



North Coast Regional District

BOARD POLICY

Title:	Community Works Fund Allocation	FIN-04
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1. Purpose

- 1.1 To establish guidelines for the North Coast Regional District's use of Community Works Gas Tax Funding and to implement a process to ensure compliance with the Community Works Fund Agreement.

2. Definitions

- 2.1 The following definitions are used in the interpretation of this policy:
 - a) **"Agreement"** refers to the CWF agreement signed between the NCRD and UBCM.
 - b) **"Annual Funding"** means the annual amount received from UBCM in two installments in each year.
 - c) **"Board"** is the elected officials that make up the NCRD Board of Directors.
 - d) **"CAO"** is the Chief Administrative Officer of the NCRD, or their deputy.
 - e) **"Chair"** means the Chair of the Board elected pursuant to the Local Government Act, or the person appointed as the Chair.
 - f) **"Community Works Fund (CWF)"** means those funds received annually by the NCRD from the Federal Gas Tax - Community Works Fund, overseen by UBCM. Excluded from the definition for the purposes of this policy are any funds other than the Community Works Fund that may otherwise come under the Federal Gas Tax umbrella of Funds.
 - g) **"Directors"** are the elected representatives of the NCRD.
 - h) **"EAAC"** is the Electoral Area Advisory Committee of the NCRD.
 - i) **"Electoral Area Directors"** are Directors from the NCRD Electoral Areas A, C, D, and E.
 - j) **"Member Municipalities"** means the incorporated local governments in the NCRD including the City of Prince Rupert, the District of Port Edward, the Village of Queen Charlotte, the Village of Masset, and the Village of Port Clements.
 - k) **"Non-Profit"** means a non-profit organization in good standing and registered with the Province of British Columbia.
 - l) **"Staff"** means an employee or contract employee of the NCRD.

- m) **“Federal Gas Tax Funds”** means those funds received annually by the Federal Gas Tax – Community Works Fund, overseen by UBCM.
- n) **“Financial Administrator”** is an officer position established under the Local Government Act and assigned the responsibility of financial administration, or their deputy.
- o) **“NCRD”** is the North Coast Regional District.
- p) **“UBCM”** is the Union of British Columbia Municipalities.

3. Scope

- 3.1 Proposed projects or initiatives must meet the eligible criteria and guidelines outlined by the Agreement.
- 3.2 For funds to be expended, the NCRD must have an established service under which an eligible project can be undertaken.

4. Authority

- 4.1 The CAO is responsible for implementing and administering this policy.
- 4.2 Staff is responsible for determining whether specific projects or proposed expenditures meet eligibility criteria but may consult with the UBCM as necessary in making such determination.
- 4.3 The EAAC is responsible for reviewing and evaluating all proposed projects and initiatives that meet the eligible criteria and guidelines of CWF to provide recommendations to the Board.
- 4.4 The Board is responsible for reviewing and evaluating all proposed projects and initiatives that meet the eligible criteria and guidelines of CWF and making decisions on funding.

5. Allocation of Funds

- 5.1 The NCRD receives CWF annual funding under the terms of the Agreement. These funds are allocated for use in the electoral areas of the Regional District.
- 5.2 No portion of these funds shall be allocated to member municipalities as they receive their own share of CWF under separate agreements with the UBCM.
- 5.3 The CWF annual funding received by the NCRD is to be allocated as follows:
 - a) The first ten percent (10%) of funds are allocated to a regional ‘pooled fund’ available for use on projects with broad regional benefits; and

- b) The remaining ninety percent (90%) of funds are allocated to an electoral area 'pooled fund' available for use on projects with benefits to electoral areas.

- 5.4 Subsequent changes in population will not cause unspent funds to be reallocated.
- 5.5 Interest earned on unspent balances will be allocated annually to the respective balances of each fund.
- 5.6 Despite this allocation process, CWF's belong to the NCRD. The EAAC is free to recommend redistribution of funds allocated to any other CWF fund or to the regional 'pooled' fund as it desires.

6. Use of Funds

- 6.1 All CWFs must be used in accordance with eligibility criteria contained in the Agreement, and any subsequent changes or updates thereto.

