

# **Town of Drumheller COMMITTEE OF THE WHOLE MEETING AGENDA**

**March 30, 2015 at 4:30 PM  
Council Chamber, Town Hall  
224 Centre Street, Drumheller, Alberta**



Page

## **1.0 CALL TO ORDER**

## **2.0 DEVELOPMENT OR REVIEW OF STRATEGIC PLAN**

## **3.0 DEVELOPMENT OR REVIEW OF POLICIES**

## **4.0 DELEGATIONS**

4.1 Glenda Farnden - STARS Foundation

## **5.0 REPORTS FROM ADMINISTRATION**

### **5.1. CAO'S REPORT**

5.1.1 AUMA's 2015 Provincial Budget Overview

### **5.2. DIRECTOR OF INFRASTRUCTURE SERVICES' REPORT**

### **5.3. DIRECTOR OF CORPORATE SERVICES' REPORT**

### **5.4. DIRECTOR OF COMMUNITY SERVICES' REPORT**

### **5.5. DIRECTOR OF PROTECTIVE SERVICES' REPORT**

5.5.1 Town of Drumheller's Spring Cleanup

## **6.0 ANNUAL BUDGET REVIEW**

## **7.0 COUNCIL MEMBERS ROUND TABLE DISCUSSION**

7.1 Councillor Tara McMillan - Valley Bus Society

7.2 Councillor Tara McMillan - Humane Society

## **8.0 IN-CAMERA MATTERS**

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**8.0 IN-CAMERA MATTERS**

8.1 Personnel Matter

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### AUMA Questions *Budget 2015*

1. What is the breakdown of the provincial education tax requisition? As part of the response, please complete the following chart.

Education Property Tax Requisition (\$million)			
Fiscal Year			
	2014-15 Forecast	2015-16 Estimate	Percent Change
Residential	1,279	1,353	5.8
Non-Residential	827	900	8.8
<b>Total</b>	<b>2,106</b>	<b>2,253</b>	<b>7.0</b>
Calendar Year			
	2014	2015	Percent Change
Residential	1,273	1,332	4.6
Non-Residential	821	886	7.9
<b>Total</b>	<b>2,094</b>	<b>2,218</b>	<b>5.9</b>

2. How much funding is allocated to supporting communities in *Budget 2015* compared to *Budget 2014*? As part of the response, please complete the following chart.

Grants To Municipalities				
				(\$million)
Capital	2014-15 Forecast	2015-16 Estimate	Explain any Grant Formula Changes	Estimates Page
Municipal Sustainability Initiative	1,271.2	497.1	None, however, additional grants were provided at the end of 2014-15.	193
Basic Municipal Transportation Grant	338.4	352.5	None	193
Federal Gas Tax Fund	214.3	208.7	None	193
Building Canada Fund - Other	10.5	30.0	None	193 (14-15 Forecast) 139 (2015-16 Estimate, included in 3 Capital Construction Program)
New Building Canada Fund - Small Communities Fund	-	6.0	Competitive grant (no formula)	193
Alberta Community Partnership	29.6	-	None	193
Municipal Water Wastewater Program	35.6	25.0	None	224
Water for Life	46.3	30.0	None	224
GreenTRIP	188.5	185.0	None	224
Strategic Transportation Infrastructure Program	25.7	-	None	224
Alberta Municipal Infrastructure Program	0.2	-	None	224
Northeast Alberta Strategic Projects (Fort McMurray Land Exchange) non-cash	41.5	13.3	None	228

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Support for Cultural Infrastructure	3.4	-	Funding finished for specific projects	39
Canada Winter Games 2019 – Red Deer	3.0	-	None	50
Flood Recovery/Mitigation Grants	24.4 (Education) 3.0 (Environment and Sustainable Resource Development) 28.1 (Municipal Affairs)	0.5 (Education) 57.8 (Environment and Sustainable Resource Development) 14.2 (Municipal Affairs)	None	59 (Education) 86 (14.1 & 14.5 (includes \$50 million in 2015-16 from 14.5) - Environment and Sustainable Resource Development) 193 (Municipal Affairs)
<b>Total Capital</b>	<b>2,263.7</b>	<b>1,420.1</b>		

