

INFORMATION ITEMS

Week Ending September 23, 2016

REPORTS

1. 2016 Interim Investment Performance Report
2. External Auditor Performance Review
3. 2016 Audit Committee Work Plan Status Report
4. Litigation Status Report

INTERGOVERNMENTAL CONSULTATIONS

1. Let's Talk Housing
2. Ontario Municipal Board Reform

CORRESPONDENCE

1. None

BOARDS & COMMITTEES

1. Water Conservation and Efficiency Public Advisory Committee –
Resignation from Bryan Ho-Yan

ITEMS AVAILABLE IN THE CLERK'S OFFICE

1. None

Information Report

Service Area Corporate Services

Date Friday, September 23, 2016

Subject 2016 Interim Investment Performance Report

Report Number CS-2016-41

Executive Summary

Purpose of Report

To report on the interim 2016 investment portfolio performance and holdings as required by Ontario Regulation 438/97 of the Municipal Act, 2001, and the City's, Council approved Investment Policy.

Key Findings

The City has earned \$3.5 million in investment interest income as of June 30, 2016. This is \$0.2 million less than the budgeted amount and \$0.8 million more than the same period in 2015 (\$2.7 million).

The City also earned a \$1.0 million in capital gains on the sale of investments made prior to their maturity dates in order to capitalize on the volatile bond market.

The average rate of interest return in the first half of 2016 has declined to 1.77% as compared to 2.13% in 2015. This drop in interest return is due to the reduction in interest rates that were announced by the Bank of Canada on January 21, 2015 and July 17, 2015. These decreases have reduced the daily interest rates on the City's operating account with the Toronto Dominion Bank down to 1.03% since August of 2015. Similarly, all short/long term investments that have matured during the past year, historically realizing much higher returns, have not been able to be re-invested at such favourable rates since the market no longer offers them. The decline in the rate of return was offset by a higher cash and investment balance which is why overall interest income is up from 2015. Including the \$1.0 million in capital gains, the average rate of return improves to 2.27% as of June 30, 2016.

Financial Implications

Investment income reduces the amount otherwise required from property taxation to finance City services, as well as increasing the value of reserve funds used to finance capital projects.

Report

BACKGROUND

Ontario Regulation 438/97 of the *Municipal Act, 2001*, requires a municipality to adopt a statement of investment policies and goals and requires an investment report to be provided to Council at least annually. This report has been prepared in compliance with this regulation.

The primary objectives of the investment policy are as follows:

- Adherence to statutory requirements,
- Preservation of capital,
- Maintaining liquidity, and
- Earning a competitive rate of return

Provincial legislation requires that the Treasurer submit an investment report to Council, each year or more frequently as specified by Council. The City's current Investment Policy requires a report on the financial position, investment performance, market value, and compliance status of the portfolio at least twice per year.

Definitions

Carrying Value – Also known as book value. The portion of an asset's value that is not depreciated. Carrying value is not market value, which is determined by market forces, such as stock prices.

Face Value - Also called par value. The value of a bond or another type of debt instrument at maturity.

Market Value - The price at which a security currently can be sold.

A. Statement of Performance

The cash and investment positions (carrying value) of the City are as follows:

	Jun 30, 2016 (Carrying Value)	Jun 30, 2015 (Carrying Value)
Long-Term	\$ 186,035,726	\$ 172,426,199
Short-Term	\$ 65,065,393	\$ 45,000,000
Total Investments	\$ 251,101,119	\$ 217,426,199
Cash	\$ 63,976,803	\$ 79,303,608
Total	\$315,077,922	\$296,729,807

The total investment and cash market value as at June 30, 2016 was \$318.6 million (2015 - \$301.2 million).

The details of the City's specific investment portfolio as at June 30, 2016 are attached in the Investment Portfolio by Issuer (ATT-3) and the Investment Portfolio by Security (ATT-4).

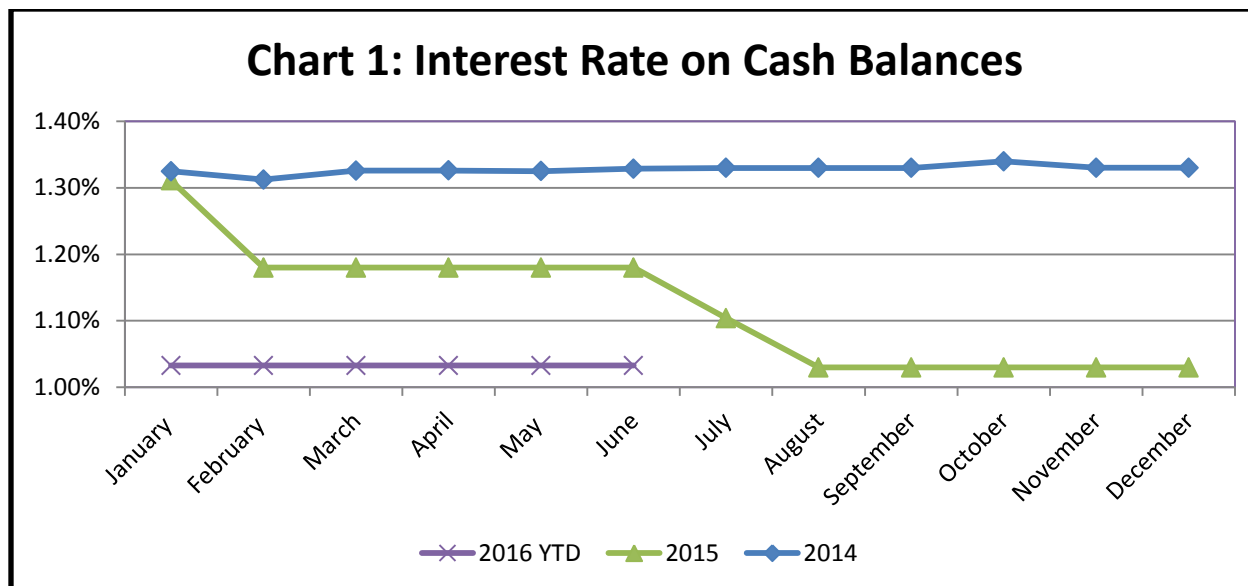
Interest earned on investments and cash as of June 30, 2016 was \$3.5 million, slightly less than budget by \$200k, but increased from June 30, 2015 earnings of \$2.7 million (+30%). The City also earned \$1.0 million in capital gains on the sale of some investments made prior to their maturity dates in order to capitalize on the volatile bond market. This was an unbudgeted gain and will be used to offset the projected losses due to the low interest rate environment and the low Canadian dollar. Any remaining gain will be allocated to the reserve and reserve funds in accordance with the General Reserve and Reserve Fund Policy.

The carrying value of the total investment portfolio as of June 30, 2016 was \$251.1 million, plus cash holdings of \$64.0 million. This computes to an average rate of return of 1.77% (2015 - 2.13%). With the inclusion of the capital gain, the average rate of return for 2016 increases to 2.27% as of June 30, 2016. City staff caution against the benchmarking of capital gain returns in 2016 as these are a one-time return due to the current market conditions. City staff made the decision to sell investments prior to maturity in order to capitalize on the volatile bond market which continues to be unforeseen going forward.

Investment income earned on investments and cash balances will be allocated to the reserve and reserve funds at year end in proportion to their average balances. This is in accordance with the City's General Reserve and Reserve Fund Policy.

