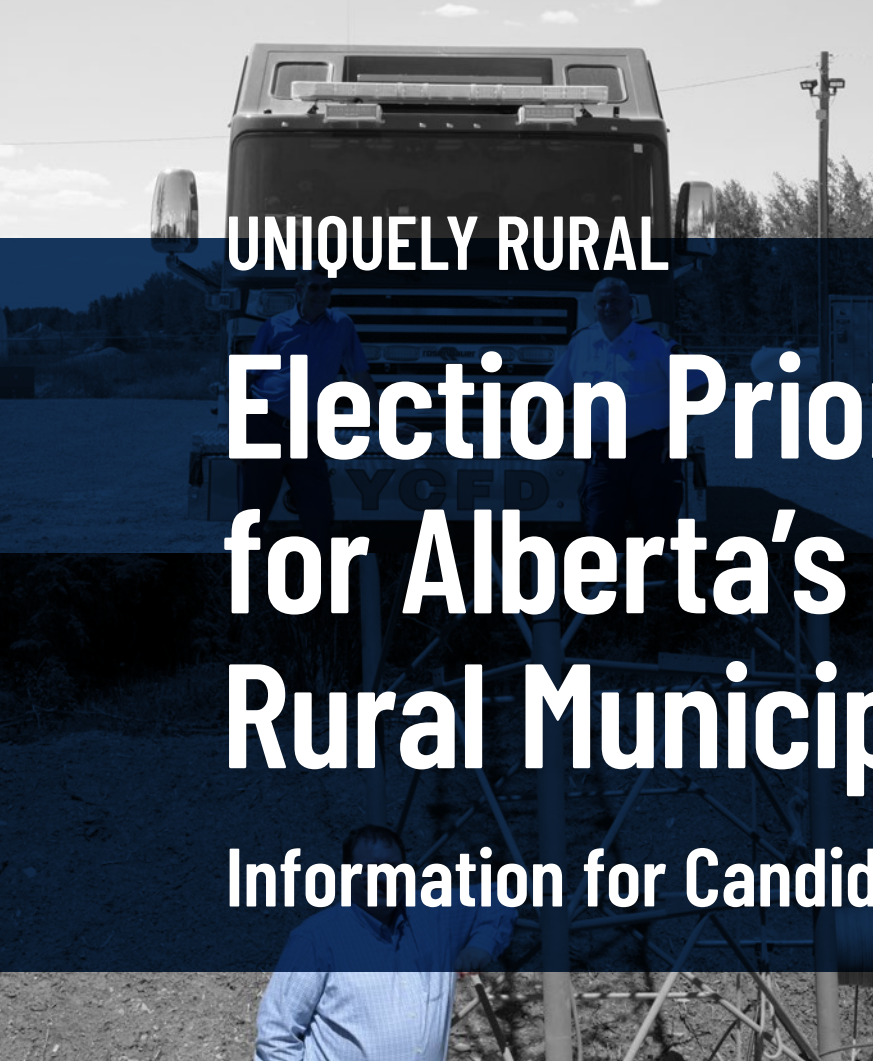




RMA
RURAL MUNICIPALITIES
of ALBERTA



UNIQUELY RURAL

Election Priorities for Alberta's Rural Municipalities

Information for Candidates



April 2023



CONTENTS

THE RMA: WHO WE ARE	3
AN INTRODUCTION TO MUNICIPALITIES	4
RMA MEMBERS ARE UNIQUELY RURAL	5
Priority Area 1: Adoption of a Rural Lens	7
Priority Area 2: Municipal Funding	8
Priority Area 3: Municipal Access to Property	
Tax Revenues	10
Priority Area 4: Municipal Autonomy	12
Priority Area 5: Rural Healthcare & Social Services	13
Priority Area 6: Rural Internet	14
RMA STRUCTURE AND CONTACTS	15
RMA Board of Directors	15

Congratulations on securing candidacy for your chosen political party! As you prepare for the 2023 provincial election, we at the Rural Municipalities of Alberta (RMA) want to share who we are and what our priorities are. The issues featured below should be a priority for whichever party forms government, to ensure they support rural communities. If elected, you will be in a position to propose and debate public policy directions, and we value the opportunity to share our perspectives with you.

Even if you don't live in a rural community, many provincial ridings include rural areas that you will be responsible for representing. If your riding does not include a rural area, this document will help you learn about the importance of rural municipalities to Alberta's identity and prosperity, municipalities in general, and the important relationship between urban and rural municipalities.

At the RMA, we value trusted and positive working relationships with Alberta's provincially-elected officials. We recognize the importance of working together with those at the centre of Alberta's political landscape.



