



Amalgamation Frequently Asked Questions (FAQs)



INTRODUCTION	3
ENGAGEMENT PROCESS	3
CONSULTATION.....	3
NAMING.....	4
ELECTORAL WARDS	5
REPORTING BACK.....	5
AMALGAMATION PROCESS.....	6
GENERAL	6
WORKING COMMITTEES.....	7
POST-AMALGAMATION MODEL	7
HUMAN RESOURCES AND TOWN FACILITIES.....	7
STAFFING.....	7
COUNCIL	8
CAO.....	9
TOWN FACILITIES	9
EMERGENCY SERVICES.....	9
POLICING & RCMP	9
COMMUNITY PEACE OFFICERS / MUNICIPAL ENFORCEMENT	12
OTHER EMERGENCY SERVICES.....	12
FINANCE	13
FINANCIAL IMPLICATIONS OF AMALGAMATION.....	13
TAXATION.....	18
GRANTS	19
AMALGAMATION COSTS	21
DEBT	23
INFRASTRUCTURE	24
ELECTIONS.....	26
DEPARTMENTS / BYLAWS	27
FCSS.....	27
ECONOMIC DEVELOPMENT	27

GENERAL QUESTIONS 28

 ADDRESSING – POSTAL IMPLICATIONS 28

 ANNEXATION/BOUNDARIES/MAP 28

 REGIONAL..... 29

 SPECIAL MUNICIPALITY..... 30

INTRODUCTION

All amalgamation related public input is being collected and tracked. You can view a detailed overview of all input (top themes and verbatim) in the What We Heard Report, found on Town websites. To date, all emails submitted through the Town websites, questions and comments from the public kick-off event, and related online survey results have been included in this report.

For this FAQ, the input has been themed into the most frequently asked questions and is broken down into subthemes with sample questions submitted by the public. Where possible, the Towns will provide responses to questions. If themes have been identified and can't be responded to at this stage, this will also be indicated. Further input will continue to be included to the FAQ and updated responses will be posted once available for the duration of the amalgamation review process.

ENGAGEMENT PROCESS

Consultation

Why was there not a vote on this amalgamation?

Will there be a referendum to approve or to reject the amalgamation? If not, why not?

A referendum or public vote is not required by the Province as part of the amalgamation process. Councils chose to proceed with a thorough amalgamation review process that includes public input and involvement throughout. Public input will be an important consideration as to whether amalgamation proceeds, alongside a review of all items required by Municipal Affairs to be included with the Towns' application.

The prospect of amalgamation between Black Diamond and Turner Valley has been a matter of considerable discussion for many years, culminating in the 2012 Friendship Agreement where the municipalities, after much consultation with the public, committed to working more closely together through the Joint Friendship Agreement Committee (joint committee of both Councils). The Amalgamation Feasibility Study (2017) also undertook a comprehensive survey with residents from both Towns to better understand public sentiment around amalgamation, particularly shared services.

For many years, the overall goal for both municipalities has been to promote collaborative relationships and shared services between the two communities. Both Councils decided to

take amalgamation to the next level and review through a formal process due to the lengthy history around amalgamation discussions, the strong history of collaboration between the two neighbours, and the many potential benefits of amalgamation. Through a thorough review process, the municipalities will know, more definitively, if amalgamation makes sense or not.

The amalgamation review process is outlined by the Province and is quite technical in nature. Council reviewed the negotiation list and determined that two topics were ideal for direct public input, Electoral Wards and naming of the potential new community. However, the Joint Friendship Agreement Committee is considering all input provided by the public throughout the process. As part of the final **'What We Heard' Report** (all community input themed and verbatim) will also include a What We Did section that will overview how public comments influenced amalgamation related decisions.

Councils are also dedicated to transparency throughout the review process. The websites for both Towns have a dedicated amalgamation page with up-to-date information on process, timeframes, engagement opportunities, and progress to date. All input is collected and shared back with the communities. The information and material that is being reviewed by the Joint Friendship Agreement Committee will also be shared with the communities. The intent is to have the community as informed as possible regarding the decisions being made.

I heard the term "Potential" Amalgamation. Can you confirm the meaning of this?

- Both Councils entered amalgamation negotiations with the intent to amalgamate. However, a final decision on whether to proceed with the application will not be made until a thorough review of all related data and material takes place.

Naming

Please advise if a new name has been determined for the combined towns of Turner Valley and Black Diamond. How will naming be determined? By whom? How?

Will the Towns lose their provincially distinctive history?

- **UPDATED:** The naming of the new Municipality went through significant public engagement. The Naming Activity ran from May 19 - June 6, 2021 and saw a response of over 150 emails with over 220 suggestions for potential names for the newly amalgamated Municipality, resulting in 70 unique names. **The submissions were short listed to the top three submitted names (The Town of Black Valley, the Town of Sheep River and the Town of Diamond Valley). The results indicated Diamond Valley to be the clear preference at 74%.** The proposed new name of the

incorporated Municipality is the **Town of Diamond Valley**. Further details can be found on **Town websites** and the full report can be found at:

- [Black Diamond](#)
- [Turner Valley](#)

Electoral Wards

Preference is for non-ward representation but I understand that decision is in the future.

- **UPDATED:** Based on the public engagement processes, an “**Election At Large**” electoral system has been recommended. Final results: 49% of participants chose ‘at large’ electoral representation, 44% of participants chose ‘wards’ and 8% indicated they did not know. The full report can be found at:

<https://blackdiamond.civicweb.net/filepro/documents/57426?preview=60744>

[https://turnervalley.civicweb.net/document/55758/2021.06.08%20Procedure%20Recommendations%20to%20JFAC%20\(002\).pdf?handle=D1DAD42C42674705A27BD778FFE6D6D9](https://turnervalley.civicweb.net/document/55758/2021.06.08%20Procedure%20Recommendations%20to%20JFAC%20(002).pdf?handle=D1DAD42C42674705A27BD778FFE6D6D9)

- Electoral representation was determined through a public engagement activity held throughout May, 2021. Community members were provided with an information sheet on ‘Election at Large’ or ‘Ward Representation’ and asked to indicate their preference. Citizens were also encouraged to research what they feel might be pros and cons to help form their opinion. The Joint Friendship Agreement Committee supported the preference of the public. Details on the ward activity can be found on the Town websites:

<https://www.town.blackdiamond.ab.ca/553/Proposed-Amalgamation>

<https://turnervalley.ca/proposed-amalgamation-updates/>

Reporting Back

Will the results of the three relevant amalgamation questions be posted? If so, when will the results be available? Is there a place to see posted amalgamation questions?