2016 Interim Investment Activity - Cash

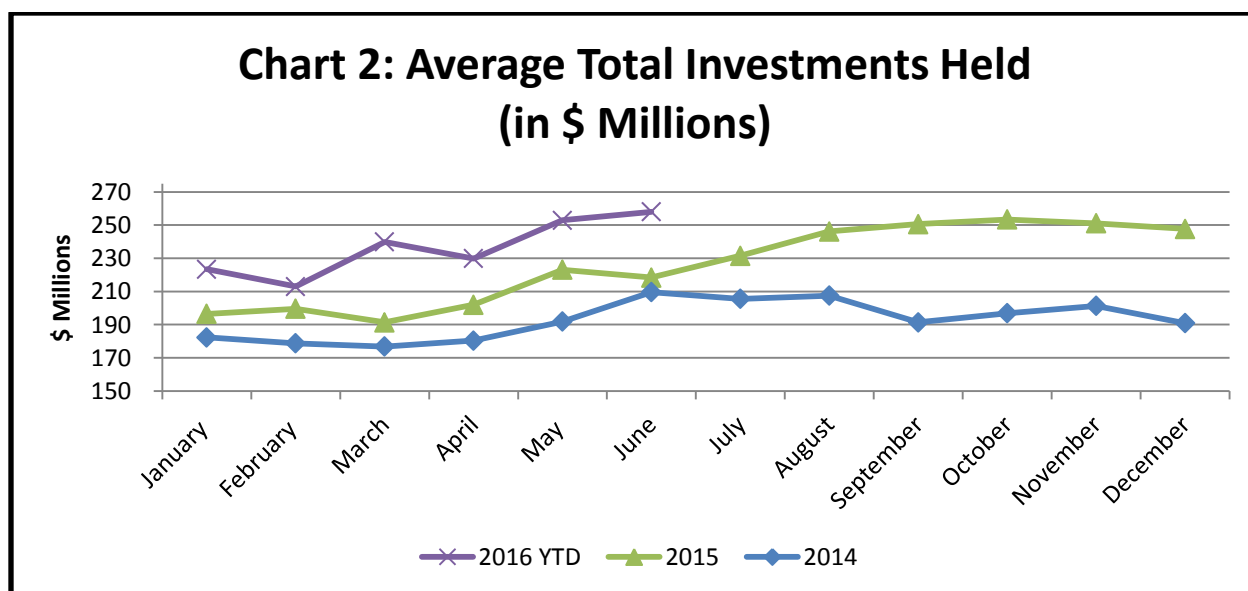
As previously reported, the Bank of Canada announced a cut in the prime business rate twice in 2015 (January 21st from 3.0% to 2.85% and July 17th from 2.85% to 2.70%). TD normally sets the City's deposit rate at prime minus 1.67% thus lowering their interest rate in 2015 by 30 basis points from 1.33% to 1.18% and then to 1.03% which it continues to earn in 2016. The drop in prime rate has affected the City's earnings on the bank account as reflected below in **Chart 1**.



This low interest rate environment has been negatively affecting the City's investment returns and has city staff continuing to analyze and manage the City's investment portfolio in order to optimize earnings and risk in the present climate.

2016 Interim Investment Activity – Investment Portfolio

The City has earned a total of \$2.2 million from the investment portfolio (excluding capital gains and cash). This represents a return of 1.87% as at June 30, 2016 compared with \$2.4 million and 2.35% return for 2015. See **Chart 2** below for a comparison of average total investments held in 2016, 2015 and 2014.



As indicated, interest earned during the first half of 2016 continued to be negatively affected by the reductions in the Bank of Canada interest rate during 2015.

RISK / OPPORTUNITY IDENTIFICATION

Following are the risks and opportunities for the City in the current low interest environment;

i) The City of Guelph currently holds two investments totalling \$30 million with TD Bank, purchased in 2013 and 2014 which provide for higher than normal interest returns. These were investment vehicles specially designed for the municipal sector that feature the following attributes:

1. The notes are 100% principal guaranteed at maturity,
2. The notes have a 10 year maturity but can be sold at market value at any time,
3. The notes pay interest quarterly on a fixed step-up schedule,
4. They are subject to early recall by the bank at any time,
5. They are subject to banker's acceptance interest rates with both lower and upper limits. If the market rate is outside the limits, interest is not paid.

With the drop in the Bank of Canada prime rate, these investments are no longer within the lower limit of the note terms and therefore are no longer earning any return.

In 2013 and 2014 these investments earned the City approximately 3.5% annually with the prospect of this increasing in 2015 forward due to the step-up factor in the rates. The unexpected lowering of prime in January 2015 and the subsequent second lowering of prime in July has these investments currently earning no return.

The City's best plan of action for these investments has been to hold onto them until the market rebounds since the principal is guaranteed and there is no risk of losing that initial investment and earnings will resume once prime has rebounded. In this temporary hold position, the City is not currently earning any return (both notes are currently trading at approximately 95 cents on the dollar). Other municipalities are also holding on to these investments that are similar in nature until the interest rates increase.

ii) In this lower interest rate environment the Canadian Bond Market is trading at a premium. The City's Investment Policy has ensured a diverse portfolio and as such, the City of Guelph holds a number of municipal and provincial bonds that pay a coupon/strip rate above current market. This means that the market value of these bonds is significantly higher than when purchased and can be sold to realize a one-time capital gain.

The City proceeded with this strategy again in 2016 as it did in 2015, selling strip bonds / corporate bonds that were purchased earlier and generated the \$1.0 million capital gain, contributing to the higher investment return overall so far this year. Alternative strategies such as The One Investment Program continue to be favourable options, providing \$724.5k in unrealized capital gains so far this year (\$440k in June alone).

Asset-Backed Commercial Paper (ABCP) Restructuring

There has been no change in City's holding of the MAV II notes since December 31, 2015 since a more current market valuation for interim 2016 is unavailable. For a full history on ABCPs at the City, please refer to ATT-2 – Background on ABCP. The investments as detailed below still have a face value of \$2.07 million and a market value of \$1.91 million (as at Dec 31, 2015). The asset impairment provision related to MAV II notes is still at \$157,664.

The MAV II notes as of December 31, 2015 remain as follows:

Class	Maturity	Rating	Face Value	Market Value	Impairment Provision
MAV II A-1	07/15/2056	A+	\$ 502,795	\$ 475,141	
MAV II A-2	07/15/2056	BBB+	\$ 1,270,940	\$ 1,169,265	
MAV II B	07/15/2056	Not Rated	\$ 230,711	\$ 215,715	
MAV II C	07/15/2056	Not Rated	\$ 62,043	\$ 48,704	
Total			\$ 2,066,489	\$ 1,908,825	\$157,664

The City continues to investigate the option of selling these investments since they are not earning income. It is not in the City's best interest to hold these funds until 2056; however, there is not currently an active market to sell these investments.

B. Own Securities

The City has not invested in its own long-term or short-term securities.

C. Investment Policy and Regulation Investment Standard Compliance

To aid in the achievement of the primary objectives of the Investment Policy, the policy places restrictions and limitations on investment quality, diversification, and term. The current portfolio is in compliance with the *Municipal Act* and Ontario Regulation 438/97 and within the targets set out in the current City Investment Policy in all but the following respects:

- Under the current policy, the **City shall not invest in a security with a DBRS or equivalent bond rating lower than A**. Most of the MAV II notes acquired in 2009 under asset-backed commercial paper restructuring do not meet this requirement. At the time of original purchase in 2006 these notes were rated above A and as such were compliant with the policy at that time. Also, it is important to note that securities purchased prior to January 12, 2009 are

exempt from the current restrictions and are considered compliant under Ontario Regulation 438/97 s. 2.1(a).

- Under the current policy, the **maximum term** for asset backed securities is 5 years. The MAV II notes restructured in 2009 are maturing in 2056 and do not meet this requirement. However, the original 2006 investment related to these notes had an expected maturity of less than one year and were considered short term. It is important to note that securities purchased prior to January 12, 2009 are exempt from the current restrictions and are considered compliant under Ontario Regulation 438/97 s. 2.1(a).

In all other respects, investments are fully consistent with the investment policies and goals adopted by the City.

