

Municipal Affairs

BUSINESS PLAN 2008-11



ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2008 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 18, 2008 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*
April 3, 2008

THE MINISTRY

Municipal Affairs assists municipalities in providing well-managed, collaborative, and accountable local government to Albertans, and administers a safety system that strives to ensure appropriate safety standards for the construction and maintenance of buildings and equipment. The Ministry also manages the network of municipal and library system boards to provide province-wide access to high quality public library services for Albertans.

The Ministry includes the Department of Municipal Affairs which consists of the Local Government Services Division, the Public Safety Division, and the Corporate Strategic Services Division. The Ministry also includes the Alberta Emergency Management Agency, the Municipal Government Board, the Safety Codes Council, the Special Areas Board and six Improvement Districts.

The Alberta Emergency Management Agency reports directly to the Minister and is responsible for coordinating a comprehensive, cross-government, all-hazards approach to managing emergencies in the province.

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 reviews safety codes and standards 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.

VISION

Strong, safe and sustainable communities.

MISSION

Provides programs and services that help ensure Albertans are served by accountable and effective local governments and live in strong and safe 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 Business Plan are supported.

Government of Alberta Goals

Ministry Services

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

- Operate Ministry programs in an open and accountable manner.

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

- Work with municipalities and other stakeholders to coordinate a comprehensive safety system and an effective emergency management system.
- Begin the establishment of an inter-disciplinary institute to support safety, security and environmental protection functions in 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

- Respond to the recommendations pertaining to Municipal Affairs from the Oil Sands Ministerial Strategy Committee.
- Partner with stakeholders to promote well-managed local governments.
- Help ensure the long-term sustainability of municipalities through appropriate legislation, capacity building initiatives, and financial support.
- 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

Alberta municipalities and communities continue to face financial, infrastructure and service challenges as significant population growth, on-going economic development and a shortage of skilled workers intensifies in certain parts of the province. Due to these factors, three opportunities and challenges have been identified.

Growth Pressures, Municipal Capacity and Financial Sustainability

Many municipalities are finding it a challenge to provide the services and infrastructure required by growth and to meet the increasing expectations of the public. It is also a challenge for municipalities to manage the risks associated with the escalated rate of building, development, and dangerous goods transport that accompany high levels of growth. Some municipalities are also facing increased levels of crime as their populations increase. The Ministry helps municipalities manage challenges associated with high levels of growth 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 and retain skilled personnel in Alberta's strong economy. The Ministry is helping municipalities to enhance their capacity to meet their responsibilities, particularly those related to the implementation of new accounting and reporting standards.

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 work with public libraries to address the needs of growing and developing communities through a province-wide network.

Working with Municipalities

The way the Ministry works with municipalities is changing. There is a growing awareness of the differing capacity levels and financial situations among different types of municipalities, and of the need to address many issues on a more coordinated regional basis. In addition, there are an increasing number of appeals being submitted to the Municipal Government Board relating to subdivision and assessment issues.

With these changes and differing needs of the municipalities, the Ministry is developing flexible responses to different municipal and intermunicipal needs in the areas of land-use planning, growth management, public safety, emergency management issues, and provincial-municipal roles and responsibilities, some of which may require changes to the *Municipal Government Act*, the *Safety Codes Act* and the *Emergency Management Act*. This also includes improving the incorporation of public safety and emergency management into municipal planning processes.

Managing Emergency Events

Alberta's emergency management system is being challenged by unprecedented economic and industrial expansion, rapid 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 further strengthen emergency management throughout Alberta by developing risk management and incident analysis capabilities that support a proactive response to potential emergencies and by providing increased support to municipalities and their emergency response organizations.

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 2008-11

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

CREATING AND PROTECTING OUR OPPORTUNITIES

1. Collaborate with municipal governments on intermunicipal planning issues and a dispute resolution mechanism

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

Support the implementation of the Capital Region Integrated Growth Management Plan by the Capital Region Board, which will guide the long-term growth of the capital region.

Collaborate with municipalities, municipal associations and other stakeholders to develop guidelines and initiatives as required, to promote cooperation and help resolve growth-related conflicts and regional planning issues between neighboring municipalities.

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

2. Support growth and capacity building within municipalities and libraries

**Linkage:
Goals 1, 4 and 5**

Monitor the impact of high growth on municipalities, including infrastructure, land-use and services. Assist affected municipalities with addressing capacity issues and improving the coordination of the responses to growth-related challenges.

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 the demands of growth.

Ensure provincial funds provided to municipalities are used to meet agreed upon objectives through the development of an accountability framework.

