



2013

FOR THE YEAR ENDING DECEMBER 31, 2013

ANNUAL
REPORT

RED DEER
RECREATION CENTRE
4501 - 47 A AVENUE

WHAT'S
INSIDE



ON A PERSONAL NOTE	4
Meet Red Deer City Council Mayor's Message City Manager's Message	
A VIBRANT RED DEER	8
Centennial Little Gaetz Revitalization Red Deer by Numbers / A Growing City Queens Business Park	
AN INSPIRED RED DEER	18
Red Deerians Prove that Small Acts Matter	
AN INNOVATIVE RED DEER	20
Composting Community Food Forest Looking Forward to 2014	
FINANCIAL STATEMENTS	27
Chief Financial Officer's Message Statement of Financial Position Statement of Operations Tangible Capital Assets Long Term Debt	
2011 – 2013 STATISTICAL REVIEW	34
Ipsos Data	

CITY COUNCIL CONTACT

- | | | |
|---|---|---|
| 1 Mayor Tara Veer
E tara.veer@reddeer.ca
P 403.342.8154
F 403.346.6195 | 4 Councillor Lawrence Lee
E lawrence.lee@reddeer.ca
C 403.318.8862
F 403.346.6195 | 7 Councillor Tanya Handley
E tanya.handley@reddeer.ca
C 403.596.5848
F 403.346.6195 |
| 2 Councillor Paul Harris
E paul.harris@reddeer.ca
P 403.341.3352
F 403.341.5754 | 5 Councillor Lynne Mulder
E lynne.mulder@reddeer.ca
P 403.341.6418
F 403.346.6195 | 8 Councillor Dianne Wynthjes
E dianne.wynthjes@reddeer.ca
C 403.505.4256
F 403.346.6195 |
| 3 Councillor Ken Johnston
E ken.johnston@reddeer.ca
C 403.358.8049
F 403.346.6195 | 6 Councillor Frank Wong
E frank.wong@reddeer.ca
P 403.347.6514
F 403.346.6195 | 9 Councillor Buck Buchanan
E buck.buchanan@reddeer.ca
P 403.343.6550 (Home)
P 403.358.5517 (Business)
F 403.346.6195 |

NEW CITY COUNCIL IN 2013

Two thousand and thirteen was an election year with Red Deerians voting in a new Mayor, Tara Veer, as well as three new City Councillors.

With one position for the office of the Mayor, eight seats for City Councillor and 30 City Council candidates in the running, it was the biggest ballot Red Deer has seen since 2004 when 25 candidates ran for City Council.

But that didn't stop Red Deerians. They quizzed candidates at local election forums and stopped them on the street to get their take on any number of municipal issues and topics.

At the end of the day, 20,364 ballots were cast on October 21, 2013, and the new City Council was officially sworn in on October 28, 2013. For the first time ever, City Council will sit for a four year term with the next municipal election taking place in October 2017. /



Visit
www.reddeer.ca
to find out more
or watch City Council
meetings, live, every
second Monday at 2 p.m.



MAYOR'S MESSAGE

Red Deer is a community of growth and change. As a city, we come together time and time again to support new ideas and achieve new things – ever growing, ever changing, ever striving to be better.

Each term, Council sets out its strategic direction with the community's vision for a better Red Deer in mind. We made significant progress on this direction in 2013, and Red Deer accomplished this by coming together to support innovative community projects, by creating vibrant spaces and places, and through its celebration of 100 years of history and community spirit.

2013 was also marked by our fair share of challenges with flooding in June and an extraordinary amount of snow in November, but Red Deer proved that, when given the opportunity, we will work together to achieve great things for our community.

In October, we welcomed three new faces to City Council following our Civic Election. New Councillors Tanya Handley, Ken Johnston and Lawrence Lee are a welcome addition to the Council table, and we are fortunate to have their insight, expertise, and vision as we move forward with the exciting City projects and initiatives we expect to see over the next four years.

We would also like to acknowledge the community service of former Mayor Morris Flewelling and outgoing Councillors Cindy Jefferies and Chris Stephan. These individuals worked tirelessly on behalf of Red Deerians during their time on Council, and we know that without their dedication and efforts, Red Deer would not be the thriving community it is today.

We will continue to work for a better future for the city of Red Deer, our citizens and our regional partners by supporting projects and initiatives that will benefit our community. We will continue to rely on the great ideas, the great engagement, and the great work of the people, organizations, and businesses that call Red Deer home.

Red Deer is one of Canada's fastest growing cities, and everything we achieved in the past year speaks to the progress we've collectively made as a community.

Thank you Red Deer for the privilege of serving as your Mayor. I look forward to the opportunities and progress that await our community in the coming years. /

Tara Veer
Mayor, City of Red Deer



CITY MANAGER'S MESSAGE

On behalf of The City of Red Deer, I am pleased to present the 2013 Annual Report, which offers a look at our accomplishments over the last year and a glimpse into what lies ahead for our community.

With the strategic direction of City Council, City staff put their skills and expertise to work for the citizens of Red Deer, providing programs, services, and initiatives that bring value to the community and its residents. It is our job, as a City, to provide leadership and sustainable municipal services to the people who live, work and play here, and I believe the breadth of projects highlighted within this annual report demonstrates our continued commitment to do just that.

Two thousand and thirteen was our centennial year, and we marked this important milestone with a number of

projects and celebrations that represent the strength of our diverse community. We chose projects that celebrated and commemorated our history, arts, and culture. We found opportunities to salute our passion for sports, heritage and our natural environment. We opened a spray park and a skatepark that offer accessible fun outdoor activities for our families and youth, and we embarked on exciting partnerships with the Red Deer Public School Board for a new branch library and with the Red Deer Museum and Art Gallery for a new permanent exhibit that showcases our remarkable history.

