



Build Communities Strong Fund (BCSF) Community Stream

Formally known as the Federal Gas Tax Program

Department of Municipal and Community Affairs

Introduction

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- Government of Newfoundland and Labrador since 2008;
- Joined Municipal and Community Affairs in 2019;
- Background in finance, budgeting, municipal affairs, policy, and infrastructure funding programs.

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Outline

What will I cover today?

- What is the BCSF and the PTIF?
- How is my allocation calculated?
- What can I use this funding for?
- How do I apply?
- What are my responsibilities?

What is BCSF?

- The Build Communities Strong Fund (BCSF) Community Stream is a stable, predictable, and indexed source of funding provided up front to provinces and territories who, in turn, flow this funding to their communities. Formerly the Gas Tax Fund or the Canada Community-Building Fund (CCBF), the funding allows local communities to make strategic investments in essential infrastructure, such as roads and bridges, public transit, drinking water and wastewater infrastructure, and recreational facilities.
- This is an application based federal infrastructure funding program, that provide allocations to all Municipalities and Inuit Community Government's.
- Allocations become accessible biannually in February and October of each year of the agreement.
- It is a ten-year agreement (2024-2034) with funding provided in 5-year increments.

Calculation of Municipal Allocations

- The \$168M for the first five years (2024-2029) can be broken down as follows:
 - \$124.6M - Municipalities & Inuit Community Governments
 - \$ 41.6M - Provincial Targeted Infrastructure Fund
 - \$ 2.5M - Administration costs
- The \$124.6M in Municipal Allocations is calculated using a 12% base amount plus a per-capita formula using the 2021 Census allocation.
- New municipal allocations will be calculated for the second five-year term of the ten-year agreement in 2029.
- Any unspent Fund Allocations from 2024-2029, together with any funds carried forward under the former Gas Tax Agreement, will be combined to determine a municipality's total available fund balance.

Provincial Targeted Infrastructure Fund (PTIF)

- The Provincial Targeted Infrastructure Fund is a specialized funding stream within the Build Communities Strong Fund (BCSF) Community Stream.
- It is designed to support infrastructure projects that address regional or multi-community needs.
- It encourages collaboration among neighboring communities for the advance of projects that enhance economic productivity, strengthen environmental performance, and promote long-term sustainability across all participating regions.
- Projects must fall within the drinking water, wastewater and solid waste categories.
- Municipalities, Regional Service Boards, and Local Service Districts (if partnered with a municipality) can access these funds.

Successful PTIF Project Examples:

- Exploits Regional Water Supply Upgrades: serves the communities of Grand Falls-Windsor, Bishop's Falls, Peterview, Botwood and Northern Arm. This system provides clean drinking water to all 5 Towns and through PTIF funding has undergone significant upgrades over the last 4 years. Over \$9M has been invested.
- Appleton/Glenwood: partnered together to construct a new regional pumphouse to serve both Towns. Over \$2.5M has been invested.

What can I use BCSF for?

Eligible project categories include:

1. Drinking water – i.e. Pump house upgrades or filtration systems
2. Wastewater – i.e. Lift station upgrades or sewer outfalls
3. Solid Waste – i.e. Composting facilities or dump sites
4. Local Roads and Bridges – i.e. Road upgrades of 30m or more or sidewalks
5. Community Energy Systems – i.e. Heat pumps or new lighting
6. Sport Infrastructure – i.e. Arena upgrades
7. Recreational Infrastructure – i.e. Walking trails or community centers
8. Cultural Infrastructure – i.e. Interpretation centers or museums
9. Tourism Infrastructure – i.e. Tourism sites
10. Resilience (Disaster Mitigation) - i.e. retaining walls
11. Capacity Building - i.e. Municipal plans
12. Fire Hall Infrastructure - i.e. new fire hall or upgrades to existing
13. Highways i.e. upgrade to a highway or bridge
14. Broadband Connectivity i.e. laying fiber optic cable
15. Public Transit i.e. public transit facilities and;
16. Brownfield Redevelopment. i.e. remediation of a site to construct a park

