

City of Mississauga Corporate Report



| | |
|--|---------------------------------------|
| Date: October 13, 2015 To: Chair and Members of General Committee From: Paul A. Mitcham, P.Eng., MBA Commissioner of Community Services | Originator's files: File names |
| | Meeting date: November 4, 2015 |

Subject

Recommendations for Revisions to the Community Group Support Program and Community Consultation

Recommendation

That the report entitled Recommendations for Revisions to the Community Group Support Program and Community Consultation dated October 13, 2015 from the Commissioner of Community Services be received for information and referred to Community Groups for input and review.

Report Highlights

- The City of Mississauga, through the current Community Group Support Program, strives to develop mutually beneficial relationships that support community involvement by groups who deliver arts, culture and heritage; library, recreation, sports and leisure; special events; and various social, environmental and special interest programs and services that keep Mississauga residents active, healthy and engaged in their communities.
- The recommendations resulting from a review of the Community Group Support Program policy require Council approval and public and stakeholder input before being finalized and prioritized. Focus group sessions with community groups/organizations are planned to be held on January 26, 2016 and January 28, 2016. February 2, 2016 and February 4, 2016. Staff will report back to Council April 2016.
- The proposed recommendations will assist groups in strengthening their governance and financial accountability to meet the new requirements of Bill 85 Ontario's Not-For-Profit Corporations Act, 2010 (ONCA) which is likely to take effect in 2016.

Background

The current Community Group Support Program policy (08-01-01) outlines the eligibility criteria to become formally recognized by the City as either an Affiliated Group or a Recognized Community Group; the available benefits for each; and the application and approval process. The current program helps volunteer community groups by providing access in a fair and equitable manner to specific City resources, such as meeting space and permission to place portable signs on City road allowances. Direct financial assistance is not provided as part of the Program. Currently the City has 50 Recognized Community Groups; 60 sport affiliated groups; and 120 Recreation/Arts & Culture affiliated groups.

The Community Group Support Program Policy (08-01-01) was last updated in September 2011 and was scheduled to be reviewed as part of the Corporate Policy and Procedure Program. Staff recognized a need for the Community Group Support Program policy to be strengthened. The proposed changes are designed to better support our affiliate and recognized community groups, including resident and ratepayer's associations, which are all governed by volunteers. The proposed policy changes will address the need for better clarification of group categories, the inclusion of a Developing Group category and Support with Conditions Status for groups that may not be meeting policy requirements at a point in time. The policy revisions will also ensure better governance; transparency to group members and the general public; and greater financial accountability. It is recommended that the revised policy be renamed the Community Group Registry Policy to reflect the key changes being proposed.

Comments

A working group of staff from the Recreation Division, Culture Division and Corporate Services have reviewed the existing policy and are recommending a number of changes for Council consideration.

New Group Categories Classification

Staff proposes a new classification system approach to groups. Under the current Community Group Support Program policy, groups are placed in one of two categories only, as either an Affiliated or Registered community group. By creating new and clearly defined categories, within Registered Groups, the policy will better clarify the type of group and illustrate the relationship the group has with the City. Newly proposed categories will clearly delineate what the criteria are to belong to that specific category and the City benefits that will be available. By first categorizing all groups as "Registered" and then outlining the services each group receives within their category, the policy is easier for the groups and staff to understand. A Registered Group will be defined as a not for profit community group, governed by volunteers, who deliver arts, culture and heritage, library, sports and leisure; special events; and various social, environmental and special interest programs and services which exist for the benefit of the residents of Mississauga. All groups will need to meet the minimum requirements under the policy for membership, Board of Directors make-up, constitution and by-laws as a "Registered Group."

