

Municipal Funding

Department of Municipal and Provincial Affairs

Overview

- Municipal Operating Grants
- Provincial Shared Gas Tax Revenues
- Community Enhancement Employment Program
- Canada Community Building Fund
- Special Assistance
- Municipal Training Fund
- Community Collaboration Grants
- Accessible Communities Grants

Municipal Operating Grants (MOG)

- Total of \$28 million allocated.
- Budget 2023-24 announced an increase of \$6 million over two years. \$3 million in 2023-24 and \$3 million in 2024-25.
- The purpose of the program is to provide funding to small and medium-sized municipalities to assist with service delivery, operations and administrative costs.
- Allocations are disbursed through two payments (one in the Spring and one in the Fall).

Municipal Operating Grants (MOG)

- To receive an allocation, Municipalities and ICGs must be compliant with the following accountability criteria:
 - submission of signed audited PSAB compliant financial statements,
 - submission of a tax receivable summary,
 - submission of a tax recovery plan,
 - submission of current year budget,
 - own source revenue must be maintained at the 2015 per capita level, and
 - all documents are due by June 30th following the fiscal year end.
- Carries forward for one year from payment date.

Shared Provincial Gas Tax Revenues (PGTR)

- A share of PGTR is allocated annually for all municipalities and ICGs. Total of \$7.1 million allocated.
- The purpose of the program is to provide further source of revenues to assist with the sustainability of municipalities within the province.
- There are no restrictions placed on how municipalities spend these funds.
- Annual allocations are disbursed through two payments (one in the Spring and one in the Fall).

Shared Provincial Gas Tax Revenues (PGTR) cont'd

- To receive an allocation, municipalities and ICGs must be compliant with the following accountability criteria:
 - submission of a tax receivable summary,
 - submission of a tax recovery plan,
 - submission of current year budget, and
 - own source revenue must be maintained at the 2015 per capita level.
- Funds are held until full compliance is achieved. Compliancy must be achieved by February 28.
- No carry forward.

Community Sustainability Partnership Accountability Measures

- To submit a budget for the current year
- To submit signed audited PSAB compliant financial statements for the prior year
- To submit a Tax Receivable Summary for the prior year
- To submit a Tax Recovery Plan for the prior year
- To maintain own source revenues
- To participate in the water/wastewater initiative if identified to benefit

Community Sustainability Partnership Accountability Measures

- To submit a budget for the current year
 - Blueprint for your operations
 - Budget expenditures first, then revenue
 - Be realistic, review your actual expenditures and factor in inflation
 - Plan for aging infrastructure
 - Plan for disaster mitigation
 - Establish capital reserves
 - Set fees and taxes accordingly

Community Sustainability Partnership Accountability Measures

- To submit audited PSAB compliant financial statements for the prior year
 - Be accountable and transparent with your residents/tax payers.
 - Review management letter, act on deficiencies/recommendations
 - Be prepared for your audit.
 - Good bookkeeping and record keeping practices are key.

Community Sustainability Partnership Accountability Measures

- Submit a tax receivable summary and tax recovery plan
 - Great summary documents of the status of your tax collection
 - Provides council and town administration with the information necessary to make a receivables plan.
 - Be realistic in your collection goals
 - Adjust your plan if it isn't working
 - Failure to collect taxes will result in financial difficulty, or disproportionate taxes to compliant residents/tax payers.

Community Sustainability Partnership Accountability Measures

- To maintain own source revenues
 - Based on 2015 revenue
 - Taxes and Fees
 - Calculated on a per capita basis
 - Operating grants are not to replace own source revenue, but to supplement it.
- To participate in the water/wastewater initiative if identified to benefit

Community Enhancement Employment Program (CEEP)

- Provides short-term employment to workers in rural areas of the Province through funding provided to project sponsors.
- Funds projects that contribute to tourism development, economic development, community/municipal infrastructure and community services.
- Total funding available of \$4.9 million.

Community Enhancement Employment Program (CEEP)

- Project sponsors may be local governments or community organizations and are encouraged to develop projects that provide skills development opportunities for workers and ongoing benefits to the region.
- The program is application based.
- Will open for applications in the Summer.

Canada Community Building Fund

- The Canada Community-Building Fund (CCBF) is a Federal Program that provided \$228M over 5 years (2019-2024) to recipients of NL for infrastructure projects.
- Some eligible project categories include: local roads and bridges, recreational infrastructure, tourism infrastructure, drinking water, wastewater, community energy systems, fire hall infrastructure and capacity building.
- It provides funding to 275 recipients (270 municipalities & 5 Inuit Community Governments).

Canada Community Building Fund

- Is administered by the Canada Community-Building Fund Secretariat, Department of Municipal and Provincial Affairs.
- Current CCBF Agreement ended March 31, 2024. Negotiations are currently ongoing with Infrastructure Canada.
- Recipients with allocations remaining can still submit applications for funding.
- Unused allocations will carry forward to new agreement.

