

CITY COUNCIL AGENDA



Council Chambers, Guelph City Hall, 1 Carden Street

DATE Monday February 22, 2016 – 5:30 p.m.

Please turn off or place on non-audible all cell phones, PDAs, Blackberrys and pagers during the meeting.

AUTHORITY TO MOVE INTO CLOSED MEETING

THAT the Council of the City of Guelph now hold a meeting that is closed to the public, pursuant to The Municipal Act, to consider:

- C-2016.7 OPA 48 and OPA 54: Update on Ontario Municipal Board Appeals**
Section 239 (2) (e) and (f) litigation or potential litigation, including matters before administrative tribunals and advice that is subject to solicitor-client privilege
- C-2016.8 171 Kortright Road West: Update on Ontario Municipal Board Appeal**
Section 239 (2) (e) and (f) litigation or potential litigation, including matters before administrative tribunals and advice that is subject to solicitor-client privilege
- C-2016.9 Guelph Storm Negotiation Update**
Section 239 (2) (e) litigation or potential litigation, including matters before administrative tribunals

CLOSED MEETING

OPEN MEETING – 7:00 P.M.

**O Canada
Silent Reflection
Disclosure of Pecuniary Interest and General Nature Thereof**

PRESENTATION

- a) None

CONFIRMATION OF MINUTES (Councillor Salisbury)

***"THAT** the minutes of the Council Meetings held January 25, 2016 and the minutes of the Closed Meetings of Council held January 25, 2016 be confirmed as recorded and without being read."*

CONSENT REPORTS/AGENDA – ITEMS TO BE EXTRACTED

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

Consent Reports/Agenda from:

Report of the Integrity Commissioner			
Item	City Presentation	Delegations	To be Extracted
IC-2016.1 Annual Report of the Integrity Commissioner	<ul style="list-style-type: none">Robert Swayze, Integrity Commissioner		✓

Adoption of the First Report of the Integrity Commissioner.

Audit Committee			
Item	City Presentation	Delegations	To be Extracted
AUD-2016.1 Internal Audit 2016-2018 Work Plan			
AUD-2016.5 2016 Audit Committee Work Plan			

Adoption of balance of Audit Committee First Consent Report - Councillor, Chair Wettstein

Corporate Services Committee			
Item	City Presentation	Delegations	To be Extracted
CS-2016.1 Infrastructure Environment and Funding Options			

Adoption of balance of Corporate Services Committee First Consent Report - Councillor Hofland, Chair

Infrastructure, Development & Enterprise Committee			
Item	City Presentation	Delegations	To be Extracted
IDE-2016.1 Parking Agreement with the Western Hotel Executive Suites Limited, 72 Macdonell Street, Guelph			

Adoption of balance of Infrastructure, Development & Enterprise Committee First Consent Report – Councillor Bell, Chair

Council Consent Agenda			
Item	City Presentation	Delegations	To be Extracted
CON-2016.6 Project List for Potential Infrastructure Funding			
CON-2016.7 Process for Setting CAO Performance Objectives 2016			

Adoption of balance of the Council Consent Agenda.

ITEMS EXTRACTED FROM COMMITTEES OF COUNCIL REPORTS AND COUNCIL CONSENT AGENDA (Chairs to present the extracted items)

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.*

Reports from:

- Report of the Integrity Commissioner
- Audit Committee – Councillor Wettstein
- Corporate Services Committee– Councillor Hofland
- Infrastructure, Development & Enterprise Committee – Councillor Bell
- Consent – Mayor Guthrie

SPECIAL RESOLUTIONS

BY-LAWS

Resolution – Adoption of By-laws (Councillor Wettstein)

MAYOR'S ANNOUNCEMENTS

Please provide any announcements, to the Mayor in writing, by 12 noon on the day of the Council meeting.

NOTICE OF MOTION

ADJOURNMENT

**Minutes of Guelph City Council
Held in the Council Chambers, Guelph City Hall on
Monday January 25, 2016 at 5:00 p.m.**

Attendance

Council:	Mayor Guthrie Councillor P. Allt Councillor B. Bell Councillor C. Billings Councillor C. Downer Councillor D. Gibson	Councillor J. Gordon Councillor M. MacKinnon Councillor L. Piper Councillor M. Salisbury Councillor A. Van Hellemond
Absent:	Councillor J. Hofland Councillor K. Wettstein	
Staff:	Ms. A. Pappert, CAO Mr. M. Amorosi, Deputy CAO of Corporate Services Mr. S. Stewart, Deputy CAO of Infrastructure, Development & Enterprise Mr. D. Thomson, Deputy CAO of Public Services Mr. S. O'Brien, City Clerk Ms. T. Agnello, Deputy City Clerk	

Call to Order (5:00 p.m.)

Mayor Guthrie called the meeting to order.

Authority to Resolve into a Closed Meeting of Council

1. Moved by Councillor Billings
Seconded by Councillor Bell

That the Council of the City of Guelph now hold a meeting that is closed to the public, pursuant to Section 239 (2) (a) (b) and (d) of the *Municipal Act* with respect to security of the property of the municipality; personal matters about identifiable individuals; and labour relations or employee negotiations.

CARRIED

Closed Meeting (5:02 p.m.)

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

The following matters were considered:

**C.2016.1 Guelph Municipal Holdings Inc. Governance and Organization
Performance**

C.2016.2 Correspondence regarding GMHI

C.2016.3 Advisory Committee Member, Closed Meeting Protocol

C.2016.4 CUPE Negotiations

Rise and recess from Closed Meeting (6:57 p.m.)

Council recessed.

Open Meeting (7:00 p.m.)

Mayor Guthrie called the meeting to order.

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

Confirmation of Minutes

1. Moved by Councillor MacKinnon
Seconded by Councillor Gordon

That the minutes of the Council Meetings held December 9, 10 and 14, 2015 and the minutes of the Closed Meeting of Council held December 9, 10 and 14, 2015 be confirmed as recorded and without being read.

VOTING IN FAVOUR: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, MacKinnon, Piper, Salisbury and Van Hellemond and (11)

VOTING AGAINST: (0)

CARRIED

Consent Reports

Council as Shareholder of Guelph Junction Railway First Consent Report

Mayor Guthrie presented the Council as Shareholder of Guelph Junction Railway First Consent Report.

2. Moved by Councillor Billings
Seconded by Councillor Bell

That the January 25, 2016 Council as Shareholder of Guelph Junction Railway First Consent Report as identified below, be adopted:

GJR-2016.1 Appointment of Auditor

That Council approves the appointment of KPMG LLP as auditor of Guelph Junction Railway Ltd. for the fiscal year audits of 2015 through 2019.

VOTING IN FAVOUR: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, MacKinnon, Piper, Salisbury and Van Hellemond (11)

VOTING AGAINST: (0)

CARRIED

Council Consent Agenda

3. Moved by Councillor Gibson
Seconded by Councillor Bell

CON-2016.1 Ministry of Transportation – Connecting Link Program: York Road Reconstruction – Wyndham Street to Ontario Street

1. That Council authorize staff to submit an application to the Ministry of Transportation with respect to the Connecting Link Program for the reconstruction of York Road from Wyndham Street to Ontario Street.
2. That Council authorize staff to confirm to the Ministry of Transportation the following:
 - i. The submitted Application meets the requirements of MTO's Connecting Link Program as described in the Program Guide;
 - ii. A Sustainable Infrastructure report that included connecting links has been completed and publically posted;
 - iii. The municipality will comply with the conditions that apply to designated connecting links under the Highway Traffic Act to ensure the safe and efficient movement of provincial traffic; and
 - iv. The Application is complete and factually accurate.

VOTING IN FAVOUR: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, MacKinnon, Piper, Salisbury and Van Hellemond (11)

VOTING AGAINST: (0)

CARRIED

Mayor's Announcements

The Mayor announced that Council has provided staff with direction and a mandate to begin collective bargaining with the Canadian Union of Public Employees for Locals 241, 973 and the City will negotiate on behalf of CUPE Local 1946 representing the library employees.

