FINANCE AND ADMINISTRATION COMMITTEE
OPEN MEETING

Date:       Wednesday, January 25, 2017, 12:00 p.m.
Location:  Second Floor Committee Room, City Hall, Fredericton

1. Committee Membership

   Councillor Greg Ericson, Chair
   Councillor Dan Keenan, Vice-Chair
   Councillor Bruce Grandy, Member
   Councillor Henri Mallet, Member
   Councillor Eric Megarity, Member
   Councillor Stephen Chase, Member
   Councillor John MacDermid, Member
   Councillor Eric Price, Member

2. Agenda

   2.1 Green Belt Certificate Presentation to Mike Walker

      Presentation by:
      • Wade Kierstead, Assistant Manager, Information, Improvement & Innovation

   2.2 2017 Community Funding Grants

      Administrative Report prepared by:
      • Tina Tapley, Director of Finance & Administration/City Treasurer

   2.3 2017 Insurance Premium Savings Update

      Administrative Report prepared by:
      • Tina Tapley, Director of Finance & Administration/City Treasurer
To:  Councillor Ericson, Chair, and Members of the Finance & Administration Committee

From:  Tina Tapley, Director of Finance & Administration/City Treasurer

Date:  January 18, 2017

Title:  Admin Report - Community Funding Grants

Description:

ISSUE:

Staff are recommending updated Community Funding grant documents based on F&A Committee’s feedback at the August 24, 2016 meeting.

BACKGROUND:

The goal is to put more due diligence around the applicants reporting of outcomes and benefits achieved while being mindful that these are grants smaller in nature. The goal is also to make the requirements and evaluation criteria more clear to the applicants. The new Community Funding Grant documents mirror a more simplified version of the Strategic Partner Capital Grants.

The staff grants committee is not recommending any changes to the Community Funding Grants policy or grant categories, however, staff are providing updated documents and recommending some criteria, reporting requirements and process changes for the 2017 Community Funding grant $90,000 allotment ‘call for applications’. This is based on the F&A Committee’s prior feedback.

DISCUSSION:

There is a new application form and evaluation scoring grid (see attached).

In addition, the procedure has been updated to include ‘terms and conditions’ added to letters sent to successful applicants notifying them of the requirement to:

a) Make application to the special events coordinator;

b) Funding is released once the City has confirmation the event/proposal will occur; and

c) A ‘KPI outcomes’ update must be provided to the City three (3) months after completion of the event/activity/project.

Another procedural change is that the Staff Grants Committee or City Clerk may refer applications to other City grant programs if the application is a better fit or more applicable.

Another procedural change is recommended to improve the timing of ‘confirmation in principle’ to grant recipients that require a letter of City support to garner other funding support prior to budget adoption.

If the applicant has received funding for each of the last three years, the Tourism or Culture Manager may issue a letter confirming the "City's intent to continue to fund the organization, although this will require final approval during the annual budget adoption process." Managers may also include the City's gifts in kind related to special events support, marketing partnerships and social media profile in these letters required by other funders, allowing local organizations to leverage the City's investment. Organizations not meeting this criterion would have to make their request for a letter of support to City Council.
The suggested timing for the $90,000 Community Funding Grants process is as follows:

Monday, February 27, 2017 – Call for applications
Friday, March 31, 2017 – Deadline
Monday, May 1, 2017 – Staff Grants Committee presents recommendations to a Special CIC Budget
Monday, May 8, 2017 – Council approval

COUNCIL POLICY: COR-POL 012, Council and Committee Support

FINANCIAL CONSIDERATION:

During the 2017 budget, City Council approved reallocating $90,000 from the Strategic Partner Capital Grants to the Community Funding Grants for 2017. A call for applications will be issued at the end of February 2017.

LEGAL CONSIDERATION:

The Department/Division has determined that there are no legal considerations associated with this matter. The City Solicitor’s Office was not specifically consulted with respect to this administrative report

COMMUNICATION PLAN:

Communicate to the public for the call for applications as per the operating procedure includes website and newspaper notification.

OPTIONS:

1) Direct staff to proceed with the 2017 budget Community Funding Grants process beginning in February 2017 using the updated Community Funding Grant documents; or
2) The Committee to direct otherwise.

RECOMMENDATION:

It is recommended that the Finance & Administration Committee direct staff to implement Option #1.

BE IT RESOLVED that the Finance & Administration Committee direct staff to proceed with a call for applications in February 2017 for the unallocated budget allotment of $90,000 for Community Funding Grants using the updated documents.