Ineligible Costs under BCSF

- Routine repairs and maintenance
- Land purchases (acquisition of land for future development or project staging)
- Any costs not directly connected to a Tangible Capital Asset
 - Administrative overhead not tied to project capital work
 - General municipal operating costs
 - Costs not clearly attributable to the capital portion of a project
- Other costs deemed ineligible under the agreement:
 - Fines, penalties, interest charges
 - Entertainment or hospitality expenses
 - Financing costs not directly tied to the cost of the project's construction

Notable Expenditures Now Eligible

- Activities that are now eligible under the Build Communities Strong Fund (BCSF) Community Stream:
 - Feasibility studies as standalone projects
 - Warming centres (fixed generators)
 - Training for Asset Management and Housing
 - Integrated regional plans

Application Process

Steps to apply for BCSF:

1. Council must discuss and decide on a project, then submit a capital investment plan application, detailed cost estimate and a motion from council. If the application relates to a Municipal Capital Works (MCW) project, then the MCW approval letter must be included.
2. The application will be reviewed for completeness and then recommendation is made to the BCSF Committee.
3. Applications are reviewed by the BCSF committee every 2 weeks. This committee compares the applications to the eligible categories and eligible expenditures within the Agreement.
4. Ultimate Recipients will receive a letter regardless of the outcome.
5. Upon approval payment will be made to the town and funds should sit in a separate bank account until invoices are paid. The GST portion of costs is not eligible to be covered under BCSF.

Application Process cont'd

- While it is always recommended that the Recipient apply for approval before a project is started, we did amend the Agreement to allow for submission of applications after a project has started. This change allows recipients to potentially use BCSF for emergency upgrades or MCW cost overruns.
- It is important to note that the capital investment plan and supporting document submission must be within the same calendar year the project started. This is for audit purposes. These applications will follow the same review process.
- Approval on started projects is not guaranteed. The Ultimate Recipient will be responsible for all costs otherwise.
- **Federal signage is now required to be installed for all BCSF projects.** It should be installed at the site upon start of project. The signage must remain in place for 30 days after project completion.



Capital Investment Plan Application

Name of Municipality/Inuit Community Government:

Contact name: _____

Phone number: _____

Email address: _____

Section A: Proposed Project Information

Project Title:

Is this a revised project? Yes ☐ No ☐

If yes, please indicate project number: _____

What is the estimated starting date? _____

What is the estimated completion date? _____

Eligible Project Category (tick one of the appropriate categories):

- | | |
|---|--|
| ☐ Local Roads and Bridges | ☐ Drinking Water |
| ☐ Highways | ☐ Wastewater |
| ☐ Short-sea Shipping | ☐ Solid Waste |
| ☐ Short-line rail | ☐ Community Energy Systems |
| ☐ Brownfield Redevelopment | ☐ Sport Infrastructure |
| ☐ Broadband Connectivity | ☐ Recreational Infrastructure |
| ☐ Public Transit | ☐ Resilience |
| ☐ Cultural Infrastructure | ☐ Capacity Building |
| ☐ Tourism Infrastructure | ☐ Fire Hall Infrastructure |

Description of the proposed project:

Please provide the site-specific location including **Geographic Information System/ Global Positioning System** (latitude/longitude) coordinates of the infrastructure (attach Keyhole Markup Language file if preferred): _____



How will this project provide a beneficial impact on your community?

Does this project relate to infrastructure owned by the municipality/ Inuit Community Government? Yes ☐ No ☐
If not, who owns the infrastructure? _____

Have you attached a resolution of council? Yes ☐ No ☐

Section B: Proposed Project Financing

(A) Build Communities Strong Fund	(B) Municipal Funding	(C) Provincial Funding	(D) Other Federal Funding	(E) Other Funding	(A)+(B)+(C)+(D)+(E) = Total Estimated Project Cost

Have you attached all relevant financial information, i.e. third-party quotes/cost estimates and invoices? Yes ☐ No ☐

Does this project require signage, as per the Federal Infrastructure Project sign Design and Installation Guidelines? Yes ☐ No ☐
Please refer to the "Instructions and Guidelines" for more information.

