



Finance, Administration and Operations Committee

Tuesday, September 17, 2013, 4:15 pm.
City Hall, Council Chambers

Committee Members

Councillor D. LeSueur,
Chair
Councillor D. Beatty
Councillor L. Bursey
Councillor J. Earle
Councillor J. Fullarton
Mayor D. Henderson,
Ex-Officio

Areas of Responsibility:

Clerk's Office
Environmental Services
Finance Department
Fire Department
Human Resources Dept.
Operations Department
Airport Commission
Arena Advisory Board
Brockville Municipal
Accessibility Advisory
Committee (BMAAC)

CRCA
Cemetery
Health Unit
Joint Services Committee
PLMG
Police Services Board
Safe Communities Coalition
St. Lawrence Lodge
Management Board
Volunteer Awards

All legal matters [excepting
the purchase and sale of
land]

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AGENDA

DISCLOSURE OF INTEREST

DELEGATION(S) AND PRESENTATION(S)

- 5 - 19 1. Request for Funding/Impact Statement
 Sherwood Park Manor
 Mr. Alfred O'Rourke

Mr. O'Rourke, Administrator, Sherwood Park Manor will make a presentation to the Committee concerning their Impact Statement of May 2013.

CORRESPONDENCE

Nil.

STAFF REPORTS

- 20 - 21 1. 2013-101-09
Downtown Brockville (D.B.I.A.)
Request for Transfer of Funds
- THAT Council authorizes the transfer of funds in the amount of \$5,000.00 from the Downtown Brockville (D.B.I.A.) Reserve Fund (GL 02-5-191927-6436) to be used as a donation/contribution to the Rotary Park Artificial Ice Project.*
- 22 - 23 2. 2013-102-09
Purchase of a Strut Rescue Kit
- THAT Council authorizes the purchase of a "Strut Rescue Kit"; and*
- THAT the quotation from Code 4 Fire and Rescue in the amount of \$4,995 (plus taxes) be accepted; and*
- THAT Council authorize the transfer of \$4,995 (plus taxes) from the Operational Fire Equipment Reserve Fund (account 02-5-191902-6436) for the purchase of the equipment; and*
- THAT the invoice be charged to account 01-5-103222-6320*
- 24 - 43 3. 2013-106-09
Municipal Access Agreement - BH Telecom Corp.
- THAT the City of Brockville enter into a Municipal Access Agreement with BH Telecom Corp. for the purpose of constructing, operating and maintaining telecommunications infrastructure on City road allowances.*

- 44 - 88 4. 2013-105-09
2012 Annual Financial Statements and Auditors Report

THAT the Audited Financial Statements for the Corporation of the City of Brockville to the year-ended December 31, 2012 be received and approved; and

THAT the Audited Financial Statements for the Board of Management, Downtown Business Improvement Area of the Corporation of the City of Brockville be received and approved; and

THAT the Audited Financial Statements of the Corporation of the City of Brockville Trust Funds be received and approved; and

THAT the operating deficit of \$72,549 be financed from the Fiscal Policy Reserve.

- 89 - 126 5. 2013-107-09
Financial Variance Report at August 31, 2013

THAT Council receives Staff Report No. 2013-107-09, Financial Variance Report at August 31, 2013.

- 127 - 133 6. 2013-108-09
City Auditor's "Matters to be Communicated
with Members of Council"

THAT the Finance Administration Operations Committee receive and review the City Auditor's "Matters to be Communicated with Members of Council" for the year ended December 31, 2012 (Attachment 1 to Report 2013-108-09).

- 134 - 141 7. 2013-104-09
Entering into a Memorandum of Agreement for
Emergency Response with Parks Canada

THAT City Council allow the Fire Chief to enter into a Memorandum of Agreement with the Parks Canada Agency and Thousand Islands National Park to co-operate in emergency response and the suppression of wildfires in the areas owned or under the jurisdiction of either of the Parties.

NEW BUSINESS

- 142 - 143 1. Notice of Motion
 Councillor J. Earle

THAT the City of Brockville reply to the requests from the Township of Augusta and the Town of Prescott for police costing and provide such costing in the form of a joint police service board. Costing to be done and analyzed in the same time frame as Brockville OPP costing; and

THAT this matter be forwarded to the FAO committee for consideration.

2. Council Attendance Tracking
 Motion from Councillor L. Bursey

WHEREAS tracking attendance is considered a normal practice in most modern work settings;

WHEREAS many other municipalities also track attendance;

WHEREAS the council of the Corporation of the City of Brockville strives to be transparent in our decision making process, to our ratepayers, colleagues and employees;

THEREFORE BE IT RESOLVED THAT council member attendance be tracked at council meetings and standing committee meetings (EDP & FAO) for public record.

FAO - CONSENT AGENDA

ADJOURNMENT

THAT the Finance, Administration and Operations Committee adjourn its meeting until the next regular meeting scheduled for October 15, 2013.

SHERWOOD PARK
MANOR
Long Term Care Residence

September 11, 2013

Finance Administration and Operations Committee
Brockville City Council
City Hall
Brockville, Ontario

Dear Members

Thank you for allowing us to present at your Committee meeting. Sherwood Park Manor is a 107 bed not for profit, non municipal long term care facility governed by a 12 person volunteer Board of Directors.

The Board Members include:

Steve Read, Chair
Jane Vanderbaaren, Vice Chair
Fran Walker, Past Chair
Angus Bickerton
Belia Brandow
Dr. Penelope Brook -Williams
Mary Ellen Burke
Dave Hunter
Geoff McMullen
Jim Miller
Gord Phillips
Dr. John Southin
Alfred O'Rourke, Secretary/ Treasurer and Administrator.

The Purpose of our presentation is to follow up on the Impact Statement sent out to City Council in a letter dated May 9, 2013 to Mayor Dave Henderson, outlining our progress to date and to seek financial support from Brockville City Council to keep our 107 beds in the Brockville and United Counties community. Fran Walker, Past Chair and Alfred O'Rourke, Administrator will be presenting on behalf of Sherwood Park Manor.

Respectfully submitted,

Steve Read, Chair Board of Directors

Introduction:

The Board of Sherwood Park Manor has been conducting a comprehensive analysis and evaluation of strategic options to deal with its financial sustainability and viability issue since the fall of 2012. In consequence, the board reached two key conclusions:

1. The financial trend analysis and performance indicators do not support future viability, sustainability or stability without a significant injection of operating funds on an annual basis.
2. We need a made-in Brockville and United Counties Solution with all parties participating in order to keep the 107 beds here.

Purpose: to communicate our current financial situation, what we have and are doing about it, and seek financial support going forward.

Request: Sherwood Park Manor is seeking a combined total of \$300,000 per year for five years from the City and United Counties.

Background Information enclosed:

1. Sherwood Park Manor Impact Statement sent to Mayor of Brockville and Mayors of Leeds Grenville –May 2013.
2. "What Sherwood Park Manor has done to improve their situation internally" document. Prepared by Fran Walker, Past Chair SPM Board of Directors –September 2013.
3. Debt Service Charges from 2009 – 2014.
4. Cash Flow Statement with Net Operating Income, including Debt Service Coverage Ratio 2009 -2014.
5. Sherwood Park Manor residents by percentage of location of residence prior to Admission for 2012 and 2013.
6. Long Term Care Facilities in Leeds and Grenville the facts –September 2012.
7. Long Term Care Service Accountability Agreement (LSAA) between Sherwood Park Manor and South east Local Health Integration Network 2013-2016.
 - i. Funding Expectations (Achieving Balanced Budget).
 - ii. Performance Indicators

Background Information #1

Sherwood Park Manor Financial Stability and Future Sustainability Impact Statement

I. Purpose of Statement

The purpose of this Impact Statement is to inform our community partners of the tenuous financial future facing Sherwood Park Manor. Sherwood Park Manor needs immediate financial assistance. In the event that Sherwood Park Manor is forced to close, the related impacts will be felt deeply and widely throughout the communities it serves.

II. Sherwood Park Manor's Financial Situation

Sherwood Park Manor is not unique in facing the challenge of providing the best possible care to the residents of the communities it serves. Like many of Ontario's long-term care ("LTC") facilities, Sherwood Park Manor struggles to balance its annual budget within the confines of the Ministry of Health and Long-Term Care's ("MOHLTC") envelope funding methodology. The provincial funding, which is the same for all LTC facilities, provides 65% of Sherwood Park Manor's budget with residents' fees contributing the other 35%. It is important to note these fees are set provincially and Sherwood Park Manor sets aside 44 of its beds as basic accommodation beds to ensure that residents with limited income are cared for; therefore, Sherwood Park Manor foregoes the increased revenue attached to semi-private and private accommodations. Of the 8 LTC homes in Leeds and Grenville, Sherwood Park Manor is unique, as the only not-for-profit, non-municipal LTC home. There are 36 LTC homes in the SE LHIN and only 3 of these are not-for-profit, non-municipal homes. Unlike its neighbouring LTC facilities, Sherwood Park Manor **does not receive any funding support from any municipality**. Sherwood Park Manor relies on the provincial funding system which is in a constant state of flux. The provincial funding is supplemented only by an annual contribution from the Fulford-Hardy Endowment Fund and a small amount of annual donations, which are very much appreciated but limited.

Historically, Sherwood Park Manor has generated a positive operating surplus and operating margin. Trend analysis through to 2014 indicates this trend continuing. For 2011, Sherwood Park Manor's operating margin of .3% was in line with the SE LHIN indicator of .4%. However, compared with provincial indicators for homes of 81-200 beds (3.5%) and non-profit homes (2.6%), Sherwood Park Manor falls significantly short. Were it not for the significant debt service costs, Sherwood Park Manor would be better positioned to achieve financial sustainability.

Debt service costs related to historical mortgages have placed a drain on Sherwood Park Manor's operating results and will continue to do so, causing a trend of net deficits and negative working capital. Annual debt service payments of approximately \$285,000 are substantial and result in a significant budget shortfall and negative cash flow.

Sherwood Park Manor has 107 LTC beds; 61% of the residents come from Brockville, 17%

from Elizabethtown-Kitley, 11% from other counties in The United Counties of Leeds and Grenville, and 11% from Prescott. Sherwood Park Manor, with a total annual payroll of approximately \$5.9 million, employs 126 staff earning an average of \$43,000 per annum with 53.2% residing in the City of Brockville, 11.9% in Elizabethtown-Kitley, 20.6% throughout the United Counties of Leeds and Grenville and 14.3% in Kingston, Prescott, Cornwall and other Counties. In addition to supporting the livelihoods of many families residing in both Brockville and the neighbouring communities, Sherwood Park Manor spends approximately \$1.34 million annually in support of both local suppliers and contractors.

III. Sherwood Park Manor's Efforts to Achieve Financial Stability and Sustainability

Sherwood Park Manor has been proactive in its approach to addressing its financial future. A comprehensive analysis and evaluation of viable strategic options was completed by the Board of Directors in the Fall of 2012. In the context of Sherwood Park Manor's desired goal "to continue to oversee the operations of a not-for-profit long-term care facility on a solid financial footing while providing excellence in long-term care", the Board identified the following strategic options:

1. Secure municipal funding;
2. Pursue partnership opportunities;
3. Improve operating performance; and,
4. Consider diversification opportunities.

Sherwood Park Manor is exploring all of the above strategic options in an attempt to prevent a financial crisis. Sherwood Park Manor explored the possibility of being able to revisit the 1974 mortgage with Canada Mortgage and Housing Corporation ("CMHC"). The MOHLTC and the SE LHIN are aware of the high interest rate and the prepayment penalty clause associated with CMHC mortgage. CMHC is a federal organization and no precedent exists for CMHC to justify renegotiation of existing mortgages. Sherwood Park Manor has been counselled that pursuing this investigation further will prove fruitless.

The Board has reached a key conclusion: **"The financial trend analysis and performance indicators do not support future viability, sustainability or stability without a significant injection of funding on an annual go-forward basis."**

IV. Future Impacts without Additional Funding Support

Sherwood Park Manor's beginning in 1974 was made possible through the generous funding support of local businesses, industry and municipal governments, including Brockville, Prescott and the United Counties of Leeds and Grenville. There was and still is a strong sense of community pride for Sherwood Park Manor. However, unless this generous original commitment to Sherwood Park Manor's future is matched with continuing financial support, Sherwood Park Manor's community partners need to understand the potential impacts as outlined below:

1. Healthcare Impacts

- 1) The absence of Sherwood Park Manor's 107 beds would significantly impact the care of those residents who so heavily rely on and require the level of care provided at Sherwood

Park Manor. The burden to the families of Sherwood Park Manor's residents would be significant.

2) The absence of Sherwood Park Manor's beds would only exacerbate an already stressed system for providers of long-term care. Currently, Sherwood Park Manor has a waiting list of 76 people waiting an average of 193 days. The closing of Sherwood Park Manor will cause the relocation of 107 residents to neighbouring facilities that already have an average wait list of 112 people waiting an average 285 days.

3) Brockville General Hospital will experience added pressure to its acute care bed capacity in the event of a closure of Sherwood Park Manor's beds.

4) The 20 year horizon for the City of Brockville indicates a significant expected growth in the population of residents over the age of 75, escalating from the current 10.8% to a forecasted 17.1%. Without Sherwood Park Manor's 107 beds, the future care of this elderly population will be at a significant risk. Brockville is currently marketing the City as a retirement community. As part of the attraction, those of retirement age and looking to relocate will most certainly be concerned about the availability of long-term care in the vicinity.

2. Economic Impacts

1) Sherwood Park Manor has been a stable employer since 1974. Closing of Sherwood Park Manor's 107 beds would result in the loss of 126 jobs and directly impacting 135 households. These jobs are specialized and not easily transferrable. These jobs are held by people with families in Brockville and neighbouring communities. It is unlikely that these individuals would be able to relocate to other parts of the province where these specialized skills are in demand because of family issues. Currently, there are 231 job postings in the City of Brockville with very few requiring the specialized skills of the care providers at Sherwood Park Manor.

2) The negative impact on the economy of Brockville and neighbouring communities reaches beyond the loss of 135 jobs. Approximately \$5.9 million in family incomes would no longer exist to support local retail, cultural and other industries. Further, local contractors and suppliers would lose \$1.34 million annually in business supported by Sherwood Park Manor.

3) The employment forecast for just the City of Brockville is estimated to increase at 1% per annum to the year 2021 and 2% through to 2031. This statistic suggests that alternative employment opportunities will not be readily available to those Sherwood Park Manor employees who would lose their employment as a result of Sherwood Park Manor closing. Municipal leaders need to consider what it would take to attract 135 replacement jobs to their communities and what financial incentives would be required to attract a stable new industry employing 135 people.

4) The absence of Sherwood Park Manor will have ramifications for St. Lawrence College

and its healthcare programs.

V. Conclusion

Sherwood Park Manor desires to continue as a pillar in the community by continuing to provide excellence in care to 107 residents, employment to 135 staff, and, support for the continuum of care in cooperation with Brockville General Hospital.

Sherwood Park Manor's future is dependent on financial support from the communities it serves.

May 2013

Background Information #2

What Sherwood Park Manor Has Done to Improve Their Situation Internally

Revenue enhancements / fund raising

There are several avenues of revenue enhancements that Sherwood Park Manor has explored.

Sherwood Park Manor Foundation

This was the Fulford Home Foundation and was renamed. The letters of patent have just been received. This foundation has the goal of raising funds for the day to day operation of the Manor. The G.T. Fulford Trust Fund is managed by a Board of Directors independent of Sherwood Park Manor. Sherwood Park Manor is prohibited by the terms of the trust from accessing the capital or receiving any capital gains from the investments. The interest and dividends are allowed to be distributed to the Manor (\$60,000-\$80,000 per year).

Fund Development Committee

This committee was established by 2 board members in 2010 after our **first year** of having a deficit at **2009** year end.

Wish List Letter Campaign started in 2010. This is done annually in the fall (revenue of \$8500-\$11,000 per year).

"Strengthen Our Foundation - 1 brick at a time" is a new fund raising campaign launched June 2013 by our Fund development committee.

Sherwood Park Manor Auxiliary

This very dedicated group of volunteers raises money for the Manor in addition to contributing over 2000 hours of their time annually. Their revenue contribution was over \$6,000 in 2012.

Residents Council

On their own the Residents Council decided to start a 50/50 draw to raise funds.

Community Organizations

Several community organizations have supported specific needs such as Maycourt, Rotary Club, and the Lioness Club.

One of the areas that we continue to explore is what grants/money is available. T

We have asked our MPP Steve Clark to look into any supplementary funding that we might qualify for from the Ministry of Health and Long Term Care. When we met with Gord Brown, we asked him if there were any federal funds available to us.

Expense reductions considered or introduced over the past 6 months- 1 year

Back Office Initiatives

In conjunction with the SELHIN's Back Office Integration Project to reduce system wide spending in support funding, we have outsourced financial, accounting and reporting services to Brockville General Hospital for significant cost savings. We have also partnered with them as payroll providers.

In May 2013 a 1 year contract with Brockville General Hospital for Human Resources support was signed with the aim of lowering our cost of legal fees for labour relations consultations.

Cash Advance

This was requested by us from the SELHIN to lower our interest costs. They no longer do this for Long Term Care Homes.

HST Rebate

This ongoing situation is a potential saving of \$50,000 if we were considered the same as a municipal home. Not sure why there is a difference but municipal homes pay no HST and we get HST rebate of 69%.

Previous application to the Canada Revenue Agency for an increase of the rebate to 83% (same % rebate as Brockville General Hospital) was rejected.

Community Partnering

Administrators for our 3 local Long Term Care facilities continue to meet and explore options. The change in the physiotherapy funding is the first area of working together for cost savings.

Mortgage Review

BMO mortgage - This mortgage was renegotiated in June 2012 resulting in a savings of \$85,000 per year in interest cost.

CMHC mortgage - This is ongoing as yet we have met with no success.

In summary

Benchmark data indicates the Sherwood Park Manor's operation runs efficiently and compares favourably with peer organizations for day to day operations. The debt servicing

costs and aging facility repairs continue to erode the working capital.

Sherwood Park Manor Board of Directors, September 2013

Background Information #3

Summary of Debt Service Costs
Sherwood Park Manor

	2009	2010	2011	2012	2013	2014
Debt Service Costs						
Principal	133,365	143,048	153,437	176,996	203,968	213,857
less: MOHLTC funding (per yr 2000 - 32 bed addition)	120,888	120,888	120,888	120,888	120,888	120,888
Sub total	12,477	22,160	32,549	56,108	83,080	92,969
Interest and Fees	292,583	273,177	259,734	240,302	196,675	188,296
Total	305,060	295,337	288,567	296,500	279,755	281,255
Break Down of Principal						
BMO (Net of MOHLTC Funding) (26 yr amortization -2000)	-16,763	-9,465	-1,657	19,111	43,064	49,688
CMHC (50 yr amortization and term -1976)	29,240	31,625	34,206	36,997	40,016	43,281
Total	12,477	22,160	32,549	56,108	83,080	93,969

Background Information #4
Sherwood Park Manor
Cash Flow

	Audited Dec 2009	Audited Dec 2010	Audited Dec 2011	Audited Dec 2012	Pro-Forma Dec 2013	Pro-Forma Dec 2014
Cash provided by(used for):						
Operating Expenses:						
Net Surplus/(Deficit)	(\$179,828)	(\$210,601)	(\$195,973)	(\$141,682)	\$0	\$0
Items which do not involve cash:						
Amortization of Capital Assets	\$232,812	\$231,817	\$221,161	\$222,338	\$223,067	\$227,528
Amortization of Deferred Capital Contributions	(\$43,416)	(\$43,164)	(\$42,709)	(\$42,698)	(\$43,164)	(\$42,732)
Amortization of Deferred charges				\$12,059		
Change in non-cash working capital						
Decrease(increase) in Temp Investments	(\$91,017)	\$99,173	\$39,145	\$10,000	\$5,507	-
Decrease(increase) in Accounts Receivable	(\$20,383)	(\$77,949)	(\$337)	(\$136,116)	\$107,810	(\$315)
Decrease(increase) in Prepaid Expenses	(\$8,683)	\$5,528	(\$6,110)	(\$738)	-	-
Decrease(increase) in Accounts Payable/Accrued Liabilities	\$30,618	\$24,673	\$93,591	\$86,241	(\$64,861)	\$27,723
Decrease(increase) in Inventory	-	\$10,189	(\$7,758)	\$3,629	-	-
Decrease(increase) in Receivable from Province	(\$174,016)	\$54,557	(\$6,594)	-	\$1,589	-
	(\$253,913)	\$94,223	\$94,416	\$13,033	\$229,948	\$212,204
Financing Activities						
Deferred Province of Ontario funding	-	-	-	\$14,401	-	-
Increase(decrease) in deferred capital contributions	\$1,138	\$2,543	\$2,538	-	-	-
Capital repairs funded from reserve	\$42,699	-	-	-	-	-
Principal payment on Long Term Debt	(\$133,365)	(\$143,048)	(\$149,721)	(\$178,903)	(\$203,968)	(\$213,857)
	(\$89,528)	(\$140,505)	(\$147,183)	(\$164,502)	(\$203,968)	(\$213,857)
Investing Activities						
Additions to capital assets	(\$160,722)	(\$35,948)	(\$66,499)	(\$92,704)	(\$15,100)	(\$15,100)
Increase(decrease) in deferred capital contributions	-	(\$8,605)	(\$2,538)	-	-	-
	(\$160,722)	(\$44,553)	(\$69,037)	(\$92,704)	(\$15,100)	(\$15,100)
Increase(decrease) in cash	(\$504,163)	(\$90,835)	(\$121,804)	(\$244,173)	\$10,880	(\$16,753)
Cash, Beginning of Year	\$944,976	\$440,813	\$349,978	\$228,174	(\$15,999)	(\$5,119)
Cash, End of Year	\$440,813	\$349,978	\$228,174	(\$15,999)	(\$5,119)	(\$21,872)
Debt Service Coverage Ratio (as per 2013-16 LSSA)	-0.59	-0.71	-0.68	-0.59	0	0
EBITDA= Earnings before interest, Income taxes, Depreciation, Amortization/ Principle repayments+interest						
Performance Std for not for profit non municipal LTC = 1.0 starting in 2014/15.						

Background Information #5

**Residents Profile for Sherwood Park Manor
On Admission**

Residents Home prior to Admission	Sept 2012	Sept 2013
Brockville	57%	58%
United Counties Leeds and Grenville	26%	23%
Prescott	10%	10%
Miscellaneous	7%	9%

Background Information #6

Long Term Care Facilities in Leeds & Grenville

Long term care is a provincially regulated program, publicly funded on a cost share basis with residents. The province funds 65% and 35% comes from the residents fees set by the Ministry.

The Long-Term Care Homes Act (LTCHA), 2007 came into force July 1, 2010. Now all long term care homes in the province must adhere to the same regulations and provide the same objective standard of care to their residents.

Overview of Long term Care Homes in Ontario

There are 634 Long Term Care homes in Ontario that operate 76,174 LTC beds

There are 2 types of operators – For-profit and Not-for-profit

54% of Ontario's LTC beds are run by private for profit chains and small independent companies.

In the Not-for-profit sector municipalities operate 21% of long term care beds and the other 25% of the province's LTC beds are operated by Not-for-profit non municipal community organizations.

Long term Care Homes in Leeds & Grenville

There are 8 Long Term Care homes with 777 beds.

For-profit companies operate 48% of the Long Term Care beds
in Leeds & Grenville (374 beds in 5 homes)

Bayfield Manor Nursing Home, Kemptville	66 beds
Carveth Care Centre, Gananoque	104 beds
Hilltop Manor Nursing Home, Merrickville	60 beds
Rosebridge Manor, Jasper	78 beds
Wellington House, Prescott	60 beds

Not for profit homes operate 52% of the Long Term Care beds
in Leeds & Grenville (403 beds in 3 homes
plus 12 beds at Kemptville District Hospital)

2 of the Not-for-profit homes are municipal	
Maple view Lodge, Athens	60 beds
St Lawrence Lodge, Brockville	224 beds

Sherwood Park Manor with its 107 beds is the **only** home in Leeds and Grenville that is Not for Profit and Non Municipal. This means it currently does **not** receive any funding support from any municipality.

September 2012

7 i

(b) When entering into a subcontract the HSP agrees that the terms of the subcontract will enable the HSP to meet its obligations under this Agreement. Without limiting the foregoing, the HSP will include a provision that permits the LHIN or its authorized representatives, to audit the subcontractor in respect of the subcontract if the LHIN or its authorized representatives determines that such an audit would be necessary to confirm that the HSP has complied with the terms of this Agreement.

