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Date: August 2, 2017
To: Mayor and Council
Author: Sandra Zwiers, Director of Financial Services
RE: Kingsville Community Grant Fund Policy
Report No.: FS-2017-011

AIM

To provide council with the opportunity to review the existing policy and direct administration to make any amendments deemed appropriate.

BACKGROUND

Municipalities are often asked to provide financial and in kind support to various charities, not for profit organizations and other special interest groups. In September 2009, council approved the Kingsville Community Grant Fund Policy (attached for your reference). Our policy was based on the policy used in the Town of Essex and was modified to suit Kingsville's needs.

Since 2009, the policy and its accompanying application have been used by groups to seek support from the town through the annual budget process. The overall goal of the policy was to standardize the request process, establish spending guidelines and attempt to ensure the use of grant funds met the criteria set out by council.

At the regular meeting of council on February 12, 2017 the following motion was carried:

Motion #179-2017: Moved by G. Queen, seconded by L. Patterson:
Council review and update the Town Grant Policy with input from Administration.

DISCUSSION

Administration conducted a brief email survey of local treasurers to determine whether other municipalities approve donations and/or grants. The results revealed two main categories:

Grant program in place with some type of application/policy

- Kingsville
- Leamington

- Essex
- Amherstburg

No grant policy but allow specific exemptions

- County of Essex (exemption for disaster relief requests)
- LaSalle (exemption for disaster relief requests)
- Tecumseh (exemption for disaster relief requests)
- Lakeshore (exemption for two historical societies)

This brief survey did not explore the possibility that financial and in kind assistance may be offered outside of grant or donation policies and may take the form of partnerships or sponsorships. In Kingsville, an attempt has been made to identify grants, donations, partnerships and sponsorships all in one area of the budget. This method of grouping may not be the same in other municipalities which makes a true comparison of tax dollar allocation to these types of awards difficult.

To determine whether improvements or changes can/should be made to the existing grant policy, administration analysed the award results since policy adoption in 2010 to 2017. The analysis attempts to assess the effectiveness of achieving the policy's goals to provide funding to eligible applicants, for qualifying projects and within funding limit guidelines. Refer to Appendix B – Tables 1, 2, 3a and 3b.

The policy includes an application form that assists administration and council in determining the details of the funding request and asks the applicant to confirm they meet the eligibility criteria. Historically, administration has not vetted applications prior to presentation to council. In some cases, requests are presented and approved without complete application details.

The analysis of awards for the last 8 years suggests the application of the policy has not been as effective as it could have been. For example, awards have been given to organizations outside of our municipality, for projects that aren't accessible to all Kingsville residents, for ongoing operating expenses and in amounts far exceeding the policy suggested limit.

In general, policies are meant to form the basis for establishing standard operating procedures. Exceptions to the rule will never be eliminated however if a policy is routinely not followed, it begs the question whether a policy is appropriate at all. If council is satisfied with the historic results of grant and donation awards as a result of only loosely following the approved policy, administration recommends removing policy language that is consistently not followed or eliminating the policy entirely.

LINK TO STRATEGIC PLAN

- Promote the betterment, self-image and attitude of the community.
- Improve recreational and cultural facilities and opportunities within the Town of Kingsville.
- Support growth of the business community.
- Effectively manage corporate resources and maximize performance in day-to-day operations.

FINANCIAL CONSIDERATIONS

In 2017, the total award of grants and donations amounted to \$138,010 (approximately 1% of the total tax rate). Grant and donation approvals in each budget year should be weighed against other competing priorities to ensure municipal tax spending maximizes the town's effectiveness to meet its service obligations.

CONSULTATIONS

County Treasurers
Senior Administration

RECOMMENDATION

That the analysis of grant and donation expenditures in the context of the Kingsville Community Grant Fund Policy be received for Council's information, and further that Council provides specific direction to administration to amend the Kingsville Community Grant Fund Policy as appropriate.

Sandra Zwiers

Sandra Zwiers MAcc, CPA, CA
Director of Financial Services

Peggy Van Mierlo-West

Peggy Van Mierlo-West, C.E.T.
Chief Administrative Officer