Prepared by: Tina Tapley, Director of Finance & Administration/City Treasurer

Approved by: Chris MacPherson, Chief Administrative Officer

/Attachments – COR-POL-012, Council & Committee Support – Community Funding Grants policy; GOV-CHK-010E, Budget Grant Categories/Community Funding Grants Evaluation Scoring Grid/Community Funding Grants Application
COMMUNITY FUNDING GRANT APPLICATION

Guidelines
The application should be a maximum of three (3) pages in length and provide the information required in each section in this format.

ALIGNMENT WITH CITY MANDATE .............................................................................. 1
TIMING ............................................................................................................................ 2
VALUE OF THE PROPOSAL TO THE COMMUNITY ......................................................... 2
PROPOSAL’S FINANCIAL AND MANAGEMENT ABILITY TO SUCCEED ....................... 3
MEETS THE REQUIREMENTS OF A SPECIFIC GRANT CATEGORY ....................................... 3

Description
Provide a short description of the request.

Ownership
1) Who is the primary person and organization responsible for the proposal? Provide contact information (email, phone and mailing address).
2) Identify whether the organization is a non-profit and if so, include the non-profit number.
3) Identify whether the non-profit organization owns and/or controls the assets, event, activity or project requested in this application.

ALIGNMENT WITH CITY MANDATE

Benefit to the City and Community
The City is seeking proposals that help create results in either of the two Program Results areas:

1) Liveable Community, and/or
2) Economic Vitality.

For each Liveable Community and Economic Vitality Program Results area the City has created a Request for Results (RFR) document. The RFR document provides background information that will enable applicants to understand how the City intends to create value for citizens in each Liveable Community and Economic Vitality Program Results area. These documents describe the high level results citizens value, the primary factors that achieve those results, and the specific strategic objectives that the City is pursuing.
Each RFR document summarizes key sections from the Municipal Plan and other related master plans, strategic plans and studies. Highlights from these guiding documents are summarized within the RFR as strategic objectives. Each document contains a draft set of key performance measures.

**Describe How the Proposal Contributes to Achieving the City’s Program Results**

Identify how the proposal contributes to helping the City achieve the Liveable Community and Economic Vitality results that citizens value? Describe the objective and benefits this proposal contributes to the City and community. What result area(s) does this project contribute based on the information provided in the RFRs?

Strong proposals should respond to these RFRs by identifying how the proposal will contribute to creating the high level outcomes that citizens have identified as valuable. Strong proposals will identify the primary factors that their proposal supports, and any specific strategic objectives from the RFRs that are addressed by the proposal.

**TIMING**

**Project Timing**

Describe when the proposal will commence and be completed. Identify why this is the right time for the community.

**VALUE OF THE PROPOSAL TO THE COMMUNITY**

**Customers**

Who are the direct customers of the services or amenities that are provided by this proposal?

**Stakeholders**

Who else does this proposal indirectly benefit?

**Significance, Magnitude and Diversity**

Describe the significance of this proposal on the breadth of reach within the community and describe the magnitude and diversity of residents that the proposal is anticipated to reach. This could include demographics and number of users of the service provided by the proposal, event attendees, number of participants, or patrons drawn from outside the Greater Fredericton area for example.

**Key Performance Indicators and Monitoring – Outcomes Update**

Provide key performance indicators (KPIs) that will be tracked to show the impact and benefit to the community. Strong proposals will identify KPIs that will impact the Liveable Community and Economic Vitality KPIs. If there are other outcome measures that the proponent regularly measures or aspires to impact, these should be stated.
Identify the key priorities that your organization will focus on to ensure this proposal, through the services it will provide, meets its performance and results objectives as outlined above?

An ‘Outcomes Update’ will be provided to the City within three (3) months of completion of the proposal or event. This will include the KPI results and confirmation the event occurred or proposal was completed.

PROPOSAL’S FINANCIAL AND MANAGEMENT ABILITY TO SUCCEED

Proposal’s Sustainability
Identify the mandate of the organization and how this proposal fits within that mandate.

Provide the organization’s audited financial statements for the prior year if available.
Provide the project, event or proposal’s revenue and expenditure statement projections.

Revenue and Funding Partners
Include all revenue, including funding or financing sources to cover the anticipated expenditures.

Indicate other funding partners involved, the amount of funding to be provided and if the funding is confirmed or tentative. Indicate the City’s percentage contribution requested of overall revenue or funding.

Other Funding or In-kind Services Provided by the City (if any)
Provide a description including amounts.

