



Town of Penhold

Municipal Accountability Review Report

June 25, 2018

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Section 1: Introduction

1.1 Our Commitment

Alberta Municipal Affairs is committed to helping to ensure Albertans live in viable municipalities with well-managed, collaborative, accountable local governments. To achieve this, Municipal Affairs plays an important role in assisting and supporting municipalities in Alberta through various programs that aim to build capacity.

The *Municipal Government Act (MGA)*, which provides the legislative framework for local government in Alberta, has numerous mandatory requirements that may at times seem overwhelming and difficult to manage for municipalities. Municipalities are also bound by other statutes and corresponding regulations that fall under the purview of Municipal Affairs. Compliance with these statutes and regulations is essential to good governance, the successful operation of a municipality and the viability, safety and well-being of a community. The Municipal Accountability Program is designed to help municipal officials successfully meet the challenges involved in responding to this wide range of legislative needs.

1.2 The Municipal Accountability Program

With a focus on promoting an environment supportive of accountable, well-managed local governments, the purpose of this program is to:

- assist municipalities in strengthening their knowledge of mandatory legislative requirements with a primary focus on the *MGA*;
- aid municipalities in achieving legislative compliance;
- support municipalities in being accountable and well-managed; and
- provide a collaborative partnership between Municipal Affairs and municipalities to address legislative discrepancies that may exist.

The Municipal Accountability Program consists of multi-year cycle reviews, ordered by the Minister under Section 571 of the *MGA*. While this program is available to all municipalities, upon request from council and requires approval by the Minister, municipalities with populations of 5,000 or less are automatically scheduled for a visit once every four-years. The Town of Penhold was randomly selected for a municipal accountability review in 2018.

Working with the chief administrative officer (CAO), support is provided to mitigate any minor legislative gaps that may be identified. Ministry staff work with CAOs to validate compliance, identify gaps, provide resource information, and develop corrective solutions where needed. The outcome of this program will be strong, well-managed municipalities and a strong collaborative relationship between the CAOs and the ministry.

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Disclaimer: The Municipal Accountability Program is intended as a program of support and collaboration for municipal Chief Administrative Officers to either confirm compliance with requirements of municipal legislation or to identify concerns and develop corrective solutions where needed. The scope of this report is limited to confirming the compliance or lack of compliance with mandatory legislative requirements. The content of the report does not constitute an opinion on the legal effectiveness of any documents or actions of the municipality, which should be determined in consultation with independent legal advice.

The results of the Town of Penhold's review, contained in this report, are offered to support the municipality's efforts in achieving its goals for ongoing legislative compliance with the *MGA* and its associated regulations, as well as other legislation under the responsibility of Alberta Municipal Affairs.

Section 2: Executive Summary

2.1 Site Visit

On June 25, 2018 Municipal Affairs staff met with town administration to complete the on-site portion of the Municipal Accountability Program review and to observe a council meeting for procedures that are required in the MGA.

The Town of Penhold is commended for their cooperation and assistance throughout the review. As well as the time commitment during the site visit, municipal staff promptly responded to questions and provided documentation as requested. Ministry staff appreciate this additional time and effort and recognizes the commitment to the well-being and success of the municipality demonstrated by town administration.

2.2 Strengths

Overall the review findings are very positive. Some of the general areas in which the municipality is meeting mandatory legislative requirements include:

- CAO evaluations;
- councillor orientation and training;
- public participation policy;
- establishing borrowing bylaws;
- tax recovery;
- procedures to adopt and amend bylaws;
- planning and development; and
- financial administration and auditing processes.

2.3 Legislative Gaps

Specific areas where the municipality is required to take action to achieve compliance are included below along with the page numbers which detail the legislative requirements and the gaps to be addressed:

- naming a place as a municipal office ([page 10](#));
- procedures and documentation for closed meetings ([page 16](#));
- voting ([page 23](#));
- council meeting minutes ([page 26](#));
- property tax bylaw ([page 30](#));
- bylaw enforcement officers ([page 32](#));
- procedural bylaw ([page 33](#));

- utilities bylaw ([page 34](#));
- content of tax notices ([page 50](#));
- subdivision and development appeal board ([page 56](#));
- disposition of election materials ([page 72](#));
- emergency management ([page 75](#)); and
- libraries ([page 76](#)).

2.4 Next Steps

This report contains a complete summary of the Municipal Accountability Program review including legislative requirements, comments and observations, recommendations for actions, as well as links to resources to assist the municipality.

A response by the municipality is required that includes a plan detailing the actions to be taken to rectify the legislative gaps identified in this report. This response must be submitted to Municipal Affairs within eight weeks of receiving this report. For your municipality's convenience, this report has been formatted to provide space in each section for responses to the findings on each particular area of non-compliance. However, your municipality is not required to use this report to provide its responses, and may prefer instead to develop a customized document for the responses and implementation plan.

Ministry staff are available to provide support and additional resources to guide the municipality through the development of the plan and to successfully address the legislative gaps identified. The review will formally conclude upon receipt of documentation confirming that all items have been addressed.

Section 3: Municipal Accountability Review Findings

3.1 General

1. Municipal Office

LEGISLATIVE REQUIREMENTS: MGA 204

1. Has council named a place as its municipal office?

COMMENTS/OBSERVATIONS: The town office and council chambers are located in the Penhold Multiplex located at 1 Waskasoo Avenue, Penhold, AB. A council resolution naming the location as its municipal office was not located.

MEETS LEGISLATIVE REQUIREMENTS: No

RECOMMENDATIONS/ACTION ITEMS: As per section 204 of the MGA, a resolution of council is required to name a place as the Town of Penhold's municipal office.

RESOURCES: Municipal Affairs Advisors are available to provide general support by calling toll-free 310-0000 and then 780-427-2225.

MUNICIPAL RESPONSE: Response to the findings, or comments, status or action to be taken including key milestones and deadlines. Where resolutions of council are required please provide the date of approval and motions of council and/or bylaw numbers.

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2. Orientation Training

LEGISLATIVE REQUIREMENTS: MGA 201.1

1. Has orientation training been offered to the elected officials?
2. Were the following topics covered:
 - role of municipalities in Alberta;
 - municipal organization and functions;
 - key municipal plans, policies and projects;
 - roles and responsibilities of council, councillors, the CAO, and staff;
 - code of conduct;
 - budgeting and financial administration; and
 - public participation?

COMMENTS/OBSERVATIONS: Orientation training was offered to council in their orientation package. Councillors also participated in regional sessions facilitated by consultants. Moving forward, the orientation training offered by the municipality should be documented (i.e., council minutes, an email to council, etc.). Resources are provided below in the event another orientation is required.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Municipal Affairs provides documents to assist CAOs with orientation including:

- [What Every Councillor Needs to Know](#)
- [Pecuniary Interest](#)
- [Closed Meetings of Council](#)
- [Procedural Bylaw and Agenda](#)

In addition, Municipal Affairs also provides workshops to set out the roles and responsibilities of council, councillors, the CAO, and staff: [Roles and Responsibilities Workshop](#)

3. Chief Administrative Officer Evaluation

LEGISLATIVE REQUIREMENTS: MGA 205.1

1. Has council provided the CAO with an annual written performance evaluation?

COMMENTS/OBSERVATIONS: Formal CAO evaluations are completed by council on an annual basis. Resources have been provided below to assist with future evaluations.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: No action required.

RESOURCES: The Canadian Association of Municipal Administrators (CAMA) recently introduced a three-step [CAO Performance Evaluation Toolkit](#). The toolkit enhances the CAO / Council relationship and helps local elected officials achieve their strategic goals and objectives. It is available for free to member and non-member municipalities.

