



# Safety Codes Council

## Annual Report 2014





**Safety  
Codes  
Council**

# 2014 Annual Report

The Safety Codes Council (Council) is a statutory corporation established by the *Safety Codes Act* (Act) to function as a safety codes system governing body. Through collaboration with partners in government, municipalities, industry, labour organizations, and training institutions, the Council oversees the development and administration of safety codes and standards throughout the province and delivers effective public safety programs.

The Council is responsible to the Minister of Alberta Municipal Affairs (Minister) and works under authority of the Act, passed in June 1991. The Council and Minister signed the Mandate and Roles Document in May 2012 to help clarify their respective roles and responsibilities and provide more effective administration of the safety codes system.

## **The Council derives its mandate from the Act and the Minister to:**

- Accredite municipalities, regional services commissions, and agencies;
- Train and certify safety codes officers (SCOs);
- Administer an appeal process for orders and written notices issued under the Act;
- Monitor and mentor accredited organizations;
- Investigate complaints about accredited organizations, safety codes officers, master electricians, and permit issuers;
- Review, formulate, and recommend safety codes and standards to the Minister;
- Promote uniform safety standards and principles of barrier-free design and access;
- Develop and maintain a province-wide permitting and information management system;
- Provide support for our partners; and
- Carry out activities on behalf of the Minister.

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# Vision, Mission, and Values

The Council will achieve its vision and fulfill its mission by embracing and demonstrating its core values.

## Vision

Alberta: a safe place to live, work, and play.

## Mission

Working with our partners and stakeholders, the Safety Codes Council provides an effective and sustainable safety codes system for structures, facilities, and equipment.

## Values

The Safety Codes Council is focused on the safety of Albertans and guided by these core values:

### **Innovation**

**We encourage and promote excellence.**

### **Empowerment**

**We promote accountability, celebrate successes, and recognize achievements.**

### **Integrity**

**We conduct ourselves in a fair, responsible, and transparent manner.**

### **Teamwork**

**We are committed to effective partnerships.**

### **Leadership**

**We foster leadership at all levels.**

# Chair's Report



Robert Blakely, Q.C.  
Chair of the Safety  
Codes Council

On behalf of the Coordinating Committee of the Safety Codes Council, I am pleased to present the Annual Report for the year 2014 on the goals and strategic issues that were outlined in the 2014-2016 Business Plan. This twenty-first year of the Council's operation can be described as exciting and productive.

Overseeing the activities of the Safety Codes Council is one of the key responsibilities that I as the Chair of the Council share with other members of the Coordinating Committee. In this role, we work in close cooperation with the Technical Coordinating Committee and with Alberta Municipal Affairs to ensure that the safety codes system meets the safety needs of all Albertans.

I would like to emphasize the outstanding efforts of the appointed volunteer members of our ten sub-councils who support the safety codes system for the benefit of their fellow Albertans. These dedicated individuals, numbering over 130, are identified by name and industry association later in this report. In their sub-council meeting highlights, you will see specific examples of how the Council works to ensure safety in Alberta's structures, facilities, and equipment. Our system of motivated and engaged volunteers works!

My thanks and appreciation go to Brian Alford and his staff at the Council for their dedication to achieving the many goals set out for them in the Council's strategic plan. In particular, I would like to recognize their work on the Alberta Safety Codes Authority, their participation in the Safety Codes Act Review, and their efforts to increase transparency within the system and enhance the accreditation and certification programs. The results of their work in these and other areas demonstrate commitment to the five values that guide the Council.

I would like to extend a special thank you to Darlene Halwas, who resigned from her position on the Coordinating Committee at the end of 2014. She made a very significant contribution during her time with the Council. On behalf of the Council, I wish her the best of luck in her future endeavours.

Early in 2014, the Council and the safety codes system lost a critical champion with the sudden passing of Ivan Moore, Assistant Deputy Minister Municipal Affairs. Ivan was a tireless supporter of the Council's work within the system and he is greatly missed.

I also want to thank Alex Morrison, James Orr, Chris Contenti, and all the staff at Alberta Municipal Affairs for their ongoing support and partnership as we continue to work with our partners and stakeholders to keep Alberta a safe place to live, work, and play.



# President and CEO's Report

I am pleased to submit the following Annual Report on the Safety Codes Council's business activities of the past year. In doing so, I reflect upon a year of growth and transition for the Council.

Steered by the strategic issues outlined in the 2014-2016 Business Plan, the Council continues to strive for excellence as it embraces its increased accountability. In this report, you will find detailed information on the actions taken in pursuit of the business plan goals as well as results and analysis of those actions. Notable achievements of the Council in 2014 include development of and consultation on a proposed professional development program for safety codes officers, introduction of the sub-council web portal to facilitate information sharing, development of the student award program, and the development of a new visual identity for the Council.



Brian Alford  
President  
and CEO

Our volunteer members also had a busy year in 2014. Collectively, over 40 regular meetings were held by the ten sub-councils and the Technical Coordinating Committee. Many members also heard appeals or attended working group meetings. Our sub-council members are a unique and valuable source of technical and safety advice on a range of topics for the Council.

The Council's revenues benefitted from Alberta's relatively stable economy and an increase in housing starts in 2014. This positive impact allowed the Council to effectively address our day-to-day business activities and progress on projects that improve the safety codes system.

My thanks go to the Council management and staff for their hard work in 2014. In order to fulfill our mandate and achieve the goals set out in the business plan, the Council staff continues to grow, attracting new personnel to many areas such as the Audit department and the Alberta Safety Codes Authority.

I would also like to thank the members of the Safety Codes Council Coordinating Committee, which, in 2014, consisted of the following members: Bob Blakely, Cliff Ayrey, Mark Gerlitz, Darlene Halwas, Rick Noonan, Cal Ploof, John Whaley, and Jim Wheadon. Their support of the safety codes system has been steadfast, but they have also challenged the system to continue to improve for the benefit and safety of all Albertans.

With great sadness, I mention the passing of Ivan Moore, Assistant Deputy Minister with Alberta Municipal Affairs. He was a great source of support and an ever ready champion of the safety codes system.

I would like to extend a special thank you to Chris Contenti, James Orr, Alex Morrison, and all the staff at the Alberta Municipal Affairs who provide technical and public policy support and advice to the Safety Codes Council.



# Introduction

In 2012, the Coordinating Committee, Council management, and representatives from Municipal Affairs (MA) participated in a series of planning sessions to identify where the Council should focus its activities and resources for the following five years. Through this process, the Council established the following four strategic issues that need to be addressed to move the safety codes system forward:

1. Oversight and accountability of safety codes officers and accredited organizations;
2. Information and risk management;
3. Volunteer and nominating organization engagement, retention and recognition; and
4. Public awareness.

As part of its 2013 planning process, the Council reviewed these issues and, after some minor adjustments, confirmed them as still relevant to the organization and the safety codes system. The departmental goals and key deliverables subsequently included in the 2014-16 Business Plan were designed to address these issues.

**This Annual Report provides information on work that the Council and its partners undertook in 2014 to achieve its business plan goals and key deliverables. Highlights of 2014 achievements are:**

- » Implementing new accreditation policies for municipalities and corporations;
- » Conducting a province-wide consultation about professional development for SCOs;
- » Developing a student awards program and increasing the number of online courses available to students;
- » Establishing an Audit department to conduct comprehensive audits and reviews of accredited organizations;
- » Initiating development of the Alberta Safety Codes Authority; and
- » Developing a new visual identify for the Council.

## Report on Strategic Plan

In addition to delivering and administering core programs and services needed to support the safety codes system, the Council also undertook activities to introduce systemic and longer-term enhancements to the safety codes system. These activities focused on the four strategic issues identified in the Council Strategic Plan. A brief overview of each issue is presented below with details on some of the key work completed to achieve change.

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### STRATEGIC ISSUE 1:

#### **Oversight and accountability of safety codes officers and accredited organizations**

The Council will continue to improve oversight and accountability of accredited organizations and SCOs. Specifically, the Council will focus on assessing compliance with legislated requirements and service delivery standards established in quality management plans, and helping accredited organizations and SCOs address identified issues and deficiencies.

**In 2014, work undertaken to address this issue included:**

- Implementing new accreditation policies to increase the rigor of accreditation processes and accountability of accredited organizations;
- Assisting accredited organizations with updating their quality management plans to ensure they reflect current standards and practices;

- Developing and consulting on a proposed professional development program for SCOs;
- Establishing an audit department to review the delivery of permitting and inspection services provided by accredited organizations, SCOs, and permit issuers and to identify opportunities for improvement; and
- Revising the complaint investigation policy and procedures to clarify requirements and expectations for stakeholders.

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#### STRATEGIC ISSUE 2:

### **Information & risk management**

The Council is focused on improving its collection, analysis, and dissemination of safety codes system information and knowledge. These improvements will help the Council understand the effectiveness of the safety codes system and share that understanding with Albertans and those responsible for the system. The Council will collaborate with MA to establish a legislative framework that clearly supports joint efforts in this area.

**In 2014, work undertaken to address this issue included:**

- Developing and testing a variances and orders management system; and
- Participating in the review of the Act and associated regulations.

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#### STRATEGIC ISSUE 3:

### **Volunteer and nominating organization engagement, retention, and recognition**

The Council will examine the current sub-council governance model, including the mandate and roles of the sub-councils and individual members, the supports provided to help them fulfill their responsibilities, and the relationship between the sub-councils and technical administrators at MA. Nominating organizations and Council members will be engaged to provide input into this review, which may require changes to the Council's bylaws or its Mandate and Roles Document.

**In 2014, work undertaken to address this issue included:**

- Developing and implementing a sub-council web portal to facilitate information sharing among members and among the various sub-councils.

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#### STRATEGIC ISSUE 4:

### **Public awareness**

The Council will strive to enhance awareness and understanding of its role in the safety codes system through education and engagement. In partnership with MA, it will increase public knowledge about the system and the various organizations and individuals within it.

**In 2014, work undertaken to address this issue included:**

- Developing a new visual identity for the Council;
- Posting additional information about complaint investigation process and procedures online;
- Increasing the use of social media to communicate with stakeholders; and
- Developing a brochure to provide Albertans with greater information about the appeals process.

# Report on Business Goals and Key Deliverables

The following tables report on actions taken and results achieved in support of business goals established in the 2014–16 Council Business Plan. The Council’s key deliverables for 2014 are also identified where applicable.

## 1. Accreditation

Accreditation authorizes a municipality, regional services commission, or corporation to administer the Act within their respective jurisdictions in one or more of the following disciplines: building, fire, plumbing, electrical, and gas. Agencies can also become accredited to provide compliance monitoring services on behalf of other accredited organizations or MA. At the close of 2014, there were 469 accredited entities: 312 municipalities, 99 corporations, and 58 agencies.