(c) Nothing contained in this Agreement or a subcontract will create a contractual relationship between any subcontractor or its directors, officers, employees, agents, partners, affiliates or volunteers and the LHIN.

3.3 Conflict of Interest. The HSP will use the Funding, provide the Services and otherwise fulfil its obligations under this Agreement without an actual, potential or perceived Conflict of Interest. The HSP will disclose to the LHIN without delay any situation that a reasonable person would interpret as an actual, potential or perceived Conflict of Interest and comply with any requirements prescribed by the LHIN to resolve any Conflict of Interest.

3.4 E-health/Information Technology Compliance. The HSP agrees to

- (i) comply with any technical and information management standards, including those related to architecture, technology, privacy and security set for health service providers by the MOHLTC, eHealth Ontario or the LHIN within the timeframes set by the MOHLTC or the LHIN as the case may be;
- (ii) implement and use the approved provincial e-health solutions identified in the LHIN e-health plan; and
- (iii) implement technology solutions that are compatible or interoperable with the provincial blueprint and with the LHIN e-health plan.

ARTICLE 4.0 - FUNDING

4.1 Funding. Subject to the terms of this Agreement, and in accordance with the applicable provisions of the Accountability Agreement, the LHIN will provide the Funding by depositing the Funding in monthly instalments over the Term, into an account designated by the HSP provided that the account resides at a Canadian financial institution and is in the name of the HSP.

4.2 Conditions of Funding

- (a) The HSP will:
 - (i) use the Funding only for the purpose of providing the Services in accordance with the terms of this Agreement;
 - (ii) not use the Funding for compensation increases prohibited by Applicable Law;
 - (iii) meet all obligations in the Schedules;
 - (iv) fulfill all other obligations under this Agreement; and
 - (v) maintain an Annual Balanced Budget.

Schedule D – Performance

1.0 Performance Indicators

The HSP's delivery of the Services will be measured by the following Indicators, Targets and where applicable Performance Standards. In the following table:
n/a means 'not-applicable', that there is no defined Performance Standard for the indicator for the applicable year.
tbd means a Target, and a Performance Standard, if applicable, will be determined during the applicable year.

PAN-LHIN SYSTEM IMPERATIVES	OUTCOME OBJECTIVES	INDICATORS P=Performance Indicator E=Explanatory Indicator	2013/14		2014/15		2015/16	
			Performance		Performance		Performance	
			Target	Standard	Target	Standard	Target	Standard
1. Enabling Coordination and Transitions of Care for Targeted Populations	To reduce ALC days	Long-stay utilization (P)	98.0%	97.0%	98.0%	97.0%	98.0%	97.0%
2. Maintaining Achievement in Access, Accountability and Safety	To reduce avoidable hospital admission, reduce ED/Utilization visits	Median wait time to placement in LTC home (E)	n/a	n/a	n/a	n/a	n/a	n/a
3. Organizational Health	To ensure the organizational health of the home	Compliance status (P)	Yes	n/a	Yes	n/a	Yes	n/a
		Debt service coverage (DSC) ratio for non-municipal homes, organizations (E)	n/a	n/a	1.0	> 1.0	1.0	> 1.0

2.0 LHIN-Specific Performance Obligations.

Name	Objective to be achieved/demonstrated	Measure	Reporting Protocol	Reporting Requirements
French Language Services (FLS) <i>Non-identified HSPs in the SE</i>	To ensure compliance with L-SAA s. 8.1(d) Reporting French Language Services	Annual report to the LHIN with respect to how the HSP addresses the needs of its local Francophone community.	TBD a. in a format provided by the LHIN (Q4); or b. in WERS/SRI.	As per Schedule C – Reporting Requirements

August 28, 2013

Report to Finance & Administration Committee – September 17, 2013

**2013-101-09
Downtown Brockville (D.B.I.A.)
Request For Transfer Of Funds**

**B. Clarke
Executive Director DBIA**

RECOMMENDATION

THAT Council authorizes the transfer of funds in the amount of \$5,000.00 from the Downtown Brockville (D.B.I.A.) Reserve Fund (GL 02-5-191927-6436) to be used as a donation/contribution to the Rotary Park Artificial Ice Project.

BACKGROUND

The DBIA Board of Management was approached by Senator Bob Runciman, Honorary Chair of the Rotary Park Revitalization Project requesting a donation/contribution in support of the Artificial Ice Project slated for December 2013. At the June 26, 2013 DBIA Board Meeting there was a motion made and carried to request a transfer of \$5000 from the DBIA reserve fund to support the Artificial Ice Rink project.

POLICY IMPLICATIONS

Councils approval is required to "transfer funds to" or "transfer funds from" a reserve fund.

FINANCIAL CONSIDERATIONS

There are sufficient monies with the Downtown Brockville (DBIA) Reserve Fund to cover the request.

Attachment 1 is the minutes from the June 26, 2013 Downtown Brockville (D.B.I.A.) board meeting.



B. Clarke
DBIA Executive Director



David Dick, CA, CPA
Director of Corporate Services



W. Onstein
Chair DBIA



B. Casselman
City Manager



**Excerpt from DBIA Board Meeting
June 26, 2013**

Request for donation/contribution to the Rotary Park Artificial Ice Project

Moved by: Keeley Moure

THAT the DBIA Board approves a transfer of funds in the amount of \$5000.00 from the DBIA reserve for a donation to the Rotary Park Artificial Ice Project. The DBIA Board was approached by Senator Bob Runciman the Honorary Chair of the Rotary Park Artificial Ice Project with a request of a donation/contribution to the project.

THAT such approval be conditional on City Council approval of the transfer of funds and there being sufficient funds in the Reserve Account.

CARRIED

August 28, 2013

**REPORT TO THE FINANCE ADMINISTRATION OPERATIONS
COMMITTEE – September 17, 2013**

**2013-102-09
PURCHASE OF A STRUT RESCUE KIT**

**C. DWYRE
FIRE CHIEF
RENNY RAYNER
DEPUTY FIRE CHIEF**

RECOMMENDATION

THAT Council authorizes the purchase of a “Strut Rescue Kit”; and

THAT the quotation from Code 4 Fire and Rescue in the amount of \$4,995 (plus taxes) be accepted; and

THAT Council authorize the transfer of \$4,995 (plus taxes) from the Operational Fire Equipment Reserve Fund (account 02-5-191902-6436) for the purchase of the equipment; and

THAT the invoice be charged to account 01-5-103222-6320

BACKGROUND

As a result of the recent developments in equipment design, it is necessary to upgrade the equipment necessary to perform vehicle extrication rescues.

The “Strut Rescue Kit” equipment to be used by the Brockville Fire Department consists of 2 long struts, 2 short struts, and assorted ancillary equipment.

The specific function of this kit is to stabilize a vehicle that is involved in a motor vehicle collision. This will decrease the time that elapsed between stabilization of the vehicle and extrication of the patient from the vehicle. The new equipment will enhance the safety for both victims and firefighting staff, by ensuring stability of the vehicle.

Currently the department utilizes a series of timbers that are not adequate in comparison with the Rescue Strut Kit; additionally take up more compartment space than the Rescue 42 Kit.

A comparison of another strut kit revealed that the kit would be difficult to store on the rescue unit because of spatial constraints. The feedback from Crews was not as positive as the Rescue 42 Kit. The price quotation for the competitors strut kit was considerably more at \$6395.00

One other unit was not suited for the needs of our department, and would not fit in the current rescue unit.

A price quotation has been received from the Mississauga based company Code 4 Fire and Rescue, which has supplied all of our extrication equipment. Code 4 is the exclusive dealer of the Rescue 42 System and has been a reliable provider of parts and service. Code 4 also includes firefighter training on the use and maintenance of the equipment purchased as part of their quotation.

POLICY IMPLICATIONS

Council approval is required to "transfer funds to" or "transfer funds from" a reserve fund.

FINANCIAL CONSIDERATIONS

The price for this equipment (Rescue 42) is \$4995.00 plus applicable taxes.


We are seeking Council's approval to purchase the equipment from Reserve Fund Account 02-5-1919026436 which was established from revenues received from the Ministry of Transportation for providing emergency responses on Highway 401.

There are sufficient monies within the Operational Fire Equipment Reserve Fund. The current balance in the reserve fund is \$24,525.90


C. Dwyre
Fire Chief


B. Casselman
City Manager


Renny Rayner
Deputy Fire Chief


David Dick CPA, CA
Director of Corporate
Services

SEPTEMBER 11, 2013

REPORT TO FINANCE, ADMIN. AND OPERATIONS COMMITTEE – SEPT. 17, 2013

2013-106-09

**MUNICIPAL ACCESS AGREEMENT
BH TELECOM CORP.**

**C.J. COSGROVE, P.ENG.
DIRECTOR OF OPERATIONS**

RECOMMENDED

THAT the City of Brockville enter into a Municipal Access Agreement with BH Telecom Corp. for the purpose of constructing, operating and maintaining telecommunications infrastructure on City road allowances.

PURPOSE

The intent of this report is to authorize an agreement for the purpose of constructing, operating and maintaining telecommunications infrastructure on City road allowances.

ANALYSIS

BH Telecom Corp. has requested the City of Brockville's permission to construct, operate and maintain telecommunications infrastructure on City road allowances, as part of a broader network in southeastern Ontario. Attachment 1 is a description of the company.

Municipalities control the use of their road allowances by utility and telecommunications companies through Municipal Access Agreements. BH Telecom Corp. entered into a Municipal Access Agreement with the City of Ottawa in 2012 and has completed its first project in that municipality.

Municipal Access Agreements document the terms under which a utility or telecommunications company can use City road allowances for their infrastructure. The main principles are:

- No cost to the City related to the installation, operation and removal of the infrastructure.
- The specific location of the infrastructure requires City approval before installation.
- No cost to the City for the relocation of the company's infrastructure if the relocation is required for municipal purposes.

Attachment 2 is the proposed Municipal Access Agreement with BH Telecom Corp. This is a standard agreement the City has used with other telecommunications companies.

POLICY IMPLICATIONS


Council approval is required to enter into Municipal Access Agreements.

FINANCIAL CONSIDERATIONS


None.

CONCLUSION

The City of Brockville should enter into a Municipal Access Agreement with BH Telecom Corp.



C.J. Cosgrove, P.Eng.
Director of Operations



D. Dick, CA
Director of Corporate Services



B. Casselman
City Manager

BH Telecom Corp.
100 Wellington Street West
Suite 2300, P.O. Box 22
Toronto, Ontario
M5K 1A1

Brief description for City of Brockville

Birch Hill Equity Partners, a leading Canadian mid-market private equity fund with over \$2.0 billion in capital under management, launched a wholly-owned and financially sponsored subsidiary focused solely on the Canadian telecommunications market BH Telecom Corp. ("BH Telecom"). BH Telecom is a Canadian owned CRTC registered Non-dominant Carrier. The BH Telecom team is primarily made up of former telecom management with broad industry knowledge and experience. The business is a facilities based provider of fibre-optic cable and network connectivity planning to build maintain and operate a fibre-optic network and associated network infrastructure within the Brockville region, connecting Brockville to a boarder network in Southeastern Ontario. Building of this network will be carried out by subcontractors who have extensive experience installing infrastructure within the region. The services will enable business and public sector organizations to develop their high speed large bandwidth requirements in a saleable and economic fashion by creating predictable and determinant operating costs for their telecommunications needs. In July 2013, BH Telecom successfully completed the construction of a 36 kilometer fibre-optic network in Ottawa connecting 10 sites with a total of 68 end point fibre circuits. This build was accomplished in 15 weeks.



MUNICIPAL ACCESS AGREEMENT

THIS AGREEMENT made the ____ day of _____ 2013 ("effective date")

BETWEEN

BH TELECOM CORP.

(hereinafter called "the Company")

-and-

CORPORATION OF THE CITY OF BROCKVILLE

(hereinafter called "the Municipality")

WHEREAS the Company provides telecommunications, broadcasting and other communications services;

AND WHEREAS, in order to provide such services the Company wishes to enter on those highways within the jurisdiction of the Municipality delineated in Schedule "A" ("Service Corridors") from time-to-time for the purpose of constructing, maintaining, operating and removing support structures, transmission lines and other related telecommunications facilities (as that term is defined in the *Telecommunications Act* (Canada) ("*Telecom Act*") as well as other facilities related to its operations, such support structures, transmission lines and other related telecommunications or communications facilities hereinafter called "Equipment", in, on, over, under, along or across the Service Corridors.

AND WHEREAS, the Municipality is the public authority having jurisdiction over the Service Corridors;

AND WHEREAS, the Company must obtain the Municipality's consent to the occupancy and use of the Service Corridors consisting of constructing, maintaining, operating and removing its Equipment in, on, over, under, along or across the Service Corridors;

AND WHEREAS, the Company must not unduly interfere with the public use, enjoyment and safety of the Service Corridors and must share the use of the Service Corridors with other providers of services to the public (the Company and all such providers hereinafter collectively called "Service Providers") when occupying and using the Service Corridors as described above;

AND WHEREAS the Municipality is willing to grant its consent to the occupancy and use of the Service Corridors consisting of the construction, operation, maintenance and removal of the Equipment in, on, over, under, along or across the Service Corridors having due regard to the safety, use and enjoyment of the Service Corridors by others, as described above;

AND WHEREAS the Municipality and the Company have agreed that it would be mutually beneficial to outline the terms and conditions pursuant to which said consent shall be provided by the Municipality to the Company in the form of a non-exclusive right;

NOW THEREFORE in consideration of the promises and mutual covenants herein contained, the Municipality and the Company each agree with the other as follows:

Scope of Municipal Consent

1. The Municipality hereby consents and grants a non-exclusive right to the Company to occupy and use locations specified by the Municipality within the Service Corridors ("Alignments") during the Term as defined in section 28 hereof for the purpose of constructing, operating, maintaining and removing its Equipment for use only in the provision of "telecommunications services" (as defined in subsection 2(1) of the *Telecom Act*) or "broadcasting" (as defined in subsection 2(1) of the *Broadcasting Act (Canada)* ("*Broadcast Act*")) or other non-Federally regulated purposes subject to the terms and conditions hereinafter set forth and in accordance with all applicable federal, provincial and municipal statutes, laws and by-laws or other applicable rules and regulations and for any other purpose within the business operations of the Company.

2. The Company may access the Service Corridors in accordance with the terms of this Agreement for the purpose of exercising its rights under section 1 of this Agreement.

Authorization of Work

3. The Company shall not excavate, break up or otherwise breach the surface of any Service Corridors or engage in any other work therein for the purpose of constructing, operating, maintaining or removing any of its equipment in, on, over, under, along or across any Service Corridors (each of these activities hereinafter collectively called "Work") without first:
 - a) Providing plans to the most senior municipal official responsible for overseeing such Work or his designate (Director of Operations) setting out a proposal for an Alignment for the Company's Equipment and such other information required by the Director in a form acceptable to the Director; and
 - b) Obtaining the written authorization of the Director to an Alignment.
4. The Company shall provide all required information and obtain all required municipal construction and/or other permits normally required by the Municipality in the circumstances prior to commencing any Work.
5. In the event of an emergency involving the Company's Equipment, the Company may perform such Work as is strictly necessary to end the emergency without the prior consent of the Municipality, provided that the Company notifies the Municipality of the occurrence of the Work without delay.

Conditions

6. All Work conducted by or on behalf of the Company is subject to the following conditions:
 - a) The work shall conform to all applicable federal, provincial and municipal statutes, laws and by-laws or other applicable rules and regulations including, but not limited to, the terms of any authorizations granted by the Director, permits issued by the Municipality and the provisions of this Agreement.

- b) The Work shall be conducted and completed to the satisfaction of the Director.
- c) The Work shall be performed in a manner that safeguards and protects all other support structures, transmission lines, equipment, facilities and improvements of any kind ("Improvements") present in the Service Corridors;
- d) After completion of any Work, the Company shall leave the Service Corridors in substantially the same condition in which it was before such Work was undertaken by the Company, free from nuisance and to the satisfaction of the Director. If the Company fails to repair and restore any Service Corridors to the satisfaction of the Director within five (5) days of being notified by the Municipality, the Municipality may effect such repairs and charge all costs related thereto to the Company;
- e) If the Municipality requires that any Work be stopped, the Company shall cease such Work upon delivery of a written notice to the Company to that effect by the Director; and
- f) The Company shall be responsible for all Work, including the cost of such Work.

Representations and Warranties

- 7. The Company represents and warrants to, and covenants and agrees with the Municipality that:
 - a) The Company's occupancy and use of the Service Corridors shall not unduly interfere with the public use and enjoyment of the Service Corridors;
 - b) The Company has no title to or other ownership or property interest in any Alignments or Service Corridors;
 - c) The Company shall not register or permit to be registered any instrument claiming an estate, interest or property right in the Service Corridors or other property of the Municipality in any real or personal property registry by virtue of the Company's occupancy or use of the Service Corridors or this Agreement;

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- d) The Company shall not suffer or permit any lien to be filed or registered against any Service Corridors;
 - e) The Municipality has made no representations or warranties as to the state of repair of the Service Corridors or the suitability of the Service Corridors for any business, activity or purpose whatsoever and the Company hereby agrees to take the Service Corridors on an "as is" basis and that the Municipality is not responsible, either directly or indirectly, for any damage to property or injury to a person, including death, arising from the escape, discharge or release of any hazardous substance from its Service Corridors;
 - f) The Company shall use reasonable efforts to schedule Work and share Alignments and support structures with other Service Providers occupying and using the Service Corridors, with the intent of minimizing the necessity for road cuts, construction and the placement of support structures in the Service Corridors;
 - g) The Company shall notify the Municipality of any damage caused by the Company in connection with its Work, Equipment or enjoyment of its right to occupy and use Alignments under this Agreement;
 - h) The Municipality may cross the Company's Equipment with its own Improvements or otherwise, and may use the Service Corridors for any purpose, and may allow other parties to cross the Company's Equipment with their Improvements or otherwise and to use the Service Corridors, all at no charge to the Municipality subject to sufficient notice to the Company allowing it to perform an Interference Study and respond to the notice if required in the sole discretion of the Company, the lack of which notice will give rise an obligation for the Municipality to reimburse the Company for any and all costs relating to interference with and relocation of the Equipment; and
 - i) All of the covenants, representations, warranties, indemnities and outstanding obligations (including outstanding payment obligations) of the Company under this Agreement shall survive the termination of the Agreement, however caused.

8. The Municipality represents and warrants to and covenants and agrees with the Company that the Municipality has jurisdiction over any Service Corridors for which the Municipality grants consent to the Company and has the authority to grant such consent.

As-Built Drawings

9. The Company shall provide “as-built” drawings to the Municipality in form(s) and content acceptable to the Director, including electronic format if required, within two (2) months of completing the construction of Equipment in, on, over, under, along or across any Service Corridors.

Utility Coordination

10. The Company agrees to participate in any centralized utility location notification procedures of the Municipality with the Municipality and other Service Providers, and to pay its proportionate share of the costs of the administration of such procedures.
11. The Company further agrees to participate in any utility coordinating committees or forums as may be established by the Municipality, and to pay its proportionate share of the costs of the administration of such forums.
12. The Company shall, at no cost to the Municipality, provide locations of Equipment within forty-eight (48) hours of receiving such requests from the municipality.

Emergencies

13. The Company shall provide to the Director a list of twenty-four (24) hour emergency contact personnel and shall ensure that the aforementioned list is always current.
14. The Municipality shall provide to the Company a current list of twenty-four (24) hour emergency contact personnel for both its own personnel and those of the other Service Providers.

Relocation

15. Upon receipt of forty-five (45) days advance written notice from the Director, or such other time as is mutually agreed to by the parties, the Company shall, at its own expense, relocate Equipment to which this Agreement relates, or perform

any other Work in connection with the Service Corridors as may be required by the Municipality for municipal purposes. However, in cases of emergency, the Municipality may take any measures deemed necessary for public safety with respect to the Equipment that may be required in the circumstances as the Municipality shall determine and the Company shall reimburse the Municipality for all related expenses thereby incurred.

16. If the Company fails to complete the relocation of the Equipment in accordance with section 15, or fails to repair the Service Corridors or to perform any other Work required to be done by the Company pursuant to this Agreement in a timely and expeditious manner to the satisfaction of the Director, the Municipality may, but is not obligated to, at its sole option, complete such relocation or other Work. In such event, the Company shall pay the cost of such relocation Work to the Municipality, together with an administrative charge of 15% of such cost.

Security

17. The Company may be required to post such reasonable security with the Municipality from time-to-time in an amount and form acceptable to the parties to guarantee the performance by the Company of its obligations in connection with Work performed under this Agreement. The vehicle by which such security is granted shall, in each case, specify with precision the Work that is guaranteed by the security, and the circumstances under which the Municipality may have recourse to the security. Security posted in respect of certain Work shall be released promptly by the Municipality if and to the extent that the Work is completed to the satisfaction of the Director.

Payments to Municipality

18. The Company covenants and agrees to pay the Municipality:
- a) All of the usual permit fees associated with the permits that the Company requires in connection with its Work; and
 - b) The consideration set out in the Municipality's applicable by-laws, as amended from time-to-time, with respect to the occupancy and use of the Service Corridors, and the consideration set out in Schedule "A", if any, with respect to the occupancy and use of the Service Corridors.

Taxes and Utilities

19. The Company shall, in addition to other amounts specifically payable by it under this Agreement, be responsible for the payment of all taxes attributable to the Company, including, without limitation, those taxes attributable to the Company's use and occupancy of the Service Corridors, and for the payment of the cost of all services and utilities consumed in respect of the Company's operations.
20. For the purpose of section 19, "taxes" includes, without limitation, all taxes, duties, levies, assessments, rates, fees or charges of any kind whatsoever, imposed, levied, assessed or charged now or in the future by any government authority of any kind, and any payments that are levied in substitution, or in lieu, or in addition to any of the foregoing.

Late Payment Charges

21. Payment terms are net thirty (30) days under this Agreement. Overdue accounts shall be charged interest at the rate of 1.5% per month compounded monthly or at the maximum lawful rate, whichever is lower.

Obsolete Equipment

22. The Company shall notify the Municipality promptly when it ceases to have any present or future use for any Equipment situated in, on, over, under, along or across the Service Corridors. Upon such notification, the Municipality may, at any time, require the Company to remove the said Equipment within a specified period of time, being no less than ninety (90) days from the date of the Company's notification, failing which such Equipment and any support structure containing only such obsolete Equipment shall be deemed to have been abandoned by the Company and title thereto shall vest in the Municipality. Provided the Municipality is willing to accept such Equipment.

Excess Capacity

23. Whenever the Company installs new conduits by open cut along or across any Service Corridors, and the new conduits are not employed for the sole purpose of connecting a single building or customer location of the Company's Equipment, the Company shall:
- a) Unless otherwise waived by the Director in writing, ensure that any conduits to be placed in the Service Corridors are sized so as to accommodate the transmission capacity requirements of the Company along or across the

Service Corridors for a period of 10 years from the date of installation of the conduits; and

- b) Install such additional excess conduit capacity as the Director requires and make available to other providers of telecommunications services or broadcasting, on reasonable terms and conditions, such additional excess conduit capacity as the Municipality and the Company may in writing agree or the Canadian Radio-television and Telecommunications Commission or its successor ("CRTC") may direct, for the more efficient administration of the occupancy and use of the Service Corridors.

24. The Company shall use its best efforts to place its Equipment in or along existing support structures situated in the Service Corridors whenever possible.

Third Party Equipment

25. The Company shall not permit any third party to place its Equipment in any Alignment occupied or used by the Company under this Agreement, unless the third party first provides evidence to the Company that it has entered into an agreement with the Municipality in respect of such use.

26. In all cases where the Company shares ownership or other rights with a third party in respect of any Equipment situated in, on, over, under, along or across an Alignment occupied or used by the Company under this Agreement, the Company shall remain responsible for performing all of its obligations under this Agreement, as if it is the sole owner of the Equipment.

27. For the purpose of sections 25 and 26 of this Agreement a "use" of an Alignment by a third party occurs whenever a third party situates any Equipment or connects any Equipment to the Equipment of the Company in, on, over, under, along or across the Alignment or is in the position where it may cause any Work to be performed in, on, over, under, along or across the Alignment except as part of the normal course of the business of the Company.

Term of Agreement

28. Unless otherwise terminated in accordance with its provisions, the initial term of this Agreement shall commence on the Effective Date and shall be 10 years in duration. Unless the Agreement is otherwise terminated in accordance with its provisions, it shall be automatically renewed for 4 additional successive terms of 5 years duration each, subject to the renegotiation of the fees set out in Schedule

“B”, if applicable. The initial term and the subsequent terms to the extent applicable shall be called the Term.

