

Cardston & Area

Organizational & Services Review Shared Services Options

March, 2014



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1 Executive Summary

Improved efficiencies, effectiveness and viability are the objectives of the ‘Organizational and Services Review’ and this resulting report. The Cardston area is represented by the:

Town of Cardston,
Town of Magrath,
Village of Glenwood,
Village of Hill Spring and
Cardston County (County).

The Villages initiated this project by requesting the Town of Cardston to assist in addressing how the Villages could adjust when the operating portion of the Municipal Sustainability Initiative grant program would be discontinued in 2016. This would result in approximately \$35,000 in lost revenues for each Village; revenues used to pay for the normal Village operating costs. Chief Administrative Officer (CAO) and Chief Financial Officer (CFO) services were identified as an area of focus; services currently contracted from the Town of Raymond.

The Cardston area municipalities decided to use this request from the Villages as an opportunity to review all of their services and determine if they could be delivered in a more effective and efficient manner. The Town of Cardston administered this project with the Province of Alberta providing the funding. The administrations and support staff of each municipality provided the information. This information was reviewed first by each individual municipality and then collaboratively, at which time shared service options and models were discussed and finalized for recommendation and future action. There are two reports; this ‘Shared Services Options’ report and a ‘Support Information Report’ which provides the background information for administration use.

The foundation of agreements to share services between two or more municipalities should be a set of principles that have been accepted by each of the participating partners. These principles are in Section 3 and were accepted by the administrations of the five municipalities represented; some key principles are:

- Provide full disclosure and factual information.
- Respect all points of view as well as aspects of mutual interest and single jurisdictional interest.
- Share costs on a fair and equitable basis.
- Find mutually beneficial solutions.
- Communicate effectively to each other and the public.

The discussions of potential new shared services or amendments to existing shared services resulted in three categories:

- Partnerships proposed for implementation in 2014. (Section 5)

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- Partnership options deferred to a future date. (Section 6)
- Partnership options with no further consideration. (Section 7)

The partnerships proposed for implementation in 2014 are staged; some with discussions to begin prior to May 31, 2014 and others prior to September 30, 2014.

May 31, 2014

1. Administration services for the Villages with a common CAO and common Administrative Assistant
2. Water and wastewater operator services consortium
3. CAO interaction and back-up
4. Share County shop building
5. Regional economic development discussion group
6. Review cost sharing for contracted planning services

September 30, 2014

7. Bylaw enforcement consortium
8. Regional disaster and safety services
9. Develop consistent FCSS agreements
10. Develop regional recreation cost sharing agreement
11. Develop Cardston airport agreement
12. Cost sharing study of library services

There were other shared services options that were considered to be worthy of future consideration but were either not as high a priority as the 2014 options or required more study prior to considering for implementation.

1. Combine the Cardston and Magrath Emergency Authorities
2. Regional CAO
3. Regional financial services
4. Contract Cardston County to service and repair equipment
5. Regional Director of Public Works
6. Regional engineering services

A primary impetus for this project was administration services for the Villages. Section 5.1 provides the detail for the recommended option whereas Section 7.1 identifies an option discussed but not recommended. A key theme of the discussions during the review was that it was time for the Villages to intentionally work together in a co-operative manner in order to continue some degree of independence. This is required for the recommended option which:

- Provides a common CAO supervised by either the Town of Cardston CAO or County CAO.
- Provides a common Administrative Assistant.
- Reduces the time each Village office is open to two days per week.

Municipal administration is complex and sufficiently trained CAOs are in high demand. It is important that both Villages have the necessary municipal administrative expertise which this model will provide. Unfortunately, this model will not provide the cost reductions each Village would prefer. Currently, the 2014 costs to each Village for CAO and Administrative Assistant services are \$53,000 and \$58,000 for a total of \$111,000. The proposed model will have a total cost of \$114,000; \$57,000 per Village.

Financial services for the Villages were also discussed but a definitive model could not be presented. The CAO sponsoring municipality would prefer to provide the financial services but the Town of Cardston and Cardston County do not use the same financial software as the Villages. Further study will be required to determine how this incompatibility can be addressed and at what cost. The Villages currently pay \$24,000 in total to contract Chief Financial Officer services from the Town of Raymond and it is recommended that each Village continue using this service at this time.

Section 8 provides information that is specific to governance. One area addressed is elected official representation. Can time and resources be managed better through Village Council size reductions and elected official representation on inter-municipal and external committees? The second area is regarding the status of the Villages. Amalgamation or dissolution of the Villages entered into the interviews and discussions during this study. These topics are out of the scope of this project but, because they were raised, some summarized information is provided. Section 4.3 provides statistical and financial information specific to the Villages and Section 8.2 provides some commentary regarding amalgamation and dissolution. The key questions are future viability and value for the property tax dollar.

In conclusion, municipalities are to be commended when they take the initiative and the time to address how services can be provided to residents in a better manner. The administration and support staff who participated in this project are to be thanked for their time commitment in providing the data and its analysis. There will be much work in the future to successfully implement the recommended options but it is anticipated that all of the municipalities will be rewarded by being able to address some of the challenges that each is currently encountering.

2 Project Objective, Scope and Overview

2.1 Project Objective and Scope

The municipalities in the Cardston area wish to review their delivery of services to determine if there are opportunities to improve efficiencies and be more effective. Two of the municipalities are Villages and are anticipating reduced

revenues from external sources in the near future. The municipalities included in this review are:

- Town of Cardston
- Town of Magrath
- Village of Glenwood
- Village of Hill Spring
- Cardston County

The scope of this study was focused on the delivery of services which included assessing the capacity of staff levels and staff expertise. The project was divided into two parts:

Part I – Current Services Review

Each of the municipalities was reviewed to determine how services to residents are currently being provided.

Part II – Proposed Service Delivery Models

Develop a services delivery model that will enable the Towns, Villages and County to provide a reasonable level of service to residents utilizing available resources efficiently.

The scope of the review did not intentionally address how each municipality is governed and administered but some governance and administrative related matters are noted in the report as a result of the various analyses and discussions.

The purpose of the study was to identify opportunities to provide services more effectively and efficiently; therefore, the following topics were not addressed:

- Revenue sharing because it is a planning and development matter.
- Linear assessment sharing because it is a Provincial issue.

2.2 Project Process

The process could be summarized as data collection, data analysis and data discussion. The process stages were:

- Each municipality was requested to complete a questionnaire which summarized the services provided and how they are delivered. This included individual interviews with each CAO.
- Councils were not included in the data collection process except for the Village Councils. The consultant met with each Village Council to discuss Village operations, challenges and expectations.
- Each municipality provided financial data for each service and expanded on the information provided in the questionnaires.
- A ‘Support Information Report’ was developed representing Part I of the project scope; the current services review. This report will be a resource for administration and includes information on:
 - Services provided.
 - Staffing, boards and committees.

- Financial – general and specific
- Inter-municipal partnerships
- Strategic plans

This information is presented by each type of service as well as a separate appendix for each municipality.

- The consultant facilitated a joint meeting of senior administration to:
 - Review a draft of the ‘Support Information Report’.
 - Develop shared services principles.
 - Identify potential opportunities to explore regarding shared services.
- Each municipality was requested to provide additional information with opinions on each of the suggested options.
- The administrations met to review each option and decide which options should be recommended to ‘proceed with immediately’, ‘defer to the future’ and ‘not consider any further’.
- As a result, the ‘Shared Services Options Report’ was developed representing Part II of the project scope; proposed service delivery models.

