

Report on: The Non-Profit Sector in Brock

NOVEMBER 30, 2021

Brock Township
Non-Profit Sector Review Committee



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Executive Summary

A Community of Interest

The Brock Township Non-Profit Review Committee has identified a unique opportunity to renew and refresh the relationship between The Township of Brock and the non-profit sector serving our communities. Just as local businesses are a critical part of any municipality, non-profit organizations and the greater non-profit sector represents an important part of the socio-economic base of any municipality especially in small rural areas like Brock. With a conservative estimate of a direct annual economic impact in Brock of over \$2.9 Million it's in the best interest of the township to understand the state of the sector.

The non-profit sector's contribution to the local economy is in the millions of dollars each year. The sector provides employment to residents and gives individuals valuable life skills which they can leverage in paid employment and personal improvement. Brock's non-profit sector has historically, and continues, to provide services to residents which may otherwise not exist or would be the responsibility of local government.

“unique opportunity to renew and refresh the relationship between The Township of Brock and the non-profit sector **serv**ing our communities”

It is time for Brock Township to be one of the few municipalities to adopt a “whole-of-government” policy framework defining how The Township works with non-profit organizations. This framework should include guiding principles, commitments and measurable actions to promote a more strategic and consistent relationship between the municipality and this vital sector. A new relationship will be in the interest of The Township, the non-profit sector, and the general public.

While Brock Township has had a productive history with its non-profit sector there is now a chance to improve that relationship and clarify the parameters guiding ongoing cooperation in making Brock a better community to work, live, and play.

Brock's non-profit sector, while vibrant in many ways, has shown signs of strain over the years. Declining participation rates and volunteerism places an immense strain on

the sector. For every paid staff person in the sector there are at least 16 volunteers who manage and operate the various non-profit organizations (NPO) in Brock. The declining interest by members of the public has caused the loss of organizations and events throughout Brock Township. And while many organizations are currently optimistic about their operations they identify declining volunteers as a real threat to their future.

Volunteerism is only one aspect of threats and success in this sector. The Township is in a unique position to assist the non-profit sector and should do so through a thorough set of policies outlining a Community of Interest.

This report serves to be both an initial evaluation on the health of Brock's non-profit sector and review of how The Township can improve its assistance to the sector as well as a starting point in developing a new and improved framework of cooperation. One key recommendation is the formation of a permanent non-profit advisory committee to Council. This committee, along with Township staff and Council, can begin the process of defining a new relationship through a community of interest model. Given the significance of Brock's non-profit sector, and the value and complexity of our municipal/sector relationships, it makes sense to develop a clear set of principles and commitments for working together to create a vibrant and inclusive township for the betterment of all.

In the following pages a series of issues are identified as a result of consultation with Brock's non-profit sector and committee members. Recommendations are outlined as well as any potential budgetary impacts and a recommended timeline for implementation. Many recommendations do not yet have a budgetary component attached due to timing and staffing constraints. It is highly recommended that Township staff begin the process of costing these recommendations so that the implementation can be properly scheduled. Implementation scheduling is identified as IMMEDIATE, SHORT TERM, MEDIUM TERM, or LONG TERM. These could be defined as follows:

IMMEDIATE: Within the next six months

SHORT TERM: Within the next twelve months

MEDIUM TERM: Within the next eighteen months

LONG TERM: possibly beyond eighteen months

Of the many recommendations in this report the committee feels one is extremely important to implement with all due haste. Recommendation 5 includes a strong suggestion to extend the mandate of the current Non-Profit Sector Advisory Committee. The committee recommends this since it is believed Township staff resources to implement many other recommendations in this report would be best supplemented with a dedicated group of volunteers serving in an advisory and assistance role. While recommendation 5 includes the permanent formation of a non-profit advisory committee to Council, such a committee will likely not be formed until into 2023 during the next term of Council and therefore much valuable time could be lost.

The sooner The Township of Brock begins initiating the various recommendations in this report the sooner it can begin defining a new spirit of cooperation with this vital sector.

Background

On June 24, 2019 at the meeting of Brock Township Council a motion was brought forward by Councillor Schummer and seconded by Councillor Pettingil to form a Council Advisory Committee to investigate the state of the Non-Profit Sector in Brock. The resolution was in part brought forward as more and more non-profit organizations in Brock had either folded or were facing the threat of folding. Over the years Brock has lost or almost lost a number of events once considered important to the social fabric of Brock and/or considered dynamic components of Brock's tourism and economic development potential. The new advisory committee would communicate with organizations in Brock which constitute the non-profit sector and the committee would then provide recommendations to Council on how the Township of Brock may assist in addressing identified issues and threats to this vital sector of the township.

Many non-profit organizations have been serving our communities since before Brock Township existed

The non-profit sector in Brock has a rich history. Many non-profits provide services and benefits to the township and its residents and businesses. Some organizations are relatively new to the township while others have been in existence for over 100 years. Like most non-profit organizations in small communities most of Brock's organizations are volunteer based depending on the goodwill of residents who voluntarily choose to take part and make their organizations successful.

Non-Profit organizations in Brock vary in size and purpose. They include organizations such as:

- Youth sport and recreation organizations
- Service Clubs
- Legions
- Historical Societies

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- Horticultural Societies
 - Fair Boards
 - Food banks
 - Places of worship
 - Foundations
 - Social clubs
 - Board of Trade or Chamber of Commerce

The non-profit sector in the township contributes to the socioeconomic health of the township in a variety of ways including:

- Civic improvements of communities including beautification activities, gardens, and facilities
- Sporting, recreation, and education for all demographics
- Assistance to sectors of the population including training, employment opportunities, food assistance, distressed individuals
- Maintenance of community history and artifacts
- Special events and community activities
- Contributions to the municipality including donations to municipal assets in parks, buildings, streetscapes, and others

The sector also contributes to the general economic health of the township. Based on information compiled from participating organizations it is estimated that the non-profit sector **contributes in excess of \$2.9 Million each year to the local economy** through local purchasing, employment, sponsorships and donations, events, and other related activities.

