



MEMBER REQUEST FOR DECISION (RFD) SPRING 2021 MUNICIPAL LEADERS' CAUCUS

DATE:

April 14-16, 2021

TOPIC:

Proposed Amendment to the Municipal Government Act – Division 5 Special Tax

RECOMMENDATION:

The Council from the Village of Forestburg requests that the AUMA advocate for the provincial government to amend Section 382(1) of the *Municipal Government Act* to allow municipalities to pass a special tax bylaw to raise revenue to pay for policing services.

BACKGROUND:

At present, Division 5, Special Tax, and Section 382 allowing for a special tax bylaw enables municipalities to enact such a tax to pay for a wide range of services to property, including water, sewer, paving, fire protection and recreation, to name a few. It is quite difficult to understand why policing and the provision of law enforcement services is not currently included as an allowable area for the passage of a special tax bylaw.

The provincial government's recent action to require smaller and rural municipalities to bear an increasing stake of policing costs over the next few years, while affording no corresponding offsets in the property tax room the provincial government currently occupies for education funding, will put increasing financial stress on many municipalities. The Village of Forestburg believes it is hypocritical for the Government of Alberta, under the guise of putting its own financial house in order, to shift a cost burden for critical services to property without providing the financial tools to do so.

The Village also appreciates that policing is a significant cost for municipalities of all sizes throughout Alberta. Decisions made by other levels of government can increase these costs. A special tax bylaw would allow municipalities who choose to implement it to transparently demonstrate how these costs impact property tax rates to residents and businesses.

Therefore, it is recommended that AUMA lobby the provincial government to make the necessary amendment to Section 382(1) of the *Municipal Government Act* to allow municipalities the ability to pass a special tax bylaw to raise revenues for police service costs should they deem it appropriate to do so.