

RMA Fall 2020 Submitted Resolutions

- 1) Call to Order
- 2) Acceptance of Order Paper
- 3) Resolution Session

- 1-20F** **Police Funding Model Freeze** (*MD of Lesser Slave River*)
- 2-20F** **Blue-Ribbon Panel to Review Unpaid Taxes Owed by Oil and Gas Companies** (*Birch Hills County*)
- 3-20F** **Support for Alberta Farmland Trust** (*Wheatland County*)
- 4-20F** **Provincial Policing Costs Levy – Designate as a Requisition** (*Lacombe County*)
- 5-20F** **Legislated Notice Requirement** (*Big Lakes County*)
- 6-20F** **Government of Alberta Embargoed Committee Work** (*MD of Willow Creek*)
- 7-20F** **Amendments to Municipal Government Act Section 619** (*MD of Willow Creek*)
- 8-20F** **Enhancing Support for Farmers When a State of Agricultural Disaster is Declared** (*Leduc County*)
- 9-20F** **CRTC Aggregate Wholesale Pricing to Mandate Rural Investment** (*Big Lakes County*)
- 10-20F** **Weed Issues on Oil and Gas Sites in Rural Alberta** (*MD of Taber*)
- 11-20F** **Creation of Municipal Affairs Process to Resolve Disputes Regarding Council Sanctions and Disqualifications** (*Rocky View County*)
- 12-20F** **Expansion of Elk Hunting for Management in Agriculture Production Areas** (*Leduc County*)
- 13-20F** **Provincial Government Disaster Recovery Program Payments** (*County of Grande Prairie*)
- 14-20F** **Seniors' Foundation Requisitions** (*MD of Greenview*)
- 15-20F** **Security Deposits for Dispositions** (*Saddle Hills County*)
- 16-20F** **Federal and Provincial Disaster Support** (*RM of Wood Buffalo*)
- 17-20F** **Rural Small Business Properties Assessment Sub-Classes Amendment** (*RM of Wood Buffalo*)
- 18-20F** **Municipal Decision-making on Fire Bans in Hamlets Within Forest Protection Area** (*Mackenzie County*)

19-20F Reinstatement of the Benefit Contribution Grant for Early Childhood Educators (*RM of Wood Buffalo*)

- 4) Vote on Emergent Resolutions
- 5) Closing of Resolution Session

Police Funding Model Freeze

MD of Lesser Slave River

*Simple Majority Required
Endorsed by District 3 (Pembina River)*

WHEREAS the Police Funding Regulation (hereafter referred to as “the Regulation”) was enacted by the Government of Alberta on July 22, 2020; and

WHEREAS the Regulation states that each municipality receiving policing under the **Provincial Police Services Agreement** (PPSA) shall pay a cost in each fiscal year for receiving policing services provided by the provincial police service in an amount determined by the Minister in accordance with the Regulation; and

WHEREAS the police funding model established in the Regulation will start in 2021 at 10% of total provincial costs under the PPSA, and increase to 15% in 2022, 20% in 2023 and 30% in 2024; and

WHEREAS for municipalities that have not borne the provincial policing service cost in the past, these additional costs will be a significant budget line item in 2021 and beyond; and

WHEREAS the current PPSA was signed by the Minister of International and Intergovernmental Relations on August 31, 2011; and

WHEREAS a corporate review of the current PPSA and the overall organizational structure, efficiency and effectiveness of the Royal Canadian Mounted Police policing service has not been completed; and

WHEREAS as with any other municipal contracted service, municipalities need the best information available to ensure that their taxpayer dollars are being used in the most cost-effective manner; and

WHEREAS rural crime in Alberta is increasing and the Government of Alberta has acknowledged this as a priority;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) advocate to the Government of Alberta to freeze municipal contributions under the police funding model at no greater than 10% of the total policing costs under the Provincial Police Services Agreement (PPSA) until a corporate review of the PPSA and the overall organizational structure, efficiency and effectiveness of the Royal Canadian Mounted Police (RCMP) policing service has been completed and the review made available to all municipalities in Alberta; and

FURTHER BE IT RESOLVED that RMA advocate to the Government of Alberta that all monies collected from the police funding model remain in the Rural Municipalities of Alberta district from which they were collected.

Member Background

The Municipal District of Lesser Slave River has a process and policy in place for the procurement of goods and services. The policy is established so the procurement of goods and services are done in a manner that is consistent, competitive, transparent and ensures citizen confidence. Research of other rural municipalities indicate that similar policies are also in place.

In the policy, the procurement of goods and services with an estimated value greater than \$10,000 must be completed through a public process such as a request for quote, request for tender, request for proposal or a prequalification of bidder/expression of interest invitational tender. All procurement opportunities of this nature must be advertised externally via our website, regional newspapers and the Alberta Purchasing Connection website (for goods and services greater than the \$75,000 and construction project greater than the \$200,000 thresholds).

The police funding model applied via the *Police Funding Regulation* will be a direct requisition/invoice to the Municipal District of Lesser Slave River and all other municipalities receiving Royal Canadian Mounted Police (RCMP) service under the Provincial Police Services Agreement (PPSA). Based on the police funding model, the current equalized assessment and population numbers for the Municipal District, the table below indicates our estimated requisitions for the next four years:

Police Funding Model*			
PFM Percentage	Year	\$ per Capita	Invoice
10%	2021	38	\$150,820
15%	2022	57	\$158,844
20%	2023	76	\$211,640
30%	2024	113	\$317,687

* **Base cost** (50% weighted equalized assessment + 50% weighted population) – **Modifiers** (shadow population + crime severity index + detachment proximity) = **Requisition/Invoice**

The procurement of the provincial police service (as a contract service provider) for the Municipal District far exceeds our procurement policy in dollar value. Additionally, the spirit of consistent, competitive, and transparent procurement has been eliminated and this does not inspire citizen confidence on the service or the costs. This is a significant cost to the Municipal District. We are unfortunately on the back end of this procurement process.

At the front end of this is the Government of Alberta, based on the PPSA, which was signed with the RCMP in 2011. This is the starting point where the Government of Alberta needs to conduct a review of the agreement and the organizational structure of the RCMP to ensure that the consistent, competitive and transparent procurement of police services is completed and communicated to municipalities prior to issuing requisitions/invoices above the 10% municipal costing threshold in place for 2021.

The Municipal District is not opposed to contributing a portion of the costs for a provincial police service. As with all governmental procurement, accountability, transparency and value to our citizens and ratepayers is a crucial part of good governance. To go beyond the police funding model of 10%, the Government of Alberta needs to demonstrate that the current provincial police service meets or exceeds these criteria.

RMA Background

2-19F: Government of Alberta's Police Costing Test Model

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta urge the Government of Alberta to engage in further consultation with municipalities on the police costing test model to examine options to meet the Government of Alberta's goal of reducing policing costs without negatively impacting policing service delivery or municipal financial viability.

[Click here](#) to view the status and government response to this resolution

Blue-Ribbon Panel to Review Unpaid Taxes Owed by Oil and Gas Companies

Birch Hills County

*Simple Majority Required
Endorsed by District 4 (Northern)*

WHEREAS the Government of Alberta oversees the development of the province's natural resources, grants industry the right to explore for and develop energy and mineral resources, and encourages industry investment that creates jobs and economic prosperity; and

WHEREAS rural municipalities require provincial support in the collection of the unpaid oil and gas property taxes; and

WHEREAS there may exist an inequity in paid taxes between similar properties depending on their location in rural Alberta; and

WHEREAS municipalities require property taxes to provide the infrastructure and services that industry relies on to access natural resources; and

WHEREAS Alberta's property tax system needs amendment to prevent oil and gas companies from refusing to pay property taxes;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta urge the Government of Alberta to appoint an independent panel of experts to review unpaid property taxes owed by oil and gas companies and its impact on rural municipalities; and

FURTHER BE IT RESOLVED that the panel provide the Government of Alberta and rural municipalities with implementable recommendations related to the recovery of property taxes owed by oil and gas companies.

Member Background

Alberta's rural municipalities face a critical financial situation due to unpaid taxes owed by oil and gas companies. Rural municipalities require provincial support in the collection of the unpaid taxes.

It is time to explore new approaches and alternatives and focus on achieving a sustainable financial situation for rural municipalities. Municipalities require property taxes to provide the infrastructure and services that industry relies on to access natural resources. If Alberta's property tax system is not amended to prevent oil and gas companies from refusing to pay property taxes, many rural municipalities will struggle to remain viable.

RMA Background

1-19F: Priority of Unpaid Property Taxes on Linear Property

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) advocate for the Government of Alberta to take steps to ensure that municipalities are able to effectively recover all property taxes, including property taxes on linear property;

FURTHER BE IT RESOLVED that RMA advocate for the Government of Alberta to address the growing concern regarding unfunded abandonment and reclamation costs for oil and gas properties and the affect that those costs have on the ability of municipalities to recover unpaid property taxes;

FURTHER BE IT RESOLVED that RMA advocate for the Government of Alberta to make immediate amendments to *the Municipal Government Act (MGA)* to

1. Clarify that the reference to "property tax" in section 348 includes all property taxes, including property taxes on linear property;
2. Clarify the meaning of the phrase "...land and any improvements to the land..." in section 348 to specify that all of the property that is subject to assessment pursuant to Part 9 of the MGA within that municipality is subject to the special lien established in that section;

3. Provide municipalities with improved enforcement powers, such as the specific power to apply to the courts for the appointment of a receiver to enforce a claim for unpaid linear property taxes against the assets that are subject to a special lien established by section 348;
4. Apply the above amendments retroactively to ensure that existing linear property tax arrears constitute a secured claim.

[Click here](#) to view the status and government response to this resolution

6-19F: Municipal Recourse for Solvent Companies Choosing Not to Pay Taxes

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta advocate that the Government of Alberta direct the Alberta Energy Regulator to add unpaid municipal taxes to the grounds for which a company may be denied a licence to operate in Alberta.

[Click here](#) to view the status and government response to this resolution

6-18F: Securing Municipal Property Taxes in the Event of Bankruptcy or Insolvency

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta partner with Alberta Urban Municipalities Association to advocate to the Government of Alberta to amend section 348 and other relevant sections of the *Municipal Government Act* to ensure that municipal property taxes are legally assured a status as a secured claim in the event that the property owner enters bankruptcy or receivership.

