

MUNICIPAL AMALGAMATIONS

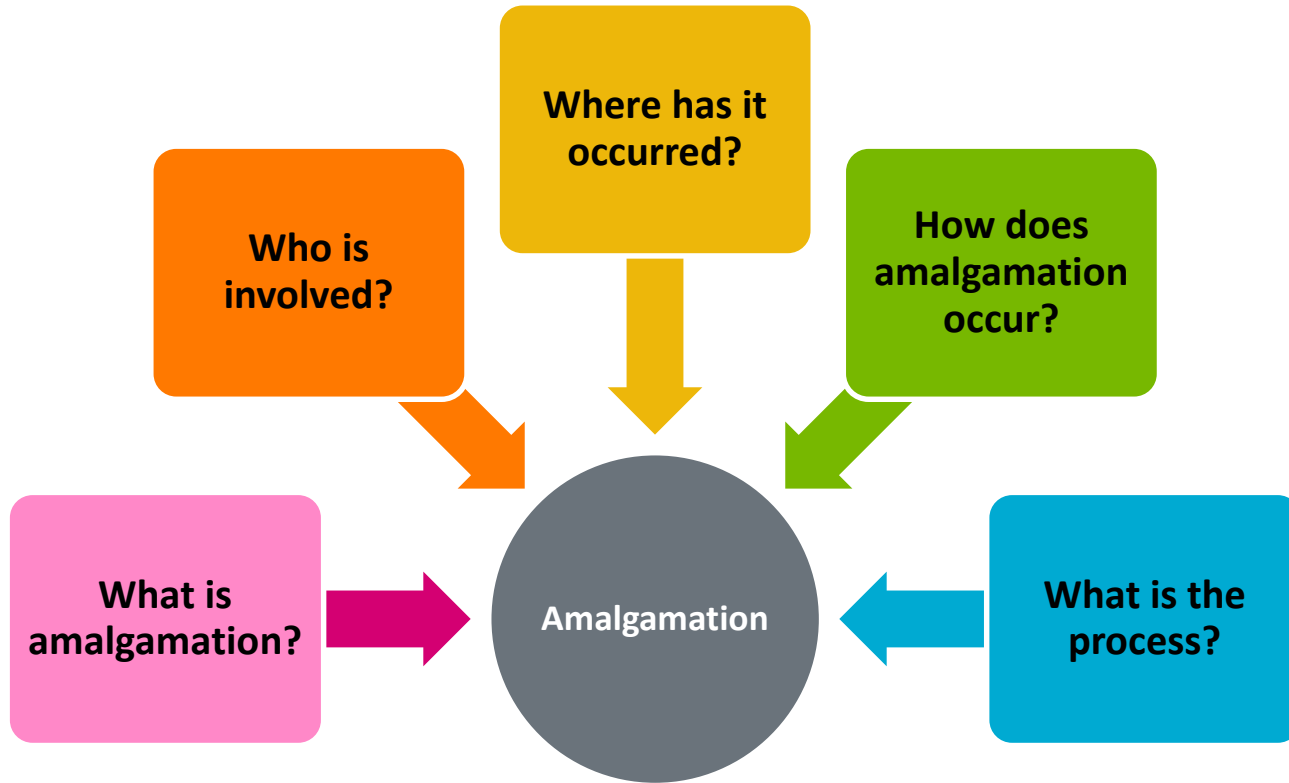
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Let's talk about amalgamation...



What is amalgamation?

Formation

- MGA s.77-90

Change of Status

- MGA s.91-97

Change of Name

- MGA s.98-99

Amalgamation

- MGA
s.100-112

Annexation

- MGA
s.112.1-128

Dissolution

- MGA
s.129-134.1

What is amalgamation?

Amalgamation =

When 2 or more municipalities with **shared borders** join to become one new municipality.

- Amalgamation can only occur if there are **shared borders** or shared boundaries between the amalgamating municipalities
- Amalgamated municipality may be a village, town, city, municipal district or specialized municipality.

New in Bill 20 (Spring 2015):

Amalgamation =

When 2 or more **summer villages that border on the same body of water** join to become one new municipality.

Amalgamation =

Amalgamated municipality may be a village, town, city, municipal district, specialized municipality, or **summer village if the pre-amalgamated municipalities were summer villages**

When is amalgamation appropriate?

