

Municipal Gas Tax Fund Agreement (MGTFAs) Eligible & Ineligible Expenditures

Eligible Expenditures

1. Eligible Expenditures of the Municipality will be limited to the following:
 - a) The expenditures associated with acquiring, planning, designing, constructing or renovating a tangible capital asset, as defined by generally accepted accounting principles, and any related debt financing charges specifically identified with that asset;
 - b) For capacity building category only, the expenditures related to strengthening the ability of Municipalities to improve local and regional planning including Capital Plans, integrated community sustainability plans, life-cycle cost assessments, and Asset Management Plans. The expenditures could include developing and implementing:
 - i. Studies, strategies, or systems related to asset management, which may include software acquisition and implementation;
 - ii. Training directly related to asset management planning; and,
 - iii. Long-term infrastructure plans.
 - c) The expenditures directly associated with joint communication activities and with federal project signage for Canada Community-Building Fund (CCBF) funded projects.
2. Employee and Equipment Costs: The incremental costs of the Municipality's employees or equipment may be included as Eligible Expenditures if the Municipality complies with the policy for self-tendering as established by Saskatchewan, which includes the following conditions:
 - a) The self-tendering is approved in advance and in writing by Saskatchewan;
 - b) The Municipality tenders the Eligible Project;
 - c) The employee or equipment is engaged directly in respect of the work that would have been the subject of the contract; and
 - d) The Municipality does not, under any circumstances, award the work to itself if it has not submitted the lowest valid tender as determined by industry standards.

Ineligible Expenditures

The following are deemed Ineligible Expenditures:

- a) Project expenditures incurred before April 1, 2005;
- b) Project expenditures incurred before April 1, 2014 for the following investment categories:

- Highways
 - Regional and Local Airports
 - Short-Sea Shipping
 - Disaster Mitigation
 - Broadband Connectivity
 - Brownfield Redevelopment
 - 6- Cultural Infrastructure
 - Tourism Infrastructure
 - Sport Infrastructure
 - Recreational Infrastructure
- c) The cost of leasing of equipment by the Municipality, any overhead costs, including salaries and other employment benefits of any employees of the Municipality, its direct or indirect operating or administrative costs of the Municipality, and more specifically its costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by its staff, except in accordance with Eligible Expenditures above;
 - d) Taxes for which the Municipality is eligible for a tax rebate and all other costs eligible for rebates;
 - e) Purchase of land or any interest therein, and related costs;
 - f) Legal fees; and
 - g) Routine repair and maintenance costs.