



# CORPORATION OF THE TOWNSHIP OF ESQUIMALT

Municipal Hall  
1229 Esquimalt Road  
Esquimalt, B.C. V9A 3P1

## Legislation Details (With Text)

**File #:** 19-146      **Version:** 1      **Name:**  
**Type:** Staff Report      **Status:** Finance Staff Report  
**File created:** 3/25/2019      **In control:** Special Committee of the Whole  
**On agenda:** 4/8/2019      **Final action:**  
**Title:** Local Grant Policy, Staff Report FIN-19-004  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** 1. ADMIN-32 (Local Grants), 2. ADMIN-29 (Local Grants - Esquimalt High School), 3. ADMIN-52 (Local Grant Brodeur), 4. 2019 Local Grant Worksheet

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

## REQUEST FOR DIRECTION

**DATE:** March 27, 2019      Report No. FIN-19-004

**TO:** Laurie Hurst, Chief Administrative Officer

**FROM:** Ian Irvine, Director of Financial Services

### SUBJECT:

Local Grant Policy Review

### ESSENTIAL QUESTION:

What areas of improvement does the Committee wish to see in an amended Local Grant Policy?

### RECOMMENDATION:

That the COTW receive Staff Report No. FIN-19-004 for information, provide any additional direction to staff as the COTW considers advisable, and direct staff to prepare a report for Council's consideration.

### BACKGROUND:

During recent deliberations, the Local Grant Committee expressed an interest in exploring ways to improve the local grant process and Council Policy ADMIN-32 Local Grants as part of their recommendations. These recommendations were approved by Council at its March 4, 2019 meeting.

The Local Grant Policy was amended during February 2016 to create criteria for established events and implement a different funding mechanism. With these changes in place, staff and the Committee recognized the need for additional policy revisions to further improve the process. Later that year, changes were made to the timing of the grant process, a calculation was added to increase the

annual budget amount and a clause was added to prevent multiple applications being made during the same fiscal year.

Also discussed by the Local Grant Committee is the funding allocation for Esquimalt High School and L'école Victor Brodeur. While the funds are approved as part of the local grant process and are allocated from the local grant account, the amounts are outlined within two separate Council Policies. These Policies are attached to this report for your information.

## **ISSUES:**

Based on Committee deliberations and subsequent comments received, a number of areas could be explored with the intention of improving the process and Council Policy ADMIN-32 Local Grants. These include, but are not limited to, the following:

### Application Process

During the last policy revision, the timing of the application and review process was shifted to correlate with the Township's budget process and the fiscal year of many applicants. The deadline is now December 31 for the receipt of all applications and there is a commitment for the Committee to meet prior to February 28 each year to review applications. This has served to provide more fiscal certainty to applicants earlier in the year and has alleviated any requests for early approval by organizations seeking funds outside the process.

Currently, the Policy requires that representatives from applicant organizations must appear before the Committee to speak to their submission. With the last Council Policy revision, this requirement was eliminated for those organizations satisfying the Established Events criteria. For the purpose of comparison, the Council Policy FIN-16 Permissive Tax Exemption requires applicants to appear before the Committee if they are a first time applicant, in the first year of a new Council or if the organization's function has changed.

### Funding

For a number of years, the Local Grant Committee has commented about the difficult funding allocation decisions they are required to make. Until 2016, when the local grant budget was increased, these decisions were made more challenging due to requests increasing at a faster rate than the funds available for allocation. While the annual requests continue to increase, there is currently a mechanism which attempts to reduce this gap. This involves increasing the local grant account balance to an amount based on the previous year's actual tax revenue amount.

With the creation of established events in the Council Policy, requests for in kind support are now limited to those organizations which satisfy the criteria. During the first year after the introduction of this category, annual requests totaling \$67,500 were received from six organizations for their events. This year, cash and in kind services approved for these same six organizations totaled \$84,500 which represented almost 65% of the total grants available for allocation.

Committee recommendations for which organizations should receive cash and in kind support are based on criteria included within the Council Policy. While an organization may request grant funding for multiple years, historically the Council has consistently approved support for the current year only. This has allowed for certainty within the Township's financial plan while also providing consistent treatment and a level of short term fiscal certainty for all local grant recipients.

## Reporting

The Council Policy requires recipients to not only acknowledge the Township's contribution but to also submit a final report within 120 days of project, program or event completion. Staff receive grant reporting documents throughout the year and ensure that all reporting criteria are met. If the reporting requirements related to the prior year support are not satisfied, applicants are advised that their current year application will not be included in the binder for Committee review until they comply.

Currently, the Council Policy does not differentiate between established events and other organizations as it relates to reporting requirements. Even though individual established events are approved each year for cash and in kind support totaling in excess of \$20,000, they have the same reporting requirements as all other local grant recipients.

## **ALTERNATIVES:**

1. That the COTW receive Staff Report No. FIN-19-004 for information, provide any additional direction to staff as the COTW considers advisable, and direct staff to prepare a report for Council's consideration.
2. That the COTW provide alternative direction to staff.
3. That the COTW request further information from staff.