



Report to: Development Services

Committee Meeting Date: April 8, 2025

SUBJECT: Celebrate Markham Grant Program 2025-2026 – May 1, 2025 – March 31, 2026 – Funding Approvals

PREPARED BY: Andrew Baldwin, Director Economic Growth, Culture & Entrepreneurship, 647-502-2302
Carrie Colangelo, Research & Marketing Coordinator, Ext. 2277
Joanna Chan, Senior Financial Analyst, Ext. 2073

RECOMMENDATION:

1. THAT the report titled, “Celebrate Markham Grant Program 2025-2026 – May 1, 2025 – March 31, 2026 – Funding Approvals” be received;
2. THAT Council approve the recommendations of the Interdepartmental Staff Review Committee in *Attachment 1*, which includes 112 Celebrate Markham applicants for community-led events and programs, totaling \$369,300;
3. THAT Council approve \$105,500 for City-led events and programs;
4. THAT Council approve \$30,000 for the Markham Arts Council annual programs and activities;
5. THAT Staff be authorized and directed to manage the allocation of remaining incremental funding of \$52,500 that was approved as part of Budget 2025 (total incremental funding of \$92,500 less \$40,000 allocated to the four major festivals = \$52,500) annually based on the funding requirements for both applications and City-led events in a given year;
6. THAT Council approve changes to Celebrate Markham financial procedures and reporting requirements noted in this report, and authorize City Staff to identify and implement further changes to streamline program administration as approved by the City Treasurer;
7. THAT the unused Celebrate Markham Community Grant Program funding of \$42,300 from the 2024-2025 Celebrate Markham funding stream be carried forward for the 2025-2026 Celebrate Markham funding stream;
8. THAT any grant funding that was previously approved but unclaimed by the applicant up to three months after the funding cycle ends (i.e., by June 30th) be deemed cancelled, and the unclaimed but approved funding be retained in the Celebrate Markham funding pool for consideration for future applicants and City-led events;
9. THAT funding disbursed under Celebrate Markham be conditional on recipients’

adherence to all program requirements, including financial reporting and due diligence requirements; and,

10. THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

The Celebrate Markham Grant Program 2025-2026 contains recommendations for the funding cycle for events and programs that take place from May 1, 2025 to March 31, 2026.

The report also contains recommendations for the disposition of unused funds of the Celebrate Markham program as well as recommendations for the minimum reporting requirements for the successful grant recipients.

PURPOSE:

To recommend Celebrate Markham Grant awards for events and programs between May 1, 2025, and March 31, 2026. Grant recommendations are included in *Attachment 1 – Celebrate Markham 2025-2026 Annual Funding Recommendations*.

BACKGROUND:

Funding Envelope

On October 13, 2015, Council approved a revised Celebrate Markham Grant Program after conducting a comprehensive program review involving consultation with stakeholders. As part of this approval, the funding for the Celebrate Markham Grant was set at \$370,000.

In 2021, Council authorized a one-time carry forward of unused Community Events monies made available due to fewer applicants as a result of the COVID-19 pandemic. This carry forward has since been used in later Celebrate Markham funding streams and currently has a balance of \$42,300.

On November 27, 2024, the City of Markham's Budget 2025 was adopted. As part of Budget 2025, the annual funding envelope for Celebrate Markham increased by \$92,500 from \$370,000 to \$462,500 based on a formula of \$1.25 per capita. The incremental \$92,500 will go toward doubling the funding for the four major festivals (Markham Music Festival, Markham Jazz Festival, Taste of Asia and Unionville Festival) and increasing the funding for signature events of City-wide importance.

The Celebrate Markham Grant is divided into two funding streams: one for community programs and events and another for City-led events. Celebrate Markham also provides funding for Arts Councils.

Celebrate Markham Program Guidelines

As stipulated in the Grant Program Guidelines, grant recipients must complete and submit a Project Outcome/Financial Report, which includes reporting on community partnerships, participation and attendee statistics, outcomes, community impact, learning and program feedback, as well as detailed reporting on actual expenses versus projected budget and

associated variance explanations within 90 days of the event completion. In addition, certain financial reporting information is required depending on the grant request amount, which is detailed in *Table 1*.