Assumptions and Risk
Are there any challenges or risks that could impact the successful implementation of the proposal or ability of the event to occur?

MEETS THE REQUIREMENTS OF A SPECIFIC GRANT CATEGORY
See GOV-CHK-010 Category Criteria Checklist or Evaluation Scoring Grid.
Identify which grant category this proposal fits.
# COMMUNITY FUNDING GRANTS - EVALUATION SCORING GRID

<table>
<thead>
<tr>
<th>Organization Name:</th>
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<tbody>
<tr>
<td>Project Name:</td>
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<td>Amount Requested:</td>
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<td>Date:</td>
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## These principles must be met for the application to be accepted for evaluation

<table>
<thead>
<tr>
<th>COR-POL-012</th>
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<tbody>
<tr>
<td>1.2 The applicant is a non-profit organization where the primary activity of the grant request is delivered in the City.</td>
</tr>
<tr>
<td>1.2.2 The organization’s purpose, activities and request aligns to achieve the outcomes and strategic objectives of one of the City’s two Program Result areas: (1) Liveable Community and/or (2) Economic Vitality.</td>
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<tr>
<td>1.4 The grant request is not for funding social services.</td>
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<th>GOV-OP-065</th>
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<td>The primary beneficiary of the proposal is City residents and/or the event has significant economic community impact.</td>
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<tr>
<th>GOV-CHK-010</th>
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<tbody>
<tr>
<td>The non-profit organization owns and/or controls the assets, event, activity or project requested.</td>
</tr>
<tr>
<td>Meets the eligibility requirements of a specific grant category under GOV-CHK-010</td>
</tr>
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## EVALUATION CRITERIA

### A. Alignment with City Mandate

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<th>Weight</th>
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<th>Notes</th>
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<td>20 points</td>
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1. The request helps achieve the Liveable Community and/or Economic Vitality Program Result outcomes.

### B. Timing

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<th>Weight</th>
<th>Score</th>
<th>Notes</th>
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<tbody>
<tr>
<td>10 points</td>
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2. The timing of the request is right for the community and the City financially.
3. There is alignment with the timing of City Plans, priorities and desired results.
4. The request occurs within the upcoming budget year or first quarter of the ensuing year.

### C. Value of the Proposal to the Community

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<th>Weight</th>
<th>Score</th>
<th>Notes</th>
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<td>40 points</td>
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5. The primary beneficiary of the proposal is City residents and/or the event has significant economic community impact.
6. The breadth, magnitude of community reach and diversity of residents reached.
7. Acceptable Key Performance Indicators (KPIs) are provided showing evidence of community impact and benefits.
8. Civic importance.
9. The quality of presentation and deliverable of the event, activity or program.

### D. Proposal’s Financial and Management Ability to Succeed

<table>
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<th>Weight</th>
<th>Score</th>
<th>Notes</th>
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10. The proposal fits within the mandate of the applicant.
11. The applicant provides financial records and evidence to show the proposal is adequately funded, resourced and managed to ensure success and occurrence/completion.
12. The City is not the major contributor.
13. City support does not impact or replace funding the City would otherwise receive from other levels of government for direct City projects.
14. The request does not contribute to continued reliance on the City for on-going organizational operating costs. The organization presents a model that is sustainable.

**TOTAL SCORE (out of a possible 100 points)** - 
### COMMUNITY FUNDING GRANTS - EVALUATION SCORING GRID

**Organization Name:**

**Project Name:**

**Amount Requested:**

**Date:**

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**GOV-CHK-010. Meets the Eligibility Requirements of a Specific Grant category**

<table>
<thead>
<tr>
<th>Grant Category</th>
<th>Yes</th>
<th>No</th>
<th>Notes</th>
</tr>
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<tbody>
<tr>
<td><strong>1.1 Festivals &amp; Events.</strong> a) Multi-day event, associated with a major civic holiday, or a one-day event expected to have 2,500 or more attendees; b) Time specific and limited in run. Programmed series are not eligible; c) Performance-based, exhibition-based, recreation-focused, or celebrates a specific aspect of local culture; and d) publicly accessible, although not necessarily free. <strong>1.1 Festivals &amp; Events</strong> demonstrate eligibility as per COR-CHK-010 criteria under a) Seed - available for maximum of 3 years with a maximum of 80% of the event’s revenue stream from the City; b) Developmental - for years 4-6 with less than 50% of revenue stream from the City; or c) Showcase &amp; Event grants - major iconic civic festival or event with significant economic community impact with diverse revenue streams less than 30% City funding and draws patrons from outside Greater Fredericton area.</td>
<td>Yes</td>
<td>No</td>
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<tr>
<td><strong>1.2 B. Educational and Cultural Development.</strong> Supports the development of organizations to progress in the City. City support enables the organization to garner community fundraising support.</td>
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<tr>
<td><strong>1.2 C. Recreational and Tourism City Program Support.</strong> Enhances the recreational and/or tourism potential of the City including services the City may otherwise provide. Funding supports event, activity and program deliverables affordable and accessible to the general community and available for general community use.</td>
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<tr>
<td><strong>1.2 D. Arts, Culture &amp; Heritage.</strong> Supports projects, programs or activities held within the City in the arts, culture and heritage sector involved in visual, performing, literary, media or material arts and history of heritage.</td>
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<td><strong>1.2 E. Innovation &amp; 'Greening'.</strong> Festivals and events that showcase technology adoption; and environmental sustainability.</td>
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**Staff recommends funding**