- All public input, including the survey questions, can be found in the What We Heard Report on both Town websites. This report includes all public input collected through the Town websites, the public kick-off event and related online survey and has been reviewed and themed with the intent to provide a high-level pulse of what input was

provided or questions asked the most often. All questions and comments are also provided verbatim at the end of the report. The most frequently asked questions found throughout this input are being addressed, where possible, in this FAQ.

AMALGAMATION PROCESS

General

Has the amalgamation committee set defined targets or measures to determine if amalgamation is a good decision for both communities?

- No defined targets have been set. The Joint Friendship Agreement Committee has established a Process Charter for the amalgamation negotiations which set the parameters for how the Committee and all Sub-committees will conduct amalgamation related activity.
- The Sub-committees (made up of Council and Administration representation) establish what information and materials are necessary to conduct a thorough review and ensure adequate resources and expertise are available.
- It is expected that the amalgamation review will identify areas of potential benefit and potential risk as part of the process.

What initiatives have been "stalled" due to amalgamation talks?

- Council and Administration in Black Diamond have a strategic plan and some of the initiatives have been placed on the back burner for the time being. There is also work that continues, but it is at a slower pace. Examples of these are:
 - More robust marketing of economic development event fund grants.
 - Public gathering spaces and day-use area public engagement.
 - Public education on water consumption to assist with the goal to decrease individual usage.
 - Research on an organic program and phasing out of larger garbage bins
- In Turner Valley service level reviews have been deferred until the outcome of the amalgamation process has been determined. Intermunicipal Collaboration Frameworks (ICFs) with Foothills County and the Town of Black Diamond have also been put on hold pending the outcome of the process.

Working Committees

Are Amalgamation Sub-committee members both elected officials and town residents?

How does a member of the public get involved in an amalgamation committee?

- Sub-committees are comprised of elected officials and staff. Town residents do not participate in the sub-committees but have the opportunity to participate in public engagement sessions.

Post-Amalgamation Model

Can the towns provide residents with a possible post-amalgamation model from historical information without a costly consultation process?

Please provide a snapshot of how blended services would look, as well as Council and administrations? People are looking to see what it might look like from a 100-foot level.

- The amalgamated Town would be comprised of a Council of one (1) mayor, six (6) councillors, one (1) CAO, managers and staff. This is similar to standard municipal organizational structures for towns across Alberta.
- **UPDATED:** The Amalgamation Negotiation Report will include a statement, as referenced in JFAC motion 21 05 12 02, that all employees at the time of amalgamation will become employees of the new municipality to ensure uninterrupted service delivery until such time as the CAO, in conjunction with the Council elected in 2022, have determined service levels and organizational structure:
<https://blackdiamond.civicweb.net/filepro/documents/57590?preview=60845>
- It is difficult to provide a forecast of a Town model because the Council elected in late 2022 (should amalgamation be approved), supported by a new CAO, will ultimately be responsible for decisions such as budget allocations, service levels, staffing requirements, as well as all combined infrastructure, facilities and equipment assets. These decisions are not known now and cannot be speculated.

HUMAN RESOURCES AND TOWN FACILITIES

Staffing

What happens to the staff in Turner Valley or Black Diamond as it is obvious that doubling up on staff will necessitate reductions?

- There will be a reduction of one CAO.

- A service level review will be conducted by the new municipality’s Council and CAO. The results of the service level review will guide an organizational structure assessment to determine and identify the optimal requirements for the amalgamated town.
- **UPDATED:** All employees at the time of amalgamation will become employees of the new Municipality to ensure uninterrupted service delivery until such time as the CAO, in conjunction with the Council elected in 2022, has determined service levels and organizational structure.

Council

Why was it decided there would be one mayor and six councillors? Why not one mayor and four councillors?

How many Councillors and town employees will be released?

- At the November 19, 2020 Joint Friendship Agreement Committee negotiating meeting it was agreed by both Councils that the application to amalgamate would include seven (7) elected officials to represent the newly formed municipality upon its incorporation - six councillors and a mayor. This is the standard elected structure for municipalities that fit “Town” status. This number is also in line with recommendations of the Act (Municipal Government Act RSA 200 Chapter M-26 Part 5 Division 1 s. 143(1) - Number of councillors for municipalities) where it states “The council of a city or town consists of 7 councillors unless the council passes a bylaw specifying a higher or lower odd number.”
- The amalgamation will result in a reduction of seven (7) elected officials instead of the fourteen (14) (between the two individual municipalities). For the response to the staff portion of this question, see the response under Staffing.

Since the Council will have more residents to tend to, how much more will their salary be?

- Council pay will be determined by the new municipality’s Council. Council conducts an annual review of the Council Remuneration policy.

Current information:

[Black Diamond Council Remuneration Policy](#)

[Turner Valley Council Remuneration and Reimbursement Policy](#)

CAO

How will we decide who would continue as CAO?

- The Amalgamation Negotiation Report will include a recommendation from JFAC naming an interim CAO.
- **UPDATED:** Shawn Patience will be named in the Amalgamation Negotiation Report as Interim CAO, and Sharlene Brown be included as a secondary option for Interim CAO.
- The name of the individual must be provided no later than the Province drafting the Order in Council to approve the amalgamation. The permanent CAO will be selected by the new Council of the amalgamated town after January 1, 2023.

Town Facilities

Will one of the existing town hall buildings be sufficient to house the amalgamated town's needs? Will a new building be needed? Cost?

- A new municipal town hall building is not currently being considered. The existing Black Diamond Town office will be the main municipal centre with the expectation that all current municipal facilities will be required.

EMERGENCY SERVICES

Policing & RCMP

When will the residents of Turner Valley and Black Diamond begin to pay for policing?

- Before April 2020, only municipalities over a population of 5000 had to pay for a portion of the policing costs, usually through a system of municipal contracts with the RCMP.
- As of April 1, 2020, the Province of Alberta mandated all municipalities, no matter the size, pay a portion of the cost of RCMP policing.
- Both Towns expect to start paying for policing when invoiced in 2021. Both Towns have budgeted for the expected costs (see table below).
- The [Police Funding Regulation Information Sheet](#) provides additional information.

How much will the RCMP cost with and without amalgamation?

