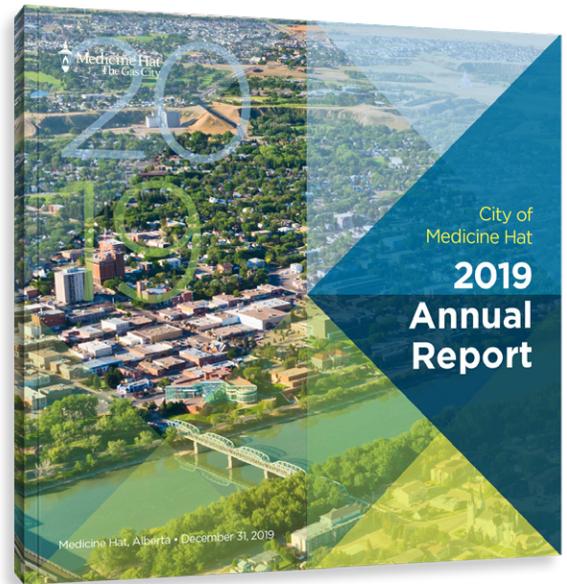


2019 Annual Report Summary

Highlights from the past year's progress and action on Medicine Hat City Council's six strategic priorities.



FISCAL RESPONSIBILITY

Through cost containment, service level adjustments, and the exploration of new revenue streams, the Financially Fit initiative has reduced the City's reliance on commodity-based revenue from \$23 million in 2018 to \$15.4 million in 2019.

In 2019, the rate of customers signed on for eBilling grew to 38% (11,680 accounts). This translates into operational savings of over \$250,000 per year related to a reduced mailing volume, with an environmental benefit of lower paper usage.

GENCO (the City's power generating company) achieved higher than budgeted profitability, mainly due to equipment availability, lower gas costs than budgeted, and higher power prices occurring in the province. The hedging program and external power sales also contributed to higher than budgeted revenues, as well as cost-containment related to operations and maintenance.

The City of Medicine Hat continued to hold its externally managed investment portfolio, under management by Alberta Investment Corporation (AIMCo). Over \$150 million is invested with AIMCo and the return for the year ended December 31, 2019 was over 14% (net of fees).

ECONOMIC VITALITY

Growing and diversifying the economy remains a priority for the City. By facilitating business, industry and tourism investment, the City contributes to increased employment, superior quality of life, and a vibrant, thriving community.

The City announced that Invest Medicine Hat (IMH) would be brought in-house after operating via an external contract for the previous four years. The new IMH continues to focus on investment attraction, but with a more comprehensive economic development approach that includes land development and sales, and marketing and communications.

To ensure sustainable and timely provision of services, the final 7.2 km were completed in a ten-year upgrade program which included a total of 26 km, 138 kV transmission lines and substation upgrades at eight sites.

To support City Council's focus of selling land that is not part of the City's land development strategy, nor required for municipal purposes (with a focus on intensification and private development) approximately 30 City properties were identified as prospective sale offerings for infill development.

SUNSHINE HOSPITALITY

Capitalizing on the recreational, cultural and natural assets of the community to promote tourism, wellness and quality of life continues to be a focus for the City.

The cities of Medicine Hat and Swift Current hosted the World Under-17 Hockey Championships from October 31-November 9. The completed impact study showed total net economic activity generated by the event was \$2.9 million for the two cities.

Medicine Hat hosted the 55+ Alberta Summer Games July 4-7, 2019. Over 750 participants from eight zones across the province travelled to Medicine Hat to compete in 16 sports. The economic impact for Medicine Hat is estimated at \$1.08 million over the course of the four days.

The City and Medicine Hat College joined the Peaks to Prairies Electric Vehicle Network initiative to establish a network of Electric Vehicle (EV) fast-charging stations across Southern Alberta.

CITY GOVERNMENT

The City aims to stand out as a well-governed, organized, and accessible organization that is transparent, accountable, and responsive to community needs and expectations, and supports a positive employee culture.

The Customer Service Call Centre assisted 68,800 customers in 2019 and achieved a 90% satisfaction rate, exceeding the Alberta Utilities Commission standard of 75%. Also, cashiers co-located with customer service on the main floor of City Hall to better serve customers by providing one location for their service needs.

The Shape Your City website was launched to support public participation efforts. Able to facilitate polls, surveys, discussion forums, and more, the Shape Your City site allows community members an opportunity to learn more about City projects and provide input and feedback.

The City of Medicine Hat passed a bylaw allowing multi-year tax exemptions on eligible brownfield properties, one of the first municipalities in the province to do so. Based on new provisions in the Municipal Government Act (MGA), the bylaw allows the City to grant multi-year tax exemptions, reductions or deferrals on specific brownfield properties to encourage brownfield development.

COMMUNITY SAFETY & VIBRANCY

The City of Medicine Hat is committed to maintaining safety while building a vibrant community with a high quality of life.

The Community Warmth Program helped 73 families pay their utility bills with \$26,803 in support.

A consultation process to better understand the needs and values of Medicine Hat's rapidly changing seniors demographic occurred. The feedback will help define the scope of senior services being provided, better targeting the needs and wishes of seniors today and into the future, and inform the City's efforts to determine if an alternate operating model can deliver more efficient and effective services to seniors.

Natural Gas and Petroleum Resources (NGPR) researched, tested and incorporated technological advances and innovative ideas in order to ensure community safety. A protocol "Working in Proximity to Abandoned Wells within the Municipal Limits of Medicine Hat, Redcliff, and Dunmore", along with a corresponding smartphone app to ensure adequate safety measures when undertaking development or maintenance near abandoned wells was released.

Medicine Hat Transit implemented DoubleMap, an intelligent transit system that provides Automated Vehicle Locator (AVL) technology and passenger count information. The main purpose of the project was to improve access to bus schedule and location information for customers in the form of a transit phone app and website. The cost of the project was funded entirely through Provincial and Federal funding.

INFRASTRUCTURE RENEWAL

Managing the City's aging assets to ensure quality, sustainable infrastructure continues to be a priority.

To improve neighbourhood drainage and prevent overland flooding, 106 metres of drainage swale was installed along Dunmore Road. The project also included the installation of new boulevard trees and a drainage 'bump' to channel runoff to the new swale.

Environmental Utilities, Municipal Works, and Utility Distribution departments collaborated on a capital project on 1 Street SW that included new water and sewer mains, surface works, improved drainage collection and electrical conduit for future servicing. In total, 587 metres of water main was replaced, along with 483 metres of sewer main. The water main was upsized to improve flow capacity to the local and downtown area.

An upgrade to the downtown electrical infrastructure was required to sustain safe and reliable electrical supply in the downtown area. The project included the replacement of underground network cable and transformers located in the various vaults throughout the downtown area. The work replaced infrastructure at the end of its useful life, as well as right-sizing capacity to ensure reliable electrical supply in the downtown core.

Runway 9-27 required asphalt maintenance to reduce the amount of foreign object debris present on the runway. A total of 2,150 metres of cracks were routed, cleaned out and filled, and 1,882 square metres of asphalt were removed and replaced. Portions of the secondary runway were also completed to extend its life and ensure continued safety.