



# Council Policy

Council Policy No.:	CP2016-011
Council Policy Name:	Legacy Community Hydro Electric Systems Transfers (C.H.E.S.T.) Fund Grant Policy and Application
Date Approved by Council:	October 4, 2016
Date revision approved by Council:	
Related SOP, Management Directive, Council Policy, Forms	Application Form and Related Appendices

## Policy Statement and Rationale:

This policy is made in accordance with the Order of the Commission Made Under the Municipal Act R.S.O. 1990, c.M. 45 dated April 19, 2000 relating all to former municipalities as follows: Town of Lindsay, Municipality of Bobcaygeon/Verulam, Village of Fenelon Falls, Village of Omemee, Village of Sturgeon Point, Village of Woodville, Township of Bexley, Township of Carden/Dalton, Township of Eldon (Kirkfield), Township of Emily, Township of Fenelon, Township of Laxton, Digby and Longford, Township of Manvers, Township of Mariposa, Township of Ops, and Township of Somerville.

The mandate of the Order of Commission is that the hydro reserves of the public utilities commissions and hydro electric commissions of the former municipalities may, upon being transferred to the new municipality under section 11, be used for any purposes that the council of the new municipality considers appropriate but shall only be used for the benefit of the ratepayers of the geographic area of the former municipality which the public utility commissions or hydro electric commissions, respectively, served.

The policy and application as set out herein will refer to the “Legacy C.H.E.S.T. Fund Grant Committee”, as opposed to individual Committees so that the document will be uniform and compatible across all Committees in their relevant geographic area.

## Scope:

### ABOUT THE LEGACY C.H.E.S.T. FUND

The goal of the Legacy C.H.E.S.T. Fund is to provide financial assistance to non-profit, community-based organizations that provide programs, projects, services, or activities that enhance the quality of life for Lindsay residents in the areas of health, arts, culture, leisure, heritage, education and the environment



# Council Policy

## Policy:

### **FUNDING**

#### **TERMS OF FUNDING**

All funding allocated by the Legacy C.H.E.S.T. fund is to be expended in the calendar year that it is awarded unless alternate timelines were approved as part of the project.

#### **WHAT PROJECTS ARE ELIGIBLE FOR C.H.E.S.T. FUND GRANTS**

- Capital project grants to be used for repairs, renovation or improvements to land or buildings and to purchase equipment to support programs, activities or services that show they have sustainability or lasting impact
- Projects that have clear, measureable benefits to the Community
- Projects that provide greater accessibility to activities, programs or venues, including geographical, physical, cultural or economic accessibility in the relevant geographic area that are promoted as open to the general public
- Special Events – a sporting, cultural, or other type of unique activity, occurring for a limited or fixed duration
- Startup Funding – for a program/event, with the understanding annual funding will not be provided to continue its operations
- Special/Multi-year Projects – where the project is exclusively for construction, alterations or renovations, or acquisition of property; and where the award will have a project period of more than 12 months of activity (applicable to the Lindsay Legacy C.H.E.S.T. Fund only)
- Extenuating Circumstances: In occasional cases, anytime during the year, the fund may honour one-time requests from organizations of importance to the Town of Lindsay in dire need of financial assistance. The organization must demonstrate a willingness to work with a third party acceptable to the Committee to improve its financial viability (applicable to the Lindsay Legacy C.H.E.S.T. Fund only).

Examples of sustainability or lasting impact could include:

- Added value to community life even after the grant is complete (for example, participants continue to share what they have learned, a permanent change has been achieved in the community or a model has been repeated in another community)
- A plan for ensuring resources are in place to continue to work after the grant ends (including maintenance for renovation and equipment grants)



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## WHAT THE LEGACY C.H.E.S.T. FUND WILL NOT FUND

### Grants will not be provided:

- To individuals without a Sponsor – see Eligibility Criteria below
- On a retroactive basis or for a project that is already completed
- If duplication of funding received from another funder
- To cover budget deficits
- Day to day operating costs of an organization i.e. staffing, utilities, rent, property taxes, etc.
- For programs, activities or services outside the relevant geographic area
- To support programs or services geared specifically to activities related to ratepayer or tenant/landlord associations, or political parties
- For religious activities or instruction, including renovations to a place of worship unless it is also used for community activities or is a significant heritage site used for the general benefit of the community
- As donations to charitable causes
- To offset capital depreciation costs

## ELIGIBILITY CRITERIA

To be eligible for funding applicants must:

- Be a non-profit incorporated organization, registered charity or be sponsored by an organization that is a non-profit incorporated group or registered charity. If an applicant is neither a registered charity nor a non-profit organization, an applicant must find a Sponsor Agency. The Sponsor Agency will receive the funds for the applicant, disperse them to the applicant, and be responsible for providing The Committee/Council with a reconciliation of actual expenditures for each grant awarded along with receipts and financial statements. The name and address of the Sponsor Agency with signature of sponsoring agency representative and a signed Sponsor Agency Agreement letter are required. All sections of the application must be completed **by the Sponsor Agency**
- Have demonstrated sound financial management. (as defined under the “Accountability” section)
- Be based in the relevant geographic area, and have a mandate to provide programs, projects, services, or activities that enhance the quality of life for residents in the areas of health, arts, culture, heritage, education, leisure and the environment
- Be able to show capabilities of providing the proposed service, project or program within identified measurable results

- Provide a completed application form and other reports as requested, and if a previous grant recipient, have provided a post project financial report to confirm use of the funds as intended

## **Applications must also meet the following criteria established by Council:**

- Must benefit the ratepayers of the relevant Geographic Area
- Any additional tax burden on the residents of the geographic area where the funds are to be expended and/or any other part of the municipality must be clearly identified (In the case of the Bobcaygeon C.H.E.S.T. Fund “NO” additional tax burden will be accepted)
- Applications that are dependent upon other funding sources being applied against the project (not municipal tax levy), must demonstrate that all required funding will be in place within the year in which the application is approved prior to the Legacy C.H.E.S.T. Funds being released
- Must not involve handing funds over to a third party. The final disposition of any approved grant must be in accordance with the approved purpose and, without any allowance for setting aside or reserving any amount of the award for other purposes or other disbursements
- Must not be invested in the private sector for revenue generation or speculation.
- Must not offset normal Municipal Obligations. Eligible applications, where the project affects obligatory municipal services or is on municipal property, must provide assurance that service provision is enhanced without an expectation that the associated cost to the municipality will be reduced
- May partner with other funding opportunities (Municipal, Provincial, Federal) to leverage funds Must not be used to offset the pre-existing or future operating or capital obligation of any organization
- If a permanent asset/amenity, it must be used for/placed where publicly accessible to all taxpayers of the relevant area

## **CONDITIONS OF THE GRANTS**

Having requested and received a grant from the Legacy C.H.E.S.T. Fund, the Applicant agrees to the following:

- If the grant is not used for the project, events or activities described in the application, or if there are any misrepresentations in the application, the full amount of the grant (including any interest earned, if applicable) will be returned by the Applicant, made payable to The City of Kawartha Lakes for return to the Committee for deposit in the respective reserve fund
- No changes are to be made with respect to the funding of the project from that described in the application without the approval of the Committee



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- The Applicant will keep proper books of accounts of all receipts (proof of payment in the form of invoices/receipts and bank statements) and expenditures relating to the project, event or activity for which the grant was given and will retain these documents for a period of least 7 years
- The Applicant will allow the City Treasurer or a delegate, to examine any records of the applicant to ascertain that the funds granted by the Committee/City to the applicant have been properly expended for the purposes herein described
- If projects, events or activities described on the Applicant's application are not commenced or are not completed and there are grant funds on hand, or are completed without requiring the full use of the grant, such funds (including any interest earned, if applicable) will be returned by the Applicant, made payable to the City of Kawartha Lakes for return to the Committee for deposit in the respective reserve fund
- Should the Applicant receive grant funding and subsequently disband, the Applicant must immediately advise the City of Kawartha Lakes and the Committee to ensure grant funds are returned as outlined above
- Should an organization/program that has assets purchased with a C.H.E.S.T. Fund grant cease to exist said assets must be returned to the C.H.E.S.T. Fund/City. The organization/program must notify the Committee of its pending dissolution and submit a list of the assets to be returned
- No grant will be made retroactively to fund deficits or shortfalls. Commitments made by an Applicant prior to, or in anticipation of official written notification that a grant has been approved are done at the Applicant's risk. In the event that an application is rejected, the Committee/City will not be responsible for expenditures already incurred.
- The Applicant commits to completing a Post-Project Financial Report upon the completion of the project to identify the complete expenditures of the project and the measured results of the project. The deadlines for reports to be received are as follows:
  - Events – within 60 days of completion
  - Major projects/enhancements – upon completion of the project or at the end of the application year

## APPLICATION CRITERIA

As funding becomes available, grants may be made to applicants that demonstrate that there is community support or need for the programs, services, or project offered by the applicant; that there is a need for financial assistance; and that adequate funding for the programs or services is not available from other sources. Applicants are permitted only one funding request per calendar year although a single application may contain a number of smaller projects.