Municipal Affairs has prepared a CAO performance evaluation manual to guide elected officials through the CAO evaluation process. It includes a sample template of an evaluation: [CAO Evaluation \(Municipal Affairs\)](#)

4. Signing of Municipal Documents

LEGISLATIVE REQUIREMENTS: MGA 213

1. Are the minutes of council meetings signed by:
 - the person presiding at the meeting; and
 - a designated officer?
2. Are the bylaws of a municipality signed by:
 - the chief elected official; and
 - a designated officer?
3. Are agreements, cheques, and other negotiable instruments signed by:
 - the chief elected official or another person authorized by council, and by a designated officer; or
 - by a designated officer acting alone if so authorized by council?

COMMENTS/OBSERVATIONS: The documents reviewed were signed in accordance with the requirements of section 213 of the MGA.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

5. Repair of Roads, Public Places, and Public Works

LEGISLATIVE REQUIREMENTS: MGA 532

Each municipality must ensure that every road or other public place that is subject to the direction, control and management of the municipality, including all public works in, on or above the roads or public place put there by the municipality or by any other person with the permission of the municipality, are kept in a reasonable state of repair by the municipality, having regard to:

- the character of the road, public place or public work; and
- the area of the municipality in which it is located.

1. Is the municipality aware of this section?
2. What does the municipality do to support this requirement?
3. Is the above supported through the annual budget?
4. Is the municipality aware of the level of risk and liability if the municipality fails to perform its duty outlined in section 532?

COMMENTS/OBSERVATIONS: The town is aware of their responsibilities under section 532 of the MGA and has policies and plans in place. These policies are also reflected in their budget. Annual playground inspections are completed and during the budgeting process the municipality identifies areas where asset management is required. The town is also completing a master service study, which will outline infrastructure priorities.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

3.2 Meetings

1. Public Presence at Meetings

LEGISLATIVE REQUIREMENTS: MGA 197 (1)

1. Are council and council committee meetings held in public?

COMMENTS/OBSERVATIONS: Regular meetings of council are advertised to the public and open for the public to attend.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: No action required.

2. Closed Meetings

LEGISLATIVE REQUIREMENTS: MGA 197

1. Before closing all or a part of a meeting to the public:
 - Is a resolution passed to indicate what part of the meeting is to be closed?
 - Does the resolution identify what exception to disclosure under the *Freedom of Information and Protection of Privacy Act (FOIPP)* applies to the part of the meeting that is to be closed?
 - Are members of the public notified once the closed portion of the meeting is concluded?
2. Do the council meeting minutes record the names of those who attended the closed meeting and the reason for their attendance?

COMMENTS/OBSERVATIONS: Council minutes record when meetings are closed; however, council and administration refer to closed meetings as “in-camera”. With recent amendments to the *MGA*, portions of meetings held without the public in attendance are referred to as “closed session”. Before going into closed session, exceptions to disclosure under the *Freedom of Information and Protection of Privacy Act (FOIPP)* are not cited. The term “three L’s” — land, labour and legal — have been used in the minutes instead of the required *FOIPP* section (e.g., March 12, 2018 resolution 2018-130). Minutes of the June 25, 2018 meeting indicated that after a recess the meeting reconvened and a motion was made to go into in-camera. After the recess the public was not invited back into council chambers; therefore, the motion to go into a closed session was not made with the public in attendance.

MEETS LEGISLATIVE REQUIREMENTS: No

RECOMMENDATIONS/ACTION ITEMS: “Closed Session” should be used instead of “in-camera” to reflect terminology used in the *MGA*. Motions to go into closed sessions should be made with the public in attendance and the appropriate exceptions to disclosure under the *FOIPP Act* must be cited so the public is aware of the topic being discussed in the closed session.

RESOURCES: Municipal Affairs has developed an online resource for municipalities regarding closed meetings: [Closed Meetings of Council \(Municipal Affairs\)](#)

MUNICIPAL RESPONSE: Response to the findings, or comments, status or action to be taken including key milestones and deadlines. Where resolutions of council are required please provide the date of approval and motions of council and/or bylaw numbers.

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3. Organizational Meeting

LEGISLATIVE REQUIREMENTS: MGA 152, 192

1. Is an Organizational Meeting held annually?
2. Is a chief elected officer (CEO) appointed (not a requirement if the CEO is elected at large or it is included in the procedural bylaw)?
3. Is a Deputy CEO appointed?

COMMENTS/OBSERVATIONS: Council held their last organizational meeting on October 23, 2017, within two weeks of the third Monday in October, and in accordance with section 192 of the MGA. Council nominates two deputy chief elected officials from among councillors for two eight-month terms as per section 4 of the town's Procedure and Conduct of Council Meetings Bylaw. Both were appointed by acclamation (council resolution 2017-02 and council resolution 2017-03).

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

4. Special Meetings

LEGISLATIVE REQUIREMENTS: MGA 194

1. Has a special council meeting been held?
2. Was the proper notification provided to the public?
3. If less than 24 hours was provided as notification, was the appropriate documentation signed by 2/3 of council?
4. Was there a need to change the agenda for the special meeting?
5. If the agenda was modified, was all of council present at the meeting to approve the change?

COMMENTS/OBSERVATIONS: The town last held a special meeting in April 2018. More than 24 hours notification was given and the procedures met legislative requirements.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

5. Meetings Through Electronic Communications

LEGISLATIVE REQUIREMENTS: MGA 199

1. Has notice been provided to the public, including the way in which the meeting is to be conducted?
2. Do the facilities enable the public to watch or listen to the meeting?
3. Was a designated officer in attendance at the facility?
4. Do the facilities enable the meeting's participants to watch or hear each other?

COMMENTS/OBSERVATIONS: Currently council does not use electronic means for meeting, but there is a policy in place should the need to meet through electronic means arise in the future.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

6. Regular Meeting Change Notice

LEGISLATIVE REQUIREMENTS: MGA 193

1. Has the date, time or place of a regularly scheduled meeting been changed?
2. Was at least 24 hours' notice of the change provided to any councillors not present at the meeting at which the change was made, and to the public?

COMMENTS/OBSERVATIONS: Meeting times and dates seldom change; however, the town has had to change meeting dates in the past. They do so by resolution at the council meeting preceding the scheduled meeting to be changed.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

3.3 Meeting Procedures

1. Authority to Act

LEGISLATIVE REQUIREMENTS: MGA 180-181

1. Are resolutions or bylaws passed in an open public meeting?

COMMENTS/OBSERVATIONS: At the June 25, 2018, meeting of council, motions were made for all actions requested of administration and council acted only by resolution or bylaw.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

2. Quorum

LEGISLATIVE REQUIREMENTS: MGA 167

1. Is a majority of council present at the meeting to exercise their authority to act under section 180 and 181?

COMMENTS/OBSERVATIONS: Town council consists of seven elected officials. The minutes that were reviewed and the council meeting that was observed met the quorum requirements.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

3. Voting

LEGISLATIVE REQUIREMENTS: *MGA* 182-185

1. Does each councillor participate in voting (unless an abstention is required or permitted and is noted)?
2. Is an abstention from voting recorded in the minutes?
3. Is the request for a recorded vote done prior to the vote being taken?
4. Is the request for a recorded vote documented in the minutes accordingly?

COMMENTS/OBSERVATIONS: Each councillor participated in voting in the June 25, 2018 meeting. It was noted that votes of council that were not unanimous were automatically treated as recorded votes even though a recorded vote was not requested prior to the vote occurring. Meeting minutes reviewed reflect that no recorded votes were requested (e.g., council resolutions 2017-277, 2018-186 and 2018-301). There were no abstentions at the meeting attended.

MEETS LEGISLATIVE REQUIREMENTS: No

RECOMMENDATIONS/ACTION ITEMS: Unless a recorded vote is requested in accordance with section 185 of the *MGA*, the minutes only need to document if the motion is carried or defeated.