Financial Implications

Investment income reduces the amount otherwise required from property taxation to finance City services, as well as increasing the value of reserve funds used to finance capital projects.

Corporate Strategic Plan

2.1 Build an adaptive environment for government innovation to ensure fiscal and service sustainability.

2.3 Ensure accountability, transparency and engagement.

Communications

No communication plan is required.

Attachments

- ATT-1 Investment Reporting Requirements
- ATT-2 Background on Asset Backed Commercial Papers
- ATT-3 City of Guelph Investment Portfolio by Issuer as of June 30, 2016
- ATT-4 City of Guelph Investment Portfolio by Security as of June 30, 2016

Report Author

Jade Surgeoner



Approved By

James Krauter
Acting GM Finance & City Treasurer
Corporate Services
519-822-1260 Ext. 2334
james.krauter@guelph.ca

Recommended By

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

Investment Reporting Requirements

These investment reporting requirements are in accordance with Ontario Regulation 438/97 of the *Municipal Act, 2001*.

1. Statement of Performance

The City of Guelph has earned an average return of 2.27% on its investments and cash as at June 30, 2016.

2. Investments in Own Securities

None of the 2016 investments of the City have been invested in its own long-term or short-term securities.

3. Record of Own Security Transactions

None of the 2016 investments of the City have been invested in its own long-term or short-term securities.

4. Statement of Treasurer re: City of Guelph Investment Policy Compliance

I, James Krauter, Acting GM Finance and City Treasurer for the City of Guelph, hereby state that:

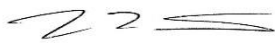
\$2,066,489 in MAV II notes restructured in January of 2009 and maturing in 2056 exceed the maximum term of 5 years for asset backed securities.

The remaining investments have been made in accordance with the investment policies adopted by the City of Guelph.

5. Statement of Treasurer re O.R. 438/97 Investment Standard Compliance

I, James Krauter, Acting GM Finance and City Treasurer for the City of Guelph, hereby state that:

All investments have been made in accordance with the O.R. 438/97.

_____ 

**James Krauter, Acting GM Finance and
City Treasurer**

Date

Background on Asset Backed Commercial Papers

Background:

Asset-Backed Commercial Papers (ABCPs) are a form of commercial paper that is backed by collateral such as real estate, autos and other commercial assets. ABCPs carry a higher risk, but they are desirable because they usually have a higher return. The financial crisis of 2007 and 2008 led to a collapse of the ABCP market since the mortgages within the ABCP had a higher worth than the physical real estate. With an estimated value of thirty-three billion in ABCP across Canada, the Bank of Canada stepped in and negotiated a solution that converted the ABCP into long term bonds called Master Asset Vehicle (MAV) notes. In the fall of 2008, this ABCP restructuring plan, the largest restructuring plan in Canadian history, was completed to match the maturity of the investments to their underlying assets.

ABCPs at the City of Guelph:

At the time of the City's original investment in 2006 the ABCP security was rated AAA and was widely accepted and purchased by numerous other investors including municipalities. The initial investment was \$2.25 million of the City's total portfolio. The restructuring plan was implemented to convert short term asset-backed commercial paper to long term notes of various classes (II A-1, II A-2, II B, II C, and II 3) with terms matching the maturity of the underlying assets. As a result of the conversion, the City recorded the new carrying value (increase of \$64,197) but recognized the highly speculative nature of any ultimate payment of principal at maturity by booking a 25% provision for impairment of \$578,155.

During 2011, notice was received that the principal amount of MAVII 3 notes, with a book value of \$245,818, had been reduced to zero, and the value of these assets were written off against the provision in 2011.

The remaining MAV II notes as of December 31, 2011, had a face value of \$2.06 million and a market value of \$1.32 million, leaving a difference of \$742,529. Therefore, the provision for impairment was further adjusted at the end of 2011 in order to make the net carrying value equal to the market value.

The investments market value from 2012 through 2014 improved and as a result the asset impairment provision had decreased but due to the poor market conditions in 2015, the impairment once again had to be raised. The following table illustrates the effect that the improved market value has had on the impairment provision:

<u>Year</u>	<u>Impairment Provision Amount</u>
2011	\$742,529
2012	\$373,490
2013	\$213,352
2014	\$ 94,925
2015	\$157,664

As of June 30, 2016, these asset backed securities represented 0.8% (2015: 1.0%) of the total investment holdings.

Current Status:

The City of Guelph has continued to hold these investments in an effort to minimize the impairment loss. Staff continue to work with an investment advisor on a strategy to divest of these investments. Adjustments have been made to the investment policy to avoid the risk of a similar situation occurring in the future.

City of Guelph

Investment Portfolio by Issuer

as at June 30, 2016

Short-Term Investment Portfolio

Issuer	Yield	Maturity	Carrying Value \$	Term to Maturity (Days)		
				June 30	Restriction	Exceeded
Meridian Credit Union	1.25%	Liquid	65,393	N/A	364	-
Meridian Credit Union	1.85%	04-May-17	8,000,000	308	364	-
Meridian Credit Union	1.75%	03-Mar-17	17,000,000	246	364	-
CIBC	1.46%	28-Nov-16	12,000,000	151	364	-
CIBC	1.41%	30-Aug-16	5,000,000	61	364	-
BMO Nesbitt Burns	1.70%	05-May-17	10,000,000	309	364	-
BMO Nesbitt Burns	1.40%	02-Dec-16	13,000,000	155	364	-
Short-Term Investment Total			\$ 65,065,393			

Long-Term Investment Portfolio

Issuer	Yield	Maturity	Carrying Value \$	Term to Maturity (Years)		
				June 30	Restriction	Exceeded
CIBC	2.25%	21-Jan-21	14,500,000	4.6	10	-
Regional of Waterloo	3.51%	01-Dec-16	1,143,810	0.4	10	-
Bank of Montreal	3.04%	02-Dec-22	5,000,010	6.4	10	-
Bank of Montreal	1.90%	07-May-18	10,000,000	1.9	10	-
Bank of Nova Scotia	1.60%	17-Apr-17	20,000,000	0.8	10	-
Bank of Nova Scotia	1.81%	15-Apr-19	10,000,000	2.8	10	-
Bank of Nova Scotia	2.50%	06-Jan-20	15,000,000	3.5	10	-
RBC	1.50%	06-Aug-18	5,000,000	2.1	10	-
RBC	2.01%	06-Dec-19	18,668,246	3.4	20	-
TD Bank	4.00%	15-Jul-21	12,000,000	5.0	10	-
TD Bank	2.05%	13-Aug-25	10,000,000	9.1	10	-
TD Bank	3.65%	09-May-23	18,000,000	6.9	10	-
Provincial	3.30%	02-Dec-24	7,670,249	8.4	20	-
Provincial	4.08%	02-Dec-26	6,757,936	10.4	20	-
MAVII CL A-1 Note	-	15-Jul-56	502,795	40.1	Grandfathered	-
MAVII CL A-2 Note	-	15-Jul-56	1,270,940	40.1	Grandfathered	-
MAV II CL B Note	-	15-Jul-56	230,711	40.1	Grandfathered	-
MAV II CL C Note	-	15-Jul-56	62,043	40.1	Grandfathered	-
Joint Municipal Investments	Variable	Liquid	30,228,985	Current	NA	-
Long-Term Investment Total			\$ 186,035,726			

TOTAL SHORT AND LONG TERM INVESTMENTS **\$ 251,101,119**

City of Guelph
Investment Portfolio by Security
as at June 30, 2016

Securities	Investment Value \$	Investment Percentage of Holdings	Policy Maximum Portfolio Percentage Limit
Federal			
Government of Canada			100%
Federal Guarantees			50%
Provincial Governments & Provincial Guarantees	19,428,195	7.7%	75%
Country Other than Canada			5%
Municipal			
City of Guelph			50%
Other Municipalities & OSIFA – AAA & AA	1,143,811	0.5%	50%
Other Municipalities & OSIFA – A			10%
School Board, Ont. University, Local Board, Conservation Authority, Public Hospital, Housing Corp.			20%
Financial Institutions			
Schedule I Banks	173,168,246	69.0%	75%
Schedule II and III Banks			25%
Loan or Trust Corporations, Credit Union	25,065,393	10.0%	10%
Supranational Financial Institution or Government Organization			25%
Asset Backed Securities	2,066,489	0.8%	25%
Corporate Debt			25%
Commercial Paper			15%
Joint Municipal Investment Pools	30,228,985	12.0%	15%
TOTAL	\$251,101,119	100.00%	

Information Report

Service Area Corporate Services

Date Friday, September 23, 2016

Subject External Auditor Performance Review

Report Number CS-2016-44

Executive Summary

Purpose of Report

In accordance with the 2016 Audit Committee work plan, this report is to provide Committee of the Whole with staff's assessment of the external auditor's performance over the period of December 2015 through June 2016. This is the period that best reflects the 2015 financial statement audit cycle.

