

COMMITTEE AGENDA



TO **Corporate Administration, Finance and Emergency Services Committee**

DATE June 13, 2011

LOCATION Council Chambers

TIME 5 p.m.

DISCLOSURE OF PECUNIARY INTEREST

CONFIRMATION OF MINUTES – May 9, 2011

CLOSED MEETING

THAT the Corporate Administration, Finance & Emergency Services Committee now hold a meeting that is closed to the public with respect to:

Proposed Sale of Land

S. 239 (2) (c) Proposed or pending acquisition or disposition of land.

Lease Agreement

S. 239 (2) (c) Proposed or pending acquisition or disposition of land.

PRESENTATIONS (Items with no accompanying report)

a)

CONSENT AGENDA

The following resolutions have been prepared to facilitate the Committee's consideration of the various matters and are suggested for consideration. If the Committee wishes to address a specific report in isolation of the Consent Agenda, please identify the item. The item will be extracted and dealt with separately. The balance of the Corporate Administration, Finance & Emergency Services Committee Consent Agenda will be approved in one resolution.

ITEM	CITY PRESENTATION	DELEGATIONS	TO BE EXTRACTED
CAFES-18 Joint Emergency Preparedness Program Grant			
CAFES-19 Evacuation Exercise			
CAFES-20 Lawn Bowling		•Stephen Brancier,	√

	License Agreement		Co-President, Guelph Lawn Bowling Club	
CAFES-21	Lease Agreement – The Guelph Humane Society			
CAFES-22	Proposed Sale of Land and Easement Tricar Developments Inc.			
CAFES-23	Tourism Services – Information on New Website tools	<ul style="list-style-type: none"> • Sue Trerise, Senior Business Development • Caitlin Crete, Website Coordinator 	<ul style="list-style-type: none"> • Susan Chandy on behalf of Destination Guelph will be available to answer any questions. 	√
CAFES-24	2010 Capital Project Activity			
CAFES-25	2012 Budget Schedule			
CAFES-26	2010 Development Charge Reserve Fund Statement	<ul style="list-style-type: none"> • Sarah Purton, Senior Corporate Analyst -Budgets 		√
CAFES-27	2010 Operating Budget Variance Report as at December 31, 2010	<ul style="list-style-type: none"> • Peggy Tollett, Senior Corporate Analyst – Financial Planning 		√
CAFES-28	Lease Agreement – Kidsability Centre for Child Development – West End Community Centre		<ul style="list-style-type: none"> • Stephen Swatridge, Chief Executive Officer, Kidsability-Centre for Child Development 	√

Resolution to adopt the balance of the Corporate Administration, Finance & Emergency Services Committee Consent Agenda.

ITEMS EXTRACTED FROM CONSENT AGENDA

Once extracted items are identified, they will be dealt with in the following order:

- 1) delegations (may include presentations)
- 2) staff presentations only

3) all others.

OTHER BUSINESS

NEXT MEETING – July 11, 2011

**The Corporation of the City of Guelph
Corporate Administration, Finance, and Emergency Services
Committee
Monday May 9, 2011, 4:00 p.m.**

A meeting of the Corporate Administration, Finance and Emergency Services Committee was held on May 9, 2011 in the Council Chambers at 4:00 p.m.

Present: Councillors Hofland, Dennis, Kovach, Wettstein and Mayor Farbridge

Also Present: Councillors Bell, Findlay, Furfaro, Guthrie and Van Hellemond

Staff Present: Mr. H. Loewig, Chief Administrative Officer; Mr. M. Amorosi, Executive Director of Corporate & Human Resources; Dr. J. Laird, Executive Director of Planning & Building, Engineering & Environment; Ms. A. Pappert, Executive Director of Community & Social Services; Ms. S. Aram, Acting City Treasurer; Ms. T. Agnello, Acting City Clerk; and Ms. J. Sweeney, Council Committee Co-ordinator

There was no disclosure of pecuniary interest.

1. Moved by Councillor Kovach
Seconded by Councillor Dennis

THAT the minutes of the Corporate Administration, Finance and Emergency Services Committee meeting held on April 11, 2011 be confirmed as recorded and without being read.

VOTING IN FAVOUR: Councillors Dennis, Hofland, Kovach, Wettstein and Mayor Farbridge (5)

VOTING AGAINST: (0)

Carried

Presentation

501 Wellington Street West (Sleeman Manor)

The Chief Administrative Officer advised of preliminary discussions with the owner of 501 Wellington Street West with respect to potential redevelopment of the site.

Mike Salisbury of Earthartist Planning and Design advised that he has been engaged by the owner of 501 Wellington Street West to explore development opportunities for the property. He requested the City's participation in a feasibility study to explore several key opportunities and constraints related to the assembling of the surrounding

property. He noted opportunities for collaboration with the city as a stakeholder including roles and responsibilities for each participant of the project, availability of various development incentives, and project promotion and marketing to attract private sector investment.

REPORT

2. Moved by Councillor Kovach
Seconded by Mayor Farbridge

THAT staff be directed to review the proposal submitted by Earthartist Planning and Design on behalf of the owner, with respect to the potential redevelopment of 501 Wellington Street West and report back to the Corporate Administration, Finance & Emergency Services Committee on development opportunities of this area.

VOTING IN FAVOUR: Councillors Dennis, Hofland, Kovach, Wettstein and Mayor Farbridge (5)

VOTING AGAINST: (0)

Carried

Consent Agenda

The Chair advised that the 2010 Investment Performance Report will be considered at a future meeting of the Committee.

The following items were extracted from Corporate Administration, Finance & Emergency Services Committee May 9, 2011 Consent Agenda:

- CAFES-2011 A.14 Land Ambulance Governance and Accountability
- CAFES-2011 A.16 Standards & Poor's Credit Rating
- CAFES-2011 A.17 Human Resources Annual Report

3. Moved by Councillor Wettstein
Seconded by Councillor Dennis

THAT the balance of the Corporate Administration, Finance & Emergency Services Committee May 9, 2011 Consent Agenda, as identified below, be adopted:

a) Clair Road Emergency Services Centre – Naming Issue

REPORT

THAT staff be directed to assemble a community committee with membership from the Clairfields Neighbourhood Group, Community and Social Services staff, Guelph-Wellington Emergency Medical Service, Guelph Police Service and Guelph Fire Department staff;

AND THAT the community committee identifies and returns with options for naming the community room and other areas of the facility and property that could be dedicated on the site.

VOTING IN FAVOUR: Councillors Dennis, Hofland, Kovach, Wettstein and Mayor Farbridge (5)

VOTING AGAINST: (0)

Carried

Human Resources Annual Report

The Executive Director of Corporate & Human Resources reviewed the Human Resources Annual Report scorecard. He provided information on the measurements, the targets established and the initiatives to reach the targets in the future.

- 4. Moved by Mayor Farbridge
Seconded by Councillor Dennis

Mr. M. Amorosi

THAT the 2010 Human Resources Annual Report be received for information.

VOTING IN FAVOUR: Councillors Dennis, Hofland, Kovach, Wettstein and Mayor Farbridge (5)

VOTING AGAINST: (0)

Carried

Land Ambulance Governance and Accountability

- 5. Moved by Councillor Kovach
Seconded by Mayor Farbridge

REPORT

THAT staff be directed to develop a Land Ambulance Service agreement between the City of Guelph and the County of Wellington;

AND THAT the agreement recognizes principles contained in attachment #1 of this report;

AND THAT a report containing the draft agreement be returned to the Corporate Administration, Finance and Emergency Services Committee for review.

VOTING IN FAVOUR: Councillors Dennis, Hofland, Kovach, Wettstein and Mayor Farbridge (5)

VOTING AGAINST: (0)

Carried

Standards & Poor's Credit Rating

The Acting City Treasurer advised that she will be contacting Standard and Poor's to advise that the city is not responsible for social housing debt, and request that the report be amended accordingly.

Ms. S. Aram

- 6. Moved by Councillor Kovach
Seconded by Councillor Dennis
THAT Report FIN-11-19, dated May 9, 2011 regarding the City's Credit rating results be accepted for information.

VOTING IN FAVOUR: Councillors Dennis, Hofland, Kovach, Wettstein and Mayor Farbridge (5)

VOTING AGAINST: (0)

Carried

The meeting adjourned at 5:30 p.m.

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Chairperson

**CORPORATE ADMINISTRATION, FINANCE & EMERGENCY SERVICES COMMITTEE
CONSENT AGENDA**

June 13, 2011

Members of the Corporate Administration, Finance & Emergency Services Committee.

SUMMARY OF REPORTS:

The following resolutions have been prepared to facilitate the Committee’s consideration of the various matters and are suggested for consideration. If the Committee wishes to address a specific report in isolation of the Consent Agenda, please identify the item. The item will be extracted and dealt with immediately. The balance of the Corporate Administration, Finance & Emergency Services Committee Consent Agenda will be approved in one resolution.

A Reports from Administrative Staff

REPORT	DIRECTION
<p>CAFES-2011 A.18) JOINT EMERGENCY PREPAREDNESS PROGRAM GRANTS</p> <p>THAT the report dated June 13, 2011 with respect to Joint Emergency Preparedness Program (JEPP) grants, be received for information.</p>	Receive
<p>CAFES-2011 A.19) EVACUATION EXERCISE</p> <p>THAT the report dated June 13, 2011 with respect to an evacuation exercise, be received for information.</p>	Receive
<p>CAFES-2011 A.20) LAWN BOWLING LICENSE AGREEMENT</p> <p>THAT the Mayor and Clerk be authorized to execute a License Agreement between the City and the Guelph Lawn Bowling Club for use of part of the lands comprising Royal City Park, subject to the form and content of the License Agreement being satisfactory to the Manager of Realty Services, the General Manager of Park Maintenance and Development, and the General Manager of Parks and Recreation Programming & Facilities;</p> <p>AND THAT the Guelph Lawn Bowling Club be funded in the amount of \$12,000 from the 2011 Parks Maintenance Operating Budget.</p>	Approve
<p>CAFES-2011 A.21) LEASE AGREEMENT – THE GUELPH HUMANE SOCIETY</p> <p>THAT the Mayor and Clerk be authorized to execute a lease agreement between the City and The Guelph Humane Society Incorporated for use of</p>	Approve

part of the land and building located at 500 Wellington Street West as outlined in the report of the Manager of Realty Services dated June 13, 2011 and subject to the final form and terms of the lease being satisfactory to the City Solicitor.

CAFES-2011 A.22) **PROPOSED SALE OF LAND AND EASEMENT
TRICAR DEVELOPMENTS INC.**

Approve

THAT the Mayor and Clerk be authorized to execute an Offer to Purchase and Agreement of Purchase and Sale between Tricar Developments Inc. (for a company to be incorporated) for the lands and easement as outlined in the report of the Manager of Realty Services dated June 13, 2011;

AND THAT staff be authorized to proceed to take all steps necessary to stop-up and close part of Priory Street and bring forward a by-law for Council's consideration.

CAFES-2011 A.23) **TOURISM SERVICES – INFORMATION ON NEW
WEBSITE TOOLS**

Receive

THAT the report of the General Manager of Economic Development & Tourism dated June 13, 2011 titled 'Tourism Services – Information on New Website Tools', be received for information.

CAFES-2011 A.24) **2010 CAPITAL PROJECT ACTIVITY**

Receive

THAT Finance Report FIN-11-24 dated June 13, 2011 entitled "2010 Capital Project Activity", be received for information purposes only.

CAFES-2011 A.25) **2012 BUDGET SCHEDULE**

Receive

THAT Finance Report FIN-11-22 dated June 13, 2011 with respect to the 2012 Budget Scheduled, be received for information purposes only.

CAFES-2011 A.26) **2010 DEVELOPMENT CHARGE RESERVE FUND
STATEMENT**

Receive

THAT Finance Report FIN-11-25 dated June 13, 2011 entitled "2010 Development Charge Reserve Fund Statement", be received for information purposes only.

