



# SEWERAGE FACILITIES ASSISTANCE GRANTS PROGRAM GUIDE August 2024



[www.obwb.ca/overview-grants/sfa/](http://www.obwb.ca/overview-grants/sfa/)

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## INTRODUCTION

Welcome to the OBWB Sewerage Facilities Assistance (SFA) Grant Program!

This resource is for Okanagan municipalities, regional districts, and First Nations who have already received, or are applying for an SFA Grant through the Okanagan Basin Water Board (OBWB). In 2023 and 2024, OBWB conducted a full review of the SFA program in collaboration with Okanagan local governments, the Ministry of Municipal Affairs, Ministry of Environment, and Interior Health, leading to new program Terms of Reference (TOR) and expanded funding. In this guide, you will find the TOR for the program, detailed information on the steps in the application process, and all resources related to reporting and invoicing.

The OBWB is happy to provide support and information throughout all stages of the grant process—please do not hesitate to contact the Office and Grants Manager at any time:

OBWB Office and Grants Manager

1450 K.L.O. Road

Kelowna, B.C., V1W 3Z4

P: 250-469-6264

F: 250-762-7011

email: [grants@obwb.ca](mailto:grants@obwb.ca)

**We are here to help!**

## Sewerage Facilities Assistance Grants Terms of Reference 2024

### 1.0 Preamble

In 1974, the [Okanagan Basin Study](#) identified nutrient pollution as the primary cause of algal blooms and deteriorating water quality in Okanagan lakes. The biggest source of pollution was municipal sewer outfalls. As local governments consider the lakes a regional resource, they established the Sewerage Facilities Assistance (SFA) grant program to help fund construction of tertiary sewage treatment plants, and collection systems in valley communities. The program is funded by a valley-wide levy on all taxable properties in the Basin—administered by the Okanagan Basin Water Board (OBWB).

By steadily upgrading sewerage infrastructure, the amount of phosphorus entering the lakes from municipal effluent has decreased by more than 90%. A significant proportion of this program's funds have gone toward community sewer projects intended to decrease water pollution from developments with small *lots* and failing or over-capacity septic systems. To avoid repeating these costly fixes in the future, the OBWB now requires applicants to have in place zoning policies or bylaws prohibiting new development of *lots* less than 1.0 hectare that are not serviced by a sewer system provided as a service by a municipality or regional district, or alternatively, an approved Liquid Waste Management Plan that includes decentralized wastewater management. These requirements are intended to encourage responsible development, protecting water quality and public health, among other values.

### 2.0 Definitions

Definitions in this document are derived from provincial Acts and Regulations wherever possible. Each definition is accompanied by the source reference. In cases where two provincial sources conflict, a revised definition and all references are provided. Definitions are intended to clarify these Terms of Reference for the administration of the SFA program only and are not intended to regulate local government definitions in zoning bylaws or other regulatory documents. In cases where existing definitions are in conflict, OBWB staff will work with the local government to ensure the intent of the SFA program TOR is understood and met.

**Accessory Dwellings** - A self-contained dwelling unit, such as a garden suite, laneway home, carriage house or garage suite located on the same legal lot as another dwelling. [Housing and Tenancy](#) Note: This does NOT include Secondary Suites

**Effluent** - domestic sewage that has been treated by a treatment method and discharged into a discharge area; [Sewerage System Regulation](#)

**Liquid Waste Management Plan** – A provincially-approved plan, developed with public consultation, authorizing a local government in accordance with operational certificates, to proceed with measures to accommodate existing or future development with a strategy to ensure the management, resource recovery and disposal of treated waste is sufficiently protective of public health and the environment. [Guide to LWMPs](#)

**Lot/Parcel** – Any lot, block or other area in which land is held or into which it is subdivided (including a Strata Lot as defined in the [Strata Property Act](#)). [Sewerage System Regulation](#)

**Secondary Suite** - A complete living unit with its own kitchen, sleeping area, and washroom facilities contained within another dwelling. The two dwelling units (the primary residence and the secondary suite) and any common spaces make up a single real estate entity that cannot be stratified or otherwise legally separated from the other. [Housing and Tenancy Note: A secondary suite is NOT an accessory dwelling.](#)

**Septic** – A system for receiving, treating and settling domestic sewage such that

- (a) solids within the wastewater settle,
- (b) anaerobic digestion of organic materials occurs, and
- (c) effluent is discharged. [Municipal Wastewater Regulation](#) and [Sewerage System Regulation](#)

**Sewage/Wastewater** means domestic wastewater or municipal liquid waste, including contributions from

- (a) holding tanks in recreational vehicles, boats and houseboats,
- (b) commercial, institutional and industrial sources,
- (c) inflow and infiltration,
- (d) septic tank pumpage,
- (e) holding tank solids, and
- (f) sludge from wastewater facilities. [Municipal Wastewater Regulation](#)

**Sewerage/Sewage System** - refers to the system of pipes, pumps and other equipment used for the collection, storage, and treatment of sewage/wastewater or stormwater and discharge of treated effluent but does not include septic or holding tanks. [Onsite Sewage Systems](#)

### 3.0 Operating Principles

3.1 The grant program funds upgrades to treatment plants and extensions of Sewerage/Sewage Systems provided as a service by a municipality or regional district to lots created before 2007, prior to the implementation of the 1.0-Hectare Policy.

