

**COMMITTEE REPORT: FINANCE AND ADMINISTRATION COMMITTEE**

**MEETING DATE:** September 21, 2011  
**LOCATION:** Town Hall Council Chambers  
**PREPARED BY:** Stephen Keast, Administrative Assistant

**A. Recommendations****B.1 Beaver Valley Outreach Re: BVO and Town Funding**

THAT Council approve in-kind funding from the Grants and Donations Budget for the Beaver Valley Outreach in the amount of \$5,600.00 for 2012, representing rental fees for the Beaver Valley Community Centre as follows:

Good Food Box	\$1050.00
Easter Eggstravaganza	\$530.00
Thanksgiving Dinner	\$530.00
Silent Auction	\$3,500.00

AND THAT Council approve the provision of snow plowing at the Beaver Valley Outreach building as requested, **unanimously Carried**.

**B.2 The Blue Mountains OPP Re: Municipal By-law Enforcement**

THAT Council authorize the Chief Administrative Officer and Manager, By-law Enforcement to review municipal By-law enforcement practices and discuss the matter with the Police Services Board, **Committee concurring**.

**C.1 Civil Marriage Solemnization Services, A.11.10**

THAT Council receive Staff Report A.11.10, "Civil Marriage Solemnization Services, Fees and Charges"; and

THAT Council approves the proposed fees to provide civil marriage solemnization services as outlined in this Report, subject to a Public Meeting being held to receive comments; and

THAT Council enact a by-law authorizing Town Clerk, Corrina Giles to provide marriage solemnization services within the Province of Ontario for as long as she holds the position of Town Clerk, as set out under Ontario Regulation 285/04 and the Marriage Act, R.S.O. 1990, Chapter M.3., **unanimously Carried**.

## **C.2 Request for Use of Town Hall Space, CEDC.11.21**

THAT Council receive Report CEDC.11.21 “Request for Use of Town Hall Space; and

THAT Council provide direction to Staff with respect to this request, **Carried**.

## **C.3 2012 Grants and Donations Budget Pre-approval, CEDC.11.22**

THAT Council receive Staff Report CEDC.11.22 “2012 Grants and Donations Budget Preapproval”; and

THAT Council does hereby grant preapproval in the 2012 municipal budget process for the Grants and Donations Program at a total budgeted amount of \$30,000, **Carried**.

## **C.4 Public Art Policy (Interim), CEDC.11.23**

THAT Council receive Staff Report CEDC.11.23 “Public Art Policy (Interim)”; and

THAT Council approve the Public Art Policy (Interim) attached, **unanimously Carried**.

## **C.5 2012 Budget Process and Timeline, FIT.11.43**

THAT Council receive Staff Report FIT.11.43, “2012 Budget Process and Timeline” for information purposes; and

THAT Council endorse the Committee Service Delivery Review process within the 2012 – 2014 Budget Process once initiated and recommend to Staff to work toward a 2% increase with all Town operations included, **Carried**.

## **C.6 Monthly Financial Reports – August, 2011, FIT.11.47**

THAT Council receive Staff Report FIT.11.47 “Monthly Financial Reports – August 2011” for information purposes, **unanimously Carried**.

## **C.7 LAS Electricity Procurement Program, FIT.11.45 Revised**

THAT Council receive Staff Report FIT.11.45 “LAS Electricity Procurement Program”; and,

THAT Council of the Town of The Blue Mountains approve the Commodity Price Hedging Policy POL.COR.11.09; and,

THAT the Mayor and Clerk be hereby authorized to execute an Electricity Appointment and Retainer Agreement between The Corporation of the Town of The Blue Mountains and Local Authority Services (LAS), recognizing that as the Town’s agent, LAS will negotiate all required electricity purchases on behalf of all procurement program members and that the details of all contracts will then be communicated to all program members; and,

THAT That the CAO and the Treasurer be hereby authorized to make minor alterations to the Agreement that do not substantially change its content and intent; and,

THAT the authority to make future program related decisions for the Town of The Blue Mountains be delegated to:

1. Treasurer
2. Manager of Purchasing

AND THAT the Manager of Purchasing report back to Council with the final rates and any potential savings and future rate changes;

AND FURTHER THAT Council authorize Local Authority Services, through its appointed agent, to have access to consumption data from the local electricity utility on an as needed basis, in order to compile load profile information for the procurement program and to bill all enrolled accounts, **unanimously Carried.**

## **B. Attachments**

- B.1** Beaver Valley Outreach Re: BVO and Town Funding
- B.2** OPP - Police Services Board Resolution, Municipal By-law Enforcement
- B.3** Gary Adams, Terry Hughes – Review of Town economic sustainability
- C.1** Civil Marriage Solemnization Services, A.11.10
- C.2** Request for Use of Town Hall Space, CEDC.11.21
- C.3** 2012 Grants and Donations Budget Pre-approval, CEDC.11.22
- C.4** 2012 Grants and Donations Budget Pre-approval, CEDC.11.22
- C.5** 2012 Budget Process and Timeline, FIT.11.43
- C.6** Monthly Financial Reports – August, 2011, FIT.11.47
- C.7** LAS Electricity Procurement Program, FIT.11.45 Revised
- D.1** OPP Contract Policing Statistics, July 2011

## **C. Public Meetings/Deputations**

- B.1** Cathy Innes, Carolyn Latourneau, Beaver Valley Outreach Re: BVO and Town Funding
- B.2** Cliff Carr, Police Services Board Chair, Inspector John Trude, Sergeant Charles Watts, The Blue Mountains OPP Re: Municipal By-law Enforcement
- B.3** Gary Adams, Terry Hughes, Town Hall Finances Presentation Update

## **D. New and Unfinished Business**

Discussion of special Budget meetings being held during daytime hours.

## **E. Future Meeting Dates**

October 18, 2011, 2:00 p.m., Town Hall Council Chambers

**Report to:** the Finance and Administration Committee  
**Report from:** Beaver Valley Outreach  
**Subject:** BVO and Town Funding  
**Date:** August 15, 2011

B.1

### **Background**

The staff report to the Finance and Administration Committee on July 26, 2011, outlined a new evaluation formula for funding requests from not-for-profit community groups and business associations. BVO has looked at both the old and the proposed new criteria, noting the following:

1. BVO has certainly demonstrated managerial expertise and good financial management. We run 22 programs, our 8 person staff will soon be augmented by our daycare employees, we have a building and a reserve fund for future repairs, we run a successful store which recycles a vast amount of material that might otherwise find its way to the dump, and in 2013 we will celebrate our 30<sup>th</sup> anniversary.
2. BVO makes a unique contribution to the quality of life in our community. An excellent example of BVO's contribution occurred recently when the Beaver Valley Preschool dissolved. If BVO had not been there to fill the gap when the preschool closed, many families in our community would have been without the daycare that allowed parents to work to support their families. Time and again we hear how important it is to the future of this community to keep young families in the area, and studies show that most families rely on income from both parents to meet expenses. If we want to attract new families and keep the ones we have, along with our local school, we need daycare. BVO has responded by becoming the operators of the new BVO Preschool and will be employing a minimum of 5 new staff.
3. All of BVO's programs, services and events are located in, and run for the benefit of our community. We are not a service club or single focus not-for-profit organization. We are a grass roots organization with no higher level financial commitments outside this community. All our grants and donations flow back into this community. Note that our sole purpose, as stated in the short version of mission statement, is "to make good things happen in the Town of The Blue Mountains".
4. BVO brings money into the community from both Grey County and the province. Because we run children's programs, we receive staff subsidies, and we receive grants to help with recreational funding and emergency services.
5. BVO's programs, services and events align with all of the Town endorsed plans mentioned in the report. Many of the tourists who come up for the Thanksgiving weekend tell us that our Annual Silent Auction is big draw for them. We have recently renovated our building to make it more accessible, energy efficient and attractive inside and out; we also take great care to deal promptly with the drop offs so that our area is as tidy as possible. Many of the goals and objectives for community and social services found in Our Sustainable Path came from BVO representatives on two of the committees. In its Strategic Plan, the Town emphasizes "strong partnerships to provide sustainable services into the future" as a way to realize its vision. The Town could not ask for a stronger or more caring partner than BVO, and for that reason we are making the following proposal.

## **Proposal**

BVO is in a unique position to assist Council and staff with its work because both of our mission statements are geared towards the same end – the present and future welfare of the Town of the Blue Mountains. We also know better than most the effects of our current economic climate on families and individuals in this community. Our proposal involves a partnership between us that has advantages for both parties.

We would like you to release us from the necessity of applying for funding every year, and to grant us in-kind use of the Community Centre for the 4 main programs that we run in that building on an ongoing basis. In return, well in advance of your budget process, we would provide the dates we would need, and copies of our annual Notice to Reader or other documentation you might require.

The following are the programs and events for which we are seeking in-kind help:

### **Good Food Box**

This program does not generate revenue for us. We run it to encourage good nutrition and pass on savings to families and individuals in our community. One Wednesday a month, except for July and August, BVO purchases fresh fruit and vegetables in bulk from our partner, Foodland. Volunteers pack them into \$8 and \$15 sizes and distribute them at our pick-up location in the small room of the Community Centre. This service, for which BVO also absorbs administrative costs for registration, has become very popular, with about 60 families and individuals participating in the savings.

### **Easter Eggstravaganza**

This is truly a transgenerational community event with fun-filled activities free to all. Last year over 200 families participated. BVO invites our local not-for-profit partners to attend; last year the library, the agricultural society and the girl guides were able to showcase their programs and next year Rotary will join us.

### **Community Thanksgiving Dinner**

Attendance for this event, for which we require both the large and small rooms, has grown from 25 people 15 years ago, to about 900 last year. We now have 3 sittings for what has become for many, a traditional family event. We have also been pleased to see a growing number of agricultural workers among the diners. This event is not a fund raiser, though we do receive donations from those who feel so inclined. This money flows directly into children's programming.

### **Community Silent Auction**

We acknowledge that this event is a fund raiser; in fact, it is our major fund raiser. The success of our auction is one of the reasons that we can avoid continuously going around the community soliciting funds. However, the Auction as noted above, is also a major tourist draw, hence its inclusion in the Apple Harvest Festival on Thanksgiving weekend. A huge amount of work goes into canvassing for and artfully displaying an impressive array of items to tempt a wide variety of potential bidders. Last year we offered over 740 items to 407, many of whom were out of towners who return each year just to attend the auction. Once here, they then take part in other Apple Harvest activities.

Using our most recent application for Town funding, the total in-kind cost (rounded up) to the Town for these programs and events would be:

Good Food Box	\$1050.00
Easter Eggstravaganza	\$ 530.00
Thanksgiving Dinner	\$ 530.00
Silent Auction	<u>\$3500.00</u>
Total	\$5600.00

You will notice two things: one, this amount is less, not more than the grant you gave us last year; two, we are no longer asking for in-kind assistance when we hold our AGM, our Good Things Gala, or any other function that is strictly a fund raiser, or does not lend itself to a broad spectrum of community involvement. We are also not asking for advertising subsidies for any of our programs or events, in keeping with your proposed "fund operational costs only" policy.

### **Rationale – ie, why is BVO proposing this arrangement**

1. Efficiency in planning: The current application process costs BVO time and money in the yearly preparation of our application. We fill in the same background information every year and we ask for basically the same thing every year. We would find it helpful to our budgeting and planning process if we knew we could count on in-kind use of the community centre for the Good Food Box, the Community Thanksgiving Dinner, Easter Eggstravaganza and the Community Silent Auction. In return, we would provide our rental dates and times in a timely manner and according to the needs of the finance and/or recreation departments. Of course we can provide our annual Notice to Reader done by Pat Morrison of Ian Whitton Accountants and any other information needed by the Town's Finance Department to satisfy any doubts that might arise as to our ability to run the programs for which we are seeking in-kind assistance.
2. Current system not as helpful as it might seem: When we apply the grant money you give us to the rental of the community centre, we are in fact giving you the money back and we are really not much further ahead. If you believe that BVO is doing important and necessary work in the Town, then it seems logical that you would want to help us do it. What we are proposing would streamline the process for both BVO and the Town.

### **Advantages of partnership to TBM**

1. BVO will limit its request to the in-kind assistance mentioned above, and will not ask for any grants from the Town under the Grants and Donations program. Therefore, more funds will be available to spread among the numerous other groups and their special causes which are competing for dollars from that fund.
2. Although social services for the Town are the responsibility of Grey County, BVO is offering to partner with the Town to secure for TBM whatever funding is available for our community members in need. Recently we were able to obtain an \$8000 grant from the Grey County Social Services committee because of a presentation made to them by our Executive Director. BVO itself makes available to families \$11,000 for Recreational Funding and provides \$7000 for youth programming. Yearly we spend over \$17,000 on emergency assistance which could be anything from an overnight stay in a motel to payment of a dental bill to a trip to the food bank.

3. The less money BVO has to spend on rental facilities, the more money we have to put into the programs, services and events we run for the community. We are very efficient. With our huge base of volunteers, we can make every dollar we get stretch like an elastic. In times of crisis, we can be a valuable partner, and we are offering to be on the Town's speed dial when assistance is needed. We have often provided food and clothing for victims of fire or other tragedies, and are anxious to hear about anyone needing our help. Our Executive Director has a thorough knowledge of referral agencies for people in need, and would be a tremendous resource in partnership with the Town. We are also willing to help with specific needs in the community, such as the \$1000 we raised for tornado relief through the sale of apple pies which we baked, and which was matched 2 for 1 by government funding.
4. BVO already has programs compatible with the Sustainable Path, and not just in the area of social services. While most people think of BVO as a charity, we remind the Town that we are a major recycler in this community. While the Town dump is filling up at a rapid pace and costly space saving measures are under discussion, we are busy sending away a minimum of 150 garbage bags and 50 boxes of goods per week, many of which would end up at the dump without the work of our Treasure Shop volunteers.

On many levels, the partnership we are proposing would be a benefit to both parties.

Respectfully submitted by the Board of Beaver Valley Outreach

**STAFF REPORT:**

**REPORT TO:** Finance and Administration  
Committee

**MEETING DATE:** September 21, 2011

**REPORT NO.:**

**SUBJECT:** Police Services Board Resolution  
– Municipal By-law Enforcement  
Weekend & After-Hours

**PREPARED BY:** Insp. John Trude & Sgt. Charlie  
Watts

Noise and Parking complaints have been an issue in the Craigleith Zone for many years now. At one time the Municipality employed one By-law enforcement officer to deal with these issues in conjunction with OPP police services. In or around the Fall of 2003/ Spring 2004 David Finbow had discussion with Inspector Trude and Sgt Watts with respect to the nature of the Noise Complaints and the age of the current by-law enforcement officer. It was agreed that the OPP would handle all the noise complaints in the Craigleith Zone at that time.

In 2002 police responded to 44 noise complaints while in 2010 police responded to 127 noise complaints. With the ever increasing number of visitors to that zone the number of noise complaints has tripled along with an increased workload for police.

Mr Larry Hall, chair of the Blue Mountains Community Policing Committee, made his annual report to the Police Services Board at it's meeting on February 23, 2011. At that time he noted to the Board that as a result of the OMB hearing dealing with the STA situation in the Craigleith Zone the committee was aware that several residents were very concerned with the number of noise and parking issues that were developing. Many residents were asking about the apparent lack of response by the By-Law Department during evenings and weekends. At that meeting The Blue Mountains Police Services Board adopted a resolution recommending that the Town review hours of operation and weekend hours of work of By-law Enforcement as it relates to short term accommodation, parking infractions and noise complaints in the Blue Mountain area so as to assist the OPP in education and enforcement.

A report was prepared by the By-Law Department responding to the resolution made by the Police Service Board that was presented on April 4, 2011. In that report it makes reference to sections of the policing contract between the OPP and the municipality. Missing from the report is reference to paragraph 10 of the Executive Summary (page 16) which states: "This proposal includes enforcement of by-laws as agreed upon by the Police Services Board and the OPP, at no additional cost. However, it is not the intention of the OPP to become the lead agency in relation to by-law enforcement, but rather to supplement any existing or future bylaw officer complement. The enforcement of municipal bylaws is restricted to police related bylaws."

The Blue Mountains By-law department has grown and evolved since 2003 and the OPP believe it's time that the municipality resume its responsibility of enforcing the noise bylaw with some assistance from the police when required.

## Recommendations For Concluding Initiative Phase

### Benefits:

- Community involvement
- Cost savings
- Clarity of direction
- Economic sustainability

## **Recommendations for Concluding Initiative Phase**

### **Objective**

To conduct an in depth discovery of the financial conditions of the Blue Mountains to ensure long term economic and social sustainability.

### **Strategies**

Council should select a 5 person Committee to manage the in depth discovery process.

The Committee should consist of 3 taxpayers and two Council members and be supported by a senior staff person.

The selection process for all Committee members should focus on individuals with credible municipal knowledge.