RESOURCES: Municipal Affairs Advisors are available to provide general support by calling toll-free 310-0000 and then 780-427-2225.

MUNICIPAL RESPONSE: Response to the findings, or comments, status or action to be taken including key milestones and deadlines. Where resolutions of council are required please provide the date of approval and motions of council and/or bylaw numbers.

4. Pecuniary Interest

LEGISLATIVE REQUIREMENTS: MGA 172

1. When a pecuniary interest is disclosed, is the disclosure and the process recorded in the minutes?

COMMENTS/OBSERVATIONS: There were no items of pecuniary interest at the June 25, 2018 meeting of council. The minutes reviewed did not contain a disclosure of pecuniary interest. Reference to a resource is provided below in the event a pecuniary interest situation arises in the future.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Municipal Affairs has prepared a document that describes pecuniary interest, exceptions and the procedures for disclosure: [Pecuniary Interest](#)

5. Provision of Information

LEGISLATIVE REQUIREMENTS: *MGA 153.1*

1. When information regarding the operation or administration of the municipality is requested by a councillor, does the CAO provide information to all of council as soon as practical?

COMMENTS/OBSERVATIONS: The CAO is aware of the *MGA* requirements. When a question is received by one councillor, the CAO's response is shared with all of council. Where possible, a request for decision may be brought forward to council at the next meeting of council. In addition, council was provided with an agenda package in advance of the June 25, 2018 council meeting. The CAO provided procedural guidance throughout the council meeting.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

6. Council Meeting Minutes

LEGISLATIVE REQUIREMENTS: MGA 172, 184, 185, 197, 208, 230

1. Are the minutes recorded in the English language without note or comment?
2. Do the minutes include the names of the councillors present at the council meeting?
3. Are the minutes given to council for adoption at a subsequent council meeting?
4. Are recorded votes documented?
5. Are abstentions from public hearings recorded?
6. Are the minutes recorded in accordance with section 230 of the MGA when a public hearing is held?
7. Are the minutes kept safe?

COMMENTS/OBSERVATIONS: The council minutes reviewed between October 2017 and June 2018 contained detailed committee reports and updates. The minutes, bylaws and other documents are kept in a safe place.

MEETS LEGISLATIVE REQUIREMENTS: No

RECOMMENDATIONS/ACTION ITEMS: The minutes are to be documented in accordance with the requirements of section 208(1)(a) of the MGA and are to be written without note or comment.

RESOURCES: Municipal Affairs Advisors are available to provide general support by calling toll-free 310-0000 and then 780-427-2225.

MUNICIPAL RESPONSE: Response to the findings, or comments, status or action to be taken including key milestones and deadlines. Where resolutions of council are required please provide the date of approval and motions of council and/or bylaw numbers.

3.4 Mandatory Bylaws

1. Code of Conduct

LEGISLATIVE REQUIREMENTS: MGA 146.1, Code of Conduct for Elected Officials Regulation 200/2017

1. Is there a code of conduct bylaw?
2. Does the bylaw apply to all councillors equally?
3. Are there sanctions for breaching the code of conduct?
4. Does the bylaw include the following topics:
 - representing the municipality;
 - communicating on behalf of the municipality;
 - respecting the decision-making process;
 - adherence to policies, procedures and bylaws;
 - respectful interactions with councillors, staff, the public and others;
 - confidential information;
 - conflicts of interest;
 - improper use of influence;
 - use of municipal assets and services; and
 - orientation and other training attendance?
5. Has a complaint system been established within the bylaw?
6. Does the complaint system address:
 - who may make a complaint alleging a breach of the code of conduct;
 - the method by which a complaint may be made;
 - the process to be used to determine the validity of a complaint; and
 - the process to be used to determine how sanctions are imposed if a complaint is determined to be valid?
7. Was the bylaw established by July 2018?
8. Has the code of conduct been reviewed in the last four years? (Not applicable until 2022.)

COMMENTS/OBSERVATIONS: The town passed a code of conduct bylaw (Bylaw 750/18) in March 2018. The bylaw addresses all required content.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

2. Establishment of the Chief Administrative Officer Position

LEGISLATIVE REQUIREMENTS: MGA 205

1. Is there a bylaw establishing the position of CAO?
2. Is there a council resolution that appoints the current CAO?

COMMENTS/OBSERVATIONS: Bylaw 719/15 was passed on April 13, 2015 establishes the position of CAO for the Town of Penhold. Resolution #11-173, passed in March 2011, appoints the current CAO.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

3. Borrowing Bylaw(s)

LEGISLATIVE REQUIREMENTS: MGA 251-259, Debt Limit Regulation 255/2000

1. Is there a current borrowing bylaw?
2. Does the borrowing bylaw set out:
 - the amount of money to be borrowed and, in general terms, the purpose for which the money is borrowed;
 - the maximum rate of interest, the term and the terms of repayment of the borrowing; and
 - the source or sources of money to be used to pay the principal and interest owing under the borrowing?
3. Was the borrowing bylaw advertised (if required)?

COMMENTS/OBSERVATIONS: Borrowing bylaw 747/17 was passed in December 2017 and included the required information. There was no requirement to advertise this bylaw.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

4. Property Tax Bylaw

LEGISLATIVE REQUIREMENTS: MGA 323, 353-359, Matters Relating to Assessment Sub-classes Regulation 202/2017

1. Is a property tax bylaw passed annually?
2. Are the rates in accordance with the:
 - assessment class (section 297);
 - Matters Relating to Assessment Sub-classes Regulation; and
 - municipal assessment sub-class bylaw (if necessary)?
3. Does the tax rate bylaw maintain a maximum 5:1 tax ratio between residential and non-residential assessment classes?
4. Are the requisitions accounted for?
5. Are the calculations correct?
6. Is there a minimum tax applied as per section 357?

COMMENTS/OBSERVATIONS: The town passes a tax bylaw annually. The 2018 property tax bylaw did not meet legislative requirements. Section 297(2) states that "council may by bylaw divide class 1 – residential – into sub-classes on any basis it considers appropriate..." . The town has divided class 1 into sub-classes without passing the appropriate bylaw.

MEETS LEGISLATIVE REQUIREMENTS: No

RECOMMENDATIONS/ACTION ITEMS: As per section 297(2) of the MGA, if council chooses to divide class 1 into sub-classes it must be done by bylaw.

RESOURCES: Municipal Affairs Financial Advisors are available to provide financial support by calling toll-free 310-0000 and then 780-427-2225.

Municipal Affairs has created an example tax bylaw to assist municipalities when developing their annual property tax bylaw: [Example Property Tax Bylaw](#)

MUNICIPAL RESPONSE: Response to the findings, or comments, status or action to be taken including key milestones and deadlines. Where resolutions of council are required please provide the date of approval and motions of council and/or bylaw numbers.

5. Assessment Review Boards

LEGISLATIVE REQUIREMENTS: MGA 454-456, Matters Relating to Assessment Complaints Regulation 201/2017

1. Has a local assessment review board been established?
 - Are three members appointed to this board?
 - Is the term of the appointment established?
 - Have the appointed members received the mandatory training?
2. Is a composite assessment review board established?
 - Are two members appointed to this board?
 - Is the term of the appointment established?
 - Have the appointed members received the mandatory training?
 - Is there a current assessment review board clerk appointment?
3. Has a designated officer been appointed as the clerk and received the mandatory training?