Default and Termination

29. This Agreement may be terminated at any time during the Term by the mutual written agreement of the Municipality and the Company.

30. This Agreement may be terminated by the Municipality by written notice delivered to the Company upon the occurrence of one of the following events:

- a) The Company fails to pay any undisputed amount payable pursuant to this Agreement within ninety (90) days of the date on which the payment is due;
- b) The Company unduly interferes with the public (including Service Provider) use or enjoyment of the Service Corridors and does not rectify such interference within thirty (30) days of being notified by the Municipality of the occurrence of such undue interference; or
- c) There is filed by or against the Company in any court an uncontested petition in bankruptcy or insolvency or for reorganization or for appointment of a liquidator of the Company's property, or if the Company makes an assignment or petitions for or enters into an arrangement for the benefit of creditors and any such assignment or petition remains undismissed after thirty (30) days or is not stayed on appeal.

31. A party to this Agreement may terminate the Agreement upon one hundred and eighty (180) days written notice delivered to the other party if that other party defaults under any of its obligations under this Agreement and fails to correct the default prior to the expiry of the one hundred and eighty (180) day period.

32. Upon termination of the Agreement and in the absence of a new agreement, the Company shall, if and to the extent requested by the Municipality, remove its Equipment, at its own expense, and within the time period specified by the Municipality in accordance with any directions provided by the Municipality for such removal, failing which either party may apply to the CRTC for a resolution of the matter if the subject matter is within the jurisdiction of the CRTC. In such case, any failure by the Company either to comply with the Municipality's direction and contest such a direction at the CRTC within thirty (30) days of delivery of written notice of the direction, or to comply with an order made by the

CRTC for removal of Equipment within the timeframe set out in the order shall result in the Equipment being deemed to have been abandoned and title therein shall vest in the Municipality.

Occupational Health and Safety and Traffic

33. The Company shall conform and shall be responsible for the conformance by its officers, employees, agents, contractors and invitees to all health and safety laws including any regulations requiring installation of safety devices or appliances, and any applicable traffic laws or regulations (collectively "Safety Rules"). The Municipality may, on twenty-four (24) hours written notice to the Company, or sooner if in the opinion of the Municipality the likelihood of harm to persons is imminent, suspend Work performed by or on behalf of the Company on that portion of the Equipment located in, on, under, along or across Service Corridors where there appears to be a lack of compliance with the Safety Rules or because conditions of danger exist that would likely result in injury to any person. Such suspension shall continue until the lack of compliance or danger is eliminated.

Liability and Indemnification

34. The Municipality shall not, in connection with this Agreement, be liable for any damage to the Equipment or other property of the Company, or for the injury or death of any officer, employee, agent, contractor, licensee or invitee of the Company except where caused by the willful misconduct or gross negligence of the Municipality or its employees.

35. The Company hereby indemnifies the Municipality from and against all losses, liabilities, costs, damages, and expenses (including reasonable legal fees and disbursements) incurred by the Municipality in connection with this Agreement as a result of any claim, action, suit or proceeding based on a claim of injury to the person or property of any third party caused by the willful misconduct or negligence of the Company, its officers, employees, agents, contractors, licenses or invitees.

36. Subject to the provisions of sections 34, the Municipality hereby indemnifies the Company from and against all losses, liabilities, costs, damages, and expenses (including reasonable legal fees and disbursements) incurred by the Company in connection with this Agreement as a result of any claim, action, suit or proceeding based on a claim of injury to the person or property of any third party caused by the willful misconduct or gross negligence of the Municipality, its officers, employees, agents, contractors, licensees or invitees.

Successors and Assigns

37. This Agreement shall be binding upon and shall inure to the benefit of the Company and the Municipality and their respective successors and assignees. For the purposes of this Agreement, "successors" of a party shall include any person, firm, corporation, or other entity which at any time, whether by merger, acquisition, purchase, or otherwise, shall acquire all or substantially all of the assets of that party. The Company may assign this Agreement during the Term to an "affiliate", as that term is defined in the *Canada Business Corporations Act* (Canada) or to a partnership of which an affiliate of the Company is the general partner, which general partner has the authority to manage the operations and affairs of the partnership, upon advance written notice to the Municipality. The Company may not otherwise assign this Agreement without the advance written consent of the Municipality, which consent may not be unreasonably withheld, conditioned, or delayed.

38. In the event of any assignment of the agreement by the Company, the Company shall remain jointly and severally liable under this Agreement in all respects with the assignee, and the Municipality may require the assignee to enter into its own agreement with the Municipality before the assignment becomes effective.

39. Despite section 37, the Company may pledge the rights granted by this Agreement as security without the consent of the Municipality to any person directly or indirectly providing financing to the Company but such pledge shall not release the Company from its obligations and liabilities under this Agreement.

Non-Parties to Agreement

40. Nothing in this Agreement shall be construed as affecting any rights or otherwise of others not a party to this Agreement

No Property Rights

41. No occupancy or use of the Service Corridors under this Agreement shall create or vest in the Company or any other party any ownership or property rights in any Alignments or in the Service Corridors, and the Company shall be and remain a non-exclusive occupant and user of the Service Corridors.

42. Placement of the Equipment in the Service Corridors shall not create or vest in the Municipality any ownership or property rights to the Equipment, except as specifically provided herein.

Workers' Compensation Coverage

43. The Company agrees that it shall, at its own expense, procure and carry, or cause to be procured and carried and paid for, full workers' compensation coverage for itself and all workers, employees, and other engaged in or upon any Work.

Insurance

44. The Company shall maintain insurance in sufficient amount and description as will protect the Municipality from claims for damages, personal injury including death, and for claims from property damage which may arise under this Agreement, including but not limited to the construction, maintenance or operation of the Equipment in, on, under, over, along and across the Service Corridors or any act or omission of the Company's employees, agents, contractors or licensees.

45. In addition to the foregoing, the Company covenants and agrees that with respect to the insurance coverage described in section 45:

- a) The limits of liability for personal injury, bodily injury and property damage combined shall be for not less than five million dollars (\$5,000,000) for each occurrence, or such other amount as the Municipality may require by written notice delivered to the Company, from time-to-time;
- b) The comprehensive general liability insurance shall extend to cover the contractual obligations of the Company as stated within this Agreement, shall list the Municipality as an additional named insured and shall contain a cross-liability clause; and
- c) All policies shall provide that they cannot be cancelled, lapsed or materially changed without at least thirty (30) days notice to the Municipality by registered mail.

General

46. **Independent Contractors.** The relationship of the Company and the Municipality established by this Agreement is that of independent contractors, and nothing contained in this Agreement shall be construed:

- a) To give either party the power to direct or control the day-to-day activities of the other;
- b) To constitute the parties as partners, joint venturers, co-owners or otherwise as participants in a joint or common undertaking; or
- c) To allow either party to create or assume any obligation on behalf of the other party for any purpose whatsoever.

47. Notice. All formal notices hereunder shall be in writing and shall be deemed effective upon receipt when delivered by hand, overnight delivery courier, by facsimile transmission (provided such notice is also given in any of the other manners set forth herein) or when mailed by registered or certified mail (return receipt requested), postage prepaid, to the parties at the addresses listed below (or at such other address for a party as shall be specified by like notice).

If to the Municipality:

Director of Operations
City of Brockville
1 King Street West
Brockville, ON
K6V 5V1

Mailing address
P.O. Box 5000
Brockville, ON
K6V 7A5

If to the Company:

CFO
BH Telecom Corp.
100 Wellington St. West, Suite 2300
P.O. Box 22
Toronto, ON
M5K 1A1

(416) 202-6119, extension 3300

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- 48. Modifications.** No waiver of or changes to any provision of this Agreement shall be effective unless reduced to writing and signed by authorized representatives of both parties.
- 49. Waiver.** The failure of either party to insist upon strict adherence to any term or condition of this Agreement on any occasion shall not be considered a waiver of any right thereafter to insist upon strict adherence to that term or condition or any other term or condition of this Agreement.
- 50. Severability.** If any provision of this Agreement is held to be invalid or unenforceable by a court or regulator of competent jurisdiction, then the remaining provisions will nevertheless remain in full force and effect, and the parties shall endeavour to give effect to the Agreement as originally contemplated before the provision was held to be invalid or unenforceable to the maximum extent permitted by law.
- 51. Counterparts; Original Signature Copies.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one Agreement.
- 52. Time.** Time is of the essence in this Agreement.
- 53. Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the province or territory in which the Municipality is situated and the laws of Canada applicable therein, excluding the conflict of laws provisions thereof.
- 54. Equitable Relief.** Either party may, in addition to any other remedies it may have at law or equity, seek equitable relief, including, without limitation, injunctive relief, and specific performance to enforce its rights or the other party's obligations under this Agreement.
- 55. Headings.** The section headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement. The terms "subsection" and "section" refer to subsection and section of this Agreement, respectively, unless explicitly otherwise stated.

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- 56. Gender, Number and Person.** Words importing the neuter gender shall include the masculine and feminine genders. In this Agreement, “party”, “third party” or “person” includes any individual, corporation, partnership, association, joint venture or organization of any kind and the lawful trustee, successor, assignee, transferee or personal representative of any of the foregoing. Words importing the singular shall include the plural and vice versa.
- 57. Treatment of Personnel.** Each party shall bear sole responsibility for payment of compensation (including applicable benefits) to its personnel assigned to perform that party’s obligations under this Agreement, and shall also bear sole responsibility for any applicable source deductions required by law in respect of such personnel. Under no circumstances shall the other party be considered the employer of any such personnel.
- 58. Cumulative Remedies.** Except as otherwise expressly stated in this Agreement, all remedies available to either party for breach of this Agreement are cumulative and may be exercised concurrently or separately and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.
- 59. No Rules of Construction.** This Agreement shall not be interpreted in favour or against a party on the basis of the existence or absence of legal representation in the case of either party.
- 60. Inconsistency with Municipal By-laws.** In the event of an inconsistency between this Agreement and any applicable by-law, rule or regulation of the Municipality, the by-law, rule or regulation shall take precedence to the extent of the inconsistency.
- 61. Entire Agreement.** This Agreement set forth the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior agreements, whether oral or written, relating to the subject matter hereof.
- 62. Acknowledgement.** Each party acknowledges that it has read this Agreement, including the Schedules attached hereto and forming part hereof, and each party understands and agrees to be bound by its terms ad conditions.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

THE COMPANY – (BH Telecom Corp.)


Name: Michael Salamon
Title: President

Name: Lucio Milanovich
Title: Treasurer

THE MUNICIPALITY – (Corporation of the City of Brockville)

Name: David Henderson
Title: Mayor


Name: Sandra M. Seale
Title: City Clerk



2012 Financial Statements

City of Brockville
September 17, 2013

Attachment I



Budget and actual will not agree due to the differences in requirements
Budgets based on cash needs
Items include issue of debt, repayment of debt...
Financial Statements based on accruals and an attempt at matching revenues and expenses
Amortization, timing of receipt of grants...

Attachment I

2012 Financial Statements

Financial Statement Surplus	\$	9,849,934
Items included in budget not in F/S		
Net transfers to/from reserves	-	819,076
Principal payments	-	2,035,915
Debenture issue		2,916,257
Acquisition of capital assets	-	11,929,111
Items included in F/S, not budget		
Amortization		3,528,842
Unfunded future liabilities	-	13,465
Loss on sale of assets		429,013
Variance analysis surplus	\$	<u>1,926,479</u>

Attachment I

2012 Operating results

Operating deficit	-\$	72,548
Library	-	9,537
Water	-	132,245
Wastewater		221,860
Capital		1,891,662
Reserves/ reserve Funds		27,288
	\$	<u>1,926,480</u>

Attachment I

Operations

Projected surplus January 2013				\$ 250,000
WSIB recovery relating to 2012 and prior years				300,000
Salary continuance budgeted in 2013				
Cost of severance				- 315,000
Tax write-off -1000 Island Mall				- 828,000
Unbudgeted vacancy rebates				- 46,000
Economic Adjustment				400,000
Reduction in debt charges				110,000
Reduced joint services expenditures				56,000
Deficit for 2012				<u>- \$ 73,000</u>
Actual				<u>- \$ 72,548</u>

Attachment I

Impact of reassessment

Original assessment of \$43M phased in over 4 years.

Appeal filed in 2009 based on loss of tenants and economy

Notice of decision delivered in June 2013, reducing assessment to \$28M, phased in over 4 years

Sold in 2012 for \$17M

Minutes of settlement limits any further reduction

Total refund to 2012 - \$806,141

Impact on 2013 and beyond

Attachment I

Impact of Reassessment

Original assessment for years 2009 through 2012

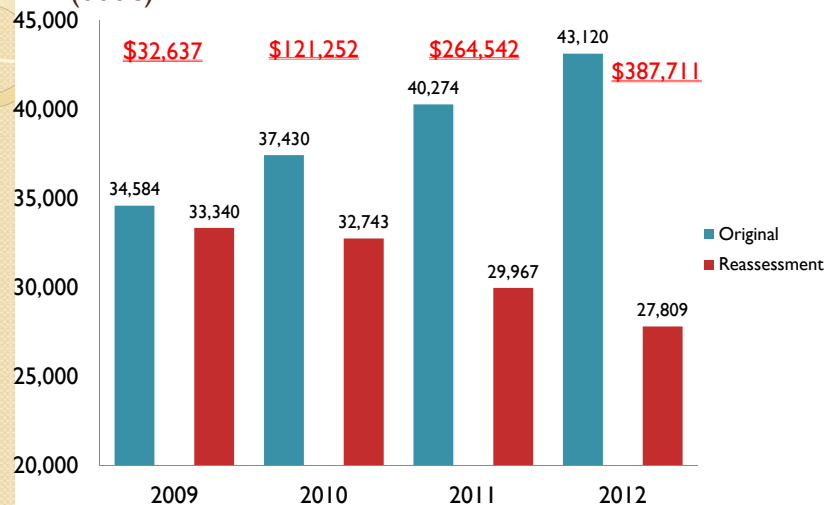
Result of Notice of Decision and reduced assessment

\$ refund in each of the respective years

2013 assessed value \$26M

Attachment I

Impact of Reassessment in 2013 (000's)



Attachment I

Water

Projected deficit January 2013					-\$ 102,000
Salary continuance budgeted in 2013					- 36,000
Shortfall on budgeted revenues					- 3,000
Other					- 10,000
Adjusted					-\$ 151,000
Actual operating loss 2012					\$ 150,753

Attachment I

Wastewater

Projected surplus January 2013					\$ 165,000
Salary continuance budgeted in 2013					- 36,000
Shortfall on budgeted revenues					15,000
Other					6,000
Appropriation of capital					54,000
Adjusted					\$ 204,000
Actual operating surplus 2012					\$ 203,912

Attachment I

Revenues

	2012	2011	2010
Revenues	55,975,546	60,483,649	63,391,770
Decrease	-4,508,103	-2,908,121	

The major factor in decreasing revenues is due to a reduction in government grants from \$20.8 M in 2010, to \$14.6 M in 2011 to \$8.7 in 2012

User charges were consistent in '10 and '11 at \$10.9 M and increased to \$12.6 in '13

Donations increased in each year from 216K to 670K and \$1.1M in '12

Attachment I

Expenditures

	2012	2011	2010
Expenditures	46,125,606	46,373,178	49,129,493
Decrease	-247,572	-2,756,315	

Environmental services have increased from \$7.9M to \$8.1M to \$9.1 over the 3 years

Social and family services have fallen by over \$1M over the 3 years

Rec and cultural services have gone from \$6M in '10 to \$4.6M in '11 to \$8.2 in '12

Planning and development have decreased from \$3.1M in '10 to \$2.1M in '11 to \$1.9M in '12

Attachment I

Expenditure Groupings

		2012	2011	2010
Wages & Benefits		23,926,719	23,920,575	23,606,808
% of total expenditures		48.13%	51.58%	48.05%
Materials		7,081,948	7,335,315	6,896,046
% of total expenditures		14.25%	15.82%	14.04%
Transfer Payments		5,081,613	5,244,154	6,149,190
% of total expenditures		10.22%	11.31%	12.52%

Attachment I

Capital Assets

Tangible Capital Assets		2012	2011
Land		5,370,354	5,370,354
Land Improvements		1,340,471	890,211
Buildings		4,416,802	4,674,831
MF&E		6,039,183	5,053,121
Vehicles		1,587,141	1,804,945
Plants & Equipment		45,305,742	1,150,869
Roads		22,794,547	22,697,547
Water and wastewater		17,240,210	16,852,802
WIP		6,694,828	44,323,339
		<u>110,789,278</u>	<u>102,818,019</u>

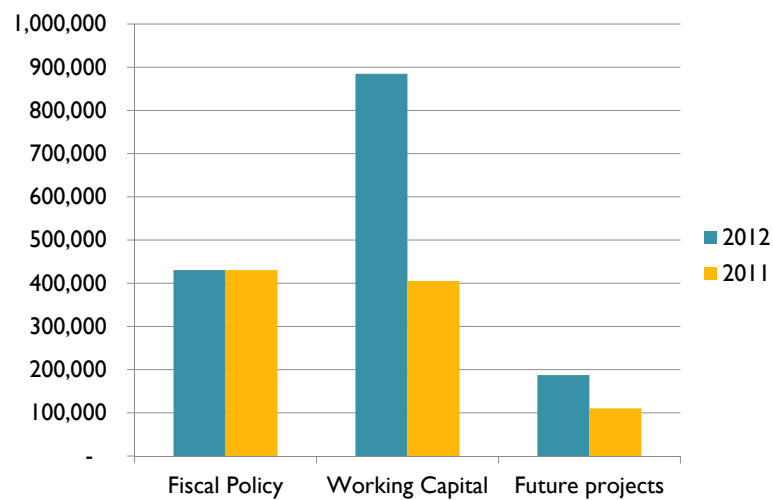
Attachment I

Municipal Surplus

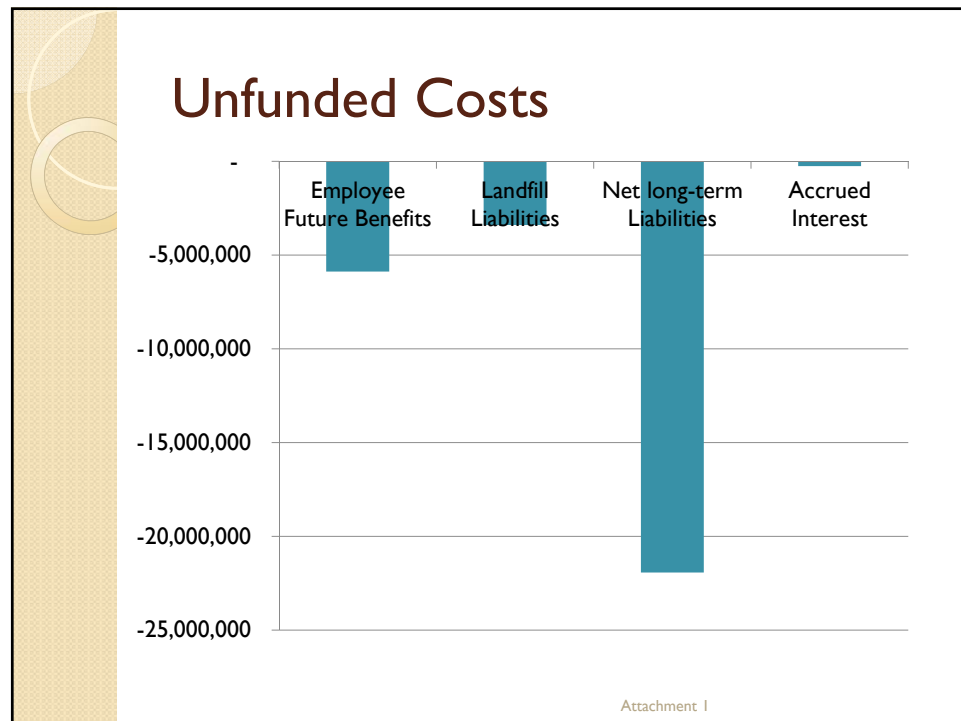
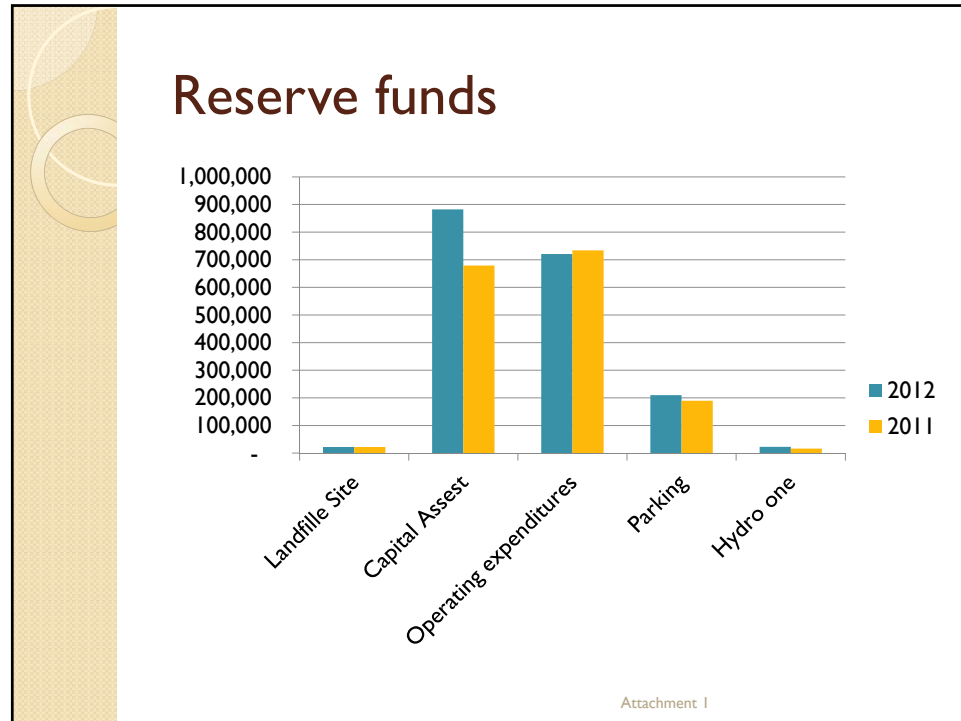
Accumulated surplus		
Operating surplus		4,512,134
Reserves and reserve funds		3,359,963
TCA		110,789,278
Future investment in TCA	-	6,346,753
Unfunded future expenditures	-	31,470,401
		<u>80,844,221</u>

Attachment I

Reserves



Attachment I



September 9, 2013

Report To Finance Administration Operations – September 17, 2013

**2013-105-09
2012 Annual Financial Statements
And Auditors Report**

**D. Dick, Director
Corporate Services
L. Ferguson, Manager
Finance**

RECOMMENDATION

That the Audited Financial Statements for the Corporation of the City of Brockville to the year-ended December 31st, 2012 be received and approved; and

That the Audited Financial Statements for the Board of Management, Downtown Business Improvement Area of the Corporation of the City of Brockville be received and approved; and

That the Audited Statements of the Corporation of the City of Brockville Trust Funds be received and approved; and

That the operating deficit of \$72,549 be financed from the Fiscal Policy Reserve.

PURPOSE

For Council to review, receive and approve the Audited Financial Statements for the Corporation of the City of Brockville, the Board of Management, Downtown Business Improvement Area and the Corporation of the City of Brockville's Trust Funds.

BACKGROUND

The *Municipal Act* provides, under Section 294.1 the requirement of presenting our annual audited financial statements prepared under generally accepted accounting principles as directed by Public Sector Accounting Board (PSAB) and specific guidelines as provided by the Ministry.

The City shall also, within sixty (60) days of receiving the audited financial statements, provide in the newspaper having general circulation in the municipality, a copy of the Audited Financial Statements, the Auditor's Report and the tax rate information for the current and previous year on a notice that the above information will be made available at no cost to the taxpayers of the municipality upon request; and/or may provide the above noted information in such a manner as the Treasurer considers appropriate.

Report 2013-105-09
2012 Annual Financial Statements
And Auditor's Report

Page 2

In previous years we have provided electronic copies of this information on the City Website and have informed the citizens in the local newspaper that the information is available should they require it.

ANALYSIS/FINANCIAL IMPLICATIONS

Operating Fund

On February 19th, 2013, Council was presented with an updated Variance Report projecting a surplus to the year-ended December 31st, 2012 of \$253,388. The year-end Audited Financial Statements present a deficit of \$72,549. The difference of approximately \$326,000 has been explained in the attached power point presentation (Attachment 1). Council is required to finance this deficit through an appropriation from reserves or to include this requirement in the 2014 budget. Staff is recommending the deficit be financed through the Fiscal Policy Reserve.