3.2 The grant program also funds the development or updating of Liquid Waste Management Plans (LWMP) that include consideration of decentralized wastewater/on-site wastewater systems as permanent and sustainable infrastructure.

3.3 As per OBWB's Supplementary Letters Patents (circa 1976), the Water Board can levy up to 21¢ per \$1,000 assessed value for SFA grants on all properties within the Okanagan drainage area.

## 4.0 Eligibility

4.1 Only communities employing wastewater treatment facilities that meet provincial and federal regulatory requirements or demonstrate that the project complies with the British Columbia Environmental Management Act and is authorized under the municipal Wastewater Regulation or an approved Liquid Waste Management Plan are eligible for grants.

4.2 Areas outside the watershed, or that are not taxed for OBWB programs, are not eligible for grants.

4.3 Only local governments (municipalities and regional districts) in the Okanagan Basin are eligible for SFA grants. First Nations and Bands within the Okanagan Basin who have sewer service agreements with eligible local governments, where the local government agrees to accept effluent from sewage collection systems and where those system are connected to a sewer system provided as a service by a municipality or regional district, will also be eligible for SFA Grants with the same eligibility requirements as local governments.

4.4 Grants will not be paid retroactively for areas already serviced by sewers or that previously received SFA funding.

4.5 Lots created before 2007 (prior to OBWB instituting the 1.0-Hectare Policy to be consistent with provincial policy), not subsequently subdivided, and with no current access to a sewer system provided as a service by a municipality or regional district will be eligible for funding when the sewer system is installed.

4.5.1 For projects in which sewer extensions will service both pre- and post-2007 development, only the proportion of the project servicing pre-2007 lots is eligible for funding.

### 4.6 The 1.0-Hectare Policy:

The OBWB will only fund sewage infrastructure applications in communities that comply with its 1.0-Hectare Policy, **or** alternatively, have a provincially approved Liquid Waste Management Plan that considers the management of on-site systems as permanent, sustainable infrastructure including their monitoring/management, safe and effective disposal of products (biosolids, septage), and cumulative environmental effects. All eligible areas as described in section 4.8 below are subject to the 1.0 Hectare Policy or an alternative LWMP.

4.6.1 Communities must have bylaws or policies in place requiring connections to a sewer system provided as a service by a municipality or regional district to all lots less than 1.0 hectare; **and**

4.6.2 Communities must have bylaws or policies in place prohibiting the development of accessory dwellings on properties less than 1.0 hectare that are not connected to sewer systems provided as a service by a municipality or regional district; **and**

4.6.3 Communities must have bylaws in place for decommissioning existing on-site sewage systems or septic on properties that are being/have been connected to a sewer system provided as a service by a municipality or regional district.

#### 4.7 The 1.0-Hectare Policy Annual Confirmation of Compliance

Prior to any grant payment in a given year, the recipient must provide confirmation to the OBWB that bylaws or policies are in place meeting the requirements of the 1.0 Hectare Policy.

4.7.1 Applicants must provide a list of all adopted amendment bylaws and issued permits approved by the local government in the previous calendar year, if any, that provided exceptions and/or variances to the bylaw regulations that relate to the OBWB's 1.0 ha Policy.

4.7.2 Where a community allows variances or does not comply with their own 1.0-Hectare bylaws or Liquid Waste Management Plan, all SFA grant payments to that community will be suspended for a minimum of one year and until the community can confirm compliance.

4.7.3 Where a community does not provide confirmation to OBWB of annual compliance with the 1.0-Hectare Policy, all grant payments to that community will pause until compliance is confirmed.

#### 4.8 The 1.0-Hectare Policy Applicability and Exclusions:

4.8.1 The 1.0-Hectare Policy is limited in geographic scope to the portions of the regional districts within the Okanagan watershed. Districts should be aware that subdivision of lots on septic smaller than 1.0 hectare outside the Okanagan watershed may jeopardize funding from provincial sources.<sup>1</sup>

4.8.2 Each local government with subdivision approval authority is responsible for adopting the 1.0-Hectare Policy.

- a. A regional district's grant eligibility is not affected if a member municipality does not comply with the 1.0-Hectare Policy.
- b. A regional district's grant eligibility will be affected if one of its Electoral Areas (located in the Okanagan Basin) does not comply with the 1.0-Hectare Policy.