While it's estimated that there are approximately **1,800 volunteers active in Brock** it is very likely that many of these "volunteer positions" are served by overlapping individuals. The number of volunteer hours contributed by these individuals could only be described as immense and impressive at anywhere between **187,000 and 328,000 hours per year**. At minimum wage this would translate into between **\$2.8 Million and \$4.9 Million worth of wages!**

The Township of Brock has over the years provided varying levels of assistance to some organizations. Assistance from The Township has included but not necessarily been limited to the following:

- Discounted or free rentals of township facilities
- Facilitation of savings on some project costs through the township GST/HST rebates (for projects affecting municipal assets)
- Exemption of municipal property taxes for non-profits specifically identified in provincial legislation (churches, legions, scout halls)
- Reductions in municipal property taxes for non-profit organizations who qualify as registered charities
- Grant funding through the annual Township of Brock Golf Tournament for qualifying organizations
- Development of a Brock Township non-profit grant policy (unfunded since inception)
- Fully discounted costs of operating facilities or donated assets
- Township staff assistance for events and projects
- Maintenance of reserves for funds raised by organizations for items of community benefit

Organizations also vary in structure and governance. While some organizations are legally structured as non-share capital corporations, registered charities as defined under the Income Tax Act, or societies and branches of larger organizations others are more loosely formed as simple groups of individuals or social clubs.

As with many communities throughout the province the non-profit sector is without a doubt important to Brock's future.

Committee Activities

Since the forming of the committee a number of actions were undertaken to fulfill its mandate. While The Township has periodically maintained a database of various organizations in Brock over the years it was immediately undertaken to confirm the information and solicit all organizations in the township to register. A special page on the Township website was established to facilitate non-profit organizations in Brock to register themselves and provide contact information.

While the database of organizations was updated committee members developed a series of questions to be placed in an online survey. The survey was launched in February 2021 and all non-profit organizations regardless of size were invited to take part. Organizations in the database were contacted directly and a general notice went out via newspaper ads, Township website, and social media for all organizations to provide input. An award of a free newspaper ad would later be drawn to a random organization who took part in the survey. The purpose of the survey was to collect statistics and general information about organizations including:

- Size of organizations (number of volunteers)
- Structure of the organization
- Mission or mandate of the organization
- Annual operating budget
- Health of the organization
- Current and future threats to the organization
- Strengths of the organization
- Perception of threats to the general non-profit sector in Brock
- Opinions of how well The Township of Brock has assisted the sector
- Funding sources for the organization

38 Organizations took part in a comprehensive survey

The survey officially wound up in August 2021. There were a total of 38 organizations who responded. It is acknowledged that some organizations may have been confused that there were two “surveys” (the first one to collect organization names and contact information and a second to collect information on the sector). This confusion may have resulted in some organizations not responding the second main survey. The survey provided valuable information and insight for the committee.

Following the survey, it was the committee’s plan to invite representatives from some organizations to attend a committee meeting so that further information could be gathered from a cross section of the sector. Unfortunately, due to COVID all meetings have been conducted online and the interviews were also scheduled to be online. Regrettably, the scheduling of meetings and quorum caused the interview meeting to be cancelled. In order to move ahead with the committee’s mandate the selected organizations were provided a list of additional questions for them to submit their input.

Equipped with the survey results, interview answers, and the experience and knowledge of the committee members (all of whom are community volunteers themselves) the committee spent two successive meeting nights summarizing the threats and state of the non-profit sector in Brock as well as discussing possible solutions primarily where The Township could assist. The results of those meetings are what contribute to this report.

A Snapshot of The Non-Profit Survey

Critical to the committee's work was the information gathered from the non-profit survey. Since COVID greatly restricted the committee's ability to meet one-on-one with organizations the survey became a driving source of data. The following are highlights of the information gathered by the survey. Further details are provided in the appendix to this report.

Positive quotes from organizations:

"Our Club has held a Music Festival each year at the Sunderland Town Hall for over 60 years. It started in the late 1950's as a one-day event and it now runs for 3 weeks. There have only been about 4 Chairmen of this event over this time period so we have been fortunate to have these people volunteer numerous hours to make this event happen. It is not a big fundraiser but it has been a great service to the schools in the surrounding area."

"Having a good working relationship with The Township and other organizations within our area is very important."

"All volunteer organizations are important to our organization. We are all working together for the same purpose."

"Our volunteers are hard working, dedicated and devoted."

Challenging quotes from organizations:

"We have been devastated by the pandemic. We use to have over 40 youth members and 10 adult members. We now have 0 youth members and 4 adult members or volunteers."

"Declining annual membership over recent years has resulted in not being able to cover regular expenses without fundraising. Fundraising relies heavily on attracting and

maintaining committed individuals who have creative ideas and are willing to volunteer substantial time and effort to the Club.”

“Much of our income is from fundraising and due to aging members and declining memberships that becomes onerous. Tough economic times also affects donations.”

