

PROTOCOL AGREEMENT
Between
the ISLANDS TRUST (the Trust) and
the MINISTRY OF MUNICIPAL AFFAIRS
(the Ministry) regarding the
PROVINCIAL FUNDING PROCESS

WHEREAS the mutual interests of the Islands Trust and the Ministry of Municipal Affairs involve an annual process for the Ministry's receipt, review and approval of provincial funding requests from the Islands Trust.

THEREFORE, the parties agree to enter into an agreement regarding:

procedures for submitting applications for basic, community planning and special planning grants; and

roles and responsibilities within the annual provincial funding request process.

1.0 PROVINCIAL BASIC GRANT

1.1 Definition

The Provincial Basic Grant is provided by the Province on an annual basis to support the provincially legislated object of the Islands Trust. It is designed to support the general operations of the Trust including: Trust Council, the Executive Committee and Trust Fund Board; the development and implementation of the Trust Policy Statement; and the coordination of activities through protocol agreements with other government agencies.

1.2 Application

- 1.2.1 The Islands Trust accepts that the amount of the annual grant is determined by Treasury Board as part of the overall process of establishing the Ministry's budget and as a consequence, the ministry may not know the actual amount of the grant until late in the fiscal year preceding the year in which it is awarded.
- 1.2.2 The ministry agrees to discuss the question of grant funding in the second quarter of the preceding fiscal year or not later than September 30 in each year. This will provide the Trust with an appreciation of the province's current fiscal situation, entering into the discussion of the budget for the next fiscal year, and give the ministry an indication of Trust expectations.

1.3 Notification of Approval

- 1.3.1 The Ministry understands and accepts the need for the Trust to have as early notice as possible of the grant amount in order that Islands Trust budget may be finalized.
- 1.3.2 The Trust understands and accepts that, due to the Treasury Board budget development process, the ministry is constrained in its ability to make a communication of the amount of the grant.
- 1.3.3 Nonetheless, the Ministry agrees to provide as early notice as possible of the level of grant funding and this formal notice will not be later than February 28 in each year.
- 1.3.4 The Trust will submit its annual audited financial statement to the Minister in accordance with section 16 of the *Islands Trust Act* before September 30 in the subsequent fiscal year.
- 1.3.5 The Trust will submit an annual report to the Minister in accordance with section 17 of the *Islands Trust Act*, highlighting activities undertaken that relate to the Provincial Basic Grant before September 30 in the subsequent year.

2.0 COMMUNITY PLANNING GRANTS

2.1 Definition

The Ministry recognizes that the planning and regulatory framework in place within the Trust Area is in need of updating. As a consequence, the ministry agrees to provide assistance to the Islands Trust to review and up-date the Official Community Plans and associated regulatory bylaws for each of the local trust committees.

Ministry support extends over a five year period from fiscal year 1992/93 to 1997/98 inclusive and will be to a maximum of \$130,000 for the entire Trust Area in each year but is subject to the *Local Government Grants Act*, the regulations, program guidelines, the availability of funds and the approval of specific project applications.

- 2.1.1 The Ministry believes that it is important that mutual expectations with respect to the Community Planning Grant Program be well understood and agrees that the Trust and ministry staff should meet at least once a year, before submission of applications, to discuss current program guidelines, anticipated levels of funding and Trust expectations.

2.2 Application/Consultation

2.2.1 The Trust may submit applications for Community Planning Grants each year in accordance with the *Local Government Grants Act*, the Regulations and Ministry program guidelines.

2.2.2 The Ministry will review those applications in accordance with the *Local Government Grants Act*, the Regulations and Ministry program guidelines.

2.3 Notification of Approval

2.3.1 The Ministry may approve applications which meet the program guidelines in the context of funding available in that fiscal year.

2.3.2 The Trust will provide accountability reports for Community Planning Grants in accordance with the program guidelines or as required by the grant approval letter.

2.3.3 The Ministry will not provide payment for work underway or commenced prior to the approval of a grant.

4.0 SPECIAL PROVINCIAL PLANNING GRANTS

4.1 Definition

Special Provincial Planning Grants support specific projects, on a one time only basis, where the grant contributes to the achievement of the provincial interest or where the project has benefits which extend beyond the context of the Trust.

4.1.1 The Trust may meet at anytime with the Ministry and propose projects for funding under the Special Provincial Planning Grant Program, recognizing that approval of grants is subject to the *Local Government Grants Act*, the Regulations and program guidelines.

4.2 Application/Consultation

4.2.1 The Trust may make application at any time in the year for a grant under the Special Provincial Planning Grant Program and will be given consideration if it is consistent with the Act, the Regulations and program guidelines.

4.3 Notification of Approval

- 4.3.1 The Ministry recognizes the Trust's need for a timely decision on grant applications and will endeavour to provide the Trust with a target date for grant approval decisions.
- 4.3.2 The Trust will provide accountability reports for Special Provincial Planning Grants in accordance with the program guidelines provided with the notification of approval.
- 4.3.3 The Ministry will not provide payment for work underway or commenced prior to the approval of a grant.

5.0 ANNUAL WORK PLAN

- 5.1 Both parties agree that the Executive Director of the Islands Trust and the Executive Director, Planning and Corporate Relations of the Ministry of Municipal Affairs will liaise on the preparation of an annual work program for the annual provincial funding request process.

6.0 OTHER

- 6.1 Both parties acknowledge that this agreement is limited to providing process certainty as to how provincial funding matters will be dealt with and does not include commitments regarding the actual funds provided by the Province on an annual basis. Actual funds will be dependent on the availability of funds voted by the Legislature.
- 6.2 Both parties acknowledge that funding confirmations will be in the form of a written notification of approval and that discussions which convey intent are not to be construed as an approval.
- 6.3 Both parties acknowledge that the decision outcomes of the annual provincial funding request process may be dependent on the decisions of Treasury Board.
- 6.4 Both parties agree that best efforts will be used to arrange for the Minister to meet with the Islands Trust Executive Committee to receive the Trust's annual funding request package and to deal with Trust concerns regarding the annual funding request process.