

COMMITTEE AGENDA



TO **Corporate Administration, Finance and Enterprise Committee**

DATE February 3, 2014

LOCATION Council Chambers, Guelph City Hall, 1 Carden Street

TIME 5:30 p.m.

DISCLOSURE OF PECUNIARY INTEREST AND GENERAL NATURE THEREOF

CONFIRMATION OF MINUTES- December 3, 2013 open and closed meeting minutes

PRESENTATIONS (Items with no accompanying report)

- a) None

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 & Enterprise Committee Consent Agenda will be approved in one resolution.

ITEM	CITY PRESENTATION	DELEGATIONS	TO BE EXTRACTED
CAFE-2014.1 Budget Impacts per Ontario Regulation 284/09 & 2014 Budget PSAB Reconciliation			
CAFE-2014.2 2014 Operating and Capital Variance Reporting Schedule			
CAFE-2014.3 Outstanding CAFE Committee Motions for the Finance & Enterprise Service Area			

Resolution to adopt the balance of the Corporate Administration, Finance & Enterprise 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.

STAFF UPDATES AND ANNOUNCEMENTS

ADJOURN

NEXT MEETING: March 3, 2014



**The Corporation of the City of Guelph
Corporate Administration, Finance and Enterprise Committee
Tuesday December 3, 2013 at 6:30 p.m.**

Attendance

Members: Chair Hofland Councillor Laidlaw
Mayor Farbridge Councillor Wettstein

Absent: Councillor Kovach

Councillors: Councillor Bell Councillor Guthrie
Councillor Dennis Councilor Van Hellemond

Staff: Ms. A. Pappert, Chief Administrative Officer
Mr. A. Horsman, Executive Director, Finance & Enterprise/Chief Financial Officer
Mr. M. Amorosi, Executive Director, Corporate & Human Resources
Ms. T. Agnello, Deputy Clerk
Ms. J. Sweeney, Council Committee Coordinator

Call to Order (6:30 p.m.)

Chair Hofland called the meeting to order.

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

Confirmation of Minutes

1. Moved by Councillor Laidlaw
Seconded by Mayor Farbridge

That the open meeting minutes of the Corporate Administration, Finance and Enterprise Committee held on November 12, 2013 be confirmed as recorded.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Hofland, Laidlaw and Wettstein (4)

VOTING AGAINST: (0)

CARRIED

Consent Agenda

The following items were extracted:

CAFE-2013.40 September 2013 Operating Variance Report

CAFE-2013.41 2013 Efficiency Target Final Update
CAFE-2013.42 Metrolinx Contribution Agreement

Balance of Consent Items

2. Moved by Councillor Laidlaw
Seconded by Councillor Wettstein

That the balance of the Corporate Administration, Finance and Enterprise Committee December 3, 2013 Consent Agenda, as identified below, be adopted:

CAFE-2013.38 Corporate Asset Management Program

1. That FIN-13.52 Corporate Asset Management Program report be received.
2. That the "Corporate Asset Management Program Policy" attached to FIN-13-52 as Appendix 1 be approved.

CAFE-2013.39 2013 Q3 Capital Budget Monitoring Report

1. That FIN-13-51 Q3 Capital Budget Monitoring Report be received

VOTING IN FAVOUR: Mayor Farbridge, Councillors Hofland, Laidlaw and Wettstein (4)
VOTING AGAINST: (0)

CARRIED

Authority to Resolve into a Closed Meeting

3. Moved by Mayor Farbridge
Seconded by Councillor Wettstein

That the Corporate Administration, Finance and Enterprise Committee now hold a meeting that is closed to the public with respect to Sec. 239(2) (b) and (c) of the *Municipal Act* with respect to personal matters about identifiable individuals and proposed or pending acquisition or disposition of land.

CARRIED

Closed Meeting (6:35 p.m.)

The following matters were considered:

CAFE-2013.1 Citizen Appointments to the Economic Development Advisory Committee

CAFE-2103.2 Metrolinx Contribution Agreement

Rise from Closed Meeting (6:48 p.m.)

4. Moved by Councillor Laidlaw
Seconded by Councillor Wettstein

That the Corporate Administration, Finance and Enterprise Committee rise from its closed meeting.

CARRIED

Open Meeting (6:48 p.m.)

Extracted Items

CAFE-2013.42 Metrolinx Contribution Agreement

5. Moved by Councillor Laidlaw
Seconded by Mayor Farbridge

1. That the Mayor and Clerk be authorized to execute the Metrolinx Contribution Agreement as described in report FIN-13-49.
2. That staff be directed to contribute at least \$150,000 annually into a reserve fund towards satisfying this commitment.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Hofland, Laidlaw and Wettstein (4)
VOTING AGAINST: (0)

CARRIED

CAFE-2013.40 September 2013 Operating Variance Report

6. Moved by Councillor Wettstein
Seconded by Councillor Laidlaw

1. That report FIN-13-50 September 2013 Operating Variance Report be received for information.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Hofland, Laidlaw and Wettstein (4)
VOTING AGAINST: (0)

CARRIED

Councillor Wettstein retired from the meeting at 7:04 p.m.

