

- Welcome to the CAO Session.
- For those of you who haven't attended a Mayors' Caucus before, this is a traditional component of this event.

Introductions



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- Many of you have probably run into each other before, but I think it would be worthwhile to go around the room and introduce ourselves.
- I invite you to give us your name and where you work.

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MGA Review – Regulation Update



"I'm here about the details."

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- First of all, I'd like to talk to you a bit about the MGA review. You've already heard a bit about the status of the review in the President's report and from Minister Larivee yesterday, but I want to speak a bit about the regulations.
- The expression "the devil is in the details" is the absolute truth as it relates to legislation, and we know that the regulations are critical to the work that you do.
- And you are the experts in what changes need to be made to the regulations, and what will make the most sense for you and your municipality.

MGA Regulation Review Process

- 3 bundles of regulations
 - Bundle 1 – from Bill 20 (2015 amendments)
 - Bundle 2 – regulations that are being revised, regardless of MGA amendments
 - Bundle 3 – new regulations or revisions from 2016 MGA amendments
- Plus assessment and taxation regulations

Municipal Affairs has indicated that they will be reviewing the regulations in three bundles.

These bundles are based on timing of the MGA review amendments.

There are almost 60 regulations that will be under the MGA review (and I'd be happy to send you the list of all the MGA regulations, if your interested.)

In order to help focus the province on the need to engage with municipalities, AUMA sent a letter to Municipal Affairs communicating that we should be involved in the development of all regulations that impact municipalities. We also provided some priority items that we identified based on their impact on municipalities.

These priority regulations are listed on the next slides.

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AUMA priority regulations

Bundle 1:

- Council Meetings Regulation
- Municipal Corporate Planning Regulation
- SDAB Regulations for Training
- Regional Services Commission Debt Limit Regulation
- Amalgamations
- Annexation Principles
- Public Participation
- Accountability and Code of Conduct of Elected Officials

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Bundle 1: these are the regulations that are resulting from the MGA review amendments made last year, in spring 2015.

The first bundle of regulation development has already begun. We expect to be engaging shortly with municipalities on regulations such as public participation, and code of conduct regulations.

The list of regulations that we have indicated as priority is quite extensive, and also includes defining what constitutes a council meeting, corporate planning (3 and 5 year plans), Subdivision and Development Appeal Board Regulations, Amalgamations, and Annexations principles.

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AUMA priority regulations Bundle 2:

- Debt Limit Regulation
- Financial Information Return Regulation



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Bundle two - regulations are sometimes referred to as “non-MGA review regulations” – these regulations are really those that are being reviewed, but not necessarily because of MGA changes.

The regulations on this list that AUMA has prioritized include:

Debt Limit Regulation

Financial Information Return Regulation

AUMA priority regulations Bundle 3:

- Community Aggregate Payment Levy Regulation
- Principles and Criteria for Off-site Levies Regulation
- Subdivision and Development Regulation
- Inclusionary Zoning

Bundle 3 - these are some of the areas that haven't yet been covered in revisions to the act, and will be made as a result of upcoming amendments being brought forward this summer. This includes some important areas including offsite levies, and subdivision and development regulation.

Assessment and Taxation Regulations

- Business Revitalization Zone Regulation
- Matters Relating to Assessment and Taxation Regulation (MRAT)
- Matters Relating to Assessment Complaints Regulation (MRAC)
- Assessor Qualifications Regulation
- The Construction Cost Reporting Guide Regulation (CCRG)
- Community Organization Property Tax Exemption Regulation (COPTER)

Further, there will be a review of some of significant assessment and taxation regulations, which are being done through a different process.