### **Tactics**

1. **Service Delivery Study** (redo the process undertaken at amalgamation – no consultants needed) - determine the minimum cost for acceptable service levels – compare planned to actual costs to source potential cost savings.

#### **Methodology**

- Define and utilize consistent service criteria to analyze all services – parameter considerations will include by-law requirements and levels of service that minimize liabilities

#### **Prime Discovery Areas**

- All Services
- Building Department
- Landfill Project
- Road Services Support
- Policing
- Library

## **2. Taxpayer and Development –**

Given that the municipality is assuming \$9.7 million in debt from 2010 through 14 and that on going private development is occurring, it is essential to determine the burden on taxpayers of both municipal and private development. The info will:

- Determine the tax burden on taxpayers of municipal development
- Determine the affordable level of private development in the municipality
- Determine if the current private development charges are appropriate
- Resurrect the need for user fees
- Determine if we should slow down

## **Areas of Concern**

- 1) Reserves – original numbers showed an average decline of \$1.7 million 07 through 10
  
- 2) Salaries – increased on average 8.1% 07 through 10 and are planned to increase 5.3% 11 through 13
  
- 3) Taxes – increased on average 5.7% 07 through 10 and are planned to increase 5.5% 11 through 13
  
- 4) Revenues – declined on average \$0.7 million per year 07 through 10 (these revenues exclude sewer and water)
  
- 5) Long Term Liabilities – are planned to grow from zero to \$9.7 million from 10 through 14 (these long term liabilities exclude sewer and water)

Note: reserves numbers were discovered to be invalid and thankfully the corrected number showed reserves growing at an average annual amount of \$0.6 million

**STAFF REPORT: ADMINISTRATION**

**REPORT TO:** Finance & Administration Committee  
**MEETING DATE:** September 21, 2011  
**REPORT NO.:** A.11.10  
**SUBJECT:** Civil Marriage Solemnization Services, Fees and Charges  
**PREPARED BY:** Corrina Giles, Town Clerk

**A. Recommendations**

THAT Council receive Staff Report A.11.10, "Civil Marriage Solemnization Services, Fees and Charges"; and

THAT Council approves the proposed fees to provide civil marriage solemnization services as outlined in this Report, subject to a Public Meeting being held to receive comments; and

THAT Council enact a by-law authorizing Town Clerk, Corrina Giles to provide marriage solemnization services within the Province of Ontario for as long as she holds the position of Town Clerk, as set out under Ontario Regulation 285/04 and the Marriage Act, R.S.O. 1990, Chapter M.3.

**B. Background**

Report A.11.08, "Civil Marriage Solemnization Services" was received by the Finance and Administration Committee on June 21, 2011. The Finance and Administration Committee recommended to Council that the Town Clerk further report on the costs, fees and scheduling associated with offering civil marriage solemnization services. Report A.11.08 was adopted at the June 27, 2011 Council Meeting.

It is proposed that the fees to provide civil marriage solemnization services be set as follows:

Civil Marriage Service in Town Hall during normal office hours	\$200
Civil Marriage Service in The Blue Mountains, outside normal office hours	\$350
Rehearsal fee	\$50
Travel (if ceremony outside The Blue Mountains)	\$30

The same fees above apply to vow renewals.

If the service is conducted during normal office hours, the Town would receive the entire fee for the service. If the service is conducted outside normal business hours, the Town would receive \$100 of the fee to cover administrative costs for recording and processing of marriage documents to the Registrar General's office, and the Clerk would receive the balance of the fee for performing a service outside normal office hours.

It is proposed that the Council Chamber be booked Friday afternoons, bi-weekly, from 1:00 pm to 4:00 pm for the purposes of the Clerk performing marriage solemnization services. The services would be booked in advance.

The fees and charges By-Law is being updated later this year and it is recommended that the above noted fees and charges be included in this update. A By-Law authorising Town Clerk Corrina Giles to provide civil marriage solemnization services shall be enacted prior to services being offered.

### **C. The Blue Mountains' Strategic Plan**

Goal	Providing a strong, well managed municipal government
Action	Develop and encourage innovation and use of best practices by Council and Staff

### **D. Environmental Impacts**

None

### **E. Financial Impact**

If approved, there would be municipal revenue generated through fees and through possible rental of recreational facilities.

### **F. Attached**

1. Report A.11.08 Civil Marriage Solemnization Services

Respectfully submitted,

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For more information, please contact:

Corrina Giles, Town Clerk  
[cgiles@thebluemountains.ca](mailto:cgiles@thebluemountains.ca)  
32 Mill Street, Box 310  
Thornbury, Ontario  
N0H 2P0  
Tel: 519-599-3131 ext 232  
Fax: 519-599-7723

**STAFF REPORT:      ADMINISTRATION**



**REPORT TO:**            Finance & Administration  
                                 Committee  
**MEETING DATE:**      June 21, 2011  
**REPORT NO.:**            A.11.08  
**SUBJECT:**              Civil Marriage Solemnization  
                                 Services  
**PREPARED BY:**        Corrina Giles, Town Clerk

**A. Recommendations**

THAT Council receive Staff Report A.11.08, Civil Marriage Solemnization Services; and

THAT Council approves the Staff recommendation to offer Civil Marriage Solemnization Services for the Town of The Blue Mountains, subject to a further Staff Report detailing costs, fees and scheduling associated with such services.

**B. Background**

In 2004 the Ministry of Consumer and Business Services, in an effort to enhance access to civil marriage services across Ontario in a timely and fiscally responsible manner, filed regulatory changes under the *Marriage Act* to provide municipal clerks the authority to perform civil marriages, as follows:

For the purposes of subsection 24 (1) of the *Marriage Act*, the clerk of a local municipality is authorized to solemnize marriages under the authority of a licence. O. Reg. 285/04, s. 1.

Since 2004 municipalities have had the option to offer civil marriages and to set fees to cover the cost of providing civil marriage services within the parameters outlined in the *Municipal Act, 2001*. The by-law would authorize the municipal clerk to solemnize marriages within the Province of Ontario.

While it is not incumbent upon the Town to provide this service, this initiative would be in keeping with the strategic plan and would provide an additional service to its citizens, at the same time generating additional municipal revenue.

The Blue Mountains provides many ideal picturesque settings for wedding ceremonies, including the new Town Hall and Council Chamber, along the Beaver River, Georgian Bay waterfront parks, Town owned recreational facilities, resorts and private properties. The exposure of The Blue Mountains to wedding guests would be an additional promotion that could generate a positive residual effect for the Town and its businesses.

The cost for the performance of civil marriage solemnization ranges in area municipalities from \$250 to \$350, and depends if the service is being conducted during normal business hours or if after hours.

It is proposed that if a service is conducted during normal business hours, the Town would receive the entire fee for the service. If a service is conducted outside normal business hours, it is proposed that the Town would receive \$100 of the fee to cover administrative costs for recording and process of marriage documents to the Registrar General's Office, and the Clerk would receive the balance of the fee for performing a service outside normal office hours.

The Clerk would be required to meet with the couple once or twice and is required to prepare the necessary documents, personalize ceremony details as per the couple's request, then solemnize the marriage at a location of the couple's choice.

The Clerk has recently attended the Civil Solemnization Training offered through the Association of Municipal Clerks and Treasurers and has expressed an interest in performing civil marriages on behalf of the Town.

### **C. The Blue Mountains' Strategic Plan**

Goal	Providing a strong, well managed municipal government
Action	Develop and encourage innovation and use of best practices by Council and Staff

### **D. Environmental Impacts**

None

### **E. Financial Impact**

If approved by Council, a subsequent Report will be submitted by Staff that includes further details and a proposed fees and charges by-law.

If approved, there would be municipal revenue generated through fees and through possible rental of recreational facilities.

### **F. Attached**

None

Respectfully submitted,

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For more information, please contact:

Corrina Giles, Town Clerk  
[cgiles@thebluemountains.ca](mailto:cgiles@thebluemountains.ca)  
32 Mill Street, Box 310  
Thornbury, Ontario  
N0H 2P0  
Tel: 519-599-3131 ext 232  
Fax: 519-599-7723

**STAFF REPORT: Administration**



**REPORT TO: Finance and Administration  
Committee**  
**MEETING DATE: September 21, 2011**  
**REPORT NO.: CEDC.11.21**  
**SUBJECT: Request for Use of Town Hall Space**  
**PREPARED BY: Lisa Kidd, Communications and  
Economic Development Coordinator**

### **A. Recommendation**

THAT Council receive Report CEDC.11.21 "Request for Use of Town Hall Space;  
and

THAT Council provide direction to Staff with respect to this request.

### **B. Background**

On June 27, 2011 Council adopted an interim guide for public use of Town Hall space.

The interim guide sets out the following framework for use:

- The space is available for use by not-for-profit groups, providing service to the residents and community of The Blue Mountains.
- There will be no fee charged for use of the space.
- Bookings will be accepted subject to availability.
- Town Hall space may be used between the hours of 8:30 a.m. and 4:30 p.m., Monday to Friday, with the exception of statutory holidays.
- Town Hall space may also be used after hours and on weekends and statutory holidays when such use is supervised by a Town employee and such use is directly related to services/functions provided as part of the Town's core services.
- Liquor-licensed events or meetings are not permitted at this time.
- All bookings shall be received and administered by the Recreation Department, as they currently administer bookings for all other municipal facilities.

The interim guide is intended to ensure that the Town Hall space is offered to the public as a gathering space, with minimal cost to the municipality.

On September 12, 2011, Staff received a request from “The Chorus”, a 40 member singing group, to use the gallery of Town Hall for a performance on November 27, 2011 or alternatively November 26, 2011.

The event is envisioned as a Christmas prelude, scheduled between the Town’s annual tree lighting and Thornbury’s Olde Fashioned Christmas. The event is a free community event, open to all members of the public.

This request complies with the current interim guide for the following reasons:

- The group is essentially “not-for-profit”.
- The use achieves the vision of Town Hall as a gathering space.

The request does not comply with the current interim guide for the following reasons:

- The date of the event occurs after business hours, in which case, there are no staff on duty to assist with the set-up, site supervision and disassembly of the event.
- Such use is not directly related to services/functions provided as part of the Town’s core services.
- The service provided may directly compete with other public rental venues (e.g. Marsh Street Centre, Beaver Valley Community Centre, The L.E. Shore Memorial Public Library, etc.).

Staff is seeking direction from Council with respect to this request for Town Hall usage.

### **C. The Blue Mountains’ Strategic Plan**

6.6 Implement processes for continuous improvement.

### **D. Environmental Impacts**

None.

### **E. Financial Impact**

The cost to offer this space would have a financial impact of up to \$180.00. The costs are related to staff time for set-up, site supervision and disassembly of the event.

**F. Attached**

None.

Respectfully submitted,

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Lisa Kidd  
Communications and Economic Development Coordinator  
Town of The Blue Mountains  
519-599-3131 ext 282, [lkidd@thebluemountains.ca](mailto:lkidd@thebluemountains.ca)

**STAFF REPORT: Administration**



**REPORT TO: Finance and Administration  
Committee**  
**MEETING DATE: September 21, 2011**  
**REPORT NO.: CEDC.11.22**  
**SUBJECT: 2012 Grants and Donations Program  
Budget Preapproval**  
**PREPARED BY: Lisa Kidd, Communications and  
Economic Development Coordinator**

#### **A. Recommendation**

THAT Council receive Staff Report CEDC.11.22 "2012 Grants and Donations Budget Preapproval"; and

THAT Council does hereby grant preapproval in the 2012 municipal budget process for the Grants and Donations Program at a total budgeted amount of \$30,000.

#### **B. Background**

This Staff Report and recommendations contained in it are being presented to Committee at this time because based on the current estimated budget approval timeline, a review of the grants and donations applications by Council would not take place until March or April of 2012. This timing creates difficulty for some applicants with respect to budgeting and financial planning, particularly for those applicants planning events and initiatives scheduled to take place early in the 2012 year.

If budget preapproval is granted, it will allow the intake period for the program to occur now as well as provide an opportunity for the submitted applications to be reviewed by Council during the budget process.

The proposed budget of \$30,000 for 2012 is consistent with the approved 2011 budget.

#### **C. The Blue Mountains' Strategic Plan**

6.6 Implement processes for continuous improvement.

#### **D. Environmental Impacts**

None.

## **E. Financial Impact**

The financial impact of the Grants and Donations Program is \$30,000 which will be considered as part of the 2012 proposed operating budget and paid for through taxation.

## **F. Attached**

None.

Respectfully submitted,

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Lisa Kidd  
Communications and Economic Development Coordinator  
Town of The Blue Mountains  
519-599-3131 ext 282, [lkidd@thebluemountains.ca](mailto:lkidd@thebluemountains.ca)

**STAFF REPORT: Administration**



**REPORT TO: Finance and Administration Committee**  
**MEETING DATE: September 21, 2011**  
**REPORT NO.: CEDC.11.23**  
**SUBJECT: Public Art Policy (Interim)**  
**PREPARED BY: Lisa Kidd, Communications and Economic Development Coordinator**

### **A. Recommendation**

THAT Council receive Staff Report CEDC.11.23 “Public Art Policy (Interim)”; and  
 THAT Council approve the Public Art Policy (Interim) attached.

### **B. Background**

Since the opening of The Blue Mountains new Town Hall, a number of individuals from the community have approached Staff and Council offering to donate art for permanent and semi-permanent display at this new facility.

At the same time, The Town remains as the safe-keeper of public art previously received, and displayed at the old Town Hall site and at other publically-accessible municipal sites. Some of this public art has yet to be placed in the new Town Hall due to questions relating to proper display and safe-keeping.

Presently, there is no formal Council adopted policy that directs Staff as to how to appropriately deal with the administration, acquisition, safe-keeping and de-accessioning of public art on publically-accessible municipal property. These issues have emphasized the need for a public art policy.

Staff has undertaken research on existing public art policies, in Ontario, Canada and the United States. Staff has also consulted with key Staff at Town Hall and the L.E. Shore Memorial Public Library in the creation of a public art policy (interim) for the Town of The Blue Mountains (see Attachment 1).

The Blue Mountains Sustainable Path, endorsed by Council in 2010 identified the need to:

- Define what arts and culture means in The Blue Mountains; and
- Appoint and endorse an Arts Committee.

Red Hot and Blue, the Town’s Plan for Economic Prosperity, was endorsed by Council in 2010 and identified the need to:

- Showcase local art in restaurants and local public and retail venues.

It is expected that a public art policy will help to achieve these strategies and actions.

### **C. The Blue Mountains' Strategic Plan**

6.6 Implement processes for continuous improvement.

### **D. Environmental Impacts**

None.

### **E. Financial Impact**

There is no financial impact associated with the development of a public art policy (interim).

### **F. Attached**

Attachment 1- Public Art Policy (Interim)

Respectfully submitted,

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Lisa Kidd  
Communications and Economic Development Coordinator  
Town of The Blue Mountains  
519-599-3131 ext 282, [lkidd@thebluemountains.ca](mailto:lkidd@thebluemountains.ca)

TOWN OF THE BLUE MOUNTAINS

POLICY & PROCEDURES

Subject Title: Public Art Policy (Interim)

Corporate Policy (Approved by Council)

Policy Ref. No.: POL.11.xx

Administrative Policy (Approved by CAO)

By-law No.: N/A

Department Policy: (Approved by Mgr.)

Name of Dept.: Administration

Date Approved:

Revision Date: N/A

Policy Statement

Public art contributes to the Town’s unique and vibrant community. This interim public art policy will serve as a tool to ensure that the Town has public art which:

- reflects The Blue Mountains sense of place;
- strengthens connections between people and our community;
- celebrates any or all aspects of the Blue Mountains’ social, historical, culture or natural environment;
- is created by an artist with ties to The Blue Mountains, or the art itself is relevant to The Blue Mountains; and
- Contributes to and reflects the notion of The Blue Mountains as a sustainable community.

Purpose

The overarching purpose of this policy is to ensure that public art in municipally owned public space is consistent with the Policy statement outlined above.

In addition, this policy provides guidelines for the administration, acquisition, safe-keeping, and de-accessioning of public art, as defined herein.

Application

This interim public art policy applies to all public art that is displayed in or on municipally-owned public space.

The policy has application for those involved with the administration, acquisition, safe-keeping and de-accessioning of public art. Those persons and groups include, but are not limited to: Council, Staff, a Public Art Evaluation Committee, artists and donors.

This policy will be used as a reference tool for the Public Art Evaluation Committee (see Section 1.2). The policy will be approved by Council and monitored and adhered to by Staff.

## Definitions

**Acquisition** is defined as obtaining ownership. Acquisition can take the form of purchased art, commissioned art or donated art.

**Artist** is defined as a person who possesses skill, training and/or expertise in an artistic discipline, is active in and committed to his or her art practice and has a history of public presentation.