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**Funding amount recommended**

$ -

**Comments:**

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Page 2 of 2
1. POLICY STATEMENT

1.1 The business of the City of Fredericton is conducted through regular meetings of City Council and its Standing Committees.

1.2 As well, the City of Fredericton encourages the growth and stability of non-profit groups and organizations in the city through various funding programs, such as strategic partner capital grant; major one-time events support; sport tourism grant program; arts, culture and heritage funding program; and community funding grants.

1.2.1 Strategic partner capital grants encourage the growth and stability of strong, sustainable strategic community non-profit groups and organizations in the city whose purpose and services fit within the City’s municipal mandate. The purpose of the non-profit organizations must align with the Municipal Plan and achieve the outcomes and strategic objectives of the City’s program result areas. Funding under this grant category will support significant physical infrastructure capital projects that have a sustainable life cycle funding model.

1.2.2 Community funding grants encourage the growth and stability of non-profit groups and organizations in the city whose purpose and activities align to achieve the outcomes and strategic objectives of Livable Community and Economic Vitality program result areas.

1.3 The City may make available limited financial resources to groups and organizations in the form of a grant as the financial capacity of the City allows.

1.4 The City does not fund social services; therefore, applications for funding social services will not be accepted, and applicants will not be referred to the budget process.

1.5 Applications received under any of the grant categories for the same purpose or event are only considered once and limited to one annual grant from the City.

2. DEFINITIONS

3. RESPONSIBILITY

It is the responsibility of the Chief Administrative Officer to ensure this policy is followed.

4. RELATED DOCUMENTATION

4.1 Province of New Brunswick Municipalities Act
4.3 City of Fredericton Bylaw No. A-4, A Bylaw Respecting the Corporate Seal, Enacted October 14, 2003.
4.4 Procedure No. GOV-OP-062, Support for Council and their Committees
4.5 Procedure No. GOV-OP-063, Use of the Coats of Arms
4.6 Procedure No. GOV-OP-064, Audio Recording of City Council Meetings
4.7 Procedure No. GOV-OP-065, Processing Grant Applications
4.8 Procedure No. GOV-OP-066, Dissemination of Information-
Office of the City Clerk
4.9 Procedure No. GOV-OP-174, Processing Sponsorship Requests
4.10 Service Profile No. COR-SP-012, Council and Committee Support

5. POLICY CHANGES:

<table>
<thead>
<tr>
<th>Issue #</th>
<th>Issue Date</th>
<th>Describe Change(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>May 13, 2002</td>
<td>First version of this Policy</td>
</tr>
<tr>
<td>1.2</td>
<td>March 22, 2004</td>
<td>Reflects the transfer of responsibility for travelling athlete grants from the Leisure Program to the Corporate Program under Council &amp; Committee Support.</td>
</tr>
<tr>
<td>1.3</td>
<td>June 27, 2011</td>
<td>New Steps 1.3, 1.4 and 1.5</td>
</tr>
<tr>
<td>1.4</td>
<td>July 27, 2015</td>
<td>Step 1.2 revised to include Livable Community and Economic Vitality programs; and Step 1.5 revised to include Sport Tourism and Major One-Time Event funding.</td>
</tr>
<tr>
<td>1.5</td>
<td>October 28, 2015</td>
<td>Clarify Strategic Partner Capital Grants</td>
</tr>
</tbody>
</table>

PREPARED BY: SHEILA MCPARLAND; TINA TAPLEY; MELANIE MACDONALD

PEER REVIEWED BY: TINA TAPLEY; MELANIE MACDONALD

QUALITY REVIEWED BY: MELANIE MACDONALD

APPROVED BY: CITY COUNCIL
1. COMMUNITY FUNDING GRANTS

1.1 FESTIVALS & EVENTS

*Eligibility for Festivals and Events*

a) Must be multi-day or associated with a major civic holiday, or a one-day event expected to have 2,500 or more in attendance.

b) Must be time specific and limited in run. Programmed series are not eligible.

c) Must be performance-based, exhibition-based, recreation-focused, or celebrate a specific aspect of local culture.

d) Must be publicly accessible; although, not necessarily free.

