



REPORT

To: Rural Budgets Administration Committee

Report Number: FN-RBAC-061

From: Teri Vetter, Chief Financial Officer

Date: March 18, 2021

Subject: Rural Fringe Fund

RECOMMENDATION:

That the Rural Budgets Administration Committee receive the report titled "Rural Fringe Fund – FN-RBAC-061", which provides background on the intended purpose of the fund, for discussion.

BACKGROUND/RATIONALE:

Research into the background of this fund revealed that these monies came from Fair Share and were originally intended to support water and sewer services provided to an Electoral Area by any host municipality to assist with the impacts on the infrastructure due to increased capacity of the rural service, in exchange for long-term access to a municipal service in the Electoral Areas. Original rationale was based on \$2,500 per lot for each lot that received the service.

On January 11, 2007, the Regional Board passed the following resolution:

MOVED, SECONDED and CARRIED

That the following recommendation be approved, with the following amendment:

Second sentence, between water and sewer – change "and" to "or" to read as follows:

That the \$1,750,000 (plus interest) one time Fair Share Fringe Area funding be allocated to any host municipality providing water or sewer servicing outside of its jurisdiction at a rate of \$2,500 per lot serviced until such time as the fund is depleted. These funds are intended to support additional capacity to municipal infrastructure for rural lots serviced after January 1, 2007."

One June 25, 2015, the Regional Board passed the following resolution:

MOVED, SECONDED and CARRIED

That the \$1,750,000 (plus interest) one time Fair Share Fringe Area funding be allocated to any host municipality providing water or sewer servicing outside of its jurisdiction at a rate of \$2,500 per lot serviced until such time as the fund is depleted. These funds are intended to support additional capacity to municipal infrastructure for rural lots serviced after January 1, 2007."

be repealed; and that the following Rural Budgets Administration Committee's recommended policy change that reads:

That the \$1,750,000 (plus interest) one-time Fair Share Fringe Area funding be allocated to any host municipality providing water or sewer services to the electoral areas, until such time as the fund is depleted. These funds are intended to support additional capacity to municipal infrastructure for rural service impacts in exchange for long-term guaranteed access to the municipal service for the Electoral Areas.

In 2015, Dawson Creek requested \$400,000 in funding from the PRRD to fund the detailed design of the proposed Truck Waste Receiving Facility.

ALTERNATIVE OPTIONS:

1. That the Rural Budgets Administration Committee provide further direction.
2. That the Rural Budgets Administration Committee provide direction on amendments to the policy that better suit the requirements of the Rural Director's.

STRATEGIC PLAN RELEVANCE:

☒ Comprehensive Policy Review

FINANCIAL CONSIDERATION(S):

Previous funding was given to City of Dawson Creek in the amount of \$400,000 and District of Chetwynd for \$500,000.

The balance of the Rural Fringe Fund as at January 31, 2021 was \$1,199,841.

COMMUNICATIONS CONSIDERATION(S):

None.

OTHER CONSIDERATION(S):

If the Rural Budgets Administration Committee wishes to change how these funds are utilized, staff will work on amending the current policy per Committee's direction. Once amended, the policy would be brought back to RBAC for approval and forwarded to the Regional Board for ratification.

Attachments:

1. Rural Fringe Policy
2. June 12, 2015 RBAC Report