



MEMBER REQUEST FOR DECISION MAYORS' CAUCUS

DATE: June 15, 2017

TOPIC: Commitment to Formal Municipal Consultations on the Future of Provincial Revenue Sharing

RECOMMENDATION: *Explain the action or request that you are proposing that AUMA members support. Typically, actions include asking the AUMA to take advocacy action on a particular issue or to investigate a particular municipal challenge.*

In order to present the RFD at Mayors' Caucus, the RFD must be endorsed by Council and worded as such (see below) and a representative from your Council must attend the Mayors' Caucus to speak to the RFD.

“The Council(s) from the cities of Leduc, St. Albert and Grande Prairie request that the AUMA Board seek a commitment from the Minister of Municipal Affairs to timely, inclusive and comprehensive consultations in 2017 with municipalities on the future of provincial revenue sharing and that the Minister provide municipalities with the details of the plan for consultations in advance.”

BACKGROUND: *Provide background information on the issue or opportunity and note any connections to government legislation and policies and/or AUMA initiatives or projects. You should also note if your municipality intends to raise this issue through the annual Resolution process.*

Municipalities are under the jurisdiction of provincial governments and, as such, have a legitimate expectation for revenue sharing. Citizens and the economy benefit from long-term, stable financial commitments from other orders of government. With limited ability to raise needed revenue other than through property taxes, programs like the Municipal Sustainability Initiative (MSI) are both needed and welcomed. The Government of Alberta has committed to a two-year extension while it reviews the MSI program to reaffirm outcomes. It is critical that municipalities are acknowledged as a valued partner in making the lives of everyday Albertans better. In order to hold the Government of Alberta accountable in this regard, municipalities must be persistent in seeking an open and formal consultation process where the future of provincial

revenue sharing can occur.

There is a degree of understanding that consultations would be occurring this summer, but with no details forthcoming, it now seems unlikely. The purpose of this RFD is to direct the AUMA to start work on getting a commitment to consult sooner than Fall 2017. However, this issue will also be submitted for consideration as a resolution at the fall convention.

ANALYSIS:

Explain the municipal impact of this issue or opportunity in terms of the economic, environmental, social, and/or governance implications. Specify how widespread the impact is (that is, whether it affects all urban municipalities versus a particular size of municipality versus a specific region or municipality).

As complex organizations delivering meaningful services to citizens, all municipalities in Alberta rely stable and predictable provincial revenue sharing. Funding of this nature has been leveraged in the past to successfully build and rehabilitate critical community infrastructure, support Albertans and plan for the future. The projects enabled by MSI over the past decade have had significant, positive community impacts.

Without long-term predictable funding from the Province, the future of important community-building, collaborative, and climate-action initiatives and projects will be jeopardized. Certainty allows municipalities to continue work on projects that will keep Albertans working and stimulate the economy while getting the best value for those investments.