A. *Seed Grants*

Seed grants are available to festivals and events (applying for the first time) for a maximum period of three (3) years. During this period, a maximum of 80% of the event's proposed revenue stream should come from the City. When determining eligibility for grant assistance, consideration will also be given to the following criteria:

a) Providing detailed line-item event budgets.

b) After the first year of funding, providing financial statements from the previous year's event.

c) Demonstrating movement towards the 50% funding threshold.

d) Demonstrating public support for their programming through attendance.

e) Improving their business models based on experience.

f) Demonstrating movement towards formal organizational and governance models.

g) Providing profile to the City in marketing and on-site materials.

h) Receiving input from City staff to ensure the long-term viability of the festival/event and the ability to coordinate the use of City resources.

i) Providing profile to the City in the form of a sponsorship opportunity.
B. Developmental Grants

Developmental grants are available to festivals and events in the developmental phase (years 4-6). When determining eligibility for grant assistance, consideration will also be given to the following criteria:

a) Ability to articulate a viable business model and development plan.
b) Ability to provide detailed line-item event budgets for the next year’s event.
c) Ability to provide financial statements on the previous year’s event.
d) That City funding is being significantly leveraged. City funding will account for less than 50% of total projected annual revenues.
e) That organizational and governance structures have been developed.
f) That significant public support has been achieved in terms of attendance and can demonstrate growth.
g) Capacity to develop a significant economic impact in the community or become an iconic civic, cultural, or sporting event.
h) A significant level of quality programming has been achieved.
i) A significant level of public profile has been received through media coverage.

During this period, in order to continue funding, it is envisioned that festivals and events are:

a. Demonstrating movement towards the 30% funding threshold.
b. Demonstrating the ability to articulate financial projections.
c. Showing continued increases in public support through attendance.
d. Introducing new, high-quality programming and improving existing programming.
e. Receiving significant, generally positive media coverage.
f. Marketing for the tourism market.
g. Receiving input from City staff to ensure the long-term viability of the festival/event and the ability to coordinate the use of City resources.
h. Providing profile to the City in the form of a sponsorship opportunity.

C. Showcase Festival & Event Grants

Sustaining grants are intended to provide ongoing support to the very few major iconic festivals and events that have achieved a recognized excellence in programming and generate a significant major economic impact in the community. When determining eligibility for grant assistance, consideration will also be given to the following criteria:

a) Demonstrate a viable, long-term business model with diverse revenue streams, including financial support from the private sector.
b) Provide independently verified (reviewed or audited) financial statements that show City funding at less than 30% of the total event budget.

c) Demonstrate extensive public support in terms of attendance.

d) A significant level of public profile has been received through media coverage, including media outside of the city.

e) Demonstrate a uniqueness and excellence in terms of programming.

f) Demonstrate a marketing plan that aims at bringing in patrons from outside the Greater Fredericton area.

g) Demonstrate their value in terms of cultural and sport tourism and receiving profile in both City and Provincial tourism marketing vehicles. Demonstrating economic impact in terms of hotels, restaurants, etc., is also seen as an asset.

h) If not generating tourism revenues, must demonstrate the capacity to become a major iconic civic event.

i) Demonstrate programs aimed at environmental sustainability.

j) Conduct ongoing consultations with City staff to ensure the long-term viability of the festival/event and the ability to coordinate the use of City resources effectively.

k) Provide profile to the City in the form of a sponsorship opportunity.

1.2. OTHER

A. Educational and Cultural Development: This program of grants supports the development of institutions that would not be able to progress in the City without significant public support. A key issue in any solicitation by these institutions for financial support is the question of how much the community is willing to support the project which may be demonstrated in part by the City’s contribution. Without these grants by the City, most of the recent fundraising efforts by these institutions would have failed. It is not so much the total amount that the City gives that is important; it is the sum given that demonstrates the commitment of the City to the goals of the institution. For example, Science East.

