

## F1.12 Community Works Fund Prioritization Policy



### Regional Board Policy

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<b>Office of Primary Responsibility:</b> Finance Department		
<b>Date Adopted:</b>	<b>Board Resolution Number:</b>	<b>Date to be Reviewed:</b>
<b>Manner Issued:</b> CRD Policy Manual		

### **PURPOSE:**

The purpose of this policy is to ensure that the Cariboo Regional District (CRD) derives the maximum possible benefit from Community Works Funds (CWF) through an integrated Asset Management approach, which reflects the statutory financial constraints of the CRD.

### **POLICY:**

#### **1. Scope**

- 1.1. This policy applies to funding received through the [Community Works Funding Stream](#) as part of the [Canada Community-Building Fund Administrative Agreement](#) between the Government of Canada, Province of B.C., and the Union of B.C. Municipalities (CCBFAA).
- 1.2. This policy governs the decision-making process for how CWF will be allocated within the CRD's financial planning process.
- 1.3. At all times, the Board of Directors retains final decision making authority for allocating Community Works Funds towards eligible projects and activities.

#### **2. Guiding Principles**

- 2.1. **Regional Equity** – CWF should support the achievement of local rural priorities, while recognizing the associated benefits of supporting sub-regional and regional initiatives and ensuring that benefits accrue equitably across the Regional District.

- 2.2. **Financial Sustainability** – CWF should not replace or displace regular annual taxation, and should instead result in incremental value-added capital spending.
- 2.3. **Funding Eligibility** – The CRD may allocate funding only to those projects which are included under an eligible expenditure category within the CCBFAA.
- 2.4. **Strategic Alignment** – Utilize these funds in a manner that reflects the CRD's Strategic Priorities and long-term planning expressed through official community plans and other official sources.
- 2.5. **Sustainable Service Delivery** – The CRD is committed to sustainably delivering its services to residents through an Asset Management Planning Framework, and this funding should support this direction.
- 2.6. **Transparency and Accountability** – The decision-making process for allocating CWF funds should be clear to external observers, citizens, and service partners.
- 2.7. **Alignment with Financial Planning** – The decision making process should support and enhance the financial planning process established for the CRD.
- 2.8. **Democratic Governance** – The Board is the decision-making body for the purposes of allocating financial resources to various service budgets and will carry final decision-making authority over the allocation of CWF.

### 3. Roles and Responsibilities

- 3.1. Board of Directors
  - a) Support and commit to the development and incorporation of Asset Management principles into decision making around CWF Allocations.
  - b) Evaluate the advice of staff and make decisions from a community-outcomes perspective.
  - c) Ensure a long-term planning approach consistent with regional priorities.
  - d) Provide oversight and monitor progress.
- 3.2. Chief Administrative Officer (CAO)
  - a) Ensure policy implementation and alignment with CRD's strategic priorities.
  - b) Review and endorse recommendations from the Asset Management Steering Committee.
  - c) Report progress and key outcomes to the Board.
- 3.3. Chief Financial Officer
  - a) Integrate CWF Funds into long-term financial planning processes.
  - b) Ensure consistency with Generally Accepted Accounting Practices, applicable laws and regulations, and any other legal obligations.
  - c) Ensure accurate and transparent reporting of funding availability and allocations throughout the Financial Plan.
- 3.4. Asset Management Steering Committee
  - a) Establish a process for CWF funding to be requested for projects consistent with this policy.

- b) Evaluate funding requests from an operational and administrative planning perspective.
- c) Submit advice and priorities for CWF funding to the Board of Directors.

#### 4. Funding Streams

- 4.1. The CRD's CWF allocation will be allotted as follows:
  - a) 33% of the annual CWF intake will be reserved for "**Community / Regional Impact Projects**". Unused funds can be carried forward each year and may accrue to a maximum of \$2 million. These projects allow for investment into new assets, emerging regional priorities, partnership opportunities, and changing regional circumstances. Funds exceeding this amount will be transferred to the "**Infrastructure Reinvestment Projects**" stream.
  - b) All remaining CWF received will be allocated for the "**Infrastructure Reinvestment Projects**" stream. These projects will be focused on reinvesting in existing infrastructure, equipment, facilities, and assets to ensure their continued operation and service delivery within an Asset Management framework.
- 4.2. Funds are not required to be allocated in the same year they are received, and may be reserved for allocation in later fiscal years. CWF funds must be allocated to a project beginning no more than five years from the year in which they were received.

#### 5. Community Impact Projects

- 5.1. Projects within this funding stream will be evaluated by the Board from time to time.
- 5.2. Funds from this stream may be allocated by a 2/3's majority vote of the Board.
- 5.3. The project must be specified within an existing business plan or service budget and planned to begin within the next five years from the date of allocation.
- 5.4. Funding from this stream may be assigned towards **Infrastructure Reinvestment Projects** at the discretion of the Board.