[Click here](#) to view the status and government response to this resolution

Support for Alberta Farmland Trust

Wheatland County

*Simple Majority Required
Endorsed by District 2 (Central)*

WHEREAS the Alberta Farmland Trust is a new land trust organization pursuing charitable status and advocating for the advancement of mechanisms to support the protection, conservation and enhancement of agricultural lands in Alberta; and

WHEREAS the **Alberta Land Stewardship Act** (ALSA) establishes “the protection, conservation and enhancement of the environment,” “the protection, conservation and enhancement of natural scenic or esthetic values,” and “the protection, conservation and enhancement of agricultural land or land for agricultural purposes” as valid purposes for conservation easements; and

WHEREAS **Canada’s Ecological Gifts Program** (EcoGift) offers “significant tax benefits to landowners who donate land or partial interests in land to a qualified recipient” by way of a conservation easement with the purpose of protecting and preserving ecologically sensitive lands, but no similar program exists in support of the protection, conservation and enhancement of agricultural lands; and

WHEREAS funding, tax benefits, and support offered to ecological conservation easements (such as EcoGift) have proven to be an effective tool for the conservation of ecologically sensitive lands; and

WHEREAS cultivated lands do not qualify under the EcoGift program;

WHEREAS many of Alberta’s high quality, productive soils are found in areas with high development pressure and therefore are at risk of loss without an effective mechanism for legal protection; and

WHEREAS agricultural land owners are unable to conserve agricultural land because of risks and costs that would be alleviated by supports currently offered only for ecologically sensitive lands; and

WHEREAS rural municipalities, due to their obligations under regional land use plans and their role as a voice for rural landowners, have an interest in the availability of effective tools for the preservation of agricultural lands; and

WHEREAS financial barriers to placing conservation easements on agricultural land render them economically unavailable for legal protection at this time;

WHEREAS the ALSA establishes that the Lieutenant Governor in Council or designated Stewardship Minister is responsible for establishing, supporting or facilitating the development of conservation easements and instruments, including for agricultural land or land for agricultural purposes;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) request that the Government of Alberta support the creation of agricultural conservation easements on lands within Alberta’s highly productive, food-producing areas through the following means:

- 1. The establishment of agricultural conservation as a priority under the Alberta Land Trust Grant Program so that agricultural land trusts can access funding, and benefit from policy support;**
- 2. Any other policies and programs that the Government of Alberta identifies to create functional mechanisms for the protection and conservation of farmland in Alberta; and**

FURTHER, BE IT RESOLVED that the RMA request that the Government of Canada work with Alberta and other provinces to establish an “AgriGift” program similar to the existing “EcoGift” in support of the protection, conservation and enhancement of Canada’s most valuable food producing agricultural lands.

Member Background

In January of 2020 Wheatland County’s Agricultural Service Board received a presentation from Stan Carscallen, a lawyer, rancher, and co-founder of Alberta Farmland Trust. Carscallen described challenges faced by landowners and land trusts seeking to protect, conserve and enhance Alberta’s agricultural lands, and efforts made by Alberta Farmland Trust to improve supports available to them. Wheatland County’s Agricultural Service Board and Council were inspired to join advocacy efforts for the development and

implementation of programs and policies that support agricultural conservation easements in Alberta, with recognition of the importance of preserving and protecting our most valuable agricultural lands. We hope that agricultural conservation easements will soon become a feasible option for the landowners in our municipality, and others, through this advocacy work.

Please see Carscallen's attached paper titled *The Urgent Need for the Formation and Support of an Alberta Farmland Trust* as background support for this resolution.

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The Urgent Need for the Formation and Support of an Alberta Farmland Trust

Introduction

With the Alberta economy moving in 2018 toward some degree of recovery, most thinking Albertans recognize that there is now an urgent need for an initiative, supported by government policy, designed to protect and preserve Alberta's highest quality and most productive food producing lands. Such a policy would be warmly welcomed not only by the agriculture community but also by those living in the urban centers to whom the implications of urban sprawl, industrialization and country residential development on productive farmland is fully apparent.

Background of Conservation Easements in Alberta

Conservation easements were first introduced in Alberta through the *Environmental Protection and Enhancement Amendment Act*, 1996, SA 1996, c.17. That legislation, however, provided only for ecological conservation easements for the protection, conservation and enhancement of the environment and of natural scenic or aesthetic values.

In 2008 the Canadian federal Ministry of Agriculture and Agri-food Canada published a paper by Good and Michalsky entitled "*Summary of Canadian Experience with Conservation Easements and their Potential Application to Agri-Environmental Policy*" which includes strong support for the creation of tax and other incentives to give life to the use of conservation easements for the preservation of well managed agricultural landscapes.

In 2009, the *Alberta Land Stewardship Act*, SA 2009, c A-26.8 ("**ALSA**"), created the first legislative foothold in Alberta for the use of conservation easements for the "protection, conservation and enhancement of agricultural land or land for agricultural purposes". Since 2009, however, nothing substantive appears to have been done by government to implement the policy in ALSA that was so warmly received at the time. Consequently, some nine years later, there is no noticeable movement in the Province toward the use in a meaningful way of conservation easements over farmland.

To be clear, many of the ecological conservation easements put in place to date in the Province encompass lands that have an agricultural purpose, namely livestock grazing, and indeed some even include some hayland as well. So as to avoid any misunderstanding arising from that fact, it is emphasized at the outset that the thrust of this paper in support of the use of agricultural conservation easements, is to advocate for farmland conservation easements as distinct from ecological conservation easements that have a secondary function of preserving land that also has an agricultural function from grazing.

In March 2012, the Miistakis Institute and the Environmental Law Centre published a report entitled "*Conservation Easements for Agriculture in Alberta, A Report on a Proposed Policy Direction*" ("**Miistakis**") which is a helpful and comprehensive analysis of the concept of agricultural conservation easements for Alberta. However, there has been governmental policy inertia since that report was issued in 2012.

In the meantime, ecological conservation easements under ALSA as implemented under the Federal/Provincial EcoGift Program, have proven to be a popular and very helpful tool in the protection and preservation of ecologically sensitive lands in Alberta, particularly in the Eastern Slopes region. To date, approximately 165,000 acres have been conserved under the Eco-Gifts Program.

Conservation Easement

A conservation easement as used in Alberta today is an amphibious legal creation. In one respect it is an easement to the extent that the qualified organization (i.e., a charity such as, for example, Nature Conservancy of Canada, Southern Alberta Land Trust or Western Sky Land Trust) has the right to enter the lands from time to time for the purpose of monitoring the landowner's compliance with the provisions of the conservation easement. At the same time, the instrument is a restrictive covenant which imposes certain restrictions and prohibitions applicable to the land in perpetuity.

It is the restrictive covenant aspect of a conservation easement that gives rise to the greatest challenge to its enforceability. In the first place, the restrictions must not be dated and must be practical with a view to being in place and enforceable in perpetuity. But even more important, is the fact that the common law prescribes that a restrictive covenant is to be strictly construed. By that is meant that anything that is not precisely and unambiguously prohibited by the terms of the conservation easement, will not be disallowed.

The Essence of an Agricultural Conservation Easement

Miistakis addresses what it calls the "purpose conundrum". The report advises Government that it needs to articulate a purpose for agricultural conservation easements before full implementation of that tool can be put in place. To that end, Miistakis analyzes whether the purpose should be economic, for food production, to support culture and rural communities, to preserve open spaces, to protect the environment or to implement sustainable production. It is respectfully submitted, however, that any such focus on requiring a new and specific purpose for agricultural conservation easements maybe founded upon misunderstandings that are important to recognize.

The first, is alluded to in the Miistakis Report where reference is made to the experience in the United States over its 100 years of usage of conservation easements. In the US, the perspective is that legal challenges are a question of "when" and not "if". It is submitted that there is no reason why the Alberta perspective with regard to the use of this tool should be any different over the perpetual life of a conservation easement. It would be a mistake to think otherwise.

It is easy to imagine how future owners of conserved land will in many cases resent the restrictions imposed on their property by an unknown predecessor in title. The resentment will stem from the substantially lower value for the property and the inability to utilize the generally applicable laws allowing for changes of use, subdivision, etc. The end result is that future owners of property can reasonably be expected to scrutinize every word of the conservation easement encumbering their land and, together with their solicitors, analyze how strictly each provision of the conservation easement can be construed.

As a matter of good management, qualified organizations holding conservation easements retain an endowment fund or a reserve fund for ongoing stewardship of conserved land. But the budgets for those reserved funds do not allow daily, weekly, monthly or anything much more than an annual monitoring visit. So what is a qualified organization to do if a future landowner starts cutting timber on the land when it was prohibited, selling topsoil when it was prohibited or any one of myriads of other things that angry or destructive landowners might resort to. Of course, if any such destructive steps were to be taken without prior notice to the qualified organization, then the damage would have been done even before the qualified organization has any idea of the threat.

Of equal significance is the fact that qualified organizations are not likely to be able to fund any frequency of hard-fought litigation with disgruntled future owners over the precise meaning of the restrictions contained in individual conservation easements. The danger of that, is that landowners of the future may run roughshod over the conservation easement tool unless it is carefully and thoughtfully established at the outset, without attempts to overreach by including restrictions and purposes that are unrealistic or simply unenforceable. There is a common unrealistic expectation on the part of many commentators about conservation easements with respect to the extent and precision by which legally enforceable restrictions can be imposed in order to achieve overly ambitious and unrealistic purposes.

What is the Purpose of an Agricultural Conservation Easement in Alberta?

It is submitted that enforceability of a conservation easement can best be attained by recognizing that the relatively simple and direct task of protecting, conserving and enhancing of land for agricultural purposes can be achieved:

- (a) by prohibiting any subdivision (ie., reducing the area of a parcel below a quarter section of 160 acres);
- (b) by prohibiting any change in use of the land; and
- (c) possibly also by prescribing what, if any, and what extent of agricultural building will be allowed on the land.

The latter item would be negotiated between the donating landowner and the qualified organization with the expectation that if a clear limitation on agricultural building is breached, the court will have little difficulty with enforcement.

It is the combination of items (a) and (b) above, however, that is the essence of an agricultural conservation easement. Specifically, if a future landowner wants to subdivide he/she will have to go to the subdivision approving authority which will have been fully informed in advance of the existence of the conservation easement. Similarly, if he/she wants to change the use of the land under any future land use planning legislation, he/she would also need to get approval from the appropriate regulatory authority which will also be aware in advance of the conservation easement.

