



BUDGET MEETING

Date: March 23, 2023

Time: 5:00 pm

Location: Council Chambers 1606 14 Street

Pages

1.	<u>CALL TO ORDER</u>	
2.	<u>ADOPTION OF THE AGENDA</u>	
3.	<u>2023 OPERATING BUDGET</u>	
3.1	Summary of Changes to the 2023 Operating Budget	2
3.2	2 Year Budget Comparison by Department	3
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4.	<u>ADJOURNMENT</u>	

TOWN OF DIDSBURY 2023 OPERATING BUDGET
Summary of Changes throughout the 2023 Operating Budget Process

TAX REVENUES (Draft Budget December 3, 2022) **\$ 5,713,023**

Add:

Christmas Light Hanging/Removal Contract Services	\$	12,500	
Municipal Intern Net Costs	\$	12,444	\$ 24,944

Less:

Removal of CAO Admin Support	\$	(87,831)	
STARS Air Ambulance Donation	\$	(10,140)	\$ (97,971)

TAX REVENUES (Draft Budget December 13, 2022) **\$ 5,639,996**

Add:

Transfer to Capital (20th St Mill & Overlay)	\$	300,000	\$ 300,000
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Less:

Roads R&M	\$	(250,000)	
Sidewalks R&M	\$	(80,000)	
Removal of 1 FTE PW (total)	\$	(94,070)	
add back portion charged to utility departments	\$	44,480	\$ (379,590)

TAX REVENUES (Draft Budget January 10, 2023) **\$ 5,560,406**

Add:

Community hall net costs	\$	12,000	\$ 12,000
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Less:

Fund 20th Street Mill & Overlay with Grants	\$	(300,000)	
Additional MSI Operating	\$	(172,904)	
Salary and benefits net reductions	\$	(22,982)	\$ (495,886)

TAX REVENUES (Draft Budget March 23, 2023) **\$ 5,076,520**

TAX REVENUES (APPROVED 2022 Operating Budget) **\$ 4,923,996**

Difference **\$ 152,524**

3.1%

Two Year Budget Comparison

REVENUES and EXPENDITURES by DIVISION

	2023	2022	Variance	
	Draft Budget	Approved Budget	\$	%
<i>Revenue - by division</i>				
Council	30,000	30,000	-	0%
General Municipal Revenue	1,055,000	955,000	100,000	10%
General Government	314,571	209,737	104,834	50%
Protective Services				
RCMP	385,764	437,764	(52,000)	-12%
Fire Department	247,239	247,386	(147)	0%
Municipal Enforcement	56,000	65,000	(9,000)	-14%
	689,003	750,150	(61,147)	-8%
Community Services				
FCSS	173,984	174,984	(1,000)	-1%
DOSCA	207,630	201,000	6,630	3%
Didsbury Neighborhood Place	39,525	34,298	5,227	15%
	421,139	410,282	10,857	3%
Recreation & Community Facilities				
Arena	425,075	411,906	13,169	3%
Aquatics	432,975	415,806	17,169	4%
Ice Plant	-	109,500	(109,500)	-100%
Curling Rink	35,000	33,500	1,500	4%
Parks	24,250	60,239	(35,989)	-60%
MPR	9,000	6,000	3,000	50%
Concession	12,000	10,000	2,000	20%
Train Station	10,000	10,000	-	0%
Memorial Complex	10,000	15,000	(5,000)	-33%
Campground	68,000	60,000	8,000	13%
Community hall	3,000	-	3,000	-
Other community facilities	-	-	-	-
	1,029,300	1,131,951	(102,651)	-9%
Engineering & Infrastructure				
Roads and Streets	78,400	112,400	(34,000)	-30%
Cemetery	27,000	27,000	-	0%
	105,400	139,400	(34,000)	-24%
Utilities				
Water Utility	2,003,433	1,830,483	172,950	9%
Wastewater Utility	728,401	669,358	59,043	9%
Solid Waste Utility	568,280	516,091	52,189	10%
	3,300,114	3,015,932	284,182	9%
Planning and Economic Development				
Planning and Development	124,500	124,501	(1)	0%
Economic Development	38,000	50,000	(12,000)	-24%
Subdivision	240,595	240,594	1	0%
	403,095	415,095	(12,000)	-3%
External Service Organizations				
Library	117,632	115,907	1,725	1%
	117,632	115,907	1,725	1%
Total Operating Revenues	\$ 7,465,254	\$ 7,173,454	\$ 291,800	4%