4.8.3 Where local governments have authority to regulate land use on lands subject to the [Agricultural Land Commission Act](#) or the [Agricultural Land Reserve Use Regulation](#), the 1.0-Hectare Policy must be applied. However, land-use decisions made by a provincial authority, outside of the local government's control will not affect their eligibility for SFA funding.

4.8.4 Where local governments may establish bylaws to regulate land use outside a municipality under the [Local Government Act Section 506](#), the 1.0-Hectare Policy must be applied. However, land-use decisions made by a provincial authority (such as a provincial subdivision approving officer), outside of the local government's control will not affect their eligibility for SFA funding.

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<sup>1</sup> The Ministry of Municipal Affairs has long included this policy as a condition within infrastructure funding programs where funding is advanced to extend local government sewer systems.

4.8.5 OBWB discourages the creation of new private wastewater systems to serve as community sewer. However, the creation of lots below 1.0 Ha that connect to systems created and managed in accordance with the Municipal Wastewater Regulation will not affect a local government's eligibility for SFA grants.

4.8.6 The 1.0 Hectare Policy does not apply in the following cases:

- a. Home-site severance lots<sup>2</sup>.
- b. A subdivision that does not create additional lots/parcels and only results in road or park dedications or an adjustment of boundaries between existing parcels.
- c. A subdivision of a parcel to accommodate unattended equipment necessary for the operation of a utility use.
- d. A subdivision of a parcel to accommodate the following:
  - i. a wildlife management area designated under the Wildlife Act;
  - ii. a park preserved in its natural state and having no buildings or structures;  
or
  - iii. natural area conservation, provided that the parcel is transferred to a government entity or a nongovernmental organization and also charged by a covenant prohibiting the construction of buildings and structures of all types.

#### 4.9 The Liquid Waste Management Plan Alternative

The OBWB will fund the development or updating of Liquid Waste Management Plans under the eligibility criteria, application policies and payments as detailed in this Terms of Reference.

4.9.1 Communities must submit proof of provincial approval for their LWMP before funding will be approved.

4.9.2 Costs associated with the LWMP planning process as outlined in the [Interim Guidelines for Preparing Liquid Waste Management Plans](#) will be eligible for grants.<sup>3</sup>

## 5.0 Financing and Payments

5.1 Annual assessments are made based on the projected draw on the fund for each fiscal year. It is not always necessary to levy the full 21¢ per \$1,000 assessment (allowed by legislation).

5.2 If the amounts to be paid are greater than the funds available for distribution, payments will be reduced proportionately such that all recipients are reduced by the same percentage. An exception is made for communities which have not previously qualified for assistance from the OBWB. In this

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<sup>2</sup> [Homesite Severance Policy](#)

<sup>3</sup> Upon changes or replacement of the Interim *LWMP* guidelines, this Terms of Reference and eligibility will also be updated to reflect those changes.



case, the reduction will not apply for the first three years and any shortfall will be born proportionately by the other qualifying communities.

5.3 The funding formula for grants is as follows:

5.3.1 For projects approved and receiving payments before April 1, 2011, the OBWB will pay 18% of the total eligible project costs, with the community first paying 2.5¢ per \$1000 (2.5 mills) of the converted assessment amount.

5.3.2 For projects approved after April 1, 2011, the OBWB will pay 16% of the total eligible project costs<sup>4</sup>

5.3.3 For funding of a LWMP, OBWB will pay 16% to a maximum of \$90,000 once an application is submitted with proof of LWMP approval from the province.

5.4 OBWB grants for sewerage infrastructure projects are made on a debt repayment basis. Grants are tied to a Municipal Finance Authority (MFA) issue and repaid over a 20- or 25-year period—as established in the OBWB funding agreement.

5.4.1 OBWB payments are made twice annually, in August and December, after the requisitioned tax monies are received.

5.5 OBWB grant payment amounts are recalculated when MFA financing is changed, usually 10 years after the initial repayment. It is the responsibility of the applicant to re-calculate their payment schedules on their annual report and submit supporting documentation.

5.6 When an MFA debt is retired or forgiven, OBWB grant payments will cease.

5.7 Communities that do not incur debt are still eligible for OBWB funding, paid over 20 years on a similar schedule to MFA debt repayment.

5.7.1 Where debt is not incurred, and the project (or portions of the project) is self-financed, an imputed debt payment schedule will be calculated using MFA interest, sinking fund, and capitalization rates from the year the project was completed. A self-financed amortization schedule will be created tied to the MFA Issue that was set in the same year that the SFA grant commences.