CAFES-2011 A.27) **2010 OPERATING BUDGET VARIANCE REPORT
AS AT DECEMBER 31, 2010**

Approve

THAT the Finance report dated June 13, 2011 entitled "2010 Operating Budget Variance Report as at December 31, 2010", be received;

AND THAT staff be authorized to transfer the year end surplus amounts to reserves/reserve funds as outlined below:

Tax Supported Surplus of \$1,539,039

- \$249,223 be allocated to the Police Relocation reserve
- \$74,029 be allocated to the Library Relocation reserve
- \$300,000 be allocated to the Ontario Municipal Board (OMB) Reserve
- \$300,000 be allocated to the Insurance Reserve
- \$300,000 be allocated to the Operating Contingency Reserve (for unexpected operating impacts such as dramatic energy price variations or severe weather conditions)
- \$315,787 be allocated to the Rate Stabilization Reserve

User Pay Surplus of \$1,705,498

- Water surplus of \$1,038,059 with \$400,000 allocated to the Water Rate Stabilization Reserve and \$638,059 be allocated to the Water Capital Reserve Fund
- Wastewater surplus of \$667,439 be allocated to the Wastewater Capital Reserve Fund

CAFES-2011 A.28) **LEASE AGREEMENT – KIDSABILITY CENTRE FOR CHILD DEVELOPMENT - WEST END COMMUNITY CENTRE**

Approve

THAT the Mayor and Clerk be authorized to execute a Lease Agreement between the City and Kidsability Centre for Child Development space in the West End Community Centre as outlined in the report of the Manager of Realty Services dated June 13, 2011.

B Items for Direction of Committee

attach.

COMMITTEE REPORT



TO Corporate Administration, Finance & Emergency Services Committee

SERVICE AREA Emergency Services

DATE June 13, 2011

SUBJECT Joint Emergency Preparedness Program Grants

REPORT NUMBER

RECOMMENDATION

That the report dated June 13th, 2011 with respect to Joint Emergency Preparedness Program (JEPP) grants, be received for information.

BACKGROUND

JEPP grants are offered on a yearly basis by Public Safety Canada through Emergency Management Ontario. City of Guelph Emergency Services attempts to access grants within a very structured framework to enhance 'disaster resiliency' within the community.

REPORT

The Joint Emergency Preparedness Program, (JEPP) was established in October 1980 to enhance the national capacity to respond to all types of emergencies and to enhance the resiliency of critical infrastructure. The City of Guelph has successfully applied for grants many times in the past and has received them for training, equipment for our hazmat team, communication equipment, etc.

For the 2011 process Emergency Services made four grant applications. Three were submitted on behalf of the Guelph Fire Department of which two were allowed and one was placed on a wait list. A fourth was submitted on behalf of Operations and Transit. That grant was denied and will be reported on through the Operations and Transit committee. The necessary paperwork to allow the approvals to move forward has been filed with Emergency Management Ontario.

The grant funding was not factored as a source of revenue and there are approved tax revenues to cover the related expenditures. This will free up funds where grants were approved and funds do not need to be found elsewhere in the budget to cover the wait listed project.

Approved JEPP grants totalling \$22,325 are:

-
- 1) ON-44-067. This grant is for \$10,000 and is to be put toward emergency management computer software used in the mobile data computers being installed on fire apparatus in 2011. The software and associated computers will allow crews to access important information on addresses they are attending such as pre-plans for industrial settings.
 - 2) ON-44-174. This grant is for \$12,325 and is to be put toward replacement of failed Level A hazardous materials suits and for sensors and calibration gas for multi-gas detection units. These suits wear out over time and must be replaced. The multi-gas detection units must be constantly checked and tested in order to keep them operating properly.

Wait Listed Grant:

ON-44-118. This grant was for \$10,000 and was meant to purchase mobile data computers. It is possible it will be funded later in the year if communities don't follow through with grant opportunities. That is not unusual.

CORPORATE STRATEGIC PLAN

2.4 - The lowest crime rate and best emergency services record of any comparable-sized Canadian city.

FINANCIAL IMPLICATIONS

City funding already within approved operating and / or capital budget. Recovery of grant funding will free funding for other uses.

DEPARTMENTAL CONSULTATION

Operations & Transit was informed of the JEPP grant results.

COMMUNICATIONS

Public Safety Canada through Emergency Management Ontario on acceptance.

ATTACHMENTS

N/A

"original signed by Harry Dunning"

"original signed by Shawn Armstrong"

Prepared By:

Harry Dunning
Mngr. Admin. & Emerg. Preparedness
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Recommended By:

Shawn Armstrong
Gen. Mngr. of Emergency Services
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Shawn.armstrong@guelph.ca

COMMITTEE REPORT



TO **Corporate Administration, Finance & Emergency Services Committee**

SERVICE AREA Emergency Services

DATE June 13, 2011

SUBJECT Evacuation Exercise

REPORT NUMBER

RECOMMENDATION

That the report dated June 13th, 2011 with respect to an evacuation exercise, be received for information.

BACKGROUND

Emergency Services (Fire) and the Guelph Police Service began a process of periodic evacuation training exercises in 2010. On May 5th, 2011 they completed their second such exercise.

REPORT

The City of Guelph has an emergency management program that promotes the concept of 'disaster resiliency'.

Each year Emergency Services, the Guelph Police Service and other emergency management partners undertake training for response to serious emergencies or disasters. One concern is management of a large scale evacuation. This very seldom happens and it is necessary that we understand the resources required, how they are deployed, how information is managed and dealt with, etc.

The latest exercise focused on the Scottsdale Drive, Cole Road, Christopher Court area of the City. It took one hour and twenty minutes total.

On the 1st of May, a pre-exercise communication was delivered to the targeted addresses advising of this exercise to be conducted on the 5th of May. This communication included public information on emergency preparedness.

On May 5th, an evacuation exercise was conducted utilizing 5 members of the Guelph Police Service and 5 members of the Guelph Fire Department. A message was sent out to the selected area by way of the Public Alert Messaging (PAM) system immediately prior to the evacuation exercise being conducted. One residence requested not to participate in this exercise. The evacuation notification and interview was done with 5 teams, consisting of one police and one fire member.

The evacuation team divided up the area into 5 sectors, and commenced the evacuation exercise, with an interview being done at the door that would simulate the informational and time requirements during a real evacuation.

The exercise provided another opportunity to test the interoperability of the Police/Fire radio system, and allowed a practical test of staff ability to communicate required information in a format that can be understood and used by both services.

The exercise facilitated the distribution of emergency preparedness information to the public to allow individuals, households, and businesses to plan their individual responses to an emergency situation.

The exercise had some learning points – PAM is not set up to track multiple units at a single municipal address. Communicating exact municipal addresses as cleared or not cleared is critical to our current tracking method and there will be further work to correct this issue.

There is a willingness on the part of the public to be involved in this kind of an exercise. There was anecdotal information that citizens changed their schedule for the day in order to participate in this exercise.

Each time an exercise of this nature is completed the information learned is added to existing knowledge to help develop training and strategies for the future. The next exercise is tentatively scheduled for October 5th, 2011.

CORPORATE STRATEGIC PLAN

2.4 - The lowest crime rate and best emergency services record of any comparable-sized Canadian city.

FINANCIAL IMPLICATIONS

N/A

DEPARTMENTAL CONSULTATION

Emergency Services and Guelph Police Service

COMMUNICATIONS

Media release was done to the general public through Corporate Communications.

Pre-exercise hand delivered public education was done in the applicable neighbourhood so people would learn about shelter-in-place, evacuation and public notification. They were provided further 'in-person' and stay behind printed educational material on the day of the exercise.

ATTACHMENTS

N/A

“original signed by Harry Dunning”

Prepared By:

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“original signed by Shawn Armstrong”

Recommended By:

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“original signed by Scott Green”

Prepared By:

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COMMITTEE REPORT



TO Corporate Administration, Finance and Emergency Services Committee

SERVICE AREA Corporate and Human Resources

DATE June 13, 2011

SUBJECT **LAWN BOWLING LICENSE AGREEMENT**

RECOMMENDATION

THAT the Mayor and Clerk be authorized to execute a License Agreement between the City and the Guelph Lawn Bowling Club for use of part of the lands comprising Royal City Park, subject to the form and content of the License Agreement being satisfactory to the Manager of Realty Services, the General Manager of Park Maintenance and Development, and the General Manager of Parks and Recreation Programming & Facilities.

AND that the Guelph Lawn Bowling Club be funded in the amount of \$12,000 from the 2011 Parks Maintenance Operating Budget.

BACKGROUND

The Guelph Lawn Bowling Club ("GLBC") has been operating on part of the Royal City Park on Gordon Street for many years under various agreements with the City. Most recently, GLBC was permitted to use the property under a license agreement that commenced on January 1, 2001 and expired on December 31, 2010. The license fee was \$5.00 per annum, and the GLBC was responsible for keeping the lands and buildings in good repair. Among the other usual terms regarding indemnification and insurance requirements, the following clause was included:

"The City will, if approved by City Council in the annual operating budget each year during the Term, at its own expense, provide funds to the Licensee in an amount not to exceed Twelve Thousand Dollars (\$12,000.00) each year during the Term. The Licensee acknowledges and agrees that such funds are the only funds which will be provided to the Licensee by the City, and that such funds are for the purpose of assisting the Licensee in paying costs relating to maintenance, repairs and replacement of buildings, greens and equipment. Each annual amount shall be paid in two instalments. The first such instalment shall equal sixty (60) percent of the total amount for that year and be paid by the City to the Licensee on or before May 1st and the

second such instalment shall equal forty (40) percent of the total amount for that year and be paid by the City to the Licensee on or before July 1st. "

REPORT

The GLBC has, by way of a letter dated March 10, 2011 (see Appendix 1) requested that:

1. The license agreement be renewed for the period of January 1, 2011 to December 31, 2020; and
2. Annual funding from the City be increased from \$12,000 to \$15,000 to reflect increased operating costs.

Staff have reviewed this request and are recommending approval of a new license agreement with funding to remain at \$12,000 for 2011 and, subject to the 2012 Operating Budget approval, increased to \$15,000 in subsequent years. Without the GLBC operating and being responsible for the site and building, the City would be otherwise directly incurring costs of such maintenance. As such, the continuance and increase in funding the GLBC at this location for the purpose of maintenance, repair and replacement of buildings, greens and equipment is considered reasonable and appropriate.

The proposed License Agreement would be for a term of 5 years and would contain typical terms and conditions, similar to the previous agreement.

The Guelph Lawn Bowling Club delivers a recreation service, which the City does not offer, for cost well below what it would cost the City to run. The Club's membership is focused on an older demographic which is under represented in the use of the City's outdoor facilities. The continuation of this service fits well into the City's efforts to promote activity and wellness at all age levels.

CORPORATE STRATEGIC PLAN

This initiative supports the following Strategic Goals:

1. An attractive, well-functioning and sustainable city.
2. A healthy and safe community where life can be lived to its fullest.
5. A community-focused, responsive and accountable government.

CONSULTATION

Operations & Transit and Community & Social Services departments were consulted.

FINANCIAL IMPLICATIONS

Funding of \$12,000.00 will be from the 2011 Parks Maintenance Operating Budget.

ATTACHMENTS

Appendix 1 – Letter from GLBC

“original signed by Jim Stokes”

Prepared By:

Jim Stokes
Manager of Realty Services
519-822-1260 Ext. 2279
jim.stokes@guelph.ca

“original signed by Donna Jaques”

Recommended By:

Donna Jaques
City Solicitor and General Manager
of Legal and Realty Services
519-822-1260 Ext. 2288
donna.jaques@guelph.ca

“original signed by Mark Amorosi”

Submitted By:

Mark Amorosi
Executive Director, Corporate and
Human Resources
519-822-1260 Ext. 2281
mark.amorosi@guelph.ca

Appendix 1 – Request from GLBC

Guelph Lawn Bowling Club
114 Gordon Street
Guelph, ON N1H 4H6

March 10, 2011

City of Guelph
D. Murray Cameron
General Manager
Park Maintenance and Development
Operation and Transit

Dear Murray,

We at the Guelph Lawn Bowling Club (GLBC) have appreciated the support and assistance that we have always received from the City of Guelph.

The sport of lawn bowls has a long history with the community of approximately 150 years, second oldest to curling.

Over the past ten years our club has hosted The Summer Games, numerous district tournaments and various community based events. All of these assist in introducing new participants to our sport. We annually host high schools, providing coaching and competition to a younger audience. Several community sectors and businesses have held tournaments with us over the past few years. These include the University of Guelph Athletic Department, Smith Valeriotte and BDO, and McNeil Consumer Healthcare. The North American Croquet Association for the past 4 years has also hosted a three day event at the GLBC. This entails full use of the facility, greens and clubhouse during the month of July. This exemplifies how the GLBC is reaching out to our community to encourage our citizens, young and adult, to become more active and healthy. This is the exact thing that our 'sport' provides – activity, community, and fun. Participation in any activity appears to be daunting and difficult in today's society. To get people moving and participating is our ultimate goal.