Continue to work with the Regional Municipality of Wood Buffalo and the Municipal District of Opportunity to address oil sands related growth pressures in their regions, including providing assistance with developing and updating land-use and infrastructure plans, and supporting 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 municipality.

Continue to support public library services through funding assistance, policy and planning support, training and consultation services, and the province-wide library network. This includes working with the library community to improve access to library information and online resources, and build on the government's investment in SuperNet.

- 3. Implement accepted recommendations from the Minister's Council on Municipal Sustainability** The Ministry will work in collaboration with other ministries to implement the provincial government's commitments regarding the accepted recommendations of the Minister's Council on Municipal Sustainability.
- Linkage: Goal 1**
- 4. Enhance coordination of the province's emergency management system** The Alberta Emergency Management Agency will increase the level of coordination of all stakeholders in Alberta that have 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 emergency management resources across all jurisdictional and planning boundaries in Alberta. This will involve working with all public, private and volunteer sector partners to achieve a variety of strategic emergency management objectives.

CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

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

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

What it means Through partnerships, cooperation, and an appropriate legislative framework, the Ministry promotes Alberta's prosperity by encouraging the development of an efficient and responsive local government sector that provides the services and infrastructure Albertans and businesses need. The Ministry contributes to the sustainability of local governments, which are responsible and accountable to their citizens, by providing financial support, advice and services.

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 Ensure provincial funds provided to municipalities are used to meet agreed upon objectives through the development of an accountability framework.
- 1.3 Build municipal capacity by providing advisory services, training opportunities and enhanced financial management support to municipalities, particularly the smaller ones, to help them fulfill their responsibilities and to encourage excellence in local government governance and administration.
- 1.4 Support the Capital Region Board in the implementation of the Capital Region Integrated Growth Management Plan, in order to support the anticipated economic growth in the capital region over the next 20 - 50 years.

- 1.5 Provide enhanced support for municipal and intermunicipal planning in the province. This includes continuing to provide support for the development of a regional plan by the Calgary Regional Partnership to guide the future growth of the Calgary region.
- 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 Implement the accepted recommendations from the Minister's Council on Municipal Sustainability and develop initiatives as required to promote cooperation and help resolve growth-related conflicts between neighboring municipalities.
- 1.8 Review existing municipal grant programs for opportunities for consolidation and for providing enhanced restructuring and amalgamation incentives as ways to achieve greater efficiencies.
- 1.9 Provide management and administrative services for the Special Areas and National Park Improvement Districts.
- 1.10 Support municipalities in their efforts to promote safer communities.

Performance Measures	Last Actual (2006-07)	Target 2008-09	Target 2009-10	Target 2010-11
1.a Albertans' satisfaction with their local governments Percentage satisfied	79%	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:

Percentage of municipalities with intermunicipal agreements, such as intermunicipal development plans and formal shared administration agreements.

GOAL TWO

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 (2006-07)	Target 2008-09	Target 2009-10	Target 2010-11
2.a Percentage of municipal assessment rolls that meet provincial standards for procedures, uniformity and equity	98%	98%	98%	98%

GOAL THREE **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 Maintain an appeal system that provides high-quality and independent processes, decisions and solutions.

Performance Measure	Last Actual (2006-07)	Target 2008-09	Target 2009-10	Target 2010-11
3.a Percentage of parties who appear before the Municipal Government Board who are satisfied or neutral regarding the Board's services and processes	83%	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.

GOAL FOUR **4** **A province-wide public library network that provide access to quality information resources and other library services**

What it means The Ministry supports public library services by providing the legal and policy infrastructure 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 Develop a strategic plan for public library service delivery that builds upon current strengths and partnerships.

Performance Measure	Last Actual (2006-07)	Target 2008-09	Target 2009-10	Target 2010-11
4.a Usage of public library services by adult Albertans	51%	53%	53%	53%

Core Business Two: Administer the Safety System to support the development and maintenance of safe and viable communities

GOAL FIVE **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 include risk management elements and give Albertans confidence that their homes, buildings and facilities, and equipment such as elevators and electrical, heating and plumbing systems, are constructed and maintained to safe standards.

Strategies

- 5.1 Develop and implement changes to provincial codes and standards as emerging trends in fire incidents and other health and safety issues are identified.
- 5.2 In partnership with the Safety Codes Council and in collaboration with other government departments, 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.
- 5.3 Address public safety and land-use planning issues associated with private sewage disposal systems.
- 5.4 Undertake a legislative review to identify opportunities to increase coordination with the municipal planning process, enhance the accountability framework and simplify the process for setting safety code standards.
- 5.5 Help municipalities and delegated authorities deliver effective community-focused safety services by providing them with performance monitoring and coaching assistance, and support the Safety Codes Council's implementation of the electronic permit system.
- 5.6 Assist municipalities and other eligible site owners with cleaning up current or former gas station sites contaminated by leaking underground petroleum storage tanks.