B. Recreation and Tourism City Program Support: This type of grant provides funding to organizations that help to enhance the recreational and tourism potential of the City. Without some support, a further burden would be placed on the service budgets of the City. The support to the YMCA, for example, is saving the City dollars by reducing the number of programs that recreational services would have to run. The Christ Church Cathedral offers guided tours during the summer for tourists. Funding supports events, activity, and program deliverables affordable and accessible to the general community and available for general community use.

C. Arts, Culture & Heritage: This type of grant supports projects, programs, or activities in the arts, culture and heritage sector through the provision of small grants to non-profit arts, culture or heritage organizations. Eligible organizations include those involved in visual, performing, literary, media or material arts and those involved in Fredericton’s history or heritage that wish to undertake a project or activity of benefit to the community. Projects or activities must be held within City limits and accessible to the general public; although, not necessarily free.
D. **Festival and Events Innovation & “Greening” Grants**: Innovation and greening grants for festivals and events are small grants aimed at leveraging funding investments in programs and infrastructure that show: a) technology adoption that can be showcased; and b) environmental projects to make festivals and events more environmentally sustainable.

2. **STRATEGIC PARTNER CAPITAL GRANTS**

The following assessment criteria are used to evaluate the written application submitted for the Strategic Partner Capital Grant funding.

The first three (3) – A, B and C criteria must be met. If the first three (3) criteria are not met, the application is not considered for funding or scored further.

A. **Non-profit organization within the community**

B. **Funding is a Capital Contribution that**:
   a) Is a significant capital project or asset owned by the non-profit organization; and
   b) Does not require the City to own or operate the asset.

C. **Clear Municipal Purpose/Need that**:
   a) Fits within the City’s municipal mandate;
   b) The primary beneficiary of the project is city residents; and
   c) The proposal fits within the mandate of the applicant.

D. **Strategic Alignment with City**
   a) Strategic Alignment – The request is consistent with the City’s Municipal Plan, Master and other Strategic Plans to help achieve the strategic objectives of the City’s eight (8) program result areas, being: Corporate; Economic Vitality; Environmental Stewardship; Governance and Civic Engagement; Livable Community; Mobility; Public Safety; and Sustainable Infrastructure.
   b) Directly addresses or furthers one of the key areas of Council’s focus in the program result areas.
   c) Addresses one of Council’s existing priorities for this Council’s mandate.
   d) Aligns with the timing of City Plans and desired results.

E. **No negative financial impact on the City and other City priorities**
   a) Supporting this request does not impact or replace funding the City would otherwise receive from other levels of government for existing City priorities.
   b) The timing is right for the community and the City financially.

F. **Clear public benefit with positive impact for the community**
   a) The magnitude and diversity of residents reached, as well as the community reach and uptake are significant.
b) The capital project provides good value and return on investment for the community.

c) The asset and associated services it enables, helps achieve the City program result areas.

d) The group is willing to enter into a service level agreement with the City to document community benefits through key performance indicators or measurable.

G. The organization and project demonstrates sustainability, including operating and future capital

a) The organization is financially sustainable with a solid financial track record.

b) The project is financially viable and sustainable.

i. The full life cycle cost and reasonable revenue streams are addressed.

ii. There is minimal risk that the City will be asked to step in and fund future ongoing operating costs.

iii. The organization has access to the management expertise to successfully implement the project.

iv. The project business plan shows a sustainable, realistic financial forecast; including revenue, funding, financing, and expenditures.

H. The City is not the major contributor

a) There are other funding partners and/or the organization is the main funding source.

b) The City’s contribution may lever other funding sources.

c) What is City’s percent contribution to the project (how many cents on the dollar)?

3. MAJOR ONE-TIME EVENTS

Grants are provided to major one-time events that will be in the community once and provide the city with a regional or national profile opportunity. (Examples: East Coast Music Awards, CIS Hockey National Championships, World Junior Curling Championships, Congress 2011, etc.) Eligibility is based on the following criteria:

a) Demonstrate how the event will bring profile to the city and generate positive media exposure.

b) Demonstrate how the event will bring an economic impact to the city.

c) Demonstrate how the event will positively position the city.

d) Provide the City with the opportunity for sponsorship commensurate with its financial contribution.

4. SPORT TOURISM GRANT PROGRAM

The Sport Tourism Grant Program provides financial assistance to groups hosting sporting events in Fredericton. This contributes to the local economy and builds capacity through sport in many ways; including volunteerism, sport development, and community engagement.