**Commissioned Art** is defined as a work of art created by a selected artist and for a specific site.

**Donated Art** is defined as existing artwork given to the Town in the form of a bequest or a gift.

**De-accession** is defined as movement, sale, destruction or return of public art to the artist or donor.

**Public Art** is defined as:

- An original work of art;
- Located in or on municipally-owned public space;
- Accessible to the public;
- Created with the intention of engaging the community; and
- Work of a permanent, temporary or mobile nature.

**Purchased Art** is defined as artwork that is bought by the Town from an artist, gallery or through another direct method.

**Safe-keeping** is defined as reasonable and best efforts to care for public art, including site selection, installation, maintenance, storage and insurance.

## Procedures

### 1.0 Administration

The Corporation of the Town of The Blue Mountains, Administration Services, Communications and Economic Development Designate will provide administrative services for all matters relating to the administration, acquisition, safe-keeping, and de-accessioning of public art.

A Public Art Evaluation Committee will make recommendations to Council with respect to the acquisition, safe-keeping, and de-accessioning of public art, using this policy as a reference tool, until such time as a public art policy is approved by Council.

## 1.1 Registry System

Administration of the interim public art policy shall include the implementation and maintenance of a registry system. Registry information for each piece of public art shall include, but is not limited to:

- a digital photograph before and after installation and annually from thereon;
- a description of the condition of the public art before and after installation;
- the appraised value at time of acquisition;
- any signed agreements relating to the acquisition of the public art;
- any proposal and related documents for donation, commission or purchase of public art;
- a maintenance plan; and
- location of the public art.

Information shall be updated to the Registry as required.

## 1.2 Public Art Evaluation Committee

Council will appoint a Public Art Evaluation Committee of Council to coincide with the Council Term.

The Public Art Evaluation Committee shall consist of up to a maximum of 7 members of the community-at-large.

The Public Art Evaluation Committee shall be responsible for the following:

- Make recommendations to Council on the acquisition, safe-keeping, and de-accessioning of public art;
- Draft a permanent policy for the acquisition, safe-keeping, and de-accessioning of public art, to be brought before Council for review and consideration within twelve months of enactment of this interim policy;
- Create a Committee Terms of Reference to be brought before Council for review and consideration, within twelve months of enactment of this interim policy; and
- Meet bi-monthly, or at the request of Council or the Staff Designate.

## 2.0 Acquisition

Public art will be accepted by donation, or purchased or commissioned. Only Council has the authority to accept Public Art.

Non-anonymous donors of public art will be offered a charitable tax receipt and sent a thank you letter with respect to the donation.

Proposed public art may be purchased, commissioned or donated in consideration of the following criteria:

- reflects The Blue Mountains sense of place;
- strengthens connections between people and our community;
- celebrates any or all aspects of our social, historical, culture or natural environment; and
- Contributes to and reflects the notion of The Blue Mountains as a sustainable community.

## 2.1 Application Form for Donation

A Donation Application Form shall accompany all public art proposed as a donation to the Town (see Schedule "A").

Completed Donation Application Forms shall be received by the Staff Designate and forwarded to the Public Art Evaluation Committee for consideration and recommendation to Council.

## 2.2 Agreements

If the proposal is accepted by Town Council, a formal agreement will be drawn up outlining the responsibilities of each party (the Town and the artist or donor and outside contractors, where applicable). The agreement will address funding and safe-keeping of the public art, and other issues as necessary.

Public art will be registered in the Public Art Registry as noted in Section 1.1.

## 3.0 Safe-keeping

Safe-keeping of public art includes site selection, installation, maintenance, storage and insurance.

### 3.1 Donated, Purchased and Commissioned Art

The Town shall consider safe-keeping (i.e. site selection, installation, maintenance, storage and insurance) of the public art as part of the costs of the acquisition. The long-term costs of maintaining art shall be considered as part of the budgeting process annually.

A bona fide maintenance plan shall also be completed prior to the donation, purchase or commissioning.

### 3.2 Site Selection

Through a decision of Council, the Town of The Blue Mountains will coordinate site selection of public art in or on municipally-owned public space.

Where possible, the artist or donor will be consulted before any modification to the site that significantly affects the intent of the work is undertaken.

### 3.3 Installation

Staff, or an artist or contractor under the supervision of Staff, will be responsible for the installation of all public art. Any contractual requirements with an artist or contractor will be overseen by the Town.

### 3.4 Maintenance

Staff will be responsible for the maintenance of public art, in accordance with the maintenance plan for each acquisition and submitted to the Registry (see Section 1.1).

### 3.6 Storage

The Town shall ensure appropriate short-term storage as needed. This does not include a work in progress by an artist.

Town-owned facilities used for temporary storage of public art, are not to be considered proper long-term storage facilities for art due to fluctuations in light, heat and humidity.

### 3.7 Insurance

All permanent, temporary or mobile public art work owned by the Town through purchase, commission or donation is the property of the Town and shall be insured under the Town's insurance policy and budgeted for accordingly through the Town's annual budget process.

### 3.8 De-accessioning

De-accessioning may take the form of moving the art, selling the art, returning the art to the artist, or in rare cases, destruction.

De-accessioning should be a deliberate and seldom-used procedure. The Town shall not dispose of artwork simply because it is not currently in fashion, and not to dispose of work whose worth might not yet be recognized.

De-accessioning of public art may occur under any of the following situations:

- the public art is deteriorating and restoration is not a feasible solution;
- the public art is no longer relevant to the Town's public art inventory;

- the public art is discovered to have been stolen or was offered to the Town for acquisition using fraudulent means;
- there is no longer a public facility or public space appropriate in space or design for display of the public art;
- the art installation has become unsafe or has been deemed unsafe by existing or new policies or legislation;
- destruction of or changes to the site threaten the artwork's survival or result in diminishing artistic integrity and effectiveness;
- a written request from the artist has been received; and/or
- as per an agreement between the Town and the donor or artist, the art shall be de-accessioned under specified conditions.

### 3.9 De-accessioning Procedures

In the event that de-accessioning of public art is considered by the donor, artist, Town Staff or relevant party, a Staff designate shall assemble the following information in the form of a staff report for Council's consideration:

- reasons for the proposed de-accessioning;
- opinion of the Town's Legal Solicitor (as necessary);
- acquisition method and cost;
- informal estimate of the current value of the work;
- cost of de-accessioning or removal;
- any documented public response to the work;
- suggested or alternative course of action such as:
  - donate, sell, auction or trade the artwork;
  - give the artist or sponsor first opportunity to receive or buy back the work at the current appraised value, to be transacted by a specific date;
  - relocate the work;
  - store the work temporarily;
  - retain the work; or
  - destroy the work (in rare circumstances).
- Where applicable and achievable, the artist or donor whose work is being considered for de-accessioning will be notified and invited to comment in-writing or in-person by a specified deadline.

### 4.0 Revenue From De-accessioning

Any monies received through the sale of de-accessioned public art will be placed into a newly formed Public Art Reserve Fund for acquisition and safe-keeping of the Town's public art.

#### **Exclusions**

Previously acquired public art is excluded from the policy.

Corporate awards and plaques are excluded from the policy. Such items will be located in or on municipally-owned public space at the discretion of a Staff designate, or through a decision of Council.

The Blue Mountains Public Library, the Craigleith Heritage Depot and enclosed administrative office space within Town Hall are excluded from this policy.

#### **References and Related Policies**

None.

#### **Consequences of Non-Compliance**

None.

#### **Review Cycle**

This policy is an interim policy. There is no review cycle for this policy.

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(Signature)

DRAFT



Schedule A

Temporary Accession  
Number

Permanent Accession Number

## DONATION APPLICATION FORM

(To be completed in full by donor – original to Town of The Blue Mountains, copy to donor, copy with art)

Donor: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

Be it known that I, (Donor's name) \_\_\_\_\_ am the sole lawful owner of the art item(s) listed below, and do hereby transfer and assign to The Town of The Blue Mountains all rights, title, copyright and interest in the artifacts(s) listed below free and clear of all liens and/or encumbrances, in accordance with legislation of the Province of Ontario, Canada. In doing so, I understand and agree that The Town of The Blue Mountains shall have full discretion as to use, display, and disposition thereof as it may deem to be in the best interests. This has been explained to me.

Date: \_\_\_\_\_ Donor's Signature: \_\_\_\_\_

Witness Signature: \_\_\_\_\_

Name (printed) & Relation: \_\_\_\_\_

***\*Where possible, please attach a photo of the proposed donation\****

### ACCEPTANCE

The Town of The Blue Mountains Public Art Evaluation Committee will review the item(s) listed below in order to ensure the item offered for donation is appropriate for acceptance based on the Town of The Blue Mountains Public Art Policy.

If the item is not accepted for any reason, the donor will state whether he/she wishes to receive the donation back.

**YES**, please notify me to pick up the item(s)

**NO**, you may dispose of the item(s)



Schedule A

**ACKNOWLEDGEMENT**

The Town of The Blue Mountains gratefully acknowledges the gift of the item(s) listed below. Provenance notes will be retained but please note that specific instructions/encumbrances/dispensations cannot be guaranteed. Please note that if a tax receipt is required, it is the onus of the donor to provide acceptable valuation/sales receipt at the time of donation.

Date: \_\_\_\_\_

Town Authorized Signature: \_\_\_\_\_

**DONATION DESCRIPTION**

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**STAFF REPORT: Finance & IT Services**

**REPORT TO:** Finance & Administration  
**MEETING DATE:** September 21, 2011  
**REPORT NO.:** FIT.11.43  
**SUBJECT:** 2012 Budget Process and Timeline  
**PREPARED BY:** Robert Cummings, CMA  
 Director of Finance & IT Services

**A. Recommendations**

THAT Council receive Staff Report FIT.11.43 “2012 Budget Process and Timeline” for information purposes; and,

THAT Council endorse the Committee Service Delivery Review process within the 2012-2014 Budget Process.

**B. Background**

In the staff report FIT.11.33, “2012 Budget Timeline”, staff presented a budget timeline and process for the presentation and discussion of the 2012 Budget. Part of the discussion touched on service delivery review at the Committee level. Town Staff now wants to confirm the process for service delivery review and budget recommendations within the 2012 Budget process.

As per the July 14, 2011 meeting on the 2012 Budget Process, there was much discussion on how the 2012 Budget was to be advanced. Staff is in agreement with presenting their respective budget to their committee along with service delivery considerations. In lieu of the fact that these meetings may take longer than originally expected, Finance Staff have adjusted the timeline to allow for sufficient review.

The **Service Delivery Review** portion of the budget process needs further definition in order for staff to adequately meet the needs of their Committee. Council’s committees have had the opportunity to review numerous information reports on the services provided by the Town. As well, there has been good dialogue on the level of service desired and the approximate cost of the level of service options. Finance Staff have tentatively allotted **October 24 to November 18** for each Committee to review their budgets and determine any changes to service levels. These meetings will have to be scheduled and may or may not be part of the regular Committee meeting schedule. It is believed that there will be a number of meetings required to adequately review service levels and determine future services to be provided as part of the 2012-2014 Budget.

Staff recommend that department heads present their 2012-2014 Base Budgets to their respective committees. In addition, staff will present any service delivery changes in the form of a Service Change Report (the former Budget Enhancement Reports) for the Committee’s review. Committees will need to make decisions regarding what service changes, if any they wish to recommend to Council.

There is presently a Council meeting scheduled for Monday, November, 28, 2011. This Council meeting would be an excellent opportunity for the Committee Chairs to present their 2012-2014 recommended Budgets to Council.

It is strongly advised that Budget support staff be in attendance at each meeting in order to provide an estimated financial impact of service delivery decisions. This will provide a collaborative approach to the service delivery review.

Finally, the timeline for delivering the 2012 Budget is a critical item in the processing of financial information for the Town. The timeline presented in July has been altered to adjust for service delivery review and budget review by Committee and provide for meeting with Council where each Committee's budget is recommended. Staff's plan is to have an adopted 2012 Budget by January 2012. This will allow for the budget to be in place for the respective fiscal year and allow operations and purchasing sufficient time to plan for their work. The 2012 Budget timeline is attached with a description of the expected work and the time it will be completed.

### **C. The Blue Mountains' Strategic Plan**

Ensuring long-term financial sustainability

### **D. Environmental Impacts**

N/A

### **E. Financial Impact**

Nil

### **F. Attached**

1. 2012 Budget Timeline - Revised

Respectfully submitted,

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Robert Cummings, CMA  
Director of Finance & IT Services

## 2012 Budget Timeline

Task	Due Date
Finance & IT Services Staff distribute 2012-2013 Data to SMT & SAM for review and input of 2014 data	July 18, 2011
All information from SMT & SAM pertaining to Capital and Operating Changes provided to Finance & IT Services	August 15, 2011
Capital & Operating Budget Review with SMT & SAM	August 22 to September 9, 2011
Service Delivery Review Considerations	September 15, 2011
Final Draft Budget to Serena for creation of Electronic Budget Document	September 14, 2011
Draft Electronic Budget Document distributed to SMT	September 16, 2011
SMT Review of Draft Budget	September 27 & 28, 2011
Final Draft Budget Documents to Serena for creation of Electronic Budget Document	October 3, 2011
Distribution of Electronic Budget to Council, Committee, SMT & SAM	October 12, 2011
Department Heads present Draft Budget & Service Delivery Review to Respective Committees	October 24 to November 18, 2011
Budget Meeting – Committee of the Whole / Council Meeting	November 28, 2011
Public Meeting Notice on Website and local newspapers	November 28, 2011
Public Information Centre	December 12, 2011
Statutory Public Meeting	December 12, 2011
Budget By-law Enacted by Council	January 9, 2012

**STAFF REPORT: Finance & IT Services**

**REPORT TO:** Finance & Administration  
**MEETING DATE:** August 30, 2011  
**REPORT NO.:** FIT.11.47  
**SUBJECT:** Monthly Financial Reports – August 2011  
**PREPARED BY:** Robert Cummings, Director of Finance & IT Services

**A. Recommendations**

THAT Council receive Staff Report FIT.11.47 “Monthly Financial Reports – August 2011” for information purposes.

**B. Background**

Financial indicators from the month of August confirmed the slower than expected economic recovery. The Town’s development and building activity is very low and has translated into less than expected Building Permit Revenue and Development Charges. Other revenues performing less than expected are Landfill Fees, Interest Revenue.

Expenses are also trending slightly lower than expected as a result of slower economic activity. The attached reports provide a further look into the financial position of the Town after 8 months of fiscal activity in 2011.