Application Process

Steps to apply for CCBF:

1. Council must decide on a project, then a capital investment plan application, detailed cost estimate and a motion from council must be submitted for approval.
 2. The application will be reviewed for completeness and then recommendation is made to the CCBF Committee.
 3. Applications are reviewed by the CCBF committee during meetings that are held every second Wednesday. This committee compares the applications to the eligible categories and eligible expenditures within the Agreement.
 4. Ultimate Recipients will receive a letter regardless of the outcome.
- In July, 2020, the Agreement was amended to allow submission of applications after a project has started, as long as it is within the same calendar year.

Project Housekeeping

Motion from council is required to:

1. Cancel a project.
 2. Reduce approval amount.
- If a cost overrun occurs – a revised capital investment plan, all invoices or tender documents and motion of council are required.

Reporting Process

- Ultimate Recipients must submit an Audited Annual Expenditure Report (AER) in order to be compliant.
- The deadline for this report is March 31 of each year.
- While these reports are completed by your auditor, it is very important that the reports are reviewed for completeness and accuracy by the Ultimate Recipient.
- Any discrepancies reported on the document must be addressed and corrected before compliancy is obtained. Compliancy is required in order for payments to be released.

Asset Management Update

- Asset Management Plans are a long term planning tool to help guide infrastructure planning and investment decisions.
- Asset Management Plans are eligible for CCBF funding under the Capacity Building category; as long as the recipient has unallocated funding available.
- The Asset Management Plan guidelines, templates and training videos are now available for those who wish to complete the plan on their own. Please email: municipalinfrastructure@gov.nl.ca to request a copy.

Reminders for 2024

- 2023 Audited Annual Expenditure Report deadline **March 31, 2024.**
 - The Asset Management Questionnaire should accompany the audit report.
- Submission of capital investment plan application, detailed cost estimate and motion from council for unallocated CCBF funding.

Contact Information

- Toll free number: 1-877-729-4393
- Email: CCBF@gov.nl.ca
- Fax: 709-729-3605
- Website: <https://www.gov.nl.ca/mpa/for/gta/> - has program information, Capital Investment Plan Applications and Audited Annual Expenditure Report forms

Special Assistance Grants (SAG)

- The Special Assistance Grant Program is a cost shared program that provides financial assistance to municipalities, LSDs, other municipal entities and non-municipal/not-for-profit organizations to provide financial support for:
 - emergencies related to health and/or life safety;
 - communities experiencing financial difficulties;
 - general assistance to communities beyond the budgetary process; and
 - special projects or initiatives.
- Generally, requests are related to emergency projects costing less than \$30,000.
- Process involves two committees: Finance and Executive and a review by Regional Engineers if applicable.
- The review process could potentially take up to 3 months.

Special Assistance Grants (SAG)

- Applications can be found at:
<https://www.gov.nl.ca/mpa/for/saf/>
- Quotes or invoices for the work must accompany the application form and any other supporting documentation to help with the review process.

Municipal Training Financial Assistance Fund

- Municipal Training Financial Assistance Fund (MTF): a cost shared grant to financially assist municipalities in gaining access to training and professional opportunities directly related to Municipal leadership, administration and/or operations.
 - Budget 2024 announced a \$400,000 increase for municipal training.
 - Training and professional development must be sponsored or sanctioned by the Department of Municipal and Provincial Affairs (MAPA).
 - Some examples of eligible training are: PMA & MNL Conferences, Regional Meetings and any courses presented by PMA & MNL. Any training presented by MAPA and the Clean Drinking Water Workshop presented by Department of Environment and Climate Change.
 - Each municipality is allocated \$1000 per Fiscal Year, April 1 to March 31.
 - Municipalities with populations under 500 will receive reimbursement of 75% of the costs associated with training.
 - Municipalities with populations of 500 or more will receive reimbursement of 50% of costs associated with training.

Municipal Training Financial Assistance Fund

Eligible expenses:

- Transportation
- Accommodations
- Registration/course fees

Non- eligible costs

- Loss of wages
- Cost to backfill for the person in training
- Incidental and entertainment expenses

Municipal Training Financial Assistance Fund

Reimbursement Process

- Applications can be found here: <https://www.gov.nl.ca/mpa/local-governance-division/training/>
- Copies of supporting receipts to be submitted with application.
- Copy of the agenda, workshop or course outline.
- Any other documents supporting the claim.
- Email to specialassistancegrants@gov.nl.ca or fax 1-709-729-3605.

Questions?

For more information, visit our website at <https://www.gov.nl.ca/mpa/funding/> or contact us directly at:

Municipal Operating Grants and Provincial Gas Tax Revenues

- Email: municipalfinance@gov.nl.ca

Community Enhancement Employment Program

- Email: employmentsupport@gov.nl.ca, Call: 1-866-508-5500

Canada Community Building Fund

- Email: CCBF@gov.nl.ca, Call: 1-877-729-4393, Fax 709-729-3605

Special Assistance and Municipal Training Fund

- Email: specialassistancegrants@gov.nl.ca, Call: 1-877-729-4393, Fax 709-729-3605