5.7.2 In the case of self-financing, imputed debt schedules will be recalculated in accordance with the related MFA Issue. This recalculation will account for changes in interest rate, sinking fund factor and Capitalization rate as set for the related MFA Issue.

5.8 To receive payments, communities must submit their SFA Annual Report, and provide current documentation on their debt repayments, or certify that no changes have occurred since the previous annual report.

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<sup>4</sup> On average, this is the same amount as historical grants with the formula described in 5.3.1.

5.9 LWMP Grants are paid over three years with 1/3 paid to a maximum of \$30,000 per year. No interest is paid on LWMP grants.

## 6.0 Application Policies

There are three main steps to the SFA program: (1) an SFA Notification Form (2) an SFA Application, and (3) an SFA Annual Reporting Form. Templates are included in this document, and are available on the [OBWB Sewer Grants webpage](#).

6.1 Communities should submit an SFA Notification indicating their intention to apply for a grant at the early stages of the planning process so that adequate funds can be requisitioned. This notification should be provided to the OBWB by August 15, in the year before an SFA Application.

6.2 Grants are approved in principle when OBWB receives an SFA Notification, and final grant payments are calculated following project completion when OBWB receives an SFA Application with final project costs.

6.3 Grant payments will commence in the same year that debt payments commence, or when LWMP phases are completed and approved. Applicants should submit an SFA Application to the OBWB at completion of project works.

6.4 Grants are awarded based on the information provided in the SFA Application. The OBWB reserves the right to review and revise grant awards if significant changes to the project occur after receiving approval for grant funding.

6.5 Applicants must provide the method used to determine the percentage of lots that were developed pre-2007 in their proposed project – for example, by calculation or digital analysis.

6.6 Applicants must provide a copy of the bylaw or policy that prohibits creation of lots smaller than 1.0 hectare that are not serviced by community sewers, and prohibiting the development of accessory dwellings of properties less than 1.0 hectare that are not serviced by community sewers.

6.7 Applicants must disclose all sources of funding at the time of SFA Application and a detailed cost-estimate of the project.

6.7.1 Where receipt of an OBWB grant brings the total grant funding beyond 100% of the total project cost, the OBWB grant will be reduced to bring the total of all grant funding to equal no more than 100% of the total project cost.

## APPLYING TO THE PROGRAM

### Before you Apply

The following pages will guide you step by step through the SFA program. Before beginning, please read the Terms of Reference in this package to confirm the project's eligibility.

SFA Grants involve a process of notification, application and ongoing reporting to the OBWB. Grants are paid on a multi-year basis, and grantees must confirm their eligibility and grant amounts each year. OBWB staff will provide initial calculations based on available information, but final numbers are to be confirmed by the grantee.

### Steps of the SFA Grant Process

**1. Notification:** Complete and submit a Notification Form. The OBWB should receive this notification by August 15 of the year before completing the SFA grant application. The notification allows OBWB to estimate the eligible grant amount based on the project budget and requisition the funding in advance of the formal application. Notifying OBWB by August 15<sup>th</sup> allows the grant to be added to the OBWB's budget for the following year. Notifications allow the grant to be approved in principle by the OBWB. Once the notification is received and reviewed, you will receive a confirmation of receipt from the OBWB Grants office.

**Notify OBWB by August 15, the year before project completion.**

**2. Application:** Complete and submit the SFA Grant Application Form. This form will confirm project details (Sewer or LWMP) and provide final project details including costs, Municipal Finance Authority (MFA) issue numbers, repayment schedules, and debt expiry dates. Your OBWB SFA or LWMP grant will be calculated based on these financial details. Applications allow the grant to be approved by OBWB. Once your application is reviewed, you will receive a confirmation of receipt from the OBWB Grants office.

**Submit Applications the year the project is complete and debt repayment begins.**

**3. Annual Reporting:** You will complete an Annual Report signed and certified by your CAO or financial officer every year for the life of your grant. The Annual Report certifies that the grantee continues to meet the eligibility requirements of the SFA program and calculates annual grant amounts for August 1 and December 1 payments. Grantees will submit an invoice on these dates to receive the grant payments. Annual grant amounts are projected by OBWB in late fall each year and provided for grantee review. In some cases, there will be no change from year to year, and in others the grantee will need to provide updated supporting documents to finalize the grant amounts.

**Please retain records of all SFA grant-related paperwork for the life of the grants (up to 25 years).**

Electronic copies of all forms can be obtained by calling the

Office and Grants Manager at 250-469-6264, or by email at [grants@obwb.ca](mailto:grants@obwb.ca).

## NOTIFICATION FORM

Notification Forms must be submitted by August 15<sup>th</sup>, in the year before a project is complete. The OBWB needs early notification of a community's intent to apply to the program so that the appropriate funds can be requisitioned. Contact the OBWB Office and Grants Manager if you need assistance.