These include:

Business Revitalization Zone Regulation

Matters Relating to Assessment and Taxation Regulation (MRAT)

Matters Relating to Assessment Complaints Regulation (MRAC)

Assessor Qualifications Regulation

The Construction Cost Reporting Guide Regulation (CCRG) and,

Community Organization Property Tax Exemption Regulation (COPTER)

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Process for AUMA input

- Surveys – will need your input
- Distributed through AUMA, AAMDC, LGAA, ARMAA
 - indicate urban or rural
 - Indicate elected official or administration.
- Regulations to be released in 2017



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Municipal Affairs is working with the associations to gather input on key areas. A series of facilitated workbooks/surveys are being developed by the province, and will be distributed through the associations.

We understand that in some instances, CAOs may have a different viewpoint than elected officials, so in developing and distributing the surveys, we will be asking you to identify whether the response is coming from a CAO or elected official. All of the responses that we receive will also be shared with the AAMDC, LGAA, and ARMAA so they can provide input to the province as well.

We haven't yet tried out this process, so we may make changes along the way to adjust to make the process work.

In terms of timing, the regulations will all be introduced in 2017. Minister Larivee also committed that she would be seeking our input on draft wording of the regulations, before they are released.

Now I'll turn over the presentation to Laura, who will be presenting on the municipal climate change action centre.

Municipal Climate Change Action Centre

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Municipal Climate Change Action Centre

- Joint initiative between Alberta Environment and Parks, Municipal Affairs, AUMA, and AAMDC



- Provides funding, support, and education to help Alberta municipalities address climate change
- 2015/16 – Renewed funding and programs



- Thanks for taking a moment to introduce yourself.
- To start things off I am going to turn things over to Laura DeCarolis, Project Analyst for the MCCAC. Laura has been instrumental in developing the programs and services the MCCAC.

Laura:

- The Government of Alberta established the Municipal Climate Change Action Centre in 2009.
- The Centre operates as a joint partnership between Alberta Environment and Parks, Municipal Affairs, the Alberta Urban Municipalities Association, and Alberta Association of Municipal Districts and Counties
- The Centre provides funding, support, and education to help Alberta municipalities address climate change.
- Municipalities have a significant influence over greenhouse gas emissions. Not only do they directly generate emissions from their own operations, but they impact emissions from the community as a whole by influencing how Albertans live, move, work, and play within their communities.
- We have been fortunate to receive increased funding from the Government of Alberta, which has allowed us to recently expand and launch new funding

programs for municipalities to help them reduce their carbon footprint.

TAME+

- Provides rebates up to \$100,000 to upgrade the energy efficiency of municipal buildings



Mechanical Systems

- Furnace, Boiler replacement
- Heat recovery systems
- Variable frequency drives
- High efficiency motors
- HVAC upgrades



Electrical Systems

- Fixture and ballast upgrades
- Occupancy controls



Building Envelope

- Windows and doors
- Weatherstripping
- Insulation



Renewable Energy

- Windows and doors
- Weatherstripping

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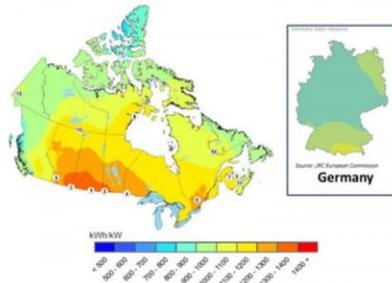
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- TAME+ is designed as a flexible energy efficiency program, enabling a wide range of energy efficiency measures (across mechanical systems, HVAC upgrades, building envelope, lighting, and energy supply)
- It also supports best practices by providing up-front building performance benchmarking, and by requiring a detailed energy audit to inform the application
- This also serves as an education process and model for municipalities to follow for future investments in their existing buildings

Alberta Municipal Solar Program

- \$5 million solar rebate program for Alberta municipalities
- Rebates up to \$300,000 per project
- Launched March 1
- Anticipated results: 6-10 MW of installed capacity



