

Staff Report to Council

Title: Kincardine Community Fund

Report Number: Legislative Services-2024-21

Director: Corporate Services

Manager: Legislative Services

Meeting Date:

Wednesday, August 28, 2024

Date to be considered by Council:

Wednesday, August 28, 2024

Recommendation:

That Council direct Staff to work with the Community Foundation Grey Bruce to investigate options to update the Agreement currently in place.

Executive Summary:

In 2015, the Kincardine Community Fund was established. The Fund grants annually to Kincardine not-for-profits. Mr. Stewart Reid, Executive Director of the Community Foundation Grey Bruce will provide Council with an up update on the Community Fund.

Strategic Priorities:

D.16-Ensure the Municipality provides value for money and long-term sustainability

Financial Considerations:

To date, the Kincardine Community Fund has \$92,158 in a fund administered by the Grey Bruce Community Foundation (GBCF). All monies directed to the Kincardine Community Fund are “retained in perpetuity by the Grey Bruce Community Foundation as invested capital which may be pooled with other capital funds for the purpose of investment” per the Donor Advised Community Fund Agreement passed by By-law No. 2015-074.

The Grey Bruce Community Foundation applies the net income earned from the Fund to make grants to support charitable activities in the Municipality of Kincardine. As the income is based on the interest rates earned by the fund amount, funding has fluctuated over the years based on the amount in the fund and interest rates.

The grants from the Kincardine Community Fund are disbursed only to projects within the Municipal of Kincardine. Funds can be used to support not-for-profit charitable organizations involving affordable housing, food banks, agriculture, recreation, seniors and education. Local

not-for-profit organizations can also apply for and receive grants from other streams of the GBCF.

To date, \$19,750 (see attached for breakdown) has been allocated to 11 different local charities from the Kincardine Community Fund in the following amounts of:

2018 - \$1,928;
2019 - \$1,200;
2020 - \$1,400,
2021 - \$2,979;
2022 - \$4,453;
2023 - \$3,405;
2024 - \$4,385.

The Municipality has contributed \$5,000 annually through the Community Investment Grant Operating Budget to the Kincardine Community Fund from 2015-2023 for a total of \$45,000.

The Municipality also funded \$5,000 annually to the Kincardine Community Fund Committee to fundraise and educate the community about the Kincardine Community Fund from 2016-2023 for a total of \$40,000. The Committee raised \$24,272 to donate to the Kincardine Community Fund.

Individuals and organizations in the community can also donate directly to the Kincardine Community Fund and part of the Kincardine Community Fund Committee's role was to encourage local giving.

The Community Foundation Grey-Bruce retains an annual administrative charge of 1.5% on the earned interest of the KCF on an equitable basis with other funds.

During this time, the Municipality's Community Investment Grant program has contributed \$372,680.58 (including Festival Grants) to 60 organizations as approved by Council. This amount is part of the operating budget and can fluctuate depending on Council's goals and objectives.

Policy:

Community Fund Grey Bruce Agreement By-law No. 2015-074

Context and Background Information:

Mr. Stuart Reid, Executive Director, will provide Council with an update on the Community Fund Grey Bruce, as well as the Kincardine Community Fund.

The Kincardine Community Fund (KCF) was established by By-law 2015 – 074 which authorized the entering into of an Agreement with the Community Foundation Grey Bruce, to create a Donor Advised Community Fund for Kincardine. The Agreement outlines the terms of both the Foundation and the Municipality.

The Community Foundation Grey Bruce supports the KCF by taking responsibility for the following:

- All investment transactions;
- All bookkeeping and auditing functions;
- Issuing of all official receipts; and

- Other clerical duties as required.

It is an Endowed Fund with the Community Foundation Grey Bruce (CFGB), and therefore embraces the Community Foundation Grey Bruce Mission of philanthropic leadership in the community.

Although the Kincardine Community Fund Committee would make a recommendation annually to the CFGB regarding grants, the final decision with respect to grants is the Board of Directors of the CFGB.

Currently, there are 6 Municipalities that have a local Community Endowed Fund, in collaboration with the CFGB: Owen Sound, Saugeen Shores; Grey Highlands; Meaford, Southgate and Kincardine. Each municipality sets up their committees in a different way. Some have a committee appointed by Council, while others operate separately from the Municipality with a Council member sitting on the committee.

The Terms of Reference for the Kincardine Community Fund Committee (KCFC) was approved by Council on October 21, 2015. The Terms of Reference outlined that KCFC was created to further the goals of creating a sustainable granting system for non-profit groups within the Municipality. The Mission Statement is to develop the endowed fund administered by the Community Foundation of Grey Bruce, into a self-sustaining granting system for use by qualified non-profit groups within the Municipality of Kincardine. The original Committee members consisted of three voting members, appointed by Council. In 2017 the Terms of Reference was updated, and the Committee composition was increased to 5 voting members, including 1 Council Member.

The KCFC held many fundraising events to enhance the Kincardine Community Fund. The Committee also focused on awareness of the KCF and encouraged financial contributions to the Fund.

The Council of the Municipality of Kincardine also contributed to the Kincardine Community Fund, through the annual Municipal budget process. Budget money was not allocated to the Fund in 2024.

In 2022, with the Governance review, the KCFC was not reappointed. Staff have been working with the Community Fund Grey Bruce Members, to determine a path forward.

Consultation Overview:

Consultation with the Community Foundation Grey Bruce, and other municipalities with an Endowed Fund.

Origin:

Governance Review

Implementation Considerations:

Staff will work with the Community Foundation Grey Bruce and investigate other operating models for the Kincardine Community Foundation and bring back a recommendation for Council.

Risk Analysis:

There is no risk to the invested capital in the Kincardine Community Fund. If no further funds were invested in the Kincardine Community Fund, the Fund would continue to be able to grant monies from the interest of the currently invested capital.

Attachments: By-law No. 2015 – 074-Community Foundation Grey Bruce Agreement
Kincardine Community Fund Grant History
Terms of Reference
Community Fund Presentation
Community Fund Brochure

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