Agenda – Council – December 14, 2011

Report "A" – Executive Policy Committee – December 7, 2011

Item No. 19 Renewal of Funding Agreements - Broadway Neighbourhood Centre Inc. – Immigrant and Refugee Community Organization of Manitoba Inc. – Spence Neighbourhood Association Inc. - Exchange District Business Improvement Zone

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On December 7, 2011, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submits the following to Council:

1. That the City of Winnipeg enter into the following 5-year funding agreements totaling $198,960 (2010), and $218,960 (2011and thereafter) subject to annual budget approval, retroactive to January 1, 2010 and ending December 31, 2014:

    A. With the Broadway Neighbourhood Centre Inc., for recreational and educational programs for children, youth, and families and for the operation and maintenance of the City-owned facility with funding at $120,500 per year;

    B. With the Immigrant and Refugee Community Organization of Manitoba Inc., for recreation and educational programs for children and youth with funding at $53,810 (2010) and $73,810 per year thereafter as approved by Council on March 22, 2011;

    C. With the Spence Neighbourhood Association Inc., for community development and recreational programming with funding at $21,150 per year;

    D. With the Exchange District Business Improvement Zone for recreational and educational programs for children, youth and families, with funding at $3,500 per year.

2. That the Proper Officers of the City be authorized to do all things necessary to have agreements approved in order to implement the intent of this report.

Report "A" – Executive Policy Committee – December 7, 2011

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On December 7, 2011, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

Title: **Renewal of Funding Agreements between the City of Winnipeg and:**
- Broadway Neighbourhood Centre Inc.
- Immigrant and Refugee Community Organization of Manitoba Inc.
- Spence Neighbourhood Association Inc.
- Exchange District Business Improvement Zone

Critical Path: Executive Policy Committee and Council

AUTHORIZATION

Author	Department Head	CFO	CAO
D. Prokopchuk	C. Wightman	M. Ruta CFO	P. Sheegl CAO

RECOMMENDATIONS

1. That the City of Winnipeg enters into the following 5-year funding agreements totaling $198,960 (2010), and $218,960 (2011and thereafter) subject to annual budget approval, retroactive to January 1, 2010 and ending December 31, 2014:

    i) with the Broadway Neighbourhood Centre Inc., for recreational and educational programs for children, youth, and families and for the operation and maintenance of the City-owned facility with funding at $120,500 per year;

    ii) with the Immigrant and Refugee Community Organization of Manitoba Inc., for recreation and educational programs for children and youth with funding at $53,810 (2010) and $73,810 per year thereafter as approved by Council on March 22, 2011;

    iii) with the Spence Neighbourhood Association Inc., for community development and recreational programming with funding at $21,150 per year;

    iv) with the Exchange District Business Improvement Zone for recreational and educational programs for children, youth and families, with funding at $3,500 per year.

2. That the Proper Officers of the City be authorized to do all things necessary to have agreements approved in order to implement the intent of this report.

REASON FOR THE REPORT

In 2007 Ernst & Young conducted an audit of the City of Winnipeg grants administration. It was noted that no Council-approved, written agreement exists between the City of Winnipeg and the four above-mentioned agencies despite the long history of funding by the City. The City and funding partners all agree that 5-year funding agreements should be developed in order to help provide financial stability to these organizations.

IMPLICATIONS OF THE RECOMMENDATIONS

- *Programs being supported*

  For many years, the City of Winnipeg has provided funding to these four agencies. In several instances the City was involved in their inception, and has been a core funder since, along with such partners as the Province of Manitoba and other funding partners. These organizations have come to rely on sustainable support from the City, and any significant changes in funding would have a critical impact on their service delivery.

  Social and recreation services provided to youth at risk by these agencies helps to augment existing City services. Such programs are preventative in nature and assist to enhance safety in Winnipeg.

  Funding of these services aligns with policy objectives articulated in Our Winnipeg and LiveSAFE.

  Change to funding of these external agencies will reflect current demands on the City tax-supported annual operating budget.

