



# BOARD Policy

Section:	Financial Services	BRD-0340-50
Title:	Federal Gas Tax - Community Works Fund	035

## 1. PURPOSE

The purpose of this policy is to define a process for a fair and equitable distribution of the funding received from the Community Works Fund (CWF) consistent with the terms and conditions of the Gas Tax Agreement (GTA) and to define a process for efficient expenditures of funds and ensure compliance with the CWF Agreement (as defined below).

CWFs are made available to eligible local governments, including the Sunshine Coast Regional District (SCRD), by the Government of Canada pursuant to the Agreement on the Transfer of Federal Gas Tax Revenues or Gas Tax Agreement (the "GTA") between the Union of British Columbia Municipalities (UBCM) and the Governments of Canada and British Columbia. Funding under the program is intended to be directed to local priorities that fall within one of the eligible project categories and that are in keeping with the GTA's intended outcomes of reduced greenhouse gas emissions, cleaner air and cleaner water.

All local governments receive CWF. The formula for dispersing the funding is based on a formula which includes a base amount and an amount per capita. Member Municipalities within the SCRCD receive their own share of the CWF according to their population as does the Regional District.

## 2. SCOPE

This policy applies to all funding allocations and grant disbursements from the Community Works Fund.

Proposed projects or initiatives must meet the eligible criteria and guidelines as outlined by the Gas Tax Agreement.

In order for funds to be expended, the Regional District must have legislative authority or an established service under which an eligible project can be undertaken.

## 3. DEFINITIONS

**"Federal Gas Tax Funds"** means those funds received annually by the Federal Gas Tax - Community Works Fund, overseen by UBCM, to the SCRCD.

**"Agreement"** means the 2014-2024 Community Works Fund Agreement signed between the Regional District and the UBCM.

**"Annual Funding"** means the annual amount received from UBCM in two instalments in July and December of each year.

**"Eligible Project Categories"** means eligible project categories as defined in Schedule B of the CWF-Gas Tax Agreement.

**"Infrastructure"** means infrastructure as defined in Annex A of UBCM Gas Tax Agreement as: "municipal or regional, publicly or privately owned tangible capital assets in British Columbia primarily for public use or benefit."



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**“Public Use or Benefit”** means a facility or asset that is accessible to the public and not limited to a private membership, or it confers a tangible benefit on a sufficiently large segment of the public or community.

**“Supplemental Funding”** means any additional payments received from UBCM from the Community Works Fund program.

**“Ultimate Recipient”** means:

- (i) a Local Government or its agent (including its wholly owned corporation);
- (ii) a non-municipal entity, including for-profit, non-governmental and not-for-profit organizations, on the condition that (a) the Local Government(s) where the Eligible Project would be located, if applicable, has (have) indicated support for the project through a formal resolution of its (their) council(s) or board(s).

### 4. POLICY

#### 4.1. Allocation of Funds

- 4.1.1. The SCRD receives CWF funds each year from the Federal Government of Canada, under Gas Tax Fund Agreements (GTA) between the Federal Government of Canada, the Province of British Columbia, UBCM and the SCRD. Under this policy, these funds are allocated for use in the Electoral Areas (EA) of the Regional District (Areas A, B, D, E and F).
- 4.1.2. No portion of these funds are allocated to member municipalities as they receive their own share of Federal Gas Tax funds under separate agreement with UBCM.
- 4.1.3. The SCRD Board shall consider statutory obligations and budgetary limitations to ensure funds are disbursed as fairly and equitably as possible.
- 4.1.4. Funds received are allocated as follows:
  - 4.1.4.1. Regular Annual and or Supplemental Funds are 100% allocated to individual EA's A, B, D, E and F on a per-capita basis, based on most recent census using the Census Voting Strength reports published by the Province of British Columbia following each census taking.
  - 4.1.4.2. Regular Annual and or Supplemental Funds will be allocated based on a prospective basis. Subsequent changes in population will not cause unspent funds to be re-allocated.
  - 4.1.4.3. Interest earned on unspent balances will be allocated annually to the respective balances of each EA.
  - 4.1.4.4. Despite this allocation process, CWF belong to the SCRD as a whole. As such, EA Directors are free to re-distribute funds allocated to the area they represent to any other area of the SCRD or may 'pool' funds as they desire.