There are some gaps in the data because each municipality collects financial and statistical data in various levels of detail.

3 Partnership Principles

The foundation of agreements to share services between two or more municipalities should be a set of principles that have been accepted by each of the participating partners. The following principles were used as the premise for this study on shared services:

1. Understand each other’s aspirations by providing full disclosure and factual information;
2. Respect each other’s point of view and have honest interaction and realistic expectations;
3. Respect which aspects are of mutual interest and which areas are of single jurisdictional interest;
4. Share costs relating to the delivery of agreed upon soft and hard services on a ‘fair and equitable’ basis;
 - a. Fair and equitable’ will mean that one municipality is not unreasonably subsidizing another municipality.
 - b. The Villages may not be able to bring additional value to the partnerships but each will endeavor to contribute their fair share.

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- c. The objective will be to have the summation of all of the partnerships to be 'fair and equitable' but each individual shared service may not necessarily achieve the 'fair and equitable' definition on its own.
 - d. There will be no discrimination regarding services available and the cost of such services to Town, Village and County residents.
5. Support each other in finding mutually beneficial solutions;
 6. Serve the constituents while respecting the social, economic and infrastructure capacities of the municipalities;
 7. Communicate effectively to clarify any challenges and provide a clear and mutually supportive message to the public; and
 8. Live within the carrying capacity of the landscape.

Note: Current legislation or agreements with clauses that are mandated by senior governments or other higher authorities will not be included in the 'fair and equitable' analysis.

Each shared service agreement:

- Will provide sufficient guidance for proper implementation and consistent interpretation.
- Will have the ability to evolve over time and to adjust to change.
- Will have an amendment process that is more administrative than political.
- Will include a mechanism for review and refinement.
- Will be reviewed periodically to ensure that the goals and principles are being achieved.
- Will be based on services provided and received with the appropriate related costs.
- Will be based on a solid partnership including open communication and no 'after the fact' surprises.

4 Overview of the Current Situation

4.1 2012 Profile of the Municipalities

	Town of Cardston	Town of Magrath	Village of Glenwood	Village of Hill Spring	Cardston County
Statistics					
Population	3,580	2,217	287	186	4,167
Full time positions	27	13	2	1	22
Area (hectares)	844	626	129	88	332,572
Length of open roads (km)	37	22	11	5	1,347
Water mains length (km)	42	20	8	4	43
Wastewater mains length (km)	39	18	8	5	0
Storm drainage mains length (km)	19	5	0	1	0
Number of dwelling units	1,252	743	126	84	1,320
Hamlets					11
Population per dwelling unit	2.86	2.98	2.28	2.21	3.16
Council	7	7	5	5	7
Mayor/Reeve	Elected	Elected	Appointed	Appointed	Appointed
Distance from Cardston (km)		41	32	43	

	Town of Cardston	Town of Magrath	Village of Glenwood	Village of Hill Spring	Cardston County
Financial Position					
Total financial assets	\$3,913,037	\$2,170,067	\$566,448	\$357,321	\$10,141,619
Total liabilities	\$3,329,683	\$1,964,577	\$384,218	\$277,977	\$1,798,790
Net financial assets	\$583,354	\$205,490	\$182,230	\$79,344	\$8,342,829
Total non-financial assets	\$44,675,612	\$23,125,064	\$2,445,175	\$2,841,934	\$37,864,232
Accumulated surplus	\$45,258,966	\$23,330,554	\$2,627,405	\$2,921,278	\$46,207,061

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Accumulated Surplus	Town of Cardston	Town of Magrath	Village of Glenwood	Village of Hill Spring	Cardston County
Unrestricted surplus	\$521,996	\$1,494,730	\$165,062	\$79,344	\$7,642,601
Unrestricted surplus per capita	\$146	\$674	\$575	\$427	\$1,834
Restricted surplus	\$1,968,747	\$116,891	\$32,227	\$0	\$1,889,422
Restricted surplus per capita	\$550	\$53	\$112	\$0	\$453
Total surpluses per capita	\$696	\$727	\$687	\$427	\$2,287
Equity in tangible capital assets	\$42,768,223	\$21,718,933	\$2,430,116	\$2,841,934	\$36,675,038

4.2 Current Partnerships

All of the municipalities in this study currently share services. These shared services operate under several different mechanisms:

1. Formal inter-municipal agreement with no cost sharing
 - a. Cardston & District Agricultural Society
 - b. Cardston & Cardston County Master Water Agreement
 - c. Cardston Inter-Municipal Development Plan Committee
 - d. Glenwood Recreation Board
 - e. Magrath & District Agricultural Society
 - f. Magrath & District Recreation Board
 - g. Magrath FCSS Board
 - h. Magrath Inter-Municipal Development Plan Committee
 - i. Spring Glen Park Association

2. Formal inter-municipal agreement with cost sharing
 - a. Cardston County Emergency Services Committee
 - b. Cardston FCSS Board
 - c. Chief Mountain Regional Solid Waste Authority
 - d. Chinook Arch Regional Library System
 - e. Chinook Foundation
 - f. Glenwood Cemetery Committee
 - g. Hill Spring/Cardston County Service Water Committee
 - h. Hill Spring Cemetery Committee
 - i. Magrath & District Fire Authority

The following table summarizes the 2013 payments made by municipalities for shared services that are provided under a formal agreement. The funds for these payments are presumably generated from property tax revenues; this summary does not include user fees.

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	Town of Cardston	Town of Magrath	Village of Glenwood	Village of Hill Spring	Cardston County	Total
Cardston FCSS	*\$74,010		\$2,039	\$1,392	\$3,500	\$80,941
Cardston Fire	\$92,681		\$7,129	\$5,346	\$73,075	\$178,231
Cardston Transfer Station	\$34,293				\$6,155	**\$43,965
Magrath Fire		\$52,170			\$52,170	\$104,340
Chief Mountain Regional Solid Waste Authority	\$72,065	\$46,362	\$5,639	\$3,867	\$85,920	\$213,853
Glenwood Transfer Station			\$3,887	\$2,681	\$6,836	\$13,404
Chinook Arch Library	\$24,165	\$14,965	\$1,823	\$1,627	\$36,339	\$78,919
Chinook Foundation	\$63,468	\$39,993	\$5,600	\$3,182	\$113,357	\$225,600
Total	\$360,682	\$153,490	\$26,117	\$18,095	\$377,352	\$939,253

* 2012 **Includes \$3,517 from the Blood Tribe

3. Informal arrangements to participate in a specific service
 - a. Cardston Airport
 - b. Cardston Economic Development & Tourism
 - c. Magrath Tourism

4. Informal contribution to operating and capital costs
 The County provides annual recreation and library grants to each municipality for both operating and capital purposes. These funds are not required under a formal agreement but rather an understanding that some funds will be provided. The following table provides some 2013 history on these grants:

	Town of Cardston	Town of Magrath	Village of Glenwood	Village of Hill Spring	Total
Operating					
Library	\$5,000	\$5,000	\$5,000		\$15,000
Recreation	\$40,740	\$32,660	\$7,160	\$4,160	\$84,720
Summer games	*\$3,700				\$3,700
Capital					
Swimming pool	\$250,000				\$250,000
Trail system		\$45,000			\$45,000
Fire Truck		**\$275,000			\$275,000
Total	\$299,440	\$357,660	\$12,160	\$4,160	\$673,420

*Town of Cardston administers this program on behalf of the 5 municipalities.