Grants To Municipalities				
				(\$million)
Operating	2014-15 Forecast	2015-16 Estimate	Explain any Grant Formula Changes	Estimates Page
Municipal Sustainability Initiative	28.7	30.0	None	192
Slave Lake Recovery Grants	0.4	-	None	192 (9.5 – part of Disaster Recovery)
Family and Community Support Services	76.1	76.1	None	129
Police Assistance Grant	53.4	54.6	None	179 (7.8 - Policing Assistance to Municipalities)
New Police Officer Program	30.0	30.0	None	179 (7.8 - Policing Assistance to Municipalities)
Victims of Crime Fund – Municipalities-Direct Funding	1.1	1.1	None	188 (part of Assistance to Victims' Organizations)
Grants in Place of Taxes	59.7	64.7	None	192
Alberta Community Partnership	19.2	40.0	None	192
Community Housing Municipally Owned Debt Subsidy	2.8	2.7	None	211 (part of Family Housing – Community Housing)
Canada Winter Games 2019 – Red Deer	3.1	3.0	None	50
Alberta Traffic Safety Fund	0.4	0.4	None	224 (3 – part of Traffic Safety Services)
Urban Aboriginal Initiatives	0.2	0.2	None	18 (2.1 - First Nations and Metis Relations)
Flood Recovery/Mitigation Grants	0.7 (Agriculture and Rural Development) 0.2 (Culture and Tourism) 3.7 (Education) 56.1 (Infrastructure) 27.5 (Municipal Affairs)	0 (Agriculture and Rural Development) 0 (Culture and Tourism) 7.2 (Education) 56.8 (Infrastructure) 10.8 (Municipal Affairs)	None	27 (Agriculture and Rural Development) 39 ((8.4 – part of Historic Resources Management for 2014-15 only) Culture and Tourism) 58 (Education) 138 (Infrastructure) 193 (Municipal Affairs)
<b>Total Operating</b>	<b>363.3</b>	<b>377.6</b>		

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Grants To Other Community Entities				
				(\$million)
Operating and Capital	2014-15 Forecast	2015-16 Estimate	Explain any Grant Formula Changes	Estimates Page
Housing Capital Grants	3.5	10.2	None	211 (part of Seniors Housing)
Housing Operating Grants	166.5	146.5	None	211 (part of most Housing programs)
Community Facility Enhancement Program	38.0	38.0	None	39
Library Services Grant	26.0	29.5	The increase of \$3.5 million brings the operating grant to the 2014 population, which helps public libraries serving a growing population, and provides a very modest \$0.10 increase in the per capita rate for all public libraries.	193 (part of Public Library Network)
Irrigation Rehabilitation Program	21.0	19.0	None	27
Major Fairs and Exhibitions	22.1	18.1	None, however, \$2 million reduction for each of Edmonton Northlands and Calgary Stampede. No change to others.	26
Organized and Serious Crime	29.5	26.5	None	179
Family and Community Safety Program	-	4.8	None	129
Victims of Crime Fund – Indirect Funding	12.7	13.7	None	188 (part of Assistance to Victims' Organizations)
Office of the Fire Commissioner	0.8	0.7	None	192 (8.3 – portion that are grants)
Environmentally Sustainable Agriculture Grants	1.8	1.8	None	26 (3.2 Environmental Stewardship)
Agriculture Service Board Grants	11.4	11.4	None	26 (excludes \$200,000 for administration costs)
Francophone Secretariat Grants	0.7	0.7	None	38 (part of program 4)
Municipal Affairs Central Operations, Public Safety Division	0.1	-	None	192 (part of 8.1)
Restorative Justice Grants	0.4	0.4	None	188 (part of Assistance to Victims' Organizations)
Youth Justice Grants	0.6	0.6	None	179 (8.5 Young Offender Community Correctional Services)
Ad Hoc Justice Programs	1.6	0.2	None	178 and 179 (1.4 Corporate Services, 7.4 Policy and Program Development, 7.5 Law Enforcement Standards and Audits, 7.7 First Nations Policing, 8.4 Adult Community Correctional Services)

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Aboriginal Friendship Centres	0.8	0.8	None	18 (2.1 First Nations and Metis Relations)
Flood Recovery/Mitigation	5.2 (Aboriginal Relations)  3.0 (Culture and Tourism)  0.3 (Innovation and Advanced Education)  4.3 (Seniors)	7.0 (Aboriginal Relations)  0.2 (Culture and Tourism)  0.1 (Innovation and Advanced Education)  0.5 (Seniors)	None	18 (8.3 – part of Administrative and Capacity Support (excludes \$200,000 for administration) - Aboriginal Relations)  39 (8.4 & 8.5 – part of Historic Resources Management and Tourism - Culture and Tourism)  151 (Innovation and Advanced Education)  204 (Seniors)
<b>Total</b>	<b>350.3</b>	<b>330.7</b>		

3. What has the Government of Alberta resourced through *Budget 2015* to support the needs of our growing seniors population (e.g., “aging in place”, continuing care, transportation services, seniors housing)? As part of the response, please complete the following chart.

The Ministry of Seniors consolidated expense is budgeted at \$703 million in 2015-16, a \$49 million increase from 2014-15, excluding flood recovery initiatives. This budget includes \$357 million for the Alberta Seniors benefit, supporting about 150,000 low income seniors. This budget also includes \$200 million for programs delivered by the Alberta Social Housing Corporation, with \$70 million for seniors housing and \$63 million for the rent supplement program.

Capital spending provides \$120.2 million in 2015-16 (Fiscal Plan pages 49 & 50 – part of Seniors in Other Capital Projects panel) in shared provincial-federal funding in *Budget 2015* to ensure seniors housing is preserved, renewed and sustainable with health and safety of seniors continuing to be a priority.