Two Year Budget Comparison

REVENUES and EXPENDITURES by DIVISION

	2023	2022	Variance	
	Draft Budget	Approved Budget	\$	%
<i>Expenditures - by division</i>				
Council	295,572	298,358	(2,786)	-1%
General Government	639,623	781,706	(142,083)	-18%
Communications and Community Relations	194,880	181,034	13,846	8%
Protective Services				
RCMP	926,775	802,555	124,220	15%
Fire Department	626,310	609,100	17,210	3%
Municipal Enforcement	393,234	371,055	22,179	6%
	1,946,319	1,782,710	163,609	9%
Community Services				
FCSS	253,553	250,787	2,766	1%
DOSCA	207,630	201,000	6,630	3%
Didsbury Neighborhood Place	39,525	34,298	5,227	15%
	500,708	486,085	14,623	3%
Recreation & Community Facilities				
Arena	796,497	741,930	54,567	7%
Aquatics	841,738	794,820	46,918	6%
Ice Plant	-	109,500	(109,500)	-100%
Curling Rink	154,618	142,895	11,723	8%
Parks	355,220	349,850	5,370	2%
MPR	43,480	43,050	430	1%
Concession	4,500	4,500	-	0%
Train Station	57,547	41,720	15,827	38%
Memorial Complex	229,180	226,168	3,012	1%
Campground	76,353	81,114	(4,761)	-6%
Community hall	23,750	-	23,750	-
Other community facilities	17,171	34,810	(17,639)	-51%
	2,600,054	2,570,357	29,697	1%
Engineering & Infrastructure				
Roads and Streets	1,805,358	1,682,115	123,243	7%
Cemetery	76,840	73,780	3,060	4%
	1,882,198	1,755,895	126,303	7%
Emergency Management	35,973	37,305	(1,332)	-4%
Utilities				
Water Utility	2,003,433	1,830,483	172,950	9%
Wastewater Utility	728,401	669,358	59,043	9%
Solid Waste Utility	568,280	516,091	52,189	10%
	3,300,114	3,015,932	284,182	9%
Planning and Economic Development				
Planning and Development	395,560	353,647	41,913	12%
Economic Development	175,235	258,983	(83,748)	-32%
Subdivision	240,595	240,594	1	0%
	811,390	853,224	(41,834)	-5%
External Service Organizations				
Museum	31,500	31,650	(150)	0%
Library	303,443	303,194	249	0%
	334,943	334,844	99	0%
Total Operating Expenditures	\$ 12,541,774	\$ 12,097,450	\$ 444,324	4%
Net Municipal Taxation (Tax Revenues)	\$ 5,076,520	\$ 4,923,996	152,524	3%
NET Surplus/Deficit	\$ -	\$ -	-	-

Two Year Budget Comparison

NET SURPLUS by DIVISION

<i>Net Surplus - by division</i>	2023	2022	Variance	
	Draft Budget	Approved Budget	\$	%
Council	(265,572)	(268,358)	(2,786)	-1%
General Municipal Revenue	1,055,000	955,000	(100,000)	-10%
General Government	(325,052)	(571,969)	(246,917)	-43%
Communications and Community Relations	(194,880)	(181,034)	13,846	8%
Protective Services				
RCMP	(541,011)	(364,791)	176,220	48%
Fire Department	(379,071)	(361,714)	17,357	5%
Municipal Enforcement	(337,234)	(306,055)	31,179	10%
	(1,257,316)	(1,032,560)	224,756	22%
Community Services				
FCSS	(79,569)	(75,803)	3,766	5%
DOSCA	-	-	-	-
Didsbury Neighborhood Place	-	-	-	-
	(79,569)	(75,803)	3,766	5%
Recreation & Community Facilities				
Arena	(371,422)	(330,024)	41,398	13%
Aquatics	(408,763)	(379,014)	29,749	8%
Ice Plant	-	-	-	-
Curling Rink	(119,618)	(109,395)	10,223	9%
Parks	(330,970)	(289,611)	41,359	14%
MPR	(34,480)	(37,050)	(2,570)	-7%
Concession	7,500	5,500	(2,000)	36%
Train Station	(47,547)	(31,720)	15,827	50%
Memorial Complex	(219,180)	(211,168)	8,012	4%
Campground	(8,353)	(21,114)	(12,761)	-60%
Community hall	(20,750)	-	20,750	-
Other community facilities	(17,171)	(34,810)	(17,639)	-51%
	(1,570,754)	(1,438,406)	132,348	9%
Emergency Management	(35,973)	(37,305)	(1,332)	-4%
Engineering & Infrastructure				
Roads and Streets	(1,726,958)	(1,569,715)	157,243	10%
Cemetery	(49,840)	(46,780)	3,060	7%
	(1,776,798)	(1,616,495)	160,303	10%
Utilities				
Water Utility	-	-	-	-
Wastewater Utility	-	-	-	-
Solid Waste Utility	-	-	-	-
	-	-	-	-
Planning and Economic Development				
Planning and Development	(271,060)	(229,146)	41,914	18%
Economic Development	(137,235)	(208,983)	(71,748)	-34%
Subdivision	-	-	-	-
	(408,295)	(438,129)	(29,834)	-7%
External Service Organizations				
Museum	(31,500)	(31,650)	(150)	0%
Library	(185,811)	(187,287)	(1,476)	-1%
	(217,311)	(218,937)	(1,626)	-1%
Net Municipal Taxation (Tax Revenues)	\$ 5,076,520	\$ 4,923,996	\$ (152,524)	3%
NET Surplus/Deficit	\$ -	\$ -	\$ -	-

