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# Viability Reviews

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## What is a Viability Review

A viability review is a process where a municipality's governance, finances, infrastructure and services are reviewed to determine whether changes are required for the community to remain viable. The process which is described below, allows an objective analysis of the review municipality's issues and challenges, and in some cases, lead to the development of a Viability Plan which outlines the options available to the community for the community to be viable.

A viability review is not intended to examine council, decision making processes, roles and responsibilities. or intra-council conflict. It is also not intended to assess administrative and financial processes and practices within the municipality.

A viability review is led by a committee called the Viability Review Team (VRT) that consists of representatives from Municipal Affairs, the review municipality, neighbouring municipality and municipal associations (Alberta Association of Municipal Districts and Counties, Alberta Rural Municipal Administrators Association, Alberta Summer Villages Association (where applicable), Alberta Urban Municipalities Association, and the Local Government Administration Association). Each viability review team has a mandate which includes: leading the review municipality through the viability review process, developing a viability plan if required, engaging with stakeholders and liaising with their respective organizations.

Stakeholder engagement and community involvement is an integral component of the viability review process. During the viability review, the community is typically engaged through a combination of mailed communications, surveys, open houses, public meetings and if required, public votes.

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## The Viability Review Process

A viability review is initiated following one of the following: a council request, a petition from the electors of a municipality, or when a municipality triggers key measures of sustainability as

defined in the Municipal Sustainability Strategy. Once a request is received by Municipal Affairs, ministry staff will review the request (in the case of a petition, a ministry representative will determine the sufficiency of the petition) and conduct a screening to determine what viability issues exist in the municipality, and if an alternate Municipal Affairs process such as a municipal corporate review, a municipal inspection, an audit or other restructuring process such as amalgamation is more appropriate to address the issues found in the municipality. If a viability review is determined to be the most appropriate process, the Minister will initiate a viability review for the municipality.

A viability review typically consists of two phases: the Viability Determination phase and the Viability Plan phase.

The viability determination phase involves the formation of the Viability Review Team, information collection and analysis, stakeholder engagement, and the initiation of an infrastructure assessment or infrastructure audit. At the end of this phase, the Viability Review Team will make a viability determination. The review municipality will be determined to be either clearly viable, or trending towards non-viability. If the review municipality is determined to be clearly viable, the viability review will be concluded. If the review municipality is determined to be trending towards non-viability, the viability review continues to the second phase where a Viability Plan is developed for the community.

The Viability Plan phase consists of additional information gathering and analysis, facilitated discussions with all affected municipalities, and the development of a Viability Plan. Additional community engagement may also be conducted during this phase. The Viability Plan will provide the community with options to achieve viability. Options vary depending on the municipality being reviewed, but typically there are a minimum of two options. These options include the review municipality remaining as a municipality, but changes are made to the way the municipality is administered or governed; and the review municipality is dissolved (unincorporated) into an adjacent municipality. At the end of the Viability Plan phase, the council of the review municipality vote on the options. If council votes in favour of dissolution, a public vote is held by ministry staff to determine the community's preference on the options presented.

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## **Frequently Asked Questions about Viability Reviews**

### **About the Process**

#### *1. How long does a viability review take?*

The typical length of a viability review is approximately nine to twelve months. Some viability reviews may take longer due to time needed for the municipality to complete an infrastructure audit, council or staff vacancies, or other reasons.

### *2. Where does the information for a viability review come from?*

The information reviewed and analyzed for a viability review comes from a variety of sources including, but not limited to: federal and provincial governments, municipal councils and administrations, residents and property owners within the municipality, and other stakeholders.

### *3. What is the cost of a viability review and who is responsible to pay for the costs of a viability review?*

The cost of a viability review varies depending on the costs of the infrastructure audit, the amount of information that needs to be reviewed and analyzed, the number of meetings required, and travel to meetings for staff and each member of the Viability Review Team. Alberta Municipal Affairs pays for ministry staff time associated with researching, writing, printing, and distributing information and reports, as well as the cost of hosting public meetings and other community engagement activities. In addition, Municipal Affairs provides municipalities that are undergoing a viability review with a grant to pay for an infrastructure audit. Municipalities undergoing a viability review will incur costs for staff time to compile information for Municipal Affairs, travel costs to meetings, remuneration for councillors to attend Viability Review Team meetings, and costs of additional council meetings.