<b>Goal 1.1</b>	<b>Administer a system to authorize qualified organizations to administer all or part of the <i>Safety Codes Act</i> within their jurisdiction</b>
<b>Key Action(s):</b>	Implement new accreditation policies following Coordinating Committee approval in 2013. Maintain an up-to-date online listing of all accredited organizations. Ensure that information provided by accredited organizations meets Council standards, that internal reviews are submitted, and that accounts are paid in a timely manner. Advise accredited organizations of their responsibilities for meeting service delivery standards established in quality management plans (QMP).
<b>Result(s):</b>	The department implemented new accreditation policies. Internal reviews are now mandatory for accredited municipalities and corporations. Accounts were generally paid on time.
<b>Analysis:</b>	Changes to the accreditation policies increase accountability of accredited organizations and transparency of the accreditation process. Many key actions are ongoing and repeated throughout the year to ensure that the accreditation system is maintained. The Accreditation department continues to communicate with accredited organizations to promote understanding of and compliance with QMP requirements to ensure effective delivery of safety codes services throughout Alberta.
<b>Goal 1.2</b>	<b>Ensure established QMP requirements are sufficient, appropriate and relevant</b>
<b>Key Action(s):</b>	Identify and document requirements to standardize the QMP for electrical utilities. Collaborate with the Council Audit department to enhance the QMP for the fire discipline.
<b>Result(s):</b>	The terms of reference for the QMP review process have been established.
<b>Analysis:</b>	The QMP review was delayed in 2014 due to resource constraints, but this work will carry over into 2015–17 starting with a review of the uniform QMP for accredited municipalities.

## 1. Accreditation continued

<b>Goal 1.3</b>	<b>Increase the number of accredited organizations working under the current QMP model</b>
<b>Key Action(s):</b>	Review files as amendments and inquires arise, and provide follow-up to ensure improvements are made as and when needed. Identify and transition accredited organizations to the current QMP model.
<b>Result(s):</b>	QMP amendments were completed for 26 corporations, 41 municipalities, two joint accreditations, and one agency.
<b>Analysis:</b>	Many key actions are ongoing and repeated throughout the year to ensure that the accreditation system is functioning well and maintained. Many municipalities updated their QMP as a result of communications regarding the requirement for internal reviews.

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## 2. Certification and Designation

The Council administers the certification and designation of SCOs in accordance with the Act. Certification is issued to individuals who meet the qualifications and complete the required training. A designation of powers is required for SCOs and permit issuers to exercise authority under the Act while employed by accredited organizations. Council staff works closely with the sub-councils to ensure that certification requirements for SCOs remain appropriate and relevant. At the end of 2014, there were 2,658 certified SCOs, and 2,077 held a designation of powers for one or more accredited organizations.

<b>Goal 2.1</b>	<b>Administer a system to certify and designate the necessary powers to competent safety codes officers</b>
<b>Key Action(s):</b>	Process competency reviews, applications, and renewals in a timely manner. Communicate with SCOs regarding code updates and other requirements affecting their certification. Conduct benchmarking research to identify practices and processes used by other certifying bodies.
<b>Result(s):</b>	Complete applications were generally processed within ten business days. Some applications required further review with the applicant and/or Technical Administrator. Several notifications were sent to SCOs about changes to certification requirements or the need to complete required code update training. A draft report on benchmarking research was submitted to the Administrator.
<b>Analysis:</b>	Efficient and thorough processing of applications ensures the Council is serving individuals and accredited organizations in a timely and effective manner. Providing information about new and/or changing certification requirements provides clarity for applicants and their employers. Benchmarking research has helped the Council align its certification policies and practices with those used by other organizations.

**Goal 2.2**                      **Ensure that certification requirements for safety codes officers are appropriate and relevant**

**Key Action(s):**              Implement the new building SCO certification and training structure following its approval by the Building sub-council. Initiate a review of elevating devices and boilers SCO certification policies. Gather information on training and certification requirements for building officials and inspectors in other jurisdictions.

**Result(s):**                      A comprehensive information booklet about changes to the building SCO certification and training structure was mailed to all building SCOs and accredited employers. The department held conference calls with representatives from the Alliance of Canadian Building Officials and attended the Building Officials Association of BC annual conference.

**Analysis:**                      The new building certification policy established levels that have clear scopes of practice, establish current training requirements, and are consistent with those used throughout Canada. Forming relationships with representatives of professional associations in other provinces has assisted with developing training and certification requirements in Alberta and helped ensure consistency with internal trade and labour mobility agreements.

**Goal 2.3**                      **Enhance the quality of safety codes officers**

**Key Deliverable:**              Consult SCOs, accredited organizations, and other key stakeholders on components and requirements of a mandatory continuing education program for SCOs.

**Key Action(s):**              With a project working group, develop a model for an SCO professional development program. Engage all sub-council members, and subsequently all SCOs, accredited organizations, and other key stakeholders, in a consultation on this topic. Present consultation feedback to the Coordinating Committee and Technical Coordinating Committee, and publish it on the Council website.

**Result(s):**                      Comprehensive development of an SCO professional development program was carried out with engagement from various levels of the safety codes system.

**Analysis:**                      Early engagement with the sub-councils and stakeholders will help ensure that discipline-specific perspectives are considered and will generate awareness about the potential program.



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### 3. Master Electrician Program (MEP)

The MEP manages and administers the examination and certification of master electricians across Alberta. At the conclusion of 2014, there were 4,448 master electricians with active certifications.

#### Goal 3.1

##### **Administer a system to certify master electricians**

#### Key Action(s):

Establish clear program requirements and procedures and effectively communicate those requirements to applicants, master electricians, training institutions, and other stakeholders.

#### Result(s):

A draft program policy was reviewed by the MEP working group. Significant revisions to the online renewal system were completed. The Council recommended amendments to the Certification and Permit Regulation to ensure that regulatory requirements to obtain and maintain master electrician certification are appropriate and provide the Administrator with flexibility to certify all qualified applicants.

#### Analysis:

The draft policy, once adopted, will clarify program requirements and expectations for applicants and master electricians. Online renewal changes will improve customer experience and help keep contact information up to date.

#### Goal 3.2

##### **Develop and deliver a high quality training program that is accessible and responsive to the needs of aspiring and current master electricians**

#### Key Action(s):

Collaborate with the MEP working group to enhance program exams.

#### Result(s):

Initial development of an electronic exam bank was completed.

#### Analysis:

An electronic exam bank will increase exam accessibility and security, significantly reduce staff time needed to mark exams, and improve customer service by allowing students to receive their marks more quickly.

#### Goal 3.3

##### **Enhance the quality of master electricians and the value they provide**

#### Key Action(s):

Clarify roles, expectations and responsibilities of master electricians.

#### Result(s):

The master electrician working group has worked to identify and clarify the roles and responsibilities of master electricians including development of an exam syllabus and draft Code of Ethics.

#### Analysis:

The exam syllabus will help identify core competencies for master electricians and a Code of Ethics will provide applicants, master electricians, and the public with clear expectations for the certification.







## 4. Education and Training

The Education and Training department develops new courses, updates existing courses, and delivers training so that SCOs can achieve competency in their respective disciplines and meet certification requirements. In 2014 there were 1,760 course registrations, and 20 courses were revised, primarily in the fire and building disciplines.

<b>Goal 4.1</b>	<b>Deliver a high quality training program that is accessible and responsive to the needs of aspiring and current SCOs, permit issuers, and their employers</b>
<b>Key Deliverable A:</b>	Develop a student awards program.
<b>Key Action(s):</b>	Establish an advisory committee to guide the design and funding direction for the student awards program.
<b>Results(s):</b>	Student awards program model was created, along with a sponsorship and student marketing plan.
<b>Analysis:</b>	The Council's student awards program aims to increase the number of SCOs in the system through reducing financial barriers and providing incentives to those interested in this career path.
<b>Key Deliverable B:</b>	Increase the number of courses available to students through the Council's online learning management system and other electronic formats.
<b>Key Action(s):</b>	Develop training materials for Moodle course delivery, including: two custom videos for online learning, staff training on Moodle administration, and course development processes. Develop the electrical Group B code update training to include webinar delivery.
<b>Results(s):</b>	The Council is now delivering a written communication course online, and has completed initial development of five additional online courses in the fire discipline. Two eBooks were published and electrical Group B code update training was offered via webinar in addition to traditional in-class and correspondence-based delivery methods.
<b>Analysis:</b>	Online delivery methods mean that students are increasingly able to access Council training anywhere and anytime. Overall, students rated the online courses very positively. Students cited a number of benefits of online courses, including the variety of media presented (such as graphics, animations, audio/video files, and links to other websites), the ease of navigation, and that the materials were presented in a clear and logical manner. Webinar training was also well received by students as they appreciated not having to travel for a course. One hundred percent of students surveyed indicated they would recommend the webinar format to others and that they would take more webinar courses in the future.

## 4. Education and Training continued

<b>Goal 4.2</b>	<b>Develop training materials that are current, relevant, and meet the learning and certification needs of SCOs and their employers</b>
<b>Key Action(s):</b>	Begin developing training for plumbing Group B SCOs on the new Private Sewage Standard of Practice. Begin development of energy codes training. Update the electrical Group B technical course and exams and have course validated by the Electrical sub-council. Complete the revision of fire and building courses and exams. Continue to develop fire courses. Develop and ratify the exam for elevators SCOs for ASME 17.1-2010/CSA B44.
<b>Result(s):</b>	The new Private Sewage Standard of Practice is not yet available, which delayed development of training materials. The electrical Group B technical course was revised. A consultant has been contracted to develop energy codes training for Building SCOs. Twelve building courses were completed this year, and seven fire courses were developed. Development and ratification of the exam for elevators SCOs for ASME 17.1-2010/CSA B44 was completed.
<b>Analysis:</b>	SCOs have accurate and relevant code knowledge in their respective disciplines, which they apply to their inspection and enforcement activities, thereby contributing to a safer Alberta.

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## 5. Investigations

The Council receives and investigates complaints about the conduct and performance of accredited organizations and certified and/or designated individuals. Complaint investigators are independent, reporting directly to the Director of Operations, with reports being provided to the Administrators of Accreditation and/or Certification for review and follow-up as required. In 2014, 24 investigations were completed and closed.