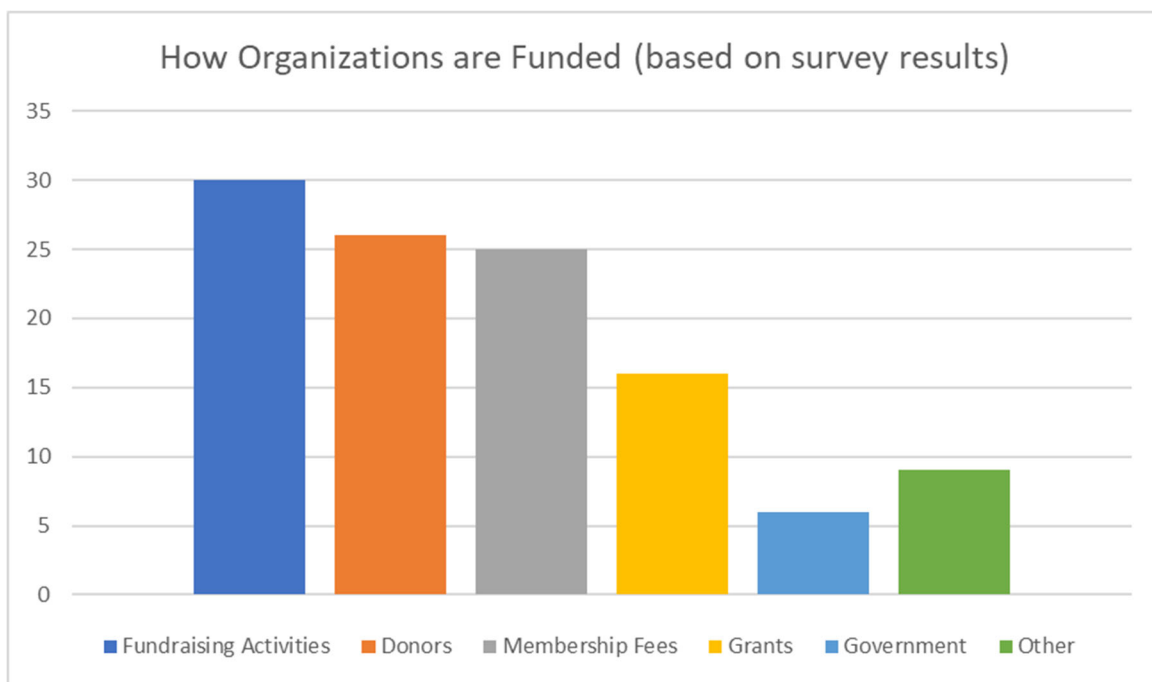


Figure 1 How organizations receive the funds needed for their operations and mandate vary greatly. The mix of revenue sources often changes from year-to-year for many organizations.

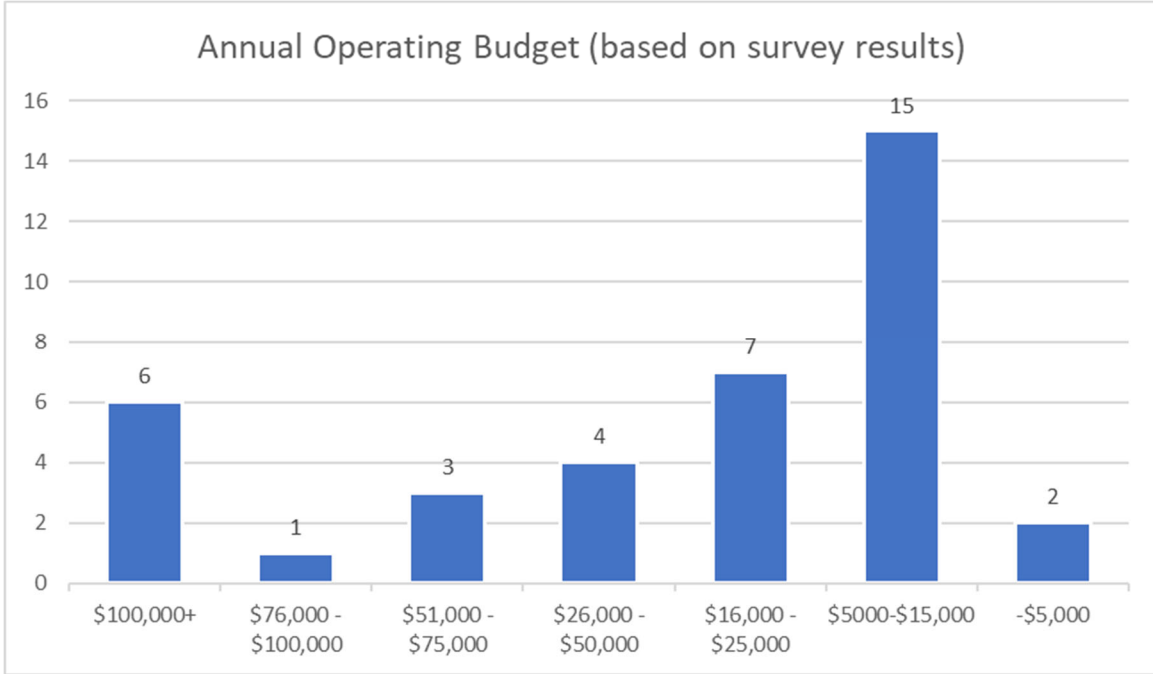


Figure 2 Operating budgets of Brock’s non-profit organizations are as diverse as the organizations themselves. Much of these operating budgets are contributed directly back into the community through purchases, payroll, donations and sponsorships.