**County retained ownership

5. Services obtained from another agency
 - a. Magrath & District Regional Water Service Commission
The cost for the services is covered by user fees.
 - b. Oldman River Regional Services Commission

	2013 Basic Fee
Town of Cardston	\$24,178
Town of Magrath	\$11,255
Village of Glenwood	\$3,090
Village of Hill Spring	\$2,000
Cardston County	\$21,325
Total	\$61,848

Municipalities pay extra for GIS and project specific services.

4.3 Challenges

The Villages are experiencing the most significant challenges regarding their future because of their small size and limited tax base but most Alberta municipalities are confronted with challenges. Some of these are:

- Downloading of responsibilities, financial and otherwise, from the Province. Examples are social programming, safety codes and funding of bridges.
- Being forced to adjust to new provincial mandates and priorities.
- An infrastructure deficit.

Some other challenges that may be more specific to the Cardston region are:

- Appointing affordable, qualified personnel.
- Limited growth compared to other parts of the Province.

One additional challenge for all Alberta municipalities, but one that may impact the Villages more significantly and was a trigger to this study, is the discontinuation of the Municipal Sustainability Initiative (MSI) Operating Grant program.

MSI Operating Grant

The MSI is an allocation-based grant program with several factors influencing the annual allocation; these factors include education property tax requisitions, population, kilometers of roads. The MSI grant is divided into two separate grants; operating and capital. The operating grant includes the base amount and, if applicable, sustainable investment funding. Sustainable investment funding is provided to municipalities with populations under 10,000 and limited property assessment bases. All five of the municipalities in this study qualified for sustainable investment funding in 2013.

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The MSI Operating Grant Program will be phased out over a 2 year period from 2014 – 2015; it will be discontinued in 2016. Because the grant calculation factors annually change, it is difficult to predict precisely the amount of the grant in 2014 and 2015 but the approximate grant reduction will be 40% in 2014 and 50% of the 2014 amount in 2015. (Note: The Provincial fiscal year is April to March; therefore, for example, the Province will refer to a 2014/15 grant which for municipal purposes is a 2014 grant.

The MSI Operating Grant reduction will impact the municipalities as follows:

MSI Operating Grant	Town of Cardston	Town of Magrath	Village of Glenwood	Village of Hill Spring	Cardston County
Base grant 2013	\$209,204	\$230,356	\$33,691	\$36,172	\$236,971
2014 grant - actual	\$193,359	\$132,533	\$22,651	\$23,817	\$138,713
2015 grant - 50% decrease	\$96,680	\$66,267	\$11,326	\$11,909	\$69,357
2016 – grant discontinued	\$0	\$0	\$0	\$0	\$0

The MSI Operating Grant Program will be replaced by the Regional Collaboration Program. This new program, currently in place but under review, will require municipalities to apply for these funds which will be provided, if approved, on a ‘one-time’ basis per specified purpose.

**Villages Information
Population Data**

	Village of Glenwood			Village of Hill Spring		
	2000	2013	Increase (Decrease)	2000	2013	Increase (Decrease)
Population	295	287	(2.7%)	206	186	(9.7%)
Census year	1996	2011		1997	2011	
Alberta Villages						
Total	107	93		107	93	
Rank	41st	40th		23rd	18th	
Minimum*	40	25		40	25	
Maximum	1,016	1,147		1,016	1,147	
Average	400	420	5.0%	400	420	5.0%
Median	359	340	(5.3%)	359	340	(5.3%)

* The population of the 2nd lowest ranked village is 95 (2000) and 105 (2013).

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Financial Position

	Village of Glenwood		Village of Hill Spring	
	2011	2012	2011	2012
Financial Position				
Total financial assets	\$571,078	\$566,448	\$441,457	\$357,321
Total liabilities	\$392,071	\$384,218	\$398,083	\$277,977
Net financial assets (net debt)	\$179,007	\$182,230	\$43,374	\$79,344
Total non-financial assets	\$2,130,388	\$2,445,175	\$2,675,440	\$2,841,934
Accumulated surplus	\$2,309,395	\$2,627,405	\$2,718,814	\$2,921,278
Accumulated Surplus				
Unrestricted surplus	\$172,309	\$165,062	\$43,374	\$79,344
Unrestricted surplus per capita	\$600	\$575	\$233	\$427
Restricted surplus	\$32,227	\$32,227	\$0	\$0
Restricted surplus per capita	\$112	\$112	\$0	\$0
Total surpluses per capita	\$712	\$687	\$233	\$427
Equity in tangible capital assets	\$2,104,859	\$2,430,116	\$2,675,440	\$2,841,934

Revenue and Expenses Ratios

	Village of Glenwood		Village of Hill Spring		
	2011 Actual	\$	% of Total	\$	% of Total
Revenues					
Net municipal property taxes	144,450	144,450	32.7	127,565	53.1
Operating grants	55,001	55,001	12.5	37,821	15.7
User fees	207,084	207,084	46.9	66,630	27.7
Other revenue	34,799	34,799	7.9	8,326	3.5
Total Revenue	441,334	441,334	100.0	240,342	100.0
Expenses					
General government	144,964	144,964	35.0	122,455	51.9
Protective services	14,474	14,474	3.5	5,418	2.3
Transportation	98,426	98,426	23.8	19,664	8.4
Environmental Use	75,891	75,891	18.3	69,791	29.6
Public health & welfare	4,233	4,233	1.0	1,457	0.6
Planning & development	0	0	0.0	0	0.0
Recreation & culture	76,047	76,047	18.4	16,991	7.2
Total Expenses	414,035	414,035	100.0	235,776	100.0

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2012 Actual	Village of Glenwood		Village of Hill Spring	
	\$	% of Total	\$	% of Total
Revenues				
Net municipal property taxes	139,435	31.0	124,222	45.8
Operating grants	94,916	21.1	63,136	23.3
User fees	163,519	36.4	68,566	25.3
Other revenue	51,698	11.5	15,082	5.6
Total Revenue	449,568	100.0	271,006	100.0
Expenses (excluding amortization)				
General government	159,856	36.7	132,473	56.5
Protective services	11,551	2.7	7,645	3.3
Transportation	55,178	12.7	18,125	7.7
Environmental Use	91,172	21.0	67,294	28.7
Public health & welfare	1,784	0.4	1,392	0.6
Planning & development	3,611	0.8	2,306	1.0
Recreation & culture	111,766	25.7	5,298	2.2
Total Expenses	434,918	100.0	234,533	100.0

Property Assessment and Tax Rates

2013 Actual	Village of Glenwood		Village of Hill Spring	
	\$	% of Total	\$	% of Total
Property Assessment				
Residential/Farmland	22,973,830	83.6	14,480,900	94.7
Non-Residential	4,504,520	16.4	813,810	5.3
Total Assessment	27,478,350		15,294,710	
Assessment per capita	95,743		82,230	
Property Tax Rates				
Municipal				
Residential	4.6917		7.5297	
Non-residential	13.2609		8.2097	
Education				
Residential	2.6286		2.6139	
Non-residential	3.7446		3.8117	
Seniors	.2038		.2147	
Total residential	7.5241		10.3583	
Total non-residential	17.2093		12.2361	

Summary comments:

Village of Glenwood:

- The total net municipal property taxes are less than the amount expended for general government services (Council and administration).
- General government represents 37% (2011 – 35%) of the total operating expenses.
- User fees for utilities are subsidizing non-utility services.
- There are minimal funds available for long range planning.
- The residential tax rate is significantly less than the median tax rate for Villages of a similar size. The median rate would generate approximately \$130,000 more in property tax revenues.