Through the Housing Division of Seniors, the Lodge Program Renewal Committee continues to review the Seniors Lodge Program in partnership with the Alberta Urban Municipalities Association, the Alberta Association of Municipal Districts and Counties and the Alberta Senior Citizens Housing Association.

The province continues to fund the development of long-term care and affordable supportive living spaces through the Affordable Supportive Living Initiative by increasing funding by 161 per cent to \$91.5 million in 2015-16.

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(\$million)	2014-15 Forecast	2015-16 Estimate	% Change*
Seniors Housing	75.2	70.4	(6.5)
Seniors Housing Capital Grants	0	10.0	n/a
Senior Housing Capital Programs – Bi-lateral Agreement with Federal Government	20.0	20.0	-
Senior Housing – Capital Programs	87.2	90.2	3.4
Affordable Supportive Living Initiative	35.0	91.5	161.4
Community Housing – Capital Grants (Estimates page 211 – part of Family Housing – Community Housing)	3.2	0.2	(94.8)

\*Percentage changes are based on exact numbers; the numbers in forecast and estimate columns of this table may be rounded.

### 4. How does *Budget 2015* support the Government of Alberta's commitment to affordable housing and the elimination of homelessness? As part of the response, please complete the following chart.

There is \$163 million budgeted in 2015-16 for homeless and outreach support programs. This budget will help house about 1,800 homeless Albertans this year and fund over 3,200 spaces in homeless shelters. Since 2009-10, about 10,600 Albertans who were homeless have been provided housing and supports to help them remain housed.

*Budget 2015* allows the Housing Division to continue to support existing programs and allocates \$3 million towards preservation of the social housing supply. Cabinet approval that gave the Alberta Social Housing Corporation the authority to lend to eligible housing providers will assist various initiatives that will preserve, maintain or add to the sustainable social housing supply.

Municipalities will see a \$21 million reduction in revenues due to the elimination of the Alberta Social Housing Corporation's Grants in Place of Municipal Property Taxes program. Housing management bodies will no longer receive grant funding to cover property tax assessments for provincially and municipally-owned social housing units. This funding reduction makes up the majority of the decrease in the Community Housing program, with the remainder of the decrease owing to one-time nominal sum disposal charges in 2014-15.

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(\$million)	2014-15 Forecast	2015-16 Estimate	%Change in Budget*
<b>Operating Support</b>			
Family Housing:			
Rent Supplement	64.8	63.3	(2.3)
Community Housing**	73.9	49.4	(33.1)
Other Housing	0.1	0.1	-
Special Needs Housing	5.5	5.8	4.8
Homeless Support			
Homeless Shelters	37.6	37.6	-
Outreach Support Services	87.8	85.8	(2.3)
Womens' Shelters	34.0	34.0	-
Balance of Program	5.4	5.4	-
<b>Capital</b>			
Housing Capital Programs***	13.6	2.8	(79.4)

\*Percentage changes are based on exact numbers; the numbers in forecast and estimate columns of this table may be rounded.

\*\*Estimates page 211. Excludes \$3.2 million in 2014-15 and \$200,000 in 2015-16 in Capital Grants.

\*\*\*Estimates page 211. For 2014-15, includes Family Housing – Community Housing and Rent Supplement.

### 5. How will *Budget 2015* strengthen community first response (i.e., fire fighters, emergency medical response, etc.) compared to 2014 resourcing?

Detailed budget allocations for EMS will be announced by Alberta Health Services later this spring. As part of the Rural Health Services Review news release on March 18, government announced the development of a provincial EMS service delivery model. Input will be sought from communities and various groups across the province regarding the development of an effective EMS delivery model.

### 6. What is the financial impact on municipalities of any new or revised fees, charges or other costs under *Budget 2015*? As part of the response, please complete the following chart:

New or Revised Fees, Charges, or Other Costs Impacting Municipalities				
Fee/Charge/Cost	2014-15 Rate	2015-16 Rate	Total Estimated Impact on Municipalities	Rationale
Name of Item	The 2014-15 rate that was charged	The 2015-16 rate that will be charged	Aggregate estimated impact on municipalities	Policy rationale for the increase
<b>Traffic Fine Administration</b>				
Traffic Fine Administration Fee	16.67 per cent	26.67 per cent	Lost revenue caused by the increased amount retained by the province (10%) will be offset by a 35% increase to the average traffic ticket. Municipalities, collectively, will receive an estimated \$26 million more in fine revenue, based on 2013-14 volume.	The increase to the amount retained by the province is required to offset the costs incurred to collect the fines.
<b>Royalties</b>				
Royalty rate for sand, silt, soil, peat moss, clay and gravel	From 5 to 60 cents per cubic yard	From 10 cents to \$1.20 per cubic yard	Unknown	To obtain a fairer return on the Crown's resources; rates not changed in more than 30 years.



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For a complete listing of Changes to Premiums, Fees and Fines, please refer to the *Budget 2015 Fiscal Plan*, page 122-123.