COMMENTS/OBSERVATIONS: The town currently has an agreement in with the City of Red Deer establishing a joint regional assessment review board. The City of Red Deer is the coordinator and is responsible for appointments and ensuring that the board members and clerk receive training. Bylaw 667/11 establishes the regional assessment review board, which exercises the functions of both a Local Assessment Review Board and a Composite Assessment Review Board. All legislative requirements have been met.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

6. Bylaw Enforcement Officers

LEGISLATIVE REQUIREMENTS: MGA 555-556

1. Is there a municipal bylaw enforcement officer appointed?
2. Is there a bylaw to support this?
3. Are the powers and duties established within the bylaw for the bylaw enforcement officer?
4. Does the bylaw include:
 - disciplinary procedures;
 - penalties; and
 - an appeal process?
5. Has the bylaw enforcement officer taken the official oath?

COMMENTS/OBSERVATIONS: Bylaw 749/18, passed in April 2018, provides for the appointment of Community Peace Officers, and establishes their duties powers and responsibilities for the Town of Penhold. Part III, Disciplinary Policy, notes that disciplinary procedures and penalties are outlined in the Town of Penhold Enforcement Services Standard Operating Procedures. The peace officers have taken a provincial and municipal oath.

MEETS LEGISLATIVE REQUIREMENTS: No

RECOMMENDATIONS/ACTION ITEMS: Sections 556 (a) and (b) of the MGA, state that disciplinary procedures and penalties must be outlined by bylaw; therefore, these must be adopted by bylaw and not approved by resolution in a policy.

RESOURCES: Municipal Advisors are available to provide financial support by calling toll-free 310-0000 and then 780-427-2225.

MUNICIPAL RESPONSE: Response to the findings, or comments, status or action to be taken including key milestones and deadlines. Where resolutions of council are required please provide the date of approval and motions of council and/or bylaw numbers.

3.5 Discretionary Bylaws

Please note: Discretionary bylaws are not required in the *MGA*. The following section includes a random selection of optional bylaws to review that their contents are in compliance with the *MGA*.

1. Procedural Bylaw

LEGISLATIVE REQUIREMENTS: *MGA* 145

1. Does the municipality have a procedural bylaw?

COMMENTS/OBSERVATIONS: In September 2014 the town passed Bylaw 710/14, Procedure and Conduct of Council Meetings. The bylaw addresses such things as meetings of council, conduct of meetings, agenda of meetings, deputy mayor, delegations, public hearings and voting. Section 11 1 b) states that a meeting may be cancelled by written or oral consent of a majority provided 24 hours notice is provided to the public and section 11 2 a) and b) speaks to the cancellation of special meetings.

MEETS LEGISLATIVE REQUIREMENTS: No

RECOMMENDATIONS/ACTION ITEMS: Section 7 – Meetings – Closed (In-Camera) of the bylaw should be amended to align with the language used in current legislation and include citing exceptions to disclosure under the *Freedom of Information and Protection of Privacy Act (FOIPP)* opposed to using the terms “land, legal, and labour matters”. In addition, Section 11 – Cancellation of Meetings – 1 b), 2 a) and 2 b) are in contravention of Section 180 and 181 of the *MGA* as council may only act by resolution or bylaw at an open public meeting with a quorum present. Regular meetings set by council resolution may only be amended or cancelled by council resolution.

RESOURCES: Municipal Affairs Advisors are available to provide general support by calling toll-free 310-0000 and then 780-427-2225.

MUNICIPAL RESPONSE: Response to the findings, or comments, status or action to be taken including key milestones and deadlines. Where resolutions of council are required please provide the date of approval and motions of council and/or bylaw numbers.

2. Utilities Bylaw

LEGISLATIVE REQUIREMENTS: MGA 7

1. Does the municipality have a utilities bylaw?

COMMENTS/OBSERVATIONS: Bylaw 733/16 was passed in March 2016 and establishes the following municipal services: water, wastewater, storm water and waste management (including recycling). Fees are outlined in Schedule “A” and were revised in December 2016 by council resolution 2016-455. This is in contravention of section 191(2) of the MGA which states: “the amendment or repeal must be made in the same way as the original bylaw and is subject to the same contents or conditions or advertising requirements that apply to the passing of the original bylaw, unless this or any other enactment provides otherwise.” Therefore, schedules to Bylaw 733/16 can only be changed through the approval of a bylaw that amends or replaces the bylaw schedules.

MEETS LEGISLATIVE REQUIREMENTS: No

RECOMMENDATIONS/ACTION ITEMS: Section 191 of the MGA states that an amendment to a bylaw must be done the same way as the original bylaw. The schedule of utility rates must be done by bylaw, not a resolution of council.

RESOURCES: Municipal Affairs Advisors are available to provide general support by calling toll-free 310-0000 and then 780-427-2225.

MUNICIPAL RESPONSE: Response to the findings, or comments, status or action to be taken including key milestones and deadlines. Where resolutions of council are required please provide the date of approval and motions of council and/or bylaw numbers.

3.6 Bylaw Procedures

1. Passing Bylaws

LEGISLATIVE REQUIREMENTS: MGA 187-189

1. Are bylaws given three distinct and separate readings?
2. If all readings are conducted at one council meeting, is there a resolution passed that gives unanimous consent for this?

COMMENTS/OBSERVATIONS: A review of a selection of past minutes, and attendance at the June 25, 2018 council meeting indicates the proper use of three readings, including a resolution for unanimous consent before proceeding to third reading.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

2. Bylaw Revisions and Amendments

LEGISLATIVE REQUIREMENTS: **MGA 63-69, and 191**

1. Are revision bylaws limited to:
 - consolidation of two or more bylaws;
 - altering citation; and
 - changes that do not materially affect a bylaw (clerical, technical, grammatical, or typographical)?
2. Does the title of the bylaw indicate that it is a revision bylaw?
3. Has the CAO certified the revision prior to the first reading?
4. Have there been amendments to a bylaw that initially required advertising?
5. Was the amending bylaw advertised?
6. Are bylaws amended or repealed in the same way as the original bylaw was enacted?

COMMENTS/OBSERVATIONS: During the June 25, 2018 meeting, Traffic Bylaw 754/2018, amending Bylaw 746/17, was given third reading. A review of additional revised or consolidated bylaws, except for the Utilities Bylaw noted in section 3.5 of this report on page 33, confirm that all legislative requirements pertaining to bylaw revisions and amendments have been met.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

3.7 Mandatory Policies

1. Public Participation Policy

LEGISLATIVE REQUIREMENTS: MGA 216.1, Public Participation Policy Regulation 193/2017

1. Has a public participation policy been passed?
2. Was the public participation policy passed by July 2018?
3. Does the policy identify:
 - types or categories of approaches the municipality will use to engage the public; and
 - types and categories of circumstances in which the municipality will engage with the public?
4. Is the public participation policy available for public inspection?
5. Has the public participation policy been reviewed by council in the last four years? (Not applicable until summer of 2022.)

COMMENTS/OBSERVATIONS: The municipality is aware that a public participation policy is a new requirement and is drafting the policy to meet the legislative and timeline requirements. Council is required to pass a public participation policy in accordance with section 216.1 of the MGA and the Public Participation Policy Regulation 193/2017 by July 23, 2018.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: That the Public Participation Policy be passed before July 23, 2018.