Constant maintenance and upkeep of the greens and equipment are costly. We are fortunate to have a paid greenskeeper from the months of May until October. In accordance with the new Ontario law of April 2010, an Integrated Pest Management (IPM) accreditation is mandatory for the greenskeeping staff. Our greenskeeper did obtain his IPM accreditation during the 2010 season; this is an additional cost that the GLBC absorbed. This requires both annual upgrades to maintain accreditation, fees, and upkeep and maintenance of the greens. The importance of this is to create and maintain as clean and green of an environment as possible, both for the participants and for the surrounding area (walkways that pedestrians frequently use and also to the patrons of the Boathouse). This past year we have also incurred additional costs covering wages and applicable government taxes, seed and fertilizer, and the replacement of the club's roof.

Our facility is one of the most 'serene and scenic' in all of Ontario. We face certain challenges as well, as we are on reclaimed waste disposal land which plays havoc with the bowling surface. The reason for this is that the foundation is constantly shifting due to the re-settling of the materials underground. This adds an additional cost to the maintenance and upkeep of the greens in the form of re-sanding and resurfacing, for example, of these areas

We are well aware that many other sports and activities have suffered declining membership. We also have suffered membership loss. For the upcoming seasons we have an active membership drive planned.

we are requesting:

- 1) that our License Agreement be renewed for the period commencing January 1, 2011 and ending December 31, 2020;
- 2) funds from the City of Guelph in the amount of \$15,000.00 per annum. Previously, the City of Guelph was generous in their support providing \$12,000.00 each year. This increase reflects our increased operating costs.

We acknowledge that without the city's support, our club and sport in the City of Guelph would have difficulty existing.

Enclosed you will also find copies of the 2010 – 2011 executive with contact information; the current financial statement; and proof of the club's insurance.

We thank you in advance for your consideration and for the support that the GLBC has enjoyed currently over the past 10 years.

Respectfully submitted,



Victor Howe, Vice-President



Stephen Brancier, Director



Agnes Bajkai, Secretary

encl.

COMMITTEE REPORT



TO Corporate Administration, Finance, and Emergency Services

SERVICE AREA Corporate and Human Resources

DATE June 13, 2011

SUBJECT **LEASE AGREEMENT**
THE GUELPH HUMANE SOCIETY

RECOMMENDATION

THAT the Mayor and Clerk be authorized to execute a lease agreement between the City and The Guelph Humane Society Incorporated for use of part of the land and building located at 500 Wellington Street West as outlined in the in report of the Manager of Realty Services dated June 13, 2011 and subject to the final form and terms of the lease being satisfactory to the City Solicitor.

BACKGROUND

By way of a lease agreement dated April 16, 1974, the City agreed to allow The Guelph Humane Society Incorporated the use of part of the City's Wastewater Treatment Plant site to erect a building and operate an animal shelter. The lease ran for 20 years from May 1, 1974 until April 30, 1994 plus an extension of one additional year. Since that time, the Humane Society has continued to occupy the land and building without a lease, but has been paying taxes and all costs associated with the use of the site and building.

REPORT

It is appropriate that a lease agreement between the City and Humane Society be arranged. As such and, at the time of writing, staff are negotiating the final terms of a lease. Details of the proposed lease agreement are included in Appendix 1.

DEPARTMENTAL CONSULTATION

The General Manager of Wastewater Treatment was consulted and concurs with the recommendations.

CORPORATE STRATEGIC PLAN

This initiative supports the following Strategic Goals:

1. A healthy and safe community where life can be lived to its fullest.
2. A community-focused, responsive and accountable government.

FINANCIAL IMPLICATIONS

Basic rent arising from the proposed lease will be deposited into Operations and Transit Department – Animal Control – Account 714-0100.

ATTACHMENTS

Appendix 1 – Details of Proposed Lease

“original signed by Jim Stokes”

Prepared By:

Jim Stokes
Manager of Realty Services
Resources and Legal Services
519-822-1260 Ext. 2279
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“original signed by Donna Jaques”

Recommended By:

Donna Jaques
General Manager of Legal and
Realty Services and City Solicitor
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“original signed by Mark Amorosi”

Recommended By:

Mark Amorosi
Executive Director, Corporate and
Human Resources
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mark.amorosi@guelph.ca

Appendix 1 – Proposed Lease

Item	Detail
Landlord:	The Corporation of the City of Guelph
Tenant:	The Guelph Humane Society Incorporated
Area of Building:	5,000 square feet
Area of Land:	Approx. 0.89 acres
Use of Premises:	Animal Shelter



COMMITTEE REPORT



TO Corporate Administration, Finance, and Emergency Services

SERVICE AREA Corporate and Human Resources

DATE June 13, 2011

SUBJECT **PROPOSED SALE OF LAND AND EASEMENT
TRICAR DEVELOPMENTS INC.**

RECOMMENDATION

THAT the Mayor and Clerk be authorized to execute an Offer to Purchase and Agreement of Purchase and Sale between the Tricar Developments Inc. (for a company to be incorporated) for the lands and easement as outlined in the report of the Manager of Realty Services dated June 13, 2011;

AND THAT staff be authorized to proceed to take all steps necessary to stop-up and close part of Priory Street and bring forward a by-law for Council's consideration.

REPORT

Tricar Developments Inc. have secured a right to purchase the lands at 148-152 Macdonell Street and have intention to construct a residential building on the site. The City is the owner of lands which abut this property and in which Tricar has expressed an interest in acquiring certain ownership and rights as shown in Appendix 1.

Part of the lands requested is still dedicated as public highway known as Priory Street. Prior to conveyance, it will be necessary to provide public notice and bring forward a by-law authorizing the closure of part of this street. Various utilities are located in this parcel and easements will be established to protect same.

Staff have negotiated a proposed agreement with Tricar and have provided details in a closed-meeting report bearing the same name as this report.

Staff are recommending approval of an agreement and are seeking authorization to proceed with the necessary steps to effect the closure of part of Priory Street.

City Policy for the Sale and Disposition of Real Property Interests

The lands that are subject of this report are not considered to be generally marketable or viable on their own. As such, no notice is required to the public regarding the proposed sale. Utility companies have been contacted and any easements required to protect existing infrastructure will be reserved prior to the sale.

Section 3.6 of the Policy also states:

All Real Property Interests of the Corporation are assets of the City and are not owned by any individual department. Monies arising from the disposition of any Real Property Interests shall flow to the Corporation, generally, and not to the user or managing Department.

The net proceeds from the sale of this property will be deposited into the Capital Taxation Reserve.

DEPARTMENTAL CONSULTATION

Appropriate staff in Planning & Building, Engineering & Environment, Operations & Transit, and Downtown Renewal have been consulted.

CORPORATE STRATEGIC PLAN

This initiative supports the following Strategic Goals:

1. An attractive, well-functioning and sustainable city.
2. A healthy and safe community where life can be lived to its fullest.
3. A diverse and prosperous local economy.
5. A community-focused, responsive and accountable government.

FINANCIAL IMPLICATIONS

Revenues, less costs incurred for appraisals and title searches, etc. , will be deposited into the Capital Taxation Reserve.

ATTACHMENTS

Appendix 1 – Subject Lands and Easement

“original signed by Jim Stokes”

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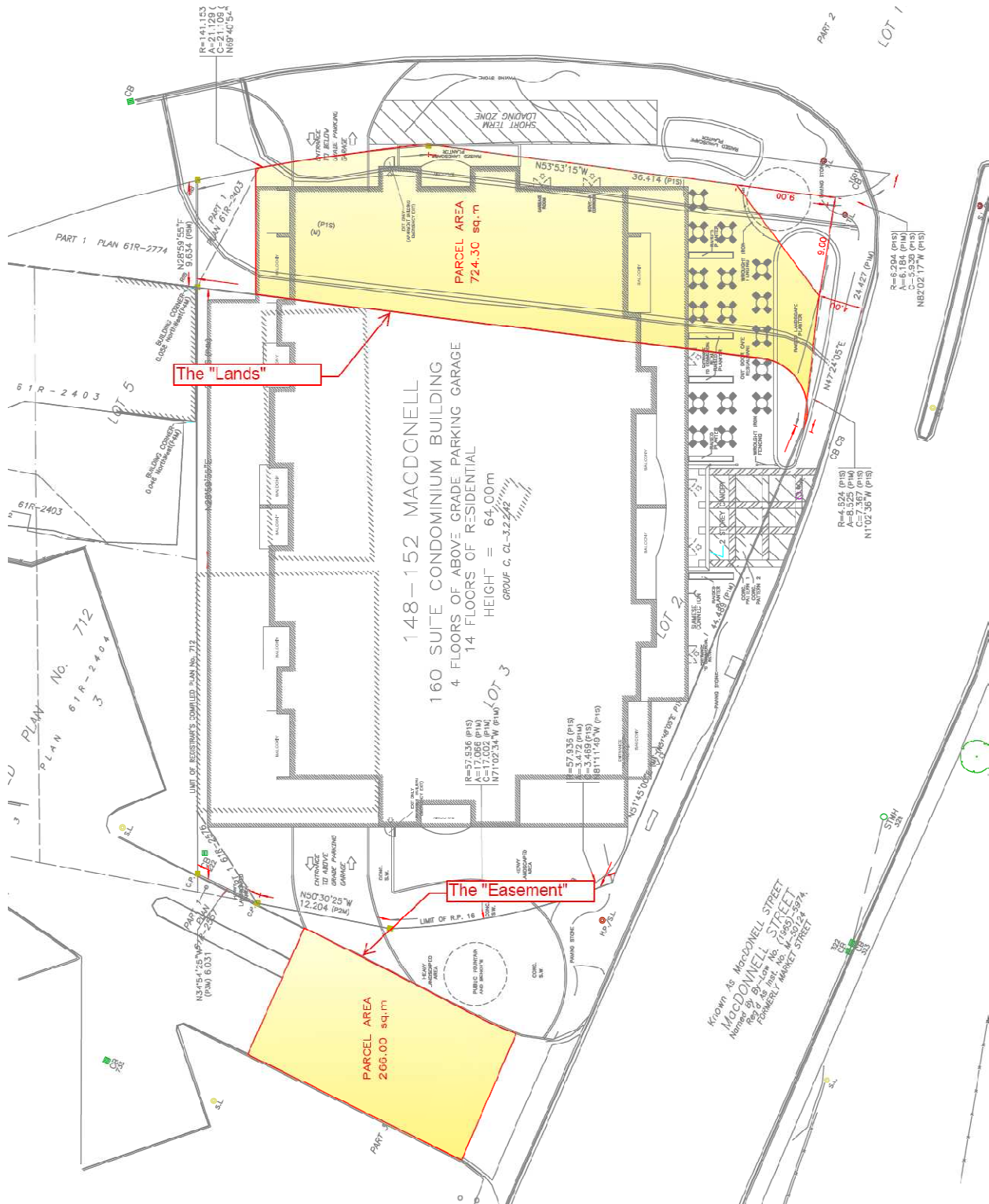
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Appendix 1 – Subject Lands and Easement



COMMITTEE REPORT



TO **Corporate Administration Finance and Emergency Services Committee**

SERVICE AREA The Office of the CAO
DATE June 13 2011

SUBJECT Tourism Services- Information on New Website Tools
REPORT NUMBER

RECOMMENDATION

For Information

BACKGROUND

Guelph Tourism Services is a division of Economic Development and Tourism Services with a mandate to:

- represent and support over 100 local tourism industry partners and tourism's contribution to the City's economy;
- maximize tourism as an economic development strategy by drawing more visitors to Guelph and area and encouraging visitor spending and overnight stays;
- coordinate and leverage marketing and program resources through partnership with the private sector, governmental agencies and non-profit organizations;
- represent Guelph as a destination in Region 4 RTO programs and campaigns to access Guelph's share of \$1.2 million in provincial regional tourism funding;
- provide residents and visitors with accurate and up to date information about Guelph and area hospitality and tourism businesses; and
- market Guelph and area as a destination to a variety of market segments (including sports tourism, meetings and conferences, leisure, group tours and niche markets)

Guelph's Tourism website, www.visitguelphwellington.ca is Tourism Services' key marketing tool and is used to support all of our programs and provide measurable value to our partners.