The inclusion of categories in the revised policy will also allow the City to further tailor the requirements and benefits of each newly created category. For example, Youth Sport Organization, as a category, will have requirements that specifically outline the maximum non-resident components allowable (a benefit), whereas Ratepayers/Resident groups as a category would have a demonstrated need for a clearly defined membership base of 100% Mississauga residents (a requirement). Tailoring the requirements and benefits of these newly proposed categories will provide for greater accountability and better understanding by groups of their benefits and available services. The following chart outlines the newly proposed and recommended Registered Group categories with a definition and example for each:

| Proposed Registered Groups | Definition | Example |
|--|---|--|
| Youth Sport Organization | A sanctioned group that provides organized league based sport activities for youth. | Youth Soccer Clubs |
| Recreation Provider | A Group that provides recreation programs/services for children, youth and/or adults that supplements the services provided by the Recreation Division. | Special Event Groups/ Cultural Recreation Groups |
| Arts & Culture Provider | A Group that provides Arts & Culture programs/services for children, youth and/or adults that supplement the services provided by the Culture Division. | Museum/Dance or Theatre Groups |
| Rate-Payer/Resident Groups | Neighbourhood associations and organizations that strengthen and support Mississauga neighbourhoods. | Resident Associations |
| Older Adult Groups | A Group that provides older adult (55 years and older) recreation programming that supplements the services provided by the Recreation Division. | Senior Friendship Groups |
| Regional Community Organization | A Group that has a mandate to deliver programs and services within the Region of Peel that directly benefit Mississauga residents. | Regional Youth Groups |
| Regional Sport Group | A sport group that includes team representatives from the Region of Peel, neighbouring regions or defined league boundaries. | Cricket Clubs |
| Community-Sport Organization | A league-based youth or adult competitive sport organization. | Competitive Adult Soccer Clubs |
| Community Organization & Service Clubs | A not for profit Social Service/Service Club/Church/Religious Group/Pre-School. | Lions Club/ Rotary/ Mississauga Church/Temple |
| Business Improvement Organization (B.I.A.) | City endorsed Business Improvement Organizations. | Streetsville BIA /Clarkson BIA/ Malton BIA/ Port Credit BIA |

Staff also recommend the creation of a new category, Developing Group Status, for groups that do not meet all of the eligibility criteria under the proposed policy revision. This new category would give staff and community groups a clearer framework for development and provide more opportunity for new groups to form and meet the policy requirements, with guidance from the City.

Governance

Governance policies and procedures preserve the ability of a group to comply with multiple pieces of legislation, regulations and public policy direction, and to guide them when responding to specific governance situations. Groups should be able to demonstrate “due diligence”, meaning that the Board has taken reasonable steps to establish specific policies and procedures that provide guidelines for governing. Affiliated Groups have often called upon City staff and/or ward councillors to assist them with managing issues at either the Board level or within their general membership. The City’s relationship with volunteer community groups is one of support only; the City cannot act as a review body for any group.

The City can help ensure that Registered Groups have effective governance practices with proposed changes to the current policy that will require groups to have a conflict of interest policy; a mechanism for resolution of complaints; be incorporated as a not-for-profit organization and to provide evidence of Board of Director’s third party liability insurance. Incorporating gives an organization legal status and therefore provides groups with significant and crucial benefits, such as being able to enter into financial agreements, limited liability of its members and an increased opportunity to successfully apply for grants. The City of Toronto, for example, requires groups with an annual budget exceeding \$5,000.00 to have: A volunteer executive elected at an Annual General Meeting; A constitution, by-laws and/or letters patent and, where the organization’s annual budget is less than \$5,000.00, the group must verify its not-for-profit status.

These proposed policy changes will also assist groups when Ontario’s *Not-For-Profit Corporations Act, 2010* (ONCA) takes effect. Bill 85 was introduced in the Ontario legislature in June, 2013, however; as a provincial election was called, a new technical amendments bill will need to be re-introduced in a future session of the legislature. The ONCA is likely to take effect in 2016 and incorporated organizations will need to review their membership structures, by-laws and constitution.

