1. CALL TO ORDER

2. APPROVAL OF AGENDA

3. ADOPTION OF PREVIOUS NOTES
   3.1 Approval of Notes of the Committee-of-the-Whole Meeting held Monday, November 4, 2019

4. DELEGATIONS & PRESENTATIONS

5. BUSINESS ARISING FROM PRESENTATIONS

6. CLOSED SESSION
   6.1 Airport Vicinity Protection Area Update for November 12, 2019
       FOIP s. 16, 21, 24 and 25
       (K. Woitt / S. Losier - 30 minutes)

7. RISE AND REPORT FROM CLOSED SESSION

8. REPORTS FROM COMMITTEE & ADMINISTRATION
   8.1 Update on Organizational Culture
       (K. Kalanchey - 10 minutes)

***Note: Report and presentation now attached to revised agenda.***

8.2 Alberta Legacy Development Society Update
   (D. Brock - 10 minutes)
8.3 2019 Tax Shift Feedback Update for November 12, 2019  
(J. Cannon / G. Damo - 20 minutes)  
***Note: A presentation is now attached to revised agenda.***

8.4 Reserve Workshop #1  
(Metrix Group - 45 minutes)  
TIME SPECIFIC 6:15 PM  
***Note: A presentation is now attached to revised agenda.***

9. INFORMATION ITEMS

10. ADJOURNMENT
NOTES OF THE CITY OF LEDUC
COMMITTEE-OF-THE-WHOLE MEETING

Monday, November 4, 2019

Present: Mayor B. Young, Councillor B. Beckett, Councillor G. Finstad, Councillor B. Hamilton, Councillor L. Hansen, Councillor T. Lazowski, Councillor L. Tillack

Also Present: P. Benedetto, City Manager, S. Davis, City Clerk

1. CALL TO ORDER
   Mayor B. Young called the meeting to order at 5:01 pm.

2. APPROVAL OF AGENDA
   MOVED by Councillor L. Hansen
   That the Committee-of-the-Whole approve the agenda with the following amendment:
   Removal of Item 8.3 - Reserve Workshop #1.

Motion Carried Unanimously

3. ADOPTION OF PREVIOUS NOTES
   3.1 Approval of Notes of the Committee-of-the-Whole Meeting held Monday, October 28, 2019

   MOVED by Councillor G. Finstad
   That the notes of the Committee-of-the-Whole meeting held on Monday, October 28, 2019, be approved as presented.

Motion Carried Unanimously

4. DELEGATIONS & PRESENTATIONS
   There were no delegations or presentations.

5. BUSINESS ARISING FROM PRESENTATIONS

6. CLOSED SESSION
MOVED by Councillor G. Finstad
That Committee-of-the-Whole move into Closed Session at 5:03 pm.

Motion Carried Unanimously

6.1 Telus Update
FOIP s. 24 and 25

6.2 Organizational Effectiveness Considerations
FOIP s. 24

MOVED by Councillor G. Finstad
That Committee-of-the-Whole move into Open Session at 5:57 pm.

Motion Carried Unanimously

7. RISE AND REPORT FROM CLOSED SESSION

7.1 Telus Update
FOIP s. 24 and 25
Also in attendance:
Executive Team
S. Olson, Director, Engineering
R. Sereda, Director, Public Services
J. Graham, Chief Information Officer
K. van Steenoven, Manager, Capital Projects and Development
R. Graham, Manager, Infrastructure
B. Bettis, Telus
G. Klenke, City Solicitor
S. Davis, City Clerk
S. Olson and B. Bettis made a verbal presentation and answered the Committee’s questions.

7.2 Organization Effectiveness Considerations
FOIP. s. 24
Also in attendance:
Executive Team
M. Hay, Director, Government Relations and Corporate Planning Strategy
C. Bole, Manager, Corporate Planning and Performance
G. Klenke, City Solicitor
S. Davis, City Clerk
P. Benedetto, City Manager, M. Hay and C. Bole made a verbal presentation.
M. Hay, P. Benedetto and C. Bole answered the Committee’s questions.

MOVED by Councillor G. Finstad
That Council direct Administration to hire an external facilitator to determine the type of organizational review required.

Motion Carried

In Favour: Mayor B. Young, Councillors B. Beckett, G. Finstad and L. Tillack
Opposed: Councillors B. Hamilton, L. Hansen and T. Lazowski

8. REPORTS FROM COMMITTEE & ADMINISTRATION

8.1 Utility Billing Date Change - Efficiency Measure
J. Cannon, Director, Finance, and R. Loewen, Lead, Revenue Services, made a verbal presentation on changing utility billing from every two months to monthly, with a focus on eBilling.

8.2 2020 Budget Discussions
J. Cannon, Director, Finance, M. Pieters, General Manager, Infrastructure and Planning, D. Melvie, General Manager, Community and Protective Services, I. Sasyniuk, General Manager, Corporate Services, and P. Benedetto, City Manager, made a PowerPoint presentation (attached to the amended agenda), which included:

- Provincial Budget - 2019 impacts
  - operational
  - capital
- Provincial Budget - 2020 impacts
- Provincial announcement of high school site in Leduc - currently unfunded in 10-year capital plan
- Provincial Budget - 2020 impacts with school
• Provincial Budget - MSI capital funding update
• Potential Capital Plan Adjustments
  o Community and Protective Services
  o Infrastructure and Planning
  o Corporate Services
• Where are we now?