Water Administration

The 2012 Water Fund Variance Analysis presented on February 19th provided for a deficit in the amount of \$102,000. The 2012 Financial Statements present an increase in the deficit of \$49,000 for a year-end deficit of \$150,153.

Wastewater Administration

The 2012 Audited Financial Statements include a surplus for wastewater administration in the amount of \$203,912. This is an increase in the surplus presented on February 19th of approximately \$39,000.

Capital Fund

The Capital Fund represents the accumulated value of tangible capital assets owned by the taxpayers of Brockville. As Council is aware, the treatment of capital expenditures has changed significantly over the past number of years. Prior to the introduction of PSAB 3150, capital expenditures were expensed directly to the Statement of Operations. Beginning in 2009, municipalities were required to record and report all expenditures on capital as assets on the balance sheet. These assets are then amortized on an annual basis based on the expected future lives of the asset and reported as an annual amortization expense on the annual financial statements. The continuity of tangible assets in 2012 is as follows:

Tangible Capital Assets, Net Book Value, January 1, 2012	102,818,020
Additions (including transfer from WIP)	53,660,143
Disposals (including transfer from WIP)	(44,794,073)
Less Amortization in 2012	(3,528,843)
Add Amortization or Disposal of Assets	<u>2,643,031</u>
Tangible Capital Assets, Net Book Value, December 31, 2012	110,789,278

Budget vs. Actual Results

The annual budget process is based primarily on cash flow requirements to the respective year. The Annual Financial Statements are prepared on an accrual basis and separates funding from revenues, expenses, assets and liabilities. The Annual Financial Statements present an excess of revenues over expenditures of \$9.8M.


One example is revenues reported under government grants exceed the budget by \$6M. This is due to funding from senior governments for capital projects that span more than a single reporting period. The budget will include government support for the specific year in question. Another example is capital projects that result in a Tangible Capital Assets will not be expensed in current year expenses as the project is constructed, but rather will be expensed over the life of the asset in the form of amortization. The timing of the amortization over the life of the asset will not match the revenues for the funding of the project. This will create the appearance of large surpluses. Another example of items that differ from the budget and actual results include capital expenditures, amortization and debentures (received and repaid).

POLICY IMPLICATIONS

There are no policy implications at this time.

CONCLUSION

That Council receive and approve the Audited Financial Statements as presented.



L. Ferguson, CGA
Manager of Finance



D. Dick, CPA, CA
Director of Corporate Services



B. Casselman
City Manager

Consolidated Financial Statements of

**CORPORATION OF THE
CITY OF BROCKVILLE**

Year ended December 31, 2012

Auditors' Report	1
Consolidated Statement of Financial Position	2
Consolidated Statement of Operations	3
Consolidated Statement of Change in Net Financial Liabilities	4
Consolidated Statement of Cash Flows	5
Notes to Consolidated Financial Statements	6 - 21

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the City of Brockville

We have audited the accompanying consolidated financial statements of the Corporation of the City of Brockville, which comprise the consolidated statement of financial position as at December 31, 2012 and the consolidated statements of operations, change in net financial liabilities and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the City of Brockville as at December 31, 2012 and the results of its operations, change in its net financial liabilities and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants, Licensed Public Accountants

Brockville, Canada

CORPORATION OF THE CITY OF BROCKVILLE

Consolidated Statement of Financial Position

December 31, 2012, with comparative figures for 2011

	2012	2011 (as restated - note 2)
Financial assets		
Cash and short-term investments (note 3)	\$ 9,188,044	\$ 6,207,413
Taxes receivable	2,824,132	2,999,053
Accounts receivable	9,547,116	11,328,792
Investment in own debentures	35,565	70,761
	<u>21,594,857</u>	<u>20,606,019</u>
Financial liabilities		
Accounts payable and accrued liabilities	10,144,968	12,133,497
Accrued interest on net long-term liabilities	262,867	248,995
Short-term credit facility (note 4)	9,000,000	8,500,000
Deferred revenues - obligatory reserve funds (note 5)	1,782,197	1,775,086
Other deferred revenues	416,345	476,193
Employee future benefits (note 6)	5,879,581	5,786,917
Solid waste landfill closure and post-closure liabilities (note 7)	3,400,000	3,520,000
Net long-term liabilities (note 8)	<u>21,927,953</u>	<u>21,047,609</u>
	<u>52,813,911</u>	<u>53,488,297</u>
Net financial liabilities	(31,219,054)	(32,882,278)
Non-financial assets		
Tangible capital assets (note 9)	110,789,278	102,818,020
Inventory of supplies	574,571	620,668
Prepaid expenses	699,426	437,877
	<u>112,063,275</u>	<u>103,876,565</u>
Commitments (note 10)		
Contingencies (notes 8(a) and 11)		
Accumulated surplus (notes 2 and 12)	\$ 80,844,221	\$ 70,994,287

The accompanying notes are an integral part of this consolidated financial statement.

CORPORATION OF THE CITY OF BROCKVILLE

Consolidated Statement of Operations

Year ended December 31, 2012, with comparative figures for 2011

	Budget 2012 (unaudited - note 13)	Actual 2012	Actual 2011 (as restated - note 2)
Revenues:			
Property taxation	\$ 31,138,056	\$ 30,056,668	\$ 30,059,935
Taxation from other governments	419,827	396,985	406,490
User charges	11,602,786	12,062,332	10,977,453
Charges to other municipalities	1,194,998	1,241,817	1,262,542
Government grants	2,855,411	8,816,027	14,574,513
Contributions from developers	-	400,831	593,241
Penalties and interest on taxes	443,578	511,310	529,053
Investment income	115,158	180,051	177,527
Donations	58,800	1,153,595	669,768
Gain on disposal of tangible capital assets	-	35,157	19,727
Recovery of expenses and miscellaneous	466,250	1,120,773	1,213,400
	48,294,864	55,975,546	60,483,649
Expenses:			
General government	4,120,802	3,953,623	4,014,529
Protection	13,173,673	13,821,480	14,261,184
Transportation services	5,081,689	6,686,756	7,145,086
Environmental services	8,398,075	9,056,369	8,152,424
Health services	1,727,412	1,729,281	1,721,855
Social and family services	3,336,009	3,456,005	3,433,235
Social housing	928,261	898,236	897,258
Recreation and cultural services	4,326,147	4,657,841	4,646,461
Planning and development	2,139,666	1,866,021	2,101,146
	43,230,734	46,125,612	46,373,178
Excess of revenues over expenses	\$ 5,064,130	9,849,934	14,110,471
Accumulated surplus, beginning of year:			
As previously reported		69,496,139	55,385,668
Restated to correct balance of assets under construction (note 2)		1,498,148	1,498,148
As restated		70,994,287	56,883,816
Accumulated surplus, end of year		\$ 80,844,221	\$ 70,994,287

The accompanying notes are an integral part of this consolidated financial statement.

CORPORATION OF THE CITY OF BROCKVILLE

Consolidated Statement of Change in Net Financial Liabilities

Year ended December 31, 2012, with comparative figures for 2011

	2012	2011
Excess of revenues over expenses	\$ 9,849,934	\$ 14,110,471
Acquisition of tangible capital assets	(11,929,113)	(24,307,732)
Amortization of tangible capital assets	3,528,842	2,895,450
Loss on disposal of roads infrastructure	86,577	59,115
Loss (gain) on disposal of other tangible capital assets	257,260	(19,727)
Proceeds from disposal of tangible capital assets	85,176	19,860
	1,878,676	(7,242,563)
Change in inventory of supplies	46,097	(18,457)
Change in prepaid expenses	(261,549)	(29,044)
Change in net financial liabilities	1,663,224	(7,290,064)
Net financial liabilities, beginning of year	(32,882,278)	(25,592,214)
Net financial liabilities, end of year	\$ (31,219,054)	\$ (32,882,278)

The accompanying notes are an integral part of this consolidated financial statement.

DRAFT

CORPORATION OF THE CITY OF BROCKVILLE

Consolidated Statement of Cash Flows

Year ended December 31, 2012, with comparative figures for 2011

	2012	2011
Cash provided by (used for):		
Operating activities:		
Excess of revenues over expenses	\$ 9,849,934	\$ 14,110,471
Items not involving cash:		
Amortization of tangible capital assets	3,528,842	2,895,450
Loss on disposal of roads infrastructure	86,577	59,115
Loss (gain) on disposal of other tangible capital assets	257,260	(19,727)
Employee future benefits	361,478	723,541
Solid waste landfill closure and post-closure expenses	192,009	133,458
Decrease (increase) in taxes receivable	174,921	(238,874)
Decrease (increase) in accounts receivable	1,781,676	3,501,159
(Decrease) increase in accounts payable and accrued liabilities	(1,988,529)	(249,600)
Increase (decrease) in accrued interest on net long-term liabilities	13,872	(13,690)
Decrease in deferred revenues	(52,737)	(45,040)
Decrease (increase) in inventory of supplies	46,097	(18,457)
Increase in prepaid expenses	(261,549)	(29,044)
	13,989,851	20,808,762
Financing activities:		
Proceeds from short-term credit financing	500,000	2,100,000
Proceeds from net long-term liabilities	2,916,257	-
Payments for employee future benefits	(268,814)	(225,758)
Payments for solid waste landfill closure and post closure liabilities	(312,009)	(203,458)
Principal payments on net long-term liabilities	(2,000,717)	(2,207,806)
	834,717	(537,022)
Capital activities:		
Proceeds from disposal of tangible capital assets	85,176	19,860
Acquisition of tangible capital assets	(11,929,113)	(24,307,732)
	(11,843,937)	(24,287,872)
Increase (decrease) in cash and short-term investments	2,980,631	(4,016,132)
Cash and short-term investments, beginning of year	6,207,413	10,223,545
Cash and short-term investments, end of year	\$ 9,188,044	\$ 6,207,413
Non-cash financing activities:		
Principal payments on own debentures	\$ 35,196	\$ 132,882

The accompanying notes are an integral part of this consolidated financial statement.

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

The Corporation of the City of Brockville (the "City") is a municipality in the Province of Ontario, Canada. It conducts its operations under the direction of its elected Council, guided by the provisions of provincial statutes such as the Municipal Act 2001, Municipal Affairs Act and related legislation.

1. Summary of significant accounting policies:

The consolidated financial statements of the City are prepared by management in accordance with Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant accounting policies are as follows:

(a) Reporting entity:

(i) Consolidated entities:

These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the municipal Council and which are owned or controlled by the City.

Interdepartmental and inter-organizational transactions and balances between these organizations, committees and local boards are eliminated.

(ii) Accounting for School Board transactions:

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the local school boards are not reflected in these consolidated financial statements.

(iii) Trust funds:

Trust funds and their related operations administered by the City are not included in the consolidated financial statements but are reported separately.

(b) Investments:

Investments are recorded at cost.

(c) Revenue recognition:

Property tax billings are prepared by the City based on an assessment roll prepared by Municipal Property Assessment Corporation ("MPAC"), an agency of the Ontario government and taxation revenues are recorded at the time tax billings are issued. Any supplementary billing adjustments made necessary by assessment appeals submitted by the ratepayers and changes to assessed value reflecting new construction are recognized in the year they are determined.

Government grants are recognized as revenue in the year in which the events giving rise to the grant occur, providing the grants are authorized, any eligible criteria have been met, and reasonable estimates of the amounts can be made. Receipts which are restricted by legislation of senior governments are reported as deferred revenues - obligatory reserve funds and included in revenues in the year that they are applied to qualifying expenditures.

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

1. Summary of significant accounting policies (continued)

(c) Revenue recognition (continued):

User charges, with the exception of development charges, are recognized as revenue in the year the goods and services are provided.

Development charges, payments in lieu of parkland and funding received under public transit and gasoline tax programs are received under the authority of federal and provincial legislation and the use of these funds is restricted to applicable capital expenditures. They are recorded as deferred revenues - obligatory reserve funds and included in revenues in the year that they are applied to qualifying capital expenditures.

Investment income earned on development charges, parkland reserve funds and other obligatory reserve funds is recorded as deferred revenue and included in municipal revenues in the year that they are applied to qualifying capital expenditures. Other investment income is reported in revenues in the period earned.

(d) Vacation pay:

Vacation pay is accrued for all employees as entitlement to these payments is earned in accordance with the City's benefit plan for vacation.

(e) Employee future benefits:

The City accrues its obligations under employee benefit plans as the employees render the services necessary to earn non-pension post-retirement benefits. The cost of such benefits earned by the employees is actuarially determined using the projected benefit method prorated on service and management's best estimate of the retirement ages of employees.

Actuarial valuations are prepared every three years, or more often at the discretion of management. In the years between valuations, an extrapolation is used to compute the expected accrued benefits obligation and related expenditures.

Actuarial gains or losses on the accrued benefit obligation arise from the difference between actual and expected experiences and from changes in actuarial assumptions used to determine the obligation. These gains or losses are amortized on a straight-line basis over the average remaining service period of active employees.

The City also accrues its obligations for post-employment benefits when an event that obligates the City occurs such as parental and short-term sick leaves.

(f) Solid waste landfill closure and post-closure liabilities:

The City accrues landfill closure costs including final covering and landscaping of the site, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liabilities have been recognized based on management's best estimate of future expenses, long-term inflation rates and discount rates.

Future events may result in significant changes to the estimated total expenses, capacity used or total capacity and the estimated liabilities, and would be recognized prospectively, as a change in estimates, when applicable.

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

1. Summary of significant accounting policies (continued)

(g) Inventories of supplies:

Inventories of supplies are held for consumption and are stated at the lower of cost and replacement cost.

(h) Tangible capital assets:

- (i) Tangible capital assets are recorded at cost (or estimated cost when historical cost records are not available) which includes amounts that are directly attributable to the acquisition, construction, development or betterment of the asset.

The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful life – years
General capital:	
Land improvements	15 – 50 years
Buildings	5 – 50 years
Machinery, furniture and equipment	3 – 30 years
Vehicles	6 – 25 years
Infrastructure:	
Plants and facilities	10 – 60 years
Roads	20 – 75 years
Water and wastewater	50 – 75 years

Amortization is charged from the date of acquisition to the date of disposal. Assets under construction are not amortized until the asset is put into service.

- (ii) Tangible capital assets disclosed at nominal values:

Where an estimate of fair value can not be made or where there is no future benefit related to the asset, the tangible capital asset is recognized at a nominal value.

- (iii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

- (iv) Capitalized interest:

Interest is capitalized whenever external debt is issued to finance the construction of tangible capital assets.

- (v) Works of art and historical treasures:

The City manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets.

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

1. Summary of significant accounting policies (continued)

(i) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include amortization of tangible capital assets and employee future benefits and solid waste landfill closure and post-closure liabilities. Actual results could differ from these estimates.

2. Restatement to correct opening balance for assets under construction:

In 2008 the City implemented Public Sector Accounting Board section 3150 Tangible Capital Assets, which requires governments to record and amortize tangible capital assets (in years prior to 2008, tangible capital asset additions were expensed). Upon completion of the Water Pollution Control Centre Upgrade in 2012, management determined that the City had not included costs of the project prior to 2008 in the opening work in progress for assets under construction as at January 1, 2008. As a result, the corporation has restated its 2011 consolidated Statement of Financial Position to increase tangible capital assets by \$1,498,148 and increase accumulated surplus by \$1,498,148.

3. Cash and short-term investments:

The City invests its cash with one or more Canadian Schedule I banks.

4. Short-term credit facility:

The City has obtained short-term credit facilities from the Ontario Infrastructure Land Corporation (OILC) as bridge financing for the Water Pollution Control Centre Upgrade and construction of the Aquatorium (see note 10(b)). Advances bear interest at a floating annual rate based on OILC's cost of funds plus OILC's prevailing spread assigned to the municipal sector with an effective rate during 2012 of 1.57% (2011 of 1.55%). The advances are repayable in full on the earlier of the date debenture financing is obtained for the projects or the facility termination date.

Credit Facility	Advances on facility		Facility termination date
	Water Pollution Control Centre Upgrade	Aquatorium	
\$ 6,400,000	\$ 6,400,000	\$ –	October 13, 2015
\$ 2,600,000	\$ 1,600,000	1,000,000	November 10, 2016
<u>\$ 9,000,000</u>	<u>\$ 8,000,000</u>	<u>\$ 1,000,000</u>	

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

5. Deferred revenues – obligatory reserve funds:

Public sector accounting standards require that obligatory reserve funds are reported as deferred revenues as provincial legislation or agreements restrict how these funds may be used. The balances in the obligatory reserve funds of the City are summarized as follows:

	2012	2011
Development charges	\$ 219,078	\$ 193,244
Parkland	9,184	4,478
	228,262	197,722
Provincial gasoline tax	3,159	21,698
Federal gasoline tax	1,550,776	1,555,666
	1,553,935	1,577,364
	\$ 1,782,197	\$ 1,775,086

6. Employee future benefits:

	2012	2011
Post-retirement medical and life insurance (note 6(a))	\$ 3,844,130	\$ 3,616,547
Unused sick leave (note 6(b))	832,727	783,183
Workplace Safety and Insurance Board costs (note 6(c))	1,202,724	1,387,187
	\$ 5,879,581	\$ 5,786,917

- (a) The City has defined benefit plans providing post-retirement medical (until age 65) and life insurance benefits covering substantially all retirees and employees.

An actuarial valuation was prepared as at December 31, 2012. The significant actuarial assumptions adopted in measuring the City's accrued post-retirement benefits liability are as follows:

	2012	2011
Discount rate	3.0%	3.5%
Rate of compensation increase	3.0%	3.0%

The assumed medical cost trend rate at December 31, 2012 was 8.0% decreasing to 4.5% by 2030 (2011 – 7.77% decreasing to 5.0% by 2030).

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

6. Employee future benefits (continued):

(a) Information about the City's post-retirement benefit plans is as follows:

	2012	2011
Accrued benefits obligation, beginning of year	\$ 4,334,682	\$ 3,546,576
Current service cost	213,045	166,384
Interest on accrued benefits	156,518	163,884
Benefit payments	(151,583)	(142,208)
Actuarial loss	478,215	600,046
Accrued benefits obligation, end of year	5,030,877	4,334,682
Unamortized actuarial losses	1,186,747	718,135
Accrued liability, end of year	\$ 3,844,130	\$ 3,616,547

Actuarial gains and losses are being amortized over a 12 year period.

(b) Some employees of the City can accumulate unused sick leave and may become entitled to a cash payment when they leave the City's employment.

Significant actuarial assumptions adopted in measuring the City's accrued benefits under this plan are similar to those listed in (a) above.

Information about the City's sick leave benefit plans is as follows:

	2012	2011
Accrued benefits obligation, beginning of year	\$ 783,183	\$ 640,459
Current service cost, interest on accrued benefits and actuarial losses	105,230	154,176
Benefit payments	(55,686)	(11,452)
Accrued benefits obligation, end of year	\$ 832,727	\$ 783,183

(c) The City was a Schedule 2 employer with respect to the Workplace Safety and Insurance Board ("WSIB") during the period from February 2003 to February 2008. As a result, the City is responsible for the cost of employee accident claims that arose during that period. The WSIB administers the claims and bills accident costs plus an administration fee to the City. The Workplace Safety and Insurance Board has estimated future benefits costs related to workplace injuries to be \$1,202,724 (2011 - \$1,387,187).

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

7. Solid waste landfill closure and post-closure liabilities:

The City ceased to operate its solid waste landfill site on December 31, 2000, but is required to complete certain closure procedures and to conduct post-closure procedures.

The main components of the closure plan are final capping and landscaping. The post-closure care will involve surface water and ground water monitoring and venting gas.

The recorded liabilities are the present value of future cash flows associated with the closure and post-closure costs, discounted using an average long-term borrowing rate of 4.0% and an annual inflation rate of 2.0%. The estimated undiscounted future cash flows associated with closure and post-closure care are \$4,680,000, of which \$1,280,000 will be recognized in future years.

	2012	2011
Estimated costs to complete closure	\$ 320,000	\$ 320,000
Recorded post-closure costs	3,080,000	3,200,000
	\$ 3,400,000	\$ 3,520,000

8. Net long-term liabilities:

(a) The net long-term liabilities reported on the Consolidated Statement of Financial Position represent debentures issued by the City and are made up of the following:

	2012	2011
Total long-term liabilities incurred by the City	\$ 31,508,586	\$ 31,157,176
Less amounts assumed by other municipalities with respect to St. Lawrence Lodge	(9,580,633)	(10,109,567)
	\$ 21,927,953	\$ 21,047,609

Included in total long-term liabilities are global debentures totaling \$24,108,285 (2011 - \$25,439,274) issued during 2004 and 2005 with respect to St. Lawrence Lodge. They include direct obligations of the City in respect of the principal amount and also include distinct joint and several obligations of the Corporation of the City of Brockville and each of the United Counties of Leeds and Grenville, the Town of Prescott and the Town of Gananoque ("participating municipalities").

The joint and several obligations of the three municipalities amount to \$9,580,633 (2011 - \$10,109,567). As the participating municipalities have assumed responsibility for repayment of these obligations, they have been deducted from the City's net-long term liabilities.

The City is contingently liable for the long-term liabilities assumed by the participating municipalities.

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

8. Net long-term liabilities (continued):

(b) Principal is due on net long-term liabilities as follows:

2013	\$ 2,334,955
2014	2,396,432
2015	1,759,338
2016	1,711,510
2017	1,669,328
Thereafter	12,056,390
	<hr/>
	\$ 21,927,953

- (c) Interest rates on the long-term liabilities range from 2.69% to 5.61% (4.71% to 5.61% on the global debentures with respect to St. Lawrence Lodge) payable semi-annually. Interest on long-term liabilities amounted to \$1,006,410 (2011 - \$1,092,040).
- (d) The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

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CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

9. Tangible capital assets:

Cost	Balance December 31, 2011	Additions (net of transfers)	Disposals	Balance December 31, 2012
	(as restated - note 2)			
General Capital:				
Land	\$ 5,370,354	\$ -	\$ -	\$ 5,370,354
Land improvements	2,969,589	521,619	-	3,491,208
Buildings	13,896,104	254,640	-	14,150,744
Machinery, furniture and equipment	9,677,421	1,846,428	562,612	10,961,237
Vehicles	5,364,927	245,251	335,999	5,274,179
Infrastructure:				
Plants and facilities	10,525,163	44,816,456	1,709,420	53,632,199
Roads	44,715,244	1,234,639	417,353	45,532,530
Water and waste water	23,319,720	838,591	37,660	23,920,651
Assets under construction	44,323,340	4,102,517	41,731,028	6,694,829
Total	\$ 160,161,862	\$ 53,660,141	\$44,794,072	\$169,027,931

Accumulated amortization	Balance December 31, 2011	Additions	Disposals	Balance December 31, 2012
General Capital:				
Land improvements	\$ 2,079,378	\$ 71,360	\$ -	\$ 2,150,738
Buildings	9,221,273	512,670	-	9,733,943
Machinery, furniture and equipment	4,624,300	644,660	346,906	4,922,054
Vehicles	3,559,982	412,302	285,243	3,687,041
Infrastructure:				
Plants and facilities	9,374,294	585,606	1,633,445	8,326,455
Roads	22,017,697	1,072,464	352,180	22,737,981
Water and waste water	6,466,918	229,780	16,257	6,680,441
Total	\$ 57,343,842	\$ 3,528,842	\$ 2,634,031	\$ 58,238,653

	Net book value December 31, 2011	Net book value December 31, 2012
General Capital:		
Land	\$ 5,370,354	\$ 5,370,354
Land improvements	890,211	1,340,470
Buildings	4,674,831	4,416,801
Machinery, furniture and equipment	5,053,121	6,039,183
Vehicles	1,804,945	1,587,138
Infrastructure:		
Plants and facilities	1,150,869	45,305,744
Roads	22,697,547	22,794,549
Water and waste water	16,852,802	17,240,210
Assets under construction	44,323,340	6,694,829
Total	\$102,818,020	\$110,789,278

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

10. Commitments:

- (a) The City has a 10 year contract for waste removal through to 2022. The annual cost of this contract is estimated at \$908,000.
- (b) The City has entered into a partnership agreement to construct a destination tourist site to be called the Aquatarium (previously to be called Maritime Discovery Centre). The total project costs are estimated to be \$18 million and an additional \$2.2 million for parking facilities. The City has agreed to contribute \$1.5 million towards the construction of the Aquatarium and \$1,070,000 for parking facilities.

The total project costs incurred as at December 31, 2012 were \$6,580,000 on the Aquatarium and \$1,919,325 on additional parking facilities.

The City has also committed to complete additional capital infrastructure improvements on Broad Street in the amount of \$350,000.