CAFE-2013.41 2013 Efficiency Target final Update

7. Moved by Mayor Farbridge
Seconded by Councillor Laidlaw

1. That FIN-13-53, "2013 Efficiency Target Progress Update" be received for information.

VOTING IN FAVOUR: Mayor Farbridge, Councillors Hofland and Laidlaw (3)

VOTING AGAINST: (0)

CARRIED

The Chair thanked members of the Committee for their work over the past year.

The Chair advised that the Committee dealt with all but one item on the Committee's Rolling Calendar and that the outstanding items list will be coming forward in February 2014.

Adjournment (7:06 p.m.)

8. Moved by Councillor Laidlaw
Seconded by Mayor Farbridge

That the meeting be adjourned.

CARRIED

Tina Agnello – Deputy Clerk

**CORPORATE ADMINISTRATION, FINANCE & ENTERPRISE COMMITTEE
CONSENT AGENDA**

February 3, 2014

Members of the Corporate Administration, Finance & Enterprise 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 & Enterprise Committee Consent Agenda will be approved in one resolution.

A Reports from Administrative Staff

REPORT	DIRECTION
<p>CAFE-2014.1 BUDGET IMPACTS PER ONTARIO REGULATION 284/09 & 2014 BUDGET PSAB RECONCILIATION</p> <p>1. That Council approve compliance report FIN-14-06 Budget Impacts per Ontario Regulation 284/09 and PSAB Budget Reconciliation included in Table 1 and Attachment 2 respectively.</p>	Approve
<p>CAFE-2014.2 2014 OPERATING AND CAPITAL VARIANCE REPORTING SCHEDULE</p> <p>1. That report FIN-14-08 2014 Operating and Capital Variance Reporting Schedule be received for information.</p>	Receive
<p>CAFE-2014.3 OUTSTANDING CAFE COMMITTEE MOTIONS FOR THE FINANCE & ENTERPRISE SERVICE AREA</p> <p>1. That report FIN-14-02 dated February 3, 2014 regarding outstanding motions of the Corporate Administration, Finance & Enterprise Committee, be received.</p>	Receive

attach.

STAFF REPORT



TO CAFES

SERVICE AREA Finance & Enterprise

DATE February 3, 2014

SUBJECT Budget Impacts per Ontario Regulation 284/09 & 2014 Budget PSAB Reconciliation

REPORT NUMBER FIN-14-06

EXECUTIVE SUMMARY

PURPOSE OF REPORT

- To provide Council with the budget impact of amortization, post-employment benefit costs and landfill post-closure costs in accordance with Ontario Regulation 284/09.
- To further provide a reconciliation of the 2014 City of Guelph Tax Supported and Non-Tax Supported budgets to a full-accrual presentation required by the Public Sector Accounting Board (PSAB) for the annual financial statements.

KEY FINDINGS

Ontario Regulation 284/09

The impact of excluding amortization, post-employment benefits and solid waste landfill post-closure expenses from the City of Guelph's budget is a decrease in the 2014 year-end accumulated surplus of \$41,555,639 (Table 1).

Public Sector Accounting Board (PSAB)

While Ontario Regulation 284/09 requires that the report to Council should include budget information for the items detailed above, there is also a requirement to report an approved budget on the same basis as the annual financial statements which are prepared in accordance with PSAB standards. For this reason, additional amendments related to debt, reserves and reserve fund transfers and other capital related revenues and expenses are reported to present the 2014 Budget in accordance with PSAB (Attachment 2).

FINANCIAL IMPLICATIONS

There are no direct financial implications associated with this report. However, the information contained in this report will be reflected in the 2014 annual audited financial statements.

ACTION REQUIRED

STAFF REPORT



That Council approve compliance report FIN-14-06 Budget Impacts per Ontario Regulation 284/09 and PSAB Budget Reconciliation included in Table 1 and Attachment 2 respectively.

RECOMMENDATION

That Council approve compliance report FIN-14-06 Budget Impacts per Ontario Regulation 284/09 and PSAB Budget Reconciliation included in Table 1 and Attachment 2 respectively.

BACKGROUND

Ontario Regulation 284/09

Provincial requirements as contained in Ontario Regulation 284/09 allow municipalities to exclude the following expenses from their municipal budgets:

- Amortization expense on tangible capital assets
- Post-employment benefit expenses
- Solid waste landfill post-closure expenses

However, municipalities must report on the impact of excluding these expenses from the annual budget, prior to the final adoption of the budget. A compliance report was first presented to Council for the 2010 Budget and the City has prepared it annually since then.

The City of Guelph excludes amortization, post-employment benefits and solid waste landfill post-closure expenses from its budget, therefore this report is prepared to inform Council of the impact on the 2014 surplus and accumulated year-end surplus if these expenses had been included in the 2014 Budget. This is for information purposes only and has no impact on the long-term financial planning strategy of the City.

Council is required to adopt this report by resolution, prior to the final approval of the 2014 Budget.

