



## AGENDA

**Committee of the Whole  
to be held on Tuesday April 21, 2020 at 1:00 p.m.  
977 South Maquinna Drive and by electronic means**

**Remote Access**                   **To attend this meeting remotely please dial  
1-877-385-4099 then enter the participant code 5509888#**

**Call to Order**  
  
Mayor Davis will acknowledge and respect that we are meeting upon Mowachaht/Muchalaht territory.

**Introduction of  
Late Items**

**Approval of the  
Agenda**

**Business Arising**   **H 1 EOC (Emergency Operations Centre) Update**

**2 Grant-in-Aid policy discussion**

**Adjournment**

# VILLAGE OF TAHSIS

## Report to Council

**To:** Mayor and Council  
**From:** Mark Tatchell, CAO  
**Date:** April 15, 2020  
**Re:** Grant-in-Aid Policy Review - **updated**

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### **PURPOSE OF REPORT:**

For Information.

### **Updated with 2019 estimated revenue loss from Grants-in-Aid.**

### **BACKGROUND:**

The *Local Government Act* (s. 271) contemplates local governments providing “assistance for the purpose of benefiting the community or any aspect of the community”. Most BC local governments provide financial grants to community-based organizations to support projects or special activities that benefit their respective communities. The common practice among local governments is to receive grant applications once per year and award financial grants to deserving community organizations following adoption of the local government’s financial plan bylaw.

In 2019, Council received and considered nine (9) grant-in-aid applications. Of these, eight (8) requested use of the Recreation Centre and/or its equipment and furniture at no cost. Only three (3) of the nine (9) applications were not approved by Council. One of the unapproved applications requested financial assistance.

In 2019 the following groups/events approved by Council were:

- Junior Canadian Rangers (free use of gym)
- Tahsis Salmon Enhancement Derby (free use of Recreation Centre, equipment and furniture)
- Culture Days (free use of gym)
- Knights of Columbus (Christmas Hampers) (free use of gym)
- Captain Meares PAC Christmas Bazaar (free use of Rec Centre tables)
- Tahsis Community Spirit (Community Christmas Dinner) (free use of Recreation Centre, equipment and furniture)

The Fees and Charges Bylaw No. 594, 2017 establishes the room rental rate for the Recreation Centre gym (including kitchen facilities) and meeting room. There is no authority in the bylaw for Council to permit the use of the facility by a group (or individual) at no cost, so it is not recommended that Council continue this practice. Also, by permitting the use of the facility without charging the renter the requisite fee, the Village creates an account receivable that goes unpaid. These unpaid fees are a debt owed to the Village which should be recorded on our balance sheet. (Council is reminded that the Fees and Charges Bylaw establishes a low fee [\$5/hour] for renting any Tahsis Recreation Centre room by a community organization. The regular fee is \$40/hour.)

The table below notes the estimated number of hours of facility and equipment use by each community group and the revenue loss based on the \$5.00/hour fee.

| <b>Organization</b>             | <b>Estimated # of Hours</b> | <b>Revenue Loss/Subsidy</b> |
|---------------------------------|-----------------------------|-----------------------------|
| Junior Canadian Rangers         | 160                         | \$800                       |
| Tahsis Salmon Enhancement Derby | 48                          | \$240                       |
| Culture Days                    | 24                          | \$120                       |
| Knights of Columbus             | 12                          | \$60                        |
| Captain Meares PAC              | 24                          | \$120                       |
| Tahsis Community Spirit         | 12                          | \$60                        |
|                                 |                             | <b>\$1,400</b>              |

Moreover, the Village has not complied with s. 24 of the *Community Charter* which requires Council to give public notice of its intention to provide assistance to persons or organizations.

The bottom line is that there were legal and financial (accounting) issues with the recently rescinded Grant-in-Aid policy

### **DISCUSSION:**

Based on the 2019 decisions, Council generally supports offering the Recreation Centre and its equipment and furniture available at no cost to local community groups. Legally, this can be done in one of two ways.

- Option 1) Amend the Fees and Charges Bylaw to exempt community groups from paying the rental costs associated with using the Tahsis Recreation Centre; or
- Option 2) Amend the Grant-in-Aid policy to establish eligibility and funding criteria for community groups seeking an annual financial grant which could be used to offset Recreation Centre rental charges or other operating costs.

**Option 1**

## Pros:

- Simplifies the process for community groups seeking free use of the Recreation Centre, equipment and furniture
- Consistent with Council's authority to set fees and charges by way of a bylaw.
- Stops the misuse of the term "Grant-in-Aid" (providing free use of a facility is not generally seen as a Grant-in-Aid).

## Cons:

- May be difficult to draft the bylaw to capture the various community groups which Council might wish to exempt from paying the Recreation Centre fees.
- May require staff to exercise broad discretion when assessing whether a community group meets the bylaw criteria for fee exemption. (Section 25 of the Community Charter expressly prohibits a council from granting a benefit or other form of assistance to a business including an exemption from a fee. So distinguishing community organizations from businesses is important.)
- The Fees and Charges bylaw, as it is, sets a low fee (\$5/hour) for community organizations wishing to rent any of the Rec Centre rooms, including the gym.

**Option 2**

## Pros:

- Establishes a once/year application process and decision for community groups seeking a grant-in-aid for their operations.
- Consistent with the practice of other local governments.
- Requires community organizations to prepare more detailed applications and budgets and could also include a reporting requirement.
- The grant can be used to offset the cost of renting the Tahsis Recreation Centre and solves the unpaid debt concern described above.

## Cons:

- Creates a new budget spend item
- The application process might be too demanding for some community organizations
- Does not accommodate events which might arise during the year, past the application deadline, e.g., Tahsis Community Spirit.

**POLICY/LEGISLATIVE REQUIREMENTS:**

1. Community Charter, SBC 2003, Ch. 36
2. Local Government Act, RSBC 2015, Ch. 1
3. Fees and Charges Bylaw No. 594, 2017 (as amended)
4. Grant-in-Aid Policy #2007

**FINANCIAL IMPLICATIONS:**

- If Council chooses a version of Option #2, Council would need to consider a budget for Grant-in-Aid funding.
- There is an operating cost whenever Village facilities are used. If the users do not pay a fee to cover all or some of those costs, then those costs are covered by the Village's other sources of revenue, including property taxes.

**STRATEGIC PRIORITY:**

Yes.

GOVERNANCE

Review policies and bylaws and update as necessary

**RECOMMENDATION:**

No recommendation.

Respectfully submitted:



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Mark Tatchell, CAO