

**AGENDA**  
**Council of the City of Lacombe**  
**Monday, March 4, 2013 at 5 PM**  
**in Council Chambers**

Time Reference	Agenda Item
	<b><u>Committee Meeting of Council</u></b>
5:00	<b>1. CALL TO ORDER</b>
	<b>2. ADOPTION OF AGENDA</b>
	<b>3. ADOPTION OF MINUTES</b>
	<b>4. INFORMATION</b>
	<b>5. PUBLIC HEARINGS</b>
	<b>6. PRESENTATIONS</b>
	<b>7. BYLAWS</b>
	<b>8. UNFINISHED BUSINESS</b>
	<b>9. NEW BUSINESS</b>
	<p><u>Council and Legislative</u>  <b>Municipal Government Act Review</b></p> <ul style="list-style-type: none"> <li>• <a href="#">MGA Review Discussion Document</a></li> <li>• <a href="#">MGA Review Presentation</a></li> <li>• <a href="#">Draft Principles for MGA Review</a></li> </ul> <p><b>MP Presentation - Agenda Items Request</b>  Council Regular Meeting - Date TBD</p>
	<b>10. REPORTS</b>
	<b>11. IN CAMERA</b>
	<b>12. NOTICES OF MOTION</b>

### **13. ADJOURNMENT**

#### **Future Meetings**

- March 11, 2013 - Regular Council Meeting
- March 25, 2013 - Regular Council Meeting

Example Questions for Consideration:	MGA Section	Comments
Do you think that municipalities should be explicitly acknowledged as an order of government?	<a href="#">Part One, Section 3-5</a>	There are options in terms of empowering municipalities. If municipalities become a distinct order of government revenue streams must follow. Alternatively, additional authority can be delegated through the Act or via new models of government. More importantly, the rationalization of municipal units in the province delivering services across unit boundaries should be considered.
Is "natural person" powers sufficient?	<a href="#">Part One, section 6</a>	Natural person powers grant the right to own, sell and use property with the full discretion of any natural person. They accord corporate bodies the freedom to do anything the law does not expressly prohibit. Although municipalities have natural person powers they do not have constitutional rights or powers. The question that needs to be answered is are municipalities accountable to constituents or to the province?
Are the provisions for sharing taxes and grants appropriate? If not, what changes or incentives need to be added?	<a href="#">Part Three, section 55</a>	Grants and taxes can be shared with another municipality or school boards. The bigger issue around grants is that they follow provincial and federal agendas based upon what these orders of government think we need. Municipalities have lobbied for years to receive the education portion of property taxes for distribution by local governments based on local priorities.
Are there revisions needed to the section on "general jurisdiction"? Is the relationship with provincial law appropriate?	<a href="#">Part Two, Section 7-13</a>	Provincial law supersedes municipal bylaws if there is an inconsistency. Normally issues do not arise under general jurisdiction. Roadblocks become more apparent with interjurisdictional matters. It is important that Calgary and Edmonton are recognized as being different operating under City Charters.
Are the types of municipalities appropriate? Is the petition for formation appropriate? Should there be a requirement for a vote of formation?	<a href="#">Part Four, Section 77-90</a>	The petition requirements to form a municipality require support from 30% of the population in the proposed municipality. This differs from the 10% population requirement for other petitions, which differs from the 30% population requirement to petition the Minister for a dissolution study versus a requirement for 2/3 of land owners for a local improvement petition. The types of municipalities do not support new models of government.
Should lands need to be contiguous for amalgamations?	<a href="#">Part Four, Section 100-112</a>	Lands should be contiguous for amalgamations otherwise there is an ability to select only prime land excluding less desirable land from the amalgamation creating winners and losers.
Is the annexation process appropriate, effective, and sufficient?	<a href="#">Part Four, Section 112-128</a>	The annexation process is adversarial in nature. Provincial standardization of annexation would help affected parties to reach agreement. E.g.. Level of compensation to be paid for lost taxes. Residents impacted by annexation are often on the opposing side.