Authority to Resolve into a Closed Meeting of Council

4. Moved by Councillor Salisbury
Seconded by Councillor Allt

That the Council of the City of Guelph now hold a meeting that is closed to the public, pursuant to Section 239 (2) (a) and (b) of the *Municipal Act* with respect to security of the property of the municipality and personal matters about identifiable individuals.

CARRIED

Closed Meeting (7:13 p.m.)

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

The following matters were considered:

C.2016.1 Guelph Municipal Holdings Inc. Governance and Organization Performance

Councillor Salisbury left the meeting at 7:25 p.m.

Councillors Allt, Downer, Gordon and Piper left the meeting at 7:36 p.m.

Open Meeting (7:40 p.m.)

Attendance

Council:	Mayor Guthrie Councillor B. Bell Councillor C. Billings Councillor D. Gibson	Councillor J. Gordon Councillor M. MacKinnon Councillor A. Van Hellemond
Absent:	Councillor P. Allt Councillor C. Downer Councillor J. Hofland	Councillor L. Piper Councillor M. Salisbury Councillor Wettstein
Staff:	Ms. A. Pappert, CAO Mr. M. Amorosi, Deputy CAO of Corporate Services Mr. S. O'Brien, City Clerk Ms. T. Agnello, Deputy City Clerk	

Mayor Guthrie called the meeting to order.

By-laws

5. Moved by Councillor Bell
Seconded by Councillor Gordon

That By-laws Numbered (2016)-20003 to (2016)-20008, inclusive, are hereby passed.

VOTING IN FAVOUR: Mayor Guthrie, Councillors Bell, Billings, Gibson, Gordon, MacKinnon and Van Hellemond (7)

VOTING AGAINST: (0)

CARRIED

Mayor Guthrie reported on the following matters addressed in closed:

Minutes – Council Closed Session – December 9, 10 and 14, 2015

These minutes were acknowledged by Council

C-2016.1 Guelph Municipal Holdings Inc. Governance and Organizational Performance

Council received information and this matter is ongoing.

C-2016.2 Correspondence regarding GMHI

Staff were given direction.

C-2016.3 Advisory Committee Members, Closed Meeting Protocol

No action was taken.

C-2016.4 CUPE Negotiations

Staff were given direction.

Adjournment (7:45 p.m.)

6. Moved by Councillor Gordon
Seconded by Councillor MacKinnon

That the meeting be adjourned.

CARRIED

Minutes to be confirmed on February 22, 2016.

Mayor Guthrie

Stephen O'Brien - City Clerk

REPORT OF THE INTEGRITY COMMISSIONER

February 22, 2016

His Worship the Mayor and
Councillors of the City of Guelph.

Your Integrity Commissioner beg leave to present his FIRST REPORT.

If Council wishes to address a specific report in isolation please identify the item. The item will be extracted and dealt with immediately. The balance of Integrity Commissioner Report will be approved in one resolution.

1) Annual Report of the Integrity Commissioner

That the report of the Integrity Commissioner dated February 22, 2016 be received.

All of which is respectfully submitted.

Robert Swayze
Integrity Commissioner

COUNCIL REPORT



TO **Guelph City Council**

FROM Integrity Commissioner

DATE February 22, 2016

SUBJECT Annual Report of the Integrity Commissioner

SUMMARY

Purpose of Report:

To provide a summary of the activities carried out by the Integrity Commissioner during 2015.

Council Action:

To receive the report of the Integrity Commissioner dated February 22, 2016.

RECOMMENDATION

That the report of the Integrity Commissioner dated February 22, 2016 be received.

BACKGROUND

I was appointed Integrity Commissioner for the City of Guelph by By-law on November 28, 2011. My services to the City are covered by Contract number 11-116 which expired on December 31, 2015. A request for proposal has been issued to retain an Integrity Commissioner for the next 5 years. My contract was extended by Council to February 29th, 2016 to bridge the time until the next Integrity Commissioner can be appointed. I currently serve also as the Integrity Commissioner for Mississauga, Brampton, Oakville and several other municipalities in Ontario.

My duties in Guelph as Integrity Commissioner include the following:

1. To provide advice to individual members of Council, Council as a whole, members of City staff and the public on interpretation of the Code;
2. To conduct inquiries into whether a member has contravened any applicable provision of the Code; and
3. To attempt to settle any complaints between a complainant and member.

REPORT

I received no complaints and carried out no investigations in 2015. Similar inactivity was experienced in 2014 and having no investigations for two years is a credit to the conduct of all members of Council during those two years. In my

experience as Integrity Commissioner for five years and as external OMB Counsel to the City for the previous 5 years, the City has a very active citizen base. The Code of Conduct establishes rules of ethics for Councillors to follow and constitutes an offer to all citizens of the City of Guelph to file complaints if any of them feel that any member of Council or Local Board has failed to follow the Code. The current Council deserves congratulations for compliance with the Code of Conduct and displaying accountability and transparency in carrying out their duties.

My activity during the year included advising two members of Council on confidential matters and preparing my 2014 annual report. I also advised the Clerk on several occasions including providing a legal opinion. The total cost to the City was \$5,000.00 for the annual retainer and \$6,174.00 for 25.2 hours of docketed time at \$245 per hour. Disbursements and HST were additional costs.

During the year, I participated in meetings of the Integrity Commissioners of Ontario where all of the Commissioners in Ontario discuss items of mutual interest. I also took part in the AMO conference in Niagara Falls as a member of a panel on the role of the Integrity Commissioner.

Having completed the five year term of my contract serving as Integrity Commissioner for the City, I have appreciated the cooperation and support of all members of Council and staff throughout the term of my contract. My thanks to all.

CORPORATE STRATEGIC PLAN

This report supports strategic direction 2.3: "To ensure accountability, transparency and engagement"

DEPARTMENTAL CONSULTATION

N/A

ATTACHMENTS

None.

Prepared and Recommended By:

Robert J. Swayze
Integrity Commissioner
519-942-0070
robert.swayze@sympatico.ca



Robert J. Swayze
Integrity Commissioner

**CONSENT REPORT OF THE
AUDIT COMMITTEE**

February 22, 2016

His Worship the Mayor and
Councillors of the City of Guelph.

Your Audit Committee beg leave to present their First CONSENT REPORT
as recommended at its meeting of February 2, 2016.

*If Council wishes to address a specific report in isolation please
identify the item. The item will be extracted and dealt with
immediately. The balance of the Consent Report of the Audit
Committee will be approved in one resolution.*

AUD-2016.1 Internal Audit 2016 – 2018 Work Plan

That report CAO-A-1601, Internal Audit 2016-2018 Work Plan, be
approved.

AUD-2016.5 2016 Audit Committee Work Plan

That Report CS-2016-04, 2016 Audit Committee Work Plan, be approved.

All of which is respectfully submitted.

Councillor Karl Wettstein, Chair
Audit Committee

***Please bring the material that was distributed with the Agenda for the
February 2, 2016 Audit Committee meeting.***

STAFF REPORT



TO **Audit Committee**

SERVICE AREA CAO - Administration

DATE February 2, 2016

SUBJECT Internal Audit – 2016 -2018 Work Plan

REPORT NUMBER CAO-A-1601

EXECUTIVE SUMMARY

PURPOSE OF REPORT

This report provides an overview of the work Internal Audit plans to conduct during 2016 as well as those projects identified for audit in 2017 and 2018 for information purposes to Audit Committee and for Council's approval as required by the Internal Audit Charter.

KEY FINDINGS

Audits to be conducted were selected balancing risk priorities and resources and the plan is flexible to allow for consulting and risk management as well as ad hoc and emergency requests that may come up throughout the year.

The plan accommodates at least 4 audits in each year and the successful completion of this plan requires a thorough knowledge and application of accounting and auditing practices and standards accepted by the profession. Part time assistance from an audit trainee has been arranged to assist in completing the planned audits.

FINANCIAL IMPLICATIONS

N/A

ACTION REQUIRED

Audit Committee to refer the Internal Audit Work Plan 2016-2018 as presented in report CAO-A-1601 to Council for approval.

RECOMMENDATION

1. That the report "CAO-A-1601, Internal Audit – 2016-2018 Work Plan, be approved.

STAFF REPORT



BACKGROUND

The Internal Auditor is required annually to submit the work plan to the Audit Committee for information and to Council for approval.