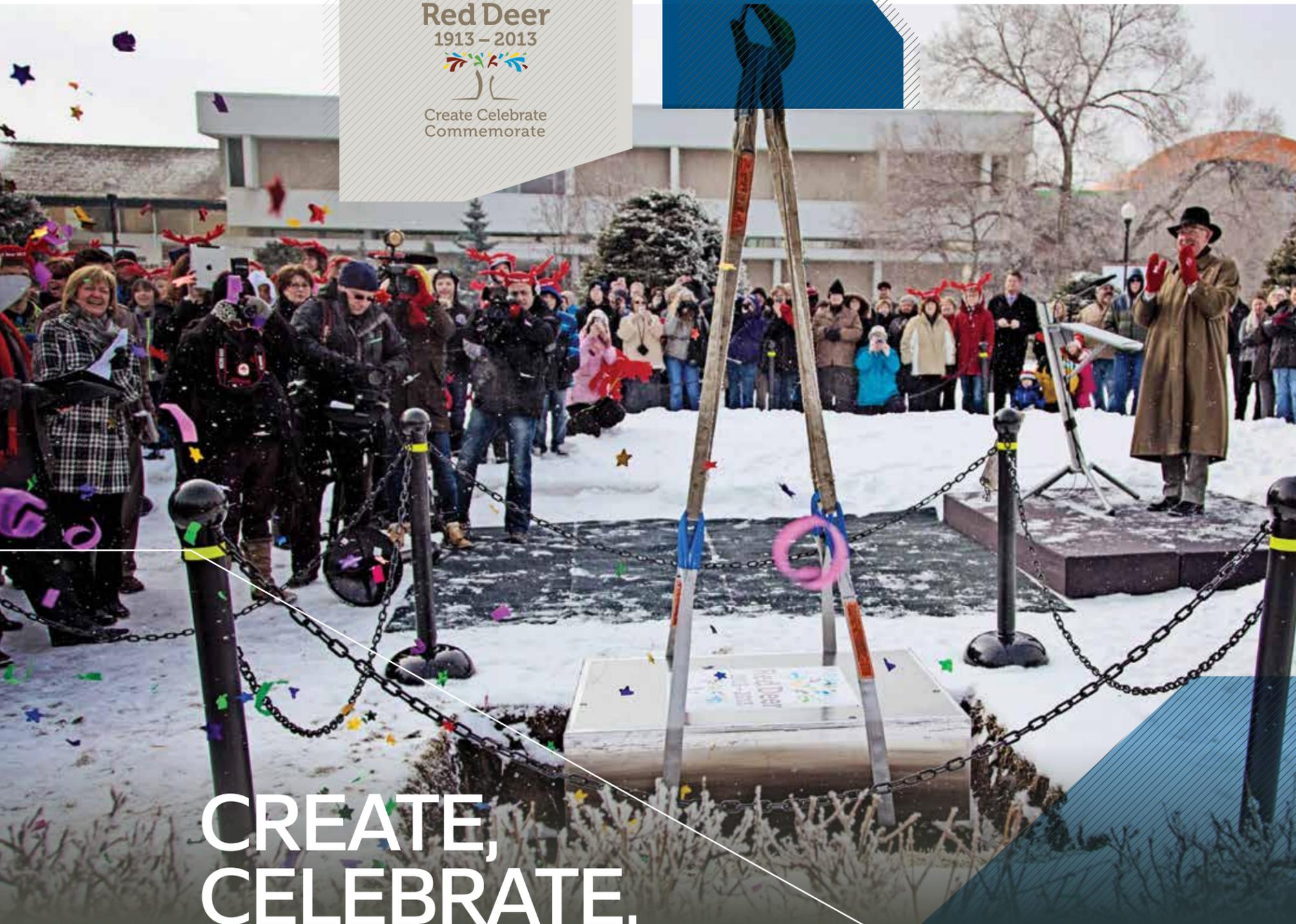
These projects represent the strategic direction of council and community collaboration that brings our vision of innovative thinking, inspired results and vibrant community to life.

We were proud to celebrate this important year with you. And as we

move into our next 100 years and our population reaches 100,000, we are excited about the future of Red Deer. As we start to build our city for its next century we look forward to engaging with people, businesses, and organizations that call Red Deer home.

We work with Red Deerians so we can work for Red Deerians. And we're excited to share the results of that work through this year's Annual Report. /

Craig Curtis
City Manager, City of Red Deer



CREATE, CELEBRATE, COMMÉMORATE

RED DEER'S CENTENNIAL

You only turn 100 once, and The City of Red Deer proudly celebrated this momentous milestone by rounding out the decade with a number of projects and events in honour of Red Deer's past, present and vision for the future.

The City aided in making a wide range of commemorative projects in 2013 come to life with financial contributions large and small. Both the ENMAX Centrum and Pidherney Curling Centre saw major enhancements. Contributions were also made to an exciting new exhibit at the Red Deer Museum and Art Gallery (MAG), new heritage walking tours and signage, the Blue Grass Sod Farms Central Spray and Play, Glendale Skatepark, enhancements to Little Gaetz and the new Timberlands branch of the Red Deer Public Library.

“2013 was all about creating a legacy for years to come, and that legacy includes everything from celebrating the people who live here to investing in the spaces and places that do and will make Red Deer remarkable for 100 more years,” said City Manager Craig Curtis.

On Sunday, March 24, The City kicked off its big birthday bash by offering free daily admission to the Collicutt Centre, G.H. Dawe Community Centre, Recreation

Centre and Michener Centre. There was cake, entertainment and fun activities for everyone to enjoy with Red Deer Transit getting in on the fun and providing free transit service all day long.

But that's not all. Monday, March 25 was The City's Incorporation Day – the day we officially turned the big 100. The City commemorated its incorporation with a centennial City Council meeting and Time Capsule Ceremony in City Hall Park. People young and old descended on the park to see what came out of the last time capsule that was buried in 1963, and to leave messages, letters and memories for future Red Deerians in the 2013 time capsule, which is now buried in City Hall Park. A plaque was placed to invite Red Deerians to re-open the capsule in 50 years.

“The legacy of our centennial year will be in the memories of the events, ongoing use of the facilities and learning about our history through things like the MAG exhibit and historical walking tours,” said Curtis. “It was definitely a year to remember; and we couldn't have done it without all the help of our partners, as well as the outstanding work of the centennial committee, the Central Alberta Historical Society (CAHS) and the Red Deerians who volunteered or came out to celebrate the vibrant past, present and future of this community,” said Curtis. /



Time capsule ceremony in City Hall Park in honour of The City's 100th birthday!

CENTENNIAL TIMELINE



MAR 24

FREE Fun day at City Facilities

What better way to celebrate 100 years than by opening the doors to our community recreation facilities? People came to enjoy cake, coffee and a Guns versus Hoses Hockey Tournament put on by our very own staff.