The development and delivery of programs to support Meetings and Conferences and Sports Tourism has been done in consultation with the business community through "Destination Guelph", which is a working committee of Guelph Tourism Services. "Destination Guelph" is composed of hotel partners, the University of Guelph's Conference Services staff and local sports representatives.

The purpose of this report is to provide Council and the public with information on a new program that is designed to attract new events to Guelph for the purpose of increasing both tourism visitation and spending within the City.

REPORT

Since September 2010, Guelph Tourism Services has worked jointly with the "Destination Guelph" committee to create an event development program which is intended to position and attract new meetings, conferences and sports tourism events to the City of Guelph.

The initial phase of the program focuses on web marketing tools and professionally designed materials for Destination Guelph to use for trade shows and sales missions.

The Tourism website www.visitguelphwellington.ca now contains micro-sites for Sports Tourism (<http://www.visitguelphwellington.ca/sports>) and Meetings and Conferences(<http://www.visitguelphwellington.ca/meet>).

Each micro-site is designed with the prospective client in mind, offering a range of information and resources on facilities and venues, Guelph as a destination, and services offered. An event request form is posted in each micro-site, allowing the prospective client to enter their event or tournament needs in a writable PDF form which is forwarded on to staff for follow up.

Promotion of the new event development program and web tools is already underway- the sports tourism micro-site was recently launched at the Ottawa Sports Congress attended by Destination Guelph representatives. The meetings and conference site is now live and will be launched at an upcoming MCIT trade show chosen by Destination Guelph. The goal of the Destination Guelph Committee is to attract three new sporting events and three new meeting/conference events to Guelph annually.

Staff will be pleased to demonstrate the web site and its attributes to Council.

CORPORATE STRATEGIC PLAN

Goal Three- a diverse and prosperous economy
Objective 3.6 the city as a tourist destination

FINANCIAL IMPLICATIONS

Total cost for the event development program is \$5000 and is accounted for in Tourism Services 2011 approved budget.

In 2012, tourism partners will pay a user fee to have their property or venue information listed on our event development micro-sites. It is estimated that Tourism services will generate an additional \$ 2000 in revenue from the 2012 program, through partner fees and web site advertising revenues, offsetting a portion of the 2012 event development program.

DEPARTMENTAL CONSULTATION

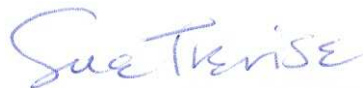
N/A

COMMUNICATIONS

N/A

ATTACHMENTS

N/A



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COMMITTEE REPORT



TO **CAFES Committee**

SERVICE AREA The Office of the CAO
DATE June 13, 2011

SUBJECT 2010 Capital Project Activity
REPORT NUMBER FIN-11-24

RECOMMENDATION

THAT Finance Report FIN-11-24 dated June 13, 2011 entitled "2010 Capital Project Activity" be received for information purposes only.

PURPOSE

The purpose of this report is:

- To provide information regarding adjustments that have been made to 2010 or prior approved capital budgets including budget reductions and deferrals, closures, and project reallocations and consolidations for audit tracking purposes,
- To provide a summary of capital project closures as of December 31, 2010 and demonstrate the funding impact of these closures,
- To advise Council that staff will be working on procedures related to Capital variances, reallocations, project closures and the authority to approve these activities during the 2012 budget process.

REPORT

Throughout 2010, there have been substantial changes to approved capital budgets in response to a more focused approach to capital project management by Finance and City Departments. This approach will result in better tangible capital asset tracking and reporting, improved reserve management and a more transparent and accurate capital project listing. In addition, while development charge revenues improved over 2009 levels, staff continued to monitor these reserves throughout the year. Overall, changes to the 2010 and prior approved capital budget include budget reductions and deferrals, budget reallocations and consolidations, and project closures.

Schedule "A" provides a high level summary of open capital project budgets by department at December 31, 2010 and outlines the activity that has impacted 2010 or prior approved capital budgets. Schedule "B" provides a summary of proposed 2010 capital closures and highlights the funding impact, such as returning already funded amounts to the originating reserve or reduce commitments against City Reserves. Schedule "C" provides a high level summary of actual expenditures and unspent budgets by Department as at December 31, 2010.

Budget Reductions and Deferrals

In 2009, City Departments undertook an extensive review of their capital budgets to identify areas where budgets could be permanently reduced or deferred into future years in response to declining Development Charge revenue. This exercise continued into 2010, although to a much lesser degree, as staff continued to monitor Development Charge collections and defer projects as required. Total budget reductions and deferrals in 2010 amounted to \$8,878,780 (Schedule A, Column D). For the most part, these deferrals and reductions are related to DC funded projects from Water and Wastewater Services, with \$6 million being deferred from WS0035 WWTP Biosolids Facility Upgrades and \$1.9 million from WW0082 Scout Camp Aquaduct Tie-In. In addition, \$80,000 is related to ISF projects where budgets were reduced to reflect the decreased scope of work as identified by OMAFRA.

It is anticipated that projects in this category will be rescheduled over the next 10 years where necessary. Funding will be available for any deferred projects appearing in the 2012-2021 capital budget.

Project Consolidations and Reallocations

Project consolidations and reallocations have been undertaken by Finance to move towards a more transparent and manageable capital project listing that will support the City's ongoing compliance with PSAB reporting requirements. Continuing with the practice that began in 2009, Finance reallocated budgets from large "bucket" accounts to specific capital projects throughout 2010. This will provide a more direct link between the project and the City's asset repository and Financial System and allow staff to close projects in a timely manner. Also shown in this section are any capital works that were originally approved as part of the operating budget but reallocated to capital as required by PSAB standards. Total project consolidations and reallocations of 2010 and prior approved capital budgets is \$1,365,800 (Schedule A, Column F and G).

Projects Closed

As of December 31, 2010, City Departments have closed capital projects with a total approved budget of \$73.6 million (Schedule A, Column E) with total funded expenditures of \$68.23 million and a total unspent balance of \$5.5 million (Schedule B, Column B) and this has been returned to the appropriate reserve funds where appropriate (Schedule B, Columns E-F). Any project appearing under this category indicates that Finance has received approval from the Project Manager or corresponding Department that the project has been completed and is able to be permanently closed. Major projects completed include: Water Regulation Treatment Compliance, Clair: Gordon to Victoria and Clair: Gordon to Hanlon Park, and South End Community Park.

Active Projects at Year End

As of December 31, 2010, open capital projects were 78% spent (Schedule C) in comparison to 2009 year end, where projects were 57% spent. This drastic improvement can be attributed to a number of factors including

significant progress towards the completion of a number of large capital projects including the City's ISF and RInC projects, Organics Facility, the New Civic Museum and several on-going infrastructure projects. In addition, the year over year improvement reaffirms the impact of this year's efforts to perform in-depth and detailed analysis of all capital projects and close projects that were complete and had capital assets in service. This extensive exercise, undertaken by all City departments, is further supported by the \$25 million year over year reduction in approved budgets for open capital projects at the end of 2010.

CORPORATE STRATEGIC PLAN

5.5- A high credit rating and strong financial position

FINANCIAL IMPLICATIONS

Ongoing monitoring of the capital work-in-progress accounts is a very important function as capital expenditures represent a large portion of annual municipal spending. Capital projects that are not completed according to municipal standards, on time and within budget can result in significant financial implications for the City.

DEPARTMENTAL CONSULTATION

The responsibility of monitoring the capital budget work-in-progress is shared by the departments responsible for managing the project and Finance. Departments must manage the project to completion according to municipal standards, on time and within the approved budget.

COMMUNICATIONS

Finance staff have worked closely with all City Departments.

ATTACHMENTS

Schedule "A" Summary of 2010 Capital Budget Activity
Schedule "B" Summary of 2010 Capital Project Closures
Schedule "C" Summary of Unspent Budgets

"original signed by Sarah Purton"

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Schedule A: FIN-11-24
Summary of Adjustments to 2010 or Prior Approved Capital Budgets

	Adjustments to 2010 and Prior Approved Budgets							Approved Budgets for Open Capital Projects @ December 31, 2010
	Approved Budgets for Open Capital Projects @ Dec 31, 2009	2010 Approved Budgets	Total Approved Budgets for Open Capital Projects @ January 1, 2010	Budget Reductions & Deferrals	Closures	Budget Reallocations	Transfer from Operating	
	A	B	C	D	E	F	G	
Tax Supported Projects								
<u>Planning, Engineering & Environmental Services</u>								
Roads	61,468,179	11,624,228	73,092,407	(107,000)	(23,159,348)	-	1,190,800	51,016,859
Stormwater	4,266,827	810,000	5,076,827	-	(1,735,900)	-	-	3,340,927
Buildings	79,250,340	-	79,250,340	-	-	-	-	79,250,340
Policy Planning	3,553,800	27,000	3,580,800	-	-	-	-	3,580,800
Waste Management	43,133,600	2,321,400	45,455,000	-	(5,450,000)	-	-	40,005,000
<u>Operations & Transit</u>								
Fleet/Traffic/Roadside Operations	6,946,600	1,527,800	8,474,400	-	(3,381,200)	-	-	5,093,200
Parks Planning	13,417,809	1,530,700	14,948,509	-	(7,113,989)	-	-	7,834,520
Park Operations	1,929,011	22,000	1,951,011	-	(1,232,011)	-	-	719,000
Parking	1,368,000	535,000	1,903,000	-	(1,113,000)	-	-	790,000
Transit	9,285,000	2,778,535	12,063,535	-	(6,353,535)	-	-	5,710,000
<u>Community & Social Services</u>								
Community Development, Parks & Recs	1,039,600	40,000	1,079,600	-	(779,600)	-	-	300,000
Arts, Culture & Entertainment	603,000	200,000	803,000	-	(580,800)	-	-	222,200
Municipal Building Maintenance	4,657,500	1,650,000	6,307,500	-	(4,756,950)	-	45,000	1,595,550
<u>CAO Office</u>								
Finance & City Grants	1,687,000	1,461,260	3,148,260	-	(859,260)	-	-	2,289,000
Emergency Services	2,631,200	1,575,600	4,206,800	-	(71,030)	-	30,000	4,165,770
Economic Development	8,092,941	7,500,000	15,592,941	-	-	-	-	15,592,941
Information Services	2,379,500	590,000	2,969,500	-	(2,015,700)	-	-	953,800
<u>Local Boards</u>								
Police	3,181,518	732,900	3,914,418	-	-	-	100,000	4,014,418
Library	1,090,000	175,000	1,265,000	-	(1,021,700)	-	-	243,300
ISF & RiNC Projects	60,379,540	-	60,379,540	(30,000)	(1,948,925)	(157,966)	-	58,242,649
Total Tax Supported	310,360,965	35,101,423	345,462,388	(137,000)	(\$61,572,948)	(\$157,966)	\$ 1,365,800	284,960,274
User Pay Projects								
Waste Water	47,787,416	11,701,000	59,488,416	(2,130,180)	(9,708,700)	-	-	47,649,536
Waterworks	44,899,051	15,990,227	60,889,278	(6,561,600)	(2,354,590)	-	-	51,973,088
ISF Projects	16,036,200	-	16,036,200	(50,000)	-	157,966	-	16,144,166
Total User Pay	108,722,667	27,691,227	136,413,894	(8,741,780)	(\$12,063,290)	\$ 157,966	\$ -	115,766,790
Total Capital Activity	\$ 419,083,632	\$ 62,792,650	\$ 481,876,282	(\$8,878,780)	(\$73,636,238)	\$ -	\$ 1,365,800	400,727,064

Schedule B: FIN-11-24
Summary of Closed Capital Projects (at December 31, 2010)

