



RESORT MUNICIPALITY OF WHISTLER

4325 Blackcomb Way TEL 604 932 5535
Whistler, BC Canada V8E 0X5 TF 1 866 932 5535
whistler.ca FAX 604 935 8109

STAFF REPORT TO COUNCIL

PRESENTED: September 24, 2024 **REPORT:** 24-091
FROM: Community Engagement and Cultural Services **FILE:** 0340-20
SUBJECT: COUNCIL POLICY A-29: FEE FOR SERVICE

RECOMMENDATION FROM THE CHIEF ADMINISTRATIVE OFFICER

That the recommendation of the General Manager of Community Engagement and Cultural Services be endorsed.

RECOMMENDATION(S)

That Council adopt the amended *Council Policy A-39: Fee for Service*, as revised and attached as Appendix A to Administrative Report No. 24-091.

PURPOSE OF REPORT

Staff, at the request of Council, undertook a review of [Council Policy A-29: Fee for Service](#) (Policy) in 2024 and are seeking adoption of the amended Policy attached as Appendix A.

DISCUSSION

Background

The current Policy was approved by Council on [November 16, 2021](#). The intent of the Policy is to provide a mechanism by which the Resort Municipality of Whistler (RMOW) can partner with local not-for-profit (NFP) organizations in the delivery of services and/or programs that are deemed necessary to the community of Whistler and if not provided by the NFP organization would necessitate delivery by the RMOW. The expectation is that the NFP organization has the expertise and experience to deliver the service and provide value for money to the taxpayer.

Staff have been using the Policy since 2021 to guide the annual FFS application and evaluation process. The Fee for Service (FFS) program now provides just over \$1.2 million dollars in funding annually to select NFP organizations located in Whistler. After implementing the Policy over the last several years, staff have identified opportunities for the Policy to provide greater clarity, consistency, transparency and accountability for staff, Council, FFS recipients, potential applicants, and the community. Staff sought Council's direction at the end of the budget process in 2023 to review the policy.

Staff are bringing forward amendments to the Policy to provide greater clarity on eligibility for the FFS program, introduce evaluation criteria that extend beyond the Official Community Plan (OCP) and

Corporate Plan, increase transparency on the funding decision process, introduce a process for how new applicants to the FFS program could be considered, and ensure the policy references sound procurement practices to ensure value for money for the tax payer.

Staff also interviewed the Executive Directors of each of the current FFS organizations to understand their experience of the process over the last several years. The feedback staff received was generally positive and staff heard that the Policy is often an example referenced by NFP organizations in other communities as setting a high standard. These leaders requested that staff make the process as administratively simple as possible, provide better direction on the ability to enter into multi-year agreements, build inflationary increases or flexibility into multi-year agreements, improve clarity on how annual funding levels are decided and ensure a standardized reporting process. Other suggested improvements were to move the application to an online format in the future.

Staff reviewed policies from the City of Coquitlam and the Vancouver Parks Board to understand how those organizations receive, evaluate and make decisions on unsolicited proposals to partner with the municipality to support services and/or programming. These policies informed the addition of the new FFS applicant process.

Analysis

The FFS program provides an important mechanism for the RMOW to effectively partner with NFP organizations in Whistler to deliver services on behalf of the RMOW in a cost-effective manner. The FFS program was never intended to become a primary funding mechanism for NFP organizations in Whistler, but rather to remain a very select program limited to providers of services deemed necessary and that the RMOW would itself deliver if not provided by the FFS recipient organization. As a result, the revised Policy seeks to continue to strike a balance between having policy objectives and an application process that limits participation while also introducing a pathway for new applicants. The current Policy is silent on how the RMOW would contemplate adding a new FFS recipient.

The amended Policy attached as Appendix A to this report has undergone significant edits, additions and deletions from the original, making a tracked changes version less than helpful. Below is a description of the more substantive changes staff made to the Policy.

- The Policy Objectives were clarified to highlight that FFS funding is meant to supplement, not entirely replace an organization's other funding sources.
- A Definitions section was added to the Policy to clarify important terms.
- A section on the Scope of the Policy was added to point to other opportunities for funding for NFP organizations as FFS is not intended to be a primary funding avenue for NFP organizations in Whistler.
- Value-in-Kind (VIK) is no longer referenced and will be coming forward as a separate policy for Council's consideration later this fall. There are many organizations in Whistler, not just FFS recipients, that receive VIK in various forms and staff believe a stand-alone policy will help the RMOW better manage our current obligations and any future requests.
- References to specific OCP goals and policies and excerpts from old Corporate Plans were removed to avoid the Policy becoming outdated when these plans are updated, while still guiding FFS recipients to the documents they need to reference in their applications.
- Eligibility requirements were strengthened to ensure compliance with municipal regulations and policies and to ensure the programs and services provided by FFS recipients were open to all.