The RMA: Who We Are

The RMA represents Alberta's 63 rural municipalities, five specialized municipalities, and the Special Areas Board. Together, RMA members represent 85% of Alberta's land mass.

Rural municipalities are vibrant, diverse, and forward-thinking. The RMA is a resourceful, responsive, and resilient advocate for rural priorities on key policy issues at both the provincial and federal level. Rural Alberta is an economic driver comprised of strong and resilient communities that deserve a unified voice, and the RMA is honoured to serve in that role.

Vision

Strong, vibrant, rural communities

Mission

Strengthening rural Alberta by supporting our members through effective representation and valued services.

Values

- ◆ Leading in a proactive, collaborative, and accountable manner
- ◆ Being transparent and relationship focused
- ◆ Interacting with diplomacy and respect
- ◆ Communicating with intention and authenticity
- ◆ Continuous improvement as a learning organization

The RMA acts as a rural municipal advocate in many ways, including the following:

- ◆ Participating in formal consultations with other levels of government
- ◆ Fostering relationships and meeting regularly with provincial ministers, MLAs, opposition leaders, and public service leaders
- ◆ Engaging in two-way conversation with members, both to inform members of provincial and federal policy and program changes, as well as to be informed of changes in the priorities of rural municipalities
- ◆ Collaborating with other organizations and stakeholders to advocate on issues of joint importance
- ◆ Producing education and advocacy resources such as reports, toolkits, and newsletter bulletins for members and the broader public
- ◆ Facilitating opportunities to connect RMA members with government representatives, provincially elected officials, and key stakeholders to promote rural dialogue



An Introduction to Municipalities

You might find yourself asking, “I’m running for the provincial government, why is a municipal association reaching out to me?” This is a great question! In Alberta, municipalities are created by the provincial government to carry out a wide range of functions at the local level. Therefore, an understanding of what municipalities do, how they are funded, and why they advocate to the provincial government for certain changes is critical for all MLAs. While it may not always be visible, much of the infrastructure that Albertans rely on every day is planned, built, and maintained by municipalities. Municipalities also deliver crucial services such as water and wastewater, solid waste collection, recreation, and many others.

The roles of a municipality are laid out in the *Municipal Government Act* (MGA). The MGA is over 600 pages and provides details on what services municipalities are to provide, how municipalities can raise revenues to provide these services, and how municipalities function from a logistical and governance perspective. We won’t get into details here, but a few items to highlight are:

- ◆ Municipalities can primarily raise funds to provide service through property taxes and user fees. However, taxes and fees alone are insufficient to fund all municipal responsibilities.
 - ◇ Therefore, it is necessary for the provincial government to help fund municipalities through grants.
- ◆ Municipalities cannot run deficit budgets, however, they can borrow funds for specific projects or purposes.
- ◆ Municipalities provide local services such as water, wastewater, road and bridge infrastructure, waste disposal, and land use planning. This is not exhaustive, rather it is intended to give you a peek at the variety of operations and infrastructure municipalities are tasked with.
- ◆ Municipalities work with their municipal neighbours and local non-profits to plan for development and provide services regionally, when such an approach makes sense. Municipalities have a high degree of autonomy in terms of the types of services they provide, the level of service they deliver, and the method of service delivery.

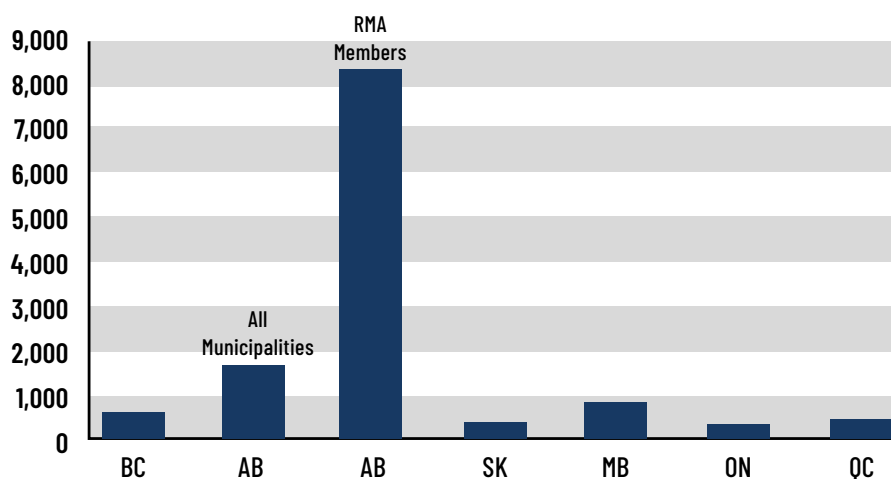
Now to that we’ve presented a very quick introduction to municipalities as a group, let’s walk through what makes rural municipalities unique.

