



Legislation Text

File #: POL-18-004, **Version:** 1

TAMRMS#: B06

Review of Policy C-FS-12 Outside Agency Budget Guiding Principles

Presented by: Anna Royer, Business Manager

RECOMMENDATION(S)

1. That City Council Policy C-FS-12 Outside Agency Budget Guiding Principles be rescinded.
2. That City Council Policy C-CS-22 Outside Agency Grant Program be approved.

PURPOSE OF REPORT

The purpose of this report is to provide the results from the review of the current Policy C-FS-12 Outside Agency Budget Guiding Principles, and to provide an improved process and program which is transparent, equitable, recognizes support already received from the City, eliminates duplication of funding, and is built on documented expenses.

COUNCIL DIRECTION

On April 24, 2017 Council passed the following motion:

(AR-17-252)

That the deadline for the agenda item "Council Policy C-FS-12 Outside Agency Budget Guiding Principles" be extended to Q1 2018.

On September 6, 2016 Council passed the following motion:

(AR-16-003)

That Administration review, by Q3 2017, City Council Policy C-FS-12 - Outside Agency Budget Guiding Principles and bring forward any recommended amendments necessary to provide additional clarity on alignment with Council strategic priorities, and criteria for operational funding sustainability for Council consideration, including program impact and measurable outcomes.

BACKGROUND AND DISCUSSION

Policy C-FS-12 Outside Agency Budget Guiding Principles was initially drafted and approved in April 2012 as a mechanism to provide a framework of guidelines for agencies applying for funds outside of the City's typical grant programs. This Policy and guidelines do not include the St. Albert Public Library nor the St. Albert Arts and Heritage Foundation.

After the first full year of utilizing the guidelines, Council approved a few minor amendments to the Policy to address the need for inflationary adjustments and to increase the involvement of the Community Services Advisory Board (CSAB) as the review body. Through the past few years, there have been challenges with the current framework for this funding source. The process of utilizing a “funding envelope” which is then debated within the budget process has been awkward, and while the CSAB provides a recommendation and rationale for disbursement of funds, there continues to be grey areas both at the CSAB level and once the recommendation has reached Council. Groups continue to request funding increases well above the inflationary adjustment allowed through the Policy and initially identified and budgeted for in the proposed City operating budget. A historical overview is attached.

A program which initially started with a focus on providing facility operating assistance for ‘keeping the lights on’ has morphed into a “catch all” with groups also applying for staffing positions, rent subsidies, new program development and marketing expenses. Overlaps exist with the components groups are applying for through Outside Agency funding with their applications to other City grant programs. There is also inconsistency with the Business Case format which is currently used as the application tool.

In addition, there remains challenges with determining which groups are invited to apply. Currently, this funding opportunity is not advertised and is run as an “invite only” program based on the group receiving funding in the previous year. This has become increasingly difficult to justify to other community support groups also requesting funding assistance.

To provide this funding opportunity as a transparent and equitable program, it is recommended that Outside Agency funding become an annual grant program which is publicly advertised and reviewed by the CSAB with recommendations forwarded to Council. The process will be consistent with other City grant processes in which grant allocations are debated and approved outside of budget deliberation. The funding framework will be a finite amount determined by a per capita dollar, and the components eligible for funding clearly stated. The purpose of the grant program will continue to be related to providing funding for important community support services, and the identification for eligibility to this grant program will be stated.

While the initial intent of this program was to assist with rent and operating expenses, groups have also submitted significant requests for funding staff positions. For some groups who are fortunate to lease directly from the City, staffing is their main requirement to “keep the lights on”. A new policy which provides the framework for a grant program providing eligible St. Albert not-for-profit organizations is being recommended. The funding would be for facility operating costs and/or staffing only. The new policy will also support stronger controls related to duplication to ensure organizations are not accessing two municipal grant programs to fund portions of the same staffing position or expense within their budget.

The current Policy governing the Outside Agency funding is attached, as well as the proposed Draft Policy C-CS-22 Outside Agency Grant Program. Administration is recommending that the current Policy C-FS-12 Outside Agency Budget Guiding Principles be rescinded, and that the Policy C-CS-22 Outside Agency Grant Program be approved. To address the revised funding model for this program, Administration is further recommending that the appropriate funding based on a per capita allowance as per the new Policy be added to the 2019 operating base budget.

STAKEHOLDER COMMUNICATIONS OR ENGAGEMENT

The CSAB have been involved in discussions related to the challenges with the current Outside Agency funding process. CSAB has shared that a grant program which provides a percentage of subsidy would be most advantageous. This would then require the commitment of the organization to continue to seek out additional alternate revenue sources. It was also noted that there is a need for two different “types” of groups who apply related to the degree of “core community support services” provided to the community. The support that the City may also already provide in the form of the \$1 a year Lease Agreement was also considered and has been integrated into the funding formula for allocation.

The CSAB have reviewed draft Policy C-CS-22 and were unanimous in their support of this new policy and the resulting improvements to the program.

IMPLICATIONS OF RECOMMENDATION(S)

Financial:

Currently there is a “funding allowance” identified each year and included in the proposed operating budget package. The allowance amount is based on the approved Outside Agency funding from the current budget year, plus an allowance for inflation equal to the Consumer Price Index at May 1 of the current year. In 2018, the funding amount provided through the current Outside Agency program was \$580,069. If Council approves the recommendations provided in this report, the 2019 funding allowance of \$580,069 plus the inflation amount will not be included as a budget allowance for this program. In its place, an amount equivalent to \$9.00 per capita will be included in the base budget for the Outside Agency Grant Program.

Had this proposed formula been utilized to determine the funding amount available for 2018, the total funding available in this program would have been \$581,805 (based on most recent municipal census of 64,645 residents multiplied by \$9.00), which would be an increase in the approved 2018 budget envelope of \$1,736.

Legal / Risk:

There are no concerns with the recommendations. As is the case with other grantees, recipients of the proposed Outside Agency Operating Grant Program grant will be required to sign an agreement stipulating, among other matters, that failure to comply with using the funds in the manner specified may result in the request to repay the funding allocation.

Program or Service:

Moving the process of funding Outside Agencies into a defined grant framework may increase the profile of this program and in turn increase the number of organizations applying for the available funding.

Organizational:

None at this time.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

If Council does not wish to support the recommendations, the following alternatives could

be considered:

1. That the matter be referred back to Administration for further review taking into consideration the dialogue and feedback generated by Council and present an amended version of City Council Policy C-CS-22 Outside Agency Grant Program to Council for consideration at a future date.
2. That no change be made to the current Outside Agency Program, and the program continues status quo.

STRATEGIC CONNECTIONS

a) Cultivate a Safe, Healthy and Inclusive Community: A community that provides opportunities for everyone to realize their potential in a thinking, caring and connected way.

b) Long Terms Plans

Cultivating a Community for All, Social Master Plan (2013)

c) Corporate Objectives

Deliver programs and services that meet or exceed our standards, programs being recommended are vetted through review and deliberation and demonstrate high standards

Report Date: March 19, 2018

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