Performance Measures	Last Actual (2006-07)	Target 2008-09	Target 2009-10	Target 2010-11
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	97%	98%	98%	98%
5.b Tank Site Remediation Program – cumulative number of sites remediated	708	720	760	800

Core Business Three: Manage the effective coordination of the provincial emergency management system

GOAL SIX

6

A province-wide emergency management system that protects the people of Alberta, their property and the environment from the effects of emergency events

What it means The Alberta Emergency Management Agency, in collaboration with emergency management partners that include all 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 reduce the impact of emergency events in Alberta.

Strategies

- 6.1 Increase the level of coordination the Alberta Emergency Management Agency provides to help its partners effectively collaborate within the provincial emergency management system.
- 6.2 Reduce preventable emergency events through collaboration with emergency management system partners on education, engineering and enforcement initiatives.
- 6.3 Prepare for emergency events by promoting best practices and helping emergency management system partners implement and sustain risk-based planning, training and testing programs.
- 6.4 Provide central coordination of provincial resources when required to respond to emergency events.
- 6.5 Deliver financial assistance to help Albertans and municipalities recover from disasters.
- 6.6 Begin the establishment of an interdisciplinary institute to promote a proactive response to potential emergencies.

Performance Measures	Last Actual (2006-07)	Target 2008-09	Target 2009-10	Target 2010-11
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	91%	94%	94%	94%
6.c Fire deaths per 100,000 population (10-year moving average)	1.13	Less than or equal to 07-08 Actual	Less than or equal to 08-09 Actual	Less than or equal to 09-10 Actual

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable			2008-09 Estimate	2009-10 Target	2010-11 Target
	2006-07	2007-08	2007-08			
	Actual	Budget	Forecast			
Local Governments and Library Services	128,279	448,699	443,258	653,568	756,622	1,558,050
Safety System	15,732	36,217	16,297	20,486	12,906	13,417
Emergency Management System	13,738	11,820	60,698	17,284	17,537	17,911
MINISTRY EXPENSE	157,749	496,736	520,253	691,338	787,065	1,589,378

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable			2008-09 Estimate	2009-10 Target	2010-11 Target
	2006-07	2007-08	2007-08			
	Actual	Budget	Forecast			
REVENUE						
Internal Government Transfers	26,000	26,000	26,000	26,000	26,000	26,000
Transfers from Government of Canada	-	-	25,000	-	-	-
Premiums, Fees and Licences	459	116	399	406	380	380
Net Income from Commercial Operations	1,550	(133)	104	(1,039)	(1,011)	(177)
Other Revenue	2,332	2,148	2,278	2,072	2,092	2,206
MINISTRY REVENUE	30,341	28,131	53,781	27,439	27,461	28,409
EXPENSE						
Program						
Ministry Support Services	9,700	11,229	11,312	13,355	13,626	14,034
Local Government Services	97,804	415,966	407,605	619,009	721,735	1,522,753
Public Safety	13,303	33,499	13,458	17,262	9,618	10,032
Alberta Emergency Management Agency	12,049	9,929	58,723	15,042	15,250	15,556
Municipal Government Board	3,518	3,417	3,867	3,960	4,080	4,108
Library Services	20,864	22,496	24,664	22,510	22,556	22,695
Valuation Adjustments and Other Provisions	511	200	624	200	200	200
MINISTRY EXPENSE	157,749	496,736	520,253	691,338	787,065	1,589,378
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(127,408)	(468,605)	(466,472)	(663,899)	(759,604)	(1,560,969)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable			2008-09 Estimate	2009-10 Target	2010-11 Target
	2006-07 Actual	2007-08 Budget	2007-08 Forecast			
Ministry Revenue	30,341	28,131	53,781	27,439	27,461	28,409
<i>Inter-ministry consolidation adjustments</i>	(26,000)	(26,000)	(26,000)	(26,000)	(26,000)	(26,000)
Consolidated Revenue	4,341	2,131	27,781	1,439	1,461	2,409
Ministry Expense	157,749	496,736	520,253	691,338	787,065	1,589,378
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
Consolidated Expense	157,749	496,736	520,253	691,338	787,065	1,589,378
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(153,408)	(494,605)	(492,472)	(689,899)	(785,604)	(1,586,969)