions and Events:

September 29	Westboro School Playground Opening
October 1	Emerald Hills Leisure Centre Grand Opening Event
October 1	Glen Allan Recreation Complex Grand Re-opening Event
October 1	Salisbury Village Grand Opening
October 1	Words in the Park Book Sale and Fair
October 13	Sherwood Park & District Chamber of Commerce Breakfast Network
October 19	Sherwood Park & District Chamber of Commerce Luncheon
October 20	Sherwood Park & District Chamber of Commerce Breakfast Network
October 21	Sherwood Park & District Chamber of Commerce Business Awards
October 26	Bev Facey Awards Celebration Gala