### **7. What are the impacts on municipalities as a result of the results based budgeting reviews to date? What future reviews are scheduled?**

Results-based budgeting (RBB) is a legislated process to review all programs and services, including agencies, boards and commissions, to determine whether programs are relevant and meet intended outcomes, and are delivered as efficiently and effectively as possible. Reviews were conducted over three cycles beginning in 2012 and ending in March 2015. Over 370 programs were reviewed in cycles 1 and 2, with another 170 programs in cycle 3.

The RBB process generated significant knowledge of programs and services, their outcomes and how those programs and services work together. This knowledge has put government in a much better place to make the necessary resourcing decisions, especially in the province's current fiscal environment.

A progress report will be issued in fall 2015, as is required by the *Results-based Budgeting Act*. This report will discuss the findings and recommendations from cycle 3.

In terms of impacts on municipalities, the review process in all three cycles looked for opportunities to streamline programs and services, reduce duplication and enhance access and understanding about programs and services. For example, the review of the Municipalities and Regional Planning Line of Business in RBB Cycle 1 made recommendations to better streamline a number of grant programs, reduce duplication between municipal grant programs and further explore the use of existing online application and reporting systems to allow municipalities to submit and track applications. This has been implemented.

Many of the recommendations from RBB are in the process of being implemented while many others have already been put into practice. Government will continue to look for ways to make programs and services more effective and efficient. Treasury Board and Finance will continue to monitor implementation and report on the benefits that have been achieved to date.

### **8. With the upcoming changes expected out of the *Municipal Government Act (MGA)* review, how will the province provide supports to help municipalities deal with the required changes?**

A change management strategy is being developed to support the upcoming changes to the MGA. The strategy will be completed and shared with stakeholders once all of the policy approvals are completed as part of the legislative review.

The change management strategy will include a strategic communications framework and implementation plan to communicate the legislative changes to internal and external stakeholders. It will strive to anticipate how the changes will affect different stakeholder groups and adapt communications, training and other tools to best meet the needs of municipalities, the public and other stakeholders.

In the development of the strategy, Municipal Affairs will review input from stakeholders and utilize technical experts to develop the educational suite and will engage with municipal

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partners, including the Alberta Urban Municipalities Association, in its development and implementation.

Municipal Affairs is committed to ongoing capacity building support to municipalities, including advisory services, toolkits and information, training, municipal corporate reviews and the Municipal Internship Program, to name a few.

- 9. What changes have been made to adjust provincial transfers to municipalities to recognize growth pressures faced by municipalities? How will the province change the current funding system so that the sharing of revenues links to infrastructure ownership and services and allows municipalities to be financially sustainable?**

Municipal Sustainability Initiative (MSI) Capital, including the Basic Municipal Transportation Grant (BMTG), is \$850 million in 2015-16. While this is a reduction compared to 2014-15, it should be noted that municipalities received an additional \$399 million in March 2015 added to their 2014 MSI to support municipal infrastructure projects and ensure municipalities are able to meet their existing commitments.

The annual recalculation of the funding formulas ensures responsiveness to the needs of Alberta municipalities. Municipalities that grow at a significantly higher rate than the provincial average receive proportionally more funding.

The province remains committed to providing the original \$11.3 billion commitment plus BMTG funding through the MSI. However, it will take more time to reach the full commitment than initially anticipated.

- 10. How is the province supporting urban municipalities regarding their social infrastructure, their arts and cultural community and their citizens recreation activities and programs?**

Alberta Culture and Tourism has a history of working with municipal governments in facilitating collaboration between local stakeholder groups, as well as identifying needs in communities and potential solutions. In 2013-14, the ministry worked on 858 projects and 1,325 sessions and in 2014-15 they worked on 854 projects and 1,327 sessions. In both fiscal years, 75 per cent of these projects were with municipalities, local community and regional groups, including the Town of Hinton, Town of Morinville, Lamont County and Parkland County, to name a few. Some examples of this work includes assistance with developing a strategic plan and fund development, board governance training, facilitation training, community collaboration, and facilitation of public engagement and stakeholder consultations.

Culture and Tourism, through both the Recreation and Physical Activity Division and the Alberta Sport Connection provide operating assistance to more than 100 volunteer recreation and sport organizations. These organizations provide direct programming as well as organizational and program assistance to local recreation and sport organizations.

The ministry has and will continue to work in close partnership with local municipalities, economic development organizations and tourism stakeholders to support community and regional initiatives for the development of new and enhanced tourism products and experiences. In addition, in March 2014, Alberta Tourism and Culture announced that it would cover renewal fees for Tourist Oriented Directional Signs and Community Attraction Facility Signs. Further, those organizations that had paid their renewal fee since September 2009 were eligible for a

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rebate. The Tourism Division also hosts its annual Tourism Investment Forum which provides a venue for regions and communities to showcase land-based tourism development opportunities to developers, investors and lenders.

The development of a Provincial Volunteerism Strategy will help strengthen nonprofit/voluntary sector organizations, engaging staff and volunteers to deliver vital programs and services to Albertans. Organizations provide sport and recreation activities, senior supports, literacy programs, arts initiatives, and so many others that make up the social fabric of our communities. Acknowledging the connection between organizations, local government and business, the Strategy will identify opportunities to work together to achieve identified goals for the benefit of all Alberta municipalities.

