



Town of Okotoks 5 Elizabeth Street, Okotoks AB T1S 1K1

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Prepared by: Corporate & Strategic Services and Finance & Systems





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MESSAGE FROM Okotoks Council

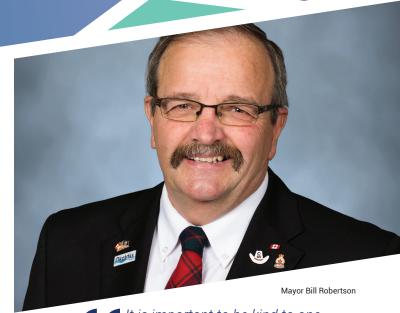
With the overwhelming events of the past months, it is sometimes difficult to remember what happened before the COVID-19 pandemic. We are all learning to navigate this new normal, and I want to thank everyone for your patience, support and cooperation in helping the Town continue to provide modified services to our residents. While we adjust to these changes, it is important to be kind to one another and to remember that we are in this together!

While we continue to look forward to fully re-opening and adapting to this new environment, it's also important to review what was accomplished in 2019. One of the most significant highlights of 2019 was Council's decision to approve an extension on the timeline for a supplemental water pipeline until 2024. Extending the start date will provide time for the province's financial condition to improve and increase the potential for funding support. It also creates an opportunity for the Town to work with regional partners to create detailed designs on an alternative solution instead of accessing water from the City of Calgary.

The Town has also adjusted its water licensing policy to purchase water licenses in bulk and assign them to developers as needed, which will simplify and expedite the process for the developer, the Province and the Town.

Creating efficiencies in water licensing is one way we are supporting economic growth, which continues to be a priority. In 2019 administration met with our business community in six sector-specific, roundtable conversations to identify the challenges and opportunities to improve our services. This led to an action plan on specific initiatives that the Town is currently working on to foster improved communication and services to support economic vitality.

Another major highlight of 2019 was the launch of the much-anticipated Okotoks Transit service! The on-demand,



It is important to be kind to one another and to remember that we are in this together!"

curb-to-curb transit officially began on December 2 and the response has been incredibly positive. Residents have indicated that they appreciate having this service in our community.

Approval of the Arts and Learning Campus project was another major milestone for Okotoks' future growth. The campus is a joint-partnership between the Town, Christ the Redeemer Catholic Schools (CTR), Foothills School Division (FSD), the Okotoks Public Library and Community Futures Highwood (CFH). This project will enhance the vitality of the downtown core and increase the ability to offer more learning, cultural and economic development opportunities.

An important focus for Council continues to be on providing opportunities for our residents and stakeholders to participate in the decisions that affect them. There were many projects throughout the year where you were invited to provide feedback including: the Municipal Development Plan (MDP) and Land Use Bylaw (LUB) rewrites, the Arts and Learning Campus project, Northridge Drive changes, community gardens, water park features, and many more.

On behalf of Okotoks Town Council, I encourage you to get involved and be part of the conversation. Learn more about all the Town's initiatives to enhance our community's success. Thank you for continuing to provide your input and working collaboratively with us to help Okotoks thrive!

Mayor Bill Robertson On behalf of Town Council



The Chief Administrative Officer

On behalf of the Town of Okotoks administration, I am pleased to present our 2019 Annual Report, highlighting many of our accomplishments and our financial position. In 2019, it was a year where we focused on maintaining a high quality of life for citizens while managing costs to ensure value for money for all ratepayers. Okotoks was impacted by provincial economic factors and the Town needed to adjust to this new reality. Our community is transitioning from high paced growth to moderate growth and we need to ensure we continue to have the right tools at the right place for the right time.

Developing long-term financial health strategies through the financial health framework and the utility policy will enable us to forecast the upcoming challenges we may face and adapt appropriately. These Council policies will guide future financial planning and are essential to address the complex challenges of a growing municipality and community.

Council also provided clear direction on the importance of finding an alternate long-term supplemental water source. We completed an analysis indicating that we have enough water supply for nine years of additional growth. This provides time to develop an alternate regional strategy that will result in a long term water supply with shared costs, reducing the financial impact on the Town.

Economic development has been another critical area of focus for Council, including reducing red tape in our processes

and improving the ease of doing business. We invested in relationships with the business community so Okotokians could provide direction on where improvements were needed, and we developed action plans to create accountability. In 2020 we will continue to focus on relationship building and enhancing our public participation processes to ensure representative decision-making in government.

Significant changes in service delivery also occurred in 2019. The long-awaited Okotoks On Demand Transit was launched, with demand continuing to grow. This new service balances innovation and costs and is the first dedicated curb-to-curb transit service in North America. In support of our value for money principles, the Town resumed management of water and wastewater service delivery from EPCOR.

Focusing on shared services and partnerships provided Council with the opportunity to approve a vision and budget for the Arts and Learning Campus and to secure land for a shared affordable housing site. The Town also secured a 28 acre site next to the river valley to provide future recreational opportunities that Okotokians value for their quality of life.

The Town is at a critical juncture as we transition our systems tools and processes from a small community to a mid-sized municipality with different opportunities and challenges. Our strong financial position and our limited debt are reliable indicators of our financial health. Council has provided a strong vision for the future and we will continuously evaluate and improve our services, ensuring that they are relevant and necessary in the community.

I am proud of what administration achieved in 2019 and encourage you to review our inaugural Year in Review with our financial statements.

Elaine Vincent
Chief Administrative Officer

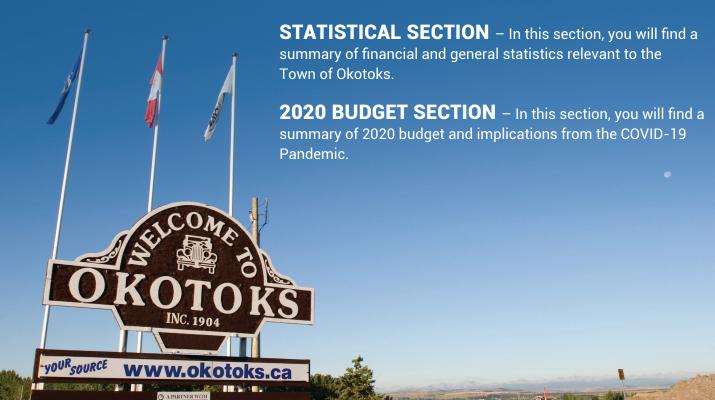
Introduction

Council is pleased to present the 2019 Annual Report highlighting the Town's activities over the past year. This report is a concise way for the Town to report to residents and business owners on the progress and achievements towards the key strategic directions in the 2018-2021 Strategic Plan. The 2019 Community Annual Report provides a year in review of the second year of Council's Strategic Plan and also includes the complete audited financials.

The annual report is divided into four sections:

INTRODUCTORY SECTION – In this section, you will find a message from our Town Council and administration along with an overview of the Town of Okotoks government structure, governing documents and a year in review to highlight our 2019 achievements. Additionally, you will find information to enhance the public's understanding of the Town's budgetary process and fiscal well-being. A look forward into 2020 will also address the changing landscape of the Town's future resulting from the COVID-19 pandemic.

FINANCIAL SECTION – In this section, you will find the Audited Reports and Financial Statements including notes and schedules.





Okotoks provides an enviable lifestyle and is a reflection of the residents' desire to build a community that preserves the small town feel while providing big city amenities. Okotoks inspires an active lifestyle as it is situated along the Sheep River Valley with many pathways and outdoor amenities.

The Town takes a thoughtful approach to community development through its recognition of sustainability and the importance of natural environments, and in implementing world-leading solutions to today's environmental challenges. Okotoks continues to forge a new path that others seek to follow.

Okotoks offers unique shopping and exceptional dining opportunities with picturesque storefronts in the downtown core. Boutique and specialty shopping along with the art galleries and museum have become a staple for locals, day-trippers and overnight quests.

Okotoks is also a sports hub for baseball and hockey players and fans. Many other sports are also prevalent in town including lacrosse, soccer, swimming, skating, curling, biking, running, badminton, hiking, fishing, and three local golf courses, plus an 18-hole miniature golf course.

Government Structure

The Town of Okotoks consists of Town Council and Town administration led by the Chief Administrative Officer (CAO). Town Council consists of a Mayor and six councillors. Council is elected by residents to serve a four-year term and is governed by the Municipal Government Act. Town Council provides the strategic direction to administration through policies, bylaws and governing plans and processes. The next municipal election will be in October 2021.

Town Vision

The Town of Okotoks fosters a culture of resiliency - where people, businesses, ideas and sense of community thrive. Grounded by the Sheep River valley and supported by thoughtful planning and design, a strong local economy and a vibrant civic culture, Okotoks offers exceptional quality of life at every stage of life. Respect for each other and the natural environment makes Okotoks home.

Town Mission

The Town of Okotoks strives to create and nurture an environment in which people are able to pursue the fulfilment of their values, in harmony with the community.



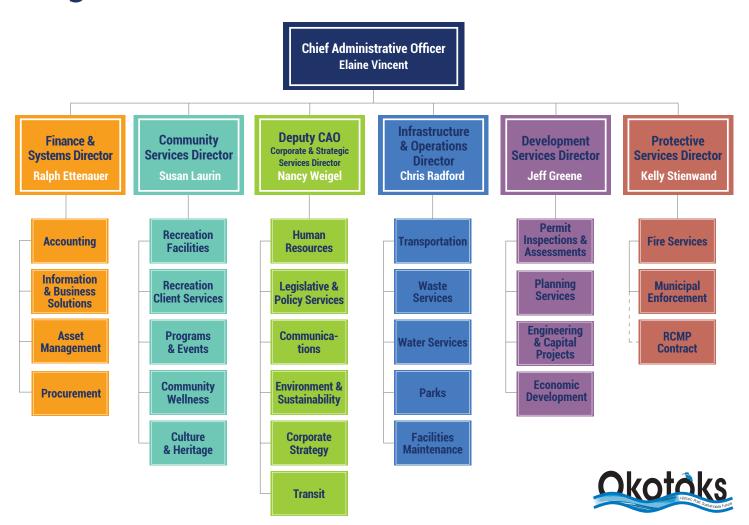




Administration

The Chief Administrative Officer (CAO) leads the Strategic Leadership Team (SLT) who consist of seven members. The SLT is the executive branch of Town administration and they ensure the Town is following Council's strategic direction.

тоwn ог окотокs Organizational Chart





The Town Vision, Mission and Guiding Principles (PG 8 & 9)

The Town Vision focuses on tomorrow and the direction of the Town in the future. The mission statement focuses on the current goal of the organization. The corporate guiding principles are the basis for long-term planning for our community.

2018-2021 Strategic Plan (PG 12)

The Town of Okotoks 2018-2021 Strategic Plan encompasses the priorities built into key, long-range plans, developed in consultation with residents, and reflects Council's commitment to deliver services that are in the best interest of Okotoks' citizens today and for future citizens of tomorrow.

Strategic Plan Progress Reports & Other Reporting Mechanisms (PG 13)

Town administration monitors progress towards meeting the strategic goals, key result areas and initiatives, and provides regular reports to Council throughout the year, which are available to the public on the Town website. This Annual Report is another way that progress is reported to citizens. Reporting provides greater accountability, transparency and understanding of the strategic goals, progress and accomplishments. Council and administration's regular review evaluates how the Town is performing towards the strategic goals and what adjustments are necessary to realign for success.

Long Range Plans (SEE PAGES 14 & 15)

Long range plans align with the strategic direction to achieve the community vision. They have more specific objectives and actions to help Okotoks achieve its goals. These plans include the Recreation, Parks & Leisure Master Plan, the Downtown Urban design Master Plan, the Environmental Master Plan, the Social Wellness Framework and the Culture, Heritage and Arts Master Plan as examples.

The Municipal Budget (SEE PAGE 44)

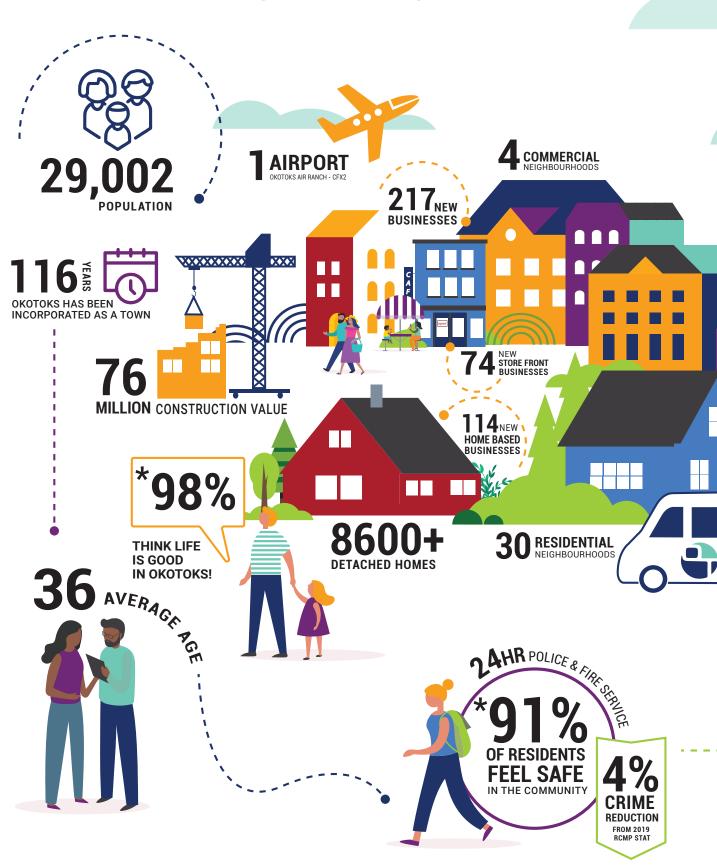
The municipal budget sets service levels and represents the financial direction of the Town proposed by administration and approved by Town Council. All aspects of the budget align to the Strategic Plan throughout a ten-step budget process. Each year the municipal budget summarizes the major projects, key strategic priorities and budgetary requirements required for that calendar year.

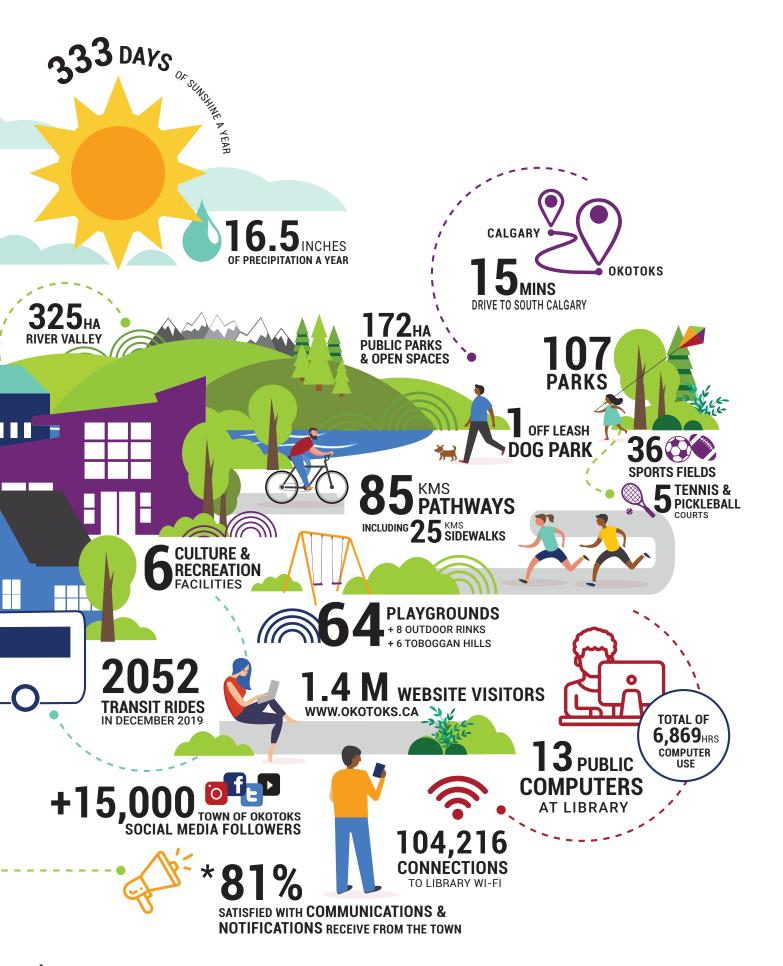
Program & Services

Town administration aligns the program and service levels required to run the Town to the annual municipal budget. Town employees provide programs and services that enhance the quality of life in Okotoks.

THE TOWN OF OKOTOKS

BY THE NUMBERS





[★] Town of Okotoks 2018 Community Household Survey

Strategic Plan

Council developed the 2018-2021 Strategic Plan: growing up from strong roots, and approved it in May 2018. It determines the strategic direction for Okotoks over the next four years and the key result areas required to achieve them.





The 2019 Annual Report highlights specific projects the Town has undertaken since the plan was approved and provides a snapshot of the Town's progress to achieve these strategic priorities:



Provide Quality Infrastructure

The Town of Okotoks will strategically manage, invest and plan for municipal infrastructure to meet the community's current and future needs.



Foster Economic Vitality

The Town of Okotoks will facilitate a healthy economy where quality jobs and business opportunities are abundant.



Manage Community Growth

The Town of Okotoks will build a complete community that provides economic, social, and environmental sustainability for people to live, work and play.



Promote Environmental Excellence

The Town of Okotoks will be the leader in environmental protection and preservation in Alberta.