MOVED by Councillor L. Hansen
That Committee-of-the-Whole move into Closed Session at 6:45 pm pursuant to s. 24 of FOIP.

Motion Carried Unanimously

MOVED by Councillor B. Hamilton
That Committee-of-the-Whole move into Open Session at 7:01 pm.

Motion Carried Unanimously

Also in attendance:
Executive Team
J. Cannon, Director, Finance
C. Dragan-Sima, Manager, Financial Planning and Budgets
G. Klenke, City Solicitor
S. Davis, City Clerk
J. Cannon and I. Sasyniuk made a presentation.
Committee recessed at 7:02 pm.
Committee reconvened at 8:41 pm.
M. Pieters, J. Cannon, P. Benedetto, I. Sasyniuk, and D. Melvie answered the Committee’s questions.

8.3 Reserve Workshop #1
This item was removed from the agenda.

9. INFORMATION ITEMS

9.1 City Manager’s Update
P. Benedetto, City Manager, made a verbal presentation on:

- the impacts of the Provincial Budget on the City;
- the Leduc Golf Course Lease
- Windrose Trail Project
- Business Licences
- Airport Tax Sharing Negotiation
- Airport Accord
- Edmonton Metropolitan Region Board

MOVED by Councillor L. Tillack

That Committee-of-the-Whole move into Closed Session at 9:14 pm pursuant to s. 24 of FOIP.

Motion Carried Unanimously

MOVED by Councillor B. Beckett

That Committee-of-the-Whole move into Open Session at 9:30 pm.

Motion Carried Unanimously

P. Benedetto made a verbal presentation and answered the Committee's questions.

10. ADJOURNMENT

The meeting adjourned at 9:30 pm.

_________________________
B. YOUNG, Mayor

_________________________
S. DAVIS, City Clerk
MEETING DATE: November 12, 2019

SUBMITTED BY: K. Kalanchey, Manager Organizational Effectiveness

PREPARED BY: K. Kalanchey, Manager Organizational Effectiveness

REPORT TITLE: Organizational Culture Update

EXECUTIVE SUMMARY

Further to the June 17, 2019 report and presentation on Employee Engagement and Organizational Culture, (2019-Cow-042, attached), this report is to provide an update on administration’s progress to promote and enhance employee engagement, a healthy work environment, and a positive organizational culture.

BACKGROUND

The Executive Team undertook a number of actions to facilitate an ongoing focus on organizational culture, which included:

- Engage the Extended Leadership Team (Executive, Director’s and Managers);
- Create space and time to discuss organizational culture;
- Hold facilitated weekly leadership meetings;
- Rotate Executive Team meetings through the four principal buildings of the organization; and
- Provide greater clarity with respect to our mission and the values that inform our behaviours.

As a result, the Executive Team reviewed the corporate values to provide clarity, and to refine and affirm the optimal and collective leadership culture.

Teamwork We collaborate and support one another to achieve common goals.

Service We are dedicated to improving our organization and our community.

Respect We make every effort to understand each other, be accountable for our actions, and build mutual trust.

A cross-departmental Culture Committee was formed and tasked with identifying behavioural statements specific to the extended leadership team – all Executive, Directors and Managers within the City of Leduc.

These behaviours informed the development of a Leadership Values and Cultural Commitment document (attached). This document is significant as it reinforces what is expected and accepted of
our leadership team, and; each leader has been asked to commit to these values and behaviours that
guide our interactions, leadership, conduct and decision making on a go-forward basis.
In addition to creating this cultural artifact, indicators have been identified to monitor elements related
to our corporate culture. These indicators support that the City of Leduc remains healthy and ahead of
comparator and statistical data.

1. City of Leduc employee engagement score – 73% (2019)
   - 89% of City of Leduc employees agree they are willing to go beyond the requirements of
     their job to help the organization succeed.
   - By comparison, the overall Alberta Public Service Engagement Outcome Index in 2018 was
     59.3%. Based on the most recent employee engagement survey data, (according to CPHR
     2018, Western Canada HR Trends Report), organizations found that on average 57% of
     employees were engaged in their work with passion and feel a profound connection their
     company (highest in Manitoba at 59%).

2. City of Leduc turnover rate – 1.16% (up to end of Q3 2019) while typical turnover rates range
   from 5.04% to 16%.

3. City of Leduc Sick Leave taken – 10.5 days/year per employee (in 2018) while the Public Sector
   average is: 14.6 days/year per employee (2018).

4. City of Leduc abilities management (occupational and non-occupational) – 36 cases (up to end
   of Q3 2019). While there has been an increase in cases, extensive work is undertaken to return
   the employee to work as quickly as possible. This may include modifying the duties or
   accommodating the employee in another area of work.

NEXT STEPS

At this time the Leadership Values and Cultural Commitment document is intended only for the
extended leadership team. The intent is to start at the top - model the behaviours, and integrate these
statements into leadership performance evaluations. Further initiatives identified include: integrating
culture with rewards and recognition, recruitment, and in 2020 consideration will be given to rolling this
out further across the organization. In the meantime, culture continues to be a key focus, and a
standing item in all leadership meetings.