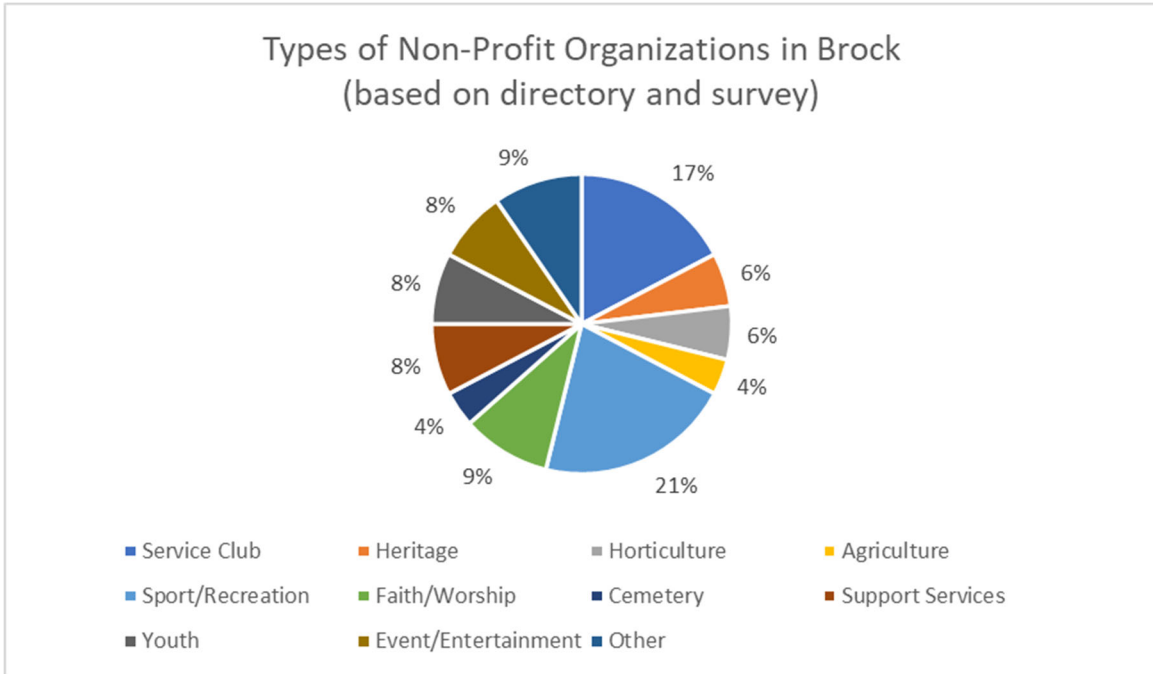


Figure 3 Non-profit organizations in Brock cover a large and diverse spectrum of service to our communities.

The State of Brock's Non-Profit Sector

The following will serve to summarize the issues and concerns itemized by committee members during their investigation of the sector over the past eleven months. While there are many possible solutions to some issues this report concentrates on the possible actions by The Township of Brock through policy development and other associated actions. Some recommendations may involve actions and participation by the sector itself or other third parties in conjunction with The Township. Some recommendations may be duplicated as they serve to offer solutions to more than one identified issue or concern. Where duplicated recommendations are identified they will use the same Recommendation Number.

MARKETING AND COMMUNICATIONS:

Many non-profit organizations experience problems in communicating to the general population. Whether that communication is about their organization generally or a specific event or fundraising project. It is felt that there could be enhanced communications not just with the general public but also within the sector as well. Without excellent communications organizations suffer in that their messages are lost through a lack of communication or by those messages being buried in the constant barrage of social media posts, news releases, and general communications congestion in society.

Improved communication will assist organizations and its members in various ways. It will help the organizations help themselves, decrease any incidents of contrasting or conflicting events, increase public awareness which may also assist in membership development and participant registration.

Recommendation 1:

The Township could host or sponsor regular workshops where professional guidance on areas including communication, finance, governance, legal issues, etc. could be provided to the sector. Discussions could take place on best practices to enhance communications.

Budget Impact: TBD

Implementation: SHORT TERM

Recommendation 2:

The Township could further improve the social media communications and the current webpage and events calendar currently part of the Township of Brock website. The current webpage is virtually unknown to many individuals and organizations and while it serves an excellent function it needs to

be updated and improved. In addition, it would be beneficial to have a link to the page as a permanent feature of the Township website's main page. Timely updates to this page would be critical so that it is seen as a useful point of contact for organizations and the community and this will involve the need of a designated Township staff member (see Recommendation Number 3)

Budget Impact: TBD

Implementation: SHORT TERM

Recommendation 3:

Redefine an existing Township staff position to involve the duties of a Non-Profit Sector Liaison. While the current position of Recreation and Leisure Coordinator would make the best fit this would be a decision best recommended to senior staff for consideration. The Recreation and Leisure Coordinator was primarily developed to help facilitate non-profit organizations associated with recreation and leisure. However, the NPO sector goes well beyond that scope and all non-profit organizations require and are due to the same level of assistance.

This position could assist the sector in coordinating NPO workshops and networking meetings as well as assist in communicating sector specific senior government communications that regularly come to the attention of The Township including government programs and grant announcements which can significantly enhance viability of the sector locally.

This position could also assist in communications with other levels of government including the writing of grant applications. While some organizations, typically larger and well funded organizations may have the manpower and knowledge to perform some work others do not. While the sector should be encouraged to rely on one another for assistance it is simply not always possible.

Budget Impact: TBD

Implementation: SHORT TERM

Recommendation 4:

Proclaim a day of recognition for Brock Non-Profits to recognize and draw attention to them and the value they present to our township. While there is a national Non-profit Day (August 17th) it is the opinion of the committee that The Township should go beyond simple recognition and develop, in conjunction with the sector, a system of formal recognition.

