

Municipal Affairs

BUSINESS PLAN 2009-12

ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2009 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 12, 2009 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Ray Danyluk, *Minister of Municipal Affairs*
March 17, 2009

THE MINISTRY

Strong and effective municipalities and their communities and regions are integral to a prosperous province where Albertans enjoy a high quality of life. Municipal Affairs assists municipalities in their efforts to develop and maintain safe and viable communities, provide necessary services and facilities, and good government.

The Ministry of Municipal Affairs includes the following:

- The Local Government Services Division provides municipalities with the structure and support to deliver well-managed, collaborative, and accountable local governments to Albertans and their communities.
- The Public Safety Division administers a safety system that strives to ensure appropriate safety standards for the construction and maintenance of homes, buildings and equipment.
- The Corporate Strategic Services Division supports the province's public libraries and leads the Ministry's corporate finance, legislation planning, information technology, and planning and policy functions.
- The Alberta Emergency Management Agency administers the Provincial Fire Commissioner's Office and coordinates a comprehensive, cross government, all hazards approach to managing emergencies in the province, and supporting communities and industry.

- The Municipal Government Board is an independent, quasi-judicial board that conducts hearings and renders decisions on such matters as property assessment, and provides recommendations to Cabinet on matters defined under the *Municipal Government Act*, such as contested annexations.
- The Safety Codes Council is a corporation, established under the *Safety Codes Act*, that develops and recommends safety codes and standards, develops and administers the provincial systems for accreditation and certification and supports the Ministry's administration of the *Act*.
- The Special Areas Board manages 2.8 million acres of public land in the province's three Special Areas and provides municipal services, such as construction and maintenance of local roads and parks, and emergency and protective services, to the dryland region in eastern Alberta.
- The six improvement districts, located primarily in the National Parks, provide limited administrative services, such as budget preparation, and in the case of Improvement District No. 9, fire protection and ambulance services.

The above components are included in the Ministry's consolidated financial statements with the exception of the Special Areas Board and the six improvement districts.

VISION

Strong, safe and sustainable communities.

MISSION

To help ensure Albertans are served by effective, collaborative and accountable local governments and live in strong, safe and viable communities.

VALUES

Municipal Affairs is guided by the following Alberta Public Service Values:

Respect – we foster an environment in which each individual is valued and heard.

Accountability – we are responsible for our actions and for contributing to the effectiveness of the public service.

Integrity – we behave ethically and are open, honest and fair.

Excellence – we use innovation and continuous improvement to achieve excellence.

LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The following four goals in the three-year *Government of Alberta Strategic Business Plan* are supported.

Government of Alberta Goals

Goal 4: Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally.

Ministry Services

- Operate Ministry programs in an open and accountable manner through the implementation of an accountability framework for funding to municipalities.

Government of Alberta Goals

Ministry Services

Goal 7: Alberta will be a safe place to live, work and raise families.

- Work with municipalities and other stakeholders to deliver a comprehensive safety system.
- Strengthen fire and emergency management throughout Alberta by providing support to municipalities, industry and emergency response organizations.
- Support the establishment of an inter-disciplinary institute to support safety, security and environmental protection functions within Alberta.

Goal 8: Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources.

- Improve access to cultural, historical and educational resources available through public libraries by working with library boards, and managing networked services through the Alberta Public Library Electronic Network and Alberta SuperNet.

Goal 9: Alberta will have strong and effective municipalities and self-reliant Aboriginal communities.

- Help ensure the long-term sustainability of municipalities through appropriate legislation, capacity building initiatives, and financial support.
 - Work with municipalities to enhance regional cooperation.
 - Develop a municipal strategy for Alberta to improve the long-term viability of municipalities across the province.
 - Partner with stakeholders to promote well-managed local governments.
 - Work with municipalities to provide advisory and dispute resolution support.
-

Government of Alberta Priority

Municipal Affairs will work with other ministries to achieve the Government of Alberta priority:

- *Provide the roads, schools, hospitals and other public infrastructure to meet the needs of a growing economy and population.*

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Four opportunities and challenges have been identified that are impacting municipalities and the work being undertaken by Municipal Affairs.

Public expectations, growth pressures, aging infrastructure, municipal capacity and financial sustainability

Many municipalities are facing significant challenges resulting from public expectations, the impact of rapid growth that occurred up until the early part of 2008, and the need to replace or repair aging infrastructure. It is also a challenge for municipalities to manage the risks associated with the increased rate of building, development, and dangerous goods transport. Some municipalities are also facing increased levels of crime as their populations increase. The Ministry helps municipalities manage these challenges by providing long-term, sustainable funding through the Municipal Sustainability Initiative. This funding helps municipalities address their infrastructure and operating needs and facilitate broad planning and coordination in order to maximize opportunities and reduce intermunicipal disputes in their regions.