ATTACHMENTS

1. Employee Engagement and Organizational Culture, (2019-Cow-042)
2. Leadership Values and Cultural Commitment
REPORT SUMMARY

This report will provide an overview of the staff engagement and culture development initiative.

BACKGROUND

Monitoring employee engagement is important for some key reasons, counted amongst which are: to gain a better understanding of what is and what is not working in the organization from an employee perspective; to identify the numerous drivers of engagement; to prioritize opportunities for engagement and to establish a baseline against which to measure progress over time.

In 2014, the City conducted its first full Employee Engagement Survey, in which 237 employees participated. Between February 25 and March 15, 2019, another full Employee Engagement survey was conducted, and a significant increase in participation was realized with 371, or 73% of employees participating. The sharp increase in participation is likely attributed to the lack of demographic information collected, and the enhanced “anonymity” protocols and assurances.

A value differentiator in this latter exercise was the creation of a clear cultural indicator baseline, founded on targeted questions related to the current culture of the City of Leduc organization. The strengths observed through analysis of the results are Quality & Customer Focus; Work Environment & Conditions; Performance Management; Training; Making a Difference for Citizens, and Excellent Co-workers. Areas seen to be in need of further clarity and strengthening were observed to be Communications; Organizational Effectiveness; Leadership Development; Favouritism; Governance Role Clarification; and developing a strong and sustainable Culture.

Culture initiatives currently under way include engaging the Extended Leadership Team; Creating space and time to discuss organizational culture; hold facilitated weekly leadership meetings; rotate Executive Team meeting through the four principal buildings of the organization and adjust the agenda to incorporate a half-hour slot to walk around the buildings to interact with staff, and provide greater clarity with respect to our mission and the values that inform our behaviours.
Key values identified:

- **Teamwork** - We collaborate and support one another to achieve common goals.
- **Service** — We are dedicated to improving our organization and our community.
- **Respect** — We make every effort to understand each other, be accountable for our actions, and build mutual trust.

The recently formed cross-departmental Culture Committee is already at work identifying behavioural statements and creating a cultural commitment document for the entire leadership team. Current work is geared towards the identification of cultural statements and related behaviours. These tasks are being performed in order to train the organization in how best to live those values seen to be key to a safe, supportive and healthy culture: Teamwork; Service; Respect.

Engaged employees are motivated to show up to work every day and do everything within their power to help their companies succeed. Businesses function best when employees are both satisfied and engaged, so it's important to benchmark and consistently measure both satisfaction and engagement amongst employees in order to best reach business goals. With this in mind, the purpose of the survey was to gain a better understanding of what is and what is not working in the organization from an employee perspective; to identify key drivers of engagement; prioritize opportunities for improvement, and establish a baseline for measuring progress over time.

The comparative results over 2014 indicate a trend of continuous improvement and they consistently exceed comparative norms in the public sector environment. In addition, the most recent survey included an organizational culture index to establish a baseline against which progress may be measured over time.

Others Who Have Reviewed this Report

P. Benedetto, City Manager / I. Sasyniuk, General Manager, Corporate Services / D. Melvie, General Manager, Community & Protective Services / M. Pieters, General Manager, Infrastructure & Planning
City of Leduc Leadership Values & Cultural Commitment

Organizational culture is the stories we tell ourselves about what is valued, expected and accepted in our organization. Leadership behavior drives collective beliefs and influences the behavior of others, especially other leaders in an organization. Positive leadership behaviors are therefore vital for influencing the beliefs and behavior of others and shaping a successful workplace culture.

As such, all City of Leduc leaders of people are asked, annually, to commit to carrying themselves and leading and influencing others in ways that demonstrate our City’s Values in everyday words and actions.

City of Leduc Values

TEAMWORK: We collaborate and support one another to achieve common goals.

SERVICE: We are dedicated to improving our organization and our community.

RESPECT: We make every effort to understand each other, be accountable for our actions, and build mutual trust.

This Values & Behaviour Commitment contains expectations for all leaders of people at the City of Leduc. The behaviors outlined in this document are intended to influence and inform the following:

- How leaders lead people
- Leader personal accountability
- Individual leader conduct
- How leaders interact with each other and others
- Decision making
- How leaders inquire when other leaders appear in contrast with our desired behaviors

Values & Behaviour Commitment

I am a member of 1 team... the City of Leduc

Individually, and collectively with my leadership colleagues, we are all members of a leadership team building community in service to the City of Leduc.

TEAMWORK: We collaborate and support one another to achieve common goals.

- I collaborate to create an environment where it is safe to take risks.
- I understand that we will make mistakes, and we will learn from them.
- I take time to connect, to understand and to support others.
- I offer and accept feedback directly and honestly. I am courageous in conversations.

SERVICE: We are dedicated to improving our organization and our community.

- I understand that the work I do, and the work we do together, enables service to the community, and to each other.
• I communicate priorities and expectations, and listen to understand other’s priorities and expectations.
• I balance my expectations and priorities with consideration for all involved.
• I anticipate and embrace change, adapting to meet evolving needs and interests.
• I model safe work practices, and commit to maintaining a safe workplace for others.