Financial assistance may be available to non-profit local sport organizations in the development, operation, and hosting of regional, provincial, national, and international sport events held within the city of Fredericton. Funding amounts will be determined by the Sport Tourism Coordinator and approved by
the Tourism Manager. Marquee Events over $25,000 will also require City Council approval. (see Checklist No. ECO-CHK-045)

5. **ARTS, CULTURE, AND HERITAGE FUNDING PROGRAM**

Project grants (Arts, Culture, and Heritage) are juries grants aimed at providing non-profit arts and heritage organizations with project funding. Projects should be incremental new programming. This is also the long-term funding vehicle for events that do not qualify for continued support through the developmental grant intake. (see Operating Procedure LIV-OP-036, Cultural Grants)

A. **Ethno-cultural Grants**

The Ethno-cultural Grant is an expansion of the Arts, Culture, and Heritage Funding Program to support multicultural groups in the community.

6. **AMBASSADORSHIP AND TRAVELLING ATHLETE GRANTS**

A. **Ambassadorship Grant**

The Ambassadorship Grant is a financial gift to individuals or groups travelling outside of the province to attend a national or international event or competition to recognize their role as representatives (ambassadors) of the City. This does not include individuals or teams competing/participating in a sporting event, as these athletes are covered by the Travelling Athlete Grant (see below). The applicant is eligible for a grant to a maximum of $100 per individual (if only one person is attending the event) or $200 per group (if a group is attending the event).

Applicants are eligible for funding based on the following criteria:

a) The applicant must be a resident of the City of Fredericton, unless the individual(s) resides outside of the city, but is registered with a City of Fredericton group or association.

b) A group is considered to be two (2) or more persons competing/participating as a unit in a sanctioned event or competition.

c) Individuals in a group are not eligible for an individual grant if the group has applied for a grant.

d) The individual/group is travelling to a bona fide national or international event or competition.

e) Grants are allocated on a “first come-first served” basis.

B. **Travelling Athlete Grant:**

The Travelling Athlete Grant is a financial gift to individual athletes or teams travelling outside of the province to attend a national or international competition to recognize their role as representatives of the City. The applicant is eligible for a grant to a maximum of $100 per individual (if only one person is attending the competition) or $200 per team (if a team is attending the competition).

a) All competitors must be of junior age (19 years) or younger.

b) The applicant must be a resident of the City of Fredericton, unless the individual(s) resides outside of the city, but is registered with a City of Fredericton team or association.
c) A team is considered to be two (2) or more persons competing as a unit in a sanctioned competition.

d) Individuals on teams are not eligible for an individual grant if the team has applied for a grant.

e) The sporting event must be recognized by Sports Canada.

f) The athlete or athletic team must be travelling to a bona fide National or International competition.

g) Athletes or athletic teams travelling to the Canada Winter or Summer Games or interscholastic or intercollegiate competitions are not eligible for a grant.

Grants are allocated on a “first come-first served” basis.

7. **BANDS**

A. **City Band**

The City’s official band is the *Fredericton Concert & Marching Band* established by the City of Fredericton in 1973/74. The Band serves the citizens of Fredericton by performing concerts, churches functions, and participating in civic celebrations, thus contributing to the cultural fabric of the community.

In this regard, the Tourism Division, on an annual basis, budgets for a contribution to the Fredericton Concert & Marching Band. The funding is subject to the Band performing in the following six (6) civic engagements:

- Canada Day Parade
- Remembrance Day
- Santa Claus Parade
- Mayor’s Tree Lighting
- Outdoor Summer Concerts in Officers’ Square (2)

B. **Internationally-Recognized Bands**

An internationally-recognized band is any band considered by City Council to be “internationally recognized” as determined by the nature and scope of their participation in local, national and international festivals, events, and/or competitions representing the City of Fredericton.

Currently, the City has designated the *Fredericton Society of St. Andrews Pipe Band* as “internationally recognized” in that they participate in local, national and international festivals, events, and/or competitions. In addition, they consistently maintain a high level of excellence at these competitions, thereby acting as ambassadors for the City. The Fredericton Society of St. Andrews Pipe Band participates in the annual New Brunswick Highland Games & Scottish Festival and they play a supporting role in the *Changing of the Guard* ceremony during the summer.