Key Findings

Staff is satisfied with KPMG's performance as an external service provider and will engage KPMG as the external auditor for the 2016 fiscal year.

Financial Implications

There are no financial implications resulting from this report. The fee structure of the external audit was agreed upon as part of the Request for Proposal for external audit services for the years 2015-2019.

Report

A review of the evaluation process of the external auditor (KPMG LLP) is presented annually in accordance with the Audit Committee Charter. In the past specific details were provided to Audit Committee in closed session, but in an effort to reduce the number of closed sessions, only a high level analysis of the process is outlined below.

In order to perform this evaluation, feedback on the performance of the external audit was requested from staff across City departments that had contact with KPMG throughout the 2015 audit. In addition, feedback was sought from related and consolidated entities including Wellington-Dufferin-Guelph Public Health and the Guelph Junction Railway Ltd.

The feedback gathered was then evaluated based on the criteria listed below.

- 1) Make and meet the commitments to the City; and
- 2) Understand the City of Guelph and what is important to us; and
- 3) Provide the City value and build trust through technical competence and consistent results; and
- 4) Demonstrate professionalism through effective interaction and communication; and
- 5) Provide a no-surprise experience; and
- 6) Overall impression of the audit experience and satisfaction with the external service provider

Overall, the City is satisfied with KPMG's performance as an external service provider and will engage KPMG as the external auditor through the 2016 fiscal year. Similar to prior years, staff have met with KPMG to review how they deliver services to the City and discussed the strengths and opportunities which were raised during this assessment process.

Financial Implications

There are no financial implications resulting from this report. The fee structure of the external audit was agreed upon as part of the Request for Proposal for external audit services for the years 2015-2019.

Corporate Strategic Plan

2.3 Ensure accountability, transparency and engagement.

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

Communications

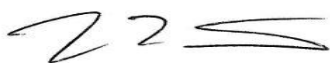
No communications plan is required.

Attachments

N/A

Report Author

Jade Surgeoner



Approved By

James Krauter
Acting GM Finance & City Treasurer
Corporate Services
519-822-1260 Ext. 2334
james.krauter@guelph.ca

Recommended By

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

Information Report

Service Area Corporate Services

Date Friday, September 23, 2016

Subject 2016 Audit Committee Work Plan Status Report

Report Number CS-2016-46

Executive Summary

Purpose of Report

To provide Council with a mid-year update on the work completed by Audit Committee as of June 30, 2016.

Key Findings

The Audit Committee is tracking as expected against the 2016 work plan.

Financial Implications

There are no financial implications resulting from this report.

Background

On February 2, 2016 Audit Committee approved a 2016 Annual Work Plan in Report CS-2016-04. This current report is a mid-year status update on the work completed by Audit Committee through June 30, 2016 with respect to the plan.

Report

Attached to this report in Appendix 1 is the 2016 Interim Work Plan Status Report which will provide Council with information on the work Audit Committee has completed during 2016.

Highlights since February 2, 2016 include:

- The Committee approved the 2016 work plan.
- The Committee approved the 2016 – 2018 Internal Audit work plan.
- The Committee received the Internal Auditor's 2015 Annual Report.
- The Internal Auditor presented the follow up purchase card audit as well as the annual status report on outstanding recommendations.
- The Committee received a presentation from KPMG that outlined the external audit service plan and the results of the 2015 Consolidated Financial Statement audit.

- The Committee reviewed the City of Guelph's financial statements including those of the consolidated entities and recommended the 2015 Consolidated Financial Statements to Council for approval.

Financial Implications

There are no financial implications resulting from this report.

Corporate Strategic Plan

2.3 Ensure accountability, transparency and engagement.

Communications


No communication plan is required.

Attachments

ATT-1 2016 Audit Committee Interim Work Plan Status Report

Report Author

Jade Surgeoner



Approved By

James Krauter
Acting GM Finance & City Treasurer
Corporate Services
519-822-1260 Ext. 2334
james.krauter@guelph.ca



Recommended By

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

REPORT CS-2016-46 DATED September 23, 2016
ATTACHMENT 1
2016 Audit Committee Work Plan Status Update

External Audit	Frequency			Comments
	Annual	Term	Need	
Review the external auditors proposed audit scope and approach, including coordination of audit effort with City staff	•			Completed February 2, 2016 for the 2015 audit and the 2016 audit service plan will be presented December 5, 2016.
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	•			Completed June 14, 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	•			The opportunity to discuss issues without the presence of management was available on June 14, 2016 however, no discussion points required the meeting to go into closed session.
Ensure the timely presentation of the external auditors annual audit report to Council	•			Completed June 27, 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	•			Completed June 14, 2016.
Review the representation letter provided by management to the external auditors	•			Completed June 14, 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	•			Completed June 14, 2016.
Recommend to Council the approval and distribution of the annual financial statements	•			Completed June 14, 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	•			Completed June 14, 2016.
Direct and review the performance evaluation process for the external auditor	•			Expected to be completed October, 2016.
Recommend changes to the external auditors 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	•			Completed June 14, 2016 and if the need arises.
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 auditors 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	•			Completed June 14, 2016.
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			•	Completed June 14, 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	•			The internal audit charter was last revised September 8, 2015, no further revisions are required at this time.
Review and approve the internal auditor annual work plan	•			Completed February 2, 2016.
Monitor progress of the approved internal audit work plan	•			Expected to be monitored throughout 2016 as audits are completed and presented to Audit Committee.
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 received the final report for 2015 in February 2016.
Provide an open avenue of communication between the external auditors and City Council	•			Completed June 14, 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	•			Annual work plan was approved at the February 2, 2016 meeting.
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	•			Completed June 14, 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>				

Information Report



Service Area Office of the Chief Administrative Officer

Date Friday, September 23, 2016

Subject **Litigation Status Report**

Report Number CAO-LRS-1613

Executive Summary

Purpose of Report

To provide information regarding the current status of litigation involving the City.

Key Findings

The amount of litigation, excluding Planning and insured matters, that the City is involved in remained static more or less throughout 2016. The number of matters, excluding insured matters, being handled by external legal counsel remained the same throughout 2016.

Financial Implications

N/A

Report

The attached chart sets out the details of the litigation the City is involved in and the resolutions which have occurred since the last report in February, 2016.

Legal Services continues to seek resolution of the litigation and OMB matters in a timely fashion and has been successful in resolving a number of matters in the last 8 months.

