

# Municipal Affairs

BUSINESS PLAN 2015–18

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## ACCOUNTABILITY STATEMENT

This business plan was prepared under my direction, taking into consideration the government's policy decisions as of October 15, 2015.

*original signed by*

Deron Bilous, Minister

## THE MINISTRY

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).

## LINK TO GOVERNMENT OF ALBERTA STRATEGIC DIRECTION

The desired outcomes and priority initiatives identified in this business plan are aligned with the strategic direction of the Government of Alberta.

## STRATEGIC CONTEXT

The Department of Municipal Affairs is launching a new relationship with municipalities that strengthens Alberta's communities and provides opportunities for Albertans to succeed.

The following issues, trends, opportunities and challenges frame the environment within which Municipal Affairs operates and impact the ministry's ability to achieve its desired outcome of viable, safe, and resilient municipalities and communities for an improved quality of life for Albertans.

### Population Growth and Shifts

Alberta's population is growing and shifting. In some parts of Alberta the population is declining. Low birth rates and greater life expectancy are creating an aging population. As well, the impact of the large baby boom group will accentuate the shift toward an older population. Consistent net-migration from across Canada and globally adds yet another dimension to the shifting population landscape. 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.

### Safe Communities

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. The desire for renewable and more efficient energy systems is prevalent as the climate changes. The need to ensure Alberta's codes and standards keep pace with national standards is critical to successfully meet these challenges.

As the climate changes, disaster events such as floods and wildfires are occurring more often. This produces a significant impact on emergency prevention and mitigation, preparedness, response, recovery and safety services. At the same time, smaller municipalities are facing increasing pressures on their largely volunteer emergency response organizations.

The 2013 southern Alberta floods highlighted the devastating consequences of such events and continue to draw on the ministry's resources and expertise. These floods resulted in the largest natural disaster in provincial history and the Government of Alberta responded with the largest disaster recovery program in Canadian history. Municipal Affairs is committed to resolving outstanding disaster recovery claims, learning lessons from 2013 to improve the Disaster Recovery Program, and ensuring that when Albertans are impacted by a disaster, government acts quickly and effectively to help them recover. In addition, the ministry is providing safety codes and fire services advice and support and is working with federal, provincial and territorial governments to develop a province-wide, 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.

### **Viability and Sustainability of Municipalities**

Municipal infrastructure is key to supporting Alberta's economy. Across Alberta there are challenges to replace or repair aging infrastructure including roads, bridges, and recreation and cultural facilities. In addition, some smaller municipalities have insufficient capacity to provide core functions such as financial management.

To support municipalities and communities, the ministry provides a range of advisory services and delivers key funding programs such as the Municipal Sustainability Initiative and the Federal Gas Tax Fund. Municipal Affairs is also working to increase access to public library information and resources for all Albertans.

Regional inter-municipal relationships continue to increase in importance. By planning and working together, municipalities can more effectively address broader regional issues such as infrastructure and public safety. Building regional partnerships and maximizing regional efficiencies is essential to municipal efforts to better serve Albertans.

### **Increasing Public Expectations and Stakeholder Engagement**

More municipalities and Albertans have increasingly high expectations for the way that government operates. They are seeking greater access to information, more meaningful public engagement, improved responsiveness to questions and concerns, more funding, and better delivery of programs and services.

There are opportunities for the ministry to be more proactive in working in partnership with municipalities, stakeholders and Albertans to make the right choices and get the best possible value for the citizens of the province. The ministry works with its partners, clients, and stakeholders to develop cooperative approaches on issues of mutual importance and to address challenges.

## **DESIRED OUTCOMES, PRIORITY INITIATIVES, PERFORMANCE MEASURES, PERFORMANCE MEASURES UNDER DEVELOPMENT AND PERFORMANCE INDICATORS**

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

#### **Priority Initiatives:**

- 1.1 Update the *Municipal Government Act* to support Alberta's municipalities in governing in an accountable, collaborative, sustainable, inclusive and effective manner.
- 1.2 Work with the cities of Calgary and Edmonton to ensure the city charter process is mutually developed so that these major metropolitan centres have the tools to govern efficiently and effectively over the long term.
- 1.3 Work with municipalities and metropolitan regions to strengthen regional planning and service delivery, to ensure that decisions on land use and service provision are made in the best interests of all Albertans.
- 1.4 Support the long-term recovery of municipalities affected by the 2013 southern Alberta floods.

- 1.5 Provide stable, predictable funding to municipalities through the Municipal Sustainability Initiative and other grant programs to assist municipalities in meeting their strategic long-term infrastructure needs.
- 1.6 Consult with municipalities to review the linear assessment and property tax system.
- 1.7 Enhance Albertans' access to public library resources by continuing to provide operating grants and invest in the province-wide library network.
- 1.8 Assist municipalities to build capacity and accountable municipal operations through the Municipal Sustainability Strategy, the Municipal Internship Program, training opportunities, financial management support, reviews, inspections and other outreach and advisory activities.

**Performance Measure(s)**

Performance measure(s) that reflect progress toward achieving outcome one are under development.