			Impact on Funding Sources			
	Approved Budget (at Time of Closure)	Unspent Balance (at Time of)	Grants & Subsidies	Other	Devt Charges	Capital Reserve
	A	B	C	D	E	F
Tax Supported Projects						
<u>Planning, Engineering & Environmental Services</u>						
Roads	23,159,348	129,666	-	-	4,934	134,600
Stormwater	1,735,900	(945)	-	-	-	(945)
Waste Management	5,450,000	53,008	-	-	-	53,008
<u>Operations & Transit</u>						
Fleet/Traffic/Roadside Operations	3,381,200	1,083,949	-	-	55,462	1,028,487
Parks Planning	7,113,989	184,179	-	-	(2,145)	186,324
Park Operations	1,232,011	90,522	-	-	16,958	73,565
Parking	1,113,000	178,222	-	-	-	178,222
Transit	6,353,535	1,318,566	-	-	529,353	789,214
<u>Community & Social Services</u>						
Community Development, Parks & Recs	779,600	35,413	-	-	-	35,413
Arts, Culture & Entertainment	580,800	(209)	-	771	-	(980)
Municipal Building Maintenance	4,756,950	(70,255)	-	-	-	(70,255)
<u>CAO Office</u>						
Finance & City Grants	859,260	799,260	-	-	-	799,260
Emergency Services	71,030	2	-	-	-	2
Information Services	2,015,700	259,084	-	-	-	259,084
<u>Local Boards</u>						
Library	1,021,700	65,109	-	-	-	65,109
ISF & RiNC Projects	1,948,925	347,416	219,156	-	-	128,260
Total Tax Supported	61,572,948	4,472,985	219,156	771	594,693	3,658,366
User Pay Projects						
Waste Water	2,354,590	51,815	-	-	47,174	4,641
Water Services	9,708,700	1,065,382	-	-	5,264	1,060,118
Total User Pay	12,063,290	1,117,197	-	-	52,437	1,064,759
Total Capital Project Closures	\$ 73,636,238	\$ 5,590,182	\$ 219,156	\$ 771	\$ 647,130	\$ 4,723,125

Schedule C: FIN-11-24
Summary of Active Project Spending as of December 31, 2010

	Approved Budgets for Open Capital Projects @ December 31, 2010	Actual Expenditures @ December 31, 2010	Remaining Budget @ December 31, 2010	% Spent
	A	B	C	D
Tax Supported Projects				
<u>Planning, Engineering & Environmental Services</u>				
Roads	51,016,859	47,677,679	3,339,180	93%
Stormwater	3,340,927	1,508,900	1,832,027	45%
Buildings	79,250,340	75,270,787	3,979,553	95%
Policy Planning	3,580,800	2,887,978	692,822	81%
Waste Management	40,005,000	18,229,792	21,775,208	46%
<u>Operations & Transit</u>				
Fleet/Traffic/Roadside Operations	5,093,200	5,329,284	236,084	105%
Parks Planning	7,834,520	4,882,932	2,951,588	62%
Park Operations	719,000	476,628	242,372	66%
Parking	790,000	333,523	456,477	42%
Transit	5,710,000	5,311,415	398,585	93%
<u>Community & Social Services</u>				
Community Development, Parks & Recs	300,000	183,837	116,163	61%
Arts, Culture & Entertainment	222,200	80,730	141,470	36%
Municipal Building Maintenance	1,595,550	923,281	672,269	58%
<u>CAO Office</u>				
Finance & City Grants	2,289,000	2,040,922	248,078	89%
Emergency Services	4,165,770	3,239,520	926,250	78%
Economic Development	15,592,941	16,114,541	521,600	103%
Information Services	953,800	938,745	15,055	98%
<u>Local Boards</u>				
Police	4,014,418	3,692,915	321,504	92%
Library	243,300	-	243,300	0%
ISF & RiNC Projects	58,242,649	34,369,986	23,872,663	59%
Total Tax Supported	284,960,274	223,493,397	61,466,877	78%
User Pay Projects				
Waste Water	47,649,536	38,557,806	9,091,730	81%
Water Services	51,973,088	36,908,746	15,064,343	71%
ISF Projects	16,144,166	12,528,396	3,615,770	78%
Total User Pay	115,766,790	87,994,947	27,771,843	76%
Total Capital Activity	\$ 400,727,064	\$ 311,488,344	\$ 89,238,720	78%

COMMITTEE REPORT



TO **Corporate Services, Administrative, Finance and
Emergency Services Committee**

SERVICE AREA The Office of the CAO
DATE June 13, 2011

SUBJECT 2012 Budget Schedule
REPORT NUMBER FIN-11-22

RECOMMENDATION

That Finance Report FIN-11- 22 dated June 13, 2011 be received for information purposes only.

BACKGROUND

The Government Finance Officers Association (GFOA) recommends as part of best practice that all municipalities publish a budget schedule to specify tasks to be completed and the timeline for completion.

REPORT

Some highlights and changes for the 2012 Budget Process are as follows:

- For 2012 all budget presentations will be presented to Council of the whole
- The budget presentations will be divided into four separate areas of focus; Tax Supported Capital, User Pay/Enterprise Funded Capital and Operating, Tax Supported Operating and Local Boards and Shared Services
- The 2012 Capital Budget process will provide a 10 year prioritized forecast developed through workshops with department leads and the executive team
- The 2012 User Pay/Enterprise Funded Budget presentation will include User pay Water and Wastewater and enterprise or non-tax supported Provincial Offences Act (POA) and Ontario Building Code (OBC) budgets. An enterprise fund is a separate accounting and financial reporting for a particular municipal service funded by user fees. The total costs of the service, including direct and indirect, are identified and any surplus can be allocated to a separate reserve.
- The 2012 User Pay/Enterprise Budgets will be prepared using a Service Based format.
- A budget guideline report will be presented to Council for approval. A budget guideline helps ensure that the budget is prepared in a fiscally responsible manner consistent with the desires of Council, Executive Team and the Community. The budget guideline reflects the impact of pressures beyond the control of Council such as significant social, environmental, cultural and economic stresses.

- Council Training on the Budget process will be provided (tentative mid-September)

Below are important dates for the 2012 Budget Process:

2012 Budget Schedule	
Week	Event
Jun-13	Report to CAFES for Budget Schedule
Jul-11	Report to CAFES for Budget Guideline
Sep-27	Presentation/Deliberation of Tax Supported Capital Budget
Oct-19	Presentation / Deliberation and Approval of User Pay/Enterprise Funded Budgets
Nov-02	Presentation of the Tax Supported Operating Budget
Nov-17	Presentation of Shared Services and Local board Budgets
Nov-23	Public Delegation Night - Council
Dec 7 & 8	Budget Deliberation & Approval of 2012 Tax Supported Operating and Capital Budgets

On completion of the 2012 Budget we will schedule a budget debrief session with Council obtain feedback on the budget process including suggestions for improvement.

COMMUNICATIONS

Similar to the delivery of the 2011 budget package, media communications will be issued by the CAO's office following release of the budget material for each budget.

CORPORATE STRATEGIC PLAN

- 5.2 A consultative and collaborative approach to community decision making
- 5.3 Open, accountable and transparent conduct of municipal business

FINANCIAL IMPLICATIONS

N/A

DEPARTMENTAL CONSULTATION

Reviewed by Executive Team

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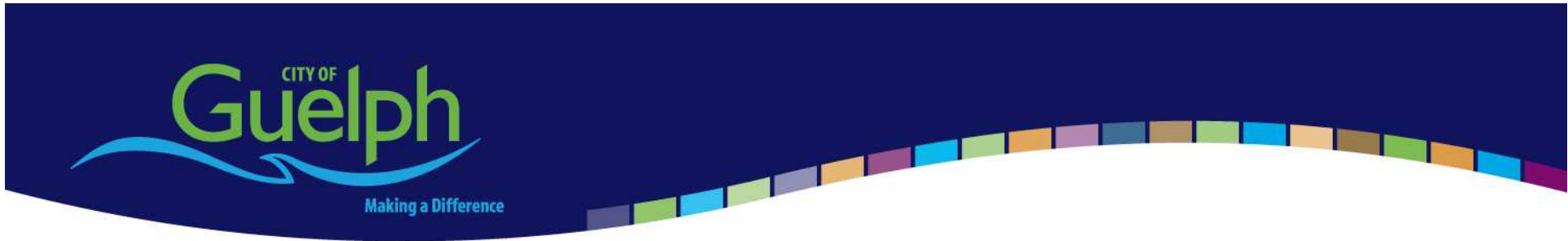
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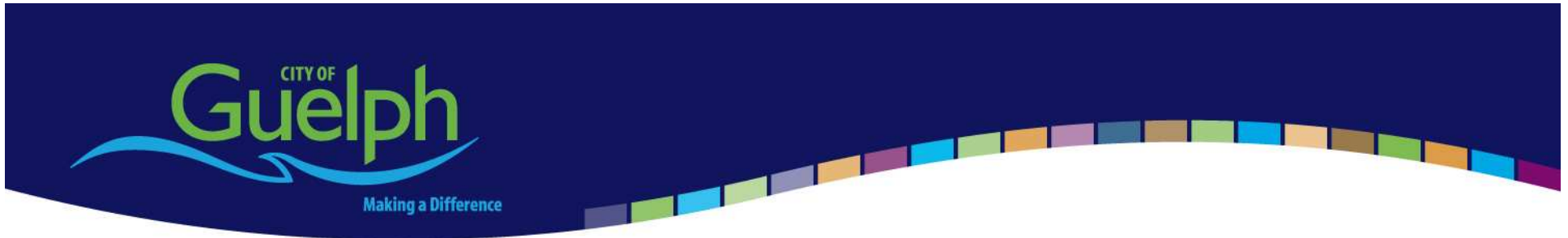


2010 Development Charge Reserve Fund Statement



Introduction

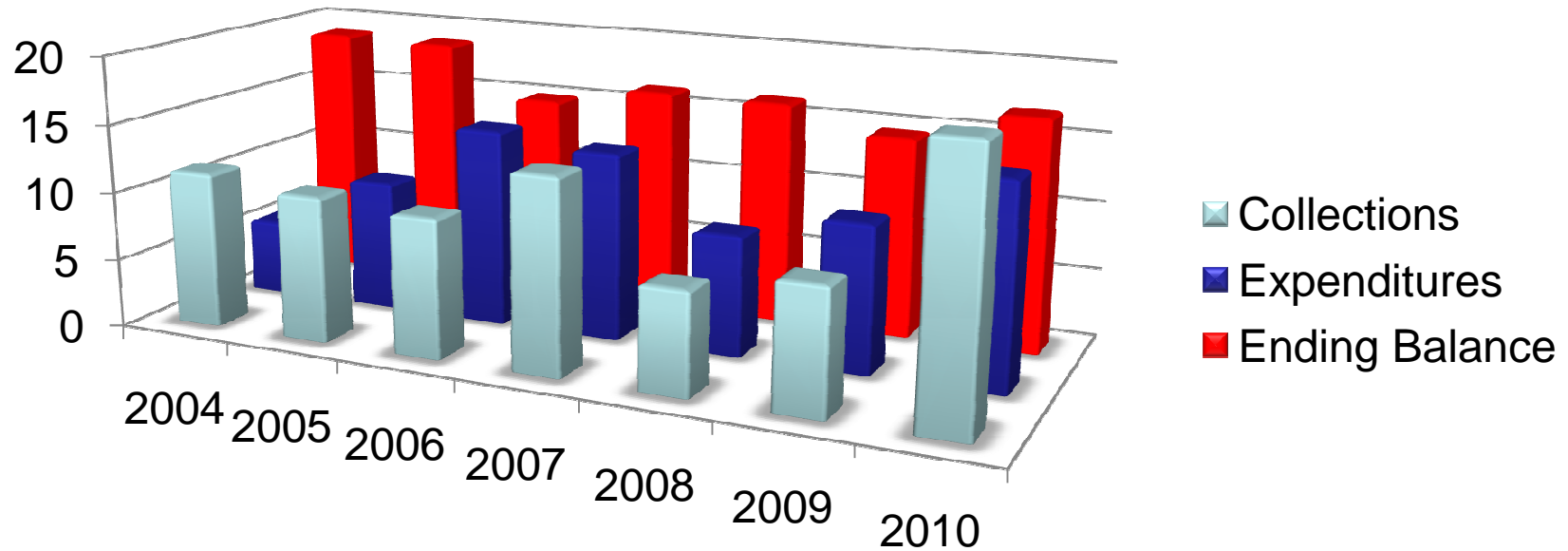
- The report shows the opening and closing balances for all Development Charge (DC) Reserve Funds
- Provides an accounting of all revenues and expenditures for each service for which a DC is collected (Schedule A)
- Identifies specific capital works which are paid for from the DC Reserve Funds or DC Debt (Schedule A)
- Prepared in compliance with the Development Charges Act, 1997

