

2018

Municipal Indicator Results



Municipal Affairs, Government of Alberta

January 2020

2018 Municipal Indicator Results

ISBN 978-1-4601-4627-9

For more information regarding this content visit: <https://open.alberta.ca/dataset/3e4bccf4-6758-4e4a-bfb9-f7f063b83962/resource/d3739e94-9dd4-4514-8ba3-67ca1ebff81b/download/GoA-Publications-Guideline.pdf>

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2018 Municipal Indicator Report

Introduction

The purpose of a municipality, as defined in the *Municipal Government Act (MGA)*, is to provide good government, services, facilities or other things that, in the opinion of council, are necessary or desirable for all or a part of the municipality, and to develop safe and viable communities.

Five years following the adoption and implementation of the Municipal Sustainability Strategy, it was recognized that a framework to evaluate the performance of municipalities must expand beyond measuring finances, assessment figures, and population change in the context of municipal viability.

During the development of the municipal indicators, the ministry consulted with the Rural Municipalities of Alberta, the Alberta Urban Municipalities Association, the Local Government Administration Association, the Alberta Rural Municipal Administrators' Association, and the Association of Summer Villages of Alberta to develop a more comprehensive process to evaluate municipal performance. It was determined that the new indicators should:

- evaluate the current and long-term finances of a municipality;
- examine whether a municipality is investing in maintaining infrastructure critical to the health and safety of residents; and
- assess the ability of the municipality to provide services desired by the community.

Methodology

The thirteen municipal indicators use a broad range of data collected by Municipal Affairs, including financial, governance and community indicators that are derived from:

- Information provided by Alberta municipalities annually through audited Financial Statements and Financial Information Returns.
 - Financial Information Returns are a standard set of year-end reports, which capture detailed financial information for each municipality. The Financial Information Returns mirror the information contained within the municipal audited financial statements, and standardize the information into a data format.
- Municipal election results collected in accordance with the *MGA* and the *Local Authorities Election Act*.
 - For each municipal election, the municipality is required to report all candidates' information, election results and elected official information to the ministry.
- Municipal population data as published in the annual Municipal Affairs Population List.

- Federal census counts are used as a default data source for municipal population counts. However, municipalities are enabled to conduct a municipal census if they choose, provided they follow mandatory requirements as specified in the Determination of Population Regulation and the Municipal Census Manual.
- A count of instances whereby the Minister was required to intervene because a municipality was operating in contravention of the *MGA*.

Municipal Responses

Municipalities listed in this report were given an opportunity to provide context as to why they had triggered for a particular indicator, provided that the financial information was received by Municipal Affairs before the calculation cut-off date of September 1, 2019.

On September 30, 2019, Municipal Affairs mailed letters to municipalities requesting feedback on the preliminary results, indicating that to be included in the report the feedback must be received by November 13, 2019.

The Woodlands County, the Town of Granum, the Village of Berwyn, and the Village of Champion did not send back their feedback by the required deadline and thus there is no comment along with their indicator results. The Village of Alliance submitted its financial information after the calculation cut-off date and so was not given the opportunity to provide comments on indicators.

The Town of Irricana, the Village of Arrowwood, and the Village of Cereal did not submit their financial information documents by the time of this report was prepared. Municipal Affairs was unable to report on their indicators.

2018 Performance Indicator Results

Indicator 1: Audit Outcome

The *MGA* stipulates that a municipality's financial statements must be audited. Auditors are required to indicate concerns with the ability of the municipality to meet its financial obligations, or with any significant limitations in the audit or financial statement disclosures. These types of disclosures from the auditor are rare.

Expected Result	Triggered When
The audit report does not identify a going concern, risk or denial of opinion.	The audit report identified a going concern, risk, or denial of opinion.

2018 Results:

Municipality
All municipalities met the Expected Result

Indicator 2: Minister Intervention

From time to time there are circumstances where the Minister may be required to intervene in a municipality. Typically, these interventions occur when requested by a council, through a petition, when a viability review is initiated, or where significant concerns are evident and ministerial directives need to be issued.

Expected Result	Triggered When
The municipality has not been the subject of a Municipal Affairs intervention.	The municipality has been the subject of a Municipal Affairs intervention.