Many municipalities are struggling to find the skilled personnel that they require. The Ministry is helping municipalities enhance their capacity to meet their responsibilities through initiatives such as internship programs for municipal administrators and land-use planners and support for implementing new accounting and reporting standards.

The Ministry will develop a municipal strategy for Alberta to improve the long-term viability of municipalities across the province.

Public library services are also impacted by capacity issues such as staffing shortages, and the need to provide more technically complex services to an increasingly diverse and growing population base. This issue is of particular importance to smaller municipalities. The Ministry will continue to support public libraries to address the needs of developing and changing communities.

Flexible and responsive solutions

Municipalities across the province have different capacity levels and financial situations, which means that some municipalities are particularly challenged to respond to the needs and expectations of their citizens. Recognizing that not all municipalities are the same, the Ministry will continue to support flexible and responsive solutions for key municipal and intermunicipal issues such as shared service delivery, land-use planning, public safety, emergency management, and provincial-municipal roles and responsibilities, some of which may require changes to the *Municipal Government Act*, the *Safety Codes Act* or the *Emergency Management Act*. This also includes improving incorporation of public safety and emergency management into municipal planning processes.

**Regional collaboration,
land-use planning and the
environment**

Many municipalities are finding it increasingly important to work together to address broader regional issues such as infrastructure, transportation, housing, emergency management, land management, water supply, private sewage disposal, and energy efficiency in order to ensure a strong and healthy future for their citizens. Alberta's *Land-use Framework* reinforces the importance of metropolitan and regionalized land-use planning and calls for municipalities to balance competing economic, environmental and social demands on land in the province. The Ministry will work with municipalities to enhance regionalized planning and cooperation and to promote land-use that supports smart economic growth in the province. Examples include support to the Capital Region Board in the implementation of the Capital Region Growth Plan and the development of a regional plan by the Calgary Regional Partnership.

**Managing emergency
events**

Alberta's emergency management system is still being challenged by the effects of recent economic and industrial expansion, population growth and increasingly severe weather events. These factors have combined to create a significant increase in the potential frequency and magnitude of emergency events that can affect Albertans.

At the same time, the increasing urbanization of the province's population has created difficulties for smaller municipalities throughout Alberta in maintaining their largely volunteer emergency response organizations.

The Ministry will work in close collaboration with municipalities and fire and emergency partners to strengthen the fire and emergency management system in Alberta.

With the support of its partners, the Ministry is committed to addressing opportunities and challenges, accommodating new technologies and developing effective solutions to meet the changing needs and priorities of Albertans.

STRATEGIC PRIORITIES 2009-12

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to important ongoing core activities of the Ministry.

CREATING AND PROTECTING OUR OPPORTUNITIES

- 1. Support growth and capacity building and the long-term viability of municipalities**

Linkage:
Goals 1 and 5

Monitor the on-going impacts on municipalities resulting from public expectations, growth and aging infrastructure, including the effects on land-use, demand for services and infrastructure development and repair. Assist affected municipalities with addressing capacity issues and improving the coordination of the responses to these challenges.

Develop a municipal strategy for Alberta to improve the long-term viability of municipalities across the province.

Continue to implement the provincial government's commitment to provide significant long-term funding to municipalities through the Municipal Sustainability Initiative to enhance municipal sustainability and to enable municipalities to meet increasing demands for services and other priorities.

Continue to support the strategic plan for Alberta's oil sands which will help address growth pressures, provide assistance with developing and updating land-use and infrastructure plans, and support staff development and capacity to respond to increasing challenges.

Continue to help expand the pool of Albertans who are interested and qualified in the fields of municipal administration, planning, assessment and safety codes inspection, and to increase the capacity of current municipal staff to provide good administration and service delivery to the citizens of their municipalities.
- 2. Support for library services**

Linkage: Goal 4

Continue to support a strong province-wide public library service by encouraging collaboration to achieve benefits, and by maximizing service delivery through the effective use of technology. This includes working with the library community to improve access to library information, online resources and services, and build on the government's investment in SuperNet.
- 3. Ensure provincial funds provided to municipalities are used to meet agreed upon objectives**

Linkage: Goal 1

Implement an accountability framework to ensure provincial funds provided to municipalities are used to meet agreed upon objectives.

4. **Undertake a review of the *Safety Codes Act*** Consult with the Safety Codes Council and other partners on potential changes to the *Safety Codes Act*.