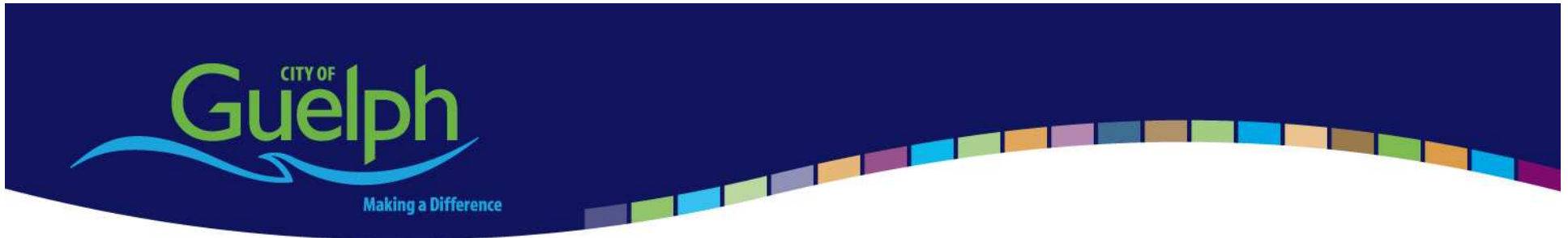


2010 Highlights

- Collections were \$10.28 million or 119.8% greater than 2009
- Revenue exceeded expenditures for the first time since 2007
- The ending balance across all 14 DC Reserve Funds increased by approximately \$2.6 million over the prior year end
- The fully funded balance for all DC Reserve Funds amounts to (\$369,000) which is a significant improvement over prior years

City of Guelph Development Charge Collections & Expenditures by Year (in \$millions)



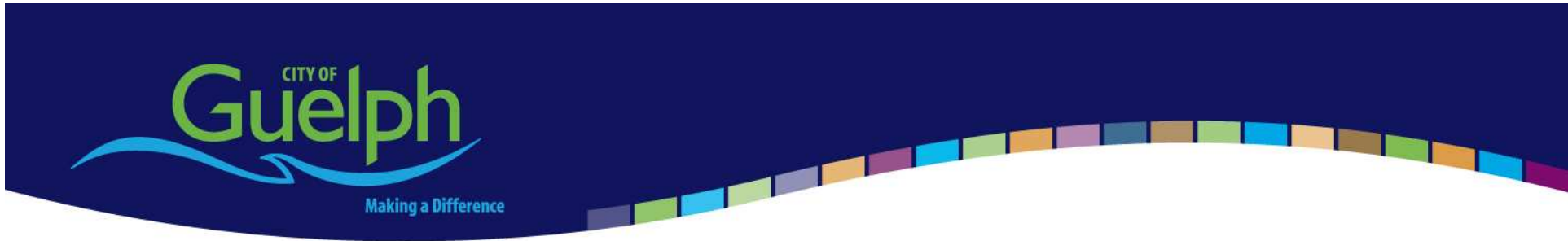


Looking Forward...

- 2011 collections are expected to be slightly higher than 2010 levels
 - This can be attributed to stable building permit activity and a slight increase in the number of subdivision agreements

- Collections continue to be lower than what was forecast in the Development Charge Study and Finance staff will continue to closely monitor these reserves (anticipate collections to be at 70% of forecasted levels in 2011)

- All staff will continue to work together to ensure the financial health of these reserves



Questions?

INFORMATION REPORT



TO **Guelph City Council**

SERVICE AREA The Office of the CAO
DATE June 13, 2011

SUBJECT 2010 Development Charge Reserve Fund Statement
REPORT NUMBER FIN-11-25

RECOMMENDATION

That Finance Report FIN-11-25 dated June 13, 2011 entitled "2010 Development Charge Reserve Fund Statement" be received for information purposes only.

PURPOSE

The attached Development Charge Reserve Fund statements are being made available to Council in compliance with the *Development Charges Act, 1997*. The Act requires that the Treasurer of the municipality supply Council with an annual financial statement in respect of each reserve fund created under the mandate of the Act.

These statements must be forwarded to the Minister of Municipal Affairs and Housing within 60 days of submission to Council.

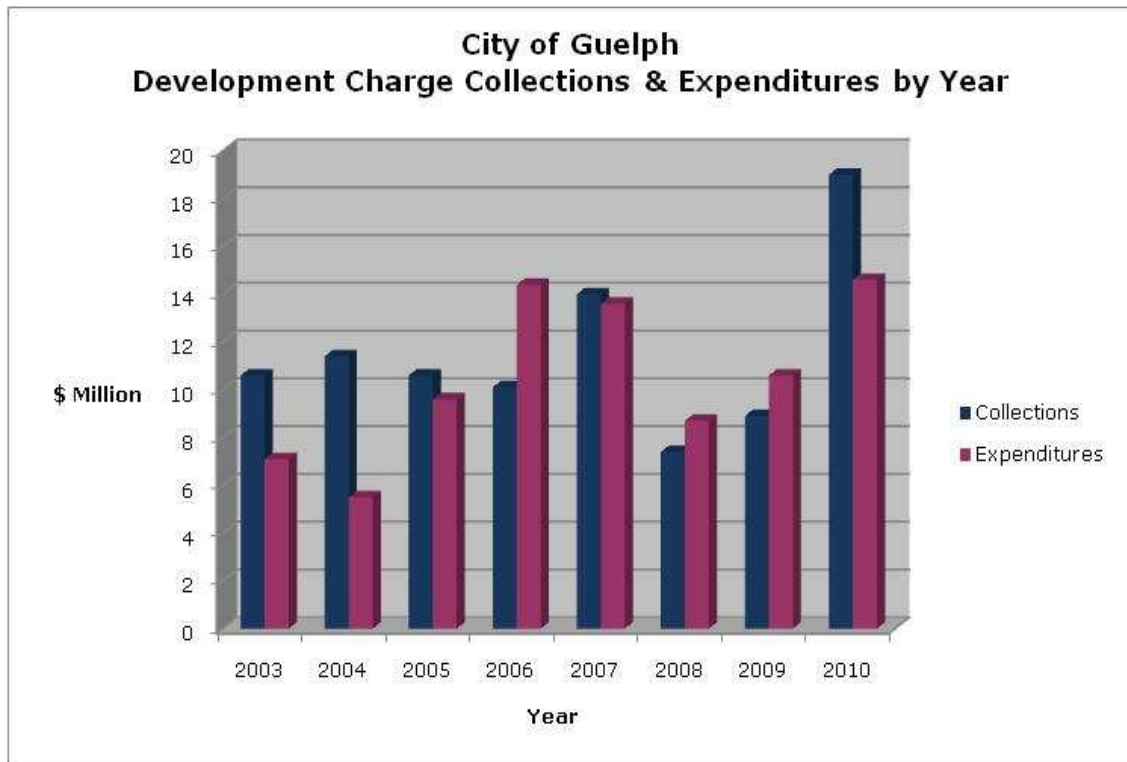
REPORT

Attached as **Schedule A** is the required statement for the year ended December 31, 2010. The statement shows the opening and closing balances as well as all expenditures and revenues for each service for which a development charge (DC) is collected. Also included are the specific capital works to which contributions from the reserve funds were made or for which debt charges were incurred.

- Development charges collected in 2010 were \$10.28 million or 119.8% greater than 2009 due to increased building activity throughout the year combined with the full 12 month impact of the 2009 by-law rate increase.
- Based on the first quarter of activity, collections for 2011 are expected to be slightly higher than 2010 levels. This is consistent with the expectation that residential building permit activity will remain constant in comparison to 2010, with the number of subdivision agreements with the City expected to be slightly higher than the prior year. However, collections continue to be lower than what was forecast in the Development Charge Study and it is

recommended that staff continue to closely monitor the reserve funds throughout the year.

- In 2009, the City authorized an \$18,077,119 debt issue that will be supported by the Development Charge Reserve Funds. While debt financing was not originally anticipated for these projects, the Development Charges Act permits debt servicing to be included as a capital cost to leverage development charge revenue while waiting for DC collections to catch up to growth related spending. In 2010, \$2,211,241.59 was funded from the DC reserves to cover annual debt servicing costs on the debt issue.
- 2010 net development charge expenditures on capital projects increased by \$3.99 million over 2009. This represents regular expenditures incurred for growth related approved capital projects. It should also be noted that in 2010, collections exceeded expenditures across all Development Charge reserve funds.



- The closing balance for all fourteen development charge reserve funds as of December 31, 2010 is \$16,845,087.50. This represents a net increase of \$2,260,566.67 from the prior year end.

DC Reserve Balances as of December 31, 2010

Hard Services		Soft Services	
Waterworks	\$ 2,185,484.84	Library	\$ 546,105.02
Wastewater	\$ 925,092.53	Transit	\$ (1,250,065.20)
Storm Drainage	\$ (529,903.21)	Corporate	\$ 1,228,007.15
Roads	\$ 2,665,533.30	Recreation	\$ 6,779,723.91
Fire Protection	\$ (1,343,993.78)	Parks	\$ 4,716,585.15
Police	\$ (25,263.21)	Parking	\$ 1,942,884.79
	<u>\$ 3,876,950.47</u>	Ambulance	\$ (1,015,363.16)
		Court Services	\$ 20,259.37
			<u>\$ 12,968,137.03</u>

- The *Development Charges Act* classifies development charge reserve funds into either "hard" or "soft" services. Five of the fourteen development charge reserve funds will be carrying a negative balance forward into 2011. Negative balances in individual reserves funds are permitted, so long as the cumulative balance for each service type maintains an overall positive balance.
- In 2010, Council approved exemptions amounting to approximately \$2.6 million dollars, representing an increase of almost \$500,000 over 2009. In 2010, 77% of the cost of the exemptions was covered by the rates with the remainder being funded from the tax rate via a transfer to reserves.
- The committed funding to approved capital projects has decreased by \$13.6 million from 2009. The majority of this reduction can be attributed to a coordinated effort among City Departments throughout the 2010 budget process to ensure that a sustainable capital budget was brought forward. In addition, staff took a more focused approach to the closing of capital projects as work is completed. These two factors, combined with increased collections, helped to significantly reduce our commitments against the Development Charge Reserve Funds for the second straight year.

As a result of staff efforts, the fully funded balance as of December 31, 2010 for all Development Charge Reserve Funds amounts to (\$369,600). This is a significant improvement over prior years and is a result of a major undertaking by all City staff throughout 2009 and 2010. Due to the nature of

how development charges are collected and the effect adverse economic conditions can have, close monitoring and prudent budgeting must continue to maintain these reserve funds.

CORPORATE STRATEGIC PLAN

5.3 Open, accountable and transparent conduct of municipal business

COMMUNICATIONS

N/A

FINANCIAL IMPLICATIONS

Staff have worked with all City Departments.

ATTACHMENTS

Schedule A –Development Charge Reserve Fund Statement for the Year Ended December 31, 2010. This is the legislated report to be provided to the Ministry of Municipal Affairs and Housing.

“original signed by Sarah Purton”

“original signed by Susan Aram”

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CITY OF GUELPH
DEVELOPMENT CHARGE RESERVE FUND STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2010