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## **PARTNERSHIP**

Partnership is achieved when community groups work with each other and with individuals to plan and deliver programs, projects or services. A dispute resolution letter may be requested.

## **ACCESSIBILITY (OPEN TO THE GENERAL PUBLIC)**

Accessibility is achieved when the programs, services, activities, or events are actively promoted to encourage the participation of all residents of the community; any fees charged are appropriate/reasonable; and the programs, services, activities, or events are made open to the general public.

## **EFFECTIVENESS**

Effectiveness is achieved when the impacts or outcomes of a service, project or program can be clearly identified and measured and are found to be both consistent with the applicant's mandate and would be positive for the community.

To be categorized as providing an acceptable level of effectiveness, the applicant must demonstrate, at a minimum:

- That the applicant's objectives, which may include a mission statement or mandate, are clearly stated
- That the programs, projects and services developed are consistent with the applicant's objectives or mission statement
- That the applicant operates programs, projects or services on a self-sufficient basis where possible
- That the applicant evaluates services, projects and programs with input from participants
- That the applicant operates in a cost-effective manner and establishes a business plan

## **ACCOUNTABILITY**

Accountability is achieved when the applicant exhibits sound management and financial practices and responds to the changing needs of the community.

To provide an acceptable level of accountability, the applicant must demonstrate at a minimum:

- That it follows democratic practices i.e. election, full disclosure of finances etc. answerable to a general membership and participants

- That financial need is justified in terms of the applicant's impact on the community and ability to generate support from the community
- That full disclosure of all anticipated revenue sources and how those funds will be expended is provided
- That full disclosure of all assets, trusts, surpluses and reserve funds and their purpose is provided
- That the applicant operates with the benefit of a business plan or budget
- That the applicant actively pursues fundraising activities or alternate sources of revenue
- That financial statements/information is provided when and as required
- In addition, applicants will be required to identify how they will measure the success of the program, service or project should their funding request be approved

## APPLICATION

Applications for the Legacy C.H.E.S.T. Fund Grants are available through the City's website [www.city.kawarthalakes.on.ca](http://www.city.kawarthalakes.on.ca), or alternatively at any City Administration Office.

Each applicant will be required to provide information about the organization and its programs or services; evidence to establish the applicant's eligibility in terms of the evaluation criteria outlined in this policy; a description of how the applicant intends to measure the success of the program, service or project if the funding request is approved; and specific financial information related to the applicant's revenues and assets.

Wherever practicable, grant applications must include a detailed breakdown and **PRIORITIZATION** of component costs, particularly for those applications that comprise a number of smaller projects. This prioritization will provide a guideline to the Committee(s) in the event that only partial funding can be awarded.

At a minimum, applicants will be required to submit with their applications:

- A statement of the applicant's goals and objectives, and or constitution and by-laws if applicable
- The names , addresses and telephone numbers of all members of the applicant's board of directors or executive
- An excerpt of the motion from the minutes of the executive meeting at which the application was approved for submission
- Two (2) quotations per component of the project that provide justification for the project funding requested, with all applicable taxes net to the organization
- Financial information as follows:
  - A draft/proposed budget for the upcoming year

- A financial statement for the previous year (for grant applications over \$25,000.00 the statement must be audited or accountant reviewed)
- If the audited or accountant reviewed financial statements are not available at the time of the application submission, you may submit internally prepared financial statements that include both a statement of revenues and expenses and a balance sheet, with a letter of explanation outlining the reason why the statements are unavailable and or expected timeframe when they will be audited or accountant reviewed
- A year -to- date financial statement
- A statement disclosing all assets and reserve funds and any anticipated year-end surplus and profits from events

## **APPLICATION REVIEW PROCESS**

Requests are reviewed initially by the Committee whose role is to determine whether the applicant is eligible and, if so, whether the project demonstrates commitment to the principles as required. The Committee will also attempt to ensure an equitable distribution of available funds, and where projects may exceed available funds, the Committee will make recommendations concerning the priority for the funds and/or the distribution of available funds.

All applications reviewed will be assessed in a comparative context that takes into consideration:

- The number of residents served by the organization's programs, projects and services
- The level of volunteer support and activity
- The quality of the programs, projects and services
- The quality of financial management and organizational effectiveness
- The value of the programs, projects and services to the community

As part of this review, the Committee may consult with City staff, other organizations providing grants, other organizations providing similar services and with members of the applicant for additional information. The Committee may elect to visit the program site, before making a recommendation.

## **APPROVAL PROCESS**

The Committee will make recommendations after the review process to either recommend approval of either full or partial funding or decline the application.

The time frame for a decision on the final approval is generally 120 days or less from the deadline date.