The proposed policy would also reflect the need for groups to follow the City’s policies, in particular the Respectful Workplace, Workplace Violence and Accessibility policies, which are considered “universal” policies and are important for groups to be aware of and adhere to.

Finances

One of the main responsibilities of Boards is to maintain financial accountability of their organization. Board members act as trustees of the organization’s assets and must exercise due diligence to ensure that the organization is well-managed and that its financial situation remains sound. Staff recommend a need for Registered groups to maintain appropriate financial records and practices and provide greater transparency to the public and their membership. The proposed policy changes will serve to assist groups in strengthening their financial health by providing direction on the inclusion of best practices and better mechanisms for financial reporting to the

City. Staff are recommending groups demonstrate this by maintaining books of account and records of the financial management of the group's funds in accordance with generally accepted business and accounting practices; authorize the City and its agents to inspect any and all records, invoices and documents in the custody or control of the group and/or to request a letter from the group's auditor; for the group to only source non grant based financing and/or financial assistance from a legal lending financial institution; and to complete a template to provide calculations for field/facility rental fees as a percentage of the organizations total expenditures. Staff further recommend that organizations with large operating budgets, within certain categories, such as youth sports organization, maintain a three month reserve fund of the organizations operating budget.

Benchmarking supports these additional requirements: the Town of Oakville requires groups in its Affiliation program to demonstrate to the satisfaction of the town that it can carry out its objectives and financial obligations. The City of Brampton's Recreation Department reserves the right to request a financial statement at any time from an affiliated youth or adult group.

Public Website/Acknowledging the City

It is also recommended that all groups have a public website and acknowledge any and all support received by the City of Mississauga and any applicable fees and charges. Disclosure of City support and the cost of applicable City fees and charges speaks to the City's commitment to transparency and ensures groups are providing accurate information to their members. Residents are often unclear as to the level of support the City of Mississauga is providing directly to affiliated groups through the affiliated rental rate for meeting rooms and sports fields, provision of insurance and free meeting space for Board meetings and AGM's. The City will also link all registered groups to the City's website.

Required Membership Numbers

Staff also proposes the current policy change the minimum requirement of a voting membership from 20 members to 50 members. Membership is defined by the group's constitution. This recommended change would ensure that groups applying for support and benefits under the policy are viable groups with significant resident engagement. Under the current policy, small groups of 20 persons can apply for status as an Affiliate or Recognized community group. This has lent itself to numerous smaller groups delivering the same service or programs using City facilities. The newly proposed Developing Group Status would allow for the provision of developing groups with less than 50 members to work towards meeting this new requirement. Groups that provide an invaluable service to the residents of the City of Mississauga but are unable to meet this new requirement can be granted an exception from a Director.

Support with Conditions Status

The proposed policy also recommends the inclusion of a "Support with Conditions" Status category. Staff may identify concerns about a group's ongoing or future financial or organizational sustainability and/or governance. An organization in the Support with Conditions Status category may have conditions attached to their eligibility to remain in the registry. Staff will provide an enhanced level of support in the form of

coaching and guidance to assist these groups, including a plan of action for the group to follow in order to continue to receive benefits as a registered group. The City of Brampton, for example, has a policy whereby a group operating in contravention will be sent a "notice of contravention" and given 30 days to correct such contravention. If, after 30 days, the contravention has not been rectified, the group will lose its status with the City of Brampton.

