

Municipal Affairs

Addendum to 2017 MSI Capital Program Guidelines

Date: March 16, 2018

MUNICIPAL SUSTAINABILITY INITIATIVE (MSI) CAPITAL – MARCH 2018 ALLOCATIONS

Through a 2017-18 Supplementary Estimate, an additional \$800 million in MSI Capital funding is being provided to Alberta's municipalities to support local infrastructure needs and priorities.

The March 2018 funding is allocated 48 per cent on a per capita basis; 48 per cent based on education property tax requisitions, and four per cent based on kilometres of local roads¹. The March 2018 funding is calculated using the same data that will be used to calculate the 2018 budget allocations.

The base funding and sustainable investment funding amounts were provided under the initial 2017 MSI funding allocation and are not included in the March 2018 allocation¹.

The March 2018 allocations are available on the MSI website.

Due to the release of the March 2018 allocations late in the fiscal year, the funding will be treated as part of municipalities' 2018 MSI Capital allocations for program delivery and reporting purposes. Additional 2018 MSI Capital funding allocations will be determined as part of Budget 2018.

1) Minimum MSI Amount for Projects

For all project applications submitted in the 2018 program year (i.e., submitted between January 1, 2018 and December 31, 2018), the total MSI-funded amount must be at least five per cent of the municipality's combined 2018 MSI Capital funding allocation (March 2018 allocation + Budget 2018 MSI Capital allocation, as determined in Budget 2018) or \$1 million, whichever is less.

2) Payment of March 2018 Funds

The March 2018 funding allocation will be combined with the 2018 MSI Capital funding budget allocation and paid through the same process and timelines.

To receive a full payment, a municipality must submit sufficient project applications to commit their entire combined 2018 MSI Capital funding allocation (March 2018 allocation + Budget 2018 MSI Capital amount), in addition to meeting standard reporting requirements. A payment of half of a municipality's allocation will be made based on submission of project applications that commit at least half of the combined funding allocation.

Payment of 2017 MSI Capital funding will not be affected by the March 2018 allocation.

3) Time Period to Use Allocated Funds

Due to the late release of the March 2018 MSI Capital allocations, municipalities will have one additional year to expend these funds. This means that the March 2018 MSI Capital funding must be expended on an accepted project before December 31, 2023.

4) Statement of Funding and Expenditures (SFEs)

To simplify the reporting process, municipalities should add the March 2018 MSI Capital funding allocation to the Budget 2018 MSI Capital funding allocation when completing their 2018 SFEs.

5) Authorization of March 2018 Allocations

This funding is subject to the Alberta Legislature approval of the 2017-18 Supplementary Estimate.

The March 2018 MSI Capital funding is subject to all other program requirements that will be outlined in the *2018 MSI Program Guidelines*, and all conditions of the long-term MSI Memorandum of Agreement.

If you require additional information, please contact a Grant Advisor in the Grants and Education Property Tax Branch toll-free at 310-0000, then 780-427-7125.

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¹ Improvement District No. 349, Elizabeth Métis Settlement and Fishing Lake Métis Settlement are exceptions. Allocations for these three local governments have been calculated to align with the new approach for meeting the needs of local governments in the Improvement District No. 349 region, and have no impact on funding allocations for other municipalities.

Out of date