

APPENDIX A

Membership of Municipal Sustainability Strategy Working Group

Alberta Municipal Affairs

- Michael Merritt Assistant Deputy Minister, Local Government Services
- Gary Sandberg Executive Director, Municipal Services Branch
- Theresa Ostrum Director, Stakeholder Relations and Sustainability

Alberta Association of Municipal Districts and Counties

- Gerald Rhodes Executive Director
- Kim Heyman Director of Advocacy and Communications
- Pat Vincent CAO of Parkland County, Vice-president, Alberta Rural Municipal Administrators Association

Alberta Urban Municipalities Association

- John McGowan Chief Executive Officer
- Sue Welke Director, Policy and Advocacy
- Carol Revega Director, Town of Westlock, Secretary Treasurer, Local Government Administration Association

Association of Summer Villages of Alberta

- Sue Evans Municipal Administrator for the Summer Villages of Seba Beach and Lakeview

Appendix B

MUNICIPAL SUSTAINABILITY STRATEGY

Terms of Reference

November 26, 2009

Government of Alberta ■
Municipal Affairs

Terms of Reference

The Premier's 2009 mandate letter to the Minister of Municipal Affairs includes a directive to develop a municipal strategy for Alberta to improve the long-term viability of municipalities across the province. This Municipal Sustainability Strategy will provide a long-term framework to help ensure Alberta's municipalities are able to deliver well-managed, collaborative and accountable local government to Albertans. However, before any solution can be developed, four core questions must be addressed:

1. What constitutes a viable and sustainable municipality and how can these be measured?
2. What basic services should a municipality provide?
3. What capacity building tools are required?
4. What restructuring processes should be used?

Input from municipalities and their associations – ideas, suggestions and options – is important to creating a sound, made-in-Alberta strategy. To gather this input:

- The Minister will continue his ongoing discussions with the associations and their presidents.
- The Minister has undertaken a series of regional consultations.
- A Municipal Sustainability Strategy Working Group will be established to consider the four questions.
- The working group will be composed of:
 - Municipal Affairs -
 - Michael Merritt, Assistant Deputy Minister, Local Government Services;
 - Gary Sandberg, Executive Director, Municipal Services Branch; and,
 - Theresa Ostrum, Director, Stakeholder Relations and Sustainability.
 - Alberta Association of Municipal Districts and Counties (AAMDC) -
 - Gerald Rhodes, Executive Director, or designate;
 - One additional non-elected representative; and,
 - One administrative representative from the Alberta Rural Municipal Administrators' Association (ARMAA).
 - Alberta Urban Municipalities Association (AUMA) -
 - John McGowan, Chief Executive Officer, or designate;
 - One additional non-elected representative; and,
 - One administrative representative from the Local Government Administration Association (LGAA)
 - Association of Summer Villages of Alberta –

- One administrative representative.
- The working group will meet every two weeks for consideration and discussion of the core questions. At least initially, each meeting will be scheduled for one-half day in length. Additional meetings may be scheduled as required.
 - Working group members may be supported at the meeting by professional staff and staff observers.
 - The ministry will provide secretariat services to the working group.

Highlights of each meeting will be communicated to all municipalities after each meeting. Municipal Affairs will work with the association representatives to develop joint communication on meeting highlights. This would not preclude the associations from sharing their individual perspectives with their respective members as a means of keeping municipalities informed of the process.

At the core of the strategy are the questions of what it means to be viable and sustainable and what basic services a municipality should provide. As a result, the working group will be asked to first address these questions before considering the issues of capacity building and restructuring processes. The proposed timelines are:

December 2009 – January 2010	Working group begins with a focus on: <ol style="list-style-type: none"> 1. What constitutes a viable and sustainable municipality and how can these be measured? 2. What basic services should a municipality provide?
Late January – Late March 2010	Working group continues, with discussions on: <ol style="list-style-type: none"> 3. What capacity building tools are required? 4. What restructuring processes should be used?
Late March 2010	Report to the Minister, consolidating and integrating the information from phases one and two.
Late March – Early April 2010	The Minister will provide the associations with an update regarding the report submitted from phases one and two.

The development of a Municipal Sustainability Strategy is not intended to duplicate work previously completed by other entities, such as the Minister’s Council on Municipal Sustainability, nor initiatives already underway or planned for the future. Specifically, during discussions, the working group should be aware of, and take into consideration, the following:

- The Government of Alberta has already responded to the need for sustainable and predictable funding for municipalities through the Municipal Sustainability Initiative. Therefore, additional funding for municipalities or

new revenue sources will not be under consideration as part of the formulation of the municipal sustainability strategy.

- The Government of Alberta, led by Municipal Affairs, is conducting a Municipal Grants Re-engineering Initiative to find options to eliminate duplication and reduce administration with respect to municipal grants. Specifically, the re-engineering being conducted across the Government of Alberta is intended to consider opportunities to improve service effectiveness and efficiency, streamline operations, and identify cost savings.
 - The initiative focuses on identifying gaps and overlaps in municipal grant funding, as well as streamlining administrative processes around grant delivery.
 - A cross-ministry working committee, with representation from the ministries providing significant funding to municipalities, was tasked with providing recommendations to the Deputy Minister's Steering Committee.
 - The recommendations supported by the steering committee will be presented to Cabinet in the fall of 2009 for consideration.
- The *Municipal Government Act (MGA)* is slated to undergo a multi-year staged review beginning in 2010. The municipal sustainability strategy will, therefore, not include an examination of municipal legislation. However, the final strategy may result in the need for some legislative amendments in advance of those coming as a result of the *MGA* review.

The working group should also be aware that regional co-operation is of paramount importance to the ministry. The ministry believes that:

- municipalities must work together to position municipalities for the future, and to ensure sustainability and self-sufficiency; and,
 - municipalities and the communities within them need to communicate, collaborate, and co-operate.

Therefore, working group input that is focused on enhancing regional co-operation will be of particular value.

**ALBERTA MUNICIPAL SUSTAINABILITY
SELF-ASSESSMENT TOOLKIT**

Alberta Municipal Sustainability Self-Assessment Toolkit

Promoting Municipal Sustainability

October 29, 2010

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1. INTRODUCTION

Sustainable, responsive, and accountable municipal governments remain a key element in ensuring a prosperous province, now and into the future. In recognition of this reality, Alberta Municipal Affairs and the province's major municipal associations have partnered on the development of this Self-Assessment Toolkit.

The toolkit is intended to provide local municipal councils and administrations with tools to evaluate and understand their current situation, to identify areas of strength to continue building upon, and also to identify areas where improvement may be desirable or even necessary. It is designed primarily for voluntary use at the discretion of each individual municipality, although Municipal Affairs also intends to incorporate the toolkit, or at least elements of it, into some of the ministry's practices and programs.

This toolkit includes a self-assessment questionnaire covering eight broad areas. It will become evident that they are not mutually exclusive and must be looked at as a whole when addressing municipal viability and sustainability. In addition, the toolkit provides linkages to capacity-building tools relevant to each respective topic area, thereby offering easy access to meaningful opportunities to strengthen municipal performance where desired or necessary. The eight broad topic areas addressed in the toolkit are:

1. *Sustainable governance* – addresses topics such as council practices and procedures, compliance with legislation, citizen engagement, and strategic planning.
2. *Operational and administrative capacity* – addresses the capacity of the municipality to operate on a daily basis and support council decisions.
3. *Financial stability* – addresses the municipality's capacity to generate and manage revenues sufficient to provide necessary infrastructure and services to the public.
4. *Service delivery* – addresses the capacity of the municipality to provide essential services that meet residents' expectations and any appropriate standards.
5. *Regional co-operation* – addresses the municipality's approach to collaborating with neighbours for the benefit of local and regional residents.
6. *Infrastructure* – addresses the municipality's capacity to effectively and efficiently manage public infrastructure on behalf of residents.
7. *Community well-being* – addresses local community characteristics that contribute to the vitality of the community and the long-term viability of the municipality.
8. *Risk management* – addresses the capacity of the municipality to identify and manage key risks on behalf of residents.

2. HOW TO USE THIS TOOLKIT

THE SELF-ASSESSMENT TOOLKIT

The Self-Assessment Toolkit is comprised of 2 components:

1. Self-Assessment Questionnaire

- The Self-Assessment Questionnaire is a comprehensive list of qualitative and quantitative questions under the eight broad subject areas that will help municipalities identify their community assets as well as areas for potential improvement.
- These questions should be considered objectively and critically.

2. Capacity Building Toolkit

- The Capacity Building Toolkit provides an inventory of capacity building tools currently offered by Municipal Affairs, Alberta's municipal associations and other municipally-related entities.
- These tools have been matched to each group of qualitative and quantitative indicators in the Self-Assessment Questionnaire, enabling municipalities to identify those resources which are available to help them improve performance in particular areas of concern.

THE SELF-ASSESSMENT PROCESS – ANSWERS TO COMMON QUESTIONS

– Who should be using this tool?

- The Self-Assessment Toolkit is designed for municipal leaders who want to:
 - gain a better understanding and awareness of their current and future municipal viability and sustainability; and,
 - identify those areas where the municipality might want to focus efforts and develop strategic approaches in order to improve viability and sustainability.

– Who should complete this assessment?

- Ideally, the questionnaire is designed to be filled out by the Chief Administrative Officer (CAO) and other administrative and operational staff and will be approved by council. Ultimately, who is directly involved in actually filling out the questionnaire will be dependent on each municipality's individual capacity and circumstances.

- Once the questionnaire is completed, the CAO should review it with council to solicit input, seek approval and to identify areas that require additional attention.

– Is a municipality required to complete this assessment?

