



ALBERTA
MUNICIPAL AFFAIRS

*Office of the Minister
MLA, Leduc-Beaumont*

AR88075

APR 05 2017

His Worship Lee Van Koughnett
Mayor
Village of Hughenden
P.O. Box 26
Hughenden AB T0B 2E0

Dear Mayor Van Koughnett and Council,

Thank you for your participation and co-operation in the preliminary review conducted by my ministry in response to the petition for an inquiry into the affairs of the council of the Village of Hughenden.

The purpose of the preliminary review was to identify and better understand the concerns and issues that led to your request. The process included a review and analysis of information the village is required to submit annually to the ministry and visits to the municipality to interview key individuals. This preliminary review identified concerns that justify an in-depth inspection. As such, I will be ordering a municipal inspection.

An inspection into the operations of a municipality is an extraordinary measure and is not undertaken lightly. The objective of the inspection process is for the Inspector to report to me on the management, administration, or operation of the municipality, and to identify matters that may indicate that the municipality is managed in an irregular, improper, or improvident manner.

Inspectors are appointed by contracting the services of an independent consultant through a request for proposal process. Under Section 571 of the *Municipal Government Act (MGA)*, the Inspector has the same powers, privileges, and immunities as a commissioner under the *Public Inquiries Act*. These include the power to:

- require the attendance of any officer of the municipality (or of any other person whose presence the Inspector considers necessary);
- require persons to give evidence on oath and to produce any documents, papers, or things that the Inspector considers to be required; and
- engage the services of experts and persons having special technical or other knowledge.

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The scope of the inspection can include any matter connected with the management, administration, or operation of the municipality, or any assessment prepared under Part 9 (Property Assessment) of the *MGA*. As such, the Village of Hughenden inspection may include, but is not limited to:

- a review and evaluation of:
 - bylaws and key policies for adequacy, relevancy, consistency, and conformity with legislation;
 - the structure of council committees in relation to legislative requirements;
 - the process and procedures used to prepare for council meetings;
 - council's understanding of their role and responsibilities;
 - council's leadership and effectiveness in working together;
 - the CAO's understanding of her role and responsibilities;
 - the process for preparing and approving council meeting minutes and a review of recent minutes;
 - the financial status of the municipality;
 - the financial reporting to council;
 - the budget process; and
 - key planning documents.
- attendance at, and evaluation of, the conduct of a council meeting;
- a comparative analysis of the property assessment and tax rates with similar municipalities; and
- interviews with members of council and the chief administrative officer (CAO), staff, and a sample of residents.

After the inspection is completed, the Inspector is required to provide a report to me. Following my acceptance of the report, a summary of the results will be presented to council.

Section 574 of the *MGA* provides that I may, by order, direct the council, the CAO, or a designated officer of the municipality to take any action considered proper in the circumstances if I believe, based on the inspection report, that the municipality is managed in an irregular, improper, or improvident manner. Directives normally have timelines for required actions. If one or more directives are not carried out to my satisfaction, I may dismiss the council or any member of it or the CAO.

I will advise you once an Inspector has been appointed.

Sincerely,



Hon. Shaye Anderson
Minister of Municipal Affairs

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