11. Contingencies:

- (a) The City has been named in a claim seeking damages in the amount of \$120,000,000. Management is of the opinion that this claim is without merit and accordingly has made no provision for it.
- (b) The City has been named in a claim seeking damages in the amount of \$4,186,000. This action is being defended by the Corporation's insurers.
- (c) The nature of the City's activities is such that there is usually litigation pending or in prospect at any time. Management is of the opinion that the City has valid defenses and appropriate insurance coverage in place for claims for damages and related costs.
- (d) The City has appealed certain expenses that have been paid to the Workplace Safety and Insurance Board (note 6(c)). To the extent that the eventual resolution of the appeal results in a settlement, the difference will be reflected as a reduction of expenses in the year that a settlement is reached.

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

12. Accumulated surplus:

(a) The accumulated surplus consists of:

	2012	2011
Operating surplus:		
Water treatment and distribution system	\$ 2,619,672	\$ 2,751,917
Waste water treatment system	1,831,145	1,609,285
Library board	61,317	70,855
	4,512,134	4,432,057
Reserves and reserve funds:		
Reserves:		
Fiscal policy (note 12(b))	884,605	405,226
Working capital	430,373	430,373
Projects deferred to the following year	187,416	110,218
	1,502,394	945,817
Reserve funds (note 14)	1,857,569	1,640,329
	3,359,963	2,586,146
Investment in tangible capital assets	110,789,278	102,818,020
Funds available for acquisition of capital assets:		
Projects in progress	3,341,484	2,159,775
Completed projects	40,522	40,522
Acquisition of capital assets to be recovered from:		
Taxation and user fees	(303,442)	(569,087)
Issue of long-term liabilities	(9,425,317)	(9,869,625)
	(6,346,753)	(8,238,415)
Unfunded costs:		
Accrued interest on net long-term liabilities	(262,867)	(248,995)
Employee future benefits	(5,879,581)	(5,786,917)
Solid waste landfill closure and post-closure liabilities	(3,400,000)	(3,520,000)
Net long-term liabilities	(21,927,953)	(21,047,609)
	(31,470,401)	(30,603,521)
	\$ 80,844,221	\$ 70,994,287

(b) Fiscal policy reserve:

Balance, beginning of year	\$ 405,226
2012 Net transfers included in budget	206,000
Group insurance benefit recovery, included in revenue allocated by council to fiscal policy reserve	345,928
Reduction for 2012 operating deficit	(72,549)
Balance, end of year	\$ 884,605

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

13. Budget:

The unaudited budgeted expenses presented in the consolidated statement of operations do not include amortization of tangible capital assets, adjustments to employee future benefits liabilities and facility maintenance projects that are included in the annual capital fund budget.

14. Reserve funds:

Reserve funds consist of:

	2012	2011
Landfill site	\$ 22,359	\$ 21,960
Specific reserve funds for acquisition of capital assets	882,081	678,702
Specific reserve funds to provide for future operating expenses	720,641	733,719
Parking facilities	209,660	189,786
Hydro One proceeds management	22,828	16,162
	<u>\$ 1,857,569</u>	<u>\$ 1,640,329</u>

15. Pension agreement:

Substantially all of the employees of the City are members of the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer defined benefit pension plan. The plan specifies the amount of the retirement benefit to be received by the employees based on length of service and rates of pay.

Contributions to the plan made during the year by the City on behalf of its employees amounted to \$1,591,498 (2011 - \$1,539,756) and are included as expenses in the consolidated statement of operations.

The most recent actuarial valuation was at December 31, 2012 and the December 31, 2012 financial statements of OMERS report net assets of \$59 billion and an actuarial funding deficit of \$9,924 million.

16. Trust funds:

Trust funds administered by the City amounting to \$1,191,035 (2011 - \$1,158,593) have not been included in the consolidated statement of financial position and their financial activities have not been included in the consolidated statement of operations.

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

17. Public sector salary disclosure:

Under the Public Sector Salary Disclosure Act, 1996 the City is required to disclose the name, position, salary and taxable benefits of employees with annual salaries of \$100,000 or more.

For 2012 the employees who met the requirements for disclosure were as follows:

<u>Name</u>	<u>Position</u>	<u>Salary</u>	<u>Taxable Benefits</u>
Renny Rayner	Deputy Fire Chief	\$170,261	\$ 785
Robert Casselman	City Manager	\$154,167	\$ 1,160
John S. Gardiner	Police Chief	\$153,704	\$ 1,108
Lee MacArthur	Deputy Police Chief	\$145,254	\$ 1,034
Conal Cosgrove	Director, Operations	\$133,266	\$ 1,002
Shawn Borgford	Investigator 111	\$118,412	\$ 621
Peter Raabe	Director of Environmental Services	\$118,203	\$442
Scott Fraser	Inspector – Operators Division	\$117,471	\$875
Paul Ladouceur	Detective Sergeant	\$116,616	\$771
Chris Dwyre	Fire Chief	\$115,719	\$866
Robert Ferguson	1 st Class Police Constable	\$115,625	\$658
Donna Cyr	Director, Finance	\$115,389	\$868
Mark Noonan	Investigator 1	\$114,555	\$726
Todd Bertrend	Police Sergeant	\$113,163	\$726
Maureen Pascoe Merkley	Director of Planning	\$112,824	\$845
D. Thomas Fournier	Investigator 1	\$110,151	\$726
Edmund Stone	Staff Sergeant of Support Services	\$107,456	\$785
Douglas Locke	Sergeant	\$106,778	\$748
Peter Buell	Sergeant	\$106,492	\$748
John Inglis	Fire Captain	\$106,063	\$733
John Peters	Supervisor IV – Computers	\$105,802	\$329
Keith Fleury	1 st Class Constable	\$104,243	\$636
Paul Smith	Investigator 1	\$104,156	\$748
Jeffrey W. Rean	1 st Class Constable	\$103,863	\$279
David Jeggo	1st Class Constable	\$103,626	\$599
Andrew Harvie	Sergeant	\$103,576	\$711
James P. Garvin	1 st Class Constable	\$103,476	\$596
Darryl Boyd	1 st Class Constable	\$103,062	\$606
Graham Coe	Investigator 1	\$101,823	\$688
Craig Mason	Fire Captain	\$ 101,731	\$725
Alan Ranger	Sergeant	\$101,393	\$748
Robin Ashton	Fire Captain	\$100,921	\$725

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

18. Expenses by object:

The following is a summary of the expenses by object:

	2012	2011
Salaries, wages and benefits	\$ 23,926,719	\$ 23,920,575
Interest on long-term liabilities	1,006,410	1,092,040
Materials and supplies	7,058,122	7,335,315
Contracted services	5,104,131	7,417,217
Rents and financial	40,781	39,970
Transfer payments	5,081,613	5,244,154
Amortization of tangible capital assets	3,528,842	2,895,450
Loss on disposal of roads infrastructure	86,577	59,114
Loss on disposal of other tangible capital assets	292,417	-
	\$ 46,125,612	\$ 48,003,835

19. Future accounting changes:

During 2011 the Canadian Accounting Standards Board issued the following new accounting standards for public reporting entities which are required to be adopted by the City by 2016:

- PS 1201 Financial Statement Presentation
- PS 2601 Foreign Currency
- PS 3041 Portfolio Investments
- PS 3450 Financial Instruments

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

20. Segmented information:

Segmented information has been provided in accordance with the functional lines of service that are presented in the consolidated statement of operations. The activities that are included in each functional line of services are as follows:

General government consists of the Mayor and Council, the City Manager and administrative services which include the Clerk, Finance, Human Resources and Information Technology departments.

Protection consists of Fire, Police and By-law Enforcement departments as well as contributions to the Cataraqui Region Conservation Authority.

Transportation services include engineering, road and sidewalk construction and maintenance, winter control, traffic operations and parking.

Environmental services included the operations of waterworks, sanitary and storm sewers, wastewater treatment, solid waste disposal and recycling.

Health services consists of cemetery management and maintenance and transfers to the local Health Unit.

Social and family services consists of transfers to the United Counties of Leeds and Grenville for social and family services, transfers to St Lawrence Lodge and interest on net long-term liabilities with respect to St Lawrence Lodge.

Social housing consists of transfers to the United Counties of Leeds and Grenville.

Recreational and cultural services is comprised primarily of parks services and the operation of recreational facilities, the library and the museum.

Planning and development is comprised of planning and zoning, and economic development.

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

20. Segmented information (continued):

2012	General Government	Protection	Transportation Services	Environmental Services	Health Services	Social Services	Recreational and Cultural Services	Planning and Development	Total
Revenues:									
Property taxation	\$ 29,772,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 283,877	\$ 30,056,668
Taxation from other governments	366,887	-	-	30,098	-	-	-	-	396,985
User charges	161,419	1,120,982	992,547	7,801,315	135,838	-	1,590,096	260,135	12,062,332
Charges to other municipalities	238,651	434,507	-	57,346	-	511,313	-	-	1,241,817
Government grants	478,582	219,337	1,099,405	4,328,934	-	-	2,522,420	167,349	8,816,027
Contributions from developers	-	-	400,831	-	-	-	-	-	400,831
Penalties and interest on taxes	511,310	-	-	-	-	-	-	-	511,310
Investment income	113,441	-	-	64,508	-	-	2,102	-	180,051
Donations	2,242	2,400	-	-	788	-	1,148,165	-	1,153,595
Gain on sale of tangible capital assets	-	-	-	35,157	-	-	-	-	35,157
Recovery of expenditures and miscellaneous	383,302	80,101	81,787	199,652	45,153	-	295,755	35,023	1,120,773
	\$ 32,028,625	\$ 1,857,327	\$ 2,574,570	\$ 12,517,010	\$ 181,779	\$ 511,313	\$ 5,558,538	\$ 746,384	\$ 55,975,546
Expenses:									
Wages and benefits	\$ 2,152,059	\$ 11,717,754	\$ 2,666,373	\$ 3,782,008	\$ 211,274	\$ -	\$ 2,313,334	\$ 1,083,917	\$ 23,926,719
Interest on long-term liabilities	-	21,044	127,141	119,741	-	729,331	9,183	-	1,006,410
Materials and supplies	1,218,584	1,027,665	1,126,633	2,198,727	51,388	-	1,012,466	422,659	7,058,122
Contracted services	415,519	372,672	1,235,644	1,588,561	9,497	179,520	944,022	358,696	5,104,131
Rent and financial services	1,453	534	3,616	13,433	-	-	20,996	749	40,781
Transfer payments	2,739	162,716	-	-	1,447,765	3,445,390	23,003	-	5,081,613
(Note 13)	3,790,354	13,302,355	5,159,407	7,702,470	1,719,924	4,354,241	4,323,004	1,866,021	42,217,776
Amortization	163,269	342,197	1,432,608	1,253,230	9,357	-	328,181	-	3,528,842
Loss on disposal of roads infrastructure	-	-	86,577	-	-	-	-	-	86,577
Loss on disposal of other tangible capital assets	-	176,928	8,164	100,669	-	-	6,656	-	292,417
	\$ 3,953,623	\$ 13,821,480	\$ 6,686,756	\$ 9,056,369	\$ 1,729,281	\$ 4,354,241	\$ 4,657,841	\$ 1,866,021	\$ 46,125,612

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2012

20. Segmented information (continued):

2011	General Government	Protection	Transportation Services	Environmental Services	Health Services	Social Services	Recreational and Cultural Services	Planning and Development	Total
Revenues:									
Property taxation	\$ 29,790,351	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 269,584	\$ 30,059,935
Taxation from other governments	354,483	-	12,750	34,903	-	-	4,354	-	406,490
User charges	180,771	1,111,832	866,233	6,923,698	131,258	-	1,530,152	233,509	10,977,453
Charges to other municipalities	29,662	607,051	-	117,862	-	507,967	-	-	1,262,542
Government grants	2,344,349	200,130	1,305,718	10,202,297	-	-	345,420	176,599	14,574,513
Contributions from developers	-	-	483,241	110,000	-	-	-	-	593,241
Penalties and interest on taxes	474,805	-	-	54,248	-	-	-	-	529,053
Investment income	157,374	-	-	18,792	-	-	1,361	-	177,527
Donations	284,190	31,200	-	-	-	-	348,388	5,990	669,768
Gain on disposal of tangible capital assets	-	800	7,152	7,000	-	-	2,775	2,000	19,727
Recovery of expenditures and miscellaneous	496,503	358,413	67,362	92,366	53,965	-	38,088	106,703	1,213,400
	\$ 34,112,488	\$ 2,309,426	\$ 2,742,456	\$ 17,561,166	\$ 185,233	\$ 507,967	\$ 2,270,538	\$ 794,385	\$ 60,483,649
Expenses:									
Wages and benefits	\$ 1,823,010	\$ 12,305,652	\$ 2,633,099	\$ 3,617,500	\$ 194,068	\$ -	\$ 2,291,741	\$ 1,055,505	\$ 23,920,575
Interest on long-term liabilities	-	26,321	156,316	133,515	-	767,835	8,053	-	1,092,040
Materials and supplies	1,400,778	1,040,090	1,174,296	2,191,636	50,392	-	1,064,884	413,239	7,335,315
Contracted services	594,080	395,090	1,729,515	1,534,510	13,236	-	888,456	631,673	5,786,560
Rent and financial services	2,971	544	2,616	11,755	-	-	21,355	729	39,970
Transfer payments	4,994	156,618	-	-	1,454,092	3,562,658	65,792	-	5,244,154
	3,825,833	13,924,315	5,695,842	7,488,916	1,711,788	4,330,493	4,340,281	2,101,146	43,418,614
Amortization	188,696	330,817	1,397,175	662,515	10,067	-	306,180	-	2,895,450
Loss on disposal of roads infrastructure	-	6,052	52,069	993	-	-	-	-	59,114
	\$ 4,014,529	\$ 14,261,184	\$ 7,145,086	\$ 8,152,424	\$ 1,721,855	\$ 4,330,493	\$ 4,646,461	\$ 2,101,146	\$ 46,373,178

Financial Statements of

**CORPORATION OF THE
CITY OF BROCKVILLE
TRUST FUNDS**

Year ended December 31, 2012

DRAFT

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers
Corporation of the City of Brockville

We have audited the accompanying financial statements of the trust funds of the Corporation of the City of Brockville, which comprise the statement of financial position as at December 31, 2012 and the statement of continuity of trust funds for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the funds held in trust by the Corporation of the City of Brockville as at December 31, 2012 and the changes in its net financial liabilities and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants, Licensed Public Accountants

July , 2013
Brockville, Canada

CORPORATION OF THE CITY OF BROCKVILLE

TRUST FUNDS

Statement of Financial Position

December 31, 2012, with comparative figures for 2011

	Cemeteries		Deferred Interments	St. Lawrence Lodge Partners Trust	2012 Total	2011 Total
	Perpetual Care	C. Babcock				
Financial assets						
Cash	\$ 575	\$ 1,905	\$ 73,272	\$ 285,266	\$ 361,018	\$ 1,011,828
Receivable from City of Brockville	1,151	-	-	-	1,151	140,115
Investments	942,663	-	-	-	942,663	36,695
	944,389	1,905	73,272	285,266	1,304,832	1,188,638
Financial liabilities						
Payable to City of Brockville	-	-	-	113,797	113,797	30,045
Net financial assets	\$ 944,389	\$ 1,905	\$ 73,272	\$ 171,469	\$ 1,191,035	\$ 1,158,593
Trust balances						
Capital	\$ 873,461	\$ 500	\$ 73,272	\$ 171,469	\$ 1,118,702	\$ 1,100,138
Accumulated income	70,928	1,405	-	-	72,333	58,455
	\$ 944,389	\$ 1,905	\$ 73,272	\$ 171,469	\$ 1,191,035	\$ 1,158,593

Statement of Changes in Net Financial Assets

Year ended December 31, 2012, with comparative figures for 2011

	Cemeteries		Deferred Interments	St. Lawrence Lodge Partners Trust	2012 Total	2011 Total
	Perpetual Care	C. Babcock				
Capital receipts	\$ 21,631	\$ -	\$ 3,200	\$ -	\$ 24,831	\$ 25,657
Partners' contributions	-	-	-	337,198	337,198	336,277
Investment income	13,992	23	902	2,165	17,082	15,365
	35,623	23	4,102	339,363	379,111	377,299
Expenditures	136	-	6,917	339,616	346,669	346,235
Change in net financial assets	35,487	23	(2,815)	(253)	32,442	31,064
Balance, beginning of year	908,902	1,882	76,087	171,722	1,158,593	1,127,529
Balance, end of year	\$ 944,389	\$ 1,905	\$ 73,272	\$ 171,469	\$ 1,191,035	\$ 1,158,593

The accompanying notes are an integral part of these financial statements.

CORPORATION OF THE CITY OF BROCKVILLE

TRUST FUNDS

Statement of Cash Flows

Year ended December 31, 2012, with comparative figures for 2011

	2012	2011
Cash provided by (used for):		
Operating activities:		
Change in net financial assets	\$ 32,442	\$ 31,064
Change in non-cash operating working capital:		
Decrease (increase) in receivable from City of Brockville	138,964	(140,115)
Increase (decrease) in payable to City of Brockville	83,752	(103,830)
	255,158	(212,881)
Investing activities:		
(Increase) decrease in investments	(905,968)	803,164
(Decrease) increase in cash	(650,810)	590,283
Cash, beginning of year	1,011,828	421,545
Cash, end of year	\$ 361,018	\$1,011,828

The accompanying notes are an integral part of these financial statements.

CORPORATION OF THE CITY OF BROCKVILLE

TRUST FUNDS

Notes to Financial Statements

Year ended December 31, 2012

1. Summary of significant accounting policies:

The trust fund statements are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant accounting policies are as follows:

- (a) capital receipts are reported on the cash basis of accounting.
- (b) expenditures and investment income are reported on the accrual basis of accounting.

2. Investments:

Investments are stated at their fair market value.

3. Trust balances:

The accumulated incomes of the cemetery funds are available to offset cemetery operating costs.

Financial Statements of

**THE BOARD OF MANAGEMENT,
DOWNTOWN BUSINESS
IMPROVEMENT AREA OF THE
CORPORATION OF THE CITY OF
BROCKVILLE**

Year ended December 31, 2012

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Members of Council and Ratepayers
Downtown Business Improvement Area of the Corporation of the City of Brockville

We have audited the accompanying financial statements of the Board of Management, Downtown Business Improvement Area of the Corporation of the City of Brockville, which comprise the statement of financial position as at December 31, 2012 and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Downtown Business Improvement Area of the Corporation of the City of Brockville as at December 31, 2012 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants, Licensed Public Accountants

Brockville, Canada

THE BOARD OF MANAGEMENT, DOWNTOWN BUSINESS IMPROVEMENT AREA OF THE CORPORATION OF THE CITY OF BROCKVILLE

Statement of Financial Position

December 31, 2012, with comparative figures for 2011

	2012	2011
Financial assets		
Cash	\$ 22,952	\$ 22,580
Receivable from City of Brockville	25,615	18,555
Net financial assets, being accumulated surplus (note 2)	\$ 48,567	\$ 41,135

Statement of Operations

Year ended December 31, 2012, with comparative figures for 2011

	Budget (unaudited)	2012	2011 Actual
Revenues:			
Taxation	\$ 238,056	\$ 242,897	\$ 230,554
Parking levy	40,980	40,980	39,029
Interest	783	297	421
	279,819	284,174	270,004
Expenses:			
Salaries and benefits	81,504	80,463	72,379
Materials, supplies and services	150,552	149,299	127,620
Transfer to City of Brockville	46,980	46,980	51,029
	279,036	276,742	251,028
Excess of revenues over expenses	783	7,432	18,976
Accumulated surplus, beginning of year		41,135	22,159
Accumulated surplus, end of year		\$ 48,567	\$ 41,135

The accompanying notes are an integral part of these financial statements.

THE BOARD OF MANAGEMENT, DOWNTOWN BUSINESS IMPROVEMENT AREA OF THE CORPORATION OF THE CITY OF BROCKVILLE

Statement of Cash Flows

Year ended December 31, 2012, with comparative figures for 2011

	2012	2011
Cash provided by (used for):		
Operating activities:		
Excess of revenues over expenditures	\$ 7,432	\$ 18,976
Change in non-cash operating working capital:		
Increase in receivable from City of Brockville	(7,060)	(8,550)
Increase in cash	372	10,426
Cash, beginning of year	22,580	12,154
Cash, end of year	\$ 22,952	\$ 22,580

The accompanying notes are an integral part of these financial statements.

THE BOARD OF MANAGEMENT, DOWNTOWN BUSINESS IMPROVEMENT AREA OF THE CORPORATION OF THE CITY OF BROCKVILLE

Notes to Financial Statements

Year ended December 31, 2012

1. Basis of presentation and accounting:

The Board of Management, Downtown Business Improvement Area is a Board of the Corporation of the City of Brockville. The Board's consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Board are as follows:

(a) Fund accounting:

These statements reflect the assets, liabilities, revenue and expenditures of the operating and reserve funds.

(b) Revenue recognition:

Property tax billings are prepared by the City based on an assessment roll prepared by Municipal Property Assessment Corporation ("MPAC"), an agency of the Ontario government and taxation revenues are recorded at the time tax billings are issued. Any supplementary billing adjustment made necessary by assessment appeals submitted by the ratepayers and changes to assessed value reflecting new construction will be recognized in the year they are determined.

Government grants are recognized as revenue in the year in which the events giving rise to the grant occur providing the grants are authorized, all eligible criteria have been met and reasonable estimates can be made.

User charges and fees are recognized as revenue in the year the services are provided.

2. Accumulated surplus:

The accumulated surplus consists of a reserve fund that was established by the Corporation of the City of Brockville on behalf of the Board.

3. Commitment:

The Board has a commitment to repay the City of Brockville for capital expenditures for the Hardy Park Outdoor Skating Park funded from the Fiscal Policy Reserve. The outstanding amount of \$6,000 is to be fully repaid in 2013.

September 11, 2013

**REPORT TO FINANCE ADMINISTRATION & OPERATIONS COMMITTEE –
SEPTEMBER 17, 2013**

**2013-107-09
Financial Variance Report
At August 31, 2013**

**D. Dick
Director of Corporate Service
L. Ferguson
Manager of Finance
D. Gordon
Financial Analyst – General
C. Ward
Treasury Officer – Capital & Reserves**

RECOMMENDATION

THAT Council receives Staff Report No. 2013-107-09, Financial Variance Report at August 31, 2013.

PURPOSE

To report to Council the City of Brockville's interim financial position as of August 31, 2013.

BACKGROUND

The City's Corporate Financial Controls which Council adopted in April 2005 requires that a variance analysis of forecasted year-end surpluses/deficits be conducted and reported on throughout the year. The analysis is to be conducted at a sufficient level of detail so that variances of line item activities may be identified in conjunction with the parameters set by the Budgetary Control By-Law. The purpose is to provide council and taxpayers with an opportunity to review the financial position of the City at various times throughout the year and to allow for corrective action should it be necessary.

Staff has prepared the second variance for the 2013 fiscal year for Council's review as of August 31st. We have conducted our review based on actual results achieved to date as well as our best estimate to future events and the impact these events may have on the year end results. Should deficits be identified at this stage in our operations, it allows for Council and City staff to make adjustments (if able) to mitigate subsequent in year deficits.

ANALYSIS/FINANCIAL IMPLICATIONS

This report represents the analyses of operating budgets – General, Water, Wastewater as well as the Capital budget which are provided for information purposes. Attachment #1 is a detailed variance analysis for each department.

Operating Budget

The current financial forecast for 2013 includes a number of areas where we anticipate over spending as well as areas where spending is forecast to be less than what has been budgeted. Similarly, revenues differing from budget have been identified and explanations are being provided. The second forecast for 2013 projected an overall deficit of \$155,654 as shown in Attachment #1. This is an improvement over the projected deficit of \$326,095 forecast as of June 30, 2013. Staff has reviewed results to date as well as anticipated operations to the end of the year and have identified additional recoveries and expenditure reductions to eliminate this projected deficit. We are expecting a refund from WSIB that should eliminate the projected deficit.

There are a number of factors contributing to the forecast deficit. The main contributors of the variance are as follows:

- ◆ Investment income exceeds budget due to the unanticipated receipt of provincial funding for the Aquatorium. These excess funds have been invested generating additional investment income. We are also in receipt of unbudgeted lease revenue.
- ◆ The Brockville Art Centre has had a very successful year increasing net revenues by \$29,450.
- ◆ Budget projections for supplemental taxes are expected to be higher than actual revenues by \$64,000.
- ◆ Tax savings from budget on insurance premiums of \$37,000 are expected.
- ◆ Tax write-offs and vacancy rebates have exceeded what has been budgeted in the amount of \$165,000. It is expected that given the economic climate experienced since the late 2000's these balances may continue to increase.
- ◆ The recent service delivery review resulted in a number of staff changes. The impact of these changes has been reported in 2012 and has resulted in a positive variance from reduced wages and benefits for 2013 operations.
- ◆ Cancellation of spring and summer ice rentals indicate a reduction in revenues of approximately \$15,000.
- ◆ Revenues from Transit will be under budget by \$16,000.

