

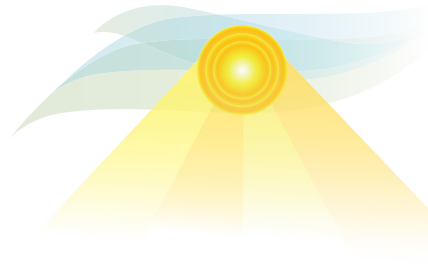


Becoming Canada's most livable community

...focusing on priorities

Budget 2017 Executive Summary





Message from the Chief Commissioner

Since 2015, when we introduced our first four-year corporate business plan and the innovative priority-based budgeting (PBB) process, Strathcona County has made great strides.

As an organization we are undergoing a culture shift, as we direct our focus to aligning resources across the organization in support of the community priorities defined in our strategic plan and translated into our corporate and department business plans. We get stronger each year, as Council and Administration continue to apply a priority-based lens to decisions, ensuring every municipal dollar is clearly linked to priorities.

This year, we used PBB tools to define and examine each program offered across the organization. The tools allowed us to evaluate programs against a variety of factors, to understand how effective and efficient we are in serving our citizens and how these programs align with priorities. We are now better equipped to reconsider why we are doing things, how we are doing them, and how we can improve. PBB has changed the conversations we are having, enhanced our understanding of spending, and highlighted opportunities for improvement and resource reallocation.

We still have work to do; however, Budget 2017 is a clear result of the effects to date—supported by new information, analysis and conversations, we have used PBB tools to strengthen and change how we budget. We are using tools to think critically about spending and to ask, “Are we spending to support priorities and the needs of our community?” The proposed budget reflects evidence-based decision making and continual advancement toward responsive, responsible services and fiscal sustainability.

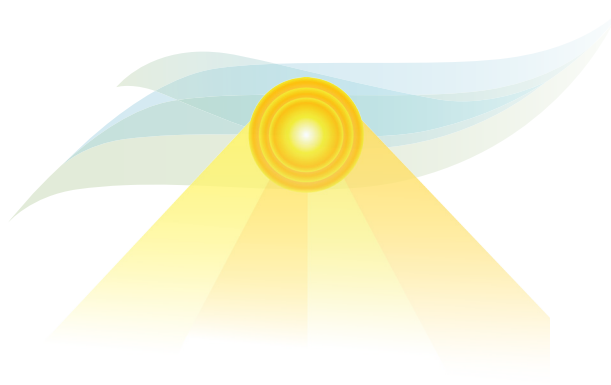
Further integration of public engagement and performance measurements into day-to-day operations and our planning processes has built accountability into every level of the organization. We monitor both strategic direction and operational performance to drive continuous improvement and achieve our long-term vision of being Canada’s most livable community.

Today and into 2017, I am pleased that Strathcona County stands as a leader in priority-based business planning and budgeting processes. We continue to set the standard in terms of how municipalities plan, deliver sustainable programs and services, and develop creative solutions to emerging issues. We will continue to evolve and improve as we adopt these tools and processes.



I am pleased to submit to Council this Administration’s recommended 2017 Budget.

Rob Coon



Our Vision

Living in Strathcona County

Strathcona County, located in the heart of Alberta, is an energetic and thriving community. A leader in North America's petroleum industry and a champion for advancing diverse agricultural business, we use our energy to power our new tomorrow.

We are a specialized municipality, and work cooperatively with our urban and rural residents to govern as a single municipality. Proud of our distinct governance model, we promote and demonstrate our achievements.

We are a welcoming place to live and attract people of all ages, cultures and walks of life to join us. Families thrive in our dynamic, caring and safe community.

We strive to be a model of ecological integrity, protecting our environment and preserving our agricultural heritage. Investment in infrastructure, quality services, cultural and recreational programs and facilities is a priority and sets us apart.

We are Canada's most livable community.



Council's strategic planning framework

Our strategic planning framework shows how Strathcona County activities align to achieve its vision. The strategic plan is the County's principal guiding document for governance, community development, infrastructure and service delivery. This document directs the long-term planning for the County and serves as a foundation on which the County's corporate business plan, department business plans, master plans and budgets are developed.

Our priorities

Based on community feedback and the desired future for our community, Council set 12 prioritized strategic goals in the strategic plan.

