

# Flagstaff Intermunicipal Partnership Communities Collaboration Initiative -Information and Discussion Handout-

## Where We've Been

Established in 2003, the Flagstaff Intermunicipal Partnership (FIP) is comprised of nine member municipalities from the region:

Daysland	Hardisty
Killam	Sedgewick
Alliance	Forestburg
Heisler	Lougheed
Flagstaff County	

FIP's mandate is to find ways to partner and collaborate with each other to ensure long-term prosperity and quality of life as a region of communities.

FIP has produced many successful initiatives over the past 13 years. The Regional Emergency Services Communications System; Regional SCADA System for Water Treatment Plants; Regional Assessment Review Board; and the Regional Subdivision and Development Appeal Board are all the result of hard work and cooperation between member communities.

## What Is The Communities Collaboration Initiative About?

We have agreed as communities we need to evaluate creative opportunities available through greater regional collaboration for the sake of a bright future for each and for all of our communities.



## Why Do This? Why Now?

We are nine communities and 8000 people facing a future that won't look like the past.

Rural Alberta is challenged by population decline. The urban and rural population within Flagstaff County boundaries declined 8% between 2001 and 2011. Declining population translates to declining services or higher taxes to pay to maintain services. Enhanced services or amenities become next to impossible, unless we can attract new people and investment.

We are struggling to pay the bills today with the services we have – particularly as infrastructure ages and we don't have a nest egg to reinvest in that infrastructure. The gap between what families and investment want, and what we can provide is growing.

A key way out of this downward cycle is to attract investment and families. But today's society has higher expectations for services, business investment wants lean business costs, and we live in a competitive economy where investment and families have many locational choices – and they compare costs and quality of life.

We need to think hard not only about how we provide the services people want with a very efficient use of tax dollars, but how to attract families and investment to our region. We shouldn't aim to just survive, but to thrive.

We need to work together to meet this challenge. We aren't big enough and don't have enough resources individually to aggressively create opportunities for the future. Pooling resources in some fashion helps us solve our challenge. The big discussion we are having in the region via this initiative is how aggressive pooling of resources should be and what structure we should have to facilitate working together effectively.

What is clear is that the status quo isn't an option. The Alberta government has sent clear signals that they expect more cooperation and regional collaboration from municipalities. Creating a legacy for the next generation means the time to have the tough discussion and to act is now. Waiting for someone else to chart the future of the region's communities is not an answer.



## What Have We Done So Far in 2016?

To talk about regional cooperation options thoughtfully we have been working so far to understand our current situation:

### 1) Infrastructure Assessment

We are working to understand the condition of the infrastructure in each municipality to have a better picture of what investment is required to maintain it into the future. This is currently being completed by Urban Systems and results will be communicated to residents.

### 2) Community Sustainability

We surveyed each community's administration to better understand sustainability issues. We used a questionnaire that is distributed by Alberta Municipal Affairs to communities interested in assessing their sustainability.

Results show that communities are currently treading water. That means things are OK for now, but that doesn't mean things are good. Population decline and economic trends will challenge our viability in the future. We don't have a substantial financial nest egg, and we don't have much room to raise taxes to pay for maintenance of our current infrastructure, let alone consider investment in any new infrastructure or amenities.

### 3) Resident Services Survey

We surveyed community residents to better understand desired services and amenities. This work is complete. Below is a summary of the results:

*A majority is satisfied with services. A majority feels there is good value for tax dollar. BUT a majority says services will decrease in the future and that a quality/variety of services are needed to maintain a quality of life and to attract new investment and families. A majority wants to explore region-based services as a potential solution.*