RMA Members are Uniquely Rural

Alberta's rural municipalities are unique within Canada. Alberta is the only province in which municipalities are responsible for providing governance and local services across the entire north. In fact, RMA members provide local services to 85% of Alberta's geographic area. By contrast, other western provinces have the provincial government provide services in their northern region.

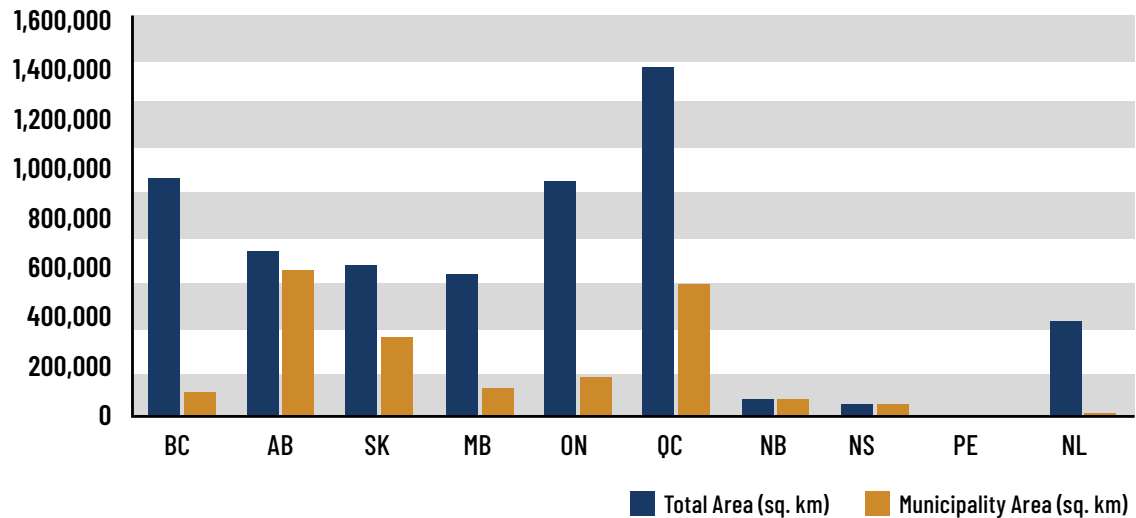
This vast area is administered by the RMA's 69 members, and as a result, RMA members are on average over 8,000 square kilometres in size. The province with the next largest average municipality size is Manitoba, where the average municipality size where the average municipality is less than 1,000 square kilometres on average. This is illustrated in the chart below.

Average Municipal Size (km²)



Not only are RMA members significantly larger than municipalities in other provinces, they also provide governance to a much larger portion of the province. As shown below, Alberta's municipalities manage more overall municipal land and a higher portion of land than municipalities in any other province.

Total Area and Municipal Area by Province (2016)



In other words, not only are individual rural municipalities uniquely large compared to the average Canadian municipality, but municipalities play a much more significant role in supporting rural communities and industry than in other provinces. This unusual size and responsibility means that common ways of measuring municipal performance, as well as distributing grants and other provincial supports (especially per capita metrics), simply aren't relevant in rural areas. Providing services to rural residents and businesses means building infrastructure serving dispersed populations and isolated industrial developments. It means accepting that the per-person cost of providing any particular service will be high because the distance between service users is significant.

We call on all political parties to understand what makes rural municipalities unique. Read on for an overview of our specific priority areas and how each requires the next Government of Alberta to partner with us, our members, and other rural stakeholders to develop rural solutions to rural challenges.



A black telescope is positioned diagonally across the top left of the page, pointing towards the upper right. The background is a blurred, dark landscape.

Priority Area 1: Adoption of a Rural Lens

What is the issue?

Provincial government legislation, regulation, and policies frequently impact stakeholders in different ways. Given the complexity of the legislative environment, this often occurs as an unintended consequence. For RMA members, policy changes designed to address issues in urban areas or other sectors can impact them in ways that were not foreseen. Therefore, we are requesting whoever forms the next government to adopt a rural lens when designing and evaluating policies.

Why is this important to Albertans?

Albertans rely on the various orders of government to make decisions in their best interests. For rural Albertans, this sometimes means decisions are made to address issues in urban areas that have spillover effects in rural areas. In order for all Albertans to be best served, it is important for the Government of Alberta to consider how their policy decisions will impact all Albertans.