Financial Implications

N/A

Corporate Strategic Plan

2.3 Ensure accountability, transparency and engagement.

Communications

N/A

Attachments

ATT-1 Litigation Status Report as of September 20, 2016



Recommended By

Donna Jaques

City Solicitor

X 2288

donna.jaques@guelph.ca

ATT - 1
LITIGATION STATUS REPORT
As of September 20, 2016

COURT ACTIONS				
Matter	Description	History	Current Status	Counsel
457 Woolwich Street Inc. Superior Court of Justice 642/16	<ul style="list-style-type: none"> Application for an order to issue a demolition permit for a garage at 257 Woolwich Street and quash order to remedy unsafe building 	<ul style="list-style-type: none"> August 26, 2016 – City served with Notice of Application August 30, 2016 – City filed and served Notice of Appearance 	<ul style="list-style-type: none"> September 13, 2016 – application adjourned to September 27, 2016 	Legal Services
Di Leonardo v. City of Guelph et al Small Claims Court File No. 16-404	<ul style="list-style-type: none"> Property damage at 35 & 37 Wellington Street West 	<ul style="list-style-type: none"> July 12, 2016 – City served with Plaintiff's Claim July 27, 2016 – City filed and served Defence July 29, 2016 – City served Defendant's Claim against contractor 	<ul style="list-style-type: none"> November 23, 2016 – settlement conference scheduled 	Legal Services
Fava v. City of Guelph Superior Court of Justice 510/16	<ul style="list-style-type: none"> Appeal under Building Code Act - 7 Crawford 	<ul style="list-style-type: none"> July 8, 2016 – City served with Notice of Application 	<ul style="list-style-type: none"> November 15, 2016 – hearing scheduled 	Legal Services
Reimer v. City of Guelph et al Small Claims Court File No. 16-366	<ul style="list-style-type: none"> Property damage at 89 Stone Road 	<ul style="list-style-type: none"> June 23, 2016 – City served with Plaintiff's Claim July 27, 2016 – City filed and served Defence July 29, 2016 – City served Defendant's Claim against contractor 	<ul style="list-style-type: none"> October 7, 2016 – settlement conference scheduled 	Legal Services
Kritz v. City of Guelph Superior Court of Justice Court File No. 253/16	<ul style="list-style-type: none"> Application for a declaration that properties are not being used as "Lodging House Type 1" 	<ul style="list-style-type: none"> March 31, 2016 – City served with Notice of Application August 29, 2016 – Application heard 	<ul style="list-style-type: none"> October 19, 2016– Application scheduled to be continued 	Legal Services Aird & Berlis
Earth Boring Company Limited v. City of Guelph et al Ontario Superior Court of Justice No. CV-16-546413	<ul style="list-style-type: none"> Plaintiff alleges entitled to standby labour and equipment costs and costs of a lost piece of equipment 	<ul style="list-style-type: none"> February 11, 2016 – City served with Statement of Claim February 26, 2016 – City filed Notice of Intent to Defend April 8, 2016 – Defence filed 	<ul style="list-style-type: none"> Ongoing 	Legal Services Rodrigues Partners
Smith v. City of Guelph Superior Court of Justice Court File No. 18/16	<ul style="list-style-type: none"> Claim for an order to remove and realign certain public utilities located under the plaintiffs' property at 16 Summerfield 	<ul style="list-style-type: none"> January 14, 2016 – Statement of Claim served on City March 2, 2016 – City served Statement of Defence 	<ul style="list-style-type: none"> Ongoing 	Legal Services Rodrigues Partners
Kritz v. City of Guelph and Bruce Aubrey Superior Court of Justice Court File No. 03/16	<ul style="list-style-type: none"> Building code compliance issues 108 Dublin Street 	<ul style="list-style-type: none"> January 4, 2016 – City served with Notice of Application August 29, 2016 - Application heard 	<ul style="list-style-type: none"> October 19, 2016 - Application scheduled to be continued 	Legal Services Aird & Berlis

ATT - 1
LITIGATION STATUS REPORT
As of September 20, 2016

COURT ACTIONS				
Matter	Description	History	Current Status	Counsel
Davis v. City of Guelph Ontario Court of Appeal	<ul style="list-style-type: none"> • Appeal decision of Divisional Court 	<ul style="list-style-type: none"> • November 12, 2015 – Notice of Appeal served on City • January 7, 2016 – City served with Notice of Motion for leave to appeal 	<ul style="list-style-type: none"> • Awaiting confirmation of dismissal 	Legal Services
City of Guelph v. Phou Small Claims Court File No. 15-306	<ul style="list-style-type: none"> • Damage to traffic signal pole – December 6, 2012 	<ul style="list-style-type: none"> • May 7, 2015 – City issued Plaintiff's Claim • August 19, 2015 – Claim served on Defendant • September 15, 2015 – Defendant noted in default 	<ul style="list-style-type: none"> • Awaiting costs assessment 	Legal Services
Wiseman v. Guelph Superior Court of Justice Court File No. 638/14	<ul style="list-style-type: none"> • Slip and Fall – March 25, 2014 	<ul style="list-style-type: none"> • August 25, 2014 – Statement of Claim served on City • September 11, 2014 – City served Defence • January 6, 2015 – City's Affidavit of Documents served • January 28, 2016 – discoveries held 	<ul style="list-style-type: none"> • Ongoing 	Legal Services
Westminster Woods v. City of Guelph Superior Court of Justice Court File No. 707/13	<ul style="list-style-type: none"> • Claim re Stage III Services pursuant to Subdivision Agreement 	<ul style="list-style-type: none"> • October 4, 2013 – Statement of Claim served on City • November 12, 2013 - City filed Statement of Defence • November 25, 2013 – Reply served on City • March 2014 – Discovery agreement prepared • City filed Affidavit of Documents on May 30, 2014 • Plaintiff served Affidavit of Documents November 27, 2014 	<ul style="list-style-type: none"> • Discoveries to be held by winter 2016 	Legal Services Aird & Berlis

COURT ACTIONS RESOLVED SINCE January 18, 2016				
Matter	Description	History	Current Status	Counsel
Ray Ferraro v. City of Guelph Small Claims Court File No. 16-134	<ul style="list-style-type: none"> • Claim re overcharging of Development Charges 	<ul style="list-style-type: none"> • March 29, 2016 – City served with Plaintiff's Claim • April 19, 2016 – Defence filed • July 22, 2016 – settlement held 	<ul style="list-style-type: none"> • This matter is complete 	Legal Services
White v. City of Guelph Small Claims Court File No. 16-396	<ul style="list-style-type: none"> • Slip and fall at Guelph Transit Terminal 	<ul style="list-style-type: none"> • July 19, 2016 – City served with Plaintiff's Claim 	<ul style="list-style-type: none"> • This matter is complete 	Legal Services