Two Year Budget Comparison

NET SURPLUS by DEPARTMENT

	2023			2022	Variance	
	Budgeted Revenues	Budgeted Expenditures	DRAFT Budget Surplus/Deficit	Budgeted Surplus/Deficit	\$	%
Net Municipal Taxation	5,076,520	-	5,076,520	4,923,996	152,524	3%
General Municipal Revenue	1,055,000	-	1,055,000	955,000	100,000	10%
Council	30,000	295,572	(265,572)	(268,358)	2,786	-1%
General Government	314,571	639,623	(325,052)	(571,969)	246,917	-43%
Communications and Community Relations	-	194,880	(194,880)	(181,034)	(13,846)	8%
Protective Services	689,003	1,946,319	(1,257,316)	(1,032,560)	(224,756)	22%
Community Services	421,139	500,708	(79,569)	(75,803)	(3,766)	5%
Recreation & Community Facilities	1,029,300	2,600,054	(1,570,754)	(1,438,406)	(132,348)	9%
Emergency Management	-	35,973	(35,973)	(37,305)	1,332	-4%
Engineering & Infrastructure	105,400	1,882,198	(1,776,798)	(1,616,495)	(160,303)	10%
Utilities	3,300,114	3,300,114	-	-	-	-
Planning and Economic Development	403,095	811,390	(408,295)	(438,129)	29,834	-7%
External Service Organizations	117,632	334,943	(217,311)	(218,937)	1,626	-1%
	\$12,541,774	\$12,541,774	\$ -	\$ -	\$ -	-

Two Year Budget Comparison

by OBJECT

	2023	2022	Budget Variance	
	draft Budget	Approved Budget	\$	%
Revenue				
Net municipal taxation (Tax Revenues)	\$ 5,076,520	\$ 4,923,996	\$ 152,524	3%
Utility user charges	3,242,114	2,960,432	281,682	10%
Government operating grants	1,434,498	1,282,233	152,265	12%
Sales and user fees	1,174,547	1,303,693	(129,146)	-10%
Lot sales	240,595	240,595	-	0%
Franchise fees	890,000	815,000	75,000	9%
Penalties	101,000	102,000	(1,000)	-1%
Fine revenue	22,500	22,500	-	0%
Licence fees	56,000	58,000	(2,000)	-3%
Permit fees	72,000	72,000	-	0%
Investment income	75,000	50,000	25,000	50%
Other revenue	37,000	40,000	(3,000)	-8%
From reserve	120,000	227,001	(107,001)	-47%
Total - Revenue	\$ 12,541,774	\$ 12,097,450	\$ 444,324	4%
Expenditures				
Salaries and benefits	\$ 4,653,120	\$ 4,277,560	\$ 375,560	9%
Training, conferences and travel	137,855	143,973	(6,118)	-4%
Memberships	26,285	24,155	2,130	9%
Advertising and printing	70,475	107,125	(36,650)	-34%
Professional services	229,800	308,420	(78,620)	-25%
Contracted services	782,710	936,576	(153,866)	-16%
Contracted Municipal Policing	655,000	539,000	116,000	22%
Telecommunications	234,315	225,237	9,078	4%
General supplies	465,050	447,550	17,500	4%
Cost of Water	1,050,000	916,250	133,750	15%
Repairs and maintenance	687,813	724,250	(36,437)	-5%
Utilities	800,185	720,150	80,035	11%
Insurance	189,058	171,870	17,188	10%
Leases	64,687	66,670	(1,983)	-3%
Bank charges and short term interest	12,900	12,900	-	0%
Write off	6,000	5,500	500	9%
Interest on long term debt	82,748	101,928	(19,180)	-19%
Long term debt repaid	563,683	544,505	19,178	4%
Grants and other payments to organizations	581,598	584,258	(2,660)	0%
To capital	10,937	3,500	7,437	212%
To reserve	1,237,555	1,236,073	1,482	0%
Total - Expenditures	\$ 12,541,774	\$ 12,097,450	\$ 444,324	4%
Net Revenue over Expenditures	\$ -	\$ -	\$ -	-
Non-Cash Adjustments				
Amortization	2,246,584	2,308,330	(61,746)	-3%
Gain(loss) on disposal of assets	-	-	-	-
Contributed assets	-	-	-	-
add back: Amortization	(2,246,584)	(2,308,330)	61,746	-3%
Net Impact for Budget Purposes	\$ -	\$ -	\$ -	-

Net Municipal Taxation

TAX REVENUES

	2023	2022	2021	2020	2019
	draft Budget	Approved Budget	Approved Budget	Approved Budget	Approved Budget
Net Municipal Taxation (Tax Revenues)	\$ 5,076,520	\$ 4,923,996	\$ 4,727,454	\$ 4,676,174	\$ 4,837,046
	\$ 152,524	\$ 196,542	\$ 51,280	\$ (160,872)	\$ (85,229)
<i>Percent Increase/decrease over prior year</i>	3.1%	4.2%	1.1%	-3.3%	-1.7%

Scenario 1A: Tax Revenues: \$5,076,520 (3% increase to tax revenues); Tax Split: 85.6% Residential; 14.4% Non-Residential