Goal 1: Strategically manage, invest and plan for sustainable municipal infrastructure

Goal 2: Increase and diversify the petrochemical business

Goal 3: Advance the community's interests by developing and maintaining strong relationships with our neighbouring municipalities and civic organizations to ensure long-term prosperity

Goal 4: Increase public involvement and communicate with the community on issues affecting the County's future

Goal 5: Increase and diversify agricultural business

Goal 6: Promote Strathcona County locally, nationally and internationally as a place that is open for business and investment

Goal 7: Build strong neighbourhoods/communities to support the diverse needs of our residents

Goal 8: Provide a climate of safety for individuals in homes, neighbourhoods and public places

Goal 9: Improve the efficiency of resource usage; minimize the volume of waste and its impact on the community

Goal 10: Conserve representative ecosystems

Goal 11: Ensure facilities and activities are available, accessible and used by residents

Goal 12: Define and strengthen the community's identity and heritage

2015-2018 focus

Prioritized strategic goals inform the creation of four-year business plan cycles. While all of the strategic goals are important, having them ranked by Council allows the organization to invest strategically and direct effort and resources to those areas deemed most important over the course of the four-year business plan cycle.

Business planning and budgeting to priorities

Priority-based budgeting is based on allocating budget dollars according to how effectively a program or service achieves the goals and objectives that are of the greatest value to the community.

Priority-based budgeting tools enable Strathcona County to better understand the programs it provides citizens and businesses; how much they cost, and how they reflect and address community priorities. These priority-based budgeting tools, along with other data and considerations, help Strathcona County develop budget recommendations. The process is reshaping our conversations. This is a critical step on the path to becoming Canada's most livable community.

What have we accomplished?

In our transition to a priority-based culture and the refinement of our business planning and budgeting processes, we have successfully achieved the following:

- ▶ Strathcona County-specific definitions of community priorities, developed by Council based on the community strategic plan, which serve as the foundation in priority-based budgeting
- ▶ Priority-based budgeting program inventories, costing and scoring to guide budget development and to better understand the relative value of the 300+ unique programs being offered to the community
- ▶ Priority-based lens to analyze and inform 2017 budget recommendations for current programs, as well as resource requests and capital projects
- ▶ Refinements to the strategic plan, corporate business plan and department business plans to reflect learning, while maintaining the integrity of our integrated planning framework

- ▶ Performance measurement and reporting framework to track our progress and performance, and to keep us accountable and aligned to priorities – all performance measures are posted on Strathcona County website, as well as in our open data portal
- ▶ Multi-year operating and capital financial forecasts to guide sustainable financial decisions
- ▶ Education and awareness surveys and campaigns on community priorities and priority-based budgeting to help us prepare for a priority check-in with the community in early 2018

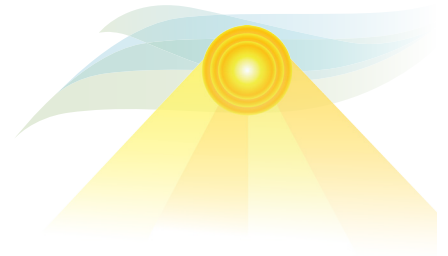
What's next?

The coming year will see further evolution and continuous improvement of this process. We will:

- ▶ Engage the public and seek involvement for projects and initiatives, as well as prepare for a priority check-in with the community in 2018
- ▶ Create Priority-Based Budgeting (PBB) Citizen Portal and open PBB data sets for community awareness and understanding of programs and spending towards priorities
- ▶ Implement an integrated review process for efficiencies and effectiveness that can be applied across the organization to inform business planning and budgeting
- ▶ Complete a long-term financial sustainability plan to complement the strategic plan and provide insight on long-term resource availability
- ▶ Implement multi-year financial plans in alignment with the long-term financial sustainability plan and prepare for multi-year budgets