Village of Hill Spring

- The total net municipal property taxes in 2012 are less than the amount expended for general government services (Council and administration).
- General government represents 57% (2011 – 52%) of the total operating expenses.
- There is a minimal amount of cash surplus and no funds set aside for long range plans.
- The municipal tax rate is a little less than the median tax rate for Villages of a similar size. The median rate would generate approximately \$20,000 more in property tax revenues.

5 Proposed Partnerships

Twelve (12) options to share services are proposed. If approved, implementation will begin either by May 31, 2014 or September 30, 2014.

Begin implementation by May 31, 2014

1. Administration services for the Villages
2. Water and wastewater operator services consortium
3. CAO interaction and back-up
4. Share County shop building
5. Regional economic development discussion group
6. Review cost sharing for contracted planning services

Begin implementation by September 30, 2014

7. Bylaw enforcement consortium
8. Regional disaster and safety services
9. Develop consistent FCSS agreements
10. Develop regional recreation cost sharing agreement
11. Develop Cardston airport agreement
12. Cost sharing study of library services

5.1 Administration Services for the Villages

Participating Municipalities: Cardston County
Town of Cardston
Village of Glenwood
Village of Hill Spring

Proposed Partnership:

Administration services will be provided to the Villages under a joint agreement between the Town of Cardston, Cardston County, Village of Glenwood and Village of Hill Spring. These services will be provided by a Village CAO supervised by either the Town or County CAO and a Village Administrative Assistant.

Specifics regarding this model are:

- All of the administrative personnel involved will be employees of either the Town or County and will provide services to both Villages.
- The Administrative Assistant will work five (5) days per week and serve both Villages and be supervised by the Village CAO.
- Each Village office will be open two (2) days per week providing one day for the Administrative Assistant to have uninterrupted time for office work.
For example: Monday – offices closed to the public
Village 1 – Village 1 office open Tuesday & Wednesday
Village 2 – Village 2 office open Thursday & Friday
- The Village CAO will serve both Villages for a total of three (3) days per week. Administrative services by this employee will be provided to the Town and County for the remaining two (2) days.
- The Town or County CAO will supervise the Village CAO.
- The administrative municipality (Town or County) will appoint the Administrative Assistant and recommend to the Villages the appointment of the Village CAO. The Village CAO appointment will be made jointly by both Villages.
- The Village CAO will not be required to be at the Village offices when conducting Village administrative work.
- The Town and County can provide speciality services, such as development permits, with their staff.

Financial Information

Financial parameters for this model are:

- The costs for these services will be spread over three (3) years because some costs such as training will be higher in the initial year.
- CAO supervision will be based on the average hourly cost of the Town CAO and County CAO plus 10%. (2014 rate - \$73/hour)

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- Provincial grants may be available to offset some of the costs. These grants will not be included to determine the projected annual cost for each Village but will be recognized to determine the actual annual cost to each Village.
- Administrative Assistant costs will be based on actual costs; Village CAO and CAO supervision time will be based on the projected hours determined in the agreement.

Projected costs are:

	Time	Total Annual Cost	Village Cost
Administrative Assistant	5 days/week	\$50,000	\$25,000
Village CAO	3 days/week	\$36,000	\$18,000
CAO Supervision	1,000 hours over 3 years	\$24,000	\$12,000
Travel from Cardston to Villages	\$40 per trip, 2 trips per week	\$4,000	\$2,000
Total		\$114,000	\$57,000

Calculation of CAO Supervision

Year 1: First 6 months – 15 hours per week; 360 hours
 Second 6 months – 5 hours per week; 120 hours
 Year 2 5 hours per week; 240 hours
 Year 3 5 hours per week; 240 hours
 Total 960 hours rounded to 1,000 hours.

Timeline: May 31, 2014

Outstanding Issue – Financial

Chief Financial Officer services are currently provided by the Town of Raymond. Each Village performs the day-to-day financial activities and uses financial software platforms similar to the Town of Raymond. The Town and County would prefer that financial services be provided by the same municipality as the one providing administrative services. Further study will be required to determine if and how this can be accomplished at a reasonable transition cost. In the meantime, each Village should continue contracting this service from the Town of Raymond.

Background and Rationale

Chief Administrative Officers for municipalities with experience and expertise who would be willing to work in a small municipality are difficult to find. Proper training takes times and is very necessary to make sure the municipality is following proper governance and is adhering to the legislated technical

requirements for municipalities. Villages normally cannot afford or attract a sufficiently qualified CAO.

The Town and County CAOs do not have time to provide the required administrative services for each Village. The Town and County have been approved for a Provincial regional intern position grant. Each CAO has agreed to allow this appointment to be used as the Village's CAO for three (3) days per week. Provincial funding is available for the initial year of this proposed model but the decision to proceed should not be based on funding from the Province or sources other than Village property taxes.

This proposed model for administrative services is based on the premise that both Villages will co-operatively work together. The Village offices do not need to be open every day to address the normal resident requirements. Efficiencies such as common training can be achieved by using one Administrative Assistant who is capable of running both offices. This should result in improved and consistent competencies. This employee will be accountable to the Village CAO. The Village CAO will be an employee of either the Town or County and, therefore, it is appropriate that the Administrative Assistant be an employee of the same municipality employing the Village CAO so that, for example, the supervising CAO can take over Village CAO supervision responsibilities in the absence of the Village CAO. This arrangement will also achieve independence of this position from either Village.

Some topics discussed by the study group that will need to be discussed prior to finalizing agreements regarding this proposal are:

- The Town of Cardston may be the preferred sponsoring municipality because there may be future situations where there is potential for Cardston County administration to be in conflict of interest when addressing Village/County issues. The Town would be more 'arms-length'.
- Can Village expectations be met with this model?
- Can the Town or County CAO realistically provide five (5) to fifteen (15) hours per week in their current schedule or will overtime be required which could result in some of the supervision costs being one and one-half times the hourly rate?
- What can be done to retain the Village CAO for at least three (3) years? The model provides more intense training costs initially in the 1st year that will be recovered over a three (3) year period.

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The current costs for administrative services of the Villages are:

	2013 Actual	2014 Budget
Village of Glenwood		
Administrative Assistant	\$36,796	\$37,000
Contracted CAO (5.5 hours)	\$15,771	\$16,245
Total	\$52,567	\$53,245
Village of Hill Spring		
Administrative Assistant	\$19,359	\$21,852
Contracted CAO (11.5 hours)	\$35,561	\$36,628
Total	\$54,920	\$58,480
Total Villages	\$107,487	\$111,725

5.2 Water and Wastewater Operator Services Consortium

Participating Municipalities: Cardston County
Town of Cardston
Town of Magrath
Village of Glenwood
Village of Hill Spring

Proposed Partnership:

A consortium of all five (5) municipalities will be established to provide water and wastewater operator services. This consortium would:

- Schedule and deploy qualified operators.
- Ensure each operator is qualified and regularly trained.
- Provide coverage for all extraordinary situations.