The independent and objective information provided to senior management and Council by the Department in completing the work plan will enable management to strengthen their systems and processes, enhance the efficiency and effectiveness of operations and enable Council to hold management accountable for providing good stewardship of tax payer monies.

New Practices starting 2016

In line with best practice in the field of internal auditing, the Department has:

- (1) formulated a 3-year work plan starting in 2016; and
- (2) established a single annual follow up of all past recommendations going forward replacing separate follow up reports submitted in the past.

The Work Plan process

The process followed in formulating this work plan is as outlined in the Internal Audit Charter approved by Council on October 26, 2015, namely:

- Soliciting, gathering and considering views and priorities of elected officials and management along with Internal Audit concerns; conducting related discussions, reviewing pertinent reports and other documentation;
- Considering risk factors attached to each potential project such as program/project budget and complexity, control environment, reputational concerns, past work conducted by Internal Audit or consultants hired, recent audits conducted by other municipalities and emerging areas of concern for municipalities as applicable to each project; and
- Risk prioritizing and selecting projects for audit given resource considerations, expertise and time availability.

REPORT

Audits, to be conducted, were selected balancing risk priorities and resources and the plan is flexible to allow for consulting and risk management as well as ad hoc and emergency requests that may come up throughout the year.

Appendix A lists projects planned for the year 2016 as well as projects planned for 2017 and 2018. The Internal Auditor may revise the work plan as new information

STAFF REPORT



is received. If revisions are significant (such as replacing one audit with another) this information will be reported to Audit Committee providing reasons for such change.

The limited resources (one qualified Internal Auditor) available to the Department impact the number of projects that can be undertaken in any given year. The plan accommodates at least 4 audits in each year and the successful completion of this plan requires a thorough knowledge and application of accounting and auditing practices and standards accepted by the profession. Part time assistance from an audit trainee has been arranged to assist in completing the planned audits.

The work plan is aggressive. However, every effort will be made to complete substantial field work relating to the audits identified in a given year, within that year. Unexpected circumstances such as potential disruption relating to staffing and/or scope change necessitated by additional information available once in the field, could result in extending the time actually spent in completing an audit. In such circumstances, start dates of subsequently planned audits could be delayed resulting in completion extending to the following year.

The work plan estimates 3 weeks in 2016 and 4 weeks each in 2017 and 2018 towards the Annual Follow up of past audit recommendations. The increase in 2017 and 2018 foresees the increase in reported recommendations that require follow up.

5 weeks have been set aside to address ad hoc/emergency requests and 3 weeks to provide advice to management relating to risk assessment. This time allocation is based on prior year experience.

Internal Audit has a consultant budget of \$25,000 for 2016. The Institute of Internal Auditors' standards require that specialists be retained to ensure sufficient technical expertise is available when conducting complex audits. For 2016, Internal Audit plans to retain a specialist in Fleet to assist in the technical aspects of the Fleet Services audit. In 2017 and 2018, it is conceivable that specialists would need to be retained to conduct audits identified in the Information Technology area.

Data analytics using purchased software is conducted within several municipal audit entities and enables them to efficiently analyze large quantities of data to identify anomalies and thereby leverage limited audit resources.

Internal Audit has agreed to partner with the University of Waterloo School of Accounting and Finance, Masters Accounting program students to conduct a project at the City using Computer Assisted Auditing Techniques to assist in the audit of single source purchases in the summer of 2016. A group of 3 – 4 students will

STAFF REPORT



apply their knowledge of data analytics to pertinent data provided by the City and subsequently submit a report to Internal Audit and their professor as part of their class assignment. The report submitted to Internal Audit at the end of their assignment, will identify potential anomalies for further investigation by the City.

This partnership which provides a unique opportunity to both the City and the students will be coordinated through Internal Audit, with the assistance of Finance and Information Technology Divisions. If successful, this partnership could be beneficial in leveraging limited audit resources in the years ahead.

The Executive Team has been consulted and fully supports the proposed plan.

CORPORATE STRATEGIC PLAN

1.3 Organizational Excellence – Build robust systems, structures and frameworks aligned to strategy.

2.3 Innovation in Local Government – Ensure accountability, transparency and engagement.

DEPARTMENTAL CONSULTATION

The Executive Team was consulted in the development of these recommendations.

COMMUNICATIONS

N/A

ATTACHMENTS

Attachment A: Internal Audit Work Plan 2016 - 2018

Report Author: Ruvani Shaubel, Internal Auditor

Recommended and Approved By

Ruvani Shaubel

Internal Auditor

519-822-1260 x 3373

ruvani.shaubel@guelph.ca

APPENDIX A
2016-2018 AUDIT WORK PLAN

This Work plan assumes current complement of one Internal Auditor. Ongoing part-time assistance from a seconded audit trainee when available is not included in the time allocated.

PROJECTS PLANNED FOR 2016

Name of Audit/Project	Type of Audit¹
Fleet Management and Operations	Value for Money
Single Sourced Purchases	Operational/Compliance
Driver Certification Program Compliance	Compliance
Fuel Security and Systems Audit	Operational
Guelph Library	Operational
Annual Follow Up Audit	Follow Up
Ad Hoc Requests	Various
Risk/Consulting Advice	N/A

PROJECTS PLANNED FOR 2017

Name of Audit/Project	Type of Audit¹
Victoria Road Recreation Centre	Contract Management
Review of Corporate Energy program	Comprehensive
Audit of Warranty Administration	Operational/Compliance
Audit of Governance processes at the City related to wholly-owned Corporations	Compliance
Review of Building Permits	Compliance
Annual Follow Up Audit	Follow Up
Ad Hoc Requests	Various
Risk/Consulting Advice	N/A

PROJECTS PLANNED FOR 2018

Name of Audit/Project	Type of Audit¹
Guelph Police HQ	Contract Management
Human Resources - Time and Attendance Review	Operational
Review - Community Engagement Process	Comprehensive
Review - Property Tax Billing and Collection process	Compliance
Review of IT Asset Management	Comprehensive
Annual Follow Up Audit	Follow Up
Ad Hoc Requests	Various
Risk/Consulting Advice	N/A

¹ Completing Value for Money audits could take anywhere from 9 – 12 weeks; Compliance or Operational or Contract Management audits could take anywhere from 5 to 8 weeks to complete depending on scope and complexity; Scope for each audit will be firmed up once a good understanding of the risks is obtained while in the field.

Internal Audit Work Plan 2016-2018

Agenda

- Purpose
- Process
- Types of Audits, Resources
- 2016 Work Plan
- 2017 and 2018 Projects

Purpose

To bring forward for your information the
Internal Audit Work plan for 2016-2018

Process

- Solicited and gathered information to consider views and priorities of elected officials and management;
- Included Internal Audit's own concerns, audits conducted in other municipalities
- Considered risk factors attached to each potential project –

Types of Audits

- Compliance
- Value for Money/Comprehensive
- Operational
- Financial
- Construction/Contract Management
- Post-implementation audits
- Information Technology
- Investigations

2016 Work Plan

NAME OF AUDIT/OTHER WORK	TYPE OF AUDIT
Fleet Management and Operations	Value for Money
Single Sourced Purchases	Operational/Compliance
Driver Certification Program Compliance	Compliance
Fuel Security and Systems Audit	Operational
Guelph Library	Operational
Annual Follow Up Audit	Follow Up
Ad Hoc Requests	Various
Risk/Consulting Advice	N/A

2017 Work Plan

Name of Audit/Project	Type of Audit
Victoria Road Recreation Centre	Contract Management
Review of Corporate Energy program	Comprehensive
Audit of Warranty Administration	Operational/Compliance
Audit of Governance processes at the City related to wholly-owned Corporations	Compliance
Review of Building Permits	Compliance

2018 Work Plan

Name of Audit/Project	Type of Audit ¹
Guelph Police HQ	Contract Management
Human Resources - Time and Attendance Review	Operational
Review - Community Engagement Process	Comprehensive
Review - Property Tax Billing and Collection process	Compliance
Review of IT Asset Management	Comprehensive

THANK YOU!
Q&A



STAFF REPORT



TO Audit Committee

SERVICE AREA Corporate Services, Finance

DATE February 2, 2016

SUBJECT 2016 Audit Committee Work Plan

REPORT NUMBER CS-2016-04

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To provide Committee members with a 2016 work plan to guide the Audit Committee agenda for the upcoming year.