Provide Strong Governance

The Town of Okotoks will provide strong governance including fiscal responsibility, open communication, public participation and strong inter-governmental relationships.



Strengthen a Healthy & Safe Community

The Town of Okotoks will strengthen our social fabric and enhance the safety of our residents.



Enhance Organizational Excellence

The Town of Okotoks will be recognized as a leader in public service.

Some projects have been completed and others will continue to move forward into 2021.

Reporting provides greater accountability, transparency and understanding of the strategic goals and the Town's progress and accomplishments in achieving them. Administration regularly provides reviews twice a year to Council to evaluate the progress in achieving these strategic goals and to make adjustments as necessary to realign for success.

In this report the initiatives have been listed under the specific strategic goal where they are aligned. In some cases the initiative or project may contribute to more than one strategic goal and may require more than one year to complete.

Implementation

Council is pleased to present the 2019 Annual Report highlighting the Town's activities over the past year. This report is a concise way for the Town to report to residents and business owners on the progress and achievements towards the key strategic directions in the 2018-2021 Strategic Plan. The report not only provides a year in review of the second year of Council's Strategic Plan but the report also include the complete audited financials.

In addition to the priorities in the Strategic Plan, the Town delivers a wide range of core services, which are in the best interest of our citizens today and for our citizens in the future.

Progress Reports

Town administration monitors progress towards meeting the strategic goals, key result areas and initiatives, and provides regular reports to Council throughout the year, which are available to the public on the Town website. The Annual Report is another way that progress is reported to citizens. Reporting provides greater accountability, transparency and understanding of both the strategic goals, progress and accomplishments. Council and administration's regular review allows us to evaluate how the Town is performing towards the strategic goals and to make adjustments as necessary to realign for success.



LONG-RANGE PLANS

Long-range plans and other policy documents, including area structure plans for different neighbourhoods and various overarching regional strategies, support the community in achieving its economic, community and environmental sustainability objectives. Public participation plays a key role in creating each plan, ensuring that the community's priorities and vision for Okotoks are captured and reflected. The Town encourages resident engagement and welcomes the opportunity to obtain the public's input. The following long-range community planning documents and tools establish a foundation to guide the community's future over the next 20 years.



The Municipal Development Plan (MDP) is the primary long-range planning document that establishes a holistic vision for the Town that guides its overall growth and development. The Town is currently developing a new plan that will direct Okotoks' future growth. Public participation has played a major role in determining the final document, which is scheduled for completion in 2020.



DOWNTOWN URBAN DESIGN MASTER PLAN

The Downtown Urban Design Master Plan provides a long-term vision for enhancing in the downtown area by embracing environmentally friendly infrastructure, and by creating inviting public spaces, active streetscapes and architectural innovation, while maintaining historical character.



ENVIRONMENTAL MASTER PLAN

The Environmental Master Plan (EMP) was finalized and approved by Town Council in October 2018. It is a comprehensive long-term community plan that identifies, prioritizes and sets specific goals and targets for key environmental initiatives for the Town and the community. It encompasses all aspects of the environment, from developing new land, to sustainable practices for energy, water, waste, emissions, urban forests, construction, and transportation networks — anything that impacts the natural world.



GROWING TOGETHER: CULTURE, HERITAGE AND ARTS MASTER PLANII (CHAMP)

CHAMP II is a roadmap to building a more vibrant culture for the community. The plan lays out a framework that links the desired long-term future of culture, heritage and arts in Okotoks with short-term activity. This framework identifies actions for the first five years of implementation, but includes a 15-20 year approach that allows monitoring, learning and adaptation over time.



RECREATION, PARKS & LEISURE MASTER PLAN

The Recreation, Parks, & Leisure Master Plan was approved by Council in May 2017. The plan identifies future requirements for facilities, programs, services, and anticipated facility costs, and will serve as a guideline for decision making for the next 20 years.



SOCIAL WELLNESS FRAMEWORK

The Social Wellness Framework identifies the factors that play a key role in social wellness in Okotoks and provides the framework for the Town to build a safe, connected, caring and creative community. Social wellness is one of three components of community sustainability, integrating and overlapping with economic and environmental sustainability.



Learn more about these and other master plans at Okotoks.ca/masterplans.



KEY RESULT AREAS & INITIATIVES

Secure water and wastewater upgrades to meet community growth needs.

ASSET MANAGEMENT

Communities across Canada face a constant struggle to maintain aging infrastructure, such as stormwater systems, roads, buildings and other municipal assets, while also building new systems to meet community needs. Asset management programs are important in helping to manage this infrastructure in a coordinated, integrated way that maximizes its value to the community. Okotoks' asset management program is designed to enhance our infrastructure and facility life cycles. Additionally, the Town ensures capital financial plans and reserves are in place to adequately fund major maintenance and replacement costs.

Since resuming control of the water and wastewater treatment plants, the Town has added 8,400 assets to our inventory with a total inventory currently standing at 25,700 Town assets. To improve our asset management program, the Town has selected software that links our existing GIS maps with Asset Management information to improve reporting and decision making. This software will integrate maintenance activities into our asset management practices to enable better and quicker maintenance spending and/or asset purchase decisions.

1964 TOTAL CATCH BASINS 1603 MAINTAINED 744 INSPECTED 125 CLEANED & FLUSHED

ASSET REPLACEMENT

The Town balances an asset's performance with the financial realities of the community in determining when an asset has reached the end of its life cycle and needs to be replaced. Information on the performance of an asset can be measured and tracked through the Asset Management system. More accurate information, such as assessment of the asset's condition, previous data, and current performance measuring is important in making accurate maintenance, rehabilitation, and replacement decisions.







133 KM SANITARY MAINS 1500 SANITARY MANHOLES 6 LIFT STATIONS

156 KM WATER MAINS
468 HYDRANTS
3 WATER RESERVOIRS
3 BOOSTER STATIONS





2,355,412 m3
of water treated and
returned back to the Sheep
River via our Wastewater
Treatment Plant.

Town returned +86% of water back to the Sheep River in 2019.

2,731,917 m3 of water pumped from the Sheep River to the Okotoks Water Treatment Plant in 2019.

8.4% Reduced Energy Consumption by Wastewater Treatment Plant

SUPPLEMENTAL WATER PIPELINE UPDATE

Council approved an adjustment to the timeline for a supplemental water pipeline during a Council meeting on December 9, 2019. The date to begin construction has been extended until 2024 in the 10-year Capital Plan.

Extending the timeframe creates an opportunity for the Town to work with regional partners to create the detailed designs on an alternative solution instead of accessing water from the City of Calgary. There are significant benefits to a regional supplementary water system including lower capital costs, lower overall cost of ownership, along with a greater chance that water licences and transfers will be approved by the provincial government, greater control and increased security of a long-term water supply.

Administration also adjusted its current water licensing policy to create greater efficiencies for developers and Alberta Environment and Parks (AEP). The Town intends to purchase water licenses in bulk and assign them to developers as needed, which will simplify the process for the developer, the government and the Town, making the approval process more efficient. The costs for water license acquisition will be covered by development.

WASTEWATER TREATMENT PLANT UPGRADES

Upgrades to the Wastewater Treatment Plant are substantial and will be implemented over a four year phased process. The work completed in 2019 for Phase 1 focused on utilities installation and excavation for the combined treatment unit (CTU). The focus in 2020 will be on construction of the unit, optimizing solids handling, and design for new headworks.



Council approved the Utility Policy and directed administration to bring forward amendments to the Fees, Rates, and Charges Bylaw in support of the policy. Reviewing the utility rate structure was identified as a 2019 priority in Council's Strategic Plan and as part of the recently approved Long-Term Financial Health Framework. Information on Okotoks and comparator communities was gathered, the results were reported and used to develop recommendations for Council consideration.

Council considered the information on an updated approach for the Town's utilities in a plan that was developed for Okotoks and focused on principles and objectives, revenue requirements and rate design and forecasting.

The principles included:

- A new base fee structure based on meter size for all customers. This aligns with industry best practice and is applied widely in North America. This approach is considered to reflect the increased size and capacity of infrastructure required to support larger servicing.
- In addition to the base fee, water consumption analysis supports adjusting the current residential water tier structure. This adjustment supports Council's philosophy of "the more you use, the more you pay" and aligns with the Environmental Master Plan objective of reducing outdoor water demand by 20% by year 2030.
- Also included in revenue requirements is a shift to implement an Asset Management Investment Plan (AMIP). This will ensure that Okotoks is well-positioned by acknowledging and transferring the appropriate funds to a capital reserve for utilities to meet ongoing service expectations of safe and reliable water services.
- Alignment with the Fiscal Health Framework; financial self-sufficiency and return to tax base of utilities; improvement in the equity among users; and the improvement of asset sustainability.



27,000 LM CRACK SEALING



72,000 LM



180 KMS ROADWAYS & STREETS 18 KMS

4 VEHICLE BRIDGES

ANNEXED ROADS

Improved **Equity**

Continued
Commitment
to
Conservation

Improvement in Asset Sustainability

Targeted rate
Stabilization



KEY RESULT AREAS & INITIATIVES

Okotoks is a regional hub that helps the community to flourish.

CHAMPION PARK

Champion Park is operated through a joint agreement between the Town of Okotoks and Foothills County. Through this inter-municipal collaborative partnership, an Operating and Program Models Study is being conducted that will define the future of the park. Two public open houses were held in 2018 and 2019, to help develop park options for the future.

WASTE COLLECTION CHANGES

Waste Services adjusted the collection schedule to a four-day system for all three carts in January 2019. The collection routes have been streamlined so they are more efficient now and as the community grows.

The Town also extensively researched waste service needs within the region as a partner on the Foothills Regional Services Commission. This resulted in a Regional Solid Waste Management Study that was presented to each Council in the region to identify the next steps for implementation based on the final recommendations. The result was a pilot program for waste pickup in Black Diamond and Turner Valley.

WATER UTILITIES

The Town resumed control of the water and wastewater services from EPCOR in November, 2019. The greatest change has been to internal processes, with the Town assuming responsibility for managing customer inquiries and overseeing maintenance and field operations.

KEY RESULT AREAS & INITIATIVES

We engage, promote and assist in seeking alternate infrastructure funding to meet the needs of arts, culture, recreation, sports and non-profits.

RIVER VALLEY LAND PURCHASE

The Town of Okotoks took possession of 28.8 acres of sensitive river valley land, located at 48 Street North, which was previously the Okotoks Bible Camp. The land and buildings offer a variety of potential recreational opportunities and the Town will begin assessing potential uses for the site by exploring long-term needs already identified in the Recreation, Parks and Leisure Master Plan.

INCLUSIVE PARK

The Okotoks Rotary Club donated a picnic shelter at the Riverside inclusive playground, which was installed in 2019.

DAY USE AREAS

A day use area was completed on the western most town limits on the north side of the river, south of Mountainview. It includes a fenced parking lot, picnic area, seating, natural trails, tree planting, and interpretive signage.

SEAMAN STADIUM UPGRADE

Seaman Stadium had washroom upgrades completed in 2019 to increase the number of fixtures to meet building code requirements. Additionally, there was also a visitors clubhouse, concession and berm extension at the existing Seaman Stadium.

KEY RESULT AREAS & INITIATIVES

Promote community accountability where residents actively contribute to the safety, health and well-being within their neighbourhood and their community in a variety of ways.

2022 SUMMER GAMES

Council approved a joint bid, with the Town of Black Diamond, for the 2022 Alberta Summer Games. Due to the pandemic in 2020, both Councils approved a request to extend the games until 2023.



Contribute to an environment necessary for the business community to grow at a rate that is faster than residential growth.

FIBRE OPTICS

The Telus PureFibre Project was completed in early 2019, providing high-speed internet throughout the community. Having access to the latest technology is a key strategy to attract more technology-reliant businesses to Okotoks and spark innovation locally to compete globally. Okotoks is well-positioned to take advantage to support local job opportunities for current and future citizens.



ECONOMIC DEVELOPMENT STRATEGY

Seven industry-specific roundtables were held in 2019 to gather feedback from the business community on how the Town could better support them. There were four themes which were consistently heard at every roundtable session for the Town to consider:

- · Make the development process easier
- Review signage policies
- · Review parking policies
- Communicate clear and current information to businesses about anything that affects them

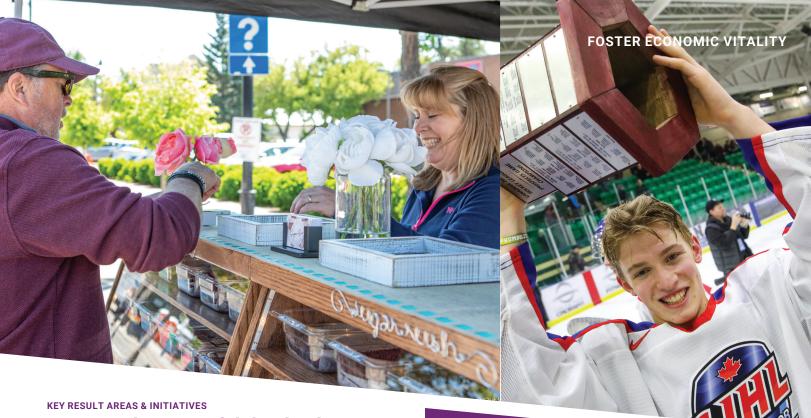
Okotoks participated in the Co-working Takeover Week in May 2019 where local businesses created temporary spaces for home-based professionals to meet, collaborate and work alongside other freelancers and remote workers.

OKOTOKS ENTREPRENEURIAL ECOSYSTEM

The Town worked with key business support organizations to establish the Okotoks Entrepreneurial Ecosystem (OEE) that works collaboratively to provide support to the local business community. The key members are Community Futures, Okotoks and District Chamber of Commerce, Bow Valley College, Okotoks Business Association, River District Business Association, MCG Careers, and Okotoks Art Council.

REGIONAL INDUSTRIAL CORRIDOR

Okotoks is part of the Alberta Foothills Industrial Corridor Association (AFICA), which meets to discuss business development in the industrial corridor on Highway 2A between Okotoks and High River. This is the area along Highway 7 from Turner Valley and Black Diamond to Okotoks and High River.



Improve the ease of doing business in the Town of Okotoks by progressive policies, demonstrating a can-do attitude with alternative solutions and streamlined processes.

The Town is demonstrating a can-do attitude with alternative solutions and has streamlined the practices that will make it easier for businesses to navigate and complete the permitting process. The process for businesses to apply for and receive approval for 'Change of Use' has improved to increase efficiency and decrease the time required for completion.

ONE STOP SHOP

The Town is developing a single point of contact for business owners who are looking to open or expand their business in Okotoks. This includes the following streamlined processes:

- One-point of contact to determine permits/licensing requirements and referrals to Development Services staff when required.
- · Improve the pre-application process.
- Change the Home Occupation form to opt out of business directory rather than opt in.
- En sure businesses update all contact information by adjusting the business license renewal process.
- Provide new businesses with a list of resources and business organizations with their business licenses.
- Ensure businesses are listed properly in the business directory and are under the correct category.







345 JOBS



2020 BUSINESS LICENSES ISSUED INCLUDES OUT OF TOWN LICENSES







LAND USE BYLAW AMENDMENTS (LUB)

Several amendments were made to the Land Use Bylaw to support red tape reduction for businesses. Although the complete LUB rewrite is still in the public participation stage, there were some notable updates made in 2019 including:

- Industrial (I3) amendments will increase opportunities for new and expanding businesses with new permitted and discretionary uses.
- South Business Industrial District (I1S) to facilitate business retention and expansion, changes include providing a broader range of uses, clarifying when special conditions apply to specific land, and removing unenforceable clauses from the special conditions section.
- Downtown Central Commercial Business (CCB) changes include additional permitted uses, reducing front yard setbacks, and adding new parking provisions.
- Secondary & Accessory Suites the changes reflect recommendations from the Affordable Housing Task Force. These included reducing the requirements and regulations to ease the process for homeowners to develop suites.

MUNICIPAL DEVELOPMENT PLAN (MDP)

Over the past two years, the Town has undertaken a complete rewrite of the MDP. Public participation played a major role in determining the direction of this new document. In 2019, over 300 residents and business participated in workshops, open houses and an online survey. The final draft plan represents the feedback from stakeholders and the public, technical expertise from staff and consultants, and direction from Council.

Council applied the One Planet Living Framework to the goals and policies of the document, which is a framework that helps articulate how to live within the means of the earth to support

Leading Industries

IN OKOTOKS, 2019











83 HEAVY CONSTRUCTION / INDUSTRIAL

80 EATING ESTABLISHMENT

HOUSEHOLD MAINTENANCE: 73 | RETAIL: 73 AUTOMOTIVE SERV: 65 | GARDENING/LAWN: 60 HOME FURNISHINGS: 58 | BUILDING & DEV: 56 ACCOUNTING/FINANCIAL: 53 | CLEANING: 48

social, economic and environmental health and wellbeing. The proposed plan streamlines processes, supports sustainable types of development, and increases the variety and diversity of housing types, integrating affordable and multi-family housing forms into neighbourhoods throughout Okotoks.

As well, policy changes in the updated plan (e.g. increased density & commercial/industrial growth) will lower residential tax rates, long-term.

These benefits and many more will contribute to a successful and vibrant community that is unique, fiscally responsible and dynamic to change! The final document is scheduled to be presented to Council in August 2020 for first reading. To learn more, review the updated plan at www.okotoks.ca/MDP.



