

# BUSINESS PLAN 2016–19

## Municipal Affairs

### ACCOUNTABILITY STATEMENT

This business plan was prepared under my direction, taking into consideration the government's policy decisions as of March 17, 2016.

*original signed by*

Danielle Larivee, Minister

### MINISTRY OVERVIEW

The ministry consists of the Department of Municipal Affairs and the Safety Codes Council. The ministry also includes the Municipal Government Board, the New Home Buyer Protection Board, the Special Areas Board, and seven improvement districts – all of which are accountable to the minister.

A more detailed description of Municipal Affairs and its programs and initiatives can be found at [www.municipalaffairs.alberta.ca](http://www.municipalaffairs.alberta.ca).

### STRATEGIC CONTEXT

The outcomes and key strategies identified in this business plan are aligned with the strategic direction of the Government of Alberta.

Municipal Affairs is continuing to build a new relationship with municipalities that strengthens Alberta's communities and provides opportunities for Albertans to succeed. The ministry also supports the Government of Alberta's strategic priorities in a number of areas, including the United Nations Declaration on the Rights of Indigenous Peoples, climate change, reviews of agencies, boards and commissions, and public sector transparency.

The following issues, trends, opportunities and challenges provide a strategic overview of the environment within which Municipal Affairs operates.

#### **Viable Municipalities**

Municipal infrastructure is key to supporting Alberta's economy, and its municipalities and communities. The decline in oil prices and the resulting economic downturn has created a shift in Alberta's economy. Continued investment in infrastructure will help to stimulate the economy and create new jobs while supporting Alberta municipalities' public infrastructure. At the same time, the province is helping municipalities to address the challenges around replacing or repairing aging infrastructure, including roads, bridges, water, waste water and waste management facilities.

Inter-municipal partnerships continue to increase in importance and are critical in the current economic environment. By planning and working together, municipalities can more effectively address broader regional issues such as infrastructure and public safety – including on-going recruitment issues that smaller municipalities are facing with their largely volunteer emergency response organizations. Building regional partnerships that take full advantage of regional efficiencies is essential to viable municipalities in Alberta.

## **Climate Change, and Emergency and Disaster Management**

Weather-related disasters such as floods have occurred almost twice as often as two decades ago, according to a United Nations report released in 2015. Predictions of more extreme weather in the future will mean Alberta can expect more events such as the 2011 Slave Lake fire and 2013 southern Alberta floods. Alberta will need to be prepared to manage this upward trend in the decades ahead. This will have a significant impact on the province's emergency prevention and mitigation, preparedness, response, and recovery programs and services.

Municipal Affairs is committed to improving the Disaster Recovery Program, and ensuring that when Albertans are impacted by an emergency or disaster, government acts quickly and effectively to help them recover. In addition, the ministry is working across government to develop an all-hazards risk assessment program that will include a flood risk component. The Government of Alberta will continue to work with community partners, including local governments, industry and the public, to build resilience in Alberta's communities.

## **Population and Economic Shifts**

Alberta's population is growing older as lower fertility rates and greater life expectancy create an aging population. As well, the impact of the baby boom generation will accentuate the shift toward an older population.

Alberta continues to feel the impact of the global oil price collapse. Low oil prices have decreased energy investment, slowing employment, growth and wages, increasing unemployment, and reducing interprovincial migration into Alberta. Alberta is expecting interprovincial migration net outflows, with levels lower than those seen in 2010. These shifts put pressure on municipalities to meet changing local needs and on the ministry to ensure municipalities have access to the necessary tools and resources to respond to these needs and to plan for sustainable growth.

## **Safety Codes and Standards**

Alberta's safety codes and standards system is critical for contributing to safe communities. Alberta, like all other provinces and territories, adopts national codes and standards with the goal of achieving a harmonized safety codes system across Canada. New technologies and industries are being developed at an exceedingly fast pace and are increasingly global in scope. As awareness about climate change grows, the desire for renewable and more efficient energy systems is trending upward. New technologies around climate change and reducing carbon consumption influence codes and standards.

## **Strategic Risks to Achieving Ministry Outcomes**

Municipal Affairs monitors the strategic environment, including some of the trends and issues identified above, to assess risks to achieving its business plan outcomes. The ministry is mindful of a number of potential strategic risks. For example, amendments to the *Municipal Government Act* will likely require new skills and resources to ensure a successful implementation. Another example is the unpredictable nature of emergencies and disasters and the significant resources that must be rapidly added to respond to these situations. These risks are being managed to an acceptable level.

## OUTCOMES, KEY STRATEGIES AND PERFORMANCE MEASURES

### **Outcome One: Albertans live in viable municipalities and communities with responsible, collaborative and accountable local governments**

The ministry supports the viability of municipalities by providing grants and other financial support, administering the Municipal Internship Program, providing training opportunities, conducting municipal reviews and inspections, and undertaking other advisory activities. The ministry also provides support through the Municipal Sustainability Strategy, which helps improve the long-term viability of municipalities across the province. Further, the ministry oversees the property assessment and tax system including the preparation of linear property assessments.