Table 1 – Current Reporting Requirements

Minimum Reporting Requirements	
Grant Threshold	Minimum Reporting Requirements
\$5,000 or less	Income statement and balance sheet prepared by the organization and signed by the Board
\$5,001 - \$10,000	A Compilation Engagement is prepared by a Licensed Public Accountant outside the organization. It consists of one document that contains financial statements for two separate fiscal years (the most recent fiscal year and the previous year).
\$10,001 & over	An Audit Engagement is prepared by a Licensed Public Accountant outside the organization. One document contains financial statements for two separate fiscal years (the most recent fiscal year and the previous year).

A Staff Review Committee was formed to evaluate applications in these key areas:

1. Organizational Readiness
2. Project Merit
3. Community Impact
4. Partners and Inclusivity
5. Waste Planning (Zero Waste Event)
6. Work Plan
7. Project Budget

The Interdepartmental Staff Review Committee includes representation from the following City departments:

- Economic Growth, Culture and Entrepreneurship (3 Coordinators and a Manager)
- Financial Services (Financial Planning)
- Recreation (Senior Manager, Manager and Coordinator of Sport Development)
- Human Resources (Diversity)

OPTIONS/ DISCUSSION:

Funding Envelope

As part of Budget 2025, Celebrate Markham’s annual funding envelope has been increased by \$92,500 from \$370,000 to \$462,500, based on a formula of \$1.25 per capita. In addition, the carry forward balance from 2021 is \$42,300, resulting in a total funding envelope of \$504,800 for the 2025-2026 Celebrate Markham Grant Program.

Out of the \$92,500 in incremental funding, \$40,000 has been allocated to the four major community festivals as communicated per Budget 2025 (Markham Village Music Festival, Markham Jazz Festival, Taste of Asia, and Unionville Festival). Destination Markham will also consider additional funding for these four major festivals. Staff recommend allocating the remaining incremental annual funding of \$52,500 and carry forward funding of \$42,300 as noted in this report, based on historical subscription levels and funding needs, and detailed in the following tables.

Table 2 below overviews the available funding envelope and maximum amount per application for the Community-Led Programs and Events stream.

Table 2 – Community-Led Programs and Events Funding

Program	Annual Funding 2024-2025 Excl. Carry Forward	Additional Funding under Budget 2025	Carry Forward from Unspent Prior Funds	Annual Funding 2025-2026	Maximum Amount Per Application
Culture Events and Programs	\$76,000	\$22,000	\$42,300	\$140,300	\$5,000
Major Community Festivals – Established*	\$40,000	\$40,000	\$0	\$80,000	\$20,000
Major Community Festivals – Other	\$60,000	\$0	\$0	\$60,000	\$10,000
Seniors Clubs	\$40,000	\$7,000	\$0	\$47,000	\$3,000
Sports Events	\$40,000	\$2,000	\$0	\$42,000	\$10,000
					\$20,000**
Total Community-Led Events	\$256,000	\$71,000	\$42,300	\$369,300	

*For Markham Music Festival, Markham Jazz Festival, Taste of Asia and Unionville Festival

** For international or world level sports events

Table 3 below overviews the funding allocated towards City-led events and Arts Councils.

Table 3 – City-Led Events and Markham Arts Council Funding

		Annual Funding 2024-2025 Excl. Carry Forward	Additional Funding under Budget 2025	Carry Forward from Unspent Prior Funds	Annual Funding 2025-2026
City Led Events	Black History Month	\$84,000	\$21,500	\$0	\$105,500
	Canada Day				
	Doors Open Markham				
	Markham Milliken Children’s Festival				
	Markham Santa Claus Parade				
Total City Led Events		\$84,000	\$21,500	\$0	\$105,500
Arts Councils	Markham Arts Council	\$30,000	\$0	\$0	\$30,000
Total Arts Councils		\$30,000	\$0	\$0	\$30,000
Total City Led Events and Arts Councils		\$114,000	\$21,500	\$0	\$135,500

The most optimal allocation of Celebrate Markham funding to support City-led events will be finalized by Staff as initiatives are planned and implemented and costs (and any revenue offsets) are firmed up.

Table 4 below shows a summary by funding stream for the 2025-2026 Celebrate Markham funding cycle.