RESOURCES: The Alberta Urban Municipalities Association and Rural Municipalities of Alberta, in partnership with Brownlee LLP, have produced a guidance document containing general information intended to assist municipalities in developing a public participation policy and public notification bylaw: [Public Participation Policies and Public Notification: A Guide for Municipalities](#)

3.8 Finance

1. Operating Budget

LEGISLATIVE REQUIREMENTS: MGA 242, 243, 244

1. Has an operating budget been adopted for each calendar year?
2. Does the operating budget include the estimated amount of each of the following expenditures and transfers:
 - the amount needed to provide for the council's policies and programs;
 - the amount needed to pay the debt obligations in respect of borrowings made to acquire, construct, remove or improve capital property;
 - the amount of expenditures and transfers needed to meet the municipality's obligations as a member of a growth management board, or its obligations for services funded under an intermunicipal collaboration framework (not applicable until April 1, 2020);
 - the amount needed to meet the requisitions or other amounts that the municipality is required to pay under an enactment;
 - if necessary, the amount needed to provide for a depreciation or depletion allowance, or both, for its municipal public utilities as defined in section 28;
 - the amount to be transferred to reserves;
 - the amount to be transferred to the capital budget; and
 - the amount needed to recover any shortfall as required under section 244?
3. Does the operating budget include estimated amounts of each source of revenue (taxes, grants, service fees)?
4. Are the estimated revenues and transfers sufficient to pay the estimated expenditures?
5. Does the budget align with the property tax rate bylaw?

COMMENTS/OBSERVATIONS: The 2018 operating budget was adopted on December 11, 2018 by council resolution 217-460 and met legislative requirements.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

2. Capital Budget

LEGISLATIVE REQUIREMENTS: MGA 245, 246

1. Has a capital budget for each calendar year been adopted?
2. Does the capital budget include the estimated amount for the following:
 - the amount needed to acquire, construct, remove or improve capital property;
 - the anticipated sources and amounts of money to pay the costs to acquire, construct, remove or improve capital property; and
 - the amount to be transferred from the operating budget?

COMMENTS/OBSERVATIONS: The 2018 capital budget was adopted on December 11, 2018 by council resolution 217-460 and met legislative requirements.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

3. Financial Records and Receipts

LEGISLATIVE REQUIREMENTS: MGA 268.1

1. Are accurate records and accounts kept of the municipality's financial affairs?
2. Are actual revenues and expenditures of the municipality, compared with the estimates, reported to council?
3. Are revenues of the municipality collected and controlled, and receipts issued?

COMMENTS/OBSERVATIONS: Records and accounts of the municipality's financial affairs are kept. Budget variance is presented quarterly to council, and if there is anything substantial it is brought forward to council as required.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

4. Municipal Accounts

LEGISLATIVE REQUIREMENTS: MGA 270

1. Is all money belonging to or held by the municipality deposited into a financial institution designated by council?

COMMENTS/OBSERVATIONS: Documentation was reviewed to confirm Alberta Treasury Branches provides banking services to the municipality.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: No action required.

RESOURCES: Not applicable.

5. Fidelity Bond

LEGISLATIVE REQUIREMENTS: *MGA 212.1*

1. Does the municipality annually obtain a fidelity bond or equivalent insurance?
2. Does the bond or insurance cover:
 - the CAO of the municipality;
 - the designated officers of the municipality; and
 - other employees of the municipality?

COMMENTS/OBSERVATIONS: The Town of Penhold has a policy with AMSC Insurance Ltd., which met the legislative requirements.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

6. Auditor, Audited Financial Statements, Auditor Report

LEGISLATIVE REQUIREMENTS: MGA 276, 280, 281

1. Has one or more auditors for the municipality been appointed?
2. Are annual financial statements of the municipality prepared for the immediately preceding year?
3. Do the financial statements include:
 - the municipality's debt limit; and
 - the amount of the municipality's debt as defined in the regulations under section 271?
4. Are the financial statements, or a summary of them, and the auditor's report on the financial statements available to the public in the manner the council considers appropriate by May 1 of the year following the year for which the financial statements have been prepared?
5. Has council received the auditor's report on the annual financial statements and financial information return of the municipality?

COMMENTS/OBSERVATIONS: The town's auditor was appointed by council at the 2017 organizational meeting (council resolution 2017-06). Financial statements are prepared according to legislative requirements and are made available online following the auditor's report to council in April.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

7. Salary and Benefits

LEGISLATIVE REQUIREMENTS: MGA 217, Supplementary Accounting Principles and Standards Regulation 313/2000

1. Has information been provided on the salaries of councillors, the chief administrative officer and all designated officers of the municipality?

COMMENTS/OBSERVATIONS: Information on the salaries of councillors and the CAO are contained within the annual financial statements. Moving forward, all designated officers' salaries, including assessment review board and subdivision and development appeal board clerks and the assessor, must be disclosed in the financial statements as required in the Supplementary Accounting Principles and Standards Regulation 313/2000.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: No action required.

RESOURCES: Not applicable.

8. Management Letter

LEGISLATIVE REQUIREMENTS: MGA 281

1. Has council received a separate auditor's report on any improper or unauthorized transaction or non-compliance with this or another enactment or a bylaw that is noted during the course of an audit?

COMMENTS/OBSERVATIONS: The town received confidential recommendations from the auditor.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: No action required.

RESOURCES: No applicable.

9. Three Year Operating Plan and Five Year Capital Plan (for discussion only)

LEGISLATIVE REQUIREMENTS: MGA 283.1

1. Each municipality must prepare a written plan respecting its anticipated financial operations over a period of at least the next three financial years. Also, each municipality must prepare a written plan respecting its anticipated capital property additions over a period of at least the next five financial years. The first financial plans will need to be prepared by the end of 2019 and cover the 2020 to 2022 financial, or 2020 to 2024 capital period.

COMMENTS/OBSERVATIONS: The municipality is aware that written plans for financial operations and capital plans are a new legislative requirement and will be developing the policy to meet the timeline requirements.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: Plans must be in place by April 21, 2020 deadline.

RESOURCES: Municipal Affairs has created a guide to assist municipalities getting started with multi-year financial planning: [New Legislative Requirements for Municipal Financial & Capital Plans](#).

3.9 Assessment and Taxation

1. Assessment Roll

LEGISLATIVE REQUIREMENTS: MGA 284.2(1), 307

1. Is an assessor appointed?
2. Is the assessment roll available for inspection?
3. Is there a fee for this?
4. Does the municipality have a bylaw to establish this fee?

COMMENTS/OBSERVATIONS: The assessor was appointed on a three-year contract at the June 12, 2017 meeting (council resolution 2017-237). The assessment roll is available for inspection on request. There is no fee for inspecting the roll; therefore, no bylaw is required.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: No action required.

RESOURCES: Not applicable.

2. Tax Roll

LEGISLATIVE REQUIREMENTS: MGA 327, 329

1. Has an annual tax roll been prepared for the municipality?
2. Does the tax roll include the following:
 - a description sufficient to identify the location of the property or business;
 - name and mailing address of the taxpayer;
 - the assessment;
 - the name, tax rate, and amount of each tax imposed in respect of the property or business;
 - the total amount of all taxes imposed in respect of the property or business;
 - the amount of tax arrears; and
 - if the property is subject to an agreement between the taxpayer and the municipality (section 347 or 364)?

COMMENTS/OBSERVATIONS: An annual tax roll has been completed and contains the required legislated content.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

3. Prepare Tax Notices

LEGISLATIVE REQUIREMENTS: *MGA 333*

1. Are tax notices prepared annually for all taxable property and businesses shown on the tax roll of the municipality?
2. Are the tax notices sent to the taxpayers?

COMMENTS/OBSERVATIONS: Tax notices are prepared annually and sent to taxpayers in accordance with *MGA* requirements.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: No action required.

RESOURCES: Not applicable.

4. Content of Tax Notices

LEGISLATIVE REQUIREMENTS: MGA 334, 460

1. Does the municipality provide for a combined property assessment and tax notice?
2. Does the municipal property tax notice show the following:
 - the same information that is required to be shown on the tax roll;
 - the date the tax notice is sent to the taxpayer;
 - the amount of the requisitions, any one or more of which may be shown separately or as part of a combined total;
 - except when the tax is a property tax, the date by which a complaint must be made, which date must not be less than 30 days after the tax notice is sent to the taxpayer;
 - the name and address of the designated officer with whom a complaint must be filed;
 - the dates on which penalties may be imposed if the taxes are not paid; and
 - information on how to request a receipt for taxes paid?