Without amalgamation	~\$333,000 for both municipalities
With amalgamation	~308,000 for the new amalgamated municipality

Detailed explanation below:

- Without amalgamation: Current and projected RCMP costs are reflected below:

Police Funding Model - Requisition - municipal population based on 5,000 and under (Provincial Police Service Agreement with RCMP)			
*Based on information received in 2020			
Towns - Pre Amalgamation			
Year	Black Diamond	Turner Valley	Total Both Towns
Payable 2020	56,446	54,632	111,078
2021	84,729	82,006	166,735
2022	112,891	109,263	222,154
2023	169,458	164,013	333,471

- Urban municipalities with populations over 5,000 have three options for providing police services in their communities:
 - Contract with the federal or provincial government or another municipality for the provision of policing services;
 - Establish a stand-alone municipal police service; or
 - Establish a regional police service with other municipalities, which may include the province.
- The most common municipal policing arrangement in Alberta is the use of contract policing. Under this arrangement, the RCMP provides policing services to a municipality under the Municipal Police Service Agreement (MPSA). [Information sheet from AUMA regarding Municipal policing for municipalities with populations above 5000.](#)
- With Amalgamation: It is projected that the RCMP contract for the amalgamated municipality would be in the neighbourhood of \$550,000 annually, however, this amount will be offset by the Municipal Policing Assistance Grant available to municipalities with a population of 5,000 or more.

How much do you expect to receive from the Municipal Policing Assistance Grant? Is the grant based on population or percentage?

- Municipalities with a population over 5,000 that provide their own municipal police services are eligible for this grant. The grant is issued each year and no application is required.
- Once amalgamated, access to the Municipal Police Assistance Grant (MPAG) program would be accessible as the population threshold (5001) will have been met.
- The grant is based on population and it includes a \$200,000 base payment + \$8 per capita. The newly amalgamated Town would expect to receive \$242,000 annually.

<i>Police Funding Model - municipal population based on 5,001 to 15,000 (Municipal Police Agreement with RCMP)</i>			
<i>*Based on information received in 2020</i>			
<i>Year</i>	<i>New Municipality</i>	<i>Provincial Funding *</i>	<i>Net Amount - Post Amalgamation</i>
<i>Estimated Cost - 2023</i>	<i>550,000</i>	<i>(242,072)</i>	<i>307,928</i>
Total	550,000	(242,072)	307,928
<i>MPAG financial assistance is based on the following thresholds:</i>			
<i>*Towns and cities with a population from 5,001 to 16,666 receive a \$200,000 base payment plus an additional \$8.00 per capita.</i>			
<i>* Population baseline ~ Black Diamond 2,700 and Turner Valley 2,559 total combined 5,259 (based on 2016 Census)</i>			
<i>*Does not replace the Municipal Enforcement/CPO Costs</i>			

Could recognize minimal savings of **\$25,543** under the new model based on municipal population 5,001 to 15,000

Will the RCMP station remain in Turner Valley or will it move it to a more central location in Black Diamond?

- This decision rests with the RCMP and to our knowledge no change is being considered at this time.

When our community does begin to pay for policing, will we be guaranteed to receive the same number or more officers on the ground in our community?

- The RCMP is responsible for determining service levels.

Community Peace Officers / Municipal Enforcement

What about the bylaw officers? Will they be eliminated?

- The amalgamation process is based on continuing existing levels of service. If the Towns amalgamate, service levels, budgets and staffing will be reviewed by the new municipality's Council and CAO. The current municipal staff positions will remain in place until this assessment is completed. Staffing and service levels are reviewed through the annual budget negotiation process.
- Current staffing levels:
 - Turner Valley: Staffing complement 1.75 Community Peace Officer Level 1, varying shifts 0800-2300
 - Black Diamond: Staffing complement 2.0 Community Peace Officer Level 1, varying shifts 0800-2300

Will releasing Councillors and employees enable the Towns to hire more Peace Officers so we can have the night shift covered?

- If the Towns amalgamate, service levels and staffing, including municipal enforcement, will be reviewed by the municipality's new Council and CAO.

Other Emergency Services

Which call-out system would be used for Foothills Search and Rescue?

- **UPDATED:** The Town's Foothills Search and Rescue call-out system will continue to be supported through Foothills Regional Emergency Services Commission.
- **UPDATED:** Emergency Services Sub-Committee Report and Recommendations: The level of service will be maintained for three branches of Emergency Services: Fire, Emergency

Management, and Community Peace Officers in both Black Diamond and Turner Valley until the incorporation date. Service levels will be maintained until the new CAO, and the new Council determine the service levels and organizational structure.

- **UPDATED:** Full Report can be found here:

<https://blackdiamond.civicweb.net/filepro/documents/57426?preview=59677>

<https://turnervalley.civicweb.net/document/53821/2021-05-12%20Emergency%20Services%20Sub-Committee%20Report.pdf?handle=11E1C65C1F934EAEBFB2F84CE727BF44>

FINANCE

Financial Implications of Amalgamation

Will the Towns provide a unified report that will cover all of the financial information pros and cons of amalgamation for the residents to review? And if so, when could this be made available?

- **UPDATED:** The costs to amalgamate are considered throughout the process. An Amalgamation Finance Sub-committee was established with representation from both Town Councils and administration to consider the costs carefully. The committee analyzed the financial information of both Towns. This information has been made available publicly (June 30, 2021) and can be found here:
[Black Diamond Finance update](#)
[Turner Valley Finance update](#)
- **UPDATED:** The overall financials between the two Towns have been compared and are included below. For a detailed breakdown of the financials, please visit each Town's audited financials – available on the Towns' websites.
- **UPDATED:** It must be noted, however, that future decisions of Council can't be predicted and while we can estimate many of the possible efficiencies and or additional costs related to amalgamation, decisions as to whether those efficiencies or additional costs are realized will lie with future Councils and administrations.

APPENDIX A

Consolidated Statement of Financial Position (for the year ended December 31, 2020)

<i>Town of Turner Valley /Black Diamond</i>			
<i>Consolidated Statement of Financial Position</i>			
<i>For the year ended December 31, 2020</i>			
		BD 2020	TV 2020
FINANCIAL ASSETS			
Cash & temporary investments	\$	10,774,147	2,796,757
Taxes & grants in place of taxes receivabl		273,569	318,992
Trade & other receivables		640,197	2,480,117
Investments		-	5,748,511
	\$	<u>11,687,913</u>	\$ <u>11,344,377</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$	350,474	378,916
Employee benefit obligations		118,240	
Deposit liabilities		743,893	740,715
Deferred revenue		2,001,382	3,252,801
Long-term debt		611,337	1,447,438
Other liabilities		21,429	-
	\$	<u>3,846,755</u>	\$ <u>5,819,870</u>
NET FINANCIAL ASSETS	\$	<u>7,841,158</u>	\$ <u>5,524,507</u>
NON-FINANCIAL ASSETS			
Tangible Capital Assets		38,385,775	42,650,405
Prepaid expenses		124,542	32,525
Inventory for consumption		50,668	2,362
Land held for resale inventory			48,414
	\$	<u>38,560,985</u>	\$ <u>42,733,706</u>
Accumulated Surplus		<u>46,402,143</u>	<u>48,258,213</u>