**C. The Blue Mountains’ Strategic Plan**

Providing a strong, well managed municipal government

**D. Environmental Impacts**

Supporting environmentally sound decisions

**E. Financial Impact**

None

**F. Attached**

1. August Flash Report
2. BVR Summary – Tax Supported
3. BVR Summary – Water & Wastewater Services
4. BVR Summary – User Fee (Building and Harbour)
5. 2011 Project List - August 19, 2011 Version

Respectfully submitted,

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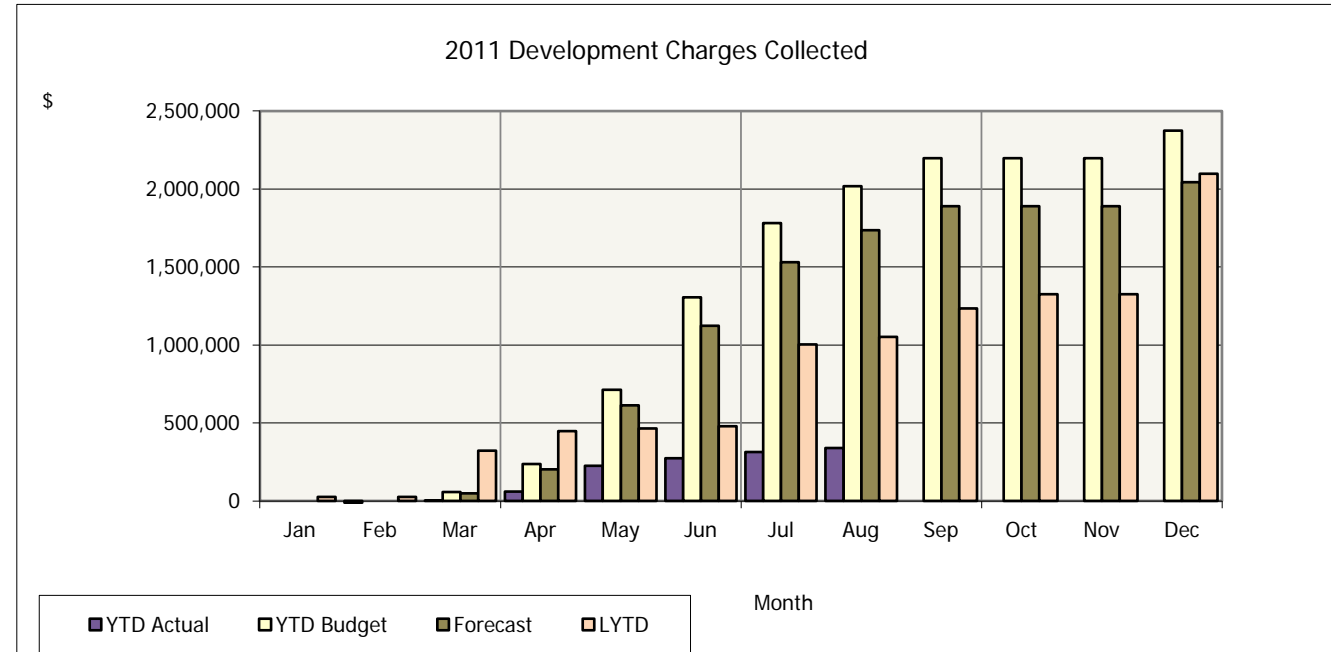
Signature

For more information, please contact:

Robert Cummings, CMA  
rcummings@thebluemountains.ca  
519-599-3131 x245

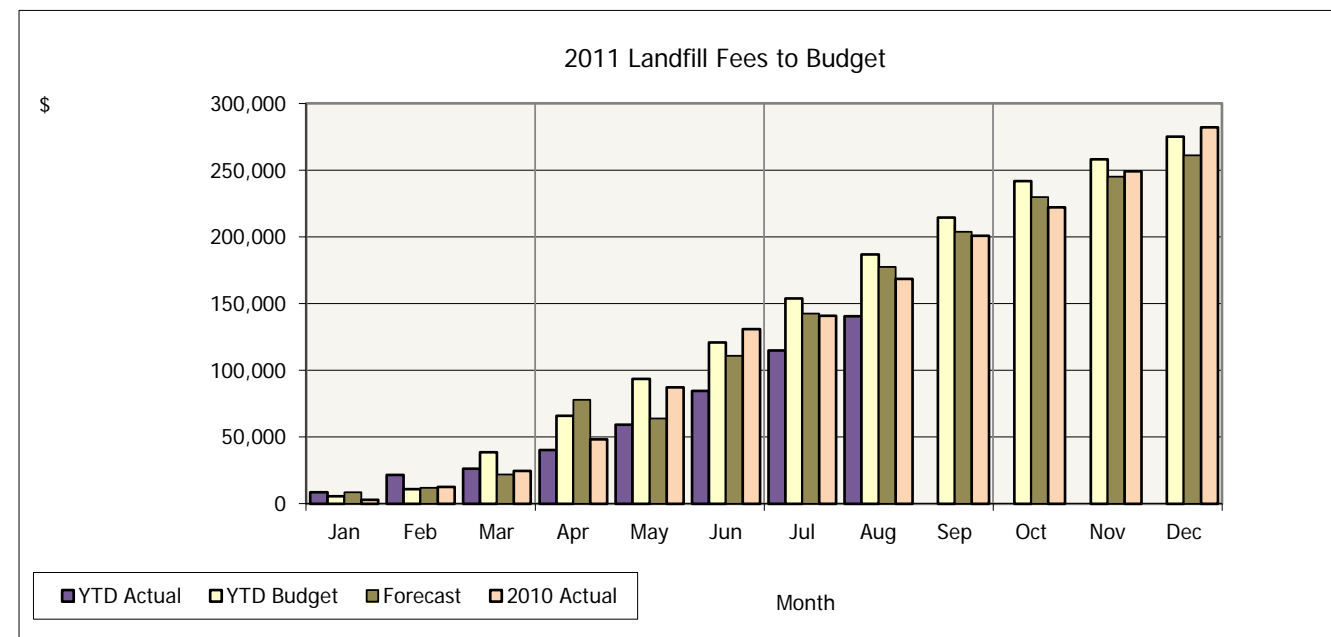
**The Blue Mountains  
Monthly Flash Report -- Operating  
August 31/2011**

Development Charges Collected	Estimated D/C's	YTD Actual	% Collected	Forecast	Variance
	2,375,000	341,478	14%	2,042,500	2,033,522



Commentary
Development Charges collected in August were \$ 26,899
<b>Soft Services -Total \$ 15,670</b> General Government - \$ 2,164 Fire - \$ 3,523 Police - \$ 520 Public Works - \$ 1,596 Parks & Recreation - \$ 5,975 Library - \$ 1,892
<b>Hard Services - Total \$ 11,229</b> Roads - \$ 5,658 Water - \$ 1,454 Sewer - \$ 4,117
August 2011 is \$ 26,899 compared to \$ 59,456 for August 2010

Landfill Site Fees	Annual Budget	YTD Actual	% of Budget	Forecast	Variance
	275,000	140,465	51%	261,250	134,535

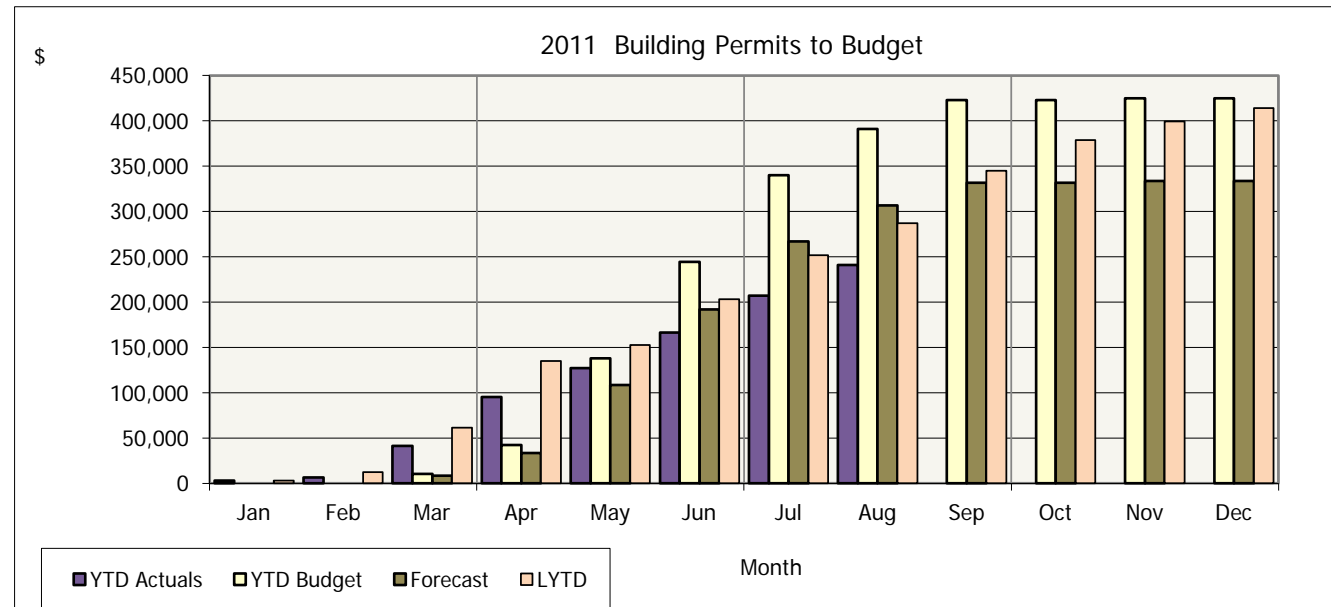


Commentary
Total Landfill site fees collected for August 2011 were \$ 25,521
Aug 2011 is \$ 25,251 compared to \$ 27,606 for Aug 2010.
We have been seeing less commercial and construction waste from Miller Waste Systems for about the last six months.
The forecast has been adjusted down to \$261,250 for the year.

Note: YTD Budget is an extrapolation of the Annual Budget based on estimated occurrence of transactions in our business cycle.

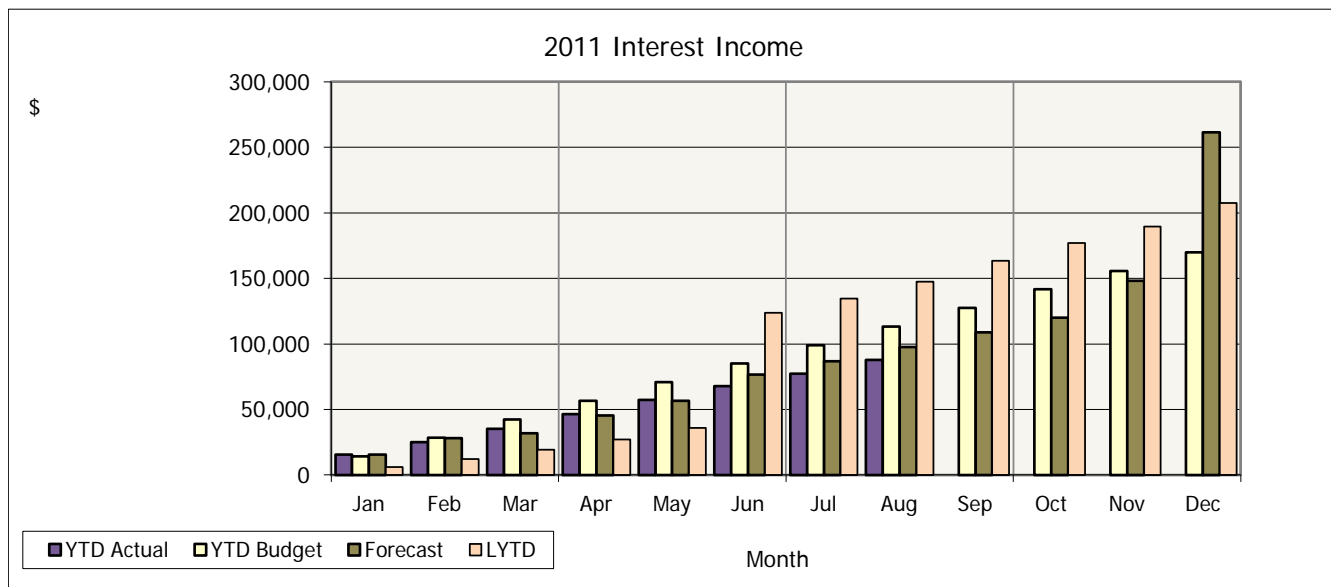
**The Blue Mountains  
Monthly Flash Report -- Operating  
August 31/2011**

Building Permits	Annual Budget	YTD Actual	% of Budget	Forecast	Variance
	425,000	241,179	57%	350,000	183,821



Commentary
Total building permit fees collected for August 2011 were \$ 34,220.
Aug 2011 is \$ 34,220 compared to \$ 35,000 for August 2010.

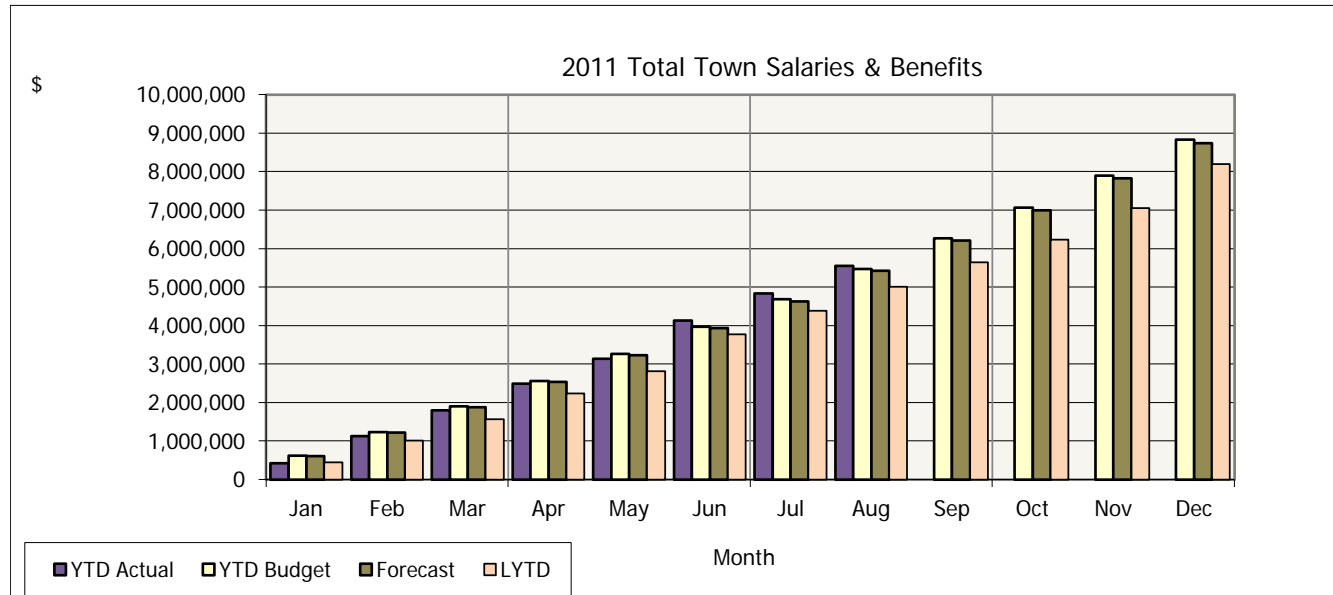
Interest Income	Annual Budget	YTD Actual	% of Budget	Forecast	Variance
	170,000	87,794	52%	261,500	82,206



Commentary
Operating Bank Account Balance at August 31, 2011 was \$ 3,117,259.
We had a Tax Instalment Due Date on August 26, 2011.
Forecast has been increased by \$100,000 for interest that we will receive on the Local Improvements that are owing to the Town. (Lora Bay/Camperdown)

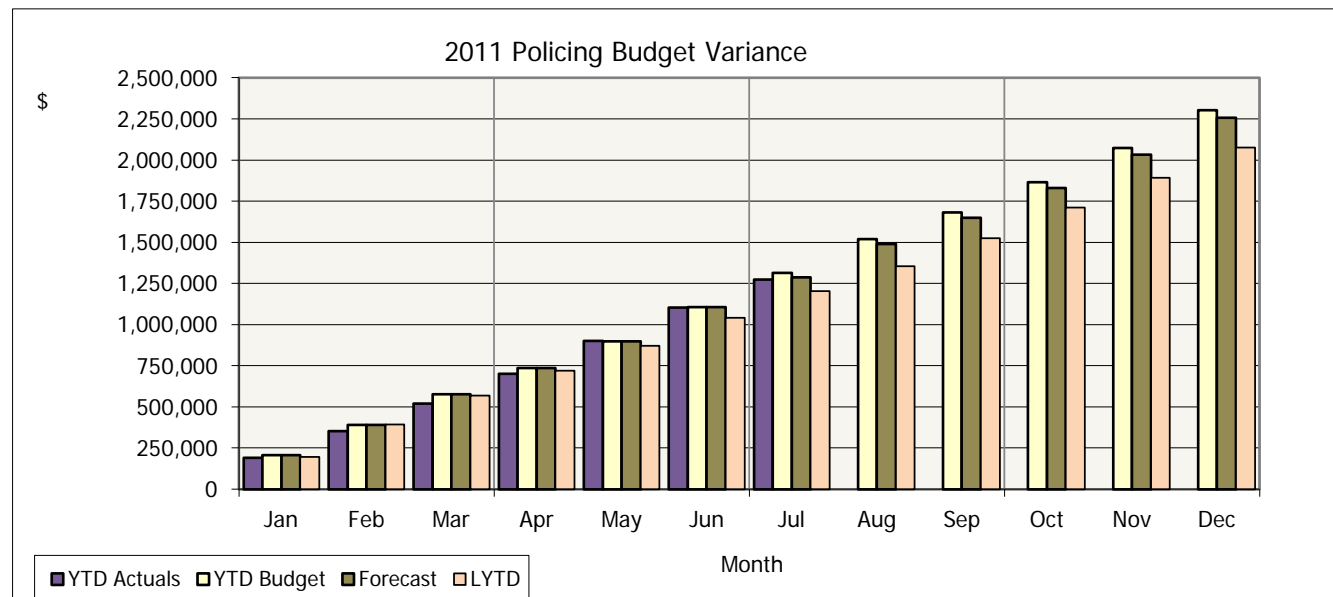
**The Blue Mountains  
Monthly Flash Report -- Operating  
August 31/2011**

Total Town Salaries & Benefits	Annual Budget	YTD Actual	% of Budget	Forecast	Variance
	8,827,000	5,549,393	63%	8,738,716	3,277,607



Commentary
Salaries & Benefits for the month of August 2011 were \$ 717,220
Year-end forecast has been reduced by \$88,000.