New council

Significant
change to
administration

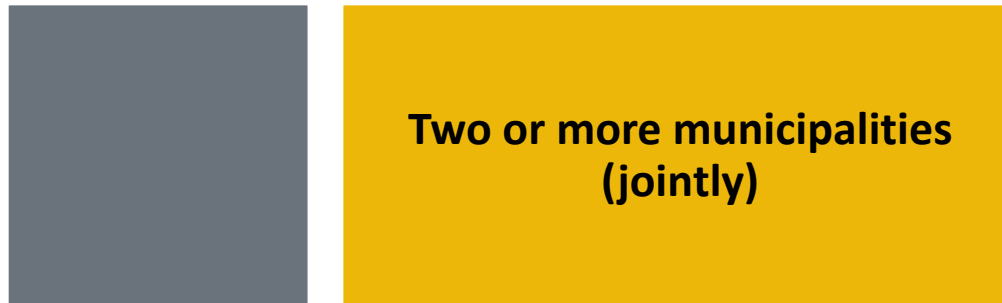
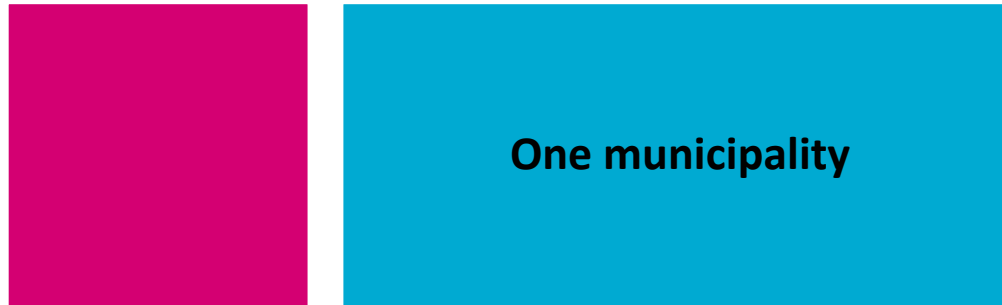
Financial
viability

Political
viability

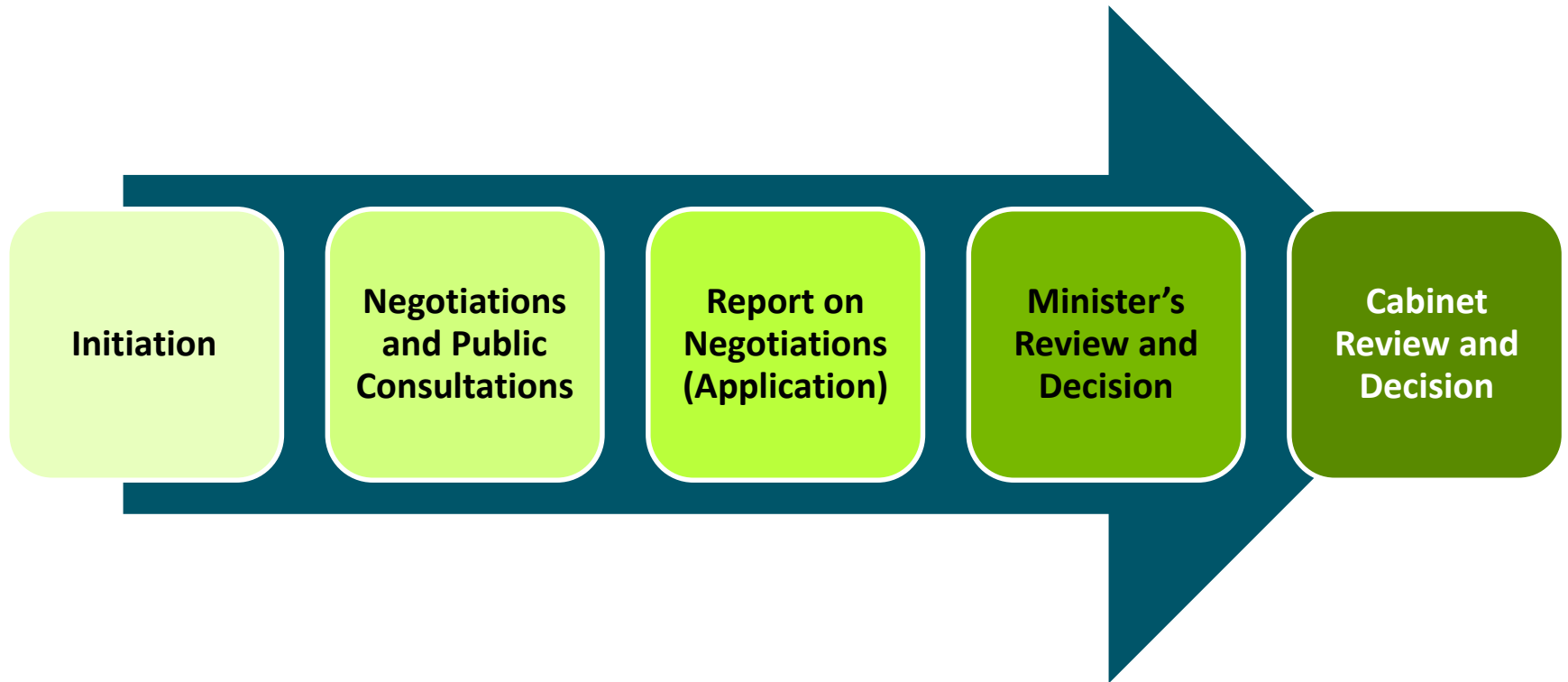
Operational
viability

Regional
collaboration

Who can initiate amalgamation?