- ◆ Joint services administered by the United Counties are expected to exceed budget by \$123,000.
- ◆ Winter maintenance has exceeded budget by \$163,000 as a result of the higher than expected snowfall in early 2013.
- ◆ Additional wages associated with employee leave has increased projections by approximately \$30,000.
- ◆ The demand for criminal record checks is less than what has been estimated resulting in a decrease in expected revenue.

Water Rate Administration Budget

Anticipated variance for the water rate administration presents a surplus of \$39,979 mainly attributed to wages savings as a result of staffing changes. (Attachment #2)

Waste Water Rate Administration Budget

To date the wastewater rate administration is projecting a surplus of \$133,966. (Attachment #3). This is also based on projected savings from wages and benefits as a result of staff changes.

Capital Budget

Attachment #4 illustrates all outstanding capital projects. There are a number of projects with variances identified. We will continue to monitor and provide a further update with the next interim report. Please note that not all of the debentures associated with these projects have been issued but have been included as part of the carry-forward balances from previous years.

Reserve Funds

Attachment #5 shows all of the City's reserve funds – those that are statutory legislated as well as discretionary funds established by Council. Seventy-Seven (77%) percent of these funds have been either committed or restricted for what they may be used.

CONCLUSION

It is important that staff review their variances early in the fiscal year in order to have time to implement any necessary actions to mitigate potential shortfalls. It is also important for Council to be updated on the City's financial position in order to assist in their decision making processes.

Report 2013-107-09
Variance Report at August 31, 2013

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D Dick, CPA, CA
Director of Corporate Services



B. Casselman
City Manager



City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
For the period ending August 31, 2013

Attachment 1

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)
CITY MANAGEMENT & SERVICES				
Animal Control	42,997	74,559	74,559	0
Aquarium	5,774	210,000	210,000	0
Arts Centre	55,574	122,349	151,799	29,450
City Council/Mayor	139,805	216,545	220,545	4,000
City Manager	349,319	464,446	449,446	(15,000)
Clerk	179,910	269,208	262,208	(7,000)
Corporate Finance	(88,132)	1,391,222	1,223,990	(167,232)
Cultural Services	0	23,003	23,003	0
Economic Development	89,665	274,793	281,008	6,215
Finance - Administration	384,439	666,999	796,499	129,500
Fire	2,778,492	4,437,357	4,426,407	(10,950)
Human Resources	195,308	281,331	258,831	(22,500)
Information Services	183,366	296,512	362,644	66,132
Parking	(116,100)	(49,516)	(49,516)	0
Parking Rental	8,934	0	0	0
Planning	398,121	916,012	929,100	13,088
Tourism	176,860	180,231	180,231	0
CITY MANAGEMENT & SERVICES Total	4,784,334	9,775,051	9,800,754	25,703
ENVIRONMENTAL SERVICES				
Engineering	61,992	118,883	127,883	9,000
Solid Waste	600,062	1,057,370	1,071,819	14,449
ENVIRONMENTAL SERVICES Total	662,054	1,176,253	1,199,702	23,449
OPERATIONS				
Facilities	103,004	244,592	227,092	(17,500)
Fleet	251,640	380,558	360,294	(20,264)
Operations Administration	160,967	226,617	226,617	0
Parks	502,166	914,517	946,943	32,426
Public Works	1,727,989	2,602,701	2,482,014	(120,687)
Transportation Services				
Pedestrian Vehicle Infrastructure	325,488	567,005	537,587	(29,418)
Transit	472,064	501,698	495,960	(5,738)
OPERATIONS Total	3,543,319	5,437,688	5,276,507	(161,181)
CITY BOARDS & COMMISSIONS				
Airport	88,622	72,894	84,062	11,168
Cemetery	62,839	86,308	86,308	0
Committee of Adjustment	(1,551)	(544)	(544)	0
Heritage Brockville	389	2,908	8,368	5,460
Library	470,433	619,095	619,095	0
Museum	168,752	214,781	205,281	(9,500)
Police	4,619,078	7,327,821	7,400,775	72,954
CITY BOARDS & COMMISSIONS Total	5,408,561	8,323,263	8,403,345	80,082
OUTSIDE BOARDS				
Conservation Authority	169,425	169,425	169,425	0
Downtown Board (DBIA)	(91,481)	0	0	0
Health Unit	267,328	418,730	418,730	0
St. Lawrence Lodge	442,496	884,958	884,958	0
OUTSIDE BOARDS Total	787,768	1,473,113	1,473,113	0
JOINT SERVICE CHARGES	2,273,185	3,409,779	3,286,072	(123,707)
DEBT CHARGES	(1,073,795)	2,247,336	2,247,336	0
PROJECTED YEAR END SURPLUS/(DEFICIT)	16,385,427	31,842,483	31,686,829	(155,654)

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
CITY MANAGEMENT & SERVICES					
ANIMAL CONTROL					
Fees & Service Charges Total	(25,397)	(35,500)	(35,500)		
Revenue Total	(25,397)	(35,500)	(35,500)		
Wages & Benefits Total	49,371	74,341	74,341		
Materials & Supplies Total	2,094	7,148	7,148		
Contracted Services Total	13,893	23,413	23,413		
Other Expenses Total	3,037	5,157	5,157		
Expense Total	68,395	110,059	110,059		
ANIMAL CONTROL Total	42,997	74,559	74,559		
AQUARIUM					
Other Expenses Total	0	210,000	210,000		
Expense Total	0	210,000	210,000		
AQUARIUM Total	0	210,000	210,000		
ARTS CENTRE					
Fees & Service Charges Total	(414,241)	(562,577)	(499,627)	62,950	Additional ticket revenue, seat surcharges, and donations with addition of Rick Mercer to schedule
Other Revenue Total	(14,514)	(28,360)	(28,360)		
Revenue Total	(428,754)	(590,937)	(527,987)	62,950	
Wages & Benefits Total	235,733	362,143	362,143		
Materials & Supplies Total	82,492	130,854	130,854		
Contracted Services Total	156,396	204,054	170,554	(33,500)	Additional expenses incurred with Rick Mercer
Other Expenses Total	9,708	16,235	16,235		

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Expense Total	484,329	713,286	679,786	(33,500)	
ARTS CENTRE Total	55,574	122,349	151,799	29,450	
CITY COUNCIL/MAYOR					
Fees & Service Charges Total	(539)	(1,100)	(1,100)		
Other Revenue Total	(5,137)	(6,375)	(6,375)		
Revenue Total	(5,676)	(7,475)	(7,475)		
Wages & Benefits Total	133,990	199,411	199,411		
Materials & Supplies Total	11,339	23,609	27,609	4,000	Surplus anticipated in Training and Professional Development as only one Councillor and the Mayor attended AMO
Contracted Services Total	153	1,000	1,000		
Expense Total	145,482	224,020	228,020	4,000	
CITY COUNCIL/MAYOR Total	139,805	216,545	220,545	4,000	
CITY MANAGER					
Wages & Benefits Total	188,124	287,320	287,320		
Materials & Supplies Total	17,184	29,477	29,477		
Contracted Services Total	91,559	105,303	90,303	(15,000)	Legal and Professional fees expected to exceed budget
Other Expenses Total	42,033	42,346	42,346		
Expense Total	349,319	464,446	449,446	(15,000)	
CITY MANAGER Total	349,319	464,446	449,446	(15,000)	

CLERK

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Fees & Service Charges Total	(45,584)	(69,339)	(76,339)	(7,000)	Break open lottery licenses revenue less than budgeted;
Other Revenue Total	(1,777)	(3,638)	(3,638)		
Revenue Total	(47,361)	(72,977)	(79,977)	(7,000)	
Wages & Benefits Total	180,115	267,979	267,979		
Materials & Supplies Total	29,311	55,778	55,778		
Contracted Services Total	2,808	3,497	3,497		
Other Expenses Total	15,036	14,931	14,931		
Expense Total	227,271	342,185	342,185		
CLERK Total	179,910	269,208	262,208	(7,000)	
CORPORATE FINANCE					
Fees & Service Charges Total	(38,845)	(15,983)	(15,983)		
Grants Total	(229,950)	(459,900)	(459,900)		
Other Revenue Total	(453,379)	(1,511,612)	(1,550,808)	(39,196)	Supplementary taxes lower than anticipated; Deficit anticipated for Solar Revenue due to fewer sunny days and the GWMC Solar project inverters being turned off unintentionally for most of May and all of June; offset by higher than anticipated bank balances leading to increased interest revenue; unanticipated lease revenue
Revenue Total	(722,174)	(1,987,495)	(2,026,691)	(39,196)	
Wages & Benefits Total	16,387	318,490	318,490		

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
					Tax Write Offs higher than anticipated (Reduction of taxes due to successful assessment appeals); Vacancy Rebates - Higher demand for Vacancy Rebates; Offset by savings from new Insurance Contract;
Materials & Supplies Total	553,162	1,021,705	893,669	(128,036)	
Contracted Services Total	8,146	28,482	28,482		
Other Expenses Total	56,346	2,010,040	2,010,040		
Expense Total	634,042	3,378,717	3,250,681	(128,036)	
CORPORATE FINANCE Total	(88,132)	1,391,222	1,223,990	(167,232)	
CULTURAL SERVICES					
Other Expenses Total	0	23,003	23,003		
Expense Total	0	23,003	23,003		
CULTURAL SERVICES Total	0	23,003	23,003		
ECONOMIC DEVELOPMENT					
Fees & Service Charges Total	(337,480)	(1,280)	(1,280)		
Grants Total	(180,074)	(112,000)	(112,000)		Grant surpluses for Tall Ships Festival will be allocated to reserve
Other Revenue Total	(49,362)	(17,635)	(17,635)		Other Revenue Surpluses associated with Talls Ships Festival will be allocated to reserve
Revenue Total	(566,916)	(130,915)	(130,915)		
Wages & Benefits Total	181,228	278,562	278,562		

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Materials & Supplies Total	107,810	71,896	78,111	6,215	Savings on barge rental for Fireworks ; reduced travel; Saving on printing supplies; Reduced demand on materials and supplies
Contracted Services Total	357,799	45,964	45,964		Additional expenses incurred for Tall Ships Festival are covered by revenues
Other Expenses Total	9,743	9,286	9,286		
Expense Total	656,580	405,708	411,923	6,215	
ECONOMIC DEVELOPMENT Total	89,665	274,793	281,008	6,215	
FINANCE					
Fees & Service Charges Total	(35,460)	(38,182)	(32,182)	6,000	More Finance services required than anticipated
Other Revenue Total	0		0		
Revenue Total	(35,460)	(38,182)	(32,182)	6,000	
Wages & Benefits Total	371,581	598,907	723,907	125,000	Surplus anticipated due to staffing changes
Materials & Supplies Total	9,554	66,982	66,982		
Contracted Services Total	16,981	16,912	15,412	(1,500)	Document shredding service for basement/storage cleanup not anticipated in budget
Other Expenses Total	21,783	22,380	22,380		
Expense Total	419,899	705,181	828,681	123,500	
FINANCE Total	384,439	666,999	796,499	129,500	
FIRE DEPARTMENT					
Fees & Service Charges Total	(89,512)	(151,822)	(151,822)		

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Other Revenue Total	(6,610)	(10,000)	(10,000)		
Fire Dispatch Total	(273,354)	(357,617)	(357,617)		
Revenue Total	(369,476)	(519,439)	(519,439)		
Wages & Benefits Total	2,893,894	4,552,500	4,552,500		
Materials & Supplies Total	104,004	173,283	165,733	(7,550)	Deficit due to new insurance carrier weighting difference; Telephone system maintenance higher than anticipated
Contracted Services Total	87,993	111,842	108,442	(3,400)	Dispatch console maintenance higher than anticipated
Other Expenses Total	62,077	119,171	119,171		
Expense Total	3,147,968	4,956,796	4,945,846	(10,950)	
FIRE DEPARTMENT Total	2,778,492	4,437,357	4,426,407	(10,950)	
HUMAN RESOURCES					
Grants Total	0	(13,000)	(19,000)	(6,000)	Ontario Grant reduced
Other Revenue Total	0	(3,000)	(3,000)		
Revenue Total	0	(16,000)	(22,000)	(6,000)	
Wages & Benefits Total	132,700	197,557	175,057	(22,500)	Wages and Benefits higher than anticipated due to staffing changes and additional working hours required
Materials & Supplies Total	22,644	27,049	33,049	6,000	Employee Recognition as not yet utilized
Contracted Services Total	34,189	66,950	66,950		
Other Expenses Total	5,775	5,775	5,775		
Expense Total	195,308	297,331	280,831	(16,500)	

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
HUMAN RESOURCES Total	195,308	281,331	258,831	(22,500)	
INFORMATION SERVICES					
Revenue					
Fees & Service Charges Total	(23,839)	(61,981)	(61,981)		
Other Revenue Total	0		0		
Revenue Total	(23,839)	(61,981)	(61,981)		
Wages & Benefits Total	53,356	155,197	221,329	66,132	Staffing changes resulted in surplus
Materials & Supplies Total	114,171	159,052	159,052		
Contracted Services Total	32,803	33,369	33,369		
Other Expenses Total	6,875	10,875	10,875		
Expense Total	207,206	358,493	424,625	66,132	
INFORMATION SERVICES Total	183,366	296,512	362,644	66,132	
PARKING					
Fees & Service Charges Total	(245,207)	(364,481)	(364,481)		
Other Revenue Total	(63,365)	(54,012)	(54,012)		
Revenue Total	(308,572)	(418,493)	(418,493)		
Wages & Benefits Total	36,153	43,215	43,215		
Materials & Supplies Total	35,913	87,844	87,844		
Contracted Services Total	101,421	98,733	98,733		
Other Expenses Total	18,986	139,185	139,185		
Expense Total	192,472	368,977	368,977		
PARKING Total	(116,100)	(49,516)	(49,516)		

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
PARKING RENTAL					
Fees & Service Charges Total	(5,618)	(12,405)	(12,405)		
Other Revenue Total	0	(648)	(648)		
Revenue Total	(5,618)	(13,053)	(13,053)		
Wages & Benefits Total	0		0		
Materials & Supplies Total	3,000	10,053	10,053		
Contracted Services Total	11,552	3,000	3,000		
Other Expenses					
Parking Rental-Building Burden	0	0	0		
Other Expenses Total	0	0	0		
Expense Total	14,552	13,053	13,053		
PARKING RENTAL Total	8,934	0	0		
PLANNING					
Fees & Service Charges Total	(148,778)	(311,695)	(306,695)	5,000	Application activity stronger than anticipated
Other Revenue Total	(1,221)		0		
Revenue Total	(149,999)	(311,695)	(306,695)	5,000	
Wages & Benefits Total	485,976	737,558	743,646	6,088	Inspection officer vacancy created; wages and benefits saved through recruiting period
Materials & Supplies Total	27,464	453,180	455,180	2,000	Training suspended pending recruitment of new Inspection Officer
Contracted Services Total	2,487	4,201	4,201		

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Other Expenses Total	32,193	32,768	32,768		
Expense Total	548,120	1,227,707	1,235,795	8,088	
PLANNING Total	398,121	916,012	929,100	13,088	
TOURISM					
Materials & Supplies Total	2,822	6,023	6,023		
Contracted Services Total	174,038	174,208	174,208		
Expense Total	176,860	180,231	180,231		
TOURISM Total	176,860	180,231	180,231		
CITY MANAGEMENT & SERVICES TOTAL	4,784,334	9,775,051	9,800,754	25,703	
ENVIRONMENTAL SERVICES					
ENGINEERING					
Fees & Service Charges Total	(1,485)	(8,500)	(8,500)		
Other Revenue Total	0		0		
Revenue Total	(1,485)	(8,500)	(8,500)		
Expense					
Wages & Benefits Total	43,975	90,617	99,617	9,000	Surplus due to staff time being allocated to capital projects
Materials & Supplies Total	12,952	26,776	26,776		
Contracted Services Total	1,596	2,755	2,755		
Other Expenses Total	4,954	7,235	7,235		
Expense Total	63,477	127,383	136,383	9,000	
ENGINEERING Total	61,992	118,883	127,883	9,000	

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
SOLID WASTE					
Fees & Service Charges Total	(80,104)	(126,223)	(131,223)	(5,000)	Fees & Services - \$3 sales are lower than anticipated, but large item tag sales are greater than expected
Grants Total	(27,952)	(139,672)	(122,863)	16,809	Blue box funding payments higher than anticipated.
Revenue Total	(108,056)	(265,895)	(254,086)	11,809	
Wages & Benefits Total	84,416	124,235	124,235		
Materials & Supplies Total	16,369	49,628	51,268	1,640	Cell phone charges for Solid Waste Officer not budgeted in error.; Reduced requirements to advertise for WEEE partner due to website supported by industry funding.
Contracted Services Total	598,057	1,138,150	1,144,150	6,000	Flare has been shut down continuously this year to date without odour issues.
Other Expenses Total	9,278	11,252	6,252	(5,000)	Vehicle charges from operations have been updated to reflect ministry regulations and guidelines for compost production.
Expense Total	708,119	1,323,265	1,325,905	2,640	
SOLID WASTE Total	600,062	1,057,370	1,071,819	14,449	
ENVIRONMENTAL SERVICES TOTAL	662,054	1,176,253	1,199,702	23,449	
FACILITIES					
Fees & Service Charges Total	(391,205)	(713,840)	(728,840)	(15,000)	Youth Arena - cancellations of spring and summer ice rental schedules
Other Revenue Total	(314,206)	(312,990)	(312,990)		

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Revenue Total	(705,410)	(1,026,830)	(1,041,830)	(15,000)	
Wages & Benefits Total	387,029	594,162	593,162	(1,000)	GWMC and Greenhouse repairs resulted in deficit
Materials & Supplies Total	226,733	434,936	434,436	(500)	Memorial Centre general advertising higher than anticipated. This was offset by a surplus in Youth Arena Janitorial expenses
Contracted Services Total	168,364	218,504	217,504	(1,000)	GWMC unforeseen repairs for Electrical Safety Authority inspections
Other Expenses Total	26,288	23,820	23,820		
Expense Total	808,415	1,271,422	1,268,922	(2,500)	
FACILITIES Total	103,004	244,592	227,092	(17,500)	
FLEET					
Fees & Service Charges Total	(708,678)	(1,086,502)	(1,050,087)	36,415	Service maintenance revenues from internal departments for City vehicles and equipment higher than anticipated; revenue from outside agents higher due to increased costing of fuel prices
Other Revenue Total	(896)	(3,200)	(3,200)		
Revenue Total	(709,574)	(1,089,702)	(1,053,287)	36,415	
Wages & Benefits Total	342,428	530,239	513,926	(16,313)	Deficit due to retiring staff vacation payout and new staff 3 week overlap

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Materials & Supplies Total	556,053	856,607	830,241	(26,366)	Fuel costs higher than anticipated; Parts and accessories cost high; Outside contractor required to repair fuel pump
Contracted Services Total	29,349	42,956	42,956		
Other Expenses Total	33,384	40,458	26,458	(14,000)	Maintenance and operation of second life vehicles
Expense Total	961,214	1,470,260	1,413,581	(56,679)	
FLEET Total	251,640	380,558	360,294	(20,264)	
OPERATIONS/PARKS ADMINISTRATION					
Other Revenue Total	(575)	0	0		
Revenue Total	(575)	0	0		
Wages & Benefits Total	129,091	192,896	192,896		
Materials & Supplies Total	12,927	16,705	16,705		
Contracted Services Total	4,279	1,422	1,422		
Other Expenses Total	15,244	15,594	15,594		
Expense Total	161,542	226,617	226,617		
OPERATIONS/PARKS ADMINISTRATION Total	160,967	226,617	226,617		
PARKS					
Fees & Service Charges Total	(284,537)	(350,711)	(339,566)	11,145	Increase in docking, camping and mooring fees.
Other Revenue Total	(10,819)	(11,636)	(6,636)	5,000	Recovery of taxes and utilities through new canteen contract
Revenue Total	(295,356)	(362,347)	(346,202)	16,145	

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Wages & Benefits Total	509,591	700,966	717,971	17,005	Less grounds maintenance required for islands and Tunnel Bay, less freezing rain and wind storms required less tree labour; Offset by additional labour required for Tall Ships & Hydroplane Festivals and Community Parks
Materials & Supplies Total	78,165	177,861	180,237	2,376	Savings on tulips and bedding plants; reduced training
Contracted Services Total	165,352	344,157	334,457	(9,700)	Unbudgeted improvements to JAC Auld Building due to Canteen Lease
Other Expenses Total	44,414	53,880	60,480	6,600	Less major equipment breakdowns
Expense Total	797,522	1,276,864	1,293,145	16,281	
PARKS Total	502,166	914,517	946,943	32,426	
PEDESTRIAN VEHICLE INFRASTRUCTURE					
Other Revenue Total	(18,851)		0		
Revenue Total	(18,851)		0		
Wages & Benefits Total	175,185	280,617	279,617	(1,000)	Deficit in PVI Field services offset by wages in benefits in Roadways Inspection, Survey, Counting, and Street Lighting Maintenance
Materials & Supplies Total	89,487	174,770	175,270	500	Computer software update less than budgeted
Contracted Services Total	77,478	107,877	78,959	(28,918)	Frame Signals - One time cost for wireless communication to eliminate monthly cost of data line (2 year payback); Signal repairs as needed due to damage/malfunction.