### Detailed Notification Instructions

#### Section A - Applicant Information

- A.1 - Name of local government - the name of the local government or First Nation applying.
- A.2 - Project contact information - contact information for the project leader, including email address, telephone number, e-mail and fax number.

#### Section B - Project Summary

- B.0 - Project Type: select sewer or LWMP
- B.1 - Project title - a brief, unique title for this project (Street name and bylaw number is popular).
- B.2 - Location of project - the neighbourhood or street location of the project (1200 block first street).
- B.3 - Targeted project completion date - the month and year the project is anticipated to be complete.
- B.4 - Current stage of the project - at what stage is the project? Is this in the planning stages? Have you broken ground and started construction?
- B.5 - Project description - a one sentence overview of the project. For example: "Project will move Mr. Roger's neighbourhood from septic to community sewer."
- B.6 - Percentage of pre-2007 development - provide a percentage of the number of lots serviced by the project that were created prior to 2007.
- B.7 - Total project budget - Based on the type of project (Sewer or LWMP). Estimate the final budget amount in the correspondent box, not just the pre-2007 components. This is just an estimate, and final project costs will be submitted with the application form.

#### Section C - Declaration and Authorization

Review and obtain signatures by the authorized officers in your organization.

## SUBMITTING YOUR GRANT FORMS

Please submit the electronic copy of the Notification Form to [grants@obwb.ca](mailto:grants@obwb.ca).

Please keep a copy for your records as it may be needed to calculate the grant annual amount for the life of the grant (20 to 25 years).

You **must** complete this form as the first step in applying for a Sewage Facilities Grant Program (Sewer or LWMP). This form must be submitted in the year prior to anticipated project completion.

**Section A - Applicant Information**

A.1 Name of local government applying:

A.2 Name of project contact:

E-Mail:

Phone:

Fax:

**Section B - Project Summary**

B.0 Project type: **Sewer**  or **LWMP**

B.1 Project title:

B.2 Location of project:

B.3 Targeted project completion date:

B.4 Current stage of project:

B.5 One sentence project description:

**If Sewer:**

B.6. Percentage of pre-2007 development:

How was pre-2007 percentage calculated:

**If Sewer** ➔ B.7 Total Project Budget:

OBWB will provide estimated annual grant amount.

**If LWMP** ➔ B.7 Total Project Budget:

Lesser of TPB x 16% or \$90K (Max \$30K per phase)

Note: Sewer Grants are paid over 20 or 25 years on a calculated MFA debt amortization schedule. LWMP Grants are paid over three years to a maximum of \$30,000/year.

**Section C - Declaration and Authorization**

**C.1** I hereby certify that information presented in this form is in accordance with the provisions of the Sewerage Facilities Grant Program as outlined in the Terms of Reference.

**C.2** I understand that submission of a "Sewage Facilities Notification Form" does not guarantee success in receiving a Sewage Facilities Assistance Grant from the Okanagan Basin Water Board and that eligibility criteria must be met and an official application must be submitted once the project is complete and final amounts calculated.

**C.3** I confirm that bylaws or policies are in place meeting the requirements of the 1.0 Hectare Policy as detailed in the program Terms of Reference. More details in the SFA program guide section 4.0.

Name

Signature

Date

Treasurer/Chief Financial Officer

Name

Signature

Date

Chief Administrative Officer

Please email the completed electronic document to: [grants@obwb.ca](mailto:grants@obwb.ca), and mail a hardcopy of the signed notification form to:

Okanagan Basin Water Board  
1450 KLO Road  
Kelowna, BC  
V1W 3Z4

## APPLICATION FORM

Applicants should complete and submit the Application form once the project is complete and debt repayment commences (or on project completion if self-financed). The application provides important project details and gives the OBWB the necessary financial information about your project to calculate the annual grant payments.

Once you submit your application, OBWB will calculate your grant and provide an Annual Report for your review showing the semi-annual payment amounts, and all interest and amortization calculations. In the case of self-financing, OBWB will provide an amortization schedule tied to an MFA issue to calculate the interest payable on the grant as if the project was financed through MFA.

### DETAILED APPLICATION INSTRUCTIONS

#### Section A - Applicant Information

A.1 - Name of local government - the name of the local government or First Nation applying.

A.2 - Project contact information - contact information for the project contact, including email address, telephone number and fax number.

#### Section B - Project Summary

B.1 - Project title - a brief, unique title for this project. E.G. bylaw number and street as long as it is different from other project names.

B.2 - Project Type - select Sewer or LWMP.

B.3 - Location of project - the neighbourhood and street location of the project.

B.4 - Project completion date - the month and year of project completion.

B.5 - Project description - a one sentence overview of the project. E.G. Sewering to First Street or LWMP for Whoville.