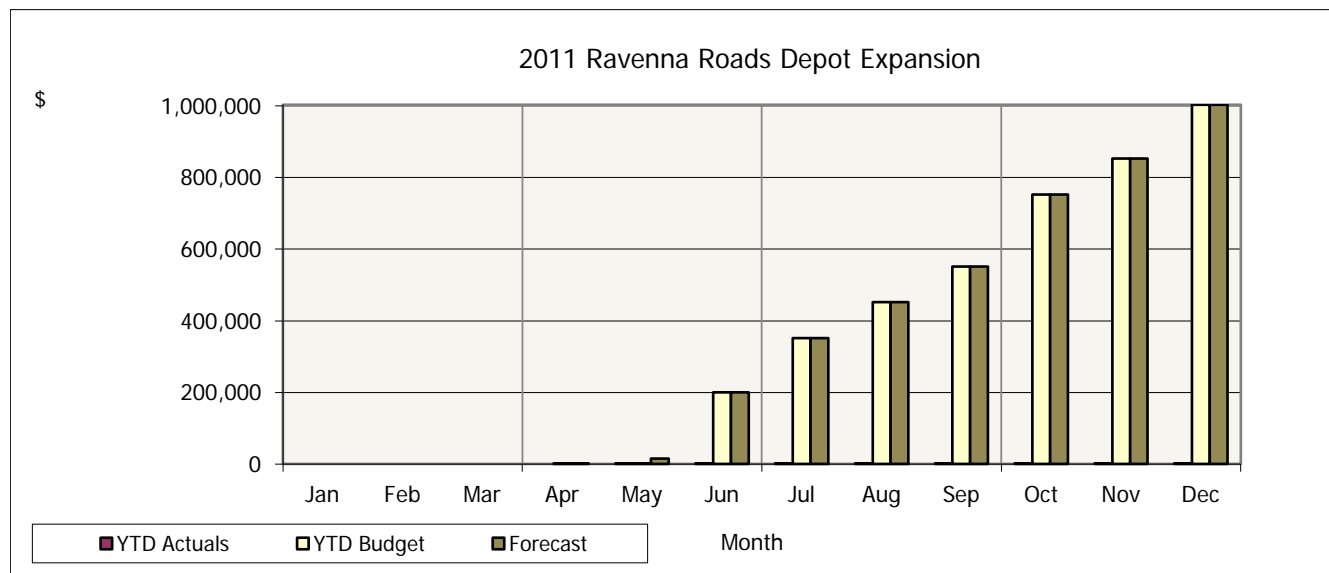
OPP Services	Annual Budget	YTD Actual	% of Budget	Forecast	Variance
	2,303,990	1,274,747	55%	2,257,910	1,029,243



Commentary
Information from the OPP will be provided at the end of the following month in order to be able to provide accurate statistics
Total hours for the month of July 2011 were 1,831. These are trending below budget for now.
Year-end forecast has been adjusted down by \$46,000.

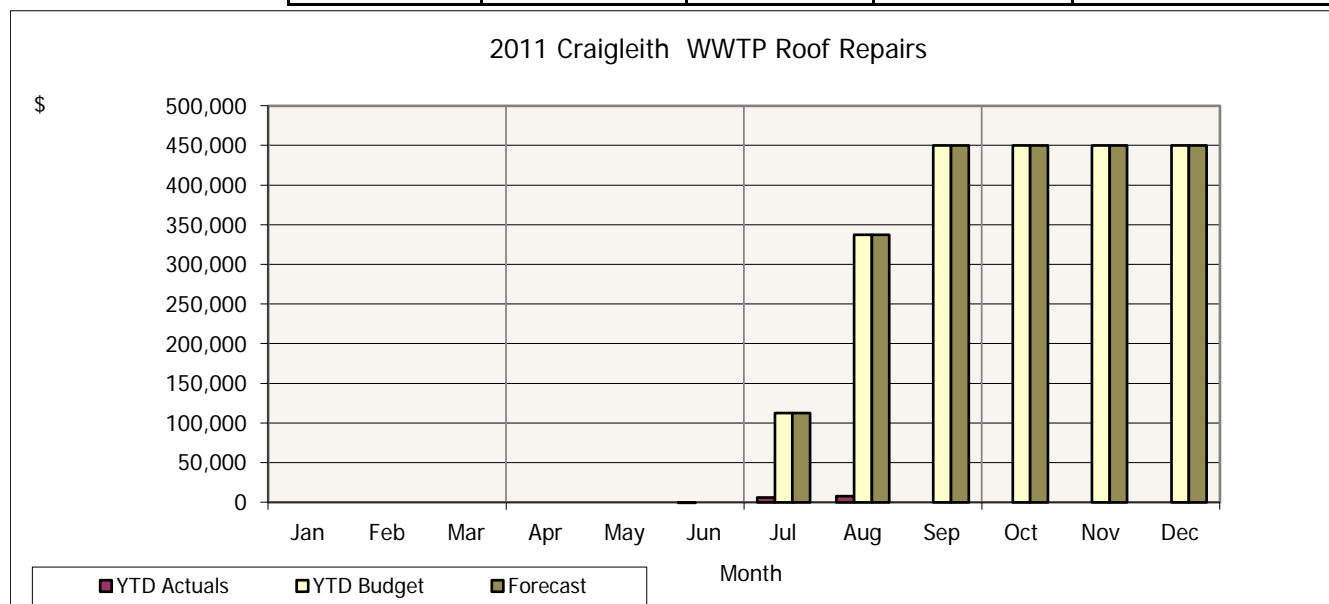
**The Blue Mountains**  
**Monthly Flash Report -- Capital**  
**August 31/2011**

Ravenna Roads Depot Expansion	Project Budget	Project Cost To Date	% Project Budget	Forecast
	1,003,750	-	0	1,003,750



Commentary
<p>This project has been pushed out to 2012, and we will not report on this for the balance of 2011.</p> <p>The addition at the yard is expected to be 400 m<sup>2</sup>. Construction costs are based on \$135 per square foot.</p>

Craigleith WWTP Roof Repairs	Project Budget	Project Cost To Date	% Project Budget	Forecast	Variance
	450,000	7,846	0	450,000	442,154



Commentary
<p>We have incurred advertising and tender document preparation costs for this project to date.</p> <p>The roof is nearly 30 years old and is a membrane roof with tar and gravel top. The roof is leaking and in order to protect the interior, there is a requirement to replace the roof.</p> <p>Tender was awarded to Crawford Roofing Corporation July 11, 2011 in Report EPW.11.069 in the amount of \$ 279,000 excluding HST.</p>

**BVR Summary – Tax Supported  
Revenue Fund**

**Town of The Blue Mountains  
2011 Budget Variance Report  
For the Seven Months Ending August 31, 2011**

	2011				
	AUG	Total YTD	Budget	Unexpended \$	% of Budget
<b>EXPENSES</b>					
Salaries, Wages & Benefits	\$ 568,228	\$ 4,426,109	\$ 7,119,525	\$ 2,693,416	62%
Administrative Expenses	13,118	101,242	157,895	56,653	64%
Operating Expenses	6,705	270,133	401,570	131,437	67%
Communications	22,255	157,697	211,579	53,882	75%
Training Related	8,957	86,836	173,006	86,170	50%
Personnel	3,969	24,590	50,006	25,416	49%
Utilities	17,437	212,636	311,940	99,304	68%
Equipment Related	10,342	159,333	234,665	75,332	68%
Vehicle Related	10,420	160,336	243,962	83,626	66%
Professional Fees	322,041	2,714,610	4,005,469	1,290,859	68%
Financial Expenses	184,935	1,230,970	1,263,770	32,800	97%
Premises and Site	27,749	172,570	421,335	248,765	41%
Minor Capital	83	8,733	345,000	336,267	3%
<b>TOTAL EXPENSES</b>	<b>1,196,239</b>	<b>9,725,795</b>	<b>14,939,722</b>	<b>5,213,927</b>	<b>65%</b>
<b>TRANSFERS</b>					
Capital	0	110,074	1,246,845	1,136,771	9%
Reserves & Reserve Funds	0	407,025	442,025	35,000	92%
Interfunctional Transfers	0	-200,412	-896,903	-696,491	22%
<b>TOTAL TRANSFERS</b>	<b>0</b>	<b>316,687</b>	<b>791,967</b>	<b>475,280</b>	<b>40%</b>
<b>TOTAL TRANSFERS &amp; EXPENSES</b>	<b>1,196,239</b>	<b>10,042,482</b>	<b>15,731,689</b>	<b>5,689,207</b>	<b>64%</b>
<b>REVENUE</b>					
Tax Revenues	5,466,620	10,567,105	10,729,636	162,531	98%
Grants	41,222	1,270,552	1,972,378	701,826	64%
Reserve Revenue	0	95,000	1,107,900	1,012,900	9%
Interest and Investment	2,412	406,551	662,250	255,699	61%
Sales	10,921	48,834	95,500	46,666	51%
Fee and Charges	62,036	458,270	906,425	448,155	51%
Facilities Rental	4,322	121,629	257,600	135,971	47%
<b>TOTAL REVENUE</b>	<b>609,339</b>	<b>12,967,941</b>	<b>15,731,689</b>	<b>2,763,748</b>	<b>82%</b>
<b>NET POSITION</b>	<b>-586,900</b>	<b>2,925,459</b>	<b>0</b>	<b>-2,925,459</b>	<b>0%</b>

08/23/11

**BVR Summary - Water and Wastewater Services**

**Town of The Blue Mountains  
2011 Budget Variance Report  
For the Seven Months Ending August 31, 2011**

	2011				
	AUG	Total YTD	Budget	Unexpended \$	% of Budget
<b>EXPENSES</b>					
Salaries, Wages & Benefits	\$ 103,959	\$ 836,860	\$ 1,307,490	\$ 470,630	64%
Administrative Expenses	751	5,995	20,800	14,805	29%
Operating Expenses	49,603	364,448	545,700	181,252	67%
Communications	6,206	58,003	103,490	45,487	56%
Training Related	206	18,628	21,200	2,572	88%
Personnel	21	12,852	14,525	1,673	88%
Utilities	26,622	244,041	365,100	121,059	67%
Equipment Related	42,370	226,626	286,675	60,049	79%
Vehicle Related	3,158	32,220	54,747	22,527	59%
Professional Fees	14,700	127,409	162,575	35,166	78%
Financial Expenses	61,723	231,895	1,028,119	796,224	23%
Premises and Site	6,652	33,464	40,500	7,036	83%
<b>TOTAL EXPENSES</b>	<b>315,971</b>	<b>2,192,441</b>	<b>3,950,921</b>	<b>1,758,480</b>	<b>55%</b>
<b>TRANSFERS</b>					
Capital	0	50,575	689,210	938,185	5%
Reserves & Reserve Funds	0	807,774	1,067,774	0	100%
Interfunctional Transfers	0	240,624	701,254	460,630	34%
<b>TOTAL TRANSFERS</b>	<b>0</b>	<b>1,098,973</b>	<b>2,458,238</b>	<b>1,359,265</b>	<b>45%</b>
<b>TOTAL TRANSFERS &amp; EXPENSES</b>	<b>315,971</b>	<b>3,291,414</b>	<b>6,409,159</b>	<b>3,117,745</b>	<b>51%</b>
<b>REVENUE</b>					
Water Billings*	667,228	2,084,164	3,116,358	1,032,194	67%
Sewer Billings*	488,028	1,714,680	2,303,857	589,177	74%
Reserve Revenue	0	0	948,195	948,195	0%
Interest and Investment	2,170	15,025	15,000	-25	100%
Sales	0	726	0	-726	100%
Fee and Charges	1,600	7,011	25,750	18,739	27%
<b>TOTAL REVENUE</b>	<b>1,159,026</b>	<b>3,821,606</b>	<b>6,409,160</b>	<b>2,587,554</b>	<b>60%</b>
<b>NET POSITION</b>	<b>843,055</b>	<b>530,192</b>	<b>1</b>	<b>-530,191</b>	<b>0</b>

\* includes full billing period of 2 months

BVR Summary - User Fee (Building and Harbour)

**Town of The Blue Mountains  
2011 Budget Variance Report  
For the Seven Months Ending August 31, 2011**

	2011				
	AUG	Total YTD	Budget	Unexpended \$	% of Budget
<b>EXPENSES</b>					
Salaries, Wages & Benefits	\$ 45,033	\$ 286,425	\$ 399,971	\$ 113,546	72%
Administrative Expenses	9,192	34,724	25,260	-9,464	137%
Operating Expenses	38,453	65,520	57,000	-8,520	115%
Communications	1,315	14,272	22,490	8,218	63%
Training Related	746	6,015	19,540	13,525	31%
Personnel	475	1,571	3,130	1,559	50%
Utilities	981	6,615	14,420	7,805	46%
Equipment Related	850	8,193	15,115	6,922	54%
Vehicle Related	861	5,688	10,024	4,336	57%
Professional Fees	19	1,245	41,100	39,855	3%
Financial Expenses	0	108,305	131,342	23,037	82%
Premises and Site	2,433	10,685	72,150	61,465	15%
<b>TOTAL EXPENSES</b>	<b>100,358</b>	<b>549,258</b>	<b>811,542</b>	<b>262,284</b>	<b>68%</b>
<b>TRANSFERS</b>					
Capital	0	86,574	194,130	107,556	45%
Interfunctional Transfers	0	29,788	195,649	165,861	15%
<b>TOTAL TRANSFERS</b>	<b>0</b>	<b>116,362</b>	<b>389,779</b>	<b>273,417</b>	<b>30%</b>
<b>TOTAL TRANSFERS &amp; EXPENSES</b>	<b>100,358</b>	<b>665,620</b>	<b>1,201,321</b>	<b>535,701</b>	<b>55%</b>
<b>REVENUE</b>					
Grants	0	0	1,500	1,500	0%
Reserve Revenue	0	0	20,766	20,766	0%
Interest and Investment	5,601	9,905	8,592	-1,313	115%
Sales	32,820	89,002	90,675	1,673	98%
Fee and Charges - Building Inspection	37,310	262,332	456,000	193,668	58%
Fee and Charges - Harbour/BIA	45,471	374,449	374,564	115	100%
Proceeds from Debt	0	0	213,724	213,724	0%
Facilities Rental	4,431	7,166	35,500	28,334	20%
<b>TOTAL REVENUE</b>	<b>125,633</b>	<b>742,854</b>	<b>1,201,321</b>	<b>458,467</b>	<b>62%</b>
<b>NET POSITION</b>	<b>25,275</b>	<b>77,234</b>	<b>0</b>	<b>-77,234</b>	<b>0%</b>



	A	B	C	D	E	F	G	H	I	J	K	L	M
1			1			Grants, Donations, etc.							
2			2			Taxation/User Fees							
3			3			Reserve/Reserve Funds							
4			4			Development Charges/Developer Front Ending							
5			5			Long Term Debt/Unfinanced							
6													
7			<b>2011 Capital &amp; Operating Program</b>				ANNUAL	PROJECT	PROJECT	PROJECT INITIATION	PROJECT COMPLETION	% OF PROJECT	NOTES
8			August 19 Version				BUDGET	BUDGET	CONTACT	DATE	DATE	COMPLETED	
53			<b>Recreation - Parks &amp; Trails</b>										
54	Parks & Trails	7	3			Riverwalk Trail (CIP Public Realm)	\$ 60,000	\$ 500,000	S. Everritt	2009		95%	
55	Parks & Trails	9	4			Town Hall - Landscaping/Skating Loop/Amphithreatre	\$ 140,000	\$ 640,000	S. Everritt/D. Finbow			10%	
56	Parks & Trails	11	4			Delphi Point Park & Trail Development	\$ 90,000	\$ 170,000	T. Green	Apr-10		60%	
57	Parks & Trails	13	3			Sunset Blvd Waterfront Park	\$ 25,000	\$ 325,000	S. Everritt				
58	Parks & Trails	19	3			Parking Lot Expansion - Depot/Georgian Trail	\$ 31,000	\$ 31,000	S. Everritt				
59	Parks & Trails	25	3			Mary Street Trailhead Parking (CIP Public Realm)	\$ 46,000	\$ 46,000	S. Everritt				
60	Parks & Trails	27	3			Harbour Master Site Plan (CIP Public Realm)	\$ 28,000	\$ 28,000	S. Everritt				
61	Parks & Trails	32	4			Washroom Facilities - Nipissing Ridge	\$ 45,000	\$ 45,000	T. Green				
62	Parks & Trails	41	4			Hardball Diamond Reconstruction & Parking Lot Construction	\$ 135,000	\$ 163,000	T. Green				
63	Parks & Trails	43	4			Bike Park Construction	\$ 30,000	\$ 30,000	S. Everritt				
64	Parks & Trails	45	1			Smith Memorial Garden Conceptual Design	\$ 10,000	\$ 10,000	S. Everritt				
65	Parks & Trails	48	2			Equipment Replacement (and non-growth-related)	\$ 4,000	\$ 4,000	T. Green				
66	Parks & Trails	50	2			Machinery Replacement (and non-growth-related)	\$ 24,750	\$ 24,750	T. Green				
67	Parks & Trails	52	4			Equipment Growth-Related - Roller Mower	\$ 23,000	\$ 23,000	T. Green				
68	Parks & Trails	54	4			Equipment Growth-Related - Flail Mower	\$ 9,500	\$ 9,500	T. Green				
69	Parks & Trails	58	4			Vehicles Growth-Related	\$ 10,000	\$ 10,000	T. Green				
70													
71			<b>Cemeteries</b>										
72	Cemetery	3	3			Cemetery Management Software & GPS Mapping	\$ 48,000	\$ 60,000	S. Everritt/R. Gibbons	2009		100%	
73			2			Cemetery Enhancements	\$ 1,500	\$ 151,000	S. Everritt/R. Gibbons	Feb-10			
74													
75			<b>Library</b>										
76	Library	11	2			Books and Collection Materials	\$ 38,080	\$ 38,080	C. Cooley				
77	Library	15	2			Furn & Equip Replacement	\$ 20,555	\$ 20,555	C. Cooley				
78													
79			<b>Engineering &amp; Roads</b>										
80	Engineering	2	4			Streetscape & Engineering Standards	\$ 20,000	\$ 35,000	T. Gray	Fall			
81	Roads	2	2			Regional Transportation Initiatives	\$ 5,000	\$ 5,000	R. Russwurm				
82	Roads	6	1			Hwy 26 EA - GR19 to GR21	\$ 50,000	\$ 300,000	R. Russwurm	October		10%	
83	Roads	8	1			Hwy 26 EA - GR40/Woodland Park/Hwy 26	\$ 67,000	\$ 100,000	R. Russwurm	October		10%	
84	Roads	10	1			Hwy 26 EA - GR2/HWY26/Clark St	\$ 100,000	\$ 150,000	R. Russwurm	October		10%	
85			<b>R2 Bridges</b>										
86	R2	4	5			Slabtown Bridge No 15 Repairs & Upgrades	\$ 75,000	\$ 1,470,000	R. Russwurm	Mar-09		10%	
87			<b>R4 Road Constr related to W&amp;S Service Ext Summary</b>										
88	R4	8	3			Wensley Drive Reconstruction	\$ 47,000	\$ 878,000	T. Gray	June		10%	
89			<b>R5 Growth-Related Road Improvements Summary</b>										
90	R5	2	2			Pyatt Avenue Development Completion	\$ 111,000	\$ 111,000	M. Campbell			5%	Tender being drafted
91			<b>R6 Infrastructure Summary</b>										
92	R6	2	4			Mill Street Road Reconstruction	\$ 95,000	\$ 95,000	T. Gray	March		95%	work complete, substantial
93	R6	4	3			Elma Street Road Reconstruction	\$ 42,000	\$ 4,200	T. Gray			0%	