PSAB Accrual Accounting Requirement

PSAB sets financial accounting and reporting standards for municipalities and other levels of government. These standards require the City to record revenues and expenses using an accrual basis. This means that revenues are recognized in the period in which they are earned; expenses are recognized in the period in which they are incurred. In addition, transfers between funds and internal charges/recoveries among City departments must be eliminated from the financial statements as these are deemed to not be revenues or expenses to the City as a whole. Finally there are

STAFF REPORT



a number of transactions that are presented differently on the financial statements that also require adjustments including debt principle payments, capital asset acquisitions and the disposition of long-term liabilities / receivables. The accumulated surplus/deficit at the beginning and end of the year must be reported after recognizing all these accrual accounting impacts.

REPORT

Ontario Regulation 284/09

As allowed under the Ontario Regulation 284/09 which was introduced by the Province of Ontario in 2009, the City of Guelph excludes the following expenses from its proposed 2014 tax supported operating and enterprise budgets:

1. Amortization Expense

Amortization expense for 2014 is estimated to be \$38.0 million. Amortization reflects the allocation of the cost of tangible capital assets over their useful lives. It is also a means of setting funds aside for the future replacement of capital assets. However, this amount is inadequate to cover the future financial requirements for asset replacement due to the difference between the historical cost of assets which forms the basis of amortization and the replacement cost of those assets.

In order to meet the annual financial commitment required for asset replacement, the City of Guelph includes in its 2014 tax supported operating and non-tax supported operating budgets contributions of \$42.1 million to capital reserves. These contributions will provide on-going funding for capital replacement and rehabilitation. The level of reserve contributions was informed in part by the Infrastructure Sustainability Report prepared by Engineering Services for long-term capital planning and funding purposes.

2. Post-Employment Benefit Expenses

Post-Employment Benefit expenses are benefits to be paid to employees in the future for their service while employed with the City. These include medical and dental benefits for eligible retirees, Workplace Safety and Insurance Board benefits, and retirement benefits earned over the employment life of eligible employee groups.

Post-Employment Benefit expenses to be paid in the future are not included in the City's budgets. However, the City does budget an annual transfer to reserves to build funding for the ultimate payment of these costs. The 2014 budget includes funds of \$1.7 million for the current year's contribution to the post employment benefit reserves. The total 2014 cost

STAFF REPORT



of these post-retirement benefits is estimated to be \$3.6 million which includes the increase in the post-employment liability and the current year post-employment payments. While this shortfall will be met through the City’s compensation reserves when they become payable, it is deducted from the current year surplus in the table below to show its impact on 2014 Budgets.

3. Solid waste landfill post-closure expenses

Though Ontario Regulation 284/09 allows municipalities to exclude solid waste landfill post-closure expenses from their budgets, the City of Guelph continues to budget for the current year expense related to the closure of its solid waste landfill site in 2003. This is separate from the accounting treatment of the annual reduction of the post-closure liability that was calculated and set up in 2008 in order to comply with PSAB requirements.

The estimated decrease of \$100,000 in the City’s liability for solid waste landfill post-closure costs is added back in the table below to show its impact on the City’s surplus.

Table 1. Ontario Regulation 284/09 Budget Impact

Amortization	-\$38,000,000
Post-Employment Benefits	-\$3,655,639
Decrease in Landfill Post-Closure Liability	\$100,000
Total Impact	-\$41,555,639

PSAB Accrual Accounting Requirement

To reflect the impact of all accruals as required by PSAB, the City reports its accumulated surplus after necessary adjustments to recognize only the period’s revenues and expenses and exclude transfers between funds and internal charges/recoveries among City departments. To this end, costs that relate to assets that will not be consumed in 2014 are removed from the budgeted capital expenses. As well, items that would not have been included as expenses/revenues under accrual accounting are removed from 2014 budgeted figures while those that would have been accrued are now added to the total expenditures and revenues.

Attachment 2 shows the reconciliation of the City’s Council approved 2014 budget from a cash basis to an accrual basis according to the PSAB format and states the amended accumulated surplus at the year-end. This reconciliation

STAFF REPORT



shows both the required adjustments under Ontario Regulation 284/09 as well as the additional amendments for accrual accounting.

The projected accumulated surplus at the beginning of the year is \$1,017,458,000. The annual surplus in 2014 is estimated to be \$40,966,307 resulting in an estimated year-end accumulated surplus of \$1,058,424,307.

CORPORATE STRATEGIC PLAN

1.3 Ensure accountability, transparency and engagement

DEPARTMENTAL CONSULTATION

N/A

COMMUNICATIONS

N/A

ATTACHMENTS

Attachment 1: Ontario Regulation 284/09 Budget Matters- Expenses

Attachment 2: 2014 Tax Supported & Non-Tax Supported Budgets (Unconsolidated)
PSAB Reconciliation

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ONTARIO REGULATION 284/09

made under the

MUNICIPAL ACT, 2001

Made: July 31, 2009

Filed: July 31, 2009

Published on e-Laws: August 4, 2009

Printed in *The Ontario Gazette*: August 15, 2009

BUDGET MATTERS — EXPENSES

Exclusion

1. In preparing the budget for a year, a municipality or local board may exclude from the estimated expenses described in paragraph 3 of subsection 289 (2) and in paragraph 3 of subsection 290 (2) of the Act all or a portion of the following:

1. Amortization expenses.
2. Post-employment benefits expenses.
3. Solid waste landfill closure and post-closure expenses.