ENCROACHMENT POLICY

Amendments to Council's Encroachment Policy were approved, which further encourages the use of blade signage in the Central Commercial Business district in accordance with the Downtown Urban Design Master Plan. This increases the visibility of business signage to traffic driving by.

NORTHRIDGE DRIVE URBANIZATION PROJECT

To accommodate current development and future growth, the Town plans to complete upgrades to Northridge Drive, which will create uniformity throughout this transportation corridor.

In 2019, the Town invited residents and stakeholders to provide input on the proposed future concept for this area. The goal is to create a vibrant and well-connected transportation network for residents and visitors, supplement new neighbourhood growth, encourage active living and improve daily commutes.

KEY RESULT AREAS & INITIATIVES

The downtown is a destination used by a wide range of people and for an increasing range of activities.

Downtown events continued to be very well attended in 2019. Many were family-focused with a few adult oriented events. Enhanced risk management training for staff and volunteers was standardized for events. Event waste was significantly reduced through increased 'waste stations' that provided onsite and in-person education to the public on waste sorting.

LIGHT UP OKOTOKS
WAS MOST POPULAR EVENT

WITH 10,000+ PEOPLE

Community Events

LIST OF SOME POPULAR EVENTS

Champion Park Open House

Parade & Children's Festival

Canada Day

BuskersFest

Taste of Okotoks

Chilifest

Light Up Okotoks

Seniors Tea

Volunteer Appreciation

New Year's Eve









KEY RESULT AREAS & INITIATIVES

Provide new innovative neighbourhoods that embrace complete neighbourhood design, including diversified housing options for all lifestyles at all stages of life.

AFFORDABLE HOUSING

Council approved recommendations from the Affordable Housing Task Force to amend the definition of affordable housing to costs that represent less than 30 percent of before-tax household income.

For renters, this includes all shelter costs, including rent, electricity, fuel, water and other municipal services. For owners, the cost includes mortgage payments (principal and interest), property taxes, and any condominium fees, along with payments for electricity, fuel, water and other municipal services.

The Town has now amended the Land Use Bylaw to allow secondary suites throughout Okotoks and improved the Town's ability to streamline the approval process. This will encourage more rental units to be built through secondary or accessory suites. The Town purchased land in the D'Arcy neighbourhood to develop affordable housing, in partnership with Westwinds Communities and Rowan House. Westwinds Communities is planning to build a 60-unit facility with 15 units allocated as market housing and 45 units as non-market (affordable) housing. Westwinds will reimburse the Town for all land costs for the market units, and is required to reimburse up to 50 percent for the remaining units. Construction has been delayed due to the COVID-19 crisis. Rowan House has delayed development of its project due to the current economic situation.

LEVERAGING PARTNERSHIPS

Multiple partners are helping to develop the Okotoks Arts & Learning Campus, which will begin construction in 2020, these include Foothills School Division, Christ the Redeemer School Division, Bow Valley College, Okotoks Public Library, and Community Futures. The campus aims to create a new and vibrant hub for downtown Okotoks. The campus will provide post secondary and high school opportunities as well as expand the current library's services. The project will also include a new outdoor gathering and event space. The new development is respectful of the river valley and will showcase Okotoks as a leader in functional, sustainable design. Construction began in spring 2020.





DECEMBER 2019

JANUARY 2020

WITH 864 UNIQUE USER ACCOUNTS REGISTERED

TRANSIT PASSENGERS

including active transportation and local transit that meet citizen's needs.

ON DEMAND TRANSIT

The Okotoks' On Demand Transit system was launched in December 2019 and has been extremely successful with the number of shared rides increasing each month. This curb-to-curb service uses an app where residents book their ride and pay online. It is one of the only transit systems in North America that is a completely on-demand service.

Provide a variety of mobility options

Before the service was launched, the Town held a number of education sessions at seniors' care centres, local schools and organizations to explain how it would work. Staff also had a table at the annual Chilifest and at the Okotoks Chamber of Commerce Trade Show. To ensure all residents had easy access to the service, the Town has provided printed tickets in addition to the online payment system. Several local grocery and convenience stores have agreed to sell the tickets.

In the first three months 8062 passengers used the service at an average of three passengers per vehicle hour (pvh) with over 40 percent being shared rides. There are 864 unique user accounts registered, which represents a minimum of three percent of the Town's population (some user accounts are



FIRST 3 MONTHS (DEC 2019-FEB 2020)

8062 PASSENGERS **TRANSPORTED WITH OKOTOKS TRANSIT**

AVERAGE OF 3 PASSENGERS PER VEHICLE HOUR (PVH) WITH OVER 40% BEING SHARED RIDES

3 NEW TRANSIT VEHICLES

NEW TRANSIT VANS ARE HYBRID VEHICLES WITH THE CAPACITY FOR 10 PASSENGERS



KEY RESULT AREAS & INITIATIVES

Okotoks has distinctive character and identity that is reflected in our built form.

MUNICIPAL HERITAGE DESIGNATION PROGRAM

Two properties received designation in 2019 under the new Municipal Heritage Designation Program. Okotoks' historic post office was the first privately owned building in Okotoks to receive heritage designation. It has been repurposed as a restaurant, presently known as Bistro 1882. It is significant for its notable and unique design features of pressed metal cladding and a boomtown front façade with corbelled cornice.

The other designation was for the Rotary Performing Arts Centre (RPAC). The property's historical significance is partially due to its being the setting for the one of the first United Church congregations in Canada. The church's irregular design, steeply pitched roof, bell tower, and location also contribute to its historical value.

The Town is currently exploring an additional 15 sites that may have potential for heritage designation including Old Macleod Trail and the Okotoks Art Gallery at the Station.





\$6 MILLION
INDUSTRIAL, COMMERCIAL
AND INSTITUTIONAL (ICI)
CONSTRUCTION

\$46 MILLION
RESIDENTIAL CONSTRUCTION



156 NEW HOMES STARTED



122 DETACHED 34 SEMI-DETACHED

3729 PERMIT INSPECTIONS CONDUCTED





+65KM BIKE ROUTE OF PRIMARY INTER-CONNECTED PATHWAY SYSTEMS

SNOW-CLEARED 7 DAYS PER WEEK TO PROMOTE ACTIVE TRANSPORTATION



172 HECTARES
OF PUBLIC PARKS
AND OPEN SPACES

325 HECTARES
OF NATURALIZED
AREA/RIVER VALLEY





Expand on Okotoks' identity/reputation with new bold, innovative initiatives that demonstrate we are the leaders in environmental stewardship.

CLIMATE CHANGE ACTION PLAN (CCAP)

The Climate Change Action Plan (CCAP) is a two-phased plan that spans over a 24 month period. Phase 1 is the development of a Climate Resilience Express Action Plan (September 2018 - 2019) and Phase 2 is the development of a Climate Change Action Plan (September 2019 - December 2020).

ENVIRONMENTAL INITIATIVES

The Green House Gas (GHG) inventory, forecast and targets plan has been completed. In addition to GHG benchmarking work, the Town has completed the QUEST energy resilience project in collaboration with the Federation of Canadian Municipalities (FCM).

With the help of the Municipal Climate Change Action Centre (MCCAC) grant for Municipal Electric Vehicles, Okotoks Municipal Enforcement purchased a fully electric two-seat Polaris Ranger to add to its vehicle fleet for access to off-road areas. The 30 horsepower, two person all-wheel drive Ranger can travel up to 40 km/hour with a range of approximately 80 km per charge, and will be used during special events, pathways and river valley patrols, as well as accessing remote locations during emergencies.

In 2019, the Town of Okotoks, Enmax, and the Municipal Climate Change Action Centre began the installation of a 509 kw Photo Voltaic (PV) solar system on the Operations Centre's Fleet and ECO Centre roofs. The project, to be completed Spring 2020, will save approximately \$30,000 in electrical costs for the Waste Water Treatment Plant. As this facility is one of the Town's largest energy consumers, the use of renewable energy

will reduce the Town's greenhouse gas emissions by over 400 tonnes per year. This project was partially funded by MCCAC's Alberta Municipal Solar Program.

Under MCCAC's Recreation Energy Conservation Program, the Town has engaged 3D Energy Ltd. to complete an engineering and financial feasibility assessment on implementing a co-generation unit between the ice rinks and pool at the Okotoks Recreation Centre

ENVIRONMENTAL EDUCATION CENTRE

The Environmental Education Centre welcomed over 800 visitors in 2019 including school groups, community groups, and participants in Town-led workshops.

New elements were added to the centre including history of the Big Rock, and a climate change timeline, which provides a visual representation of how climate has changed over the past 15,000 years. Another new feature is an interactive display on the Okotoks river valley, highlighting water use throughout the year and in different types of yards.



WASTE SERVICES







STYROFOAM COLLECTED 3.3 TONNES

GARBAGE TONNAGE TO LANDFILL

3093



FROM CURBSIDE WASTE COLLECTION



CONSERVATION EDUCATION PROGRAM

This program increases awareness, understanding and participation in achieving environmental stewardship targets. A total of 2,158 households were visited and it is estimated that over 3,065 additional residents were reached through displays at special events and other pop-up locations in Okotoks. The 2019 program also hosted in-depth school presentations and workshops, engaging an estimated 900 children. In addition to their primary education and engagement role, the educators assisted with the waste diversion stations at community events helping to divert 73 percent of event waste from the landfill. This is up from a diversion rate of 62 percent in 2018.

New to 2019 were free lawn and yard assessments and home energy assessments. There were 36 lawn and yard assessments completed from June to August and 81 energy assessments completed from June to December. Thanks to a Provincial grant, a Conservation Educator provided free home energy assessments throughout the year.

KEY RESULT AREAS & INITIATIVES

Promote and provide incentives for environmental related businesses to move and/or locate pilot projects in Okotoks.

The Town has been meeting with public and private enterprises to connect them with local opportunities.



Promote and provide incentives for new environmental initiatives for both residential and commercial.

REPAIR CAFÉS

The Town hosted four Repair Cafés throughout 2019, where residents had broken appliances and small items repaired. A total of 12 volunteers participated in the cafes and assessed 178 items for repair, fixing 64 percent of all items. The popular event had a total of 136 people visiting the Cafés.

GREEN LIVING WORKSHOPS

Approximately 205 people participated in 11 Green Living workshops offered throughout the year. These included information sessions on gardening, green cleaning products, native bees and more.

WATER CONSERVATION REBATE PROGRAM

A total of 301 households received funding from the water conservation rebate program. The average rebate per participating household was \$97 with mulch and drought tolerant plants being the most popular items purchased. In 2019 the program expanded to include water timers and humidifier Water Savor™ controllers.

The Town worked with local nurseries to encourage them to stock bedding plants that were eligible for the rebate. The xeriscape element of the rebate program was offered again as a part of the overall program. It provides opportunities for residents to transform their traditional turf into a xeriscape landscape, which uses 40-60 percent less water! Twelve households participated in the program in 2019 and received over \$10,000 in rebates.

WATER SERVICES



THANK YOU FOR DOING YOUR PART IN MAKING OKOTOKS A LEADER IN WATER CONSERVATION IN CANADA!

235 CANADIAN AVERAGE DAILY RESIDENTIAL USE

173 OKOTOKS

AVERAGE DAILY RESIDENTIAL USE

LITRES PER PERSON PER DAY



1372 PEOPLE SIGNED UP TO THE WATER METER PORTAL



REBATE PROGRAM



12 HOUSEHOLDS XERISCAPED THEIR YARDS TOTAL OF \$10,636 PROVIDED IN REBATES



Promote community accountability where residents actively contribute to the safety, health and wellbeing within their neighbourhood and their community in a variety of ways.

EMERGENCY MANAGEMENT PLAN AND FLOOD ACTION PLAN

The Emergency Management Plan and Flood Action Plan are updated annually and Town staff participate in mock exercises two or three times per year. Phase one of the Business Continuity Plan was completed in 2019, focusing on essential public services that cannot be inactive for more than one to three days. Work on establishing back-up plans for business centres continued in 2020.

URBAN DEER TASK FORCE

Council approved the formation of a citizen-based Urban Deer Task Force to research best practices and establish an urban deer management strategy. Due to the COVID-19 pandemic, the Task Force's work has been delayed slightly.

RIVERSIDE INCLUSIVE PLAYGROUND

The Rotary Club of Okotoks contributed and installed a group picnic shelter to enhance the site.





MUNICIPAL ENFORCEMENT

Okotoks Municipal Enforcement (OME) works to educate the public, raise awareness and gain compliance on Town bylaws and provincial acts and regulations. OME consists of six full-time Peace Officers, one casual Drug Abuse Resistance Education (DARE)/School Resource Officer and seven practicum students.

Peace officers hosted a number of public service clinics for the community in 2019, including 28 in-school education program visits. During the commercial vehicle inspection clinic in June, officers provided free inspections on 52 vehicles, weigh-ins and a collaborative question and answer session. The annual Charity Check Stop was very successful with four pick-up trucks of food and \$8,900 donated for the local food bank and Rowan House Emergency Shelter.



The Okotoks detachment provides 24-hour policing and has 25 RCMP officers, three officers in the plain-clothes section and eight municipal support staff. The General Investigation/Crime Education Unit work together proactively on issues such as drug trafficking, liquor matters and prolific offenders. In 2019, there was a four percent decrease in the crime rate. To foster a safe community residents are encouraged to get involved and get to know their neighbours!

Municipal Enforcement and RCMP work together on community, policing initiatives such as Victim Services, Citizens on Patrol and public education initiatives such as DARE, Anti-Bullying, internet safety, block/neighbourhood watch, and more. Okotoks continues to be one of the safest communities in Alberta.

RCMP reported a decrease of five percent in other criminal code offences and a two percent increase in property crime. Break and enter crimes decreased by 17 percent, theft of motor vehicles decreased by five percent and theft under \$5,000 increased 14 percent.

RCMP members attended several community events in Okotoks including Hometown Hockey, Emergency Preparedness Week, Okotoks Parade & Children's Festival, BuskersFest, Canada Day, Okotoks Show & Shine, Chilifest, Breakfast with the Guys, Remembrance Day, Light Up Okotoks and the Christmas Eve Parade.



OTHER CRIMINAL CODE OFFENCES

5%

DECREASE

4% DECREASE
OTAL CRIMINAL CODE OFFENCES
WHEN COMPARED TO JANUARY - DECEMBER 2018

PROPERTY CRIME

17%
DECREASE
BREAK AND ENTERS

5%
DECREASE
THEFT OF MOTOR VEHICLES





43% MEDICAL ASSISTANCE



29% FIRES / ALARM ACTIVATIONS



17% SERVICE CALLS & HAZARDS



11% vehicle collisions

777 COMMERCIAL FIRE **SAFETY INSPECTIONS**



4500 PARTICIPANTS

FIRE PREVENTION & SAFETY EDUCATION

SENIORS - 43% CHILDREN - 34% **ADULTS - 23%**



(FIRE DRILLS, HOME INSPECTIONS, CAR SEAT CLINICS, SEMINARS, OPEN HOUSES, SCHOOL TOURS AND PRESENTATIONS)

FIRE SERVICES

The Okotoks Fire Department (OFD) provides emergency response, fire prevention and education and community support to residents from two stations with full time staff. OFD proudly serves the community with 24 firefighters and 20 community (part time) firefighters provide consistent 24 / 7 protection.

This professional team responds to fires, alarms, water and ice rescues, wildfires and hazardous materials incidents in and around Okotoks. OFD supports the Town's EMS partners by responding to serious medical emergencies. Firefighters are licensed primary or advanced care paramedics.

OFD performs fire code inspections on all commercial, business and multifamily occupancies each year to ensure the safety of residents, customers and workers. All career members are also certified Safety Codes Officers, able to provide expert advice and code enforcement.

SOCIAL WELLNESS FRAMEWORK

The Social Wellness Framework was reviewed through extensive public participation and a gap analysis with recommendations to be presented in 2020. There have been ongoing actions to identify and reduce gaps such as participating in an affordable housing review, numerous programs for youth and older adults.

ELDER ABUSE PROGRAM

Okotoks leads the Foothills Elder Abuse Coordinated Community Response, a network of organizations working together to prevent and address elder abuse in the Foothills region.



FAMILY AND COMMUNITY SUPPORT SERVICES (FCSS)

FCSS provided \$204,000 in grants to 14 social service agencies that deliver preventative services to enhance the well-being of individuals, families and the community. Nearly \$85,000 was provided in Innovation Funding for pilot projects that meet the FCSS mandate. The Town continues to offer eligible residents subsidized taxi service through the Community Access Program, which helps seniors and disabled adults remain active community participants.

VOLUNTEER SERVICES

Okotoks continues to be a generous, caring community with 405 adults and youth registered as volunteers (volunteered 4629 hours in 2019). 2019 was the 24th year for the Annual Leadership Awards, where those who make this community stronger through volunteerism were highlighted and appreciated. More volunteers are always needed.

OKOTOKS FAMILY RESOURCE CENTRE (OFRC)

OFRC handled 4641 inquiries, supporting and connecting residents with available resources and social services and making referrals. OFRC's social programs and services directly supported 1651 residents in need, with an increase from 2018 in most programs.

RECREATION IN OKOTOKS

Town residents value recreation, parks, and leisure in Okotoks and it is apparent by the amount of users who used the Town recreation facilities in 2019. Swim lessons and community programs have all increased in numbers and continue to grow along with drop-in admissions at the Okotoks Recreation Centre and the Pason Centennial Centre.

4958 PEOPLE REGISTERED FOR COMMUNITY PROGRAMS





PEOPLE REGISTERED FOR:

13,849 SWIM LESSONS .