	A	B	C	D	E	F	G	H	I	J	K	L	M
1			1			Grants, Donations, etc.							
2			2			Taxation/User Fees							
3			3			Reserve/Reserve Funds							
4			4			Development Charges/Developer Front Ending							
5			5			Long Term Debt/Unfinanced							
6													
7			<b>2011 Capital &amp; Operating Program</b>				ANNUAL	PROJECT	PROJECT	PROJECT INITIATION	PROJECT COMPLETION	% OF PROJECT	NOTES
8			August 19 Version				BUDGET	BUDGET	CONTACT	DATE	DATE	COMPLETED	
94			<b>R9 Bldgs, Mach, Equip, and Other Summary</b>										
95	R9	2	4			Ravenna Roads Depot Expansion	\$ 1,003,750	\$ 1,028,750	J. McCannell	2010	2013	5%	
96	R9	4	3			Communication Hardware	\$ 30,000	\$ 30,000	J. McCannell	July	Oct-11	5%	
97	R9	6	4			Machinery and Equipment Growth-Related	\$ 15,000	\$ 15,000	J. McCannell	May	Sep-11	0%	
98	R9	8	2			Machinery and Equipment Replacement	\$ 535,000	\$ 535,000	J. McCannell			65%	
99	R9	14	2			Furniture & Fixtures	\$ 10,000	\$ 10,000	R. Russwurm	March		60%	
101			<b>Streetlighting</b>										
102	Streetlights	9	2			Elma Street Road Lighting	\$ 4,200	\$ 4,200	T. Gray			0%	
103	Streetlights	11	2			Wensley Drive Streetlights	\$ 4,100	\$ 76,400	T. Gray	June		10%	
105			<b>Landfill</b>										
106	Landfill	3	3			Landfill Mining & Expansion	\$ 120,000	\$ 8,465,170	J. Fletcher	Jun-11		70%	
107	Landfill	5	5			Arena- Retrofit	\$ 60,000	\$ 60,000	J. Fletcher	Jun-11	Aug-11	100%	
108	Landfill	7	3			Land Acquisition, Contaminant Attenuation Zone	\$ 72,300	\$ 297,300	J. Fletcher	Aug-11		0%	
109	Landfill	9	1			Waste Receiving Area Improvements	\$ 30,000	\$ 413,000	J. Fletcher	Aug-11	Sep-11		
111			<b>Environmental Initiatives</b>										
112	Env. Initiatives	7	3			Organics Processing Facility Construction	\$ 27,500	\$ 155,000	J. Fletcher	Oct-11		10%	
114			<b>USER FEE GROUPS</b>										
115			<b>Building</b>										
116	Building	2	2			On-site Sewage Maintenance Inspection Program	\$ 20,000	\$ 20,000	G. Miller				
117	Building	7	2			Public Self-Serve Touch Screen Computer	\$ 2,500	\$ 2,500	G. Miller				
118	Building	11	2			Furniture & Equipment	\$ 5,000	\$ 5,000	G. Miller	Aug-11	50%		
120			<b>Recreation - Harbour</b>										
121	Harbour	3	2			Dock Reconstruction (Refloatation) C Dock	\$ 144,900	\$ 144,900	R. Gibbons				
122	Harbour	5	2			Install/Replace Dock Hydro	\$ 51,100	\$ 51,100	R. Gibbons				
123	Harbour	9	2			Install & Repair Dock Anchoring System	\$ 6,800	\$ 6,800	R. Gibbons				
125			<b>Water</b>										
126	Water	2	2			DWQMS	\$ 12,500	\$ 12,500	J. Caswell		Sep-11		
127	Water	4	2			Operations Manuals and As-Built Drawings	\$ 10,000	\$ 10,000	J. Caswell	Jul-11	Oct-11		
128	Water	6	2			Water Efficiency Initiatives	\$ 20,000	\$ 20,000	J. Caswell	2011	Ongoing	50%	
129	Water	8	4			Water Modeling & Distribution Analysis	\$ 75,000	\$ 200,000	J. Caswell	2010	2012	50%	
130			<b>W1 Plants and Studies Summary</b>										
131	W1	3	2			Thornbury WTP & related SCADA	\$ 15,000	\$ 15,000	J. Caswell	2011	Dec-11		
132			<b>W2 Reservoirs &amp; Booster Pumping Stations Summary</b>										
133	W2	10	2			Arrowhead Road Water BPS Works	\$ 40,000	\$ 40,000	J. Caswell	Aug-11	Sep-11		
134			<b>W3 Operations and Other Summary</b>										
135	W3	4	2			Water Meters - Residential	\$ 5,000	\$ 5,000	J. Caswell	2011	Dec-11		
136	W3	6	2			Water Meters - Commercial	\$ 15,000	\$ 15,000	J. Caswell	2011	Dec-11		

	A	B	C	D	E	F	G	H	I	J	K	L	M
1			1			Grants, Donations, etc.							
2			2			Taxation/User Fees							
3			3			Reserve/Reserve Funds							
4			4			Development Charges/Developer Front Ending							
5			5			Long Term Debt/Unfinanced							
6													
7			<b>2011 Capital &amp; Operating Program</b>				ANNUAL	PROJECT	PROJECT	PROJECT INITIATION	PROJECT COMPLETION	% OF PROJECT	NOTES
8			August 19 Version				BUDGET	BUDGET	CONTACT	DATE	DATE	COMPLETED	
137	W3	8	2			Water Chamber Works	\$ 30,000	\$ 30,000	J. Caswell	Aug-11	Oct-11		
138	W3	10	2			Capital Contingencies	\$ 10,000	\$ 10,000	J. Caswell	2011	Dec-11		
139						<b>W4 W &amp; S Service Extensions</b>							
140	W4	2	3			Wensley Drive Water Main Replacement	\$ 2,600	\$ 48,000	T. Gray	June		10%	
141						<b>W6 Infrastructure trunks mains pipes lines Summary</b>							
142	W6	2	3			Peel Street Watermain Replacement	\$ 20,000	\$ 20,000	J. Caswell	Jul-11	Aug-11	100%	
143	W6	8	2			Elma Street Watermain Replacement	\$ 11,700	\$ 11,700	T. Gray			0%	
144						<b>W7 Other W &amp; S Infrastructure &amp; Service Extension Summary</b>							
145	W7	2	3			King Street Water Main Extension (Thornbury)	\$ 124,600	\$ 129,600	J. Caswell	2010	Aug-11	100%	
146						<b>W9 Bldgs, Mach, and Equip Summary</b>							
147	W9	6	2			Machinery & Equipment Replacement	\$ 25,000	\$ 25,000	J. Caswell	2011	Dec-11	100%	
148	W9	8	2			Vehicle Replacement	\$ 30,000	\$ 30,000	J. Caswell	2011	Apr-11	100%	
149	W9	10	2			Furniture and Equipment	\$ 5,000	\$ 5,000	J. Caswell				
150													
151						<b>Wastewater</b>							
152	Waste Water	4	2			Operations Manuals and As-Built Drawings	\$ 10,000	\$ 10,000	J. Caswell	2011	Dec-11		
153	Waste Water	6	2			Craigeith SLS Spare Pump Parts	\$ 40,000	\$ 40,000	J. Caswell	2011	Sep-11		
154						<b>WW1 Plants and Studies Summary, Sewer</b>							
155	WW1	8	3			Craigeith STP SCADA	\$ 45,000	\$ 45,000	J. Caswell	2011	Jul-11		
156						<b>WW2 Pumping Stations, Lift Stations, Related Forcemains Summary</b>							
157	WW2	2	3			Craigeith WWTP Roof Repair	\$ 450,000	\$ 450,000	J. Caswell	May-11	Sep-11		Tendered
158	WW2	4	3			Mill Street Pump Rebuild	\$ 17,500	\$ 17,500	J. Caswell	2011	2012		
159						<b>WW3 Operations and Other Summary</b>							
160	WW3	2	2			Capital Contingency	\$ 15,000	\$ 15,000	J. Caswell	2011	Dec-11		
161						<b>WW4 W &amp; S Service Extensions Summary</b>							
162	WW4	10	5			Wensley Drive Wastewater Extension	\$ 20,000	\$ 409,000	T. Gray		Oct-11	10%	
163	WW4	12	5			Peaks Road Sanitary Extension	\$ 135,000	\$ 135,000	T. Gray			50%	Developer Dependent
164						<b>WW6 Infrastructure trunks mains pipes lines</b>							
165	WW6	2	2			Elma Street Sanitary Sewer Replacement	\$ 12,000	\$ 12,000	T. Gray			0%	
166						<b>WW9 Bldgs, Mach, and Equip Summary</b>							
167	WW9	4	2			Vehicle Replacement	\$ 30,000	\$ 30,000	J. Caswell	2011	Apr-11	100%	
168	WW9	6	2			Furniture and Equipment	\$ 5,000	\$ 5,000	J. Caswell	2011	Dec-11		

**STAFF REPORT: Finance & IT Services**



**REPORT TO: Council**  
**MEETING DATE: September 21, 2011**  
**REPORT NO.: FIT.11.45**  
**SUBJECT: LAS Electricity Procurement Program**  
**PREPARED BY: Sherri Adams, Manager of Purchasing**

**A. Recommendations**

THAT Council receive Staff Report FIT.11.45 "LAS Electricity Procurement Program"; and,

THAT Council of the Town of The Blue Mountains approve the Commodity Price Hedging Policy POL.COR.11.09; and,

THAT the Mayor and Clerk be hereby authorized to execute an Electricity Appointment and Retainer Agreement between The Corporation of the Town of The Blue Mountains and Local Authority Services (LAS), recognizing that as the Town's agent, LAS will negotiate all required electricity purchases on behalf of all procurement program members and that the details of all contracts will then be communicated to all program members; and,

THAT That the CAO and the Treasurer be hereby authorized to make minor alterations to the Agreement that do not substantially change its content and intent; and,

THAT the authority to make future program related decisions for the Town of The Blue Mountains be delegated to:

1. Treasurer
2. Manager of Purchasing

AND THAT the Manager of Purchasing report back to Council with the final rates and any potential savings and future rate changes;

AND FURTHER THAT Council authorize Local Authority Services, through its appointed agent, to have access to consumption data from the local electricity utility on an as needed basis, in order to compile load profile information for the procurement program and to bill all enrolled accounts.

**B. Background**

Ontario municipalities can choose to be served in one of three ways for the supply of electricity:

1. The Regulated Price Plan (RPP); the rate we pay now with a fixed price set by the Province that is reset semi-annually. This plan ended for larger volume accounts (i.e. >250,000kWh) in November 2009.

2. Market pricing for interval metered accounts and larger volume municipal accounts started at November 2009: Weighted Average hourly Price (WAP) will apply to conventional meters; and Hourly Ontario Electricity Pricing (HOEP) will apply to interval meters.
3. A Retail Contract: where the price is set now for the future supply of electricity i.e. the LAS program

The Town currently purchases electricity under the Province's Regulated Price Plan (RPP) (#1 above), which is delivered by Hydro One and Collus Power Corporation. The RPP was created to provide some predictability for designated users, including residential, municipalities, universities, schools and hospitals. The RPP is a two-tiered price structure based on consumption, meaning that municipalities subsidize universities and schools by paying the same fixed rates during off-peak hours (i.e. late evening and overnight) for streetlights and other items despite the much lower actual market cost of electricity during these times.

Ontario is progressively adopting time based electricity pricing. Large volume businesses have been paying an hourly price for electricity since 2002. Homeowners have begun paying time-of-use rates with the implementation of smart meters as the program rolls out and hourly prices now apply to municipal facilities that uses more than 250,000kWh annually, as of November 2009. The current government is committed to ensuring energy conservation through the true cost of electrical power and has instructed related regulatory agencies to ensure this is the case. It is expected that municipal energy costs will increase somewhat as a result of the forthcoming move to time-of-use pricing.

### **Local Authority Services (LAS)**

The Town of The Blue Mountains is currently a participating member of the Association of Municipalities of Ontario (AMO). A division within AMO is the Local Authority Services Ltd. (LAS). LAS was created in 1992 and is a wholly owned subsidiary company of AMO, with AMO being its sole shareholder. It is incorporated under the laws of Ontario to conduct business in this province.

LAS has developed an electricity procurement program to assist municipalities in facilitating budget processes in the post-RPP era and to achieve cost savings on electricity purchases by leveraging savings through group purchasing and by removing the impact of the move to time-of-use pricing. This program is similar in operation to their longstanding Natural Gas Procurement Program. Since the local distribution companies (LDC's), such as Collus or Hydro One, does not earn its revenue based on where electricity is purchased, purchasing electricity from LAS or any other retailer will not affect the operating results of their organization. We will still receive our distribution of power from the LDC.

LAS is mandated to work with municipalities, their agencies, boards and commissions as well as other organizations of Ontario's broader public sector to assist them in reducing the cost of their expenditures and to increase their revenues through the principles of economies-of-scale and co-operative procurement efforts.

The LAS program takes a blended approach to purchasing electricity. They purchase up to 75% of our electricity requirements from the forward market (fixed for terms from 6 months up to 1.5 years) and the remaining 25% (or more) is left to the spot market. LAS will acquire

blocks of electricity based on the requirements of the program load profile for each program purchasing pool. All LAS program tenders are competitive and involve as many as five pre-qualified suppliers.

The balance of the load requirements will be purchased on the spot market at the Hourly Ontario Energy Price (HOEP). Members can choose their desired hedging level. LAS does not allow for a hedging level of more than 75%, however members are encouraged to adopt a lower hedge level if desired – a 75% hedge ensures that there is no over-buying for any program members and leaving at least 25% of usage to the spot market provides flexibility and avoids claims of speculation.

Street lighting accounts are treated differently in the LAS program, as there is more opportunity for savings on the spot market for these accounts because most consumption is during “off-peak” hours. After we enroll, LAS will move our street lighting accounts to the spot market (we cannot do this on our own) and they will charge a fee of \$6 per account fee per month. We currently have five streetlight accounts.

By joining together in a pooled purchase, municipalities leverage economies-of-scale when they approach the market. Larger tenders attract better pricing from suppliers. Pricing realized by LAS in their calendar year 2010 purchase for 75 municipalities was 3.90 cents per kWh (all fees included) for all accounts. This translates into savings of approximately 0.6 per kWh against current RPP rates, even with the Provincial Benefit/Global Adjustment of 2.8 cents factored in. Current RPP prices (as of May 2011) are 6.8 cents/kWh (for the first 750 kWh), and 7.9 cents/kWh for all additional usage. These rates represent a 6% increase from the November 2010 RPP rates.