#### 6. Infrastructure Reinvestment Projects

- 6.1. The allocation of CWF Funding within the **Infrastructure Reinvestment Projects** stream will be prioritized based on the criteria set out in Schedule "A" of this policy.
- 6.2. The Asset Management Steering Committee will be responsible for evaluating projects for funding within this stream, and will make recommendations to the Finance-Budget Committee on allocations.
- 6.3. Expenditures for the following categories are not eligible for funding under this policy:
  - a) motor vehicles (Examples: fire trucks, fleet vehicles, etc.);
  - b) small equipment or furnishings, even if they meet the capitalization threshold; or
  - c) office/administration buildings (Example: Central Cariboo Office).
- 6.4. Evaluations will be conducted in accordance with the criteria set out as Schedule "A" to this policy.
- 6.5. The Board reserves the right to make all final decisions on allocations.
- 6.6. Funds from this stream may be allocated by a 2/3's majority vote of the Board.

## 7. Policy Review

This policy will be reviewed and updated every five years, or as needed, to reflect changes in the CWF program, community needs, legislative requirements, or effective practices.

**\*\*\* END OF POLICY \*\*\***

<u>Amended (Y/N)</u>	<u>Date Reissued</u>	<u>Authority (Resolution #)</u>

## Schedule “A” – Infrastructure Reinvestment Projects Evaluation Criteria

A maximum of 120 points are available through the criteria set out below. In general:

- Projects with a rating of 75 or higher will be recommended to the Board for funding.
- Projects with a rating of 60-75 will be identified to the Board and may be evaluated at the discretion of the Asset Management Steering Committee.
- Projects with a rating of less than 60 will only be identified to the Board at the discretion of the Asset Management Steering Committee.

The evaluation is conducted as follows:

### **Safety & Risk Management – 40% of total score**

**A total of 40 points available from the following categories (100 points x 40%):**

Category	Max Score / 100 pts	Criteria Description	Score
<b>Risk Score</b>  Risk x Impact Per Risk Eval. Framework	<b>40 (Total)</b>	Extreme	40
		High	32
		Medium	20
		Low	8
		Insignificant	0
		N/A	0
<b>Safety</b>	<b>30 (Max)</b>		
Safety - Public	30	Documented evidence and/or incidents of significant hazard to safety/health of public.	30
		Documentation of incidents having occurred.	21
		Documentation of potential for incidents to occur.	12
		Potential for harm does not exist.	0
		Not applicable.	0
Safety - Staff	30	Documented evidence and/or incidents of significant hazard to safety/health of staff.	30
		Documentation of incidents having occurred.	21
		Documentation of potential for incidents to occur.	12
		Potential for harm does not exist.	0
		Not applicable.	0

### Safety & Risk Management – 40% of total score (Continued)

Category	Max Score / 100 pts	Criteria Description	Score
External Mandate	30 (Max)		
Permit Compliance	30	Required for permit compliance	30
		Recommended for permit compliance	21
		Proactive action for permit compliance	12
		Not required for permit compliance	0
		Not applicable.	0
Legislative	30	Orders from legislative authority or current non-adherence to code (life threatening)	30
		Recommendation from legislative authority or non-adherence to code (risk of injury)	21
		Suggestion or recommendation from reviewing body or non-adherence to code (no risk of injury)	12
		We are in adherence to current code/legislation.	0
		Not applicable.	0
WorkSafe BC	30	WCB Ordered.	30
		WCB order is expected/imminent.	21
		No WCB concerns.	0
		Not applicable.	0

### Strategic Considerations – 10% of total score

A maximum of 10 points available from any combination of the following:

Category	Max Score = 100 pts	Criteria Description	Score
Climate Change Resilience	10	Adaptation and Emissions reduction project	10
		Adaptation only project	7
		Emissions reduction only project	5
		No Climate Change resilience component to project	0
Environmental Impact Reduction	10	Eliminates impact on ecosystem/biosphere	10
		Reduces impact on ecosystems/biosphere	8
		Mitigates impact on ecosystems/biosphere	6
		Enhances to response for impacts on ecosystems/biosphere.	4
		Improves understanding of impact on ecosystems/biosphere.	2
		No reduction of environmental impacts.	0