		Assessment				Municipal Taxes				
		2022	2023			2022	2023	\$ Increase per year	\$ Increase per month	% Increase
RESIDENTIAL	House 1	\$ 155,020	\$ 173,870			\$ 1,244	\$ 1,282	\$ 38	\$ 3	3.1%
	House 2	\$ 223,300	\$ 248,190			\$ 1,792	\$ 1,830	\$ 38	\$ 3	2.1%
	House 3	\$ 249,120	\$ 281,870			\$ 1,999	\$ 2,078	\$ 79	\$ 7	4.0%
	House 4	\$ 262,160	\$ 293,650			\$ 2,103	\$ 2,165	\$ 61	\$ 5	2.9%
	House 5	\$ 358,010	\$ 397,780			\$ 2,873	\$ 2,932	\$ 60	\$ 5	2.1%
	House 6	\$ 458,020	\$ 509,540			\$ 3,675	\$ 3,756	\$ 81	\$ 7	2.2%
	House 7	\$ 588,450	\$ 652,990			\$ 4,722	\$ 4,814	\$ 92	\$ 8	2.0%
NON-RESIDENTIAL	Property 1	\$ 119,160	\$ 125,570			\$ 1,078	\$ 1,084	\$ 6	\$ 0	0.5%
	Property 2	\$ 355,150	\$ 387,230			\$ 3,213	\$ 3,342	\$ 129	\$ 11	4.0%
	Property 3	\$ 508,090	\$ 550,240			\$ 4,597	\$ 4,749	\$ 153	\$ 13	3.3%
	Property 4	\$ 630,620	\$ 667,710			\$ 5,705	\$ 5,763	\$ 58	\$ 5	1.0%
	Property 5	\$ 768,050	\$ 845,940			\$ 6,948	\$ 7,302	\$ 353	\$ 29	5.1%
	Property 6	\$ 1,174,540	\$ 1,272,670			\$ 10,626	\$ 10,985	\$ 359	\$ 30	3.4%
	Property 7	\$ 1,658,150	\$ 1,779,600			\$ 15,001	\$ 15,360	\$ 359	\$ 30	2.4%

MSI OPERATING GUIDELINES

(Excerpt from Municipal Sustainability Initiative Operating Program Guidelines – 2022)

7.2) Eligible Expenditures

MSI operating funding must be used for the purpose of providing good government, providing services, facilities or other items that are necessary or desirable for all or part of the municipality, or to develop and maintain safe and viable communities. Expenditures must clearly align with the objectives and criteria set out in these guidelines (see Schedule 1 for a list of eligible expenses).

Allocations for the 2022 program year must be spent on qualifying operating expenses incurred after January 1, 2022.

Effective January 1, 2019, municipalities are no longer required to submit an annual operating spending plan to Municipal Affairs outlining its plans for the expenditure of its program year annual allocation and any carry-forward funding. However, all other MSI operating program rules surrounding expenditures remain the same.

Municipalities must plan to spend all available funding within the current program year. If a municipality is unable to spend their current year's allocation as planned, unexpended funds can be carried forward and must be used in the next calendar year.

It is important that municipalities keep a record of spending details, as reporting of actual expenditures by functional category will be required on the SFE for the program reporting year. To ensure that grant funds are properly aligned with qualifying expenditures, Municipal Affairs may require municipalities to provide a detailed accounting of plans for spending the grant or what the grant has funded.



Schedule 1: Government-wide Objectives, Functional Categories and Eligible Expenses

Government-wide Objectives

The four government-wide objectives (GWOs) for municipal grant funding are:

1. to support initiatives that promote the viability and long-term sustainability of municipalities;
2. to support the maintenance of safe, healthy and vibrant communities;
3. to support the development and maintenance of core municipal infrastructure to meet existing and changing municipal needs; and
4. to support capacity building within municipalities.

Functional Categories and Eligible Expenses

MSI operating funding is reported by functional categories under the GWOs. A functional category is an area of municipal operations to which operating funding can be applied. Eligible expenses under each of the functional categories are outlined in the tables below. Ineligible expenses are outlined in Schedule 2.

The eligible expenses listed in the tables are commonly supported expenses, but the lists are not exhaustive. Definitions of terms used in the tables can be found in Schedule 3 – Glossary.

GWO #1: To support initiatives that promote the viability and long-term sustainability of municipalities.

Functional Category	Eligible Expenses
<p>General Administration¹</p> <p>Activities that provide for the overall operation of the municipality and are common to, or affect all of the services provided by, the municipality</p> <p>Eligible expenses under this category are limited to those activities that increase the efficiency or effectiveness of overall municipal operations</p>	<ul style="list-style-type: none"> • Shared administrative staff. • Contracted administrative services as part of a joint initiative. • Municipal association memberships. • Computer hardware and software, including: <ul style="list-style-type: none"> – Peripherals such as printers and scanners; – Geographic information systems; – Technology support expenses; – Telephone systems; – Website development; – Organizational reviews; and – Contracted or purchased data gathering.
<p>Governance</p> <p>Activities that support the ongoing management of the municipality through its elected officials</p>	<ul style="list-style-type: none"> • Councillor training.² • Exploring opportunities for regional cooperation. • E-council initiatives.

¹ Repair and maintenance of administration buildings falls under the functional category Municipal Buildings and Facilities under GWO #2.

² Some exceptions apply. See Schedule 2 for details.