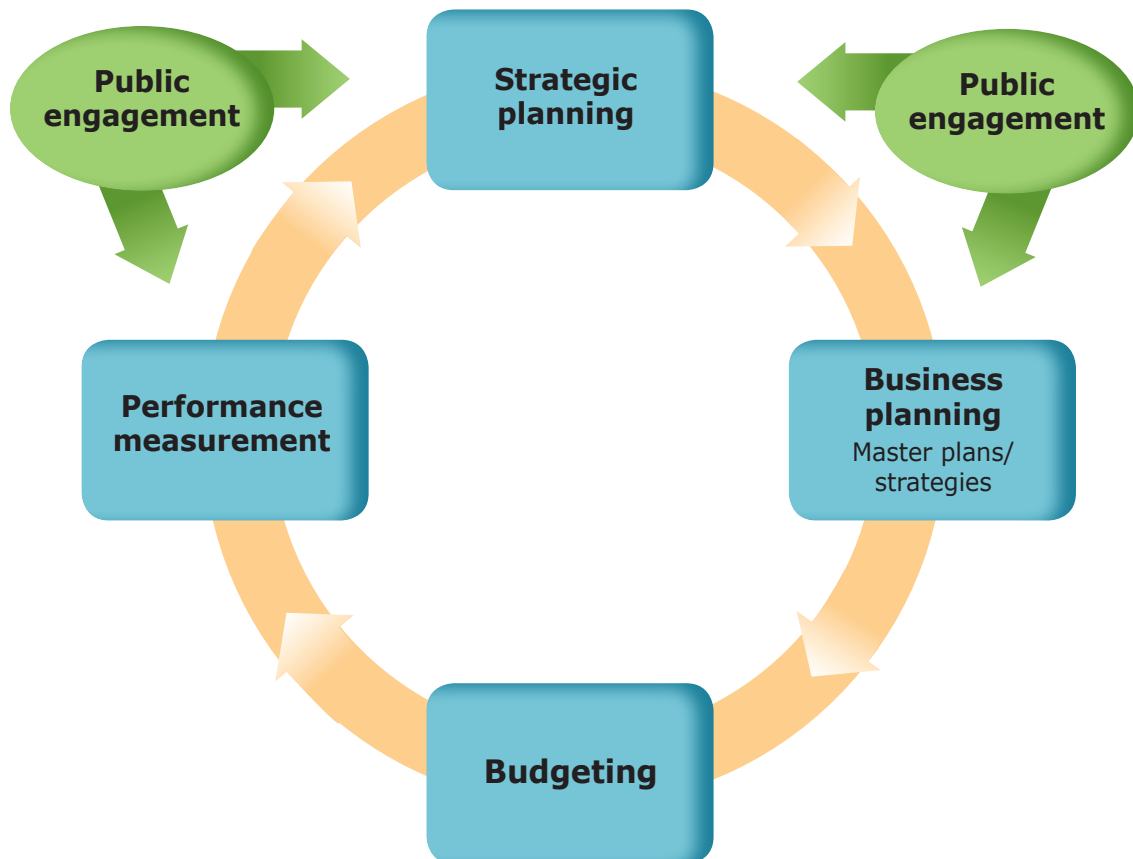
Engaging our public

Becoming Canada's most livable community is no small feat—we believe it is only possible to achieve together with our stakeholders and an engaged and empowered public.



In 2017, we will continue our focus on informing citizens of the County's direction, priorities, successes and challenges. Public engagement and communication across the organization will focus discussions to capture public opinion at the strategic planning and performance measurement stages. Ongoing public engagement informs projects, plans and initiatives throughout the year, and the corresponding Council decisions flow into the business planning and budgeting processes.

This allows citizens to inform County activities and provides valuable data to define benchmarks, from which to measure our success and opportunities for improvement. As we move forward, we are committed to giving our public a powerful voice—from open houses and innovative survey tools, to social media networking and casual online chats, the public will continue to have opportunities to shape our collective future.



Measuring our performance

To drive continuous improvement and enhance decision making, we have built accountability into each step of the planning process. We monitor strategic direction and operational performance, as well as long-term direction at the level of strategic priorities through our corporate business plan progress and performance reporting.



We are accountable to the community for our progress and performance, as well as the fiscal costs and resources used to achieve our desired goals and objectives.

Our strategic goals identify the long-term, achievable actions that must be accomplished for the success of our vision. Outcomes describe the result of what will occur when the strategic goal is reached.

Progress on corporate business plan goals and performance measures are provided to Council as part of quarterly management reports. The corporate business plan goals that are reported demonstrate linkages back to the strategic plan prioritized goals.

Departments also track performance measurement at an operational performance level. These reports are now available on the County website, and in Strathcona County's open data portal.

- ▶ At the strategic and corporate level: are we aligned with the achievement of prioritized strategic goals?

Example indicators and performance measures:

- Overall citizen satisfaction with quality of life
 - Citizen satisfaction with opportunity to express opinion
 - Residential / non-residential tax revenue ratio
 - Citizen satisfaction with quality of service
- ▶ At the operational level: are we progressing on the goals of the department business plans and how are we doing delivering programs and services?