COMMENTS/OBSERVATIONS: The town provides combined assessment and tax notices. The MGA requirement of section 310(3) states that an assessment notice must be sent at least seven days prior to the notice of assessment date. The notice of assessment date and date mailed are the same date on the town's combined assessment and tax notice reviewed. The notice also does not include information on how to request a receipt for taxes paid.

MEETS LEGISLATIVE REQUIREMENTS: No

RECOMMENDATIONS/ACTION ITEMS: The assessment notice must be sent at least seven days prior to the notice of assessment date and its contents need to be updated to include information on how to request a receipt for taxes paid.

RESOURCES: Municipal Affairs Advisors are available to provide general support by calling toll-free 310-0000 and then 780-427-2225.

MUNICIPAL RESPONSE: Response to the findings, or comments, status or action to be taken including key milestones and deadlines. Where resolutions of council are required please provide the date of approval and motions of council and/or bylaw numbers.

5. Certify Date of Mailing

LEGISLATIVE REQUIREMENTS: MGA 335, 336

1. Has a designated officer certified the date the tax notices were sent?
2. Have the tax notices been sent before the end of the year in which the taxes were imposed?

COMMENTS/OBSERVATIONS: A designated officer certified that tax notices were sent to all property owners on May 10, 2018. This was published in the Penhold and Innisfail local newspapers.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

6. Tax Arrears List

LEGISLATIVE REQUIREMENTS: MGA 412, 436.03

1. Has a tax arrears list been prepared showing the parcels of land in the municipality in respect of which there are tax arrears?
2. Has the list been sent to the Registrar and to the Minister responsible for the *Unclaimed Personal Property and Vested Property Act*?
3. Has the list been posted in a place that is accessible to the public during regular business hours?
4. Were persons notified who are liable to pay the tax arrears that a tax arrears list has been prepared and sent to the Registrar?

COMMENTS/OBSERVATIONS: The town has prepared a tax arrears list, which shows the designated manufactured homes that are in tax arrears, and prepared a tax arrears list of the parcels in respect of arrears. These were submitted to the Registrar on March 29, 2018, which is before the legislated March 31 deadline. All notification has been given and the list is posted at the town office accessible to the public during regular business hours.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

7. Tax Sale

LEGISLATIVE REQUIREMENTS: MGA 418, 436.08

1. Have those properties appearing on the tax arrears list been offered for sale within the time frame provided?

COMMENTS/OBSERVATIONS: The last tax sale was held in 2016. The town prepared for a tax sale to be held November 21, 2017 and followed the process outlined in legislation (council resolutions 2017-357 to 2017-361). The auction did not take place as the arrears were paid prior to the property going to sale.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: No action required.

RESOURCES: Not applicable.

3.10 Planning

1. Subdivision Authority

LEGISLATIVE REQUIREMENTS: MGA 623, 625-626

1. Is there a bylaw establishing the subdivision authority for the municipality?
2. Does the structure of the subdivision authority comply with section 623(2) which specifies that it may include one or more of the following:
 - any or all members of council;
 - a designated officer;
 - a municipal planning commission;
 - any other person or organization?

COMMENTS/OBSERVATIONS: Bylaw 727/15 was passed on November 23, 2015, establishing the subdivision authority to be Parkland Community Planning Services.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

2. Development Authority

LEGISLATIVE REQUIREMENTS: MGA 624, 625-626

1. Is there a bylaw establishing the development authority for the municipality?
2. Does the structure of the development authority comply with section 624(2) which specifies that it may include one or more of the following:
 - a designated officer;
 - a municipal planning commission;
 - any other person or organization?

COMMENTS/OBSERVATIONS: Bylaw 727/15 was passed on November 23, 2015, establishing the development authority to be a person or persons appointed by resolution of council as the development officer and the municipal planning commission.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

3. Subdivision and Development Appeal Board (SDAB)

LEGISLATIVE REQUIREMENTS: MGA 627, 628, Subdivision and Development Regulation 43/2002, Subdivision and Development Appeal Board Regulation 195/2017

1. Is a subdivision and development appeal board bylaw or intermunicipal agreement established?
2. Do the SDAB members exclude those who are:
 - municipal employees;
 - members of the municipal planning commission; and
 - individuals who can carry out subdivision and development powers on behalf of the municipality?
3. Is there no more than one councillor appointed as a member to the appeal board?
 - If more than one, is there Ministerial approval for the additional councillors to sit on the panel?
4. Are the active members of the SDAB trained?
5. Is there a clerk appointed to the SDAB, and is that person a designated officer?
6. Has the clerk received SDAB training?
7. Has the clerk kept a record of the hearings?

COMMENTS/OBSERVATIONS: Bylaw 725/15, passed on October 26, 2015, establishes a SDAB for the Town of Penhold, but it does not meet the new legislative requirements.

MEETS LEGISLATIVE REQUIREMENTS: No

RECOMMENDATIONS/ACTION ITEMS: The town must amend their bylaw to clarify that only one councillor is to sit on the panel at a hearing as per new legislative requirements. A designated officer must be appointed as the clerk, and all members including the clerk need to receive mandatory training by April 1, 2019. Alternatively, the town may establish an intermunicipal SDAB by bylaw.

RESOURCES: Municipal Affairs has developed an SDAB training guidebook, and several facts sheets to assist municipalities, which can be found at the [SDAB website](#). In addition, Municipal Affairs Planning Advisors are available to discuss these topics further by calling toll-free 310-0000 and then 780-427-2225.

MUNICIPAL RESPONSE: Response to the findings, or comments, status or action to be taken including key milestones and deadlines. Where resolutions of council are required please provide the date of approval and motions of council and/or bylaw numbers.

4. Subdivision Applications and Decision

LEGISLATIVE REQUIREMENTS: MGA 653, 653.1, 679, Subdivision and Development Regulation 43/2002, Subdivision and Development Appeal Board Regulation 195/2017

1. Are the forms set out in schedules 1 and 2 of the Subdivision and Development Regulation used for all subdivision application and deferred reserve caveat decisions?
2. If required, were written referrals sent according to legislation?
3. Have all the mandatory requirements in section 653 and 653.1 of the MGA been met?
4. If there have been appeals, did the SDAB clerk give five days' notice of the hearing to the appropriate stakeholders?

COMMENTS/OBSERVATIONS: Parkland Community Planning Services is responsible for all subdivision applications for the Town of Penhold.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

5. Development Applications

LEGISLATIVE REQUIREMENTS: MGA 683.1, 686, 687

1. Did the development authority review the application within 20 days to determine if it was complete?
2. If deemed complete, did the applicant get a notification that the application is complete, or if deemed incomplete, did the applicant get a notification from the development authority that the application is incomplete?
3. If the development permit application is refused, was a notice issued to the applicant?
4. Are appeal hearings held within 30 days after the receipt of a notice of appeal by the SDAB?
5. Does the SDAB give at least five days notice in writing of the hearing:
 - to the appellant;
 - to the development authority; and
 - to the owners as required under the land use bylaw?
6. Did the board make materials related to the appeal available for public inspection?

COMMENTS/OBSERVATIONS: An application for development (Permit 2018033), dated May 11, 2018, was reviewed and met all legislative requirements.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

6. Alberta Land Stewardship Act (ALSA) Regional Plan or Land Use Policies

LEGISLATIVE REQUIREMENTS: MGA 622, 630.2 and ALSA 20

1. Is there an ALSA Regional Plan in effect in your area?
2. If yes, which plan?
3. Has a statutory declaration been filed with the Land Use Secretariat indicating compliance with the regional plan? (Note: due within five years of an ALSA regional plan coming into force.)