There has been discussion in the past about a volunteer recognition and awards gathering. There are, in fact, some local instances in some Brock communities of something similar to this. The Township is encouraged to work with the sector to develop a recognition system or event being careful not to "step on the toes" of organizations already performing local events.

Budget Impact: TBD

Implementation: SHORT TERM AND MEDIUM TERM

Recommendation 5:

Form a permanent Non-Profit Sector Advisory Committee of Council. The committee can assist in ongoing development of networking meetings, events, and information gathering on behalf of Council. The committee would regularly report to Council with how the sector is developing and what additional resources may be required.

Council has for many years formed an economic development advisory committee which has focused largely on the business sector of Brock. It would follow appropriately that an advisory committee be formed to provide similar feedback for the vital non-profit sector. The committee would work closely and assist the aforementioned recommended staff position. Committee members could continue with more in-depth reviews of the sector and perform periodic visits to organizations to gain a better first-hand understanding of threats and opportunities in the sector.

**** It is highly recommended that Council extend the current term of the Brock Non-Profit Sector Review Committee so that work can continue on the very important initiatives outlined herein. Since any new advisory committee would likely not be formed until the new term of Council commencing in 2023 there could be a very large gap preventing critical work from being achieved. *****

Budget Impact: Nil

Implementation: IMMEDIATE



HUMAN RESOURCES AND VOLUNTEERISM:

Perhaps one of the areas of operation which most threatens the non-profit sector in Brock Township is Human Resources and Volunteerism. Volunteerism and membership was identified by 22 of the 39 organizations completing the survey as a major threat.

According to Statistics Canada, in 2010 about half of Canadians contributed their time, energy, and skills to groups and organizations such as charities and non-profits. They provided leadership on boards and committees; canvassed for funds; provided advice, counselling or mentoring; visited seniors; prepared and delivered food; served as volunteer drivers; advocated for social causes; coached children and youth. In short, they shaped their communities and enabled non-profit organizations to deliver programs and services to millions of their fellow Canadians.

However, while there is a national trend of growing volunteerism it would appear that trend is not echoed in Brock Township. Many Brock organizations recognized decreasing membership (volunteers) as being a threat to their organization's future either now or in the not-too-distant future. Many volunteers actively engaged in one organization are also active within another which makes it difficult to accurately define the volunteer base with current information. The volunteerism with multiple organizations can also lead to eventual "burnout" which has caused so many problems in the past including the loss of signature events once considered critical to tourism and economic development in Brock.

The fact that a large percentage of residents in Brock commute outside the municipality for employment could be a large contributing factor to decreased volunteerism. After factoring in commute time and other demands of busy family lives there is a decreasing block of time for activities like community involvement and volunteerism. Many volunteers involved in youth-oriented organizations are usually parents of participating youth. Once the youth moves on from the activity the parents usually follow which can create a significant and unanticipated vacuum of volunteers. Incorrect public perceptions and attitudes can also contribute to a lack of volunteers.

Recommendation 6:

Through aforementioned staff and committee work there should be a concerted effort to promote community involvement and volunteerism in the township. Periodic promotional campaigns could be facilitated in partnership with The Township to keep the idea of volunteerism alive. The benefits of volunteerism beyond the public service concept, should be emphasized including the value of sitting on boards of directors, assisting in management decisions, and other experiences which can enhance skillsets which are valuable resume additions.

Budget Impact: Minimal

Implementation: SHORT TERM

Recommendation 7:

Further work by proposed staff and committee to conduct a fulsome survey of Brock residents to determine why many people do not volunteer and to better quantify the volunteer base in Brock. Only by knowing the actual root causes of why people do not volunteer can possible solutions be found and implemented.

Budget Impact: NIL

Implementation: SHORT TERM

Recommendation 8:

The health of the volunteer sector in Brock should be continuously monitored. A system of voluntary surveys completed by organizations and their members could be developed to track vital statistics on volunteerism in Brock. Analysis of trends and attitudes could be conducted. Declining membership and lack of growth contributes to burnout and departure of many volunteers. Monitoring the state of volunteerism in Brock could assist in proactive measures to avoid these problems.

Budget Impact: NIL

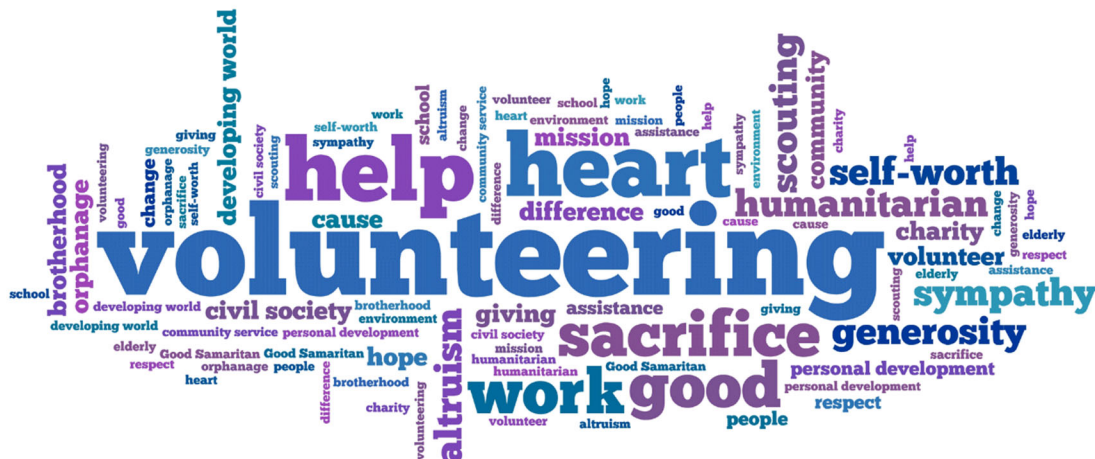
Implementation: MEDIUM TERM

Recommendation 9:

Township wide public information and registration sessions could be hosted by The Township at rotating locations. These sessions would facilitate non-profit organizations being capable of promoting their organizations to the public. Membership in non-profit organizations could be promoted as well as registration for various youth-oriented organizations (ie: minor hockey, soccer, figure skating, etc.).