Will this project receive (or has the project received) funding from other provincial or federal programs? Yes ☐ No ☐
If yes, please provide the approval letter(s) as backup and indicate the name of the provincial/federal program(s), as well as the associated project number(s):

Submit completed application to:
Build Communities Strong Fund (BCSF) Community Stream
Department of Municipal and Community Affairs
Confederation Building, East Block
P.O. Box 8700
St. John's, NL A1B 4J6
Questions:
Fahlon Drake: 709-729-5418 fahlondrake@gov.nl.ca
Deann Spurrell: 709-729-5401 deannspurrell@gov.nl.ca

Facsimile: (709) 729-3605
E-mail: BCSF@gov.nl.ca

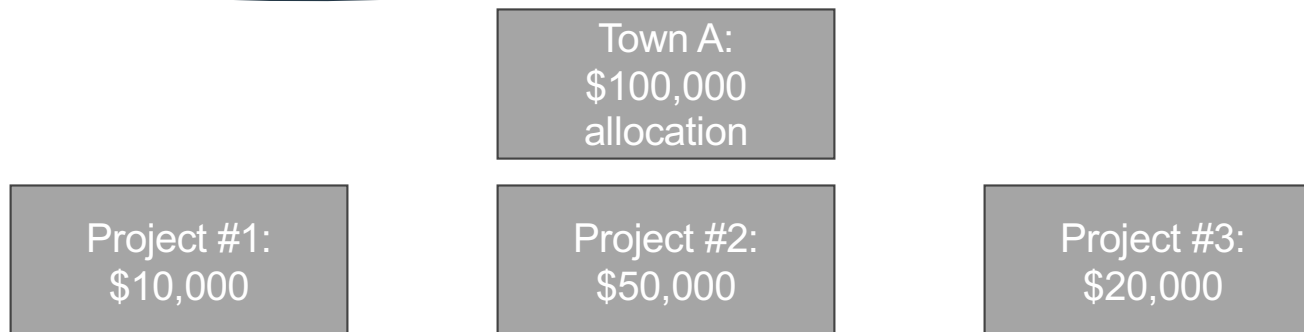
Toll Free: 1-877-729-4393

An electronic copy of this application is available at: <https://www.gov.nl.ca/mpa/for/gta/>.
Please refer to the "Instructions and Guidelines" for more information.

Project Clean Up

- As of March 20, 2026, all BCSF recipients should have received an email with all outstanding projects.
- It is very important that this project list is reviewed and the appropriate action is taken to ensure files are up to date.
- While the annual audit does provide project information, it is the responsibility of the recipient to ensure what is reported is correct and if any amendments to approval amounts are required, the appropriate motion is sent to us.

Project Clean Up cont'd



In the above example Town A is given a \$100,000 allocation.

They have been approved and paid for 3 projects totaling \$80,000. This leaves them with \$20,000 available for other projects.

Let's say Project #1 finished with \$10,000 in expenditures, Project #2 finishes with \$40,000 in expenditures and Project #3 finishes with \$30,000 in expenditures – what happens?

Project Housekeeping

- **Cancellation of a project** – i.e., when you have a project approved to use BCSF as the municipality share of a MCW project and that project does not get approved - a motion of council is required. Funds can then be reallocated.
- **Reduction of an approval amount** – i.e., when a project is completed under budget - a motion of council is required. Funds can then be reallocated.
- **Increase of an approval amount** – i.e., when a cost overrun occurs unexpectedly or the tender comes in higher – a revised capital investment plan, all invoices or tender documents and motion of council is required.

Reporting Process

- Recipients must submit an Audited Annual Expenditure Report (AER) annually to be compliant.
- The deadline for this report is March 31 of each year.
- While these reports are completed by your auditor, it is very important that the reports are reviewed for completeness and accuracy by the Recipient.
- **It is very important to ensure that the amount in your BCSF bank account corresponds with the closing balance of the report.**
- Any discrepancies reported on the document must be addressed and corrected before compliancy is obtained. Compliancy is required for payments to be released.

Reminders for 2026

- 2025 Audited Annual Expenditure Report deadline was **March 31, 2026**.
 - The Asset Management Questionnaire should accompany the audit report.
 - This should trigger project clean up motions.
- Your next allocation is accessible in October 2026.

Contact Information

- General Email: bcsf@gov.nl.ca
- Toll free phone #: 1-877-729-4393
- Fahlon Drake (BCSF Senior Analyst): fahlon Drake@gov.nl.ca
- Deann Spurrell (Manager of BCSF): deannspurrell@gov.nl.ca