COMMENTS/OBSERVATIONS: There is no ALSA regional plan in effect for the Town of Penhold.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

7. Growth Management Board

LEGISLATIVE REQUIREMENTS: MGA 708.23

1. Is the municipality a member of a growth management board?
2. Has the growth management board established by bylaw an appeal mechanism or dispute resolution mechanism, or both, for the purposes of resolving disputes arising from actions taken or decisions made by the growth management board?

COMMENTS/OBSERVATIONS: The Town of Penhold is not part of a growth management board.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

8. Land Use Bylaw

LEGISLATIVE REQUIREMENTS: MGA 230, 606, 639, 640, 642 (1), 692 (4), Subdivision and Development Regulation 43/2002

1. Is there a Land Use Bylaw?
2. Does the Land Use Bylaw:
 - divide the municipality into districts (zones);
 - establish a method of making decisions on development permit applications, including provisions for:
 - the types of development permits that may be issued;
 - processing an application for, or issuing, canceling, suspending or refusing to issue development permits;
 - the conditions that development permits may be subject to;
 - how long development permits remain in effect;
 - the discretion the development authority may exercise with respect to development permits;
 - provide for how and to whom notice of the issuance of development permits is to be given;
 - establish the number of dwelling units permitted on a parcel of land; and
 - identify permitted and discretionary uses?
3. Does the public notice of application to rezone properties include:
 - the municipal address/legal address of the parcel of land;
 - a map showing the location of the parcel of land;
 - written notice to the assessed owner of that parcel of land; and
 - written notice to the assessed owner of the adjacent parcel of land?
4. Does the notice of a public hearing on land use bylaw related issues include:
 - the municipal address/legal address of the parcel of land;
 - a map showing the location of the parcel of land;
 - the general purpose of the bylaw and public hearing;
 - the address where the proposed bylaw, and any document related to the bylaw or public hearing can be inspected; and
 - the date, time and place of the public hearing?

COMMENTS/OBSERVATIONS: The current Land Use Bylaw 661/11 was most recently amended in March of 2016. The Land Use Bylaw includes all required content.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

June 25, 2018

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Disclaimer: The Municipal Accountability Program is intended as a program of support and collaboration for municipal Chief Administrative Officers to either confirm compliance with requirements of municipal legislation or to identify concerns and develop corrective solutions where needed. The scope of this report is limited to confirming the compliance or lack of compliance with mandatory legislative requirements. The content of the report does not constitute an opinion on the legal effectiveness of any documents or actions of the municipality, which should be determined in consultation with independent legal advice.

9. Municipal Development Plan (MDP)

LEGISLATIVE REQUIREMENTS: MGA 230, 606, 632, 641, 692

1. Is there a Municipal Development Plan?
 - Does the population of the municipality exceed 3,500?
 - If the population of the municipality is less than 3,500, does the Land Use Bylaw for the municipality contain 'Direct Control' zoning as per section 641(1)?
2. Does the MDP address/include:
 - future land use;
 - future development;
 - coordination of land use, growth patterns and infrastructure with adjacent municipalities (if there is no intermunicipal development plan);
 - transportation systems; and
 - municipal services and facilities?
3. Has the MDP been amended?
4. Was the amendment to the MDP advertised?
5. Was a public hearing held for the amendment to the MDP?

COMMENTS/OBSERVATIONS: Bylaw 652/10 adopts an MDP for the Town of Penhold. Bylaw amendments were advertised and a public hearing was held.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

10. Intermunicipal Development Plan (IDP)

LEGISLATIVE REQUIREMENTS: MGA 230, 606, 631, 636, 692, 708.28, 708.3

1. Is there an Intermunicipal Development Plan?
2. Does the IDP address/include within the IDP area:
 - future land use;
 - future development;
 - transportation;
 - coordination of intermunicipal programs (physical, social and economic development);
 - environmental matters;
 - dispute resolution processes;
 - plan repeal/amendment procedures; and
 - plan administration provisions?
3. Has the IDP been amended?
4. Was the amendment to the IDP advertised?
5. Was there a public hearing for the amendment of the IDP?

COMMENTS/OBSERVATIONS: The town currently has an IDP with Red Deer County which was adopted on July 15, 2017 by bylaw 743/17. The IDP addresses all required content and met legislative requirements.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

11. Intermunicipal Collaborative Frameworks (ICF)

LEGISLATIVE REQUIREMENTS: MGA 708.33, Intermunicipal Collaboration Framework Regulation 191/2017

1. Has an ICF been adopted with each municipality that shares a common border? (Not applicable until April 1, 2020.)

COMMENTS/OBSERVATIONS: The town is aware of the upcoming legislative requirements and is currently working with Red Deer County.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: Municipalities are required to adopt intermunicipal collaboration frameworks that specify what and how services are funded and delivered by April 1, 2020.

RESOURCES: Information on ICF requirements, contents and dates can be located online at: [Intermunicipal Collaboration Frameworks](#)

12. Listing and Publishing Policies Related to Planning Decisions

LEGISLATIVE REQUIREMENTS: *MGA 638.2*

1. Are the following published on the municipal website:
 - an up-to-date list of council approved policies (by bylaw or resolution) used to make planning/development decisions;
 - a summary of these policies and their relationship to each other and to statutory plans and bylaws passed under Part 17 of the *MGA*; and
 - documents incorporated by reference in any bylaws passed under Part 17?

COMMENTS/OBSERVATIONS: The town is aware of the requirements to publish all policies related to planning decisions by January 1, 2019.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: Update the website to include a comprehensive list and summary of all planning policies, how they relate to each other and how they relate to any statutory plans and bylaws.

RESOURCES: Municipal Affairs Planning Advisors are available to provide planning and development support by calling toll-free 310-0000 and then 780-427-2225.

3.11 Local Authorities Election Act (LAEA)

1. Joint Elections

LEGISLATIVE REQUIREMENTS: *Local Authorities Election Act (LAEA) 2-3*

1. Is there an agreement to hold an election in conjunction with another local authority?
2. Does the agreement include:
 - which elected authority is responsible for the conduct of the election; and
 - the appointment of a returning officer for each local authority.

COMMENTS/OBSERVATIONS: The town does not conduct joint elections with another local authority.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: No action required.

RESOURCES: Not applicable.

2. Oath/Statement

LEGISLATIVE REQUIREMENTS: LAEA 16, Local Authorities Election Forms Regulation 106/2007

1. Did the Returning Officer, and all deputy returning officers take the oath/statement as per the Local Authorities Election Forms Regulation for the most recent election?

COMMENTS/OBSERVATIONS: Prior to the October 2017 general election each election officer took the appropriate oath or statement.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: No action required.

RESOURCES: Not applicable.

3. Nomination Forms

LEGISLATIVE REQUIREMENTS: LAEA 27, 28.1, 34, 97

1. Is there a bylaw requiring a deposit upon the submission of a nomination form?
2. Were the nomination papers signed by at least five residents of the municipality?
3. Have all nomination papers that were filed prior to the most recent election been retained?
4. Were copies of the prescribed form for the identification of an official agent, campaign workers and scrutineers for the purposes of identification under section 52 made available to the candidates?
5. Does the municipality ensure that the Deputy Minister is forwarded a signed statement showing the name of each nominated candidate, election results, and any information about the candidate that the candidate has consented to being disclosed (for general elections and by-elections)?

COMMENTS/OBSERVATIONS: Bylaw 744/17 was passed in June 2017 requiring a deposit to accompany every nomination form. Nomination forms were signed and filed in accordance with LAEA. Prescribed forms for the purpose of identification under section 52 were not required. The Deputy Minister was provided with all required information.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: No action required.