APR 14

Opening of the Red Deer and District Museum Exhibit: Remarkable Red Deer

In November 2011, Council allocated \$1 million to the Red Deer Museum + Art Gallery (MAG) as its contribution to the design and production of a new permanent exhibition about Red Deer's history. MAG also committed to raising an additional \$500,000 through grants and donations.



JUN 6

Launch of the Heritage Walking Tours

The walking tours tell the story of our community's vibrant heritage. Red Deerians and visitors alike can now choose to go on one or all of the new tours, which will guide you through the city's downtown core.



JUL 12

Gaetz Avenue Revitalization Celebration

The historic downtown banners flew high with the re-opening of a revitalized and enhanced Little Gaetz and the completion of the archway that welcomes citizens into downtown Red Deer.

AUG 13

Official opening of Blue Grass Sod Farms Central Spray and Play

An estimated 1,700 people attended the grand opening of the spray park downtown, which is a free community amenity located at 47a Avenue & 48 Street (near Recreation Centre & Golden Circle). With a 7,500 square foot spray pad with 35 spray toys and two dump buckets – it's the perfect place to spray and play.



OCT 18

Unveiling the Historic Arches

Located at 52 Avenue and Alexander Way, the Historic Arches represented the final phase of Centennial Plaza Park. The project pays tribute to Red Deer's Centennial and our long railway history, featuring interpretive plaques that celebrate the influence of transportation and railway on the development of Red Deer.



2013

JAN 3

A 'rock' in re-opening of the Pidherney Curling Centre

The facility opened its doors after the expansion was complete. City Council approved support of the former Red Deer Curling Centre renovation and expansion to a new 12 sheet facility through city capital funding of \$6 million.

MAR 21

ENMAX Centrium Re-opening

The ENMAX Centrium upgrades included 13 luxury suites, a 40-seat club suite and an additional 1,000 seats added to the 6,000-seat facility. The City contributed \$1 million.

MAR 25

Centennial City Council Meeting & Time Capsule Ceremony

Current and former members of City Council, as well as many Red Deerians, attended a time capsule ceremony in City Hall Park followed by a Centennial Meeting of Council in honour of The City's 100th birthday. Guests were treated to a historical review of the last 100 years and an evening reception at City Hall with socializing and reminiscing about the memories and changes over the 100 years.

*IMAGE ON PREVIOUS PAGE



JUL 5

Glendale Skatepark Opens for Ollies

Located at 76 Street and Taylor Drive (adjacent to the Glendale School), the Glendale Skatepark is a free community amenity. On opening day, 750 guests descended on the new skatepark to watch as riders skateboarded through the big red ribbon to officially open the park. With sponsorship from Allrose Skateboards and Snowboards, Glendale School is now offering an exciting new course option for Grade 6, 7 and 8 students to learn the fundamentals of skateboarding.

JUL 16

PAWty at the Oxbows Off Leash Dog Park

225 two legged guests and their four legged friends came out to PAWty and celebrate the opening of the Oxbows Off Leash Dog Park. There was fun, food and free prize draws for everyone.



SEP 22

Official re-opening of Maskepetoon Park

Improvements were made to protect the integrity of this ecological gem located within the city. It was re-established as a beautifully diverse natural area in the heart of our community.



DEC 9

Red Deer: The Memorable City, hits the shelves

A book by Michael J. Dawe, author and Red Deer historian was made available for purchase by all Red Deerians. The book gives people a glimpse into Red Deer's history and invites them to keep connecting the past to the present.





GOING BIG ON LITTLE GAETZ

Little Gaetz isn't so little after all, thanks to a project completed in 2013 that saw the six-block stretch of road downtown revitalized in a big way.

Nestled in the heart of Red Deer's downtown, Little Gaetz is home to local boutique stores, eateries, coffee shops, and businesses – not to mention the events, festivals, and downtown farmers' market that run throughout the summer.

"This revitalization project breathed new life into Red Deer's downtown," said Charity Dyke, former Greater Downtown Coordinator. "Little Gaetz was always a hidden gem, and through this project, we've polished it up a little and turned the street into a community gathering space that draws people in to explore and enjoy everything downtown has to offer."

Many of the changes are cosmetic – including new way-finding signage, landscaping, and sidewalk stones – but even the smallest improvements "changed the

feel" of the street. The City incorporated historical elements as part of the project as well as replacing essential underground infrastructure that was almost 50 years old.

"Replacement of services was a primary driver for the project when the work got underway in 2011," said Dyke. "Fortunately, that also gave us an opportunity to take a hard look at what was needed to bring the street back to life."

The sidewalks along little Gaetz were widened to improve the shopping environment with additional improvements that include street furniture, lighting features and landscaping that aligned with Crime Prevention Through Environmental Design (CPTED) standards.

"The street feels more alive now. There is a sense of openness and vibrancy that wasn't there before. We've created a more pedestrian friendly experience," she said.

"And that experience doesn't end at little Gaetz. There is overflow into the rest of downtown, whether people are moving to and from the Ross Street Patio or making their way down to Bower Ponds. The revitalization was a step forward in creating community connections."

The revitalization of Little Gaetz is just one example of how we can create welcoming and inclusive spaces where Red Deerians feel at home. It demonstrates that a few small changes can go a long way toward creating comfortable city spaces the whole community can enjoy.

For more information about the Little Gaetz Revitalization Project visit: www.reddeer.ca



Cosmetic changes include new way-finding signage, landscaping and sidewalk stones.



GOING BIG ON LITTLE GAETZ

GROWING CITY

Red Deer is growing, but you don't have to take our word for it. The proof is in the numbers.

**All statistics are based on 2013 numbers*

97,109
Number of Red Deerians
63,979
Residents over the age of 18

112
Total snowfall in centimetres for 2013

714
Number of new residents in Clearview Ridge, Red Deer's fastest growing community

152
Playgrounds

1,524
Number of building permits issued in 2013

\$243.3
MILLION
Value of building permits in 2013

1500
Streetlights repaired in 2013

21,498

Number of detached houses in Red Deer

44

Total number of neighbourhoods in Red Deer

9.8%

Decrease in crime rate in 2013

100
Number of years Red Deer has been a city

498,714
Number of volunteer hours in the community

97%
Number of Red Deerians who think life is good in Red Deer

18,942
Number of reported volunteers in the community

19,740m²
Dedicated to City garden plots

54
Number of bus routes in Red Deer

5,231
Number of NEW Red Deerians

66%
Commute less than 5km to work

Length of Red Deer's trails in kilometres

32
Average age of Red Deerians

5.7%
Rate of growth from 2011 to 2013

17,403
Number of passengers through the airport in 2013

110
Outdoor skating/hockey surfaces

49.4%
50.1%

20,364
People voted in the 2013 election

6,353,574m²
Of mowed turf grass in 2013

A new feature being used for census data collection is the online tool. Starting in 2013, residents could participate online rather than have an enumerator go to their home. This is being used for the 2014 municipal census as well.