APPENDIX C

Consolidated Statement of Operations (for the year ended December 31, 2020)

<i>Town of Turner Valley /Black Diamond Consolidated Statement of Operations For the year ended December 31, 2020</i>	BD 2020	TV 2020
REVENUE		
Net municipal property taxes	2,906,558	2,995,103
User fees & sales of goods	2,099,839	1,928,153
Government transfer for operating	573,761	332,628
Investment income	126,616	156,291
Penalties & costs of taxes	60,795	108,902
Licenses & permits	138,565	69,332
franchise & concession contracts	236,870	438,221
Gain on disposal of TCA	8,000	
Rental	188,454	
Other	126,730	
Offsite levies & assessments	39,337	
	6,505,525	6,028,630
EXPENSES		
Legislative	150,706	201,926
Administration	654,460	1,236,640
Economic and agriculture development		73,777
Protective Services	812,246	724,195
Transportation services	1,187,433	1,788,490
Water Supply & distribution	1,107,596	404,364
Wastewater treatment & disposal	918,575	1,047,793
Waste management	214,774	318,234
Other environmental use & protection	139,783	-
Family & community support services	79,025	59,192
Cemeteries & crematoriums	56,000	56,000
Planning & development	381,923	397,082
Parks & recreation	1,088,443	674,695
Culture -libraries, museums, halls	181,930	259,832
	6,972,894	7,242,220
Excess (Deficiency) of Revenue over Expenses before other	(467,369)	(1,213,590)
Government transfer for capital	2,109,560	390,344
Contributed assets	-	-
	2,109,560	390,344
Excess of revenue over expenses	1,642,191	(823,246)
Accumulated surplus, beginning of year	44,759,952	49,081,459
Accumulated surplus, end of year	46,402,143	48,258,213

Where are the cost savings of amalgamation to be realized?

- Decisions made by both Turner Valley and Black Diamond Councils through the amalgamation process that will result in reduced costs include:
 - A seven (7) member Council – resulting in reduction of seven (7) elected officials.
 - One (1) CAO – resulting in reduction of one (1) CAO.
- It is also expected that there will be some reduction in administrative costs by eliminating redundancies between the two Towns including:
 - Financial audit
 - IT – software
 - IT – hardware
 - Office equipment
- Upon amalgamation, a service level review will be conducted, and the organizational structure will be assessed to determine and identify the requirements for the amalgamated town.
- **UPDATED:** Potential annual savings have been estimated in the Finance Report to Public's Costs and Savings of Amalgamation section (p. 9-11). Most long term savings can not be estimated at this time until a service level review is conducted and implemented. For convenience, the table below indicates some of the cost savings and anticipated one time expenses which will need to occur after incorporation.

ESTIMATED AMALGAMATION SAVINGS & COSTS - BLACK DIAMOND AND TURNER VALLEY

		Pre	1-3 mo	1-2 years	Long Term
	Amalgamation Savings - Black Diamond and Turner Valley				
ADMINISTRATIVE	Audit - amalgamated entity			-15,000	
	IT - Software (eliminate redundancy)		-20,000		
	IT - Hardware (eliminate redundancy)				-20,000
	Office Equipment savings - postage meter / photo copiers			-12,000	
COUNCIL:	One council - comprised of seven (7) members, six (6) councillors and one (1) mayor		-200,000	-200,000	-200,000
	Reduction of CAO role - Salary / wages / benefits / other costs / travel		-150,000	-150,000	-150,000
GRANTS:	Transition stream(Feasibility study and Maven Contract)	-250,000			
	RCP ACP Grant 1/2, BD 1/4, TV 1/4 -pd portion of Mavin	-32,500			
	Alberta Municipal Policing Assistance Grant			X	X
	Debt Servicing / Infrastructure		X		
ORGANIZATIONAL RESTRUCTURING:	Duplication of duties and responsibilities - unknown will require service level review / organization structure review			X	
	Review of amalgamated workforce, senior management team - unknown will require service level review / consultant assistance with organization structure			X	
	Expected Amalgamation Savings - Black Diamond and Turner Valley	-282,500	-370,000	-377,000	-370,000

		Pre	1-3 mo	1-2 years	Long Term
One Time Amalgamation Costs - Black Diamond and Turner Valley					
BRANDING:	Logos / Branding	10,000			
	Community Entrance Signs, Buildings and other facilities, town flags			17,500	25,000
	Vehicle and equipment decals		8,100		
	Uniforms (CPO, Fire)		1,000	1,000	
	Mapping- GIS incorporation -		X		
	Domains (website)		200		
	Webpage development		50,000		
	Other Costs - name change/letter head/address change notices/printing costs/vehicle registries/Legal Seals/town stamps		5,000		
MERGING:	Roll files (including actual moving) - Reorganization/creation of file storage to accommodate merged records		15,000		
	IT/Telus/compatibility of technology/computer software, merging or incorporating other users		10,000		
	Upgrade of phone system to accommodate additional lines and extensions for more staff		12,000		
	IT - merging and changing e-mails, servers, etc.		51,500		
	Accounting System - we use the same agency, but there will be a cost to merge the systems into a new data base	75,000	15,000		
MOVE:	Deploying staff to different locations/ furniture/office equipment/renovations to accommodate staff in buildings		100,000		
	Infrastructure - electrical/wiring to expand space			50,000	
CONSULTANTS:	Mavin - amalgamation consultant	200,000			
	Urban Systems (feasibility study)	134,000			
	HR consultant HR policies should be done/reviewed by an expert		125,000	175,000	
LEGAL:	Any legal advice required when going through the bylaws/policies/contracts/alignment process		25,000	175,000	
BANKING:	Banking requirements; selection/new cheques/deposits/information for vendors	X			
COUNCIL:	Increased costs of Councils attending Amalgamation meetings	32,000			
	2022 Election	8,000			
STAFF:	Severance packages - organizational structure review and development			X	
OTHER:	Miscellaneous costs	25,000	25,000	25,000	25,000
PLANNING:	Update of Planning documents			100,000	100,000
EXPENSES - ONE TIME COSTS		\$ 484,000	\$ 442,800	\$ 543,500	\$ 150,000

Taxation

With the amalgamation, presumably there will be cost savings. Will these savings translate into lower property taxes?