Example performance measures:

- Citizen satisfaction with Green Routine for waste services
- Overall road quality condition index and citizen satisfaction with road maintenance
- Emergency preparedness – residents prepared for 72 hours without assistance
- Building permit values for commercial and industrial additions and renovations



Applying a priority-based lens to decision making



We owe it to our community to find new and better ways of doing business.

Strathcona County is committed to finding efficiencies and enhancing effectiveness throughout the organization so we can continue to provide high quality of life with the greatest value for tax dollars. Priority-based budgeting allows us to identify opportunities and actions, which can improve results and allow us to deliver programs and services at a lower cost.

The recommended 2017 budget reflects the first-year implementation of new priority-based budgeting tools to review and assess programs and services.

The focus of year one, respecting the pace of integration, has been on specific program-level opportunities for study, as recommended by the Center for Priority-Based Budgeting. In addition, we have used priority-based tools and data for new resource requests including initiatives, staffing and capital projects.

The five areas of focus for study at the program level for 2017 budget development include:

- i) High-cost, high-priority program areas and how these might be delivered more efficiently
- ii) Programs not mandated and not strongly connected to priority results
- iii) Fee review for programs serving small portion of community and subsidized by tax dollars
- iv) Programs that are less aligned across priority results, available in the market place and do not fully recover their costs
- v) Overall review of current program priority-based budgeting data, as well as identification of future years area of study

Priority-based budgeting tools and data support evidence-based decision making in budget development and complements other tools that Strathcona County utilizes such as strategic and business plan integrated framework, prior spending patterns and analysis, efficiency opportunities, capacity considerations and other external factors.

Examples identified through priority-based budgeting tools and data to look at programs and budgets differently:

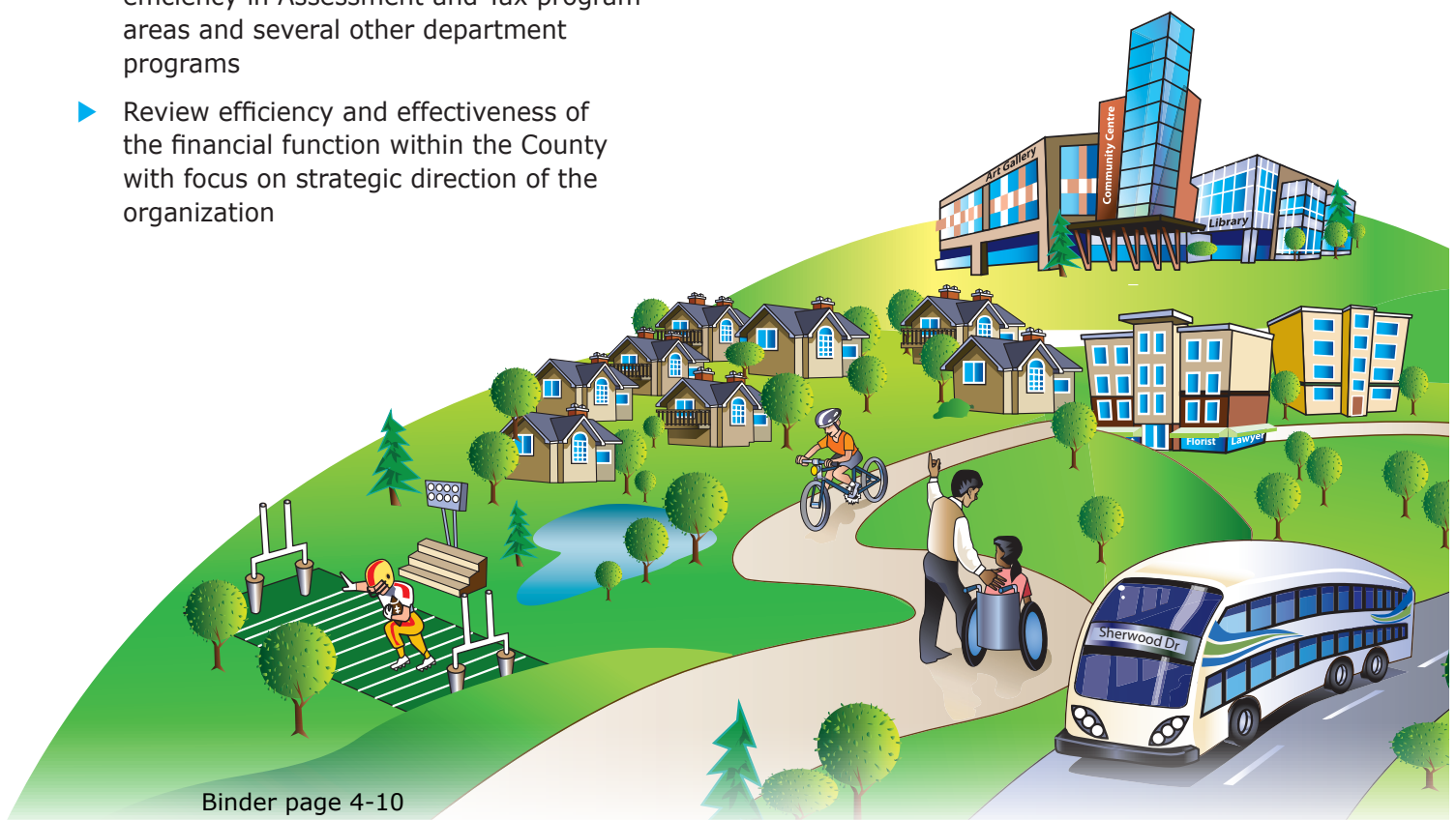
- ▶ Identifying efficiencies and cost savings in Recreation, Parks and Culture in 16 program areas across all four quartiles
- ▶ Creating opportunities to cross train staff to serve multiple program areas (e.g., development officers in Planning and Development Services)
- ▶ Reallocating operating dollars between programs and quartiles in support of priority results (e.g., Communications' digital media program area; a quartile one program)
- ▶ Enhancing coordination and synergies for cross-departmental program areas; for instance, utilizing Fleet Services' welding/fabrication program area in Utilities and Recreation, Parks and Culture departments
- ▶ Identifying program areas, such as those in Family and Community Services, that require longer-term study and assessment, based on outcomes of the social framework renewal
- ▶ Looking at fees through a priority-based lens; for example, adjusting fees related to two program areas in Assessment and Tax to reduce the burden to tax payers
- ▶ Utilizing priority-based budgeting tools to review programs not mandated and not strongly connected to priority results; such as reducing Utilities' management and contract work that occurs outside the community to focus resources on water transmission infrastructure within the community