What can you do to support rural Alberta on this issue?

When debating new legislation or a policy change, consider how this decision might impact rural communities. This can be achieved by asking questions like:

- ◆ Is the issue present in both urban and rural areas?
- ◆ Are rural communities impacted differently by the issue?
- ◆ Would the solution have the same effect in both urban and rural areas? Considering this could include questions such as:
 - ◇ Would rural Alberta face higher costs?
 - ◇ Would rural Alberta see a reduction in access to a service?
 - ◇ Will the policy decision impact rural economic development differently than urban economic development?

Clearly, the specific questions would vary depending on the issue and solutions being considered. The important takeaway is that by looking at the issue through a rural lens, some surprising impacts and solutions may arise. Please feel free to reach out to us at the RMA at any time to discuss the rural lens on any provincial issue that arises during the campaign or if you are elected.



Priority Area 2: Municipal Funding

What is the issue?

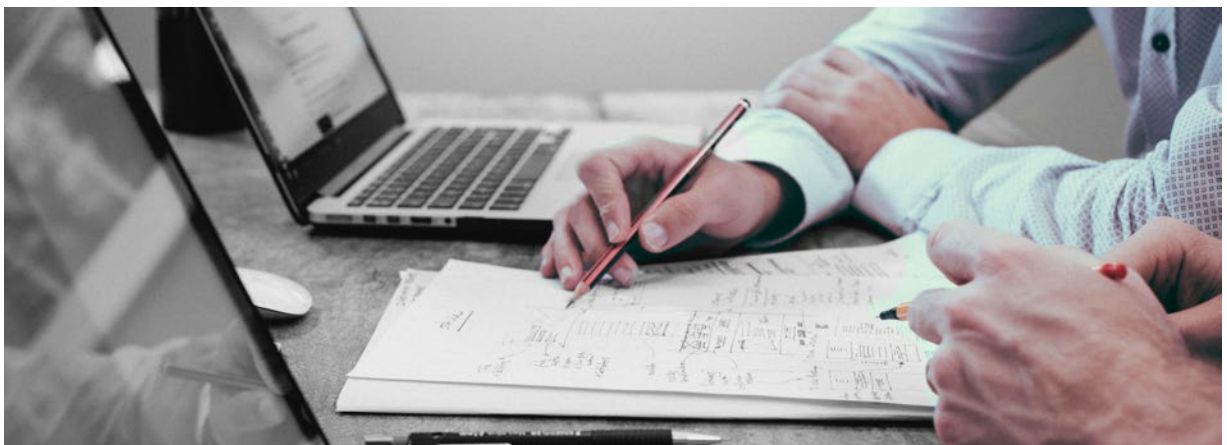
Municipalities have limited funding sources that they directly control, with municipal property taxes being the most significant by far. Property tax revenue alone is not sufficient for municipalities to provide all of the services delegated to them by the province. As a result, municipalities rely on grant funding from the province to provide services like road maintenance, water and wastewater, recreation, and other infrastructure and services. Currently, the province provides grant funding through multiple programs; while some are quite flexible and allow for municipalities to use funding for locally-determined priorities, others are very targeted, require a competitive application process, or are for specific infrastructure or services identified as a priority at the provincial level.

The main provincial grant program for municipalities is the Municipal Sustainability Initiative (MSI), which will be replaced by the Local Government Fiscal Framework in 2024 – 2025. The province has committed to an initial overall LGFF funding amount of \$722 million. This represents a 37% drop in funding compared to the 10-year historical average of MSI. Over half of the \$722 million will be split between Edmonton and Calgary, leaving just \$340 million to be split among the approximately 330 other municipalities in the province. As municipalities are responsible for building and maintaining most of Alberta's infrastructure, this amount will force some difficult decisions in terms of prioritizing capital construction and maintenance projects.

Why is this important to Albertans?

Albertans rely on their local municipality to provide many of the services they use daily. The provision of these services comes at a cost greater than what municipalities can generate through tax revenue. If provincial funding is insufficient, municipalities will be forced to either reduce service levels or increase taxes.

By providing core services in an efficient and cost-effective manner, rural municipalities play a significant role in supporting economic development. Adequate provincial funding ensures the sustainability of municipalities which allows them to provide certainty to the businesses that operate within their communities as well as attract new investment. While the province often views municipal funding as a cost, we view it as an investment in supporting the infrastructure that drives rural Alberta.



What can you do to support rural Alberta on this issue?