<b>Goal 5.1</b>	<b>Investigate concerns and complaints received about the conduct or performance of accredited organizations, safety codes officers, permit issuers, or master electricians, and, when necessary, take appropriate action to address complaints</b>
<b>Key Action(s):</b>	Develop a complaint investigation policy and associated processes. Provide timely investigation reports.
<b>Result(s):</b>	In 2014, 23 new investigations were initiated and 24 were concluded. Council complaint processes and documentation provide complainants with greater clarity as to what a complaint investigation covers.
<b>Analysis:</b>	Investigation activities are continuously monitored for refinement, clarity, and effectiveness.
<b>Goal 5.2</b>	<b>Develop and post online information regarding the investigation process, including outcomes</b>
<b>Key Action(s):</b>	Implement a new complaint investigation policy. Create website content to inform interested parties about the investigation process. Communicate outcomes of investigations on the Council's website.
<b>Result(s):</b>	A new complaint investigation policy was implemented in February 2014. An Investigations section on the Council's website was launched, which includes a complaint submission form, frequently asked questions, and information about investigation processes and procedures. Summary information about investigation outcomes is yet to be posted on the website.
<b>Analysis:</b>	Additional information about investigation processes and procedures resulted in more comprehensive information being submitted by complainants. This increases efficiency of the complaints process and allows parties to have concerns reviewed more quickly. Communicating summary information about investigation outcomes will be explored in 2015.

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## 6. Appeals

The Council administers a quasi-judicial process, using the principles of natural justice, to hear appeals of orders or written notices issued under the Act. In 2014 the Council received ten Notices of Appeal and heard five appeals.

### Goal 6.1

#### **Administer a fair, objective, and accessible safety codes appeal system**

#### **Key Action(s):**

Process appeals in a timely manner reflecting the complexity of the appeal. Ensure that tribunal members are trained in administrative justice and that appeal bylaws and policies are effective and current.

#### **Result(s):**

The average number of days from notice to hearing date was 69, and the average number of days from hearing to written decision was 32. Annual training is provided to Council members.

#### **Analysis:**

The appeal bylaws and policy review was deferred to 2015 as potential changes to the Act are expected to impact Council bylaws and policies.

### Goal 6.2

#### **Provide a transparent appeal system that informs and educates stakeholders about Council appeal decisions and the appeal process**

#### **Key Deliverable:**

Create a brochure for stakeholders that provides practical information about the Council's appeal process.

#### **Key Action(s):**

Develop a brochure that accredited entities can provide to recipients of orders or certain written decisions that are subject to appeals.

#### **Result(s):**

The brochure content is written, but publishing is postponed pending the introduction of the Council's new visual identity.

#### **Analysis:**

The brochure will be published in 2015. It assists those who are interested in the Council's appeals process and reflects the Council's values of promoting accountability through empowerment and acting with integrity.



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## 7. Safety Codes and Standards

Technical sub-councils review regulations, codes, and standards before recommending to the Minister that they be adopted for use in Alberta. In 2014, seven regulations were recommended for adoption.

<b>Goal 7.1</b>	<b>Work with safety codes system partners to develop safety codes and standards, and recommend their adoption to the Minister of Municipal Affairs</b>
<b>Key Deliverable:</b>	Design and implement a system to monitor and manage the code review process to facilitate timely adoption of codes and standards while maintaining a high level of safety in the built environment.
<b>Key Action(s):</b>	The Council supported sub-councils in their effort to review, evaluate, and recommend codes, standards, and regulations for adoption in the province through facilitating meetings and providing document and information support.
<b>Result(s):</b>	Work on the code review management system was deferred until 2015 due to resource constraints.
<b>Analysis:</b>	Review and recommendation of codes, standards, and regulations is crucial to the health of the safety codes system, and the Council's ongoing support enables sub-councils to work towards that end. The Council is working with MA to develop amendments to the Act that will support more timely adoption of codes and standards.

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## 8. electronic Business Solutions (eBS)

The eBS department is responsible for the Council's information technology and information management systems. It develops and maintains software applications needed to administer the safety codes system, including eSITE, an electronic permitting and information management system. eBS also provides service desk support to clients and external stakeholders, supports Council members and staff in their electronic technology needs, and promotes the innovative use of technologies to enhance the safety codes system.

<b>Goal 8.1</b>	<b>Provide the Safety Codes Council staff, customers, partners, and stakeholders with access to technology, applications, and information required to meet their business needs</b>
<b>Key Action(s):</b>	Implement two eSITE improvement releases consisting of bug fixes and requested functionality enhancements. Implement two eSITE AEDARSA improvement releases consisting of bug fixes and requested functionality enhancements.
<b>Result(s):</b>	eSITE and eSITE AEDARSA problems and request changes have been implemented.
<b>Analysis:</b>	Overall eSITE functionality has been improved. eSITE AEDARSA functioning was improved and is ready to implement mobile inspections.



## 9. Governance and Accountability

The Council is committed to maintaining an effective governance structure consistent with best practices and operating in a transparent and accountable manner.

### Goal 9.1

#### **Operate and maintain an effective governance strategy**

#### **Key Action(s):**

Produce the Business Plan, Annual Report, and Safety Codes System Report.

#### **Result(s):**

All plans and reports were produced in a timely manner.

#### **Analysis:**

The Council fulfilled its legislated accountability by submitting the Annual Report to the Minister and provided an overview of the Council operations and the safety codes system in the Safety Codes System Report.

### Goal 9.2

#### **Develop and maintain bylaws and policies that are in line with the Council's vision, mission and values; that meet the Council's legal responsibilities; and that are relevant, timely, and effectively implemented**

#### **Key Action(s):**

Prepare a policy status report and initiate review of Council bylaws for possible revision.

#### **Result(s):**

Review of bylaws was postponed due to the expected and substantive legislative amendments resulting from the Act review and to policy changes needed for the Alberta Safety Codes Authority.

#### **Analysis:**

Council policies reflect the strategies, activities, and culture of the Council.

### Goal 9.3

#### **Participate with Alberta Municipal Affairs as a member of working committees tasked with the review of the *Safety Codes Act* or regulations; provide recommendations, research, and interpretation to the working committee.**

#### **Key Action(s):**

Provide Council input and research on amendments to the Act and regulations as required. Provide effective Council representation on committees convened to review the Act.

#### **Result(s):**

The President and CEO is a member of the steering committee for the Act review, and the Council provided a comprehensive three-column document explaining in detail the recommended legislative amendments. Council staff participated in reviews of the Administrative Items Regulation, Permit Regulation, and Certification and Permit Regulation.

#### **Analysis:**

The Council's perspective and recommendations are considered when government is establishing the legislative framework for the safety codes system. Key Council business needs are addressed through providing input into regulatory development processes.

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## 10. Audit

The Audit department is responsible for reviewing practices, policies, and procedures of accredited organizations to ensure they are consistent with the Act and QMP standards. This helps maintain a safety codes system that is effective, responsive, and accountable to Albertans. Department staff assists accredited organizations by providing knowledge and tools needed to improve administration of the safety codes system. The department completed 22 municipal audits in the building, electrical, plumbing and gas disciplines, and 104 fire discipline audits, including 10 corporate audits.

### Goal 10.1

**Monitor the activity of accredited organizations and their staff to identify best practices and areas needing improvement**

#### Key Deliverable:

Transition monitoring of safety codes administration activities in the building, electrical, fire, plumbing, and gas disciplines from MA to the Council through 2015.

#### Key Action(s):

Develop and implement an audit program for accredited organizations.

#### Result(s):

The department is fully staffed and comprehensively reviewing information, processes, policies, and personnel used by accredited organizations to administer the safety codes system within their respective jurisdictions.

#### Analysis:

There was a substantial increase in the number of audits performed by the Council in 2014 as compared to 2013. Audits identify opportunities for accredited organizations to improve the administration of safety codes services, increase visibility of the Council, demonstrate its commitment to system oversight, and promote confidence in the safety codes system. Future audits will include site visits with safety codes officers and reviewing orders and variances registered with the Council.

### Goal 10.2

**Communicate audit findings to appropriate parties to maintain and improve administration of the safety codes system**

#### Key Action(s):

Communicate audit findings within 10 business days of completed audit to audited organizations and relevant Administrator(s). Follow up with audited organizations within six months if significant concerns were found.

#### Result(s):

Auditors perform exit meetings with senior executives from the audited organizations explaining all findings and recommendations. All issues and concerns observed were reported to the appropriate Council departments or Administrators for follow-up.

#### Analysis:

Accredited organizations have increased knowledge of the application process and the requirements of safety codes administration, which helps improve their administration of the Act.



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## 11. Alberta Safety Codes Authority (ASCA)

In 2013, MA asked the Council to explore the feasibility of assuming responsibility for overseeing the administration of the safety codes system in unaccredited municipalities. In 2014, the Council agreed to proceed with this initiative, and hired staff and identified operational needs to undertake this work beginning January 1, 2016.

<b>Goal 11.1</b>	<b>Administer a system to oversee the permitting, inspection, and compliance monitoring in the unaccredited municipalities</b>
<b>Key Deliverable:</b>	Develop an operational plan and submit a recommendation to the Coordinating Committee on moving to implementation of ASCA.
<b>Key Action(s):</b>	Present this undertaking to the Coordinating Committee for approval. Work with MA to identify legislative changes to provide authority for ASCA implementation. Establish a project charter to identify scope, objectives, timelines and participants for this initiative.
<b>Result(s):</b>	The Coordinating Committee approved establishing ASCA in 2014 and a project charter was established. The eSITE ownership and needs assessment was completed, and accounting and payment processing integration into eSITE was determined. The ASCA visual identity was finalized.
<b>Analysis:</b>	The ASCA initiative is on track for the projected implementation date of January 1, 2016. Benchmarks for 2015 are in place with the project being ready to launch when full authority is granted.

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## A. Accounting

The Accounting department monitors the Council's financial health and works with other Council departments to improve accounting systems that impact staff and relevant stakeholders.

<b>Goal A.1</b>	<b>Design, develop, and implement necessary accounting infrastructure to support ASCA</b>
<b>Key Action(s):</b>	Develop initial revenue model. Review Enterprise Resource Planning (ERP) system.
<b>Result(s):</b>	Initial revenue projections and model were completed, and the capabilities of the ERP system were reviewed. Capital, budget, and 2016-17 forecasts were approved.
<b>Analysis:</b>	Financial information and resources are available to the ASCA project team in 2015. Enhancements to the ERP system and revenue projections continue to be made to support ASCA implementation in January 2016.
<b>Goal A.2</b>	<b>Work with eBS to utilize appropriate technologies and software to streamline accounting processes</b>
<b>Key Action(s):</b>	Develop an online expense reporting system for Council members and staff.
<b>Result(s):</b>	Business requirements were identified and an appropriate system selected. System testing was completed.
<b>Analysis:</b>	A high percentage of the Council's accounting transactions are for expenses submitted by members and employees. An online expense system will automate the approval and processing of expenses, improving efficiency.