New initiatives coming forward through the strategic and business plan integrated framework include:

- ▶ Implement the Community Hall Sustainability Strategy through a new staff resource to support facility maintenance and long-term asset renewals
- ▶ Create a new community vision and strategic direction through renewal of the social framework
- ▶ Update the Transit Master Plan (2012) through public engagement to define vision and strategic direction.
- ▶ Implement Agricultural Master Plan Urban Agricultural Initiatives, including community gardens, and agriculture permitting
- ▶ Update Utilities Master Plan for water, sanitary and storm sewer
- ▶ Complete a joint study between Utilities and the City of Edmonton to review the water line on 34 Street, which is used by customers in both communities
- ▶ Continue development of the long-term financial sustainability plan
- ▶ Acquire enhanced air photos and related software to improve the effectiveness and efficiency in Assessment and Tax program areas and several other department programs
- ▶ Review efficiency and effectiveness of the financial function within the County with focus on strategic direction of the organization

Examples of efficiencies and enhanced effectiveness include:

- ▶ RCMP Electronic Voice Entry (EVE) project to streamline data entry and maximize the time officers spend patrolling and responding to issues in the community
- ▶ Fuel savings through an agreement with the Alberta Association of Municipal Districts and Counties
- ▶ Re-tendering expired agreements to take advantage of economic savings
- ▶ Print management efficiencies utilizing a combination of in-house and contracted services
- ▶ Enviroservice Station compactors to reduce removal and hauling costs
- ▶ RCMP and Family and Community Services partnerships to implement the necessary supports in the community
- ▶ Transit's continued transition to a double-decker fleet for ridership and maintenance efficiencies and effectiveness