Alberta Culture and Tourism supports urban municipalities by providing seed funding to host communities for free family friendly activities during Alberta Culture Days. During Alberta Culture Days the province provides free admission to museums and historic sites and encourages city-owned facilities to do the same.

With the majority of delegates coming from urban centres, the Vitalize conference supports urban municipalities by providing cost effective professional development and training to the nonprofit/voluntary sector employees and volunteers at a very low cost.

Alberta Culture and Tourism works with communities and organizations using a facilitative and consultative approach to support communities, groups and organizations to achieve their goals. It offers customized services that enhance the capacity of nonprofit organizations to achieve their goals and address community issues by providing facilitation and skill development in areas such as community and strategic planning, organization and board development, building community collaboration and partnerships and public stakeholder consultation.

The ministry provides funding to community nonprofit organizations through the Community Facility Enhancement Program (CFEP) and Community Initiatives Program (CIP). The CFEP provides funding, to assist with developing, enhancing, and upgrading cultural, recreation, sport and other related family and community public-use facilities. The CIP provides funding to nonprofit groups and organizations to enhance and enrich project-based community initiatives throughout Alberta. For more information on these programs, visit [culture.alberta.ca/grantprograms](http://culture.alberta.ca/grantprograms) and for information on approved grants visit the Alberta Lottery Fund website at [www.albertalotteryfund.ca/AlfWhoBenefitsApp](http://www.albertalotteryfund.ca/AlfWhoBenefitsApp).

The Alberta Foundation for the Arts (AFA) supports individual artists and arts organizations throughout the province with operating and project funding, fostering the arts across Alberta. AFA programs provide Albertans in every corner of the province the opportunity to create and participate in the arts. For example, schools throughout the province are supported through the Artists in Schools program.

Aboriginal Relations provides grant funding to friendship centres to support health, employment, housing, recreation and cultural programs for Aboriginal people in urban centres. Aboriginal Relations also provides grant funding to support the Urban Aboriginal Strategy and helps improve social and economic opportunities for Aboriginal people living in urban centres.

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- 11. How will the province work with AUMA to (1) develop a comprehensive picture of the size, scope and nature of the municipal infrastructure deficit; and (2) commit to a long-term action plan to eliminate the deficit and deal with the underlying fiscal imbalance that causes the deficit?**

Municipalities have a responsibility to maintain and update their infrastructure to meet the needs of their residents. They have access to a number of revenue sources to do so, including municipal taxation and user fees, as well as the ability to finance infrastructure at preferential rates through the Alberta Capital Finance Authority.

The Government of Alberta has an interest in helping to ensure Albertans are served by adequate municipal infrastructure. To that end, government is providing significant support to municipalities in funding municipal infrastructure development.

The province remains committed to helping build strong, sustainable communities in Alberta. An important program to help achieve this is the Municipal Sustainability Initiative (MSI), which will fulfill its full \$11.3 billion commitment and is a key component to funding critical infrastructure in Alberta's municipalities. Including amounts specified in *Budget 2015*, almost \$6.7 billion has been allocated through the core MSI program (including \$400 million which was re-profiled to 2014-15).

In addition, the Government of Alberta recently worked with Ottawa to secure a 10-year extension to the Gas Tax Fund (GTF), which will mean an additional \$2.3 billion for Alberta communities.

The province is supporting improved asset management planning that encourages the highest level of value for each and every infrastructure dollar spent. As part of the recently signed GTF Agreement with the federal government, we have agreed to develop an approach to asset management by the end of 2015. We are committed to working with municipalities and their associations to develop this approach in a manner that recognizes the current capacity of Alberta's municipalities. As a first step towards this, Municipal Affairs has approved the re-profiling of grants of over \$600,000 to the municipal associations to work on improved asset management in Alberta.

- 12. What analysis or consideration has the province done on the cumulative impacts of reducing investment into municipalities, in terms of physical and social infrastructure and recognize the implications of the municipal infrastructure deficit on Canada's competitiveness, productivity, sustainability and quality of life?**

Alberta is experiencing challenging times both economically and fiscally. The drop in oil from over \$100 per barrel to less than \$50 has reduced provincial revenues significantly. Simply put, all levels of government must work together to help address this challenge.

Despite this, the province remains committed to the \$11.3 billion in long-term funding provided through the MSI.

Other support includes \$1.1 billion over the three years 2015-18 through the former BMTG program, now part of MSI. Municipalities will also continue to benefit from funding provided through the GTF which is expected to provide over \$2.3 billion in funding to Alberta's municipalities over the 2014-24 period. Under both the MSI and GTF, municipalities continue to

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have the flexibility in scheduling infrastructure projects and can use funding to cover borrowing costs on amounts borrowed in advance of receiving their annual allocations.

Given the challenges of calculating the infrastructure deficit in a consistent and meaningful way, the province has not undertaken any studies to assess the impact of it on Canada's competitiveness, productivity, sustainability or quality of life. Rather, we are focusing on working towards improved asset management planning which will support the effective utilization of our scarce resources and maximize our infrastructure investments.