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## B. Human Resource Management

The Human Resources (HR) department works within the Council to ensure staffing requirements and training are aligned with and sufficient to meet its Business Plan.

<b>Goal B.1</b>	<b>Work with eBS to identify and implement technology to assist streamlining HR processes</b>
<b>Key Action(s):</b>	Assess two Human Resources Information Systems (HRIS).
<b>Result(s):</b>	Assessments were completed; the department decided to not proceed with the implementation of HRIS at this time.
<b>Analysis:</b>	Assessment showed that the ongoing costs and benefits of HRIS did not meet the Council's needs.
<b>Goal B.2</b>	<b>Continue to embed HR strategies and processes throughout the Council, including ASCA</b>
<b>Key Action(s):</b>	Update and develop several new HR policies, including a revised expense policy for Council members and staff. Recruit and on-board ASCA employees based on the Council's HR Plan.
<b>Result(s):</b>	Additional clarity was provided on expenses that will be reimbursed. The human resources needed to oversee ASCA implementation have been secured.
<b>Analysis:</b>	Continuous improvement to HR policies is essential for the Council to adjust to growth and embrace new initiatives.

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## C. Stakeholder Relations

The Stakeholder Relations department works towards creating a clear understanding and awareness for Albertans of the safety codes system and their responsibilities within that system. It helps other Council departments address consultation and communication needs and collaborates with MA to increase public knowledge of the safety codes system.

<b>Goal C.1</b>	<b>Enhance the relationship of the Council amongst partners and stakeholders</b>
<b>Key Action(s):</b>	Increase focus on conducting presentations at stakeholder meetings where the Council previously had limited presence. Strategic review of trade show and delegate attendance initiated to ensure the Council is represented at key events.
<b>Result(s):</b>	Review of trade show and event attendance has begun. The Council's brand has gained greater recognition.
<b>Analysis:</b>	Department managers act as brand ambassadors at meetings, which ensures the Council has multiple points of contact to provide greater distribution of its brand.

<b>Goal C.2</b>	<b>Coordinate and oversee the Council's consultation process</b>
<b>Key Action(s):</b>	Support significant consultations for the eSITE value analysis and the professional development program for SCOs.
<b>Result(s):</b>	A third party was contracted to conduct consultation with stakeholders about the value and use of eSITE. Department staff worked with the Certification department and project working group to develop a proposed professional development program and launch a consultation that included an information package mailed to more than 3,000 stakeholders and an online survey.
<b>Analysis:</b>	Stakeholder feedback gathered through consultations was valuable in development of both projects. A need for branding and marketing of eSITE was identified. SCO and employer feedback on the proposed professional development program identified issues that will need to be addressed in order to successfully implement a program.
<b>Goal C.3</b>	<b>Assist Council departments with developing and implementing effective communication plans and initiatives</b>
<b>Key Deliverable:</b>	Develop and implement a comprehensive Marketing and Communication Plan for the Council.
<b>Key Action(s):</b>	Draft a comprehensive plan. Develop an initiative to encourage communication among staff members.
<b>Result(s):</b>	A draft plan is near completion, with sections on corporate profile, stakeholder analysis, and primary marketing strategies being complete. Detailed marketing and communication plans for specific events have been completed. Other components of the marketing plan, such as social media and website standards, are in development. Council Connect has been launched to facilitate internal communication and notifications amongst staff.
<b>Analysis:</b>	The plan will provide the Council with clear marketing direction and specific standards regarding the Council's brand. The project was delayed due to resource constraints and decision to develop a new visual identity for the Council.
<b>Goal C.4</b>	<b>Enhance the effectiveness of the sub-councils</b>
<b>Key Action(s):</b>	Implement a new web portal to support Council members and provide more timely communication about new policies, processes, and other items.
<b>Result(s):</b>	Regular communication with members through both email and the web portal has increased. Sub-council member contact information reorganization has begun in anticipation of migrating the information to a new system.
<b>Analysis:</b>	Initial work was completed as planned in 2014; additional work will continue into 2015 depending upon resource availability.
<b>Goal C.5</b>	<b>Oversee brand standards and maintain corporate image of the Council</b>
<b>Key Action(s):</b>	Create a new visual identity system for the Council as a whole and individual divisions, products and services offered by the Council. Plan and deliver the Council Conference and Annual General Meeting.
<b>Result(s):</b>	The new visual identity was developed in collaboration with a contracted graphic designer and approved by the Coordinating Committee. Ninety-nine percent of attendees who provided feedback on the Council Conference rated the event as excellent or very good.
<b>Analysis:</b>	The clear brand connection between the Council, ASCA, eSITE, and other services provides opportunities for more connections within the Council and with its stakeholders at the provincial and national levels. The Annual Conference and AGM continues to raise the visibility of the Council and demonstrates the organization's commitment to learning and professional development for those in the safety codes system.

# 2014 Sub-Council Activities

The Council coordinates the ten volunteer-driven sub-councils representing amusement rides, barrier free, boilers & pressure vessels, building, electrical, elevators, fire, gas, passenger ropeways, and plumbing. Sub-council members are nominated by organizations representing municipalities, industry, labour, training institutes, and persons with disabilities. The Minister also appoints one Public-at-Large member to each sub-council to represent Albertans.

Sub-councils review codes, standards, industry trends, and issues related to their respective technical disciplines and the safety codes system as a whole. Small working groups are often formed to address specific topics. Sub-council members are also responsible to provide information and advice to the Minister at the Minister's request.

In 2014, there were a total of 42 sub-council meetings. All sub-councils heard presentations or were presented information on SCO continuing education, the web portal, and Council policies.

The sections below identify members of each sub-council and highlight some significant work undertaken and results achieved in 2014.

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## Amusement Rides Sub-Council (ARSC)

In 2014, the amusement rides discipline saw two notable developments in codes and standards. Harmonization of CSA Z267 and ASTM F24 Amusement Ride Codes was completed, and the ASTM 2783-2014 Standard Practice for Design, Manufacture, Operation, Maintenance and Inspection of Amusement Rides and Devices in Canada was released. The harmonized code will be reviewed by the ARSC to determine which parts of it should be adopted for Alberta.

The zip-line working group has been reviewing technical standards from other jurisdictions with the goal of developing a standard for Alberta.

Another topic of discussion was inflatable amusement rides. This industry has grown considerably in recent years and while these devices are regulated in Alberta, there are some questions about the effectiveness of the current standards. The sub-council will consider the effectiveness of the regulatory regime in 2015.

There was a considerable review of the ARSC matrix to ensure that industry segments are appropriately represented. While one vacant seat has now been filled, several other members' terms are expiring soon. As the amusement ride industry is relatively small, the candidate pool for volunteers is small. It was proposed that the matrix be revised to include a representative of manufacturers of amusement rides subject to industry interest and approval from the Coordinating Committee.

Several new concept rides were reviewed and considered. In most cases, it was decided that such devices do not fall within the definition of amusement ride as contained in the Amusement Ride Permit Regulation, and are therefore not subject to amusement ride safety codes.

The ARSC heard an update from AEDARSA regarding amusement ride training. AEDARSA has been working on establishing training for amusement ride safety codes officers through the Western Canadian Amusement Ride Training Forum and is awaiting approval from the National Association of Amusement Ride Safety Officials.

Members:

Barbara Peter, Chair (Risk & Insurance Management); Dean Treichel, Vice-Chair (Small Outdoor Amusement Parks); John Hewitt, Vice-Chair (Professional Engineers); James Lenting (Fairs and Exhibitions) (from Nov. 2014); Michael Klebanov (Large Indoor Amusement Parks); Mike Kryzanowski Jr. (Small Portable Ride Operators); Paul Burgess (Large Portable Ride Operators); and Norman Mathew (Public at Large).

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## Barrier Free Sub-Council (BFSC)

In the Barrier Free sub-council's four meetings in 2014, discussion focused on public safety around construction sites and barrier free enforcement. The BFSC heard presentations concerning building communication ramps and assistive listening systems.

The first discussion regarding public safety during construction addressed the sub-council's participation in a multi-discipline working group on public safety during construction, and the BFSC is exploring adding a separate chapter in the Barrier Free Design Guide on this topic.

The second discussion was on enforcement of barrier-free requirements. This concern was discussed in previous years and the BFSC plans to recommend this topic to future regional meetings of the building and fire disciplines.

The BFSC had two active working groups in 2014. It is participating in a joint working group on care facilities, the Seniors' Housing Joint Working Group on Care Facilities, along with members of the Building and Fire sub-councils. The second working group is tasked with updating the Barrier Free Design Guide to reflect the proposed changes included in the next edition of the Alberta Building Code. The guide gives an understanding or interpretation of code requirements and helps create awareness of the need to implement barrier-free requirements in the built environment.

Members:

Mark Iantkow, Chair (Visual Disabilities)(to Jan. 31, 2014) Marc Workman (from Feb. 2014); Jean Greer McCarthy, Chair, (from Feb. 2014)(Home Construction); Bob Macklon, Vice-Chair N. (Agility Disabilities) (to Jan. 31, 2014) Bob Coyne (from Feb. 2014); Tracy Douglas-Blowers, Vice-Chair N. (Hotel & Tourism Industry); Harold Wicke, Vice-Chair S. (Code Enforcement)(to Jan. 31, 2014) David Flanagan (from April 2014); Mary Aubrey, Vice-Chair S. (Residential Apartment & Condominium Owners/Managers); Cindy Gordon (Hearing Disabilities)(to Jan. 31, 2014) Lee Ramsdell (from Feb. 2014); Stan Lennox (Non-residential Building Management); Jane Noonan (Aging Population); Edgar Jackson (Mobility Disabilities)(to Jan. 31, 2014) Ross Norton (from Feb.2014); Briana Strachan (Communication Disabilities); Vacant (Construction); Ron Wickman (Barrier Free Design)(to Jan. 31, 2014) Barry McCallum (from April 2014); Tang Lee (Education & Training) and Yvette Werenka (Public at Large).





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## Boilers & Pressure Vessels Sub-Council (BPVSC)

The BPVSC held six meetings in 2014, during which it recommended adoption of three regulations and held numerous discussions on a range of topics.

The sub-council reviewed and recommended adoption of amendments to the Power Engineers Regulation to provide clarity and make small corrections. Sub-council members reviewed and recommended amendments to the Pressure Equipment Safety Regulation to adopt updated safety codes and standards. Lastly, the sub-council reviewed and recommended adoption of amendments to the Pressure Equipment Exemption Order Regulation.

The BPVSC decided to initiate a review of potential amendments to the Pressure Equipment Safety Regulation to establish a certificate of competency for in-service inspectors. It also approved syllabi for Grade 'B' Pressure Welders, Welding Examiners and Welding Examiners-in-Training, and Pressure Tack Welders.