RESPECT: We make every effort to understand each other, be accountable for our actions, and build mutual trust.

• I have confidence in the capability of others.
• I encourage and consider others ideas and viewpoints.
• I am self-aware and recognize the impact of my behaviours and actions on others.
• I seek to understand others needs and perspectives.

ACCOUNTABILITY:

• I will do my best to recruit and reward talent that aligns with the City of Leduc Values.

• When I observe other leaders behaving in ways that align with our Values and Behaviour Commitment, I will recognize and reinforce their actions, as appropriate.

• When I observe other leaders behaving in ways that appear in contrast with our Values and Behaviour Commitment, I will engage in a timely, 1:1 conversation. During these conversations, I will inquire and learn about the other person’s perspective while respectfully sharing my perspective of their words and/or actions. It is through candid, honest and open peer conversation(s) that City of Leduc leaders define what is valued, expected and accepted in our organization.

• When another leader inquires about my words and/or actions and how they align with our Values and Behaviour Commitment, I will respectfully share my perspective of the situation and be receptive to other perspectives, feedback and/or constructive critique by demonstrating humility and self-reflection.

COMMITMENT:

As a commitment to all members of the Extended Leadership Team, I have read and support the Values & Behaviour Commitment. The statements above are what I value, expect, commit to upholding, and will accept at the City of Leduc.

I am a contributing leader at the City of Leduc who will hold myself accountable to our Values & Behaviour Commitment. I understand that my daily words and actions should be a model of the City of Leduc’s Values when I interact with other leaders, peers, subordinates, City Council and citizens.

I commit to leading my team and carrying out my role and responsibilities in a manner consistent with the statements contained in this document.
Signed by: City of Leduc Leadership Team

Paul Benedetto, City Manager
Darrell Meivie, GM, Community & Protective Services
Mike Pieters, GM, Infrastructure & Planning
Irene Sasyniuk, GM, Corporate Services

Gene Klenke, City Solicitor
Michelle Hay, Director, Government Relations & Corporate Planning Strategy
Sandra Davis, City Clerk
Cristal Bole, Manager, Corporate Planning & Performance

Jennifer Cannon, Director, Finance
Chris Tabin, Director, Human Resources
Joanne Graham, Chief Information Officer: Corporate Information & Technology

Sheri Kurtz, Manager, LRO Financial Services
Charles Thorn, Manager, Financial Analytics
Gino Damo, Manager, Revenue Services
Carol Hounsell, Manager, Accounting Services

Carmen Dragansima, Manager, Financial Planning & Budgets
Gerald Unger, Manager, Enterprise Technology Services
Cindy Post, Manager, Enterprise Systems & Analytics
Bart Pouteau, Manager, Integrated Business Solutions

Kelly Kalanchey, Manager, Organizational Effectiveness
Sue Armstrong, Manager, HR Services
Ken Woitt, Director, Planning & Development
Ed Paras, Director, Facility & Property Services

Shawn Olson, Director, Engineering
Rick Sereda, Director, Public Services
Kevin Wenzel, Manager, Public Transportation
Harold Wilson, Manager, Economic Development
<table>
<thead>
<tr>
<th>Name</th>
<th>Position/Service</th>
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<tbody>
<tr>
<td>Dennis Peck</td>
<td>Manager, Current Planning</td>
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<tr>
<td>Syd Reynar</td>
<td>Manager, Safety Codes Services</td>
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<tr>
<td>Sylvain Losier</td>
<td>Manager, Long Range Planning</td>
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<tr>
<td>Kyle Van Steenoven</td>
<td>Manager, Capital Projects &amp; Development</td>
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<tr>
<td>Ryan Graham</td>
<td>Manager, Infrastructure</td>
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<tr>
<td>Shawn Tooth</td>
<td>Manager, Utility Services</td>
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<tr>
<td>Brent Emery</td>
<td>Manager, Parks &amp; Open Spaces</td>
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<tr>
<td>Gerry Lang</td>
<td>Manager, Infrastructure Maintenance</td>
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<tr>
<td>Mark Quinton</td>
<td>Manager, Fleet Services</td>
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<td>Carson Ryan</td>
<td>Manager, Facility &amp; Property Services</td>
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<tr>
<td>Bruce Knisley</td>
<td>Special Projects Manager, Facilities</td>
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<tr>
<td>George Glancy</td>
<td>Director, Fire Services/Fire Chief</td>
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<tr>
<td>Frederick Moore</td>
<td>Deputy Fire Chief, Operations / Training</td>
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<tr>
<td>Gerry Kelly</td>
<td>Deputy Fire Chief, Community Safety &amp; Preparedness</td>
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<tr>
<td>Shane Christensen</td>
<td>Deputy Fire Chief, Support Services</td>
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<tr>
<td>Cameron Chisholm</td>
<td>Manager, RCMP Administration &amp; Enforcement Services</td>
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<tr>
<td>Jackie Kamlah</td>
<td>Director, Recreation Services</td>
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<td>Donna Brock</td>
<td>Director, Community &amp; Social Development</td>
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<td>Michael Warchol</td>
<td>Manager, Recreation Services</td>
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<td>Lee Ann Weller</td>
<td>Manager, Business Services</td>
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<tr>
<td>Amanda Ulrickson</td>
<td>Manager, FCSS</td>
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<tr>
<td>Rachel Yeung</td>
<td>Manager, Community Development</td>
</tr>
<tr>
<td>Tosedia Turner</td>
<td>Manager, Arts, Culture &amp; Heritage</td>
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</tbody>
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Defining our Culture

Provide clarity ~ Mission & Values

TEAMWORK  We collaborate and support one another to achieve common goals.