### Strategic Considerations – 10% of total score (Continued)

Long Term Planning	10	Consistent with all of OCP, Strategic Plan, Service Master Plan, and Asset Management Plan	10
		Consistent with at least two of: OCP, Strategic Plan, Service Master Plan, and Asset Management Plan	7
		Aligns with at least one of: OCP, Strategic Plan, Service Master Plan, and Asset Management Plan	4
		Addresses an emergency issue not identified in long-term plans.	4
		Does not align with long-term plans.	0
Community Growth Projects	10	Project supports significant community growth (infill, development, or expansion)	10
		Project supports limited community growth (infill, development, or expansion)	7
		Project will maintain current community size.	4
		Project has no impact on community growth	0
Accessibility / Equity	10	Improves access to services for persons with disabilities or from vulnerable populations.	10
		Maintains access to services for persons with disabilities or from vulnerable populations.	4
		No impact on access to services.	0
		Decreases access to services for persons with disabilities or from vulnerable populations.	-5

### Asset Operations & Maintenance – 20% of total

A total of 20 points available from the following categories (100 points x 20%):

Category	Max Score / 100 pts	Criteria Description	Score
Urgency	40	Asset has experienced a critical failure and is deemed non-repairable.	40
		Asset will fail within one year.	32
		Physical life of asset exceeds life span.	20
		Asset is approaching end of life.	12
		Not applicable.	0
		Asset is no longer supported by vendor, parts unavailable.	40
		Asset is no longer supported by vendor, parts available.	28
		Asset is supported by vendor.	0
		Not applicable.	0

**Asset Operations & Maintenance – 20% of total (Continued)**

Category	Max Score / 100 pts	Criteria Description	Score
Capacity	25	Current demand exceeds capacity.	25
		Current demand is approaching capacity.	18
		Unit has excess capacity.	0
		Not applicable.	0
Redundancy	35	No redundancy	35
		No redundancy, but alternative solution is available	25
		Yes, there is either active or passive redundancy for the service	11
		Yes, there is both active and passive redundancy for the service	0
		Not applicable.	0
Staff Efficiencies	20	Enables staff to be significantly more efficient daily activities. (expect corresponding budget savings)	20
		Enables staff to be moderately more efficient daily activities.	14
		Enables staff to be minimally more efficient daily activities.	8
		No impact on staff workload.	0

**Project Readiness – 30% of total**

**A total of 30 points available from the following categories (100 points x 30%):**

Category	Max Score / 100 pts	Criteria Description	Score
Design Stage	40	None - No formal design exists.	0
		Preliminary - A high level drawing generally showing the proposed asset.	8
		Conceptual - A refined drawing typically prepared by an engineer/architect.	16
		Detailed - A detailed drawing showing details to enable procurement.	32
		Construction - A detailed drawing showing all construction details.	40
		Equipment - Price and design are known in advance of purchase.	40
		Consulting Services - Defined scope of work and exclusions for eligible project design work.	40



**Project Readiness – 30% of total (Continued)**

Category	Max Score / 100 pts	Criteria Description	Score
<b>Estimate Classification</b>	40	No formal estimate available.	0
		D (+/-50%) - Preliminary for financial planning purposes.	8
		C (+/-30%) - Conceptual for budgetary purposes.	16
		B (+/-15%) - Detailed, enabling for procurement.	32
		A (+/-5%) - Contracted Price, allowing for acquisition of asset.	40
		E (+/-5%) - Contracted Price for vehicle / equipment purchase	40
		S (+/-5%) - Consulting Services for eligible project design	40
<b>Funds Available</b>	20	Not assigned	0
		Reliant on external funding yet to be secured	6
		Referendum Required for Debt Authorization	10
		External grant funding secured	16
		Budget fully secured	20

**Public Impact / Benefit – 10% of total**

**A total of 10 points available from the following categories (100 points x 10%):**

Category	Max Score / 100 pts	Criteria Description	Score
<b>Population Served</b>	20	Service area population 20%<X of total CRD population (over 12,400)	20
		Service area population 10%<20% of total CRD population (6,200-12,400)	14
		Service area population 5%<10% of total CRD population (3,100-6,200)	8
		Service area population 1%<5% of total CRD population (620-3,100)	2
		Service area population X<1% of total CRD population (under 620)	0
<b>Increased Access to Services</b>	20	Will significantly increase service levels/access.	20
		Will moderately increase service levels/access.	14
		Will meet service level objectives.	8
		No impact to service levels/access.	0

**Public Impact / Benefit – 10% of total (Continued)**

Category	Max Score / 100 pts	Criteria Description	Score
Taxation Impacts	20	No impact to taxation / user fees	0
		Taxation impact is < 5%	4
		Taxation impact is 5% > 10%	8
		Taxation impact is 10% > 25%	12
		Taxation impact is 25% > 50%	16
		Taxation impact is < 50%	20
Operational Savings	30	Operational savings (budget to be transferred to Contingency).	30
		Operational savings (no budget transfer).	15
		No Operational cost impact.	0
		Operational cost increase.	-15