ATT - 1
LITIGATION STATUS REPORT
As of September 20, 2016

COURT ACTIONS RESOLVED SINCE January 18, 2016				
Matter	Description	History	Current Status	Counsel
Anselmini v. City of Guelph Superior Court of Justice Court File No. 859/14	<ul style="list-style-type: none"> Slip and Fall – July 6, 2013 	<ul style="list-style-type: none"> November 12, 2014 – Statement of Claim served on City December 3, 2014 – City served Defence October 6, 2015 – discoveries held August 22, 2016 – executed release received August 26, 2016 – Discontinuance received 	<ul style="list-style-type: none"> This matter is complete 	Legal Services
City of Guelph v. Tiffany Crowder Superior Court of Justice 519/16	<ul style="list-style-type: none"> Application to Superior Court to quash an order to re-open a file where a conviction had been entered 	<ul style="list-style-type: none"> August 2, 2016 – application heard August 2, 2016 – Order issued allowing the application 	<ul style="list-style-type: none"> This matter is complete 	Legal Services
Fava v. City of Guelph Superior Court of Justice Court File No. 360/16	<ul style="list-style-type: none"> Appeal under the Building Code Act – 17 Glasgow Street 	<ul style="list-style-type: none"> May 10, 2016 – City served with Notice of Application June 23, 2016 – City served with Notice of Abandonment 	<ul style="list-style-type: none"> This matter is complete 	Legal Services
Fleischer v. City of Guelph Small Claims Court File No. 15-751	<ul style="list-style-type: none"> Slip and Fall 	<ul style="list-style-type: none"> December 2, 2015 – City served with Plaintiff's Claim May 30, 2016 – Plaintiff's Claim dismissed 	<ul style="list-style-type: none"> This matter is complete 	Legal Services
Rovanco Piping Systems v. Envida et al Superior Court of Justice Court File No. 471/16	<ul style="list-style-type: none"> Proceeding commenced in London 	<ul style="list-style-type: none"> February 24, 2016 – City provided with Notice of Application, asked to act on behalf of Envida April 12, 2016 – hearing held Envida ordered to produce correspondence Correspondence provided May 10, 2016 	<ul style="list-style-type: none"> This matter is complete 	Legal Services
Savaria Sales, Installation and Services Inc. v. City of Guelph et al Superior Court of Justice Court File No. 1002/15	<ul style="list-style-type: none"> Claim under the Construction Lien Act 	<ul style="list-style-type: none"> March, 2016 – City served with Statement of Claim April 21, 2016 – executed release received May 10, 2016 – discontinuance received 	<ul style="list-style-type: none"> This matter is complete 	Legal Services
Kritz & Bousfield v. City of Guelph Superior Court of Justice Court File No. 155/16	<ul style="list-style-type: none"> Applicants seeking a rectification order pursuant to section s 159 and 160 of the Land Titles Act regarding purchased property at 10 Ontario Street 	<ul style="list-style-type: none"> March 2, 2016 – City served with Notice of Application April 19, 2016 – Application heard Applicant's rectification order was granted 	<ul style="list-style-type: none"> This matter is complete 	Legal Services

ATT - 1
LITIGATION STATUS REPORT
As of September 20, 2016

COURT ACTIONS RESOLVED SINCE January 18, 2016

Matter	Description	History	Current Status	Counsel
Runstedler v. City of Guelph Small Claims Court File No. 16-102	<ul style="list-style-type: none"> Property damage 	<ul style="list-style-type: none"> February 11, 2016 – City served with Plaintiff's Claim February 29, 2016 – City filed Defence April 19, 2016 – consent order to dismiss filed 	<ul style="list-style-type: none"> This matter is complete 	Legal Services
R. v. Chmura Superior Court of Justice	<ul style="list-style-type: none"> Application to Superior Court for an Order of Certiorari 	<ul style="list-style-type: none"> February 1, 2016 – Notice of Application served March 8, 2016 – application allowed 	<ul style="list-style-type: none"> This matter is complete 	Legal Services

OMB MATTERS

Matter	Description	History	Current Status	Counsel
1229 Victoria Road South Case No. PL	<ul style="list-style-type: none"> Appeal by Westminster Woods and Reid's Heritage Homes 	<ul style="list-style-type: none"> August 16, 2016 – appeal received 	<ul style="list-style-type: none"> Awaiting direction from OMB 	Legal Services
360 Woolwich Street & 15 Mont Street Case No. PL151199	<ul style="list-style-type: none"> Appeal by Ian Connelly 	<ul style="list-style-type: none"> November 30, 2015 – appeal received May 10, 2016 – prehearing held July 27, 2016 – status hearing held by teleconference 	<ul style="list-style-type: none"> No further hearings scheduled at this time 	Legal Services
171 Kortright Road West Case No. PL150430	<ul style="list-style-type: none"> Appeal by Scott Higgins (HIP Developments Inc.) 	<ul style="list-style-type: none"> May 14, 2015 – appeal received September 22, 2015 – pre hearing held January 22, 2016 – pre-hearing TCC held February 23, 2016 – TCC held April 28, 2016 – settlement hearing held 	<ul style="list-style-type: none"> May 16, 2016 – OMB decision issued approving settlement. Final order withheld pending site plan approval 	Legal Services
OPA 54 (9 Appeals) Case No. PL140648	<ul style="list-style-type: none"> 9 Appeals received relating to Official Plan Amendment 54 (Guelph Innovation District Secondary Plan) 	<ul style="list-style-type: none"> Jun 16-18, 2014 – Appeals received December 10, 2014 – pre-hearing held February 23, 2015 – second pre hearing held 	<ul style="list-style-type: none"> February 22, 2016 – Phase 1 hearing scheduled for 10 days – cancelled 	Legal Services
OPA 48 (7 Appeals) Case No. PL 140042	<ul style="list-style-type: none"> 7 Appeals received relating to Official Plan Amendment 48 (Envision Guelph) as approved by the Minister of Municipal Affairs and Housing. 	<ul style="list-style-type: none"> December, 2013 – OPA 48 Approved by Minister of Municipal Affairs and Housing December, 2013 – Appeals received October 20, 2014 – prehearing held February 3, 2015 – second pre hearing held September 15, 2015 – Phase 1 hearing 	<ul style="list-style-type: none"> No further hearings scheduled at this time. 	Legal Services

ATT - 1
LITIGATION STATUS REPORT
As of September 20, 2016

OMB MATTERS				
Matter	Description	History	Current Status	Counsel
		<ul style="list-style-type: none"> scheduled for 10 days - adjourned November 20, 2015 – phase 1 decision issued resolving part of hone appeal 		
1159 Victoria Road South Case No. PL121406	<ul style="list-style-type: none"> Appeals by Victoria Park Village Ltd. regarding failure to make a decision with the prescribed time 	<ul style="list-style-type: none"> November 29, 2012 – Appeal received May 14, 2013 – Prehearing held June 28, 2013 – Prehearing held September 18, 2013 – prehearing conference held November 15, 2013 – hearing held June 16, 2014 – hearing held by teleconference April 29, 2015 – hearing held by teleconference August 18, 2015 – pre-hearing held November 5, 2015 - Status hearing held (TCC) 	<ul style="list-style-type: none"> No further hearings scheduled at this time 	Legal Services Garrod Pickfield
580 Paisley Road – Armel Corporation Case No. MM080050	<ul style="list-style-type: none"> Appeal by the owner, Armel Corporation, of a decision not to approve a site plan application for a proposed gas bar, car wash and kiosk. The main issue relates to site access. 	<ul style="list-style-type: none"> October 1, 2008 – Appeal received Matter in abeyance pending the completion of the Environmental Assessment of Silvercreek Parkway South 	<ul style="list-style-type: none"> No hearings scheduled at this time 	Legal Services

OMB MATTERS RESOLVED SINCE January 18, 2016				
Matter	Description	History	Current Status	Counsel
282 Victoria Road N & 485 Speedvale Avenue E Case No. PL160126	<ul style="list-style-type: none"> Appeal by Robert Elliot 	<ul style="list-style-type: none"> February 2, 2016 – appeal received July 12, 2016 – hearing scheduled – adjourned September 9, 2016 – appeal withdrawn by applicant 	<ul style="list-style-type: none"> This matter is complete 	Legal Services