#### 4.2. Use of Funds



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- 4.2.1. All CWF must be used in accordance with eligibility criteria contained in the master agreement with UBCM, and any subsequent changes or updates thereto.
- 4.2.2. The following project areas shall be given priority:
- a) Projects which align with the SCRD's strategic priorities;
  - b) Projects which address critical infrastructure needs, active transportation, capacity building, including capital investment plans, integrated community sustainability plans, life-cycle cost assessments, and asset management plans for the SCRD;
  - c) Adaption to and mitigation of climate change.
  - d) Infrastructure projects that are owned or leased by the SCRD;
  - e) Projects which benefit the greatest portion of an EA or region as a whole.
- 4.2.3. Projects that appear eligible will require a detailed project plan and budget aligned with eligible project categories. CWF can be applied to all of a project or only the portion that meets the requirements.
- 4.2.4. Funding for projects from ultimate recipient will be considered only if, after examining the SCRD's short and long-term financial commitments, there is available unallocated funding.
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### 5. AUTHORITY TO ACT

- 5.1 *Local Government Act*, Section 263 (1) (a), (b), and (c).
- 5.2 The Board will be designated to review and evaluate all proposed projects and initiatives that meet the eligible criteria and guidelines of CWF.
- 5.3 The SCRD Board has both statutory and budgetary limitations and wish to ensure that these funds are disbursed as fairly and equitably as possible.

### 6. REFERENCES (Bylaws, Procedures, Guiding Documents)

Appendix 1 – Responsibilities and Procedures, Timelines and Reporting

Approval Date:	March 11, 2021	Resolution No.	067/21 Rec. No. 1
Review Date:	July 28, 2022	Resolution No.	192/22 Rec. No. 6
Review Date:	June 26, 2025	Resolution No.	178/25 Rec. No. 2



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### Appendix 1 to Policy # 5-0580-1 RESPONSIBILITIES AND PROCEDURES

1. *The responsibilities and procedures related to this policy are as follows:*
  - 1.1 *Staff:*
    - a) *Develop eligible proposals to present the EA Directors*
    - b) *Complete all reporting requirements.*
  - 1.2 *EA Directors:*
    - a) *The EA Directors shall review and evaluate all proposed projects and initiatives that meet the eligible criteria and guidelines of CWF and recommend to the Board of Directors approval of chosen projects*
  - 1.3 *Board:*
    - a) *Adopt the Federal Gas Tax-Community Works Fund Policy and consider updates from time to time;*
    - b) *Approve funding of CWF projects during the annual financial plan process and any required financial plan amendments;*
    - c) *Approve contribution agreements with non-profit organizations received CWF monies*

### TIMELINES

1. *In order to be included in the Financial Plan for the following year, proposals for eligible projects must be presented prior to or as part of the SCRD's pre-budgeting process. Proposals received after this date will only be considered if the project is considered an emergency. This deadline is provided to allow the EA Directors to review the proposed projects in advance of the financial planning process and to reduce the occurrence of financial plan amending bylaws.*

### REPORTING

1. *The SCRD is required to provide annual reporting to UBCM, including measured outcomes on recent past projects.*
2. *Third party recipients must agree to provide necessary information to enable that reporting upon request, or be subject to a requirement to repay the CWF previously provided for the project and/or not be considered eligible for future funding.*
3. *SCRD staff will provide bi-annually (April and October) a report to the Corporate and Administrative Services Committee on the current status of the Gas Tax-Community Works Fund, including budgeted project commitments, year to date spending and uncommitted funds available to be spent on eligible projects. This information will also be provided as part of the annual Financial Planning process.*