<p>Are the Municipal Sustainability Strategy recommendations sufficient?</p>	<p><a href="#">Part Four, Section 129-134</a></p>	<p>The recently adopted Municipal Sustainability Strategy focuses on sustainable communities rather than dissolution studies. Currently legislation does not address the opposing polar positions that the municipal authorities often take when you have one municipality being dissolved versus the receiving municipality. Provincially mandated regional collaboration would help in promoting sustainable municipalities.</p>
<p>Are the provisions in section 5 (Council, Councillors, and Council Committees) conducive to good governance practices and comprehensive?</p>	<p><a href="#">Part Five, Section 142-200</a></p>	<p>This section addresses: governance, elections, appointments, ward system, duties, oaths, vacancies, quorum, pecuniary interest, disqualification of councillors, council proceedings including voting, passing a bylaw and meetings. This section is comprehensive providing guidance on council governance.</p>
<p>Is the role of administration versus council adequately delineated and is it appropriate?</p>	<p><a href="#">Part Six, Section 201-215</a></p>	<p>Roles and responsibilities within the Act are properly delineated - boundaries become blurred when Council becomes involved in administrative affairs rather than focusing on governance or, conversely, administration works at the elected official level. The issue becomes one of adherence to legislative guidelines.</p>
<p>Are the provisions for petitions appropriate?</p>	<p><a href="#">Part Seven, Section 217-240</a></p>	<p>Provisions within the Act are appropriate. One obvious concern is that different rules apply for different types of petitions. Is there merit in establishing one set of rules? It is important to specify differences between questions and a mandatory vote. e.g. a borrowing petition or publicly initiated petition.</p>
<p>Should municipal debt limits be increased?</p>	<p><a href="#">Part Eight, Section 251</a></p>	<p>Increasing municipal debt limits will only see a greater of the budget going toward debt servicing. Perhaps, the more appropriate action to address shortfalls is through increased revenue authorities.</p>
<p>Any recommendations beyond those in AUMA's assessment policy papers?</p>	<p><a href="#">Part Nine, Section 284-385</a></p>	<p>27 property assessment recommendations were made at AUMA's 2010 convention. The focus of these recommendations is on what currently is being assessed in the province versus property and equipment that is not assessed and not taxed. E.g. rural gas distribution systems, electric power distribution systems held by rural electrification associations, incomplete industrial property (use physical condition), oil sands trucks and shovels, dams and the land they are located on. Other issues included reducing the assessment complaint period to 30 days, quality assurance reviews of board decisions, rationalize and review tax exemptions on a regular basis, assessment training. It is recommended that the Community Organization Regulations be reviewed for continued relevancy.</p>
<p>Should a municipality have additional taxation power?</p>	<p><a href="#">Part Ten, Section 326-352</a></p>	<p>The current property tax model no longer works. Municipalities are delivering more services than the property tax was intended to support.</p>

Any changes to the provisions on business taxes?	<a href="#">Part Ten, Section 371-380</a>	Business taxes have run their course and place a municipality at an economic disadvantage as most municipalities no longer impose business taxes. This tax could be applied by bylaw to businesses operating in the municipality using different methods such as % of gross or net annual rental value, storage capacity of the business premises, floor space or % of prepared assessment.
Are the provisions for special taxes sufficient and appropriate?	<a href="#">Part Ten, Section 382-387</a>	There are a number of special taxes that could be levied by Council. E.g. waterworks tax, sewer tax, boulevard tax, dust treatment tax, paving tax, incentives to attract health care professionals tax, fire protection area tax, drainage ditch tax, recreation services tax. In addition to these special taxes is the well drilling equipment tax and local improvement tax. The most commonly used by urban municipalities is the local improvement tax. Special taxes are levied against the existing tax base with the larger problem being the cost of future growth related infrastructure and how it will be funded.
Are the provisions for tax recovery comprehensive and appropriate?	<a href="#">Part Ten, Section 410-452</a>	Tax recovery provisions are comprehensive, however; there is too great a time lag between when property tax goes into arrears and when properties go to public auction.
Is the role of the Municipal Government Board (MGB) appropriate? Are processes effective and sufficient?	<a href="#">Part Twelve, Section 485-527</a>	Responsibilities of the Municipal Government Board include: linear property assessment complaints, equalized assessment complaints, disputes between management bodies and municipalities under the Housing Act, dealing with annexations, disputes involving regional services commissions, appeals from subdivision decisions, intermunicipal disputes. Assessment complaints have been removed from the purview of the MGB. there are long wait times in receiving decisions and getting a hearing date.
Should municipalities have better protection when providing services?	<a href="#">Part Thirteen, Section 527-569</a>	Consideration should be given to providing municipalities with limits of negligence protection. In recent years fire fighter liability has been reduced as long as due diligence is performed. The joint vicarious liability that municipalities are exposed to means the municipality assumes all liability if a partner defaults on their obligations. E.g. the municipality could be 100% liable for actions beyond their control.
Are the provisions for ministerial powers necessary and appropriate?	<a href="#">Part Fourteen, Section 570-580</a>	These powers remain relevant as long as municipalities remain a body of the provincial government. The regulations would need to change if municipalities become a separate order of government.
Are the provisions for regional service commissions appropriate?	<a href="#">Part Fifteen, Section 602</a>	Regional service commissions are established by ministerial order. They do have natural person powers and are required to undergo financial audits and submit financial information returns. Rules have been stepped up around formation.
Is there a good balance between municipal autonomy and the powers of the minister?	<a href="#">Part Sixteen, Section 604</a>	Ministerial intervention in the municipality is minimal and specific in the Act.

