



Alberta Municipal Services Corporation

Strategic Plan 2012 – 2017

*As approved by the AMSC Board of Governors
September 15, 2011*

Table of Contents

- 1. History3
- 2. Vision4
- 3. Mission.....4
- 4. Objectives4
- 5. Core Values4
- 6. Business Elements5
- 7. Marketplace5
- 8. Service Mix6
- 9. Future Growth.....6
- 10. Customer Service6
- 11. Financial Sustainability6
- 12. AMSC - AUMA Relationship7
- 13. Strategic Priorities And Long Term Goals: 2012 – 20177

I. History

The AUMA, a not-for-profit association, was founded in 1905 and represents Regular Members, comprised of all of Alberta's urban municipalities, including cities, towns, villages, summer villages, and specialized municipalities. In addition to urban municipalities, programs and services are also available to Rural Municipalities and many municipally-related, not-for-profit entities, which comprise the Associate Membership. The AUMA is a dynamic and evolving association, which represents and advocates the interests of members to both the provincial and federal governments as well as other provincial and federal organizations. The goal is to develop a strong partnership between all three orders of government. This partnership is developed through a shared vision with long term planning that will facilitate social and economic growth; a strategic and stable funding matrix for capital projects, vital emergency and social services as well as implementation and coordination in the delivery of these services to ensure the sustainability of our communities.

The AUMA continues its advocacy role for members to the provincial and federal orders of governments while the business organization provides for the development of educational tools plus the development, coordination, and delivery of aggregated services to the member municipalities, their employees, and their associates. Based on this premise, services had previously been delivered through AUMA and, upon establishing the AMSC, a three-year business plan and budget for annual review was developed.

AUMA had been providing aggregated services to its members for over forty years, since as early as 1968. To ensure continued success in providing services to the membership, the Alberta Municipal Services Corporation (AMSC), a wholly owned subsidiary of the Alberta Urban Municipalities Association (AUMA) was established on January 1, 2005. The AUMA continues its advocacy role for members to the provincial and federal orders of governments while the AMSC provides for the development of educational tools plus the development, coordination, and delivery of aggregated services to the member municipalities, their employees, and their associates.

The cornerstone of the AMSC is to carry on the tradition of the AUMA from a business perspective. That is, to deliver solutions for business related challenges faced by the membership. The AMSC enjoys a uniquely differentiated position in the marketplace reflected in the following and substantiated by market research:

1. A deep and rich understanding of the needs of municipalities and municipally related organizations based on over 100 years of history.
2. A strong belief by the membership that the aggregation model works.
3. A unique relationship with AUMA whereby the profit generated by the AMSC supports the advocacy work done by the AUMA through a dividend to the shareholder and to the benefit of all members.
4. A highly talented governance board with a diversity of business and municipal experience.

The AMSC has enjoyed significant success over the years through substantial growth. Based upon the long-term strategies, uniquely differentiated position within the market, a committed and talented group of employees and outstanding governance, the success is expected to continue.

2. Vision

AMSC is the leader in providing innovative community and business solutions.

3. Mission

AMSC provides services for municipalities, employees, public entities and community related organizations to enhance their stability and capacity.

4. Objectives

The overall objectives for the continued evolution of AMSC are:

- AMSC services are competitive.
- AMSC achieves a high satisfaction rating from its clients.
- AMSC achieves regular return on shareholder funds.
- AMSC is a leader in the business community.
- AMSC is a leading employer.
- AMSC is well governed.
- AMSC is well managed.

Successfully achieving these core objectives are fundamental to long term success of AMSC.

5. Core Values

AMSC demonstrates these core values throughout all aspects of its business:

Reliability – We are committed to work processes and actions that ensure the consistency, timeliness and accuracy of services.

Integrity - We strengthen relationships through our words and actions.

Communication – We communicate appropriately and effectively with clients and each other.

Responsiveness – We establish networks through which we listen and respond to clients.

Accountability – We take responsibility for the decisions we make.

Innovation - We seek and promote bold ideas and empower each other to find new business solutions.

Collaboration - We share ideas to build solutions and options with our stakeholders, clients and each other.