#### **Key Strategies:**

- 1.1 Work with municipalities and metropolitan regions to strengthen regional planning and service delivery and to promote the optimization of resources and responsible decision-making in the best interests of all Albertans.
- 1.2 Modernize the *Municipal Government Act (MGA)* to support Alberta's municipalities in governing in an accountable, collaborative, sustainable, inclusive and effective manner.
- 1.3 Work with municipalities and other stakeholders to revise the regulations associated with the *MGA* to ensure governance, planning, and assessment and taxation policies align with the modernized *MGA*.
- 1.4 Work in partnership with the cities of Calgary and Edmonton to develop city charters that reflect the unique circumstances of these major metropolitan centres and provide the necessary tools to govern efficiently and effectively over the long term.
- 1.5 Provide funding to municipalities to help them meet their strategic long-term infrastructure needs.
- 1.6 Enhance Albertans' access to public library resources by continuing to provide operating grants and invest in the province-wide library network.

#### **Performance Measures under Development:**

Percentage of Alberta municipalities that are financially viable.

### **Outcome Two: A stronger system of standards ensuring quality infrastructure so that Albertans are safe in their homes and communities**

In order to help ensure Albertans are safe in their homes and communities, the ministry oversees a system of safety codes, administers the New Home Buyer Protection Program, and supports local delivery of fire and rescue services. Safety codes are developed with the Safety Codes Council and ensure the safety and quality of infrastructure, including buildings and the associated electrical, gas, plumbing, and private sewage systems as well as the safe construction and operation of pressure equipment, elevators, amusement rides and passenger ropeways.

#### **Key Strategies:**

- 2.1 Work to harmonize safety codes with national and international codes and ensure they are adopted in a timely manner.
- 2.2 Review and enhance the safety codes system's quality assurance framework to ensure that municipalities, corporations and agencies are effective in their enforcement of Alberta's safety codes.
- 2.3 Support the long-term sustainability of local fire and rescue services.
- 2.4 Support the implementation of codes that address climate change and water conservation.
- 2.5 Review new home buyer protection policies to ensure builders and warranty providers are providing effective services.

Performance Measure	Last Actual 2014-15	Target 2016-17	Target 2017-18	Target 2018-19
2.a Number of safety codes delayed more than one year before coming into full force	7	3	3	0

#### Linking Performance Measures to Outcomes:

2.a This measure provides information on how well the province is doing in terms of strengthening the system of standards by adopting codes in a timely manner.

Performance Indicator	Actual 2011	Actual 2012	Actual 2013	Actual 2014
2.a Loss (in dollars) per capita, to fires in a calendar year	228.20	125.90	127.47	103.64

### Outcome Three: Albertans have an enhanced ability to prepare for, respond to, and recover from emergencies and disasters

To help Alberta's municipalities and communities better manage emergencies and disasters, the ministry provides a range of supports. Through the Alberta Emergency Management Agency, the ministry maintains and staffs the Provincial Operations Centre to co-ordinate Government of Alberta response to emergencies and disasters. The ministry also works with Albertans impacted by disasters to assist in their recovery by completing and closing residential Disaster Recovery Program applications. Further, the ministry continues to develop and enhance the capacity of its emergency management partners to plan for, and respond to, emergency and disaster events through policy development, outreach activities, and by providing training.

#### Key Strategies:

- 3.1 Continue to refine the Disaster Recovery Program to ensure disaster financial assistance is provided to Albertans recovering from disasters in a timely, consistent, and efficient manner.
- 3.2 Enhance community preparedness in Alberta by developing and promoting online tools to assist in completion of community-level risk assessments, emergency plans, and the online delivery of emergency management and emergency social services training.
- 3.3 Work with local authorities and partners to design and deliver comprehensive emergency management exercises to strengthen the Government of Alberta's disaster preparedness and ability to co-ordinate emergency response.
- 3.4 Work with local authorities and technical system partners to enhance the delivery of public alerting through Alberta Emergency Alert.
- 3.5 Leverage information management technology to improve the Provincial Operations Centre's ability to co-ordinate a government-wide response.
- 3.6 Lead the 911 grant program and develop provincial 911 call answering standards to enhance the community based 911 services made available to Albertans.

Performance Measure	Last Actual 2014-15	Target 2016-17	Target 2017-18	Target 2018-19
3.a Percentage of communities (municipalities, First Nations, and Metis Settlements) that have been visited by an Alberta Emergency Management Agency field officer and had their Community Emergency Management Plan reviewed	n/a <sup>1</sup>	90% <sup>2</sup>	90% <sup>2</sup>	90% <sup>2</sup>

#### Notes:

<sup>1</sup> This is a new performance measure and last actual data is not available.

<sup>2</sup> Targets are based on best available information and may change.

### Linking Performance Measures to Outcomes:

3.a This measure will provide information on how well the province and communities have partnered to create local emergency plans – where it is the local authority’s responsibility to have emergency management plans in place and the AEMA’s responsibility to have reviewed and provided feedback – that decrease a community’s exposure to risk should an emergency or disaster occur.