- Financial Considerations were maintained to enable the RMOW to reduce funding amounts at any time due to economic challenges, and wording was also added to clarify that multi-year FFS Agreements ensure a base-line level of funding, but do not automatically include annual adjustments for inflation.
- FFS recipients will be required to add a member of Council to their Board of Directors if the annual funding level exceeds \$100,000 - a level of materiality where RMOW oversight is a sound investment of a Council member's valuable, but limited time. The current policy requires this step regardless of the level of funding. Implementing this change would only impact one of the five current FFS recipients as four already receive over \$100,000 in annual funding.
- Changes were made to the application process for current FFS recipients and a new section added to describe how the RMOW would receive, evaluate and bring forward proposals from new applicants. These changes introduce submission dates and revised evaluation criteria. Flow chart diagrams have been created and attached to this report as Appendix B and C to support clarity about the application, evaluation and decision-making process. More detail on each of these application processes is provided below.
- A new section was added to make FFS recipients and new applicants aware that the information and documents submitted as part of the FFS application process are subject to the provincial *Freedom of Information and Protection of Privacy Act*.

Application Process for Current FFS Recipients

In contemplating the feedback received from existing FFS Recipients to streamline, enable multi-year agreements, provide funding flexibility and staff's commitment to ensure transparency and good governance over what amounts to a substantial financial commitment, the process for existing applicants incorporates the following changes:

- While the OCP remains the overarching and most important reference document for FFS recipients, wording has been introduced to also draw their attention to how their services/programs align with Council's Strategic Plan, the Corporate Plan, the Big Moves Strategy and other important RMOW plans and strategies.
- The application template is no longer appended to the Policy, rather the types of information it will request is listed. Staff's intention is to streamline the application process and use continuous feedback from FFS recipients to adjust year-to-year without having to amend the Policy.
- Current FFS Recipients will be able to enter into three-year agreements with the opportunity to extend for up to three more years. This simplifies the administration for the participating organizations as well as RMOW staff.
- Although current FFS recipients requested that multi-year agreements automatically include annual funding adjustments, staff felt that this did not align with the RMOW's current budget practices, did not acknowledge how quickly RMOW revenues can be impacted by macroeconomic trends, and potentially limited Council discretion. As an alternative, staff have introduced a process, whereby a FFS recipient can submit a request to staff by September 1 of each year of the agreement for an annual adjustment. Council can then consider this request during the budget process within the context of all other pressures and priorities on municipal finances.

- Staff have introduced a review process prior to any renewal of the FFS Agreement to ensure the partnership continues to meet expectations in terms of the quality of the relationship, the outcomes expected and that value for money is being achieved. This process ensures that every three years both partners have a chance to reflect, learn and adjust in a spirit of continuous improvement.
- The application and renewal process for current FFS recipients now also references the option for staff to initiate a procurement process through a 'Request for Expression of Interest' or a 'Request for Proposal' as a means to ensure value for money being achieved. Staff can also recommend to Council that the FFS Agreement be amended prior to renewal or that the relationship with the FFS recipient be wound down if the goals of the program or the value for money are no longer being achieved.

Process to Assess New FFS Applicants

The current Policy is silent on unsolicited proposals from eligible NFP organizations in Whistler to participate in the Policy. It is also silent on how the RMOW might reach out to the NFP community to solicit a proposal when staff identify an unmet need. The revised Policy introduces a process that provides sufficient time for staff and Council to evaluate the opportunity as well as incorporate a final decision into the annual budget process. This process introduces predictability, timelines, rigour and transparency. The following additions have been made to the Policy to enable this process:

- If the RMOW initiates a process to find a Whistler NFP organization to fulfill an unmet service or programming need under the FFS program, then staff would prepare a report to Council for preliminary feedback and direction to undertake a public procurement process. Council can direct that the proposal is not supported, and no further action is taken. Staff will always recommend a public procurement process to align with [Council Policy F-29: Procurement Policy](#) (Procurement Policy) to ensure the process is fair, transparent and provides the opportunity for staff and Council to evaluate potentially multiple solutions and approaches prior to making a decision to proceed or not.
- In the case of unsolicited applications, FFS applicants would submit a Letter of Intent (LOI) by January 31 of any year, with the understanding that if successful, funds would be awarded in the following fiscal year. Staff would evaluate the information in the LOI and if sufficient information is received, staff would present the opportunity to Council.
- Council would then direct a high-level value for money assessment be conducted by staff or no further action would be taken. The value for money assessment would include but is not limited to: evidence of demand in the community for the service and/or program, operating costs if the service or program was provided by the RMOW versus the FFS applicant, likely sustainability of the program based on revenue potential, the level of funding requested and if it can be accommodated in the Five-Year Financial Plan (5YFP).
- Based on the outcomes of the analysis, staff prepare a report for Council and likely recommend a public procurement process in line with the Procurement Policy, or that the proposal does not provide value for money and no further action should be taken. In situations where the partnership is unique or the NFP is uniquely positioned to deliver the service and/or program, Council could direct that the NFP be invited to apply in the next FFS intake process.
- Should Council want to add a new FFS applicant to the FFS program, the final determination will be made through the annual budget process as Council will need to identify how to fund the

new applicant or redistribute the existing FFS funding envelope between all recipients. No final decision is made until the 5YFP is adopted.

Staff believe the amendments to the Policy balance rigour of the process with administrative efficiency as well as limits participation in the program to NFP organizations that meet specific criteria, while now providing clarity on how new applicants can be considered.

OPTIONS

Currently section 8.5.3 in the Amended Council Policy A-39: Fee for Service is proposed as:

- 8.5.3 FFS Recipient obligations including, but not limited to: progress reports and presentations to Council, First Nations land acknowledgement, acknowledgement of the RMOW's contribution, RMOW elected official appointment to the Board of Directors of the FFS Recipient if the annual FFS funding amount exceeds \$100,000.

Should Council not wish to implement a threshold of \$100,000 annually to install an elected official for oversight purposes, staff recommend that Council put forward the following resolution for adoption.

That Council adopt amendment *Council Policy A-39: Fee for Service*, as revised and attached as Appendix A to Report No. 24-093, with an amendment to clause 8.5.3 as follows:

- 8.5.3 *FFS Recipient obligations including, but not limited to: progress reports and presentations to Council, First Nations land acknowledgement, acknowledgement of the RMOW's contribution, RMOW elected official appointment to the Board of Directors.*

COMMITTEE OF THE WHOLE

Committee of the Whole (COTW) reviewed and discussed the draft Policy on [September 10, 2024](#). No amendments were put forward by Council at that meeting. The Committee passed the following recommendation to Council at the September 10, 2024 meeting:

That the Committee of the Whole recommend to Council that *Council Policy A-39: Fee for Service*, as revised and attached as Appendix A to Report to Committee of the Whole No. W24-001, be brought forward to the next Regular Council Meeting for approval.

Since that meeting, staff identified an inconsistency in our practice with regard to section 8.5.3 regarding the obligations of FFS Recipients that are captured in their FFS Agreements. The existing Policy, and amended Policy presented to COTW, indicate that a Council member *and/or a staff member* is to be appointed to the Board of FFS Recipients. It has not been the practice of Council to appoint a staff member to the Board of Directors of FFS Recipients and so staff have removed this reference.

Council will also note that another change that was highlighted in the COTW staff report, but not discussed at that meeting was also in section 8.5.3 indicating that a Council member would only be appointed to the FFS Recipient Board of Directors if the annual funding amount exceeds \$100,000. This change is explained more fully in the Analysis section above, but should Council not wish to make this change, an alternative resolution appears in the Options section of this report.

POLICY CONSIDERATIONS

Relevant Council Authority/Previous Decisions

The draft revised Policy now incorporates reference to the [Procurement Policy](#) to support the principles of the policy for ensuring goods and services are acquired in an efficient and cost effective manner with the primary objective being to provide the best value to the tax payer.

Council approved the original [Policy](#) on [November 16, 2021](#), [Administrative Report No. 21-130](#)

2023-2026 Strategic Plan

The 2023-2026 Strategic Plan outlines the high-level direction of the RMOW to help shape community progress during this term of Council. The Strategic Plan contains four priority areas with various associated initiatives that support them. This section identifies how this report links to the Strategic Plan.

Strategic Priorities

Housing

Expedite the delivery of and longer-term planning for employee housing

Climate Action

Mobilize municipal resources toward the implementation of the Big Moves Climate Action Plan

Community Engagement

Strive to connect locals to each other and to the RMOW

Smart Tourism

Preserve and protect Whistler's unique culture, natural assets and infrastructure

Not Applicable

Aligns with core municipal work that falls outside the strategic priorities but improves, maintains, updates and/or protects existing and essential community infrastructure or programs

Community Vision and Official Community Plan

The OCP is the RMOW's most important guiding document that sets the community vision and long-term community direction. This section identifies how this report applies to the OCP.

