

# New Federal Gas Tax Fund 2014-2024



Department of Municipal Affairs

# New Gas Tax Agreement

- Negotiations complete and Canada-NS Agreement signed in effect as of April 1, 2014 <http://www.infrastructure.gc.ca/prog/agreements-ententes/gtf-fte/2014-ns-eng.html>
- Signed Municipal Funding Agreement (MFAs) with all Municipal units
- 10 year Program – 2014-2024
- Transfer Based – 100% Federally Funded
  - Stacking: abide by other federal infrastructure agreement rules
- Coordinating with UNSM/AMA on Program Delivery

# UNSM Collaboration

UNSM collaboration on all GTF communication activities including, project event calendar, signage tracking, project spotlights, FAQs, newsletters, site visits, asset management, workshops etc.

UNSM-Gas Tax Resources: <http://www.unsm.ca/gas-tax-fund.html>

DMA-Gas Tax Resources:

<http://www.novascotia.ca/dma/funding/infrastructure/gas-tax-fund.asp>

# New NS Gas Tax Allocations

Fiscal Year	GTF Funding for NS
2014-15	\$53.2M
2015-16	\$53.2M
2016-17	\$55.9M
2017-18	\$55.9M
2018-19	\$58.5M
2019-2024*	*based on 2016 census

# Eligible Recipient

- (a) a **Municipality** or its agent (including its wholly owned corporation); and
- (b) a **non-municipal entity**, including for profit, non-governmental and not-for profit organizations, on the condition that the Municipality(ies) has (have) indicated support for the project through a formal resolution passed by its (their) council(s).

See MFA for specifics

# Funding Non-Municipal Entities

- Resolution passed by Council (projects must be reported in CIP and AER)
- DMA has provided sample letter for Agreement (must submit to DMA if any non-municipal entities are funded using GTF)
- Non-Municipal entity must comply with terms and conditions of MFA, including reporting.
- Refer to Section 2.6 of MFA for more info.

# Expanded Gas Tax Categories

- Drinking Water
- Wastewater
- Solid Waste
- Community Energy Systems
- Local Roads and Bridges
- Public Transit
- Capacity Building
- Highways
- Regional/Local Airports
- Short-Sea Shipping
- Short-Line Rail
- Broadband Connectivity
- Brownfield Redevelopment
- Cultural Infrastructure
- Tourism Infrastructure
- Sport Infrastructure
- Recreational Infrastructure
- Disaster Mitigation

**Note: New Category expenditures eligible only after April 1<sup>st</sup> , 2014**

# Capacity Building

For capacity building category only, the expenditures related to strengthening the ability of Municipalities to improve local and regional planning including Capital Plans, integrated community sustainability plans, life-cycle cost assessments, and Asset Management Plans. The expenditures could include developing and implementing:

- i. studies, strategies, or systems related to asset management, which may include software acquisition and implementation;
- ii. training directly related to asset management planning; and,
- iii. long-term infrastructure plans.



# Project Eligibility

- Municipalities are encouraged to contact the Department of Municipal Affairs **in advance** of incurring costs on a project to determine broad eligibility.
- The municipality incurs the risk of project ineligibility or ineligible costs.
- Main eligibility lens: Must be an eligible project category, approved by council through capital budget and have outcome that can be measured.

# Outcome Measures

- New outcome measures have been updated in the AER as per the eligible project categories. Must provide once project is complete.
- The Province is required to provide Infrastructure Canada with an Outcomes Report by March 31, 2018.

# Gas Tax Incrementality

- The use of internal staff or leasing of equipment must be incremental and be approved in advance by the Department of Municipal Affairs prior to incurring costs.
- Please contact us in advance if you wish to pursue using GTF to fund internal staff on a project.
- Gas Tax project expenditures must be incremental (should not displace existing capital spending).