If one recognizes that those two (and perhaps three) essential provisions of an appropriate agricultural conservation easement in Alberta (the “**Essence of an ACE**”) are put in place, then

the protection, conservation and enhancement of agricultural land or land for agricultural purposes can be achieved in a readily enforceable manner regardless of the opposition of any future owners. That is because any future disgruntled landowner could not achieve subdivision or change of use without the authorization of a third party governmental agency such that unilateral breach of the conservation easement would not at all be likely to occur.

Some have argued that the provision of Section 29 of ALSA providing for the use of a conservation easement for the protection, conservation and enhancement of agricultural land or land for agricultural purposes is a land use rather than a purpose. However, that is a distinction without a meaningful difference in this context. It is submitted that all concern about there being an absence of a purpose for agricultural conservation easements in Alberta can be dispensed with if one recognizes that ALSA already expresses the purpose in Section 29 of the Act - “the protection, conservation and enhancement of agricultural land or land for agricultural purposes”.

What Lands Should be Agriculturally Conserved in Alberta Today?

It is recommended that the Alberta Government implement a policy to support the creation of agricultural conservation easements on lands within Alberta’s most highly productive food producing areas. To that end, we attach as Appendix A to this Memorandum a map entitled “*Organic Matter Content of Cultivated Soils of the Agricultural Area of Alberta*” as produced by Alberta Agricultural, Food and Rural Development in conjunction with Norwest Labs. On that map the soils containing a percent of organic matter of 6 and greater (ie., the very dark brown and the dark redish brown areas) be used to delineate Alberta’s most highly productive food producing lands.

Some of those best soils in the Province extend all the way down the Eastern Slopes to the US border. Many parts of those particular lands are already being conserved under the EcoGift Program so that the agricultural conservation easement could be used to slip into place for cultivated lands in that particular area that do not qualify under the EcoGift Program. It is submitted that government policy ought to make clear that agricultural conservation easements apply to parcels which are all or substantially all cultivated land, including forages and tame pasture.

Importance of Implementing an Agricultural Conservation Easement Program in Alberta at this Time

There are a number of farm families in the Province who themselves and their ancestors have farmed high quality Alberta farmland for many years and in some cases, for several generations. A number of them have expressed to both the national and the regional land trusts, a desire to be able to conserve those agricultural lands. However, they are unable to do so because of the risks and costs described herein and because the established land trusts are fully focussed and occupied with gifts under the EcoGift Program.

Not only are there no tax advantages available today, nor any public funding for support of agricultural conservation easements, but also there are substantial legal, accounting, appraisal and land registration costs and challenges to be incurred. All of those costs and challenges need to be incurred and met by the landowner so that he/she can devalue his/her property. The fatal

issue in all of this is the fact that granting an agricultural conservation easement is a disposition of an interest in the land for capital gains tax purposes.

As can be seen from the map which is Appendix A, much of the highest quality and most productive soils in the Province run along the Edmonton / Calgary corridor. Industrialization up and down that corridor is happening at a rapid rate. It is submitted that the people of Alberta, both rural and urban would welcome the implementation of policies to allow at least some of those invaluable food producing lands to be conserved.

The essential question therefore is, what policy initiatives need to be taken to implement a workable agricultural conservation easement program in Alberta?

What are the Financial Implications of Granting a Conservation Easement in Alberta Today?

In face of ongoing habitat loss and degradation, the Government of Canada, with the objective of maintaining biodiversity, has established the EcoGift Program. It provides incentives to landowners to protect their ecologically sensitive lands. Before one addresses what might be done to stimulate the granting of agricultural conservation easements in Alberta, it is useful to understand the financial implications of an ecological conservation easement from the point of view of a donating landowner.

Ownership of fee simple land in Alberta today can be described as comprising many bundles of rights: rights such as the right to cut trees, the right to farm, the right to graze, the right to build structures, the right to apply for subdivision, the right to apply for a change in use, the right to grow any and every crop imaginable that might survive in this climate, etc., etc. When a conservation easement is granted, some of those “bundles of rights” are removed and from a legal standpoint, that is seen as a sale of part of the fee simple interest.

For that reason, the donor and the qualified organization as the donee of a conservation easement must obtain an appraisal of the value of the lands without a conservation easement, and an appraisal of them after the conservation easement is put in place.

As mentioned above, when a conservation easement is granted there is a deemed disposition of a real property interest, equal to the value of the gift (ie., the value attributed by the appraiser to those bundles of rights removed by means of the conservation easement).

Under the EcoGift Program, the capital gains tax on the value of that donation is waived. No such advantage, however, accrues to a donor of an agricultural conservation easement and it is that fact which currently creates the single greatest impediment to the use of conservation easements to protect agricultural land.

The donor of an ecological conservation easement, together with the qualified organization receiving it, enjoy two significant advantages under the EcoGift Program. One is the fact that the Federal Department of Environment certifies that the lands in question are ecologically sensitive. The other is that the value attributed by the appraiser to be the market value of the ecological gift is certified by the Federal Department of Environment as having been reviewed by qualified professionals and approved. The advantage, therefore, is that a donor of an

ecological conservation easement can go forward with the donation with certainty that the value attributed to the gift will not be questioned by the Canada Revenue Agency (“CRA”). Similarly, the qualified organization will be in a position to issue a tax receipt for the value of the gift which the CRA will not question.

Of course, since there is no “AgriGift Program” in place in Canada today, the donor of an agricultural conservation easement cannot have such certainty. In theory, at least, the donor can place faith in the appraiser, and hope that the qualified organization will as well. However, both of them must know that the CRA may at any time over a 4 year period after the year in which the gift is made, challenge the appraiser’s valuation of the land, the assessment of the value of the gift or whether the lands in question meet the objective of the protection, conservation and enhancement of agricultural lands or land for agricultural purposes. In short, the granting of an agricultural conservation easement today is awash with uncertainty including the potential for disputes and the threat of possible litigation with the CRA.

There is yet another significant advantage that accrues under the EcoGift Program where the donor is an individual as opposed to a corporation. An individual receives a tax receipt which can be utilized for the year of the gift plus ten more taxation years against tax actually payable by the individual, as opposed to taxable income which would be the case for a corporate donor. No such advantage accrues to an individual upon the granting of an agricultural conservation easement.

Finally, a major incentive within the EcoGift Program is that the donating landowner can receive part of the value of his gift, not merely as a tax receipt for the donated portion, but also in cash for the portion of the value of the conservation easement that is purchased by the qualified organization. Some of that funding for the qualified organizations comes from the Federal Government and some from the Provincial.

Not many farm owners in Alberta today need a tax receipt. An ideal solution would be for tax receipts that are issued for donations of agricultural conservation easements, to be made transferable so that farm owners might be able to obtain cash for the receipt. Also, receipt of cash, perhaps to the same degree made available under the EcoGift Program, would be highly attractive and a great incentive to cause landowners to move forward to protect Alberta’s most valuable food producing lands.

What Should be Done?

The best solution would involve the creation of an “AgriGift Program” parallel to the EcoGift Program. Such a policy, however, would require cooperation between the federal and provincial governments. It is recommended that efforts in that regard be initiated by the Province of Alberta with the aim of creating a program similar to the EcoGift Program.

The federal government has, of course, heard of this issue before. Attached as Appendix B is a letter dated December 6, 2006, from the Ontario Farmland Trust to the Honourable James Flaherty, who was then the Minister of Finance for Canada. That letter clearly articulates many of the strong arguments in favour of the two levels of government working together to create functional mechanisms for the preservation of farmland in Canada before it is too late.

Back in 2012, Miistakis commented that (under the previous federal Government) there seemed to be a significant appetite for the creation of such a program nationwide. One would hope that the present federal Government, recognizing the constant and rapid decline in the most highly productive food producing lands in the country, may also be supportive of such an initiative.

A number of potential mechanisms for creating and enhancing the tax incentives for the granting of a conservation easement in Canada are discussed in a useful paper by Zweibel and Cooper entitled “*Charitable Gifts of Conservation Easements: Lessons From the U.S. Experience in Enhancing the Tax Incentive*” published in the Canadian Tax Journal (2010) Vol. 58, No. 1, 25-61.

Governments today are concerned about costs. It is submitted, however, that any perceived loss of tax revenue on capital gains from an agricultural donation is theoretical at best and would be overcome by the perpetual future food productivity of the lands. The loss of tax revenue through the issuance of tax receipts, and the availability of cash for at least partial purchase of agricultural conservation easements, could at the outset be capped when a new program is initiated and the very best lands in each Province or region are identified and qualified, so that there would be no unbudgeted expenditures of public funds.

Finally, it is time for the establishment of an Alberta Farmland Trust to be the qualified organization to receive agricultural conservation easements, to press governments for support of the concept and to raise funds for administration and stewardship purposes. Such an organization would be complementary of the land trusts engaged in the EcoGift Program but not competitive with them.

Dated this 2nd day of August, 2018.

Stanley Carscallen, Q.C.¹

¹ Mr. Carscallen is a practising lawyer with Carscallen LLP in Calgary and the owner of White Moose Ranch at Millarville, Alberta.

RMA Background

RMA has no active resolutions directly related to this issue.

Provincial Policing Costs Levy – Designate as a Requisition

Lacombe County

*Three-fifths Majority Required
Endorsed by District 2 (Central)*

WHEREAS in December 2019, the Government of Alberta approved a new police funding model which requires urban municipalities with populations less than 5,000 and all rural municipalities to pay a portion of provincial policing costs; and

WHEREAS under the new police funding model, affected municipalities will contribute 10% of policing costs in 2020, 15% in 2021, 20% in 2022, 30% in 2023 and 30% in 2024; and

WHEREAS based on 2018 population and equalized assessment information the total amount of policing costs to be borne by the affected municipalities is \$15,407,888 in 2020-21, \$26,655,970 in 2021-22, \$37,855,777 in 2022-23, \$60,351,940 in 2023-24 and \$60,351,940 in 2024-25; and

WHEREAS provincial policing costs represent a significant portion of the affected municipalities' annual operating budgets; and

WHEREAS pursuant to Section 354(1) of the *Municipal Government Act*, a municipality's property tax bylaw must set and show separately all of the tax rates imposed to raise the revenue required for requisitions, including the Alberta School Foundation Fund, school board, housing management body, and designated industrial property requisitions; and

WHEREAS Alberta Municipal Affairs has advised that policing costs are not legislatively designated as a requisition and therefore there is no authority for municipalities to show policing costs as a separate line item on the municipal tax bylaw, or to levy a specific tax rate for the collection of revenue to support policing costs; and

WHEREAS municipalities must include invoiced policing costs in municipal budgets and fund costs from revenues collected from the general municipal tax rate; and

WHEREAS all residents of Alberta should know how much of their annual property taxes is allocated to policing costs;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request the Government of Alberta to amend section 326(1)(a) of the *Municipal Government Act* by designating the provincial policing costs levy as a requisition to allow municipalities to show separately on their property tax notices the tax rate imposed to raise the revenue required for the provincial policing costs levy.