Report

2. (1) For 2011 and subsequent years, the municipality or local board shall, before adopting a budget for the year that excludes any of the expenses listed in section 1,

- (a) prepare a report about the excluded expenses; and
- (b) adopt the report by resolution.

(2) If a municipality or local board plans to adopt or has adopted a budget for 2010 that excludes any of the expenses listed in section 1, the municipality or local board shall, within 60 days after receiving its audited financial statements for 2009,

- (a) prepare a report about the excluded expenses; and
- (b) adopt the report by resolution.

Contents

3. A report under section 2 shall contain at least the following:

1. An estimate of the change in the accumulated surplus of the municipality or local board to the end of the year resulting from the exclusion of any of the expenses listed in section 1.

2. An analysis of the estimated impact of the exclusion of any of the expenses listed in section 1 on the future tangible capital asset funding requirements of the municipality or local board.

Review

4. The Ministry of Municipal Affairs and Housing shall initiate a review of this Regulation on or before December 31, 2012.

Commencement

5. **This Regulation is deemed to have come into force on January 1, 2009.**

Made by:

JIM WATSON

Minister of Municipal Affairs and Housing

Date made: July 31, 2009.

[Back to top](#)

Attachment 2
2014 City of Guelph Tax Supported & Non-Tax Supported Budgets (Unconsolidated)
PSAB Reconciliation

2014 Approved Budgets (Prepared on a Cash Basis)	
Revenues	\$
Operating	(328,467,033)
Capital	(79,744,000)
Total Revenues	(408,211,033)
Expenses	
Operating	328,467,033
Non-Tangible Capital	5,500,000
Capital	74,244,000
Total Expenditures	408,211,033
Net Budget	-
Adjustments Required to Reconcile to an Accrual Based Budget	
<i>Reductions to Revenues</i>	
Transfers from Reserves/Reserve Funds ⁽¹⁾	56,093,030
<i>Increases to Revenues</i>	
Contributed Subdivision Assets ⁽²⁾	(10,000,000)
<i>Reductions to Expenditures</i>	
Transfers to Reserve/Reserve Funds ⁽³⁾	(49,493,924)
Capital Expenses ⁽⁴⁾	(74,244,000)
Debt Principal Payments ⁽⁵⁾	(8,964,022)
Reduction of Post-Closure Landfill Liability ⁽⁶⁾	(100,000)
<i>Increases to Expenditures</i>	
Tax Increment Based Grant Program ⁽⁷⁾	4,086,970
Post-Employment Benefits ⁽⁸⁾	3,655,639
Amortization of Tangible Capital Assets ⁽⁹⁾	38,000,000
Annual (Surplus)/Deficit	(40,966,307)
Accumulated Surplus, beginning of the year	1,017,458,000
Accumulated Surplus, end of the year	1,058,424,307

- (1) "Transfers from Reserve/Reserve Funds" are the budgeted amounts transferred from reserves to fund expenditures, mainly related to capital work. These are not considered revenue under PSAB accounting because transfers are not revenues received from external sources. Funds are recorded as revenue at the time they are received as part of tax revenue or grant revenue.
- (2) "Contributed Subdivision Assets" are non-cash accounting revenue recognised upon the City taking ownership of new subdivision infrastructure within the City limits. The City budgets for costs of maintenance and replacement of assets in the year when the service is required.
- (3) "Transfers to Reserve/Reserve Funds" are the budgeted contributions to reserves to fund future expenditures included in the City's operating budget. These are not considered as expenses under PSAB accounting because transfers represent re-allocation of funds internally and are not actual payments to external entities. Funds are recorded as expenses when goods / services are received by the City.
- (4) "Capital Expenses" is the amount budgeted to be spent on capital projects in the City's capital budget. Capital acquisition costs are not considered as expenses under PSAB accounting as they are capitalized on the balance sheet as tangible capital assets and amortized as an expense over the useful life of the assets
- (5) "Debt principal payments" are included in the City's operating budget in order to set aside the funds required to pay the principal portion of the current year's debt obligations. These are not considered an expense under PSAB accounting; instead debt principal is recorded as a reduction of the City's long-term debt liability.
- (6) "Reduction of Post-Closure Landfill Liability" is a non-cash accounting revenue that is excluded from the City's operating budget. The City, in conformance with PSAB accounting rules, set up a liability in 2008 that accounted for the present value of the total expected costs associated with the closure of the landfill site in 2003. The City continues to budget on a cash basis for the annual post closure costs necessitating an adjustment to reduce the initial estimated liability.
- (7) "Tax Increment Based Grant Program" is included as a transfer to reserves in the City's operating budget in order to set aside the funds required to cover the long-term obligations expected under the program. These grants are considered expenses under PSAB and are recorded when the grant is approved.
- (8) "Post Employment Benefits" are expenditures related to benefits earned over the life of employees' service and are paid upon retirement or injury. The City budgets for contributions to reserves annually to fund future obligations but under PSAB, the expenditures are recorded over the employment life of the employees.
- (9) "Amortization of tangible capital assets" is a non-cash expense and is therefore not included in the City's operating budget. However, amortization is considered an expense under PSAB accounting and has been added to expenditures for financial reporting purposes.

