

Report to Council

Report Title:	Cargill and District Community Fund Future Governance Structure		
Prepared By:	Fiona Hamilton, Clerk and Mark Coleman, Director of Community Services		
Department:	Clerk's		
Date:	September 14, 2021		
Report Number:	CLK2021-31	File Number:	C11CL, C12, R05CA
Attachments:	Future Proposal Letter from CDCF, CDCF Preliminary Governance Structure Comparison		

Recommendation:

That the Council of the Municipality of Brockton hereby approves Report Number CLK2021-31 – Cargill and District Community Fund Future Governance Structure, prepared by Fiona Hamilton, Clerk and Mark Coleman, Director of Community Services and in doing so directs staff to propose a five (5) year lease agreement and approves providing the Fund with up to \$2,000.00 for legal services.

Report:

Background:

Earlier in 2020, the Cargill and District Community Fund (“the Fund”) raised questions with staff about whether the Committee-of-Council structure best served the Fund’s long-term goals. In November of 2020, staff met with members of the Fund to discuss the benefits and constraints associated with continuing as a Committee-of-Council as compared to other potential governance structures (such as becoming a registered charity and incorporated not-for-profit).

Municipal staff provided an overview chart of some of the considerations that was provided to the Fund and has been attached to this report. As part of the Committee Review process completed in December of 2020, Council directed staff to continue meeting with the Fund to determine which governance structure would best suit the long-term goals for those dedicated volunteers.

Unfortunately, due to the COVID-19 pandemic the April 13, 2021 meeting was cancelled and staff were not able to meet with representatives from the Fund, along with Mayor Peabody and Councillor Lang, until September 8, 2021. At the meeting, the representatives from the Fund stated that the Fund had made the decision not to be a Committee-of-Council, but had not yet fully decided which governance structure to pursue. However, the attached letter outlines the Fund’s requests related to the use of the Cargill and District Community Centre (the “CCC”) and the future relationship with the Municipality of Brockton.

These requests include:

- Use of the CDCF acronym, which will be changed to “foundation” rather than “fund”
- A lifetime agreement for rent-free use of the CCC hall, kitchen, meeting room and grounds for events such as meetings, fundraising events and 4 yearly brunches and consideration for set-up and clean-up days;
- Ability to use Fund smart serve trained bartenders for fundraising events;
- Purchase of stage trailer;
- Inventory assessment of items owned by community organizations (such as Walkerton Kinsmen, etc.).

Analysis:

The Fund was formed as a Committee of Council of Greenock Township in 1977 and has worked continuously to fundraise for operational costs, business planning, strategic planning and all capital projects associated with the CCC, including the main building, kitchen additional, front entrance and playground. In addition, the efforts of the Fund have supported activities such as breakfasts, reunions, Pickin’ by the Pond, Bike Bash, Homecomings, etc. that have had an immeasurable positive impact on supporting culture and heritage in Brockton, and promoted the vibrant community of Cargill.

Staff have reviewed the requests made by the Fund with a goal of ensuring a positive on-going relationship with these dedicated volunteers that is beneficial to both parties. Although the past two years have been challenging because of the COVID-19 pandemic, generally the fundraising events organized by the Fund have covered the operating expenses of the CCC. As a result, this change will have a significant impact on the budget and staff may need to explore other possible revenue sources for the CCC.

In order to balance the goal of maintaining a positive relationship with being fiscally responsible to all taxpayers, staff recommend the following in relation to the requests made by the Fund:

- Inventory Assessment to allocate items to community organizations with an accompanying storage agreement;
- The stage trailer be gifted to the Fund with provisions in the storage agreement related to storing the trailer at the site if required;
- An Agreement with an initial terms of five (5) years allowing the Fund to use the CCC without paying the hall rental fee, but only cost recovery for any staff set-up time, potential security costs, bartenders, etc. at the rate outlined in the annual Fees and Charges By-law;
- The CCC will be made available completely free of all charges if the event being held is to fundraise directly for the CCC or the Municipality of Brockton parks and facilities;
- Brockton would request an annual list of events to ensure the CCC is reserved for the Fund.

The Fund has included in the attached letter that it would consider an annual donation back to Brockton, possible assistance with projects at the CCC Park, and continuing to host events that gather community members and promote a strong and vibrant community spirit. These events all support the vibrant and welcoming community Council and staff strive to achieve and that been indicated as a priority through the Strategic Action Planning process.

Although the Fund was provided some information about the variance governance options, it is in the best interest of Brockton for the group to become an incorporated entity to have the ability to enter into the Agreement as outlined above, and preferably as a registered charity to be able to issue tax receipts. In addition, becoming an incorporated entity is the best way to provide liability protection to the volunteers and would make it easier to ensure proper insurance coverage is in place. This would also enable the Fund to look at lottery licencing as a source of fundraising if it meets their mandates. As a result, staff suggest providing a subsidy of up to \$2,000.00 to the Fund as reimbursement of legal fees upon receipt of an invoice to support this registration process. The purpose of this recommendation would be to ensure the Fund receives the necessary support and advice to set them up for continued long-term success.

Sustainability Checklist:

What aspect of the Brockton Sustainable Strategic Plan does the content/recommendations in this report help advance?

- Do the recommendations help move the Municipality closer to its Vision? N/A
- Do the recommendations contribute to achieving Cultural Vibrancy? N/A
- Do the recommendations contribute to achieving Economic Prosperity? N/A
- Do the recommendations contribute to Environmental Integrity? N/A
- Do the recommendations contribute to the Social Equity? N/A

Financial Impacts/Source of Funding:

- Do the recommendations represent a sound financial investment from a sustainability perspective? No

The revenue from the fundraising events held by the Fund has historically been used to offset the operating costs associated with the CCC with a small surplus. As a result, the 2022 Operating Budget will need to be entirely restructured and Brockton will need to consider additional potential revenue sources and this will result in increases to the operating budget, which has historically over the past few years represented nearly 1% of the tax rate. The revenue raised by the fund in excess of the operating expenses was directed to a dedicated reserve fund for current and future infrastructure needs. The Fund General Ledger has been attached for Council’s consideration and is currently showing a deficit of \$85,785.87

Reviewed By:



Trish Serratore, Chief Financial Officer

Respectfully Submitted by:



Fiona Hamilton, Clerk

A handwritten signature in dark ink, appearing to read "Mark Coleman", with a long, sweeping horizontal stroke at the end.

Mark Coleman, Director of Community Services

Reviewed By:

A handwritten signature in dark ink, appearing to read "Sonya Watson", with a long, sweeping horizontal stroke at the end.

Sonya Watson, Chief Administrative Officer