Discussions were held on the application of Overpressure Protection by System Design requirements to existing pressure plants and piping facilities. As part of the discussion, the sub-council received clarification from MA on this topic. The BPVSC also reviewed and discussed industry concerns regarding the expiry of the variance for gas fired process equipment, and it continues to work with the Alberta Boilers Safety Association and the Chief Gas Administrator to clarify expectations and requirements.

The BPVSC heard a presentation from the Heritage Boilers Association of Alberta. The Power Engineer Working Group is working with the association to review regulatory requirements for heritage boilers in other jurisdictions and promote consistency with other western provinces.

The BPVSC received reports and updates on a range of topics including the development of future national and international pressure vessel codes and standards, and code changes and issues being reviewed by ASME and CSA code committees.

Four standing working groups were established to address topics and provide recommendations to the sub-council in the following areas: Power Engineers, Pressure Welders, In-Service Inspections and Integrity Management, and Codes & Standards, Design Registration and Shop Inspections.

Members:

Brian Lade, Chair (Heavy Oil & Oil Sands); Izak Roux, Vice-Chair (Contract Chief Inspectors); Marvin Kossowan (Pressure Vessel Manufacturing Industry); Gary Codner (Power Engineers) (to Jan. 31, 2014); Jim Weiss (from April 2014); John Wolff (Electrical Utilities); Magdi Ghobrial (Professional Engineers); Allan Belter (Pressure Welders) (to Jan. 31, 2014); Darwin Leitch (from April 2014); Todd Loran (Petroleum Industry); Brian Grantham (Pulp and Paper Industry); Dénis Côté (Education and Training) (to Jan. 31, 2014); Grant Peuramaki (from April 2014); Zeljko Gnjatic (Construction and Maintenance of Pressure Equipment) (from July 2014); David Miller (Petrochemical Industry); Mike Clancy (Building and Heating Plants); John Valens (Large Refinery & Petrochemical Sites); and Terry Wiseman (Public at Large).





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## Building Sub-Council (BSC)

The BSC held five meetings in 2014 and had four active working groups. The sub-council discussed a range of topics and made several decisions related to code interpretation and certification of building SCOs. It also reviewed a number of issues and trends affecting the building construction in industry in Alberta.

With respect to code interpretations, the sub-council recommended the development or updating of several STANDATA. For example, the BSC requested that MA revise and reissue STANDATA G-01-14 - Walkways and Guard Rails as a joint building and gas STANDATA. It also recommended development of a STANDATA about insulated panels and that a joint building and fire STANDATA on occupant loads be issued after adoption of the next edition of the Alberta Building Code (ABC).

The sub-council also recommended adoption of a new certification policy for building SCOs, which included a new certification structure and training program. The Association of Professional Engineers and Geoscientists of Alberta's Scope of Engineering was discussed and supported through a letter ballot vote.

There were many fruitful and engaging discussions at BSC in 2014. Discussion topics included:

- Changes to code requirements for exit signs in the next edition of the ABC and the potential for confusion if a mixture of exit signage styles are used within a single building;
- A definition of green roofs provided by MA, which indicated that green roofs are considered a 'fixture' and municipalities can develop bylaws to address any safety concerns;
- Fire alarm systems design, and recognition of professional technologists;
- Tenant storage in parkades;
- Fire Chiefs Association of British Columbia position paper regarding the use of shipping containers as temporary or permanent buildings; and
- New requirements for occupancies for Persons with Developmental Disabilities - Safety Standards Regulations by Alberta Human Services.

The sub-council received reports on:

- » Evaluation of Structural Insulated Panels for National Building Code (NBC) compliance (the Chief Building Administrator will be reviewing the report further and providing recommendations to the BSC);
- » Future efforts to further harmonize the Alberta Building and Fire Codes with the model national codes;
- » A proposed new member's bill to allow for six storey wood-framed construction; and
- » Challenges associated with residential care facilities, such as the conversion of single family homes, the variations of existing facilities, and types of supervision and inconsistent terminology.

In 2014 the sub-council had four active working groups. The Technical Engineering and Judgments for Fire Stop Systems provided a report to the BSC recommending that the Chief Building Administrator issue a STANDATA for clarification. A working group comprised of building and fire sub-council members was established to review issues relating to residential care facilities. A third working group focused on the roles and responsibilities of professionals and constructors under the ABC. The non-waterborne toilets working group circulated a report, which was discussed and has been sent to MA to develop a STANDATA for clarification. The BSC Chair will work with the Plumbing sub-council Chair to determine which discipline should issue the STANDATA regarding non-waterborne toilets.

Members:

Don Dessario, Chair (Home Builders); Russell Croome, Vice-Chair N. (Fire Officials); Ann Perry, Vice-Chair, S. (Large Municipalities - City of Calgary); Mark Brodgesell (Large Municipalities - City of Edmonton); Brad Watson (Urban Municipalities) (to Jan. 31, 2014) Roger Clemens (from Feb. 2014); Bruce Schultz (Building Officials); Gregory Beck (Architecture); Barry Laviolette (Professional Engineers); Ken Gibson (General Contractors) (to Jan. 31, 2014) Lee Phillips (from Feb. 2014); Steve Walton (Building Owners); Vacant (Rural Municipalities); Kenneth Roskell (Mechanical Contractors); Ingo Viehweger (Consumer Protection) (to Jan. 31, 2014) Rick Gratton (from April 2014); Colin Friesen (Large Developments); Len Bryden (Labour); and Robert Zifkin (Public at Large).

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## Electrical Sub-Council (ESC)

The Electrical sub-council held four meetings in 2014. The sub-council reviewed and endorsed STANDATA on the following subjects: Grounding and Bonding, Installation of Lighting Equipment, Reporting of Electrical Incident, Oil and Gas Industrial Submersible Pump, and Liquid-filled Transformers. The ESC asked that three STANDATAs be developed regarding tamper resistant receptacles in child care facilities, conductors in parallel, and length of conductors.

The sub-council reviewed and approved course material for Group B safety codes officer code update training, and recommended minor revisions to the certification policy for this group of electrical SCOs.

The Electrical sub-council discussed a wide range of topics, including:

- The quality management plan template for accredited corporations;
- Worker safety rules;
- Splicing consumer service conductors;
- Ampacity of wires and cables;
- Receptacles exposed to weather;
- Access requirements for hydro massage bathtubs;
- Insulated conductors;
- Non-certified electrical equipment in wells;
- Ground Fault Circuit Interrupter (GFCI) protection for emergency generators that submitted a proposed change to the Canadian Electrical Code, and
- Automobile receptacles.

In 2014, the ESC had four active working groups. The Alberta Electrical Utility Code Committee reviewed an updated terms of reference, which was approved by the ESC. The Oil and Gas Code Committee reviewed whether a professional engineer has the ability to reduce the classification requirements of the code, and reviewed operating pressures within identified safety zones.

The Canadian Electrical Code Advisory Committee researched industry application of insulated conductor rules and reviewed several topics, including: conductors in parallel, length of conductor interpretation for STANDATA, gasoline island requirements, and tamper resistant receptacles in child care facilities.

The Master Electrician Advisory Group developed and reviewed a master electrician exam syllabus and developed an updated terms of reference approved by the ESC. It also validated updated exams, and began developing new program policies and a code of ethics for master electricians.

Members:

Stan Misyk, Chair (Electrical Safety Codes Officers); Kevin Harrison, Vice-Chair N. (Education and Training); Jim Porth, Vice-Chair S. (Large Electrical Utilities); John Briegel (Labour); Brian Magega (Large Municipalities - City of Edmonton); Darcy Teichroeb (Electrical Contractors); Allan Nagel (Rural Electrification Areas); Daryl Schmidt (Electrical Manufacturers); Roy Etwaroo (Professional Engineers); Bill McAllister (Municipalities); René Leduc (Oil and Gas Processing Industry); Ron Derworiz (Petrochemical Industry); Larry DeWald (Electrical Standards/Testing/Certification Organizations); Stewart Purkis (Small Municipal Electrical Utilities); Shane Hoogenboom (Large Municipalities - City of Calgary); Clem Gratton (Electrical for Residential Construction)(from July 2014); and James Rivait (Public at Large).

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## Elevators Sub-Council (EVSC)

The Elevators sub-council held three meetings in 2014. The sub-council spent considerable time reviewing the ASME A17.1-2013/CSA B44-13 code and recommending that it be adopted for use in Alberta. The EVSC also reviewed joint Building, Fire, and Elevators STANDATA.

The EVSC reviewed an Owner Contractor Declaration form. This form was created by AEDARSA and was implemented in the fall. AEDARSA will report back to the ESC on the impact the form has on owners and operators.

AEDARSA requested clarification from the EVSC on the appropriate usage of Lift Platforms for Persons with Disabilities (LPPD) and material lifts. After a full discussion the EVSC determined that both devices serve specific purposes and LPPD should not be used as material lifts.

Members:

Jim Brownlee, Chair (Professional Engineers); John Carswell, Vice Chair S. (Elevator Owners); Bob Palamarek, Vice-Chair N. (Real Estate Industry); Calvin Austrom (Small Manufacturer and Handicapped Lifts Industry); Scott Gavin (Elevator Maintenance); Jeff Hunter (Large Manufacturers); Robert Logee (Labour); Amir Hemani (Architecture)(to Jan. 31, 2014) Vacant (Feb. 2014); Vacant (Building Owners); Trevor Doell (Construction Contractors); and Suresh Sundaram (Public at Large).

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## Fire Sub-Council (FSC)

The FSC held five meetings in 2014. The sub-council submitted recommendations to the National Research Council on proposed changes to the National Fire Code 2015. The FSC also endorsed STANDATA on the following topics:

- Fixed Suppression Systems and Exhaust Systems - Cooking;
- Use of Containers, Portable Tanks and Transportation Tanks for the Ongoing Storage and Dispensing of Flammable and Combustible Liquids;
- Fire Safety and Hand Hygiene in Healthcare;
- Flying Lanterns; and
- Fire Alarm Systems Qualifications.

The FSC approved the terms of reference for the joint working group on residential care facilities for the BSC and FSC.

The sub-council spent considerable time reviewing developing of the new certification and training program for fire SCOs, which included discussing roles and responsibilities of fire SCOs, online training, exam delivery and a potential mentoring component. The sub-council also discussed the development of a registry for persons qualified to undertake specific work under the Alberta Fire Code (AFC), six-storey wood framed buildings, and the use of shipping containers as buildings.

The FSC heard a presentation from the Canadian National Fireworks Association about concerns with proposed code changes to the sale and use of fireworks in Alberta.