2779 SCHOOL SWIM LESSONS

29,280 PEOPLE ENJOYED FREE AND/OR DISCOUNTED SKATES & SWIMS EXCLUDING LEISURE ICE

RENTAL HOURS

AT OKOTOKS RECREATION CENTRE, PASON CENTENNIAL ARENAS, AND OUTDOOR FIELDS



ARENA 15,000 HRS



SPORTS FIELDS 4730 HRS



GYMNASIUM 573 HRS

125,371 DROP-IN FACILITY ADMISSIONS

AT OKOTOKS RECREATION CENTRE & PASON CENTENNIAL ARENAS



Regularly review Town services and service delivery options to determine sustainable community service delivery and gain a better understanding of needs versus wants.

WATER UTILITIES

The Town resumed control of the water and wastewater systems in November 2019. The greatest change has been to internal processes, with the Town assuming responsibility for managing customer inquiries and overseeing maintenance and field operations.

WASTE COLLECTION CHANGES

Waste Services has adjusted the collection schedule to a fourday system for all three carts as of January 2019. The collection routes have been streamlined for increased efficiency now and as the Town grows.

A total of 1572 people have signed on to the Waste app, which provides reminders on collection days and up-to-date information on any changes to the schedule. Utility customers can download the app from the app store by searching for Okotoks.ca/waste.

ON WASTE APP IN 2019





KEY RESULT AREAS & INITIATIVES

Review internal sustainability to develop a staffing and resourcing plan that meets the vision, while creating a resilient and agile administration that anticipates and responds to a rapidly changing environment.

With the approval of several key initiatives, including launching On Demand Transit and developing a Climate Change Action Plan, the Town has identified the priorities to help position Okotoks for growth while providing the services that contribute to a high quality of life for residents.

A crossfunctional, front line committee received customer experience training and are developing a corporate customer experience plan to enhance the Town's corporate culture, clarify expectations and be more citizen-focused in the Town's approach to public participation and service delivery.



Continue to expand strategic conversations between Council, administration and the community to ensure we continue to work together to advance the quality of life for all.

Residents were invited to numerous public participation opportunities in 2019 including workshops, online surveys, and pop-up information sessions for the Municipal Development Plan, Tiny Home Eco Village, changes to the Land Use Bylaw, Paint-a-Potty; the community garden at Kadey Park, and Municipal Heritage Designation Plan.







The Operations Centre Received LEED Gold Certification

The Operations Administration and Fleet buildings received Leadership in Energy and Environmental Design (LEED®) Gold certification. The certification, from the Canada Green Building Council, comes after several years of working toward achieving the status. Green buildings create a healthier environment for occupants through better indoor air quality, less harmful products, and more natural daylight. They also reduce waste, conserve energy, decrease water consumption and drive innovation.





Okotoks Ranked 2nd in Municipal Spending CFIB

The Canadian Federation of Independent Business (CFIB) has ranked Okotoks as the second most fiscally responsible Alberta municipality in real operating spending between 2007 and 2017. Okotoks was one of only three exceptions where spending remained sustainable and balanced with population growth.

Okotoks experienced a 6.3 percent growth in real operating spending per capita from 2007 to 2017 and an operating spending per capita of \$1591 in 2017, which is second only to Cochrane in being fiscally responsible. The Alberta Municipal Spending Watch Report, produced by the CFIB, analyzed operating spending of Alberta municipalities with populations greater than 25,000 in 2017. The results indicated that municipal operating spending within the majority of communities was more than double the rate of population growth during the 10 years.



Be active participants in regional governance, planning and partnership opportunities.

CALGARY METROPOLITAN REGION BOARD

Okotoks is an active member of the Calgary Metropolitan Region Board (CMRB), which guides planning for the region, including opportunities for collaboration to meet the region's short and long-term needs. The Mayor attended monthly board meetings and provided input on behalf of Okotoks. Staff participated in regular technical committee meetings.

REGIONAL PARTNERSHIPS

Administration met with regional partners to discuss shared matters of interest within the Foothills region such as water, waste services and shared facilities agreements.

KEY RESULT AREAS & INITIATIVES

Develop a clear understanding of the Town's Strategic plan and vision for the future; promote and inspire actions that contribute to, and enhance that vision throughout the community.

STRATEGIC PLAN & PROGRESS REPORTS

Council's strategic plan for 2018-2021 was approved in May 2018. The second progress report was published in September 2019.

WATER UTILITY RATE ADJUSTMENTS

In 2020, rates for water utilities were adjusted to create a more equitable system for the Okotoks community. The changes were recommended after a comprehensive review of the Town's utility services for water, sewer, and waste identified areas for improvement. These adjustments will bring the Town's utility rate structure in line with industry best practices across North America.

Anyone who has ever tried to bring about significant positive change in communities will have been humbled by just how difficult the process really is." Michael & Judie Bopp

KEY RESULT AREAS & INITIATIVES

Increase understanding of the issues various diverse Okotokian audiences have and adjust practices to ensure that Okotoks is known as a respectful and inclusive community.

PUBLIC ENGAGEMENT & COMMUNICATIONS

The Town encourages all residents to get involved and participate in as many public engagement opportunities as possible to learn more and help shape the community. Resident feedback is instrumental in developing plans that are referenced regularly.

Throughout the year, the public was invited to participate in a diversity of workshops, surveys, and pop-up information sessions for many of the Town's projects and initiatives. Some examples included the Municipal Development Plan, the Land Use Bylaw, the Tiny Home Eco Village, the proposed community garden, the Paint-a-Potty project, future upgrades to Northridge Drive, the Arts and Learning Campus and the 2020 Municipal Budget.



COMMUNITY CONNECTOR POLICY AND PLAN

Council held their first connector event in March 2019 at the Okotoks Recreation Centre, where they listened to concerns, suggestions and ideas from residents and shared updates about projects and initiatives happening in the community.

SOCIAL WELLNESS FRAMEWORK SURVEY

The Social Wellness Framework survey was completed in 2019 by almost 300 residents and provides important feedback on the community's impressions of the state of social wellness in Okotoks. The results will help identify priorities for the future programs and services.

PARTICIPATORY BLANKET EXERCISE

Okotoks hosted a participatory Blanket Exercise for Town staff and Council to learn about Indigenous and non-Indigenous peoples in June 2019.

The Blanket Exercise is highly-regarded as an effective tool for furthering the understanding of Indigenous history including the impact of residential schools and historical relations between Indigenous peoples and the Crown. With funding from Alberta Municipal Affairs, twenty-five staff members had the opportunity to participate in Okotoks Blanket Exercise.



YOUTH INITIATIVES

A new youth logo was developed in collaboration with local youth, where more than 100 youth participated in selecting the design. A number of



activities were offered including revamped Friday Teen nights. Free after school bussing to the Okotoks Recreation Centre was introduced in fall 2019 and was very successful.

Youth also participated in a Paint-a-Potty initiative where designs from local youth were used to beautify outdoor toilet buildings in the following parks throughout the community:

Sheep River Park (2) – 99 Woodhaven Drive Howard Park – 197 Woodhaven Drive Riverside Park – 1400 North Railway Street Wylie Park – 99 Okotoks Drive



Local youth were also invited to create the Christmas artwork for the windows at the municipal centre.

2755+ ATTENDED PUBLIC PARTICIPATION OPPORTUNITIES IN OKOTOKS IN 2019

Public Participation Engagement Totals

Including open houses, surveys, trade shows etc.

Arts & Learning Campus 500+

Land Use Bylaw Rewrite 460+

Social Wellness Framework 340+

Municipal Development Plan 300+

2020 Municipal Budget 290+

Paint-a-Potty 260+

Upgrades to Northridge Drive 220+

Website Public Engagement 185+

Land Use Changes to Central Commercial District 100+

Land Use Changes to IS1
Industrial District Land Use 60+

Community Garden 40+

66% of Okotoks Citizens
Support Participating
in Public Engagement
Opportunities in Okotoks.

As per the 2018 Community Household Survey

PUBLIC PARTICIPATION FOR THE MUNICIPAL BUDGET

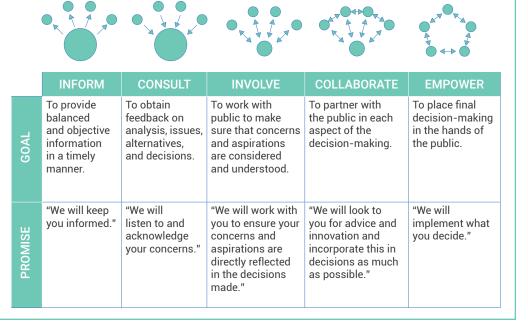
Council has committed to enhancing public involvement in budget decisions through several engagement activities. The budget process begins each spring with the Town identifying budget priorities, and it is finalized when Council approves the budget in December. The portion of funding that comes from taxes is used to build the community and is treated with care, prudence and respect. It is vital that residents are included and have opportunities to provide feedback throughout the process.

The 2019 budget public engagement was conducted through the Community Household Survey. Survey results indicated that 48 percent of residents felt they received good value for their tax dollars so there was much more room to improve. A majority of residents indicated that they would prefer to maintain the current level of services, even if it would require a tax increase to offset inflation.

For the 2020 budget process, the Town launched an online survey in May 2019 that focused on the operating portion of the annual budget. The survey was available online for approximately four weeks. Approximately 286 residents completed the survey.

Spectrum of Public Participation

produced by the International Association for Public Participation (IAP2). Like many local governments, the Town of Okotoks uses the spectrum to have internal discussions about what level of public participation is needed for a given issue, and to properly communicate "the promise to the public" both internally and externally. Each type of participation, from "inform" to "empower," can be useful and appropriate in different circumstances. Many factors determine the level of public participation required in a process, such as Council priorities, history of and context for the issue, and potential impacts of the initiative (e.g., financial, quality of life, health and safety, environmental, lifestyle, etc.).







Ensure that the Town's fiscal health is defined and communicated.

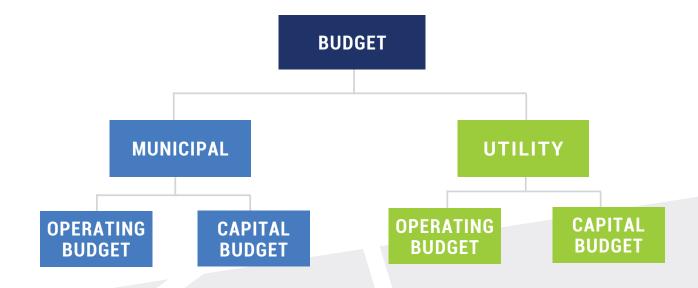
The municipal operating budget is developed and approved annually to finance the delivery of programs and services to the community according to Council approved service levels. The corporate budget is the fiscal plan that supports the initiatives that will achieve the community vision and Council priorities.

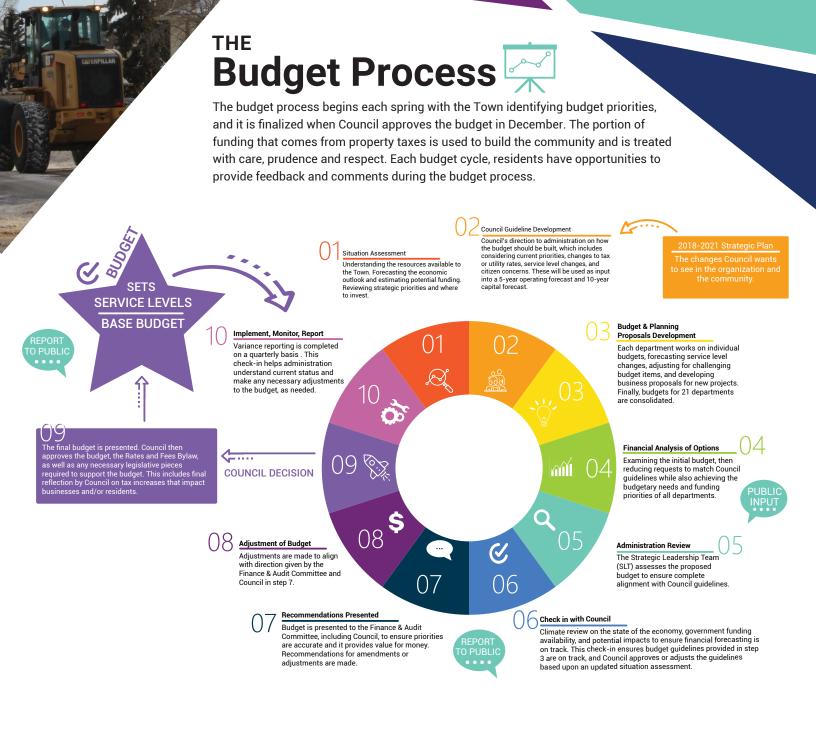
Each year Council also reviews and adjusts the 10-year Capital Plan, which sets the priorities for major capital projects and determines the level of reserves the Town needs to save to fund future capital initiatives.

Town Council's strategic direction and priorities establish the guidelines for the initial steps in preparing the annual operating and capital budgets. In developing the budget, the Town also follows approved financial policies, which ensures a consistent approach and adoption across the Town's business centres, while aligning with Council's fiscal direction. The budget is established with a strong understanding of its impacts on future years and the ability to fund future projects and initiatives. This supports the Town's commitment to being fiscally responsible.

The Town of Okotoks' budget is divided into two categories: Municipal and Utility.

These are further subdivided into the operating and capital budgets as illustrated below:





The Town of Okotoks' revenue comes from a variety of sources:

- Property Taxes paid by residents and businesses to help cover the costs of the municipal services they use.
- Sales & User fees including utility charges, franchise fees, fines, permits and facility rentals.
- Government Transfers funds received from the provincial and federal governments, as well as neighbouring municipalities.

The Town is also required to collect requisitions on behalf of the Province of Alberta for education, the Westwinds Foundation for local senior housing and the Okotoks Library. The Town does not set or control these levies and passes this revenue directly onto the province and others.



Financial Health Framework

The 2018-2021 Strategic Plan has identified and prioritized strategic goals to help achieve the Town's vision, to accomplish these goals. The Town must have the financial capability to do so. This is referred to as financial health, which is the long-term ability to deliver the level and types of services expected by the community, as well as meeting financial commitments at acceptable levels of taxation in relation to the environment in which the Town operates.

Numerous financial challenges and pressures can threaten the Town's financial health. These issues include, but are not limited to, expenditure pressures, new growth, inflation, securing sustainable revenues and funding sources, emergency events, and pressure to keep municipal taxes affordable.

The Long-Term Financial Health Framework (FHF) has been created to consider future financial challenges through agreed-upon principles, strategies and processes. The implementation of the framework will guide the Town in making decisions necessary to plan for financial health, while maintaining a level of adaptability, in order to help achieve the strategic plan's vision.

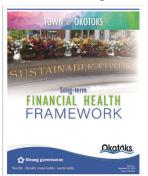
OUTCOME

The primary outcome of the framework is to be used as a reference in all financial decision-making in the organization. This includes informing master-planning, capital planning, budgeting processes, as well as other emergent financial issues.

THE FRAMEWORK

The FHF identifies financial health principles and impacts to be considered in financial decision-making, and outlines significant financial planning areas and associated financial strategies to

be followed. The framework also identifies future strategy areas based on current knowledge, where further work may be warranted to refine and/or create new financial strategies. Additionally, the framework establishes a collaborative, long-term process that will be repeated on a four-year cyclical basis to complement the strategic plan.

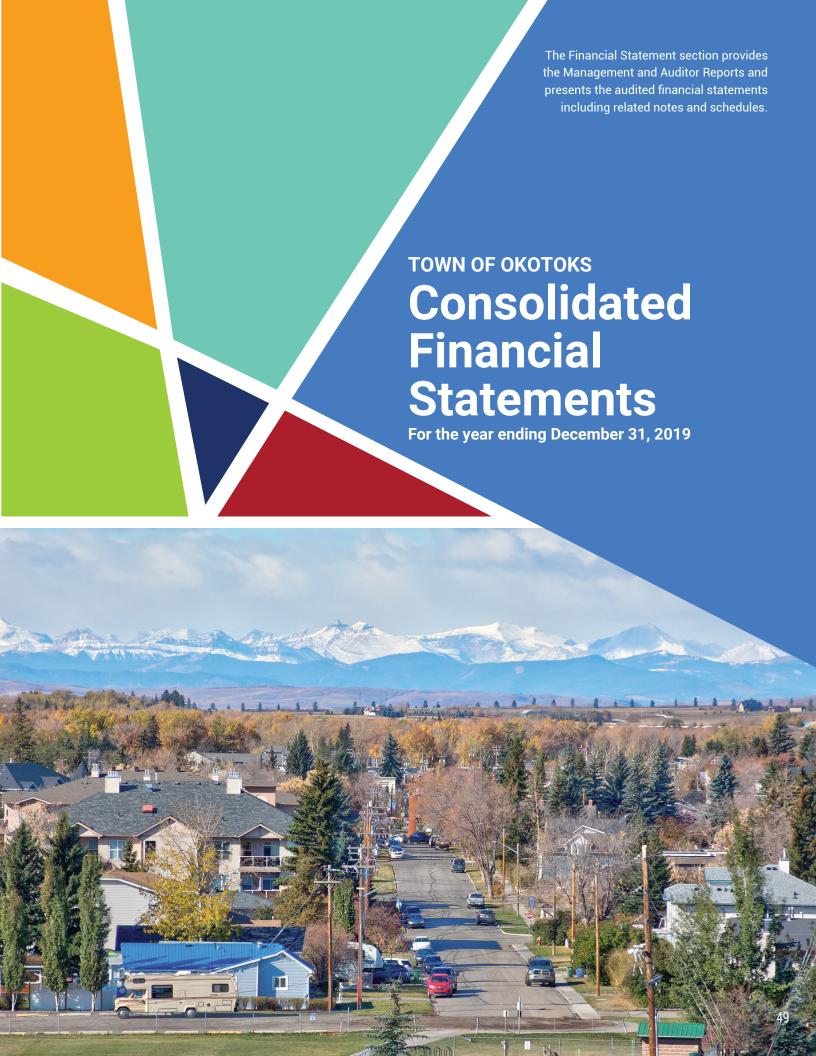


THE PROCESS

Create long-term financial forecasts and scenarios to illustrate future financial challenges and facilitate a long-range perspective for decision-makers. Use the long-term financial forecasts and scenarios to help illustrate the need for financial strategies, guide which current strategy areas may need to be refined and/or identify the need to create new strategies.