- A municipality may work through the toolkit independently; however, there may also be situations where Municipal Affairs may require a municipality to complete the assessment. These mandatory situations may include:

1. Performance on key measures

If a municipality is flagged by Municipal Affairs as a result of its performance on key measure criteria, the municipality may be required to work through the toolkit. The municipality would first be contacted by the ministry to discuss the circumstances contributing to the results on the key measures. Any requirement for the municipality to work through the toolkit would be at the Minister’s discretion. These eight key measures are denoted by an asterisk (*) in the self-assessment questionnaire starting on page 45 **and in Appendix 5.**

2. Citizen petition for a viability review

Where residents of a municipality submit a sufficient petition requesting a viability review, the Minister will require the completion of the Self-Assessment Toolkit prior to making a determination as to whether a viability review is warranted. If it is concluded that the citizen petition for a viability study is not related to viability challenges, the petitioners would be advised of other avenues available to them to address their concerns.

3. Council resolution requesting a viability review

Where the council of a municipality requests a viability review, the Minister will require the completion of the Self-Assessment Toolkit prior to making a determination as to whether a viability review is warranted.

– **How long does it take to complete?**

- Completion time will depend on many factors, such as having all relevant documents readily available and the experience and knowledge of administrative staff.
- As a suggested best practice, a municipality could:
 - Have the CAO and other administrative and operational staff complete the questionnaire as objectively as possible;
 - Depending on the results of the assessment you may want to set aside a half or full day retreat for the CAO, CEO, council, and senior staff to review the completed questionnaire to identify viability challenges within the municipality and create an action plan.

– **What information is needed to complete the Self-Assessment Questionnaire?**

- Some of the questions require the collection of data relating to:
 - information included on *Financial Information Returns*

- council procedure;
 - demographics;
 - details on the composition of the municipality’s assessment base;
 - the municipal tax roll;
 - municipal and regional planning;
 - existing service sharing agreements;
 - community organizations; and
 - local election statistics.
 - Some of the data required to address certain comparative questions in the questionnaire is provided in the appendices.
- **What is done with the questionnaire after completion?**
- Information on interpreting the results of the Self-Assessment Questionnaire, and determining next steps, is included at the end of the checklist in sections 4 (Interpreting the Results of Your Self-Assessment) and 5 (Creating an Action Plan).
 - In those situations where the Minister has required the municipality to complete the Self-Assessment Questionnaire, the completed questionnaire must be submitted to the Minister of Municipal Affairs.
 - If the questionnaire has been completed voluntarily by the municipality, the municipality should review the responses, identify areas for improvement, and identify appropriate capacity-building tools to support efforts to improve.
- **How can I get assistance?**
- Although this document is intended to be easy to read and follow, some questions may arise or you may have difficulty obtaining the information necessary to answer the indicator questions.
 - If you require assistance, please contact any or all of the following:
 - **Alberta Association of Municipal Districts and Counties:** 780-955-4079, or via email at kim@aamdc.com.
 - **Alberta Urban Municipalities Association:** 780-433-4431, toll-free within Alberta, 310-AUMA (2862) or via email at main@auma.ca
 - **Alberta Municipal Affairs:** 780-427-2225, or via email at lgsmail@gov.ab.ca.
- **Is there cost associated with completing the assessment?**
- There is no direct cost associated with utilizing this toolkit, other than the time required to prepare for and participate in discussions surrounding each of the items in the Self-Assessment Questionnaire.
- **Is use of the toolkit a one-time activity?**
- That is entirely up to the municipality. Some municipalities may wish to complete it on a regular basis; for example every two, three or five years.

- Periodic use and/or review would allow the municipality to set goals based on their evaluations and monitor their viability and sustainability over time.

3. SELF-ASSESSMENT QUESTIONNAIRE

The following questionnaire has been developed to assist you in assessing your municipality's viability/sustainability. It includes measures and indicators of viability/sustainability, highlights best practices, and may lead you to consider some enhancements that your municipality may wish to adopt. These questions often relate to the key sustainability measures used by the Government of Alberta, as denoted by an asterisk (*). Some of these practices are legislated requirements, as indicated by double asterisks (**).

1. SUSTAINABLE GOVERNANCE

Citizen Engagement

1.1	Does your municipality have a formally adopted citizen-engagement plan?	Y	N
1.2	Does your municipality have a process or plan to:	Y	N
	i. Engage citizens in the preparation of the budget?	Y	N
	ii. Communicate the budget to citizens?		
1.3	Does your municipality publish an annual report, including more than financial information?	Y	N
1.4	Does your municipality conduct a citizen satisfaction survey?	Y	N
1.5	If yes to 1.4 does it address:		
	i. Citizen satisfaction with the municipal corporation?	Y	N
	ii. Citizen satisfaction with annual reports?	Y	N

Local Elections

1.6	Is the community willing and interested in serving on council?	Y	N
1.7	Is the community willing to serve on municipal committees or boards?	Y	N
1.8	Over the course of the last three municipal general elections, has there been an increase in voter turnout?	Y	N
1.9	Has the municipality received sufficient nominations by nomination day to fill all available council positions in each of the last three general elections?	Y	N

Municipal Councils

1.10	Does your municipality hold regularly scheduled council meetings? **	Y	N
1.11	Do all councillors normally attend? **	Y	N
1.12	Do councillors have a role in, or participate on, committees, boards, regional governance bodies, advisory groups, etc.?	Y	N
1.13	Has your council adopted a council procedural bylaw for council meetings? If yes:	Y	N
	i. Is it current?	Y	N
	ii. Does it meet council's needs?	Y	N
1.14	Does your council have a Policy and Procedures Manual (including, for example, council travel policy, media communications, responding to citizens, contact with Government, etc.)?	Y	N

Training Opportunities and Participation

1.15	Do your councillors regularly update their knowledge of municipal government through participation in municipal education, training or development?	Y	N
1.16	Does your council provide any professional development funding for councillors (e.g., training, travel to conferences, etc.)?	Y	N

Strategic and Long-Term Planning Ability

1.17	Does your municipality have council-approved long-term and strategic plans (including for example a Municipal Sustainability Plan or an Integrated Community Sustainability Plan?)	Y	N
	i. If yes, do they include performance measures and benchmarks?	Y	N
1.18	Are there formal avenues for active citizen involvement in:		
	i. Strategic planning in the community?	Y	N
	ii. Long-term planning in the community?	Y	N
1.19	Does your municipality have an up to date:		
	i. Business plan,	Y	N
	ii. Multi-year budget;	Y	N

iii.	Land use/zoning (municipal) plan that is less than 10 years old;	Y	N
iv.	Municipal Development Plan that is less than 10 years old;	Y	N
v.	Capital plan for the next five or more years; and an	Y	N
vi.	Economic development plan.	Y	N

2. OPERATIONAL AND ADMINISTRATIVE CAPACITY

Human Resources

2.1	Does your municipality have Human Resources Policies and Practices in place?	Y	N
	i. Are they current?	Y	N
	ii. Do they meet the municipality's needs?	Y	N
2.2	Is the municipality able to attract and retain knowledgeable administrative and operational staff with sufficient training and credentials to meet the requirements set out in their respective job descriptions?	Y	N

Training and Development Opportunities

2.3	Does your municipality support staff supplementing their education with relevant post-secondary training and/or attendance at relevant conferences?	Y	N
2.4	Does the municipality formally set aside funds to ensure that staff receives the training necessary to support any required accreditation?	Y	N
2.5	Does your municipality provide developmental support to staff (e.g. performance reviews, coaching, mentoring or on the job training)?	Y	N

Technology Resources

2.6	Does your municipality have high-speed internet access?	Y	N
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2.7	Does your municipality have Information Technology (IT) support in place?	Y	N
2.8	Does your municipality have an information technology (IT) plan?	Y	N
	i. Is it current?	Y	N
	ii. Does it meet the municipality's needs?	Y	N

3. FINANCIAL STABILITY

Budget

3.1	Is municipal spending generally within +/- 5% of the approved operating budget each year?	Y	N
3.2	Does the administration provide written updates to council on the municipality's finances and budget performance in a timely manner in advance of council meetings?	Y	N
3.3	Does your municipality have a process to formally link the municipal budget to the municipal business plan?	Y	N
3.4	With respect to your most recent annual financial statements, what percentage of annual municipal expenditures is spent on general government (i.e., council and administration)? (Note: For comparison purposes based on type of municipality, the average proportion of expenditures spent by Alberta municipalities on this function is set out, by municipal classification, in Appendix 2.)		____%
3.5	With respect to your most recent annual financial statements, what percentage of annual municipal expenditures is spent on servicing municipal debt (principal and interest)? (Note: For comparison purposes based on type of municipality, the average proportion of expenditures spent by Alberta municipalities on this function is set out, by municipal classification, in Appendix 3).		____%
3.6	Does the council monitor the municipality's actual vs. budgeted municipal revenues and expenditures on a minimum of a quarterly basis?	Y	N
3.7	Has your municipality incurred an annual deficit for the past two consecutive years, or five out of the past 10 years? *	Y	N
3.8	Does your municipality have less than a 1:1 ratio of current assets to current liabilities? *	Y	N
3.9	Has your municipality received a "qualified audit opinion", "denial of opinion" or an "adverse opinion" with respect to your most recent annual financial statements? *	Y	N

Debt

- | | | | |
|------|--|---|---|
| 3.10 | Is your municipality operating within the regulated debt limits? ** | Y | N |
| 3.11 | Does your municipality have outstanding short-term debt (e.g., lines of credit, overdraft) at the end of the year? | Y | N |
| 3.12 | Does your municipality experience cash flow issues that require you to access short-term loans on a regular basis throughout the year? | Y | N |
| 3.13 | Has your municipality reached 80% or more of its debt and debt service limit? * | Y | N |