95%
of the lots in
Phase 1 are
already sold.

QUEENS BUSINESS PARK

QUEENS BUSINESS PARK

Business owners from Red Deer and beyond have given Red Deer's newest, most versatile industrial park a warm welcome with Phase 1 nearly sold out and Phase 2 headed down the same path.

Queens Business Park, located west of the QEII and south of Highway 11A, is the first commercial development area in Red Deer to incorporate light industrial, eco-industrial, heavy industrial, and commercial land.

"In 2013, businesses from Red Deer and area invested in the opportunity to become a part of a growing industrial development," said John Sennema, Land and Economic Development Manager. "More than 20 lots within Phase 1 of Queens Business Park are purchased by businesses planning to help meet the demand of our growing economy."

Phase 2 of the four-phase business park is ready for purchase and development. The underground infrastructure is complete with surface work beginning this spring. It's now time to sell the City-owned land to potential businesses.

"Our goal behind Queen's Business Park, based on the economic development strategy that we did, is to have a continuous supply of industrial land," said Sennema. "That's one of the biggest things we can do to facilitate economic growth in Red Deer."

The second phase has attracted a lot of interest with potential investors coming in the door to inquire every day. Phase 2 is made up of 4.75 acres of commercial land and 94.66 acres of industrial land.

The industrial land is broken down into 42.77 acres of light industrial, 15.82 acres of heavy industrial and 36.07 of eco-industrial. Specific development guidelines for the eco-industrial area have yet to be finalized, and will be going to Council in 2014.

"The eco-industrial lands are intended to promote energy-efficient building design, incorporate sustainable building design and site development techniques, and encourage development of an industrial area with unique character and community," said Sennema. "This is the first time we're looking at something like this in an industrial sector, and we believe businesses and developers will be interested because it simply makes good environmental, social and economic sense."

Currently, The City is working on an Industrial Area Structure Plan (IASP) for Phases 3 and 4, which is expected to be completed this summer or fall. /

For more information, visit www.reddeer.ca/queens.





In November alone, Red Deer saw over 60 cm of snow.

The City sent approximately 5,300 sandbags, supplies to help with water treatment, and a number of RCMP officers south to assist other communities who faced significant flooding.



SMALL ACTS MATTER



Red Deer Golf Club



Waskasoo Crescent

RED DEERIANS PROVE THAT SMALL ACTS MATTER

Red Deerians are no strangers to snow – and lots of it – but with a record-high snowfall in November 2013, even the most winter-loving of central Albertans struggled to stay on top of snow shoveling.

The average snowfall for the month of November over the last 13 years is 19 centimetres with the highest recorded snowfall of 32 centimetres in 2006. In November alone, Red Deer saw over 60 centimetres, more than triple what the city usually sees in any given year.

“Before the end of 2013, we saw over 100 centimeters of snow, and with that, some people had trouble getting in and out of their homes or getting to and from places in and around the city,” said City

Manager Craig Curtis. “City crews ramped up snow clearing efforts and worked around the clock to clear streets and make roads passable, but Red Deerians also went above and beyond to help people across the community, proving that small acts can make a big difference.”

For some, such as the elderly or disabled, the extraordinary amount of snow created significant challenges. Thankfully, the city saw a number of snow samaritans who also came out to lend a hand, or a shovel, and help their neighbours in need.

“In some cases, this may have made the difference to somebody visiting a family member in the hospital or making it to a scheduled doctor’s appointment,” said Scott Cameron, Social Planning Manager.

“The community really partnered with us to assist vulnerable populations when it was needed most.”

On Monday, December 2, The City activated its Emergency Operations Centre and City Council voted unanimously to depart from The City’s snow and ice control policy to carry out a snow plow blitz on residential streets across Red Deer.

“Safety and accessibility was the driver for these decisions,” said Curtis. “These were extraordinary circumstances and activating the emergency operations centre enabled us to coordinate our efforts across all departments, and with community partners, to ensure the fastest and most efficient response possible.”

City Council allocated \$3.4 million as part of the 2013 operating budget for snow removal. The decision to initiate an emergency snow plow blitz came with an additional price tag of approximately \$175,000.

But the record breaking snowfall wasn’t the only weather-related issue in 2013 where Red Deerians partnered with The City to lend a hand.

In late June, areas in the southern part of the province saw extreme flooding that, in some cases, devastated entire communities. In cities like Calgary and towns like High River, Red Deerians volunteered to help water-logged communities through the crisis.

“We saw many volunteers head south to help the people in Calgary and High River following the floods,” said Jack MacDonald, Emergency Services Manager. “Even here at home, people were mobilizing efforts to send donations to help people who lost everything in the floods.”

Thankfully, Red Deer didn’t see flooding to the same extent as our southern neighbours. But The City did declare a State of Local emergency on June 20, 2013 when high waters threatened to breach the banks of the Red Deer River within city limits. Places like Three Mile Bend, Bower Ponds and McKenzie Trails did experience some flooding; however, the state of local emergency was lifted on June 24, 2013.

“The generosity of Red Deerians did not go unnoticed. Local businesses and citizens helped sandbag and prepare in the event that the flooding worsened. It is reassuring to know that we have no shortage of people in our community who demonstrate that small acts do matter,” said Mayor Tara Veer.

When waters receded in central Alberta, The City sent approximately 5,300 sandbags, supplies to help with water treatment, and a number of RCMP officers south to assist other communities who faced significant flooding. /



Red Deerians want to reduce the amount of waste that is going to the landfill.



A COMPOSTING COMMUNITY



A COMPOSTING COMMUNITY

A pilot project to promote composting at home has diverted 20 tonnes of organic waste from Red Deer's landfill – but the project's real success is its uptake by Red Deerians, says The City's Environmental Program Specialist Lauren Maris.

"The composting program is intended to give people all of the tools and training that they need to start composting at home," said Maris, who is leading the project. "We want to eliminate all barriers and bust all of the myths that surround backyard composting."