Linkage: Goal 5

5. **Enhance coordination of the province's emergency management system** The Alberta Emergency Management Agency will increase the level of awareness and coordination of all stakeholders in Alberta that have fire and emergency management roles and responsibilities.

Linkage: Goal 6

To ensure fully integrated and comprehensive responses can be provided for all emergency events in the province, the Alberta Emergency Management Agency will work to provide effective coordination of fire and emergency management resources across all jurisdictional and planning boundaries in Alberta. This will involve working with public, private and volunteer sector partners to achieve a variety of strategic emergency management objectives, including clearly defined roles and responsibilities, capacity building and enhanced training.

6. **Complete metropolitan plans for Calgary and Capital regions and promote regionalized collaboration and planning** Work with municipalities to complete metropolitan plans for the Calgary and Capital regions and promote regional collaboration and planning to support implementation of the *Land-use Framework*.

Work with municipalities, municipal associations and other stakeholders to develop guidelines and initiatives as required, to promote cooperation, collaboration and help resolve regionalized planning issues between neighboring municipalities.

**Linkage:
Goals 1, 2 and 3**

Undertake a legislative review of the *Municipal Government Act* to address issues related to land-use planning and property assessment.

CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

Core Business One: Support the development and long-term sustainability of municipalities and their communities

GOAL ONE **1** A responsive, collaborative, accountable and well-managed local government sector which is sustainable

What it means

Through partnerships, cooperation, funding and an appropriate legislative framework, the Ministry encourages the development of efficient, sustainable and responsive local governments. Local governments are responsible and accountable to their communities and citizens to provide the necessary infrastructure and services. The Ministry helps them do this by providing financial support, advice and services. The Ministry also helps to ensure that provincial funding provided to local governments is used to achieve government-wide objectives.

Strategies

- 1.1 Provide financial support, deliver support services and work with other ministries and municipalities to improve long-term municipal sustainability, particularly through the implementation of the Municipal Sustainability Initiative, a significant long-term funding program.
- 1.2 Implement an accountability framework to help ensure provincial funds provided to municipalities are used to meet agreed upon objectives. Review existing municipal grant programs for opportunities to better align programs.
- 1.3 Develop a municipal strategy for Alberta to improve the long-term viability of municipalities across the province.
- 1.4 Build municipal capacity by providing advisory services, training opportunities and enhanced financial management support to municipalities.
- 1.5 Work with municipalities to complete metropolitan plans for the Calgary and Capital regions and promote regional collaboration and planning to support implementation of the *Land-use Framework*.
- 1.6 Facilitate a legislative framework that enables municipalities to operate successfully and meet the local needs of Albertans by monitoring provincial legislation and regulations related to municipalities and making recommendations on changes to the *Municipal Government Act* in the areas of land-use planning and property assessment.
- 1.7 Plan for a staged review of the *Municipal Government Act* commencing in 2010.
- 1.8 Provide support to the strategic plan for Alberta's oil sands.
- 1.9 Provide management and administrative services for the Special Areas and six improvement districts.
- 1.10 Support municipalities in their efforts to promote safer communities and reduce the negative effects of climate change.

Performance Measures	Last Actual 2007-08	Target 2009-10	Target 2010-11	Target 2011-12
1.a Albertans' satisfaction with their local governments – percentage satisfied	73%	80%	80%	80%
1.b Percentage of municipalities meeting Ministry's criteria of financial accountability as established in the <i>Municipal Government Act</i>	98%	98%	98%	98%

Performance Measure Under Development:

A performance measure relating to the accountability framework referred to in strategy 1.2 will be developed once the accountability framework has been established.

2

A well-managed, fair and efficient assessment and property tax system in which stakeholders have confidence

What it means

The Ministry promotes a fair, reliable and transparent system of generating local and provincial revenue through taxation of property. The key result is an assessment and property tax system that is accurate, understandable, predictable and timely.

Strategies

- 2.1 Promote an assessment and property tax system that is accurate, predictable, fair and transparent by providing advice, by updating and maintaining assessment legislation, regulations and publications, and by conducting a comprehensive assessment audit program.
- 2.2 Contribute to an effective and efficient system for assessment and taxation by providing timely, accurate, and consistent assessments for all linear property and by preparing equitable education requisitions for all municipalities.

Performance Measure	Last Actual 2007-08	Target 2009-10	Target 2010-11	Target 2011-12
2.a Percentage of municipal assessment rolls that meet provincial standards for procedures, uniformity and equity	95%	98%	98%	98%

3

Municipal Government Board administers appeals and issues timely and impartial decisions of high quality

What it means

The Municipal Government Board provides an effective and responsive independent, quasi-judicial adjudication appeal system that is seen as being fair and impartial by all parties to a complaint or appeal. The key results are timely processing of appeals filed with the Board and high-quality and independent processes, decisions and solutions on matters as specified in the *Municipal Government Act*.