On an annual basis, the Tourism Division budgets for a contribution to the Fredericton Society of St. Andrew Pipe Band. The funding is subject to the Band performing in the following six (6) civic engagements:

- Canada Day Parade
- Remembrance Day (Marysville)
- Santa Claus Parade
- Outdoor Summer Concerts in Officers’ Square (3)
C. **Other Bands**

During the annual budget process, requests received from local bands are directed to either the Ambassadorship Grant process, if the band is travelling and representing the City or, in the case of a purchase of shared capital among several non-profit bands, the request may be considered under the juried Arts & Culture Funding Program (see Procedure No. COM-OP-036, *Cultural Grants*).
To: Councillor Ericson, Chair, and Members of the Finance & Administration Committee
From: Tina Tapley, Director of Finance & Administration/City Treasurer
Date: January 18, 2017
Title: AdminReport - Insurance Premiums Update
Description: [Insert additional text for the title if necessary. This line can be left blank]

**ISSUE:**
This is for information purposes only. The City received significant insurance premium savings for 2017.

**BACKGROUND:**

The City of Fredericton has a Broker Services agreement with Cain Insurance Services. Their mandate includes, but is not limited to, the provision of insurance and risk management advice, arranging for appropriate insurance for the City’s property, automobile and liability exposures and assuring value for money in the procurement of these insurances.

In 2006, Cain Insurance Services was appointed “broker of record” after the City had embarked on a comprehensive and competitive broker selection process. As mandated, Cain Insurance Services initiated a competitive bidding process for the 2007 renewal of all of the City’s property, automobile and liability insurance. They succeeded in reducing the City’s insurance cost after years of increases. From 2007 until 2011, the broker negotiated with the insurer of the day to maintain price stability. In 2012, the broker succeeded in reducing the price by approximately $70,000 per year. In addition, they successfully negotiated a price stability guarantee for the first time along with substantial coverage enhancements. Of particular note was a doubling of the liability insurance limits and replacement cost features on the automobile fleet. Although this necessitated a change in insurers, it has proven advantageous to the City.

**DISCUSSION:**

In terms of process, the timing of entrance into the insurance marketplace is important. If the City shops too frequently, the City will not be seen as attractive to the insurers over time. If the account is left unchecked for too long, opportunities to save money can be lost. Conversely, the expiry of price guarantees during a hardening market can substantially impact premiums in a negative way.

Since 2012, the broker continually monitored the insurance marketplace in consultation with the City Treasurer and has taken advantage of the pricing guarantees that were made available. In 2014-2015 they observed some changes in the market place which lead us to believe that 2016 would be an ideal time to conduct a request for insurance pricing proposals on the City’s insurance program. Their observations included the following:

1) New entrants in the municipal insurance marketplace;
2) A change in management teams amongst two major insurance providers;
3) A predicted easing of market prices in 2017 after 2 years of price firming; and
4) Improvement in the City’s already good loss ratio history.

In order to obtain competitive insurance bids, the broker went to market and conducted a request for insurance proposals amongst qualified insurers. They invited seven (7) insurers to provide proposals and they received three (3) complete and competitive proposals.
The insurance broker and City Treasurer reviewed the proposals and the process concluded with the renewal being granted to JLT Canada, the incumbent. The net result is summarized as follows:

1) Approximately $100,000 or a 15% savings as compared to 2016 term;
2) 50% increase in liability insurance limits;
3) Three year premium guarantee subject to continued good loss ratios; and
4) Expanded terms for legal expense coverage.

It is not common to have premium savings as significant as was realized in this latest round of proposals and this is attributed to the City’s good risk management which leads to a good loss ratio, in addition to marketplace timing. The broker has noted that when the City’s insurance program is well presented to the marketplace, insurers are anxious to compete for the business as it is not over exposed to the market. The results speak for themselves.

It is clear the process the City undertook in 2006 which resulted in a Broker Services Agreement has had a dramatic impact on the City’s pricing, loss ratio and claims service. It has permitted the City to take control of their insurance and risk management program. This proactive approach paid immediate dividends in 2007 and the benefits continue to be realized today, some 10 years later. An emphasis on best practices in Risk Management is proving to reduce the City’s insurance cost over time and more over is reducing its “total cost of risk”.

FINANCIAL CONSIDERATION:
The City saved approximately $100,000 or 15% which was reflected in the 2017 budget. This savings is related to both the General Fund and Water & Sewer Fund.

LEGAL CONSIDERATION:
The Department/Division has determined that there are no legal considerations associated with this matter. The City Solicitor’s Office was not specifically consulted with respect to this administrative report.

COMMUNICATION PLAN: N/A

OPTIONS: N/A

RECOMMENDATION: N/A

[Recommendation]

Prepared by: Tina Tapley, Director of Finance & Administration/City Treasurer
Approved by: Chris MacPherson, Chief Administrative Officer