2018 Results:

Municipality	Ministerial Intervention
Town of Granum	<p>MSL:006/18: Town of Granum – Monthly Report on Inspection Directives</p> <p>VR: Letter signed by Minister on November 15, 2018</p>
Village of Alix	<p>MSL:012/18: Village of Alix – Response to Ministerial Directives Issued Under MO No. MSL:121/17</p> <p><i>Municipality Response:</i></p> <p><i>MO No. MSL: 121/17 was issued November 28, 2017. The village took every step to comply with this Order immediately and exceeded the compliance dates. MO No. MSL: 012/18 is a followup item to the previous Order, directing Council to implement the approved plan and provide documentation. Again, the village met and exceeded the timelines. Because of how late in the year the original Ministerial Order occurred, and the fact that the subsequent Order was a followup, we do not believe this Indicator should place Alix in the "At Risk" category for 2018.</i></p>

Municipality	Ministerial Intervention
Village of Bawlf	VR: Letter signed by Minister on October 24, 2018 <i>Municipality Response:</i> <i>Infrastructure study being done at present.</i>
Village of Beiseker	MSL:135/15: Village of Beiseker - Approval to Allow Deficit Recovery and Request for Meeting with Minister <i>Municipality Response:</i> <i>In May, 2019 the village provided a suggested recovery period of five years after 2019 budget approval that included a manageable amount given the current economic times and financial capabilities of the village. In August 2019, the Minister ordered the deficit to be recovered by 2021. Municipal Affairs is assisting Beiseker with a two-year budget to recover the deficit (2020/21). Beiseker is concerned that forthcoming policing costs and carbon tax are examples of unknown costs that will make recovery onerous.</i>
Village of Berwyn	MSL:056/18: Village of Berwyn Ministerial Order Issuing Directives on Completion of Viability Review
Village of Champion	MSL:089/18: Completion of Village of Champion Viability Review
Village of Hines Creek	MSL:032/18: Hines Creek By-Election 2018 <i>Municipality Response:</i> <i>MO MSL:032/18 was given to council to run with a quorum of two until the 2021 General Election. Village of Hines Creek has started the process, by bylaw, to reduce the number of council members to three persons. We will be having a public hearing on November 12, 2019, prior to second and third reading of the bylaw.</i>

Municipality	Ministerial Intervention
Village of Hughenden	<p>MSL:020/18: Village of Hughenden March Directives Report</p> <p>MSL:068/18: Village of Hughenden June Directive Report</p> <p>MSL:083/17: Approval to Recover Deficit Over Three-Year Period - Village of Hughenden</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>Council for the Village of Hughenden has responded to the Minister's Directives and all reporting has been concluded and signed off. Three-year recovery plan (2018-20). 2019 is our second year under the recovery plan and significant progress has been made. Once we file our corporate financial statement for period ending December 31, 2019, the village can determine how much work needs to be accomplished in 2020 to get back in the black.</i></p>
Village of Hussar	<p>MSL:072/18: Village of Hussar Viability Review</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>October 11, 2018. Based on the information in the Village of Hussar Viability Review Plan prepared by the Viability Review Team, along with input received from the public and the Village of Hussar after the release of the plan, the Minister of Municipal Affairs decided that the Village of Hussar will remain as a municipality at this time. We are complying with all recommendations.</i></p>
Village of Innisfree	<p>MSL:095/18: Completion of the Village of Innisfree Viability Review</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>The Minister has issued three directives for the Village of Innisfree. Currently the Village is finalizing directive 2, which is creating and implementing a 10-year capital plan based off of the Infrastructure Audit. The deadline for submission of the Capital Plan is November 30. Directive 3 is to follow up with Municipal Affairs once a year. We are confident that the Viability Review should be nearing its end soon.</i></p>

Municipality	Ministerial Intervention
Village of Rycroft	<p>MSL:055/18: Village of Rycroft Ministerial Order Issuing Directives on Completion of Viability Review</p> <p>MSL:094/18: Village of Rycroft Time Extension Request for Directive 1 and 2</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>We have acted and responded to the 62 recommendations of the Viability Review Committee. They have been updated regularly on our webpage at www.rycroft.ca. We had written approval from the Municipal Affairs Deputy Minister Whittaker on May 23, 2019 on our progress, and are expected to report again by June 1, 2020. We met with Minister Madu at the AUMA conference last month and updated him on our progress. All is well.</i></p>

Multi-Year Ministerial Interventions:

Municipalities that have been issued a Ministerial Order with specific references to a multi-year corrective action are identified in the following table. These municipalities will continue to be listed until the municipality has received notification that the directives issued have been met.