Budget Impact: TBD

Implementation: SHORT TERM



TECHNOLOGY:

Many non-profit organizations lack the technological knowhow to leverage the current methods of communicating and operating especially in the times of COVID where one-on-one meetings and conventional communicating are no longer the best or most efficient avenues. Brock Township has very limited media outlets to assist in communicating and the media venues available operate in limited fashion. In years past many organizations would rely on coverage via the local newspaper. The local newspaper, The Brock Citizen, publishes only on a weekly basis with no substantial local physical presence and no dedicated local reporter. The online presence of The Brock Citizen is now limited only to the Mykawartha website which accommodates all local Torstar newspapers and the Facebook presence of the paper has essentially been removed. Alternatively, The Brock Voice which was started up a number of years ago is a completely online operation both in terms of a website and social media. Its operations are limited to the staff and time available by its operators. Many Brock residents, particularly seniors, do not operate online in any significant way.

Recommendation 1:

The Township could host or sponsor regular workshops where professional guidance on areas including communication, finance, governance, legal issues, etc. could be provided to the sector. Discussions could take place on best practices to enhance communications.

Budget Impact: TBD

Implementation: SHORT TERM



FINANCIAL:

Response on matters of finance from the NPOs who responded to the survey were mixed. Many indicated they have confidence in their current financial status and the internal operations. However, it has been clear in past years that many organizations do not necessarily know their financial systems are lacking until problems occur. Attitudes are often that of surprise when financial crises arise.

The nature of many NPOs is that the volunteers are often there to obtain the goals of the organization whether it be youth minor hockey, civic improvement, faith enrichment, or the many other charitable efforts. The members and executive officers of the organizations usually are not knowledgeable or interested in financial statements, controls and compliance issues, or the myriad of related financial aspects and responsibilities in operating an organization whether it be large or small.

This malaise can, and has, caused severe problems with NPOs not only in Brock but across the country. Malfeasance and fraud can cause the failure of an organization whether it be financial failure, loss of public confidence, or loss of member confidence. All of these can bring the end of important organizations.

Failure to operate in a financially responsible manner can also lead to the loss of opportunity. Inability to produce qualified financial statements can be the difference between qualifying for needed grants and hence delivery of critical programs and not.

Recommendation 10:

The Township could host or sponsor regular workshops where professional guidance on areas including financial management and governance are covered. Organizations can share best practice models. Where local businesses would have boards of trade or chambers of commerce to advocate for this kind of education the non-profit sector, especially in small communities, does not have such organizations to rely on. Given the services provided by non-profits in Brock that may otherwise be delivered by local government at increased costs it would be in the best interest of The Township to assist the sector in this area.

Budget Impact: TBD

Implementation: SHORT TERM

Recommendation 11:

Grants are an important source of funding for many NPOs. While some organizations have success with grants others are not even aware that grants exist. The township could leverage its knowledge base and access to grant information. Communication of grant opportunities should be formalized using an up-to-date database of organizations in the township. E-Blasts could go out to organizations from The Township when grant announcements are made.

The Township could provide assistance and/or host sessions with respect to successful grant writing. This assistance could come from a combination of Township staff, other NPO organizations with successful grant writing history, and individuals from various granting agencies including Trillium Foundation and others.

Budget Impact: TBD

Implementation: MEDIUM TERM



A LEVEL PLAYING FIELD:

There is a feeling among some organizations in Brock that not all non-profit organizations are treated “equally”. Some of this perception is based on anecdotal evidence while some of the views can be justified. There are instances where the perception of inequality is based on federal or provincial legislation where other instances are more local.

In investigating the equality issue in Brock the committee determined there are instances where some organizations have, or continue, to receive certain benefits where others do not. Examples of instances where the playing field has not exactly been level include:

- Free use of Township facilities for special events where the same benefit has not been enjoyed by other event organizations
- Free use of Township meeting or office space where other organizations struggle for such facilities or are required to pay rent whether it be to The Township or third parties
- Where facilities are located on Township property some organizations enjoy having some costs paid for by The Township where others pay for such costs out of their operating budget. Such costs can include insurance, utilities, maintenance, and others all of which are expenses which can cause financial strain on an organization’s operating budget
- Some organizations enjoy full exemption or significant reductions from property taxes while other organizations pay full municipal taxes. Many of the exemptions are stipulated through legislation while other reductions are through Township policy depending on qualifying conditions.

Recommendation 12:

The Township of Brock should adapt a formal policy where it is clearly defined that non-profit organizations hold a special place in Brock and that one of the fundamental goals is to treat all such organizations equally where it is reasonable to do so. Such a policy should identify that where organizations of similar purpose and operation are concerned they will be treated equally by The Township and if they are not so treated there will be transparency on cause.