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Other Expenses Total	2,190	3,741	3,741		
Expense Total	344,339	567,005	537,587	(29,418)	
PEDESTRIAN VEHICLE INFRASTRUCTURE Total	325,488	567,005	537,587	(29,418)	
PUBLIC WORKS					
Fees & Service Charges Total	(49,911)	(78,715)	(71,893)	6,822	Additional work undertaken for other departments should result in additional revenue; offset by less roadside maintenance customer service requested
Other Revenue Total	(778)		0		
Revenue Total	(50,689)	(78,715)	(71,893)	6,822	
Wages & Benefits Total	889,353	1,411,434	1,403,716	(7,718)	Winter boulevard damage more extensive than budgeted due to loaders being required for snow removal; more staff snow and chainsaw training; additional side walk snow plowing; offset by lower than anticipated costs for North Augusta ditch project and less requirement for sidewalk abrasive application
Materials & Supplies Total	204,650	353,513	354,365	852	No contracted training for supervisory staff carried out.; Amount of waste for disposal of screening of winter sand swept less than budgeted for.; Replacement signage for Area #3 cost less than budgeted; Abrasive application - numerous small snowfalls resulting in additional

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Contracted Services Total	387,157	492,196	371,553	(120,643)	Large snowfall at end of 2012 resulted in additional snow removal costs in January 2013
Other Expenses Total	297,518	424,273	424,273		
Expense Total	1,778,678	2,681,416	2,553,907	(127,509)	
PUBLIC WORKS Total	1,727,989	2,602,701	2,482,014	(120,687)	
TRANSIT					
Fees & Service Charges Total	(164,097)	(242,979)	(258,717)	(15,738)	Project Para-Transit year end ridership down 1,000 from 2012; Conventional Transit Projection based on year and bulk purchases by social agencies; new contract with less revenue than previous
Grants Total	0	(179,340)	(179,340)		
Other Revenue Total	0	(43,564)	(43,564)		
Revenue Total	(164,097)	(465,883)	(481,621)	(15,738)	
Wages & Benefits Total	292,146	429,093	444,093	15,000	Transit - Coverage for staff on short term/maternity leave filled by part-time at lower rate; Additional winter control required due to major January 2013 snow storms.
Materials & Supplies Total	26,356	35,807	30,807	(5,000)	Additional printing costs and office supplies; Increased bus insurance costs.
Other Expenses Total	141,201	192,281	192,281		
Expense Total	636,161	967,581	977,581	10,000	
TRANSIT Total	472,064	501,698	495,960	(5,738)	

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
OPERATIONS TOTAL	3,543,319	5,437,688	5,276,507	(161,181)	
CITY BOARDS					
AIRPORT					
Fees & Service Charges Total	(69,441)	(130,793)	(124,625)	6,168	Increased fuel sales; increased revenue from new agricultural land lease
Other Revenue Total	(360)	(7,848)	(7,848)		
Revenue Total	(69,801)	(138,641)	(132,473)	6,168	
Wages & Benefits Total	3,101	4,985	4,985		
Materials & Supplies Total	81,865	92,833	92,833		
Contracted Services Total	72,566	111,817	116,817	5,000	maintenance, navigational aids, and terminal and hangar maintenance if no unexpected repairs
Other Expenses Total	892	1,900	1,900		
Expense Total	158,423	211,535	216,535	5,000	
AIRPORT Total	88,622	72,894	84,062	11,168	
CEMETERY					
Fees & Service Charges Total	(80,550)	(124,700)	(124,700)		
Other Revenue Total	(27,101)	(56,500)	(56,500)		
Revenue Total	(107,651)	(181,200)	(181,200)		
Wages & Benefits Total	135,105	206,506	206,506		
Materials & Supplies Total	16,079	36,146	36,146		
Contracted Services Total	5,638	8,399	8,399		

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Other Expenses Total	13,667	16,457	16,457		
Expense Total	170,490	267,508	267,508		
CEMETERY Total	62,839	86,308	86,308		
COMMITTEE OF ADJUSTMENT					
Fees & Service Charges Total	(7,265)	(9,200)	(9,200)		
Revenue Total	(7,265)	(9,200)	(9,200)		
Wages & Benefits Total	3,167	5,196	5,196		
Materials & Supplies Total	2,546	3,460	3,460		
Expense Total	5,714	8,656	8,656		
COMMITTEE OF ADJUSTMENT Total	(1,551)	(544)	(544)		
HERITAGE BROCKVILLE					
Other Revenue Total	0	(930)	(930)		
Fees & Service Charges Total	0		0		
Revenue Total	0	(930)	(930)		
Wages & Benefits Total	0	2,808	8,268	5,460	Vacant position
Materials & Supplies Total	283	1,030	1,030		
Contracted Services Total	106		0		
Expense Total	389	3,838	9,298	5,460	
HERITAGE BROCKVILLE Total	389	2,908	8,368	5,460	
LIBRARY					
Other Revenue Total	(21,089)		0		
Revenue Total	(21,089)		0		
Other Expense Total	491,521	619,095	619,095		

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Expense Total	491,521	619,095	619,095		
LIBRARY Total	470,433	619,095	619,095		
MUSEUM					
Fees & Service Charges Total	(22,328)	(46,900)	(47,900)	(1,000)	Less programming revenue than anticipated
Grants Total	(2,938)	(31,176)	(31,176)		
Other Revenue Total	(4,240)	(300)	(300)		
Revenue Total	(29,507)	(78,376)	(79,376)	(1,000)	
Wages & Benefits Total	147,581	216,594	214,094	(2,500)	Deficit due to staffing changes in 2013
Materials & Supplies Total	29,262	45,144	45,144		
Contracted Services Total	21,286	31,419	25,419	(6,000)	Expenses necessary to achieve program revenue targets resulted in deficit
Other Expenses Total	130		0		
Expense Total	198,259	293,157	284,657	(8,500)	
MUSEUM Total	168,752	214,781	205,281	(9,500)	
POLICE					
Fees & Service Charges Total	(584,462)	(873,000)	(883,000)	(10,000)	Deficit anticipated for criminal record checks based on number of checks from Jan - Aug 2013
Grants Total	(92,944)	(191,607)	(191,607)		
Other Revenue Total	(32,604)	(22,000)	(22,000)		
Revenue Total	(710,010)	(1,086,607)	(1,096,607)	(10,000)	

**City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013**

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Wages & Benefits Total	4,837,008	7,630,074	7,713,028	82,954	Required over time offset by salary and benefits not being required for 1 member
Materials & Supplies Total	316,422	481,317	481,317		
Contracted Services Total	98,986	162,612	162,612		
Other Expenses Total	76,672	140,425	140,425		
Expense Total	5,329,088	8,414,428	8,497,382	82,954	
POLICE Total	4,619,078	7,327,821	7,400,775	72,954	
CITY BOARDS Sum	5,408,561	8,323,263	8,403,345	80,082	
OUTSIDE BOARDS					
CATARAQUI REG. CONSERV. AUTHORITY					
Expense Total	169,425	169,425	169,425		
CATARAQUI REG. CONSERV. AUTHORITY Total	169,425	169,425	169,425		
DOWNTOWN BUSINESS IMPROVEMENT ASS.					
Other Revenue Total	(288,565)	(288,655)	(288,655)		
Revenue Total	(288,565)	(288,655)	(288,655)		
Wages & Benefits Total	56,318	83,036	83,036		
Materials & Supplies Total	68,394	106,275	106,275		
Contracted Services Total	66,300	93,244	93,244		
Other Expenses Total	6,071	6,100	6,100		
Expense Total	197,084	288,655	288,655		
DOWNTOWN BUSINESS IMPROVEMENT ASS. Total	(91,481)	0	0		
LONG TERM CARE					
Expense Total	442,496	884,958	884,958		
LONG TERM CARE Total	442,496	884,958	884,958		

City of Brockville
Treasurer's Report
GENERAL VARIANCE ANALYSIS
for period ending August 31, 2013

	2013 YTD	PROJECTED FOR DECEMBER 31, 2013	2013 BUDGET	SURPLUS/(DEFICIT) FAVOURABLE/(UNFAVOURABLE)	COMMENTS
PUBLIC HEALTH GRANTS					
Expense Total	267,328	418,730	418,730		
PUBLIC HEALTH GRANTS Total	267,328	418,730	418,730		
OUTSIDE BOARDS Sum	787,768	1,473,113	1,473,113		
JOINT SERVICES					
Provincial Offences-POA	(134,720)	(225,445)	(225,445)		
Revenue Total	(134,720)	(225,445)	(225,445)		
Ambulance Services	696,832	1,079,819	1,079,819		
Child Care-Social Services	150,026	264,705	264,705		
General Assistance-JSC Admin	28,519	42,561	42,561		
General Assistance-Social Services	884,848	1,290,999	1,167,292	(123,707)	Joint Services Budget higher than anticipated
Social Housing	647,680	957,140	957,140		
Expense Total	2,407,905	3,635,224	3,511,517	(123,707)	
JOINT SERVICES Total	2,273,185	3,409,779	3,286,072	(123,707)	
DEBT CHARGES					
Revenue Total	(1,073,795)	(1,535,160)	(1,535,160)		
Expense Total	0	3,782,496	3,782,496		
DEBT CHARGES Total	(1,073,795)	2,247,336	2,247,336		
GRAND TOTAL	16,385,426	31,842,483	31,686,829	(155,654)	

Corporation of the City of Brockville
WATER RATE VARIANCE ANALYSIS
as at
August 31, 2013

	2013 YTD	PROJECTED EXPENSES/REVENUES AT DECEMBER 31ST	2013 BUDGET	PROJECTION VS BUDGET FAVOURABLE/(UNFAVOURABLE)	COMMENTS
FINANCE - WATER					
Revenue					
Fees & Service Charges	(14,443)	(25,000)	(30,512)	(5,512)	
Other Revenue	(2,333,291)	(3,586,836)	(3,586,836)		
Total Revenue	(2,347,734)	(3,611,836)	(3,617,348)	(5,512)	
Expense					
Wages & Benefits	184,697	301,040	331,815	30,775	Surplus due to staffing changes
Materials & Supplies	68,131	181,581	181,581		
Contracted Services	11,430	11,748	11,748		
Other Expense	14,014	691,189	691,189		
Total Expenses	278,272	1,185,558	1,216,333	30,775	
TOTAL FINANCE - WATER	(2,069,462)	(2,426,278)	(2,401,015)	25,263	
ELIZABETHTOWN					
Revenue					
Other Revenue	(43,205)	(56,626)	(56,626)		
Total Revenue	(43,205)	(56,626)	(56,626)		
Expense					
Materials & Supplies	2,063	6,877	6,877		
Contracted Services	1,973	3,000	3,000		
Other Expense		66,233	66,233		
Total Expenses	4,036	76,110	76,110		
TOTAL ELIZABETHTOWN	(39,169)	19,484	19,484		
ADMINISTRATION					
Expense					
Wages & Benefits	79,021	117,460	117,460		
Materials & Supplies	4,615	4,992	4,823	(169)	Staff attendance at additional training/workshop
Other Expense	8,538	8,538	8,538		
Total Expenses	78,017	130,990	130,821	(169)	
TOTAL ADMINISTRATION	78,017	130,990	130,821	(169)	
WATER TREATMENT					
Expense					

Corporation of the City of Brockville
WATER RATE VARIANCE ANALYSIS
as at
August 31, 2013

	2013 YTD	PROJECTED EXPENSES/REVENUES AT DECEMBER 31ST	2013 BUDGET	PROJECTION VS BUDGET FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Wages & Benefits	409,765	640,058	640,058		Repairing leaks in the distribution system decreased flows resulting in reduced hydro and chemical consumption
Materials & Supplies	232,093	494,034	499,034	5,000	
Contracted Services	48,923	66,500	66,500		
Other Expense	13,753	(963)	(2,963)	(2,000)	Deficit projected due to increased maintenance on older 2nd life vehicles
Total Expenses	704,534	1,199,629	1,202,629	3,000	
TOTAL WATER TREATMENT	704,534	1,199,629	1,202,629	3,000	
ENGINEERING					
Expense					
Wages & Benefits	99,160	150,432	160,432	10,000	Surplus due to staff time spent on Capital Projects
Materials & Supplies	4,886	11,060	11,060		
Contracted Services	-	402	402		
Other Expense	1,157	298	298		
Total Expenses	105,203	162,192	172,192	10,000	
TOTAL ENGINEERING	105,203	162,192	172,192	10,000	
WATER DISTRIBUTION MAINTENANCE					
Revenue					
Fees & Service Charges	(5,593)	(16,561)	(16,561)		
Total Revenue	(5,593)	(16,561)	(16,561)		
Expense					
Wages & Benefits	300,174	447,490	447,490		
Materials & Supplies	81,845	168,530	170,530	2,000	Regulatory training completed under budget; offset by deficit due to tailgate lift required for truck 21112
Contracted Services	38,340	57,047	57,047		
Other Expense	17,781	28,469	28,469		
Total Expenses	438,140	701,536	703,536	2,000	
TOTAL WATER DISTRIBUTION MAINTENANCE	432,547	684,975	686,975	2,000	
FLEET					
Revenue					

Corporation of the City of Brockville
WATER RATE VARIANCE ANALYSIS
as at
August 31, 2013

	2013 YTD	PROJECTED EXPENSES/REVENUES AT DECEMBER 31ST	2013 BUDGET	PROJECTION VS BUDGET FAVOURABLE/(UNFAVOURABLE)	COMMENTS
Fees & Service Charges	-	(500)	(500)		
Other Revenue	-	-	(500)	(500)	Less obsolete parts sold at auction/outside agents
Total Revenue	-	(500)	(1,000)	(500)	
Expense					
Wages & Benefits	25,175	39,881	39,881		
Materials & Supplies	1,125	3,950	4,135	185	Reduced purchase of materials and supplies
Contracted Services	56	450	450		
Other Expense	2,105	657	657		
Total Expenses	28,461	44,938	45,123	185	
TOTAL FLEET	28,461	44,438	44,123	(315)	
DEBT CHARGES					
Expense					
Other Expense		317,895	317,895		
Total Expenses		317,895	317,895		
TOTAL DEBT CHARGES		317,895	317,895		
TOTAL WATER	(759,869)	133,325	173,104	39,779	

Corporation of the City of Brockville
WASTEWATER RATE VARIANCE ANALYSIS
as at
August 31, 2013

	2013 YTD	PROJECTED EXPENSES/REVENUES AT DECEMBER 31ST	2013 BUDGET	PROJECTION VS BUDGET FAVOURABLE/(UNFAVOURABLE)	COMMENTS
FINANCE - WASTEWATER					
Revenue					
Other Revenue	(2,963,025)	(4,397,310)	(4,397,310)		
Total Revenue	(2,963,025)	(4,397,310)	(4,397,310)		
Expense					
Wages & Benefits	163,595	272,839	293,190	20,351	Surplus due to staffing changes
Materials & Supplies	96,586	112,143	112,143		
Contracted Services	7,332	7,677	7,677		
Other Expense	13,094	393,411	393,411		
Total Expenses	280,607	786,070	806,421	20,351	
TOTAL FINANCE - WASTEWATER	(2,682,418)	(3,611,240)	(3,590,889)	20,351	
ADMINISTRATION					
Expense					
Wages & Benefits	101,377	150,247	150,247		
Materials & Supplies	1,244	1,988	1,963	(25)	Office expenses slightly higher than anticipated
Other Expense	8,484	8,484	8,484		
Total Expenses	111,105	160,719	160,694	(25)	
TOTAL ADMINISTRATION	111,105	160,719	160,694	(25)	
WASTEWATER COLLECTION					
Revenue					
Fees & Service Charges	(9,826)	(13,380)	(13,380)		
Total Revenue	(9,826)	(13,380)	(13,380)		
Expense					
Wages & Benefits	114,874	217,379	205,471	(11,908)	Additional wages and benefits for new Subforeman Collection; Unplanned repairs on King St & Margaret Place; Offset by work contracted out due to public works staff not being available for unplanned repairs
Materials & Supplies	18,401	34,896	46,896	12,000	WPCC training complete for 2013
Contracted Services	43,527	35,300	35,300		
Other Expense	2,567	14,328	14,328		
Total Expenses	179,369	301,903	301,995	92	
TOTAL WASTEWATER COLLECTION	169,543	288,523	288,615	92	

Corporation of the City of Brockville
WASTEWATER RATE VARIANCE ANALYSIS
as at
August 31, 2013

ment # 3

	2013 YTD	PROJECTED EXPENSES/REVENUES AT DECEMBER 31ST	2013 BUDGET	PROJECTION VS BUDGET FAVOURABLE/(UNFAVOURABLE)	COMMENTS
ENGINEERING					
Expense					
Wages & Benefits	83,995	130,628	142,628	12,000	Surplus due to staff time allocated to capital projects
Materials & Supplies	6,451	8,200	6,748	(1,452)	New Insurance carrier cost weighting
Contracted Services		357	357		
Other Expense	-	150	150		
Total Expenses	90,446	139,335	149,883	10,548	
TOTAL ENGINEERING	90,446	139,335	149,883	10,548	
WATER POLLUTION CONTROL					
Revenue					
Other Revenue	(8,746)	(21,323)	(3,323)	18,000	Septage revenue surplus as a result of operational changes made after start-up
Total Revenue	(8,746)	(21,323)	(3,323)	18,000	
Expense					
Wages & Benefits	654,900	1,054,345	1,004,345	(50,000)	Additional staff added to last quarter of 2013; increased overtime for upgrade project and for extra time required in working through new plant processes
Materials & Supplies	389,150	967,159	1,102,159	135,000	Lab supplies, external lab sampling, and chemical costs less than anticipated as a result of operational changes made after start-up
Contracted Services	190,036	229,050	229,050		
Other Expense	18,430	17,806	17,806		
Total Expenses	1,252,516	2,268,360	2,353,360	85,000	
TOTAL WATER POLLUTION CONTROL	1,243,770	2,247,037	2,350,037	103,000	
DEBT CHARGES					
Expense					
Other Expense					
Total Expenses	-	544,001	544,001		
TOTAL DEBT CHARGES	-	544,001	544,001		
TOTAL WASTEWATER	(1,067,554)	(231,625)	(97,659)	133,966	

Corporation of the City of Brockville
Capital Variance Report
as at August 21, 2013

Project	Budget Carry-Forward (from previous years-UNAUDITED)	2013 Budget	Project Balance Aug. 21, 2013	Projected Variance	Notes / Comments
BMAAC	40,073	45,000	82,641	-	Projects are on-going.
50 years of Our Flag	0	0	456	-	Donations received for the 50 Years of Our Flag Committee.
Property Acquisitions and disposals	0	340,000	340,000	340,000	No expenditures incurred to date. Funds will not be transferred from Fiscal Policy Reserve.
Industrial Park Land Assembly	0	40,000	33,527	-	No variance to report to date.
Retrofit/Replacement of Windows - Victoria Building	0	160,000	155,491	-	No variance to report to date.
Building Maintenance	200,604	129,500	252,989	494	A small surplus of \$493.75 is being reported for the 2013 Building Maintenance projects completed to date.
Brockville History Book	-68,829	0	(68,517)	(68,517)	Deficit to be offset by future book sales.
Fleet	0	991,720	836,214	96,140	Surplus of \$96,139.54 reported for 2013 will be distributed according to funding sources at year end. The surplus report includes the unbudgeted purchase of two pontoon barges for Economic Development in the amount of \$21,096.47.
GIS Engineering	-28,596	0	(28,596)	(28,596)	Work is in progress. COMRIF-AMP funds of \$10,800 have been received. No funding source identified for current deficit of \$28,596.
Corporate Systems Upgrade	219,963	133,300	314,078	-	Projects are on-going.
Computer Replacement Program	-6,023	117,192	84,752	-	Project is on-going.
Minor Capital (pre-2011)	20,973	0	20,973	2,990	Telecom redundancy, portable photo I.D, parking meter purchase and breathing apparatus projects remain open. Funds for the portable photo I.D project can be transferred to the current fund to offset costs related to the "swipe cards" .
2012 Minor Capital	2,325	0	2,325	-	Projects are on-going and anticipated to be completed within budget.

**Corporation of the City of Brockville
Capital Variance Report
as at August 21, 2013**

Project	Budget Carry-Forward (from previous years-UNAUDITED)	2013 Budget	Project Balance Aug. 21, 2013	Projected Variance	Notes / Comments
2013 Minor Capital	0	56,800	52,801	2,356	Surplus of \$2,356 from the completion of the Airport crack sealing project. Other projects are on-going.
Aquarium	1,160,185	488,000	603,185	-	Project is on-going.
Protective and Security Measures	1,552	0	1,552	1,552	Funds can be transferred to the current fund to offset costs related to the "swipe cards" .
Brockville Memorial Centre Solar Project	21,048	0	21,048	21,048	Funds can be used for other energy efficient projects. Possible funding source of deficit for the Energy Efficient Street Lights.
Gord Watts Municipal Centre Solar Project	0	0	3,367	3,367	Funds can be used for other energy efficient projects. Possible funding source of deficit for the Energy Efficient Street Lights.
Replace Portable & Mobile radios	7,292	74,000	81,292	-	Project is on-going.
Breathing Apparatus	3,430	0	3,430	-	Project is on-going.
Waste management study	26,772	10,000	26,772	-	Sufficient funds to cover carrying costs for several years. 2013 budget funded from previous years surplus.
Landfill Site Closure	-3,362	0	(3,362)	(3,362)	
Asphalt/Concrete Program	0	675,000	629,445		Project underway but final numbers not yet available.
Parking Lot improvements	0	20,000	20,000		Project underway but final numbers not yet available.
Bridge Inspection Services	10,849	20,000	20,000	12,770	Project underway - tendered price of \$7,230
Brockville Transportation Planning Study	947	0	947	947	Projected cancelled. Small surplus will be used to fund a deficit in another project.
Bying Avenue	0	160,000	159,512	-	On going
Centre Street Reconstruction	-5,061	30,000	1,612	-	On going

**Corporation of the City of Brockville
Capital Variance Report
as at August 21, 2013**

Project	Budget Carry-Forward (from previous years- UNAUDITED)	2013 Budget	Project Balance Aug. 21, 2013	Projected Variance	Notes / Comments
Fencing - CN Railways	3,225	0	3,225	-	On going
CP Railway Crossing	0	60,000	60,000	-	Project is being undertaken in conjunction with CP Rail.
James Street Reconstruction	5,000	0	5,000	-	On going
Kingston Bridge Repairs	23,469	0	23,296	16,422	Project deferred to 2014. Surplus of \$16,422 to be transferred into the North Augusta Road Culvert account to offset the project deficit.
McCready Street	-7,119	690,000	263,199	-	On going
Opticom Equipment - vehicular and traffic light	7,655	0	7,655	-	On going.
Ormond Street Bridge Repairs	517,587	0	515,199	85,630	Surplus of \$85,630 to be transferred into the North Augusta Road Culvert account to offset the project deficit.
Tunnel Avenue Reconstruction	0	285,000	267,524	-	On going
Parking Meters	22,678	0	22,678	-	Project postponed due to delay in release of meter technology.
North Augusta Rd culvert repairs	165,718	0	164,331	(142,248)	Project deficit of \$142,248 to be offset from transfer of surplus funds of \$16,422 from Kingston Bridge project, \$85,630 from Ormond Street Bridge project and \$39,692 from ACPM.
Pre-Engineering Services	10,016	10,000	5,871	-	On going
Parkedale Avenue Realignment	107,084	0	107,084	-	Funds being held for future traffic signals at North Augusta Rd. and Waverly Dr.
Energy Efficient Street Light Conversion	-33,955	0	(33,955)	(33,955)	Project complete.
Traffic Signal Controllers (5)	0	125,000	33,574	7,024	Project complete. Surplus of \$7,024.

**Corporation of the City of Brockville
Capital Variance Report
as at August 21, 2013**

Project	Budget Carry-Forward (from previous years-UNAUDITED)	2013 Budget	Project Balance Aug. 21, 2013	Projected Variance	Notes / Comments
Dechlorination Station Equipment	50,283	0	50,283		On going
North Trunk Sanitary Sewer	110,000	0	110,000	-	On going
Ormond Street Watermain (2012 phase)	25,049	0	25,049	25,049	Project completed.
Brock Street - Perth Street to Elm Street	-798	300,000	289,747	-	Work in progress.
Sewer Inflow/Infiltration Analysis	128,174	0	128,174		On going
Water Service Upgrades	14,280	0	14,280		On going
Stewart Blvd	78,447	0	78,447		On going
Water/Wastewater Meter replacement	97,909	0	8,785		On going
Water Pollution Control Plant Equipment	597,824	45,000	626,613	6,071	Project are on-going. A surplus of \$6,071.28 is being reported for projects deferred from 2011. No variance to report at this time for the 2013 projects.
Water Pollution Control Plant Secondary Treatment Upgrade	1,343,982	0	1,133,336	-	On going
Main Pumping Station and Force Main (Scope change re: WPCC upgrade)	-46,413	0	(158,414)	-	On going
Water Systems Master Plan	48,422	0	48,422	-	On going.
Water Treatment Plant Work	201,010	222,500	259,841	39,882	Projects are on-going. A small surplus of \$215.54 is being reported for projects deferred from prior years. A surplus of \$39,666.22 is being reported under the 2013 Water Equipment/Construction Projects.
Expansion of the Zone 3 pressure area	40,452	0	40,452	-	On going

**Corporation of the City of Brockville
Capital Variance Report
as at August 21, 2013**

Project	Budget Carry-Forward (from previous years- UNAUDITED)	2013 Budget	Project Balance Aug. 21, 2013	Projected Variance	Notes / Comments
Dredging	-99,783	98,200	(1,583)	(1,583)	Shortfall may be funded from surpluses in other projects.
401 Signage	0	25,000	(5,027)	(5,027)	Deficit of \$5,027 projected.
Project Encore - Including Theatre Manager Software and Fire Curtain	3,803	0	3,803	-	No variance anticipated.
Brockville Arts Centre - Fly Tower	0	140,750	140,750	-	No variance anticipated.
Island Environmental Assessment	6,424	0	6,424	6,424	Completed. Surplus can be used to fund deficits in other accounts.
Fulford Fountain	1,571	0	1,571	1,571	May be used to offset the deficit in the Dredging project.
Pedestrian Pathway Linkage	10,831	0	10,831	-	Funds have been held for possible future phases.
Brock Trail Linkage	0	20,000	20,000	-	No variance to report at this time.
Memorial Centre Boards Renewal	0	75,000	75,000	-	No variance to report at this time.
Parkland Equipment Management Program	92,357	69,928	95,222	22,001	Reporting a surplus of \$17,223.58 for projects deferred from 2012 and a surplus of \$4,777.20 for 2013 projects.
Power Pedestals - Centeen Park	8,407	0	3,523	-	No variance to report at this time.
Rotary Park Splash-Pad	-11,744	50,000	174,401	-	No variance to report at this time.
St. Lawrence Park Design	16,951	0	16,951	-	No variance to report at this time.
Tunnel Bay Docking	4,425	0	1,375	-	Project is on-going.
Tunnel Tourism	121,809	0	102,640	-	Project is on-going.