#### Section C - Project Budget

##### Sewer Project Only section

C.1 - Total project budget - the budget for the entire project, not just the pre-2007 components. Attach a list of all external funding (not including MFA loans or self-financing) i.e. other grants.

**\*External funding will not reduce the SFA grant amount unless all external funds add up to more than 100% of project costs.**

C.2 - Percentage of project servicing pre-2007 development: Enter the percentage of the total project that will service pre-2007 lots (eligible amount). Lots created in 2007 or later, including future capacity/oversizing are not eligible. **Go to section D**

### LWMP Projects Only section

C.1 - Total project budget - the budget for the entire project, not just the pre-2007 components. Attach a list of all external funding (not including MFA loans or self-financing) i.e. other grants.

C.2 - LWMP is complete and has provincial approval: Confirm if the LWMP project is complete and attach proof of provincial approval. **Go to section E**

### Section D - Project Financing

D1 - Project amount financed through MFA loans: Please enter the total project amount that will be financed through MFA loans. Please attach the correspondent MFA loan amortization schedule.

D2 - Project amount self-financed through reserves or other methods: Please enter the total project amount that will be self-financed through reserves or other methods. The correspondent amortization schedule will be provided by OBWB based on current MFA rates.

### Section G - Declaration and Authorization

Once completed, the figures in the application must be verified and authorized by both the Chief Financial Officer and the Chief Administrative Officer.

## SUBMITTING YOUR GRANT FORMS

Please submit the electronic copy of the Grant Application form to [grants@obwb.ca](mailto:grants@obwb.ca).

Please keep a copy for your records as it may be needed to calculate the grant annual amount for the life of the grant (20 to 25 years).

Press [Tab] to move forward or [Shift]+[Tab] to move backwards between fields.

**Section A - Applicant Information**

A.1 Name of local government applying:

A.2 Name of project contact:

Email:

Phone:

Fax:

**Section B - Project Summary**

B.1 Project title:

B.2 Sewer or LMWP project

Sewer:

or LMWP:

B.3 Location of project:

B.4 Project completion date:

B.5 One sentence project description:

**Section C - Project Budget**

**Sewer Projects Only:**

C.1 Total project budget:

Attach a list of all external funding (not including MFA loans or self-financing) i.e. other grants.

C.2 Percentage of project servicing pre-2007 development:

(Lots created in 2007 or later, including future capacity/oversizing are not eligible.)

Go to section D

**LWMP Projects Only:**

C.1 Total project budget:

C.2 LWMP is complete and has provincial approval:

Attach proof of provincial approval.

Go to section E

**Section D - Project financing for sewer projects only**

D.1 Project amount financed through MFA loans:

Attach MFA loan amortization schedule

D.2 Project amount self-financed through reserves or other methods:

Amortization schedule will be provided by OBWB based on current MFA rates



Project Title: 0

**Section E - Declaration and Authorization**

I certify that the eligible project amounts are accurate and in accordance with the SFA Grant Program Terms of Reference. I further certify that the applicant local government meets the eligibility requirements for SFA grants as written in the program Terms of Reference, including compliance with the 1.0-Hectare Policy or an alternative provincially-approved LWMP. **Applications require signature of both CFO and CAO.**

Name	Signature Treasurer/Chief Financial Officer	Date
Name	Signature Chief Administrative Officer	Date

Please email the completed electronic document with all supporting documents to: [grants@obwb.ca](mailto:grants@obwb.ca)

Okanagan Basin Water Board  
1450 K.L.O. Road  
Kelowna, B.C.  
V1W 3Z4

## ANNUAL REPORT FORM

The Sewage Facilities Grant Program is one of the OBWB's longest-running programs, with grants paid over 3-25 years. To improve financial tracking and provide continuity of information from year to year, OBWB requires all grant recipients to complete an annual report. This report will summarize the status and payment schedules of all projects (sewer and LWMP) with ongoing OBWB funding and certifies eligibility requirements are met by all grant recipients each year without variance.

### THE ANNUAL GRANT REPORTING PROCESS

1. Each fall OBWB will provide a "projected" Annual Report to grant recipients. This projected report will identify if there are any expected changes for the upcoming year.
2. Recipients review the projected report and if there are no changes, sign and return it to OBWB as a final version. If there are changes indicated, the recipient must provide supporting documentation as requested once the supporting documents are available. Potential changes include:
  - a. Re-calculation based on interest rate changes (beginning, middle, or end of year);
  - b. New grants added;
  - c. Lost grants due to eligibility non-compliance; or
  - d. Grants expiring.
3. Once the Annual Report is finalized, recipients send OBWB an invoice according to the Invoice Schedule of the Annual Report.