KEY FINDINGS

The 2016 work plan ensures that Audit Committee meets all the mandated requirements as set by the approved Audit Committee mandate and charter.

FINANCIAL IMPLICATIONS

There are no financial implications resulting from this report.

ACTION REQUIRED

That Report CS-2016-04 entitled 2016 Audit Committee Work Plan be approved.

RECOMMENDATION

That Report CS-2016-04 entitled 2016 Audit Committee Work Plan be approved.

BACKGROUND

The Audit Committee has certain mandated responsibilities and duties that are required to be performed either annually or periodically. This work plan ensures that Committee performs all the required duties for the year and also facilitates a discussion for Committee members to identify other key priorities they would like to focus on.

REPORT

The 2016 Audit Committee annual work plan is attached to this report in ATT-1 and should be used to guide audit committee agendas through the year.

STAFF REPORT

The scheduled 2016 Audit Committee meeting dates are as follows:

February 2, 2016 – 2:00pm

April 5, 2016 – 2:00pm

June 7, 2016 – 2:00pm

September 8, 2016 – 2:00pm

November 1, 2016 – 2:00pm

Other meetings and training workshops can be scheduled on an as-needed basis.

CORPORATE STRATEGIC PLAN

Innovation in Local Government

2.3 Ensure accountability, transparency and engagement

DEPARTMENTAL CONSULTATION

Internal Audit was consulted in the preparation of this report.

FINANCIAL IMPLICATIONS

There are no financial implications resulting from this report.

COMMUNICATIONS

No communication approach is necessary.

ATTACHMENTS

ATT-1 2016 Audit Committee Work Plan

Report Author

Jade Surgeoner

Senior Corporate Analyst, Financial
Accounting and Reporting



Recommended By

Janice Sheehy
GM Finance and City Treasurer
Corporate Services
519-822-1260 Ext. 2289
janice.sheehy@guelph.ca

Approved By

Mark Amorosi
Deputy CAO, Corporate Services
519-822-1260 Ext. 2281
mark.amorosi@guelph.ca

REPORT CS-2016-04 DATED February 2, 2016
ATTACHMENT 1
2016 Audit Committee Work Plan

External Audit	Frequency			Comments
	Annual	Term	Need	
Review the external auditors' proposed audit scope and approach, including coordination of audit effort with City staff	•			Expected to be completed in February 2016 for the 2015 financial statement audit, and November 2016 for the 2016 financial statement audit.
Review with management and the external auditors the result of the audit including any difficulties encountered and all other matters required to be communicated to the Committee under Generally Accepted Auditing standards	•			Expected to be completed in June 2016.
Resolve any disagreements between management and the external auditors regarding financial reporting			•	Will be addressed if the need arises.
At the conclusion of the audit, consult with the external auditors, without the presence of management, regarding internal financial controls, compliance and the fullness and accuracy of the City's financial statements	•			Expected to be completed in June 2016.
Ensure the timely presentation of the external auditor's annual audit report to Council	•			Expected to be completed in June 2016.
Financial Statements	Annual	Term	Need	Comments
Review significant accounting and reporting issues, including complex or unusual transactions, highly judgmental areas and recent professional and regulatory pronouncements and understand their impact on the financial statements	•			Expected to be completed in June 2016.
Review the representation letter provided by management to the external auditors	•			Expected to be completed in June 2016.
Prior to the presentation of the annual financial statements to Council, review the financial statements and consider whether they are complete, consistent with information known to committee members and reflect appropriate accounting principles	•			Expected to be completed in June 2016.
Recommend to Council the approval and distribution of the annual financial statements	•			Expected to be completed in June 2016.
External Auditor Performance and Review	Annual	Term	Need	Comments
Review and confirm the independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the city, including non-audit services, and discussing the relationships with the auditors	•			Expected to be completed in June 2016.
Direct and review the performance evaluation process for the external auditor	•			Expected to be completed in September 2016.
Recommend changes to the external auditor's compensation for Council approval			•	Not required in 2016 - Previous 2015 RFP has established KPMG LLP for term from 2015 - 2019.
Periodically determine whether a RFP should be issued to select an external auditing firm. As per the Ontario Municipal Act 2001 section 296(3), the external auditor shall not be appointed for a term exceeding five years			•	Not required in 2016 - Previous 2015 RFP has established KPMG LLP for term from 2015 - 2019.
Participate in the selection of an external auditing firm by reviewing the RFPs and bids received, interviewing potential auditing firms and recommending the external auditor for final approval to the Council			•	Not required in 2016 - Previous 2015 RFP has established KPMG LLP for term from 2015 - 2019.

Compliance	Annual	Term	Need	Comments
Obtain regular updates from management and others (legal counsel, external auditors) regarding compliance with laws and regulations having a material impact on the financial statements including: tax and financial reporting, legal withholding requirements & environmental protection laws and regulations	•			Expected to be completed in June 2016.
Review by-laws and policies specifically regulating the conduct of members of council, staff and suppliers			•	Will be addressed if the need arises.
Review the findings of any examinations by regulatory agencies and any auditor observations			•	Will be addressed if the need arises.
Discuss with the City Solicitor, any significant legal, compliance, or regulatory matters that may have a material effect on the financial statements or the business of the City, or on the compliance policies of the City			•	Will be addressed if the need arises - City Solicitor also presents a semi-annual legal update to Audit Committee and Council.
Review the results of management's investigation and follow-up for any instances of non-compliance			•	Will be addressed if the need arises.
Review the effectiveness of the system established to ensure compliance			•	Will be addressed if the need arises.
Risk Management & Internal Control	Annual	Term	Need	Comments
Understand the scope of the external auditor's review of internal financial control over financial reporting and obtain reports on significant findings and recommendations, together with management's responses and the timing of the disposition of significant findings	•			Expected to be completed in June 2016 for items relating to the 2015 audit.
Through the use of a risk management framework, assess the financial risks to be managed by the City and any change in significant financial risks	•			Will be addressed through internal audit work plan and on an as needed basis.
Consider the effectiveness of the City's internal control system for the safeguarding of assets, including information technology security and control and the adequacy of policies and procedures			•	Expected to be completed in June 2016.
Review management and program performance regarding efficiency, effectiveness and economy in the use of resources			•	Will be addressed through internal audit work plan and on an as needed basis.
Review the effectiveness of management reporting systems regarding administrative and program performance			•	Will be addressed if the need arises.
Direct other risk management and internal control projects as identified and referred by Council			•	Will be addressed if the need arises.

Internal Audit	Annual	Term	Need	Comments
Establish and review regularly the Internal Auditor Charter	•			Completed September 8, 2015.
Review and approve the internal auditor annual work plan	•			Expected to be completed in February 2016.
Monitor progress of the approved internal audit work plan	•			Expected to be monitored throughout 2016 as audits are completed.
Reporting	Annual	Term	Need	Comments
Ensure the creation of semi-annual information report to Council on progress achieved by the Committee and any concerns or issues that have been identified. The report shall be prepared by the Committee Chair with input from staff	•			Audit Committee expected to receive final report for 2015 in February 2016 to be reported to Council. Mid-year reporting for 2016 expected in September 2016.
Provide an open avenue of communication between the external auditors and City Council	•			Expected to be completed in June 2016.
Adequacy of the City's Resources	Annual	Term	Need	Comments
Review the nature of evolving or developing businesses managed by the City, including those changes occasioned by business or process redesign			•	Will be addressed as the need arises.
As new businesses and ventures are embarked on by the City, gain comfort that all appropriate processes have been put in place to evaluate feasibility of the new business and to ensure proper resources, both human and financial, have been provided			•	Will be addressed as the need arises.
Other	Annual	Term	Need	Comments
In conjunction with management and the external auditors, develop an annual work plan for the Committee that identifies priorities, objectives and timelines for key deliverables	•			Expected to be completed in February 2016.
With Council approval, retain independent counsel, accountants, or others to advise the Committee or assist in the conduct of a review			•	Will be addressed as the need arises.
After consultation with the Treasurer and the external auditors, gain a reasonable assurance, at least annually, of the quality and sufficiency of the City's accounting and financial personnel and other resources	•			Expected to be completed in June 2016.
It is recognized that from time to time, other issues will be referred to the Committee for review and input. These items will be addressed on an as needed basis			•	Will be addressed as the need arises.
Review mandate and make recommendations for change if any		•		Will be addressed as the need arises.
Financial literacy and training	•			As the need arises given the reduced number of meetings.
<p>Legend:</p> <p>Annual - Audit Committee to review each fiscal year</p> <p>Term - Audit Committee to review each term of Council</p> <p>Need - Audit Committee to review when the need arises</p>				

CONSENT REPORT OF THE CORPORATE SERVICES COMMITTEE

February 22, 2016

His Worship the Mayor and
Councillors of the City of Guelph.