Amalgamation Process



Amalgamation Process - Initiation

- The Initiating Municipality must:
 - **Pass a council resolution** to initiate amalgamation and to serve written notice of the proposed amalgamation to the Minister and to the municipalities it proposes to amalgamate with.
 - **Give written notice of the proposed amalgamation** to:
 - Municipalities it proposes to amalgamate with
 - Other local authorities that may be affected by the proposed amalgamation.
 - The Minister of Municipal Affairs



Amalgamation Process - Initiation

- The notice of proposed amalgamation must include:
 1. Names of the municipal authorities;
 2. Reasons for the proposed amalgamation; and
 3. Proposals for consulting with the affected local authorities and the public (consultation plan).



Amalgamation Process - Negotiations

- The municipalities that the initiating municipality proposes to amalgamate with must on the receipt of the notice of proposed amalgamation:
 - **Meet** with the initiating municipality.
 - **Discuss** the proposals included in the notice.
 - **Negotiate** the proposals in good faith.



Amalgamation Process - Negotiations

- The process for negotiations on amalgamation is defined by the municipalities involved.
- Beyond the requirement to negotiate in good faith, there are no guidelines or legislated requirements on the time required for negotiations.
- During the amalgamation negotiations, the initiating municipality is required to keep the Minister informed of the progress of the negotiations.



Amalgamation Process - Negotiations

Matters that should be discussed during negotiations:

- Municipal Type (Municipal District, Specialized Municipality)
- Municipal Boundaries
- Name of proposed municipality
- Urban Service Area(s) (if specialized municipality)
- Rural Service Area (if specialized municipality)
- Proposed council structure
- Proposed electoral wards



Amalgamation Process - Negotiations

Matters that should be discussed during negotiations:

- Finances
 - Assets
 - Liabilities
 - Debt and debt servicing
 - Revenues
 - Expenditures
- Is the proposed municipality going to be viable?



Amalgamation Process - Negotiations

Matters that should be discussed during negotiations:

- Assessment
- Taxation
- Human Resources
- Legal
- Agreements with other parties
- Priorities
- Challenges



Amalgamation Process - Negotiations

Matters that should be discussed during negotiations:

- Infrastructure
 - What is the current state of infrastructure in each of the municipalities involved in amalgamation?
 - What infrastructure maintenance, repairs or replacements are needed in the future?
 - How will infrastructure be funded in the future?



Amalgamation Process - Negotiations

Matters that should be discussed during negotiations:

- Which municipal services will be...
 - Continued?
 - Enhanced?
 - Discontinued?
- How will services be provided in the amalgamated municipality?
- Are there any regional services commissions or municipally controlled corporations that may be affected by this?



Amalgamation Process – Public consultations

- Public consultations are required to be conducted during the amalgamation process, prior to the completion of the negotiations.
- Consultations should be conducted in accordance with the consultation plan that is agreed to by all parties.
- A public vote (plebiscite) is not required as part of the consultations, but it is a best practice that Municipal Affairs encourages municipalities to incorporate into the consultation plan.



Amalgamation Process – Report on Negotiations

- Once the amalgamation negotiations have concluded, the initiating municipality must prepare a report that describes the results of the negotiations and that includes:
 - a list of the matters agreed on;
 - a list of the matters on which there is no agreement;
 - a description of the public consultation processes involved in the negotiations; and
 - a summary of the views expressed during the public consultation processes.