6. Business Elements

AMSC's business environment is confronted by a number of key elements that impact how well AMSC performs in the future. These themes are considered key drivers as AMSC delivers services to its customers:

- **Customer Service**
AMSC is in the customer service business. AMSC needs to continue to anticipate and respond to client needs with the most relevant and cost effective solutions possible.
- **Supply Chains**
AMSC manages a variety of service lines and service supply chains. The configuration of these service supply chains is diverse. Effective design and management of these chains are critical to customer service.
- **Governance and Management**
Governance performance standards and expectations continue to rise with consequent enhanced requirements for better support, including reporting and performance measurement. Being well managed, AMSC is able to tackle challenges with solution based decision making and can focus on best practices.
- **Economics and Competition**
AMSC is an aggregator of services. It must recover aggregation costs while being competitive in today's market place. This is achieved by delivering solutions which demonstrate reduced overall costs combined with knowledgeable customer service and service line expertise.
- **Brand Management**
AMSC's current branding initiative will provide guidance regarding realignment of overall brand strategy with the goal of maintaining clear consistent imaging and messaging.

These business elements provide a backdrop to the strategic and business plans, and are considered as AMSC operates its business lines and considers future initiatives.

7. Marketplace:

- The core markets are municipalities and municipality related organizations.
- Secondary markets are non-profit community organizations.
- The other markets are employees of core and secondary markets.
- Finally, the core geographic market is Alberta. However AMSC has expanded outside Alberta to the same core markets through a business relationship with AUMA sister Associations.

8. Service Mix

- The services offered by AMSC are defined as those corporate or networked services, which enable a customer's operations to function more efficiently and cost effectively. Clients are cost sensitive and very diverse in terms of needs and capacities.
- Current core services include:
 - Electricity and natural gas
 - Employee benefits services
 - General insurance services
 - Retirement services
- AMSC operates the annual convention for AUMA.

9. Future Growth

- AMSC continuously improves and enhances services to existing clients.
- AMSC aggressively extends the reach of its current service offering to new clients.
- AMSC undertakes research and development activities to explore improvements and new services to meet customer challenges.
- AMSC future target is one billion in revenues.

10. Customer Service

- AMSC operates with a strong customer service orientation as trusted advisors and problem solvers.
- AMSC recognizes that its clients have diverse needs.
- AMSC leads in service design and delivery methods for efficient, effective operations and delivers customized services that meet clients' unique and evolving needs.
- AMSC provides competitively priced services that offer enhanced value for money.
- AMSC leverages technology and customer self-service solutions.
- AMSC markets and communicates service offerings to existing and potential clients within its target market.

11. Financial Sustainability

- AMSC recovers costs through margins, and earns profits to establish research and development funds, build sufficient retained earnings to ensure a long-term sustainable corporation and to declare reasonable dividends to AUMA to help fund advocacy.

12. AMSC - AUMA Relationship

- AMSC is a wholly-owned subsidiary of the AUMA.
- AMSC is aligned with the overall strategic direction of AUMA.
- AUMA and AMSC work together to create added value through synergies inherent in the AMSC – AUMA relationship.
- AUMA is a solution based organization and AMSC is their business entity that delivers business related solutions.

13. Strategic Priorities and Long Term Goals: 2012 – 2017

1.0 Core Services

- 1.1 Increase the value-add of existing core services
- 1.2 Increase AUMA's share of the energy, insurance and benefits markets

2.0 Customer Service

- 2.1 Increase customer loyalty
- 2.2 Ensure appropriate staffing with the expertise in the area of business
- 2.3 Continuously improve customer responses and timelines

3.0 Sales & Marketing

- 3.1 Increase name recognition
- 3.2 Increase market penetration

4.0 Vendor/Partner Management

- 4.1 Raise the quality and increase the consistency of services provided by our partners/vendors

5.0 Internal Capacity

- 5.1 Improve the efficiency, accuracy and timeliness of internal operations
- 5.2 Reduce the risk of privacy/information security breaches
- 5.3 Improve the effective use of IT while containing costs
- 5.4 Enhance the culture of excellence
- 5.5 Increase the breadth and depth of knowledge of our business and customers

6.0 New Business Ventures

- 6.1 Increase profitable service offerings to meet the needs and provide solutions for customers

7.0 Shareholder Value

- 7.1 Optimize Shareholder Value