Are provincial land use policies appropriate and comprehensive?	<a href="#">Part Seventeen, Section 622</a>	All municipal statutory plans must be consistent with provincial land policies. The SDAB is a quasi legal authority and has powers that are unfettered by Council.
Are planning tools and provisions sufficient?	<a href="#">Part Seventeen, Section 631-638</a>	The enforcement and application of statutory plans lies with council. Planning tools are sufficient; questions arise around conformance to the plans that are in place.
Is the role of the MGB appropriate in terms of solving intermunicipal disputes?	<a href="#">Part Seventeen, Section 690-691</a>	The provincial government needs to step up to the plate and create consistent policy on the distribution of wealth in the province. Most intermunicipal disputes are focused on revenue sharing, cost sharing and annexation of land on urban borders that represents a large tax base.



WE ARE  
economies  
OF SCALE

WE ARE THE  
support  
YOU NEED

WE ARE THE  
experts  
IN MUNICIPALITIES

WE ARE YOUR  
advocate

# MGA Review

## Province's Goals for the MGA Review

1. *Modernize the MGA*
2. *Coordinate Policies*
3. *Streamline and Re-Organize*
4. *Enshrine Today's Ideas*
5. *Review the One-Size-Fits-All Approach*

# Municipal Affairs' Expected Timeline and Deliverables

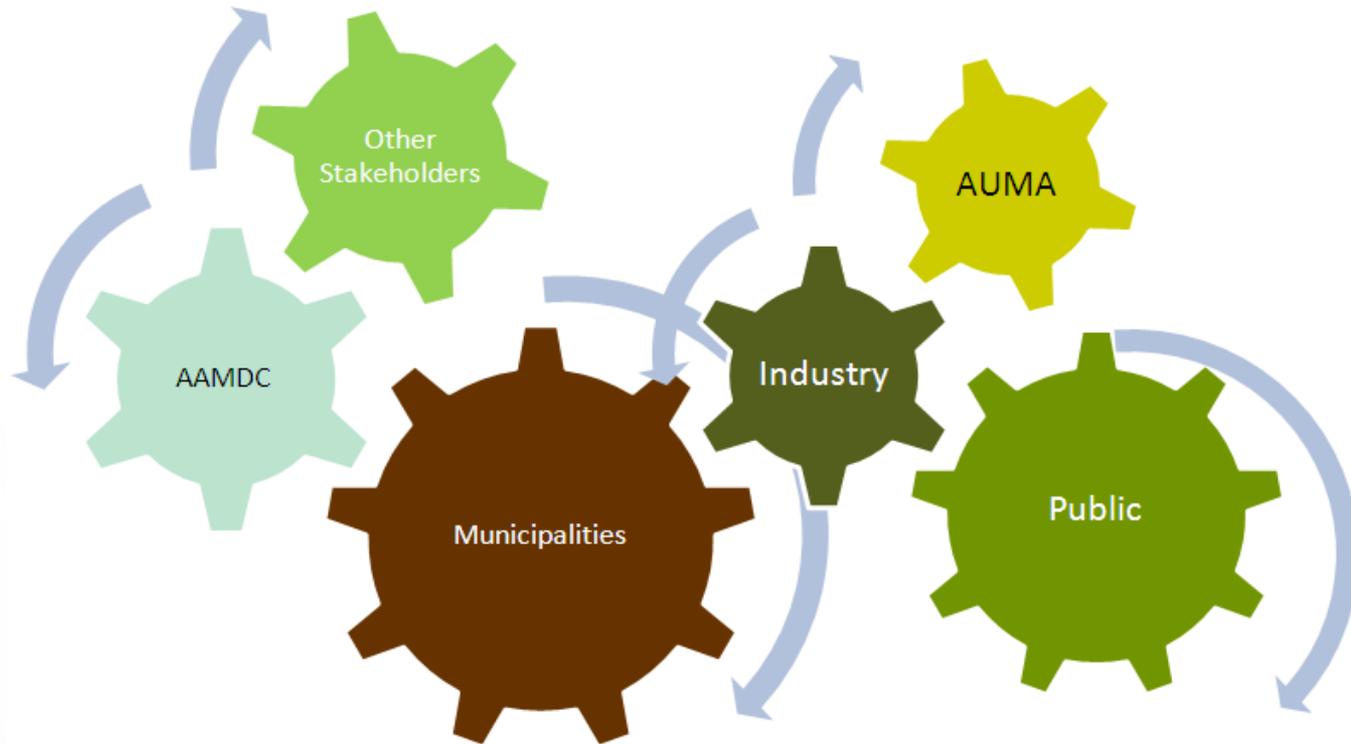
Ministry Activities
Develop Stakeholder Engagement and Change Management Plans
Consultation (summer 2013 – April 2014)
Draft Municipal Government Act (August 2014)
Introduction of Bill (spring 2015)
Re-Introduction of Bill (Fall 2015)