Timeline: May 31, 2014

Future Consideration:

Would it be beneficial to initially begin with operator services but consider creating an organization that administers everything from treatment to billing?

Background and Rationale

Each municipality is required to provide certified water and wastewater operators and each currently have these positions on staff. The Town of Magrath contracts their employees to the Magrath & District Water Services Commission. This service may be more efficient with less cost if a consortium was established to provide the water and wastewater operator services throughout the Cardston district for all five (5) municipalities.

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The benefits for this arrangement are:

- Similar standards for all of the treatment plants can be achieved.
- An ‘operator pool’ will be available to provide back-up services.
- Staff will be properly and consistently trained.

The following points will need to be addressed when creating this consortium:

- This is mainly an administrative activity; therefore, it is reasonable for the ‘consortium board’ to consist of administrative staff from the partner municipalities.
- How will liability be addressed? The ideal model appears to be that one municipality will be responsible for the consortium but how does this impact the liability of that municipality?
- Each municipality currently deploys their operators in various ways. For example, some operators perform other municipal tasks that are not related to their water and wastewater responsibilities. How will this be addressed? Would each municipality continue to employ their operators and the consortium pay an hourly rate to each municipality for operator related time?
- There is a significant difference between the amount of operator time allocated to the Cardston and Magrath treatment plants. What should the standard be?
- The employee rates of pay will probably need to be standardized.

Each municipality currently provides water and wastewater operator services as follows:

<p>Town of Cardston</p> <p>Daily operations</p> <ul style="list-style-type: none"> • 18 hours; 2.25 FTE • 3 staff in utilities – Foreman plus 2 operators • 4th employee in Public Works provides on-call and back-up <p>Water Treatment Plant – 8 hours</p> <ul style="list-style-type: none"> • Tests, readings, sampling and inspections – 3 hours • Reports and administration – 2 hours • Preventative maintenance and cleaning – 3 hours <p>Waste Water Treatment Plant – 10 hours</p> <ul style="list-style-type: none"> • Tests, readings, sampling and inspections – 4 hours • Reports and administration – 2 hours • Preventative maintenance and cleaning – 4 hours
<p>Town of Magrath (based on required hours not actual hours)</p> <p>Water Treatment Plant</p> <ul style="list-style-type: none"> • 2 hours per day for each week that an operator is on call. • Town provides 3 operators that cover 3 of the 4 weeks per month. • County provides 1 operator for the 4th week. <p>Waste Water Treatment Plant – 1 hour per day</p>

Village of Glenwood
6 days per week for inspections on license
Village of Hill Spring
6 days per week at 3 hours per day, 30 annual overtime hours
Cardston County
<ul style="list-style-type: none">• 1 FTE with 2 small plant operators as back up.• Average day – 6 hours; some days with more hours when issues arise.

5.3 CAO Interaction and Back-up

Participating Municipalities: Cardston County
Town of Cardston
Town of Magrath
Village of Glenwood
Village of Hill Spring

Proposed Partnership:

The CAOs from each municipality will meet quarterly to discuss relevant issues and mentor each other. Opportunities to assist each other as required may result.

Timeline: May 31, 2014

Background and Rationale

This study provided opportunity for all of the senior administration in the five (5) municipalities to discuss how each municipality was providing services. As these discussions progressed, each CAO recognized the benefit of regularly meeting to discuss opportunities and challenges as well as provide mentorship to each other. These meetings would be held at the same time as the ‘Regional Economic Development Discussion Group’ (Section 5.5).

5.4 Share County Shop Building

Participating Municipalities: Cardston County
Town of Cardston

Proposed Partnership:

The Town of Cardston and Cardston County will meet to determine opportunities to partner in the construction of the new County public works shop.

Timeline: May 31, 2014

Background and Rationale

The County is finalizing plans in 2014 to construct a new public works shop on their property outside of the Town of Cardston boundary in 2015. This potential opportunity needs to be discussed by both parties as soon as possible to determine

its feasibility. The arrangement would need to make good fiscal sense as well as ensure an equitable partnership results. A partnership could result in improved efficiencies.

The Town outside worker facilities include:

- Main shop – used for repairing equipment and storage; mainly storage of Public Works equipment (overnight and winter storage)
- Wood working shop
- 4-unit storage shop – Parks and Electrical with 2 bays each
- Lean-to building

The Town's initial observation is that if this partnership were to proceed:

- The Parks & Recreation and Electrical departments would not be relocated and would continue to use the existing Town buildings.
- Public Works equipment would be relocated to the joint shop; public works equipment would include:
 - 7 light trucks
 - 4 heavy trucks
 - 2 graders, backhoe, loader, street sweeper, snow blower, skid steer, roller, tractor, valve exerciser, hotsy washer

Some issues identified by the Town are:

- A new shop has not been identified by the Town as a capital priority; therefore, capital funding is not in place.
- Would there be an increase in 'unproductive' Town employee time in getting to and from Town projects if the shop was located outside of Town compared to the current shop which is centrally located?

Another item that would need to be addressed is whether it makes sense to have common services such as heavy duty mechanics, welders, and parts inventory.

5.5 Regional Economic Development Discussion Group

Participating Municipalities: Cardston County
Town of Cardston
Town of Magrath
Village of Glenwood
Village of Hill Spring

Proposed Partnership:

Establish an 'economic development discussion group' of the five (5) municipalities that would:

- Meet quarterly or semi-annually.

- Meet for the purpose of communicating what each municipality is doing regarding economic development initiatives and identifying potential areas of collaboration.
 - Share ideas and concepts while still focusing on their own initiatives.
- This initiative may possibly reduce the need for all municipalities to attend the regional economic development organizations.

Timeline: May 31, 2014

Background and Rationale

The Towns of Cardston and Magrath and the Village of Glenwood each have an Economic Development Committee. Several of the municipalities including the County belong to regional organizations such as Southgrow and Alberta Southwest. Each community has their own economic development needs and will address future development and planning individually. But there is also the benefit of addressing economic development with a regional, collaborative approach. The study group felt that it would be beneficial to regularly meet as a Cardston region for this purpose. This discussion group could be simply the CAOs adding economic development as a regular agenda item for their quarterly CAO meetings (see Section 5.3).

5.6 Review Cost Sharing for Contracted Planning Services

Participating Municipalities: Cardston County
Town of Cardston
Town of Magrath
Village of Glenwood
Village of Hill Spring

Proposed Partnership:

Request the Oldman River Regional Services Commission (ORRSC) to review the cost sharing formula of the ORRSC and specifically request removal of the ‘cap’ to achieve a consistent cost per capita for planning services from the ORRSC.