Your Corporate Services Committee beg leave to present their FIRST
CONSENT REPORT as recommended at its meeting of February 1, 2016.

*If Council wishes to address a specific report in isolation please
identify the item. The item will be extracted and dealt with
immediately. The balance of the Consent Report of the
Corporate Services Committee will be approved in one resolution.*

CS-2016.1 Infrastructure Environment and Funding Options

1. That staff be directed to work with the Guelph General Hospital on potential funding for upcoming renovations/expansions and to report back by the end of 2016 Q3 to Committee for further consideration.
2. That staff report back to Committee within 2016 Q2 on options for internal operational savings.

All of which is respectfully submitted.

Councillor June Hofland, Chair
Corporate Services Committee

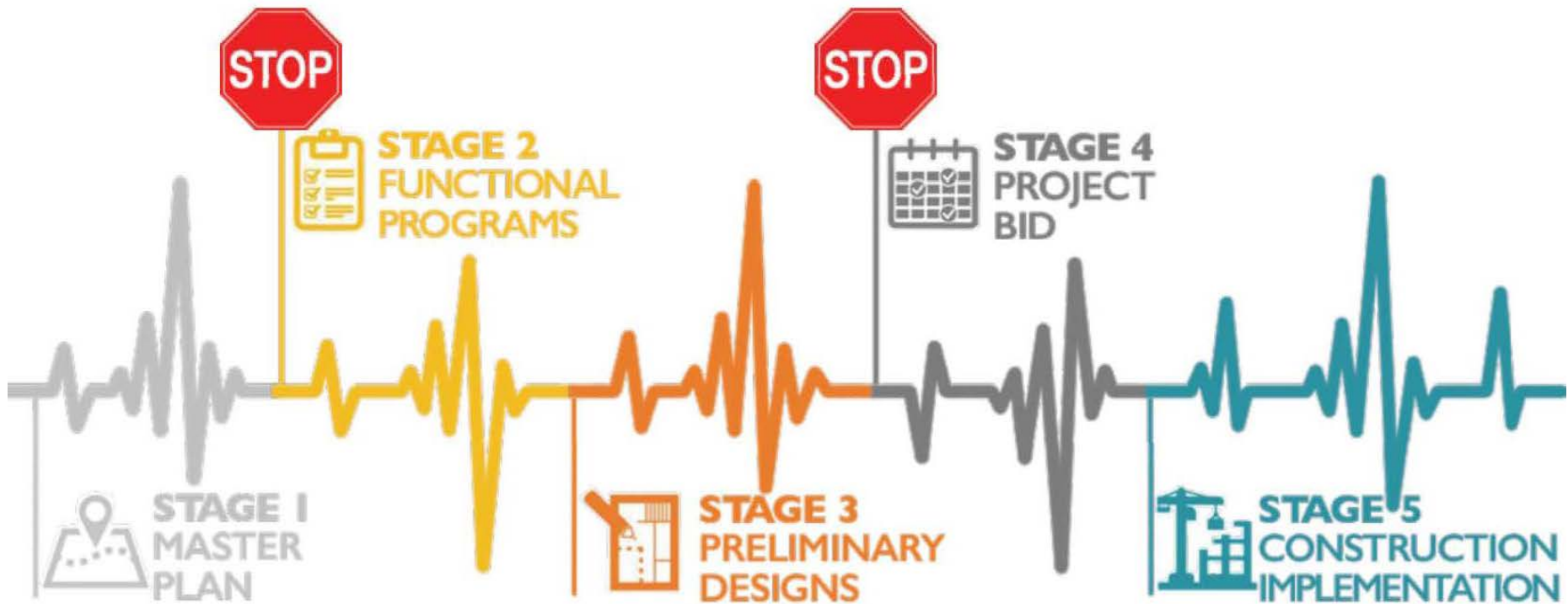


**Presentation to City of Guelph
Corporate Services Committee**

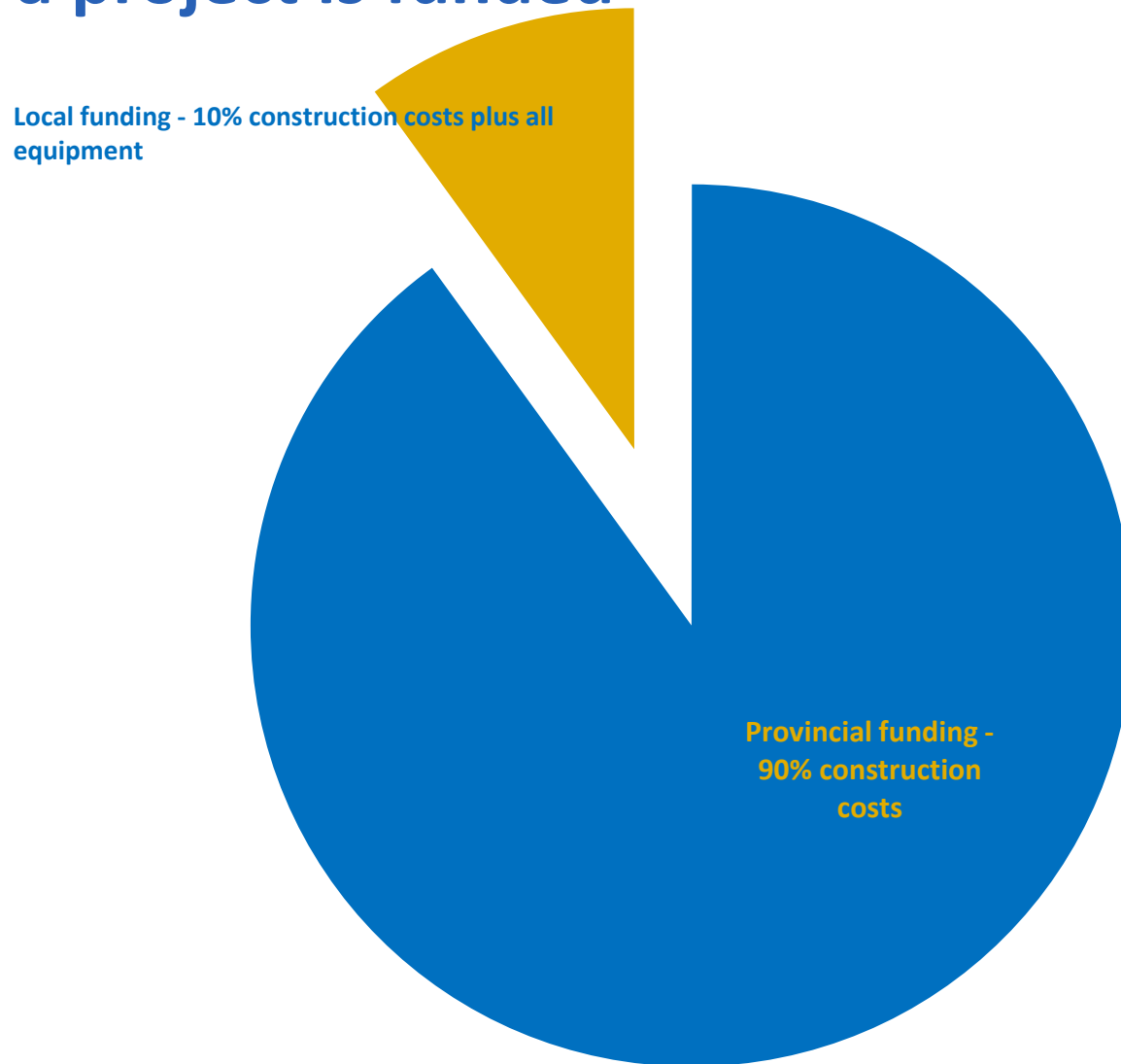
Planning for the future



A Five Stage Process (plus a Stage 0 – pre capital)