The FSC also received reports from the Office of the Fire Commissioner on fire investigations in 2013 and 2014, as well as the Petroleum Tank Management Association of Alberta. A report was also provided on new requirements for occupancies for Persons with Developmental Disabilities (PDD), which will come into force in April 2015 under regulations administered by Alberta Human Services.

The FSC had three active working groups. The joint FSC/BSC working group provided reports on building code issues. The Underwriters Laboratories of Canada (ULC) working group reported on issues relating to: occupancy classifications, standards that will be referenced in the new AFC, and an update on the ongoing review of ULC-S500F - Fire Alarm Systems. The Care Facilities Guidelines joint fire/building working group reported on ministry discussions and approved upgrading guidelines. Discussions indicated a need to work with Alberta Health to determine consistent methods to identify which individuals should be in what types of facilities.

Members:

Michael Walker, Chair (Insurance Industry); Ron Schaller, Vice Chair N. (Public at Large); Ulrik Seward, Vice-Chair S. (Architecture); Dale Miller (Building Officials); Joseph Davis (Electrical Industry) (from July 2014); Bob Boudreau (Alberta Fire Fighters); Bruce Cummins (Municipalities); Michael Bos (Fire Officials); Bob Husereau (Building Owners); Allan Blatz (Petroleum Industry); Michael Bodnar (Professional Engineers); Robbin Foxcroft (Fire Safety Industry); Tom Karpa (Large Municipalities); and Ken McMullen (Large Municipalities - City of Calgary).

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## Gas Sub-Council (GSC)

The GSC held three meetings in 2014. The Sheet Metal Worker Trade Regulation (AR303/2000) was circulated and reviewed. The GSC proposed a change made to Clause 13(1) (g) of the regulation that was accepted. It also reviewed the Permit Regulation.

The sub-council endorsed a revised STANDATA addressing walkways and guardrails. Concerns were brought forward to the GSC regarding outdoor intake and exhaust openings. After review it was determined that the related STANDATA G-010-10 addressed those concerns. Lastly, STANDATA G-02-14 was redrafted to include requirements from the Third Party Certification: Legacy Equipment Management Plan which was then endorsed by the GSC. The Safety Tips: Gas Fired Appliances and Equipment document was also endorsed for distribution.

There was discussion about temporary propane installations at construction sites and the sub-council provided extensive feedback on educational materials that the Council was developing to raise awareness of the code and regulatory requirements that apply to these installations.

The Chief Administrator provided an overview of the code review and development process. It was noted that attention must be given to applicable STANDATAs during the code review process.

There are currently 11 working groups established to address a number of identified areas of discussion:

- Third Party Certification;
- National Field Approval of Appliance & Equipment Code Changes;
- CSA B149.1-15 - Natural Gas and Propane installation code;
- CSA B149.2-15 - Propane Storage and Handling;
- CSA B149.3-15 - Code for the field approval of fuel related components on appliances and equipment;
- CSA B149.5-15 - Installation code for propane fuel systems and tanks on highway vehicles;
- CSA B149.6-11 - Code for Digester gas and Landfill gas installations;
- CSA B108.14 - Natural Gas fueling stations code;
- CSA B109.14 - Natural Gas for Vehicles installation code;
- CSA Z267.07 - Liquefied Natural Gas (LGN) Production, storage and handling; and
- Review of Sheet Metal Contractors ability to take out Gas permits.

Members:

Keith Carter, Chair (Large Gas Utilities); Larry Robinson, Vice-Chair (Inspection Authorities) (to Mar. 2014); Mike Turek (from November 2014); Brad Diggins, Vice-Chair (Mechanical Contractors); Denis Turgeon (Education and Training); Russell Wintersgill (Small Gas Utilities); Lawrence Unser (Large Municipalities); Glen Aspen (Labour); Dell Wickstrom (Municipalities); Jeff Skeith (Rural Gas Utilities); Mel Hess (Professional Engineers); Marcel Mandin (Natural Gas & Propane Vehicle Conversion Industry); Hal Austin (Propane Gas Industry); Dave Schroeder (Sheet Metal Contractors); Verne Quiring (Manufacturers or Suppliers); and Bradley Gaida (Public at Large).

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## Passenger Ropeways Sub-Council (PRSC):

The PRSC met once in 2014. It is currently reviewing Z98-2014 for adoption. The PRSC is exploring the possibility of certification requirements for ski lift mechanics and is gathering information from the BC Safety Authority. In 2015 the PRSC will consider if a recommendation is needed for Alberta.

**The PRSC continues to review concerns regarding failures of the XY bolts and the availability of replacement parts due to the failure of one Leitner Poma XY sheave assembly axle adjustment bolt reported to AEDARSA.**

Members:

Rod Chisholm, Chair (Medium Operators); Dave McCleary, 1st Vice-Chair (Medium Operators) (to Jan. 31, 2014) Vacant (from Feb. 2014); Rich Parie, 2nd Vice-Chair (Conveyor Operators); Jason Paterson (Large Operators); Brent Carmichael (Professional Engineers); Chris Dewitt (Large Operators); Jurgen Grau (Small Operators); Pat Boyle (Manufacturers) (to Jan. 31, 2014) Warren Sparks (from Nov. 2014); Dean McKernon (Code Enforcement); Tony Van der Linden (Risk & Insurance Management); and Stephen Kozelenko (Public at Large).

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## Plumbing Sub-Council (PSC):

The PSC held five meetings in 2014. The PSC reviewed Council policy that allows only the Technical Administrator in the plumbing, gas, and private sewage disposal systems disciplines to issue variances for equipment. The sub-council plans to work with Council staff to review and clarify the variance policy in 2015.

**The sub-council endorsed STANDATA on Drainage Systems with Municipal Requirements, Water Reuse, and Permitting requirements for specific wastewater treatment systems. The STANDATA for Grease Traps is under review pending further research.**

Throughout its deliberations the PSC addressed a range of topics, including:

- The inclusion of at-grade soil based sewage treatment and dispersal systems in the next edition of the Private Sewage System Standard of Practice (PSSSOP), and required training for SCOs and private sewage system installers;
- The inclusion of water conservation as an objective in future editions of the National Plumbing Code and potential implications for Alberta;
- Implications of six-story wood framed construction for the plumbing discipline, specifically the expansion and contraction for drainage, venting, and water distribution systems; and
- A Ministerial request for advice about the use of a specific wastewater treatment technology in Alberta.

Three active working groups focused on a range of topics. PSC members participated in a joint working group with members of the BSC to review technical and permitting requirements for composting, incinerating, and bio-recycling toilets. The Water Reuse working group completed a draft STANDATA, which was subsequently endorsed by the sub-council as noted above.

The Private Sewage working group continued to develop the next edition of the PSSSOP. This group held two meetings in 2014 and put forward recommendations to the PSC for their consideration and decision. The PSC reviewed proposed changes and submitted comments and revisions to the task group for further consideration.

Members:

Richard Burk, Chair (Mechanical Inspections); Joe van Weenen, Vice-Chair S. (Education and Training); Wayne Ducharme, Vice-Chair N. (Urban Municipalities); Peter Koenig (Large Municipalities - City of Edmonton); David Hughes (Manufacturers and Suppliers); Garnet Young (Mechanical Inspections); Cameron Braun (Professional Engineers) (to Jan. 31, 2014) Quenton Kusiek (from April 2014); Greg Francis (Labour); Charles Hallett (Private Sewage Disposal Contractors); Kenneth Wigmore (Rural Municipalities); Ken Morrison (Large Municipalities - City of Calgary); and Mark Cardwell (Public at Large)(to March 2014) Vacant (April 2014).

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## Technical Coordinating Committee (TCC)

The TCC met twice in 2014. It reviewed and approved policy changes affecting SCOs, Council members, and municipalities and agencies.

The TCC heard several updates on a range of topics, including:

- Levy review
- Professional development program for SCOs;
- Non-waterborne toilets (composting) jurisdiction;
- Safety Management for LNG Distribution & Sales;
- Temporary propane installations;
- The Accountability Framework - Act review; and
- Care Facilities BTC/FTC Working Group.

The TCC heard numerous reports. It received a report from MA on the *New Home Buyer Protection Act* with an overview of the process to date and enforcement. The TCC also received a report regarding correspondence from a sprinkler system representative. AUMA has spent a significant amount of time reviewing the *Municipal Government Act*. AAMDC is gearing up for their 2015 spring conference and participating in the Private Sewage System Standard of Practice Task Group. The TCC also heard reports from the sub-councils on their recent activities.

The TCC heard a presentation on the Council's web portal and the orders and variances spread sheet. It also established a Municipal QMP Working Group to work on updating the model QMP for accreditation. A discussion regarding enforcement of HVAC and AIT was held.

Furthermore, the TCC ensured there was effective dialogue between technical councils. For example, the plumbing and building sub-councils created a joint working group to initiate the possibility for a dual SCO certification for medical gas inspection.

Members:

Cal Ploof, Chair (Labour); Alan Kabotoff (Training Institutes); John Whaley (Alberta Association of Municipal Districts and Counties); Cliff Ayrey (Alberta Urban Municipalities Association); Barbara Peter (Amusement Rides); Mark Iantkow (Barrier Free)(to Jan. 31 2014) Jean Greer-McCarthy (from Feb. 2014); Brian Lade (Boilers and Pressure Vessels); Don Dessario (Building); Stan Misyk (Electrical); Jim Brownlee (Elevators); Michael Walker (Fire); Keith Carter (Gas); Rod Chisholm (Passenger Ropeways); and Richard Burk, Vice-Chair (Plumbing).





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## Coordinating Committee (CC):

The adoption of revised Bylaws by the Safety Codes Council membership at the 2008 Annual General Meeting allowed the Council to implement a new corporate governance structure in early 2009. Under this structure, the CC effectively functions as the Council Board of Directors.

The CC met six times in 2014. The absentee list is as follows:

- John Whaley was absent from one meeting (June 5);
- Jim Wheadon was absent from one meeting (February 10);
- Cliff Ayrey was absent from two meetings (April 4 and June 5); and
- Rick Noonan was absent from one meeting (September 12).

At these meetings, the CC focused on providing strategic direction and oversight of the Council and safety codes system. This included reviewing and approving the Council strategic and business plans, Annual Report, Safety Codes System Report and budget. It also heard reports and provided input into a number of significant initiatives being undertaken by the Council, such as ASCA, the Safety Codes Act Review, professional development for SCOs, and the new visual identity.

The CC reviewed and approved a number of new and updated policies that affect the safety codes system or govern Council operations, and made numerous appointments to the sub-councils. With input and support from sub-councils and the TCC, the Chair also recommended adoption of the following regulations and codes on behalf of the CC:

- Power Engineers Regulation;
- Pressure Equipment Safety Amendment Regulation;
- Pressure Welders Amendment Regulation;
- Certification and Permit Amendment Regulation;
- Pressure Equipment Exemption Order Amendment Regulation;
- Motor Vehicle Propane Conversions Regulation; and
- Permit Amendment Regulation.