There are several chapters in the OCP that support the Policy outcomes to provide services and/or programs that enhance community life in Whistler, provide good value for money, and help the RMOW achieve the goals and objectives of the OCP and its Corporate Plans.

Chapter six of the OCP focuses on Economic Viability and has several goals, objectives and policies that align with the proposed Policy. For example:

6.1. Goal: Provide effective and appropriate municipal infrastructure (including facilities and amenities) that minimizes taxpayer costs, and consider allocating the value of infrastructure replacement to future users.

6.4.1.3. Policy: Emphasize resourcefulness across the municipality while delivering cost-effective and affordable service excellence.

Chapter eight of the OCP focuses on Health, Safety and Well-being and aligns well with the intent of the Policy to provide tangible and intangible benefits to the Whistler community through partnership. The services and/or programs offered by FFS recipients provide opportunities to connect community, build social cohesion and improve quality of life which are all policy goals outlined in this chapter. Most

relevant to the Policy is Goal 8.6 which includes objectives and policy statements related to good governance, a robust budget and decision-making process that helps to achieve the community's vision and goals, and the importance of collaborating with community partners.

8.6. Goal: Create and embed effective governance mechanisms and partnerships to create trust, responsibility and accountability.

BUDGET CONSIDERATIONS

The FFS program is currently funded primarily from general revenues including taxation with most of the funding for Arts Whistler and the Whistler Offroad Cycling Association amounts being funded from the Municipal and Regional District Tax (hotel tax). Both funding sources are influenced by macroeconomic trends that can impact Whistler, reducing revenue and jeopardizing the funding available to all municipal services including FFS recipients.

The draft policy now enables multi-year agreements that provide a baseline level of funding to enable the organization to deliver the services identified by the RMOW. While current FFS recipients would like to see annual inflationary increases built into the multi-year agreements, this does not reflect current practice for other municipal expenditures, but staff do recognize that these organizations face many of the same financial pressures that confront the RMOW. Therefore, staff have included a process, whereby current FFS recipients can request an annual increase by September 1 for the following year. Staff have also included the following wording in the Policy that provides for Council discretion while also maintaining fiscal responsibility.

At the outset of annual budget deliberations, a recommendation is put forward by staff regarding the total budget for FFS for the coming year, along with specific amounts for recipient organizations. As with all recommended budget amounts, Council can direct changes to the total amount, and to amounts earmarked for each individual organization, including those cases where Council wishes to support a new applicant that has completed the staff and Council review process. Offsetting funding sources must be identified where funding amounts increase. This process of revision will be considered complete at the time of the adoption of the 5YFP, which typically occurs early in the fiscal year.

LÍ'WAT NATION & SQUAMISH NATION CONSIDERATIONS

The RMOW is committed to working with the Lí'wat People, known in their language as L'il'wat7úl and the Squamish People, known in their language as the Skwxwú7mesh Úxwumixw to: create an enduring relationship; establish collaborative processes for planning on unceded territories, as currently managed by the provincial government; achieve mutual objectives; and enable participation in Whistler's resort economy. This section identifies areas where RMOW activities intersect with these relationships.

Staff will request through the FFS Agreement obligations that FFS recipients make land acknowledgements as part of their practice. The application process will also ask how FFS recipients or applicants support Reconciliation and how their work in Whistler supports a good working relationship and collaboration with the L'il'wat7úl and the Skwxwú7mesh Úxwumixw.

COMMUNITY ENGAGEMENT

Level of community engagement commitment for this project:

Inform Consult Involve Collaborate Empower

The Executive Directors of the existing FFS recipients were all interviewed as part of the Policy review process to hear their feedback and thoughts on what is working with the current Policy and what could be improved.

REFERENCES

Appendix A – Revised *Council Policy A-39: Fee for Service*

Appendix B – Flowchart diagram of Proposed FFS Recipient Application/Renewal Process

Appendix C – Flowchart diagram of Proposed New FFS Applicant Review Process

SUMMARY

Staff are presenting a revised draft *Council Policy A-39: Fee for Service* to Council for approval. The revised Policy aims to clarify the intent of the Policy and introduces a review process for current FFS recipients and an application process for prospective new FFS applicants. In addition, the Policy guides decision-makers to ensure all FFS Recipients are addressing services and/or programming needs deemed necessary to Whistler and that the partnerships provide value for money for the taxpayer.

SIGN-OFFS

Written by:

Karen Elliott,
General Manager of Community Engagement
and Cultural Services

Reviewed by:

Dale Mikkelsen,
Acting Chief Administrative Officer