Planning³and Development Activities that contribute to land-use planning, integrated community sustainability planning, or to the economic diversification of the municipality	<ul style="list-style-type: none">• Operating support for regional planning commissions and municipal planning departments.• Contracted planning services.• Salaries, wages and benefits for planning staff.• Development of:<ul style="list-style-type: none">– Statutory plans (MGA Sections 631-638);– Municipal and intermunicipal development plans;– Area structure plans;– Area redevelopment plans;– Sustainability plans;– Land-use and development plans;– By-law reviews and updates;– Agricultural development plans;– Regional plans;– Economic development and diversification initiatives;– Agricultural development such as education and promotional initiatives;– Small capital purchases/acquisitions;– Data gathering; and– Hosting, rental, travel and accommodation expenses for events.⁴
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3 Planning related to a specific municipal function or service should be categorized under that service (e.g., the development of an affordable housing strategy would be categorized under GWO #2 – Housing.)

4 Some exceptions apply. See Schedule 2 for details.

GWO #2: To support the maintenance of safe, healthy and vibrant communities.

Functional Category	Eligible Expenses
<p>Culture</p> <p>Activities that support and promote the development of arts and culture within the municipality</p>	<ul style="list-style-type: none"> • Operating support for municipal and non-profit facilities and programs in the arts and heritage, community halls, museums, community fairs, rodeos and festivals. • Contracted culture services. • Non-profit and/or shared municipal staff salaries, wages, and benefits. • Small capital purchases/acquisitions. • Hosting, rental, travel and accommodation expenses for events.⁵ • Plans or feasibility studies related to culture.
<p>Children and Family Services</p> <p>Activities that support social programming for people in need, children, families, and seniors</p>	<ul style="list-style-type: none"> • Operating support for municipal and non-profit facilities that house family counselling, parent and child development programs, youth and seniors' drop-in centres, facility-based child care. • Operating support for cemeteries and crematoriums. • Contracted children and family services. • Non-profit and/or shared municipal staff salaries, wages and benefits. • Small capital purchases/acquisitions. • Physician retention initiatives. • Plans or feasibility studies related to children and family services. • Hosting, rental, travel and accommodation expenses for events.⁶

⁵ Some exceptions apply. See Schedule 2 for details.

⁶ Some exceptions apply. See Schedule 2 for details.

Environmental Sustainability Activities that support the protection of the environment	<ul style="list-style-type: none"> • Building retrofits that improve energy efficiency of current operations. • Exploration of renewable and alternative energy projects. • Environmentally sustainable planning strategies. • Emissions inventories and energy audits. • Environmental education and awareness initiatives. • Hosting, rental, travel, and accommodation expenses for events.⁷ • Non-profit and/or shared municipal staff salaries, wages, and benefits.
Housing Activities that support affordable housing and supportive living options for seniors, low-income families, and those with special needs	<ul style="list-style-type: none"> • Operating support for municipal and non-profit assisted living facilities. • Non-profit and/or shared municipal staff salaries, wages, and benefits. • Small capital purchases/acquisitions. • Plans or feasibility studies related to affordable housing. • Hosting, rental, travel, and accommodation expenses for events.⁸
Libraries Activities that support library programming and associated facilities	<ul style="list-style-type: none"> • Operating support for libraries. • Contracted library services. • Salaries, wages and benefits. • Small capital purchases/acquisitions. • Support for high-speed internet and technological advancements. • Plans or feasibility studies related to libraries. • Hosting, rental, travel, and accommodation expenses for events.⁹
Municipal Buildings and Facilities Buildings and facilities that are necessary to the overall operation of the municipality and that are common to the services provided by the municipality	<ul style="list-style-type: none"> • Repairs and maintenance¹⁰ of administration buildings. • Operating support for public works shops, municipally owned staff accommodations, public wharves, and other beach infrastructure and municipally owned gas, and electrical utility systems. • Small capital purchases/acquisitions. • Shared municipal staff salaries, wages, and benefits. • Contracted services. • Fuel and maintenance for public works equipment, and other equipment used to maintain municipal infrastructure.

⁷ Some exceptions apply. See Schedule 2 for details.

⁸ Some exceptions apply. See Schedule 2 for details.

⁹ Some exceptions apply. See Schedule 2 for details.

¹⁰ See expanded definition of maintenance in Schedule 3 – Glossary.

<p>Parks, Sport and Recreation</p> <p>Activities related to the development and operation of facilities and related programming for recreational opportunities such as sports and parks</p>	<ul style="list-style-type: none"> • Operating support for municipal and non-profit playgrounds, arenas, swimming pools, beaches, golf courses, skating and curling rinks, skateboard parks, ski areas, baseball and softball diamonds, sports fields, campgrounds, gymnasiums, and community parks and trails. • Contracted parks, sport, and recreation services. • Non-profit and/or shared municipal staff salaries, wages, and benefits. • Small capital purchases/acquisitions. • Contributions to recreation boards. • Hosting, rental, travel and accommodation expenses for events.¹¹ • Plans or feasibility studies related to parks, sport, and recreation.
<p>Public Security and Safety</p> <p>Activities related to the reduction of crime and the promotion of safe and secure communities</p>	<ul style="list-style-type: none"> • Operating support for police, fire, ambulance, and bylaw enforcement service facilities. • Non-profit and/or shared municipal staff salaries, wages, and benefits. • Small capital purchases/acquisitions. • Contracted protective services. • Fuel and maintenance of protective and emergency services vehicles. • Small and specialized equipment purchases. • Non-profit and/or shared municipal staff salaries, wages, and benefits. • Plans or feasibility studies related to public security and safety. • Hosting, rental, travel and accommodation expenses for events.¹²

¹¹ Some exceptions apply. See Schedule 2 for details.