Municipality	Ministerial Intervention
Village of Beiseker (2015 – 2019)	MSL:135/15: Village of Beiseker - Approval to Allow Deficit Recovery

Indicator 3: Tax Base

Municipalities are typically able to rely on non-residential taxes to generate a portion of tax revenues. Non-residential properties are typically taxed at a higher rate than residential and farm properties. **Tax Base** is the percentage of total tax revenue collected from residential/farmland properties.

Expected Result	Triggered When
Residential and farmland tax revenue accounts for no more than 95 per cent of the municipality's total tax revenue.	More than 95 per cent of the municipality's tax revenue comes from residential and farmland properties.

2018 Results:

Municipality	Result
Village of Champion	95.30%

Indicator 4: Tax Collection Rate

In order to pay for ongoing costs, municipalities must be able to collect property taxes on a timely basis. **Tax Collection Rate** is the percentage of the current year's property taxes that are collected by year end.

Expected Result	Triggered When
The municipality collects at least 90 per cent of the municipal taxes (e.g. property taxes, special taxes) levied in any year.	A municipality collects less than 90 per cent of the property taxes it levies in the reporting year.

2018 Results:

Municipality	Result
Woodlands County	82.60%
Town of Granum	86.09%
Village of Alix	89.03% <i>Municipality Response:</i> <i>This is the second year in a row the Village of Alix has been between 89-90% in this category. We have two major commercial properties on the tax recovery list that skew this data due to their significantly higher than average tax levy. One is in foreclosure and the other will be redeemed this month.</i>
Village of Alliance	81.36%
Village of Bawlf	88.35% <i>Municipality Response:</i> <i>Trying to advise residents of easier ways to make payments, etc.</i>

Municipality	Result
Village of Beiseker	<p style="text-align: center;">86.36%</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>The ministry calculates this item on amounts paid as opposed to number of tax accounts. Therefore, if a small number of the highest property tax accounts are not paid, our performance in this area is affected. Of the 1002 tax rolls in Beiseker, 65 have not been paid. Using this calculation, approximately 95% of taxes were paid. Of the 65 rolls that did not pay, eight accounts owe more than \$5,000.00 and three of those owe more than \$10,000.00. Seven of the 65 tax rolls that did not pay are in tax recovery. Three of the seven tax recovery rolls would be considered in the higher range.</i></p>
Village of Berwyn	<p style="text-align: center;">88.07%</p>
Village of Champion	<p style="text-align: center;">88.44%</p>
Village of Dewberry	<p style="text-align: center;">79.31%</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>The Village of Dewberry currently utilizes reminder letters as well as the sale or acquiring of property through public auction. The council is reviewing the option of possibly employing a collection service to help with the acquiring of property taxes as well.</i></p>
Village of Hines Creek	<p style="text-align: center;">87.64%</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>Difference in amount collected on property taxes for 2018 was unpaid taxes.</i></p>

Municipality	Result
Village of Hughenden	<p style="text-align: center;">87.56%</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>Council for the Village of Hughenden has instructed the Chief Administration Officer to focus on late property tax collection processes in 2019. As such, more effort is being place on getting late ratepayers to set up monthly plans. Hopefully results in the 2019 year end will reflect a ratio above 90 per cent.</i></p>
Village of Hussar	<p style="text-align: center;">80.74%</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>Every effort is being made to collect.</i></p>
Village of Innisfree	<p style="text-align: center;">68.25%</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>The village has implemented a Tax Pre-Payment agreement to assist residents with paying their taxes. Also, the village has removed numerous properties off of the Tax Recovery list by offering this payment plan. The Village of Innisfree is hopeful that our 2019 results will be greater.</i></p>
Village of Paradise Valley	<p style="text-align: center;">87.57%</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>Current economies in both oil/gas and agriculture sectors have put pressures on local residents. We have implemented a monthly payment program for those residents that are experiencing the slowdown in the economy. The village is monitoring closely to ensure timely payments.</i></p>
Village of Rycroft	<p style="text-align: center;">71.97%</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>The 2019 collection rate is up to 85 per cent for current taxes. Getting better!</i></p>