Members:

Robert Blakely, Q.C., Chair of the Safety Codes Council; Mark Gerlitz, Chair - Legal Committee; Darlene Halwas, Chair - Finance, Audit and Risk Management Committee; Rick Noonan, Vice Chair of the Coordinating Committee and Chair - Human Resources and Compensation Committee; Jim Wheadon, Chair - Governance and Nominating Committee; Cal Ploof, Chair of the Technical Coordinating Committee; John Whaley - Alberta Municipal Districts and Counties; and Cliff Ayrey - Alberta Urban Municipalities Association.

# Management's Comments on the 2014 Financial Statements

In 2014, the Alberta economy continued to support the Council's financial sustainability. Strong demand for housing helped boost residential investments and the price of houses. Construction started on 40,600 new homes in Alberta, which is an increase of 12.7 per cent from 2013.

Signs of economic strength were evident across many sectors over the past year. Oil production through the first 10 months of 2014 averaged 3.1 million barrels per day, up 10.7 per cent over the same period in 2013. The province added 48,400 jobs for the year, almost half of the total for Canada. Alberta's unemployment rate was 4.7 per cent, 2.2 percentage points lower than the national level.

Economic activity across the province in 2014 had a positive impact, resulting in revenues that exceeded expenses by \$2,562,355. Total revenues increased 24 per cent and total expenses increased 12 per cent over the prior year.

The Council is responsible under its Ministerial mandate to review, formulate, and manage significant components of the provincial safety codes system. This mandate requires careful financial management as the Council is primarily funded by levies from construction which are sensitive to economic fluctuations.

As anticipated in the 2014 Business Plan and budget, the Council completed some significant deliverables that position us to pursue our vision to make Alberta a safe place to live, work, and play.

## Revenues

Total revenues were \$10,521,000 in 2014 as compared to \$8,496,000 in 2013, resulting in an increase of \$2,025,000. Increases in revenues were generated from four main sources: operating fees of \$1,050,000; course, exam, and certification fees of \$499,000; investment income of \$291,000; and grants of \$101,000. Other revenue categories were similar to 2013.

## Expenditures

Total expenditures were \$7,959,000 in 2014 as compared to \$7,084,000 in 2013, resulting in an increase of \$874,000. Increases in expenses came from four main areas: salary and benefits of \$531,000; consulting fees of \$125,000; new course development of \$85,000; and course and seminar fees of \$76,000. Other expense categories were similar to 2013.

# Financial Statements SAFETY CODES COUNCIL

**Year ended December 31, 2014**

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# Independent Auditors' Report

## To the Members of Safety Codes Council

We have audited the accompanying financial statements of Safety Codes Council (the "Council"), which comprise the statement of financial position as at December 31, 2014, and the statements of operations, changes in net assets, remeasurement gains and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### Basis for Qualified Opinion

Operating fees received from municipalities and agencies are collected on behalf of the Council, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of operating fees revenue from municipalities and agencies was limited to the amounts recorded in the records of the Council and we were not able to determine whether any adjustments might be necessary to operating fees revenue, excess of revenues over expenses, accounts receivable and unrestricted net assets.

### Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Council as at December 31, 2014, and the results of its operations, changes in net assets, remeasurement gains and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original Signed]

Chartered Accountants  
April 10, 2015  
Edmonton, Canada

# Statement of Financial Position

December 31, 2014, with comparative information for 2013

	2014	2013
<b>Assets</b>		
<b>Current assets:</b>		
Cash	1,369,663	424,630
Accounts receivable	604,719	544,767
Prepaid expenses and deposits	169,766	87,558
	2,144,148	1,056,955
<b>Investments (note 2)</b>	9,470,677	6,850,119
<b>Capital assets (note 3)</b>	877,856	1,016,998
	<b>\$ 12,492,681</b>	<b>8,924,072</b>

## Liabilities, Net Assets and Accumulated Remeasurement Gains

<b>Current liabilities:</b>		
Accounts payable and accrued liabilities	536,490	465,053
Deferred revenue (note 4)	1,072,086	221,521
Current portion of deferred lease inducement	6,491	6,491
	1,615,067	693,065
<b>Deferred lease inducement</b>	13,525	20,016
<b>Net assets:</b>		
Unrestricted	6,868,936	4,167,439
Internally restricted (note 5)	3,000,000	3,000,000
Invested in capital assets	877,856	1,016,998
	10,746,792	8,184,437
Accumulated remeasurement gains	117,297	26,554
Commitments (note 6)	10,864,089	8,210,991
	<b>\$ 12,492,681</b>	<b>\$ 8,924,072</b>

See accompanying notes to financial statements.

On behalf of the Council:

\_\_\_\_\_ [Original Signed] Member \_\_\_\_\_ [Original Signed] Member  
 \_\_\_\_\_ [Original Signed] Member

# Statement of Operations

Year ended December 31, 2014, with comparative information for 2013

	2014	2013
<b>Revenues</b>		
<b>Operating fees:</b>		
Municipalities and agencies	\$ 7,053,806	\$ 6,051,790
Corporations	1,001,915	953,000
Investment income	688,722	397,119
Course and exam fees (note 4)	659,669	470,479
Master Electricians Program certification fees	535,025	224,960
Grants (note 4)	247,004	145,108
Application development	117,000	69,100
Certification (note 4)	81,820	77,250
Annual conference	75,475	56,218
Other revenues and recoveries	31,652	31,105
Designation of powers	22,150	12,975
Appeals	4,500	3,500
Accreditation	3,000	4,050
	<b>\$ 10,521,738</b>	<b>\$ 8,496,654</b>
<b>Expenses</b>		
Salaries and benefits	\$4,689,586	\$4,158,475
Contractors and consultants	581,708	567,109
Office rental	538,157	517,951
Travel (note 7)	277,502	241,647
Annual conference	267,435	304,927
Amortization of capital assets	225,759	236,157
Course and seminar costs	178,539	102,485
Consulting fees	177,349	51,824
Electronic business solutions	173,164	196,784
Office and general	170,492	135,955
Publications	112,916	141,617
New course development	95,060	9,941
Professional fees	92,379	65,656
Meetings	82,279	74,679
Bank and investment service charges	80,441	26,105
Honoraria (note 7)	53,404	43,181
Appeals	45,961	97,016
Electronic conversion	35,523	37,257
Insurance	31,219	30,616
Code update training	16,828	504
New course version	7,512	165
Corporate memberships	7,198	9,292
Loss on disposal of capital assets	6,524	20,530
Test bank validations	6,433	5,517
Special training programs	6,015	9,199
Course revisions	-	74
	<b>7,959,383</b>	<b>7,084,663</b>
<b>Excess of revenues over expenses</b>	<b>\$ 2,562,355</b>	<b>\$ 1,411,991</b>

See accompanying notes to financial statements.



## Statement of Changes in Net Assets

Year ended December 31, 2014, with comparative information for 2013

	Unrestricted	Internally restricted	Invested in capital assets	2014	2013
Balance, beginning of year	4,167,439	3,000,000	1,016,998	8,184,437	6,772,446
Excess (deficiency) of revenues over expenses	2,794,638	-	(232,283)	2,562,355	1,411,991
Investment in capital assets	(93,141)	-	-	-	-
<b>Balance, end of year</b>	<b>\$ 6,868,936</b>	<b>\$ 3,000,000</b>	<b>\$ 877,856</b>	<b>\$ 10,746,792</b>	<b>\$ 8,184,437</b>

## Statement of Remeasurement Gains

Year ended December 31, 2014, with comparative information for 2013

	2014	2013
Accumulated remeasurement gains, beginning of year	\$26,554	\$188,257
Change in unrealized gains attributable to investments	90,743	26,554
Realized gains reclassified to statement of operations	-	(188,257)
<b>Accumulated remeasurement gains, end of year</b>	<b>\$ 117,297</b>	<b>\$ 26,554</b>

See accompanying notes to financial statements.

# Statement of Cash Flow

Year ended December 31, 2014, with comparative information for 2013

	<b>2014</b>	<b>2013</b>
Cash provided by (used in):		
<b>Operations:</b>		
Excess of revenues over expenses	2,562,355	1,411,991
Item not involving cash:		
Amortization of capital assets	225,759	236,157
Loss on disposal of capital assets	6,524	20,530
Amortization of deferred lease inducement	(6,491)	(6,491)
Changes in non-cash operating working capital:		
Accounts receivable	(59,952)	(71,007)
Prepaid expenses and deposits	(82,208)	33,576
Accounts payable and accrued liabilities	71,437	42,855
Grants repayable	-	(74,438)
Deferred revenue	850,565	35,883
	<b>3,567,989</b>	<b>1,629,056</b>
<b>Capital activities:</b>		
Purchase of capital assets	(93,141)	(177,289)
<b>Investing activities:</b>		
Reinvested net investment income from investments	(685,827)	(373,575)
Purchase of investments	(1,880,383)	(7,193,833)
Proceeds from disposition of investments	36,395	6,270,640
	<b>(2,529,815)</b>	<b>(1,296,768)</b>
<b>Increase in cash</b>	<b>945,033</b>	<b>154,999</b>
<b>Cash, beginning of year</b>	<b>424,630</b>	<b>269,631</b>
<b>Cash, end of year</b>	<b>\$ 1,369,663</b>	<b>\$ 424,630</b>
<b>Supplemental cash flow information:</b>		
Bank and investment service charges paid	80,441	26,105

See accompanying notes to financial statements.

# Notes to Financial Statements

## Year ended December 31, 2014

The Safety Codes Council (the “Council”) is a corporation established under the Safety Codes Act of the Province of Alberta (Revised Statutes of Alberta 2000, Chapter S-1). The industry-based Council is comprised of a Council Chair, a Coordinating Committee, a Technical Coordinating Committee and Sub-councils in the following areas: amusement rides, boilers and pressure vessels, buildings, electrical, elevators, fire, gas, plumbing, barrier free and passenger ropeways.

The Council is responsible for reviewing, formulating and managing significant components of the administration of Alberta’s safety system. The Council’s mandate is to:

- develop and recommend safety codes and standards;
- promote uniform safety standards and practices;
- develop and administer a program to certify and designate Safety Codes Officers;
- develop and administer a program to accredit safety system partners;
- administer appeals for certification, accreditation and orders issued under the Safety Codes Act;
- administer the Master Electricians’ program;
- establish and operate safety information and training programs;
- develop and administer a province wide electronic permitting system for use by accredited entities administering the Safety Codes Act; and
- engage in any other activities as directed by the Minister responsible for the Safety Codes Act.

