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## REPORT TO ELECTORAL AREAS COMMITTEE MEETING OF WEDNESDAY, APRIL 10, 2024

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**SUBJECT**    2023 Community Works Fund Annual Report

### **ISSUE SUMMARY**

This report provides a summary of Community Works Fund (CWF) activity for the period of January 1, 2023 through December 31, 2023.

### **BACKGROUND**

CWF is one of three program streams under the Canada Community-Building Fund (CCBF) Program. The CCBF transfer is from the federal government, and Union of British Columbia Municipalities (UBCM) administers the CCBF program on behalf of the province through a trilateral agreement. The agreement between the Government of Canada-Province of BC-UBCM provides a 10-year commitment (2014-2024) to deliver funding to local governments for infrastructure and capacity-building projects. This agreement provides the administrative framework for the program. It sets out the funding allocation, program delivery and eligible categories.

To receive funding, local governments are required to enter into an agreement with UBCM as the program administrator. Funding is distributed to local governments through UBCM on a per capita basis. In alignment with Capital Regional District (CRD) Board Direction (August 2014), CWF funds are reallocated to the three Electoral Areas (EAs): Juan de Fuca (JDF), Salt Spring Island (SSI) and Southern Gulf Islands (SGI) on a per capita basis. Once funds are distributed, staff administer the program through a continuous application process.

The CRD has been a recipient of CWF under two agreements: 2005-2014 and 2014-2024. Appendix A provides a summary of activity since 2006 and remaining balances at the end of 2023. The current agreement (2014-2024) expired on March 31, 2024, and final payment was received in 2023 under the current agreement. In 2023, UBCM and the province formalized a joint approach to renewal discussions with the federal government for a renewed CCBF agreement. The CRD received a letter in March 2024 stating that UBCM is hoping to have a 10-year renewal agreement signed by July 2024. Until the renewal agreement is signed, the program will continue to operate under the terms and conditions of the existing agreement. Staff will bring a report back to the Board once a new agreement is finalized.

### **IMPLICATIONS**

#### *Service Delivery Implications*

CRD services and third parties in the EAs are eligible to access CWF funding. The funding is used to support the diverse needs and local priorities in each of the EAs. Often, the third-party requests provide services to communities and areas where the CRD has no service authority.

In 2023, successful projects under CWF's eligible categories included recreational, drinking water, wastewater, fire halls and fire stations, community energy systems and culture and tourism

infrastructure projects. The agreement also requires local governments to commit to asset management practices. Appendix B details a list of projects that were awarded in 2023. Appendix C details projects by recipient type and project category.

### Financial Implications

### 2023 Activity

Tables 1 and Table 2 provide an overview of CWF allocation and activity in the EAs for the past two years.

**Table 1: Distribution of CWF Funds to EAs**

	Population (2021 Census) <sup>1</sup>	%	2023 Allocation (\$)	Population (2021 Census) <sup>1</sup>	%	2022 Allocation (\$)
<b>JDF</b>	5,531	24	291,531	5,531	24	279,432
<b>SSI</b>	11,635	50	613,263	11,635	50	587,814
<b>SIG</b>	6,101	26	321,575	6,101	26	308,230
<b>Total</b>	<b>23,267</b>	<b>100</b>	<b>1,226,369</b>	<b>23,267</b>	<b>100</b>	<b>1,175,476</b>

<sup>1</sup> In 2021, these numbers are derived from the new Statistics Canada census and were updated in [February 2022](#). In alignment with CRD Board direction (August 2014), the population numbers were used for CWF distribution to the EAs.

**Table 2: CWF Funding Awarded to Projects**

	2023		2022	
	# of Applications	Amount Awarded (\$)	# of Applications	Amount Awarded (\$)
<b>JDF</b>	1	30,000	14	905,000
<b>SSI</b>	20	1,197,330	13	2,071,050
<b>SIG</b>	4	189,000	1	80,000
<b>Total</b>	<b>25</b>	<b>1,416,330</b>	<b>28</b>	<b>3,056,050</b>

### Unspent Funds

Since 2014, the CRD has awarded \$12.3 million to projects. The CRD has \$3.6 million in funding remaining under the current agreement at the end of 2023. Some CRD services have identified CWF as a potential funding source in the 2024-2028 capital plans to utilize the unspent funds.

In the last few years through the Annual Expenditures Reports (AER) to UBCM, the CRD was required to forecast unspent funds. 2023 AER will be the last report under the current agreement and will include additional reporting to identify and provide timelines for the use of remaining unspent funds. Until a 10-year new agreement is signed, unspent funds can be continued to be spent under the terms and conditions of the current agreement. It is anticipated that the new agreement might have provisions regarding unspent funds.

**CONCLUSION**

The 2023 CWF Annual Report provides a summary of funding activity in 2023. The program is administered through a continuous application process for third parties and CRD services in the EAs. Applications must have EA Director support and are subject to availability of funds and program eligibility, which is coordinated through a rigorous pre-screening and application process. The current agreement expired on March 31, 2024, pending a new agreement. Staff anticipate a new agreement in July and will bring back a report to the Board.

**RECOMMENDATION**

There is no recommendation. This report is for information only.

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**ATTACHMENTS**

- Appendix A: Community Works Fund Funding Assigned to Projects and Balance Remaining by Electoral Area, April 1, 2006 – December 31, 2023
- Appendix B: 2023 Community Works Fund Grants Awarded
- Appendix C: 2023 Community Works Fund Detailed Breakdown by Electoral Area