Regional Groups

Finally, staff recommend the creation of a category for Regional Groups. At times the City has been approached by not-for-profit organizations, such as The Boys and Girls Club of Peel or Big Brothers and Sisters of Peel, that are regional in nature but provide programs/services that directly benefit the residents of the City of Mississauga. Under the current Community Group Support Program policy regional groups may apply for an exemption to the policy by a Departmental Director. By creating a category for Regional Groups, Council can endorse the criteria for their acceptance into the program and the subsequent benefits the groups will receive. Staff are recommending that Regional groups have not less than fifty members and a Board of not less than five members with a make-up of 30% Mississauga Residents (i.e. anyone who lives permanently in Mississauga - temporary absences for reasons such as vacation do not affect resident status, as long as the resident's principal address remains in Mississauga; a student who is registered in an educational institution in Mississauga and who lives and attends school in Mississauga for a period of at least eight months during the calendar year; or a non-resident who is the principal owner of a business in Mississauga and thereby pays Mississauga business taxes) and meet established criteria for demonstrating they are based within the City and offer quality programs to the residents of Mississauga.

Implementation of policy changes – Impacts

The proposed policy changes outlined in this report will include new requirements for affiliated and community groups. Staff recommend that groups are given a one year time frame, i.e. a transition period, from the date the revised policy is adopted by Council to implement the necessary changes, with advice and direction from staff. This will allow staff to educate, coach and guide existing groups and new applicants on the policy changes and their impacts. Staff anticipate that a number of groups may need to register as a not-for-profit through the province of Ontario, if the recommendation to make registration mandatory is adopted. The registration fee is \$155, with a 60 day processing period. A number of Boards may also need to purchase Board of Director's Third Party Liability Insurance. Groups that are registered with the City of Mississauga can receive a discounted price from the City's broker.

In addition:

- Thirty (30) groups in the Community Group Support program won't meet the recommended new requirement of 50 members. Groups that are unable to meet the proposed policy changes for membership can be grandfathered under the new policy.

- Twelve (12) groups operate without a public website. Facebook provides a cost-free and easily managed opportunity for groups to develop a public website. Facebook is currently utilized by a number of affiliated groups, including resident/ratepayers associations, as their public website.

In order to provide direct assistance to groups, staff would offer education seminars (tentatively planned for April of 2016) following Council adoption of the policy changes. The seminars would include an overview of the new policy requirements and examples of best practices on Conflict of Interest, Code of Conduct, Accounting and Finance, Complaint Process and Respectful Workplace. City staff will also provide a template for financial reporting to assist groups in determining when acknowledgement of City funding/support and disclosure of City of Mississauga fees and charges is appropriate.

Consultation Phase/Public Engagement

City staff will be consulting with groups that are currently recognized under the Community Group Support Program through a series of focus group sessions in the fall/winter of 2015. (Please see schedule below). This process ensures that the City is being transparent and diligent by consulting and communicating effectively with its community groups.

To ensure a reasonable opportunity for affiliated and recognized community groups to participate in the engagement process, City staff will contact representatives of the groups through their current contact information; post information on the Community Groups website; and advertise on the City's webpage. City staff will follow up post-engagement to analyse the feedback and recommend policy changes, which will be brought back to Council for their approval. Below is an outline of the key phases and timelines for the project and policy review:

Project Methodology and Timelines

| Timeframe | Project Phase |
|--------------------------|--|
| November – February 2016 | Staff, Council & Stakeholder Engagement <u>Focus Group Session Dates:</u> January 26 th , 28 th , February 2 nd , 4 th |
| February – March 2016 | Review of Draft proposed policy and report |
| April 2016 | Final report to Council for Approval |
| May - June 2016 | Education Seminars on new Policy |

Strategic Plan

The recommended changes to the Community Group Support Program policy support the City's Corporate Strategic Plan, as they will advance the pillars of Connect and Belong.

Conclusion

The City of Mississauga supports the capacity building of our not-for-profit organizations and community groups. The recommended changes to the current Community Group Support Program will endeavour to strengthen our affiliated and recognized groups' ability to deliver programs and services to the benefit of the residents of Mississauga, as well as strengthen our valued relationships with these groups.

Attachments

Appendix 1: Benchmarking Policy Recommendations

Paul A. Mitcham, P. Eng., MBA
Commissioner of Community Services

Prepared by: Heather Coupey, Community Development Coordinator Northwest District