Indicator 5: Population Change

Municipalities are typically better able to plan and prepare for the future based on stable or growing populations. **Population Change** is the percentage of population change in the municipality over a ten-year period.

Exceptions:

- Summer villages and improvement districts are excluded from this measure because seasonal property owners are not reflected in their population.

Expected Result	Triggered When
The population has not declined by more than 20 per cent over a ten-year period.	A municipality's population declines by 20 per cent over a ten-year period.

2018 Results:

Municipality	Result
Town of Manning	(20.76%) <i>Municipality Response:</i> <i>The reasons for the decline in population are as follows: Aging residents, property taxes are high, remote area, services are unavailable such as no dentist, optometrists or medical specialists, and no industry for job employment to increase the population.</i>
Village of Alliance	(21.83%)
Village of Milo	(25.41%) <i>Municipality Response:</i> <i>We had much of our senior population move to High River and Vulcan into Senior Care Facilities. We also had two families with several children move out. With a population base of about 100 this creates a significant change. However, I am confident that next year's census will reveal a significant increase as many of the vacant properties have now been sold and there have also been many rental properties, which were vacant and are now inhabited.</i>

Indicator 6: Current Ratio

Municipalities require cash or near-cash assets to be able to pay for current financial obligations. **Current Ratio** is the ratio of current assets to current liabilities.

Exceptions:

- This indicator does not apply if the municipality's total assets exceed current assets by a factor of two or more; these municipalities typically have significant financial resources including long-term investments, but manage with minimal current assets. There are very few Alberta municipalities that this applies to, specifically the City of Calgary, the City of Edmonton, the City of Medicine Hat, and the Regional Municipality of Wood Buffalo.

Expected Result	Triggered When
The ratio of current assets to current liabilities is greater than one.	The ratio of current assets to current liabilities is less than one.

2018 Results:

Municipality	Result
Town of Manning	0.60 <i>Municipality Response:</i> <i>The Town of Manning depends on provincial and federal grants, local county grants and municipal property taxes to pay for financial obligations.</i>

Municipality	Result
Town of Raymond	<p style="text-align: center;">0.41</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>Included in the 2018 current liabilities was an operating line of credit with ATB Financial totalling \$3,853,775. In 2019, the Town of Raymond will be securing a long-term loan to pay off this current liability and make it a long-term debt repayment. This will significantly reduce the Town of Raymond's current liabilities and the current ratio will be within the expected result of > 1.</i></p>
Village of Alliance	<p style="text-align: center;">0.93</p>
Village of Beiseker	<p style="text-align: center;">0.96</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>As of October 21, 2019: Current Assets = \$678,766 Current Liabilities \$469,444</i></p>
Village of Hughenden	<p style="text-align: center;">0.87</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>Based on internal financial statements, it appears this ratio is now above 1:1. Once our corporate financial statement is filed for period ending December 31, 2019, this can be solidified.</i></p>

Indicator 7: Accumulated Surplus/Deficit

Municipalities typically hold surpluses and reserves from year to year to be used for future projects or to deal with unforeseen costs. **Accumulated Surplus/Deficit** is calculated by subtracting total liabilities from total assets, excluding capital assets and related debt.

An accumulated deficit is a violation of Section 244 of the *MGA*. Municipalities in a deficit position are required to recover the shortfall in the next year, or over a longer period if approved by the Minister.

Expected Result	Triggered When
The municipality has a positive (above zero) surplus.	A municipality is in a deficit (below zero) position for the reporting year.