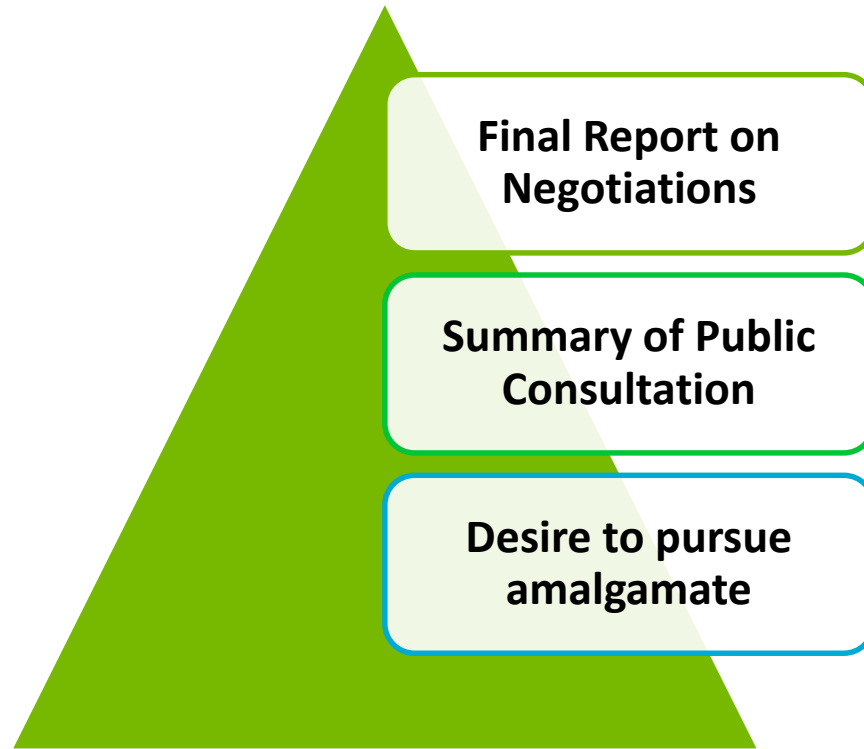
Amalgamation Process – Report on Negotiations

- The report must also:
 - be signed by the initiating municipality;
 - be signed by the municipalities with which it proposes to amalgamate that are prepared to sign; and
 - include a certificate by the initiating municipality stating that the report accurately reflects the results of the negotiations.
- **A municipality that does not sign the report may include in the report its reasons for not signing.**



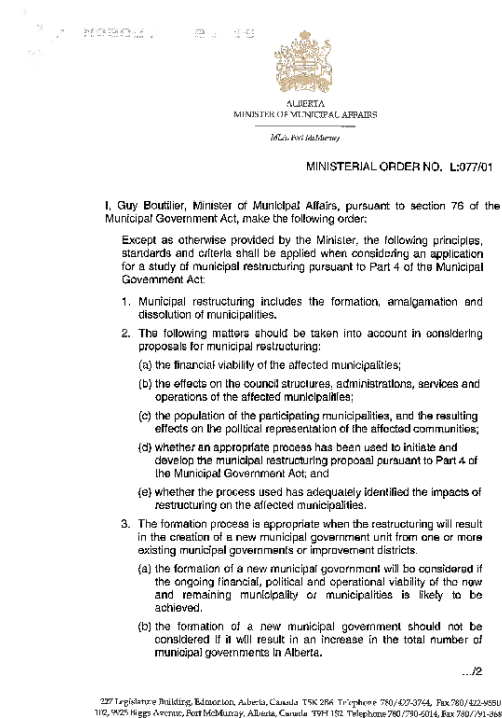
Amalgamation Process – Report on Negotiations

Amalgamation Application



Amalgamation Process – Minister’s Decision

- The Minister must consider the **principles**, **standards** and **criteria** on amalgamation established under Section 76 of the *Municipal Government Act*.
- The most recent set of restructuring principles was set by former Minister Guy Boutilier in Ministerial Order L:077/01.



Amalgamation Process – Minister’s Decision

Matters to be considered for any municipal restructuring:

- Financial viability
- Effects on council structure, administration, services and operations
- Population and political representation
- Appropriate process used to develop the proposal
- Impacts on the affected municipalities



Amalgamation Process – Cabinet Decision

- Once the Minister is satisfied with the proposed amalgamation, the Minister recommend amalgamation to the Lieutenant Governor in Council (Cabinet).
- Cabinet may by order amalgamate municipalities to form a new municipality.



Supports for Municipalities in an Amalgamation Process

Financial (Grants)

- ACP – Intermunicipal Collaboration
- ACP – Mediation and Cooperative Processes
- ACP – Municipal Restructuring

Advisory

- Restructuring Process (Sustainability)
- Governance options for regional services
- Financial Review
- Transitional support

Collaboration and Dispute Resolution

- Collaborative Governance
- Mediation
- Facilitation
- Community Engagement

Amalgamations – 1995 to 2015

•Completed

- Town of Cold Lake and Town of Grand Centre (1995-96)
- Town of Drumheller and MD of Badlands (1996-97)
- Town of Lac La Biche and Lakeland County (2006-07)

•Attempted

- Town of Athabasca and County of Athabasca (2003)
- Town of Black Diamond and Town of Turner Valley (2005-08)
- County of Two Hills, Town of Two Hills, Village of Derwent, Village of Myrnam and Village of Willingdon (2007-08)

Questions?

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