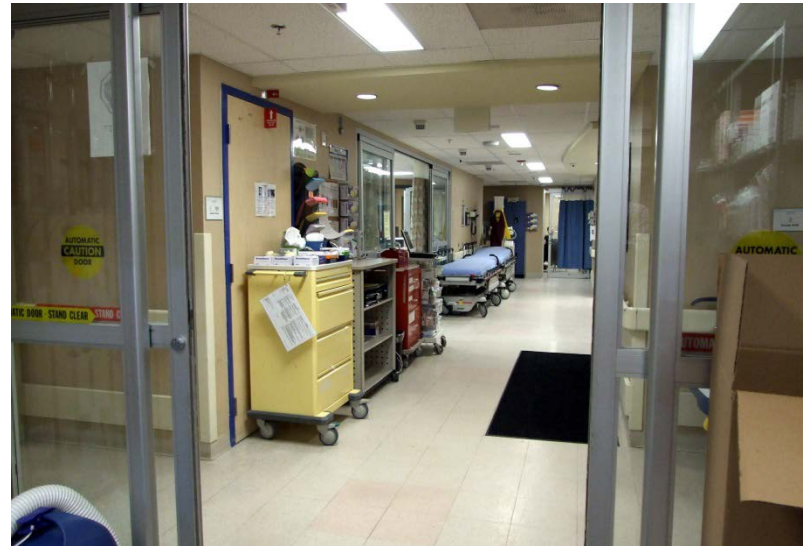
How a project is funded



Emergency Department/Ambulatory Care Expansion

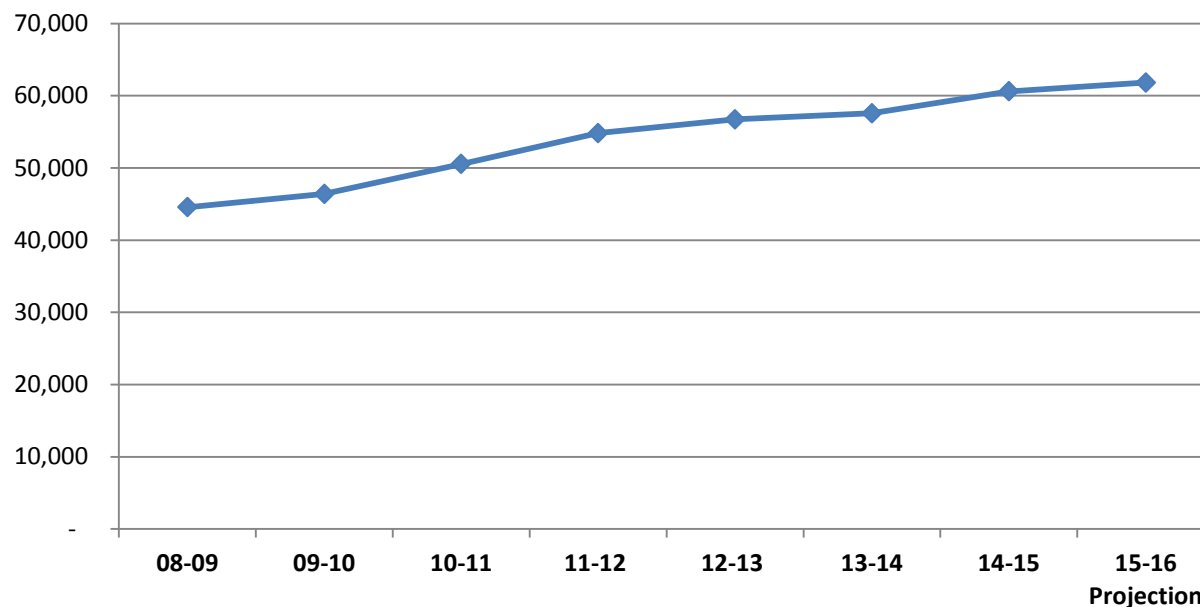


Emergency Department – the issues



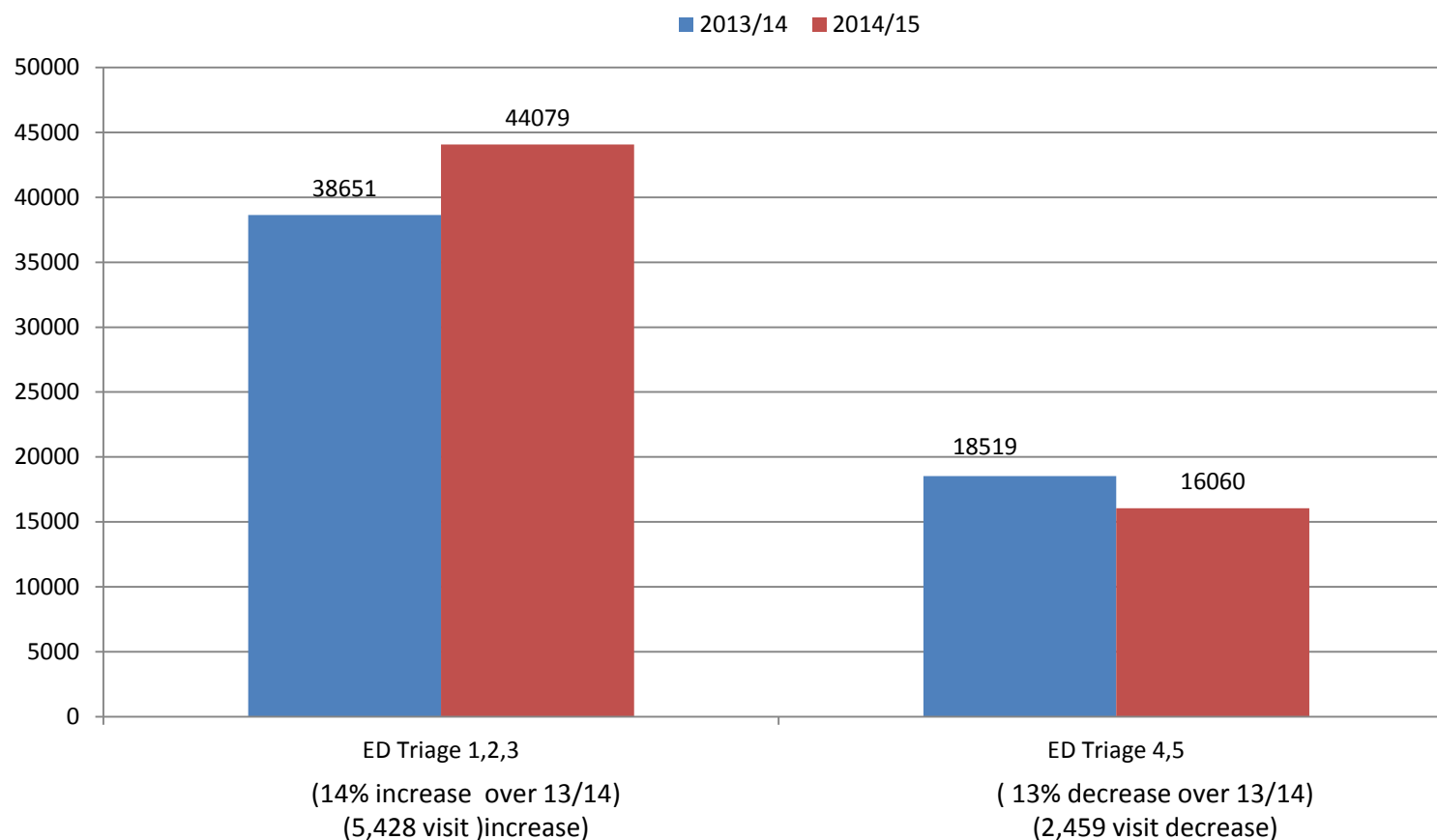
Emergency Department – the numbers

A 39% increase in visits since 2008/2009



Emergency Department – the numbers

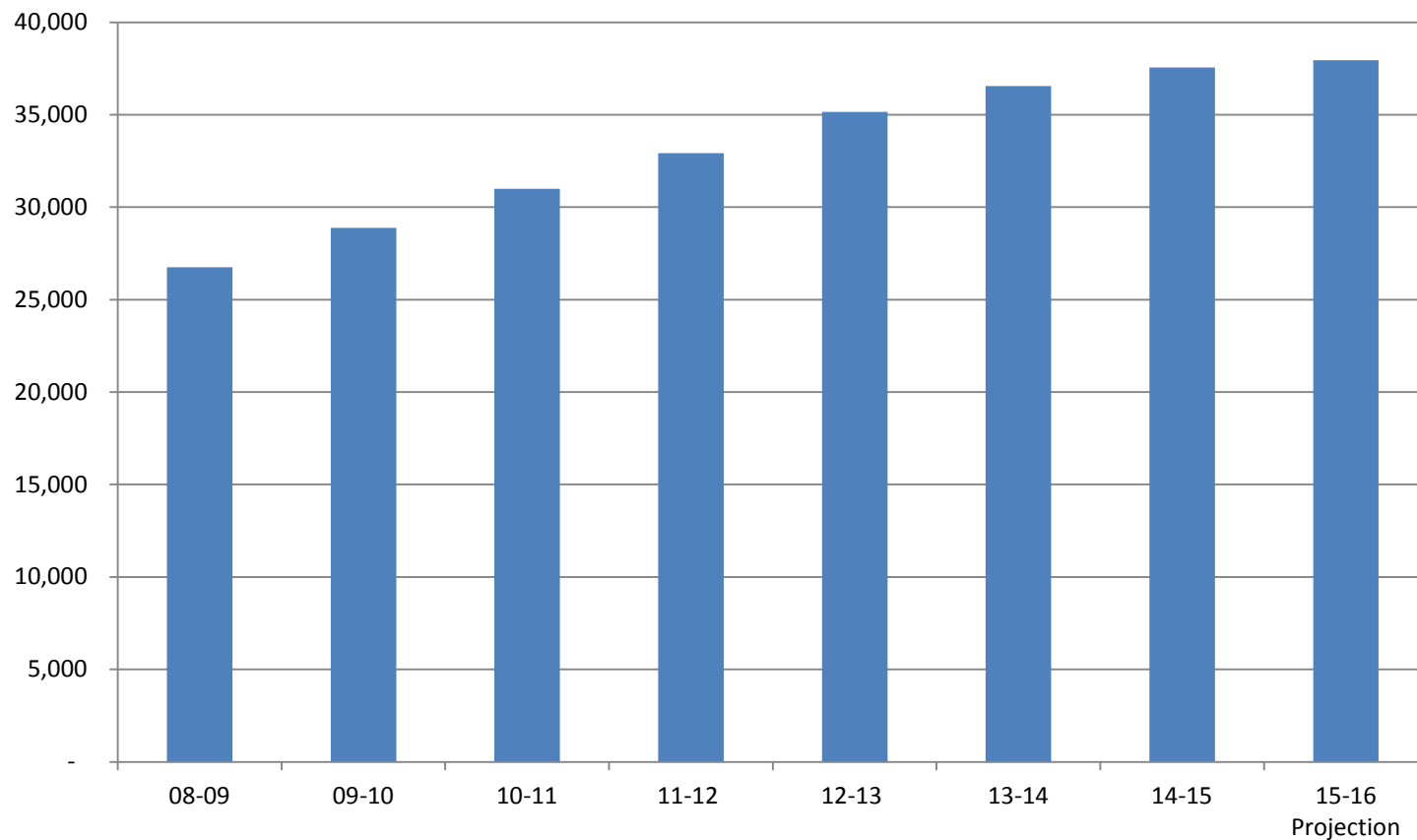
ED Visits by Grouped Triage Levels



Ambulatory Care – the issues



Ambulatory Care – the numbers



We have outgrown our space.

**We expect that more and more
community members will access
our Emergency Department and
Ambulatory Care Unit.**

We are planning an expansion.

Next Steps

Working with the WWLHIN and the Ministry of Health and Long Term Care Capital Branch (Ministry) to gain approval for us to go to Stage 1 of the process.

Initial discussion with City of Guelph regarding local funding partnership possibilities.

Target timeline – Five years to first patient in new Emergency Department/Ambulatory Care

Questions?

**CONSENT REPORT OF THE
INFRASTRUCTURE, DEVELOPMENT & ENTERPRISE COMMITTEE**

February 22, 2016

His Worship the Mayor and
Councillors of the City of Guelph.

Your Infrastructure, Development & Enterprise Committee beg leave to present their FIRST CONSENT REPORT as recommended at its meeting of February 2, 2016.

If Council wishes to address a specific report in isolation please identify the item. The item will be extracted and dealt with immediately. The balance of the Consent Report of the Infrastructure, Development & Enterprise Committee will be approved in one resolution.

IDE-2016.1	Parking Agreement with the Western Hotel Executive Suites Limited, 72 Macdonell Street, Guelph
-------------------	---

1. That Report IDE-BDE-1601 titled "Parking Agreement with the Western Hotel Executive Suites Limited, 72 Macdonell St, Guelph", be received.
2. That staff be directed to proceed with the finalisation of a parking agreement as described in this report between The Western Hotel Executive Suites Limited and the City of Guelph, subject to the satisfaction of the Deputy CAO, Infrastructure, Development and Enterprise and the City Solicitor, and that the Mayor and Clerk be authorized to execute the agreement.

All of which is respectfully submitted.

Councillor Bell, Chair
Infrastructure, Development &
Enterprise Committee