How much tax savings will a home valued of \$350,000 see after the amalgamation?

As the emphasis of this amalgamation is reducing operation costs, will our taxes be reduced? After all, by only having one location, we will only need one mayor and a reduction in city staff therefore operating cost will be reduced.

- Future tax savings cannot be predicted. Taxation for the amalgamated municipality is the responsibility of the future Council. The future Council must prepare both operating and capital budgets in a three-year (operational) and five-year (capital) cycle. The future Council will establish the tax rate based on understanding the community's preferred levels of service and property valuation. There are also tax requisitions outside the control of the municipality. The future Council will continue to operate under the guidelines of the Municipal Government Act (MGA) and make appropriate decisions to operate the community in the most efficient way possible.

- How Tax Rates are Determined:
 - Each year, municipal councils determine the amount of money they need to operate their municipality.
 - From this amount, the council then subtracts known revenues (for example, licences, grants, and permits).
 - The remainder is the amount of money the municipality needs to raise through property taxes in order to provide services for the year.
 - This revenue requirement is then used to calculate the tax rate.
 - The tax rate is the percentage of assessed value at which each property is taxed in a municipality. The revenue requirement is divided by the assessment base (the total value of all assessed properties in the municipality).

 - The tax rate calculation is expressed in the following formula:
$$\frac{\text{Revenue requirement} = \text{tax rate}}{\text{Assessment base}}$$

- Future tax rates will be established based on:
 - operational requirements (budget),
 - plus requisitions (payments to other levels of government),
 - divided by the total assessment of all properties (legally required to pay municipal taxes) to determine the tax rate for the new municipality.

- For more information: [Municipal Affairs Guide to Property Assessment and Taxation in Alberta](#)

Will each town still be responsible for setting their own mill rates?

- The newly amalgamated Town will be responsible for setting the mill rate after January 1, 2023. Between now and January 1, 2023, each Town continues to be responsible for setting their own mill rates.

Grants

Will the amalgamation result in additional eligibility for provincial funding or capital grants?

What's the difference between a town of 2500 and a town of 5000 with respect to provincial and federal funding?

An amalgamated town will be eligible for the following grants:

- [Alberta Community Partnership:](#)
 - Provides support for regional collaboration and capacity building initiatives. In accordance with the 2020/21 guidelines, \$1,200,000 is the total grant amount the new town would be eligible to apply for following amalgamation January 1, 2023.
 - Based on the following two streams:
 - Transition Stream - base amount of \$100,000 plus \$500 per capita – to a max of 300 persons for a total of \$250,000
 - Debt servicing/Infrastructure Stream – base amount of \$500,000 plus \$1,500 per capita - to a max of 300 persons for a total of \$950,000
 - However, grant totals could change based on program approval/guidelines in subsequent years.
 - As the guidelines currently stand, projects occurring as a result of restructuring should be completed within two years following the date of municipal restructuring.
- [Municipal Sustainability Initiative:](#)
 - Helps support local infrastructure priorities and build strong, safe and resilient communities.
 - Current status of **MSI Allocations** - Municipal restructuring will not affect funding allocations to municipalities for a defined period under the MSI program. In cases where amalgamation or dissolution has occurred, the restructured municipality will receive a funding allocation equivalent to that which would have been calculated pre-restructuring for a subsequent five years, and any

unexpended funding will be transferred to the amalgamated/receiving municipality.

- [Federal Gas Tax:](#)
 - Available until 2024, this program provides financial support to municipalities to help build and revitalize local public infrastructure. Federal Gas Tax will not have a net reduction until expiry, or after the expiry of five (5) year period following amalgamation.

Any chance the provincial government may cut your expected funding due to its diminishing bank balance?

- From the information received to date, we do not anticipate any decline in funds and grants that support collaboration, including amalgamation. There has been an approximate 20% decline in the municipal sustainability initiative, which all municipalities in Alberta have experienced. There have also been increasing costs downloaded to the municipalities, including the requirement to pay for policing.
- **UPDATED:** The information received to date from the Province indicates that after incorporation the Ttown may be eligible to receive the Transition (\$250,000) and Debt Serving streams of the Alberta Community Partnership (\$950,000), a possible total of \$1.2Million.

Amalgamation Costs

What's the dollar cost of the amalgamation process?

What are the costs of new signage/letterhead/logos/re-branding etc. after Amalgamation?

UPDATED: The second table below has a chart which indicates the estimated cost of the rebranding. Between logos, letterhead, website integration a high level estimate would be approximately \$100,000.00 of which some may be able to be covered under the Alberta Community Partnership Transitional grant

- An attached table indicates some of the cost savings and anticipated one time expenses which will need to occur after incorporation.
- These are costs that may be covered under the Alberta Community Partnership grant. The Alberta Community Partnership grant information is listed above under Grants and additional information can be found at <https://www.alberta.ca/alberta-community-partnership.aspx>

ESTIMATED AMALGAMATION SAVINGS & COSTS - BLACK DIAMOND AND TURNER VALLEY

		Pre	1-3 mo	1-2 years	Long Term
Amalgamation Savings - Black Diamond and Turner Valley					
ADMINISTRATIVE	Audit - amalgamated entity			-15,000	
COUNCIL:	IT - Software (eliminate redundancy)		-20,000		
	IT - Hardware (eliminate redundancy)				-20,000
	Office Equipment savings - postage meter / photo copiers			-12,000	
	One council - comprised of seven (7) members, six (6) councillors and one (1) mayor		-200,000	-200,000	-200,000
	Reduction of CAO role - Salary / wages / benefits / other costs / travel		-150,000	-150,000	-150,000
GRANTS:	Transition stream(Feasibility study and Maven Contract)	-250,000			
	RCP ACP Grant 1/2, BD 1/4, TV 1/4 -pd portion of Mavin	-32,500			
	Alberta Municipal Policing Assistance Grant			X	X
	Debt Servicing / Infrastructure		X		
ORGANIZATIONAL RESTRUCTURING:	Duplication of duties and responsibilities - unknown will require service level review / organization structure review			X	
	Review of amalgamated workforce, senior management team - unknown will require service level review / consultant assistance with organization structure			X	
Expected Amalgamation Savings - Black Diamond and Turner Valley		-282,500	-370,000	-377,000	-370,000