The solution to the municipal funding issue is simple: funding for municipalities must be sufficient to meet their current and future needs for the services they provide and the infrastructure they build for Albertans. If elected, we request you work with the RMA to better understand municipal funding and take steps to ensure municipalities are adequately funded to provide services we all use every day like roads and wastewater management. In particular, the RMA is seeking the support of all parties in ensuring that the LGFF is funded at a rate that is consistent with historical MSI funding. In particular, LGFF funding should be maintained at the same portion of overall provincial expenditures as the MSI program during its first year in 2010, which is 2.75%. Based on 2021 provincial expenditures, this would place initial LGFF funding at \$1.77 billion.

If you want to take things one step further, we encourage you to reach out to rural municipalities within your riding (and adjacent) to discuss their funding concerns. This might include asking questions about their operating and capital budgets, what their priorities are, and how they fund their budgets.





Priority Area 3: Municipal Access to Property Tax Revenues

What is the issue?

Municipalities rely on property taxes to fund infrastructure, services, and municipal operations. Because rural municipalities have low populations and high levels of industrial activity, RMA members receive most of their property taxes from non-residential properties, and in particular oil and gas properties such as wells and pipelines. In recent years, it has become evident that the ability for municipalities to collect property taxes on oil and gas properties is weak.

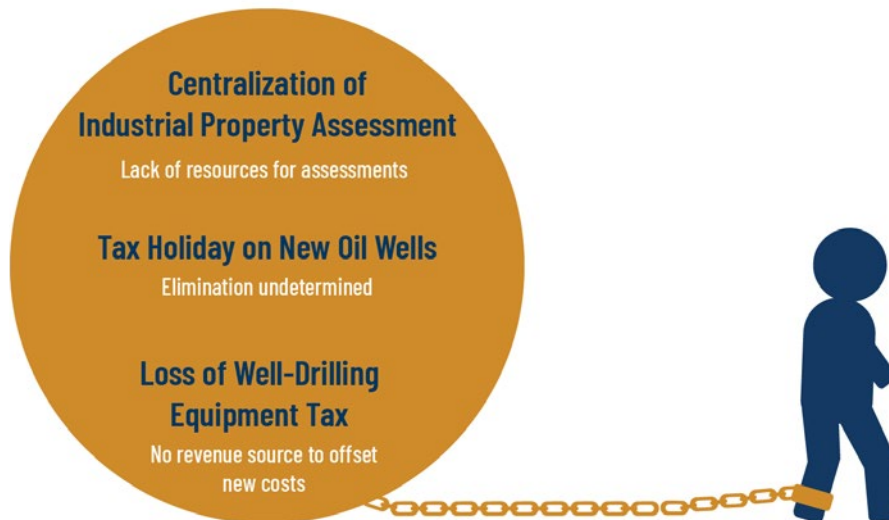
The most serious example is the legislative and regulatory loopholes that have prevented municipalities from enforcing the payment of property taxes on oil and gas properties. While most oil and gas companies pay their property taxes, some do not. Based on our recent member survey, as of December 2022, rural municipalities face an unpaid oil and gas property tax burden of \$268 million. In March 2023, the Government of Alberta issued a ministerial order through which the Alberta Energy Regulator must now require companies with a history of property tax non-compliance to show proof of property tax payments before selling or acquiring licences. While we are hopeful that this action will reduce the scale of tax non-payment, it is much too early to know whether it will be effective.

Non-payment of taxes should be a concern for anyone supportive of Alberta's oil and gas industry. While most oil and gas companies meet their tax obligations, those that don't harm the industry's overall reputation. This is especially significant as Alberta strives to develop an environmental, social, and governance (ESG) framework to become a leader for clean, secure, and ethically sourced energy.

In addition to allowing companies to ignore property tax payment obligations, the Government of Alberta has made a number of policy decisions recently that have taken crucial property tax tools away from municipalities. In 2020, the province eliminated the Well-Drilling Equipment Tax (WDET). The WDET provided support to rural municipalities to offset sudden costs associated use of municipal infrastructure by drilling rigs and other industrial equipment.

In 2019, rural municipalities collected \$23 million in WDET revenue. In 2020, this was suddenly no longer available. As commodity prices and drilling have increased dramatically since 2020, rural municipal infrastructure is being impacted like never before and municipalities have no revenue source available to offset new costs.

Also in 2020, the Government of Alberta implemented a property tax holiday for newly drilled oil wells. This holiday exempts new wells and pipelines from taxation until the 2025 tax year. Although this holiday was introduced to help mitigate the effects of 2020's economic downturn on the oil and gas industry and promote growth, it is no longer necessary as the industry is in a boom phase with record profits and high levels of new drilling.



Why is this important to Albertans?