Your tax dollars at work

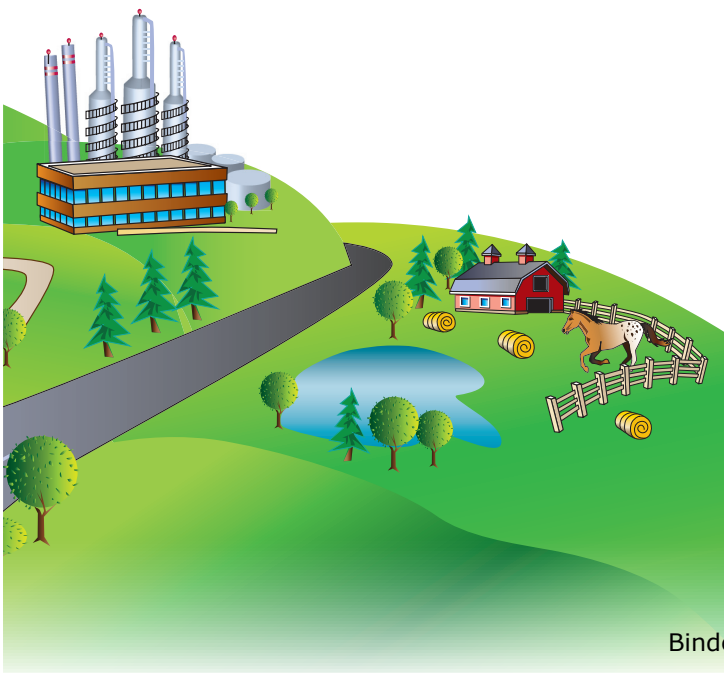
Strathcona County has been and will continue to be a leader in service delivery. We are proud to provide some of the highest levels of service anywhere to citizens and businesses.

Five divisions across the organization—Infrastructure and Planning Services, Community Services, Corporate Services, the Chief Financial Officer's Division and Senior Administration—work together every day to deliver cost-effective programs and services that improve citizens' quality of life and help them succeed, as we become the most livable community in Canada.

Budget 2017 ensures resources are directed toward the essential programs and services that our citizens have come to expect each day. A small sampling of what your tax dollars support includes*:

We keep you moving

- ▶ Maintain 1,705 km of urban and rural roads and 228 km of trails
- ▶ Service a fleet of 85 transit buses, including 14 double-deckers
- ▶ Offer 1.5 million transit rides per year (5,600 every weekday)
- ▶ Provide over 19,630 accessible transportation rides per year



We keep you safe

- ▶ Engage 13,830 residents in community safety education
- ▶ 96 police officers and 27 enforcement services officers ensure 24/7 community safety, responding to 28,690 (RCMP) and 14,058 (Enforcement Services) calls per year
- ▶ 154 full-time and 38 part-time emergency responders tend to over 7,870 emergency calls per year

We meet your need for fresh, clean water

- ▶ Distribute 33.7 million litres of water per day through 582 km of underground pipes (mains)
- ▶ Maintain 400 km of wastewater mains and 347 km of stormwater mains
- ▶ Treat 20.9 million litres of wastewater per day

We generate opportunities for healthy, active lifestyles

- ▶ Accommodate over 1,170,000 admissions to our facilities annually
- ▶ See 285,000 participations in recreation and culture programs annually
- ▶ Maintain 1,944 hectares of developed open spaces including parks, boulevards, playgrounds, outdoor rinks, sports fields, trails and environmental education areas
- ▶ Provide for more than 1,607,686 library, bookmobile and online library visits

We build a great community

- ▶ Annual capital budget to plan, maintain and rehabilitate infrastructure, invest, and grow, including roads, facilities, fleet, transit, utility infrastructure and land.

We reduce impact

- ▶ Divert 60 per cent of waste from the landfill per year with the Green Routine Residential Waste Collection and Diversion Program
- ▶ Send 12,605 tonnes of organic waste for composting
- ▶ Recycle 7,057 tonnes per year with the community recycle stations
- ▶ Generate 10.35 million kWh per year of alternative heat energy with the Centre in the Park Community Energy System

We support a strong and resilient economy

- ▶ Support for 10,560 local businesses and establishments
- ▶ Oversee commercial, industrial, institutional and residential construction valued at \$365 million

We assess value

- ▶ Engage in over 5,000 residential and 400 commercial/industrial valuation inspections annually

We plan for the future

- ▶ Successfully implement guiding documents to lead success in the organization, such as the 2015-2018 Corporate Business Plan, 19 department business plans and master plans, such as the Agriculture Master Plan

We build relationships

- ▶ Facilitate conversation with citizens and key stakeholder groups through various public engagement campaigns and social media platforms (Twitter, Facebook, Pinterest and Instagram) on issues affecting the County's future

* Numbers are estimates based on 2016 values.





Becoming Canada's
most livable community