Electronic copies of the Annual Report can be obtained by calling the Office and Grants Manager at 250-469-6264, or by emailing [grants@obwb.ca](mailto:grants@obwb.ca).

### SUPPORTING DOCUMENTATION REQUIRED

In addition to the completed annual report form, OBWB may request supporting documents such as the grant retirement schedule for each MFA issue you have listed. For self-financed projects, OBWB may recalculate the corresponding MFA Issue amortization schedule when there are changes to the interest rate, sinking fund factor, or capitalization rate published by MFA for that issue. Grantees are responsible to confirm these changes before submitting the signed Annual Report to OBWB. These tools are available on the MFA website.

Please make at least two copies of the annual report form – one for submission to the OBWB and one for your files. You will need to refer to these materials when completing future reporting and invoicing.

If you have questions about the form, please contact the Office and Grants Manager by phone at 250-469-6264, or by emailing [grants@obwb.ca](mailto:grants@obwb.ca).

## DETAILED ANNUAL GRANT REPORT INSTRUCTIONS

### Section A - Contact Information

A.1 - Name of local government - the name of the local government or First Nation that will receive the funding.

A.2 - Project Contact Information - contact information for the main project contact, including telephone number, fax number and email. This is usually a finance department contact.

### Section B - Annual Payment Schedule Information

The information entered in Section E on pages 3 & 4 here will be used to automatically calculate the amounts in the shaded boxes.

### Section C - Quarterly Payment Breakdown

These are automatically calculated quarterly payment summaries of the amounts you enter in section E.

### Section D - Declaration and Authorization

Answer both questions at the top of the page. Please also certify D.1 to D.4 by clicking in the correspondent box. The invoice schedule must be verified and authorized by the Chief Financial Officer and the Chief Administrative Officer. Any errors in calculations may be subject to reconciliation from future grant amounts (i.e. increasing or decreasing future payments).

### Section E - Payment Schedule Information

#### **Sewer projects only Section:**

E.1 - Project/Component Name - A short name for the area serviced by the specific MFA issue you are calculating.

E.2 - Year Grant Approved/First MFA Payment - Enter the fiscal year that the grant was approved, and the first payments were made. This information is used to determine the calculation of the grant amount in E.13

E.3 - Self-Finance? - Select yes or no from the drop-down menu.

E.4 - MFA Issue No. - Enter the MFA issue number under which the project was financed, or in the case of self-financing, the MFA Issue the project was tied to for interest rate calculation.

E.5 - Retire Date - Enter the date of the last MFA loan repayment in the format MMM-YY.

E.6 - Int Rate - Enter the current interest rate as per the MFA loan schedule.

E.7 - Semi-Annual Repayment Schedule - Enter the month in a three-letter format, i.e. JAN. Enter the principal and interest payment amounts according to the MFA loan schedule or the calculated self-finance schedule.

- E.8 - Total MFA Payment for Project - This column is calculated automatically.
- E.9 - Converted Assessment Amount - Enter the 1988 Assessment Values of the total area serviced by the project. **If the year entered in column E.2 is 2012 or later, do not complete E.9.**
- E.10 - Pre-2007 or 1978 Area - Enter a percentage of the project that is servicing lots created pre-2007 (for grants starting in 2025 or later) or pre-1978 (for grants starting in 2024 or earlier). Enter a decimal value of 1.00 or less. i.e. 0.60 is 60%.
- E.11 - Excess - This column is calculated automatically. This is the amount of ineligible debt for projects approved before April 1st 2011.
- E.12 - Eligible MFA Amounts - This column is calculated automatically. This column shows the amounts that are eligible for OBWB SFA Grants.
- E.13 - Grant Amount - This column is calculated automatically. This column shows the amount of OBWB SFA grant awarded annually by project.

#### LWMP projects only Section:

- E.1 - LWMP Area/Title - A short name for the area serviced by the specific project and the project title.
- E.2 - First Payment year - Enter the fiscal year that the grant first payment will be made.
- E.3 - End date - This column is calculated automatically and will indicate the end year of the grant payment.
- E.4 - Project total - Enter the total project budget cost. This amount will be used to calculate the eligible annual grant amount.
- E.5 - Month - This column is calculated automatically and attributes all LMWP payments to the August 1<sup>st</sup> invoice.
- E.6 - 1/3 of Project Total: Self calculated cell that calculates the amount correspondent to 1/3 of the total project budget (max \$187,500).
- E.7 - Grant Amount per year - Self calculated cell that calculates the grant payment per year equivalent to 16% of E.6. (Maximum of \$30,000/year)

#### SUBMITTING YOUR ANNUAL GRANT REPORT AND INVOICING

Please submit the electronic copy of the Annual Grant and supporting documents to [grants@obwb.ca](mailto:grants@obwb.ca).