### Performance Measures under Development:

Percentage of residential disaster financial assistance files that have received 90 per cent of its estimated funding within 90 days of being determined eligible for Disaster Recovery Program compensation.

## Outcome Four: Albertans and municipalities receive fair, timely and well-reasoned decisions on matters before the Municipal Government Board and the New Home Buyer Protection Board

The Municipal Government Board delivers a quasi-judicial appeal process for assessment, land planning, new home buyer protection and other matters in Alberta.

### Key Strategies:

- 4.1 Deliver an effective process for subdivision appeals, inter-municipal disputes, annexation applications, linear and equalized assessment complaints, and appeals from decisions of the registrar made under the *New Home Buyer Protection Act*.
- 4.2 Deliver an effective and timely process for disaster recovery program appeals before the Municipal Government Board.
- 4.3 Provide board members and support to municipal Composite Assessment Review Boards.
- 4.4 Provide training and certification for Assessment Review Board members and clerks.

Performance Measure	Last Actual 2014-15	Target 2016-17	Target 2017-18	Target 2018-19
4.a Percentage of parties to Municipal Government Board appeals who are satisfied or neutral regarding the Board’s performance of services in support of planning, annexation, linear, and equalized assessment appeals	88%	88%	88%	88%

### Linking Performance Measures to Outcomes:

4.a This measure provides information on parties’ satisfaction levels, which is thought to be most influenced by parties’ perception of the fairness, timeliness, impartiality, independence and quality of MGB proceedings and decisions.

Performance Indicator	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	Actual 2014-15
4.a Percentage satisfied or neutral regarding Municipal Government Board support to Municipal Composite Assessment Review Boards	100%	100%	97%	99%	100%

## STATEMENT OF OPERATIONS

(thousands of dollars)	Comparable			2016-17 Estimate	2017-18 Target	2018-19 Target
	2014-15 Actual	2015-16 Budget	2015-16 Forecast			
<b>REVENUE</b>						
Building Canada - Communities Component	4,841	433	433	-	-	-
2013 Alberta Flood Assistance	(423,101)	-	-	-	-	-
Other Transfers from Government of Canada	(861)	28,100	28,100	<b>37,000</b>	15,500	8,400
Premiums, Fees and Licences	32,355	32,555	32,555	<b>40,696</b>	41,078	41,078
Investment Income	689	208	208	<b>215</b>	215	215
Other Revenue	788,489	5,646	5,646	<b>5,012</b>	5,031	5,031
Federal Gas Tax Fund	213,683	209,280	209,280	<b>219,083</b>	219,083	229,516
Ministry Total	616,095	276,222	276,222	<b>302,006</b>	280,907	284,240
Inter-Ministry Consolidations	(51)	-	-	-	-	-
Consolidated Total	616,044	276,222	276,222	<b>302,006</b>	280,907	284,240
<b>EXPENSE</b>						
Ministry Support Services	15,034	18,694	18,694	<b>18,167</b>	17,977	19,505
Municipal Services and Legislation	11,068	12,552	12,552	<b>12,638</b>	12,620	13,537
Municipal Assessments and Grant Administration	14,832	18,296	18,296	<b>17,058</b>	17,036	18,279
Municipal Sustainability Initiative	1,638,337	876,889	876,889	<b>1,235,546</b>	1,245,622	1,256,027
Federal Grant Programs	223,340	266,347	266,347	<b>293,083</b>	250,083	246,316
Grants in Place of Taxes	59,595	64,695	64,695	<b>56,459</b>	60,287	64,478
Alberta Community Partnership	48,424	40,000	40,000	<b>20,000</b>	20,000	20,000
Public Safety	14,100	17,661	17,188	<b>16,721</b>	16,705	17,634
Alberta Emergency Management Agency	65,873	34,891	43,936	<b>34,425</b>	34,391	35,531
Municipal Government Board	4,450	4,622	4,622	<b>4,524</b>	4,508	4,787
Library Services	32,662	36,049	36,049	<b>36,619</b>	36,605	36,816
Safety Codes Council	7,959	10,463	10,463	<b>18,764</b>	19,234	19,234
2013 Alberta Flooding	45,981	29,823	29,823	<b>18,052</b>	-	-
Consolidated Total	2,181,655	1,430,982	1,439,554	<b>1,782,056</b>	1,735,068	1,752,144
Net Operating Result	(1,565,611)	(1,154,760)	(1,163,332)	<b>(1,480,050)</b>	(1,454,161)	(1,467,904)
<b>CAPITAL INVESTMENT</b>						
Ministry Support Services	230	95	95	<b>85</b>	85	85
Municipal Services and Legislation	-	95	95	<b>85</b>	85	85
Municipal Assessments and Grant Administration	910	940	940	<b>847</b>	847	847
Public Safety	2,543	-	473	-	-	-
Alberta Emergency Management Agency	295	3,500	3,500	<b>2,000</b>	3,500	-
Safety Codes Council	93	168	168	<b>858</b>	2,895	5,200
Total	4,071	4,798	5,271	<b>3,875</b>	7,412	6,217