And so far, response from Red Deerians is "outstanding."

"I didn't know if, in the first year, I was going to need to drag people into these workshops or not," she said with a laugh. "I found very quickly that people have wanted to do this for a really long time. They just didn't know how to get started!"

Phase 1 of the project began in 2012, when 253 Red Deer households were offered the opportunity to receive all of the supplies and support they needed to begin composting at home. When it was clear that many Red Deerians were interested in the program, Phase 2 offered 200 spaces in 2013. Within 55 hours of registration opening for the program, all of the spots were filled—and they were filled even faster in 2014.

"Red Deerians are really happy to have the opportunity to do this. It's been incredibly popular."

Today, at least 70 per cent of the participants from the first year are still actively composting at home. Maris attributes the program's success to a growing recognition about the environmental benefits of composting.

"Red Deerians want to reduce the amount of waste that is going to the landfill," said Maris. "They want to do the right thing."

Landfills are one of the largest sources of greenhouse gas emissions, she said, so keeping organics out of the landfills can reduce greenhouse gas emissions significantly.

"When organics are sent to the landfill, their nutrients become locked in the waste. Through composting, the nutrients return to the soil," said Maris.

And for those items that can't be composted at home, The City plans to pilot curbside organics pick up within the next two years, with a full roll-out of that project planned for 2018, according to Maris.

"I view this composting at home program as a gateway to curbside organics pick up."

For more information about Red Deer's composting program, visit www.reddeer.ca/composting.



This project is an initiative that is part of the Waste Management Strategy adopted through the Environmental Master Plan.

FOOD FOREST

FOOD FOREST

Whenever The City collaborates with the community, the work that gets done always bears fruit – but never quite as literally as in Red Deer’s first ever community food forest.

“We wanted to develop the food forest for the community as a place where people could come harvest local foods in an inclusive way,” said Ken Lehman, Parks Ecological & Planning Specialist. “People can come pick an apple or pick a plum or pick an apricot and share in that experience.”

And while it will take two or three years before the trees and bushes in the food forest start bearing fruit, Lehman believes the project will soon show Red Deerians what they can grow right here in the city.

“The food forest will show that we can grow these things in our backyard, so hopefully, that encourages people to do

that in their own backyard,” said Lehman. “But if they don’t have space, this is a place where they can come harvest some fresh foods.”

To make sure the plants stay productive for many years to come, the food forest was designed with the values of permaculture in mind, emulating environmental design principles that will help the forest make the most of the resources available.

“There are different layers and components to a forest,” said Lehman. “A forest is not just a row of trees, and we wanted to bring some of that into this planting to show that permaculture can work on any existing plot of land that you have.”

Roughly 200 plants, ranging from berry bushes to apple trees, were planted in September—and Lehman’s team couldn’t



The City will maintain the forest, pruning the trees and shrubs and making sure the plants have what they need to grow.

have done it without the help of the 30 volunteers who came out ready to get their hands dirty.

“It was awesome for the community to come out and plant that forest, and we hope they’ll come back year after year to see how it takes off,” he said.

Partnering with organizations like ReThink Red Deer and with businesses like Blue Grass Sod Farms and Parkland Nurseries, which donated plants to the project, has also allowed The City to build the forest “in a collaborative way,” said Lehman.

“Partnerships really do make it more of a community effort, and they allow businesses and groups to contribute to something they believe in as well.”

The City will maintain the forest, pruning the trees and shrubs and making sure the plants have what they need to grow, but Lehman hopes the community will continue to offer their help.

“The project really shows how a community effort can produce something innovative like a food forest,” said Lehman. “Projects like this bring people together, and that’s pretty valuable.” /

For more information about the food forest, visit www.reddeer.ca.

 **200+**
Plants
 **30**
Volunteers

2014



LOOKING FORWARD – 2014

Two-thousand and thirteen was a banner year; but as they say, the show must go on, and we are moving into 2014 with an investment in projects and services that will benefit the city today and in the future.

So what's in store for 2014? The projects and initiatives that City Council approved in 2014 reflect the theme, Building Blocks for Growth. Two thousand and fourteen is all about developing core infrastructure to support the growth of our community. A number of road improvement projects as well as expansion of the water and wastewater treatment plants make up much of the 2014 Capital Plan.

“**Council's budget decisions for 2014 balance the need for a strong, healthy community while using resources effectively, responsibly, and with careful mindfulness for our bottom line.**” said Mayor Tara Veer.

It is a challenge to build new infrastructure that meets community needs and expectations while maintaining existing infrastructure that is continuously stressed

by increased use as our city grows. That infrastructure includes everything from pipes to roads to the electrical systems that you need to run the lights in your house. Wear and tear on facilities, streets and bridges, changing standards, and an evolving community vision drives the need for new development and redevelopment of a number of facilities over the past few years.

The big ticket items in the 2014 budget include the 67 Street and 30 Avenue Expansion project, 55 Street Improvement Project, Taylor Drive Improvements Project, new electricity transmission station in northeast Red Deer, road maintenance and rehabilitation programs and the water and waste water treatment plant upgrades. The City is also supporting a bid for the 2019 Canada Winter Games.

In 2014, we are building the foundation for the future. We know it won't be easy, but it will be worth it. This preparation is essential to ensuring alignment with Red Deer's vision to be innovative, inspired and vibrant. /

67 STREET AND 30 AVENUE EXTENSION

Construction of a roundabout at 67 Street and 30 Avenue is needed to facilitate growth and development in northeast Red Deer. This work includes utility servicing as well as road construction and development. The project involves intersection construction and approximately 2 km of roadway extension on 30 Avenue and 1 km of roadway extension on 67 Street. Roadway, trail linkages and community connections will connect to future developments in the northeast.

55 STREET IMPROVEMENT PROJECT

Upgraded utilities are needed along 55 Street to facilitate growth and development in northeast Red Deer as well as in Riverlands and Railyards. Crews will also rebuild sidewalks and develop a new multi-use pathway as part of this project.

TAYLOR DRIVE IMPROVEMENTS PROJECT

Work on Taylor Drive is about improved safety, access and traffic flow as well as creating better connections for drivers, pedestrians, and commuters alike. The improvements include the streets that are designed for all ages and abilities, new intersections with enhanced crossing and new sidewalks, improved connections to transit stops and Sorensen Station and improved connections to historic downtown, Riverlands, Railyards and the river.