		Pre	1-3 mo	1-2 years	Long Term
One Time Amalgamation Costs - Black Diamond and Turner Valley					
BRANDING:	Logos / Branding	10,000			
	Community Entrance Signs, Buildings and other facilities, town flags			17,500	25,000
	Vehicle and equipment decals		8,100		
	Uniforms (CPO, Fire)		1,000	1,000	
	Mapping- GIS incorporation -		X		
	Domains (website)		200		
	Webpage development		50,000		
	Other Costs - name change/letter head/address change notices/printing costs/vehicle registries/Legal Seals/town stamps		5,000		
MERGING:	Roll files (including actual moving) - Reorganization/creation of file storage to accommodate merged records		15,000		
	IT/Telus/compatibility of technology/computer software, merging or incorporating other users		10,000		
	Upgrade of phone system to accommodate additional lines and extensions for more staff		12,000		
	IT - merging and changing e-mails, servers, etc.		51,500		
	Accounting System - we use the same agency, but there will be a cost to merge the systems into a new data base	75,000	15,000		
MOVE:	Deploying staff to different locations/ furniture/office equipment/renovations to accommodate staff in buildings		100,000		
	Infrastructure - electrical/wiring to expand space			50,000	
CONSULTANTS:	Mavin - amalgamation consultant	200,000			
	Urban Systems (feasibility study)	134,000			
	HR consultant HR policies should be done/reviewed by an expert		125,000	175,000	
LEGAL:	Any legal advice required when going through the bylaws/policies/contracts/alignment process		25,000	175,000	
BANKING:	Banking requirements; selection/new cheques/deposits/information for vendors	X			
COUNCIL:	Increased costs of Councils attending Amalgamation meetings	32,000			
	2022 Election	8,000			
STAFF:	Severance packages - organizational structure review and development			X	
OTHER:	Miscellaneous costs	25,000	25,000	25,000	25,000
PLANNING:	Update of Planning documents			100,000	100,000
EXPENSES - ONE TIME COSTS		\$ 484,000	\$ 442,800	\$ 543,500	\$ 150,000

- Upon approval of the amalgamation, and through the transition period, a 1 to 3 year plan will be developed to guide administration and Council through the transition period by identifying key tasks necessary to move both towns forward as one. During this time

frame there may be savings recognized. High level transition costs may be covered by grants from the province (i.e., Alberta Community Partnership Grant).

What's the cost of the consulting group assigned to the amalgamation process?

- The cost of the consulting group is \$200,000 to assist with necessary work for the negotiations and final report submission to the Province, should the Councils support amalgamation.
- \$101,205 in grant funds have been received from the Province to offset the consultant costs.
- This cost does not include the council per diems or staff time allotted to the project.

Debt

What Debt does each Municipality bring to the table? Which town has the major Debt?

Will the Debt be paid for before amalgamation or will the towns combine their debts with amalgamation?

- **UPDATED:** The Amalgamation Finance Sub-committee analyzed the financial information of both communities. Adding the Debt, Reserves and Tangible Capital Assets, the two towns are comparable. For the full report on the finance subcommittee
 - [Black Diamond](#)
 - [Turner Valley](#)
- **UPDATED:** While the Finance Subcommittee has assessed the data, financial statements are available on each Town's website for anyone to review. There is a note called "Long-Term debt" which shows what is owed in debt.

Town of Turner Valley and Town of Black Diamond Long Term Debt - Debenture Schedule							
Town of Turner Valley Long Term Debt - Debenture Schedule							
Liability	Loan #	Expires	Principle	Principle Balance 2021	Principle Balance 2022	Interest Outstanding 2021	Interest Outstanding 2022
ACFA - Town shop	4001009	2026	355,112	281,936	267,940	96,756	85,505
ACFA - North Feeder	3100148	2029	293,681	201,853	183,668	52,331	42,274
ACFA - Library	4001007	2035	629,312	499,634	474,831	171,467	151,529
ACFA - Bylaw	4001896	2024	100,000	38,995	26,202	1,094	524
ACFA - Fire	4001898	2036	300,000	239,439	226,314	53,718	47,299
ACFA - Tandem Dump Truck	4002125	2026	100,000	62,719	52,854	4,784	3,399
ACFA - RLS/Paris	4001897	2025	235,000	122,862	99,179	6,285	4,139
			2,013,105	1,447,438	1,330,989	386,436	334,669
Town Black Diamond Long Term Debt - Debenture Schedule							
Liability	Loan #	Expires	Principle	Principle Balance 2021	Principle Balance 2022	Interest Outstanding 2021	Interest Outstanding 2022
ACFA - PW Shop Addition	4001892	2040	139,598	119,259	114,818	39,808	36,295
ACFA - PW - Water Distribution Pumping Upgrade	1185115	2026	295,307	116,300	99,784	27,283	19,869
ACFA - Sewer - Replacement Sanitary Sewer Mains	1179465	2022	147,000	22,373	11,551	2,290	790
ACFA - Sewer - Extending the East Sanitary Sewer Truck Main	1180397	2023	206,515	42,770	29,319	5,121	2,608
ACFA - Replacing Sanitary Sewer Mains	1183359	2025	348,647	118,780	97,918	24,133	16,412
ACFA - Paving of 1st Street SW from 1 Avenue SW to 6 Avenue SW	4000252	2027	438,500	191,856	166,196	35,230	25,954
			1,575,567	611,337	519,586	133,865	101,918
Variance			437,538	836,101	811,403	252,571	232,751

- All financial statements of both the municipalities are located:

[Town of Black Diamond financial statements](#)

[Town of Turner Valley financial statements](#)

Infrastructure

Will the amalgamation result in additional provincial funding or capital grants to improve infrastructure and increase levels of service?

- The Alberta Community Partnership Program does offer some incentives and the information on infrastructure grants can be accessed on the link below:
Source: [Alberta Community Partnership program guidelines](#) (Information also available under the Grants section above).
- Infrastructure renewal and replacement is important in both communities. A list of infrastructure priorities will come under the purview of the new Council and administration as part of the ongoing capital budget process and will continue to be funded through grants, reserves and debentures.
- Service levels will be reviewed along with organizational structures if and when amalgamation is approved.

What infrastructure projects have to be undertaken to make both towns on equal footing?

Many streets and roads in Black Diamond are unpaved. Will the amalgamation result in additional provincial funding or capital grants to rectify this disgraceful situation?

Are the costs of infrastructure replacement adequately addressed in the capital requirements of both municipalities?

