



ALBERTA
MUNICIPAL AFFAIRS

*Office of the Minister
MLA, Calgary-Hays*

AR115137

June 7, 2024

Her Worship Jackie Clayton
Mayor
City of Grande Prairie
PO Bag 4000
Grande Prairie AB T8V 6V3

Dear Mayor Clayton:

Thank you for your letter of May 17, 2024, regarding the Local Government Fiscal Framework (LGFF) capital funding formula, as well as the letters of support from the towns of Sexsmith and Wembley, and the County of Grande Prairie. I appreciate you, and the neighbouring municipalities of Grande Prairie, taking time to articulate your positions on incorporating data on capital assets owned by municipally controlled corporations into the LGFF funding calculations.

The LGFF formula has been designed to strike a balance between the needs of diverse municipalities in Alberta while maintaining transparency of the calculation methodology and using publicly available data. As outlined in the briefing note you provided, financial information of municipally controlled corporations, such as Aquatera Utilities Inc., is not submitted to Municipal Affairs as part of audited financial reporting required annually from municipalities.

Municipally controlled corporations also operate and manage infrastructure in a different manner than municipalities, including seeking to make a profit, which also poses challenges for including them in the formula.

The LGFF capital funding formula has been set. However, Municipal Affairs is committed to continuing to work with Alberta Municipalities and Rural Municipalities of Alberta to evaluate the data used in the model and explore potential options for improving data quality if required. I have asked Ethan Bayne, Assistant Deputy Minister, Municipal Assessment and Grants, Municipal Affairs, to meet with your officials to discuss your concerns.

The office of Mr. Bayne will contact your administration, and the administrations of the towns of Sexsmith and Wembley, and the County of Grande Prairie, to arrange a suitable time for the meeting.

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Thank you again for writing.

Sincerely,



Ric McIver
Minister

cc: Nolan Dyck, MLA, Grande Prairie
Ron Wiebe, MLA, Grande Prairie-Wapiti
Her Worship Kate Potter, Mayor, Town of Sexsmith
His Worship Kelly Peterson, Mayor, Town of Wembley
Bob Marshall, Reeve, County of Grande Prairie
Shane Bourke, City Manager, City of Grande Prairie
Rachel Wueschner, Chief Administrative Officer, Town of Sexsmith
Noreen Zhang, Chief Administrative Officer, Town of Wembley
Joulia Whittleton, County Manager, County of Grande Prairie
Ethan Bayne, Assistant Deputy Minister, Municipal Affairs