### **13. What does *Budget 2015* provide for transportation infrastructure funding (e.g. roads, streets and other transit infrastructure) compared to *Budget 2014*? How will municipalities continue to be engaged in prioritizing and implementing the short-term and long-term strategies indicated in the provincial transportation strategy?**

Albertans rely on a safe and efficient transportation network to move people and goods between communities and across the province

The *Budget 2015* five year Capital Plan invests \$6.7 billion to protect the province's core transportation infrastructure while moving forward with major capital projects already underway. This includes:

- \$2.9 billion for the Calgary and Edmonton ring roads, with funding to begin work on the Southwest Stoney Trail in 2015-16 and complete the Northeast Anthony Henday by 2016-17;
  - Transportation anticipates realizing savings on construction of the Southwest Stoney Trail when it goes to tender in the coming months due to lower materials and labour costs;
- \$774 million in highway twinning, widening and expansion projects across the province; and
- \$353 million to complete twinning of Highway 63 between Grassland and Fort McMurray.

Between 2015 and 2020, \$978 million in financial support will be provided to Alberta municipalities for transportation infrastructure. This includes:

- \$965 million for GreenTRIP; and
- \$13 million for the Northeast Alberta Strategic Projects (Fort McMurray Land Exchange).

In 2015-16, specifically, substantial capital investment will be provided for highway infrastructure benefiting communities. Examples include:

- \$667 million for the Edmonton and Calgary ring roads;
- \$243 million for the twinning of Highway 63 from Grassland to Fort McMurray;
- \$45 million for roadway improvements in Fort McMurray, including:
  - \$35 million for Urban Area Upgrades; and
  - \$10 million for Land Exchange.
- Over \$619 million for other projects throughout the province, including highway rehabilitation, interchanges, intersections and bridge construction.

In addition, the following capital grants will be provided in 2015-16:

- \$185 million for GreenTRIP; and
- \$13 million for the Fort McMurray Land Exchange.

Also, MSI grants may be used to support the construction and rehabilitation of local roads, municipal bridges, as well as capital projects for municipally owned transit infrastructure.

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Municipalities determine projects and activities to be funded by MSI based on local priorities, which can include core transportation infrastructure.

### **Transportation Strategy Engagement**

Municipalities have been engaged throughout the development of the Transportation Strategy for Alberta (Strategy), which will guide transportation investments, policies and programs over the next 50 years. Municipal governments and associations were invited to provide input on the Strategy during both phases of public consultation that were conducted in early 2014. In January and February 2015, focus group sessions were held with external partners to review the Strategy's draft goals, actions and milestones. These sessions included participation by municipal associations, including the AUMA and a presentation to AUMA's Infrastructure and Energy Committee, specifically to discuss the transportation challenges and opportunities that are of importance to municipalities.

The Strategy is targeted to be finalized in the summer 2015. The Government of Alberta is working to identify detailed tasks necessary to achieve the Strategy's goals. The development of these implementation plans will involve frequent interaction with external partners, providing the opportunity to align transportation priorities. The Government of Alberta recognizes that continued collaboration with partners, including municipal governments and associations, will be needed to successfully implement the Strategy. This collaboration will involve iterative conversations.

#### **14. How is the province supporting the viability of small urban municipalities through *Budget 2015* compared to *Budget 2014* (e.g., base grants, economic development, tourism, capacity building, etc.)? How will the Regional Collaboration Program be adjusted so that the operating viability of small communities is maintained?**

Municipal Affairs will maintain its capacity to continue with the implementation of the Municipal Sustainability Strategy. This strategy allows municipalities to assess their own viability and to utilize a capacity building toolkit that provides a library of resources for municipalities.

Municipal Affairs further supports municipalities in maintaining their viability by providing a range of advisory resources and training courses to build municipal capacity and support the viability review process which enables municipalities facing viability challenges to consider ways to address them.

AUMA staff participate on the advisory committee that is assisting the ministry with ongoing implementation of the Municipal Sustainability Strategy, including opportunities to strengthen the viability review process.

MSI continues to support small urban municipalities. Under the MSI funding formula \$120,000 in base funding is provided to all towns and villages and \$60,000 in base funding is provided to all summer villages, in addition to funding allocated on the basis of population (48%), education property tax requisitions (48%) and kilometres of local road (4%).

In addition, small urban municipalities with less than 300 residents continue to receive base funding of \$8,000 and \$33.33 per capita from the former BMTG program, now part of a larger MSI program.

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In response to the requests the province has received from many smaller municipalities, the MSI operating budget is being maintained at \$30 million in 2015. In addition, small municipalities will continue to receive \$9 million in funding through Sustainable Investment (SI), which is part of the MSI operating budget allocated to municipalities with populations under 10,000 and limited local assessment bases.