## **About Community Engagement and Public Participation**

### *4. How can I contact Municipal Affairs with my concerns or questions about viability reviews?*

Residents, property owners and members of the public may contact the Municipal Sustainability Team at Municipal Affairs by calling toll-free at 310-0000 (in Alberta), then 780-427-2225. Alternately, the Municipal Sustainability Team may be emailed at [municipalsustainability@gov.ab.ca](mailto:municipalsustainability@gov.ab.ca).

### *5. How can I participate in a viability review? How can I get involved?*

Members of the community that is being reviewed will be provided with opportunities to provide input into the viability review process. This may be in the form of surveys, delegations to Viability Review Team meetings, open houses and public meetings. At the end of the viability review process, a vote of electors may be held in the municipality should council vote to dissolve the municipality.

### *6. Who can vote?*

If a vote of electors is held at the end of a viability review, the vote will be held by Municipal Affairs, in accordance with the *Local Authorities Election Act*. The *Local Authorities Election Act* specifies that in order to be eligible to vote, the person must be: at least 18 years of age, a Canadian citizen, a resident of Alberta for the six months immediately preceding election day; and the person's place of residence is located in the area on election day. Residents of another municipality do not meet the residency requirements found in the *Local Authorities Election Act* and are therefore unable to vote. There are also no provisions in the *Local Authorities Election Act* to

permit individual property owners to vote if they do not reside in the municipality where the vote is held.

## About Dissolution

### *7. What is dissolution?*

Dissolution is a municipal restructuring process that is permitted in Sections 130 to 134.1 of the *Municipal Government Act*. Dissolution results in the unincorporation of a municipality. Local governance for the area of a dissolved municipality is typically transferred to a neighbouring municipality. The impact of dissolution will vary based on the municipality. The community that may be affected by a dissolution will be informed of the potential impact of dissolution in the Viability Plan prior a votes on the issue of dissolution.

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## How to Request a Viability Review

Viability reviews may be initiated through one of three ways - by council request, by a petition of the electors of a municipality, or when a municipality triggers key measures of sustainability as defined in the Municipal Sustainability Strategy.

A **council request** may be made when a municipal council passes a resolution to request a viability review and a written request is submitted to the Minister of Municipal Affairs. A council request should include a completed [self-assessment questionnaire](#) from the [Municipal Sustainability Strategy](#).

A **petition from electors numbering at least 30% of the population of the municipality** may be submitted to the Minister of Municipal Affairs. A petition should be prepared according to the guidelines found in the Information Handout on Petitions intended for the Minister of Municipal Affairs to ensure that all legislated requirements are met. To assist prospective petitioners with the petition process, a petition has been developed which is available for [download here](#). Prospective petitioners are encouraged to contact the Municipal Sustainability Team by email at <mailto:viabilityreview@gov.ab.ca?subject=Petition%20for%20Viability%20Review> or by phone toll-free at 310-0000, then 780-427-2225 prior to starting a petition for guidance. A petition to the Minister must include a statement of Representative of Petitioners, and an affidavit for each person that witnessed the signing of a petition.

When a **municipality triggers the key measures of sustainability**, the Minister of Municipal Affairs may undertake a viability review of that municipality.

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## Current Viability Reviews

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## **Village of Berwyn**

**Current Status:** The village was approved for funding to conduct an infrastructure audit as part of the viability review. Once the infrastructure audit is completed, the information from the infrastructure audit, and other information will be analyzed by Municipal Affairs.

**Past Activities:**

- The Minister had approved the initiation of this viability review.

**Public Notices and Reports:** None at this time. Reports will be published here as they become available.

## **Village of Botha**

**Current Status:** The Viability Review Team will meet to review the findings of the infrastructure audit and determine the viability of the village. The next VRT meeting is scheduled for September 2016.

**Past Activities:**

- Viability review was initiated in October 2015.
- A Viability Review Team was formed in January 2016.
- The Viability Review Team began meeting to determine the viability of the village.
- An infrastructure audit was completed by the village (funded by Municipal Affairs).

**Public Notices and Reports:** None at this time. Reports will be published here as they become available.

## **Village of Champion**

**Current Status:** An infrastructure audit is being initiated by the village (funded by Municipal Affairs). Ministry staff will begin information collection activities in fall 2016.

**Past Activities:** Not applicable.

**Public Notices and Reports:** None at this time. Reports will be published here as they become available.

## Village of Clyde

**Current Status:** The Minister is reviewing the council decision and the recommendations from the Viability Review Team.