All landowners in Alberta pay property taxes. They fund essential services from water to recreation to land use planning. Over the past several years, the province has repeatedly subsidized the oil and gas industry on the backs of municipalities by reducing their property tax payment requirements. This is also unfair to all other residents and businesses by leaving the municipality with no choice but to make up for the revenue shortfall by reducing service levels or increasing tax rates on other property types to make up for the difference.

Rural municipalities are proud supporters of the oil and gas industry and have a long history of partnering with companies to support investment and jobs across rural Alberta. While that has not changed, the fact is that municipalities depend on property taxes. Government policy decisions that sacrifice access to property taxes leave municipalities in an impossible position.

What can you do to support rural Alberta on this issue?

We recommend reaching out to your local rural municipalities to learn from them directly what impact unpaid property taxes and other provincial policy decisions to reduce taxation abilities have had on municipal operations and sustainability. If elected, you'll be in a position to advocate for reform, and we ask you consider enabling legislation to ensure municipalities can access the tax revenue they require to provide necessary rural infrastructure and services.





Priority Area 4: Municipal Autonomy

What is the issue?

Municipalities provide services at a local level based on responsibilities delegated to them by the provincial government. RMA members take this responsibility seriously, and seek to provide services that meet the needs of local residents and industry in a cost effective manner. However, in recent years, provincial policies have eroded municipal autonomy by limiting the ability of municipalities to make local land use planning decisions, increasing reporting requirements, narrowing the scope of how grant funds can be spent, and changing how some local decisions are made. This impacts municipal autonomy, and impacts the ability of municipal leaders to make decisions that support the priorities of their community.

Why is this important to Albertans?

Alberta's municipalities are diverse — they can be rural or urban, large or small, have different economic bases, different geographic characteristics, and different perspectives on what is most important to the future of their communities. Albertans rely on their municipal governments to understand what makes their community unique and make decisions that reflect those characteristics. While some issues are best dealt with on a provincewide basis, when the provincial government seeks increased provincial influence on local decisions, Albertans in general have less of a say in the how their communities are shaped.

What can you do to support rural Alberta on this issue?

If elected, we encourage you to consider the role of municipalities in your decision-making processes. In particular, ask questions related to the provincial-municipal relationship such as:

- ♦ Will this legislation increase the administrative burden on municipalities?
- ♦ Will this decision reduce (or increase) funding to municipalities?
- ♦ Will this decision alter the current options available to a municipality? Will it increase or decrease local decision-making authority?
- ♦ Could this decision have different impacts in different communities?
- ♦ Would municipalities be responsible for implementing or actioning this decision?



Priority Area 5: Rural Healthcare & Social Services

What is the issue?

Rural communities face unique challenges when it comes to accessing rural healthcare and social services. As a result of the large distance between population centres and low population density, providing services in rural communities requires a different approach than in urban areas. Traditional metrics like service level per capita are not appropriate, as this will likely mean services are inaccessible to many people based on the distance they will need to travel to access those services.

While healthcare and social services are not always direct municipal services, municipalities are taking on an increased role as the level of service provided by the province in rural areas is often insufficient. For example, many rural municipalities subsidize delivery of provincial emergency medical services, support the recruitment and retention of healthcare staff, and in some cases have become the direct owner of healthcare clinics to ensure they remain a presence in their communities.

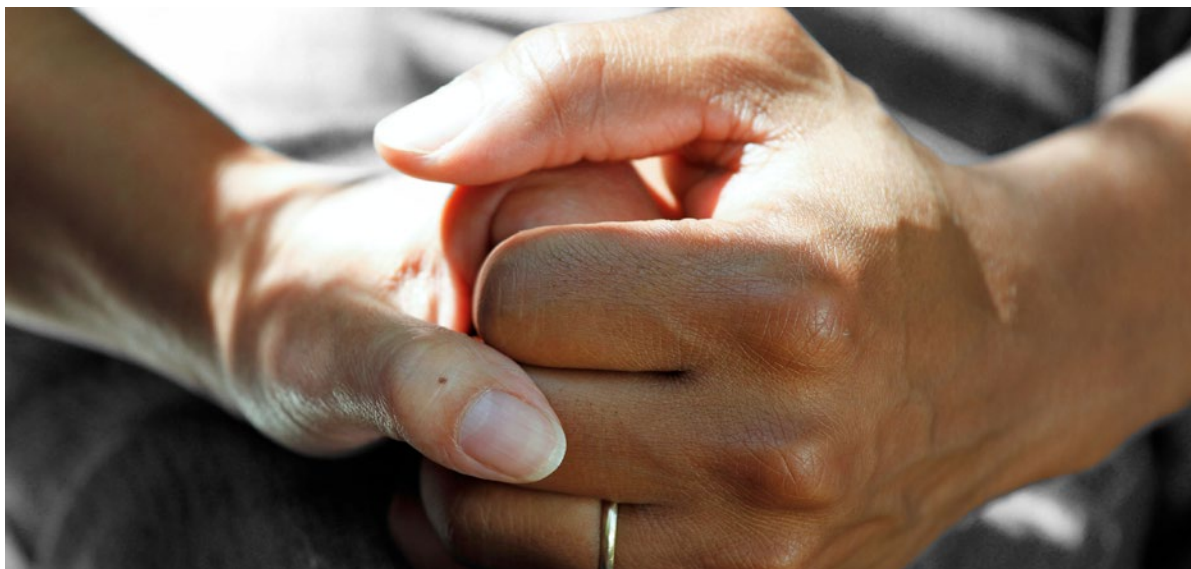
Rural hospitals and social service hubs provide vital access to resources, and must be maintained to ensure equitable access.