Member Background

Despite municipalities' significant concerns with the requirement that urban municipalities with populations less than 5,000 and all rural municipalities contribute to frontline policing costs, and the implementation of the ensuing police funding model, the Government of Alberta proceeded with this in late 2019. As a result of this provincial government downloading, municipalities must reallocate money from their already strained operating budgets to policing, which reduces funding for other core and supplemental municipal services or increases property tax rates. If Alberta residents and businesses are legislatively required to pay for other third party-provided services including public education, seniors housing, designated industrial property assessments, and now policing, through their property taxes, it is imperative that they know how much of their property taxes are going towards each service.

The purpose of this resolution is to ensure that municipal taxpayers are aware of what they are paying for front-line policing.

RMA Background

RMA has no active resolutions directly related to this issue.

Legislated Notice Requirement

Big Lakes County

*Three-fifths Majority Required
Endorsed by District 4 (Northern)*

WHEREAS both the Government of Alberta and Alberta's municipalities are committed to govern in a way that best serves the people of Alberta; and

WHEREAS both parties share a responsibility for funding and providing services utilized by Alberta residents and businesses; and

WHEREAS to maintain essential municipal services, municipalities require financial stability and adequate notice of potential provincial policy or legislative changes with significant impacts on municipal finances;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta advocate that the Government of Alberta amend the *Municipal Government Act* to provide a mandatory notice period of one year before implementing any action that will have the specific and direct effect of decreasing revenue or increasing required expenditures for municipalities.

Member Background

Provinces and municipalities in other parts of the country have, through legislation and memorandums of understanding (MOUs), developed a process of mutual respect, accountability and a recognition of the importance of cooperation while achieving win/win solutions.

Recent actions by the Government of Alberta will produce extreme financial shortfalls leading to the reduction and removal of municipal services and further unintended consequences. Many municipalities will be required to mitigate these losses by raising their tax rates to their citizens, small businesses and industries.

The enclosed resolution simply provides an opportunity for municipalities to work with the Government of Alberta and be partners in achieving solutions that support the needs of Albertans without creating negative financial extremes and hardships for municipalities.

The result of this formal collaborative arrangement will enhance due process which benefits both parties and most importantly all Albertans, whom we all serve.

RMA Background

5-18S: Provincial Government Consultation and Communication Protocol with Municipalities

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) appeal to the Government of Alberta to establish and maintain a uniform consultation and communication protocol with municipal elected officials which is applicable to all provincial bodies;

FURTHER BE IT RESOLVED that through this consultation and communication protocol, the Government of Alberta recognizes and acknowledges the legislated significance of municipal elected officials, and that the Government of Alberta engage municipalities openly and transparently to provide input and feedback on the consultation and communication protocol from inception through to implementation.

[Click here](#) to view the status and government response to this resolution

Government of Alberta Embargoed Committee Work

MD of Willow Creek

*Simple Majority Required
Endorsed by District 1 (Foothills Little Bow)*

WHEREAS the Government of Alberta has recently undertaken public policy discussions and decision-making on fundamental changes which affect local governments through “embargoed” processes which prohibit municipal organizations participating in these processes from consulting with member municipalities; and

WHEREAS the Government of Alberta required that organizations participating in the assessment model review abide by strict confidentiality requirements through an embargoed process; and

WHEREAS the Government of Alberta is requiring as a condition of participation in the Alberta Police Advisory Board that organizations abide by strict confidentiality requirements through an embargoed process; and

WHEREAS embargoed processes do not allow for the application of fundamental democratic processes including transparency and consultation with parties most impacted by changes to government policy or legislation; and

WHEREAS municipal councils regularly address confidential information and are bound by the provisions of the *Freedom of Information and Protection of Privacy Act*, the *Municipal Government Act* and municipal councillor code of conduct bylaws and as such confidentiality requirements may be assured when consultations include municipal governments;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request the Government of Alberta to amend its policy development processes for embargoed committee work to ensure that organizations that represent municipal governments can share information and seek input from their member municipalities during the committee process.

Member Background

Rural municipalities across Alberta have expressed concerns regarding two recent policy matters which have been addressed by the Government of Alberta including the police funding model and the assessment model review.

The policy development process undertaken by the Government of Alberta for these issues included the participation of various stakeholders including the Rural Municipalities of Alberta and the Alberta Urban Municipalities Association. All stakeholders invited to participate in the committee process were required to adhere to strict conditions of confidentiality which included a prohibition on consultation with members of the municipal organizations.

Municipal councils regularly address confidential information and are bound by the provisions of the *Freedom of Information and Protection of Privacy Act*, the *Municipal Government Act* and municipal councillor code of conduct bylaws. As such, confidentiality requirements may be assured when consultations include municipal governments.

The embargoed process as required by the province does not allow for information sharing among stakeholder groups during the policy development process, is inadequate to provide participation and creates immediate resistance to committee proposals which arise from committee work as a direct result of the lack of information available to stakeholders. Additionally, it does not provide transparency and lacks critical public oversight which ensures a fair and equitable process for all stakeholders.

RMA Background

RMA has no active resolutions directly related to this issue.

Amendments to Municipal Government Act Section 619

MD of Willow Creek

*Three-fifths Majority Required
Endorsed by District 1 (Foothills Little Bow)*

WHEREAS the ***Municipal Government Act*** (MGA) provides for the preparation and adoption of planning documents such as intermunicipal development plans, municipal development plans, land use bylaws and area structure plans to ensure orderly, economical and beneficial development and use of land; and

WHEREAS section 619 of the MGA allows a license, permit, approval or other authorization granted by the **Natural Resources Conservation Board** (NRCB), the **Energy Resources Conservation Board** (ERCB), the **Alberta Energy Regulator** (AER), the **Alberta Energy and Utilities Board** (AEUB) or the **Alberta Utilities Commission** (AUC) to supersede municipal authority over land use planning; and

WHEREAS section 619 further states that if an application is received by a municipality for an amendment to a statutory plan, land use bylaw, subdivision approval, development permit or other authorization under this Part, and the requested amendment is consistent with the licence, permit, approval or other authorization granted by the NRCB, ERCB, AER, AEUB or AUC, the municipality must approve the application thereby restricting or removing the municipality's decision-making authority regarding land use matters; and

WHEREAS the NRCB, ERCB, AER, AEUB or AUC are not legislatively required to consider municipal land use planning bylaws when these Boards approve confined feeding operations, electrical generation or transmission projects; and

WHEREAS the NRCB, ERCB, AER, AEUB or AUC have approved projects on productive agricultural lands resulting in fragmentation and permanent loss of production; and

WHEREAS section 8 of the South Saskatchewan Implementation Plan for Agriculture requires municipalities to: identify areas where agricultural activities – including extensive agriculture and associated activities should be the primary land use in the region, limit fragmentation of agricultural lands and their premature conversion to other non-agricultural uses, employ appropriate tools to direct nonagricultural subdivision and development to areas where development will not constrain agricultural activities and to minimize conflicts between intensive agricultural operations and incompatible land uses; and

WHEREAS the protection of productive agricultural land for agricultural purposes is a principle stated within many rural municipalities' municipal development plans and land use bylaws; and

WHEREAS the NRCB, ERCB, AER, AEUB and AUC repeatedly and consistently approve licenses, permits, approvals and other authorizations without consideration of local land use bylaws and without consideration of the preservation of productive agricultural land;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta urge the Government of Alberta to amend Section 619 of the *Municipal Government Act* to clearly state that the Natural Resources Conservation Board, the Energy Resources Conservation Board, the Alberta Energy Regulator, the Alberta Energy and Utilities Board or the Alberta Utilities Commission must consider municipal statutory land use planning related to the protection of productive agricultural lands when making decisions on licenses, permits, approvals and other authorizations under their jurisdiction.

Member Background

Section 619 of the *Municipal Government Act* allows a license, permit, approval or other authorization granted by the Natural Resources Conservation Board (NRCB), the Energy Resources Conservation Board (ERCB), the Alberta Energy Regulator (AER), the Alberta Energy and Utilities Board (AEUB) or the Alberta Utilities Commission (AUC) to supersede municipal authority over land use planning, including any statutory plan, land use bylaw, subdivision decision or development decision by a subdivision authority, development authority, subdivision and development appeal board or the Municipal Government Board or any other authorization under this Part.

When these provincial agencies consider the issuance of licenses, permits, approvals and other authorizations there are few requirements which statutorily require them to consider municipal planning

documents which outline land use priorities and plans – particularly those which include the protection of agricultural land including fragmentation and conversion to non-agricultural uses.

This resolution is intended to initiate a discussion on the amendment of the *Municipal Government Act* to require the consideration of municipal planning documents with respect to the protection of agricultural land when considering applications for licenses, permits, approvals or other authorizations by the NRCB, ERCB, AER, AEUB or AUC.

The relevant legislation is below:

Municipal Government Act Section 619 Chapter M-26 RSA 2000
Division 1
Other Authorizations, Compensation
NRCB, ERCB, AER, AEUB or AUC authorizations

619(1) A licence, permit, approval or other authorization granted by the NRCB, ERCB, AER, AEUB or AUC prevails, in accordance with this section, over any statutory plan, land use bylaw, subdivision decision or development decision by a subdivision authority, development authority, subdivision and development appeal board, or the Municipal Government Board or any other authorization under this Part.

(2) When an application is received by a municipality for a statutory plan amendment, land use bylaw amendment, subdivision approval, development permit or other authorization under this Part and the application is consistent with a licence, permit, approval or other authorization granted by the NRCB, ERCB, AER, AEUB or AUC, the municipality must approve the application to the extent that it complies with the licence, permit, approval or other authorization granted under subsection (1).