Strategies

- 3.1 Deliver an effective and efficient appeal system that provides high-quality and independent processes, decisions and solutions.

Performance Measure	Last Actual 2007-08	Target 2009-10	Target 2010-11	Target 2011-12
3.a Percentage of parties who appear before the Municipal Government Board who are satisfied or neutral regarding the Board's services and processes	84%	80%	80%	80%

Note:

Considering the environment of board hearings, in which 50 per cent of parties may receive an unfavourable decision, the Board will strive to attain the 80 per cent target.

4

A province-wide public library network that provides access to quality information resources and other library services

What it means

The Ministry supports public library services by providing the legislative and policy framework to implement services throughout the province. The Ministry also provides advice, training, consultation services and financial support to the library boards that deliver services at the local and regional levels.

Strategies

- 4.1 Provide financial support, policy and planning advice, training, and consultation to the Alberta Public Library Electronic Network, to facilitate access to quality public library information resources and services available physically and electronically.
- 4.2 Support a strong province-wide public library service, encourage collaboration to achieve benefits, and maximize service delivery through the effective use of technology.

Performance Measure	Last Actual 2007-08	Target 2009-10	Target 2010-11	Target 2011-12
4.a Usage of public library services by adult Albertans	50%	53%	54%	55%

Core Business Two: Coordinate and encourage the safety system to support the development and maintenance of safe communities

5

A comprehensive system of safety codes and standards that provides an appropriate level of public safety

What it means

Municipal Affairs and its partners deliver effective community-focused public safety programs and services that give Albertans confidence that homes, buildings and facilities incorporate fire protection, electrical, plumbing, gas, elevator, amusement ride, ski lift, pressure vessels/boiler, and private sewage systems that are constructed and maintained to appropriate safety standards and are also responsive to accessibility, resource conservation and environmental trends.

Strategies

- 5.1 Develop and implement changes to provincial codes and standards as emerging trends related to health, safety, conservation and environmental issues are identified.
- 5.2 Carry out a review in consultation with the Safety Codes Council and other partners on potential changes to the *Safety Codes Act*.
- 5.3 In partnership with the Safety Codes Council and in collaboration with other government ministries, municipalities, industry, and codes and standards writing organizations, maintain a framework of codes, standards and guidelines that meet the needs of Albertans and are harmonized with national and international models.

- 5.4 Address safety system issues arising from agreements to facilitate trade, investment and labour mobility across provincial borders.
- 5.5 Address public safety, land-use planning and water and environmental protection issues associated with private sewage disposal systems.
- 5.6 Help municipalities and delegated organizations deliver effective community-focused safety services by providing them with performance monitoring and coaching assistance, and support the Safety Codes Council's enhancement of electronic business tools.
- 5.7 Assist municipalities and other eligible site owners with cleaning up current or former gas station sites contaminated by leaking underground petroleum storage tanks, to maintain or return land to productive use while enhancing protection of health, safety and environment within communities.

Performance Measures	Last Actual 2007-08	Target 2009-10	Target 2010-11	Target 2011-12
5.a The percentage of assessed accredited municipal entities, corporations, agencies, and delegated administrative organizations administering the <i>Safety Codes Act</i> that achieve a satisfactory rating	95%	98%	98%	98%
5.b Tank Site Remediation Program – cumulative number of sites remediated	754	760	800	850

Core Business Three: Lead a high performance provincial fire and emergency management system

GOAL SIX **6 A province-wide fire and emergency management system that protects the people of Alberta, their property, the environment and the economy from the effects of emergency events**

What it means

The Alberta Emergency Management Agency, in collaboration with emergency management partners that include Government of Alberta departments and agencies; municipalities and public, private, and volunteer fire and emergency response organizations; the federal government; First Nations; and industry, coordinates programs and initiatives that collectively prevent, prepare for, and reduce the impact of emergency events in Alberta. The Agency provides assurance to Albertans that their communities are supported by the Government of Alberta before, during and after emergency events.

Strategies

- 6.1 Prevent hazards from becoming emergencies through risk-based planning policies and community planning, and by strengthening community awareness and preparedness.
- 6.2 Support the development and long-term sustainability of fire and emergency management capabilities in Alberta's communities, industries, and government by providing support for regional fire and emergency management initiatives, modernizing the policies for provincial

training grants, moving forward with legislation to provide liability protection to municipalities for fire and emergency management and making it easier for local authorities to access required competencies and skills maintenance training that is necessary to ensure the safety of first responders.