- **UPDATED:** As part of the amalgamation process, the capital assets of both communities were assessed (below).
- **UPDATED: Infrastructure Planning:** Topic #20 in the Amalgamation Negotiation Report says that the ten-year capital plan be utilized as the indicator of the infrastructure condition and costs to upgrade infrastructure and equipment. For the ten-year capital plan Turner Valley has \$28.4M planned and Black Diamond has \$38.4M planned. This will assist with addressing the infrastructure variations between the two towns by comparing priorities in each municipality. The below table indicates the difference in the assets in each individual municipality.
- **UPDATED:** The Towns have agreed that if they proceed with amalgamation, each Town will dedicate any currently undedicated capital reserves and excess operational reserves to infrastructure plans on the 10 year capital plan list. This will assist with addressing infrastructure priorities.
- **UPDATED:** Both municipalities have sufficient financial funding available for their 10 year capital plans.
- **UPDATED:** The most significant infrastructure deficit between Black Diamond and Turner Valley is roads. Black Diamond has a replacement value in excess of \$67.4 M. Turner Valley has a replacement value in excess of \$45.2 M. An assessment of these assets should be performed upon amalgamation. It is noted that Black Diamond has 26 km more of roadways than Turner Valley. Black Diamond's capital plan costs for roads only includes bringing current gravel roads back to gravel roads, not pavement, once underground repairs are completed. The new Council will need to address the road infrastructure deficit and differences between the two municipalities upon amalgamation. A review of both municipalities' ten (10) year capital plans will assist with determining the priorities and needs in the immediate future. The Towns of Black Diamond and Turner Valley could draw on reserves to assist in the funding of roads to reduce the infrastructure deficit.

Black Diamond Schedule of tangible capital assets - Consolidated Statement as at December 31, 2020

	Black Diamond			SRRUC			Total	Years	
	TCA	Amortization	Net Book Value	TCA	Amortization	Net Book Value		Average Average of Assets	Remaining useful life
Land	\$ 1,583,588	\$ -	\$ 1,583,588	\$ 174,079		\$ 174,079	\$ 1,757,667		
Land Improvements	1,991,381	369,188	1,622,193			-	1,622,193		
Buildings	5,606,347	2,187,601	3,418,746	473,890	70,939	402,951	3,821,697	11.4	29.5
Engineered structures	26,987,418	5,320,785	21,666,633	3,808,913	448,186	3,360,727	25,027,360	6.3	44.3
Machinery and equipment	4,806,693	2,299,851	2,506,842	158,002	58,931	99,071	2,605,913	11.0	5.9
Vehicles	3,306,405	1,499,519	1,806,886			-	1,806,886	7.6	3.9
Construction in progress	1,744,058	-	1,744,058			-	1,744,058		
	<u>\$ 46,025,891</u>	<u>\$ 11,676,944</u>	<u>\$ 34,348,947</u>	<u>\$ 4,614,884</u>	<u>\$ 578,056</u>	<u>\$ 4,036,828</u>	<u>\$ 38,385,775</u>	<u>9.1</u>	<u>20.9</u>

Turner Valley Schedule of tangible capital assets - Consolidated Statement as at December 31, 2020

	Turner Valley			SRRUC			Total	Years	
	TCA	Amortization	Net Book Value	TCA	Amortization	Net Book Value		Average Average of Assets	Remaining useful life
Land	\$ 545,741	\$ -	\$ 545,741	\$ 174,078		\$ 174,078	\$ 719,819		
Land Improvements	-	-	-			-	-		
Buildings	8,482,706	3,199,604	5,283,102	473,890	67,787	406,103	5,689,205	24.0	24.9
Engineered structures	47,757,965	20,125,941	27,632,024	3,808,913	391,571	3,417,342	31,049,366	25.7	25.4
Machinery and equipment	3,575,696	1,907,423	1,668,273	158,002	-	158,002	1,826,275	7.0	6.3
Vehicles	1,776,025	1,075,358	700,667			-	700,667	6.6	4.6
Construction in progress	2,665,073	-	2,665,073			-	2,665,073		
	<u>\$ 64,803,206</u>	<u>\$ 26,308,326</u>	<u>\$ 38,494,880</u>	<u>\$ 4,614,883</u>	<u>\$ 459,358</u>	<u>\$ 4,155,525</u>	<u>\$ 42,650,405</u>	<u>15.8</u>	<u>15.3</u>

Elections

Were costs to hold an election discussed?

Did the committee consider seeking permission from the Province to delay elections until after the amalgamation decision (thus holding one election instead of two)? If not, why not?

- The estimated cost of an election is between \$8,000-\$12,000.
- Yes, election costs were considered when requesting the deferral of the 2021 election in the letter of intent.
- Early on in the negotiation process, Council had to decide election dates. The Minister of Municipal Affairs presented three (3) scenarios:
 - Scenario 1: complete the amalgamation application by April 30, 2021 with a change to the incorporation date to January 1, 2022 (one year earlier) to enable maintaining the current councils through the interim period.
 - Scenario 2: commit to completing the amalgamation application by April 30, 2021, but if it is not complete by that date, the nomination period for the October 2021 election would start on June 1, and the election would occur in October 2021.
 - Scenario 3: continue with the original application timeline, September 2021. A normal election will occur in October 2021.

Effectively, the Minister said he is not prepared to defer an election for such a significant time period. The only option was to speed up the amalgamation negotiations and application or hold an election in October.

- Both Councils, through JFAC, reviewed the Minister's options and determined that they preferred to focus on the originally agreed upon process for reviewing information and negotiating the amalgamation, and reasonable timelines for public engagement. The Councils voted in favour of Option 3.
- If the amalgamation does not proceed, the Councils elected in October 2021 for each community will continue through the four (4) year election term. A second election will not be required.
- If amalgamation is approved another election in late 2022 will be required.

Please see the attached links for official documentation.

[Letter of Intent to Amalgamate – September 11, 2020](#)

[Municipal Affairs response to Letter of Intent November 2020](#)

[Towns' response to Minister December 9, 2020](#)

DEPARTMENTS / BYLAWS

FCSS

Considering the many struggles that people have had and are having due to COVID, has there been research into how amalgamation will help or hinder the work of FCSS in helping those who have various mental, emotional, and/or financial needs?

- Family and Community Support Services will continue to provide programming and services to both communities, eventually as one program. Several shared services currently exist and partnerships with external organizations and the Province will be maintained.

Economic Development

Will there be increased grant opportunities as an economic impact of amalgamation?

- Regional grant opportunities are expected to increase once amalgamated. The Intermunicipal Economic Development Committee (IEDC) will continue to guide

business retention and investment attraction initiatives under one municipality. A service agreement is in place between Black Diamond and Turner Valley. The committee follows the [Intermunicipal Economic Development Strategy](#) to support both communities equally.

