



January 25, 2018

Alan Martens
Chief Administrative Officer
City of Brooks
201 – 1 Avenue West
Brooks, AB T1R 0Z6

Dear Mr. Martens:

Each 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 outcome of the City of Brooks' expired 2014 resolution.

The resolution titled "Provincial Income Tax Transfer Payment" called for AUMA to advocate for the province to implement a 1% increase in the provincial income tax rate and distribute this funding as an unconditional transfer payment to municipalities on a per capita basis including a minimum unconditional transfer payment providing all municipalities the opportunity to be financially viable, and to maintain the existing MSI capital program utilizing its existing funding criteria.

Reform of transfers to municipalities has been a core element of AUMA's work in recent years, particularly as the MSI program is set to expire. The recommendations raised in your resolution were included in our 2015 submission as part of the Municipal Government Act review and, while they have not been reflected in changes to date, the Premier has stated that the MSI program needs to be replaced. AUMA submitted some preliminary ideas in December 2016, and is currently in the process of developing a comprehensive submission on a replacement of the MSI program.

Thank you for raising this important issue through our resolution process.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dan Rude', is written over a white background.

Dan Rude, Interim CEO

cc: His Worship Barry Morishita, Mayor, City of Brooks