2018 Results:

Municipality	Result
Town of Raymond	<p data-bbox="938 1037 1089 1066">(\$2,555,541)</p> <p data-bbox="878 1098 1154 1127"><i>Municipality Response:</i></p> <p data-bbox="646 1159 1377 1367"><i>As indicated above for Indicator #6, the Town of Raymond will be securing a long-term debt for capital projects completed over the last few years, which were funded from operating lines of credit. Based on the amounts to be borrowed in 2019, the results will reduce the Equity in Tangible Capital Assets and increase Unrestricted Surplus Accounts to be better than the expected results of > \$0.</i></p>

Municipality	Result
Village of Beiseker	<p style="text-align: center;">(\$150,368)</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>In May, 2019 the village provided a suggested recovery period of five years after 2019 budget approval that included a manageable amount given the current economic times and financial capabilities of the village. In August 2019, the Minister ordered the deficit to be recovered by 2021. Municipal Affairs is assisting Beiseker with a two-year budget to recover the deficit (2020/21). Beiseker is concerned that forthcoming policing costs, carbon tax are examples of unknown costs that will make recovery onerous.</i></p>
Village of Hughenden	<p style="text-align: center;">(\$43,254)</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>As part of our three-year recovery plan, we were instructed to bring this deficit to a positive figure. In 2018, we made good progress. Based on internal financial statements for period ending September 30, 2019, it appears that we might be successful to reduce this deficit in 2019. As noted, our internal statements must be audited and filed to confirm this statement. Positive results have been a collaborative effort and the council for the Village of Hughenden have worked hard to get the budget tight. Looking forward to filing the 2019 results.</i></p>

Indicator 8: On-Time Financial Reporting

Financial reporting is an important aspect of municipal accountability to its residents and businesses. Municipalities are required to submit year-end audited financial statements and financial information returns to Municipal Affairs by May 1st of the year following the year for which the financial statements have been prepared.

Expected Result	Triggered When
Audited financial statements and financial information returns for the preceding calendar year are received by Municipal Affairs no later than May 1 st .	Municipal Affairs did not received the Audited financial statements and financial information returns by May 1 st .

2018 Results:

Municipality	Result
Town of Granum	June 25, 2019
Town of Raymond	<p>June 27, 2019</p> <p><i>Municipality Response:</i></p> <p><i>The Town of Raymond has provided Chief Financial Officer services to a number of municipalities in the last few years. It has been Council's directive that all financial reporting be completed for those municipalities and commissions prior to the Town of Raymond having their Financial Statements completed. In 2019, the town reduced its workload for those services to other municipalities and commissions and expect to meet the filing deadlines for 2019 year ends of May 1, 2020.</i></p>

Municipality	Result
Village of Alliance	October 22, 2019
Village of Bawlf	<p data-bbox="932 436 1101 464">June 20, 2019</p> <p data-bbox="878 495 1154 525"><i>Municipality Response:</i></p> <p data-bbox="647 556 1380 737"><i>I started here May 1 and the financials were not done yet. The auditor would not answer emails or phone calls. Myself and the village foremen personally drove to his residence at the end of June to get the books back. He promised he would have them done in the next couple of days. He was in attendance at our July 4 special meeting.</i></p>
Village of Dewberry	<p data-bbox="932 772 1101 800">May 14, 2019</p> <p data-bbox="878 831 1154 861"><i>Municipality Response:</i></p> <p data-bbox="647 892 1377 1014"><i>The Village of Dewberry auditing firm will be made aware with regards to the deadline and that it must be kept in mind when preparing and submitting financial statements. The village office will also endeavour to improve as well.</i></p>
Village of Hussar	<p data-bbox="932 1052 1101 1079">June 28, 2019</p> <p data-bbox="878 1110 1154 1140"><i>Municipality Response:</i></p> <p data-bbox="647 1171 1386 1352"><i>The Village of Hussar is required to submit Consolidated Financial Statements. Village of Hussar's Non-Consolidated 2018 Audited Financial Statements were approved on April 25, 2019 Motion #2019-04-25-078. Village of Hussar's Consolidated 2018 Audited Financial Statements were approved on July 11, 2019 Motion #2019-07-11-140.</i></p>
Village of Innisfree	<p data-bbox="919 1388 1114 1415">August 26, 2019</p> <p data-bbox="878 1446 1154 1476"><i>Municipality Response:</i></p> <p data-bbox="647 1507 1351 1629"><i>The Village of Innisfree has hired a new auditing firm to conduct our 2019, 2020 and 2021 municipal audits. The Village of Innisfree is confident that our financial statements will be prepared and submitted by the May 1st deadline.</i></p>