- Services satisfaction – 73%.
- Most satisfied – resource recovery (84%), library (79%), outdoor recreation facilities (79%), cultural services (76%), indoor recreation facilities (75%).
- Least satisfied – public works (36%), protective services (27%), community programming (24%).
- Most “very” important services are basic services – protective services, public works, water and sewer service, resource recovery.
- Variety/quality of services – three times as many (37%) say they have experienced decreased vs increased (13%) services, with a split on positive or negative impact (30%), while 33% don’t know the impact.
- Value for tax dollars – 61% positive value, 35% negative value.
- 53% say quality/variety of services will decrease in future.
- 64% feel future focus should be on better existing services, with 31% feeling addition of new services that enhance quality of life should be the focus.
- Expanded services are an important investment/family attraction tool: 59% say yes, 41% say no.
- Where are the services gaps – multipurpose facility (daycare, yoga etc.) 97 responses; spray park 80 responses; walking/biking trails 73 responses; indoor swimming pool 66 responses.
- A majority (71%) wants services maintained or enhanced, and are willing to pay taxes at the rate of inflation or more to do this.
- Top eight “very important” region-based services to consider: Fire Services (68%), Emergency Services (68%), Medical Facilities Planning (62%), Seniors Care (57%), Medical Recruitment (56%), Transportation Services (55%), School Planning (54%), Communications Systems (53%).



## The Future – Those Who Agree/Strongly Agree – The Top 6

- 62% - my community needs higher quality services/amenity.
- 63% - our recreation, culture and basic services are adequately maintained.
- 73% - I would support provision of more region-based service if it enhanced variety/quality of available services.
- 61% - I would support provision of a more region-based service vs available in my community if it meant tax reductions.
- 87% - quality/variety of services/amenities is important to attract families and investment to the region.
- 65% - it's more important that we have in-community access to health, education and seniors housing even if we could get better services or larger facility from a consolidated location in the region.
- 61% disagree or strongly disagree with statement: "I don't support region-based services."

## Important Factors To Consider In More Region-Based Services (Ranked #1 or #2)

- Cost of services/tax rates – 59%
- Facility location – 37%
- Community identity retention – 31%
- Community autonomy over decision making – 30%
- More region-based government administration – 28%
- More region-based elected governance – 23%

## An Ability to Maintain and Grow – Now Vs Future

87% say quality / variety of services/amenities is important to attract families and investment to the region. There is a declining population base in the region to pay for existing, or consider enhanced, services/amenities.



Financial analysis indicates there is a limited ability for an individual community to re-invest in infrastructure repair and/or new services/amenities. Most communities in the region have:

- Higher than the Alberta average tax burden
- Higher than average utility rates compared to the surrounding region
- Infrastructure maintenance that is not fully funded
- Capital assets with very significant depreciation
- Low debt on the books, but have very limited debt ceilings
- Limited reserve funds

## Conclusion

Based on our work to date, we have concluded that:

- **The Current Situation Is Not Sustainable Into The Future**
- **The Current Situation Is Not An Option**
- **There Is No Guaranteed Solution To Our Challenges**
- **Solutions Can't Be About Today, They Have To Be About The Future**
- **Alone – We Aren't As Prosperous, Efficient Or Competitive As We Could Be**
- **Working Together Will Generate More Opportunity And Growth For Everyone's Benefit**

## **4) Successful Examples of Region-Based Collaboration/Governance: The Four Principles**

We have looked at similar situations in Canada when communities get together to collaborate – from services to governance. From this work we have developed a set of successful practices that can be used to discuss options and recommend a solution – and four sets of principles that other leaders have followed to give their communities the best chance of success when discussing enhanced cooperation, regionalization and/or amalgamation:



## A. Governance (Structure and Accountability) Principles

- Local leaders should draw boundaries with a facilitator to ensure balance, fairness and impartiality.
- Wherever possible, boundaries should be a reflection of natural community patterns of travel and relationships.
- Beginning with a Ward System allows security and comfort of local representation, but can maintain internal divides and protectionism over the long-term. Consideration should be given to replacing the ward system with an 'at-large' system before the 2025 municipal election.
- Council size and geographic representation must be decided to ensure regional management and planning and a focus on growth and new opportunities, not personal sentiments or historic boundaries.
- Any new governance structure should be independently reviewed for balance and effectiveness between the first and second terms.
- Governance structures should be viewed as a tool for the partners, and if change is needed, the structure can be revisited at any time.

## B. Taxation and Debt Principles

- Taxation levels should reflect the services provided and their accessibility to ratepayers.
- Tax savings should be re-directed to initiatives that grow the region and its tax base.
- Reserve funds must remain in place for the same purpose they were raised.
- Debt considerations should include all debt – financial and infrastructure.
- Outstanding debt one community has should remain the responsibility of the citizens who incurred the debt. Matching debts will offset each other.