2019 CANADA WINTER GAMES

The Canada Games is a celebration of youth, sport, culture and community for participants, volunteers, spectators and partners alike. The Red Deer bid committee is working hard to secure Red Deer as the home of the 2019 Canada Winter Games. In August, the community will be called upon to show their community spirit as the Games officials come back to Red Deer to see what our community can offer.

Slated to take place in Alberta in February 2019, the Canada Games are two weeks in duration encompassing 19 sport disciplines. The games will host 3,600 athletes, 1,500 technical representatives and officials, 4,000 - 5,000 volunteers, 450 media broadcasters, and approximately 25,000 visitors. Red Deer is ready!

WASTEWATER TREATMENT PLANT UPGRADES

The WWTP upgrade is a major component in the vision of a centralized regional wastewater treatment system in Central Alberta. This regional wastewater treatment system will treat wastewater from The City of Red Deer itself, plus regional wastewater transmission systems extending south and in the future from the west and north.

The WWTP upgrades are partially funded by the Alberta Government and will increase plant design capacity to 72,500 cubic meters per day. The WWTP Phase 4 upgrades are approximately 70 per cent complete.

WATER TREATMENT PLANT UPGRADES

The City supplies water to approximately 110,000 residents in Central Alberta. This includes residents in Red Deer, Red Deer County (South Hills) and the North Red Deer River Water Service Commission, which includes Blackfalds, Lacombe, Ponoka, Lacombe County and Ponoka County.

Water Treatment Plant (WTP) improvements are required to meet our capacity needs as well as our license requirements.

COMMUNITY AMENITIES

In 2014, The City will carry out community consultation about what community amenities are missing in Red Deer. These community amenities may include everything from park nodes to facilities and other capital requests that compete for municipal funding and could have a substantial impact on The City's capital plan. It is a formal opportunity to connect with citizens to prioritize potential community amenities and balance what is needed with the financial realities that The City is faced with. Community input will be used to develop a community amenities list that will guide our community planning and decision-making.

For more information visit www.reddeer.ca.



CHIEF FINANCIAL OFFICER'S MESSAGE



The City maintained an excellent financial position in 2013.

The City acquired \$119M in assets during the year. The major acquisitions were the North Highway Connector \$24M, pavement rehabilitation \$8M and 32 St Improvements \$8M. Capital Grants in the amount of \$27M were used to help fund these acquisitions.

Additional debt of \$16M was also incurred to fund these acquisitions but \$14M of debt repayments were also made so the net increase in long term debt was only \$2M. There is a reserve which has been established to ensure tax supported debt repayments are made as scheduled. As of December 31, 2013 the reserve held \$12M. The total long term debt at year end is \$208M with

67% of the debt related to self-supported activities and 33% of the debt related to tax supported activities.

Reserves increased from \$195M in 2012 to \$222M. These reserves are used for a variety of purposes including future asset acquisition, land acquisition and development, unexpected / interim / one time operating expenditures and to ensure tax supported debt repayments.

Net Debt is the amount by which our liabilities exceed our financial assets. The net debt has been reduced by \$29M over the last 2 years.

The annual report includes selected financial information from the 2013 Annual Financial Report. The full report can be found at www.reddeer.ca.

We will continue to balance building new infrastructure to support a growing community while ensuring that existing infrastructure is maintained while maintaining a strong financial position. /

Dean Krejci, CA
Chief Financial Officer,
City of Red Deer

Consolidated Statement of Financial Position

As of December 31, 2013 (in thousands of dollars)

	2013	2012
Financial Assets		
Cash and cash equivalents	\$ 14,936	\$ 14,649
Temporary investments	99,137	100,260
Accounts Receivable	42,627	33,523
Land held ready for sale	2,513	2,464
Long-term investments	138,854	135,859
Loans receivable	1,143	1,881
	299,210	288,636
Liabilities		
Accounts payable & accrued liabilities	39,108	39,241
Other liabilities	3,725	3,772
Deferred revenue	65,391	63,332
Employee benefit obligations	12,288	11,630
Landfil closure and post-closure liability	4,567	3,674
Long-term debt	208,501	205,964
	333,580	327,613
Net Debt	(34,370)	(38,977)
Non-Financial Assets		
Tangible capital assets	1,702,737	1,617,843
Land held not ready for sale	29,448	21,842
Capital lease	11	73
Prepaid expenses	2,607	1,568
Inventory	8,222	7,503
	1,743,025	1,648,829
Accumulated Surplus	\$ 1,708,655	\$ 1,609,852

Consolidated Statement of Operations

For the year ended December 31, 2013 (in thousands of dollars)

	Budget	2013	2012
Revenues			
Net municipal taxes	\$ 105,671	\$ 107,034	\$ 98,463
Operating government transfers	11,713	10,760	10,214
User fees and sale of goods and services	203,813	204,778	163,524
Investment income	4,491	6,484	8,004
Fines and penalties	6,701	5,972	6,513
Franchise fees	6,840	6,972	6,188
Licenses and permits	3,183	3,542	3,325
Other revenue	2,641	5,259	3,313
	345,053	350,756	299,544
Expenses			
Legislative and administrative	33,713	31,900	33,031
Police and other protective	31,871	30,972	28,015
Fire and ambulance	29,113	27,363	25,279
Transportation	44,114	46,134	37,156
Transit	12,883	12,445	12,119
Social planning	3,955	3,871	3,764
Community	7,805	7,424	6,231
Recreation, Parks & Culture	42,034	43,545	46,028
Parking	2,161	2,098	2,197
Fleet	12,906	11,356	11,113
Water	15,591	14,942	14,060
Waste water	14,673	16,173	11,732
Solid waste collection	6,224	6,218	6,047
Recycling	2,020	2,027	1,920
Solid waste disposal	4,224	5,089	4,255
Subdivisions	5,474	6,671	2,016
Electric light and power	31,695	32,634	29,785
	300,456	300,862	274,748
Annual Surplus Before Other	44,597	49,894	24,796
Other			
Capital Government Transfers	29,466	27,031	73,381
Contributed Tangible Capital Assets	19,989	21,878	17,975
Annual Surplus	94,052	98,803	116,152
Accumulated Surplus, beginning of year	1,609,852	1,609,852	1,493,700
Accumulated Surplus, end of year	1,703,904	1,708,655	1,609,852

Tangible Capital Assets

For the year ended December 31, 2013 (in thousands of dollars)