Table 4 – Summary of Celebrate Markham Funding by Funding Stream

Funding Stream	Annual Funding 2024-2025 Excl. Carry Forward	Additional Funding under Budget 2025	Carry Forward of Unspent Prior Funds	Annual Funding 2025-2026
Community-Led Events	\$256,000	\$71,000	\$42,300	\$369,300
City-Led Events	\$84,000	\$21,500	\$0	\$105,500
Arts Councils	\$30,000	\$0	\$0	\$30,000
Total Celebrate Markham Funding	\$370,000	\$92,500	\$42,300	\$504,800

Outcome of the Review of Applications for the Community-Led Programs and Events Stream

For the 2025-26 funding cycle, the City received 112 applications requesting \$1,017,500 under the Community-Led Programs and Events Stream. Table 5 summarizes the requested funding and the Staff-recommended amounts based on the evaluation of the applications in key areas, as noted earlier in the report.

Table 5 – Community-Led Programs and Events Funding Allocations

Grant Category	# of Applications Received	Funding Requested	# of Applications Recommended for Funding	Total Funding Recommended	Total Funding Envelope Available	Funds Remaining
Cultural Events & Programs	57	\$652,500	53	\$140,300	\$140,300	\$0
Major Community Festivals	14	\$150,000	12	\$140,000	\$140,000	\$0
Seniors' Clubs	28	\$84,000	27	\$47,000	\$47,000	\$0
Sport Events	13	\$131,000	5	\$42,000	\$42,000	\$0
Total	112	\$1,017,500	97	\$369,300	\$369,300	\$0

Given the volume of applications and consistent with prior years' approach, some applicants will receive less than their requested amounts based on the Interdepartmental Staff Review Committee scoring. With the infusion of additional funding this year, Celebrate Markham has been able to fund more organizations, despite the increase in the number of applicants and funding requested.

There were 15 applications that are not being recommended as they failed to meet one of the following criteria:

- Application did not meet the requirements specified under the funding category;
- Application was incomplete or was missing critical information.
- Application did not attain a high enough score to be eligible for funding consideration.

The Interdepartmental Staff Review Committee's recommended approvals are in *Attachment 1—Celebrate Markham 2025-2026 Annual Funding Recommendations*.

Areas of Improvement

As part of continuous improvement efforts, City staff, in consultation with the Finance Department, have reviewed program processes and guidelines and have identified the following changes at this time.

1. Reporting requirements changes

Currently, the Celebrate Markham Grant Program requires recipients to report back on delivery of their event and expenditure of the Celebrate Markham grant, and to provide the minimum financial reporting requirements based on the established grant threshold, as outline in *Table 1*.

Staff have reconsidered the minimum financial reporting requirement for grants and have identified the following revised requirements as shown in *Table 6*. The goal of financial reporting requirements is to provide additional oversight for organizations such that their financial statements adhere to appropriate accounting standards and represent fairly the financial health of the organization. Financial reporting requirements were not meant to be a hindrance for application nor to require additional spend by the applicant. The revisions currently being envisioned are intended to align reporting requirements with risks commensurate to the value of the grant.

There are also additional risk management mechanisms that already exist and will continue to be implemented to support the program’s administration. These include the submission of supporting information noted as part of a Celebrate Markham Grant application, and the submission of a Project Outcome Report outlining the use and benefits of the grant to the community, as well as applicants’ feedback. Future grants will not be provided if these reporting requirements for the previous year’s event are not met.

Table 6 – Reporting Requirement Changes

Revised Minimum Reporting Requirements	
Grant Threshold	Minimum Reporting Requirements*
Less than \$10,000	Financial statements (minimum of income statement and balance sheet) for the most recent fiscal year and the previous year, prepared by the organization and signed by the Board attesting to the statements’ accuracy, appropriateness and fair representation
\$10,000 - \$19,999	Complete set of the applicable financial statements for the most recent fiscal year and the previous year, prepared through a Compilation Engagement and completed by a Licensed Public Accountant** external to the organization.
\$20,000 & over	Complete set of the applicable financial statements for the most recent fiscal year and the previous year, prepared through a Review Engagement and completed by a Licensed Public Accountant** external to the organization.

*These are minimum requirements. Organizations may submit statements that provide higher levels of assurance

(e.g., fully audited statements where available). On a case-by-case basis, the City also reserves the right to request additional information, including financial statements that represent higher level of assurance, where required/warranted.