GENERAL QUESTIONS

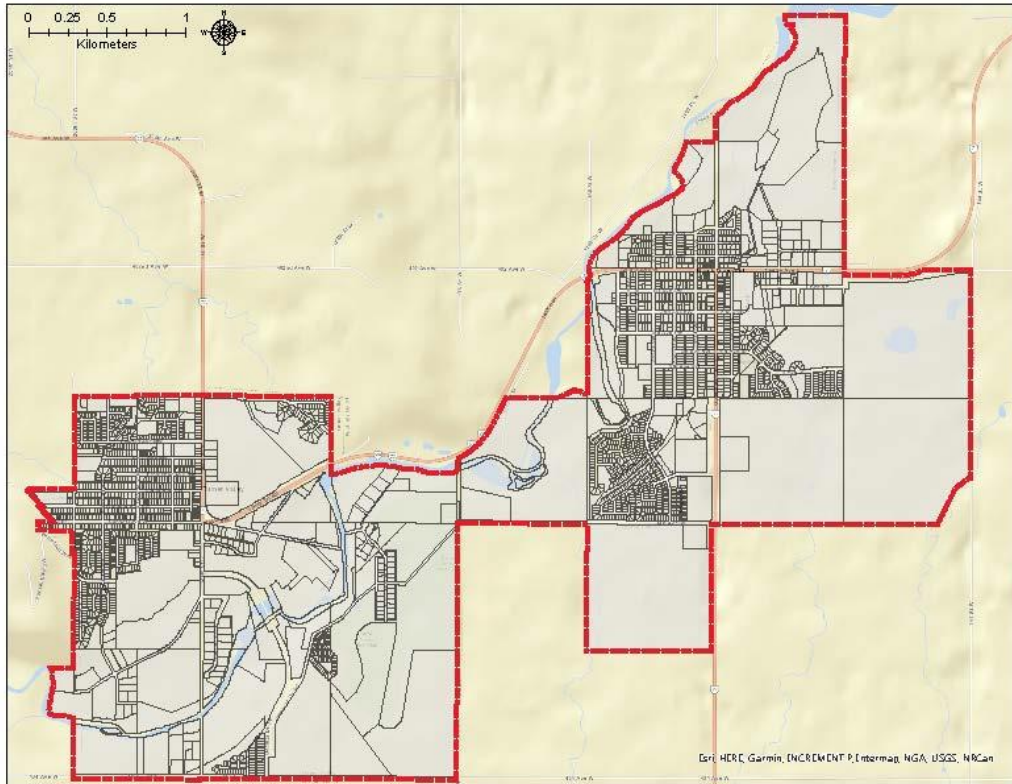
Addressing – Postal Implications

What happens to our postal address? Will this be changed? Will the residents be able to retain their addresses and only the municipality name changes?

- The response from Canada Post is that Canada Post would not make any changes to current mailing addresses unless requested by the municipality.
- **UPDATED:**
- Addressing: As the name of the municipality would be changing upon incorporation there will be a requirement to change both residential and mailing addresses. Work is underway to limit the inconvenience to the residents.
- Land titles will be changed via the province at no additional charge to the residents. Processing time is approximately 3-6 months after incorporation.
- Administration is working with Service Alberta and the Registry departments to waive the cost of addressing changes on all Alberta ID inclusive of Alberta Drivers Licenses. <https://www.alberta.ca/update-driving-documents.aspx>
- Passports can have address changes right on the passport by the individual passport holder. At time of renewal a new address can be submitted and no additional charges other than the renewal fee applies. <https://www.canada.ca/en/immigration-refugees-citizenship/services/canadian-passports/help-centre/general.html>
- Firearms/PAL has been working with the RCMP for direction on fire arm licensing and address changes. Registered Gun owners can change their address via phone or online - link is provided below on how to connect with the department to change address.
 - <https://www.rcmp-qrc.qc.ca/en/firearms/contact-the-canadian-firearms-program>

Annexation/Boundaries/Map

Please provide a map showing the area of the proposed Amalgamation and what land sections are affected.



Has Black Diamond annexed the land in between the two towns on both sides of the highway along Hwy 7? Does the annexation create a thick band of land between the two towns in this corridor?

- The Black Diamond annexation did not include most lands on the north side of the Sheep River, except some Town-owned land where the current “Field of Dreams” town partnership is with the Boys and Girls Club of the Foothills.

Will the amalgamated Towns be taking over some Foothills County land?

- No. Amalgamation will not include any annexation of Foothills County property.

Regional

If amalgamated, would the new entity be eligible to apply to join the Calgary Metropolitan Region Board?

- Once amalgamated, the new Town would be eligible to apply for the Calgary Metropolitan Region Board. Membership is not guaranteed.

Special Municipality

Have you looked at other towns that have amalgamated, like Crowsnest Pass?

Can we keep the names similar to what Crowsnest Past did, so that we save cost of not having to do address changes, etc.?

- **UPDATED:** Crowsnest Pass is designated a 'Special Municipality'. The Towns asked the Province if the newly amalgamated town could be a Special Municipality. The Province said that the Special Municipality designation is only for municipalities that don't fit the current definitions of village, town, city or MD/County. To fit the the term "specialized municipality" there would have to be a urban/rural land use. Turner Valley and Black Diamond have legal designations as Towns (which are urban) and therefore do not meet the criteria of being a specialized municipality.
- An amalgamated Turner Valley and Black Diamond fits the definition of a Town and so cannot apply to be a Special Municipality.
- Special Municipalities are unique municipal structures typically used for combining urban and rural communities. There are only 6 Special Municipalities in Alberta.

- **UPDATED:**
- Addressing: As the name of the municipality would be changing upon incorporation there will be a requirement to change both residential and mailing addresses. Work is underway to limit the inconvenience to the residents.
- Land titles will be changed via the province at no additional charge to the residents. Processing time is approximately 3-6 months after incorporation.
- Administration is working with Service Alberta and the Registry departments to waive the cost of addressing changes on all Alberta ID inclusive of Alberta Drivers Licenses.
<https://www.alberta.ca/update-driving-documents.aspx>
- Passports can have address changes right on the passport by the individual passport holder. At time of renewal a new address can be submitted and no additional charges other than the renewal fee applies. <https://www.canada.ca/en/immigration-refugees-citizenship/services/canadian-passports/help-centre/general.html>
- Firearms/PAL has been working with the RCMP for direction on fire arm licensing and address changes. Registered Gun owners can change their address via phone or online - link is provided below on how to connect with the department to change address.
 - <https://www.rcmp-qrc.gc.ca/en/firearms/contact-the-canadian-firearms-program>