Reserve Fund Number Reserve Fund Name Service Type	DEVELOPMENT CHARGE RESERVE FUNDS														Totals	
	311 Waterworks Hard	312 Wastewater Hard	313 Storm Drainage Hard	314 Roads Hard	315 Fire Protection Hard	316 Library Soft	317 Transit Soft	318 Corporate Soft	319 Recreation Soft	320 Parks Soft	321 Parking Soft	324 Police Hard	325 Ambulance Soft	326 Court Soft		
Balance Forward Jan. 1/10	268,404.87	(1,318,245.28)	(474,657.32)	1,993,600.33	(1,418,390.05)	2,673,945.70	(1,546,320.68)	1,195,256.05	5,605,619.82	4,913,700.94	1,450,337.86	1,277,303.33	(41,199.91)	7,165.17	\$ 14,594,520.83	
Expenditures:																
Debiture Charges	776,302.49	715,320.87		226,327.51	116,206.55	-						373,084.17			\$ 2,211,241.59	
Contribution to Reserves	3,974,623.55	2,461,198.28	189,960.00	1,424,648.71	-	2,422,698.95	184,148.14	150,620.00	12,593.08	1,725,636.95		1,131,900.00	983,000.00		\$ 14,561,427.66	
Net Contributions to Capital Projects																
Contribution to Operating Fund																
Total Expenditure	4,653,126.04	3,176,519.15	189,960.00	1,652,976.22	116,206.55	2,422,698.95	184,148.14	150,620.00	12,593.08	1,725,636.95		1,504,984.17	983,000.00		\$ 16,772,669.25	
Revenues:																
Collections	6,555,957.48	5,419,687.24	139,910.05	2,296,425.75	205,075.38	277,400.00	494,738.04	170,666.62	1,121,176.62	1,475,630.07	474,216.64	195,500.89	14,434.34	12,948.67	\$ 18,653,969.79	
Interest Earned	13,022.03	(2,986.35)	(5,330.89)	24,724.57	(14,659.11)	17,067.81	(14,839.84)	12,659.50	65,714.55	51,104.93	18,006.78	6,644.19	(5,606.85)	145.53	\$ 166,766.85	
Trans. From Reserves	1,226.50	2,056.07	134.95	3,759.87	186.55	370.46	505.42	44.98	1,806.00	1,786.16	321.51	272.55	9.26		\$ 12,479.28	
Total Revenue	6,570,206.01	5,419,656.96	134,714.11	2,324,909.19	190,602.82	294,858.27	480,403.62	183,571.10	1,188,697.17	1,528,321.16	492,546.93	202,417.63	8,836.75	13,094.20	\$ 19,033,235.92	
Closing Balance Dec. 31/10	\$ 2,185,484.84	\$ 925,092.53	\$ 529,303.21	\$ 2,668,533.30	\$ 1,343,993.76	\$ 446,105.02	\$ 1,260,065.20	\$ 238,007.15	\$ 6,779,723.91	\$ 4,716,465.15	\$ 942,884.79	\$ 25,263.21	\$ 1,015,363.19	\$ 20,254.37	\$ 16,945,087.50	
Committed not yet Funded	2,307,219.00	1,975,219.00	262,980.00	5,626,690.00	68,631.00	87,500.00	202,821.00	548,510.00	2,800,000.00	2,661,117.00	443,709.00	226,300.00	226,300.00		\$ 17,246,687.00	
Fully Funded Balance	(121,734.16)	(1,050,126.47)	(732,683.21)	(2,961,156.70)	(1,412,824.78)	452,605.02	(1,452,866.20)	679,497.15	(3,975,723.91)	2,055,468.15	1,942,884.79	(472,963.21)	(1,241,663.16)	20,293.37	\$ (369,599.50)	

**CITY OF GUELPH
DEVELOPMENT CHARGE RESERVE FUND STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2010**

Reserve Fund Number Reserve Fund Name Service Type	DEVELOPMENT CHARGE RESERVE FUNDS													Totals		
	311 Waterworks Hard	312 Wastewater Hard	313 Storm Drainage Hard	314 Roads Hard	315 Fire Protection Hard	316 Library Soft	317 Transit Soft	318 Corporate Soft	319 Recreation Soft	320 Parks Soft	323 Parking Soft	324 Police Hard	325 Ambulance Soft		326 Court Soft	
ATTACHMENT # 1 Summary of Contributions to Capital Projects																
Waterworks																
Arkell Spring Ground (Debt)	360,661.52															
Speedvale: Elmira to Governors	3,494.76															
New Supply (Debt)	(1,024,646.54)															
Starwood: Speedvale to Eastview	268,300.00															
Victoria: St of York to Stone	4,315.61															
Gordon: Clair to Maltry	127,180.00															
W/F Scout Camp Aqueduct Tie-in (Debt)	48,560.00															
WF2 Verney/Clair Booster Station	730,506.73															
WF2 Verney/Clair Control Upgr	3,320.00															
WS1-7 Masterplan Studies	76,460.00															
WW0105	311,761.00															
Conservation and Efficiency	18,710.00															
WW0120	122,916.67															
ISF Int: Speedvale & Stevenson	46,384.00															
ISF Speedvale: Stevenson to East City Limit																
ISF Maltry: Hamilton to Gordon																
WW0141																
Arkell New Well Construction	2,776,900.00															
WW0142																
Wastewater																
S. Trunk: Clair to Maltry	76,275.00															
Plant Reding: Phos Redn	50,700.00															
WS0021	50,190.00															
WWTP Upgrades and Studies	(973,737.64)															
WWTP Biosolids Facility Upgrades (Debt)	27,440.66															
WWTP Phase 2 Expansion	841,412.39															
WWTP Upgrades	25,120.48															
SCADA Upgrades	(0.31)															
WWTP Building Upgrades	5,646.35															
WS0041	2,178,781.00															
Arthur St Relief: Speedvale to Woodlawn	62.18															
WS0047	2,200.00															
Wastewater Master Plan	27,160.00															
WW116 New Forcemains	1,700.00															
WWSZ Area I&I Studies	(1.83)															
WS0104																
Lift Station SCADA Upgrades																
WS0107																
EPO Officers Garage																
WS0110																
Chemical Storage and Sampler Bldg																
WS0111																
ISF Stevenson: York - Elizabeth																
WS0112																
Bldg Expansion - WWTP																
WS0145																
Storm Drainage																
Stormwater Masterplan			189,860.00													
SW0033																

CITY OF GUELPH
DEVELOPMENT CHARGE RESERVE FUND STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2010

Completed May 5, 2011

Reserve Fund Number Reserve Fund Name Service Type	DEVELOPMENT CHARGE RESERVE FUNDS												Totals		
	311 Waterworks Hard	312 Wastewater Hard	313 Storm Drainage Hard	314 Roads Hard	315 Fire Protection Hard	316 Library Soft	317 Transit Soft	318 Corporate Soft	319 Recreation Soft	320 Parks Soft	323 Parking Soft	324 Police Hard	325 Ambulance Soft	326 Court Soft	
RP0002 South End Community Park										5,189.82					
RP0006 Guelph Trails										719,973.00					
RP0032 Trees & Shrubs Planting										1,776.34					
RP0145 Westminster Woods East										10,400.00					
RP0214 Victoria View North - Beverly										90,000.00					
RP0227 Eastview Community Park										768,920.00					
RP0238 Parks Equipment-Growth										(38,005.73)					
WERC Road Asphalt										11,285.50					
Ingram Farmhouse										(18,000.00)					
RP0251 Eastview North-East Trail										100,780.00					
RP0252 Edinburgh Road Greening										27,100.00					
RP0255 Deerpark Park Ph2										6,799.08					
RP0258 York Road Park Improvements										39,200.00					
RP0340 Gasling Garden										1,218.94					
RP0370 Parking															
PS0005 South End Joint Facility											1,131,900.00				
FSD021 Ambulance													993,000.00		
South End Ambulance Dext															
Total contributions to Capital Projects:	\$ 3,874,823.55	\$ 2,461,189.28	\$ 189,950.00	\$ 1,424,648.71	\$ -	\$ 2,422,698.95	\$ 184,148.14	\$ 150,920.00	\$ 12,583.08	\$ 1,726,636.95	\$ -	\$ 1,131,900.00	\$ 993,000.00	\$ -	\$ 14,561,427.66

CITY OF GUELPH
DEVELOPMENT CHARGE RESERVE FUND STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2010

Completed May 5, 2011

Reserve Fund Number Reserve Fund Name Service Type	DEVELOPMENT CHARGE RESERVE FUNDS											Totals				
	311 Waterworks Hard	312 Wastewater Hard	313 Storm Drainage Hard	314 Roads Hard	315 Fire Protection Hard	316 Library Soft	317 Transit Soft	318 Corporate Soft	319 Recreation Soft	320 Parks Soft	323 Parking Soft	324 Police Hard	325 Ambulance Soft	326 Court Soft		
ATTACHMENT # 2																
Summary of 2010 Debt Servicing Costs																
Waterworks	68,830.97															
Laird Rd: Hanlon Crossing	68,830.97															
WW0052	68,830.97															
WW0016	366,968.03															
Arkel Spring Grounds	366,968.03															
WW0046	122,322.68															
New Supply	122,322.68															
W12 Scout Camp Aqueduct Tie In	220,180.82															
WW0082	220,180.82															
Wastewater		715,320.88														
WWTP Bossolids Facility Upgrade		715,320.88														
WS0035		715,320.88														
Roads				228,327.51												
ISF Transit Terminal Roads				228,327.51												
RD0164				228,327.51												
Fire Protection					116,206.54											
Southend Fire Hall Development					116,206.54											
FS0010					116,206.54											
Police											373,084.17					
Southend Joint Facility											373,084.17					
PS0005											373,084.17					
2010 Debt Servicing Costs	778,302.50	715,320.88	-	228,327.51	116,206.54	-	-	-	-	-	-	-	-	-	-	\$ 2,211,241.61

2010 Operating Budget Variance Report

As at December 31, 2010

Report FIN-11-23

Recommendation

Tax Supported Surplus of \$1,539,039

- \$249,223 be allocated to the Police Relocation reserve
- \$ 74,029 be allocated to the Library Relocation reserve
- \$300,000 be allocated to the Ontario Municipal Board (OMB) Litigation Reserve
- \$300,000 be allocated to the Insurance Reserve
- \$300,000 be allocated to the Operating Contingency Reserve (for unexpected operating impacts such as dramatic energy price variations or severe weather conditions)
- \$315,787 be allocated to the Rate Stabilization Reserve

Recommendation

User Pay Surplus \$1,705,498

- Water surplus of \$1,038,059 with \$400,000 allocated to the Water Rate Stabilization Reserve and \$638,059 be allocated to the Water Capital Reserve Fund
- Wastewater surplus of \$667,439 be allocated to the Wastewater Capital Reserve Fund

Favourable Highlights

\$2.5m Additional taxation revenue from supplementary and Payments in Lieu (PIL's)

\$640K Addition of a data centre for the Ministry and an increase in enrollment in the Heads and Beds program at the University

Lower than anticipated fleet fuel charges and winter control savings due to mild winter

Recovery in the pricing of recyclable materials rebounding from recession prices

Additional Fine Revenue

Favourable Highlights

Lower operating costs with the recent move to the new POA Building

Staff turnover, vacancies and other related gapping of salaries

Less Lease costs will delay in opening east end branch

Unfavourable Highlights

Additional Utility costs at the majority of facilities

Shortfall in some recreational revenues

Increase in tax write offs due to additional amount of appeals

Accruals for corporate severance payments budgeted on a cash-basis

Provision for potential liability related to the Wellington Terrace

User Pay Budgets

Water

Additional revenue from economic recovery
and greater sales than forecasted

Fewer Main breaks and water service leaks

Staging of water conservation program


User Pay Budgets

Wastewater

Lower Utility Costs

Less sanitary sewer maintenance and repair costs

Wastewater conservation initiatives savings



Reserve Balances After Transfer

	Prior to Transfer	Post Transfer
OMB Litigation Reserve	\$ 380,877	\$ 680,877
Insurance Reserve	\$ 780,000	\$ 1,080,000
Operating Contingency	\$ 302,000	\$ 602,000
Tax Rate Stabilization Reserve	\$ 1,355,485	\$ 1,670,787
Water Rate Stabilization Reserve	\$ 1,714,000	\$ 2,114,000
Water Capital Reserve	\$ 15,747,023	\$ 16,385,082
Wastewater Capital Reserve	\$ 21,854,962	\$ 22,522,401

COMMITTEE REPORT



TO **Corporate Services, Administrative, Finance and
Emergency Services Committee**

SERVICE AREA The Office of the CAO
DATE June 13, 2011

**SUBJECT 2010 Operating Budget Variance Report as at December
31st, 2010**

REPORT NUMBER FIN-11-23

RECOMMENDATION

That the Finance report dated June 13, 2011 entitled "2010 Operating Budget Variance Report as at December 31, 2010" be received;

AND THAT staff be authorized to transfer the year end surplus amounts to reserves/reserve funds as outlined below:

Tax Supported Surplus of \$1,539,039

- \$249,223 be allocated to the Police Relocation reserve
- \$ 74,029 be allocated to the Library Relocation reserve
- \$300,000 be allocated to the Ontario Municipal Board (OMB) Litigation Reserve
- \$300,000 be allocated to the Insurance Reserve
- \$300,000 be allocated to the Operating Contingency Reserve (for unexpected operating impacts such as dramatic energy price variations or severe weather conditions)
- \$315,787 be allocated to the Rate Stabilization Reserve

User Pay Surplus of \$1,705,498

- Water surplus of \$1,038,059 with \$400,000 allocated to the Water Rate Stabilization Reserve and \$638,059 be allocated to the Water Capital Reserve Fund
- Wastewater surplus of \$667,439 be allocated to the Wastewater Capital Reserve Fund

REPORT

Tax Supported Budgets

The yearend position in 2010 for the Tax Supported Operating Budget indicates a favourable variance in the amount of \$1,539,039. Overall this represents less than 1% of the approved 2010 net tax levy requirement and indicates that the City

benefited from greater than expected revenues, lower fuel prices and favourable weather conditions during 2010.