- 6.3 Be ready to respond to assess situations and determine resource requirements, and coordinate the provincial response when required including the operation of the Agency Response Readiness Centre.
- 6.4 Provide guidance and direction in fire and emergency management, and provide information, advice and support to Alberta's communities, industries, and government through continued enhancement of the capabilities of the Agency Response Readiness Centre and the Emergency Management Decision Support Initiative.
- 6.5 Assist with community recovery and environmental remediation following emergency events through financial and other means of assistance to help Albertans and municipalities mitigate the impact of and recover from disasters including the development of a framework for the assessment and response to economic and social injuries in partnership with local business and counseling services.
- 6.6 Through the establishment of the Safety, Security and Environment Institute, conduct research, develop and promote best practices and national or international standards in fire, emergency management and other related disciplines, and ensure the knowledge is transferred through the development of training and education resources for the benefit and sustainability of our communities, industries, environment, and economy.
- 6.7 Focus on service to citizens by knowing and understanding the needs of the people we serve, demonstrating our commitment to quality by measuring our performance and continuously improving by enhancing our processes and methods for communicating and consulting with stakeholders and partners.
- 6.8 Move forward on the implementation of the approved recommendations from the High-Intensity Residential Fire Report.

Performance Measures	Last Actual 2007-08	Target 2009-10	Target 2010-11	Target 2011-12
6.a Percentage of claims where a member of the damage assessment team arrives on-site within 30 days of a claim being received	100%	100%	100%	100%
6.b The level of preparedness as measured by the percentage of municipalities that have conducted an emergency management exercise in the last four years	90%	92%	93%	94%
6.c Fire deaths per 100,000 population (10-year moving average)	1.06	Less than or equal to 08-09 Actual	Less than or equal to 09-10 Actual	Less than or equal to 10-11 Actual

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable			2009-10 Estimate	2010-11 Target	2011-12 Target
	2007-08 Actual	2008-09 Budget	2008-09 Forecast			
Support the development and long-term sustainability of municipalities and their communities	440,729	653,497	653,297	557,606	1,355,684	1,442,902
Coordinate and encourage the safety system to support the development and maintenance of safe communities	16,447	20,457	17,955	17,551	12,664	12,664
Lead a high performance provincial fire and emergency management system	49,481	17,384	46,921	16,823	17,060	16,965
MINISTRY EXPENSE	506,657	691,338	718,173	591,980	1,385,408	1,472,531

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable			2009-10 Estimate	2010-11 Target	2011-12 Target
	2007-08 Actual	2008-09 Budget	2008-09 Forecast			
REVENUE						
Internal Government Transfers	26,000	26,000	26,000	26,000	26,000	26,000
Transfers from Government of Canada	13,290	-	3,000	-	-	-
Premiums, Fees and Licences	511	406	519	458	458	459
Net Income from Commercial Operations	666	(1,039)	(847)	(1,211)	(217)	(608)
Other Revenue	5,096	2,072	2,456	2,118	2,234	2,357
MINISTRY REVENUE	45,563	27,439	31,128	27,365	28,475	28,208
EXPENSE						
Program						
Ministry Support Services	10,673	13,355	13,347	13,017	13,305	13,305
Local Government Services	405,613	619,009	618,814	513,943	1,312,030	1,399,248
Public Safety	13,781	17,262	14,762	14,435	9,481	9,481
Alberta Emergency Management Agency	47,527	15,042	44,580	14,540	14,726	14,631
Municipal Government Board	3,839	3,960	3,960	3,992	3,793	3,793
Library Services	24,586	22,510	22,510	31,853	31,873	31,873
Valuation Adjustments and Other Provisions	638	200	200	200	200	200
MINISTRY EXPENSE	506,657	691,338	718,173	591,980	1,385,408	1,472,531
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(461,094)	(663,899)	(687,045)	(564,615)	(1,356,933)	(1,444,323)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable					
	2007-08 Actual	2008-09 Budget	2008-09 Forecast	2009-10 Estimate	2010-11 Target	2011-12 Target
Ministry Revenue	45,563	27,439	31,128	27,365	28,475	28,208
<i>Inter-ministry consolidation adjustments</i>	(26,000)	(26,000)	(26,000)	(26,000)	(26,000)	(26,000)
Consolidated Revenue	19,563	1,439	5,128	1,365	2,475	2,208
Ministry Expense	506,657	691,338	718,173	591,980	1,385,408	1,472,531
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
Consolidated Expense	506,657	691,338	718,173	591,980	1,385,408	1,472,531
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(487,094)	(689,899)	(713,045)	(590,615)	(1,382,933)	(1,470,323)