**Past Activities:**

- Viability review was initiated in January 2013.
- A Viability Review Team was formed in May 2013.
- An Initial Findings Report was published in October 2014 (see below).
- A public meeting was held on October 23, 2014 at the Clyde and District Agricultural Society Community Hall.
- A What We Have Heard and Viability Determination Report was published in January 2015 (see below).
- The Viability Plan was published in March 2016.
- Based on the options found in the Viability Plan, village council had voted to remain as a village at its May 16, 2016 meeting.
- The Viability Review Team has wind down and has concluded the viability review.

**Public Notices and Reports:**

- [Initial Findings Report \(October 2014\)](#) - The Village of Clyde's Initial Findings Report provides information on the Village of Clyde's finance and governance, as well as programs and services offered by the Village for the Clyde Community.
- [What We Heard and Viability Determination Report \(January 2015\)](#) - The What We Heard and Viability Determination Report contains a compilation of public input that was received by the Viability Review Team following release of the Initial Findings Report. The report also provides the Viability Review Team's viability determination that the Village of Clyde is trending towards non-viability and the reasons for the decision.
- [Viability Plan \(March 2016\)](#) - The Viability Plan provides information on the two viability options for Clyde to achieve viability. The first option is the Village of Clyde remains as a village and implements changes to achieve viability. The second option is to dissolve the Village of Clyde and Clyde becomes a hamlet in Westlock County.

## Village of Ferintosh

**Current Status:** The village's infrastructure audit is underway. Ministry staff will begin information collection activities in fall 2016.

**Past Activities:** An infrastructure audit was initiated by the village (funded by Municipal Affairs).

**Public Notices and Reports:** None at this time. Reports will be published here as they become available.

## Village of Hill Spring

**Current Status:** The Viability Plan will be presented to village council at a special council meeting on September 19, 2016.

**Past Activities:**

- Viability review initiated in April 2015.
- A Viability Review Team was formed in July 2015.
- The Viability Review Team determined that the Village of Hill Spring is trending towards non-viability on September 15, 2015.
- A public meeting was held on November 5, 2015 at the Hill Spring Community Centre.
- The Viability Review Team determined the Village of Hill Spring to be trending towards non-viability.
- The village's infrastructure audit was completed.
- Facilitated discussions with Cardston County were held in early 2016.
- The Viability Plan was completed in September 2016, with 32 recommendations to help council and administration address the long-term viability of the village.

**Public Notices and Reports:**

- [Viability Plan \(September 2016\)](#) - The Viability Plan provides information on the two viability options for Hill Spring to achieve viability. The first option is the Village of Hill Spring remains as a village and implements changes to achieve viability. The second option is to dissolve the Village of Hill Spring and Hill Spring becomes a hamlet in Cardston County.

## Village of Hussar

**Current Status:** The Viability Review Team has decided that information from an infrastructure audit is required prior to making a viability determination. An infrastructure audit is anticipated to be completed by December 2016. In October 2016, the Viability Review Team will be meeting with community groups as part of the review's engagement process.

**Past Activities:**

- The viability review was initiated in April 2015.
- A Viability Review Team was formed in July 2015.
- A public meeting was held on September 14, 2015 at the Hussar Community Hall.
- The village initiated an infrastructure audit in early 2016.

**Public Notices and Reports:** None at this time. Reports will be published here as they become available.

## Village of Innisfree

**Current Status:** Data collection and analysis will continue until the completion of the infrastructure audit.



**Past Activities:**

- The viability review was initiated in March 2016.
- An infrastructure audit was initiated by the village (funded by Municipal Affairs).
- Ministry staff began information collection in June 2016 and this will continue to October 2016.

**Public Notices and Reports:** None at this time. Reports will be published here as they become available.

**Village of Rycroft**

**Current Status:** The village's infrastructure audit is anticipated to be completed in October 2016. The Viability Review Team will meet in November 2016 to develop the Viability Plan.

**Past Activities:**

- The viability review was initiated in April 2015.
- The Viability Review Team was formed in May 2015.
- A public meeting was held on November 19, 2015 at the Rycroft Community Hall.
- The Viability Review Team has decided that information from an infrastructure audit is required prior to making a viability determination.
- An infrastructure audit was initiated by the village in early 2016.
- Facilitated discussions with the Village of Rycroft, Municipal District of Spirit River and Saddle Hills County were held.

**Public Notices and Reports:** None at this time. Reports will be published here as they become available.

**Village of Willingdon**

**Current Status:** The Viability Plan will be finalized by Municipal Affairs and published in October 2016. It is anticipated that the Viability Plan will be presented to village council at a council meeting where the public will be invited to participate.