# How is Municipal Affairs engaging municipalities in the MGA Review?

## MGA Advisory Committee

- Administrative working group chaired by Municipal Affairs' ADM (Local Government Services) and consisting of:
  - AAMDC (Gerald Rhodes)
  - AUMA (John McGowan & Sue Bohachuk)
  - ARMAA (Rod Hawken)
  - LGAA (Tony Kulbisky)
  - Alberta Chambers of Commerce (Ken Kolby)
  - City of Edmonton (Matthew Wispinski)
  - City of Calgary (Brenda J. King)

# Municipal Affairs' Engagement Strategy

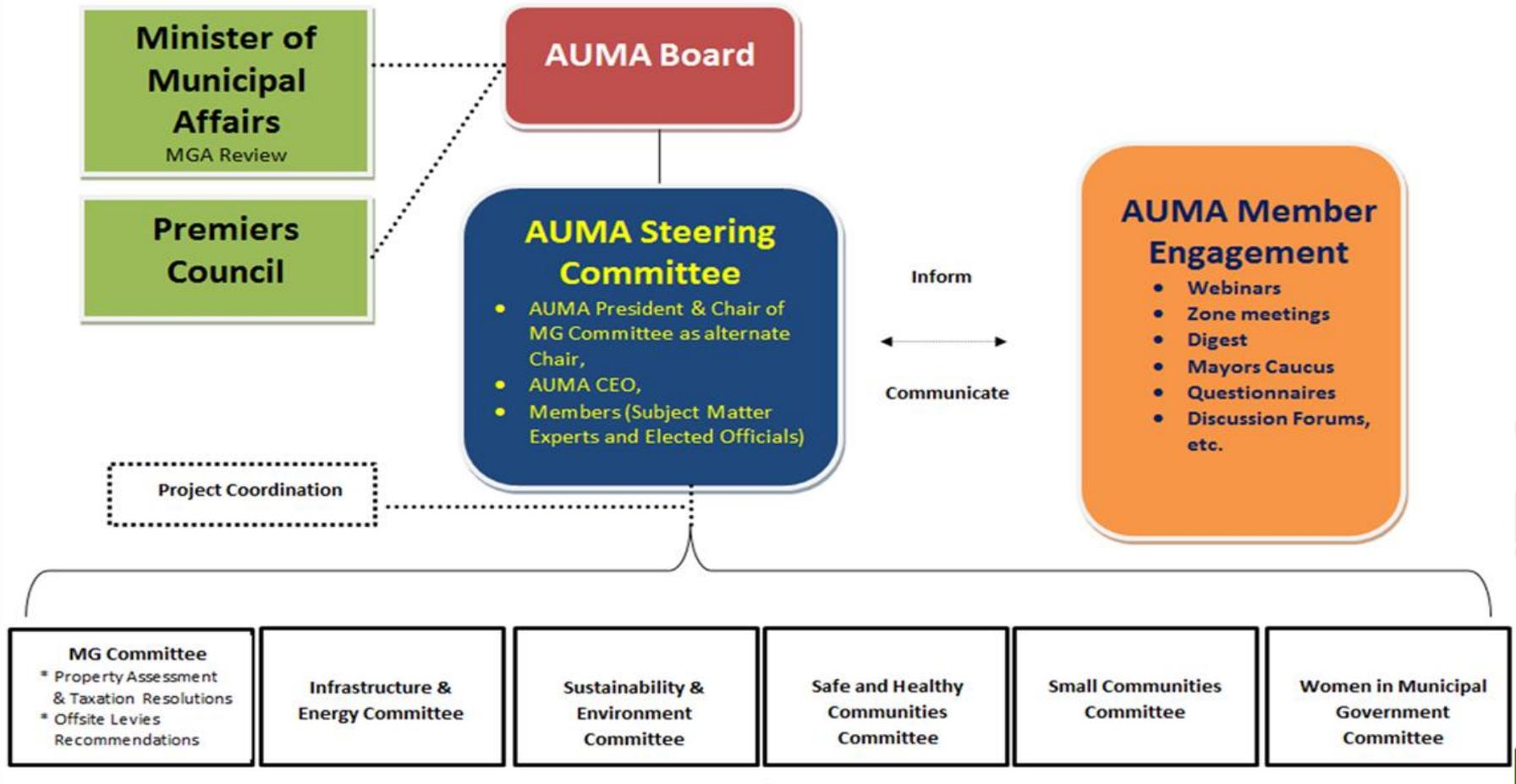


# Municipal Affairs' Approach to Change Management

- What are the issues?
- Who is affected?
- When could changes be made?



# How AUMA is Preparing for the MGA Review



# Enabling Dialogue and Building Consensus

Key Areas of Focus

Beginning with Guiding Principles



## DRAFT PRINCIPLES

- **UPDATED TO REFLECT FEEDBACK FROM FEBRUARY MAYORS CAUCUS 2013**

Principle/ Desired Outcome	How we get there:
<p>Governance:</p> <ul style="list-style-type: none"> <li>• <i>Local governments are open, responsive and accountable.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Local governments are a recognized and respected order of government.</i></li> <li>• <i>Local governments are empowered.</i></li> <li>• <i>Local governments are transparent.</i></li> <li>• <i>Local governments are innovative and viable and embrace partnerships, cooperative agreements, and intermunicipal relationships.</i></li> <li>• <i>Provincial legislation provides incentives and avenues to address the need to create cooperative agreements and effective intermunicipal relationships.</i></li> <li>• <i>Local governments have the authority to enter into equitable agreements with others (including other orders of government).</i></li> <li>• <i>Local governments have the authority and flexibility to create diverse governance models and service delivery options.</i></li> <li>• <i>Provincial legislation provides a sound framework that enables local governments to excel in a modern environment.</i></li> </ul>
<p>Roles &amp; Responsibilities:</p> <ul style="list-style-type: none"> <li>• <i>The respective roles and responsibilities of the provincial and municipal* orders of government are clear and appropriate.</i></li> </ul> <p><small>*Local governments have autonomy to provide common municipal services as outlined in the Municipal Sustainability Strategy—see attachment.