Municipality	Result
Village of Milo	<p data-bbox="933 373 1096 403">May 21, 2019</p> <p data-bbox="878 436 1154 466"><i>Municipality Response:</i></p> <p data-bbox="647 495 1373 613"><i>We did not receive our audited financial statements until April 29, 2019. We could not schedule a meeting between the auditor and Council until May 14. Being a new CAO I wanted to be sure I had everything in order before sending them out.</i></p>
Improvement District No. 04 (Waterton)	<p data-bbox="933 651 1096 680">May 30, 2019</p> <p data-bbox="878 714 1154 743"><i>Municipality Response:</i></p> <p data-bbox="647 772 1338 890"><i>Our meeting schedule is every two months and we met in March and May this year. We have talked with Municipal Affairs and plan to hold a meeting in April 2020, so we can approve the 2019 financial statements and submit on time.</i></p>

Indicator 9: Debt to Revenue Percentage

Municipalities frequently borrow to finance long-term projects, but overall borrowing levels need to be manageable. The **Debt to Revenue Percentage** calculates total borrowing as a percentage of total revenue.

Expected Result	Triggered When
The municipality's total borrowings represent less than 120 per cent or 160 per cent for municipalities with a higher regulated debt limit of its total revenue.	The municipality's debt is greater than 120 per cent or 160 per cent for municipalities with a higher regulated debt limit of its total revenue.

2018 Results:

Municipality	Result
Town of Raymond	<p>120.74%</p> <p><i>Municipality Response:</i></p> <p><i>The Town of Raymond will most likely not meet this expected result again in 2019. Based on the number of capital projects funded from lines of credit in the past few years and the new loan being received in 2019 to fund those projects, it may be several years in the future to meet this indicator sufficiently.</i></p>

Indicator 10: Debt Service to Revenue Percentage

Like overall debt levels, annual debt repayments and interest costs need to be manageable. **Debt Service to Revenue Percentage** calculates the cost of annual principal and interest payments as a percentage of total revenue.

Expected Result	Triggered When
The municipality's total costs for borrowing repayments do not exceed 20 per cent (28 per cent for municipalities with a higher regulated debt limit) of its total revenue.	Principle and interest payments on borrowings is greater than 20 per cent (28 per cent for municipalities with a higher regulated debt limit) of the municipality's total revenue.

2018 Results:

Results	Results
Town of Stavelly	<p style="text-align: center;">21.38%</p> <p style="text-align: center;"><i>Municipality Response:</i></p> <p><i>This will be lower, effective immediately, as we have recently paid off a debt. This will stay low as long as we do not take on any more debt. Unfortunately the Town of Stavelly's revenue is based mostly on residential taxes and grants; thus, it is in the best interest of the municipality to monitor this regularly and maintain manageable debt.</i></p>

Indicator 11: Investment in Infrastructure

Most capital assets and infrastructure require replacement after a period of service, and municipalities typically carry out these replacements on an ongoing basis to spread out replacement costs. **Investment in Infrastructure** measures the ratio of capital spending to amortization (depreciation) over a five-year period.

Exceptions:

- This measure does not account for the effects of inflation; typically, replacement costs for new assets exceed the historic cost of existing assets.

Expected Result	Triggered When
The municipality's average capital additions exceed the average amortization (depreciation).	A municipality's capital spending is less than the depreciation of its assets, indicated by a result less than one.