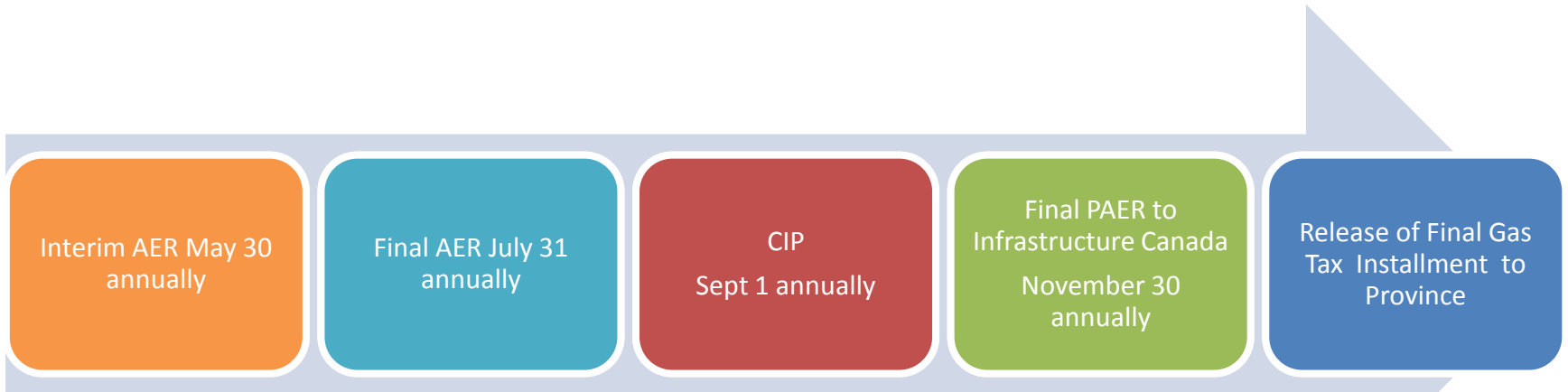
# Capital Investment Plan (CIP)

- Records planned capital infrastructure expenditures over 5 year period
- Online CIP is due Sept 1 annually (new shortened template).
- Budget Year 1 projects within CIP must be approved by council. If your municipality is completing a separate capital budget format that was approved by council, the CIP must reflect the same information as in the approved capital budget.
- The CIP is a separate requirement from capital budget. Five year budget is required.
- Must now track all GTF projects funded to non-municipal entities.

# Annual Expenditure Report (AER)

- Records actual Gas tax project expenditures and project detail.
- Revised AER template has been updated with new categories and outcomes indicators (projects are listed from 14-15 onward)
- The Province will conduct AER **compliance audit** on sample of municipalities annually.
- Interim is due May 30 and Final July 31 annually

# Gas Tax Reporting Deadlines



## Other Reporting:

- Communications Report (March)
  - In place of 3 Forecast Surveys
- FIR (Sept 30)
- SOE (Sept 30)
- Audited Financial Statements (Sept 30)

DMA has recently launched new online MRS (Municipal Reporting System) using Excel based forms instead of Adobe

# Process to Receive Allocation

- Gas Tax Funds are distributed to municipalities in two (50%) allocations
  - To receive 1<sup>st</sup> allocation (usually November):
    - All departmental reporting from the previous fiscal year;
    - Annual Expenditure Report;
    - Capital Investment Plan; and
    - Other Reporting Requirements (i.e. FIR, SOE and audited Financial Statements)
  - To receive 2<sup>nd</sup> allocation (March):
    - 1<sup>st</sup> allocation requirements must be met;
    - PAER accepted by Infrastructure Canada.
- The release of other DMA funding (i.e, Equalization, Grant In Lieu & Fire Protection) is also subject to meeting the above

# Communications Protocol

- UNSM will be collecting information on planned gas tax projects in the Spring (i.e, Communications Report to INFC)

Signage templates are now available online (managed by Infrastructure Canada):

– <http://www.infrastructure.gc.ca/pub/signage-panneaux/intro-eng.html>

- Project Signage required as per previous program. Signage costs is eligible as part of overall project cost.
- Project announcements required as deemed by INFC
- If Municipality wishes to hold an event, it must notify DMA Communications and proceed accordingly



# GTF Contact Information

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