### C. Services Principles

- Service and taxation levels must be correlated, meaning areas that benefit from the service must pay the correlating taxes and fees.
- Service levels are best broken down into three categories for consideration of taxation and delivery:
  - Region-wide (911, water, economic development)
  - Sub-regional (recreations, roads, waste water)
  - Local (playgrounds, sidewalks, gutters)

### D. Identity Principles

- Community names and histories need to be embraced and enhanced. Regions don't attract people, communities with quality of life do.
- Regional initiatives on cooperation, collaboration and amalgamation enhance the identity of communities, they don't remove them.
- A focus on its history, name, heroes, relationships and economic opportunity preserves and builds identity. New lines should not become new boundaries that divide communities.
- Solutions to address identity should not only focus on internal emotions and history, but also on the external opportunity for marketing, branding and attracting economic opportunities.



## The Path Forward: Three Options To Discuss

Several months of research and information gathering is clearly pointing to three options the FIP communities should consider:

- **Cooperation** – increasing the number of formalized agreements, and closer working relationships on regional initiatives.
- **Regionalization** – creating a governance model that allows regional decisions to be made at one level of government and the day-to-day operations of each municipality to remain with their elected officials.
- **Amalgamation** – combining all, or some, of the nine FIP communities into one, or more, municipality(ies) with a new governance structure, administration and identity.

None of these options have been chosen as a path forward. FIP would like the communities' help in determining this path. Community input will play a significant role in whatever path is chosen. And, we are aiming to have this path chosen before the October 2017 municipal elections.

Open Houses to be held on Nov. 1<sup>st</sup>, 3<sup>rd</sup>, and 19<sup>th</sup> will present the FOUR SETS OF PRINCIPLES for discussion, feedback and potential revision.

The FOUR SETS OF PRINCIPLES will then be used by regional officials to develop a practical and workable solution to help secure our collective success. At a future date you will be asked to support (or not) the proposed solution.

There is no simple solution, but if we work together it will be OUR solution. We also must remember that whatever we choose can be improved upon in the future. We don't have to have the perfect model, but we need a new model that ensures we have the chance to succeed, not just survive for a little while longer. Whatever solution is developed and proposed does not mean "that's it." The best solutions in Canada have continued to make adjustments based on what's working, or not working. The world is changing and we have to change with it, now and in the future.



We do believe that a simple foundation to reflect as we develop a solution is that residents want:

- 1) Fair taxes
- 2) Reasonable services (basic services like water and emergency services first and most important)
- 3) Service enhancement if possible/affordable in the future
- 4) Good government (accessible, efficient, fair, representative)

The information in this handout is not meant to address every single issue or topic that could come up, but is meant to help focus discussions on key areas that require firm decisions as the committee moves forward.

FIP understands the importance of the public's perspective, opinions and views in determining the region's future. Information provided in the Feedback Form at the end of this document will help guide community leaders as they look at options to help make all communities in the Flagstaff region sustainable for generations to come. If you prefer to fill out the Feedback Form electronically this entire document and the questions are available online at [www.flagstaffunited.ca](http://www.flagstaffunited.ca)



## The Decision To Be Made:

**OPTION A** - Generate a region-based governance/services solution, explain to us how it works, and then implement it.

Pro – we can move on with working together as a region on our opportunities

Con – you may not agree with everything that is implemented

**OPTION B** - Hold a public vote at the next election so we (the public) choose the regional collaboration solution.

Pro – you have the final democratic say on the solution

Con – there may not be a clear winner in a vote, which means we are paralyzed

**OPTION C** - Let those who want regional collaboration run on that in the next election (October, 2017) against those who don't want more collaboration.

Pro – you will get to hear a lot of different solutions proposed

Con – there will be a lot of different solutions proposed that may be about what is good for one community, but not work as a collaborative regional solution

**OPTION D** - None of the above. I don't support any further regional collaboration.

Pro – you won't have to make any tough choices

Con – there is no status quo. The law is changing to mandate collaboration. How it happens is your choice now, or someone else's in the future.

**OPTION E** - Unsure/don't know (please specify on your feedback slip)



## FEEDBACK FORM

1. Which of the four DECISION options do you prefer and why?

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2. Do you have a concern not covered or addressed by the PRINCIPLES?

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3. Do you have any other comments about consideration of region-based solutions?

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