Why is this important to Albertans?

Rural Albertans deserve timely access to healthcare and social services. Funding decisions that do not account for the unique nature of rural Alberta will likely undersupply these services, placing a large barrier to access.

What can you do to support rural Alberta on this issue?

We encourage you to build relationships with your local municipalities and social services providers. Doing so will let you learn firsthand what is needed to support rural healthcare and social services. This will position you well to participate in debate on budgets and legislation to enable rural services.



Priority Area 6: Rural Internet

What is the issue?

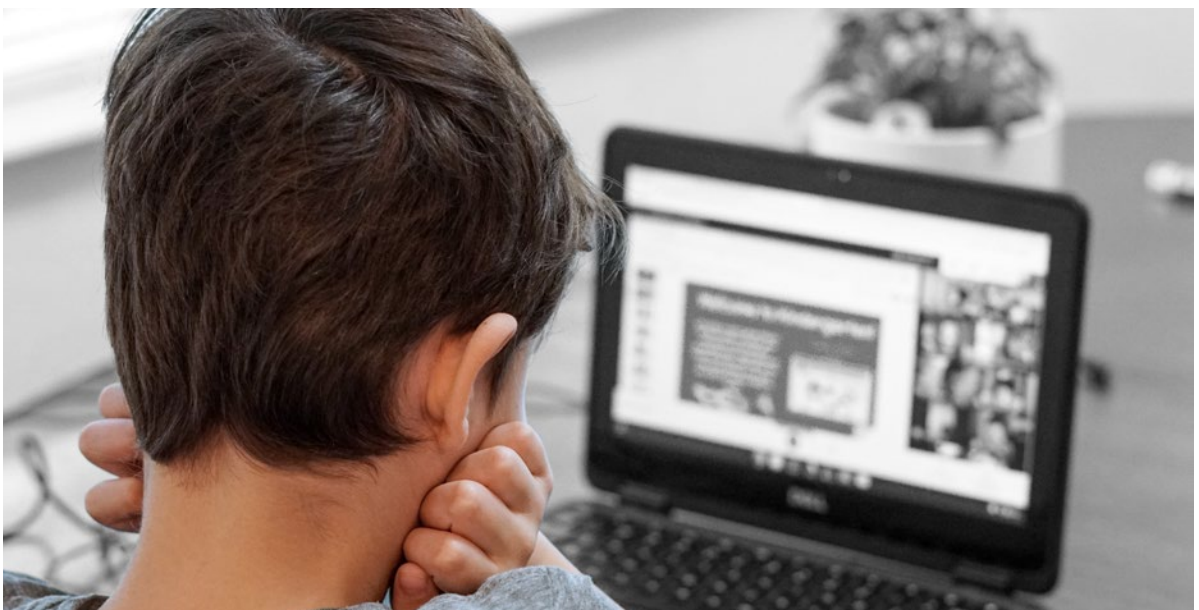
Access to highspeed, reliable, and affordable internet is a requirement for modern living. This is acknowledged by the Government of Canada's plan to provide access to 50 mbps download and 10 mbps upload speeds to all Canadians by 2030. The RMA ran an [internet speed testing project](#) from 2020 to 2022. The results of this study showed that only 9% of tests run met the 50/10 goal, which is in stark contrast to federal data reporting 67% of rural Canadians receiving 50/10 speeds. This demonstrates the significant gap in both rural internet speeds and the overall understanding of the current state of rural internet. While significant investments from both the federal and provincial governments have been made, large gaps in service still exist in rural Alberta.

Why is this important to Albertans?