***PLEASE BRING THE MATERIAL THAT WAS DISTRIBUTED WITH THE
AGENDA FOR THE FEBRUARY 2, 2016 INFRASTRUCTURE, DEVELOPMENT &
ENTERPRISE COMMITTEE MEETING.***

STAFF REPORT



TO Infrastructure, Development and Enterprise Committee

SERVICE AREA Infrastructure, Development and Enterprise

DATE February 2, 2016

SUBJECT Parking Agreement with the Western Hotel Executive Suites Limited, 72 Macdonell Street, Guelph

REPORT NUMBER IDE-BDE-1601

EXECUTIVE SUMMARY

PURPOSE OF REPORT

This report seeks Council authorization for staff to complete and have executed a parking agreement between the City and the Western Hotel Executive Suites Limited, for access to up to ten permits within the public parking system, based on a successful pilot offering.

KEY FINDINGS

All non-individual and longer than a single year commitment parking contracts have historically been approved by Council as they reflect longer-term business commitments connected to city-owned facilities.

In 2015 staff undertook a pilot program with the Western Hotel Executive Suites Limited to provide access to up to ten parking permits, at market rates, to the West Parkade to support the launch of the Suites. The pilot project confirmed that the permits are used almost entirely as overnight parking and had negligible impacts on the daytime permit users and the daytime permit waiting lists.

The Downtown Guelph Business Association was supportive of the pilot initiative and the report recommendation. This new business has proven to be an important addition to the mix and vitality of the local economy and further expands Downtown Guelph's offerings.

Staff are identifying in the agreement that impacts will continue to be monitored and mitigation efforts undertaken should the need arise.

FINANCIAL IMPLICATIONS

Permits to be paid at Council approved scheduled rates.

ACTION REQUIRED

Approve.

RECOMMENDATION

1. That Report IDE-BDE-1601 titled "Parking Agreement with the Western Hotel Executive Suites Limited, 72 Macdonell St, Guelph", be received.
2. That staff be directed to proceed with the finalisation of a parking agreement as described in this report between The Western Hotel Executive Suites Limited and the City of Guelph, subject to the satisfaction of the Deputy CAO, Infrastructure, Development and Enterprise and the City Solicitor, and that the Mayor and Clerk be authorized to execute the agreement.