ATT - 1
LITIGATION STATUS REPORT
As of September 20, 2016

15 & 19 Wyndham Street North Case No. PL151045	<ul style="list-style-type: none"> • Appeal by Milan Lesic (Wyndham Street Investments, Inc.) • Appeal by 586357 Ontario Inc. • Appeal by Clark McDaniel • Appeal by Angelo Cupelli (2238127 Ontario Inc.) 	<ul style="list-style-type: none"> • October 23, 2015 – appeal received • October 29, 2015 – Municipal Form submitted to OMB • July 26-27, 2016 – hearing held • August 29, 2016 – decision received allowing appeals 	<ul style="list-style-type: none"> • This matter is complete 	Legal Services
OPA 43 (5 Appeals) 84-96 Gordon Street and 110 Gordon Street Case No. PL120723	<ul style="list-style-type: none"> • 6 appeals were originally received relating to various aspects of Official Plan Amendment No. 43 (Downtown Secondary Plan) • NOTE: The matter has been split into two sets of appeals – the first dealing exclusively with the appeal re property at 45 Yarmouth (now complete) and the second dealing with the remaining appeals by 5 owners and tenants at 84-96 Wellington Street and 110 Wellington Street 	<ul style="list-style-type: none"> • June 20, 2012 – Appeals received • June 18, 2013 – pre-hearing conference held and Board decision indicating that the portions of OPA 43 not under appeal are in effect • November 27, 2015 – Decision issued resolving one appeal, three appeals still outstanding • August 3, 2016 – final appeals withdrawn 	<ul style="list-style-type: none"> • This matter is complete 	Legal Services
202 Glasgow Street N Case No. PL160235	<ul style="list-style-type: none"> • Appeal by Laura Bolton 	<ul style="list-style-type: none"> • March 2, 2016 – appeal received • July 28, 2016 – appeal withdrawn 	<ul style="list-style-type: none"> • This matter is complete 	Legal Services
51 Vanier Drive Case No. PL160313	<ul style="list-style-type: none"> • Appeal by David Kendrick 	<ul style="list-style-type: none"> • March 29, 2016 – appeal received • July 27, 2016 – appeal withdrawn 	<ul style="list-style-type: none"> • This matter is complete 	Legal Services
67 Arkell Road Case No. PL151248	<ul style="list-style-type: none"> • Appeal by Gopal Goel 	<ul style="list-style-type: none"> • December 15, 2015 – appeal received • July 11, 2016 – hearing scheduled • July 17, 2016 – decision issued approving settlement 	<ul style="list-style-type: none"> • This matter is complete 	Legal services
2 Sagewood Place Case No. PL160125	<ul style="list-style-type: none"> • Appeal by John Sun 	<ul style="list-style-type: none"> • January 29, 2016 – appeal received • June 16, 2016 – appeal withdrawn 	<ul style="list-style-type: none"> • This matter is complete 	Legal Services
117 Surrey Street East Case No. PL15558	<ul style="list-style-type: none"> • Appeal by Matt Prigione 	<ul style="list-style-type: none"> • June 24, 2015 – appeal received • November 10, 2015 – hearing scheduled – adjourned • May 25, 2016 – appeal withdrawn 	<ul style="list-style-type: none"> • This matter is complete 	City not a party

OTHER MATTERS				
Matter	Description	History	Current Status	Counsel
Human Rights Tribunal of Ontario	<ul style="list-style-type: none"> • Application for Contravention of Settlement 	<ul style="list-style-type: none"> • August 16, 2016 – application filed with HRT 	Ongoing	Legal Services

ATT - 1
LITIGATION STATUS REPORT
As of September 20, 2016

OTHER MATTERS				
Matter	Description	History	Current Status	Counsel
File No. 2015-20351-I		<ul style="list-style-type: none"> • August 30, 2016 – City filed response 		
Human Rights Tribunal of Ontario File No. 2016-23871-I	<ul style="list-style-type: none"> • Human Rights application 	<ul style="list-style-type: none"> • March 29, 2016 – application filed with HRT • June 27, 2016 – City filed response 	Ongoing	Legal Services
Human Rights Tribunal of Ontario File No. 2015-21271-I	<ul style="list-style-type: none"> • Human Rights application – City of Guelph and Guelph-Wellington Local Immigration Partnership 	<ul style="list-style-type: none"> • June 22, 2015 – application filed with HRT • February 9, 2016 – hearing heard 	Ongoing	Legal Services
Corporation of the City of Guelph v. Director, Ministry of the Environment Case No. 13-013	<ul style="list-style-type: none"> • City is appealing to the Environmental Review Tribunal the issuance of Permit to Take Water number 5080-8TAKK2 to River Valley Developments Inc. 	<ul style="list-style-type: none"> • February 12, 2013 – City filed an application for Leave to Appeal with the ERT • May 2, 2014 – Leave to Appeal to ERT granted • City filed Appeal • November 4, 2014 - Status Update with ERT, held by teleconference. • Third party mediation session held November 28, 2014 	<ul style="list-style-type: none"> • Mediation ongoing 	Garrod Pickfield Legal Services

OTHER MATTERS RESOLVED SINCE January 18, 2016				
Matter	Description	History	Current Status	Counsel
NONE	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • 	

MATTERS BEING HANDLED BY INSURERS' LEGAL COUNSEL *				
Matter	Description	History	Current Status	Counsel
Livermore et al v. City of Guelph et al Ontario Superior Court of Justice No. 474/16	<ul style="list-style-type: none"> • Dog attack – June 19, 2014 	<ul style="list-style-type: none"> • June 17, 2016 – City served with Statement of Claim 	<ul style="list-style-type: none"> • Ongoing 	Insurer's legal counsel
Watson v. City of Guelph et al	<ul style="list-style-type: none"> • Zoning and Planning applications at 287 Waterloo Avenue 	<ul style="list-style-type: none"> • May 18, 2016 – City served with Statement of Claim • July 5, 2016 – Statement of Defence filed 	<ul style="list-style-type: none"> • Ongoing 	Insurer's legal counsel
Gascon v. City of Guelph et al Ontario Superior Court of Justice No. 652/15	<ul style="list-style-type: none"> • Accident – September 14, 2013 	<ul style="list-style-type: none"> • August 12, 2015 – City served with Statement of Claim • Insurer for co-defendant Coco Paving agreed to take over City's defence and indemnify as of October 21, 2015 	<ul style="list-style-type: none"> • Ongoing 	Insurer's legal counsel
Matin v. City of Guelph et al Ontario Superior Court of Justice No. 268/15	<ul style="list-style-type: none"> • Transit accident – June 10, 2013 	<ul style="list-style-type: none"> • April 16, 2015 – City served with Statement of Claim 	<ul style="list-style-type: none"> • Ongoing 	Insurer's legal counsel