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Applicants that are approved for full or partial funding will be advised in writing noting the Committee's recommendation and the date the recommendation will be forwarded to City Council for approval.

Applicants that are ineligible for funding and whose application will receive no further consideration will be so advised, in writing, along with an explanation as to what criteria was not met.

## **FINANCING**

### **PAYMENT**

Unless other specific conditions are recommended and approved by City Council, all grants will be awarded approximately one month following final approval.

### **RECONCILIATION (FINANCIAL POST PROJECT REPORT)**

Grants may not be used for ANY purposes other than the purposes outlined within the application as approved by City Council.

All successful applicants are required to return to the Committee any portion of the grant (including any interest earned if applicable) not expended in the calendar year for which it was awarded unless the timelines were approved as part of the project.

Should an organization not use the approved grant funds (or a portion of) "ALL" unspent funds plus any earned interest if applicable must be returned to the Committee to be deposited back to the respective reserve fund.

All successful applicants are required to complete a Post Project Financial Report, a reconciliation of actual expenditures for each grant awarded. Proof of payment in the form of invoices/receipts and bank statements must be provided to the Committee to verify that the grant was expended according to the terms in the approved application.

The financial statements, proof of payments in the form of invoices/receipts and bank statements submitted for reconciliation purposes, financial post project report, all must be approved by the Executive or Board of Directors on the organizations letterhead with the excerpt of the motion from the minutes of the meeting at which they were approved must be provided.

Applicants are required to identify how they will measure the success of the programs, services or projects for which funding was provided. The results of these measurements must be provided on completion of the project through a post-project report.



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Failure to submit the requested information will jeopardize future consideration of grant requests.

## **MONITORING**

The information provided is made available for review and reconciliation by the Committee. As part of the reconciliation process, programs, projects or services receiving grants may be subject to an audit and/or site visit.

City Staff will prepare a report to City Council each year outlining any grants that are complete or could not be fully reconciled or which were not expended according to City Council direction, and recommending action which should be taken. This status report, and subsequent City Council decisions, will be considered when assessing new applications.

## **RECOGNITION REQUIREMENTS**

Public recognition of the grant and the activities it supports is an important way for the organization receiving the grant and the Committee to tell other people about the work being done with Legacy C.H.E.S.T. Funding while demonstrating openness and accountability about how the funds are spent.

All grant recipients are required to display signage/logo in an appropriate high-traffic location indicating support of the Legacy C.H.E.S.T. Fund. In addition, grant recipients are expected to acknowledge the Legacy C.H.E.S.T. Fund support in the public announcements and media releases, at special events and on websites. Annual reports, newsletters, event programs and exhibits should also include appropriate recognition of the Legacy C.H.E.S.T. Fund logo that will be provided to successful applicants. Alternatively, the logo can be located on the City Website, along with the applications.

The use of the logo on sign/plaques/promotional material is to be directed according to the City of Kawartha Lakes policy.



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## SUBMISSION INFORMATION

Applications and all required copies for this funding should be dropped off at or mailed to:

Lindsay Legacy C.H.E.S.T. Fund  
Community Services Administration  
50 Wolfe Street  
Lindsay ON K9V 2J2  
Attn: Lindsay Legacy C.H.E.S.T. Fund

Bobcaygeon Legacy C.H.E.S.T. Fund  
Bobcaygeon Service Centre  
123 East Street South  
Bobcaygeon ON K0M 1A0  
Attn: Bobcaygeon Legacy C.H.E.S.T. Fund

All Other Former Committees  
Community Services Administration  
50 Wolfe Street  
Lindsay ON K9V 2J2  
Attn: Legacy C.H.E.S.T. Fund Grant

All phone inquiries should be made to 705-324-9411 ext. 1300

**Submission deadline for both the Lindsay and Bobcaygeon Legacy C.H.E.S.T. Fund Applications is 4:30 p.m. on the last Friday of October annually**

You should note that the deadline date is absolute and incomplete grant applications will not be considered. If requested by the applicant, City Staff or the Legacy C.H.E.S.T. Fund Grant Committee will provide advice to ensure that the application is completed fully, and that all information requirements are met prior to the closing date.

For the Lindsay and Bobcaygeon Legacy C.H.E.S.T. Fund please submit your **ORIGINAL** and **9 photocopies** (for a total of 10 copies), and for All Former Committees please submit your **ORIGINAL** (for a total of 1 copy) of the application by the deadline date.

As well, as all applications and copies that are found to be either eligible or non-eligible become the property of the City and non-returnable.

### Revision History:

Proposed Date of Review:

Revision	Date	Description of changes	Requested By
0.0	[Date]	Initial Release	