Revenue Growth

- | | | | |
|------|--|---|---|
| 3.14 | Have your municipality's property tax revenues grown by close to the rate of the Consumer Price Index over the past five years? (see link for CPI)
http://www40.statcan.ca/l01/cst01/econ09j-eng.htm | Y | N |
| 3.15 | Does your municipality derive any revenue from investments?
i. If yes, have your municipality's revenues from investments grown by close to the rate of the Consumer Price Index over the past five years? | Y | N |
| 3.16 | Does your municipal revenue growth reflect growth in the community? | Y | N |
| 3.17 | Does your municipality take appropriate advantage of grant funding, by considering the benefits of the increased revenue, while also considering the consequences of obtaining the grant (for example, requirements to meet funding conditions, pay costs for future maintenance of new capital infrastructure, etc.)? | Y | N |
| 3.18 | Do provincial and federal grants account for 50% or more of your municipality's total revenue? * | Y | N |

Taxes (rates, adequacy and comparability with neighbours)

- | | | | |
|------|---|---|---|
| 3.19 | Has your municipality's equalized assessment base grown over the last ten years? (Note: For comparison purposes based on type of municipality, the average growth in assessment for Alberta municipalities is set out, by municipal classification, in Appendix 4). | Y | N |
| 3.20 | Has your municipality's non-residential assessment base declined substantially as a proportion of the municipality's overall assessment base, over the past 10 years? * | Y | N |
| 3.21 | Are your municipality's taxes competitive with:
i. other municipalities within your region; and | Y | N |

	ii. other comparable municipalities?	Y	N
3.22	Are tax payments generally kept up to date for:		
	i. residential taxation;	Y	N
	ii. business taxation?	Y	N
3.23	Do you have a collection process for outstanding tax accounts for:		
	i. residential taxation;		
	ii. business taxation?	Y	N
		Y	N
3.24	Are the major industries that provide tax base and employment stable or growing?	Y	N
3.25	Does the largest single ratepayer account for more than 20% of total municipal property tax revenues?	Y	N
	i. If yes, how stable is this source of revenue?		
	Unstable_____ Stable_____ Very stable_____ Unknown_____		
3.26	Does your municipality have more than 10% of current property tax unpaid for the most recent completed fiscal year? *	Y	N
3.27	Has the overall percentage of tax arrears increased in the past five years?	Y	N

Utilities

3.28	Are your municipality's municipal utility rates competitive with:		
	i. other municipalities within your region; and	Y	N
	ii. other comparable municipalities?	Y	N
3.29	Has your municipality adopted full cost accounting for utilities?	Y	N
3.30	Do your utility rates generate sufficient revenue to cover the cost of operating and sustaining the municipal utility system?	Y	N
	i. If no, has your municipality adopted a transition plan to ensure utility rates generate sufficient revenue to cover the cost of operating and sustaining the municipal utility system?	Y	N

- | | | | |
|------|--|---|---|
| 3.31 | Are utility payments collected from users on a regular basis? | Y | N |
| | i. If no, do you have a collection process for outstanding utility accounts? | Y | N |

Financial Planning and Risk Management

- | | | | |
|------|--|---|---|
| 3.32 | Does your municipality make use of financial reserves to support long-term capital needs and/or risk mitigation? | Y | N |
|------|--|---|---|

4. SERVICE DELIVERY

- | | | | |
|-----|--|---|---|
| 4.1 | Has your municipality established standards for the services that are delivered? | Y | N |
| 4.2 | Does your municipality have a formal process to review and evaluate compliance with those standards? | Y | N |
| | i. Is it current? | Y | N |
| | ii. Does it meet the municipality's needs? | Y | N |

5. REGIONAL CO-OPERATION

Regional Commissions and other Intermunicipal Arrangements

- | | | | |
|-----|--|---|---|
| 5.1 | Does your municipality have the ability to share services with one or more adjacent communities (considering geography and other factors you feel are relevant)? | Y | N |
| 5.2 | Does your municipality have intermunicipal agreements (e.g., recreation, building inspection duties, waste disposal, snow clearing/road maintenance, utility infrastructure, economic development officer and/or a CAO)? | Y | N |
| | i. If yes, are you satisfied with these agreements? | Y | N |
| 5.3 | Does your municipality regularly communicate with your municipal neighbours on a less formal basis (e.g. CAO meetings, joint municipal department or staff meetings)? | Y | N |

Planning

- | | | | |
|-----|--|---|---|
| 5.4 | Is there an intermunicipal development plan in place in the municipality? | Y | N |
| 5.5 | Does your municipality have formal arrangements for professional planning expertise when required (e.g. municipal employees and/or contractors)? | Y | N |

6. INFRASTRUCTURE

- | | | | |
|-----|---|---|---|
| 6.1 | Is your municipality compliant with reporting requirements related to tangible capital assets (TCA)? ** | Y | N |
| 6.2 | Has your municipality implemented an infrastructure management system? | Y | N |
| 6.3 | Has your municipality completed an inventory of all municipal infrastructures? | Y | N |
| 6.4 | Has your municipality completed an assessment of the condition of all municipal infrastructures? | Y | N |
| 6.5 | Has your municipality adopted a plan for maintaining municipal infrastructure? | Y | N |
| | i. If yes, is the plan fully funded? | Y | N |

7. COMMUNITY WELL-BEING

Demographics

- | | | | |
|-----|---|-----|---|
| 7.1 | Has your municipality experienced a decline in population over the last 20 years? * | Y | N |
| 7.2 | Over the past five years, has the municipality's population increased? | Y | N |
| 7.3 | What is the approximate age composition of the residents of your municipality? | | |
| | 0-19 years | ___ | % |
| | 20-54 years | ___ | % |
| | 55+ years | ___ | % |

(This is based on the Statistics Canada “Community Profile.”

<http://www12.statcan.ca/census-recensement/2006/dp-pd/prof/92-591/search-recherche/lst/page.cfm?Lang=E&GeoCode=48>)

7.4 In the last five years (or the most recent five-year federal census cycle) has the number of children and youth under 19 increased within your municipality? Y N

Economic Vitality

7.5 Are young people able to find work in the area? Y N

7.6 Is unemployment an issue in your community? Y N

7.7 Has the number of new development permits been stable or growing over the past five years? Y N

7.8 Has the number of new business licences been stable or growing over the past five years? Y N

7.9 Is there a range of businesses operating in your municipality (i.e., variety in size and sectors)? Y N

7.10 Does your municipality expect that these businesses will provide stable employment in the community the long term? Y N

Community Vitality

7.11 Is there a strong sense of pride in the community? Y N

7.12 Does your council actively lead or support activities to foster community pride and celebrate community? Y N

7.13 Are there public facilities in the community for recreation, community meetings and social gatherings? Y N
i. If yes, who owns and operates these facilities?

ii. Are these facilities self sustaining? Y N

7.14 Are strong local volunteer organizations active within the municipality? Y N

8. RISK MANAGEMENT

Risk Identification/ Management of Risks

8.1 Has the municipality conducted a Corporate Risk Assessment? Y N

8.2 If yes, does the municipality have a Corporate Risk Mitigation Plan? Y N

Risk Assessment/Planning

8.3 Is funding set aside for unexpected emergencies? Y N

8.4 Does your municipality have a municipal service/corporation continuity plan in place? Y N

8.5 Are appropriate emergency management plans in place? Y N

8.6 Are plans or strategies in place to manage the loss of critical community resources such as labour or loss of major industries? Y N

8.7 Does the municipality have plans in place to address environmental risks (e.g., reclamation plan)? Y N

8.8 Does your municipal fire department and/or service provider provide the level of emergency service as determined by your council, and meet any applicable provincial standards? Y N

8.9 Does your municipality ensure that provincial safety standards (e.g. Safety Codes requirements, Occupational Health and Safety, etc.) are adhered to? Y N

4. INTERPRETING THE RESULTS OF YOUR SELF-ASSESSMENT

We have answered the questions. Now what do we do?

In an ideal world, each municipality would have answers to each question that would indicate a viable and sustainable municipality. However, in reality, it is likely that most municipalities will find that some areas of the survey do not reflect this. This is not necessarily a problem; in most instances, it simply indicates an area where the municipality may have room to improve its performance. The issue becomes one of identifying how to move forward to address weaknesses and build on strengths. While every municipality has different circumstances, and different priorities, in general terms, the following table outlines how the results of the Self-Assessment might be interpreted.

- | |
|---|
| <ul style="list-style-type: none">• Responses in all eight subject areas supporting a viable and sustainable municipality probably indicate that the municipality has the political, financial and community resources to continue to operate effectively and may also benefit from exploring some of the capacity building tools; |
| <ul style="list-style-type: none">• A relatively balanced mix of responses in some or all subject areas that would support a viable and sustainable municipality most likely means that there are issues that need to be addressed by council through the appropriate capacity building tools provided in the Capacity Building Toolkit. |
| <ul style="list-style-type: none">• Responses in all eight subject areas that would tend towards a non-viable or unsustainable municipality would suggest that the local government may no longer be capable of functioning effectively. Municipal viability is at risk, and as the issues appear to run deeper than can be addressed through application of the tools in the Capacity Building Toolkit.<ul style="list-style-type: none">– As well, consistent positive responses to the questions regarding the key sustainability measures used by the Government of Alberta, as denoted by an asterisk (*) in the questionnaire, and consistent negative responses regarding legislated requirements, as indicated by double asterisks (***) in the questionnaire, lead to the same conclusion.– In these circumstances you should contact Municipal Affairs and/or your association for further action and direction regarding what options are available. |

5. CREATING AN ACTION PLAN

Your Municipal Viability and Sustainability Picture – What do you do?