## 1. Significant accounting policies:

These financial statements are prepared by management in accordance with Canadian public sector accounting standards. As a government not-for-profit organization, the Council has elected to follow the standards for not-for-profit organizations in the CPA Canada Public Sector Accounting Handbook. The Council’s significant accounting policies are as follows:

### (a) Revenue recognition:

The Council follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Other revenues including operating fees from municipalities and agencies, corporations, courses and exams, Master Electrician Program certification fees, certification, annual conference, designation of powers, appeals and accreditation are recorded as they are earned. Other revenues that relate to future years are reflected as deferred revenue.

### (b) Capital assets:

Capital assets are stated at cost. Amortization is provided using the following methods and annual rates:

<b>Asset</b>	<b>Basis</b>	<b>Rate</b>
Furniture and fixtures	Declining balance	20%
Equipment	Declining balance	20%
Computer hardware	Declining balance	30%
Computer software	Declining balance	30%
Leasehold improvements	Straight line	Over lease term

*Copyrights are not amortized.*

## 1. Significant accounting policies (continued):

### (c) Deferred lease inducement:

Deferred lease inducement represents the unamortized value of an inducement received when the Council entered into a lease arrangement for the rental of office space. Amortization is provided on a straight-line basis over the term of the related lease as a reduction in office rent.

### (d) Contributed services:

Contributed supplies and services that would otherwise have been purchased are recorded as contributions and expenses. Such transactions are measured at the fair value at the date of contribution, when a fair value can be reasonably determined.

### (e) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Derivative instruments and equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. Management has elected to record all investments at fair value as they are managed and evaluated on a fair value basis.

Unrealized changes in fair value are recognized in the statement of remeasurement gains until they are realized, when they are transferred to the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

All financial instruments are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and any unrealized gains and losses are reversed and recognized in the statement of operations.

Public Sector Accounting Standards require the Council to classify fair value measurements using a fair value hierarchy, which includes three levels of information that may be used to measure fair value:

Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities;

Level 2 - Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

### (f) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the year. Actual results could differ from those estimates.

## 2. Investments:

	Level	2014	2013
Cash	1	195,131	11,730
Jarislowky Fraser Money Market Fund	1	7,821	5,238
Pooled funds (quoted in an active market)			
Jarislowky Fraser Bond Fund	1	5,342,639	4,434,694
Jarislowky Fraser Canadian Equity Fund	1	3,925,086	2,398,457
		<b>\$ 9,470,677</b>	<b>\$ 6,850,119</b>

### 3. Capital assets:

			<b>2014</b>	<b>2013</b>
	<b>Cost</b>	<b>Accumulated amortization</b>	<b>Net book value</b>	<b>Net book value</b>
Furniture and fixtures	296,166	200,909	95,257	101,159
Equipment	47,266	36,384	10,882	13,602
Computer hardware	377,040	205,608	171,432	193,337
Computer software	343,223	232,736	110,487	114,795
Leasehold improvements	1,024,337	546,306	478,031	582,338
Copyright	11,767	-	11,767	11,767
	<b>\$ 2,099,799</b>	<b>\$ 1,221,943</b>	<b>\$ 877,856</b>	<b>\$ 1,016,998</b>

### 4. Deferred revenue:

	<b>Deferred revenue, beginning of year</b>	<b>Amounts received/ receivable</b>	<b>Revenue recognized, net</b>	<b>Amounts repaid/ repayable</b>	<b>Deferred revenue, end of year</b>
<b>Grants</b>					
Information technology	7,864	-	(2,142)	(5,722)	-
Alberta Safety Codes Authority	45,031	1,002,157	(221,392)	-	825,796
Safe Temporary Heat Education	-	60,349	(22,456)	-	37,893
Certification Management System	-	30,189	(1,014)	-	29,175
	52,895	1,092,695	(247,004)	(5,722)	892,864
Other amounts					
Course and exam fees	38,060	647,464	(659,669)	-	25,855
Certification	130,566	104,621	(81,820)	-	153,367
	<b>\$ 221,521</b>	<b>\$ 1,844,780</b>	<b>\$ (988,493)</b>	<b>\$ (5,722)</b>	<b>\$ 1,072,086</b>

### Information Technology

On July 18, 2008, the Council entered into an agreement with the Province of Alberta as represented by the Minister of Municipal Affairs to undertake an enhancement upgrade to e-Site. The grant specified four deliverables to establish 1) An IT system in e-Site for Development Permits, 2) An IT system in e-Site for Orders and Variances external data entry, 3) An IT system in e-Site for Underground Petroleum Tank site Remediation (PTRP) and 4) Establish an IT system in e-Site for Municipal Monitoring. The IT in Support of the Safety System project has a total proposed budget of \$182,400 to be funded by the Province of Alberta. The grant agreement initially expired on April 30, 2009. The Minister of Municipal Affairs agreed to extend the project completion date to December 31, 2012. Items 1 through 3 above expired on December 31, 2012 accounting for a grant repayable of \$48,128 in that year. Item 4, through approval of the Minister of Municipal Affairs, was repurposed and extended to a completion date of June 30, 2014. To June 30, 2014, total eligible expenditures incurred under the amended agreements were \$127,501 (2013 - \$125,359). Item 4 above expired on June 30, 2014 accounting for a grant repayable of \$5,722 in the year.

#### 4. Deferred revenue (continued):

##### **Alberta Safety Codes Authority**

In the prior year, the Council applied for and obtained a one-time conditional grant from Alberta Municipal Affairs. The grant provides for a total of \$1,500,000 to be received to complete the research (Phase 1 - \$150,000), development (Phase 2 - \$1,000,000) and implementation (Phase 3 - \$350,000) of the Alberta Safety Codes Authority. Phase 1 was completed in late 2013. During the year, the Council commenced and is currently in progress on Phase 2. Phase 3 will occur in 2015 - 2016. Amounts received in the current year include bank interest earned equal to \$2,157.

##### **Safe Temporary Heat Education Program**

In the current year, the Council applied for and obtained a one-time conditional grant from Alberta Municipal Affairs. The grant provides for a total of \$60,000 to be received for the development of an education program to increase the safety of temporary heat installations on construction sites. These funds were received in full during 2014. Amounts received in the current year include bank interest earned equal to \$349.

##### **Certification Management System**

In the current year, the Council applied for and obtained a one-time conditional grant from Alberta Municipal Affairs. The grant provides for a total of \$30,000 to be received for the development and implementation of a certification management system to be used by the Council to manage and administer the certification of installers and maintainers of Portable Fire Extinguishers, Fixed Fire Suppression Systems, Kitchen Exhaust Systems, Fire Alarm Systems, and Sprinkler Systems. These funds were received in full during 2014. Amounts received in the current year include bank interest earned equal to \$189.

#### **5. Internally restricted net assets:**

The Council maintains internally restricted net assets in the amount of \$3,000,000 to manage sustainability risk over the medium term. Access to the restricted net assets is granted by resolution of the Coordinating Committee.

#### **6. Commitments:**

The Council is committed under an operating lease for its office premises which expires April 30, 2018. The Council also leases a postage machine with related service contracts, a data centre and server storage service and photocopiers, expiring August 2015, November 2016, and March 2017. A new agreement was entered into during the year relating to a new photocopier and related services that expires March 2017.

<b>2015</b>	308,973
<b>2016</b>	300,511
<b>2017</b>	264,275
<b>2018</b>	86,988
	<b>\$ 960,747</b>

*The Council is also responsible for its share of operating costs related to the office premises lease.*

#### **7. Remuneration and other costs disclosure:**

Coordinating Committee members are remunerated by the schedules as set out by Order in Council 466/2007. Remuneration is comprised of \$53,404 (2013 - \$43,181) included in honoraria expense. Other costs consist of travel and accommodation related to meetings attendance which are included in travel expense.

	<b>2014</b>	<b>2013</b>
Coordinating Committee members:		
Remuneration	53,404	43,181
Other	16,952	15,494
	<b>\$ 70,356</b>	<b>\$ 8,675</b>



## **8. Related party transactions:**

Transactions with Alberta Municipal Affairs are considered to be in the normal course of operations. Amounts due to Alberta Municipal Affairs and the recorded amounts of the transactions are included with these financial statements unless otherwise stated.

Grant revenue of \$247,004 (2013 - \$145,108) on the statement of operations are from Alberta Municipal Affairs grants.

Alberta Municipal Affairs currently provides certain services to the Council including a monitoring service of accredited entities as part of the Municipal Support Program, at no cost. As a result of the difficulty in determining the fair value of these services, contributed services are not recognized in the financial statements.

## **9. Financial risks and concentration of credit risk:**

The Council is exposed to a number of different financial risks arising from its use of financial instruments, including market price risk, liquidity risk, credit risk and interest rate risk. The Council's overall risk management processes are designed to identify, manage and mitigate business risk.

### **Market price risk**

Market price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. As all of the Council's investments are in pooled-funds and carried at fair value with fair value changes recognized in the statement of operations and statement of remeasurement gains, all changes in market conditions will directly result in an increase (decrease) in net assets. Market price risk is managed by the Council through their investment guidelines and policies, as monitored by the management of the Council and its investment manager.

### **Liquidity risk**

Liquidity risk is both the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities, and there will be no ability to sell its financial instruments should it wish to do so.

The Council's Investment Policy, which is reviewed and approved by the Coordinating Committee annually, establishes the nature of acceptable investments for its portfolio. As a result, 100% of the Council's investments are in pooled funds. Although market events could lead to some investments within the pooled fund becoming illiquid, the diversity and quality of the Council's investments is designed to ensure that liquidity is available to pay liabilities as they come due. The Council also maintains cash on hand for liquidity purposes and to pay accounts payable and accrued liabilities.

There have been no significant changes to the liquidity risk exposure from 2013.

### **Credit risk**

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Council. In relation to the Council activities, credit risk arises from the issuance of permits by accredited third-parties and subsequent remittance of levies to the Council. This risk is mitigated through the Council's ongoing due diligence of accredited organizations, and the number of accredited organizations issuing permits. In relation to the Council's investment portfolio, credit risk arises from the bond or equity issuer defaulting on its obligations.

The Council manages credit risk by investing diversified pooled funds. Cash is held with reputable financial institutions and accounts receivable are with counterparties that the Council believes to be reputable entities. No individual financial asset is significant to the Council's operations.

### **Interest rate risk**

The Council is exposed to interest rate risk associated with the underlying interest-bearing instruments held in the Jarislowsky Fraser Bond Fund and the Jarislowsky Fraser Canadian Equity Fund. To properly manage the Council's interest rate risk, appropriate guidelines and investment policies are set and monitored by management of the Council and its investment manager.







**Safety  
Codes  
Council**

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