

BULLETIN



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Of The United States and Canada

Alberta Chapter

Alberta GFOA Special Release Bulletin #1 – November 4, 2004

Introduction to Alberta GFOA's Special Release Bulletins

Led by its Communications Task Force, Alberta GFOA has recently developed a plan to augment Quarterly Newsletter Publications with Special Release Bulletins that will be distributed from time to time to all Members. These Bulletins are intended to provide information pertinent to various aspects of municipal finance. They will also be utilized to profile upcoming professional development and training opportunities. The Bulletins are intended to outline information on a specific topic in a brief and concise manner. In some cases, contact references will be provided in order that readers can obtain more detailed information from specific sources.

The Communications Task Force is very pleased to incrementally add value to your membership by providing another service over and above those already provided by Alberta GFOA.

If you are interested in contributing to the preparation of future Bulletins, please contact John Rop via email at jrop@gov.mdrockyview.ab.ca, or via phone at (403) – 520 – 1180.

Bulletin #1: Planning for Federal & Provincial Grant Funding for the 2005 Fiscal Year

On behalf of Alberta GFOA, the Communications Task Force has been monitoring recent developments with respect to planning for incorporating Federal and Provincial Government Grants into Municipalities' 2005 Business Plans and Budgets. Based on information that is currently available to the Task Force, the 2005 fiscal year is shaping up to be one in which Municipalities can potentially look forward to receiving new funding from the Federal and Provincial Governments via various new Grant Programs. While more specific details with respect to the following new Federal and Provincial funding initiatives are expected to be released in the future, here is a brief overview of the information that the Task Force has been able to obtain to date:

- **Provincial Grant Funding for Ground Ambulance Services:** The Province of Alberta has announced that Regional Health Authorities will assume responsibility for funding Ground Ambulance Services effective for April of 2005. A number of key issues are currently being addressed. These include the amount of funding that will be made available by the Province, how the funding will be distributed, the types of service standards that will be funded, how to provide funding in instances where Municipalities have established integrated Ground Ambulance & Fire Response Service Delivery Models and how to manage the ownership and maintenance of Ground Ambulance equipment in the future. More detailed information which addresses these and other issues is expected to be made available by the Province prior to April of 2005.
- **Provincial Grant Funding for Infrastructure:** While no official announcements have been made to date by the Province, considerable discussion has taken place in the past few months with regards to the prospect of \$3 Billion being allocated in next year's Provincial Budget towards funding infrastructure projects. Based on information

available at this time, \$1 Billion would be allocated to the City of Edmonton, \$1 Billion would be granted to the City of Calgary and the remaining \$1 Billion would be directed towards other Municipalities. If this potential new Infrastructure Grant Program moves ahead, more details with regards to how the funds can be deployed will likely be made available with the release of next year's Provincial Budget.

- **Federal Government Sharing of Fuel Excise Taxes:** At this point in time, there is a reasonably good prospect that the Federal Government will, with its April 1, 2005 – March 31, 2006 Budget, commit to a five year plan to share fuel excise tax revenues with Provinces and Municipalities. If this initiative is included in the Budget, the related grants that potentially would be shared could provide a significant new revenue source on an ongoing basis to Municipalities for at least a five year period. While some progress has been made to date with respect to identifying how this initiative could be implemented, considerable work to negotiate final grant funding arrangements and related agreements currently remains to be completed. More information may become available when the Federal Government of Canada releases its Budget for the next fiscal year.
- **Federal ICAP Grant Funding:** While no formal announcements have been made to date, talks are currently in progress that will potentially lead to another release of grant funding via the Canada Infrastructure Program. Should a new release of this Program be approved, details with regards to the extent of funding that may be committed by the Federal Government, what matching requirements may be expected from Provincial and Municipal Governments and project eligibility criteria will likely be released with next year's Federal Budget.

Alberta GFOA recommends that Municipal Finance Officials with business planning and budgetary responsibilities continue to monitor the grant funding initiatives that are outlined above in order to determine how to best incorporate potential new dollars into their respective Municipalities' plans for the 2005 fiscal year. While no complete assurances of new grant funding programs or assurances of specific dollar allocations are available to date, the intent of this Bulletin is to advise Municipal Finance Officials to watch for further announcements with regards to each of the above noted potential new grant funding initiatives.

As more information becomes available, Municipalities may be able to incorporate new dollars into their business plans and budgets as 2005 planning work continues during November and December of 2004. For some of these new funding initiatives, more detailed information may become available early in 2005, particularly during March and April when the Federal and Provincial Governments release their Budgets for the April 1, 2005 – March 31, 2006 fiscal year.

If complete details for new grant funding initiatives are not available by the end of 2004, Municipal Finance Officials may want to make recommendations to their respective Councils and Administrations to adjust the Municipality's 2005 Business Plan and the grant revenues and program expenditures included in the related Budget part way through the year.

To obtain additional information with regards to these potential new Federal and Provincial grant funding initiatives and how to monitor related announcements that may be forthcoming, please contact John Rop via phone at (403) – 247 – 1364 or via email at jrop@gov.mdrockyview.ab.ca . You are also welcome to contact him in order to forward your thoughts and comments with regards to the value and benefit you have received by reviewing this Bulletin.