

# FEDERAL GAS TAX AGREEMENT

“How the New Deal  
Program Can Work for  
You”

February 28, 2006

# Provincial Role

- Administer the Agreement
- Provide timely payments to municipalities
- Develop a simple, easy to manage reporting framework to help municipalities comply with the Agreement
- Report to Canada using municipal information

# Oversight Committee

- Comprised of representatives from Canada, Manitoba, AMM and Winnipeg
- Support and monitor Agreement implementation, including establishing procedures
- Provide advice and guidance for the next phase of the New Deal

# Current Status

- Municipal funding agreements are being signed and payments are flowing
- Funds must be recorded in a separate reserve account
- Expenditures must be kept track of in a separate project account
- This will assist in year end reporting

# Next Steps

- Clarify project eligibility
- Reporting requirements
- Definition of Base Amount and Incremental Spending

# Eligible Projects / Costs

- Environmentally Sustainable Municipal Infrastructure – Schedule A
- Eligible Project Categories: roads/bridges, water/sewer, solid waste, community energy systems etc.
- Local decisions on projects

# Municipal Reporting

- **No reports** required from municipalities for June 2006.
- Thereafter, Audited Annual Expenditure Report – June 30<sup>th</sup> with your financial statement
- Municipal auditor must certify funds used only on eligible costs for eligible projects

# Annual Expenditure Report

- Will keep it as simple as possible
- Linked to annual financial statements
- Must include: amount received, amount spent, balance unspent
- Project description including expected outcomes

# Definition of Base Amount

- Need to measure “incremental” spending above a “base” average over the last 5 years
- Oversight Committee will provide direction on the definition of Base Amount/Incremental Spending
- Looking at aggregate measurements rather than by individual municipalities, like in the Saskatchewan model
- Will take into account large one-time projects

# Other Reporting –by March 2008

Oversight Committee to develop the form and content of:

- Integrated Community Sustainability Plan (Development plans?)
- Capital Investment Plan (Multi-year capital budget?)