



BULLETIN

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Of The United States and Canada

*Alberta
Chapter*

Alberta GFOA Special Release Bulletin #14

March 18, 2013

March 7 2013 Provincial Budget Impact on Municipalities

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Emerging Issues Task Force



2013 Provincial
Budget.pdf

See details below or open file

Other links - see [AUMA Highlights of 2013 Provincial Budget](#)

Budget Overview

Operational Plan

- 2013 operating deficit = \$451m...2014 surplus = \$1,480m
- 2013 operational expense = \$38b...0% increase from prior year
 - impact of expected population plus inflation rate of 4.3% absorbed

Savings Plan

- established Contingency Account (previously Sustainability Fund)
- 2013 = \$691m...increasing annually to \$4,535m by 2015

Capital Plan

- 2013 capital spending = \$5,209m...\$15,041m over next 3 years
- investment largely funded by direct borrowing & use of public/private partnerships (P3s)

Programs

Includes, but may not be limited to...

- ✓ Summer Temporary Employment Program (STEP) suspended
- ✓ Community Spirit Program cancelled
 - program offered charities with donation matching
- ✓ Community Initiatives Program (CIP)...\$500,000 reduction in funding in 2013 across the province
 - affects sport & recreation groups in securing funds (i.e. for playgrounds)
- ✓ Community Facility Enhancement Program (CFEP)...\$7.7m reduction in 2013 across the province
 - program used to help with upgrades to community recreation facilities & related infrastructure

Grants

Includes, but may not be limited to...

- ✓ Green Trip program...\$200m for 2013; \$667m over next 3 years
 - \$50m operating component to be eliminated over 4 years & transitioned to the Regional Collaboration Program
- ✓ Municipal Sustainability Initiative (MSI)...\$896m for 2013; same as 2012
- ✓ Municipal Transportation Grant programs...\$520.8m for 2013; increase of \$8.7 (1.7%) from 2012
 - appear to be changes to the programs
- ✓ Municipal Water Infrastructure Grant programs...\$75m for 2013; reduction of \$102 (58%) from 2012
- ✓ Police grant funding. Reduction of \$5m in grants. No details yet

Education Property Taxes

- ✓ new policy for determining property tax requisition
 - total revenue to be collected (requisition amount) now based on 32% of total education system operating expense
 - province estimated to collect \$2.06b in 2013...increase of \$79m (4.0%) from 2012
 - elimination of mitigation formula
 - former 'averaging & capping formula' provided relief for property owners in rapid-growth municipalities, shifting the property tax burden onto slower-growth municipalities
 - Seniors School Property Tax Assistance program will be income tested for 2013 and will end as of 2014
 - rebate program provided refunds to seniors for year-to-year increase in education property taxes

Other Links

Highlights of 2013 Provincial Budget

Prepared by AUMA on March 7, 2013

http://www.auma.ca/live/digitalAssets/70/70593_Highlights_of_2013_Provincial_Budget.pdf

Alberta GFOA's Special Release Bulletins

Alberta GFOA, through the Communications Task Force, augments its 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.

Current and archived Special Release Bulletins can be viewed on the Alberta GFOA Website at www.gfoa.ab.ca