

# Request for Decision



To: Regular Meeting  
From: Financial Services  
Date: May 8, 2023  
Subject: Reserve Fund Establishment Bylaw No. 2099  
Recommendation: **THAT Council gives first three readings to the Reserve Fund Establishment Bylaw No. 2099.**

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## Purpose

To establish a new reserve for the Growing Communities Fund, as required by the Province of British Columbia.

## Background

The Province of BC recently established the Growing Communities Fund to provide one-time grants to local governments to support the delivery of infrastructure projects necessary for community growth. The City of Grand Forks received \$1,981,000 of grant funding under this program on March 23<sup>rd</sup>.

As a condition of funding, the City is required to establish a segregated reserve fund, separate and distinct from existing reserves. The Province has also included other conditions such as project eligibility and annual reporting requirements which are detailed in the attached Frequently Asked Questions document.

Instead of separate bylaws for each reserve, the City currently has one amalgamated reserve fund establishment bylaw which separately identifies the purpose and requirements for each individual reserve. Consequently, it makes sense to adopt a new bylaw rather than amend the existing one.

Staff would like to use this opportunity to also make a change related to the Climate Action Reserve. The Climate Action Revenue Incentive Program (CARIP) referenced in the existing bylaw was cancelled in 2021, with a new program, the Local Government Climate Action Program (LGCAP) implemented in 2022. The wording in Section 3.6 (previously 3.5) now reflects that change.

The specifications for the new reserve are included in the attached draft bylaw, along with the changes noted above.

This bylaw was introduced to the COTW on April 17<sup>th</sup>, and will be presented to Council for final reading at the May 29<sup>th</sup>, 2023 Regular Meeting.

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## Benefits or Impacts

### General

The City requires a new reserve fund establishment bylaw in order to create a separate reserve for funds received from the Province of British Columbia's Growing Communities Fund.

### Finances

The City received \$1,981,000 of funding under the Growing Communities Fund program, which will be transferred into the reserve until spent on eligible projects.

### Strategic Impact

Receipt of this grant from the Province may facilitate completion of eligible projects aligned with Council's strategic priorities.

### Risk Assessment

#### Compliance:

*Community Charter* Section 188 (establishment of reserve funds)

*Local Government Act* Section 525 (off-street parking)

*Local Government Grants Regulations*

Administrative Agreement on the Federal Gas Tax Fund in British Columbia

#### Risk Impact:

Moderate. The Province requires the City to create a separate reserve for this funding.

#### Internal Control Process:

These funds have been transferred into a separate bank account to facilitate accurate tracking and reporting of interest income and associated expenditures from the fund.

### Next Steps / Communication

Bylaw No. 2099 will be presented to Council at the May 29<sup>th</sup> Regular Meeting for final reading.

## Attachments

Draft Reserve Fund Establishment Bylaw No. 2099, 2023

Reserve Fund Establishment Bylaw No. 2060, 2019

Growing Communities Fund Notification Letter from the Province of British Columbia

Growing Communities Fund Frequently Asked Questions

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## Recommendation

**THAT Council gives first three readings to the Reserve Fund Establishment Bylaw No. 2099.**

## Options

1. Staff does not recommend any other options, as the Province of BC requires establishment of a separate reserve for grant monies received under the Growing Communities funding program.