

# Asset Management and Municipal Grants Update

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JD Kliewer  
Director, Policy & Strategy  
Alberta Municipal Affairs

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## Agenda

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1. Asset Management Survey
2. Municipal Stimulus Program
3. Municipal Operating Support Transfer
4. Other Grants

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## Asset Management Survey

- Developed to fulfill reporting requirements of the Federal Gas Tax Fund
- Third annual survey
- Goal: continued progress in asset management
- Survey was online from Jan 13 – Feb 7, 2020
- Response rate was 56 per cent

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## Survey Results

- Strong representation of municipality types

Municipality Type	Potential Respondents	Eligible Response Count	Response Rate
City	19	12	63%
Town	106	70	66%
Village	84	43	51%
Summer Village	51	15	29%
Municipal District	63	46	73%
Other Rural Municipality	19	5	26%
Specialized Municipality	6	1	17%
Metis Settlement	8	3	38%
Special Area	1	0	0%
Improvement District	3	1	33%
Townsite of Redwood Meadows	1	0	0%
<b>Total</b>	<b>342</b>	<b>191</b>	<b>56%</b>

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## Survey Results

- Asset management is progressing across Alberta

	Municipalities have made someone responsible for asset management	Municipal staff are trained in asset management
2017	37%	27%
2018	43%	34%
2019	49%	40%

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## Survey Results

- Asset management is growing across Alberta

	Municipalities have council approved AM policies	Municipalities have systems or tools to manage AM information
2017	23%	50%
2018	34%	62%
2019	43%	69%

- 72 per cent of respondents have initiated or implemented asset management strategies

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## Survey Results

- Asset inventories – full or partial

Responses	2019					
	Urban	%	Rural	%	Total	%
Buildings	128	93%	48	94%	176	94%
Roads and bridges	126	92%	47	92%	173	92%
Machinery, equipment and vehicles	122	89%	50	98%	172	91%
Wastewater	118	86%	43	84%	161	86%
Water	114	83%	44	86%	158	84%
Sport and recreational infrastructure	103	75%	32	63%	135	72%
Solid waste	59	43%	30	59%	89	47%
Cultural and tourism infrastructure	65	47%	22	43%	87	46%
Public transit and airports	26	19%	15	29%	41	22%
Other	11	8%	7	14%	18	10%
<b>Total Respondents</b>	<b>188</b>					

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## Survey Results

- 47% consider risks of natural disasters
- 37% consider climate change
- Lack of resources (i.e. time) is the primary barrier to asset management
  - 86% of respondents identified insufficient time to work on asset management as the primary challenge
  - 14% said there was no perceived benefit to municipalities
  - 9% said there was a lack of buy-in from council

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## Survey Results

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- Some important urban and rural differences
  - 63% of rural municipalities said staff are trained in asset management (31% of urban municipalities)
  - 92% of urban municipalities maintain asset management information in a GIS system (64% of rural municipalities)
  - 33% of rural municipalities have a formalized asset management plan (16% of urban municipalities)

## Municipal Stimulus Program (MSP)

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- Part of Alberta's Recovery Plan
- \$500 million in capital funding to stimulate the economy and create local jobs
- Designed to encourage new infrastructure projects in 2020 and 2021, not displace already planned infrastructure funding

## Municipal Stimulus Program (MSP)

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- Municipalities must attest that the project would not have proceeded without the funding
- MSP funds must be spent by end of 2021
- Municipalities must commit to reducing red tape
  - Further details to be made available soon
- Projects must not result in municipal tax increases
  - This includes municipal capital contribution and operating costs of resulting asset

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## Municipal Operating Support Transfer (MOST)

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- Municipal operating funding provided under the Canada-Alberta Safe Restart Agreement
- \$606 million of total funding available
  - \$140 million dedicated to public transit
  - \$10 million for tourism communities (Banff, Jasper, Canmore)
  - \$426 million in general operating funding
  - \$30 million previously allocated as MSI Operating

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## Municipal Operating Support Transfer (MOST)

- Very broad eligibility, but must be COVID-related
- Can be used to fund incremental expenditures or cover revenue reductions
- No application required – payments will begin once agreements are executed

## Other Grants

- Municipal Sustainability Initiative (MSI)
  - \$993 million in 2020-21, including \$30 million MSI Operating
  - Asset management software is eligible under MSI Capital
  - Will be replaced with the Local Government Fiscal Framework (LGFF) in 2022-23
  - Government intends to begin LGFF engagement with municipalities soon
  - Engagement will cover allocation formula and program design

## Other Grants

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- Federal Gas Tax Fund (GTF)
  - \$244 million in 2020-21
  - Asset management costs are eligible
  - Requires Alberta to measure progress in municipal asset management planning
  - Current agreement continues through 2023-24, but program expected to continue beyond 2023-24

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# Questions?

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[jd.kliewer@gov.ab.ca](mailto:jd.kliewer@gov.ab.ca)



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