Timeline: May 31, 2014

Background and Rationale

Each of the five (5) municipalities are members of the ORRSC. The Towns and County joined in 1995 and the Villages recently joined in 2012. The following table provides some financial history regarding the fees to the ORRSC:

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ORRSC Services	Town of Cardston	Town of Magrath	Village of Glenwood	Village of Hill Spring	Cardston County	Total
First year of agreement	1995	1995	2012	2012	1995	
First year basic fee	\$12,635	\$5,125	\$3,090	\$2,000	\$8,587	
2012						
Basic fee	\$19,232	\$9,716	\$3,090	\$2,000	\$13,322	\$47,360
GIS	\$15,478	\$9,668		\$820	\$24,847	\$50,813
Other service		\$1,636	\$1,515		\$13,331	\$16,482
Total 2012	\$34,710	\$21,020	\$4,605	\$2,820	\$51,500	\$114,655
2013						
Basic fee	\$24,178	\$11,255	\$3,090	\$2,000	\$21,325	\$61,848
GIS	\$14,741	\$9,777	\$1,266	\$820	\$27,108	\$53,712
Other service*		\$4,304			\$4,810	\$9,114
Total 2013	\$38,919	\$25,336	\$4,356	\$2,820	\$53,243	\$124,674

The basic fee for some of the municipalities with larger populations is ‘capped’ resulting in a lower per capita fee for the ‘capped’ municipalities and a higher per capita fee for municipalities that are not ‘capped’. The study group decided that it is appropriate to continue using ORRSC for planning services but that the financial cost for these services should be more equitable. None of the five (5) Cardston region municipalities are ‘capped’.

5.7 Bylaw Enforcement Consortium

Participating Municipalities: Cardston County
Town of Cardston
Village of Glenwood
Village of Hill Spring

Proposed Partnership:

A consortium should be established to provide bylaw enforcement services for the Town of Cardston, Cardston County, Village of Glenwood and Village of Hill Spring. Two or three Bylaw Enforcement Officers would be employed by one of the municipalities with the responsibility to provide services to the other three.

Timeline: September 30, 2014

Background and Rationale

The Town of Cardston has one Bylaw Enforcement Officer. Cardston County recently discontinued its bylaw enforcement position. The Villages do not have bylaw enforcement. All of these municipalities have bylaws passed by Council that require enforcement. Bylaws that are not regularly enforced become meaningless. The Town of Magrath has recently joined a bylaw enforcement consortium of municipalities in their area (Town of Raymond, Village of Stirling,

Warner County). There were 722 enforcement issues in 2013 in the Town of Cardston (2012 – 642) and 197 in the County. There are some bylaw compliance issues in the Villages but they are minimal.

The approach of this consortium will be to:

- Focus on education rather than infringement.
- Address bylaws, property developments and animal control.
- Cover the full County to retain consistency in the approach to enforcement as well as continuity of the bylaws to be enforced.

One of the challenges will be to develop a good understanding of the expectations of each municipality but the benefits outweigh this challenge. Anticipated benefits will be:

- Enhanced education.
- Officer expertise more affordable on a shared basis.
- Back-up available for absences.
- Continuity of services.
- Consistency of enforcement.
- Opportunity to harmonize bylaws.
- Opportunity for better professional relationships with the RCMP.

There are proven models of bylaw enforcement consortiums that can be used.

5.8 Regional Disaster and Safety Services

Participating Municipalities: Cardston County
Town of Cardston
Town of Magrath
Village of Glenwood
Village of Hill Spring

Proposed Partnership:

Establish a regional approach to address disaster and safety services. This will include a regional emergency and disaster plan. This proposal will address whether disaster and safety services can be included with the regional bylaw enforcement consortium.

Timeline: September 30, 2014

Background and Rationale

Employee and resident safety needs to be addressed in a more formal manner by all of the municipalities. Safety addresses the normal workplace and community safety measures but will include the safety of the residents and casualties during extraordinary disaster events. A current, standardized regional disaster plan is important.

The Towns and County each address safety individually whereas safety in the Villages is not formally addressed. The Town of Cardston allocates .25 FTE of the Development Officer, the County .20 FTE of a public works employee and the Town of Magrath has an Alberta Municipal Health & Safety qualified instructor on staff who provides in-house safety training and organization.

Developing a regional approach to safety and emergency planning provides the opportunity to achieve consistency, develop current manuals and procedures and co-ordinate training and contacts of all of the necessary stakeholders. These responsibilities could possibly be included in the role of the bylaw enforcement service (Section 5.7).

5.9 Develop Consistent FCSS Agreements

Participating Municipalities: Cardston County
Town of Cardston
Town of Magrath
Village of Glenwood
Village of Hill Spring

Proposed Partnership:

An FCSS agreement between the Town of Magrath and Cardston County should be developed that would be consistent with the Town of Cardston/Cardston County FCSS agreement.

Timeline: September 30, 2014

Background and Rationale

The Province contributes funding to municipalities to provide FCSS programs. The Province will fund 80% of the program costs with the requirement that the municipality funds the remaining 20%.

The Town of Cardston, Cardston County and the Villages of Glenwood and Hill Spring have formed a Regional FCSS Board. Parameters of the Cardston FCSS agreement are:

- **Membership:**
 - Town of Cardston – 1 elected official, 3 members at large
 - Cardston County – 1 elected official, 2 members at large
 - Village of Glenwood – 1 elected official
 - Village of Hill Spring – 1 elected official
- The 20% municipal portion is shared on a per capita basis; the populations used are:
 - Town, Villages – 100% of population
 - County – 65% of population

The Town of Magrath has an FCSS Board but the County is not involved and does not provide any financial contribution to the 20% municipal portion of the FCSS costs. The County has allocated 35% of their 80% Provincial FCSS grant to the Magrath FCSS Board.

The County 2013 20% share would have been:

Cardston FCSS	\$19,874
Magrath FCSS	\$10,701

5.10 Develop Regional Recreation Cost Sharing Agreement

Participating Municipalities:	Cardston County
	Town of Cardston
	Town of Magrath
	Village of Glenwood
	Village of Hill Spring

Proposed Partnership:

A study should be conducted to determine if the cost sharing of recreational facilities and programs is fair and equitable to all municipalities accessing these facilities and programs followed by a formalized agreement for cost sharing.

Timeline: September 30, 2014

Background and Rationale

The Towns of Cardston and Magrath own and operate recreation facilities and administer recreation programs used by County residents. Most of the Village recreation programs use school facilities and are operated by volunteers with minimal costs. Recreation is considered a 'soft' service which results in difficulties in determining the appropriate share of operating and capital costs by rural municipalities.

The County annually contributes to the urban recreation operating costs on a per capita basis; 2012 grants were \$20.33 per capita for a total of \$84,720.

Town of Cardston	\$40,740
Town of Magrath	\$32,660
Village of Glenwood	\$7,160
Village of Hill Spring	\$4,160

The County may also provide funding for special projects. For example, the County contributed \$250,000 (\$125,000 cash, \$125,000 in-kind) to the Town of Cardston \$1.35 million new swimming pool. Also, the Town of Magrath received \$150,000 (cash and in-kind) from the County over the last couple of years for an inter-municipal trail system, arena and other projects.

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2012 and 2013 actual net costs to the Towns for recreation excluding amortization expense were:

	Town of Cardston	Town of Magrath
2012 Actual		
Expenses	\$897,312	\$352,759
Revenue	\$270,530	\$99,925
Net cost	\$626,782	\$252,834
County grant	(6.5%) \$40,740	(13%) \$32,660
Town net cost	\$586,042	\$220,174
2013 Actual		
Expenses	*\$655,445	\$391,587
Revenue	\$199,441	\$91,334
Net cost	\$456,004	\$300,253
County grant	(9%) \$40,740	(11%) \$32,660
Town net cost	\$415,264	\$267,593

*Significant reduction because the pool was not open due to construction.

The Town of Magrath did not have statistics regarding the users of recreation facilities but the Town of Cardston identified that in 2010 County residents represented 26% of the swimming pool and arena users.