(3) An approval of a statutory plan amendment or land use bylaw amendment under subsection (2)
(a) must be granted within 90 days after the application or a longer time agreed on by the applicant and the municipality, and
(b) is not subject to the requirements of section 692 unless, in the opinion of the municipality, the statutory plan amendment or land use bylaw amendment relates to matters not included in the licence, permit, approval or other authorization granted by the NRCB, ERCB, AER, AEUB or AUC.

(4) If a municipality that is considering an application under subsection (2) holds a hearing, the hearing may not address matters already decided by the NRCB, ERCB, AER, AEUB or AUC except as necessary to determine whether an amendment to a statutory plan or land use bylaw is required.

(5) If a municipality does not approve an application under subsection (2) to amend a statutory plan or land use bylaw or the municipality does not comply with subsection (3), the applicant may appeal to the Municipal Government Board by filing with the Board

- (a) a notice of appeal, and
- (b) a statutory declaration stating why mediation was unsuccessful or why the applicant believes that the municipality was unwilling to attempt to use mediation.

(6) The Municipal Government Board, on receiving a notice of appeal and statutory declaration under subsection (5),

- (a) must commence a hearing within 60 days after receiving the notice of appeal and statutory declaration and give a written decision within 30 days after concluding the hearing, and
- (b) is not required to notify or hear from any person other than the applicant and the municipality against whom the appeal is launched.

(7) The Municipal Government Board, in hearing an appeal under subsection (6), may only hear matters relating to whether the proposed statutory plan or land use bylaw amendment is consistent with the licence, permit, approval or other authorization granted under subsection (1).

(8) In an appeal under this section, the Municipal Government Board may

- (a) order the municipality to amend the statutory plan or land use bylaw in order to comply with a licence, permit, approval or other authorization granted by the NRCB, ERCB, AER, AEUB or AUC, or
- (b) dismiss the appeal.

(9) Section 692 does not apply when the statutory plan or land use bylaw is amended pursuant to a decision of the Municipal Government Board under subsection (8)(a).

(10) A decision under subsection (8) is final but may be appealed by the applicant or the municipality in accordance with section 688.

(11) In this section, “NRCB, ERCB, AER, AEUB or AUC” means the Natural Resources Conservation Board, Energy Resources Conservation Board, Alberta Energy Regulator, Alberta Energy and Utilities Board or Alberta Utilities Commission.

(12) Despite any other provision of this section, every decision referred to or made and every instrument issued under this section must comply with any applicable ALSA regional plan. RSA 2000 cM-26 s619;2007 cA-37.2 s82(14); 2009 cA-26.8 s83;2012 cR-17.3 s95

RMA Background

RMA has no active resolutions directly related to this issue.

Enhancing Support for Farmers When a State of Agricultural Disaster is Declared

Leduc County

*Simple Majority Required
Endorsed by District 3 (Pembina River)*

WHEREAS much of the northwest region of Alberta has seen excessive moisture over the past three years; and

WHEREAS harvesting, seeding, and spraying operations have been severely disrupted over the past three years, creating stress and financial difficulty for many farmers; and

WHEREAS the declaration of a state of agricultural disaster by a municipality does not provide additional supports for farmers in the affected area;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) request that the Government of Alberta review supports for farmers when a state of agricultural disaster is formally declared within a municipality; and

FURTHER BE IT RESOLVED that RMA request that the Government of Alberta develop additional programs to enhance support to farmers when a state of agricultural disaster is declared; and

FURTHER BE IT RESOLVED that RMA request that the Government of Alberta take a regional approach to declaring agricultural disasters such that they can be initiated within a region of Alberta where several municipalities have declared a state of agricultural disaster to allow for the release of reserve funds for farmers in that region.

Member Background

In the spring and summer of 2020, thirteen municipalities declared a state of agricultural disaster. Excessive moisture for the previous two years devastated agriculture within the area, with precipitation in some areas being 150% of the long-term average in 2020 alone (the most precipitation seen in the past sixty years). For some municipalities, such as Leduc County, it was the second consecutive year that a state of agricultural disaster was declared.

A municipal declaration is a way for municipal governments to raise awareness of the severity of the situation with the general public through the media; however, a declaration does not provide additional support to the farmers who are dealing with unseeded acres, lost crop, or lack of feed for livestock.

The Rural Municipalities of Alberta had developed *A Guide for Declaring Municipal Agricultural Disasters in Alberta*. The guide was created to assist municipalities in the difficult decision on whether to declare an agricultural disaster. This document has been helpful in creating consistency in when and how a municipality should declare a state of agricultural disaster.

Although municipal declarations bring awareness to an issue in a specific area of the province, it does nothing to trigger a provincial declaration, nor allow access to any funding to support the farmers that are experiencing extreme hardship. Farmers are only provided access to disaster support funds of the Government of Alberta declares a provincial state of agricultural disaster. This decision is made by Cabinet and although it may use municipal declarations to inform its decision-making, the decision is made with respect to the province as a whole.

It is appreciated that the Government of Alberta must make decisions with respect to the entire province. It would be an extremely rare and serious situation if the entire province suffered an agricultural disaster; it is more common that specific regions within Alberta will experience adverse conditions that would warrant a declaration of disaster. If the Government of Alberta were able to declare a region of the province as an area of agricultural disaster, this should allow for the release of reserve funds to aid farmers in that region.

References:

RMA Guide for Declaring Municipal Agricultural Disasters <https://rmalberta.com/wp-content/uploads/2019/07/RMA-Guide-for-Declaring-Municipal-Agriculture-Disasters.pdf>

RMA Background

RMA has no active resolutions directly related to this issue.

CRTC Aggregate Wholesale Pricing to Mandate Rural Investment

Big Lakes County

*Simple Majority Required
Endorsed by District 4 (Northern)*

WHEREAS the owners of broadband infrastructure have invested significant sums of money in developing their distribution networks; and

WHEREAS the owners of broadband distribution networks set their user fees to facilitate future investment in expanded networks; and

WHEREAS the owners of broadband distribution networks allow for third party internet service providers to utilize their networks for a fee; and

WHEREAS Telecom Order CRTC 2019-288 set final rates for wholesale high-speed access that owners of broadband distribution networks can charge third party internet service providers for aggregated wholesale high speed access services; and

WHEREAS the position taken by the CRTC related to wholesale internet pricing has the potential to significantly reduce the level of investment in internet infrastructure in small and rural communities in Canada; and

WHEREAS in September 2019 the Federal Court of Appeal issued a temporary stay of Telecom Order CRTC 2019-288; and

WHEREAS the **Canadian Radio-television and Telecommunications Commission (CRTC)** has issued Telecom Notice of Consultation CRTC 2020-131 which reviews the approach to rate setting for wholesale telecommunications services;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) urge the Government of Canada and the Canadian Radio-television and Telecommunications Commission (CRTC) to reconsider its position on wholesale internet pricing; and

FURTHER BE IT RESOLVED that RMA request the Government of Canada and CRTC to create a financial framework where communication and internet fee structures include funds for mandatory investment of network expansion into currently unserved areas of Canada by all telecom and internet service providers.

Member Background

The wholesale pricing model introduced in August 2019 has the potential of increasing competition and lowering internet pricing for urban areas in Canada where there are multiple providers and good existing high-speed internet infrastructure. However, in rural areas where there are often only a few telecom providers or no service at all, the pricing model discourages investment in these rural areas. When a large telecom provider decides to invest in a rural area, the period to recoup the investment is very long, if ever. If the telecoms are forced to provide low cost access to these assets to their competitors, it discourages the investment. With the large number of additional towers needed to move from 4G to 5G networks, this Canadian Radio-television and Telecommunications Commission (CRTC) decision will likely result in rural areas never receiving upgrades, and areas currently unserved will remain unserved. With the advancements in artificial intelligence and our ever-increasing reliance on the internet to provide basic services to our residents, the need for a robust Canada wide network coverage including the most remote rural areas is a national problem. Having higher wholesale rates and forcing the network operators to reinvest the additional money collected into poorly covered or unserved areas would better serve Canada's collective interests.

RMA Background

RMA has no active resolutions directly related to this issue.

Weed Issues on Oil and Gas Sites in Rural Alberta

MD of Taber

*Simple Majority Required
Endorsed by District 1 (Foothills Little Bow)*

WHEREAS Alberta has experienced an extended period of economic challenge in the oil and gas industry which has resulted in many resource companies becoming insolvent, forced into receivership, or ultimately claiming bankruptcy; and

WHEREAS there are thousands of oil and gas wells across Alberta where regular lease maintenance is not being carried out as per the terms of private surface lease agreements, including wells transferred to the Orphan Well Association, companies in receivership or in bankruptcy proceedings, or companies currently still operating and producing product; and

WHEREAS there are no legislated timelines for oil and gas companies to reclaim inactive wells; and

WHEREAS there are currently approximately 90,000 inactive wells in Alberta; and

WHEREAS the Alberta Energy Regulator has been reluctant to suspend well licenses or limit access to these sites for companies that are in non-compliance surface leases terms related to weed control, contamination issues, fence maintenance, or non-payment of surface rentals; and

WHEREAS agricultural operators have been left to address the liabilities of many oil and gas wells that have been abandoned by bankrupt companies or companies that are unwilling or financially unable to maintain their sites; and

WHEREAS neglect of weed control on well sites has been a recent concern of municipalities and landowners across Alberta;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta advocate to the governments of Alberta and Canada to put in place appropriate legislation and standards to protect landowners from undue hardship as a result of oil and gas company neglect of weed control on well sites.

Member Background

Ongoing depressed oil and natural gas prices have dramatically affected the industry, the provincial government, and the residents of Alberta. One of the unforeseen consequences to rural landowners has been the effects of unaddressed weed issues from oil and gas lease sites.

Several struggling oil and gas companies have opted to forego weed control measures on their lease sites on both private and Crown lands. This includes companies whose assets have been assigned to the Orphan Well Association, companies in receivership or bankruptcy proceedings, and companies that continue to operate and are choosing not to address their weed control obligations through their surface lease agreements.

This unfortunate symptom of an industry in peril has resulted in economic implications to cooperating landowners. In many cases, these neglected leases have resulted in weeds moving off the lease onto neighboring lands causing reduced crop yields and having landowners incur the cost, inconvenience, and liability of managing these weed issues themselves.