INDEPENDENT AUDITOR'S REPORT

To: The Mayor and Members of Council of the Town of Okotoks

Opinion

We have audited the consolidated financial statements of the Town of Okotoks which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town of Okotoks as at December 31, 2019, the results of its operations, change in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 28 to the financial statements which describes the amendments made to the prior year's figures. Our audit opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

INDEPENDENT AUDITOR'S REPORT, continued

- Identify and assess the risks of material misstatement of the financial statements, whether due to
 fraud or error, design and perform audit procedures responsive to those risks, and obtain audit
 evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not
 detecting a material misstatement resulting from fraud is higher than for one resulting from error, as
 fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of
 internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures
 that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the
 effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

- Debt Limit Regulation: In accordance with Alberta Regulation 255/2000, we confirm that the Town is in compliance with the Debt Limit Regulation. A detailed account of the Town's debt limit can be found in note 23.
- Supplementary Accounting Principles and Standards Regulation: In accordance with Alberta Regulation 313/2000, we confirm that the Town is in compliance with the Supplementary Accounting Principles and Standards Regulation and note the information required can be found in note 21.

Lethbridge, Alberta

April 27, 2020

Chartered Professional Accountants

Svail LSP

MANAGEMENT REPORT

The consolidated financial statements are the responsibility of the management of the Town of Okotoks.

These consolidated financial statements have been prepared from information provided by management. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The Town maintains systems of internal accounting and administrative controls that are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Town's assets are properly accounted for and adequately safeguarded.

The elected Council of the Town is responsible for ensuring that management fulfils its responsibilities for financial statements. Council carries out its responsibility principally through the Finance and Audit committee.

The Council, through its Finance and Audit committee, meets annually with management and the external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, and to satisfy itself that each party is properly discharging its responsibilities. Council also considers the engagement or re-appointment of the external auditors. The Finance and Audit committee reviews the quarterly financial reports.

The consolidated financial statements have been audited by Avail LLP Chartered Professional Accountants, the external auditors, in accordance with Canadian generally accepted auditing standards on behalf of the Council, residents and ratepayers of the Town. Avail LLP has full and free access to the Council.

Chief Administrative Officer

TOWN OF OKOTOKS CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at December 31, 2019 (\$ thousands)

	2019	2018 (restated)
Financial assets		
Cash and temporary investments (note 2)	\$ 12,215 \$	5,576
Taxes and grants in place of taxes receivable (note 3)	2,373	2,239
Trade and other receivables (note 4)	13,494	15,153
Land held for resale	3,313	679
Loans receivable (note 5)	170	210
Inventory held for resale	140	148
Investments (note 6)	37,251	39,658
	68,956	63,663
Liabilities		
Accounts payable and accrued liabilities	7,110	5,570
Employee benefit obligations (note 7)	1,124	1,023
Deposits	1,320	1,382
Deferred revenue (note 8)	2,107	6,105
Long-term debt (note 9)	21,924	14,259
	33,585	28,339
Net financial assets	35,371	35,324
Non-financial assets		
Prepaid expenses	211	205
Inventory for consumption	81	290
Tangible capital assets (schedule 2)	375,502	370,915
	375,794	371,410
Accumulated surplus (note 10 and schedule 1)	\$ 411,165 \$	406,734

Commitments and contingencies (note 22)

Approved on behalf of Council:

Mayor Chair, Finance and Audit Committee

TOWN OF OKOTOKS CONSOLIDATED STATEMENT OF OPERATIONS For the year ended December 31, 2019 (\$ thousands)

				(+	,
		Budget	2019	20)18
	(Unaudited)		(restate	ed)
Revenue					
Net municipal taxes (note 13)	\$	28,915	\$,	\$ 27,9	
User fees and sales of goods		18,685	20,344	26,8	
Government transfers for operating (note 14)		3,762	4,508	3,8	
Investment income		894	1,275	1,0	
Penalties and costs of taxes		499	641		87
Franchise and concession contracts		2,800	3,130	1,5	
Rental		2,747	2,615	2,2	
Other Donations		360 196	872 281		889 294
Donations		190	201		.94
		58,858	62,822	65,2	263
Expenses (note 15)					
Legislative		1,204	1,136	1,2	31
Administration		8,841	8,565	8,4	
Protective services		11,586	11,791	11,2	
Common and equipment pool		1,647	1,550	1,4	
Roads, streets, walks, lighting		6,095	6,319	6,2	
Public transportation		496	234		80
Storm sewers and drainage		894	1,002		351
Water supply and distribution		4,541	5,210	4,6	
Wastewater treatment and collection		3,817	6,257	3,7	
Waste management		2,647	2,898	2,5	
Family and community support services		995	1,014	1,1	
Cemeteries and crematoriums		216	214	2	233
Planning and development		3,172	3,369	2,5	71
Parks and recreation		14,463	14,078	12,8	98
Culture - libraries, museums, halls		1,023	1,011	1,0	72
		61,637	64,648	58,4	38
(Deficiency) excess of revenue over expenses		(2,779)	(1,826)	6,8	25
before other		(2,119)	(1,020)	0,0	023
Other		4.000	F 400	5 0	
Government transfers for capital (note 14)		4,626	5,466	5,6	
Contributed assets (note 20) Capital donations		-	319 472	2	245
Capital donations			4/2	-	
		4,626	6,257	5,9	28
Excess of revenue over expenses (note 27)		1,847	4,431	12,7	<u>′53</u>
Accumulated surplus, beginning of year					
As previously stated		404,389	404,389	391,5	73
Prior period adjustment (note 28)		,	2,345	2,4	
As restated		404,389	406,734	393,9	
		·			
Accumulated surplus, end of year	\$	406,236	\$ 411,165	\$ 406,7	34

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the year ended December 31, 2019
(\$ thousands)

	Budget (Unaudited)		2019	2018 (restated)
Excess of revenue over expenses	\$	1,847 \$	4,431 \$	12,753
Acquisition of tangible capital assets Amortization of tangible capital assets Contributed assets Loss on disposal of tangible capital assets Proceeds on disposal of tangible capital assets		(19,042) 9,698 - - -	(17,715) 10,316 (319) 2,846 285	(12,215) 9,832 (245) 289 168
9		(9,344)	(4,587)	(2,171)
Net change in inventory for consumption Net change in prepaid expense		-	209 (6)	(29) (16)
		-	203	(45)
Increase (decrease) in net financial assets		(7,497)	47	10,537
Net financial assets, beginning of year As previously stated Prior period adjustment (note 28)		34,894 -	34,896 428	24,359 428
As restated		34,894	35,324	24,787
Net financial assets, end of year	\$	27,397 \$	35,371 \$	35,324

CONSOLIDATED STATEMENT OF CASH FLOW For the year ended December 31, 2019 (\$ thousands)

	2019	2018 (restated)
Operating transactions		
Excess of revenue over expenses	\$ 4,431 \$	12,753
Adjustments for items which do not affect cash	0.046	200
Loss on disposal of tangible capital assets Amortization of tangible capital assets	2,846 10,316	289 9,832
Contributed assets	(319)	(245)
Contributed decete	, ,	<u> </u>
Not change in non-cook working conital items	17,274	22,629
Net change in non-cash working capital items Taxes and grants in place of taxes receivable	(134)	82
Trade and other receivables	1,659	(2,364)
Inventory held for resale	8	(2,304)
Land held for resale	(2,634)	-
Loans receivable	` 40 [′]	130
Inventory for consumption	209	(29)
Prepaid expenses	(6)	(16)
Accounts payable and accrued liabilities	1,540	(3,027)
Employee benefit obligations	101	68
Deposits	(62)	(173)
Deferred revenue	(3,998)	112
Cash provided by operating transactions	13,997	17,421
Capital transactions		
Proceeds on disposal of tangible capital assets	285	168
Acquisition of tangible capital assets	(17,715)	(12,215)
Cash applied to capital transactions	(17,430)	(12,047)
Investing transactions		
Decrease (increase) in investments	2,407	(2,285)
		(=,===)
Financing transactions	44.000	
Proceeds of long-term debt Repayment of long-term debt	11,000 (3,335)	- (2.100)
Repayment or long-term debt	(3,333)	(3,190)
Cash provided by (applied to) financing transactions	7,665	(3,190)
Increase (decrease) in cash and temporary investments	6,639	(101)
Cash and temporary investments, beginning of year	5,576	5,677
Cash and temporary investments, end of year	\$ 12,215 \$	5,576

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

(\$ thousands)

1. Significant accounting policies

The consolidated financial statements of the Town of Okotoks are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Town are as follows:

(a) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenue and expenses, changes in fund balances and change in financial position of the reporting entity which comprises all of the organizations that are owned or controlled by the Town and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

Taxes levied also includes requisitions for educational, health care, social and other external organizations that are not part of the municipal reporting entity.

The statements exclude trust assets that are administered for the benefit of external parties. Interdepartmental and organizational transactions and balances are eliminated.

(b) Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

(c) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expense during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

(\$ thousands)

1. Significant accounting policies, continued

(d) Investments

Investments are recorded at amortized cost. Investment premiums and discounts are amortized on the net present value basis over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

(e) Inventories for resale

Land held for resale is recorded at the lower of cost and net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping, and leveling charges. Related development costs incurred to provide infrastructure such as water and waste water services, roads, sidewalks, and street lighting are recorded as physical assets under their respective function.

(f) Debt charges recoverable

Debt charges recoverable consist of amounts that are recoverable from municipal agencies or other local governments with respect to outstanding debentures or other long-term debt pursuant to annexation orders or joint capital undertakings. These recoveries are recorded at a value that equals the offsetting portion of the unmatured long-term debt, less actuarial requirements for the retirement of any sinking fund debentures.

(g) Tax revenue

Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred.

Requisitions operate as a flow through and are excluded from municipal revenue.

(h) Contaminated sites liability

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of a contaminated site is recognized when a site is not in productive use and is management's estimate of the cost of post-remediation including operation, maintenance and monitoring.

(i) Government transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

(\$ thousands)

1. Significant accounting policies, continued

(j) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the consolidated Change in Net Financial Assets for the year.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	Years	
Land improvements	15-25	
Buildings	25-50	
Engineered structures	25-75	
Machinery and equipment	5-25	
Vehicles	10-25	

Amortization is charged in the month of acquisition and in the month of disposal. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

(iii) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

(iv) Inventories

Inventories held for consumption are recorded at the lower of cost and replacement cost.

(v) Cultural and historical tangible capital assets

Works of art for display are not recorded as tangible capital assets but are disclosed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

(\$ thousands)

2. Cash and temporary investments

The Town has authorized a line of credit with TD Commercial Banking to a maximum of \$5,400. The line of credit bears interest at the prime rate. As at December 31, 2019, the line of credit was undrawn.

Included in cash is \$1,320 (2018 - \$1,382) of deposit liability funds which are not available for current purposes.

3. Taxes and grants in place of taxes receivables

	2019	2018
Taxes and grants in place of taxes receivable Arrears	\$ 1,813 560	\$ 1,620 619
	\$ 2,373	\$ 2,239

4. Trade and other receivables

		2019	2018
Acreage assessments	\$	5,587 \$	8,425
Provincial grants	*	2,630	1,699
Utility accounts		2,397	2,232
Trade receivables		2,006	2,033
GST		404	437
Recreation receivables		348	239
Investment receivables		148	131
Annexation off site levy costs		-	59
Allowance for doubtful accounts		(26)	(102)
	\$	13,494 \$	15,153

5. Loans receivable

	2019	2018
Foothills Dawg's Baseball Club	\$ 170 \$	210

An agreement was signed between Foothills Dawg's Baseball Club Ltd. and the Town in 2014 to fund stadium improvements. The loan is interest free and is to be repaid within the 10 year term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

(\$ thousands)

6. Investments

	2019			20	18	
	Cost	Ma	rket value	Cost	Ν	larket value
				(restated)		(restated)
Bonds	\$ 37,251	\$	37,245	\$ 39,658	\$	38,235

The investments consist of bonds and principal protected notes that earn interest at rates between 2.35% and 4.86% with maturity dates between 2020 and 2029.

7. Employee benefit obligations

	2019	2018
Vacation and overtime Long-term service benefit	\$ 703 421	\$ 718 305
	\$ 1,124	\$ 1,023

Vacation and overtime

The vacation and overtime liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits (and they are vested) or are entitled to these benefits within the next budgetary year.

Long service benefits

The long service benefit liability is comprised of one day salary per year of service (at current pay rates) for those employees with ten or more years of service, as per policy. The liability will be paid upon retirement subject to compliance with the terms and arrangements at that time.

8. Deferred revenue

	2019	2018
Basic Municipal Transportation grant	\$ 882 \$	1,965
Services not yet provided	659	795
Recreation centre administrative grants	247	249
Other provincial grants	148	464
General administrative grants	143	277
Resource centre grant	20	25
Family and Community Support Services	8	2
Municipal Sustainability Initiative - operating	-	54
Municipal Sustainability Initiative - capital	-	1,415
Cultural grant	-	2
Federal Gas Tax Fund	_	857
	\$ 2,107 \$	6,105

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2019
(\$ thousands)

9. Long-term debt

	2019	2018
Self-supported long-term debt - capital Self-supported long-term debt - future capital projects	\$ 15,893 6,031	\$ 14,259 -
Debentures	\$ 21,924	\$ 14,259
Current portion	\$ 3,479	\$ 3,336

Principal and interest repayments are due as follows:

		Principal		Interest		Total
2020	\$	3,479	\$	633	\$	4,112
2021	Ψ	1,172	Ψ	509	Ψ	1,681
2022		1,176		469		1,645
2023		1,053		429		1,482
2024		816		396		1,212
Thereafter		14,228		3,545		17,773
	\$	21,924	\$	5,981	\$	27,905

Debenture debt is repayable to Alberta Capital Finance Authority. Debentures outstanding at December 31 bear interest at rates ranging from 2.27% to 5.26% per annum, before Provincial subsidy, and mature in periods 2020 through 2044.

Debenture debt is issued on the credit and security of the Town at large.

Interest on long-term debt amounted to \$590 (2018 - \$659).

The Town's total cash payments for interest in 2019 were \$520 (2018 - \$666).

10. Accumulated surplus

Accumulated surplus consists of internally restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2019	2018 (restated)
Unrestricted surplus Internally restricted surplus (reserves) (note 11) Equity in tangible capital assets (note 12)	\$ 10,979 40,577 359,609	\$ 3,184 46,894 356,656
	\$ 411,165	\$ 406,734

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2019
(\$ thousands)

11. Reserves

Reserves for operating and capital activities are as follows:

	2019	2018
Operating		
Finance and systems	\$ 1,500	\$ 1,500
Development services	748	870
Corporate and strategic	2,422	564
Community services	464	580
Infrastructure services	-	279
Protective	240	251
Safety	-	60
Family & Community Support Services	7	7
Utility services	553	(689)
	5,934	3,422
Capital		
Infrastructure services	8,984	14,652
Recapitalization	19,832	12,930
Utility services	814	9,429
Community services	4,442	5,416
Refuse and recycling	176	601
Corporate and strategic	395	395
Development services	-	49
	34,643	43,472
	\$ 40,577	\$ 46,894

12. Equity in tangible capital assets

	2019	2018 (restated)
Tangible capital assets (schedule 2) Accumulated amortization (schedule 2) Long-term debt (note 9) Long-term debt - future capital projects (note 9)	\$ 500,534 \$ (125,032) (21,924) 6,031	489,288 (118,373) (14,259)
	\$ 359,609 \$	356,656

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

(\$ thousands)

Net municipal property taxes						
		Budget (Unaudited)		2019		2018
Taxation Real preparty taxas	\$	44,350	¢	44 544	\$	40.77
Real property taxes Linear property taxes	Ф	324	\$	44,511 336	Ф	42,77 31
Government grants in place of property taxes	;	41		39		4
Special assessments and local improvements		3		3		,
		44,718		44,889		43,13
Requisitions						
Alberta School Foundation Fund		12,188 634		12,033 634		11,61
Seniors Lodge Christ the Redeemer Catholic Separate		2,144		2,229		64 2,14
Okotoks Library Board		837		837		81
		15,803		15,733		15,21
	\$	28,915	\$	29,156	\$	27,91
Government transfers						
		Budget (Unaudited)		2019		201
Transfers for operating:						
Provincial government	\$	1,676	\$	2,330	\$	1,92
Federal government		5		41		4
Other local government transfers Transfer from local boards and agencies		2,024 57		2,068 69		1,79 7
Transfer from local boards and agencies		3,762		4,508		3,83
		3,702		4,306		3,03
Transfers for capital: Provincial government		4,626		5,466		5,68
	\$	8,388	\$	9,974	\$	9,51

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

(\$ thousands)

15. Expenses by object

	 Budget (Unaudited)	2019	2018 (restated)
Salaries, wages and benefits Contracted and general services Materials, goods, supplies and utilities	\$ 24,410 16,700 5.371	\$ 24,497 15,377 5.962	\$ 22,670 14,427 5,568
Bank charges and short term interest Interest on long term debt	72 520	77 590	82 659
Other expenditures Transfers to organizations and others	114 327	95 331	122 413
Purchases from other governments Provision (recovery) for allowances	4,425 -	4,568 (11)	4,345 31
Amortization of tangible capital assets Loss on disposal of tangible capital assets	9,698 	10,316 2,846	9,832 289
	\$ 61,637	\$ 64,648	\$ 58,438

16. Segmented disclosure

The Town provides a range of services to its ratepayers. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements, disclosed in note 1.

