



Municipality of the District of Argyle

Item: Emergency funding request
– Club Social des Iles

Date: February 11, 2019

VISION

We see Argyle as home to a healthy and thriving rural population. Our municipality promotes and supports economic and social opportunities for the region and engages in the active expression of our unique Acadian heritage. We are a place of choice for rural living and are widely recognized for our warm hospitality and joie de vivre. Surrounded by fresh air and cool ocean breezes, we work and play in the great outdoors. People choose to live in Argyle because of our commitment to each other, to our community and to our neighbors. Argyle is a place we are proud to call home.

Background:

The Club Social des Iles was the recipient of our special \$15,000 community hall grant in 2018-19, and received \$13,500 to that effect, with 10% of the funding held back for the final report, which we have not yet received.

We received a request from the Club, which is attached. It is asking the Municipality to consider emergency funding, over and above the \$15,000, as it is their position that if they did not receive the \$15,000, we would likely have supported them with this issue.

Since there is no policy supporting this request, administration advised that we would bring this decision to Council for consideration, as the decision to support would not be supported by policy and would have to be dealt with by motion. We shifted funding for halls from the regular Grants to Organization Policy to Community Hall Grants.

MGA considerations:

65 (au) of the MGA, allows for a contribution to a non-profit organization.

Fiscal considerations:

Muise asked for clarifying financial information on the situation. Enclosed are the most recent financial statements, and the following is a summary of my own understanding of the numbers.

- At the end of December 2018, The Club Social des Iles has net financial assets (current financial assets minus current financial liabilities) of about \$22,500, with \$19,900 being cash).
- Capital project revenues exceeded expenses by \$1,650 at the end of December, which means it is available for the 2019 year. The Club is still expecting another \$2,475 from the Province and \$1,500 from us. Total moneys available on capital project spending equal \$5,675.
- There is about \$5,000 worth of work that was done on emergency repairs in January according to the records submitted by the Club. Therefore, the projected remaining

funds to apply to other aspects of the club equal \$675. This would not be enough to complete the bathroom and accessibility work required by the Club according to their request. A rejection of funding from MODA would force the Club to use its reserves to complete the renovations they desire.

- According to the original application for funding, the Club committed to a contribution of \$2,000 from reserves.
- The Club clearly had to spend the emergency expenses first, and even if they have the cash available to complete the emergency funding, they will not complete all the projects they anticipated with the remaining funds.

Options for Council:

Your options include: Full assistance, Rejection of the request, and partial assistance. There is the option to defer into fiscal 2019-20 also.

Full assistance:

The emergency expenses will amount to between \$5,000 and \$6,000. There is conflicting information therefore I cannot confirm the actual number at this time. Also, HST is a factor here, which 50% is refundable. Thus, full assistance would be in this range. If this is the interest of Council, we would determine the actual amount, less HST refund and restrict the grant to that amount.

Rejection:

Council may reject as this request does not fall within any of its policies. It is not uncommon for non-profit clubs to meet unforeseen expenses. While the Council is a willing funder for its community halls through the special funding program, it does not obligate them to support this request or any other request.

Partial assistance:

Since the Club obtained funding from the Province and MODA regarding major improvements, and since the Club does have financial assets, it may consider a middle ground to be their preference.

Without policy, Council should be prepared to consider other requests from other clubs with emergency requests. Perhaps the Council wishes to set aside reserve funds to support emergency requests from community halls, or fire departments, or both. Administration would require direction from Council on the precedent it will set with this decision, assuming it is in the positive, and amendments to policy to address this type of request moving forward.

There is currently no budget for this type of request.

We are anticipating an operating surplus for the fiscal 2019.

Suggested motion:

Full assistance:

Council approve the full request of the Club Social des Iles, and that staff obtain actual cost figures, and bring them back to Council for final approval.

That CAO Muise present options for policy amendments for emergency support of community halls.

Partial assistance:

Council approve the funding support of \$_____ to support the Club Social des Iles in their emergency funding request.

That CAO Muise present options for policy amendments for emergency support of community halls.

Rejection:

That Council reject the request for emergency funding from le Club Social des Iles.