Now that your municipality has worked through the Self-Assessment Questionnaire and evaluated its responses, you should have a much better understanding of your municipality’s “viability and sustainability” picture; where your municipality’s strengths lie and what challenges you may face. But before any plan of action can be started, you first have to ensure that you have the interest and the commitment of your municipality to create and follow through with this action plan.

The next step is to look at your municipality’s evaluation and focus on any of the areas where deficiencies have been identified. You may want to only focus on a few key areas; you may decide on an ambitious plan to tackle all of the deficiencies. Deciding what approach to take and setting goals can be a difficult process. Sitting down with council, inviting the public to share the results of the questionnaire and obtain their feedback, contacting your relevant association, or asking Municipal Affairs for their assistance are all options in helping identify priority areas and establishing meaningful goals.

Once your municipality has identified the areas it would like to work on, a good place to go would be the Capacity Building Toolkit (Appendix 1). The inventory provides a list of capacity building tools currently offered by Municipal Affairs, the Alberta Urban Municipalities Association (AUMA), the Alberta Association of Municipal Districts and Counties (AAMDC), and other municipal associations and municipally-related entities, for each of the eight broad subject areas. The application of these capacity-building resources may assist the municipality in overcoming many of the deficiencies identified through the questionnaire. You may want to contact your municipal association to discuss which capacity building tools they offer that might be beneficial or applicable.

Although the inventory is very thorough and comprehensive, there may be challenges that are best addressed through more collaboration with your neighbouring municipalities, with Municipal Affairs, or with the AUMA or AAMDC. Relevant options include:

- Informal service sharing;
- Intermunicipal services sharing or co-operation agreements;
- Regional service commissions; and
- Municipal restructuring.

Follow-up and monitoring - How do we know when things are working?

Maintaining municipal sustainability is an ongoing dynamic process. As mentioned, a critical part of any action plan is the establishment of realistic and meaningful goals. Some of these goals may be quantifiable, with targets that are clearly defined, straightforward and easy to measure. Examples of such goals (to list but a few) might include:

- ensuring compliance with legislated requirements by making a checklist of all legislated requirements as per the MGA;
- setting a goal of reducing short term debt by a set percentage over a twelve month period;
- adopting, following and reviewing procedural plans within a predetermined period of time; and
- reviewing municipal service levels to ensure they are consistent with community priorities, any legislated standards, and are within the municipality's financial capacity.

Other goals though are more qualitative in nature and are not as easily measured. It can be challenging to accurately or formally measure such items as citizen satisfaction, citizen engagement, or the level of community pride. But whether or not they are easily measured, these aspects are nevertheless vital to municipal viability and sustainability. Most municipal councils have a reasonable awareness of the general state of these community characteristics, and whether they are trending in a positive or negative direction. Options for formalizing and reinforcing this understanding might include activities like the following:

- Adopting and following a formal citizen engagement plan;
- Conducting periodic citizen satisfaction surveys; and
- Working with volunteer community groups to identify opportunities for collaboration.

In addition, some municipalities may wish to complete this toolkit on a regularly scheduled basis (for example, every 3-5 years), to monitor their progress in achieving and maintaining short-term viability and long-term sustainability.

Alberta Municipal Sustainability Capacity Building Toolkit

If you require assistance or information on how to access these tools, please contact the relevant association or Municipal Affairs:

- **Alberta Association of Municipal Districts and Counties:** 780-955-4079, or via email at kim@aamdc.com.
- **Alberta Urban Municipalities Association:** 780-433-4431, toll-free within Alberta, 310-AUMA (2862) or via email at main@auma.ca
- **Alberta Municipal Affairs:** 780-427-2225, or via email at lgsmail@gov.ab.ca.

Appendix 1

SUSTAINABLE GOVERNANCE

Do you want to learn more on promoting sustainable governance in your community?
Capacity-building tools are available to assist you!

Alberta Municipal Affairs offers:

(www.municipalaffairs.alberta.ca/mc_index.cfm)

Municipal Services Branch

- General Advisory Services
- Planning Advisory Services
- Election Advisory Services
- Grants Advisory Services
- Municipal Excellence Network
- Municipal Corporate Reviews
- Inspections
- Financial Indicator Graphs
- Roles and Responsibility Training – Elected and Appointed officials
- Candidate Training
- Now That You Have Been Elected – A Handbook for Elected Councillors
- Grade 11 Presentation Kit, Grade 6 – Building Communities
- Collaborative Governance Initiative
- Mediation
- Municipal Elected Officials Course

Public Safety Division

- Basic Emergency Management Course

The *municipal associations* offer:

AAMDC (www.aamdc.com)

- [Integrated Community Sustainability Plan \(ICSP\) Tools](#)

AUMA (www.auma.ca toolkits and initiatives)

- Welcoming and Inclusive Communities Toolkit
- Affordable Housing Toolkit
- Municipal Sustainability Planning Microsite
- Casual Legal Phone Line and Legal Updates in AUMA/AMSC Weekly Digest
- Risk Assessment Programs
- Significant shared services programs

Joint AAMDC and AUMA

- Citizen Engagement Toolkit

- Rural-Urban Cost Sharing Toolkit
- Elected Officials Education Program
- Dispute Resolution (joint with ARMAA, LGAA & Municipal Affairs)

Other available resources include:

- [Federation of Canadian Municipalities \(FCM\) – Women in Government](http://www.fcm.ca/english/view.asp?x=501)
[http://www.fcm.ca/english/view.asp?x=501,](http://www.fcm.ca/english/view.asp?x=501)
- [FCM – Manual/Toolkit](#)
- Building Canada and Community Sustainability
- Good [Governance](#) in Restructuring Water Supply: A Handbook

Appendix 1

OPERATIONAL AND ADMINISTRATIVE CAPACITY

Do you want to learn more on improving operational and administrative capacity in your community? Capacity-building tools are available to assist you!

Alberta Municipal Affairs offers:

(www.municipalaffairs.alberta.ca/mc_index.cfm)

Municipal Services Branch

- General Advisory Services
- Election Advisory Services
- Financial Advisory Services/Tangible Capital Assets
- Planning Advisory Services
- Grants Advisory Services
- Municipal Administrators Handbook
- Quarterly CAO Bulletins
- Information Bulletins
- Municipal Excellence Network
- Municipal Corporate Reviews and Inspections
- Municipal Infrastructure Management System (MIMS)
- Financial Indicator Graphs
- Tax Recovery Training
- Elections Process Training
- Census Training
- Internship (Municipal Administration and Land-use Planning)
- Grade 11 Presentation Kit, Grade 6 – Building Communities
- Collaborative Governance Initiative
- Mediation

Assessment Services Branch

- Assessment Publications and Standards for Assessment Professionals and Municipal Administrators
- Minister's Guidelines for Regulated Property Assessment and Assessment Quality
- Alberta 2001 Metal Building Cost Manual
- Property Assessment in Alberta Handbook in partnership with the Alberta Assessors' Association
- Assessment Bulletins
- Detailed Assessment Audit Manual
- Property Tax Exemptions in Alberta Guide
- Assessment Review Board Member and Clerk Training – Administrative Law Course and Assessment Principles Course

The ***municipal associations*** offer:

AAMDC (www.aamdc.com)

- Integrated Community Sustainability Plan (ICSP) Tools
- Broadband Toolkit

AUMA (www.auma.ca toolkits and initiatives)

- Municipal Sustainability Planning Microsite
- Water Conservation For Life Microsite
- The Business Vitality Initiative
- Sustainable Transportation: List of Programs
- Welcoming and Inclusive Communities Toolkit
- Affordable Housing Toolkit
- Casual Legal Phone Line and Legal Updates in AUMA/AMSC Weekly Digest
-

Joint AAMDC and AUMA

- Citizen Engagement Toolkit
- Dispute Resolution (joint ARMAA, LGAA & Municipal Affairs)
- Municipal Climate Change Action Centre
- Municipal Careers Awareness Toolkit

Other available resources include:

- [FCM – International Publications](http://www.fcm.ca/english/view.asp?x=501) [http://www.fcm.ca/english/view.asp?x=501,](http://www.fcm.ca/english/view.asp?x=501)

Appendix 1

FINANCIAL STABILITY

Do you want to learn more about your municipality's financial stability?
Capacity-building tools are available to assist you!