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- As this map indicates, Alberta has a tremendous solar resource. Alberta's solar resource is amongst the best in Canada and much higher than other areas like Germany and Ontario.
- We are very happy to announce that with the province's support, we launched the Alberta Municipal Solar Program just last week to help municipalities take advantage of this solar resource.
- For municipalities who install solar panels, we offer a rebate for between \$0.45-0.75 per watt of installed capacity, depending on project size, up to a maximum of \$300,000 per project
- When fully subscribed, we anticipate that the program will result in an additional 6 to 10 MW of installed solar capacity across the province
- This would double the current amount of solar in Alberta

Coming Soon

- TAME Express
- Climate Resilience Express Action Kit
- Online energy benchmarking
- Energy management training



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- We are excited to be a part of the Alberta Climate Change strategy
- And we have a lot more exciting work ahead of us, here's a sneak peek of some of the programs we are working on:
 - TAME Express
 - Climate Resilience Express Action Kit
 - Online energy benchmarking
 - Energy management training
- Thank for their time / take questions

Understanding AMSC & Services Update

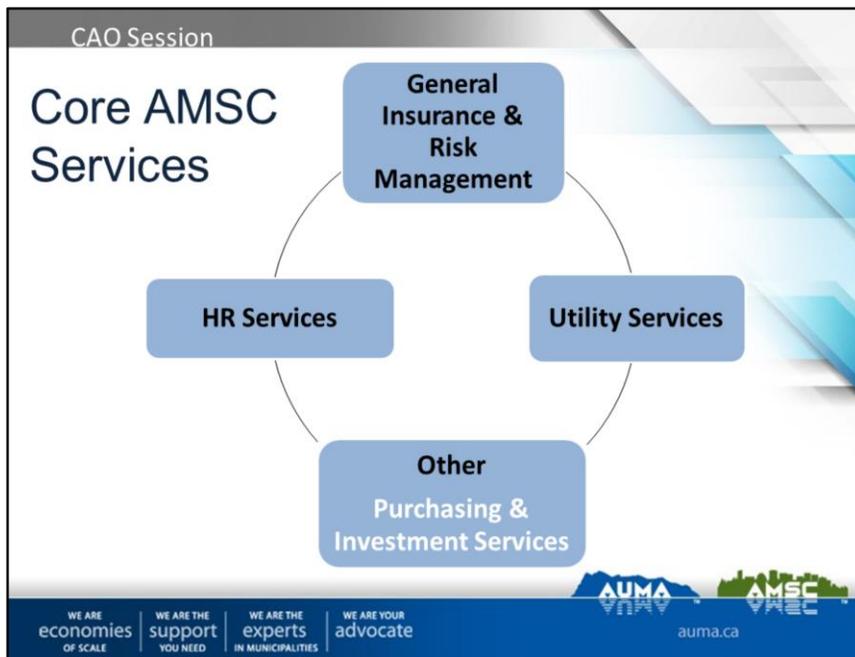
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AMSCs core business services include general insurance and risk management Utility services, HR services including pensions, and other services such as purchasing and investment services.

No Water. No Municipality



Source: Town of Sylvan Lake



Source: Town of Hanna



Source: Alberta Landscape Architects Association



Source: Aboriginal Affairs and Northern Development Canada

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- Water has been among AUMA's top priorities for over a decade.
- We often repeat the mantra No water- No municipality.
- In recognition that water is a finite resource, essential to Alberta's long-term sustainability, AUMA has engaged municipalities in developing water policies on viability of municipal water and wastewater systems and watershed management (including wetland conservation and stormwater management).
- The ultimate goal of the policies is to build an enabling environment for municipalities to be responsible providers of water services and stewards of Alberta's water resources.
- **To support this goal, AUMA and our business subsidiary, the Alberta Municipal Services Corporation (AMSC), have developed water services, created tools and compiled information and best practices on a wide variety of water related issues.**
- I am pleased to have the opportunity today to provide you with a high level overview of these new services.