**Past Activities:**

- The viability review was initiated in March 2015.
- The Viability Review Team was formed in June 2015.
- A public meeting was held on August 6, 2015 at the Willingdon Community Hall.
- A viability determination was made on November 30, 2015.
- An infrastructure audit was completed in March 2016.
- The Viability Review Team met over summer 2016 to finalize the Viability Plan.

**Public Notices and Reports:**

- [Summary of stakeholder feedback](#) from the August 6, 2015 public meeting.



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## Completed Viability Reviews

- [Town of Swan Hills](#)
- [Village of Cremona](#)
- [Village of Galahad](#)
- [Village of Minburn](#)
- [Village of Strome](#)

### Town of Swan Hills

**Review Outcome:** The Viability Review Team determined the Town of Swan Hills to be viable following the development of a long-term Viability Agreement between the Municipal District of Big Lakes (now Big Lakes County) and the Town of Swan Hills.

#### Summary of Viability Review:

- The viability review was initiated in March 2013.
- An initial stakeholder survey was sent out to residents in June 2013.
- The Viability Review Team was formed in August 2013.
- An Initial Findings Report was published in April 2014.
- An open house and a public meeting were held on May 9, 2014 at the Swan Hills Keyano Centre.
- A viability determination was made on September 8, 2014.
- The Viability Determination and What We Have Heard Report was published in December 2014.

#### Public Notices and Reports:

- [Initial Findings Report \(April 2014\)](#) – The Town of Swan Hills Initial Findings Report provides information on the Town of Swan Hills' finance and governance, as well as programs and services offered by the Town for the Swan Hills Community.
- [Notice of Public Meeting \(May 2014\)](#) – Stakeholder Engagement Events to gather input from stakeholders to assist in determining the viability of the Town of Swan Hills will be held at the Swan Hills Keyano Centre on May 9, 2014. A Drop-in Open House will be held from 2:30 p.m. to 5:00 p.m. and a Public Meeting will be held from 6:30 p.m. to 9:00 p.m.
- [Viability Determination and What We Have Heard Report \(December 2014\)](#) – The Viability Determination and What We Have Heard Report contains a compilation of public input that was received by the Viability Review Team following release of the Initial

Findings Report. The report also provides the Viability Review Team's viability determination that the Town of Swan Hills is viable and the reasons for the decision.

## Village of Cremona

**Review Outcome:** The Viability Review Team determined the Village of Cremona to be viable based on the implementation of the series of recommendations explained throughout the Viability Determination Report. The decision was not unanimous as some members of the Viability Review Team believed that the village faced significant viability challenges due to the state of the village's infrastructure and the estimated costs to address future infrastructure issues threaten the viability of the village.

### Summary of Viability Review:

- The viability review was initiated in October 2012.
- The Viability Review Team was formed in October 2012.
- An Initial Findings Report was published in April 2013.
- An initial stakeholder survey was sent out to residents in April 2013.
- A public meeting were held on May 22, 2013 at the Cremona School.
- A What We Have Heard Report was published in August 2013.
- Due to a loss of council quorum, the Minister of Municipal Affairs appointed an Official Administrator with the powers and duties of council on April 15, 2013 to November 4, 2013.
- A viability determination was made on February 11, 2014.
- The Viability Determination Report was published in April 2014.

### Public Notices and Reports:

- [Initial Findings Report \(April 2013\)](#) – The Village of Cremona Initial Findings Report provides information on the Village of Cremona's finance and governance, as well as programs and services that are offered by the Village for the Cremona community.
- [Notice of Public Meeting \(May 2013\)](#) – A public meeting will be held at the Cremona School on May 22, 2013 at 7:00 p.m.
- [What We Have Heard: a summary of public input \(August 2013\)](#) – The What We Have Heard report contains a compilation of public input that was received by the Viability Review Team following the release of the Initial Findings Report.
- [Viability Determination \(April 2014\)](#) – The Viability Determination Report provides the Viability Review Team's viability determination, the reasons for the decision, and the recommended actions to be taken for the ongoing viability of the municipality.

## Village of Galahad

**Review Outcome:** The Village of Galahad will be dissolved on January 1, 2016 and become a hamlet in Flagstaff County. The dissolution was recommended following a vote of village electors where 98% of voters voted to dissolve the village on September 15, 2015.

**Summary of Viability Review:**

- The viability review was initiated in May 2013.
- An initial stakeholder survey was sent out to residents in June 2013.
- The Viability Review Team was formed in July 2013.
- An Initial Findings Report was published in April 2014.
- A public meeting were held on May 6, 2014 at the Galahad Agri-plex.
- A What We Have Heard and Viability Determination Report was published in September 2014.
- Village council voted in favour of dissolution of the village on May 6, 2015.
- The Viability Plan was published in July 2015.
- A vote of village electors was held on September 15, 2015.
- Cabinet approved [Order in Council 259/2015](#), which dissolves the Village of Galahad on January 1, 2016.