Efforts by landowners to contact operators of these facilities has proven to be frustrating. In some cases a contact person cannot be found, or if they are successful in contacting the company, many times the issues go unresolved.

The plant of primary concern is the Kochia weed (*Kochia scoparia*). This now common, non-native plant grows in wide range of soil types, is drought tolerant, and is becoming increasingly resistant to traditional herbicide treatments. This plant is of great concern to producers of annual cereal crops as it can substantially reduce crop yields and seed cleaning costs in affected fields. Kochia is not listed in the Alberta Weed Control Regulation, therefore municipalities are limited in their ability to address this issue through legislative processes.

Attempts at contacting the Orphan Well Association, the Alberta Energy Regulator, and the Alberta Surface Rights Board have not been successful in attenuating this situation.

RMA Background

RMA has no active resolutions directly related to this issue.

Creation of Municipal Affairs Process to Resolve Disputes Regarding Council Sanctions and Disqualifications

Rocky View County

*Three-fifths Majority Required
Individual Resolution*

WHEREAS section 146.1 of the ***Municipal Government Act*** (MGA) requires municipalities to establish, by bylaw, a code of conduct that governs the conduct of councillors and how violations of municipal codes of conduct should be resolved, including the placement of sanctions on councillors; and

WHEREAS section 174 of the MGA states the circumstances in which a councillor is disqualified from council; and

WHEREAS section 175 of the MGA requires a disqualified councillor to resign immediately, and if they fail to do so, the only alternative is to refer the matter to the Court of Queen's Bench for resolution; and

WHEREAS there have been a number of cases in Alberta municipalities that have resulted in legal action because a councillor refuses imposed sanctions or does not resign from council as the result of a disqualification; and

WHEREAS there is no intermediate step for the resolution of conflict regarding code of conduct sanctions or disqualifications between resolving the issue internally at the municipal level and a formal judiciary process; and

WHEREAS legal action is costly, combative, and time-consuming to the municipality and all parties involved; and

WHEREAS the courts do not have the same level of awareness and understanding of the responsibilities, obligations, and internal processes of municipalities as does the Minister of Municipal Affairs; and

WHEREAS municipalities derive their authority, requirements, and responsibility from the Minister of Municipal Affairs; and

WHEREAS the Minister of Municipal Affairs has the authority to adjudicate on municipal matters and could create a process that serves as an intermediate step to adjudicate on disagreements regarding council sanctions and the removal of disqualified councillors;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta advocate to the Government of Alberta to amend the *Municipal Government Act* to create a process by which the Minister of Municipal Affairs can enforce, amend, or remove sanctions for code of conduct violations and enforce the removal of disqualified councillors, as an alternative to referring matters directly to the Court of Queen's Bench.

Member Background

Conflict and dispute can arise among councillors in municipalities. The *Municipal Government Act* (MGA) provides mechanisms and requirements for councils to resolve their problems internally. Section 146.1 enables councils to create a code of conduct bylaw to define how individual councillors must conduct themselves as representatives of the municipality. If violations occur, the code of conduct bylaw outlines steps to follow and actions that can occur. The MGA allows councils to place sanctions on councillors who violate codes of conduct. If a councillor does not agree with the sanctions and the matter cannot be resolved internally, that councillor's only recourse is to refer the matter to the Court of Queen's Bench.

Section 174 of the MGA describes the circumstances by which a councillor is disqualified, while section 175 states that disqualified councillors must immediately resign from council. If a councillor does not resign, section 175(2) states that the only recourse is to refer the matter to the Court of Queen's Bench. As a result, to ensure that the legislative requirements of the MGA are met, a council must proceed through a costly and time-consuming judiciary process. This also leaves municipalities in a situation where disqualified councillors can continue to sit while the process is resolved through the courts.

There are no intermediate steps to resolve councillor sanctions and disqualifications. The only options are to resolve it internally or to refer it to the courts. Legal action is costly, time-consuming, and combative, which further exacerbates internal council tensions. Additionally, courts often lack the intimate

understanding of municipal affairs possessed by the Minister of Municipal Affairs, which may result in decisions that fail to understand the nuances of local government. There are certain types of quasi-judicial items that could be resolved without a lengthy, expensive court process, specifically disputes about councillor sanctions and removal of disqualified councillors. Section 574 of the MGA provides the Minister with the ability to adjudicate on council conduct after an investigation. Minor amendments to Section 175 of the MGA could allow this process to be used for disqualifications as well.

Municipalities derive their authority from provincial statutes, and are thus bound by the authority of the Minister, who can adjudicate on municipal matters. Minor amendments to the MGA would clarify the Minister's authority and allow for creation of a streamlined process to adjudicate on council sanctions and the removal of disqualified councillors. The process could be used by either the affected councillor or the council to oppose or enforce a sanction. For example, if a sanctioned councillor disagrees with the sanctions that have been imposed, they could make a case to the Minister of Municipal Affairs to review the circumstances. The Minister would then have the option of upholding, removing, or amending the sanctions. This process could also be used by the Minister to remove a councillor who has clearly been disqualified under Section 174 of the MGA.

This would provide an alternate option for resolving conflict, rather than having to resort immediately to legal action if the matter cannot be resolved internally through the code of conduct bylaw. These changes would significantly reduce costs for municipalities and provide a mechanism for the swift resolution of these issues. If an adjudication from the Minister is still not agreeable to either parties, the judicial process remains an option.

RMA Background

RMA has no active resolutions directly related to this issue.

Expansion of Elk Hunting for Management in Agriculture Production Areas

Leduc County

*Simple Majority Required
Endorsed by District 3 (Pembina River)*

WHEREAS Alberta's elk populations are increasing rapidly due to current wildlife management policies; and

WHEREAS increased elk populations within primarily agricultural areas has impacted agricultural producers through damage to hay land, pasture, silage crops and other crops; and

WHEREAS the introduction of an antlerless elk season in many of Alberta's wildlife management units was intended to assist in elk population control;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) request that the Government of Alberta increase the number of antlerless elk draw seasons to a minimum of two per wildlife management unit (WMU) located within agricultural areas; and

FURTHER BE IT RESOLVED that RMA request that the Government of Alberta increase the number of antlerless elk tags allocated within WMUs that are located within agricultural areas to compensate for poor hunter harvest success.

Member Background

Wildlife Management Unit (WMU) 334 is comprised of portions of Leduc County, Brazeau County, and Yellowhead County. The eastern portion of this WMU is primarily agricultural land with a high proportion of livestock operations, who rely on hay land and silage crops (such as corn) to provide winter feed for their cattle herds. Over the past three years, several herds of non-migrating elk have become established within WMU 334. Sightings of at least two separate herds of eighty elk and two herds of forty are common within the area. These elk have been damaging both standing and stockpiled forages that are intended for cattle feed.

Elk in the area have become especially damaging to corn crops that are intended as winter grazing for the cattle. While there are techniques for preventing and mitigating ungulate damage, such as deterrent, intercept feed and permanent fencing, these techniques are typically not effective/economical when dealing with large areas, such as entire fields.

The introduction of an antlerless elk season is believed to assist in the control of elk populations by removing female elk from the population. Tags are allocated within each WMU based on population numbers. This allocation assumes that with a 100% success rate of harvest, population numbers will be manageable. However, based on Alberta Environment and Parks' (AEP) Hunter Harvest Report, hunter success rates for elk only exceeded 50% in one WMU, and was only 11% in specifically for WMU 334.

AEP has confirmed that there has not been a specific survey for elk conducted within WMU 334, and the last aerial survey that was flown for other ungulate species was in January 2016. However, AEP had allocated 20 antlerless tags for WMU 334 in 2019 and 20 in 2020. According to the 2019 Hunter Harvest Report in 2019, five female elk and two young elk were harvested within the WMU, a success rate of 35%. Although this is a higher success rate than is recorded on the estimated resident harvest for elk, it is not a high enough success rate to ensure populations are managed.

By increasing the number of antlerless hunting seasons within WMUs where agriculture is a significant operation, the season in which elk can be hunted within these WMU's can be extended, and it is believed that the hunter harvest success rate can be increased. By increasing the number of antlerless tags available in these unit areas, elk populations will be more accurately managed even with a less than ideal hunter harvest rate.

Past resolutions have been endorsed by members of the Rural Municipalities of Alberta specifically related to elk population control, although there are no active resolutions currently.

References:

<https://open.alberta.ca/publications/hunter-harvest-report-elk-estimated-resident-harvest-for-elk>

<https://rmalberta.com/resolutions/2-15s-elk-quota-hunt/>

<https://rmalberta.com/resolutions/4-15s-landowner-special-licence-for-elk/>

RMA Background

RMA has no active resolutions directly related to this issue.

Provincial Government Disaster Recovery Program Payments

County of Grande Prairie

*Simple Majority Required
Endorsed by District 4 (Northern)*

WHEREAS the Government of Alberta has an effective emergency management system and an effective Provincial Operations Centre; and

WHEREAS the Government of Alberta regularly requests emergency response deployments from municipalities to assist with regional disaster situations; and

WHEREAS municipalities typically respond quickly to disaster situations and support one another during times of need; and

WHEREAS municipalities are required to submit detailed accounting of expenses incurred during deployments under the provincial **Disaster Recovery Program (DRP)**; and

WHEREAS the Government of Alberta is required to ensure fiscal responsibility in DRP payments;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta advocate that the Government of Alberta review its Disaster Recovery Program processes to ensure municipalities receive payments within a defined timeline for resources deployed to assist during regional disasters.

Member Background

In the past few years, the Government of Alberta has experienced an increased frequency of regional emergencies where resources from unaffected municipalities were deployed under provincial direction or at the request of an affected municipality.

Municipalities are quick to respond to regional emergencies and support one another in times of need. During such disasters and corresponding responses, municipalities incur additional operating and administrative costs.

In 2018, the Government of Alberta developed the *Alberta Structure Protection Program Operational Guidelines* document, which is intended to “strengthen the capacity for Provincial structure protection while providing flexibility to deploy trained and capable resources with clear rules of engagement and reimbursement requirements.”

The processing of Disaster Relief Program (DRP) claims is lengthy, and Alberta municipal elected officials are concerned with the timelines required for DRP payments.