**Desired Outcome Two: Strengthen measures that ensure Albertans are safe in their homes and communities**

**Priority Initiatives:**

- 2.1 Complete implementation of the *Safety Codes Act* amendments to improve the timeliness of how Alberta adopts new safety code editions, enforcement of safety codes through addition of an administrative penalty framework and improving the accountability of accredited agencies working in the province.
- 2.2 Provide monitoring and coaching assistance to municipalities, corporations, agencies, home warranty stakeholders, delegated administrative organizations and the Safety Codes Council.
- 2.3 Work with the Safety Codes Council and stakeholders to develop and adopt safety codes for the building, fire, accessibility, electrical, gas, plumbing, private sewage, pressure equipment, elevator, amusement ride and passenger ropeway disciplines.
- 2.4 Improve residential construction quality and protect new home buyers through regulated warranty standards.
- 2.5 Foster collaboration and regional initiatives between municipalities to improve emergency response services.

**Performance Measure(s)**

Performance measure(s) that reflect progress toward achieving outcome two are under development.

**Desired Outcome Three: Improve Alberta's preparedness for disasters and emergencies**

**Priority Initiatives:**

- 3.1 Support the ongoing 2013 southern Alberta flood recovery efforts and strengthen the Disaster Recovery Program, including the process for initial level of appeal.
- 3.2 Strengthen the prevention, mitigation and preparedness efforts of public safety partners and co-ordination of the provincial public safety and disaster management framework.
- 3.3 Continue to enhance the systems that support emergency and disaster response activities for the Government of Alberta, municipalities and other emergency management partners.
- 3.4 Work with partners to enhance public alerting and the integration of emergency data and information systems.
- 3.5 Work with federal, provincial, territorial and municipal governments to develop policy options for a provincial all-hazard mitigation program including investments in flood mitigation and erosion control.
- 3.6 Carefully examine lessons learned from the government's response to the 2013 floods to identify ways to improve Alberta's disaster recovery systems.

**Performance Measure(s)**

Performance measure(s) that reflect progress toward achieving outcome three are under development.

**Desired Outcome Four: Fair, timely, and well-reasoned decisions are provided on matters before the Municipal Government Board and the New Home Buyer Protection Board**

**Priority Initiatives:**

- 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 to Assessment Review Board members and clerks.

<b>Performance Measure</b>	<b>Last Actual 2013-14</b>	<b>Target 2015-16</b>	<b>Target 2016-17</b>	<b>Target 2017-18</b>
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	91%	88%	88%	88%

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

## STATEMENT OF OPERATIONS

Consolidated Financial Statements Basis

(thousands of dollars)	Comparable			
	2014-15 Actual	2015-16 Estimate	2016-17 Target	2017-18 Target
<b>REVENUE</b>				
Building Canada - Communities Component	4,841	<b>433</b>	-	-
2013 Alberta Flood Assistance	(423,101)	-	-	-
Other Transfers from Government of Canada	(861)	<b>28,100</b>	37,000	15,500
Premiums, Fees and Licences	32,355	<b>32,555</b>	41,374	41,756
Investment Income	689	<b>208</b>	215	215
Other Revenue	788,489	<b>5,646</b>	5,491	5,615
Federal Gas Tax Fund	213,683	<b>209,280</b>	219,086	219,086
Inter-Ministry Consolidation Adjustment	(51)	-	-	-
<b>Total</b>	<b>616,044</b>	<b>276,222</b>	<b>303,166</b>	<b>282,172</b>
<b>EXPENSE</b>				
Ministry Support Services	15,034	<b>18,694</b>	19,322	19,322
Municipal Assessments and Grant Administration	14,832	<b>18,296</b>	18,345	18,450
Municipal Services and Legislation	11,068	<b>12,552</b>	12,552	12,552
Municipal Sustainability Initiative	1,638,337	<b>876,889</b>	1,285,546	1,295,622
Federal Grant Programs	223,340	<b>266,347</b>	293,086	250,086
Grants in Place of Taxes	59,595	<b>64,695</b>	66,636	67,838
Alberta Community Partnership	48,424	<b>40,000</b>	38,059	36,857
Public Safety	14,100	<b>17,661</b>	17,661	17,661
Alberta Emergency Management Agency	65,873	<b>34,891</b>	34,891	34,891
Municipal Government Board	4,450	<b>4,622</b>	4,622	4,622
Library Services	32,662	<b>36,049</b>	36,049	36,049
Safety Codes Council	7,959	<b>10,463</b>	18,764	19,234
2013 Alberta Flooding	45,981	<b>29,823</b>	18,052	-
<b>Total</b>	<b>2,181,655</b>	<b>1,430,982</b>	<b>1,863,585</b>	<b>1,813,184</b>
<b>Net Operating Result</b>	<b>(1,565,611)</b>	<b>(1,154,760)</b>	<b>(1,560,419)</b>	<b>(1,531,012)</b>
<b>CAPITAL INVESTMENT</b>				
Ministry Support Services	230	<b>95</b>	85	85
Municipal Assessments and Grant Administration	910	<b>940</b>	847	847
Municipal Services and Legislation	-	<b>95</b>	85	85
Public Safety	2,543	-	-	-
Alberta Emergency Management Agency	295	<b>3,500</b>	2,000	3,500
Safety Codes Council	93	<b>168</b>	168	168
<b>Total</b>	<b>4,071</b>	<b>4,798</b>	<b>3,185</b>	<b>4,685</b>