



CORPORATION OF THE TOWNSHIP OF ESQUIMALT

Municipal Hall
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Legislation Text

File #: 19-508, Version: 1

REQUEST FOR DIRECTION

DATE: November 6, 2019

Report No. FIN-19-020

TO: Laurie Hurst, Chief Administrative Officer

FROM: Ian Irvine, Director of Financial Services

SUBJECT:

Council Policy ADMIN-32 Local Grants

ESSENTIAL QUESTION:

What areas of improvement to the existing Local Grants Policy would the Committee like to see?

RECOMMENDATION:

That the COTW receive Staff Report No. FIN-19-020 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 its meeting on March 4, 2019, Council approved the recommendation that staff prepare a report for discussion at a future Committee of the Whole meeting. This was brought forward by Local Grant Committee members who acknowledged the challenges faced when evaluating applications and making funding allocation decisions based on the existing Council Policy ADMIN-32 Local Grants (Attachment No. 1).

Previously, during two separate meetings held in 2016, Council approved a number of revisions to the Local Grant Policy. These revisions included a significant shift in the timing of the process, changes to how the annual account balance was determined, as well as the creation of established event criteria which had impacts on other topics such as in-kind support and liability insurance coverage.

ISSUES:

Council Policy ADMIN-32 Local Grants states that the purpose of the program is to financially assist community groups and not-for-profit societies and organizations in achieving their objectives. As well, local grant funding is intended to provide support to societies, organizations and committees with the expectation that alternate sources of funding will be secured. While the current program provides financial assistance to a number of applicants, further improvements may be possible

through Council Policy revisions.

Local Grant Allocations

During its meeting on October 3, 2016, Council approved changes to the local grant funding levels and how these are determined each year. Currently, the amount to be included in the Financial Plan is calculated using a formula based on the Township's previous year tax revenue increase. Prior to this revision, the policy allowed for a minimal annual increase of 2% to be applied to the previous account balance in order to ensure that the amount available for local grants was increasing annually.

The annual allocations from the local grant account are made by Council based on recommendations from the Committee. These recommendations are formed based on the number of applications and the amount of support requested by the three distinct groups. These groups consist of: (1) established events, (2) organizations located in Esquimalt or serving Township residents, and (3) local high schools which are administered under two separate council policies (Attachment No. 2 and No. 3).

While most applicants seek financial funding, the option of in-kind support is only available to those organizations or committees involved with established events. Within the policy, the maximum level of in kind support for any event is to be \$10,000 and the actual costs are monitored by Township staff and are regularly reported. Regardless of whether financial or in kind support is granted, the existing policy states it should be the goal of each organization to reduce the amount of financial support requested from the Township in each subsequent fiscal year.

Grant Applications

Currently, all applicants are required to submit details regarding their program, project or event. These details are to include an outline of their goals and objectives, the anticipated benefit to the Township and the organization's financial information consisting of a projected budget and audited financial statements. The policy does not specifically request any information extending beyond the current year and no long range plans or projections are typically provided for review by staff or the Committee.

During the evaluation of applications and the determination of the funding allocations, Committee members have expressed concern that the policy does not provide sufficient guidance. The current wording within the Council Policy indicates that preference will be given to applications from Esquimalt based organizations or those that provide services to its residents. In the absence of specific evaluation criteria, the Committee deliberations and recommendations are potentially open to a level of subjectivity.

Reporting

All recipients of financial or in-kind support are required, as a condition of funding, to provide a report about how the funds were utilized. This report, in written or verbal form, is to include an evaluation of the event or program, an accounting of revenues and expenditures, and an evaluation of the community impact. While verbal presentations are provided directly to Council, each written submission is reviewed by staff to ensure it meets the policy requirements. While all recipients comply, the existing Council Policy does not require any mention of long term objectives of the

organization and how they are working towards a reduced reliance on Township support.

ALTERNATIVES:

1. That the COTW receive Staff Report No. FIN-19-020 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.