**Public Notices and Reports:**

- [Initial Findings Report \(April 2014\)](#) - The Village of Galahad Initial Findings Report provides information on the Village of Galahad's finance and governance, as well as programs and services offered by the village for the Galahad Community.
- [Notice of Public Meeting \(May 2014\)](#) – An open house will be held at the Galahad Agri-plex on May 6, 2014 from 5:00 p.m. to 8:00 p.m. to allow the Galahad community and the public to provide input to the Village of Galahad viability review.
- [What We Have Heard and Viability Determination Report \(September 2014\)](#) – The What We Have Heard and Viability Determination Report contains a compilation of public input that was received by the Viability Review Team following the release of the Initial Findings Report. The report also provides the Viability Review Team's viability determination, and the reasons for the decision.
- [Viability Plan \(July 2015\)](#) - The Viability Plan contained two options for the future of Galahad, the first option is the Village of Galahad remains a village and implements changes to achieve viability. The second option is to dissolve the Village of Galahad and Galahad becomes a hamlet in Flagstaff County.

**Village of Minburn**

**Review Outcome:** The Village of Minburn was dissolved on July 1, 2015 and became a hamlet in the County of Minburn. The dissolution was recommended following a vote of village electors where 88% of voters voted to dissolve the village on March 12, 2015.

**Summary of Viability Review:**

- The viability review was initiated in January 2013.
- An initial stakeholder survey was sent out to residents in February 2013.
- The Viability Review Team was formed in June 2013.
- An Initial Findings Report was published in July 2014.
- A public meeting were held on July 30, 2014 at the Minburn Ag Society Hall.

- A What We Have Heard and Viability Determination Report was published in October 2014.
- Village council voted in favour of dissolution of the village on February 10, 2015.
- The Viability Plan was published in February 2015.
- A vote of village electors was held on March 12, 2015.
- Cabinet approved [Order in Council 152/2015](#), which dissolved the Village of Minburn on July 1, 2015.

#### **Public Notices and Reports:**

- [Initial Findings Report \(July 2014\)](#) - The Village of Minburn Initial Findings Report provides information on the Village of Minburn's finance and governance, as well as programs and services offered by the Village for the Minburn Community.
- [Notice of Public Meeting \(July 2014\)](#) – An open house will be held at the Minburn Ag Society Hall on July 30, 2014 from 7:00 p.m. to 9:00 p.m. to allow the Minburn community and the public to provide input to the Village of Minburn viability review.
- [What We Have Heard and Viability Determination Report \(October 2014\)](#) – The What We Have Heard and Viability Determination Report contains a compilation of public input that was received by the Viability Review Team following the release of the Initial Findings Report. The report also provides the Viability Review Team's viability determination, and the reasons for the decision.
- [Viability Plan](#) – The Village of Minburn Viability Plan provides information on the two viability options for Minburn to achieve viability. The first option is the Village of Minburn remains as a village and implements changes to achieve viability. The second option is to dissolve the Village of Minburn and Minburn becomes a hamlet in the County of Minburn.

### **Village of Strome**

**Review Outcome:** The Village of Strome will be dissolved on January 1, 2016 and become a hamlet in Flagstaff County. The dissolution was recommended following a vote of village electors where 94% of voters voted to dissolve the village on September 29, 2015.

#### **Summary of Viability Review:**

- The viability review was initiated in September 2014.
- The Viability Review Team was formed in December 2014.
- The Viability Review Team determined that the Village of Strome was trending towards non-viability in January 2015.
- Village council voted in favour of dissolution of the village on June 10, 2015.
- The Viability Plan was published in September 2015.
- A vote of village electors was held on September 29, 2015.
- Cabinet approved [Order in Council 260/2015](#), which dissolves the Village of Strome on January 1, 2016.

#### **Public Notices and Reports:**

- [Viability Plan \(September 2015\)](#) - The Viability Plan contained two options for the future of Strome, the first option is the Village of Strome remains a village and implements changes to achieve viability. The second option is to dissolve the Village of Strome and Strome becomes a hamlet in Flagstaff County.

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## Contact the Municipal Sustainability Team

If you have any questions about viability reviews or request a presentation for your council meeting on viability reviews, please call the Municipal Sustainability team toll-free in Alberta at 310-0000, then 780-427-2225, or via email [here](#).

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