¹² Some exceptions apply. See Schedule 2 for details.

GWO #3: To support the development and maintenance of core municipal infrastructure to meet existing and changing municipal needs.

Functional Category	Eligible Expenses
Airports Activities related to air transportation services	<ul style="list-style-type: none"> • Operating support for airports and related infrastructure such as lighting and signage. • Contracted airport services. • Non-profit and/or shared municipal staff salaries, wages, and benefits. • Small capital purchases/acquisitions. • Plans or feasibility studies related to airports.
Infrastructure Management Activities that support systematic infrastructure planning and management	<ul style="list-style-type: none"> • Purchase of and support for infrastructure management systems such as Municipal Infrastructure Management System (MIMS). • Software related to the management of tangible capital assets (TCA). • Purchase of infrastructure data or contracted data gathering. • Development of master infrastructure management plans.
Public Transit Activities related to the provision of public transit services	<ul style="list-style-type: none"> • Operating support for municipal and non-profit transit vehicles, service buildings, garages, handi-buses, and accessible public transit. • Contracted transit services. • Non-profit and/or shared municipal staff salaries, wages, and benefits. • Small capital purchases/acquisitions. • Transit feasibility and implementation studies.
Roads and Bridges Activities related to the construction and maintenance of roadways, bridges, and related structures	<ul style="list-style-type: none"> • Maintenance¹³ of roadways, bridges, sidewalks, commuter bikeways, lighting, and related maintenance equipment, including contracted road maintenance services. • Non-profit and/or shared municipal staff salaries, wages, and benefits. • Traffic management studies. • Plans or studies related to roadway systems. • Small capital purchases/acquisitions. • Dust control programs.

¹³ See expanded definition of maintenance in Schedule 3 - Glossary.

<p>Solid Waste Management</p> <p>Activities related to the collection and management of garbage and other waste material</p>	<ul style="list-style-type: none"> • Operating support for sanitary landfill sites, incinerators or other plants and material recovery facilities. • Contracted solid waste management services. • Non-profit and/or shared municipal staff salaries, wages, and benefits. • Fuel and maintenance of trucks and other equipment used for collection, disposal, and recycling. • Small capital purchases/acquisitions. • Operating support for regional waste management services commissions.
<p>Wastewater</p> <p>Activities related to the collection or removal, treatment, and disposal of sanitary wastewater</p>	<ul style="list-style-type: none"> • Waste management plans and studies. • Operating support for sanitary wastewater and combined sanitary-storm water systems, lagoons, plant and equipment, public comfort stations, catch basins, manholes, and booster stations. • Contracted wastewater services. • Non-profit and/or shared municipal staff salaries, wages, and benefits. • Reclamation of sludge areas. • Operating support for regional wastewater services commissions. • Wastewater plans and studies. • Small capital purchases/acquisitions.
<p>Water</p> <p>Activities related to acquiring, treating, and supplying water</p>	<ul style="list-style-type: none"> • Purchase of water supply. • Operating support for facilities and lines. • Operating support for regional water services commissions. • Contracted water services. • Non-profit and/or shared municipal staff salaries, wages, and benefits. • Water and conservation plans and studies. • Water meter replacement. • Small capital purchases/acquisitions.

GWO #4: To support capacity building within municipalities.

Functional Category	Eligible Expenses
Municipal Careers Activities that support the retention and attraction of skilled employees of local governments.	<ul style="list-style-type: none">• Consultant fees for succession planning.• Municipal career promotion initiatives.• Advertising and promotional materials related to recruitment.• Contracting a recruiting firm.
Staff Development Activities that support the development of municipal staff.	<ul style="list-style-type: none">• Tuition, books, and travel expenses or consultant fees for training or courses related to current and future employment and occupational health and safety.¹⁴
Volunteer Development Activities that promote the development of the non-profit and voluntary sector.	<ul style="list-style-type: none">• Tuition, books, and travel expenses or consultant fees for volunteer training or courses.¹⁵

¹⁴ Some exceptions apply. See Schedule 2 for details.

¹⁵ Some exceptions apply. See Schedule 2 for details.