SERVICE    We are dedicated to improving our organization and our community.

RESPECT   We make every effort to understand each other, be accountable for our actions, and build mutual trust.

Cross-functional Culture Committee – March 2019

• Identifying behavioural statements and creating a cultural commitment document for the entire leadership team.

• June 2019 – Review behavioural statements

• October 2019 – Finalize Culture Commitment
Leadership Commitment

City of Leduc Leadership Values & Cultural Commitment

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**Values & Behaviour Commitment**

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- I offer and accept feedback directly and honestly. I am courageous in conversations.

**SERVICE:** We are dedicated to improving our organization and our community.

- I understand that the work I do, and the work we do together, enables service to the community, and to each other.
We are a member of the City of Leduc team...
Next Steps

➢ Model Behaviours
➢ Integrate into PES
➢ Awards and Recognition Program
➢ Recruitment / Hiring
➢ Communicate – i.e. agenda setting
  ➢ Executive Team Meetings
  ➢ JED Meetings
  ➢ Director’s Group
  ➢ Managers Meetings
➢ Cascade to all employees
EXECUTIVE SUMMARY

A follow up letter to the Council presentation outlining the requests of the Alberta Legacy Development Society (ALDS) was received by Administration (attached) and subsequently a meeting was held with representatives of the ALDS to discuss the contents of the letter.

Representatives of ALDS indicated that their primary challenge is fiscal, and that while they aren’t requesting that the City take over operations at this point, they are requesting additional support. The results of that meeting are:

1. ALDS will require the ongoing funding received through Grants to Organizations (GTO). The amount is currently $18,000 for a three-year grant ending in 2020. This grant is currently applied to occupancy expenses such as utilities, minor renovations, etc. They will need to reapply for 2021 and anticipate an increase to $25,000.

2. ALDS currently experiences a financial shortfall of approximately $65,000 per year which is often covered personally by members. These funds cover expenses such as salary, collection maintenance, program supplies, etc. An Operations Grant for approximately $65,000 is being requested.

3. ALDS will meet and work collaboratively with the Leduc and District Historical Society for Dr. Woods House Museum to discuss potential amalgamation of the two organizations. Leduc and District Historical Society currently receives $37,008 through GTO which ends in 2020 and will need to reapply in 2021.

4. ALDS will create a 10-year maintenance plan that will demonstrate the work requirements and potential budget for maintenance of the properties on the land. The budget for the 10-year plan will include upcoming capital costs, some of which were presented to Council on June 24, 2019.

BACKGROUND

Alberta Legacy Development Society provided a verbal presentation to Council on June 24, 2019, which included a request from Council for funding in the amount of $200,000 for:

- a Chair Lift;
- a Level 2 Environmental Site Assessment required to host the Farmer's Market; and
- funds for the repainting of the grain elevator.

A request was also made for the City to consider taking over the operations of the Society as the members are aging and have been unable to attract younger members to carry out the work required.

ACTION: Administration will look into options relative to the requests and report back to the Society and Council.
COMMITTEE-OF-THE-WHOLE

NEXT STEPS

Once the 10-year maintenance plan is received, Administration will be in a better position to inform on the financial request from ALDS. ALDS members are doing the maintenance work themselves and are finding it difficult to sustain by their aging membership. The budget for the 10-year maintenance plan may require contracting trades to do the work rather than the membership volunteering to do it, of which there will be a cost. ALDS is also pursuing Alberta Museum Association status which will allow them to apply for larger grants that contribute to the ongoing operations and maintenance of the facility.

Additional operating funding beyond the annual $18,000 allocation has not been included in the 2020 budget. Administration anticipates the minimum additional funding required to support ALDS would be between $53,000 and $90,000 depending on whether governance and operations could be combined with the Leduc and District Historical Society / Woods House Museum, the level of interpretive programming, and if the current number of hours the facility is open to the public is maintained.

ATTACHMENTS – Alberta Legacy Development Society letter dated July 15, 2019
Alberta Legacy Development Society
5209-47 Street,
Leduc, AB T9E 7K7
(780) 980-2679
grainbin@telus.net

Mr. Darrell Melvie
GM, Community & Protective Services
City of Leduc
One Alexandra Place
Leduc, Alberta
T9E 4C4

Subject: Alberta Legacy Development Society
Request for Urgent Support

Dear Mr. Melvie,

On behalf of the membership of the Alberta Legacy Development Society I am writing to formally make a request for urgent support of the City.