Water Audits in partnership with Associated Engineering:

An AWWA top-down M36 Water Audit is a procedure developed by IWA (International Water Association)

It is assembled in two general stages:

- quantification of water consumption and water loss components
- water balance calculations

Assesses real vs. apparent losses

Delivers water management sustainability plan and system performance indicators

Water & Wastewater Rate Reviews in partnership with Aquatera Utilities:

A full review of current and future costs associated with the provision of water and wastewater utility services

Utilizes Alberta Environment & Parks Full Cost Accounting “Utility Approach” for

water utility

Adapts the principles of the Full Cost Accounting approach for the wastewater utility

Ensure both short and long term financial viability of the utility systems including demand forecasts

Identifies funding sources for long term infrastructure replacements (reserves, grants, capital plan)

Provide short and long term scenarios for rate setting based on real costs

Strategic Planning (conducted in-house):

Guide overall approach to Water and Wastewater Management

Balance risks, business continuity, services and financial stability

Examine water services delivery models

Purchasing Program Objectives

- Improve purchase value
- Reduce administrative costs
- Improve purchasing decisions
- Solutions for all members
- Build effective supply chains
- Governance and management

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Improve purchase value

Leverage member purchasing power.
Access to diverse set of agreements.
Access to tools and expertise to manage risk.

Reduce Administrative Costs

PCard – reduce administration and improve controls.
Direct purchasing tasks to professional buyers.
Use established supply agreements.

Improve Purchasing Decisions

Access to market information.
Share purchase information with other members.
Access to professional purchasing advice and support for strategic planning, contract management and governance etc.

Solutions for all Members

Services designed to support all members regardless of size.
Something that everyone can use.

Build Effective Supply Chains

Design and management of diverse supply chains.

Governance & Management

Well managed governance, performance and standards enable solution based decision making and focus on best practises.

Procurement governance creates an auditable process framework and streamlines the procure -to- pay process.

Compliance with Canadian trade treaties. (AIT, NWPTA)

Purchasing Program Services

- Procurement Card (P-Card)
- Purchasing Support Services
- Access to GoA Standing Offers
- AMSC Agreements & Group Purchases

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Procurement Card

Reduced AP costs.

Spend control through governance & access security.

Spend visibility and analytics.

Preferred customer status.

Purchasing Support Services

Includes advice, sourcing, purchasing, and consulting support.

Access to procurement expertise, tools, information, and techniques.

Dedicated purchase management.

Reduced purchasing administration.

Self serve and buyer assisted options.

Access to GOA Agreements

Reduce cost and improve services through volume purchases.

Reduce purchase cycle time.

Reduced sourcing cost.

Continuous improvement – additions, updates.

AMSC Agreements & Group Purchases

Standing offers customized for member requirements.

Groups purchases focus on specific requirements.

Reduced sourcing cost.

Input on Assessment and Taxation Hub

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<THIS SESSION IS MODERATED BY AN ADVOCACY REP TO HIGHLIGHT THE AUMA'S WORK ON OTHER HUBS AND TO FACILITATE CAO DISCUSSION ON THE PROPERTY ASSESSMENT AND TAXATION HUB.

WITH 30-40 CAOs, WE PLAN TO USE AN OPEN-FLOOR DISCUSSION WHERE INPUT WILL BE CAPTURED BY ADVOCACY STAFF USING FLIP CHARTS.

- As was mentioned in the CEO report, yesterday, we have a variety of hubs that are being developed this year. One area in particular where we'd like to focus this afternoon is on our Property Assessment and Taxation Hub. The intent of this hub is to offer a comprehensive and understandable guidance on Alberta's complex property assessment and taxation system.
- This hub will serve as an educational tool for elected officials and administrative staff to understand the fundamentals of the system, how to answer common questions from the public and a summary of AUMA advocacy efforts.