	Land	Land Improvement	Buildings	Machinery & Equipment	Vehicles	Engineered Structures	Assets Under Construction	2013	2012
Cost:									
Balance, beginning of year	\$ 320,301	53,930	311,817	52,017	44,873	1,378,854	147,249	2,309,041	2,176,735
Assets under construction	-	-	-	-	-	-	10,014	10,014	42,157
Acquisition of tangible capital assets	6,077	12,515	6,051	5,159	4,067	97,887	-	131,756	98,749
Disposal of tangible capital assets	(735)	(131)	(4,281)	(1,125)	(2,495)	(1,974)	-	(10,741)	(8,600)
Balance, end of year	325,643	66,314	313,587	56,051	46,445	1,474,767	157,263	2,440,070	2,309,041
Accumulated Amortization:									
Balance, beginning of year	-	(25,670)	(75,877)	(28,486)	(19,272)	(541,893)	-	(691,198)	(651,957)
Annual amortization	-	(3,239)	(8,870)	(4,073)	(3,208)	(35,316)	-	(54,706)	(46,344)
Disposal of tangible capital assets	-	114	3,310	931	2,232	1,984	-	8,571	7,103
Balance, end of year	-	(28,795)	(81,437)	(31,628)	(20,248)	(575,225)	-	(737,333)	(691,198)
Net book value of tangible capital assets	\$ 325,643	37,519	232,150	24,423	26,197	(899,542)	157,263	1,702,737	1,617,843

Notes to the Consolidated Financial Statements

For the year ended December 31, 2013 (in thousands of dollars)

Long-Term Debt

Long-term debt is comprised of:

Tax-supported debt

Self-supported debt

	2013	2012
Tax-supported debt	69,331	55,397
Self-supported debt	139,170	150,567
Total	\$ 208,501	\$ 205,964

Certain comparative figures have been restated to conform to the current year's presentation.

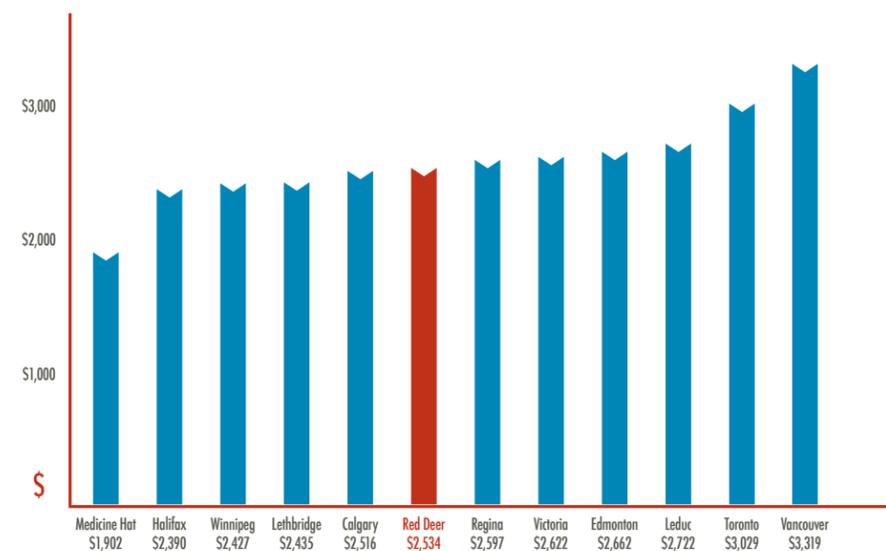
\$55,989 of long-term debt for offsite levies has been reclassified from tax-supported debt to self-supported debt in 2012.

Principal and interest repayments are as follows:

	Principal	Interest	Total
2014	15,497	8,703	24,200
2015	14,514	8,115	22,629
2016	14,959	7,612	22,571
2017	15,258	6,952	22,210
2018	14,521	6,295	20,816
Thereafter	133,752	47,922	181,674
Total	\$ 208,501	\$ 85,599	\$ 294,100

THE CITY OF CALGARY 2012 RESIDENTIAL PROPERTY TAXES AND UTILITY CHARGES SURVEY

Net property tax (after grants)
including municipal and education.

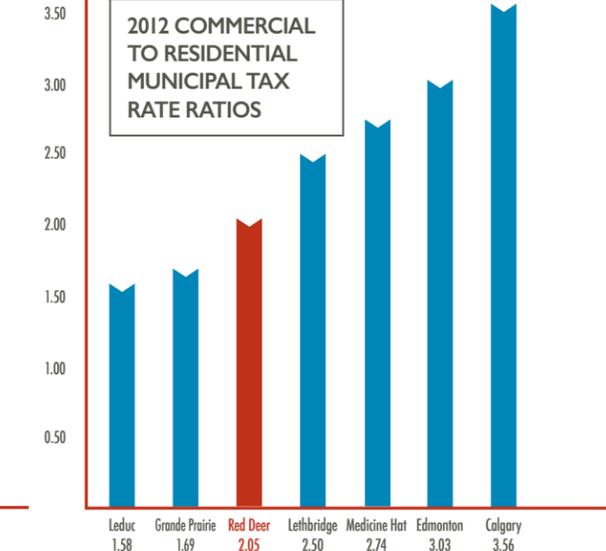


THE CITY OF CALGARY 2012 RESIDENTIAL PROPERTY TAXES AND UTILITY CHARGES SURVEY

Non-residential Taxes per \$1,000
of Assessed Value.



2012 COMMERCIAL TO RESIDENTIAL MUNICIPAL TAX RATE RATIOS



continued...

Notes to the Consolidated Financial Statements

For the year ended December 31, 2013 (in thousands of dollars)

Self-supported debt represents the amount funded through self-supported municipal operations including fleet, subdivision, parking, offsite levies collected from developers, wastewater, waste management and electric, light and power. Tax supported debt represents the amount funded by municipal taxes.

Long-term debt consists of debentures payable to Alberta Capital Finance Authority (ACFA) and a loan payable to Canada Mortgage and Housing Corporation (CMHC) for the construction of public housing units.

Debentures mature in annual amounts to 2042 (2012 – 2040). Interest rates on these debentures range from 2.17% to 5.38% (2012 - 2.17% to 5.38%) per annum. The average annual interest rate is 4.01% (2012 - 4.27%). Debenture debt

Debt Limit

The debt limit is calculated at 1.5 times revenue of The City as defined in Alberta Regulation 255/2000 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 that could be at financial risk if further debt is acquired.