STAFF REPORT



TO CAFES

SERVICE AREA Finance and Enterprise

DATE February 3, 2014

SUBJECT 2014 Operating and Capital Variance Reporting Schedule

REPORT NUMBER FIN-14-08

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To provide the timeline for reporting operating and capital variance to Council.

KEY FINDINGS

Operating variance reporting is scheduled as quarterly reports for the periods ending on the last day of the month for March, June, September and December. The December report will be a preliminary report based on the initial year-end results and will be followed by a final report based on audited 2014 financial statements. This will bring the number of reports to a total of five for the year. Capital Variance Reports will be produced quarterly; the last quarter report will be the year-end report.

FINANCIAL IMPLICATIONS

There are no financial implications to this report.

ACTION REQUIRED

That report FIN-14-08 2014 Operating and Capital Variance Reporting Schedule be received for information.

RECOMMENDATION

That report FIN-14-08 2014 Operating and Capital Variance Reporting Schedule be received for information.

BACKGROUND

Budget monitoring is an integral part of the budget process through which City staff ensure that revenue and expenditures are kept within the Council-approved budget and the principles of the Budget Monitoring Policy are abided with. Hence, once the annual budget is approved, actual expenditures are monitored and compared against the budget and any potentially significant variances are brought to the Executive Team's attention for mitigating measures to be put in place.

STAFF REPORT



The purpose of quarterly variance reporting is to provide information to Council on actual expenditures for the period under review as well as projected variances as at the year-end. Periodic variance reports also enable Council to perform its governance function while being provided assurance that approved service levels are maintained and management continues to be accountable for City resources.

Annually, the City produces four quarterly operating variance reports and a final year-end report that is based on the audited financial statements. This is in line with standard variance reporting practice as found in other municipalities in our comparator group.

However, four operating variance reports (including the year-end reports) are prepared in the year following an election year resulting from the delayed passing of the budget.

REPORT

In 2014, the Finance Department in consultation with City Departments will prepare five operating variance reports for Council including the preliminary and final year-end variance reports.

The preliminary 2013 year-end report is based on initial financial information as at the end of the year. As the financial statements are prepared, additional accounting entries such as final reconciliation between the county, interest on reserves and auditor findings may affect the final year-end results. Therefore, a final year-end variance report is prepared and presented to Council. This report will be based on the audited financial statements and will include recommendations from the Executive Team to Council for the allocation of year-end surplus to appropriate reserves and reserve funds.

Capital variance reports are produced four times a year to coincide with the operating variance reports to give a full financial picture to Council. Because of the differing nature of capital projects, only the final year-end capital variance report is prepared and this provides information on all capital expenditures and the financial impacts of closed projects.

The following table outlines the proposed capital and operating variance reporting schedule for 2014. This variance reporting schedule will be incorporated into the overall rolling calendar for Council.

STAFF REPORT



Table 1. 2014 Capital & Operating Variance Reporting Schedule

Report	Committee/Council Meeting Dates
December 2013 Year-end Operating Variance Report (Preliminary)	April 7 CAFES
December 2013 Year-end Capital Variance Report (Final)	May 5 CAFES
December 2013 Year-end Operating Variance Report (Final)	June 10 CAFES
March 2014 Capital & Operating Variance Reports	June 10 CAFES
June 2014 Capital & Operating Variance Reports	Sep 2 - Special Council
Sept. 2014 Capital & Operating Variance Reports	Dec 1 - Inaugural Council

December 2014 Operating Variance Report (Prelim) will be produced in early 2015. The final Operating and the Capital Variance Report will be produced at the same time as the audited financial statements.

CORPORATE STRATEGIC PLAN

Frequent monitoring of City spending will ensure corporate objective 2.3: *Ensure accountability, transparency and engagement.*

DEPARTMENTAL CONSULTATION

Management in each Service Area is responsible for financial accountability by ensuring that spending is within the Council approved budget. Finance Department, in consultation with the Executive Team, ensures accurate recording of transactions and is responsible for preparing the variance reports.

COMMUNICATIONS

None

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STAFF REPORT



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STAFF REPORT



TO Corporate Administration, Finance & Enterprise Committee

SERVICE AREA Finance & Enterprise Services

DATE February 3, 2014

SUBJECT Outstanding CAFE Committee Motions for the Finance & Enterprise Service Area

REPORT NUMBER FIN-14-02

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To advise the Corporate Administration, Finance & Enterprise Committee of the status of all outstanding Committee resolutions, and to advise the Committee if there are any outstanding resolutions that may no longer be of community and Council interest.

KEY FINDINGS

Staff are continuing to plan work required to address outstanding motions previously passed by the Committee. In some cases, motions previously passed may no longer be of community interest or have the same level of priority, based on more recent events or circumstances.

Staff have reviewed all outstanding motions for the CAFE Committee and are recommending that 7 outstanding motions no longer be given priority for staff/budgetary resources and be eliminated from the outstanding motion list. A further 6 items are being recommended to remain on the outstanding motion list and continue to be resourced in accordance with the approved annual budget. The status of all outstanding motions is provided in Attachments 1 and 2.

FINANCIAL IMPLICATIONS

There are no direct financial implications.