7. Application and Approval Process

- 7.1 To best ensure that proper information is gathered to determine eligibility of third party projects and associated expenditures, a written application process will be established for any third party project.
- 7.2 Applications will be submitted to Staff to assess eligibility and to ensure applications are complete.
- 7.3 Internal NCRD service projects must be reviewed by Staff against eligibility criteria of the Agreement and requests will be presented as a staff report.
- 7.4 Funding applications and reports will be presented to the EAAC along with review findings for consideration and referral of eligible projects to the Board for approval.
- 7.5 The EAAC will consider eligible project proposals that are associated with any of the NCRD services and from non-profit organizations within the NCRD.
- 7.6 Where possible, the EAAC will strive to achieve consensus on CWF approval recommendations to the Board.
- 7.7 Only projects approved by a motion of the Board indicating the amounts approved shall proceed.
- 7.8 The following project areas shall be given priority:
 - a) Projects that align with the strategic priorities of the NCRD;

- b) Projects which address critical infrastructure needs, capacity building, capital investment plans, integrated community sustainability plans, life-cycle cost assessments, and asset management plans for the NCRD;
 - c) Infrastructure projects that are owned or leased by the NCRD; and
 - d) Projects that are regionally focused or benefit a large portion of the population.
- 7.9 To be included in the current year financial plan, third party proposals must be received before January 1st of that year. Proposals received after this date will be considered at the Board's discretion.

8. Proposals from Non- Profit Organizations

- 8.1 Project proposals from non-profit organizations must be submitted utilizing a form prescribed by the Financial Administrator, and submissions must include the following components to be considered:
- a) Proof of non-profit status;
 - b) Identification of the eligible CWF project category applicable to the proposal;
 - c) Inclusion of documentation demonstrating the project meets the criteria. The required documentation will depend on the project category;
 - d) Description of how the proposed project is aligned with the NCRD strategic priorities;
 - e) Inclusion of a long-term asset management plan of the project (if applicable);
 - f) Description of how the proposed project is regionally focused;
 - g) Confirmation of land ownership or a long term lease exceeding five (5) years;
 - h) Funding amount requested;
 - i) Description of the project including management framework, project impact, and project outcomes;
 - j) Anticipated project timeline;
 - k) A detailed project budget outlining all eligible and ineligible costs including supporting quotes and estimates; and
 - l) Other grant funding sources or funding plans for project completion.
- 8.2 Non-profit applicants approved for funding must:
- a) Retain title and ownership or lease of the assets and property in question for a minimum of five (5) years after project completion. If, at any time within five (5) years from the date of the project completion, the recipient sells, leases, encumbers, or otherwise disposes of directly or indirectly, any asset constructed, rehabilitated or improved, in whole or part, with funds contributed by Canada under the terms of this agreement, the recipient shall repay the NCRD, on demand, any revenue that is generated from the sale, lease, encumbrance or disposal of the asset up to the original amount of CWF funding;

- b) Provide all reporting as required by the NCRD including but not limited to criteria reporting before and after the project, final reporting, and annual reporting;
- c) Adhere to communications protocol, including but not limited to the construction and installation of signage acknowledging the Government of Canada, UBCM, and NCRD contribution to this project; and
- d) Review and adhere to a CWF funding contract with the NCRD.

9. Payment of Funds

- 9.1 Non-profit organizations who are 3rd party recipients of CWF funding must abide by NCRD procurement standards.
- 9.2 In general, the NCRD will work with 3rd party recipients to ensure NCRD procurement standards are met.
- 9.3 Funds may be paid to suppliers directly by the NCRD or may be reimbursed to the non-profit organization upon receipt of supporting supplier invoices, so long as they continue to meet the eligibility requirements for the CWF. Funds will not be advanced to 3rd parties ahead of such supporting documents being received and reviewed.
- 9.4 Supplier invoices for costs that do not meet eligibility criteria will not be paid. This will be the case regardless of what the initial project eligibility review had indicated.
- 9.5 Where a non-profit project is approved for a project to be undertaken by a non-profit organization, a contribution agreement must be signed between the NCRD and the non-profit organization. The agreement must include the following commitments from the non-profit organization:
 - a) Compliance with all applicable regulations including obtaining proper building permits;
 - b) Responsibility for sourcing any remaining project funds needed for the proposed project;
 - c) Submission of an annual report in a form prescribed by the Financial Administrator for each year in which the project is being funded;
 - d) Submission of a final report in a form prescribed by the Financial Administrator including the outcomes and deliverables of the project;
 - e) To provide to the Financial Administrator a copy of an unaudited Balance Sheet and Statement of Income and Expenses for the year the funds were dispersed to finance the project; and
 - f) To maintain all records associated with the project and retain these records for at least five (5) years following the project completion.

10. Time Limits

- 10.1 Where a gas tax funded project is on behalf of a third party, the approval shall expire, and any unspent funds be returned 24 months following the Board approval date. This expectation will be communicated to the third party recipients upon approval, within the body of the funding agreement.
- 10.2 Extensions to the 24-month term may be considered and approved by the Financial Administrator.

11. Reporting

- 11.1 The NCRD is required to provide annual reporting to the UBCM, including measured outcomes on recent past projects.
- 11.2 Third party recipients must agree to provide necessary information to enable that reporting upon request.
- 11.3 Third party recipients who do not meet reporting requirements may be subject to a requirement to repay the gas tax funds previously provided for the project and will not be considered eligible for future funding.

Approval Date:	July 16, 2021	Resolution No.	244-2021
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