Budget Impact: TBD

Implementation: IMMEDIATE

Recommendation 13:

The Township should specifically outline the in-kind services it may make available to organizations should their mandate meet goals and objectives in the public interest. Non-Profit organizations should not have to “go looking” to find out how The Township can assist in projects or mandates. There should be clear and easy-to-use system to request in-kind assistance and the applications should be processed in a timely manner. While Council approval for each requested in-kind assistance is likely not necessary there should be periodic reporting to Council of the applications received.

Budget Impact: TBD

Implementation: IMMEDIATE

Recommendation 14:

The township should develop a comprehensive policy on delivery of free use of facilities whether the use is short or long term. While Brock Township does have a “free use policy” for arenas the policy has become unclear in the eyes of the community over the years and should be refocused and enforced in the interest of fairness. Further development of policy should cover use of facilities beyond arenas including meeting space in Township buildings, hall rentals, and recreation areas (parks, ball diamonds, etc).

Budget Impact: TBD

Implementation: SHORT TERM

Recommendation 15:

The Township should develop a comprehensive policy on costs incurred by organizations situated on Township property. This policy would determine under which circumstances an organization may have items like insurance, utilities, or other costs paid for by The Township. The policy should be crystal clear and exemptions should be very limited in the interest of fairness. Township staff should deliver a report clearly outlining current instances of cost coverage on Township owned property and which organizations are benefiting so that proper policy can be developed.

Budget Impact: TBD

Implementation: MEDIUM TERM

Recommendation 16:

Currently there are approximately thirty-nine properties in the township in which organizations enjoy full exemption from municipal property taxes. The exempted property taxes amount to approximately \$193,000 annually. Organizations enjoying the exemption include faith based organizations, Legion halls, and Scout halls. These exemptions are outlined through legislation. There are also organizations who can take advantage of reductions in local municipal taxes if they qualify as a registered Canadian charity under The Income Tax Act. However, there are a number of organizations within Brock who have mandates to serve the public in various ways similar to those codified in legislation but do not enjoy the benefit of exempted or reduced property taxes. The property taxes paid by these organizations are done so from operating budgets which would otherwise be spent on community improvement and public interest.

The Township should, through the Assessment Act provide property tax relief or exemption to non-profit organizations who meet qualifying conditions, and an annual application procedure should be developed.

The Township should also petition The Region of Durham to extend similar property tax relief for such organizations and a harmonized application process could be developed.

Budget Impact: Between \$25,000 and \$50,000 per year

Implementation: SHORT TO MEDIUM TERM

The Township could provide assistance and/or host sessions with respect to successful grant writing. This assistance could come from a combination of Township staff, other NPO organizations with successful grant writing history, and individuals from various granting agencies including Trillium Foundation and others.

Budget Impact: TBD

Implementation: MEDIUM TERM

Other Considerations

There are numerous other considerations which may not fall under any of the above categories. These considerations are equally important for consideration. Furthermore, some considerations may be directly related to other recommendations in order to achieve successful implementation. The timing of implementation may be critical.

Recommendation 17:

It may be beneficial to implement a system of various classifications of NPOs. By having different classifications of NPOs The Township can focus and target support to those organizations requiring the need more than others.

The non-profit sector encompasses many different organizations of varying size and structure. Some organizations, by definition, have the resources and capacity to better manage their operations with limited assistance by the local government. Possible classes could include the following and these definitions should be closely reviewed and modified before final implementation:

Class 1: Government run or controlled non-profit

Class 2: Largely funded by various levels of government on a regular basis (40% or more annually)

Class 3: Private foundations

Class 4: Large Community Organization (assets of \$1M or more/Revenues of \$500K or more)

Class 5: Basic Community Organization (assets less than 1M / Revenues less than 500K) providing community improvement and service across a broad spectrum

Class 6: Basic Community Organization (assets less than \$1M / Revenues less than \$500K) mainly providing services to a targeted component of the township

Class 7: Youth based organization providing services or sports primarily to youth aged 18 and younger

Class 8: Event based organization

Class 9: Hobby organization. Loosely organized serving primarily to provide a social organization for select individuals or groups.

It is possible that an organization may fall into more than one classification. It should be determined if organizations may hold multiple classifications or only one.

Budget Impact: Nil

Implementation: IMMEDIATE

Recommendation 18

The Township should establish a segregated section in the annual operating budget where support for the non-profit sector is allocated and monitored. As outlined in this report, there are already various budget implications related to support of the non-profit sector be it grants (golf tournament), discounted use of facilities, free use of facilities, etc. These existing supports should be reallocated to this proposed section of the budget.

Any new initiatives should be included in this budget category so that proper accounting and reporting may be achieved for the benefit of the township, Council, the public, and the non-profit sector.

Budget Impact: Nil

Implementation: IMMEDIATE

Recommendation 19

The Township of Brock is often a recipient of donated assets from non-profit organizations. The size and value of the donated assets vary and The Township has often shown its appreciation for such donations. These donations subsequently become the property of The Township of Brock and the maintenance or replacement often, but not always, becomes the responsibility of the municipality. A short sample list of such donated assets over the years include:

<ul style="list-style-type: none">Beaverton Town HallLED SignBalcony ChairsAuditorium CurtainsSunderland Town HallStacking ChairsAuditorium CurtainsBalcony ChairsStage extensionSunderland Fire HallLED SignBeaverton Splash PadBeaverton Skate ParkCannington Skate ParkCannington Horticultural GardenCannington Ball Diamond LightingMacLeod Park Facilities – Washrooms, North Pavillion, Basketball Court	<ul style="list-style-type: none">Defibrillators and training funds for Fire DeptSunderland Walking TrailBenches around walking trailSunderland Tennis CourtsSunderland Volleyball courtsSunderland Skate ParkSunderland Street ClockCannington Traffic Logix Speed SignBeaverton Lions LoopBeaverton Kayak LaunchChildren’s Playground (various locations)Sunderland Fire Rescue TruckBA Score boardBeaverton Ball Diamond benches/sheltersCannington Flags/poles on Cameron StCommunity Announcement Monitors at Municipal Building
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Of course this list does not include some assets on Township property which is utilized by various local non-profit organizations such as historical society museums, haunted trail buildings, curling clubs, lawn bowling facilities, and others.