The Alberta Legacy Development Society/Leduc Heritage Grain Elevator was brought into existence in 2000 in response to the news that Agricore was going to close and demolish the elevator. You might remember the mass demolition of grain elevators that was happening back then; 5 elevators in Innisfail were destroyed in a weekend that year, and closer to home, the Ellerslie elevator had been torn down the year before. They started becoming known as the “Vanishing Sentinels of the Prairies”. Most of these landmarks have since disappeared, and many more are on the verge. These icons to our land, our economy, and our heritage are becoming more and more rare, and more and more fragile. As one of the last wood crib elevators built in the province, several citizens of Leduc got together and formed a society and worked to raise the money to purchase the site from CPR and Agricore. Late in 2000, they succeeded and the elevator was saved. The Society incorporated 2001 as a charity and on May 15, 2003 the site was granted Provincial Historic Resource status even though it was not yet 40, which is the usual minimum age. Our elevator is in such good condition that it could start taking grain again tomorrow; this, alone, make it a notable exception among its peers.

We have run on grants, donations and volunteer hours ever since our founding.

When we last applied to the City for GTO funding, we could not have anticipated how much we would grow and change. At the time of application, there was no Interpretive Centre, we had no staff, no regular hours, and no educational programming – we could not have known what was possible and how much ensuing operational costs would be. Utilizing private, dedicated donations, the Society was able to hire a Museum Coordinator and we opened full time last year. Our visitation has more than doubled in that time, with many visitors coming from outside Alberta while waiting for flights. We have developed educational programming and partnered with many other museums and organizations to collaborate and share a stronger story. We have applied for grants and hosted practicum students. We have nearly built capacity to operate with Alberta Museums Association designated status, not a small feat by any means. The costs for this, about $65,000/year are mostly covered out of our own pockets.

We now have some upcoming capital expenses that we do not have the funds to pay. The Leduc Art Club rents our basement but because we don’t have a lift down the stairs do a lot of their classes upstairs. A commercial chairlift will cost around $21,000.00. The outdoor Leduc Farmers Market is using our site, which seemed like a tremendous partnership opportunity, but as a result of the Level I Environmental Assessment that was required to issue a permit for that use, it has been recommended that a Level II ESA occur; priced at $30,000.00, with ongoing monitoring
costs at around $11,000/year for at least four years. Although not as urgent, it is also time to repaint the buildings as they need to be done every 10-15 years. We have been fundraising for this, but it will be a significant cost at between $150,000.00 - $200,000.00.

Our membership cannot afford to continue financially sustaining the maintenance, operations, and staffing of this important Leduc landmark for much longer. We are all getting older and simply can’t continue to do all the physical work that needs to be done. Kerry, our Museum Coordinator, has done a wonderful job but there is a lot of work to be done and she won’t be able to do it all herself either. We are asking that the City consider taking over this resource that we have built and saved for future generations. Please take this burden away from us.

Thank you so very much for your consideration. Please feel free to contact me about this matter at any time.

Sincerely,

Gordon Schaber
President

cc:
Donna Brock
Director, Community & Social Development
Toscha Turner
Manager, Arts Culture & Heritage
2019 Tax Shift Feedback Update
For November 12, 2019

Presented by:
Jennifer Cannon, Director, Finance
Gino Damo, Manager, Revenue Services
<table>
<thead>
<tr>
<th>No.</th>
<th>2018 Property Tax</th>
<th>2019 Property Tax</th>
<th>Variance (%)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.</td>
<td>$2,446</td>
<td>$2,837</td>
<td>16%</td>
<td>Located in North Telford. Property owner feels that the property tax increase is not reciprocal to what they receive in services in the area. Overall neighbourhood has increased based on previous historical market value. Property owner feels assessment is representative of market value and fair.</td>
</tr>
<tr>
<td>4.</td>
<td>$2,163</td>
<td>$2,310</td>
<td>7%</td>
<td>Located in North Telford. Property owner feels that the property tax increase is not reciprocal to what they receive in services in the area. Overall neighbourhood has increased based on previous historical market value. Property owner feels assessment is representative of market value and fair.</td>
</tr>
<tr>
<td>5.</td>
<td>$3,908</td>
<td>$4,144</td>
<td>6%</td>
<td>Property owner is concerned with the property tax increases over the last few years. They feel assessment is representative of market value and fair.</td>
</tr>
<tr>
<td>6.</td>
<td>$3,772</td>
<td>$4,094</td>
<td>9%</td>
<td>Property owner is concerned about the continued property tax increases in relation to their fixed income as a senior. They feel their assessment is fair after talking to the assessor and receiving a reassessment.</td>
</tr>
<tr>
<td>7.</td>
<td>$1,793</td>
<td>$2,229</td>
<td>24%</td>
<td>Property owner is concerned with the property tax increases over the last few years. This year assessment was updated to reflect market value as it was under assessed previously. Property owner feels current assessment is representative of market value and fair.</td>
</tr>
</tbody>
</table>
### 2019 Residential Assessment Change

<table>
<thead>
<tr>
<th>Change Range</th>
<th>Number of Tax Rolls</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 3%</td>
<td>2315</td>
</tr>
<tr>
<td>3.01 to 5%</td>
<td>846</td>
</tr>
<tr>
<td>5.01-9.99%</td>
<td>920</td>
</tr>
<tr>
<td>Above 10%</td>
<td>1103</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>12150</strong></td>
</tr>
</tbody>
</table>