BACKGROUND

The Western Hotel (formerly the Diplomat) at 72 Macdonell has been undergone significant renovations over the last few years. The ground floor restaurant reopened late 2013 as the Western Hotel Burgers & Steaks. The upper storeys are now renovated and opened as the Western Hotel Executive Suites in 2015. Twenty fully-equipped and furnished suites have been created on floors 2-4 and are being offered as short-term-stay accommodation.

In early 2015, the Western Hotel Executive Suites approached City staff to secure parking arrangements for the units as part of making the short-stay hotel functional.

The City has typically engaged Council in the approval of parking commitments outside of the standard one-year individual permit contract format. Skyline, the Co-operators and Old Quebec Street Shoppes are examples of existing valued businesses and properties which utilise the public parking facilities through special agreement.

To better understand the impacts of this request, recognising the constraints on the daytime access to permit parking downtown, and in order to make a long term recommendation, staff to undertook a pilot test by issuing, at market cost, ten daytime permits and swipe cards to access the West Parkade to be managed by the Western Hotel Executive Suites Limited.

The results of the pilot have been analysed and operational kinks worked out between parking staff and the Suites operator over the course of the year and staff are now in a position to make an informed recommendation to Council. A letter from the Western Hotel Executive Suites Ltd is also attached (Attachment 1).

REPORT

The ten permits used in the pilot program could be tracked through the swipe card reader and analysed for impact on daytime inventory. The results showed that overwhelmingly the usage created by the hotel function was through overnight stays and vehicles were not stored over multiple days on a regular basis. During the six months of tracking approximately 2% of the usage days impacted daytime operations.

Staff are recommending, based upon the analysis of the pilot that the City can enter into a longer-term arrangement with the Western Hotel Executive Suites Limited without disrupting the waiting list protocols for access to daytime off-street inventory.

Proposed Parking Agreement Terms will be based on the following:

- Ten permits issued for the West Parkade which is convenient to the hotel but also can use the card access readers available in this facility for monitoring purposes;
- Permits to be issued at commercial daytime rates, subject to the Council approved rate schedule;
- Permits are for the use of registered guests of the Western Hotel Executive Suites Limited only, not staff or visitors;
- Western Hotel Executive Suites Limited will manage the permits, guest and vehicle identification and keep an updated contact list available;
- Staff will continue to monitor usage patterns and operational changes may be required to address issues that arise;
- Standard conditions such as the City reserving the right to temporarily relocate permits due to facility repairs etc. to be incorporated;
- A five-year term with standard renewal, termination and dispute resolution clauses (similar to the City's other long-term parking agreements) is recommended.

This approach has allowed the successful launch of a new enterprise in Downtown Guelph and further supports additional utilisation of the public parking system.

CORPORATE STRATEGIC PLAN

3.2 Be economically viable, resilient, diverse and attractive for business.

DEPARTMENTAL CONSULTATION

Business Development & Enterprise: Parking and Transportation Services

STAFF REPORT

In addition, the Downtown Guelph Business Association has been consulted and has provided the attached letter of support (see Attachment 2).

FINANCIAL IMPLICATIONS

The Parking Agreement will require payment for permits based on Council approved rates.

All other costs associated with permits will also be applicable, for example, should they lose a permit they will be required to pay the standard replacement fees.

COMMUNICATIONS

N/A

ATTACHMENTS

- ATT-1 Letter – Western Hotel Executive Suites Ltd.
ATT-2 Letter of Support – Downtown Guelph Business Association

Report Author

Ian Panabaker, CAHP, MRAIC
Manager, Downtown Renewal
Business Development & Enterprise



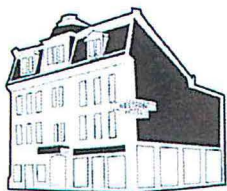
Approved By

Peter Cartwright
General Manager
Business Development & Enterprise
519-822-1260, ext. 2820
peter.cartwright@guelph.ca



Recommended By

Scott Stewart, C.E.T.
Deputy CAO
Infrastructure, Development and Enterprise
519-822-1260, ext. 5606
scott.stewart@guelph.ca



WESTERN
HOTEL
& EXECUTIVE SUITES

72 MACDONELL STREET
GUELPH, ONTARIO N1H 2Z6

January 14, 2016

City of Guelph
Ian Panabaker
Corporate Manager, Downtown Renewal
Business Development and Enterprise
1 Carden Street
Guelph, ON N1H 3A1

Dear Mr. Panabaker:

RE: Western Hotel & Executive Suites – Parking Pilot Program

We are writing today to update you on the success of the guest parking pilot project for at our hotel.

The project has served us well thus far, allowing our guests the convenience of hassle-free parking in close proximity to our establishment.

Our boutique hotel in Downtown Guelph relies heavily on the availability of these parking passes; on many weekends we are completely full.

Since our opening in the Spring of 2015, we have won two awards: The Architectural Conservancy of Ontario's Gordon Couling Award, and the Guelph Chamber of Commerce Stewardship award. These awards would mean nothing if we were unable to provide parking for our guests, and to that end we thank you for your assistance in getting this program up and running.

Regards,


per Tony DiBattista
519 658-3260



January 2016.

Ian Panabaker,
Corporate Manager, Downtown Renewal,
Business Development and Enterprise,
City of Guelph.

Dear Mr. Panabaker,

Please consider this letter in support of moving to a more permanent arrangement for guest parking at the Western Hotel. As I understand it, the pilot project has been a great success: the guests have proximate parking and there has been no discernible impact on other users.

As we expected, the guests of the hotel are using it most when demand is especially light (evenings and overnight) and now that the trial period is over, we believe it is prudent and reasonable to move towards a more permanent arrangement.

It is clear that the hotel guests are in less competition for parking spaces, and moreover that providing this service has been a boon to the hotel and to businesses in Downtown Guelph. On behalf of the Downtown Guelph Business Association I ask that you make a more permanent arrangement with the Western Hotel so that we will continue to reap the broad benefits of this new generator of economic activity.

Sincerely,

A handwritten signature in dark ink that reads "Marty".

Marty Williams,
Executive Director,
Downtown Guelph Business Association.

DOWNTOWN GUELPH BUSINESS ASSOCIATION

202-42 Wyndham Street North, Guelph, Ontario N1H 4E6 P 519.836.6144 F 519.767.0698 www.downtownguelph.com

CONSENT AGENDA

February 22, 2016

His Worship the Mayor
and
Members of Guelph City Council.

SUMMARY OF REPORTS:

The following resolutions have been prepared to facilitate Council's consideration of the various matters and are suggested for consideration. If Council 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 Consent Agenda will be approved in one resolution.

A REPORTS FROM ADMINISTRATIVE STAFF

REPORT	DIRECTION
CON-2016.6 Project List for Potential Infrastructure Funding To be determined following the February 11, 2016 Council meeting.	
CON-2016.7 Process for Setting CAO Performance Objectives 2016 Information will be provided on the addendum.	

attach.

- BYLAWS -

- February 22, 2016 -

<p>By-law Number (2016)-20019 A by-law to authorize the execute a Professional Consulting Services Agreement between The Corporation of the City of Guelph and MTE Consultants Inc. (Kortright East Phase 4 Subdivision)</p>	<p>To execute a professional consulting services agreement with respect to Kortright East Phase 4 subdivision.</p>
<p>By-law Number (2016)-20020 A by-law to authorize the execution of an Engineering Services Agreement between 2382917 Ontario Inc. and The Corporation of the City of Guelph. (Kortright East Phase 4 Subdivision)</p>	<p>To execute an engineering services agreement with respect to Kortright East Phase 4 Subdivision.</p>
<p>By-law (2016)-20021 A by-law to amend By-law Number (2002)-17017 (to remove Stone Rd. E., Village Green Dr. to Victoria Rd., 40 km/h [temporary during Stone Rd. E. construction – summer 2014]; to remove Stone Rd. E., Victoria Rd. to easterly City limits, 60 km/h; to remove Stone Rd. W., Mary Phelan Catholic School Elementary School Zone, 40 km/h When flashing 8:00 a.m. to 9:00 a.m., 3:00 p.m. to 4:00 p.m.; to add Stone Rd. E., 14m east of Village Green Dr. to easterly City limits, 60 km/h; in the Speed Limits XII Schedule).</p>	<p>To amend the Traffic By-law.</p>