Refer to the schedule of segmented disclosure (schedule 3).

17. Local authorities pension plan

Employees of the Town participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the Alberta Public Sector Pensions Plans Act. The plan serves about 265,000 people and 421 employers. The LAPP is financed by the employer and employee contributions and by investment earnings of the LAPP Fund.

Contributions for current service are recorded as expenditures in the year in which they become due.

The Town is required to make current service contributions to the LAPP of 9.39% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 13.84% on pensionable earnings above this amount. Employees of the Town are required to make current service contributions of 8.39% of pensionable salary up to the year's maximum pensionable salary and 12.84% on pensionable salary above this amount.

Total current service contributions by the Town to the LAPP in 2019 were \$1,637 (2018 - \$1,691). Total current service contributions by the employees of the Town to the LAPP in 2019 were \$1,484 (2018 - \$1,550).

At December 31, 2018, the LAPP disclosed an actuarial surplus of \$3.5 billion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

(\$ thousands)

18. APEX Supplementary Pension Plan

The APEX supplementary pension plan, an Alberta Urban Municipalities Association (AUMA) sponsored defined benefit pension plan covered under the provisions of the Alberta Employment Pension Plans Act, commenced on January 1, 2003 and provides supplementary pension benefits to a prescribed class of employees. The plan supplements the Local Authorities Pension Plan.

Contributions are made by the prescribed class of employees and the Town. Employees and the Town are required to make current service contributions to APEX of 2.84% (2018 - 2.84%) and 3.78% (2018 - 3.78%) respectively of pensionable earnings up to \$151 (2018 - \$147).

Total current service contributions by the Town to APEX in 2019 were \$102 (2018 - \$95). Total current service contributions by the employees of the Town were \$76 (2018 - \$71).

19. MuniSERP Supplementary Employee Retirement Plan

In January 2003, Council approved the participation of the Town in the MuniSERP program, a plan available through the Alberta Urban Municipalities Association (AUMA). This plan is a supplemental employee retirement plan (SERP) that provides supplementary benefits to a prescribed class of employees whose retirement income would be affected by the Income Tax Act cap on pension contributions. The supplementary benefit takes the form of a lump sum cash payment upon retirement or death. MuniSERP supplements APEX and LAPP and is a voluntary, non-contributory, non-registered defined benefit employee retirement plan. The retirement benefit expense recorded by the Town in the year is \$228 (2018 \$196).

The cost of post retirement benefits earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimate of salary and benefit escalation and retirement ages of employees. An actuarial valuation was completed on December 31, 2019. The significant actuarial assumptions in measuring the accrued benefit obligation are as follows: expected discount rate of 4.60%, expected salary escalations of 2.75% per year and inflation rate of 2.25%.

20. Contributed assets

Contributed assets consist of the following assets, by type:

	2019	2018
Water Sanitary	\$ 115 204	\$ 191 -
Storm	-	54_
	\$ 319	\$ 245

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2019
(\$ thousands)

21. Salary and benefits disclosure

Disclosure of salaries and benefits for elected municipal officials, the chief administrative officer and designated officers as required by Alberta Regulation 313/2000 is as follows:

	(1)			
	Salary	Benefits & allowances	2019	2018
Council				
W. Robertson, Mayor	\$ 95 \$	4 \$	99 \$	84
F. Christophers	43	4	47	42
K. Heemeryck	43	1	44	42
M. Rockley	43	4	47	42
E. Sands	43	5	48	43
T. Thorn	45	5	50	44
R. Watrin	43	5	48	43
Chief Administrative Officer	\$ 251 \$	40 \$	291 \$	277

- (1) Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.
- (2) Benefits and allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long- and short-term disability plans, professional memberships, and tuition.

Benefits and allowances figures also include the employer's share of the costs of additional taxable benefits including special leave with pay, financial planning services, retirement planning services, concessionary loans, travel allowances, car allowances, and club memberships.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2019
(\$ thousands)

22. Commitments and contingencies

- a) The Town of Okotoks is a member of the Alberta Local Authorities Reciprocal Insurance Exchange. Under the terms of membership, the Town could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.
- b) No provisions have been made for any potential legal claims that may be filed against the Town, as management believes the Town has minimal exposure as at December 31, 2019.
- c) The Town also participates in the following boards, authorities and associations:
 - Drake Landing Solar Community
 - Foothills Regional Emergency Services Commission
 - Foothills Regional Services Commission
 - Okotoks Public Library Board
 - Westwinds Communities
- d) In 2017 the Town finalized an annexation agreement with Foothills County which resulted in land being annexed into the Town. As part of the agreement, the Town will pay the County a total of \$2,000, \$800 of which was paid in 2017 to 2019. The remaining balance will be paid in increments of \$200 annually. The last payment is expected to be paid by July 2025.

23. Debt limits

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

	2019	2018
Total debt limit * Total debt	\$ 94,233 21,924	\$ 97,894 14,259
	\$ 72,309	\$ 83,635
Debt servicing limit * Debt servicing	\$ 15,705 4,112	\$ 16,316 3,856
	\$ 11,593	\$ 12,460

The debt limit is calculated at 1.5 times revenue of the municipality (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the municipality. Rather, the financial statements must be interpreted as a whole.

^{*} The Town has internally restricted the Debt Limit and Debt Servicing Limit amounts to 75% of the values permissible by Alberta Regulation 255/00, or \$70,675 and \$11,779, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2019
(\$ thousands)

23. Debt limits, continued

24. Contaminated sites liability

The Town has adopted PS3260 liability for contaminated sites. The Town has not identified any financial liabilities as a result of this standard.

25. Financial instruments

The Town's financial instruments consist of cash and temporary investments, accounts receivable, investments, accounts payable and accrued liabilities, deposit liabilities, and long-term debt. It is management's opinion that the Town is not exposed to significant interest or currency risk arising from these financial instruments.

The Town is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Town provides services may experience financial difficulty and be unable to fulfil their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

Unless otherwise noted, the carrying value of the financial instrument approximates fair value.

26. Approval of financial statements

These financial statements were approved by Council and Management.

27. Budget amounts

The 2019 budget for the Town was approved by Council on December 10, 2018 and has been reported in the consolidated financial statements for information purposes only. These budget amounts have not been audited, reviewed, or otherwise verified.

The approved budget contained reserve transfers, capital additions and principal payments on debt as expenditures. Since these items are not included in the amounts reported in the consolidated financial statements, they have been excluded from the budget amounts presented in these financial statements.

Budgeted surplus per financial statements		\$	1,847
Less:	Capital expenditures		(19,042)
	Long-term debt repayments		(3,336)
	Transfers to reserves		(5,065)
Add:	Amortization		9,698
	Transfers from reserves		15,898
	B. 1. 1. 1. 1.	•	
Equals:	Balanced budget	\$	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

(\$ thousands)

28. Prior period adjustment

The Town has adjusted the comparative figures for 2018 to record investments previously offset by trust assets; contributed tangible capital assets and the associated amortization; and revenues previously recorded as trust liabilities. The effects of these adjustments are as follows:

Investments:		
As previously reported December 31, 2018 Trust assets	\$	39,229 429
Investments, as restated	\$	39,658
Tangible capital assets		
As previously stated December 31, 2018	\$	368,999
Asset additions		2,296
Amortization		(380)
Tangible capital assets, as restated	\$	370,915
Accumulated surplus		
As previously stated January 1, 2018	\$	404,389
Adjustments to net book value of tangible capital assets	Ψ	1,916
Adjustments to trust liabilities		429
Accumulated surplus, as restated	\$	406,734
Excess of revenues over expenses	Φ.	40.045
As previously stated December 31, 2018 Amortization	\$	12,815
Amonization		(62)
Excess of revenue over expenses, as restated	\$	12,753

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

(\$ thousands)

29. Subsequent events

COVID-19

The global coronavirus pandemic has had a significant impact on global financial markets and will have significant accounting, disclosure, and internal control implications for many entities.

Some of the key impacts include, but are not limited to, interruptions of production and supply chains, unavailability of personnel, reductions in revenue, decline in value of financial investments, disruptions or stoppages in non-essential travel, and the closure of facilities and businesses.

The situation is changing rapidly and the future impact on the Town is not readily determinable at this time.

30. Comparative figures

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year.

SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

(\$ thousands)

Schedule of changes in accumulated surplus					
	Unrestricted	Restricted	Equity in tangible capital assets	2019	2018 (restated)
Balance, beginning of year As previously stated Prior period	\$ 2,755	\$ 46,894	\$ 354,740 \$	404,389 \$	391,573
adjustment (note 28)	429	-	1,916	2,345	2,408
As restated Excess of revenue over	3,184	46,894	356,656	406,734	393,981
expenses Unrestricted funds	4,431	-	-	4,431	12,753
designated for future use Restricted funds used for	(11,175)	11,175	-	-	-
operations Restricted funds used for	10,210	(10,210)	-	-	-
tangible capital assets Current year funds used for	-	(7,282)	7,282	-	-
tangible capital assets Contributed tangible capital	(10,433)	-	10,433	-	-
assets Disposal of tangible capital	(319)	-	319	-	-
assets Amortization of tangible capital assets	3,131 10,316	-	(3,131) (10,316)	-	-
Long-term debt repaid Proceeds of long-term debt	(3,335)	-	3,335	-	-
used for capital	4,969	-	(4,969)	-	
Change in accumulated surplus	7,795	(6,317)	2,953	4,431	12,753
Balance, end of year	\$ 10,979	\$ 40,577	\$ 359,609 \$	411,165 \$	406,734

SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2019
(\$ thousands)

Schedule of tangible capital assets	oital assets								0,	Schedule 2
	Land	ті	Land improvements	Buildings	Engineered structures	Machinery and equipment	Vehicles	Construction in progress	2019	2018 (restated)_
Cost: Balance, beginning of year\$ Acquisitions Transfers Disposals	r\$ 35,052 1,499 - (2)	52 \$ 99 (2)	29,916 \$ - 394 (87)	117,967 \$ 642 1,256 (433)	268,904 (1,100 (2,859 (3,865)	\$ 26,113 \$ 685 4,586 (2,054)	6,227 \$ 317 • (347)	5,109 \$ 13,791 (9,095)	489,288 \$ 18,034 -	477,753 12,460 -
Balance, end of year	36,549	49	30,223	119,432	268,998	29,330	6,197	9,805	500,534	489,288
Accumulated amortization: Balance, beginning of year Annual amortization Disposals	:uo		11,760 1,107 (88)	22,021 2,496 (143)	67,151 4,980 (1,316)	14,351 1,308 (1,980)	3,090 425 (130)		118,373 10,316 (3,657)	109,010 9,832 (46 <u>9</u>)
Balance, end of year			12,779	24,374	70,815	13,679	3,385		125,032	118,373
Net book value	\$ 36,5	36,549 \$	17,444 \$	95,058 \$	198,183 \$	15,651 \$	2,812 \$	9,805 \$	375,502 \$	370,915
2018 net book value	\$ 35,0	35,052 \$	18,156 \$	95,946 \$	201,753 \$	11,762 \$	3,137 \$	5,109 \$	370,915	

SCHEDULE TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2019
(\$ thousands)

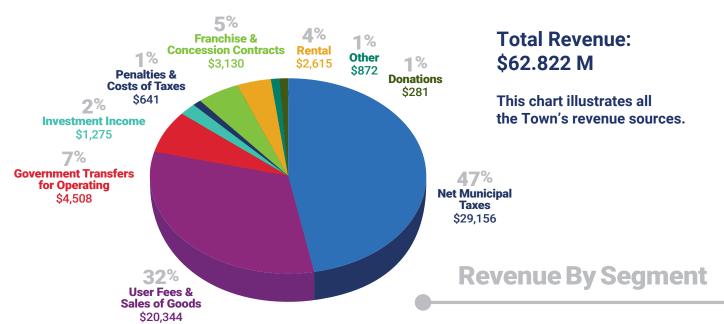
	General	Protective services	Transportation services	Environmental services	Public health services	Planning and development	Recreation and culture	Tota
Revenue						-		
Net municipal taxes	\$ 29,156	· \$	· \$	· \$	· \$	· \$	· \$	\$ 29,156
User fees and sales of goods	129	1,741	1,568	14,490	148	717	1,551	20,344
Government transfers for operating	310	1,309	_	451	955	(2)	1,484	4,508
Investment income	1,271		•	•	4			1,275
Penalties and costs of taxes	522	1	2	114	•		•	641
Franchise and concession contracts	3,130	1	1	•	1	1		3,130
Rental	104	127	165	•	1	62	2,157	2,615
Other	202	75	44	06		10	148	872
Donations	1	18			56		23/	281
	35,127	3,270	1,783	15,145	1,133	787	5,577	62,822
Expenses								
Salaries, wages and benefits	6,256	5,762	1,531	1,454	999	2,249	6,580	24,497
Contracted and general services	2,313	738	1,186	6,323	115	1,092	3,610	15,377
Materials, goods, supplies and utilities	519	314	1,935	1,371	62	17	1,744	5,962
Bank charges and short term interest	16	10	•	•	•	6	42	77
Interest on long term debt	38	222	12	162	1	ı	156	590
Other expenditures						•	94	95
I ransfers to organizations and others	8 20	1	ı		325		3	331
Purchases from other governments	204	4,149		717		7		4,568
Provision for allowances		(18)		. 0		1	9 404	(11)
Amortization of tangible capital assets Loss on disposal of tangible capital assets	351	510 -	4,451 (9)	2,727			2,727 125	2,846
	9,704	11,790	9,106	14,364	1,228	3,369	15,087	64,648
Excess (deficiency) of revenue over expenses before other	25,423	(8,520)	(7,323)	781	(92)	(2,582)	(9,510)	(1,826)
Other	,	;					;	
Government transfers for capital	920	209	125	- 070	4		3,810	5,466
Capital donations		1 1		6 7		1 1	- 472	472
	920	209	125	319	4	1	4,282	6,257
	0	6	1,	•	•			



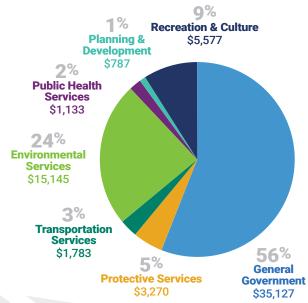
The statistical information section in the 2019 Annual Report is information that provides comparative measures useful in assessing past performance and for budget planning. They are useful in assessing financial health, past performance, benchmarking, and establishing organizational goals. Comparative measures are included for a group of 18 municipalities ranging in population from 14,451 to 100,418 using data collected from 2014 to 2018 inclusive.

2019 OPERATING ACTUALS

Revenue By Sources

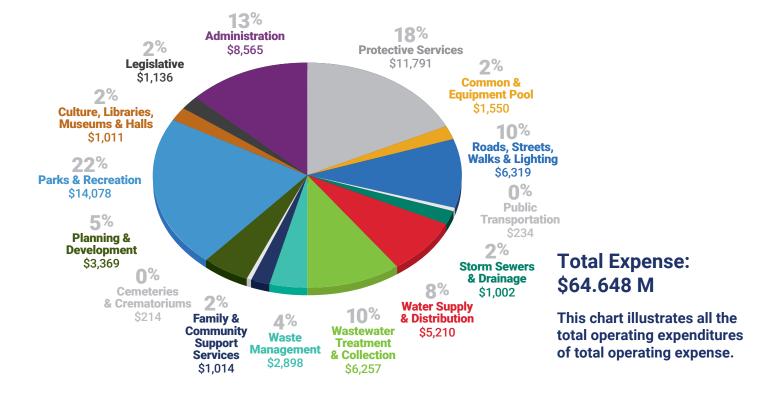


This charts illustrates the total revenue by percentage of the total revenue.



