



Adopted by Board of Directors

POLICY NO.
5.1.5

Effective Date June 19, 2014

Amended by Board of Directors
Amendment Date(s): July 16, 2020, May 4, 2023

**SUBJECT: CANADA COMMUNITY-BUILDING FUND - COMMUNITY WORKS FUND
Policy (formerly known as Federal Gas Tax)**

Category: Finance – Grants and Financial Contributions

PURPOSE: To establish a policy regarding internal allocation of Canada Community - Building Fund - Community Works Fund monies received, use of said funds and other related considerations. This will clarify and document current practices based on past Board direction.

APPLICATION: This policy applies to all Canada Community - Building Fund - Community Works Fund monies.

REFERENCE: Canada Community-Building Fund - Community Works Fund.

DEFINITIONS: “**CWF**” means those funds received annually by the TNRD from the Canada Community-Building Fund - Community Works Fund, overseen by UBCM. Excluded from the definition for purposes of this policy are any funds other than those received under CWF that may otherwise come under the Canada Community-Building Fund umbrella.

POLICY

1. ALLOCATION OF FUNDS

- 1.1. CWF revenue is provided annually by the Federal Government of Canada, under administrative agreements between the Federal Government of Canada, the Province of British Columbia, the Union of BC Municipalities (“UBCM”) and the TNRD.

1.2. Funds received by the TNRD are allocated as follows:

- First 10% is allocated to a ‘pooled fund’ available for use on projects with broad regional benefits.
- Remaining 90% is allocated on per-capita basis to each electoral area, based on most recent census using the Census Voting Strength reports published by the province of British Columbia following each census taking.
- Lastly, each electoral area will contribute an extra \$1,500 per year to the Electoral Area “B” allocation.

1.2 Funds are allocated to individual electoral areas when received on a prospective basis. Subsequent changes in population will not cause unspent funds to be re-allocated.

1.3 Interest earned on unspent balances will likewise be allocated annually to the respective balances of each electoral area.

1.4 Despite this allocation process, CWF funding belongs to the TNRD as a whole. Electoral area directors may propose the redistribution of funds allocated to the area they represent to any other electoral area or to the ‘pooled fund’, subject to approval by the Board of Directors.

2 USE OF FUNDS

2.1 Use of CWF funds must be in accordance with eligibility criteria contained in the administrative agreement with UBCM, and any subsequent changes or updates thereto.

3 APPLICATION AND APPROVAL PROCESS

3.1 All Board approved projects will be incorporated into the 5 Year Financial Plan.

3.2 External - 3rd party application requirements:

3.2.1 Societies in good standing or member municipalities that wish to partner in a project that will benefit electoral area residents may submit a 3rd party application.

3.2.1 To best ensure that proper information is gathered to determine eligibility of 3rd party projects and associated expenditures, a written application will be required for any 3rd party project valued at \$10,000 or more. Due to application and reporting requirements 3rd party projects valued at less than \$10,000 will not be considered under this funding. Application forms will be available online. Completed forms are to be submitted to grants@tnrd.ca for review.

3.2.2 No 3rd party requests will be approved unless the request relates to core services provided by the TNRD.

- 3.2.3 As part of the application process the 3rd party must provide financial information that confirms ability to fund any unanticipated cost overruns, as 3rd parties will be responsible for all cost overruns.
 - 3.2.4 The respective electoral area director will be advised of application review findings prior to presenting the request to the Board for approval.
 - 3.2.5 Despite the allocation of funds to specific electoral areas, only those projects specifically approved by motion of the Board of Directors in the amounts approved shall proceed.
 - 3.2.6 Electoral area directors do not have the authority to commit CWF funding to 3rd parties.
 - 3.2.7 Prior to receipt and review of any funding application discussions with 3rd parties must include a TNRD staff member.
 - 3.2.8 For TNRD budget purposes requests for funding must be received by the TNRD by September 30th, in the year prior to project commencement.
 - 3.2.9 In a Local Government Election year, no CWF funding will be approved by the Board within 3 months of the first day of the nomination period.
 - 3.2.10 No 3rd party will receive more than one CWF funded project in a four-year period (matching the 4-year term of office for TNRD Directors), with the exception of an application for a water system operated by an improvement district. Improvement districts may submit an application related to water utility improvements once every two (2) years.
 - 3.2.11 Once approved, projects must maintain approved status by meeting all required criteria for approval under this Policy. If a project status changes and staff believe that the project is at risk of not meeting any or all required criteria the Chief Administrative Officer and/or Chief Financial Officer, will assess and bring back the matter to the Board for consideration/decision as deemed necessary.
- 3.3 Internal application requirements:
- 3.3.1 Internal applications will be vetted by the appropriate staff member. Final review will be provided by the Chief Financial Officer and/or Chief Administrative Officer. The electoral area director will be advised of an internal application prior to it being presented to the Board for approval.

- 3.3.2 Despite the allocation of funds to specific electoral areas, only those projects specifically approved by motion of the Board of Directors and in the amounts approved shall proceed

4 PAYMENT OF FUNDS – 3RD PARTY

- 4.1 For a 3rd Party project to be eligible, it must be approved by the Board, meet all CWF criteria as defined in this Policy and the UBCM Administrative Agreement (as amended), and have a fully signed and approved contract prior to undertaking any work. Payments and/or reimbursements will not be made to any 3rd Party group, or on their behalf, unless Board approval has been obtained and a signed contract is in place.
- 4.2 If a 3rd Party funding request is approved by the Board the TNRD may forward 50% of the approved funding.
- 4.3 Upon receipt of satisfactory interim reporting, which will include project progress, current budget and submission of all invoices and confirmation of payment, up to a maximum of an additional 25% of approved funding will be advanced.
- 4.4 The remaining 25% of approved funding will be forwarded upon receipt of a satisfactory final report. Note: In the event that data collection is required to meet measurable reporting outcomes, a 5% holdback of the total project cost will apply until required measurable information has been received.
- 4.5 Invoices for costs that do not meet eligibility criteria will not be reimbursed.
- 4.6 Project management fees, as approved by UBCM will apply to 3rd party projects and will come from the respective electoral area CWF allocation. These fees are necessary to offset TNRD staff time required to facilitate CWF support for 3rd party projects. Fees are applied as follows:
- 3% of project costs incurred where the recipient is another local government.
 - 5% of project costs incurred where the recipient is a third party other than a local government..
 - \$150 minimum in a year where reporting only is required for any 3rd party project.

5 TIME LIMITS – 3RD PARTY

- 5.1 Where a CWF funded project is on behalf of a 3rd party (society in good standing, or other local government) if project works do not begin within 12 months of Board approval, funding approval will expire. An extension of three (3) months may be considered by the Chief Financial Officer and forwarded to the Board for approval.
- 5.2 Project funding will not be forwarded until the TNRD has received a confirmed construction start date. Funding will be forwarded one month before construction begins.
- 5.3 Once construction has begun, all projects must be completed within 12 months.
- 5.4 An extension of up to an additional 12 months may be approved by the Chief Financial Officer, subject to Board approval.
- 5.5 Any unspent funds after project completion will remain with the respective electoral area from which it was allocated.

6 REPORTING – 3rd PARTY

- 6.1 The TNRD is required to provide annual reporting to UBCM, including measurable outcomes on completed projects. Third party recipients must agree to provide necessary information to enable that reporting upon request, or be subject to a requirement to repay CWF funds previously provided for the project and/or not be considered eligible for future funding.
- 6.2 A 5% project holdback will be applied until all 3rd party reporting requirements have been met.

Attachments:

CCBF Funding Request Application Form