



Emerging Issues Taskforce

Issue Number: 15-01

Date Posted: March 30, 2015

Issue Short Heading: Alberta Government 2015 Budget Announcement

Issue Category:

- Membership issue
- Government (Provincial)
- Government (Federal)
- PSAB
- Other

Issue Description:

The Alberta Government tabled the 2015 provincial budget on March 26, 2015.

Issue commentary/research:

The focus of the Provincial Budget was to prioritize spending and minimize the reliance on Oil & Gas revenues due to the volatility in crude oil prices.

Although Budget 2015 will have a more significant impact on individual Albertans, the following are some highlights of its impact on Alberta municipalities:

- **Municipal Grants - No changes to the Municipal grant funding formulas with few changes to allocation amounts including (but not limited to):**
 - **Municipal Sustainability Initiative (MSI) including Basic Municipal Transportation Grant (BMTG) will be funded for \$850 million in 2015-16, which is a reduction from 2014-15 however has been stabilized with the additional allocation which was announced earlier this month. The Original commitment of \$11.3 billion for the MSI program will not be changed, however it will take longer to fulfill.**
 - **MSI operating funding will be maintained at \$30 million in 2015.**
 - **GreenTRIP funding will be reduced to \$185 million from \$246.9 million.**
 - **Water for Life program will be funded at \$30 million in 2015, down from \$50 million.**
 - **Library Services Grant - A 10 cent increase to the per capita rate for public libraries.**

- Major Fairs & Exhibitions Grant will see a \$2 million reduction for Edmonton Northlands and Calgary Stampede.
- Numerous grant allocations will be slightly increased to address population growth where population based formulas are used.
- Seniors – There will be a \$49 million increase in the Ministry of Seniors budget.
- Affordable Housing – The Alberta Social Housing Corporation Grants in Place of Municipal Property Taxes program has been eliminated in 2015.
- There will be a change to the structure of future Provincial Education Property taxes starting in 2016-17.
- An increase in traffic fine revenues of 35% will be offset by an increased percentage (10%) that will be retained by the province. Overall increasing revenues realized by municipalities.
- A 4 cent per litre increased on taxes levied on gasoline and diesel fuel will have an effect on municipal budgets.

To view the complete 2015 Budget visit www.alberta.ca .

Here are some useful links for further information:

<http://finance.alberta.ca/publications/budget/budget2015/fact-card-municipal-support.pdf>

<http://finance.alberta.ca/publications/budget/budget2015/fact-card-human-services.pdf>

http://www.auma.ca/live/digitalAssets/84/84869_AUMA_Questions_Budget_2015.pdf