

**REPORT TO THE GOVERNANCE AND FINANCE COMMITTEE
MEETING OF WEDNESDAY, JUNE 05, 2019**

SUBJECT **Bylaw No. 4295: Capital Regional District Delegation Bylaw No. 1, 2017, Amendment Bylaw No. 1, 2019**

ISSUE

Delegation of Board authority over Electoral Area (EA) Grants-in-Aid (GIA).

BACKGROUND

The service authority for GIA is established through Letters Patent dated March 24, 1977, and April 17, 1985. A GIA is funding intended for special projects or activities contributing to the general interest and advantage of the relevant electoral area.

The Board has sole authority to approve GIA applications in electoral areas. GIA are awarded as one-time grants to non-profit organizations operating within electoral areas. They are not intended for ongoing operational funding, although applications for recurring projects can be made. Under existing guidelines, organizations already funded directly by taxation, private individuals, and commercial enterprises are not eligible for a GIA.

Throughout the year, applications received are evaluated by authorized staff against eligibility criteria. Eligible grants are then reviewed by the director of the relevant electoral area; i.e., Juan de Fuca Electoral Area, Salt Spring Island Electoral Area, or Southern Gulf Islands Electoral Area. The director then recommends each GIA request for consideration by the Electoral Area Committee (EAC). The EAC recommends approval to the Board for all GIA requests. Funding levels are set by each Electoral Area (EA) Director, approved as part of the five year financial planning process and are raised via taxation throughout each EA individually.

The Board may, by bylaw, delegate its powers, duties and functions. In 2017, the CRD adopted Bylaw No. 4186, Capital Regional District Delegation Bylaw No. 1, 2017 (Appendix A). This provides specified officers, staff and volunteers the ability to enter into agreements, including those relating to grant application and use of funding under section 263(1)(a) and (b) of the *Local Government Act* (LGA), without a resolution of the Board. It does not currently delegate the ability to provide a GIA as described in section 263(1)(c) of the LGA.

To reduce administrative activities to the Board and staff, delegation of authority with respect to GIA is recommended. The final approval would be delegated to the Chief Administrative Officer (CAO) and Chief Financial Officer (CFO). In summary, GIA applications would continue to be reviewed for eligibility by staff, then brought to the relevant EA Director for written approval, with final approving authority resting with the CAO or CFO.

The proposed change allows a more timely approval of GIA awards throughout the year, and saves time and expense administering Board level approval.

ALTERNATIVES

Alternative 1

That the Governance and Finance Committee recommend to the Capital Regional District Board:

1. That Bylaw No. 4295, Capital Regional District Delegation Bylaw No. 1, 2017, Amendment Bylaw No. 1, 2019, be introduced and read a first, second and third time;
2. That Bylaw No. 4295 be adopted.

Alternative 2

1. That the Governance and Finance Committee recommend to the Capital Regional District Board:
2. That Bylaw No. 4295 be referred back to staff with additional direction to bring back changes for the Board's consideration.

Alternative 3

That this report be referred back to staff for additional information.

IMPLICATIONS

PROCESS IMPLICATIONS

The award would no longer be approved by the Board. As a matter of transparency, each EA Director may report at the Board on GIA applications they have approved; for example, quarterly or bi-annually.

FINANCIAL IMPLICATIONS

Each EA Director would be required to approve each award funded from their GIA budgets, provided an application meets GIA guidelines. Delegated staff would then authorize the expenditure. All awards must be consistent with the approved financial plan.

There are no direct financial implications associated with adopting the bylaw change, though staff time will be saved by no longer requiring Board reports throughout the year.

SOCIAL IMPLICATIONS

GIA funding is a significant part of community development. Many organizations rely on it for significant projects relating to child care, environmental initiatives, and construction of infrastructure that would not otherwise receive public funding. Allowing staff the applicable signing authority after approval will reduce the time between request and award, avoiding delays of community projects.

LEGAL IMPLICATIONS

The delegation of the assistance power is limited only to the electoral area grant-in-aid powers set out in the applicable Letters Patent. The suggested amendment also explicitly states the CRD may not provide assistance to business, prohibited by the *LGA*, to ensure all staff reviewing the extent of authority are aware of the prohibition. This is consistent with the "complete code" approach of bylaw drafting.

CONCLUSION

The proposed change allows a more timely approval of GIA awards throughout the year, and saves time and expense administering Board level approval.

RECOMMENDATION

That the Governance and Finance Committee recommend to the Capital Regional District Board:

1. That Bylaw No. 4295, Capital Regional District Delegation Bylaw No. 1, 2017, Amendment Bylaw No. 1, 2019, be introduced and read a first, second and third time;
2. That Bylaw No. 4295 be adopted.

Submitted by:	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence:	Kristen Morley, JD, General Manager, Corporate Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

AH:SC:nm

Attachments:

Appendix A: Bylaw No. 4186, Capital Regional District Delegation Bylaw No. 1, 2017

Appendix B: Bylaw 4295, Amendment Bylaw 2019