ATT - 1
LITIGATION STATUS REPORT
As of September 20, 2016

MATTERS BEING HANDLED BY INSURERS' LEGAL COUNSEL *				
Matter	Description	History	Current Status	Counsel
Gebreselassie v. City of Guelph et al Ontario Superior Court of Justice No. 978/14	<ul style="list-style-type: none"> Transit accident – December 30, 2012 	<ul style="list-style-type: none"> January 5, 2015 – Statement of Claim served on City 	<ul style="list-style-type: none"> Ongoing 	Insurer's legal counsel
Cozzarin et al v. Ashton Ridge Homes Inc. and City of Guelph Ontario Superior Court of Justice Court File No. 644/14	<ul style="list-style-type: none"> Property damage – January, 2014 	<ul style="list-style-type: none"> August 27, 2014 – Statement of Claim served on City 	<ul style="list-style-type: none"> Ongoing 	Insurer's legal counsel
Schinck v. City of Guelph Ontario Superior Court of Justice Court File No. 240/14	<ul style="list-style-type: none"> Slip and fall – April 7, 2012 	<ul style="list-style-type: none"> July 29, 2014 – Statement of Claim served on City 	<ul style="list-style-type: none"> Ongoing 	Insurer's legal counsel
Sharratt v. City of Guelph Ontario Superior Court of Justice Court File No. 490/14	<ul style="list-style-type: none"> Slip and fall – March 1, 2013 	<ul style="list-style-type: none"> June 23, 2014 – City served with Statement of Claim 	<ul style="list-style-type: none"> Ongoing 	Insurer's legal counsel
Cara Operations Limited v. City of Guelph Ontario Superior Court of Justice Court File No. 868/13	<ul style="list-style-type: none"> Property contamination – October, 2012 	<ul style="list-style-type: none"> May 26, 2014 – City served with Statement of Claim 	<ul style="list-style-type: none"> Ongoing 	Insurer's legal counsel
Zaki v. City of Guelph et al Ontario Superior Court of Justice Court File No. 335/14	<ul style="list-style-type: none"> Transit Accident – December 9, 2011 	<ul style="list-style-type: none"> May 9, 2014 – City served with Statement of Claim Discovery of the Plaintiff held on October 27, 2015 	<ul style="list-style-type: none"> Ongoing 	Insurer's legal counsel and Legal Services
Dunkley v. Hunt, City of Guelph & Legacy Leasing Ontario Superior Court of Justice Court File No. CV-13-495196	<ul style="list-style-type: none"> Accident – January 11, 2012 	<ul style="list-style-type: none"> December 24, 2013 – City served with Statement of Claim Police Services Matter 	<ul style="list-style-type: none"> Ongoing 	Insurer's legal counsel
Gebreselassie v. City of Guelph et al Ontario Superior Court of Justice Court File No. 920/13	<ul style="list-style-type: none"> Transit Accident – January 3, 2012 	<ul style="list-style-type: none"> December 20, 2013 – City served with Statement of Claim 	<ul style="list-style-type: none"> Ongoing 	Insurer's legal counsel
Watson v. City of Guelph and Traugott Building Contractors Inc. Ontario Superior Court of Justice Court File No. 1679-13	<ul style="list-style-type: none"> Accident – September 10, 2011 	<ul style="list-style-type: none"> September 25, 2013 – City served with Statement of Claim 	<ul style="list-style-type: none"> Ongoing 	Insurer's legal counsel
Koeslag v. City of Guelph et al Ontario Superior Court of Justice Court File No. C-695-	<ul style="list-style-type: none"> Accident – August 18, 2011 	<ul style="list-style-type: none"> August 15, 2013 – City served with Statement of Claim Insurer for Seegmiller, a co-defendant, has 	<ul style="list-style-type: none"> Ongoing 	Insurer's legal counsel

ATT - 1
LITIGATION STATUS REPORT
As of September 20, 2016

MATTERS BEING HANDLED BY INSURERS' LEGAL COUNSEL *				
Matter	Description	History	Current Status	Counsel
13		assumed the City's defence		
Linseman and Loewen v. City of Guelph and Guelph Transit Ontario Superior Court of Justice Court File No. CV-10-414425	<ul style="list-style-type: none"> Slip and Fall accident – December 11, 2008 	<ul style="list-style-type: none"> January 31, 2011 - Statement of Claim served on City 	<ul style="list-style-type: none"> Ongoing 	Insurers' legal counsel

* Does not include claims solely against Guelph Police Services (i.e. City not named as a party)

INSURED MATTERS COMPLETE SINCE January 18, 2016				
Matter	Description	History	Current Status	Counsel
Jassal v. Hilcox and City of Guelph Ontario Superior Court of Justice Court File No. CV 10 2468	<ul style="list-style-type: none"> Accident – July 11, 2008 	<ul style="list-style-type: none"> November 27, 2012 – Motion to amend the Statement of Claim and add City as a party December 17, 2012 – City served with Amended Statement of Claim September 1, 2016 – Action dismissed 	<ul style="list-style-type: none"> This matter is complete 	Insurers' legal counsel
Goudie v. City of Guelph et al Ontario Superior Court of Justice Court File No. 895-13	<ul style="list-style-type: none"> Slip and fall – October 23, 2011 	<ul style="list-style-type: none"> October 21, 2013 – City served with Statement of Claim July 18, 2016 – Order dismissing action without costs 	<ul style="list-style-type: none"> This matter is complete 	Insurer's legal counsel
Dome v. City of Guelph Ontario Superior Court of Justice Court File No. 532/14	<ul style="list-style-type: none"> Slip and fall – March 1, 2013 	<ul style="list-style-type: none"> July 14, 2014 – Statement of Claim served on City July 8, 2016 – Order dismissing action without costs 	<ul style="list-style-type: none"> This matter is complete 	Insurer's legal counsel
Smith v. City of Guelph Ontario Superior Court of Justice Court File No. 94/12	<ul style="list-style-type: none"> Slip and Fall accident – March 15, 2011 	<ul style="list-style-type: none"> February 1, 2012 – Statement of Claim served on City March 13, 2012 – City served Statement of Defence May 2, 2013 – Examination for Discovery scheduled March 30, 2016 – Order dismissing action without costs 	<ul style="list-style-type: none"> This matter is complete 	Insurers' legal counsel
Perozzo v. City of Guelph Ontario Superior Court of Justice Court File No. 924/12	<ul style="list-style-type: none"> Slip and fall accident - February 24, 2011 	<ul style="list-style-type: none"> December 14, 2012 – City served with Statement of Claim February 9, 2016 – Order 	<ul style="list-style-type: none"> This matter is complete 	Insurers' legal counsel

ATT - 1
LITIGATION STATUS REPORT
As of September 20, 2016

INSURED MATTERS COMPLETE SINCE January 18, 2016				
Matter	Description	History	Current Status	Counsel
		dismissing action without costs		
Stewart v. City of Guelph and Guelph Transit	<ul style="list-style-type: none">• Transit accident – October 2012	<ul style="list-style-type: none">• March 25, 2015 – City served with Statement of Claim• January 19, 2016 – Order dismissing action	<ul style="list-style-type: none">• This matter is complete	Insurer's legal counsel

Provincial/Federal Consultation Alert							
Title	Ministry	Consultation Deadline	Summary	Proposed Form of Input	Rationale	Lead	Link to Ministry Website
Let's Talk Housing	Ministry of Families, Children and Social Development (Federal Consultation)	October 21	The Federal Government is developing a National Housing Strategy. Input is requested.	Staff to complete the survey	<p>The City's Affordable Housing Strategy will be returning to Council later in the fall. The City is reliant on the actions of senior levels of government to make impactful actions to address our community's affordable housing needs identified through the City's Affordable Housing Strategy work.</p> <p>City staff will be monitoring the progress of the National Housing Strategy as it progresses and will provide updates as applicable and appropriate.</p>	Planning	https://www.letstalkhousing.ca/

Provincial/Federal Consultation Alert							
Title	Ministry	Consultation Deadline	Summary	Proposed Form of Input	Rationale	Lead	Link to Ministry Website
OMB Reform	Municipal Affairs	NA	<p>The Ministry of Municipal Affairs is reviewing the scope and effectiveness of the Ontario Municipal Board (OMB), an important part of the province's land use planning system.</p> <p>The government is developing a consultation paper that will be released in fall 2016 for further comment.</p> <p>In the meantime, the province is seeking views on the following topics:</p> <ul style="list-style-type: none"> • Jurisdiction and powers: this could include what matters can be appealed and who may appeal them, the use of local appeal bodies and how much deference should be given to municipal decisions. • Meaningful citizen participation and local perspective: this could include who has access to hearings, how to ensure the ability of the public to participate, how to ensure that the process is affordable, unrepresented parties and the role of the citizen liaison office. • Clear/predictable decision making: this could include how to ensure fairness, adjudicator education and training and standardized decision format(s) • Hearing procedures and practices: this could include the formality of hearings, how expert evidence is heard and what evidence should be allowed at hearings. 	Staff level	At this time, the ministry is seeking feedback on the development of the consultation paper. Full consultation opportunities will be provided once the consultation paper is drafted and released to the public.	Planning	http://www.mah.gov.on.ca/Page14965.aspx

Provincial/Federal Consultation Alert							
Title	Ministry	Consultation Deadline	Summary	Proposed Form of Input	Rationale	Lead	Link to Ministry Website
			<ul style="list-style-type: none">• Alternative dispute resolution: this could include the use of mediation or other alternatives to traditional hearings or adversarial procedures as part of the appeal system.• Timely processes and decision making: this could include the timelines for scheduling hearings and the issuing of decisions.				