Schedule 2 – Ineligible Expenses

- Salaries, wages, and benefits, including incentives for physicians under a physician retention initiative, unless they are part of a joint initiative or supporting municipal planning, libraries or non-profit organizations (see Glossary for definitions).
- Expenses related to administrative services (see Glossary for definition), unless expenses are incurred as part of a joint initiative or expenses related to activities that increase the efficiency or effectiveness of overall municipal operations.
- Rent, utilities, insurance, and property taxes on administration buildings/offices unless expenses are incurred as part of a joint initiative.
- Purchase of furniture, office equipment (excluding computer hardware, software and peripherals), appliances, and consumable supplies required to deliver administrative services unless expenses are incurred as part of a joint initiative.
- Construction or acquisition of new facilities and large fixed infrastructure, for example: land, buildings, parking structures, engineered structures, roadways, runways, bridges, lighting structures, traffic control signals, towers, stationary power generators, water and wastewater systems, storm water drainage systems, solid waste management facilities, parks, sports fields, cemeteries, crematoriums, utility systems.
- Large motor vehicles and heavy duty construction/maintenance equipment (purchases and capital leases), for example: tandem trucks, motor graders, backhoes, loaders, pavers, scrapers, bulldozers, excavators, skid steers, landfill compactors, solid waste material handlers, sanding trucks, street sweepers, gravel trucks, street snow ploughs, vacuum trucks, cranes, tractors, ice resurfacers, pickup trucks, cars, buses, aircraft, motor boats, ambulances, fire fighting vehicles, public transit vehicles.
- Payments in contradiction of the MGA, e.g., requisitions to seniors lodge management boards established by Ministerial Order and covered by Section 326(a)(v) of the MGA and Section 7 of the *Alberta Housing Act*.
- Project costs structured to be financed by an established, long term funding strategy (e.g., off-site or community revitalization levies).
- Celebratory events such as centennial celebrations, community dances, volunteer appreciation events, etc.
- Activities/projects outside Alberta, including learning opportunities.
- Religious activities.
- Political or lobbying activities.
- Expenses related to fundraising activities such as casinos and bingos.
- Legal settlements.
- Depreciation.
- Goods and Services Tax.
- Income taxes.
- Interest, loan fees, debt principal payments.
- Contributions to individuals.
- Costs funded under other grant programs.

Schedule 3 – Glossary

“Administrative services” means:

- Routine administrative functions, including corporate services, property assessment and taxation, licensing administration, municipal census-taking, budgeting and accounting, audit, and legal functions, public relations and election processes and plebiscites.
- Note that administrative services are only eligible as part of a joint initiative (see definition below).

“Betterment” means:

- The enhancement of the service potential of a capital asset, including an increase in physical output or service capacity, lowering of associated operating costs, extension of the useful life, or improvement in the quality of output.

“Contracted services” (e.g., “contracted culture services” or “contracted solid waste management services”) means:

- Contracts with other municipalities, private companies or non-profit organizations for the provision of municipal services.
- Contributions to other municipalities/municipal partnerships to support shared municipal service delivery arrangements.

“Infrastructure management system” means:

- A system used by municipal governments to record and analyze their infrastructure assets. The infrastructure assets are recorded and analyzed based on a number of characteristics, such as type (roads, bridges, and parks), age, condition and value.

“Joint initiative” means an undertaking that involves two or more municipalities. A joint initiative must meet one of the following criteria:

- it supports expenses for shared administration;
- it supports regional or intermunicipal plans or studies;
- it supports expenses related to the shared delivery of a municipal service; or
- it supports membership fees or contributions to a pre-existing regional services commission or service agreement

“Maintenance” means:

- Any routine, recurring, superficial, or cosmetic activity necessary to ensure that an asset reaches its normal design life and/or retains an acceptable appearance throughout its life. This also includes the life cycle replacement of individual parts or subcomponents of a capital asset system. This includes the rehabilitation and betterment as eligible expenses so that municipalities may use MSI operating funding on structural changes to buildings (e.g., installation of an elevator, structural changes to meet fire safety codes, building additions, etc.).

“Non-profit organization” means an organization that is:

- non-governmental (i.e., institutionally separate from governments);
- not distributing profits (i.e., does not return any profits generated to its owners or directors);
- self-governing (i.e., independent and able to regulate its own activities); and
- voluntary (i.e., benefits to some degree from voluntary contributions of time and/or money).

“Operating support” means:

- Rent, utility, insurance, technology, property tax, and repair and maintenance support for municipally owned and/or non-profit owned/operated facilities and infrastructure.
- Furniture, office equipment, appliances and telephone systems for the above.
- Computer hardware and software, including technology support expenses.

- Purchase and maintenance of consumable supplies or services required to deliver municipal services or operate assets, e.g., library books and materials, educational programming supplies, water purification and treatment supplies, gasoline, gravel, etc.
- Membership fees or contributions to a regional services commission or other eligible entity under the program for purposes consistent with these guidelines.

“Rehabilitation” means any activity intended to extend the useful life of a fixed asset beyond its original expected or design life.