Details of each departmental variance are included in the attached schedule with the major causes of variance outlined below.

Some of the favourable variances for the year are:

1. General Revenue – \$2.5m was the result of additional taxation revenue from Supplementary and Payments in Lieu (PIL's). The increase in Supplementary revenue was due to staff aggressively working with MPAC to fast track some additional properties that we did not expect to be added to the roll until 2011. The increase in the PIL's of \$640k was due to the addition of a data centre for the Ministry and in the Heads and Beds due to increase enrolment at the University.
2. Operations & Transit – An overall favourable variance in Operations and Transit of \$1.4m was as a result of lower than anticipated fleet fuel charges and winter control savings due to a mild winter.
3. Planning, Engineering & Environment Services – An overall favourable variance of \$336k is the result of better than expected pricing on the sale of recyclable materials which was offset by unfavorable utility prices. The pricing of recyclable materials rebounded in 2010 after the recession.
4. Court Services – The favourable variance of \$375k is related to greater fine revenues than anticipated and lower operating costs than expected with the move to the new building for court services.
5. Police – The favourable variance of \$249k is primarily due to staff turnover in 2010 which created position vacancies and the related salary gapping associated with these positions. It is recommended to put this surplus of to the Police relocation reserve to address future capital needs.
6. Library – the favourable variance of \$74k primarily resulted from salary gapping similar to the Police above, as well as a delay in rent / lease payments for the east end branch opening last year. It is recommended to allocate this surplus to the Library relocation reserve to address future capital needs.

Some of the unfavourable variances for the year are:

1. Community and Social Services – Unfavourable variance of \$308k, primarily due to high utility costs resulting in a \$132k variance and a \$153k shortfall in ice rentals, recreation registrations and in suite rental revenue.
2. General Expenditures – Unfavourable variance of \$844k due to increased tax write offs from a large number of appeals processed in 2010 for previous

years as well as an additional provision of \$565k to recognize the risk of loss associated with the City's asset backed investments.

3. Human Resources – An unfavourable variance of \$967k is the result of actual (2010- \$346,918) and accrued (2011/12 - \$706,736) corporate severance payments. This is the result of movement towards appropriate methodology and transparency.
4. Shared Services & Grants – An unfavourable variance of \$2.2m is the result of an additional provision made for the potential liability related to the Wellington Terrace claim filed against the City by the County of Wellington. As well, an amount of \$1.5 million from the Social Housing reserve had been budgeted to fund this area in 2010 but only a transfer of \$724K was required, leaving a balance of \$1.09 million for future use.

Staff is recommending that the Tax Supported year end surplus be allocated to four operating related reserves in order to provide greater tax rate stabilization by addressing areas that face variable or uncontrollable factors.

Reserve	Prior to Transfer	Post Transfer
OMB Litigation Reserve	\$ 380,877	\$ 680,877
Insurance	\$ 780,000	\$1,080,000
Operating Contingency	\$ 302,000	\$ 602,000
Tax Rate Stabilization	\$1,355,485	\$1,670,787

During the 2011 Budget process, \$700,000 of the Tax Rate stabilization reserve was approved to fund the 2011 operating budget. The recommended 2010 transfer will help to refund this reserve.

The amounts recommended to be transferred to the Police and Library Capital Reserve Funds are related to the surplus of those specific areas and will be used to fund future Police and Library capital initiatives.

User Pay Budgets

Both user pay departments finished 2010 with a favourable variance. Explanations and recommendations are described below.

Water

The favourable variance is largely attributed to economic recovery and greater sales revenue than forecast. Additional positive variance is due to staging of the conservation program implementation and fewer main breaks and water service leaks. Some negative variance is related to maintenance of Woods Station, valve replacements related to Infrastructure Stimulus Funding (ISF) projects, and related increased service locate requests. It is recommended that the surplus of \$1,038,059 be put into the Water Rate Stabilization Reserve (\$400,000) and the Water Capital Reserve Fund (\$638,059). The 2010 year end balance of the Water Rate Stabilization Reserve prior to the recommended year end transfer is \$1,714,000. The 2010 year end balance of the Water Capital Reserve Fund prior to

the recommended transfer is \$15,747,023 of which \$9,022,845 is committed for future capital work projects.

Wastewater

A favourable variance resulted from higher than expected revenues. Savings related to lower utility costs, sanitary sewer maintenance and repairs costs and wastewater conservation initiative related expenses. Greater treatment, processing, and pumping station costs offset some of the positive variance. It is recommended that the surplus of \$667,439 be put into the Wastewater Capital reserve. The 2010 year end balance of the Wastewater Capital Reserve fund is \$21,854,962 of which \$12,998,108 is committed for future capital work projects.

Reserves are important to mitigate the City's financial risk and to strengthen the City's ability to withstand negative impacts on revenues from economic fluctuations and unforeseen expenditure requirements. Guelph has aging water / wastewater infrastructure that will require significant funding and therefore adequate reserve balances in order to avoid debt funding.

2010 Operating Budget Variance Report as at December 31, 2010

	Approved Final Budget 2010	FINAL Actuals December	FINAL Variance	Variance %
CAO	30,970,743	30,968,589	2,154	0.0%
Operations & Transit	25,627,558	24,193,511	1,434,047	5.6%
Planning, Engineering & Environmental Services	13,545,370	13,209,503	335,867	2.5%
Community & Social Services	7,144,890	7,453,347	(308,457)	(4.3%)
Human Resources & Legal Services	3,427,126	3,886,435	(459,309)	(13.4%)
Local Boards	37,454,900	37,131,648	323,252	0.9%
Shared Services & Grants	25,653,900	27,857,251	(2,203,351)	(8.6%)
General and Capital Financing	(143,824,487)	(146,239,323)	2,414,836	(1.7%)
Total Tax Supported		(1,539,039)	1,539,039	
Water and Wastewater				
Water		(1,038,059)	1,038,059	
Wastewater		(667,439)	667,439	
Total User Pay		(1,705,498)	1,705,498	

CORPORATE STRATEGIC PLAN

5.2 A consultative and collaborative approach to community decision making

5.3 Open, accountable and transparent conduct of municipal business

FINANCIAL IMPLICATIONS

The Tax Supported surplus will help fund depleted reserves and offset future expected operating impacts. Any surpluses allocated to Police and Library reserves are to fund future capital projects.

The User pay surpluses are allocated to their designated reserves to offset committed future capital projects for water and wastewater and assist with rate stabilization.

COMMUNICATIONS

N/A

DEPARTMENTAL CONSULTATION

This report has been reviewed by Executive Team and City departments for their comments to this report.

“original signed by Peggy Tollett”

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Recommended By:

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COMMITTEE REPORT



TO **Corporate Administration, Finance, and Emergency Services**

SERVICE AREA Corporate and Human Resources
DATE June 13, 2011

**SUBJECT LEASE AGREEMENT
KIDSABILITY CENTRE FOR CHILD DEVELOPMENT
WEST END COMMUNITY CENTRE**

RECOMMENDATION

THAT the Mayor and Clerk be authorized to execute a Lease Agreement between the City and Kidsability Centre for Child Development space in the West End Community Centre as outlined in the in report of the Manager of Realty Services dated June 13, 2011.

BACKGROUND

At its meeting of October 9, 2003, Council passed the following resolutions:

THAT the lease agreement between KidsAbility Centre for Child Development and the City of Guelph for space at the West End Community Centre, Be approved;

AND THAT the Mayor and Clerk be authorized to sign the required documents;

AND THAT the project proceed only when KidsAbility have secured all the fund raising required for the entire project.

The lease was subsequently finalized and executed on July 1, 2004 with a commencement date of January 1, 2005. The first term of the lease expired on December 31, 2010 and has since been continuing on a month-to-month basis.

The lease included an option to renew for the tenant, to be exercised not less than six months prior to the end of the term. Although the extension was desired, this deadline was missed as a result of administrative changes in KidsAbility. As such, KidsAbility are seeking to renew the lease at this location.

A second issue raised by KidsAbility is that all discussion leading up to the Council approval of the lease in 2003 was based on rent being waived until the amount of rent waived was equal to the cost of the leasehold improvements, which cost was borne by KidsAbility. The cost of leasehold improvements was originally estimated

at \$200,000 and basic rent was established at \$5.00, meaning that rent would be waived for 10 years (i.e. 4,100 sq. ft. x \$5.00/sq. ft. = \$20,500/year, or \$205,000 over ten years). On this basis, the lease provided for an initial term of five years with a right to renew for an additional five years on the basis that the period during which the rent would be waived would roughly match the term.

The actual cost of the leasehold improvements, which were constructed under the City's supervision, was \$346,000. KidsAbility fully reimbursed the City for this amount. Using simplified calculations, and ignoring annual increases, this amount would reflect the rent equivalent of almost 17 years (i.e. \$346,000/(\$5.00 x 4,100) = 16.9 years). As such, KidsAbility are seeking a lease that runs until waived basic rent is equivalent to the actual \$346,000 cost of the leasehold improvements.

REPORT

Staff have concluded that it is appropriate to be supportive of KidsAbility's requests for the following reasons:

- Staff have reviewed all available reports and correspondence in regard to this matter and feel that the early intent was clear that basic rent would be waived until equivalent to the actual cost of leasehold improvements. The estimates for leasehold improvements started at \$200,000, were later refined to \$260,000 before tendering, and ultimately ended up at an actual cost of \$346,000. This significant difference between estimated and actual cost was unforeseen, despite the original intent.
- There are no identified municipal uses for the space currently occupied by KidsAbility. The original intent of this space was to lease it to a restaurant operation to complement other activities at the Centre. Staff had tried, unsuccessfully, to lease the space for any uses, in the years leading up to the KidsAbility lease.
- KidsAbility have paid their share of common area and operating costs during their occupation of the space.

Based on the foregoing, staff are recommending that a new lease with KidsAbility be approved. A proposed lease has been negotiated with the terms as outlined in Appendix 1.

DEPARTMENTAL CONSULTATION

Community and Social Services were involved in this matter and concur with the recommendations.

CORPORATE STRATEGIC PLAN

This initiative supports the following Strategic Goals:

-
1. An attractive, well-functioning and sustainable city.
 2. A healthy and safe community where life can be lived to its fullest.
 3. A community-focused, responsive and accountable government.

FINANCIAL IMPLICATIONS

Revenues arising from the proposed lease would represent operating costs associated with the West End Community Centre and, as such, would be deposited as a recovery into West End Community Centre, Building Administration Account 740-8000.9286.

ATTACHMENTS

Appendix 1 – Details of Proposed Lease

“original signed by Jim Stokes”

Prepared By:

Jim Stokes
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“original signed by Donna Jaques”

Recommended By:

Donna Jaques
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“original signed by Mark Amorosi”

Recommended By:

Mark Amorosi
Executive Director, Corporate and
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Appendix 1 – Proposed Lease

Item	Detail
Landlord:	The Corporation of the City of Guelph
Tenant:	KidsAbility Centre for Child Development
Area of Premises:	4,414 square feet Note – increased by 123 square feet for the new lease to include one of unused washrooms to be used as storage space.
Use of Premises:	Offices, treatment centre, and associated uses
Initial Term:	5 Years - July 1, 2011 to June 30, 2016
Renewal Term:	Two additional terms of five years each. Basic rent to be negotiated at fair market value.
Basic Rent:	Year 1 - \$5.60/sq. ft. (\$24,718.40/yr.) Year 2 - \$5.71/sq. ft. (\$25,212.77/yr.) Year 3 - \$5.83/sq. ft. (\$25,717.02/yr.) Year 4 - \$5.94/sq. ft. (\$26,231.36/yr.) Year 5 - \$6.06/sq. ft. (\$26,755.99/yr.) Note 1 – increased by 2%/year. Note 2 - this basic rent is not collected, but these amounts are used to offset the leasehold improvement costs.
Additional Rent (operating costs, etc.):	Year 1 – \$7.75/sq. ft. (\$34,208.50/yr.) Year 2 – \$7.91/sq. ft. (\$34,892.67/yr.) Year 3 – \$8.06/sq. ft. (\$35,590.52/yr.) Year 4 – \$8.22/sq. ft. (\$36,302.33/yr.) Year 5 - \$8.39/sq. ft. (\$37,208.38/yr.) Note – increased by 2%/year.
Services:	City provides all utilities and janitorial for the premises, cost for which are recovered as Additional Rent.