Small urban municipalities also continue to receive support through two components of the New Building Canada Fund, the Gas Tax Fund (GTF) and the Small Communities Fund (SCF). Under the GTF, towns and villages receive a minimum allocation of \$50,000 and summer villages receive a base allocation of \$5,000, in addition to funding allocated on a per capita basis. Under the SCF, project criteria have been set to facilitate smaller municipalities' local infrastructure projects, such as a minimum funding threshold of \$50,000 and no limit on the number of projects that a municipality can participate in as a project partner.

The Alberta Community Partnership (ACP) program, formerly known as the Regional Collaboration Program, assists municipalities with putting their regional priorities into action, helping to fund regional collaboration and capacity building projects. Municipalities have shown significant interest in the program, as evidenced by the unprecedented number of applications to the 2014-15 ACP program, and the full take-up of available funding. In 2015, a program review will be conducted to ensure that the ACP remains responsive to municipalities regional and capacity building needs. The program budget will be \$40 million in 2015-16.

- 15. Does *Budget 2015* ensure that the Municipal Police Assistance Grant is increased to reflect the costs of providing policing with urban municipalities (that are currently paying for police costs) and is fair for all types of municipalities? How will police funding move towards an outcome of crime prevention and safe communities?**

*Budget 2015* provides an increase of \$1.2 million or 2.3% for the Municipal Police Assistance Grant (MPAG) from the 2014-15 forecast. The increase is intended to address population growth in accordance with the population-based grant formula. The MPAG distribution is fair to all urban municipalities that are eligible.

It is widely known that every town, village and summer village that has a population of 5,000 or less, and every county, municipal district and Métis settlement (regardless of population) receive policing services from the Provincial Police Service (RCMP) provided by the province at no cost.

One of the government's objectives is for safe and secure communities and any provincial funding provided to municipalities is guided by that objective. The police funding grants are to be used for policing which includes law enforcement and crime prevention. All police services have specialized programs for community crime prevention, working with youth to prevent crime in the future, as well as working with vulnerable persons that often find themselves interacting with police (i.e. social disorder).

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### **16. What does *Budget 2015* provide to support improved water and watershed management (e.g. support for implementation of full cost accounting, increased funding for watershed planning and advisory councils, implementation of the new Alberta Wetland Policy, updating the provincial Stormwater Management Guidelines)?**

Last year, the Government of Alberta committed to 20 short term actions that will improve water and watershed management in *Our Water, Our Future* (Action Plan). Funding for the water policy agenda has been budgeted at \$500,000 to support the Action Plan and to support previous commitments such as implementation of the Wetland Policy. Additional spending will be undertaken by our partners at Alberta Innovates and the Alberta Environmental Monitoring Evaluation and Reporting Agency.

Examples of actions identified in *Our Water, Our Future* include:

- enhance lake governance systems to clarify role and responsibilities;
- enhance public awareness about lake management to further support Albertans in keeping lakes clean and healthy;
- expand the 2006 Water Conservation and Allocation Policy for Oilfield Injection to include water conservation measures for hydraulic fracturing;
- support research that will enhance understanding and protection of natural resources in areas of hydraulic fracturing; promote information about Alberta's drinking water and wastewater systems (e.g. full cost accounting);
- work with municipalities to identify opportunities to enhance the sustainability of municipal water systems; develop a common approach for establishing source water protection plans to be used in all watersheds;
- ensure major water use sectors make concrete, measurable and demonstrative improvements in water conservation, efficiency and productivity; and
- take a provincial-level policy approach to water and wastewater re-use and support research into geographically distinct case studies in Alberta that will identify opportunities for flexibility in regulations to accommodate regional needs.

The development of regional water management frameworks are also accounted for in Environment and Sustainable Resource Development's budget.

In addition, there is \$50 million budgeted in Transportation in 2015-16 for flood mitigation and water management infrastructure and another \$73.2 million in the following four years. For 2015-16:

- \$10 million is included for minor water management infrastructure rehabilitation projects throughout the province (Estimates page 225, program 14); and
- \$40 million is included for the Water and Wastewater Infrastructure Recovery program in response to the 2013 Alberta floods (Estimates pages 224 and 225, element 15.2 on both pages).

Environment and Sustainable Resource Development supports Transportation in the review and prioritization of Water for Life funding requests (a fund under the Alberta Municipal Water and Wastewater Partnership umbrella). Transportation administers the funding for the Water for Life and the Alberta Water/Wastewater Partnership programs. Over the next five years, \$375 million is available under these programs, with \$55 million being provided in 2015-16, including:



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- \$25 million for the Alberta Municipal Water/Wastewater Partnership; and
- \$30 million for Water for Life. Although this program has been reduced by \$20 million in each of the next three years (2015-18), these reductions have been fully reinstated in 2018-19 and 2019-20, along with a \$30 million per year increase, bringing the total budget in each of these two years to \$80 million.

The Government of Alberta supports water management through funding partnerships with the Alberta Water Council and Watershed Planning and Advisory Councils. Funding for the Alberta Water Council in 2015-16 is anticipated to be \$900,000 (a 10 per cent reduction) while funding for Watershed Planning and Advisory Councils is anticipated to remain at levels similar to previous years.