“Small capital purchases/acquisitions” includes:

- hand-operated tools such as chainsaws, shovels, rakes, hoes, push lawn mowers, wastewater cameras, meter reader devices;
- electrical, mechanical or computerized systems required to maintain or operate capital assets such as security systems, water quality monitoring systems, irrigation systems, air conditioning systems, lighting and sound systems;
- lifecycle replacements of heavy equipment attachments (e.g., worn out blades);
- new attachments for heavy equipment that modify the function of the piece of equipment (e.g., blades, buckets, etc.);
- small motorized and drivable light-duty equipment (e.g., lawnmowers, sidewalk sweepers/ploughs, golf carts, power bicycles, mini-bikes, motorcycles, scooters, all-terrain vehicles, snow vehicles, etc.);
- protective equipment including uniforms, police equipment, firefighting equipment and medical equipment for EMS;
- computer peripheral equipment such as webcams, microphones, GPS units, printers, projection screens;
- benches, picnic tables, planters, portable and stationary recreation and playground equipment, waste management bins, sheds, fences;
- signage, addressing systems, poles; and
- curbs, parking lots, sidewalks, trails.

“System”

- means a group of independent but interrelated elements that share functional or structural relationships, which comprise a unified capital asset, and where the function of an independent component impacts the functioning of the entire system.

Schedule 4 – Frequently Asked Questions

1. Why are salaries ineligible for MSI operating funding?

- Administration expenses are not eligible for MSI operating funding.
- Municipalities are encouraged to direct funding towards strategic projects that will enhance long-term sustainability, rather than routine operations.
- Salaries associated with joint initiatives, planning activities, non-profit organizations or libraries remain eligible for MSI operating funding.

2. Can I use MSI operating funding to host an event?

- Projects that primarily involve hosting celebratory and commemorative events do not support the MSI program objectives of enhancing municipal sustainability and enabling municipalities to meet the demands of growth, and therefore do not qualify for MSI operating funding.
 - Examples of non-qualifying special events include parades, New Year or party celebrations, centennial celebrations, community dances, and volunteer appreciation events.
- Special events that contribute to ongoing economic, cultural or agricultural development such as rodeos, stampedes, fair/exhibits, or community festivals remain eligible for funding.
 - Qualifying project activities should relate to planning, advertising and programming rather than food, beverage and entertainment costs.
- Projects that support hosting expenses related to events that clearly align with the goals and objectives of the MSI operating program remain eligible for funding (e.g., hosting expenses related to public consultation, sustainability workshops, etc.).

3. What learning opportunities qualify for MSI operating funding?

- Workshops, courses and other learning activities directly related to municipal leadership, administration or operations and offered in Alberta qualify.
- This includes courses/workshops required for staff certification/accreditation and conferences/conventions with a specific service delivery focus.
- Where appropriate, bringing trainers directly to the community so that a number of staff and/or elected officials have access to the training or professional development opportunity also qualifies.
- Qualifying project expenses:
 - registration/tuition fees;
 - textbooks/materials not included in registration fee;
 - transportation expenses;
 - meals and accommodations; and
 - trainer fees, preparation and travel costs.
- Non-qualifying project expenses:
 - salaries/honoraria; and
 - incidental and entertainment expenses.

4. What types of economic development activities will MSI operating support?

- Eligible expenses include:
 - the purchase of computers, software, (small) business machinery, program supplies and any other equipment needed to complete economic development plans;
 - room rental, equipment rental, and the development of promotional or educational materials (handouts, brochures, presentations) related to carrying out consultations;
 - developing and compiling targeted, strategic economic development data and information to support business decision making;

- publishing an inventory of available privately owned and municipally-owned land for sale, as well as industrial and commercial buildings for sale or lease;
- developing materials for participation in tradeshow, investment seminars, special events and hosting visiting delegations (e.g., trade show banners, promotional and resource materials about the municipality);
- compiling and maintaining an inventory of government programs and services available to business such as trade missions and export opportunities (e.g., handbook or database);
- developing and presenting small business seminars;
- developing a tour and briefing to orient businesses to the geography, economy and demographics of the area;
- developing an inventory of information about the area economy including lists of major employers, manufacturers, exporters, and new industry;
- website development;
- assessing municipal policies and practices in relation to best practices for rural and agricultural development;
- developing policies that encourage rural tourism and agricultural development; and
- consultants or staff time to develop plans.

5. What types of project expenses are eligible under physician retention initiatives?

- Eligible expenses include:
 - advertising, promotional materials and costs related to recruiting prospective physicians, such as travel and accommodation costs;
 - retention committee costs, including meeting hosting costs, administrator salary, councillor honoraria, and travel costs;
 - maintenance and operational costs of medical clinics;
 - maintenance costs of housing owned by the municipality; and
 - physician salaries, benefits, and cash incentives when part of a joint initiative.

6. What restrictions apply to providing MSI operating support to seniors housing?

- Restrictions apply to management bodies established by Ministerial Order to provide seniors' lodge accommodations.
- Section 326(a)(v) of the MGA, in conjunction with Section 7 of the *Alberta Housing Act*, allows these management bodies to requisition municipalities the amount to be paid to them to provide seniors' lodge accommodations.
- Municipalities must raise the revenue for the requisition through a property tax.
- MSI funding may be used for qualifying expenses of seniors' lodge accommodations as long as the funding is not applied to the actual requisition amount.
- MSI funding can be stacked with other provincial grants to reduce qualifying expenses and planned requisitions or it can be used to fund emergent activities such as major repairs or maintenance that arise after requisitions are set and collected through property taxes.
- Municipalities may use MSI operating funds to support any qualifying project expenses associated with seniors' housing facilities that are not lodge accommodations.