Alberta Municipal Affairs offers:

(www.municipalaffairs.alberta.ca/mc_index.cfm)

Municipal Services Branch

- Financial Advisory Services/Tangible Capital Assets (joint with AUMA/AAMDC/GFOA)
- Grants Advisory Services
- Municipal Excellence Network
- Municipal Corporate Reviews
- Inspections
- Municipal Infrastructure Management System (MIMS)
- Financial Indicator Graphs
- Tax Recovery Training

Assessment Services Branch

- Assessment Publications and Standards for Assessment Professionals and Municipal Administrators
- Minister's Guidelines for Regulated Property Assessment and Assessment Quality
- Alberta 2001 Metal Building Cost Manual
- Property Assessment in Alberta Handbook in partnership with the Alberta Assessors' Association
- Assessment Bulletins
- Detailed Assessment Audit Manual
- Property Tax Exemptions in Alberta Guide
- Pre-Employment Assessor Training
- Post-Employment Assessor Training

The **municipal associations** offer:

AUMA (www.auma.ca toolkits and initiatives)

- Municipal Sustainability Planning Microsite

Joint AAMDC and AUMA

- Rural-Urban Cost Sharing Toolkit (joint with AUMA)

Other available resources include:

- [FCM – International Publications](http://www.fcm.ca/english/view.asp?x=501) <http://www.fcm.ca/english/view.asp?x=501>,

Appendix 1

SERVICE DELIVERY

**Do you want to learn more about municipal service delivery?
Capacity-building tools are available to assist you!**

Alberta Municipal Affairs offers:

(www.municipalaffairs.alberta.ca/mc_index.cfm)

Municipal Services Branch

- General Advisory Services
- Planning Advisory Services
- Municipal Excellence Network
- Municipal Corporate Reviews
- Municipal Inspections

The **municipal associations** offer:

AAMDC (www.aamdc.com)

- Broadband Toolkit

AUMA (www.auma.ca toolkits and initiatives)

- Affordable Housing Toolkit
- Municipal Sustainability Planning Microsite
- Water Conservation for Life Microsite
- Sustainable Transportation: List of Programs

Joint AAMDC and AUMA

- Rural-Urban Cost Sharing Toolkit (joint with AUMA)

Other available resources include:

- [Good Governance in Restructuring Water Supply: A Handbook](#)
- [FCM – International Publications](http://www.fcm.ca/english/view.asp?x=501) <http://www.fcm.ca/english/view.asp?x=501>,

Appendix 1

REGIONAL CO-OPERATION

Do you want to learn more about regional cooperation and planning?
Capacity-building tools are available to assist you!

Alberta Municipal Affairs offers:

(www.municipalaffairs.alberta.ca/mc_index.cfm)

Municipal Services Branch

- Planning Advisory Services
- Municipal Excellence Network
- Municipal Corporate Reviews
- Inspections

The **municipal associations** offer:

AUMA (www.auma.ca toolkits and initiatives)

- Municipal Sustainability Planning Microsite
- Sustainable Transportation: List of Programs

Joint AAMDC and AUMA

- Rural-Urban Cost Sharing Toolkit
- Dispute Resolution (joint with ARMAA, LGAA & Municipal Affairs)

Other available resources include:

- [FCM – International Publications](http://www.fcm.ca/english/view.asp?x=501) <http://www.fcm.ca/english/view.asp?x=501>,

Appendix 1

INFRASTRUCTURE

**Do you want to learn more about infrastructure?
Capacity-building tools are available to assist you!**

Alberta Municipal Affairs offers:

(www.municipalaffairs.alberta.ca/mc_index.cfm)

Municipal Services Branch

- Financial Advisory Services/Tangible Capital Assets
- Planning Advisory Services
- Grants Advisory Services
- Municipal Excellence Network
- Municipal Corporate Reviews
- Inspections
- Municipal Infrastructure Management System (MIMS)
- Collaborative Governance Initiative
- Mediation

The **municipal associations** offer:

AAMDC (www.aamdc.com)

- [Integrated Community Sustainability Plan \(ICSP\) Tools](#)
- Broadband Toolkit

AUMA (www.auma.ca toolkits and initiatives)

- Affordable Housing Toolkit
- Municipal Sustainability Planning Microsite
- Sustainable Transportation: List of Programs

Joint with AAMDC and AUMA

- Municipal Climate Change Action Centre (joint with AAMDC)

Other available resources include:

- [FCM – International Publications](http://www.fcm.ca/english/view.asp?x=501) <http://www.fcm.ca/english/view.asp?x=501>,

Appendix 1

COMMUNITY WELL-BEING

Do you want to learn more about your community's well-being?
Capacity-building tools are available to assist you!

Alberta Municipal Affairs offers:

(www.municipalaffairs.alberta.ca/mc_index.cfm)

Municipal Services Branch

- Municipal Excellence Network
- Municipal Corporate Reviews (currently under development by MA)
- Inspections
- Candidate Training
- Collaborative Governance Initiative
- Mediation

Alberta Emergency Management Agency

- Personal Disaster Preparedness
- Critical Incident Stress Management
- Incident Command System Training
- Disaster Social Services Planning Course

The **municipal associations** offer:

AAMDC (www.aamdc.com)

- Broadband Toolkit

AUMA (www.auma.ca toolkits and initiatives)

- Affordable Housing Toolkit
- Welcoming and Inclusive Communities Toolkit
- Municipal Sustainability Planning Microsite
- First Impressions Community Exchange
- Business Vitality Initiative
- Sustainable Transportation: List of Programs

Joint with AAMDC and AUMA

- Citizen Engagement Toolkit

Other available resources include:

- [FCM - International Publications](http://www.fcm.ca/english/view.asp?x=501) <http://www.fcm.ca/english/view.asp?x=501>,

Appendix 1

RISK MANAGEMENT

**Do you want to learn more about managing risk in your municipality?
Capacity-building tools are available to assist you!**

Alberta Municipal Affairs offers:

(www.municipalaffairs.alberta.ca/mc_index.cfm)

Municipal Services Branch

- General Advisory Services
- Financial Advisory Services/Tangible Capital Assets
- Grants Advisory Services
- Municipal Excellence Network
- Municipal Corporate Reviews
- Inspections
- Municipal Infrastructure Management System (MIMS)
- Financial Indicator Graphs

Alberta Emergency Management Agency

- Functional Needs
- Registration and Inquiry Course
- Emergency Public Information Course
- Emergency Operations Centre Course
- Disaster Social Service Planning Course
- Municipal Elected Officials Course
- Emergency Management Course
- [Basic Emergency Management Course](#)

The **municipal associations** offer:

AAMDC (www.aamdc.com)

- “Risk Management Services” (Jubilee Insurance>Risk Management Services and Philosophy).

AUMA (www.auma.ca toolkits and initiatives)

- Alberta Municipal Services Corporation Risk Modules

Joint with the AAMDC and AUMA

- Municipal Climate Change Action Centre (joint with AAMDC)

Other available resources include:

- [FCM – International Publications](http://www.fcm.ca/english/view.asp?x=501) <http://www.fcm.ca/english/view.asp?x=501>.

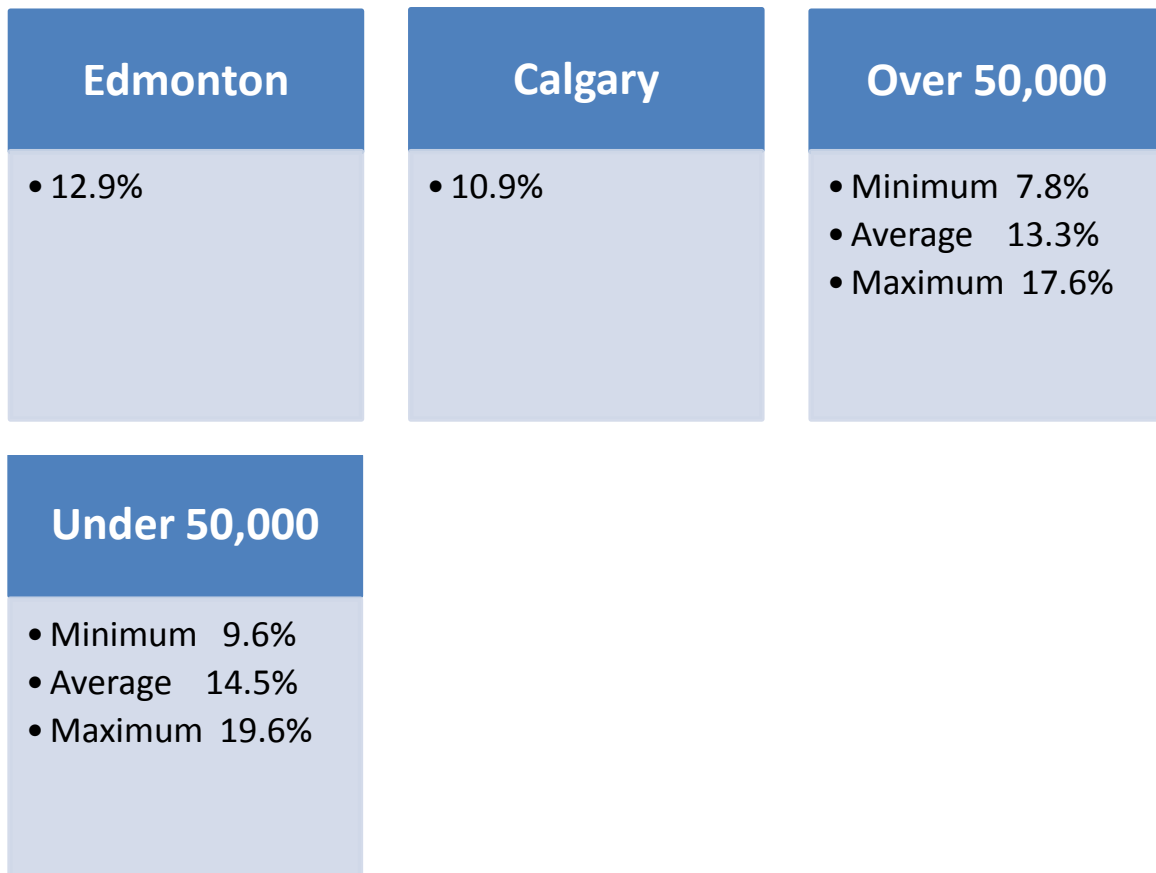
Appendix 2

SAQ #3-4: With respect to your most recent annual financial statements, what percentage of annual municipal expenditures is spent on general government (i.e., council and administration)?

