February 20, 2019

Paul Benedetto

Chief Administrative Officer

City of Leduc

#1 Alexandra Park

Leduc, AB T9E 4C4

Dear Mr. Benedetto,

Every year, AUMA members have the opportunity to submit resolutions on issues of importance to them. These resolutions are then presented, debated, and voted on by our members at the fall convention. If passed, the resolutions remain active for three years, after which time they expire. On behalf of AUMA’s Board, I am pleased to provide information on the outcomes of the City of Leduc’s expired 2015 resolution.

The resolution entitled “Continued Provincial Financial Support for Municipalities” called for AUMA to advocate for continued financial support to municipalities through the continuation of the Municipal Sustainability Initiative (MSI) or similar program beyond 2018. AUMA was very pleased after extensive lobby efforts to see the province commit to extend the MSI program through 2021-22.

In December 2018, the province approved the new *City Charters Fiscal Framework Act* that enshrines annual capital funding in legislation linked to changes in provincial revenue. The *Act* only applies to Calgary and Edmonton, but it sets several important precedents. These precedents align with AUMA’s position that municipalities need a new legislated funding framework that offers more predictability, while ensuring that the funding grows with the long-term needs of Alberta’s communities. AUMA and the Rural Municipalities of Alberta are currently negotiating with the province to produce a similar funding framework for all other municipalities. We hope to reach an agreement in the upcoming months so that the City of Leduc, and other municipalities, have the necessary information to plan for your financial future beyond the 2021-22 expiration of MSI.

I can also inform you this remains a top priority, and another resolution was passed at last years convention. That resolution entitled “New funding model to replace the Municipal Sustainability Initiative” as overwhelmingly approved and instructed AUMA to advocate that the Government of Alberta legislate and index annual funding under the new infrastructure program as a fixed percentage of the province’s total revenue excluding transfers from the federal government and that the annual funding amount be calculated based on the province’s actual revenue from two years prior.

If you have any questions about this resolution, please contact AUMA’s advocacy team at [advocacy@auma.ca](mailto:advocacy@auma.ca). Further details on AUMA’s advocacy and the province’s response can be found in AUMA’s resolution library on our website.

Yours truly,



Dan Rude CPA, CGA

AUMA CEO