ACTION REQUIRED

To be advised of the status/timing of all outstanding CAFE Committee motions and to update the outstanding motion list by eliminating any motions no longer of priority to the Committee.

RECOMMENDATION

“That report FIN-14-02 dated February 3, 2014 regarding outstanding motions of the Corporate Administration, Finance & Enterprise Committee, be received.”

STAFF REPORT



BACKGROUND

For some time, with input from the Clerk's Department, a record of outstanding motions of Committee has been maintained. The Executive Team has decided to bring to each Committee of Council an update of all outstanding motions. The biannual report may include recommendations, where appropriate, to eliminate from the list any outstanding motions that may no longer be of priority to the Committee. The current report is the second biannual report and covers reports presented up until November 30, 2013.

REPORT

Please find attached for information (1) outstanding motion list for the CAFE Committee, including the status of the work and the timing, when available, for when the work may be completed and (2) the completed motion list.

CORPORATE STRATEGIC PLAN

Innovation in Local Government

2.3 Ensure accountability, transparency and engagement.

DEPARTMENTAL CONSULTATION

Office of the CAO

Community and Social Services

Executive Team

Planning, Building, Engineering and Environment

COMMUNICATIONS

N/A

ATTACHMENTS

Attachment 1: Finance & Enterprise Services Outstanding Resolutions

Attachment 2: Finance & Enterprise Services Completed Resolutions

"original signed by Al Horsman"

Approved and Recommended By

Al Horsman

Executive Director and CFO

Finance and Enterprise Services

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FINANCE AND ENTERPRISE SERVICES
Council/Committee Outstanding Items
FIN-14-02 Attachment 1

Date	Resolution	Contact/Dept	Status
FINANCE AND ENTERPRISE SERVICES			
Nov 12, 2013 Report # FIN-DR-13-03	Downtown Renewal Update and Guelph Economic Investment Strategy Discussion That the Downtown Renewal Update and Guelph Economic Investment Strategy Discussion be referred to November 25, 2013 Council. 1. That Downtown Renewal Report FIN-DR-13-03, "Downtown Entertainment District: Safe Semester Update", dated October 15, 2013, be received. 2. That the financial directions recommended in report FIN-DR-13-03 related to the continued financial support for the Safe Semester Project and to end further study of a Bar Stool Tax, October 15, 2013, be approved. 3. That a summary of full annual costs associated with late night downtown bars (policing and clean-up), be referred back to the Corporate Administration, Finance & Enterprise Committee. 4. That a request be made to the Guelph Police Services Board to provide the information.	Ian Panabaker	Issue has been addressed. At the October 28, 2013 Council meeting Council directed that a summary of annual costs be provided by the Guelph Police Services Board.
Sept 16, 2013 Report # FIN-13-36	June 2013 Operating Variance Report be received for information and; That staff provide the Corporate Administration, Finance and Enterprise Committee with a monthly update on the operating variance including the efficiency, target until the end of 2013, and that this monthly update is in addition to the quarterly report to the Committee.	Sarah Purton	Staff having been providing updates to Council with respect to the 2013 operating variance status. The Q3 2103 variance report is being presented to CAFE Committee on December 3, 2013.
Sept 16, 2013 Report # FIN-ED-13-05	Disposition and Redevelopment of Property Framework 200 Beverley Street, Guelph, Ontario (former IMICO) 1. That Council receive report FIN-ED-13-05. 2. That Council direct staff to proceed with the process to attract an investor that will acquire and redevelop 200 Beverley Street as described in report FIN-ED-13-05. 3. That Council direct staff to report back at the key milestones outlined in report FIN-ED-13-05 regarding the status of the process to attract an investor that will acquire and redevelop 200 Beverley Street.	Peter Cartwright	Work is proceeding with respect to this initiative. The RFP to identify and retain outside real estate/development advisory services has been developed and is to be issued in early January, with the intent of awarding a contract by the end of January. Environmental monitoring of the property continues and is scheduled for completion by the end of January. Meetings have been scheduled for early January with Waterfront Toronto and the City of Hamilton to understand