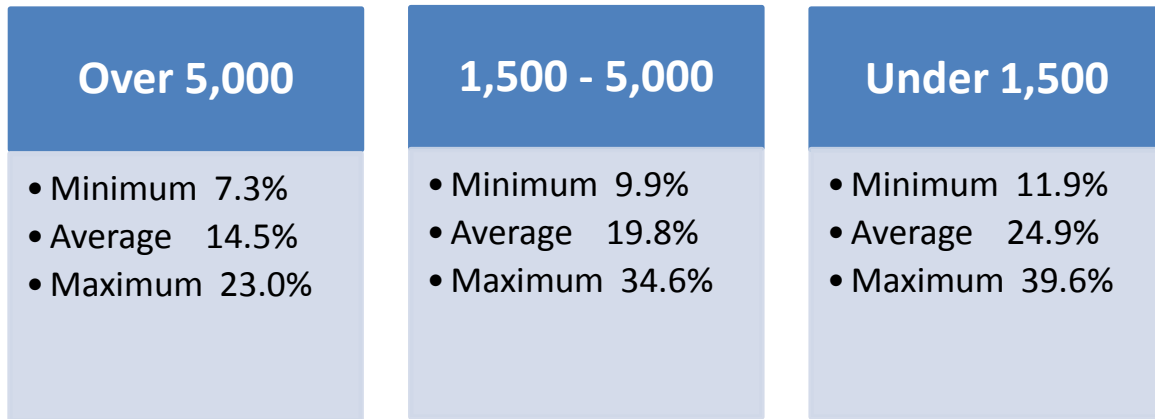
The average proportion of expenditures spent by Alberta municipalities on this function is set out, by municipal classification, as follows:

General Government Expenditures as a Percentage (%) of Total Expenditures

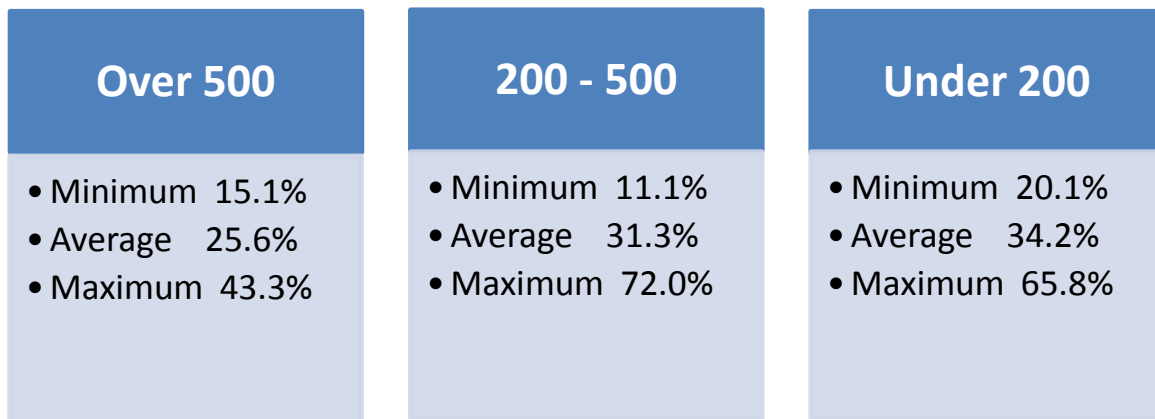
Cities



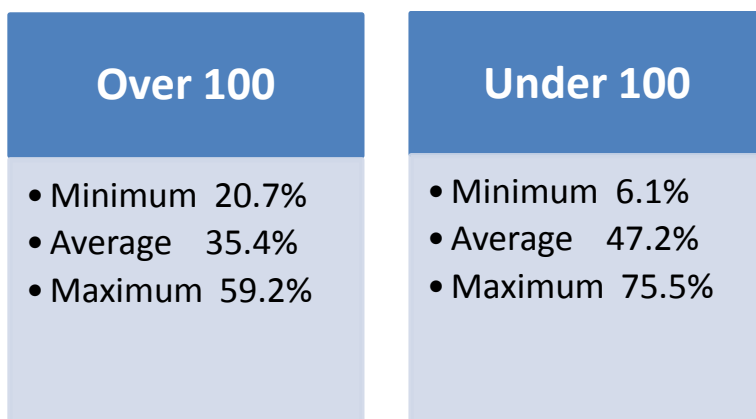
Towns



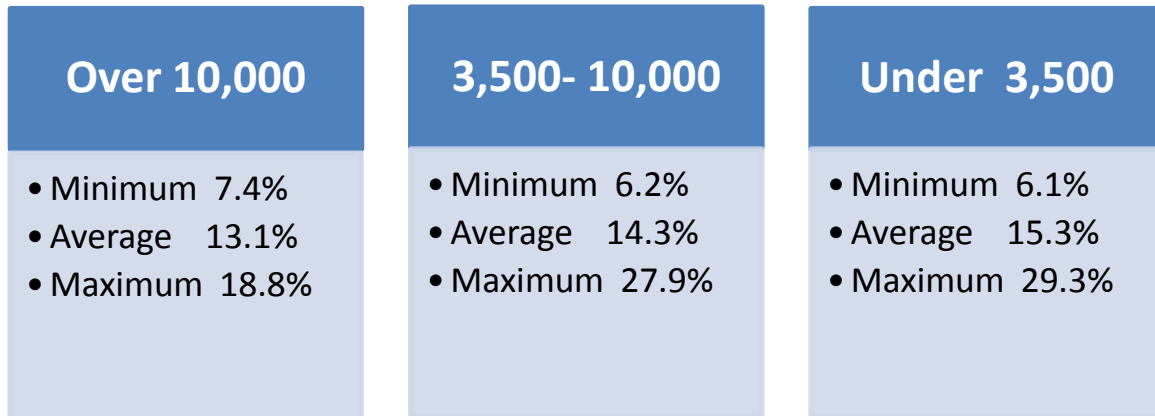
Villages



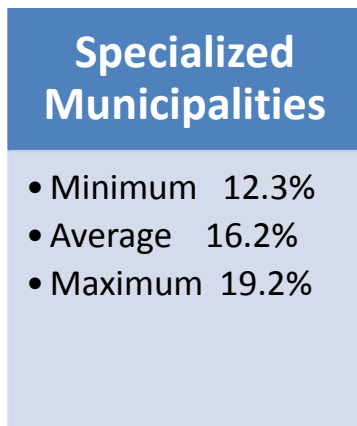
Summer Villages



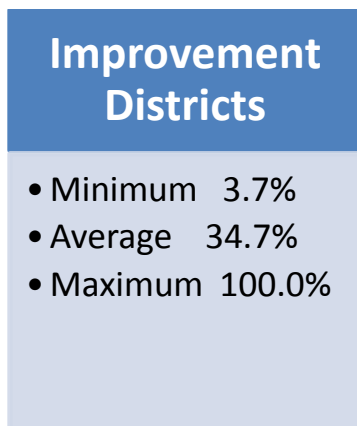
Municipal Districts and Counties



Specialized Municipalities



Improvement Districts



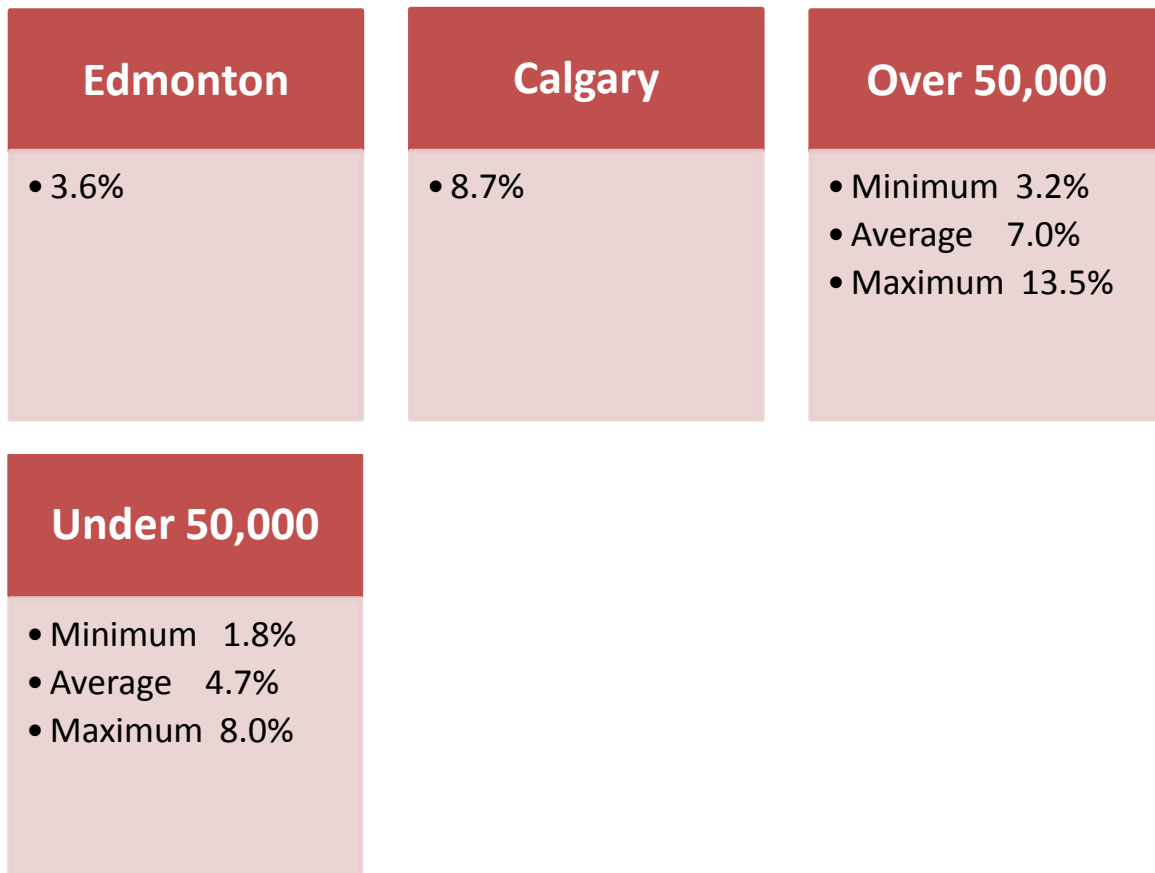
Appendix 3

SAQ #3-5: With respect to your most recent annual financial statements, what percentage of annual municipal expenditures is spent on servicing municipal debt (principal and interest)?