The Township should develop a policy pertaining to donated assets. The policy should include the following:

- Define how the donation process is conducted
- Clearly identify any ongoing maintenance costs and define who will be responsible
- Clearly identify replacement issues and options and who will be responsible
- Outline any requests that the donating party begin the process of allocating funds to a replacement account (if applicable)
- Report to Council for approval with all above conditions outlined

It is important for the non-profit sector to understand that although The Township and residents are grateful for the donated community assets that there is an ongoing cost and liability assumed by The Township through these donations.

Budget Impact: TBD

Implementation: SHORT TERM

Recommendation 20:

The Township of Brock currently has a non-profit grant program and policy. However, since its inception over a decade ago it has never been funded. It is recommended that Township staff conduct a fulsome review of the policy for possible changes, in cooperation and consultation with the non-profit sector, for approval by Council. It is further recommended that the policy be officially funded through The Township's annual budget process. Any pre-existing funding arrangements could be funnelled through this policy.

The policy could involve both grants to organizations as well as sponsorships of events in the township whether they be monetary or in-kind in nature.

Budget Impact: TBD

Implementation: SHORT to MEDIUM TERM

Recommendation 21:

The Township and the non-profit sector should collaboratively work toward developing not only a set of policies as described herein but also draft and adopt a formal Community of Interest Charter.

This charter would outline the relationship between the non-profit sector and The Township. Contents of the charter could include:

1. Recognition and reporting on the non-profit relationship
2. Collaboration and dialogue between the non-profit sector and The Township
3. Promoting and supporting a positive economic impact by the sector
4. Promoting and leveraging community engagement
5. Modernizing the non-profit sector through improved cooperation with the municipality

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6. **Improved working relations and governance whereby The Township can assist our local non-profit sector in building off of best practices and facilitate improved relations with other levels of government**
 7. **Assist the sector in its relations, interactions, and reconciliation processes with indigenous peoples**
 8. **Develop and foster policies that provide a level playing field for all organizations so that a benefit to one is a benefit to all.**
 9. **Develop a formal set of principles to help the non-profit sector in its relationship with The Township encouraging things like public participation, an improved set of sector services to residents, improved communications, and encouraged diversity in organizations while making sure organizations operate with independence and accountability.**

Budget Impact: TBD

Implementation: MEDIUM TERM

In Conclusion

The Brock Non-Profit Sector Review Committee has determined the recommendations contained in this report form a solid base from which The Township can redefine its relationship with the non-profit community. As strong as the relationship between The Township and the non-profit sector is it can certainly be improved and further developed. While the non-profit sector in Brock is strong there are certainly indications of stress and possible future failures which could result in possible loss of organizations, events, and community support.

The committee is proud of its work. The committee wishes to thank all the individuals and organizations who took part in the process during the past year in starting the ongoing work to determine the health of Brock's non-profit sector. While members of the committee already had a very good understanding of the non-profit sector's commitment to our communities there were nonetheless further insights gained during the past year.

The committee also wishes to thank Township staff including Alicia Bagshaw who was instrumental in assisting the committee during its meetings and was immensely helpful in managing the surveys conducted during the initial data gathering exercise.

Lastly, the committee wishes to thank Council for forming the committee and realizing the need for determining the health of the non-profit sector in Brock. The committee looks forward to continuing to work with Council and The Township of Brock in implementing the recommendations in this report and making Brock's non-profit sector stronger and more resilient.

Walter Schummer
Chair

Angela Canavan
Vice-Chair

Committee members:

Andrea Klimpel, Paul Pascoal, Cria Pettingill (Ward 4 Councillor), Ted Shepard, Paul South

Appendix: Survey Information

Participating organizations:

<p>1st Cannington Scout Group Beaverton Curling Club Beaverton Minor Baseball Association Beaverton Thorah Eldon Historical Society Beaverton Town Hall Players Brock Community Food Bank Brock Community Health Centre BROCK Soccer Club Brock Wild Minor Hockey Cannington & Area Historical Society Cannington Figure Skating Club Cannington Haunted Trail And Barn Cannington Horticultural Society Cannington Lawn Bowling Club Cannington Lions Club Cannington Swans Ontario Community Care Durham Community Pentecostal Church Durham Farm And Rural Family Resources East Lake Simcoe Quit Guild Georgina-Brock Garden Club & Horticultural Society</p>	<p>Knights Of Columbus, Beaverton, Council 10018 Lions Club Of Cannington Lioness Lions Club Of Cannington Lioness Out & About PFLAG Canada, North Durham Region Royal Canadian Legion #141 Sunderland ROYAL CANADIAN LEGION BRANCH 186 (Cannington) St Paul's Anglican Church, St James, West Brock Sunderland Agricultural Society Sunderland And District Historical Society Sunderland Cemetery Company Sunderland Lions Club Sunderland Lions Community Theatre (SLCT) Sunderland Minor Baseball Association Sunderland Ringette The Nourish And Develop Foundation Trinity United Church - Cannington</p>
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