5 tax rolls came forward

---

**Residential Property Assessment Value Increases for the 2019 Tax Year**

Assessment Information 2019 (shown as assessment percent (%) changes, comparison 2017 to 2018 assessment values)

<table>
<thead>
<tr>
<th>City of Leduc</th>
<th>Percent Change</th>
<th>Distribution</th>
<th>Percent Change</th>
<th>Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parcels</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Residential Lands</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neighbourhood Boundary</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City Boundary</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Residential Assessment Total: 12373

Confidential Information
<table>
<thead>
<tr>
<th>No.</th>
<th>2018 Property Tax</th>
<th>2019 Property Tax</th>
<th>Variance (%)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>$22,204</td>
<td>$26,542</td>
<td>20%</td>
<td>Property owner is concerned over the continued property tax increase over the last several years. Assessor adjusted market rental rates to reflect the market which reduced the assessment. Property owner feels assessment is fair after reassessment.</td>
</tr>
<tr>
<td>2.</td>
<td>$6,092</td>
<td>$6,726</td>
<td>10%</td>
<td>Property owner is concerned over the continued property tax increase over the last several years. Assessor adjusted market rental rates to reflect the market which reduced the assessment. Property owner feels assessment is fair after reassessment.</td>
</tr>
</tbody>
</table>
## 2019 Non-Residential Assessment Change

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 Non-Residential Assessment Rolls excluding new development &gt;0%</td>
<td>982</td>
</tr>
<tr>
<td>0.01 to 5%</td>
<td>158</td>
</tr>
<tr>
<td>5.01 to 10%</td>
<td>76</td>
</tr>
<tr>
<td>Above 10%</td>
<td>217</td>
</tr>
<tr>
<td>2 tax rolls came forward</td>
<td>0.44%</td>
</tr>
</tbody>
</table>

### Non-Residential Property Assessment Value Increases for the 2019 Tax Year

- **City of Leduc**
  - **Parcels**: 162
  - **Residential Lands**: 115
  - **Neighbourhood Boundary**: 221
  - **City Boundary**: 33

- **Percent Change**:
  - `< -10`: 158
  - `-5.01 to -9.99`: 76
  - `0.01 to 5`: 217
  - `5.01 to 10`: 8
  - `> 10`: 8

- **Distribution**
  - **New Development**: 8

**Non-Residential Assessment Total: 990**

**CONFIDENTIAL**
Reserve Policy Review & Update

Council Workshop

November 12, 2019
1. Introductions, Formalities etc. (5 min)
2. Reserves “Demystified” (5 min)
3. Operating Reserves (10 min)
4. Capital Reserves (20 min)
5. Meeting close out & next steps (5 min)
Reserves “Demystified”

1. The decision making process
2. Who pays for what, when and how?
3. A relatable example
4. Peer group
Personal Finances as Municipal Reserves

A Practical Example

---

**Chequing Account**
- Available “on demand”
- Frequent and immediate access
- “Liquid” funds
- Day-to-day spending

**Savings Account**
- Intended for savings / accumulation of wealth
- Intentional spending
Personal Finances as Municipal Reserves

Big Purchases and Reserves

Year 1
✓ Save $2,500

Year 2
✓ Opening balance $2,500
✓ Save additional $2,500
✓ Closing balance $5,000

Year 3
✓ Opening balance $5,000
✓ Save additional $3,500
✓ Closing balance $8,500

Year 4
✓ Opening balance $8,500
✓ Save additional $3,500
✓ Trip ready balance $12,000

Year 5
✓ Opening balance $12,000
✓ Big purchase ($9,000)
✓ Closing balance $3,000
Operating Reserves

Reserves that are generally established to fund expenditures of an operating nature.
Challenging Land Annexation
## Supplementing the Capital Plan