FINANCE AND ENTERPRISE SERVICES

Council/Committee Outstanding Items

FIN-14-02 Attachment 1

Date	Resolution	Contact/Dept	Status
			<p>and consider their respective approaches to marketing and funding their brownfield properties for possible adoption by the City of Guelph.</p> <p>These on-going activities will be summarized in a report to Committee and Council by March 2014. The report will address activities to date, as well as to seek direction from Council regarding the next steps to market the property.</p>
<p>July 15, 2013 Report # FIN-13-31</p>	<p>2013 Efficiency Target Progress Update be received and; 1. That new revenue not be included in the reporting on the 2013 Efficiency Target. 2. That staff include in their reporting on the 2013 Efficiency Target a summary of their approaches to engage employees in identifying opportunities for efficiency and continuous improvement.</p>	<p>Sarah Purton</p>	<p>Since the July 2013 report, staff have excluded new revenue and identified approaches taken to engaging employees. A formal update on the 2013 Efficiency Target is being presented to CAFE committee on December 3, 2013.</p>
<p>July 15, 2013 Report # FIN-13-30</p>	<p>2014 Capital Budget Framework That correspondence received with respect to active transportation capital budget funding requests be referred to the October 1st capital budget meeting.</p>	<p>Sarah Purton</p>	<p>Issue has been addressed through discussions and further direction to staff at the October 1, 2103 capital budget meeting.</p>
<p>July 15, 2013 Report # FIN-13-32</p>	<p>Property Taxes for Condominiums be received for information. Amendment That the matter of "willing properties", those who want to three stream their waste, be referred to the Waste Management Master Plan Update to consider options. Main Motion as Amended 1. That the matter of "willing properties", those who want to three stream their waste, be referred to the Waste Management Master Plan Update to consider options.</p>	<p>Gail Nisbet</p>	<p>Referred to the Waste Management Planning Committee within PBEE to consider options – Report going forward to Council December 9, 2013.</p>
<p>May 27,2013 Report # FIN-13-19 CAFES TO COUNCIL</p>	<p>2014 Budget Schedule Main Motion 1. That the 2014 Budget Schedule identified in Finance Report FIN-13-19 "2014 Budget Schedule" be approved. First Amendment That the budget meeting of October 1, 2014 be amended</p>	<p>Andrew Pike</p>	<p>Issue has been addressed. Council approved the schedule as amended at its meeting of May 27th, 2013.</p>

FINANCE AND ENTERPRISE SERVICES
Council/Committee Outstanding Items
FIN-14-02 Attachment 1

Date	Resolution	Contact/Dept	Status
	<p>to accommodate delegations to address Capital Budget items. Second Amendment That the 2014 Budget Schedule on page 5 of the Report FIN-13-19", be amended to remove the meeting of May 13th and to include reference to the July 15th Corporate Administration, Finance & Enterprise Committee meeting when the budget framework report was scheduled to come forward. Main Motion as Amended</p> <ol style="list-style-type: none"> 1. That the 2014 Budget Schedule identified in Finance Report FIN-13-19 "2014 Budget Schedule" be approved as amended. 2. That the October 1, 2014 Presentation of the Tax Supported Capital Budget meeting serve to accommodate delegations to address Capital Budget items. 		
<p>April 29, 2013 Council</p>	<p>That Property Tax Policy, specifically as it relates to all classes ratio, be looked at to establish a long term objective and rationale for these categories in advance of the next tax policy annual review. (2013 Property Tax Policy)</p>	<p>Finance & Enterprise (Gail)</p>	<p>Scheduled for CAFE and Council consideration March 2014.</p>
<p>April 29, 2013 Council</p>	<p>That staff report back in September 2013 with results of their additional research on growth (volume) measures. (2014 Budget Workshop Follow-up and Responses)</p>	<p>Finance & Enterprise (Al/Katrina)</p>	<p>Issue has been addressed. The 2014 Budget Guideline was based on a predictable formula including a measure for growth (volume). This measure will continue to be refined during the 2015 Budget development process.</p>
<p>April 15 2013 FIN-13-12</p>	<p>2013 Property Tax Policy</p> <ol style="list-style-type: none"> 1. That the 2013 City of Guelph Property Tax Policies as set out in Schedule 1 be approved; 2. That the following tax policies be incorporated into the tax rate, ratio and capping by-laws and submitted to Council on April 29, 2013: <ol style="list-style-type: none"> b) That the industrial tax ratio be reduced from 2.63 to 2.5237; c) That all other class ratios and vacancy discounts remain the same as 2012; d) That the capping parameters used for 2012 be adopted for 2013; e) That all other tax policies, including optional property classes, graduated tax rates, relief to charities, 	<p>Gail Nisbet</p>	<p>Scheduled for Annual report – April 2014.</p>

FINANCE AND ENTERPRISE SERVICES

Council/Committee Outstanding Items

FIN-14-02 Attachment 1

Date	Resolution	Contact/Dept	Status
	<p>low income and disabled persons (as detailed in Schedule 1 to Report FIN-13-12) remain the same as 2012.</p> <p align="center">and</p> <p>That the following tax policies be incorporated into the tax rate, ratio and capping by-laws and submitted to Council on April 29, 2013:</p> <p>a) That the multi-residential ratio be reduced from 2.1659 to 2.1239;</p>		
<p>March 11 2013 FIN-13-07</p>	<p>Renegotiation of the Elliott Promissory Note Agreement</p> <ol style="list-style-type: none"> 1. That Report FIN-13-07 "Renegotiation of The Elliott Promissory Note Agreement" be approved; 2. That Council authorizes the Treasurer to renegotiate the Promissory Note Agreement in accordance with the terms as outlined in the staff recommended option and with the direction that all reissuance costs incurred in 2011 be recovered. 	<p>Tara Baker</p>	<p>This has been completed – agreement was renegotiated in March 2013. This item can be removed off the listing.</p>
<p>September 24, 2012 Council</p>	<p>That a summary of the costs and benefits associated with late night downtown bars be referred to the CAFE Committee for discussion and direction to staff; And that a summary of the costs and benefits associated with late night downtown bars be undertaken following the pilot program; And that the matter of preparing the report be referred to the Manager of Downtown Renewal to report back to CAFE Committee.</p>	<p>Finance & Enterprise (Downtown Renewal) (Ian P)</p>	<p>Issue addressed: Report presented at November 12, 2013 CAFE.</p>
<p>January 9, 2012</p>	<p>Staff requested to report back to Committee with a policy relating to operating variance reporting.</p>	<p>Finance (Sarah)</p>	<p>Issue has been addressed and an operating variance reporting policy was approved by Council.</p>