The LAS program charges a fixed fee of 0.1 cents per kWh for all electricity hedged on behalf of the municipality, as well as 0.05 cents per kWh for required billing and settlement services. LAS uses this fee to cover all program administration costs (including billing and settlement software and all contract development). Note that any consumption left to the spot market is not charged an administration fee. For further clarity, the fees are as follows:

- 0.15 cents per kWh for any electricity under a hedge agreement (max 75% of total consumption)
- \$6 per month for the billing and settlement of each streetlight account (note: per account, not per streetlight)

While there is no guarantee that the LAS hedged price will always be less than the RPP rates over the full period of the contract, entering into a retailer contract such as that being offered by LAS would provide budget stability for the municipality. Unlike other retailers, LAS is committed to acting in the best interest of all AMO members. If we do not join the LAS procurement program, we will continue to be subject to the volatility of market prices for our larger volume accounts (since November 2009). Moreover, if we choose to enter into a contract on our own we will have to undertake a contract development process with retailers/suppliers that is often lengthy, arduous, and costly.

The objectives of the LAS bulk hedging program are generally synonymous with municipal objectives:

- a) Facilitates Budgeting – purchasing blocks of electricity will produce stable prices for budgeting
- b) Competitive Pricing – provide savings on required purchases

- c) Maximize Purchasing Power – pooling requirements can leverage better pricing than individually.

The LAS Electricity Procurement Program has a current membership of 88 municipalities.

## **NEXT STEPS**

LAS expects to go to market with its next purchasing group in the second week of October 2011. If the Town wishes to participate, the following must be done:

- Pass a By-law authorizing the enrolment in the program
- Complete the Agency Retainer Agreement with LAS
- Adopt a statement of policies and goals related to hedging electricity supply
- Confirm which accounts are to be enrolled.

It is recommended that the Town participate in this unique procurement program with LAS as it will allow for savings in our energy purchases.

As noted in the recommendation, Council will appoint the Director of Finance & IT Services and Manager of Purchasing the authority to make program related decisions relating to the contract. This includes but is not limited to confirming new accounts to be enrolled in the program, confirming accounts to be removed from the program and confirming hedge level changes in the future.

The Manager of Purchasing will report back to Council with final rates and potential savings upon receipt of same from LAS as available or annually.

## **C. The Blue Mountains' Strategic Plan**

Ensuring long-term financial sustainability

Providing a strong, well managed municipal government

## **D. Environmental Impacts**

LAS offers a complimentary energy management program that utilizes the data obtained in the electricity procurement program, that could be utilized to track energy consumption and lead to improvements in energy efficiency.

## **E. Financial Impact**

The current market rate for electricity is 6.8 cents/kWh for the first 750 kWh per account per month and 7.9 cents/kWh for remaining monthly use. The LAS rate for electricity for 2010 was 3.9 cents/ kWh, plus administrative costs, for an estimated LAS member saving of 0.6 cents per kWh.

Based on staff analysis using 2010 billing for 4 municipal accounts, ranging from small to large users, the average savings in electricity costs alone would have been about 15% if the Town would have been involved in the LAS program. This equates to an overall cost

savings of about 8-10% when all fixed costs, delivery charges, debt repayment and taxes are considered.

The Town's current annual consumption for all Town owned properties for 2010 was approximately 4,566,238 kWh at a cost of \$565,000. On the LAS Electricity Procurement Program, the savings for the Town's 2010 consumption would have been approximately \$45,000 to \$55,000.

**F. Attached**

1. By-law to Authorize the Execution of an Agreement with Local Authority Services (LAS) to Provide Professional Services Regarding Price Hedging Options for Electricity and to Act as the Town's Agent (including Schedule "A" Commodity Price Hedging Policy and Schedule "B" Electricity Appointment and Retainer Agreement)

Respectfully submitted,

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Signature

For more information, please contact:  
Sherri Adams, Manager of Purchasing  
sadams@thebluemountains.ca  
519-599-3131 ext. 227

**THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS**

**BY-LAW NO. 2011 –**

**Being a By-law to Authorize the Execution of an Agreement with Local Authority Services (LAS) to Provide Professional Services Regarding Price Hedging Options for Electricity and to Act as the Town's Agent**

**WHEREAS** pursuant to Section 9 of the *Municipal Act, 2001* S.O. 2001, chapter 25 a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

**AND WHEREAS** Section 6(1) of Ontario Regulation 653/08 made under the *Municipal Act, 2001* requires a municipality, prior to adopting a by-law authorizing a commodity price hedging agreement, to adopt a statement of policies and goals relating to the use of financial agreements to address commodity pricing and costs;

**AND WHEREAS** it is deemed expedient for the Council of The Corporation of the Town of The Blue Mountains to enter into an Electricity Appointment and Retainer Agreement with the Local Authority Services Ltd., (LAS), on an exclusive basis to provide professional services regarding advice on price hedging options for electricity and to act as its agent in taking certain actions related to such price hedging activity as set forth in the agreement; a wholly owned subsidiary company of the Association of Municipalities of Ontario, as Agent, to negotiate all required electricity purchases on behalf of all procurement program members;

**NOW THEREFORE** the Council of The Corporation of the Town of The Blue Mountains hereby enacts as follows:

- a) That the Commodity Price Hedging Policy of The Corporation of the Town of The Blue Mountains, being Policy No. POL.COR.11.09, attached hereto as Schedule "A" and hereby declared to form part of this By-law, is hereby adopted.
- b) That the Mayor and Clerk are hereby authorized to execute an Electricity Appointment and Retainer Agreement between The Corporation of the Town of The Blue Mountains and Local Authority Services (LAS), attached hereto as Schedule "B".
- c) That the C.A.O. and the Treasurer are hereby authorized to make minor alterations to the Agreement that does not substantially change its content.
- d) That any By-law or By-laws, or parts of any By-law or By-laws that are inconsistent with this By-law are hereby deemed repealed.

**AND FURTHER** that this By-law shall come into force and take effect upon the enactment thereof.

Enacted and passed this        day of        , 2011.

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Ellen Anderson, Mayor

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Corrina Giles, Clerk

# TOWN OF THE BLUE MOUNTAINS

## POLICY & PROCEDURES

Subject Title: Commodity Price Hedging Policy

Corporate Policy (Approved by Council)

Policy Ref. No.: POL.COR.11.09

Administrative Policy (Approved by CAO)

By-law No.: 2011-

Department Policy: (Approved by Mgr.)

Name of Dept.: Finance & IT Services

Date Approved:

Staff Report: FIT.11.45

### Policy Statement

This policy governs the procedures regarding the evaluation and determination of Commodity Price Hedging for The Corporation of the Town of The Blue Mountains as required under Section 6(1) of the *Municipal Act, 2001* and Ontario Regulation 653/05.

### Purpose

Price instability of some commodities required by the Town can lead to budgeting challenges and increased financial risk. The primary objective for the Town's Commodity Price Hedging Policy is to reduce financial risk by providing price stability and protection against the affects of adverse market conditions.

### Application

This policy applies to all Financial Agreements that are entered into by the Town for the purpose of fixing future prices through commodity price hedging, as well as to those employees responsible for the control, management, or purchasing of hedging agreements.

No person shall be permitted to engage in a commodity price hedging activity using Financial Agreements except as provided for under the terms of this policy.

### Definitions

**Agent** means an individual or organization acting on behalf of the Town to provide advice on price hedging strategy and/or to execute agreements and transaction.

**Commodity** means, whether in the original or processed state, an agricultural product, a forest product, a product of the sea, a mineral, a metal, a hydrocarbon fuel, electricity, a precious stone or other gem and other physical goods but does not include chattel paper, a document of title, an instrument, money or securities.

**Commodity Price Hedging Agreement** is a financial instrument to fix the cost and/or manage the financial risk associated with the purchase of a commodity.

**Hedge** means, in the context of this policy, the purchase of a commitment to acquire a specified quantity of a commodity, at a specific price, at some future point in time.

**Town** means The Corporation of the Town of The Blue Mountains.

**Treasurer** means the Treasurer for the Town of The Blue Mountains or their designate.

## **Procedures**

### **Statutory Requirements**

A commodity price hedging agreement may only be undertaken if the agreement is in compliance with the Ontario Regulation 653/05. Requirements include the following:

- a) The Financial Agreement must fix, directly or indirectly, or enable the municipality to fix the price or range of prices to be paid by the municipality for the future delivery of some or all of the commodity or the future cost to the municipality of an equivalent quantity of the commodity.
- b) The Town may enter into a Financial Agreement only for the future delivery of some or all of a commodity or the future cost of an equivalent quantity of a commodity. A financial agreement shall not be entered into for the purpose of speculative investing; and
- c) The Town is prohibited from selling or disposing of the Financial Agreement or an interest in the Agreement. An exception to this requirement exists if there is a sale or change of use of real property to which the Agreement applies or the Town ceases an activity for which the commodity was being acquired.

### **Statement of Commodity Price Hedging Policies and Goals**

1. The Town will consider commodity price hedging agreements as a means of fixing, directly or indirectly, or enabling the Town to fix, the price or range of prices to be paid by the Town for the future delivery of some or all of the commodity or the future cost to the Town of an equivalent quantity, where it is advantageous for the Town to do so.
2. In determining whether a particular commodity price hedging agreement is advantageous for the Town, the following will be taken into account:
  - a) Any and all projects of the Town are projects for which commodity price hedging agreements will be appropriate;

- b) If, at any time, it is the opinion that fixed costs and estimated costs of the Town will be reduced by virtue of the use of such an agreement.
- c) If, at the time, it is the opinion that the future price or cost to the Town of the applicable commodity will be lower or more stable than it would be without the agreement;
- d) If, at the time, the project includes a detailed estimate of the expected result of using such an agreement;
- e) If, at the time, it is the opinion that the financial and other risks to the Town that would exist with the use of such an agreement will be lower than the financial and other risks to the Town that would exist without such an agreement;
- f) If, at the time, it is the opinion that the agreement contains adequate risk control measures relating to such an agreement, such as;
  - i) Limited credit exposure based on credit rating and/ or on the degree of regulatory oversight and/ or on the regulatory capital of the other party to the agreement;
  - ii) A standard agreement;
  - iii) On-going monitoring with respect to the agreement.

## **Approvals**

Approval by Council will be required prior to commencing a hedging program for each commodity. Approval may be sought concurrently with the initial purchase of a commodity or at some point during the term of a commodity purchase contract. The subsequent financial agreements must be approved by the Treasurer.

## **Delegation of Authority**

The Treasurer will have the overall responsibility for the commodity price hedging program which involve financial agreements and will have responsibility for directing/implementing the activities of the commodity price hedging program.

Notwithstanding, the Town may delegate specific authority to an “agent” of the Town. The authority delegated will be strictly governed by the terms of an agency contract that will be approved by Council.

## **Responsibilities**

All officers and employees responsible for commodity price hedging agreements will follow the standard of care identified in this policy. No person shall be permitted to engage in a commodity price hedging activity using financial agreements except as provided for under the terms of this policy.

The Treasurer will be responsible for all activities undertaken and shall establish a system of controls to regulate the activities of staff and exercise control over those staff including:

- Establishing delegation of authority to persons responsible for commodity price hedging activities.
- Reviewing and recommending the financial and business aspects of any Financial Agreements to be utilized in hedging a commodity price;
- The signing and execution of documents on behalf of the Town and perform all other related acts with respect to Financial Agreements; and
- Ensuring that all reporting requirements identified within this Policy are met.

### **Reporting Requirements**

In addition to information requested by Council or that the Treasurer considers appropriate, the Treasurer shall submit on an annual basis to Council a detailed report on all existing financial agreements. The report will contain the following information and documents:

- a) A statement about the status of the agreements during the period of the report, including a comparison of the expected and actual results of using the agreements;
- b) A statement indicating whether all of the agreements entered during the period of the report are consistent with the Town 's statement of policies and goals relating to the use of financial agreements to address commodity pricing and costs; and
- c) A statement of transactions with financial institutions.

### **Exclusions**

None

### **References and Related Policies**

*The Municipal Act, 2001, S.O. 2001, c.25*

Ontario Regulation 653/05 – Debt-Related Financial Instruments and financial agreements

### **Consequences of Non-Compliance**

Consequences shall be commensurate with the severity of the breach of this policy.

### **Review Cycle**

This policy shall be reviewed on a regular basis. Amendments may be made at any time at the recommendation of the Director. The appropriate authority must approve any policy changes.

This Electricity Agency Appointment and Retainer Agreement (“**Agreement**”) is made and entered into as of this \_\_\_ day of \_\_\_\_\_, 20\_\_.

**BETWEEN:**

**Local Authority Services Limited (“LAS”)**

-AND-

**The Corporation of the Town of The Blue Mountains (“Member”)**

Each of the foregoing entities being referred to individually as “**Party**” or collectively as “**Parties**”.

**WHEREAS** the Member wishes to retain LAS on an exclusive basis to provide professional services regarding advice on price hedging options for electricity and to act as its agent in taking certain actions related to such price hedging activity as set forth herein;

**AND WHEREAS** the Member acknowledges that the price hedging options may include but are not limited to (i) entering into financial agreements and transactions providing a fixed contract price for a notional quantity of electricity without the physical delivery of electricity and/or (ii) entering into agreements pursuant to which the Member is billed the Hourly Ontario Electricity Price (“**HOEP**”) for all or part of its electricity needs and/or (iii) entering into agreements pursuant to which a retailer arranges for its electricity needs and the Member is billed a fixed price for all or part its electricity needs and HOEP for a portion of its electricity needs (all of which agreements or transactions referred to as “**Financial Agreements**”);

**AND WHEREAS** the Member wishes to enter into Financial Agreements to minimize the cost or financial risk associated with the procurement of electricity;

**AND WHEREAS** the Member has passed the necessary by-laws or resolutions to permit the Member to enter into Financial Agreements and transactions thereunder;

**AND WHEREAS** the Member has adopted a statement of policies and goals relating to the use of financial agreements to address commodity pricing and costs and has passed the necessary by-laws or resolutions authorizing LAS to act as its agent;

**AND WHEREAS** the Member has provided LAS with copies of the aforementioned policies, goals, bylaws or resolutions;

**NOW THEREFORE THE PARTIES** agree as follows:

1. **APPOINTMENT AND AUTHORIZATION OF LAS**

- 1.1 The Member appoints LAS as its exclusive agent in respect of all matters specified in this Agreement including the solicitation and analysis of offers, negotiating and execution of Financial Agreements and the management and administration associated with such Financial Agreements.
- 1.2 The Member acknowledges and agrees that LAS, as its exclusive agent has full and complete authorization and discretion to take the following actions on behalf of the Member:
- (a) access any and all information relating to the Member which is in the possession and control of the distribution utility which relates to the supply and delivery of electricity at any service address of the Member;
  - (b) negotiate on behalf of the Member Financial Agreements including the specific terms and conditions contained therein, and execute the same together with other related agreements and documents reasonably requested by the counterparty to the Financial Agreements, on the Member's behalf;
  - (c) disclose to any third party any information of the Member which is necessary to disclose for the purposes of this Agreement or any Financial Agreement or for the purpose of billing, settlement or accounts and administrative matters or for any other purpose relating to the Financial Agreements;
  - (d) as agent for the Member enter into transactions under the Financial Agreements in the name of the Member, and to execute on behalf of the Member confirmations evidencing such transactions;
  - (e) enrol, or appoint another party as the Member's retailer to enroll, the Member's electricity account(s) with the Local Distribution Company ("LDC") to ensure billing of the account(s);
  - (f) carry out or direct the Member to carry out any ongoing responsibilities of the Member specified in any Financial Agreements or exercise any rights as required to implement said Financial Agreements;
  - (g) terminate any of the Financial Agreements including any or all of the transactions under the Financial Agreements or any related agreements entered into with the counterparty to the Financial Agreements, on the Member's behalf;
  - (h) act as retailer for the Member or in the event that LAS elects not to act as the Member's retailer to contract with and otherwise appoint on the Member's behalf any third party licensed to act as retailer in the Province of Ontario as selected by LAS in its sole discretion for the purpose of acting as the Member's retailer;
  - (i) terminate any contract with or any appointment of any third party appointed to act as the Member's retailer;
  - (j) contract with and otherwise appoint any third party selected by LAS in its sole discretion for the purposes of carrying out any responsibilities of LAS contained in this Agreement (any such appointee, consultant, service provider or delegate shall be engaged on terms satisfactory to LAS); and

- (k) carry out any duties or responsibilities and take any actions on the Member's behalf not otherwise specified herein that are incidental or related to carrying out its role as agent herein.