Property Assessment and Taxation Hub

- Provides content for elected officials
- General principles
- Municipal examples
- FAQs on how to communicate with property owners



- We know the tax system is complex but it would serve both the public and municipal needs if everyone had a better understanding of how property taxation works.
- Our target audience will be elected officials and administrators and we envision the hub serving to educate those that are newly-elected or new to municipal administration as well as on-going resource when questions come up.
- The hub will build off of Municipal Affairs' existing manual called a "Guide to Property Assessment and Taxation in Alberta".
- The preliminary scope of the hub will include:
 - the fundamentals of the property assessment and taxation system;
 - examples of taxation tools that are used by certain municipalities;
 - a section that will educate elected officials on how to answer frequently asked questions from property owners; and
 - Educational content on related issues such as the grants-in-lieu of taxes program or other non-tax based levies.

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Discussion:

What information would your council find most beneficial?

- Explain difference between equalized assessment and market value assessment
- Residential vs. non-residential assessment (include difference in value they bring back to community)
- Explain where assessment comes from (market value from July 1 to July 1)
- Difference between assessment value and tax value (+ explain Ed Requisition)

 AUMA AMSC

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- Looking back over your history in municipal administration, what are the types of information related to property assessment and taxation that would be beneficial for your elected officials or staff to have?
- This can include high-level information or even the common questions that are asked at the front reception desk or in a regular council meeting.
- What do we need to do build a truly valuable resource for elected officials and administrators?

ADVOCACY TO FACILITATE DISCUSSION AND NOTE-TAKING ON FLIP CHARTS.

- Clearly explain school requisition and its impact on property tax rates
 - Explain to general public and new Council about what municipalities have control of (provincial vs municipal jurisdiction) – also include roles and resp (assessors)
- Explain urban vs. rural assessments per capita (include a link to how much MSI communities are getting) – target this based on regions
- Explanation of commercial versus residential base - why are commercial rates higher?
- Articulate different fees versus taxes: answer questions about user fees vs taxes

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- Clarify what is included re: improvements in 10 year requirements annexed properties
- Tax stabilization – what tools are out there for tax stabilization practices?

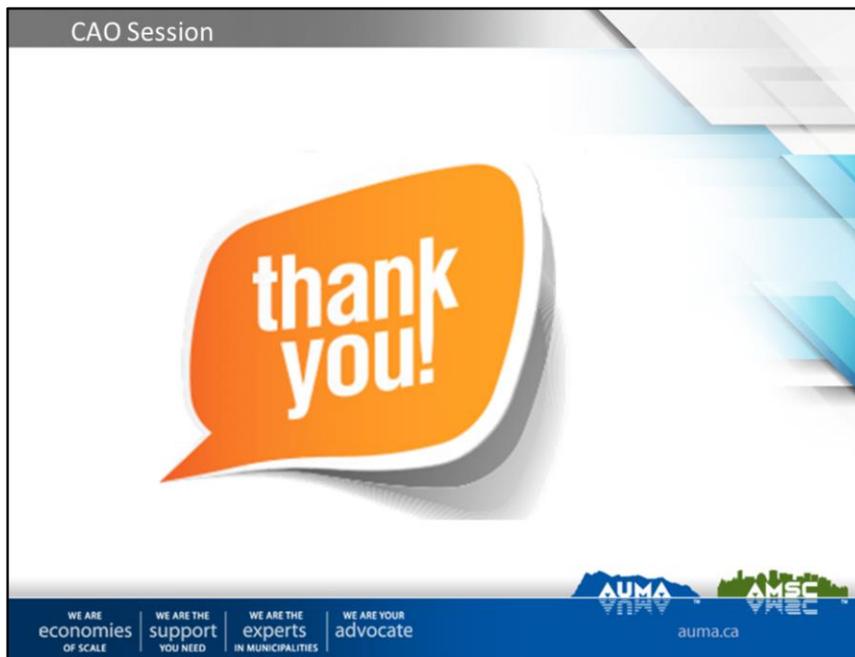
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- Ok, everyone, it's time to wrap up the session.
- I would just like to say that it really means a lot to us to get your feedback on some of the on-the-ground concerns for our municipalities.
- Thank you again for joining us today.