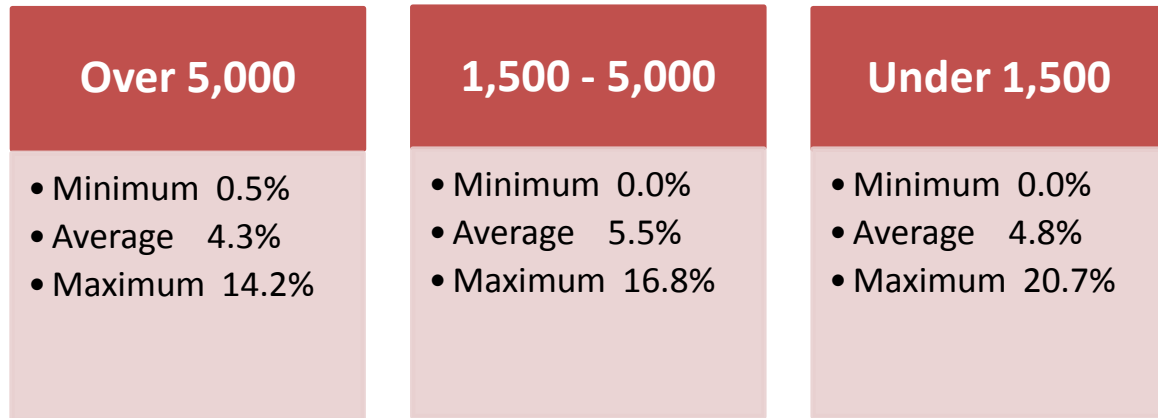
The average proportion of expenditures spent by Alberta municipalities on this function is set out, by municipal classification, as follows:

Long-Term Municipal Debt Servicing as Percentage (%) of Total Revenue

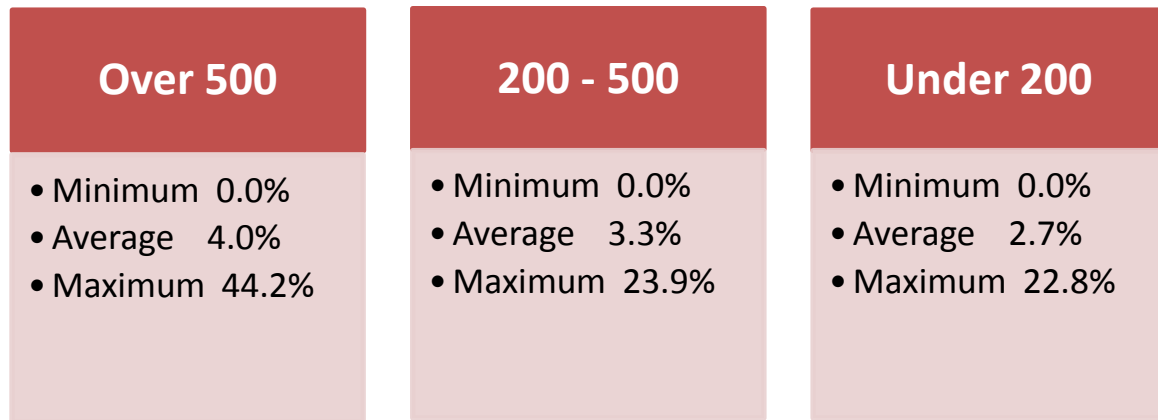
Cities



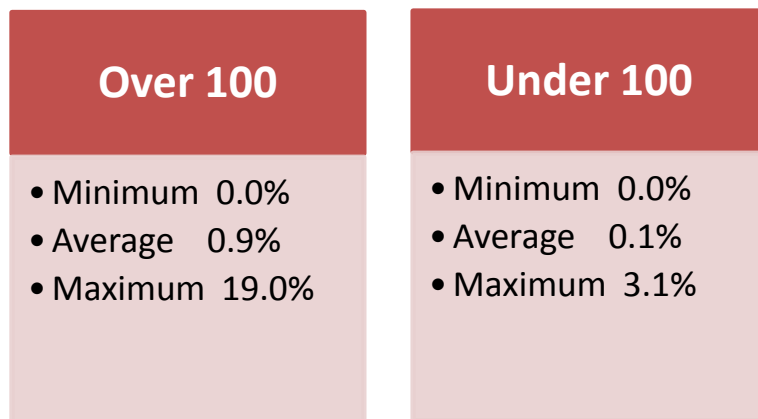
Towns



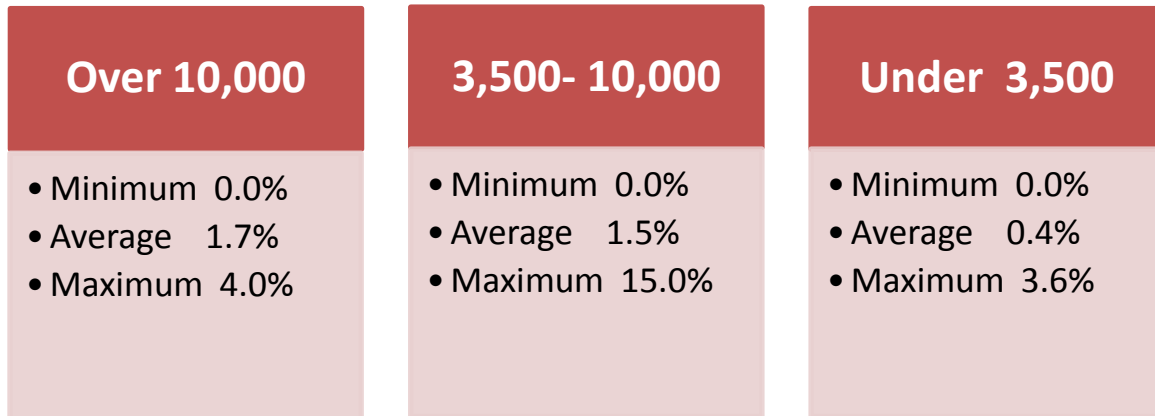
Villages



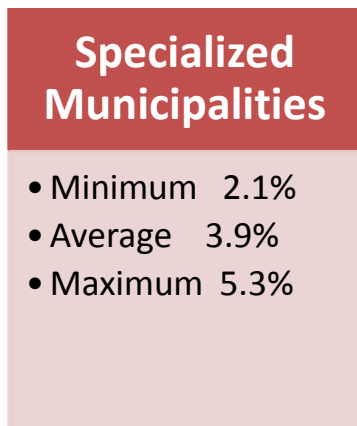
Summer Villages



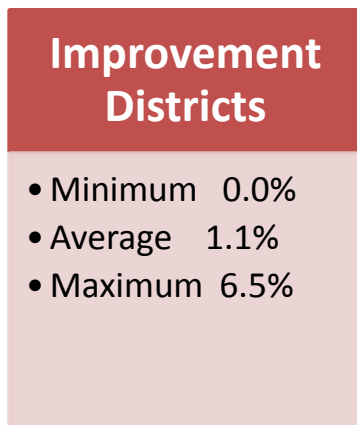
Municipal Districts and Counties



Specialized Municipalities



Improvement Districts



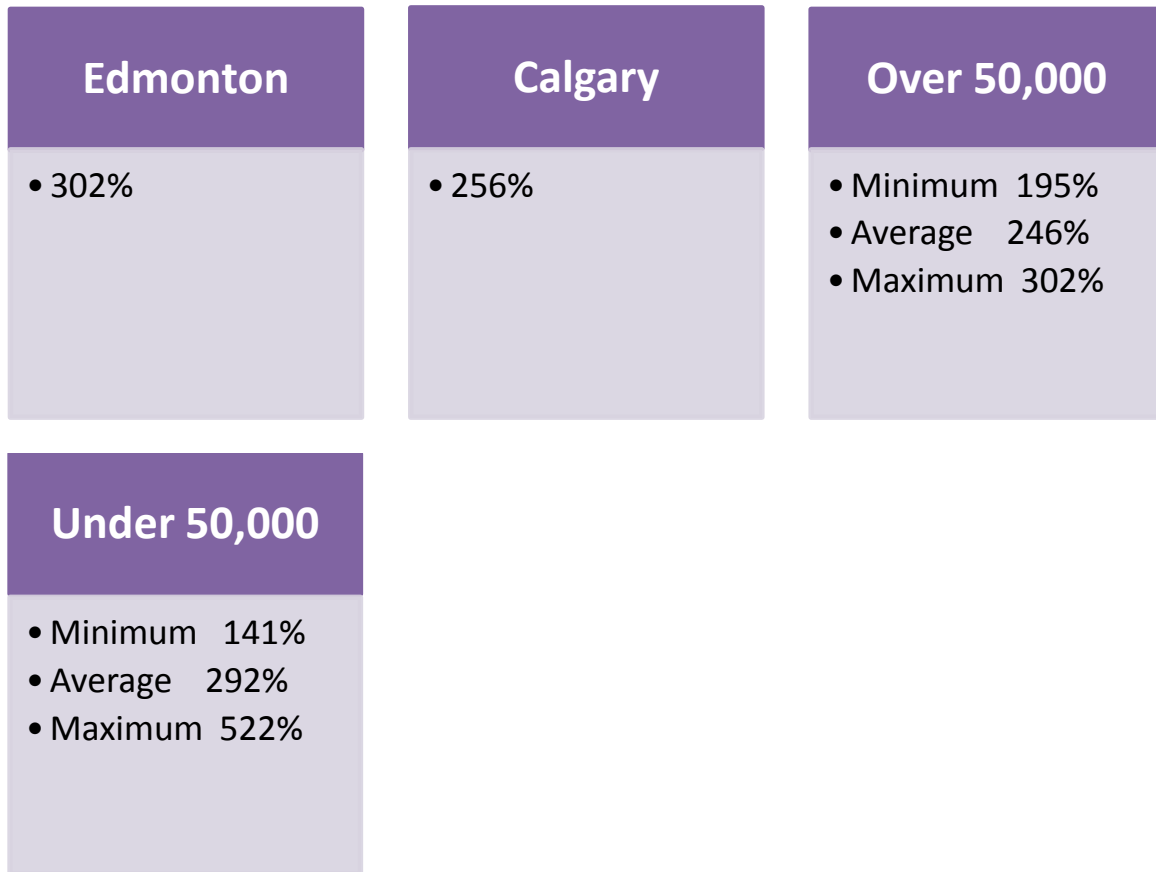
Appendix 4

SAQ #3-19: Has your municipality's equalized assessment base grown over the last ten years?

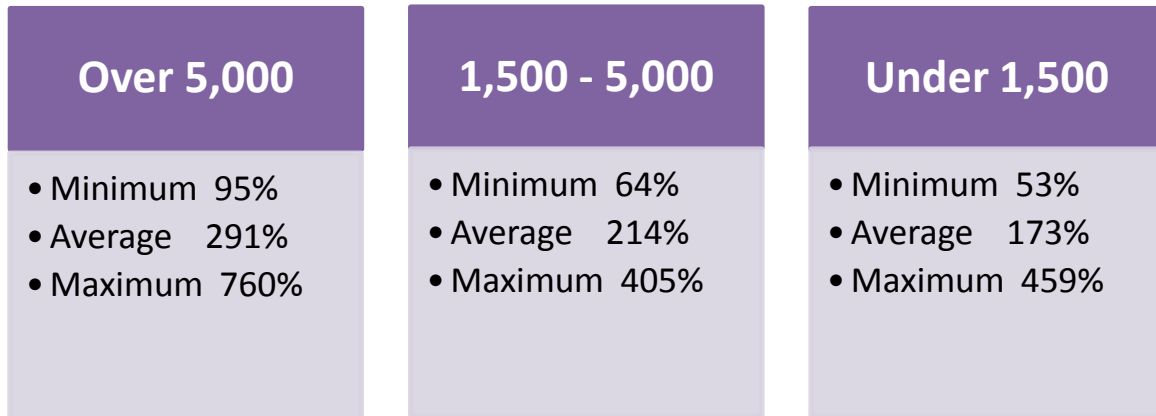
For comparison purposes, the average growth in assessment for Alberta municipalities is set out, by municipal classification, as follows:

Percentage (%) Increase in Total Equalized Assessment between 2000 and 2010

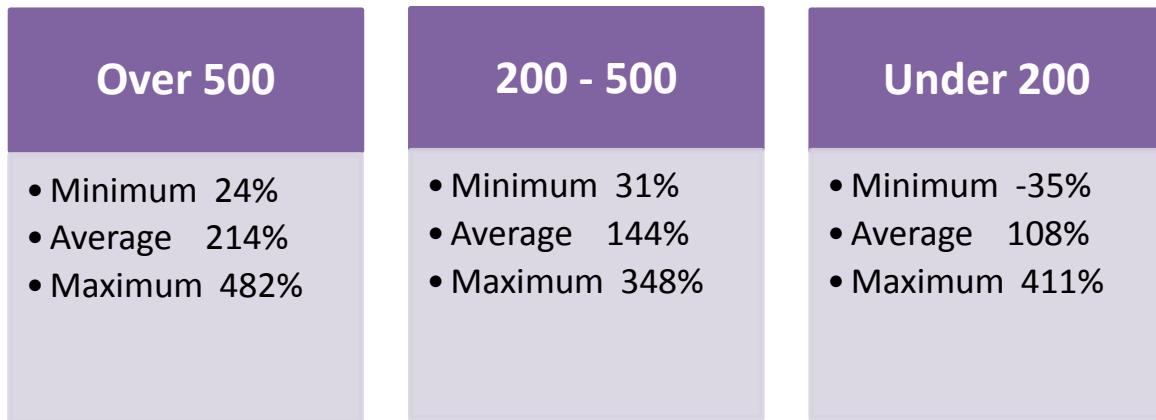
Cities



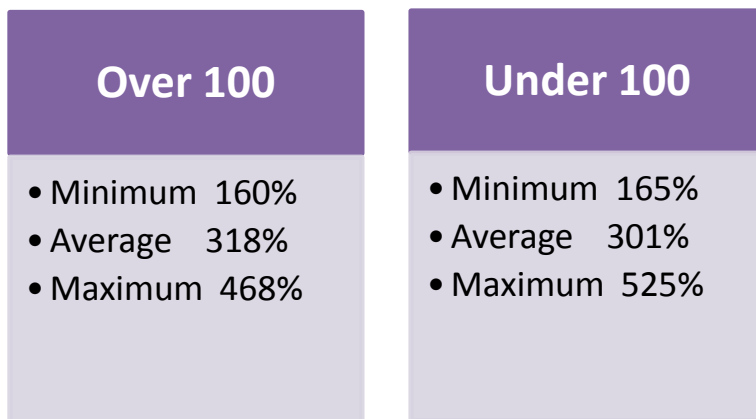
Towns



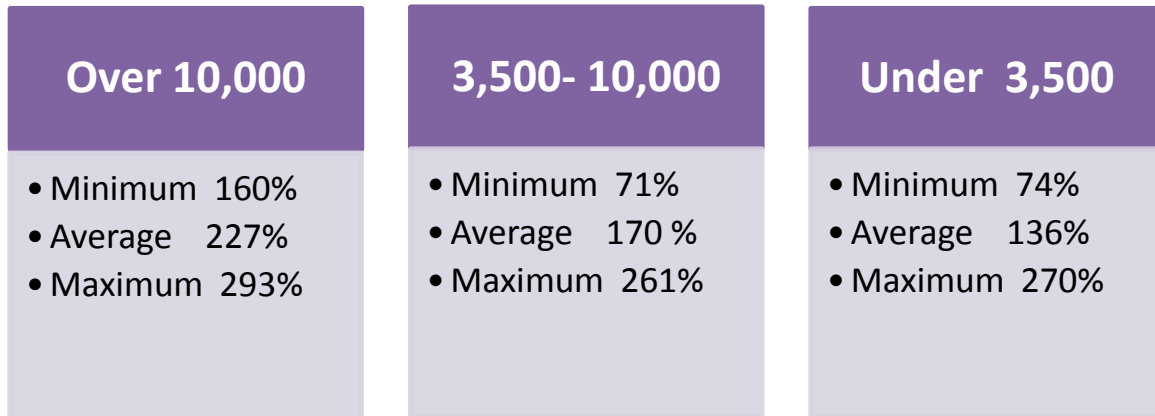
Villages



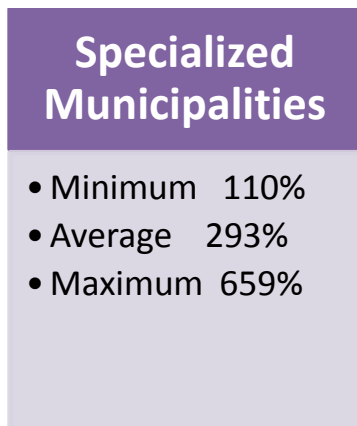
Summer Villages



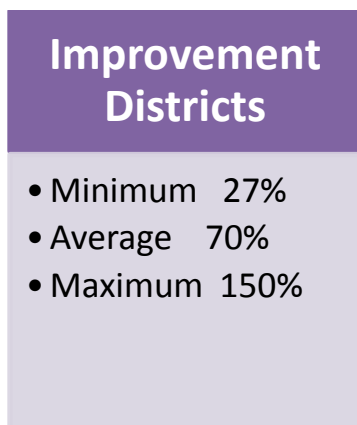
Municipal Districts and Counties



Specialized Municipalities



Improvement Districts



Appendix 5

KEY MEASURES OF SUSTAINABILITY

1. Has your municipality incurred an annual deficit for the past two consecutive years, or five out of the past 10 years? * (SAQ # 3.7)
2. Does your municipality have less than a 1:1 ratio of current assets to current liabilities? * (SAQ #3.8)
3. Has your municipality received a “qualified audit opinion”, “denial of opinion” or an “adverse opinion” with respect to your most recent annual financial statements? * (SAQ # 3.9)
4. Has your municipality reached 80% or more of its debt and debt service limit? * (SAQ #3.13)
5. Do provincial and federal grants account for 50% or more of your municipality’s total revenue? * (SAQ # 3.18)
6. Has your municipality’s non-residential assessment base declined substantially as a proportion of the municipality’s overall assessment base, over the past 10 years? * (SAQ #3.20)
7. Does your municipality have more than 10% of current property tax unpaid for the most recent completed fiscal year? * (SAQ #3.30)
8. Has your municipality experienced a decline in population over the last 20 years? * (SAQ # 7.1)