A recent example is the May 2019 Chuckegg Creek Wildfire for which reimbursements are still outstanding for the local municipality and responding regional partners.

RMA Background

RMA has no active resolutions directly related to this issue.

Seniors' Foundation Requisitions

MD of Greenview

*Three-fifths Majority Required
Endorsed by District 4 (Northern)*

WHEREAS the *Housing Act* (hereafter referred to as "the Act") provides that a management body may annually requisition municipalities for which the management body provides lodge accommodation for the amount of the management body's annual deficit for the previous fiscal year, and any amounts necessary to establish or continue a reserve fund for the management body; and

WHEREAS the Act provides that the management body shall supply a copy of its calculation of the requisitioned amount for the municipality; and

WHEREAS the Act provides that if a municipality agrees to contribute to the operating costs of any housing accommodation, other than lodge accommodation, provided by a management body, it shall make the contribution agreed to within 90 days after the mailing of the invoice by the management body; and

WHEREAS the Management Body Operation and Administration Regulation (hereafter referred to as "the Regulation") provides that each year, a management body must prepare and submit to the Minister a business plan that includes the operating budget for the upcoming three-fiscal-year period, a capital plan for the upcoming five-fiscal-year period, and any other information required by the Minister; and

WHEREAS the Regulation places limits on reserve funds, including a requirement for ministerial approval to establish reserves and limits on the amount of reserves in relation to the management body's estimated capital and operational costs; and

WHEREAS the current Act and Regulation lacks clarity regarding the scope of housing management body requisitions, specifically relating to capital project costs;

WHEREAS this lack of clarity has resulted in situations in which housing management bodies have attempted to requisition municipalities for capital costs, expenses based on the current year's budget, and to contribute to reserve funds not approved by members, all of which do not align with the intent of the Act and Regulation;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) request the Government of Alberta review the oversight of the Ministry of Seniors and Housing over housing management bodies (HMBs) to ensure that all HMBs are correctly and consistently requisitioning municipalities under the requirements of the *Housing Act*; and

FURTHER BE IT RESOLVED that RMA request that the Government of Alberta provide enhanced training and education to HMBs on the *Housing Act* and the Management Body Operation and Administration Regulation to ensure they have a clear understanding of their financial powers, limitations and responsibilities, including related to requisitioning and reserve creation; and

FURTHER BE IT RESOLVED that RMA request the Government of Alberta to amend the *Housing Act* to clearly state the ability of municipalities to approve or deny requests for capital projects.

Member Background

The *Housing Act* provides parameters for how housing management bodies may requisition member municipalities for operating deficits and reserve funds. It is the general understanding that housing management bodies may requisition funds for the operating deficit of the previous year as well as any reserve funds, both capital and operating, as agreed upon between the management body and the member municipalities. There are some housing management bodies across the province that have been requisitioning municipalities for capital funds outside of any agreement that creates an operating or capital reserve between member municipalities and the housing management body.

The discrepancies between housing management bodies' understanding of their requisitioning abilities may be due to a lack of oversight and clarity in the Act and Regulation from Alberta Seniors and Housing. While many housing management bodies appear to be following the correct process in working with their

municipal partners to raise capital funds through official agreements for reserve contributions and operating deficits, there are other housing bodies that are not following the proper process and approaching capital projects as a requisition, to which the municipality has no ability to deny.

Further, some housing management bodies have been requisitioning municipalities based on the current year's operational budget. The Act states that the operating requisition must be based on the previous year's operating deficit. This discrepancy should also be rectified under the oversight of Alberta Seniors and Housing or clarified in the Act and Regulation.

RMA Background

RMA has no active resolutions directly related to this issue.

Security Deposits for Dispositions

Saddle Hills County

*Simple Majority Required
Endorsed by District 4 (Northern)*

WHEREAS changes to policy regarding maintenance and renewal of Alberta Environment and Parks dispositions now requires a security deposit to be held for Crown land leases for municipalities; and

WHEREAS the changes have also forced non-profit organizations to turn to local municipalities and seek unbudgeted financial support and administration guidance to renew dispositions; and

WHEREAS the new security deposit requirement for crown land dispositions is not practical or financially sustainable for municipalities or non-profit organizations wishing to maintain or renew their dispositions; and

WHEREAS the security deposit is taking funds from a lower level of government to a higher level;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request that the Government of Alberta remove the requirement for municipalities to provide a security to receive Crown land dispositions.

Member Background

Municipalities that hold dispositions on Crown land have demonstrated excellent stewardship of the land and Alberta Environment and Parks has alternate means of ensuring Crown lands are satisfactorily reclaimed following the cancellation of a disposition.

RMA Background

RMA has no active resolutions directly related to this issue.

Federal and Provincial Disaster Support

RM of Wood Buffalo

*Simple Majority Required
Endorsed by District 4 (Northern)*

WHEREAS the Government of Canada maintains a disaster recovery assistance program known as the **Disaster Funding Assistance Arrangements (DFAA)**; and

WHEREAS the DFAA reimburses provinces, including the Government of Alberta, for recovery costs incurred from a natural disaster; and

WHEREAS the Government of Alberta maintains the **Disaster Recovery Program (DRP)**, to which the DFAA contributes funding; and

WHEREAS natural disasters have recently increased in both frequency and severity, resulting in rising recovery costs such that according to a 2016 Government of Canada report entitled *Estimate of the Average Annual Cost for DFAA Due to Weather Events*, Alberta is the highest overall recipient of DFAA funding, having received \$2.3 billion between 1970 and 2014; and

WHEREAS the Government of Canada and Government of Alberta have signaled their intention to modify disaster support such that DRP assistance may not be available in its current form to Alberta municipalities going forward;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta advocate to the Government of Alberta for continued Disaster Recovery Program funding to support community resilience and enable the relocation of affected property owners where re-construction is impractical or inadvisable.

Member Background

2020 Spring Floods

In 2020, Alberta was once again facing the resulting effects from severe spring flooding. Portions of Fort McMurray and the adjoining community of Draper were submerged under high flood waters that reached approximately the 1:100 flood level. According to the Insurance Bureau of Canada, insurable damages in the Regional Municipality of Wood Buffalo (RMWB) have now exceeded \$400 million as a result of this flooding event.

In 2020, other communities throughout Alberta were also impacted by flooding. In addition to the RMWB, the Government of Alberta has also extended Disaster Recovery Program (DRP) funding to Calgary, Airdrie, Rocky View County and Mackenzie County.

Federal Disaster Funding Assistance Arrangements (DFAA)

The Disaster Funding Assistance Arrangements (DFAA) is a federal program that assists provinces and territories with a portion of the costs of dealing with a disaster where those costs would otherwise place a significant burden on the provincial economy and would exceed what they might reasonably be expected to fully bear on their own.

The DFAA is intended to support the province in providing or reinstating the necessities of life to individuals, including help to repair and restore damaged homes; re-establishing or maintain the viability of small businesses and working farms; repairing, rebuilding, and restoring public works and the essential community services to their pre-disaster capabilities; and funding limited mitigation measures to reduce the future vulnerability of repaired or replaced infrastructure.

Provinces and territories are responsible to design, develop, and deliver disaster response and assistance programs within their own jurisdictions. This includes establishing the financial assistance criteria they consider appropriate for response and recovery.

As natural disasters are increasing in both frequency and severity, all levels of government are responding by altering their policies in a manner that may result in changes to and reductions in disaster relief program

spending; thereby transferring more risk to the municipalities and people in flood hazard areas. In 2016, the Government of Canada authored a report analyzing the DFAA entitled *Estimate of the Average Annual Cost for DFAA due to Weather Events*. The report indicated that over the last 20 years, the annual cost¹ for DFAA for weather events has been steadily increasing.

Inflated to 2014 values using nominal gross domestic product (GDP), the average DFAA cost from 1970 to 1994 amounted to \$54 million per year; between 1995 and 2004 this annual average cost had risen to \$291 million, and between 2005 and 2014,² it reached \$410 million per year. Given the substantial increase in DFAA event costs over the past 20 years, the Parliamentary Budget Officer (PBO) set out to determine if these high costs would increase further, stay the same or return to their previous levels.

The report noted that the DFAA does not cover expenses where “insurance coverage for a specific hazard for the individual, family, small business owner, or farmer was available in the area at reasonable cost.”³ At the time the report was published, individual (private property) overland flood insurance at a reasonable cost did not exist. Based on the availability and affordability of overland flood insurance, the Government of Canada has likely been highly relied upon for disaster funding. However, the report also noted that the program’s design does not incentivize active flood damage mitigation in many of the affected areas.

Between 1970 and 2014, [Alberta received more than \\$2.3 billion from the DFAA, which exceeds that of any other province](#). This does not include DFAA funding that Alberta received for the 2016 Horse River Wildfire or the 2020 flooding that occurred throughout the province.

Currently, flooding is Canada’s most costly natural hazard and accounts for roughly three quarters of DFAA payments. However, residential losses account for only 5-15% of that total – a greater portion by far, perhaps as much as 70%, is spent on recovery of public infrastructure.⁴ The PBO estimated that over the period 2017 to 2022, the DFAA program can expect claims of \$673 million per year for floods. Recognizing this trend, the Government of Canada established an Advisory Council on Flooding in early 2018 with the purpose of advancing the national agenda on flood risk management. This led to the creation of a public-private sector Working Group on the Financial Management of Flood Risk, co-chaired by Public Safety Canada and the Insurance Bureau of Canada.

Provincial Disaster Recovery Program

At the provincial level, disaster recovery is overseen by the Alberta Emergency Management Agency (AEMA) and funded through a mechanism known as the Disaster Recovery Program (DRP). The DRP is funded primarily through the DFAA. The DRP provides disaster recovery assistance to residents, small businesses, agriculture operators, and provincial and municipal governments when a disaster occurs that is considered:

- 1) extraordinary,
- 2) when the event is widespread, and
- 3) when insurance is not reasonably or readily available.

The *Emergency Management Act* defines a disaster as an event resulting in serious harm to safety, health or welfare of people or in widespread property damage. After a disaster, the affected municipality can apply for the DRP and if the municipal application is approved, affected residents can subsequently apply for financial assistance. According to the *Alberta Disaster Assistance Guidelines*, DRPs assist with:

- 1) providing or reinstating the basic essentials of life to individuals, including financial assistance to help repair and restore damaged homes;
- 2) re-establishing or maintaining the viability of small businesses and working farms; and
- 3) repairing, rebuilding and restoring public works and the essential community services specific in the Guidelines to their pre-disaster functional capabilities.