**Holds a Public Accounting License (PAL) issued by the Chartered Professional Accountants (CPA) of Ontario

The Compilation Engagement noted above involves the assembly of relevant financial information and preparation of financial statements by a licensed professional adhering to CPA requirements and guidelines. Under a Review Engagement, a higher level (but still limited) of independent assurance is provided through the completion of due diligence steps, such as testing key figures in the financial statements for accuracy. While a full Audit Engagement provides the highest level of assurance, this form of engagement involves more intensive procedures and are more cost prohibitive.

The above represents minimum reporting requirements. On a case-by-case basis, the City also reserves the right to request additional information, including financial statements that represent higher level of assurance, where required/warranted.

2. Treatment of unclaimed Celebrate Markham grant funding

Each year, there are a number of grant recipients that were approved for funding from Celebrate Markham, but did not come forward and claim the approved funding due to: 1) not handing in pre-award qualifications in accordance with Celebrate Markham timeline requirements, which include insurance certificates and confirmation of facility arrangements; or 2) not closing out the previous year's funding cycle requirements in accordance with Celebrate Markham guidelines and policies, such as the Project Outcome/Financial Report.

As a result, the City has had to accrue the funding for these applicants indefinitely, sometimes well past the funding cycle that the funding was approved for. This represents an additional administrative burden and encumbrance on City resources.

As reporting requirements, including the requirement to submit Project Outcome/Financial Reports within 90 days (or three months) of the event completion, are made clear to applicants, Staff will cancel any approved but unclaimed funding that have exceeded three months after the funding cycle ends in a given year (i.e. by June 30th of a given year). The unclaimed but approved funding to go back to the Celebrate Markham pool and carried-forward for future applicants and City-led events funding consideration.

3. Continuous improvement to the program

In order to demonstrate proper use of tax dollars, Staff will continue to work with stakeholder community to enforce rules of the Celebrate Markham Grant Program. This includes: 1) adhering to established and communicated timelines and corresponding submission deadlines for the program; 2) providing quality and robust applications; 3) providing all required documentation within the established and communicated timelines, such as Program Outcome /Financial Report.

Staff will continue to review the program going forward and identify any further changes to streamline program administration, while ensuring appropriate due diligence and risk management considerations. Any administrative changes going forward will require the approval of the City Treasurer.

Next Steps

Upon approval of the staff report and funding allocations, staff will follow up with applicants to inform them of the decisions related to their applications. The next round of applications for 2026-2027 will open as follows:

- Q3 2025:
 - Sport Events
- Q4 2025:
 - Culture Events Programs
 - Major Community Events
 - Seniors’ Clubs

Staff will continue to evaluate and implement continuous improvement processes to the grant program.

FINANCIAL CONSIDERATIONS

A total available funding envelope of \$504,800 is available for Celebrate Markham activities delivered between April 1, 2025 and March 31, 2026, and is provided in detail in *Table 7*.

Table 7 – 2025-2026 Celebrate Markham Funding Overview

Funding Stream	\$
Celebrate Markham 2025 Funding	\$462,500
2024 Carryforward	\$42,300
Total 2025 Funding Available	\$504,800
Celebrate Markham Funding Recommended for Approval	
Community Events	\$369,300
City Led Events	\$105,500
Markham Arts Council	\$30,000
Total 2025-2026 Celebrate Markham Spend	\$504,800
Remaining Celebrate Markham Reserve	\$0

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

This initiative aligns with the strategic focus for community engagement to promote meaningful involvement and participation of residents, businesses and organizations that result in improved citizen engagement.

BUSINESS UNITS CONSULTED AND AFFECTED:

Financial Services, Economic Growth, Culture and Entrepreneurship, Recreation, Human Resources Departments and Destination Markham Corporation.

RECOMMENDED BY:

Andrew Baldwin
Acting Director, Economic Growth,
Culture & Entrepreneurship

Arvin Prasad
Commissioner,
Development Services

Joseph Silva
Treasurer

Trinela Cane
Commissioner,
Corporate Services

ATTACHMENTS:

- Attachment 1 - Celebrate Markham 2025-2026 Annual Funding Recommendations