FINANCE AND ENTERPRISE SERVICES
Council/Committee COMPLETED Items
FIN-14-02 Attachment 2

Date	Resolution	Contact/Dept	Status
FINANCE AND ENTERPRISE SERVICES			COMPLETED AND REMOVED FROM OUTSTANDING LIST
July 15, 2013 Report # FIN-13-28	1. That the report, dated July 15, 2013, regarding outstanding motions of the Corporate, Administration, Finance & Enterprise Committee, be received. 2. THAT the following motions, previously passed by the Corporate, Administration, Finance & Enterprise Committee of Council, be eliminated from staff work plans and from the outstanding motion list, based on reasons provided	Al Horsman	Reports highlighted below in the completed Resolutions section of this document are covered by this Resolution
July 4, 2011 (Council)	THAT Councillor Furfaro's Notice of Motion which was passed by Council July 4, 2011, be received and referred to staff. THAT staff develop and provide options to Council for promoting the Market Square area, the options to include potential programs, initiatives and partnerships with our neighbours, and that the program use \$175,000 as a guideline budget limit; AND THAT this request be referred to the CAFES Committee with a direction that staff bring these options back for review by Council in Sept. 2011 taking into consideration: differentiation and weighting of businesses; if the funding can be found in the current budget; highlighting if any of the delays that were beyond the City's control.	Downtown Renewal(Ian P)	Issue has been addressed. Recommendation passed at the September 6, 2011 Council Meeting. DGBA received grant money to manage promotional program and report back.
March 3, 2011	THAT the matter of the budget format and process be referred to the CAFES Committee for consideration.	Finance (Sarah)	Issue has been addressed. Budget format has been adjusted per feedback received from Council following the 2011 budget. In 2012 there was a debrief process to address concerns and receive input. A similar debrief occurred in early 2013 following the approval of the budget.
August 9, 2010	THAT the request from St. Joseph's Health Centre Foundation for a \$1.2 million contribution to their capital campaign be referred to the 2011 budget process; AND THAT staff prepare a report prior to the budget deliberations outlining the history of health care funding in the City and previous capital campaign contributions the City had made.	Finance (Sarah)	Issue has been addressed. St. Joseph's has delegated at Public Delegation night in 2012 and 2013. Due to other health care funding commitments the grant has not been awarded. The history of Health Care spending was outlined in a report provided to Council as part of the Community Investment Strategy undertaken by Community and Social Services. We also provided an overview of health care spending as part of the 2013 budget package (see Appendix C - 2013 Tax Supported Q&A's (pg.

FINANCE AND ENTERPRISE SERVICES
Council/Committee COMPLETED Items
FIN-14-02 Attachment 2

Date	Resolution	Contact/Dept	Status
June 15, 2009	THAT staff be directed to report back to FACS with a response to the request from Westminster Square Ltd. to waive development charges for the medical clinic in Westminster Woods. (33 Farley)	Finance (Wendy, Mary)	5)). Issue has not been addressed and does not need to be addressed. As at Dec 7, 2012 the building has not been initiated. Non-compliance issues with the Site Plan Approval regarding the first 2 buildings on the site have not been resolved; this may be one reason why the DC issue on the 3rd building has remained outstanding. The "medical clinic" referred to is the Guelph Family Health Team which occupies offices at multiple locations throughout the city including the Village By the Arboretum for which DC's were paid in 2003. In fact, all of their offices are located within buildings for which impost or DC/s have been paid. When the Developer continues with this building, if the Guelph Family Health Team is still interested in becoming their tenant, there are no grounds to exempt them from paying DC's.
November 5, 2008	THAT the request from the Guelph & District Labour Council with respect to adopting a procurement policy with respect to Buy Canadian – Build Communities", be received; AND THAT the correspondence be referred to staff to consider in conjunction with the procurement procedures review.	Finance (Bill Stewart)	Issue has been addressed. This issue had been addressed verbally by the former CFO. Per the CFO's verbal update, reporting on the City of Guelph procurement of goods and services for monies spent, percentage of Canadian dollars expended, etc. is now included in the City's annual Making a Difference Report. Consideration for fair trade concerns is also made within the trade agreements that the City is governed under.
December 5, 2007	THAT staff be directed to develop a policy addressing requests from community organizations for relief from development costs.	Finance (Wendy)	Issue has been addressed. Corporate Policy effective Sept 2012 entitled "Community Wellbeing Grant Program" was issued by CSS as part of their 2013 Wellbeing Grant Program. Policy describes the procedure to be followed by not-for-profit community groups and agencies to apply for a grant which they may then use to pay their DC's.
October 3, 2007	THAT staff report back to FACS with a strategy on how to address health related capital funding needs proactively.	Finance (Sarah)	Issue has been addressed. This is included in the scope of the Community Investment Strategy (CSS responsibility)