



Cobourg Taxpayers Association

Making Local Government Accountable

Enhancing Quality of Life in Cobourg

**MUNICIPAL
COMMUNITY GRANTS POLICY**

Remarks By
Dennis Nabieszko

To

Town of Cobourg
Committee of the Whole

September 28, 2015
Meeting

Good evening Mayor Brocanier, and members of Council.

Thank you for the opportunity to address council on the proposed revisions to the Municipal Community Grants Policy.

My name is Dennis Nabieszko and I am the Secretary of the Cobourg Taxpayers Association.

The Cobourg Taxpayers Association believes that Community Grants serve a vital function to help fund various projects that make Cobourg a better place to live.

To put things in context, in the proposed 2015 Budget, the Town of Cobourg was asked to provide just over a quarter of a million dollars in sponsorships, organizational grants, and separate budget allocations for the Art Gallery of Northumberland and the Concert Band.

This evening, it is my intention to review the highlights of our observations and recommendations contained in our written submission.

As a starting point, the Cobourg Taxpayers Association carried out an analysis of other municipalities in order to gauge best practices.

We reviewed Community Grant policies in a randomly selected sample of ten municipalities nationally.

Emphasis was placed on Ontario municipalities.

In our written brief you will find a detailed summary that lays out:

- The types of grants they use.
- Eligibility criteria; namely, who they consider to be ineligible recipients and what they consider to be ineligible purposes.
- Grant application requirements and the criteria they use

When we reviewed the 2015 Budget, we noted that Community Grants are included as a component of the Culture and Community Services section.

The Community Grants detail, however, is headed "Organizational Grants".

It has one page covering "Sports Tourism" and "Other" totaling \$131,000 for "Total Community Grants" and a second page covering "Other Concert Hall Grants" totaling \$14,735.

In the Culture and Community Services section, there are also two separate budget components – the "Concert Band" and the "Art Gallery".

It is confusing that both the Concert Band and the Art Gallery are also included in the 2015 listing of “Other Concert Hall Grants” for additional amounts. Why are they shown as separate budget items?

We also note in the Council section of the General Government Budget, \$11,000 earmarked under “Promotional/Public Relations”.

The explanation given for this is “Sponsorships” and identifies a number of individual contributions to various organizations.

All of these would appear to fall within the proposed Municipal Community Grants Policy.

However, it is not clear if this is how they were considered during the 2015 Budget deliberations or why they were not grouped together as Community Grants.

The CTA supports the Town’s initiative in revising its Municipal Community Grants Policy.

In the interests of ensuring consistency, accountability, fairness and due diligence when awarding grants, it offers the following observations:

- Eligible and ineligible organizations are not defined.
- Ineligible purposes are not defined.
- There is neither an overall Community Grant limit, nor a maximum limit per applicant or grant category.
- There is no requirement to provide performance measures or to report on how they were achieved.
- There is no requirement to provide a report along with receipts, where applicable, in support of how the funds were used.
- There is no requirement for the applicant to return unused funds to the Town.

The CTA has the following recommendations:

- Community Grants should be categorized and clearly identified in all budget documents as:
 - Operational Funding Grants
These would provide monetary assistance to eligible organizations with general operating expenses.

- Capital Funding Grants

Would provide monetary support to eligible organizations with a one-time capital or equipment purchase.

This is the grant category that would apply to the Northumberland Hills Hospital for the purchase of medical equipment.

In addition it would include minor renovation costs, sporting equipment, and other infrastructure costs for other applicants

The purchase of a property or land, the construction of a new building or major renovations would not qualify.

- Special Events/Projects Grants

Monetary support would be provided to eligible organizations hosting a special event or who wish to introduce or enhance a program opportunity within the Town of Cobourg.

- Facility Rental/Fee Reduction Grants

Would be used to provide eligible organizations with offsetting grants for the rental of Town of Cobourg facilities or a reduction in fees for specific Town services.

• Eligible organizations should be defined as:

“A not-for-profit organization that has been in operation for at least one year, and has a volunteer Board of Directors.”

• A recommended list of ineligible organizations to be included in the policy, as identified in our written brief.

• Ineligible purposes should be defined as:

- Fund-raising.

- To cover deficits or reduce debt.

- Programs that other levels of government have legislated responsibility for funding.

- Retroactive payments.

- Purchase of a building or land, construction of a new building or major renovation.

- Personal gain by a member of the governing body.

• Performance measures should be included by the applicant that answers

- How much work was done?
- How well the work was done?
- What difference did it make?
- Unused funds at the end of the grant year or project, whichever is the earlier, be returned to the Town.
- Certification that all grant funds will be used for stated purposes.
- A project start and end date.
- A project budget.
- The applicant to provide the past year's financial statements and operating budget for the grant year.
- A listing of the Board of Directors or governing body be included.
- The percentage of the population of the Town of Cobourg and specific segments that the Community Grant will benefit be identified and quantified.
- The organization be required to keep proper books of accounts of all receipts and expenditures relating to the project or program and make them available for inspection upon request by the Town.
- A post grant report be submitted to the Town within two months of the completion of the project or the end of the grant year, whichever occurs first.

Grants should not be renewed without receipt of at least an interim report.

- Publicity or promotional materials must clearly acknowledge the Town's financial assistance.
- An overall annual Community Grant limit be established based on a specific dollar amount per capita (resident) or number of households as recorded in the latest Statistics Canada census.
- An annual maximum of \$15,000 be set for each applicant with the exception the Northumberland Hills Hospital (NHH).
- In recognition that the provincial government generally does not fund the purchase of hospital equipment, annual grants provided to the NHH for equipment purchases should be based on a maximum contribution of, say, \$6 per capita (residents) within the Town of Cobourg. Other municipalities within the NHH service area should be encouraged to support NHH equipment purchases on a similar basis.

- Monies held by the Town in either its Northam or Holdco reserve funds or monies received by the Town from Northam or from Holdco should not be used for funding Community Grants.
- All Community Grants, including sponsorships, be included in the Town's Community Grants budget and not allocated to other departments or other budget categories.
- All Community Grant applications to be made available on the Town of Cobourg website at least one month prior to their granting.

As Cobourg taxpayers cannot afford to fund every worthwhile project, the criteria for funding must be clearly defined, defensible, equally and transparently applied to all recipients, and free of conflicts of interest.

The Community Grants policy must maintain guardianship of and accountability for taxpayers' resources, be well suited to the Town's demographics, take into account the complete cost benefits, represent changing community needs and bring about a community where people are proud to live.

We believe that our recommendations will meet these objectives.

In closing, it should always be remembered that while Community Grants play an essential role in improving the well being of the community, none of this would be possible without the generosity of Cobourg citizens.

Thank you and I will now be pleased to take any questions you may have.