Pursuant to section 6(1) of the Regulation, The City has elected to include revenue, total debt and debt service costs

is issued on the credit and security of The City at large.

The loan payable to CMHC was issued January 1, 1972, for a term of 50 years at an interest rate of 8.25% with an annual repayment of interest and principal of \$27,000. The remaining principal balance was \$165 as at December 31, 2013 (2012- \$177).

Interest expenses on long-term debt amounted to \$8,725 (2012 -\$8,624). Total cash payments for interest were \$8,690 (2012 - \$8,597).

for controlled organizations in its debt limit and debt service limit calculations. The controlled organizations that have been included are Red Deer Public Library, Red Deer Downtown Business Association, Waskasoo Environmental Education Society, Red Deer River Bend Golf Course, and Red Deer Museum + Art Gallery.

Section 276(2) of the MGA requires that debt and debt limits as defined by Alberta Regulation 255/2000 for The City be disclosed as follows:

(in thousands of dollars)	2013	2012
Total debt limit	526,134	449,316
Long-term debt	208,501	205,964
Debt limit available	317,633	243,352
Service on debt limit	87,689	74,886
Service on existing debt	24,200	21,242
Service on dept limit available	\$ 63,489	\$ 53,644

The increased revenue and limited increase in debt resulted in the debt limit used being 40% (2012 – 46%). The debt servicing limit used is 28% (2012 – 28%).

Strategic Plan

What The City does day to day is based on City Council's strategic direction – a direction that focuses on a vision for the community based on Council's understanding of its needs, emerging issues and the current situation. It guides us along a path and provides focus and purpose to all that we do. It is our most important plan as it shapes the organization, the municipal programs and services we provide to the citizens of Red Deer.

The City's strategic plan is a living document. It evolves as we monitor, report and budget from year to year. It is about more than keeping the lights on and cleaning the streets. It is about building a healthy community, and looking long-term to set out a vision and goals that help us do that. It is just one mechanism we use to communicate strategic priorities to staff and citizens.

The six themes of the 2012 – 2014 Strategic Direction support a healthy, vibrant, and sustainable community. They are as follows:

- / Economy
- / Design
- / Movement
- / Identity
- / Safety
- / Dialogue

The 2012 – 2014 Strategic Direction was approved in 2011 with City Council striving to unleash innovation, foster creativity and invite participation. In 2014, City Council and administration is looking ahead, anticipating change and will once again work through the strategic planning process to reevaluate its priorities and set out a future road map for continued success in delivering service. /





RED DEER: A GREAT PLACE TO LIVE

The people have spoken, and they are proud to be a resident of Red Deer, according to the 2013 Ipsos Reid Citizen Satisfaction Survey.

Each year, The City conducts a citizen satisfaction survey to check the pulse of the community and find out what is top of mind for Red Deerians. The information is used to find out how satisfied people are with City services, programs and initiatives as The City sets its budget and looks forward to the coming year and beyond.

In 2013, 84 per cent of those surveyed said they are proud to be a resident of Red Deer. The majority of citizens stated that growth and development in the city, employment and job opportunities, all contributed to their quality of life.

"How quality of life is measured varies from person to person, but hearing that people think Red Deer is friendly, courteous, clean, beautiful, and a great place to live is great to hear," said Mayor Tara Veer. "I'm proud to say that Red Deer has always been my home, and it's inspiring to see how deeply others share my love for this community."

When asked about all the programs and services received from The City, 83 per cent of Red Deerians felt they received good value for their tax dollar.

City services are used by residents on a daily basis, and 54 per cent of Red Deerians would support increasing taxes to enhance or maintain services. Thirty per cent favoured cutting services to maintain or reduce taxes.

Transportation was still top of mind in 2013, with 41 per cent of Red Deerians once again reporting it was the most important issue facing the community.

Fifty four per cent feel that The City is doing a very good or somewhat good job of managing our road infrastructure; however, this is a decrease of seven per cent from 2012.

"Road infrastructure is a priority for residents," said Curtis. "City Council approved \$11.8 million in the 2013 capital budget for road improvements and this commitment to road improvements continued in 2014 with City Council approving \$14.5 million."

"While the Ipsos Reid Citizen Satisfaction Survey is just one mechanism for feedback, this information enables us to analyze progress from year to year and determine if we are, in fact, meeting people's expectations. With that said, we always need to balance the desires of the community with the financial reality of the economy," said Curtis. "Sometimes that means making hard decisions that involve balancing what the community wants us to do, and doing what we need to do to keep city services at a sustainable level."

The Citizen Satisfaction Survey was administered by Ipsos Reid from May 29 to June 9, 2013. It was conducted by telephone to a randomly selected sample of 300 residents aged 18 years or older. This is the seventh consecutive year The City participated in the survey. /

84%
of those surveyed said they are proud to be a resident of Red Deer

83%
of those surveyed felt they received good value for their tax dollar

54%
of Red Deerians would support increasing taxes to enhance or maintain services

30%
favour cutting services to maintain or reduce taxes

41%
say Transportation is still top of mind for the most important issue facing the community

54%
feel that The City is doing a very good or somewhat good job of managing our road infrastructure

14.5 M
approved by City Council for road improvements in 2014

Overall Ipsos Reid results are accurate to within **±5.7** percentage points

THE CITY OF RED DEER'S
CORPORATE LEADERSHIP
TEAM INCLUDES:

Craig Curtis, City Manager
403.342.8156
craig.curtis@reddeer.ca

Paul Goranson, Director of Corporate Services
403.342.8134
paul.goranson@reddeer.ca

Kim Fowler, Director of Planning Services
403.342.8195
kim.fowler@reddeer.ca

Kristy Svoboda, Director of Human Resources
403.356.8906
kristy.svoboda@reddeer.ca

Elaine Vincent, Director of Development Services
403.342.8162
elaine.vincent@reddeer.ca

Sarah Cockerill, Director of Community Services
403.342.8323
sarah.cockerill@reddeer.ca

Charity Dyke, Acting Director of Communications
403.342.8320
charity.dyke@reddeer.ca

Lisa Perkins, Director of Corporate Transformation
403.342.8738
lisa.perkins@reddeer.ca



THE CITY OF RED DEER
4914 - 48 AVENUE (BOX 5008)
RED DEER, AB, CANADA T4N 3T4

www.reddeer.ca  

2013