2018 Results:

Results	Results
Woodlands County	0.85
Town of Manning	0.97 <i>Municipality Response:</i> <i>Our capital assets and infrastructure is aging. The Town of Manning's operating budget is very tight and only necessary infrastructure or capital is replaced or repaired. At present the Town of Manning is undergoing a viability study.</i>
Town of Stavely	0.53 <i>Municipality Response:</i> <i>The Town of Stavely does not have a large business tax rate income and mainly relies on the residential tax rate and grants for any projects, thus not allowing for replacement as timely as other municipalities.</i>

Results	Results
Village of Beiseker	<p>0.78</p> <p><i>Municipality Response:</i></p> <p><i>In 2018, our amortization was calculated at \$427,360.00. In 2019 we expended \$593,745.00 on capital improvements. These expenditures rely heavily on grant funding. Any reduction in grant availability greatly impacts our ability to keep to this requirement. If the amortization in 2019 is approximately the same as 2018, this ratio will be at the expected result.</i></p>
Village of Dewberry	<p>0.74</p> <p><i>Municipality Response:</i></p> <p><i>The Village of Dewberry's revenue intake is not sufficient at this time to begin the process of setting aside sufficient funding to regularly update the infrastructure on a regular basis.</i></p>
Village of Paradise Valley	<p>0.47</p> <p><i>Municipality Response:</i></p> <p><i>Work began in 2018 on a new water treatment/distribution plant, expected to go on-line by the end of 2020. Upgrades to the wastewater system were carried out in 2019. Street rehabilitation was also done in 2019 as this was delayed in 2018 by weather conditions. Drainage and fire hydrant replacement was also carried out in 2019. Because of the size of the village, infrastructure programs were delayed in order to build the MSI funding required to do the improvements.</i></p>
Improvement District No. 04 (Waterton)	<p>0.07</p> <p><i>Municipality Response:</i></p> <p><i>The infrastructure we own is limited, so too are our expenditures. We are working with Municipal Affairs to identify what triggered this indicator.</i></p>

Indicator 12: Infrastructure Age

If capital assets and infrastructure are being replaced on a regular basis and new assets or infrastructure are being added, the average age of the municipality's overall infrastructure will remain reasonably current. **Infrastructure Age** calculates the amortized (depreciated) cost of capital assets and infrastructure as a percentage of original cost.

Expected Result	Triggered When
The net book value of the municipality's tangible capital assets is greater than 40 per cent of the original cost.	The net book value of the tangible capital assets is less than 40 per cent of the original cost.

2018 Results:

Results	Results
Woodlands County	33.37%
Village of Paradise Valley	21.58% <i>Municipality Response:</i> <i>With the amount of projects that were started/delayed in 2018 and subsequently completed in 2019, and the addition of a new project in 2020, our net book value of TCA should well exceed the 40 per cent level requirement.</i>
Improvement District No. 04 (Waterton)	0.00% <i>Municipality Response:</i> <i>The infrastructure we own is limited, so too are our expenditures. We are working with Municipal Affairs to identify what triggered this indicator.</i>

Indicator 13: Interest in Municipal Office

Municipalities with strong interest in local elections often indicates a local interest in good governance. **Interest in Municipal Office** measures the ratio of candidates to total council positions in the most recent election.

Expected Result	Triggered When
The number of candidates exceeded the number of councillor positions.	Elections are only held if there are more candidates than positions, otherwise candidates are simply acclaimed to what are intended to be elected positions. Triggered when no vote is held because all councillors are acclaimed.

2018 Results:

Results	Results
Town of Manning	<p><i>Municipality Response:</i></p> <p><i>In the past two years the Town of Manning had four by-elections. All four candidates were acclaimed.</i></p>
Town of Stavely	<p><i>Municipality Response:</i></p> <p><i>The most recent election was a by-election and there was only one candidate that submitted papers resulting in an acclamation.</i></p>
Village of Milo	<p><i>Municipality Response:</i></p> <p><i>This was a by-election, which our community had not really been prepared for, as opposed to a regular municipal election. Our Council is volunteer, our community relies heavily on its volunteers and four years is a serious commitment that no one takes lightly.</i></p>
Improvement District No. 04 (Waterton)	<p><i>Municipality Response:</i></p> <p><i>We are committed to enhancing civic interest and engagement in local politics. We communicate openly with the public and comply with all legislated requirements in this regard.</i></p>

Appendix A

Municipalities That Triggered (by Municipal Type)

The following is a listing of the municipalities who triggered a critical indicator, or three or more of the remaining indicators.