**Through the General Contingency**

<table>
<thead>
<tr>
<th>Projects - Funded by General Contingency (in thousands)</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
<th>2028</th>
<th>2029</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>076.592 - Telford Lake Draw Down Wells</td>
<td>-</td>
<td>200</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>200</td>
</tr>
<tr>
<td>076.593 - Hydrovac Site Cleanup</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>250</td>
<td>250</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>500</td>
</tr>
<tr>
<td>076.594 - Elks Park Draw Down Wells</td>
<td>200</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>200</td>
</tr>
<tr>
<td>077.527 MPMA- Data Collection</td>
<td>-</td>
<td>-</td>
<td>92</td>
<td>-</td>
<td>93</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>95</td>
<td>-</td>
<td>280</td>
</tr>
<tr>
<td>015.180 Desktop Computer Renewal (Evergreen) - Hardware</td>
<td>-</td>
<td>112</td>
<td>186</td>
<td>209</td>
<td>-</td>
<td>-</td>
<td>209</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>716</td>
</tr>
<tr>
<td>083.125 4 X 4 Fire Unit</td>
<td>-</td>
<td>62</td>
<td>62</td>
<td>187</td>
<td>-</td>
<td>80</td>
<td>-</td>
<td>-</td>
<td>50</td>
<td>-</td>
<td>441</td>
</tr>
<tr>
<td>086.263 Alexandra Arena Capital Renewal</td>
<td>100</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>086.274 LRC Pool Old Mechanical Room Renovations PHII</td>
<td>111</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>111</td>
</tr>
<tr>
<td>080.277 Cemetery Development</td>
<td>-</td>
<td>600</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>600</td>
</tr>
<tr>
<td>105.001 Aquatics Equipment Renewal</td>
<td>60</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>60</td>
</tr>
<tr>
<td>105.002 Fitness Equipment Renewal</td>
<td>92</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>92</td>
</tr>
<tr>
<td>010.003 - Public Transit Infrastructure Improvements</td>
<td>20</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>20</td>
</tr>
<tr>
<td>082.040 Service Connection Repair</td>
<td>-</td>
<td>160</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>160</td>
<td>-</td>
<td>160</td>
<td>-</td>
<td>-</td>
<td>480</td>
</tr>
<tr>
<td>082.042 Lift Station Upgrades</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>220</td>
<td>-</td>
<td>220</td>
</tr>
<tr>
<td>081.097 SCADA Communication System Replacement</td>
<td>420</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>420</td>
</tr>
<tr>
<td><strong>Total Projects Funded by General Contingency</strong></td>
<td><strong>1,003</strong></td>
<td><strong>912</strong></td>
<td><strong>499</strong></td>
<td><strong>521</strong></td>
<td><strong>437</strong></td>
<td><strong>93</strong></td>
<td><strong>240</strong></td>
<td><strong>209</strong></td>
<td><strong>475</strong></td>
<td><strong>50</strong></td>
<td><strong>4,439</strong></td>
</tr>
</tbody>
</table>

*Note: Current policy = 95% of surplus is transferred to general contingency*
Capital Reserves

Defined

Reserves that are generally established to fund expenditures of a capital nature.

Budgeted, Anticipated
Capital Reserves
A Practical Example

Room for Improvement
- Water Commission
- Water Treatment Facility

Success Story
5 Year Capital Plan & Funding Gaps

(millions)

- Funding Required for Maintenance
- Funding Required for New Projects
- Transfer to Reserves*
- Transfer to Reserves and Grant Funding
- Transfer to Reserves, Grant Funding and Debt

*excluding offsite levies and investments
## Existing Debt Structure

*Municipal Government Act Guidelines*

<table>
<thead>
<tr>
<th></th>
<th>Debt Limit</th>
<th>2018 Use</th>
<th>% Use</th>
<th>Per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>St. Albert</td>
<td>$287M</td>
<td>$43M</td>
<td>15.0%</td>
<td>$651</td>
</tr>
<tr>
<td>Chestermere</td>
<td>$43M</td>
<td>$16M</td>
<td>36.7%</td>
<td>$754</td>
</tr>
<tr>
<td>Airdrie</td>
<td>$223M</td>
<td>$66M</td>
<td>29.8%</td>
<td>$976</td>
</tr>
<tr>
<td>Spruce Grove</td>
<td>$125M</td>
<td>$38M</td>
<td>30.7%</td>
<td>$1,062</td>
</tr>
<tr>
<td>City of Leduc</td>
<td>$142M</td>
<td>$62M</td>
<td>43.4%</td>
<td>$1,867</td>
</tr>
<tr>
<td>Grande Prairie</td>
<td>$276M</td>
<td>$140M</td>
<td>50.8%</td>
<td>$2,089</td>
</tr>
<tr>
<td>Calgary</td>
<td>$7,975M</td>
<td>$2,976M</td>
<td>37.3%</td>
<td>$2,402</td>
</tr>
<tr>
<td>Edmonton</td>
<td>$5,587M</td>
<td>$3,046M</td>
<td>54.5%</td>
<td>$3,153</td>
</tr>
</tbody>
</table>
Mill Rate

Simplified

Mill Rate is informed by the operating budget + capital plan (including reserve balances)

Debt is a tool to balance equity between generations. Today’s debt is repaid with tomorrow’s tax dollars and comes full circle to mill rate.
Informed Decision Making

*pick two*

- Mill Rate
- Capital Reserves
- Capital Projects
Informed Decision Making

**Establish reserve target**
- Fund projects from reserve
- Prioritize projects to complete
- Fund capital plan

**Fund projects in priority with available funds**
- Determine available funding from grants, current/future taxes or surplus
- Prioritize projects to complete

**Fund projects from reserve with reserves**

**Fund projects from reserve without reserves**
Approved Capital Budget

• Capital budget is approved by council with detailed spending areas and priority rankings.
• Funded with a combination of reserves, capital grants and debenture borrowing

Annual Reserve Requirements

• Reserve balances should be directly connected to capital funding needs as informed by the capital plan.
• Annual reserve requirements should balance needs of the capital plan with economic conditions
Take Away Items

1. This project proposes a fundamental shift in strategic capital planning

2. Operating reserves = unexpected operating expenditures

3. Capital plan = maintenance and growth projects

4. Capital reserves = alignment to capital plan (maintenance & growth projects)

5. Homework: Consider SWOT and Success
Meeting Close Out & Next Steps