**Corporation of the City of Brockville
Capital Variance Report
as at August 21, 2013**

Project	Budget Carry-Forward (from previous years-UNAUDITED)	2013 Budget	Project Balance Aug. 21, 2013	Projected Variance	Notes / Comments
Waterfront Public Use Study	5,459	0	5,459	-	No variance to report at this time.
Reynolds Park	21,446	54,000	47,889	-	No variance to report at this time.
Development Charge Background Study	20,000	0	20,000	-	Awaiting cost estimates from consultants.
Comprehensive Zoning By-law	148,000	0	142,445	-	Project underway.
Bridlewood Subdivision	99,365	0	99,365	-	Funds received from developers.
Stormwater Management - Brockwoods	3,536	0	3,536	-	Funds received from developers.
Sidewalk contributions	45,615	0	45,615	-	Funds received from developers.
	5,612,593	5,760,890	8,757,817	408,449	

**Corporation of the City of Brockville
Capital Variance Report
as at August 21, 2013**

Project	Budget Carry-Forward (from previous years-UNAUDITED)	2013 Budget	Project Balance Aug. 21, 2013	Projected Variance	Notes / Comments
Rotary Park Splash-Pad	(11,744)	50,000	174,401	-	No variance to report at this time.
St. Lawrence Park Design	16,951	0	16,951	-	No variance to report at this time.
Tunnel Bay Docking	4,425	0	1,375	-	Project is on-going.
Tunnel Tourism	121,809	0	102,640	-	Project is on-going.
Waterfront Public Use Study	5,459	0	5,459	-	No variance to report at this time.
Reynolds Park	21,446	54,000	47,889	-	No variance to report at this time.
Development Charge Background Study	20,000	0	20,000	-	Watson & Associates have been awarded the contract for the study. Total estimated cost is \$34,262 to be funded from the Growth Management Reserve Fund as approved at Council July 23, 2013.
Comprehensive Zoning By-law	148,000	0	142,445	-	Project underway.
Bridlewood Subdivision	99,365	0	99,365	-	Funds received from developers.
Stormwater Management - Brockwoods	3,536	0	3,536	-	Funds received from developers.
Sidewalk contributions	45,615	0	45,615	-	Funds received from developers.
	5,612,593	5,760,890	8,757,817	408,449	

CORPORATION OF THE CITY OF BROCKVILLE**RESERVE FUND REPORT****AS AT****August 31, 2013**

NAME OF RESERVE FUND	BALANCE OF ACCOUNTS BEFORE COMMITMENTS	RESTRICTED & COMMITTED AMOUNTS	USABLE BALANCE **Within the Confines of the Establishing By- Law**	2012 Ending Balance (unaudited)
Statutory Reserve Funds				
Development Charges: Bylaw 145-93				
GROWTH MANAGEMENT	36,481.76	20,000.00	16,481.76	36,481.76
TRANSPORTATION SERVICES	33,379.93	0.00	33,379.93	33,379.93
WPCP DEVELOPMENT CHARGES	72,275.44	72,275.44	0.00	64,744.28
	142,137.13	92,275.44	49,861.69	134,605.97
Development Agreement Reserve Funds				
NORTH TRUNK SANITARY SEWER	11,516.00	11,516.00	0.00	10,229.76
MILLWOOD AVENUE EXTENSION	57,895.02	57,895.02	0.00	57,895.02
CENTRE STREET DEVELOPMENT	23,585.92	23,585.92	0.00	16,346.93
	92,996.94	92,996.94	0.00	84,471.71
Other Statutory Reserve Funds				
PARKLAND	9,184.49	0.00	9,184.49	9,184.49
FEDERAL GAS TAX	1,564,836.24	1,564,836.24	0.00	1,562,189.67
	1,574,020.73	1,564,836.24	9,184.49	1,571,374.16
HYDRO ONE PROCEEDS MANAGEMENT	23,622.33	23,622.33	0.00	22,828.36
Tax Rate Smoothing Reserve Funds				
ELECTION	49,901.60	49,901.60	0.00	49,901.60
SELF INSURANCE (RISK MANAGEMENT)	166,535.52	166,535.52	0.00	166,535.52
RETIRED ELECTRIC EMPLOYEE'S BENEFITS	163,408.18	163,408.18	0.00	163,408.18
SICK LEAVE CREDIT	67,348.67	67,348.67	0.00	67,348.67
OCCUPATIONAL HEALTH & SAFETY	697.92	697.92	0.00	697.92
INDUSTRIAL LAND SITES	314,886.07	40,000.00	274,886.07	314,886.07
SANITARY LANDFILL SITE	22,358.89	22,358.89	0.00	22,358.89
	785,136.85	510,250.78	274,886.07	785,136.85
Boards & Commissions Reserve Funds				
LACAC	8,953.83	0.00	8,953.83	8,953.83
BROCKVILLE PUBLIC LIBRARY	18,866.79	0.00	18,866.79	28,369.31
DBIA DOWNTOWN BEAUTIFICATION	48,566.73	0.00	48,566.73	48,566.73
T.C. COSSITT	119,052.00	0.00	119,052.00	119,052.00
BROCKVILLE MUSEUM BOARD	17,609.85	0.00	17,609.85	20,377.96
AIRPORT COMMISSION	129.94	0.00	129.94	129.94
LEEDS AND GRENVILLE SMALL BUSINESS ENTERPRISE	47,409.58	0.00	47,409.58	47,409.58
	260,588.72	0.00	260,588.72	272,859.35
Equipment Reserve Funds				
EMERGENCY PLANNING & COMMUNICATION EQPT.	28,819.60	0.00	28,819.60	28,819.60
OPERATIONAL FIRE EQUIPMENT	24,525.90	0.00	24,525.90	24,525.90
FLEET ADMINISTRATION MANAGEMENT	331,423.79	331,423.79	0.00	331,423.79
BUILDING & EQUIPMENT MAINTENANCE	52,159.73	52,159.73	0.00	52,159.73
PARKING	209,660.47	20,000.00	189,660.47	209,660.47
PARKLAND EQUIPMENT	85,654.96	85,654.96	0.00	85,654.96
MAJOR OFFICE EQUIPMENT	44,481.15	44,481.15	0.00	44,481.15
	776,725.60	533,719.63	243,005.97	776,725.60
TOTAL RESERVE FUNDS	3,655,228.30	2,817,701.36	837,526.94	3,648,002.00

September 12, 2013

Report To Finance Administration Operations – September 17, 2013

**2013-108-09
City Auditor's "Matters to be Communicated
with Members of Council"**

**D. Dick, Director
Corporate Services**

RECOMMENDATION

THAT the Finance Administration Operations Committee receive and review the City Auditor's "Matters to be Communicated with Members of Council" for the year ended December 31, 2012 [Attachment 1 to Report 2013-108-09.

PURPOSE

To file the City Auditor's "Matters to be Communicated with Members of Council" for the year ended December 31, 2012 to the Finance Administration Operations Committee in conjunction with auditing requirements.

BACKGROUND

This report, which was presented in prior years as the "Audit Findings Report", is required by generally accepted auditing standards to be filed directly by all Auditors to those designated by Council for having the responsibility for oversight on financial matters.

The scope and purpose is contained in the Auditor's Report.

CONCLUSION

Mr. Alvin Bennett, representative of Bennett Lewis McMahon Stillar will be available at the meeting to answer any questions with respect to the "Matters to be Communicated with Members of Council".



D. Dick, CPA, CA
Director of Corporate Services



B. Casselman
City Manager

Bennett
Lewis
McMahon
Stillar

Chartered Accountants

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Corporation of the City of Brockville

Matters to be Communicated with Members of Council

Year ended December 31, 2012

PURPOSE OF THE REPORT

This report is presented in order to promote effective communication between ourselves and members of Council, to address matters that are required to be communicated and to assist members of Council in carrying out their responsibilities with respect to their review and approval of the consolidated financial statements of The Corporation of the City of Brockville for the year ended December 31, 2012. This report summarizes our significant audit findings arising from the audit and other matters which we believe should be brought to your attention. Canadian generally accepted auditing standards do not require that we design procedures for the purpose of identifying matters to be communicated to Council. Accordingly, this Report is a by-product of the audit and is therefore a derivative communication. The audit would not necessarily identify all matters that may be of interest to the members of Council in fulfilling its responsibilities.

RESPONSIBILITIES

Our responsibility is to form and express an opinion on the financial statements that have been prepared by management, with the oversight of the members of Council. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The preparation of the financial statements, including the accompanying notes, is the responsibility of management. This includes the selecting the significant accounting policies, for applying judgment in preparing accounting estimates and for the preparation of the financial statements in accordance with Canadian public sector accounting standards for local governments.

Council is responsible for oversight of management with regards to the preparation of financial statements.

An audit of the financial statements does not relieve management or Council of their responsibilities.

PLANNING

An overview of the planned scope and timing of the audit, as well as a discussion of audit risk and materiality was previously communicated to you in correspondence dated April 16, 2013.

INDEPENDENCE

We confirm that we are not aware of any relationship or non-audit services that would impair our independence for purposes of expressing an opinion on the financial statements.

SIGNIFICANT AUDIT FINDINGS

SIGNIFICANT ACCOUNTING PRINCIPLES AND POLICIES

Significant accounting principles and policies are disclosed in the notes to the financial statements. Within the context of the audit, management has represented to us that there have not been any material changes in the accounting principles and policies during the year. We have not noted any changes and have not recommended any changes for the current reporting period.

ACCOUNTING ESTIMATES

Management has the responsibility for applying judgment in preparing the accounting estimates and disclosures contained within the financial statements.

Significant judgments and estimates were as follows:

- Accrual for employee future benefits of \$5,880,000
- Solid waste landfill liabilities of \$3,400,000
- Amortization of tangible capital assets

Subject to your consideration, we accept management's conclusions as to these estimates.

In addition to the current year estimates, many of the cost figures for tangible capital assets are based on estimates, as described in the accounting policy note to the consolidated financial statements.

MISSTATEMENTS AND SIGNIFICANT AUDIT ADJUSTMENTS

Misstatements represent audit findings for which we do not agree with the amount, classification, presentation or disclosure of items in the financial statements.

In conducting our procedures, we may identify misstatements that require adjustments to the recorded amounts. These audit adjustments are discussed with management, who in consultation with us, determine if an adjustment should be recorded.

Significant adjustments that were recorded as a result of our audit findings include an accrual of \$315,460 salary continuance for severed employees and an accrual of \$66,745 of early retirement incentives.

The uncorrected misstatements (summarized in the attachment to this report) would increase the operating fund deficit as at December 31, 2012 by \$15,000. There is also an uncorrected misstatement in the amount of \$118,750 with respect to capital acquisitions. The correction would decrease tangible capital assets under construction and to increase HST recoverable. That amount was recorded in 2013.

Subject to the consideration of Council, we are willing to accept management's opinion that the unrecorded misstatements, individually and in aggregate, are not significant to the financial statements.

Canadian generally accepted auditing standards require that we request that uncorrected misstatements be corrected.

Difficulties

We did not encounter any serious difficulties in the performance of the audit. We received the full cooperation of management and employees of the Corporation and, to our knowledge, had complete access to the accounting records and other documents that we needed in order to carry out our audit. We have had no disagreements with management, and have resolved all auditing, accounting and presentation issues to our satisfaction.

CONTROL DEFICIENCIES

The responsibility for the design and maintenance of an appropriate system of internal controls to provide reasonable assurance that the accounting systems provide timely, accurate and reliable financial information and to safeguard the Corporation's assets, is part of management's overall responsibility for the day-to-day operations of the Corporation.

We obtain a sufficient understanding of internal controls that are relevant to the preparation of the financial statements to design audit procedures that are appropriate in the circumstances. We only evaluate, and test, those internal controls on which we plan to rely during our audit. Our audit is not designed to allow us to provide an opinion on the systems of internal controls, nor should it be expected to.

No major control issues were noted during the course of the audit.

OTHER MATTERS

We are not aware of any other matters that require the attention of Council before you approve the financial statements.

Current Accounting and Reporting Developments

New developments in accounting standards

There are three new accounting standards for governments that have been put in place, that require implementation in 2016. They deal with foreign currency and complex financial instruments, such as derivatives and would have limited impact on your financial statements, if they were to be applied at this time. We will continue to keep management informed of these standards as the implementation time approaches or in the event that you enter into more complex financial instrument contracts.

There are a number of projects currently in progress by The Public Sector Accounting Board that may have implications to future financial reporting. They include projects that address, environmental cleanup and tax revenues. We will continue to keep you updated regarding the progress of these studies.

Chartered Accountants, Licensed Professional Accountants

Brockville, Canada

September 12, 2013

Corporation of the City of Brockville
Summary of Uncorrected Financial Statement Misstatements
December 31, 2012

	Effect on Financial Position	Effect on Statement of Operations
Individual misstatements greater than \$20,000		
Potential recovery of HST ITC versus rebate re Aquatarium project	118,750	(118,750)
	<u>118,750</u>	<u>(118,750)</u>
Summary of other misstatements		
Underaccrual of vacation accrual	(2,283)	2,283
Estimated understatement of allowance for doubtful accounts	(12,734)	12,734
	<u>(15,017)</u>	<u>15,017</u>
<i>Affect of prior year carry forward misstatements, impacting operating deficit</i>		(37,192)
<i>Affect of prior year carry forward misstatements, impacting revenue of capital projects</i>		(5,345)
Aggregate of uncorrected misstatements	<u>103,733</u>	<u>(146,270)</u>
	As of end of 2012	during 2012
Impact of above on operating deficit	(15,017)	(22,175)
Impact of above on revenue for capital projects	118,750	(124,095)
Audit Materiality	<u><u>500,000</u></u>	

SEPTEMBER 4, 2013

**REPORT TO FINANCE, ADMIN. AND OPERATIONS COMMITTEE -
SEPTEMBER 17, 2013**

2013-104-09

**ENTERING INTO A MEMORANDUM OF AGREEMENT FOR
EMERGENCY RESPONSE WITH PARKS CANADA**

**C. DWYRE
FIRE CHIEF**

RECOMMENDED

THAT City Council allow the Fire Chief to enter into a Memorandum of Agreement with the Parks Canada Agency and Thousand Islands National Park to co-operate in emergency response and the suppression of wildfires in the areas owned or under the jurisdiction of either of the Parties.

PURPOSE

To establish a Memorandum of Agreement allowing the Brockville Fire Department along with other Fire Services in the United Counties of Leeds and Grenville to create a working relationship and sharing of resources when responding to emergencies and wildfire situations on lands of varying ownership.

BACKGROUND/ANALYSIS

Parks Canada and some Fire Departments of UCLG have entered into several past Memoranda of Understanding (MOU's). These MOU's have focused on mutual aid in response to emergencies and wildfire on lands varying in ownership. This Memorandum of Agreement (MOA) sets out the roles and responsibilities of the parties in responding to both wildfire and public safety emergencies in TINP and the various jurisdictions within the United Counties of Leeds and Grenville. This MOA does not cover incidents related to lost or missing persons.

POLICY IMPLICATIONS

An agreement would clearly outline the roles and responsibilities of all participating partners.

The sharing of existing resources and expertise would minimize the procurement of specialty equipment used in wild lands firefighting.

FINANCIAL CONSIDERATIONS

Should be minimal as costs are anticipated to be covered within the existing operating budget. Some savings will be seen in the areas of training and equipment purchasing.

RECOMMENDATION

It is recommended that Council approve the Fire Chief's participation in entering into this Memorandum of Agreement with the Thousand Islands National Park section of Parks Canada.



C. Dwyre
Fire Chief

D. Dick, CPA, CA
Director of Corporate Services

B. Casselman
City Manager

THIS AGREEMENT made the th day of April 2013.

Field Code Changed

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF CANADA,
as represented by the Minister of the Environment for the purposes of
the Parks Canada Agency and Thousand Islands National Park
("Parks Canada")

AND:

Front of Young Fire Department
Leeds and Thousand Islands Fire Department
Elizabethtown-Kitley Fire Department
Brockville Fire Department
Gananoque Fire Department
Rideau Lake's Fire Department
(herein "Fire Departments of UCLG")

(collectively the "**Parties**")

WHEREAS:

- A. the Parties each have ownership or jurisdiction over certain parcels of land in the United Counties of Leeds and Grenville; and
- B. it is considered desirable for Parks Canada and the Fire Departments of UCLG to enter into an Agreement to cooperate in emergency response and the suppression of wildfires in the areas owned or under the jurisdiction of either of the Parties.

NOW THEREFORE, THIS AGREEMENT WITNESSES that for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Background and Scope

Parks Canada and the Fire Departments of UCLG have entered into several past Memoranda of Understanding (MOU's). These MOU's have focused on mutual aid in response to emergencies and wildfire on lands varying in ownership. This Memorandum of Agreement (MOA) sets out the roles and responsibilities of the Parties in responding to both wildfire and public safety emergencies in TINP and the various jurisdictions within the United Counties of Leeds and Grenville. This MOA does not cover incidents related to lost or missing persons.

2. Definitions:

The following terms, in singular or plural form according to the context, are defined as follows:

"After Action Review" (AAR) means a structured review or de-briefing process, occurring within a reasonable timeframe after an incident, for analyzing how a response occurred and how the

response can be improved in future.

"TINP" means Thousand Islands National Park or its legal name under the Canada National Park Act.

"Equipment" means all terrain vehicles, stretchers, wheeled rescue trailers, boats, etc.

"FWI" means the Fire weather index.

"Hazard" means a source of risk or a condition with the potential for causing an undesirable consequence. A natural hazard is a physical danger such as fires, tides and wave action.

"IC" means Incident Commander; the person in charge at an incident.

"ICS" means Incident Command System, a nationally recognized approach to managing emergency situations.

"MOA" means Memorandum of Agreement;

"Fire Departments of UCLG" means the responding volunteer fire department within the applicable county of Thousand Islands National Park.

"Wildland Fire" means an unplanned fire that consumes natural materials within an area of grass, brush, or forest.

3. Responsibilities of Thousand Islands National Park.

3.1 To have a 24-hour/day, 365 day/year emergency contact number available through Parks Canada Dispatch (877) 852-3100 for incidents in TINP. When contacted, Parks Canada Dispatch will initiate the appropriate emergency response via staff at TINP or other agencies.

3.2 To provide qualified and trained staff and equipment to assist in emergency situations in TINP and adjacent areas;

3.3 To provide basic first aid response and/or wheeled stretcher removal and wildland fire support inside or outside of SLINP at the request of a fire department listed in this MOA and pending available resources.

3.4 At the request of a fire department listed in this MOA, TINP will provide boat transport to islands in or near Thousand Islands National Park in the St. Lawrence River for the purpose of emergency response. Transportation is subject to available resources.

3.5 To fulfill the IC role for wildfire incidents after the first operational period has ended or at soonest convenience.

3.6 To provide the applicable Fire Departments with access (key provided) to a storage space where equipment may be shared for the purposes of emergency response;

3.7 To work within the Incident Command System (ICS) or the Ontario Equivalent (IMS);

3.8 To share information pertaining to the Fire Weather Index and park fire bans on a regular basis during the fire season (minimum of weekly updates).

3.9 To provide updated information regarding land ownership changes within the boundaries of TINP;

3.10 To provide at least one month's notice to the Fire Departments of UCLG of any planned prescribed fire activities on park properties.

4. Responsibilities of the Fire Departments of United Counties of Leeds and Grenville

4.1 To have a 24 hour/day, 365 day/year emergency response capability, initiated through '911';

4.2 To provide medical first response (MFR), structural fire response, and wildland fire support of TINP when dispatched through '911' and pending available resources;

4.3 To contact Parks Canada Dispatch as soon as possible when called to respond to an emergency inside TINP;

4.4 For incidents that occur entirely within TINP, to fulfill the IC role in the event of structural fire or motor vehicle accidents occurring in SLINP, to fulfill the role of IC for wildfire response inside TINP until such a time as it is practical to transfer responsibility to Parks Canada.

4.5 To fulfill the IC role for emergencies occurring near or across the boundaries of TINP within the applicable departments usual area of response within the county.

4.6 To work within the principles of the ICS (IMS) when responding to emergency incidents in TINP;

4.7 For incidents that involve joint response, the applicable department representatives will prepare a shared media release where possible.

5. It is further understood and agreed that:

5.1 The Fire Departments of the UCLG will indemnify and save harmless Parks Canada from and against all claims, losses, damages, costs, expenses, actions and other proceedings made, sustained, brought, prosecuted, threatened to be brought or prosecuted, in any manner based upon, occasioned by or attributable to any injury to or death of a person or damage to or loss of property arising from any willful or negligent act, omission or delay on the part of the UCLG in performing the work carried out under this MOA.

5.2 Parks Canada will indemnify and save harmless the Fire Departments of UCLG from and against all claims, losses, damages, costs, expenses, actions and other proceedings made, sustained, brought, prosecuted, threatened to be brought or prosecuted, in any manner based upon, occasioned by or attributable to any injury to or death of a person or damage to or loss of property arising from any willful or negligent act, omission or delay on the part of Park Canada in performing the work carried out under this MOA.

5.3 This MOA nullifies and supersedes any prior MOAs made with individual Fire Departments. This agreement will expire five years from the date of signing. Neither party will be held responsible to any commitments in this agreement after this date unless the MOA has been renewed.

5.4 It is the responsibility of each Party to ensure that its personnel are trained and

supervised in accordance with applicable standards and operational guidelines.

5.5 Subject to applicable occupational health and safety regulations, members of the Fire Department of UCLG may ride in or operate vehicles or vessels under the command of an approved Parks Canada staff member.

5.6 It is the responsibility of each Party to self-insure or provide adequate insurance coverage for their directors, officers, agents, employees and volunteers and, to provide worker's compensation for their directors, officers, agent's employees and volunteers.

5.7 Parks Canada and the responding fire department(s) to an incident shall meet to perform an AAR. The AAR will take place as soon as practical after the incident and within the training schedule of the applicable Fire Department(s).

5.7 Time and materials provided by either party in responding to emergencies are provided on an in-kind basis. The Fire Departments of UCLG shall assume no liability for damages to park equipment while operated by park personnel during emergency duties. Parks Canada shall assume no liability for damages to fire department equipment while operated by fire department personnel during emergency duties.

5.8 To the extent possible, both parties will share opportunities for training in emergency response.

5.9 This MOA may be amended by the mutual consent of the parties. To be valid, any amendment to this MOA shall be in writing and signed by the parties to this MOA.

5.10 Parks Canada and a representative of the Fire Departments of UCLG agree to meet annually to review this MOA.

5.11 Either party may terminate this MOA at any time by thirty days written notice to the other party.

6. Contact Information

TINP: Dispatching Services for Parks Canada is available 24 hours a day at (877) 852-3100.

Superintendent: Jeff Leggo or Designate
(613) 923-5261 ext (101) – work
(613) 483-8519 (cell)

Manager, Resource Conservation: Sheldon Lambert or Designate
(613) 923-5261 ext (101)
(613) 246-5734 (cell)

Fire Departments of UCLG: The Fire Department is available 24 hours a day by calling 911.

Fire Chiefs: Brockville Fire Department Chief or Designate
(613) xxx-xxxx

Front of Young Fire Department
(613) xxx-xxxx

Leeds and Thousand Islands Fire Department
(613) xxx-xxxx

Elizabethtown-Kitley Fire Department
(613) xxx-xxxx

Brockville Fire Department
(613) xxx-xxxx

Gananoque Fire Department
(613) xxx-xxxx

Rideau Lake's Fire Department
(613) xxx-xxxx

7. Approvals

For Parks Canada:

Recommended by: _____ Date: _____
Sheldon Lambert
Manager, Resource Conservation
St. Lawrence Islands National Park

Approved by: _____ Date: _____
Jeff Leggo
Superintendent, St. Lawrence Islands National Park

For Fire Departments of UCLG:

Recommended by: _____ Date: _____

Approved by: _____ Date: _____

Approved by: _____ Date: _____

Approved by: _____ Date: _____

Approved by: _____ Date: _____

Approved by: _____ Date: _____

Approved by: _____ Date: _____

TOWNSHIP OF AUGUSTA

Moved By: Bill Pham

Date: December 10, 2012

Seconded By: Darlene Danning

Resolution No: (11)

Report 2012 - 296

BE IT RESOLVED THAT Council encourages the City of Brockville to proceed forthwith with seeking a costing of various options including a regional force for related associated municipalities in the corridor of Leeds and Grenville for Police Services and other endeavours to help curtail the rising costs.

Order this motion until this subject returns to the table in the spring of 2013.

RECORDED VOTE:

FOR	AGAINST

CARRIED *Apple*
Reeve

DEFEATED _____
Reeve

Declaration of pecuniary interest by: _____

Nature of interest: _____

- ☐ Disclosed His/Her/Their Interest
☐ Vacated His/Her/Their Seat
☐ Abstained from discussion & did not vote on the question

Clerk

PRESCOTT TOWN COUNCIL

Monday December 17, 2012

Moved by: _____

Seconded by: _____

That Council approves the following recommendations from the Committee of the Whole meeting held Monday December 10, 2012;

That Council authorizes the Mayor to discuss policing with Brockville.


Mayor (ACTING)

M. DIMOPOULOS