5.11 Develop Cardston Airport Agreement

Participating Municipalities: Cardston County
Town of Cardston

Proposed Partnership:

A formal agreement between the Town of Cardston and Cardston County should be developed regarding cost sharing the airport operations and capital improvements.

Timeline: September 30, 2014

Background and Rationale

The Town of Cardston owns and operates the Cardston airport. The County provides snow removal at the airport on a 'request' basis. The hangar owners at the airport reside in:

Cardston County	2
Dewinton	1
Edmonton	1
Lethbridge	1
Raymond	1

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Financial history of the net costs incurred by the Town of Cardston is:

Actual	2009	2010	2011	2012
Operating Expenses	\$9,338	\$8,193	\$7,410	\$10,630
Runway Maintenance				\$7,750
Total Expenses	\$9,338	\$8,193	\$7,410	\$18,380
Revenue	\$413	\$396	\$560	\$824
Net Cost	\$8,925	\$7,797	\$6,850	\$17,556

The County does not track airport snow removal costs but estimates it to be a couple of times per year at an annual cost of less than \$1,000.

5.12 Cost Sharing Study of Library Services

Participating Municipalities: Cardston County
Town of Cardston
Town of Magrath
Village of Glenwood
Village of Hill Spring

Proposed Partnership:

A study should be conducted to determine the net costs of library operations and the appropriate cost sharing approach.

Timeline: September 30, 2014

Background and Rationale

Both Towns and the Village of Glenwood each operate a library and all of the municipalities are members of the Chinook Arch Regional Library System. Each library can be used by residents and non-residents. The County annually contributes \$5,000 to each library board.

There are three (3) components of library costs:

- Costs incurred by each Library Board.
- The annual per capita membership fee to be a member of the Chinook Arch Regional Library System.
- Other library related costs incurred by municipalities.

The Cardston Library identified the average County membership over 2010 – 2013 to be 25%. The other library boards did not provide statistical information based on residency.

The Chinook Arch Regional Library System annual requisition is based on population, the 2013 requisition was:

	2013 Requisition
Town of Cardston	\$24,165
Town of Magrath	\$14,965
Village of Glenwood	\$1,823
Village of Hill Spring	\$1,627
Cardston County	\$36,339
Total	\$78,919

The study needs to address any benefits received by library boards from the Chinook Arch Regional Library System resulting from municipality membership.

6 Partnership Options Deferred

6.1 Combine the Cardston and Magrath Emergency Authorities

Shared Service Description

Establish a regional emergency services authority with one director.

Reasons for Deferral

There are currently two emergency authorities, Cardston and Magrath. Both are independent of each other but provide similar services. One exception is that the Magrath and District Emergency Authority continues to contract ambulance services to Alberta Health Services whereas the Cardston Authority does not provide ambulance services.

Both authorities appear to be operating fairly well. This option should be considered but there is no urgency at this time because a regional emergency plan has been addressed in a recommended proposal. Combining the two authorities should result in efficiencies and improve effectiveness; examples are a consistent and uniform system to address emergencies, reduced costs for financial services.

When this option is addressed, the cost savings will need to be analyzed such as fixed and variable costs. Roles will also need to be clearly defined.

6.2 Regional Chief Administrative Officer

Shared Service Description

Establish a regional CAO position that would provide CAO services to the larger municipalities including the Villages.

Reasons for Deferral

In theory, there should be advantages:

- Cost savings should be realized.
- Ability to attract qualified applicants.
- Common understanding of what is expected and required.

But there may also be negatives:

- Reduced CAO services to each municipality may not correlate with the financial savings.
- Equity and fairness issues may arise.
- Multiple ‘masters’
- Potential of conflicting requests as well as confidentiality issues.

The potential negatives could lead one to decide not to consider this option any further but the study group decided to ‘defer’ rather than ‘abandon’ because:

- A local CAO retirement may lead to further consideration of this option.
- The Towns or County may have difficulty filling their CAO position.

6.3 Regional Financial Services

Shared Service Description

Centralize the financial services of all of the five (5) municipalities. This would include one Chief Financial Officer, one accounting department and one financial software system.

Reasons for Deferral

This option has potential but there are several significant issues:

- Transitioning to a common financial software platform.
- Developing a strong accounting department.

There could be obstacles/disadvantages such as:

- Perceived inequity of service.
- All the financial deadlines come at the same time for each municipality; i.e. budgets, year-end financial statements and audit.
- Reduced personalized approach to financial analysis and presentations.

But this option should be considered further sometime in the future.

6.4 Contract Cardston County to Service and Repair Equipment

Shared Service Description

The urban municipalities will contract the County to service and/or repair their equipment.

Reasons for Deferral

The main reason for deferral is that other opportunities for shared services were a higher priority. This option should have potential if the County has competitive rates.

6.5 Regional Director of Public Works

Shared Service Description

The Regional Director of Public Works would be an engineer who would design, plan and execute projects for all of the municipalities.

Reasons for Deferral

This option is not urgent but it is an option that should be considered in the future.

6.6 Regional Engineering Services

Shared Service Description

The municipalities will use the same contracted engineers for engineering services.

Reasons for Deferral

This option is not urgent but it is an option that should be considered in the future. One of the advantages is that construction standards for infrastructure such as roads may be similar. The procedures to contract the same engineering firm would need to be done in a manner to retain competitive costs and services.

7 Partnership Options With No Further Consideration

7.1 ‘Store Front’ Administration for Villages

Shared Service Description

There will be no Village employee providing administrative services to the residents. Office administration would be provided by the Town of Cardston, Cardston County and/or a local Village business.

Reasons To Not Consider Further

Similar administrative expertise would be available to both Villages but the additional workload to either the Town or County is significant enough to not proceed with this option. It possibly could work if one of the Villages dissolved leaving one Village to provide direct administrative services. This option also may not meet the Villages’ current expectations.

7.2 Contract Road Maintenance Services from Cardston County

Shared Service Description

The County would be contracted to maintain urban streets.

Reasons To Not Consider Further

The main reasons to not consider further is the uncertainty of being able to provide timely maintenance. Winter snow removal and other high priority maintenance seasons could result in an unsatisfactory service to the urban centers. A pilot project could be done to determine if it is beneficial to all parties to proceed with this shared service option. One advantage is the County has experienced equipment operators. The Village of Hill Spring has recently entered into an agreement with the County in which the County provides road services and the Village provides access to water. Are there opportunities for the Village of Glenwood to have a similar agreement?

7.3 Regional Public Works Department

Shared Service Description

There would be one Public Works Director who would manage all of the public works operations in the County and urban centers within the County.

Reasons To Not Consider Further

The County Public Works Director is kept busy with the County responsibilities. The Towns as well as the County were concerned that there would be a decrease in response time to address specific, immediate needs.

7.4 Regional FCSS Board

Shared Service Description

Combine the Cardston and Magrath FCSS operations to create a regional FCSS Board.

Reasons To Not Consider Further

The Cardston FCSS approach to providing programs is with a .5 FTE who monitors the programs to which funds are provided. The community operates the programs. The Magrath FCSS model is Town staff who provide the programs. It may be possible to administer the Cardston FCSS from Magrath but it was decided not to proceed because of the difficulty in justifying programs when decisions are made from a 'distance' instead of locally.