Municipality Type	Municipality
Municipal District	Woodlands County
Improvement District	Improvement District No. 04 (Waterton)
Town	Town of Granum Town of Manning Town of Raymond Town of Stavely
Village	Village of Alix Village of Alliance Village of Bawlf Village of Beiseker Village of Berwyn Village of Champion Village of Dewberry Village of Hines Creek Village of Hughenden Village of Hussar Village of Innisfree Village of Milo Village of Paradise Valley Village of Rycroft

Appendix B

Municipalities That Triggered

The following breaks down which specific indicators the 20 municipalities triggered.

Municipality	Indicator
Woodlands County	4 - TAX COLLECTION RATE 11 - INVESTMENT IN INFRASTRUCTURE 12 - INFRASTRUCTURE AGE
Town of Granum	2 - MINISTRY INTERVENTION 4 - TAX COLLECTION RATE 8 - ON-TIME FINANCIAL REPORTING
Town of Manning	5 - POPULATION CHANGE 6 - CURRENT RATIO 11 - INVESTMENT IN INFRASTRUCTURE 13 - INTEREST IN MUNICIPAL OFFICE
Town of Raymond	6 - CURRENT RATIO 7 - ACCUMULATED SURPLUS/DEFICIT 8 - ON-TIME FINANCIAL REPORTING 9 - DEBT TO REVENUE PERCENTAGE
Town of Stavely	10 - DEBT SERVICE TO REVENUE PERCENTAGE 11 - INVESTMENT IN INFRASTRUCTURE 13 - INTEREST IN MUNICIPAL OFFICE
Village of Alix	2 - MINISTRY INTERVENTION 4 - TAX COLLECTION RATE
Village of Alliance	4 - TAX COLLECTION RATE 5 - POPULATION CHANGE 6 - CURRENT RATIO 8 - ON-TIME FINANCIAL REPORTING
Village of Bawlf	2 - MINISTRY INTERVENTION 4 - TAX COLLECTION RATE 8 - ON-TIME FINANCIAL REPORTING

Municipality	Indicator
Village of Beiseker	2 - MINISTRY INTERVENTION 4 - TAX COLLECTION RATE 6 - CURRENT RATIO 7 - ACCUMULATED SURPLUS/DEFICIT 11 - INVESTMENT IN INFRASTRUCTURE
Village of Berwyn	2 - MINISTRY INTERVENTION 4 - TAX COLLECTION RATE
Village of Champion	2 - MINISTRY INTERVENTION 3 - TAX BASE BALANCE 4 - TAX COLLECTION RATE
Village of Dewberry	4 - TAX COLLECTION RATE 8 - ON-TIME FINANCIAL REPORTING 11 - INVESTMENT IN INFRASTRUCTURE
Village of Hines Creek	2 - MINISTRY INTERVENTION 4 - TAX COLLECTION RATE
Village of Hughenden	2 - MINISTRY INTERVENTION 4 - TAX COLLECTION RATE 6 - CURRENT RATIO 7 - ACCUMULATED SURPLUS/DEFICIT
Village of Hussar	2 - MINISTRY INTERVENTION 4 - TAX COLLECTION RATE 8 - ON-TIME FINANCIAL REPORTING
Village of Innisfree	2 - MINISTRY INTERVENTION 4 - TAX COLLECTION RATE 8 - ON - TIME FINANCIAL REPORTING
Village of Milo	5 - POPULATION CHANGE 8 - ON-TIME FINANCIAL REPORTING 13 - INTEREST IN MUNICIPAL OFFICE
Village of Paradise Valley	4 - TAX COLLECTION RATE 11 - INVESTMENT IN INFRASTRUCTURE 12 - INFRASTRUCTURE AGE

Municipality	Indicator
Village of Rycroft	2 - MINISTRY INTERVENTION 4 - TAX COLLECTION RATE
Improvement District No. 04 (Waterton)	8 - ON-TIME FINANCIAL REPORTING 11 - INVESTMENT IN INFRASTRUCTURE 12 - INFRASTRUCTURE AGE 13 - INTEREST IN MUNICIPAL OFFICE