- *Financial*

  The annual funding for these agencies in 2009 and 2010, each year, totaled $198,960 as follows:
    - Broadway Neighbourhood Centre Inc. - $120,500
    - Immigrant and Refugee Community Organization of Manitoba Inc. - $53,810
    - Spence Neighbourhood Association Inc. - $21,150
    - Exchange District Business Improvement Zone - $3,500

- *Agreements*

  The financial commitment being made by the City is subject to budgetary approval in each year.

  Council would be authorizing the Director of Community Services to amend each agreement on behalf of the City of Winnipeg with the consent of the organization involved. This power is intended to forestall further reports to Council whenever relatively minor amendments to the agreements are required. It could only be used if the amendments were consistent with the intent of this report.

  The agreements will provide for reporting on an annual basis respecting the organization's finances as well as details concerning the specific programs being funded by the City.

The Director of Community Services will act as the City's agent to terminate each agreement immediately if the organization is in default of its obligations under the agreement or if the organization becomes bankrupt or insolvent. Termination is also permitted without cause upon 90 days notice.

HISTORY

For many years, the City of Winnipeg provided funding to a variety of local non-profit organizations delivering social service, health, education, recreation, sport and other programs in the community through Special and Per Capita Grants. Since 1994 this has been accommodated through the City's annual operating budget.

The City of Winnipeg has provided long-term funding to these four organizations, which have been recognized as providing demonstrable value to the City.

The Community Services Department is responsible for the ongoing evaluation of these agencies and administration of the agreements, in accordance with Council adopted funding criteria.

In accordance with the March 2008 recommendations as per the "Grants Administration Audit", conducted by the City of Winnipeg Audit Department, the renewal establishment of these agreements will continue to address the following criteria:

- *A mandate and criteria for each grant program be defined that included the purpose of the grant and the eligibility requirements*
- *All grants are appropriately approved by City Council;*
- *Each grant should have a grant agreement that includes specific criteria, performance terms, and conditions and payment schedules and amounts;*
- *All grants have specific terms and conditions attached to them and there is an appropriate accountability framework (administration, measurement) which provides sufficient oversight of grantees to insure they are meeting the terms and conditions of the grant; and*
- *All grants are monitored to ensure that terms and conditions of the grant are met prior to disbursement of funds.*

FINANCIAL IMPACT

Financial Impact Statement

Date: November 25, 2011

Project Name:

First Year of Program 2010

Renewal of Funding Agreements:
Broadway Neighbourhood Centre Inc.
Immigrant and Refugee Community Organization of Manitoba Inc.
Spence Neighbourhood Association Inc.
Exchange District Business Improvement Zone

	2010	2011	2012	2013	2014
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 198,960	$ 218,960	$ 218,960	$ 218,960	$ 218,960
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ 198,960	$ 218,960	$ 218,960	$ 218,960	$ 218,960
Less: Existing Budget Amounts	198,960	218,960	218,960	218,960	218,960
Net Budget Adjustment Required	$ -	$ -	$ -		$ -

Additional Comments: The 2010 Adopted tax-supported budget provided $198,960. The 2011 Adopted budget and 2012-2013 Projected Budgets provide $218,960 for these four funding agreements. No budget adjustments are required.

original signed by

Cindy Fernandes, B. Comm (Hon), CMA
Manager, Finance & Administrative Services
Community Services Department

CONSULTATION

In preparing this Report there was consultation with:

- Broadway Neighbourhood Center Inc.
- Immigrant and Refugee Community Organization of Manitoba Inc.
- Spence Neighbourhood Association Inc.
- Exchange District Business Improvement Zone
- Public Works Department
- Legal Services Department
- Corporate Finance Department, Risk Management Branch
- Planning, Property & Development Department

SUBMITTED BY

Department: Community Services
Division: Community Development and Recreational Services
Prepared by: T. Fergus, Community Resource Coordinator
Date: November 25, 2011
File No.