2019 OPERATING ACTUALS

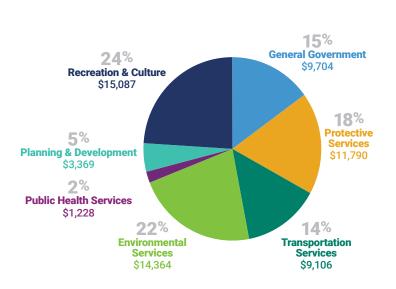
Expense By Category



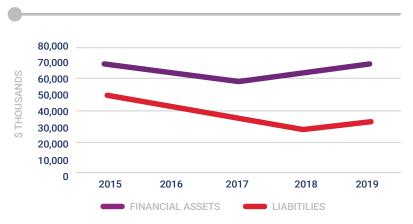
Expense By Object

4% 16% **Amortization** Loss on **Provision** of Tangible Disposal of **For Allowances Capital Assets Tangible** -\$11 \$10,316 Capital **Purchases From** Assets **Other Governments** 1% \$4,568 \$2,846 **Transfers to Organizations** & Others \$331 0% **Other Expenditures** \$95 1% **Interest On Long Term Debt** \$590 38% **Bank Charges** Salaries, Wages & Short Term Interest 9% & Benefits 24% \$77 \$24,497 Materials, Goods, **Supplies & Utilities Contracted & General Services** \$5,962 \$15,377

Expense By Segment



Financial Assets & Liabilities



Net Financial Assets



Accumulated Surplus (Net Assets)

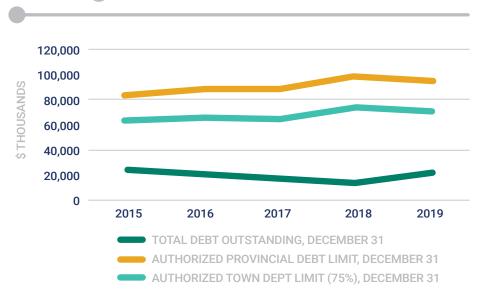


5 YEAR TRENDS

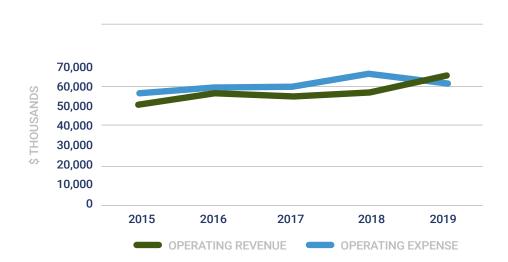
Financial Position Trends

		2019	restated 2018	restated 2017	2016	2015
Financial assets (\$ thousands)		2019	2010	2011	2010	2013
Cash and temporary investments	\$	12,215	5,576	5,677	13,129	22,436
Taxes and grants in place of taxes receivable	Ų	2,373	2,239	2,321	1,789	1,666
Trade and other receivables		13,494	15,153	12,790	10,758	8,200
Land held for resale		3,313	679	679	679	742
Loans receivable		170	210	340	340	384
Inventory held for resale		140	148	157	62	64
Investments		37,251	39,658	36,944	37,683	36,095
Total financial assets		68,956	63,663	58,908	64,440	69,587
		•	,	,	·	,
Liabilities (\$ thousands)						
Accounts payable and accrued liabilities		7,110	5,570	8,597	8,019	5,629
Employee benefit obligations		1,124	1,023	955	990	844
Deposits		1,320	1,382	1,555	1,448	1,029
Deferred revenue		2,107	6,105	5,993	11,279	17,662
Long-term debt		21,924	14,259	17,449	20,547	23,597
Total liabilities		33,585	28,339	34,549	42,283	48,761
Net financial assets (\$ thousands)		35,371	35,324	24,359	22,157	20,826
Non-financial assets (\$ thousands)						
Prepaid expenses		211	205	189	134	103
Inventory for consumption		81	290	262	264	374
Tangible capital assets		375,502	370,915	366,763	350,254	335,622
Total non-financial assets (\$ thousands)		375,794	371,410	367,214	350,652	336,099
Accumulated surplus (\$ thousands)		411,165	406,734	391,573	372,809	356,925

Long Term Debt Use & Limits



Revenue vs Expense



5 YEAR TRENDS

Long Term Debt Summary (\$ thousands)

	2019	2018	2017	2016	2015
Total debt outstanding, January 1	\$ 14,259	17,449	20,547	23,597	26,574
Debt issued during year	11,000	-	-	-	-
Debt repayments during year	(3,335)	(3,190)	(3,098)	(3,050)	(2,977)
Total debt outstanding, December 31	21,924	14,259	17,449	20,547	23,597
Authorized Provincial debt limit, December 31	94,233	97,894	88,507	88,100	84,171
Authorized Town debt limit (75%), December 31	70,675	73,421	66,381	66,075	63,128
Debt per capita	756	492	602	711	842
Population	29,002	29,002	29,002	28,883	28,016

Operating Trends

Total Operating Expenses

			restated	restated		
		2019	2018	2017	2016	2015
Operating Revenue (\$ thousands)						
Net municipal taxes	\$	29,156	27,915	27,296	26,540	24,906
User fees and sales of goods		20,344	26,814	20,986	21,333	19,752
Government transfers for operating		4,508	3,832	3,610	5,153	5,617
Investment income		1,275	1,040	1,240	1,082	1,374
Penalties and costs of taxes		641	587	568	527	508
Franchise and concession contracts		3,130	1,597	1,600	1,463	1,448
Rental		2,615	2,295	2,008	1,961	2,040
Other		872	889	1,968	452	365
Donations		281	294	222	222	185
Total Operating Revenue		62,822	65,263	59,498	58,733	56,195
Operating Expenses:						
Legislative	\$	1,136	1,231	1,179	1,150	849
Administration	•	8,565	8,473	7,321	6,813	6,264
Protective Services		11,791	11,255	10,831	12,567	10,019
Common and equipment pool		1,550	1,412	1,567	1,050	1,456
Roads, streets, walks, lighting		6,319	6,299	5,747	5,611	5,438
Public transportation		234	80	51	68	70
Storm sewers and drainage		1,002	851	732	636	791
Water supply and distribution		5,210	4,690	5,029	3,907	4,339
Wastewater treatment and collection		6,257	3,701	3,524	3,731	3,722
Waste management		2,898	2,571	2,652	2,799	2,012
Family and community support services		1,014	1,101	987	927	638
Cemeteries and crematoriums		214	233	208	174	162
Planning and development		3,369	2,571	2,612	3,112	2,898
Parks and recreation		14,078	12,898	11,844	12,324	11,269
Culture - libraries, museums, halls		1,011	1,072	1,056	1,044	1,031

64,648

58,438

55,340

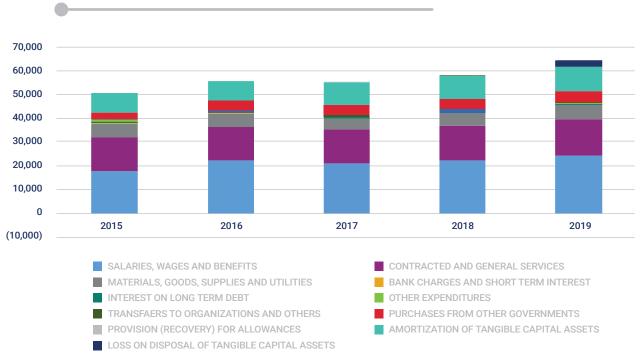
55,913

50,958

5 YEAR TRENDS

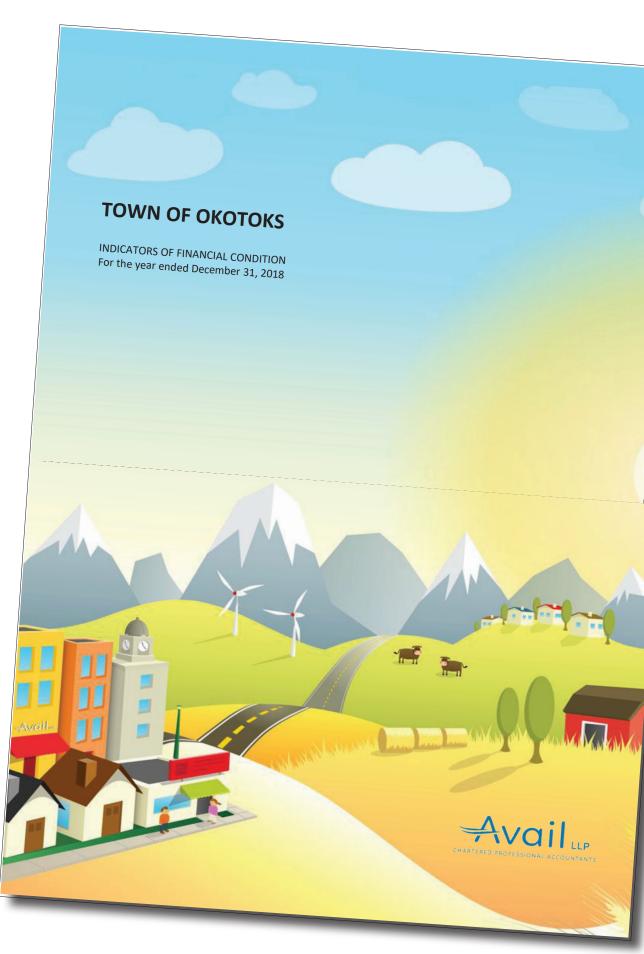
		restated	restated		
	2019	2018	2017	2016	2015
Expense by Object (\$ thousands)					
Salaries, wages and benefits	24,497	22,670	21,239	22,635	18,129
Contracted and general services	15,377	14,427	14,390	14,033	14,223
Materials, goods, supplies and utilities	5,962	5,568	4,448	5,512	5,569
Bank charges and short-term interest	77	82	64	66	68
Interest on long term debt	590	659	801	939	1,077
Other expenditures	95	122	123	91	388
Transfers to organizations and others	331	413	347	254	201
Purchases from other governments	4,568	4,345	4,363	3,877	2,979
Provision (recovery) for allowances	(11)	31	(2)	5	1
Amortization of tangible capital assets	10,316	9,832	9,392	8,501	8,323
Loss on disposal of tangible capital assets	2,846	289	175	-	
Total expense by object	64,648	58,438	55,340	55,913	50,958





TAX INFORMATION

	2019	2018	2017	2016	2015
Tax Mill Rates (excludes annexed mill rates)					
Municipal - Residential/Farmland	5.3310	5.2290	5.2630	5.1270	5.1740
Municipal - Non-Residential	7.7570	7.7640	7.3940	7.0010	7.0630
School - Residential & Farmland	2.5600	2.4840	2.5910	2.2900	2.2920
School - Non-Residential	3.7890	3.7890	3.6840	3.6050	3.4490
Seniors - Residential & Farmland	0.1220	0.1250	0.1210	0.1150	0.1180
Seniors - Non-Residential	0.1220	0.1250	0.1210	0.1150	0.1180
Tax Levies and Collection (includes annexed properties)					
(\$ thousands)					
Total tax levy	44,889	43,134	42,366	40,473	37,975
Alberta School Foundation Fund	12,033	11,613	11,555	10,586	9,925
Christ the Redeemer Catholic Schools	2,229	2,142	2,143	1,952	1,817
Seniors Lodge	634	645	604	587	555
Okotoks Library Board	837	819	768	808	772
Net municipal taxes	29,156	27,915	27,296	26,540	24,906
Municipal Tax levy as a % of revenue	46.4%	42.8%	45.9%	45.2%	44.3%
Tax levy per capita – Municipal	1005	963	941	919	889
Tax levy per capita – School	492	474	472	434	419
Tax levy per capita - Seniors Lodge	22	22	21	20	20
Total tax levy per capita	1,519	1,459	1,434	1,373	1,328
(\$ thousands)					
Tax arrears, end of year (prior to allowance for doubtful accounts)	560	619	605	402	325
Arrears as a % of total tax levy	1.2%	1.4%	1.4%	1.0%	0.9%
Total taxes collected	44,755	43,216	41,834	40,350	37,712
Total taxes receivable	2,373	2,239	2,321	1,789	1,666
% taxes receivable	5.3%	5.2%	5.5%	4.4%	4.4%



Introduction

A Key Performance Indicator (KPI) is a metric used to evaluate factors that are crucial to the success of an organization. The importance of each KPI may change with time depending on the goals and strategic plans of the organization.

When reviewing KPIs, it is important to not only compare to past performance and desired goals, but to consider industry standards and benchmarks.

The following information has been provided in order to provide you some insight into some important KPIs for your organization.

It is important to review the underlying information of your municipality in order to determine cause and create desired change.

The underlying data for this report was taken from the financial data publicly available found on the Alberta Municipal Affairs website.

The underlying data on the Alberta Municipal Affairs website is not updated for any prior period amendments and accordingly this report does not include any adjustments to prior year figures for any amendments made.

Comparable municipalities were determined based on a range of 65% to 125% of your population.

INDICATORS OF FINANCIAL CONDITION
For the year ended December 31, 2018

2014 2015 2016 2017 2018

SUSTAINABILITY INDICATORS

Assets to Liabilities

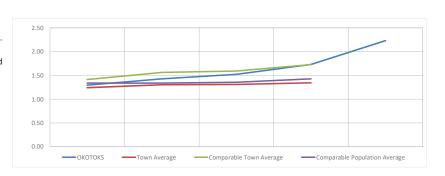
This indicator illustrates the extent a government finances its operations by issuing debt. A ratio higher than one indicates that a government has accumulated surplus and has assets greater than debt. A ratio of less than one indicates that debt is greater than assets and the government has been financing its operations by issuing debt.



Total assets	392,543,094	405,686,418	415,093,396	425,093,414	432,725,371
Total liabilities	50,214,402	48,761,365	42,284,496	34,548,330	28,337,466
Assets to liabilities	7.82	8.32	9.82	12.30	15.27
Town Average	7.25	7.79	7.69	7.69	
Comparable Town Average	6.96	8.09	9.28	10.94	
Comparable Population Average	7.98	8.53	9.19	9.83	

Financial assets to liabilities

This indicator illustrates the ratio of a government's financial assets to its liabilities. A result lower than one indicates a net debt position and future revenues will be required to pay for past transactions. A result higher than one indicates net financial assets and financial resources are on hand that can finance future operations. A trend showing increases in net debt or reductions in net financial assets may not be sustainable.



Total financial assets	65,057,129	69,587,226	64,441,334	59,827,155	63,232,498
Total liabilities	50,214,402	48,761,365	42,284,496	34,548,330	28,337,466
Financial assets to liabilities	1.30	1.43	1.52	1.73	2.23
Town Average	1.24	1.30	1.31	1.34	
Comparable Town Average	1.41	1.56	1.59	1.73	
Comparable Population Average	1.34	1.34	1.35	1.43	

INDICATORS OF FINANCIAL CONDITION
For the year ended December 31, 2018

2014 2015 2016 2017	2018
---------------------	------

Current Ratio

The ratio of current assets (cash, temporary investments, accounts receivable) to current liabilities (accounts payable, temporary borrowings, current repayment obligations on long-term borrowings). This ratio is an indication of the governments ability to meet short term obligations.



Current assets	38,911,121	32,750,530	26,079,745	20,955,754	23,324,398
Current liabilities	9,180,230	9,708,061	12,568,096	14,296,262	11,309,117
Assests to liabilities	4.24	3.37	2.08	1.47	2.06
Town Average	4.18	4.19	4.24	3.84	_
Comparable Town Average	6.38	5.13	3.07	2.63	
Comparable Population Average	3.69	3.34	2.56	2.58	

Operating expenses to taxable assessment

This indicator provides the trend of government spending over time in relation to the growth in the economy. A trend that shows total expense is growing at a faster rate than the growth in the economy may not be sustainable.



Operating expenses	51,420,960	50,958,339	55,913,061	55,039,792	58,375,926
Taxable assessment	4,110,024,576	4,372,219,642	4,728,812,066	5,186,464,503	5,026,107,320
Operating expenses to taxable assessment	1.25%	1.17%	1.18%	1.06%	1.16%
Town Average	1.88%	1.79%	1.82%	1.70%	
Comparable Town Average	1.24%	1.15%	1.13%	1.00%	
Comparable Population Average	1.53%	1.54%	1 44%	1.33%	

INDICATORS OF FINANCIAL CONDITION

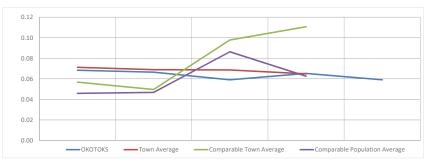
For the year ended December 31, 2018

2014 2015 2016 2017 201

FLEXIBILITY INDICATORS

Public debt charges to revenues

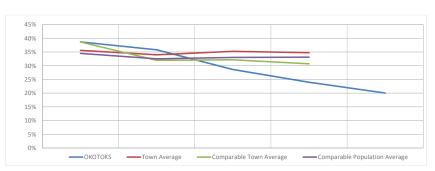
This indicator measures public debt charges as a percentage of revenues. It illustrates the extent to which past borrowing decisions present a constraint on the ability to meet financial and service commitments in the current period. Specifically, the more a government uses revenues to fund debt servicing, the less will be available for program spending.



Debt servicing	4,060,672	3,997,265	3,905,782	3,855,221	3,855,221
Operating revenue	59,413,807	60,126,170	66,072,734	59,004,948	65,262,823
Public debt charges to revenues	0.07	0.07	0.06	0.07	0.06
Town Average	0.07	0.07	0.07	0.06	
Comparable Town Average	0.06	0.05	0.10	0.11	
Comparable Population Average	0.05	0.05	0.09	0.06	

Debt to Revenue Percentage

The total amount of municipal borrowings, including long term capital leases, as a percentage of total municipal revenues. This indicator demonstrates the growth in revenue compared to changes in debt. An increasing trend would indicate the municipality is increasing its debt load faster than its revenue is growing, which may not be sustainable.