The Government of Alberta is working with the Water Council to provide recommendations on source water protection, enhance lake governance systems to clarify roles and responsibilities; contribute to the development of a water literacy strategy; and measure improvements made in water conservation, efficiency, and productivity.

### **17. How is the government moving forward with the recommendations the Brownfield Redevelopment Working Group submitted to the province in 2012, particularly around updating the Remediation Certificate Program to bring it line with successful programs in other provinces? When and how will the AUMA and municipalities be re-engaged in this important initiative?**

In May 2012, the Brownfield Redevelopment Working Group – comprised of Municipal Affairs, Environment and Sustainable Resource Development, the AUMA, AAMDC, and the cities of Edmonton and Calgary – delivered its recommendations for a brownfield policy to Municipal Affairs and Environment and Sustainable Resource Development. The working group's final report is available at [www.esrd.alberta.ca](http://www.esrd.alberta.ca). Recommendations from the Brownfield Redevelopment Working Group's report regarding municipal tax alterations will be considered within the larger MGA Review.

Work on policy components that would support the intent of the recommendations have been undertaken by ESRD (Contaminated Sites Policy Framework, Environmental Site Assessment Standard, etc.).

Recently, the Minister of ESRD has approved a review of the Remediation Certificate Regulation and has asked department staff to review key recommendations in the Brownfield Working Group report as part of the regulation review. As a key stakeholder, the AUMA will be consulted regarding any proposed changes to Alberta's regulations relating to Brownfield remediation.

In response to the working group's recommendations regarding assistance to better address redevelopment of municipal brownfield sites, the following eligible project cost definition has been included in the Municipal Sustainability Initiative Grant's Capital Guidelines:

- "Land betterment costs (i.e. rehabilitation, reclamation and remediation) on land owned by a municipality or eligible entity, where the land is intended for a specific, eligible capital asset; or land betterment activities intended to address/mitigate health and safety concerns with or without a resulting capital asset."

Brownfield redevelopment is also eligible under both the Gas Tax Fund and the Small Communities Fund.

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### **18. Have the five exemption requests from Environment and Sustainable Resource Development's energy efficient protocol been approved for the municipal streetlight initiative?**

The AUMA met with Environment and Sustainable Resource Development (ESRD) in January 2015, where they provided a slide deck outlining exemptions needed. A formal deviation request has not been received to date. As communicated to AUMA, in order for ESRD to formally consider the exemption requests, the proponent will need to submit a written deviation request to the Director of Air and Climate Change Policy Branch at ESRD.GHG@gov.ab.ca. An analysis of the request(s) as they relate to the Alberta carbon offset system would then be conducted and a response provided.

The exemptions being sought represent a significant variance to the requirements of the Alberta carbon offset system and may not meet system requirements.

### **19. Given the increasing desire for regional decision-making and approaches, how will the province take a leadership role in enabling strategic decisions and ensuring that regional collaboration is linked to the sharing of revenues between municipalities?**

The Government of Alberta encourages municipalities to work together in the best interests of all of their residents. To that end, Municipal Affairs provides support to municipalities to build strong working relationships through the Mediation and Collaborative Governance components of the Alberta Community Partnership (ACP) program. The ministry also provides information and advice to municipalities seeking to formalize their regional collaboration activities through controlled corporations or regional services commissions.

The issue of regional collaboration has been raised during the *Municipal Government Act* (MGA) Review stakeholder engagement. These discussions are ongoing and it is too early to comment on any potential revisions of a legislative nature coming from the MGA Review.

The ACP is one provincial tool that will support the exploration and implementation of new or enhanced regional service delivery initiatives where municipalities have the opportunity to undertake revenue or cost sharing initiatives. Specifically, the Viability Review Support component of ACP provides financial support to affected municipalities that may incur costs associated with municipal restructuring, and the Intermunicipal Collaboration component of ACP supports two or more municipalities involved in strategic approaches to regional municipal service delivery. In addition, a program review will be conducted in 2015 to ensure that the ACP remains responsive to municipalities regional and capacity building needs as well as provincial objectives.

### **20. As the province and municipalities are partners in striving for the same outcome of "Enhancing Albertans' quality of life", what does the province suggest is an appropriate manner for the AUMA, municipalities and the province to work together more collaboratively to further our collective agendas? What can AUMA do to assist in making this relationship stronger?**

The Government of Alberta (GoA) values its partnership with municipalities in building strong and safe communities. Government has a well-established practice of consulting with AUMA and other key stakeholders as it develops legislation, programs and policies that affect

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municipalities. The GoA's stakeholder engagement process for the *Municipal Government Act* Review is a prime example of this strong collaboration.

The GoA will continue to seek ways to enhance this partnership, such as the Minister of Municipal Affairs' recent discussions at the AUMA's Mayors' Caucus where she sought the input from AUMA members on how to enhance the provincial-municipal relationship. Relationships are maintained through ongoing dialogue and the GoA will continue to look to AUMA and other key stakeholders as it continues to evolve the legislative and policy framework supporting municipal government in the province.