</small></p>	<ul style="list-style-type: none"> <li>• <i>The Province is responsible for <b>direct consultation</b> with local governments regarding the Municipal Government Act and related regulations.</i></li> <li>• <i>Provincial and municipal governments meet their respective responsibilities and must have agreement for delegated service delivery with adequate resource provisions.</i></li> <li>• <i>Legislation and regulations need to recognize that Alberta's <b>municipalities</b> have different needs and capacity levels and thus require <b>flexible approaches</b>.</i></li> <li>• <i>Provincial decision making <b>treats local governments as equitably as possible. OR Provincial decision making establishes equity among local governments.</b> (Opinions were very divided on this principle so two options are offered for member's feedback).</i></li> <li>• <i>When provincial responsibility is downloaded to local governments, the province will ensure that those responsibilities are matched by the appropriate level of resources.</i></li> </ul>
<p>Revenue Authorities and Sources:</p> <ul style="list-style-type: none"> <li>• <i>Local governments have predictable, diverse, and sustainable revenue sources (including <b>various levels of taxation</b>) to deliver programs, services, and infrastructure.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i><del>All</del> Provincial resource revenues should be shared equitably among municipalities.</i></li> <li>• <i>Through <b>equitable distribution</b> of provincial revenues and other tools, local governments have the capacity to:</i> <ul style="list-style-type: none"> <li>○ <i>be economically, socially, and environmentally sustainable, and</i></li> <li>○ <i>address growth, change, and decline pressures effectively through long term, predictable funding agreements.</i></li> </ul> </li> <li>• <i>The province encourages and supports long-term planning for municipal infrastructure including development, maintenance, and replacement.</i></li> <li>• <i>Local councils have the right to make decisions on multifaceted revenue sources (including different types of taxation).</i></li> <li>• <i>Local governments have the right and authority to enter into development agreements and charge appropriate levies to build complete communities.</i></li> <li>• <i>The property assessment and taxation system is equitable, fair, and transparent.</i></li> <li>• <i>Downloaded responsibilities (e.g. FCSS, police, lodges, etc.) are funded appropriately.</i></li> </ul>