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| POLICY NO: | FI 012 |
| POLICY TITLE: | BTMG/SIP GRANT POLICY |
| DEPARTMENT: | FINANCE |
| APPROVAL DATE: | 56-01-13 (January 29, 2013) |
| REVISION DATE: | |
| REVIEW DATE: | |

Policy Statement:

The County of Vermilion River shall continue to allocate Street Improvement Program funds to Hamlets based on the equivalent amount received through the Basic Municipal Transportation Grant.

Purpose:

The funds previously provided under the Street Improvement Program (SIP) will now be provided under the Basic Municipal Transportation Grant (BMTG). Under the new BMTG structure municipalities must spend all funds in the calendar year they are provided. Under the County's current procedures, that would necessitate a SIP project each year. The yearly amount allocated each Hamlet is generally not enough to fund a typical road project.

Additionally, the new BMTG structure allows municipalities to utilize all funds (including SIP funds) anywhere in the municipality. This policy will allow the County to work within the new grant structure to continue to build Hamlet reserves using Street Improvement funds and fund Hamlet street projects initiated through the County budget process.

Guidelines:

1. The Director of Corporate Services and the Grants-Administrative Assistant will confirm, with Municipal Affairs, the portion of the BMTG that represents SIP funding.
2. SIP funds will be allocated to each Hamlet on a per capita basis using the most current census data available.
3. Each year, the SIP funds for each hamlet will be transferred into the Hamlet Capital Project Reserve for each hamlet.
4. Hamlet Capital Reserve funds shall be used in accordance with Policy AD005, the Hamlet Management Policy.

5. The Grants-Administrative Assistant in coordination with Public Works department and the Director of Corporate Services shall utilize contracted road expenditures not funded through a grant or cost-sharing agreement, as necessary to ensure all BMTG funds (including SIP funding) are spent in the calendar year.

Typically this will mean that the entire Grant is utilized to fund contracted gravel hauling, as that is a large and predictable contract expenditure.