



Municipality of Port Hope Staff Report

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Report Title: 2021 Grant Summary

Report to: Finance Committee

Date of meeting: May 3, 2022

Report Author:

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Department responsible:

Finance

Report Number: FS-13-22

Recommendation:

Receive for information.

Highlights:

- The Municipality received \$1,986,941 in formula-based funding in 2021.
- The Municipality submitted 17 grant applications, of which 14 applications were successful resulting in application-based grant funding of \$455,267.

Background:

The Municipality pursues grant opportunities from higher levels of governments and organizations throughout the year as part of regular business operations. This assists the Municipality in either completing projects that currently do not have financial resources allocated, or it assists in reducing the amount of municipal funds required.

As investments in community infrastructure and services are essential for strong, safe and viable communities, the Provincial and Federal Governments establish funding programs for municipalities. There are two types of funding programs available, formula-based and application-based.

With the formula-based funding programs, all eligible municipalities receive a portion of the total available funding. The allocation is determined by a formula designed for the specific funding program. The formulas vary depending on the program, but typically include the population of the municipality and may include other criteria, such as the municipality's local fiscal circumstance or the total value of core infrastructure assets. The Municipality would be notified of the amount allocated and typically will enter into a transfer payment agreement, that identifies the terms and conditions of funding.

Application-based grant programs typically have specific outcomes that are expected from the investment, so projects need to meet the eligible categories and criteria to apply under the grant program. As these grant programs are highly competitive with a

limited amount of funding available, the program will undergo a selection process based on assessment criteria for each application.

Occasionally, the Provincial Government will have application-based grant programs with an eligible amount based on a formula component for municipalities to apply. Based on our experience, if the project selected meets the requirements of the program, the grant application is successful.

Grant opportunities are identified on an ongoing basis through various sources, such as Municipal Finance Officers Association, Federation of Canadian Municipalities, and various Provincial Ministries. The Grant Writer at the County of Northumberland also provides weekly updates on new grant programs available for Municipalities.

Significant time is invested by staff throughout the Municipality in attempt to secure funding through grant applications. Department staff are responsible for completing the applications, with review and input from Finance staff. Finance staff are responsible for the coordination and tracking of grant applications.

Discussion:

The reporting requirements for the formula-based funding programs are completed by the Finance Department, with support from the departments for the technical components. Below are the formula-based allocations for 2021:

Federal Gas Tax Funding (recurring)	\$ 531,324
Ontario Community Infrastructure Funding-OCIF (recurring)	\$ 717,981
Provincial Gas Tax Funding (recurring)	\$ 164,477
Ontario Municipal Partnership Fund-OMPF (recurring)	\$ 116,400
ICIP COVID 19 (one-time)	\$ 230,106
County Court Security & Prisoner Transportation (recurring)	\$ 7,500
Safe Restart Funding – Phase 3 (one-time)	\$ 135,857
Safe Restart Funding – Phase 3 Transit (one-time)	\$ 40,596
Seniors Active Living Centre (recurring, although requires annual application)	\$ <u>42,700</u>
 Total 2021 Formula-Based Funding	 \$ <u>1,986,941</u>

In 2021, staff submitted 17 grant applications requesting a total of \$760,814. Once an application is submitted, it can take anywhere between a few weeks up to 18 months to be notified of the decision. Below is a summary of the grant application decisions identified during 2021.

	# of Applications	Application Request	Awarded Amount
2021 Successful Applications	14	\$654,014	\$455,267
2021 Applications Awaiting Decisions	0	-	-
2021 Unsuccessful Applications	3	\$106,800	-
Total 2021 Awarded Amount	17	\$760,814	\$455,267

See attachment 1 for detailed grant application information.

Financial Considerations:

In 2021, the Municipality secured a total of \$2,442,207 in grants. These grants allow for capital projects and services to be completed at a lower cost to municipal residents.

The utilization of the recurring formula-based grants is incorporated into the annual capital and operating budgets. The budget amounts will vary from year to year as some funding programs, such as the Federal Gas Tax and OCIF, allow saving of the funds for up to five years.

Although the total amount awarded from application-based grants for 2021 is \$455,267, this is the maximum amount the Municipality will receive throughout the period of the project. Most of these approved grants are for a specific percentage of eligible costs up to the awarded maximum value. If the project is completed under budget, the grant amount is proportionately reduced with funding typically being received as the project milestones are completed.

Communication and Public Engagement:

None.

Conclusion:

Staff will continue to pursue grant opportunities to enable municipal projects to be completed at a lower cost to residents.

Attachments:

Attachment 1 – 2021 Grant Opportunities