7.5 Regional Cemetery Cost Sharing Agreement

Shared Service Description

Conduct a study to determine the net costs of operating all of the urban cemeteries and the usage by non-residents.

Reasons To Not Consider Further

Cemeteries are located in each municipality. The County will share the cost of operating the Village cemeteries but these costs are minimal and the Villages have not billed the County. County cemeteries are operated by local community groups. Each municipality uses a different approach to operating their cemeteries and felt that cost sharing cemeteries was not required.

7.6 Regional Land Use Planning Department

Shared Service Description

Establish a regional land use planning office for the five (5) municipalities.

Reasons To Not Consider Further

The cost sharing formula of the services from Oldman River Regional Services Commission is an issue which is addressed in Section 5.6 but the services provided are satisfactory. Good experienced planners are difficult to find throughout Alberta and could be even more difficult for the Cardston area.

8 'For Information' Options

8.1 Elected Official Representation

8.1.1 Reduce Village Council Membership

The question was raised as to whether the Villages should consider reducing the number of councillors from five (5) to three (3). The table below indicates that the Council costs are not significant but a reduction may improve the ability to fill positions. The disadvantage is that there would be less people to spread out the workload such as attending external meetings unless there was more collaboration between the Villages for such attendances.

2012 Council Remuneration	Village of Glenwood	Village of Hill Spring
Mayor	\$1,950	\$1,200
Councillors	\$5,700	\$3,685
Range	\$200 - \$2,700	\$100 - \$1,250
Average for 4 Councillors	\$1,140	\$920

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8.1.2 Representation on Inter-Municipal and External Committees

The following table provides information on the representation from each municipality on inter-municipal and external committees. ‘Inter-municipal’ is defined as those committees developed to address direct services in a service area. ‘External’ committees are committees in which municipalities participate to support the region and/or to obtain indirect service benefits.

The question is ‘Can committee representation be more efficient while retaining sufficient autonomy and representation?’ Municipalities represented should be prepared to attend meetings to fulfill their commitment.

	Town of Cardston	Town of Magrath	Village of Glenwood	Village of Hill Spring	Cardston County
Inter-Municipal (developed to address direct services in a service area)					
Cardston & District Agricultural Society	X				X
Cardston Airport	X				X
Cardston & District Economic Development Board	X				X
Cardston County Emergency Services Committee	X		X	X	X
Cardston FCSS Board	X		X	X	X
Cardston Inter-Municipal Development Plan Committee	X				X
Chief Mtn. Regional Solid Waste Authority	X	X	X	X	X
Chinook Arch Regional Library	X	X	X	X	X
Chinook Foundation	X	X	X	X	X
Glenwood Cemetery Committee			X		X
Glenwood Recreation Board			X		X
Hill Spring/Cardston County Service Water Committee				X	X
Hill Spring Cemetery Committee				X	X
Magrath & District Agricultural Society		X			X

Cardston & Area
Organizational & Services Review

	Town of Cardston	Town of Magrath	Village of Glenwood	Village of Hill Spring	Cardston County
Magrath & District Fire Authority		X			X
Magrath & District Recreation Board					X
Magrath & District Regional Water Services Commission		X			X
Magrath FCSS Board		X			X
Magrath Inter-Municipal Development Plan Committee		X			X
Magrath Tourism	X	X	X	X	
Oldman River Regional Services Commission	X	X	X	X	X
Spring Glen Park Assoc.			X	X	X
External (participate to support the region and/or to obtain indirect service benefits)					
Alberta Southwest Regional Alliance			X	X	X
Community Futures Alberta Southwest Region	X		X	X	X
Foothills Little Bow Municipal Assoc.					X
Mayors & Reeves of Southern Alberta	X	X	X	X	X
Milk River Basin Water Users Committee					X
Southgrow	X				X
Southern Alberta Energy from Waste Assoc.	X		X		X

8.2 Villages

The purpose of this study is to identify shared services options. The possibilities of amalgamation and dissolution have been identified during this study. These are not within the definition of ‘shared services’ for the scope of this project but have been identified as options with some brief analysis and comments. These options are for information and, whereas some participants in this study may think they should be seriously considered, they will not be recommended in this report because they are outside of the scope of this study.

Section 4.3 provides financial, property tax and statistical information for both of the Villages. This section also identifies some of the challenges encountered by the Villages now and projected for the future. Significant decisions may be required by each Village to ensure that the needs of the residents are adequately and efficiently addressed.

8.2.1 Amalgamate the Villages

This option would amalgamate both Villages to create a new municipality. This would result in one Council with some savings due to economies of scale. For example, there would be potentially one office. The difficulty with amalgamation is that the Municipal Government Act (MGA) states that 'no order amalgamating municipal authorities may be made that would result in an area of land that is part of the amalgamated authority, but is not contiguous with other land in the amalgamated municipal authority'. (Section 101 (b)) Therefore, an annexation of land from the County will probably be required.

1. County Annexation to Create a Panhandle Region

The northwest part of the County is like a panhandle with the Blood Reserve to the east. There was a suggestion to annex this 'panhandle' area from the County to include both Villages thus allowing amalgamation of both Villages to create a new municipality.

The County residential property assessment in the 'panhandle' is \$69 million; 22% of the total County residential assessment. 22% of the total County tax base is \$125 million which, using 2013 County tax rates, generates \$935,000 in municipal property taxes. \$500,000 is estimated for annual operating road maintenance costs excluding capital projects. Additional administration costs may also be incurred.

This annexation option may appear appealing to the Villages but it will significantly decrease the ability and reduce the flexibility of the County to operate its programs. There is high potential that this consideration would not receive approval by Cardston County or Alberta Municipal Affairs.

2. Specialized Municipality

A specialized municipality may be formed by the Minister of Alberta Municipal Affairs if the Minister is satisfied that a situation does not fit the normal description of municipalities such as a village and a specialized municipality needs to be formed to meet the needs of local residents. (Section 83, MGA). The Minister may also make minor modifications to the existing requirements defining types of municipalities. (Section 84, MGA). The Minister does not have authority to alter the 'contiguous' requirement stated in Section 101 of the MGA. Specialized municipalities can take various forms which could be discussed with the County and Alberta Municipal Affairs.

8.2.2 Village Dissolution

Dissolution studies were previously conducted by Alberta Municipal Affairs at the request of Villages throughout the Province. These studies have been replaced with viability reviews which are facilitated by Alberta Municipal Affairs. The end result may be a recommendation to discontinue as a municipality and become a hamlet of the rural municipality. Dissolution studies and/or viability reviews have not been formally conducted for the Villages of Glenwood and Hill Spring.

Both Villages are very vulnerable. The Village of Hill Spring has very little non-residential assessment; 5% of the total tax base. 16% of the Village of Glenwood tax base is non-residential but is largely attributed to one commercial enterprise. This enterprise accounted for \$55,100 in taxes and \$60,476 in utility fees in 2013. This represents approximately 40% of the total property tax and user fee revenues.

The financial information in Section 4.3 indicates that:

- A large percentage of the property tax revenue is expended on general government services.
- General government services represent a large percentage of the total expenses.

These observations raise questions that should be seriously addressed by each Village:

1. Is spending more than the net municipal property taxes on general government services good value for the tax dollar?
2. Is spending 35% - 57% of the total operating expenses (excluding amortization) on general government services appropriate when the average of the Towns is 15%.