Total long term debt principal balance	26,573,931	23,597,240	20,547,216	17,448,867	14,259,107
Total revenue	68,739,395	65,892,618	71,796,916	72,775,976	71,190,804
Debt to revenue	39%	36%	29%	24%	20%
Town Average	36%	34%	35%	35%	
Comparable Town Average	39%	32%	32%	31%	
Comparable Population Average	34%	33%	33%	33%	

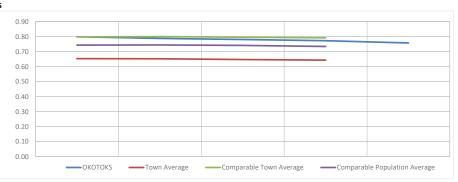
INDICATORS OF FINANCIAL CONDITION

For the year ended December 31, 2018

2014	2015	2016	2017	2018

Net book value to cost of tangible capital assets

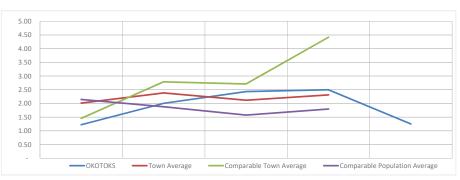
This indicator is important because it reports the extent that the estimated useful lives of tangible capital assets are available to provide its services. If a government's scale, scope and level of services remain unchanged or grow, its asset base could eventually impair flexibility because of the impending future costs of capital asset repair or replacement.



Net book value	327,254,491	335,621,984	350,253,744	364,814,854	368,998,036
Cost of tangible capital assets	409,493,824	425,921,113	448,649,654	471,996,876	486,991,022
Net book value to cost of tangible capital assets	0.80	0.79	0.78	0.77	0.76
Town Average	0.65	0.65	0.65	0.64	_
Comparable Town Average	0.80	0.80	0.80	0.79	
Comparable Population Average	0.74	0.74	0.74	0.73	

Infrastructure Investment

The total cost of annual additions (through purchases or construction) to tangible capital assets (vehicles, equipment, buildings, roads, utility infrastructure, land) relative to the annual amortization (depreciation) on all tangible capital assets - measured as a five-year average.



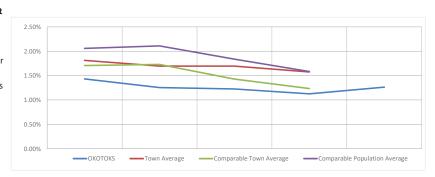
Tangible capital assets additions	9,866,981	16,691,843	20,684,401	22,719,629	12,214,781
Annual amortization expense	8,075,883	8,323,286	8,500,510	9,091,573	9,768,438
Total accumulated surplus	1.22	2.01	2.43	2.50	1.25
Town Average	2.01	2.39	2.12	2.31	
Comparable Town Average	1.45	2.79	2.71	4.42	
Comparable Population Average	2.14	1.88	1.58	1.80	

INDICATORS OF FINANCIAL CONDITION
For the year ended December 31, 2018

;	2014	2015	2016	2017	2018

Own source revenues to taxable assessment

This indicator is important because it shows the ratio of a local government's own source revenues to its tax base. A change in the size of a local government's taxable assessment or a change in the rate of growth in assessment in relation to changes in own source revenues could influence flexibility.

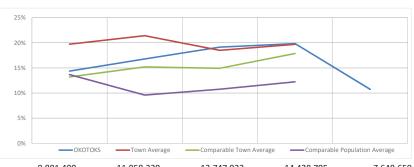


Own source revenues (net of government transfers)	58,857,995	54,834,289	58,048,994	58,337,181	63,542,145
Taxable assessment	4,110,024,576	4,372,219,642	4,728,812,066	5,186,464,503	5,026,107,320
Own source revenues to taxable assessment	1.43%	1.25%	1.23%	1.12%	1.26%
Town Average	1.81%	1.70%	1.70%	1.57%	
Comparable Town Average	1.71%	1.73%	1.43%	1.24%	
Comparable Population Average	2.06%	2.11%	1.84%	1.58%	

VULNERABILITY INDICATORS

Government transfers to total revenues

The purpose of this ratio is to show the proportion of revenues that provincial or local governments receive from other governments. This indicator offers a perspective on the degree of vulnerability a government faces as a result of its dependence on another level of government for revenues.



Government transfers (including capital)	9,881,400	11,058,329	13,747,922	14,438,795	7,648,659
Total revenues (including capital)	68,739,395	65,892,618	71,796,916	72,775,976	71,190,804
Government transfers to total revenues	14%	17%	19%	20%	11%
Town Average	20%	21%	19%	20%	_
Comparable Town Average	13%	15%	15%	18%	
Comparable Population Average	14%	10%	11%	12%	

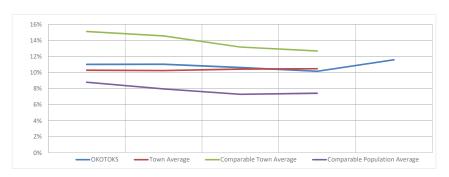
INDICATORS OF FINANCIAL CONDITION For the year ended December 31, 2018

2014	2015	2016	2017	2018
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OTHER INDICATORS

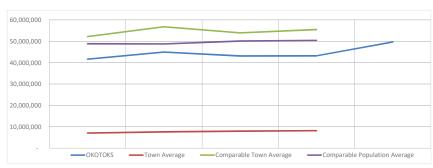
Reserves to total accumulated surplus

The purpose of this ratio is to show the proportion of total accumulated surplus that has been internally restricted. This indicator provides insight on the change in reserves in relation to overall accumulated surplus. A decrease would show that the government has drawn on past reserves to fund current operations.



Accumulated surplus - restricted	37,725,078	39,410,909	39,649,644	39,702,112	46,893,675
Overall accumulated surplus	342,328,692	356,925,053	372,808,900	390,545,084	404,387,905
Restricted surplus to accumulated surplus	11%	11%	11%	10%	12%
Town Average	10%	10%	10%	10%	
Comparable Town Average	15%	15%	13%	13%	
Comparable Population Average	9%	8%	7%	7%	

Accumulated surplus available for future use Accumulated surplus, to the extent it has not been invested in Tangible Capital Assets, represents overall surplus that is available for future use. This consists of unrestricted surplus and reserves and shows trends in spending vs. saving. This indicator only shows total surplus; the overall size of the municipality is not taken into account.



Accumulated surplus - restricted	37,725,078	39.410.909	39,649,644	39,702,112	46 902 675
Accumulated Surpius - restricted	37,723,076	39,410,909	39,049,044	39,702,112	46,893,675
Accumulated surplus - unrestricted	3,923,054	5,489,400	3,452,728	3,476,985	2,755,301
Total accumulated surplus	41,648,132	44,900,309	43,102,372	43,179,097	49,648,976
Town Average	7,063,868	7,583,409	7,974,510	8,185,109	
Comparable Town Average	52,207,317	56,802,078	53,892,611	55,463,854	
Comparable Population Average	48,817,822	48,727,336	50,112,599	50,411,402	

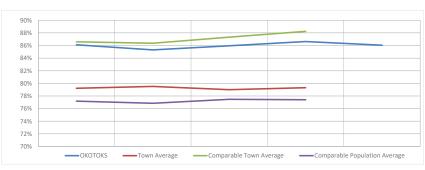
INDICATORS OF FINANCIAL CONDITION

For the year ended December 31, 2018

2014	2015	2016	2017	2018

Tax Base Ratio

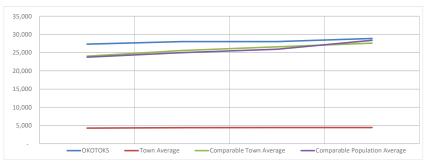
This ratio reports the proportion of the total municipal tax revenue generated by residential and farmland tax base, regardless of whether it is municipal property taxes, special taxes, or local improvement taxes.



Residential & farmland revenue	3,539,108,362	3,729,565,811	4,063,861,469	4,493,119,856	4,323,642,069
Total revenues	4,110,024,576	4,372,219,642	4,728,812,066	5,186,464,503	5,026,107,320
Residential & farmland revenue percentage	86%	85%	86%	87%	86%
Town Average	79%	80%	79%	79%	_
Comparable Town Average	87%	86%	87%	88%	
Comparable Population Average	77%	77%	77%	77%	

Population Change

The change in population of the municipality over the past ten years based on the Municipal Affairs Population List.



Population	27,331	28,016	28,016	28,881	
Prior year population	26,319	27,331	28,016	28,016	
Population change	3.85%	2.51%	0.00%	3.09%	
Population (Town Average)	4,283	4,375	4,415	4,448	
Town Average	-0.65%	2.14%	0.91%	0.76%	
Population (Comparable Town Average)	24,020	25,550	26,569	27,601	
Comparable Town Average	6.59%	6.37%	3.99%	3.88%	
Population (popuation average)	23,739	24,959	25,900	28,354	
Comparable Population Average	3.40%	5.14%	3.77%	9.47%	

Comparable Listing

Comparables were determined on a range of 65% to 125% of your population

Total Town Count: 107

Comparables - Same Type (2)

Town list with a comparable population

COCHRANE OKOTOKS **Comparables - Any Type (7)**

List used for comparable populations

CHESTERMERE COCHRANE

FORT SASKATCHEWAN

LEDUC

LLOYDMINSTER

OKOTOKS

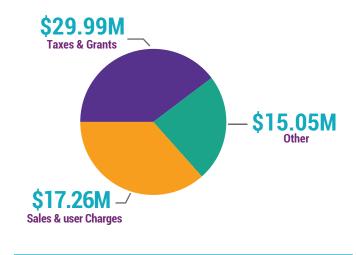
SPRUCE GROVE

TOWN OF OKOTOKS 2020 Budget

Okotoks Council has approved the \$62.3M Operating Budget

* originally budgeted in December 2019

Where Does the Money Come From?



Municipal Property Taxes as of December 2019





- Full-year of Okotoks Transit providing local on-demand curb-to-curb service
- Resources for additional firefighters to enhance community safety
- · Reduction of red tape for business attraction
- Affordable housing initiatives
- Capital funding for improvements to the wastewater treatment plant
- Capital funding for new Arts & Learning Campus including a library expansion
- · Initiatives to support economic growth
- · Asset maintenance



What you Receive for Your Tax \$\$

- 24-hr police & fire service
- · 189 kms of roadways, street lights, pedestrian safety signage and crosswalks, traffic signals & 4 bridges
- Year-round street cleaning, street maintenance & snow removal on priority roads & pathways
- · 87 kms of snow-cleared, primary pathway system
- · Variety of indoor recreation/sports facilities including the Okotoks Recreation Centre & Pason Centennial Arenas
- 108 parks, 64 playgrounds, 36 sports fields & 6 pickleball and 3 tennis courts
- · 173 hectares of public parks and open spaces and 333 hectares of naturalized area/river valley
- Skateboard park, water spray park, BMX track, various outdoor skating rinks & toboggan hills
- Off-leash dog park
- · Okotoks Public Library & Foothills Centennial Centre
- Okotoks Art Gallery, Okotoks Museum & Rotary Performing Arts Centre plus various community programs & events



2020 BUDGET Highlights

In December 2019, Town Council approved a 2 percent property tax increase for 2020. It was proposed to maintain the non-residential tax rate ratio of 150 percent. Targeted service level reviews in the 2020 budget included Affordable Housing and Parking Enforcement.

2020 BUDGET TARGETED SERVICE LEVEL REVIEW INCLUDED:

DOWNTOWN PARKING AND SNOW REMOVAL

 Reviews for enforcing snow route maintenance and downtown parking were completed to determine the efficiency and effectiveness of the service.

AFFORDABLE HOUSING

 A service level review of Affordable Housing was requested by Town Council as part of the 2020 budget guidelines.

2020 BUDGET GUIDELINE CONSIDERATIONS OF UNCERTAINTIES

The 2020 budget considered factors that may have a financial impact on Okotoks including:

- National and provincial economic conditions
- Impacts from Federal and/or Provincial elections
- Factoring in a decline or loss of provincial long-term funding

KNOWN PROVINCIAL IMPACTS ON BUDGET

- Loss of 10 percent of fine revenue (\$0.060M)
- Grants in Place of Taxes Impact (\$0.020M)
- Subsidies No change to FCSS and Police Grant
- Alberta Capital Financial Authority (ACFA) Elimination
- The Local Government Fiscal Framework (LGFF) replaced the Municipal Sustainability Initiative (MSI)

GROWTH ASSUMPTIONS

- 2020 2021 population increase: 1 percent per year; 2 percent per year after 2025
- · Development Acres: 20 acres of development per year
- Housing starts (R1 & R2): 150 per year
- Housing starts (Multi-family): 50 per year
- Housing Completions (R1 & R2): 150 per year
- Housing Completions (Multi-family): 50 per year
- Assessed Value: \$450,000/home, \$300,000/multi-family

CAPITAL BUDGET REALITIES

- The Province's newly released budget confirms that the current MSI Program will be replaced by the Local Government Fiscal Framework. The new fiscal framework will be legislated and provide long-term sustainable funding.
- Currently the Town receives approximately \$6M in MSI.
 Council budget guidelines had forecasted that the Town would only be receiving about \$3M annually under the new frame work.
- The Town is in the process of updating its offsite levy bylaw and is in conversations with developers about new funding and financing options. This may have impacts on future debt levels and cash flow.
- Two (2) major capital projects account for 67 percent of the 2020 Capital Expenditures.

EXAMPLES OF CORPORATE EFFICIENCIES & EFFECTIVENESS INITIATIVES:

- Incorporating a 1.4 percent staff vacancy factor to reflect historic activity
- Using partnerships and practicum personnel
- Creating numerous information technology enhancements to assist staff with data
- Cancelling plans for a municipal census in 2020
- Focusing on energy efficiencies in facility maintenance
- Investing in equipment to provide more efficient services (garbage collection, snow removal)
- Aggregating future energy procurement (electricity, natural gas and fuel)

2020 BUDGET Operating Highlights



2.39% AVERAGE **INCREASE FOR**



3% INCREASE FOR **RECREATION FEES & FACILITY RENTAL RATES**









2020 Strategic Direction 17.955M Projects

CAPITAL PROJECTS

\$14.725M

Provide Quality Infrastructure



\$0.750M

Manage Community Growth



\$1.500M

Promote Environmental Excellence



\$0.580M

Strengthen Healthy & Safe Community



\$0.400M

Enhance Organization Excellence



Where Does the Money Go?





Budget Highlights

The 2020 budget, approved at the December 10 Council meeting, focused on investing in quality of place to create inclusivity and diversity in the town. The approved budget includes \$62.300 million for operations and \$17.950 million for capital expenditures. The budget also introduced an aggregate increase of 2.39 percent across utilities (water, sanitary sewer, storm, and waste management) for 2020. For the average customer, this amounts to an increase of \$5.77 per bi-monthly billing period or \$34.62 per year.

Initiatives include \$0.720 million for the first full year of Okotoks Transit. Resources have also been allocated to hire additional firefighters to enhance community safety, and to reduce red tape for businesses, which will create opportunities to spark further investment in the community. Capital funding was confirmed to construct the new Arts & Learning Campus, which leverages important partnerships with Community Futures and local school divisions and includes a public library expansion. Funding for improvements to the wastewater treatment plant was also allocated in the capital budget.

FINANCIAL MANAGEMENT

- Okotoks' tax rates are lower than most municipalities in Alberta between the populations of 10,000 and 100,000 as confirmed in the annual financial indicator graphs prepared by Municipal Affairs (both residential and non-residential).
- The Canadian Federation of Independent Business (CFIB) has ranked Okotoks as the second most fiscally responsible Alberta municipality in real capital spending between 2007-2017.

REQUISITIONS

Taxes levied by the Town represent approximately 36 percent of the total tax bill. These include amounts collected on behalf of other organizations:

- · Alberta School Foundation Fund
- · Seniors Lodge
- · Christ the Redeemer Catholic Separate
- Okotoks Library Board

RATE SUPPORTED SERVICES

The following services are not supported through taxes:

- · Water and sewer services
- Stormwater utility
- · Weekly waste collection



Forecast & COVID-19 Impact as of May 2020

Okotoks Town Council approved a revised budget forecast for 2020 that reduces the tax rate increase to zero, while making it possible to quickly and efficiently adapt services to meet the changing situation created by the COVID-19 crisis.

Every municipality in Canada is struggling with the same challenge; facilities are re-opening under new restrictions, programs and events are cancelled and there is ongoing uncertainty about when the situation will improve. The global pandemic's economic impact is affecting every community and all taxpayers in Canada. This budget forecast has been designed to mitigate those impacts for Okotoks' residents while creating a framework so the Town can adjust quickly when things change.

Both capital and operating budgets for 2020 were re-prioritized. A set of guiding principles was used to determine the priorities, including continuing with existing budgeted projects that were already started, using non-tax related funding, and/or leveraging additional investments. The three capital projects approved by Council include a utility replacement in east downtown area, Northridge Drive urbanization and replacement of the ice plant at the Okotoks Recreation Centre. Two new one-time operating projects were also approved – investments for business disaster recovery and the Town's portion to fund a regional water study. The Town will also be actively seeking any government funding that may be available to assist municipal recovery from the financial impacts of the COVID-19 pandemic.

Council approved temporary service level reductions in park maintenance, street sweeping, line painting and conservation education. Although public health orders have been lifted some service levels will continue to be limited such as the operating hours for the museum and art gallery.

While significant temporary staff reductions were necessary as a result of mandated facility closures, the Town cross-trained and redeployed permanent staff so that services could continue to be offered to the community. These changes resulted in a forecasted saving of \$1.2 million over three months.

Through these 2020 budget amendments Council has ensured that Okotoks has been well-positioned to navigate through this unprecedented time.