Please invoice for August 1st and December 1st according to the schedule in Section D.

<b>For Office Use Only</b>	OBWB Fiscal Year:	
	Grant Year:	
	Changes Expected:	

Press [Tab] to move forward or [Shift]+[Tab] to move backwards between fields. Do not enter data in shaded areas--these will be calculated automatically.

**Section A - Contact Information**

A.1 Name of local government:

A.2 Name of main project contact:

Phone:  Fax:

Email:

**Section B - Annual Payment Schedule Information - Do not enter data here, these are automatic summaries of your data entered on page 2.**

Please complete the payment schedule on pages 3&4 of this report form, and attach a copy of the grant retirement schedule for EACH MFA Issue. Your organization's total net payments and total OBWB grants will be automatically calculated based on the information you enter on page 2.

Annual MFA Debt: **\$0.00**                      Eligible Debt: **\$0.00**                      Annual OBWB Grant: **\$0.00**

**Section C - Your Quarterly Payment Breakdown - Do not enter data here, these are automatic summaries of your data entered on page 2.**

<u>Quarter</u>	<u>Annual MFA Debt</u>	<u>Debt by %</u>	<u>Eligible Debt</u>	<u>OBWB Grant</u>	<u>Invoice</u>
1 Jan-Mar	\$0.00	#DIV/O!	#DIV/O!	#DIV/O!	
2 Apr-Jun	\$0.00	#DIV/O!	#DIV/O!	#DIV/O!	August 1
3 Jul-Sep	\$0.00	#DIV/O!	#DIV/O!	#DIV/O!	
4 Oct-Dec	\$0.00	#DIV/O!	#DIV/O!	#DIV/O!	December 1
<b>Total</b>	<b>\$0.00</b>	<b>#DIV/O!</b>	<b>#DIV/O!</b>	<b>#DIV/O!</b>	

**Section D - Declaration and Authorization**

Has your organization refinanced with MFA since the submission of your last Sewage Facilities Annual Grant Report?  
Do you anticipate your organization applying for new Sewage Facilities grants in the near future?

No
No

Invoice Schedule		
August 1, 0		#DIV/O!
December 1, 0		#DIV/O!

Total: #DIV/O!

- D1. I hereby certify that we meet all Eligibility Criteria as detailed in Section 4.0 of the SFA Program Terms of Reference (TOR).
- D2. I hereby certify that we are in compliance with the 1.0-Hectare Policy as detailed in Section 4.6 and 4.7 of the SFA Program TOR.
- D3. I hereby certify that there have been no changes to our debt repayment schedules, or I have provided copies of the schedules including the changes.
- D.4 I have reviewed this annual report for accuracy and understand that OBWB may audit this report and adjust or reclaim payments based on changes or inaccuracies.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature  
Treasurer/Chief Financial Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature  
Chief Administrative Officer

\_\_\_\_\_  
Date

**Section E - Payment Schedule Information**

E.1 Project/Component Name	E. 2 Year Grant Approved/First MFA Payment	E.3 Self- Finance?	E.4 MFA Issue No.	E.5 Retire Date	E.6 Int. Rate	E.7 Semi-annual Repayment Schedule			E.8 Total MFA Payment for Project	E.9 Converted Assessment Amounts	E.10 Pre- 2007 or 1978	E.11 Excess	E.12 Eligible MFA Amounts	E.13 Grant Amount
						Month	Principal	Interest						
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No				-----	-----	-----	\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00

\$0.00	\$0.00
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**Section E - Payment Schedule Information**

E.1 Project/Component Name	E. 2 Year Grant Approved/First MFA Payment	E.3 Self-Finance?	E.4 MFA Issue No.	E.5 Retire Date	E.6 Int. Rate	E.7 Semi-annual Repayment Schedule			E.8 Total MFA Payment for Project	E.9 Converted Assessment Amounts	E.10 Pre-2007 or 1978	E.11 Excess	E.12 Eligible MFA Amounts	E.13 Grant Amount
						Month	Principal	Interest						
		No							\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No							\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No							\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No							\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No							\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00
		No							\$0.00	\$0.00	1.00	\$0.00	\$0.00	\$0.00

**Use this section for Liquid Waste Management Plans Only**

E.1 LWMP Area/Title	E.2 First Payment Year	E.3 End Date	E.4 Project Total	E.5 Month	E.6 1/3 of Project Total (max \$187,500)							E.7 Grant \$ per year (16% of E.6)
		2		Aug	\$0.00							\$0.00
		2		Aug	\$0.00							\$0.00
		2		Aug	\$0.00							\$0.00
		2		Aug	\$0.00							\$0.00
		2		Aug	\$0.00							\$0.00
		2		Aug	\$0.00							\$0.00

\$0.00	\$0.00
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