RESOURCES: Not applicable.

4. Proof of Elector Eligibility

LEGISLATIVE REQUIREMENTS: LAEA 53, 53.1

1. Is there a bylaw to require additional pieces of identification to prove elector eligibility?
2. If so, was the bylaw advertised?
3. Did the notice of the bylaw include:
 - a statement of the general purpose of the bylaw and the proposed requirements for the number and types of identification that must be produced to verify elector name, current address and, if applicable, age;
 - the address where a copy of the proposed bylaw may be inspected; and
 - an outline of the procedure to be followed by anyone wishing to file a petition in respect of the proposed bylaw, as provided for in the MGA?

COMMENTS/OBSERVATIONS: There is no bylaw requiring additional pieces of identification to prove elector eligibility.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: No action required.

RESOURCES: Not applicable.

5. Vote by Special Ballot

LEGISLATIVE REQUIREMENTS: LAEA 77.1, 77.2, 77.3

1. If the municipality provided for special ballots, was the Minister notified?

COMMENTS/OBSERVATIONS: The town does not provide for special ballots.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: No action required.

RESOURCES: Not applicable.

6. Ballot Account

LEGISLATIVE REQUIREMENTS: LAEA 88, 89, 94, 100

1. Has a copy of the ballot account been retained?

COMMENTS/OBSERVATIONS: The town provided a copy of the 2017 ballot account.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: Not applicable.

7. Disposition of Election Material

LEGISLATIVE REQUIREMENTS: *LAEA* 101

1. Were the election materials disposed of in accordance with section 101?
2. Is there a copy of the affidavits of destruction of the ballot box contents sworn or affirmed by the two witnesses?

COMMENTS/OBSERVATIONS: The town has not disposed of the 2017 general election materials in accordance with section 101 of the *LAEA* which required the documents to be disposed of by November 27, 2017.

MEETS LEGISLATIVE REQUIREMENTS: No

RECOMMENDATIONS/ ACTION ITEMS: The town is required to dispose of election materials in accordance with section 101 of the *LAEA* and ensure the appropriate affidavit is completed following the destruction of the materials.

RESOURCES: Municipal Affairs Advisors are available to provide elections support by calling toll-free 310-0000 and then 780-427-2225.

MUNICIPAL RESPONSE: Response to the findings, or comments, status or action to be taken including key milestones and deadlines. Where resolutions of council are required please provide the date of approval and motions of council and/or bylaw numbers.

8. Campaign Disclosure Statements

LEGISLATIVE REQUIREMENTS: LAEA 147.4

1. Did all campaign disclosure statements include:
 - the total amount of all campaign contributions received during the campaign period that did not exceed \$100 in the aggregate from any single contributor;
 - the total amount contributed, together with the contributor's name and address, for each contributor whose contributions during the campaign period exceeded \$100 in the aggregate;
 - the total amount of money paid by the candidate out of the candidate's own funds;
 - the total amount of any campaign surplus, including any surplus from previous campaigns; and
 - a financial statement setting out the total amount of revenue and expenses?
2. Are all documents filed under this section available to the public during regular business hours?

COMMENTS/OBSERVATIONS: No campaign contributions were collected by town candidates.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: No action required.

RESOURCES: Not applicable.

3.12 Grants

1. Grant Application

LEGISLATIVE REQUIREMENTS: Municipal Affairs Grants Regulation 123/2000

1. Are grants that are provided to the municipality used:
 - only for the purpose for which the grant was made; or
 - for any variation of that purpose approved by the Minister?

COMMENTS/OBSERVATIONS: The town currently has unused municipal sustainability initiative (MSI) capital funding.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ ACTION ITEMS: No action required.

RESOURCES: Not applicable.

3.13 Emergency Management

1. Municipal Emergency Organization/Agency/Advisory Committee

LEGISLATIVE REQUIREMENTS: *Emergency Management Act (EMA)* 11, 11.1, 11.2

1. Has an emergency advisory committee been appointed consisting of a member or members of council to advise on the development of emergency plans and programs?
2. Is an emergency management agency established to act as the agent of the local authority in exercising the local authority's powers and duties under the EMA?
3. Has a director of the emergency management agency been appointed?
4. Are there prepared and approved emergency plans and programs?

COMMENTS/OBSERVATIONS: An emergency advisory committee has not been appointed. The town is part of a regional emergency response team that has a regional response plan. A Director of Emergency Management has been appointed. There are prepared and approved emergency plans in place.

MEETS LEGISLATIVE REQUIREMENTS: No

RECOMMENDATIONS/ACTION ITEMS: As per section 11.1 of the *EMA*, the town needs to appoint an emergency advisory committee.

RESOURCES: For questions and additional support pertaining to emergency management, contact the Alberta Emergency Management Agency at 310-0000 then 780-422-9000.

MUNICIPAL RESPONSE: Response to the findings, or comments, status or action to be taken including key milestones and deadlines. Where resolutions of council are required please provide the date of approval and motions of council and/or bylaw numbers.

3.14 Libraries

1. Municipal Library Board

LEGISLATIVE REQUIREMENTS: *Libraries Act* 3-5

1. Is a municipal library board established?
2. Has council provided a copy of the bylaw establishing the board to the Minister?
3. Has council appointed the members of the board?
4. In the case of an intermunicipal library board, have the councils establishing the board appointed the members?
5. Does the membership appointment term exceed three years?
6. Does any member's number of terms exceed three terms? If so, did two-thirds of council approve?
7. Are there alternate members?

COMMENTS/OBSERVATIONS: One councillor is appointed to the Penhold and District Library as well as an alternate (council resolution 2017-16). The *Libraries Act* does not provide for the appointment of alternates on local library boards.

MEETS LEGISLATIVE REQUIREMENTS: No

RECOMMENDATIONS/ACTION ITEMS: Ensure the library board appointments align with the *Libraries Act* so that alternates are not appointed.

RESOURCES: Municipal Affairs Library Consultants are available to provide library support by calling toll-free 310-0000 and then 780-427-4871.

MUNICIPAL RESPONSE: Response to the findings, or comments, status or action to be taken including key milestones and deadlines. Where resolutions of council are required please provide the date of approval and motions of council and/or bylaw numbers.

2. System Library Board

LEGISLATIVE REQUIREMENTS: *Libraries Act* 16, Libraries Regulation 141/1998

1. Is a system library board established?
2. Have councils that have signed the agreement appointed the members of the board?
3. Does the membership appointment term exceed three years?
4. Does any member's total years of service exceed nine consecutive years? If so, did two-thirds of council approve?
5. Are there alternate members?

COMMENTS/OBSERVATIONS: The town is part of the Parkland Regional Library System (PRLS). At the organizational meeting, one councillor is appointed to the board as well as an (council resolution 2017-16). The *Libraries Act* permits alternates on regional boards.

MEETS LEGISLATIVE REQUIREMENTS: Yes

RECOMMENDATIONS/ACTION ITEMS: No action required.

RESOURCES: No action required.

Section 4: Conclusion

Your participation and cooperation during the 2018 Municipal Accountability Program review are appreciated. This report is intended to help the Town of Penhold reach full mandatory legislative compliance.

No confidential information is contained within this report; therefore, the report in its entirety should be shared with council to strengthen awareness of the diversity and magnitude of municipal responsibilities, the significant tasks and work involved, and achievements in compliance. The report can be used as a planning tool for addressing the compliance gaps identified and for future training purposes. To demonstrate transparency and accountability to citizens, it is strongly encouraged that the review results are shared during an open public meeting.

The ministry is committed to maintaining a strong collaborative working relationship. As this is the inaugural year of the Municipal Accountability Program, we welcome your feedback on our review process as we work together to ensure Albertans live in viable municipalities with well-managed local governments.