Broadband is critical to many aspects of modern life. Rural Albertans require highspeed internet to engage in the digital economy, work and learn from home, access government services, and be able to participate in social and recreational activities. Without highspeed internet, rural Albertans are being left behind, and as a result, rural communities will struggle to retain and attract families and the economic activity they bring.

What can you do to support rural Alberta on this issue?

While the Government of Alberta has released a provincial broadband strategy, along with \$390 million in provincial funding, there is room for additional work to be undertaken in partnership with rural municipalities and rural internet service providers. Oversight will be required to ensure this public investment reaches the difficult-to-service areas of the province. We encourage you to speak with your local rural municipalities to learn more about what is needed to ensure rural broadband is deployed in their communities.





RMA Structure and Contacts

Our membership is divided into five districts. The members of each district elect a representative onto the RMA Board of Directors. A President and Vice-President are also elected by our entire membership. The Board of Directors holds a formal meeting each month to set the RMA's strategic direction.

The RMA Board of Directors regularly interacts with MLAs through formal meetings and informally as issues arise. As a candidate for provincial office, feel free to contact any member of the Board of Directors for the rural view on a policy issue. Each Director is an expert on province-wide issues, as well as the key concerns within their district.

Each district also has a District Chair who organizes two to three district meetings each year. This allows members to interact at a regional level.

RMA Board of Directors

RMA President

Paul McLauchlin (Reeve, Ponoka County)

pmclauchlin@RMAAlberta.com | 780.995.7339

RMA Vice-President

Kara Westerlund (Councillor, Brazeau County)

kwesterlund@rmaalberta.com | 780.898.4561

District 1

Director: Jason Schneider (Reeve, Vulcan County)

jschneider@RMAAlberta.com | 403.380.0701

RMA Members

- ♦ Cardston County
- ♦ Cypress County
- ♦ Foothills County
- ♦ County of Forty Mile
- ♦ County of Lethbridge
- ♦ County of Newell
- ♦ MD of Pincher Creek
- ♦ MD of Ranchland
- ♦ MD of Taber
- ♦ Vulcan County
- ♦ County of Warner
- ♦ MD of Willow Creek
- ♦ Municipality of Crowsnest Pass

District 2

Amber Link (Reeve, Wheatland County)

alink@RMAAlberta.com | 403.934.8252

RMA Members

- ♦ MD of Acadia
- ♦ MD of Bighorn
- ♦ Clearwater County
- ♦ Kneehill County
- ♦ Lacombe County
- ♦ Mountain View County
- ♦ County of Paintearth
- ♦ Ponoka County
- ♦ Red Deer County
- ♦ Rocky View County
- ♦ Special Areas Board
- ♦ Starland County
- ♦ County of Stettler
- ♦ Wheatland County

District 3

John Burrows (Reeve, Woodlands County)

jburrows@RMAAlberta.com | 780.514.9087

RMA Members

- ♦ Athabasca County
- ♦ County of Barrhead
- ♦ Brazeau County
- ♦ Leduc County
- ♦ MD of Lesser Slave River
- ♦ Thorhild County
- ♦ Lac Ste. Anne County
- ♦ Parkland County
- ♦ Sturgeon County
- ♦ Westlock County
- ♦ County of Wetaskiwin
- ♦ Woodlands County
- ♦ Yellowhead County

District 4

Director: Karen Rosvold (Councillor, County of Grande Prairie)

krosvold@RMAAlberta.com | 780.831.0902

RMA Members

- ♦ Big Lakes County
- ♦ Birch Hills County
- ♦ Clear Hills County
- ♦ MD of Fairview
- ♦ County of Grande Prairie
- ♦ MD of Greenview
- ♦ Mackenzie County
- ♦ County of Northern Lights
- ♦ Northern Sunrise County
- ♦ MD of Opportunity
- ♦ MD of Peace
- ♦ Saddle Hills County
- ♦ MD of Smoky River
- ♦ MD of Spirit River

District 5

Director: Kevin Wirsta (Councillor, County of St. Paul)

kwirsta@RMAAlberta.com | 780.614.5959

RMA Members

- ♦ Beaver County
- ♦ Camrose County
- ♦ MD of Bonnyville
- ♦ Flagstaff County
- ♦ Lac La Biche County
- ♦ Lamont County
- ♦ County of Minburn
- ♦ Smoky Lake County
- ♦ County of St. Paul
- ♦ MD of Provost
- ♦ Strathcona County
- ♦ County of Two Hills
- ♦ County of Vermilion River
- ♦ MD of Wainwright
- ♦ RM of Wood Buffalo



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The RMA is your trusted source for information on rural municipalities. For more information about the RMA, its members, and its priorities, please visit RMAAlberta.com.