¹ Cost refers to the sum of the payments due to all weather events that occurred in a particular year. The actual payments to provinces can occur several years after the actual event.

² Some of the values included in the 2005 to 2014 average are estimates since all costs and their eligibility for some events have not been determined.

³ Public Safety Canada (2015d) p. 14.

⁴ Insurance Bureau of Canada (2019). P.6.

According to the Guidelines, the DFAA prescribes procedures that must be followed for the cost-sharing of DRP. The federal guidelines stipulate that only provinces and territories are eligible for disaster financial assistance. Federal assistance is available when Alberta's eligible expenses incurred in carrying out its own programs are above \$3.25 per capita of the provincial population.⁵ Once the threshold is exceeded in any given event, the federal government will provide financial assistance in accordance with the following formula:

Eligible cost sharing of provincial expenses after per capita threshold met	Government of Canada share
First \$3.25 (per capita)	0%
Next \$6.51 (per capita)	50%
Next \$6.51 (per capita)	75%
Remainder	90%

Both the federal and provincial levels of government are looking at the severity and frequency of disasters and seeking to understand potential future recovery costs. Given the increasing costs highlighted above, there are indications that the province may be changing the format of the DRP, resulting in disaster recovery costs being redistributed to municipalities and property owners. As such, municipalities cannot assume that DRP funding will be available in its current form to cover future disasters.

Insurance Availability

A recent report from the National Working Group on Financial Risk of Flooding published in June 2019, *Options for Managing Flood Costs of Canada's Highest Risk Residential Properties*, focused primarily on measures to transfer residential property risk from public sector disaster financial assistance programs, which are funded by the taxpayer, to private sector insurance solutions, which are primarily funded by the property owner. However, the report recognized that many homeowners, particularly those with low incomes, simply cannot afford the premiums that would be required to cover that risk.

The report advocates for a new approach to disaster-related insurance that is inclusive, efficient, and financially sustainable while providing optimal compensation to residential property owners and reducing reliance on ongoing taxpayer-funded subsidies. The optimal approach would be financially self-sufficient; create the conditions necessary for expansion of private market insurance coverage; elevate risk awareness; and incent de-risking efforts amongst Canadians.

It is unclear what approach the Government of Canada and insurance industry will adopt and the timeline for implementation. What is clear is that the Government of Canada has given strong indications that it does not consider the current disaster relief framework financially sustainable in the long-term. In the interim, it is anticipated that insurance will continue to be difficult to obtain at reasonable rates for private property in flood hazard areas.

All municipalities in Alberta would be affected by the changes that the federal and provincial levels of government have signaled, in addition to concerns related to insurance availability and premiums.

RMA Background

RMA has no active resolutions directly related to this issue.

⁵ Population figures are as estimated by Statistics Canada to exist on July 1st in the calendar year of the disaster. The per capita threshold is adjusted annually by Public Safety Canada for inflation on January 1st of every year, starting in 2016.

Rural Small Business Properties Assessment Sub-Classes Amendment

RM of Wood Buffalo

*Simple Majority Required
Endorsed by District 4 (Northern)*

WHEREAS the Matters Relating to Assessment Sub-Classes Regulation authorizes a municipality to set tax rates for small business property at no less than 75% of the tax rate of other non-residential property; and

WHEREAS some municipalities currently have non-residential classes for both their urban service areas and rural service areas; and

WHEREAS there may exist an inequity in taxation between similar properties depending on their location in either the rural service area versus the urban service area; and

WHEREAS some municipalities may be restricted in their ability to provide tax equity within the small business property sub-class as it limits the tax rate differential for the small business sub-class in relation to the other non-residential property sub-class;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta urge the Government of Alberta to amend the Matters Relating to Assessment Sub-Classes Regulation to allow a tax rate differential of up to 50% between the “small business property” and “other non-residential property” sub-classes.

Member Background

The Regional Municipality of Wood Buffalo (RMWB) is a specialized municipality established in 1995 by the Government of Alberta. Recognizing the uniqueness of the region, section 10 of the establishing Order In Council (O.C. 817/94) provided the RMWB with the ability to create different taxation rates for the rural service area and for the urban service area.

The oil sands industry is located within the RMWB, specifically within the Municipality’s rural service area. This industry is assessed and taxed within the rural non-residential property sub-class. Section 2 of Matters Relating to Assessment Sub-Classes Regulation authorizes municipalities to divide the non-residential class further into a small business property sub-class but limits the differential between the small business property sub-class and the other non-residential property sub-class to no less than 75% of the tax rate for the non-residential property sub-class. The Municipality has determined that properties within the small business property sub-class operating within the rural service area require a further tax rate differential modification, to no less than 50% of the rural non-residential sub-class, to provide tax equity between the rates assessed between the rural small business sub-class to the urban small business property sub-class.

This RMA resolution is critical to tax equity in the RMWB and the continued economic viability of rural small business properties in the Municipality.

RMA Background

RMA has no active resolutions directly related to this issue.

Municipal Decision-making on Fire Bans in Hamlets Within Forest Protection Area

Mackenzie County

*Three-fifths Majority Required
Endorsed by District 4 (Northern)*

WHEREAS Alberta Agriculture and Forestry is the wildfire authority under the *Forest and Prairie Protection Act* in the **Forest Protection Area** (FPA) in Alberta; and

WHEREAS during times of high wildfire hazard, the Government of Alberta may issue a fire restriction or fire ban within the FPA including the hamlets that fall within this area; and

WHEREAS an urban municipality (defined as a city, town, village, summer village, or urban service area of a specialized municipality) in the FPA has the authority to issue its own fire bans within its boundaries; and

WHEREAS hamlets are also areas where there is a concentration of people and residential dwellings; and

WHEREAS the *Municipal Government Act* (MGA) states that the council of a municipal district or specialized municipality may designate an unincorporated community within its boundaries as a hamlet if the unincorporated community meets certain density thresholds; and

WHEREAS the MGA allows for the council of a municipal district to pass a bylaw respecting fires that applies to the part of a hamlet that is within the FPA; and

WHEREAS the *Municipal Government Act* does not allow for the council of a specialized municipality to pass a bylaw respecting fires that applies to the parts of a hamlet that is within the FPA; and

WHEREAS the *Forest and Prairie Protection Act* also does not clearly define a municipal district, other than it includes a special area, and does not provide any definition of a specialized municipality; and

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta advocate to the Government of Alberta to amend necessary legislation (including the *Municipal Government Act* and/or the *Forest and Prairie Protection Act*) to clarify that councils of municipal districts and specialized municipalities may make decisions on fire bans in hamlets within the Forest Protection Area.

Member Background

Mackenzie County falls entirely within the Forest Protection Area and as such is banned from any fires, including campfires, during a provincial fire ban.

The wildfire risk in Mackenzie County hamlets is extremely low based on the topography of the land. Each community has a volunteer fire department and inspections are completed by the Fire Chief prior to any fire pit approval. Mackenzie County has been accredited pursuant to Section 26 of the *Safety Codes Act* in the fire discipline since 1995. Additionally, members are also involved in the Wildland Urban Interface planning, training, and support.

Two other municipalities lie within our boundaries and are exempt based on their urban municipality status. This causes great dissention when similar communities in the same geographical area fall under different rules.

Mackenzie County's official status, as established by Order in Council (OC), was changed from a municipal district to a specialized municipality on June 23, 1999. No urban service area has been established or defined in the OC.

RMA Background

RMA has no active resolutions directly related to this issue.

Reinstatement of the Benefit Contribution Grant for Early Childhood Educators

RM of Wood Buffalo

*Simple Majority Required
Endorsed by District 4 (Northern)*

WHEREAS the Government of Alberta has cancelled the **Benefit Contribution Grant** (BCG) for early childhood educators effective July 1, 2020; and

WHEREAS the cost of living in northern, remote communities in Alberta continues to be higher than other areas of the province; and

WHEREAS northern, remote communities will be disproportionately negatively impacted by the cancellation of the BCG;

WHEREAS incentives such as the BCG are critical to delivering effective, accessible, and affordable childcare to children and their families; and

WHEREAS early childhood educators and their employers are at risk of exiting the profession as a result of the cancellation of the BCG; and

WHEREAS the availability of quality early childhood educators in all communities allow for a stable workforce across all industry sectors; and

WHEREAS the cancellation of the BCG for early childhood educators has compounded the crisis being experienced in the childcare profession as a result of the COVID-19 pandemic;

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta advocate that the Government of Alberta reinstate the Benefit Contribution Grant for early childhood educators, retroactive to July 1, 2020.

Member Background

Council for the Regional Municipality of Wood Buffalo has received numerous requests and statements from the local early childhood educators in the community, expressing concern with the Government of Alberta's decision to cancel the Benefit Contribution Grant for early childhood educators in Alberta effective July 1, 2020.

Correspondence received from Rebecca Schulz, Minister for Children's Services, Government of Alberta, states "the Benefit Contribution Grant for childcare workers was implemented in 2007 in response to a bustling economy and extremely high labour demands. That has changed." It is agreed that the days of the "bustling economy" have passed, however, there remains a high demand for qualified early childhood educators, especially in rural, remote communities. Moreover, cost of living in many northern communities is high, and the Benefit Contribution Grant provided childcare service providers a financial incentive to attract and retain qualified professionals.

Accessible and affordable childcare is an essential building block for a thriving workforce and labour market. The loss of the Benefit Contribution Grant for early childhood educators will likely result in workers leaving the profession which will negatively impact the number of childcare spaces available in our communities. The resulting reduction in number of childcare spaces impacts the ability for people to enter the labour market including sectors such as small businesses, education, healthcare, and oil and gas.

In a survey conducted by the Association of Childcare Educators of Alberta, it was found that as the pandemic continues, 70% of all childcare centres could face permanent closure in the next one to three months if they are not given help with their operation costs. Early childhood educators in northern communities are also concerned that once centres have the ability to open their doors again, there may be an even greater shortage of early childhood educators, due to the loss of their Benefit Contribution Grant. This will result in a labour market shortage, as families will not be able to secure affordable childcare, recreating the "extremely high labour demands" that are supposed to have ended.

RMA Background

RMA has no active resolutions directly related to this issue.