## 2. **LAS OBLIGATIONS**

### 2.1 LAS will:

- (a) solicit and analyze offers, negotiate and where appropriate enter into Financial Agreements in the name of the Member as agent for the Member;
- (b) monitor the regulatory developments concerning electricity and where appropriate provide recommendations to the Members on Financial Agreements;
- (c) continuously search for and solicit Financial Agreements on the Member's behalf;
- (d) account to the Member for all amounts paid to or to be paid by the Member under the Financial Agreements or this Agreement;
- (e) receive information from LDC(s), settle billing amounts, receive payments due to or from the Member, and pay Financial Agreement counterparties;
- (f) notify the Member promptly of any amounts due from the Member in excess of the amounts paid by the Member to the applicable LDC(s) on account of the Financial Agreements; and
- (g) take such other action as the LAS deems appropriate in the exercise of its authority and performance of its obligations under this Agreement.

## 3. **MEMBER UNDERTAKINGS**

### 3.1 The Member will:

- (a) remain liable as principal for all obligations incurred under or relating to the Member's Financial Agreements whether arising out of actions taken by LAS or the Member;
- (b) provide all necessary accurate data to enable LAS to solicit bids, negotiate and manage new Financial Agreements prudently and as LAS believes to be in the Member's best interest;
- (c) forward to LAS all notices or other communication received by the Member relating to the Financial Agreements or services provided under this Agreement by LAS;
- (d) provide credit and financial information and collateral or performance assurances if required under any Financial Agreement or this Agreement;
- (e) keep confidential the terms of this Agreement and any of the advice, details or arrangements provided to it by LAS or any of its third party providers;

- (f) inform LAS of any statement of policies and goals relating to the use of Financial Agreements and any amendments thereto;
- (g) if requested by LAS, provide prudential support to LAS, in order to permit: (i) LAS to enter into a service agreement with the member's distributor(s); (ii) LAS to satisfy any prudential support required by the distributor under such service agreement; and
- (h) execute any such documentation as may be deemed necessary by LAS to permit LAS to undertake any of the functions specified under this Agreement including the Notice of Appointment of Agent as set forth in Appendix A to this Agreement.

3.2 The Member acknowledges that bids may be solicited by LAS and transactions under the Financial Agreements may be negotiated on behalf of a number of members. The Member further acknowledges and agrees that LAS may determine in its sole discretion whether the Member participates in any particular transaction under its Financial Agreement.

3.3 The Member acknowledges that the fixed price for any transaction under its Financial Agreements could at any time be below, above or equal to the price charged by the Member's LDC(s) or HOEP. The Member also acknowledges that the Financial Agreements will contain provisions which may result in the Member owing a termination payment following default under the Financial Agreements even though the member is not the defaulting party.

3.4 The Member acknowledges that LAS or a retailer appointed by LAS may charge and the Member agrees to pay a finance charge for each megawatt hour supplied provided that such charge reasonably represents the cost of LAS and/or its retailer (including specified affiliates) providing collateral or performance assurance under hedges or financial agreements with third party suppliers related to the Financial Agreements.

#### 4. **LAS FEES**

4.1 The Member agrees to pay the fees set forth in Appendix B to this Agreement to LAS. The payment of these fees to LAS shall cover the costs of managing and administering the LAS electricity program on behalf of the Member including the costs of billing and settlement of accounts and the cost of any third party engaged by LAS to assist in providing services under this Agreement or under the program. The Member acknowledges that these fees may be included on the Members bill from the distributor or billed directly to the Member by the retailer.

4.2 The Member acknowledges that a retailer appointed by LAS under Section 1.2 (j), may charge the Member a finance charge as set forth in Appendix B to this Agreement, related to such retailer's obligation to provide credit assurances to a third party with which retailer has entered into a financial agreement for the benefit of the Member.

#### 5. **TERM**

5.1 The term of this Agreement shall commence on the date of execution and shall remain in effect for an initial period of two (2) years and thereafter shall automatically renew from year to year unless and until terminated by either Party upon one hundred and eighty (180) days prior written notice; provided, however, that this Agreement and any other documents executed and delivered hereunder shall remain in effect until the last transaction entered into under any of the Financial

Agreements expires. The obligation to make payment under Section 4 and Appendix B, and the liability and indemnification provisions shall survive the termination of this Agreement.

## 6. **LIABILITY AND INDEMNIFICATION**

- 6.1 While LAS takes proactive measures for the protection of the Member's interests, LAS cannot provide unconditional protection from the occurrence of unanticipated and uncontrollable events resulting in adverse financial consequences for the Member. LAS does warrant that the services provided by LAS under this Agreement will be performed in a professional manner. The Member agrees that if LAS breaches this warranty in performing services provided under this Agreement, the sole and complete liability of LAS for such breach will be limited to the return of the fees paid by the Member for services under this Agreement.
- 6.2 LAS liability under or for breach of this Agreement shall not exceed the amount of fees paid by the Member under this Agreement. In no event shall LAS be liable to the Member for incidental, indirect, special, punitive, exemplary or consequential damages howsoever caused, whether for breach of warranty, in tort, for contract or otherwise even if LAS has been advised of the possibility of such damages.
- 6.3 The Member hereby indemnifies LAS, its affiliates, its respective officers, directors, energy committee members, employees, agents, sub-agents, contractors, and consultants and holds them harmless from and against all losses, costs, liabilities, damages and expenses (including without limitation reasonable legal fees) it may incur as a result of LAS acting as the Member's agent as provided herein and the Member hereby agrees that it is liable for all obligations which LAS enters into on the Member's behalf.

## 7. **REPRESENTATIONS AND WARRANTIES**

- 7.1 The Member represents and warrants to LAS on an ongoing basis that:
- (a) all acts necessary to the valid execution, delivery and performance of this Agreement and the Financial Agreements, including without limitation, public notice or other required procedures have or will be taken and performed as required under the *Municipal Act, 2001*;
  - (b) the authorizing by-law with respect to the Agreement and the Financial Agreements have been passed by the council of the Member in full compliance with the *Municipal Act, 2001*, the same was signed by the head of the council and the clerk and sealed with the municipal seal of the Member and no application has been made or action brought to quash, set aside or declared invalid such authorizing by-law nor has the same been in any way repealed, altered or amended and such authorizing by-law is now in full force and effect;
  - (c) the aforesaid authorizing by-law and the Financial Agreements contemplated thereby do not conflict with or result in a breach or violation of any statutory provisions which apply to the Member or any agreement to which the Member is a party or under which the Member or any of its property is or may be bound, or, violate any order, award, judgment, determination, writ, injunction or decree applicable to the Member of any regulatory, administrative or other government or public body or authority, arbitrator or court;

- (d) no litigation or proceedings of any nature are now pending or threatened, attacking or in any way attempting to restrain or enjoin the Agreement or any of the Financial Agreements as authorized under the aforesaid authorizing by-law, or in any manner questioning the proceedings and authority under which any Financial Agreements will be entered into, or the capacity of the officers of the Member authorized thereunder to enter into any Financial Agreements, and no authority or proceedings for the Agreement or any Financial Agreements have been repealed, revoked or rescinded in whole or in part;
- (e) entry into and performance of this Agreement and the Financial Agreements by the Member are for a proper public purpose within the meaning of the *Municipal Act, 2001* and the regulations made thereunder;
- (f) the Member obligations to make payments hereunder are unsubordinated obligations and are not subject to any prior claim under any agreement or financial instrument to which the Member is a party;
- (g) the Member is not now subject to any restructuring order under Part V of the *Municipal Act, 2001* or other statutory authority; accordingly, no approval of the aforesaid authorizing by-law, the Agreement or the Financial Agreements is required to be given by any transition board or commission appointed in respect of the restructuring of the Member; and
- (i) to the extent that the term of any transaction entered into under a Financial Agreement exceeds the current Member council's term, before the Member exercised any powers in respect of the transaction, the Member's treasurer calculated an updated debt limit under Ontario Regulation 403/02 and the treasurer determined that the transaction would not cause the Member to exceed its updated limit and that the approval of the Ontario Municipal Board in respect of the transaction was not required.

7.2 Each Party represents and warrants to the other on an ongoing basis that:

- (a) it has the capacity and authority to execute this Agreement and perform its obligations and has taken the necessary action to authorize the execution and performance of this Agreement and the person signing this Agreement is authorized and empowered to do so;
- (b) it has obtained or submitted any authorization or approval or notice to with any governmental authority or regulatory body that is required for the due execution, delivery and performance of this Agreement;
- (c) the execution, delivery and performance of this Agreement does not violate or conflict with any law applicable to it;
- (d) this Agreement constitutes a valid and legal binding obligations enforceable against it in accordance with its terms;

8. **MISCELLANEOUS**

- 8.1 This Agreement shall be governed by and construed in accordance with the laws of the province of Ontario.
- 8.2 This Agreement may be executed by the Parties in separate counterparts, and each executed counterpart shall have the same force and effect as the original instrument. The Parties agree to accept facsimile signatures in lieu of original signatures as evidence of the agreement of the other Party, but each Party shall deliver to the other Party an originally executed copy of this Agreement as soon as possible thereafter.
- 8.3 Each Party will from time to time and promptly upon request, sign and deliver all further documents including any notices of appointment of agent and take all further action as may be reasonably necessary or appropriate to give effect to the terms and intent of this Agreement and to complete the Financial Agreements contemplated by this Agreement.

**IN WITNESS WHEREOF** the Parties have executed this Agreement by the duly authorized officers:

**Local Authority Services Limited**

**The Corporation of the Town of The Blue Mountains**

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Nancy Plumridge

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Ellen Anderson

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Corrina Giles

President

Mayor

Clerk

Local Authority Services Limited  
200 University Avenue, Suite 801,  
Toronto, ON M5H 3C6

Town of The Blue Mountains  
32 Mill Street, P.O. Box 310  
Thornbury, ON N0H 2P0

(T) 416-971-9856

(T) 519-599-3131

(F) 416-971-6191

(F) 519-599-2474

## Appendix A

### NOTICE OF APPOINTMENT OF AGENT

THIS NOTICE OF APPOINTMENT OF AGENT is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

By: \_\_\_\_\_  
a municipal corporation, having offices in the \_\_\_\_\_ of \_\_\_\_\_ in the Province of Ontario (hereinafter called "Customer"),

To: **All Interested Parties**  
(each a "Notified Party").

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1. Appointment. Customer confirms that it has entered into a contract relating to the retail sale of electricity (the "Contract") with LOCAL AUTHORITY SERVICES LIMITED ("LAS"). In order to facilitate the retail sale of electricity described in the Contract, Customer gives notice to the Notified Party that it has appointed LAS as Customer's sole and exclusive electricity retailer and agent for purposes related to the supply of electricity to each "Service Address" and for matters relating to facilitation of such supply.
2. Enrollment. Customer authorizes and directs LAS to enroll Customer with any Notified Party. Customer approves of the switch from its current electricity supplier to LAS as its retailer.
3. Direction. Customer hereby requests, authorizes and directs Notified Party to release any and all information in such Distribution Co.'s possession and control relating to Customer and the supply and delivery of electricity to each Service Address set forth below including, but not limited to, Customer usage information, site usage history reports, credit and payment history, consumption history, utility account number and account information to LAS.
4. Effective Date. The appointments and directions are effective as of the date first set above.
5. Responsibility. Customer confirms that it has the authority to enter into an agreement for the supply of electricity to each Service Address and to appoint an agent in connection thereof.

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#### The Corporation of the Town of The Blue Mountains

By: \_\_\_\_\_  
Name: Ellen Anderson  
Title: Mayor

\_\_\_\_\_  
Corrina Giles  
Clek

## Appendix B Fees

In accordance with Section 4.1, the Member agrees to pay LAS the following fees:

- (a) a fee of 0.1 cents per kilowatt-hour (kWh) for the notional quantity of electricity transacted under the Financial Agreements;
- (b) a fee of 0.05 cents per kilowatt-hour (kWh) for the billing and settlement services;
- (c) a fee of \$6 per month per account for all accounts billed on the spot market; and
- (d) such other fees as may be agreed upon between the retailer and/or LAS as consideration for the retailer acting as the Member's retailer.

In accordance with Section 4.2, the Member also acknowledges that LAS may hire a third party to act as retailer for Member, and that such retailer may hedge its obligations under the Financial Agreements with the Member by contracting with affiliates or third party suppliers. Further, Member acknowledges that if such retailer enters into hedges with third party suppliers related to the Financial Agreements, and such hedges require the retailer or its affiliates to provide performance assurances to the third party supplier, then the retailer may charge Member a finance fee for each megawatt hour supplied to Member to compensate retailer for the cost of providing such performance assurance, and such finance fee shall be billed under the Financial Agreement with the Member, and included on such invoice thereunder. Such finance fee shall be calculated as follows:  $\text{Finance Fee/MWh} = (A \times B) / C$ . Where, A = a per annum rate equal to (i) the sum of (a) 30 day LIBOR, determined by retailer, plus (b) twenty seven (27) basis points, (ii) divided by 12; B = the Aggregate Exposure (as defined below); and C = the total number of MWh being supplied by retailer to all participants in the LAS Program as of the date of determination. Member acknowledges that "C" may be equal to or greater than the number of MWh in the hedge transaction requiring credit support from retailer. For the purposes of this Section 3.4, "Aggregate Exposure" means the total of all Supplier Exposures. For the purposes of this Section 3.4, "Supplier Exposure" means, for each Supplier, the lesser of (i) the total mark-to-market exposure, if any, that retailer or its affiliates has with a Supplier who has entered into a hedge transaction with retailer, provided that if the amount is negative, then such amount shall be \$0, and (ii) the total mark-to-market exposure, if any, that retailer or its affiliates has with a Supplier under all hedge transactions with such Supplier that are associated with an outstanding transaction(s) between a Member and retailer, provided that if the amount is negative, then such amount shall be \$0.

Accepted and agreed to this \_\_\_ day of \_\_\_\_\_, 20\_\_ by:

**Local Authority Services Limited**

**The Corporation of the Town of The Blue Mountains**

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Nancy Plumridge

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Ellen Anderson

---

Corrina Giles

President

Mayor

Clerk

Local Authority Services Limited  
200 University Avenue, Suite 801,  
Toronto, ON M5H 3C6

Town of The Blue Mountains  
32 Mill Street, P.O. Box 310  
Thornbury, ON N0H 2P0

(T) 416-971-9856

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**OPP CONTRACT POLICING - CONTRACT STATISTICS**

D.1

MUNICIPALITY OF:		The Blue Mountains						
DETACHMENT / REGION:		Central						
FOR THE MONTH OF:		July			Year		2011	
Rank/Level	Total Regular Hours Worked	Total Calculated O/T Hours	ERT/ PORF TOTAL Regular Hours	ERT / PORF TOTAL Calculated O/T Hours	Net Regular Hours Worked	Net Calculated O/T Hours	Comments (Please Identify ERT/PORF officer(s) Including Name, WIN and Badge Numbers)	
<b>UNIFORM</b>								
Inspector	26.31				26.31	0.00		
<b>SSDC02 (Choose appropriate level)</b>								
Level 1 (24 mos+) PRI 3 (23+ Yrs)					0.00	0.00		
<b>SSDC01 (Choose appropriate level)</b>								
Level 1 (24 mos+) PRI 3 (23+ Yrs)					0.00	0.00		
<b>SS01 (Choose appropriate level)</b>								
SS01 (S/Sgt 23+ Yrs)	22.00	7.50			22.00	7.50		
SS01 (S/Sgt 17-23 Yrs)					0.00	0.00		
<b>SS02 (Choose appropriate level)</b>								
SS02 (S/Sgt 23+Yrs)	4.00				4.00	0.00		
SS02 (S/Sgt 17-23 Yrs)					0.00	0.00		
<b>SS03 (Choose appropriate level)</b>								
SS03 (S/Sgt 23+ Yrs)					0.00	0.00		
SS03 (S/Sgt 17-23 Yrs)					0.00	0.00		
<b>SG01 (Choose appropriate level)</b>								
SG01 (Sgt 23+ Yrs)	114.50	0.50			114.50	0.50		
SG01 (Sgt 23+ Yrs)	78.75	5.43			78.75	5.43		
SG01 (Sgt 17-23 Yrs)	29.56				29.56	0.00		
SG01 (Sgt 8-17 Yrs)					0.00	0.00		
SG01 (Sgt 1-8 Yrs)					0.00	0.00		
<b>SG02 (Choose appropriate level)</b>								
SG02 (Sgt 23+ Yrs)					0.00	0.00		
SG02 (Sgt 17-23 Yrs)					0.00	0.00		
SG02 (Sgt 8-17 Yrs)					0.00	0.00		
SG02 (Sgt 1-8 Yrs)					0.00	0.00		
<b>CS01 (Const 23+ Years)</b>	363.75		82.50		281.25	0.00		
<b>CS01 (Const 17-23 Years)</b>	307.50	25.50			307.50	25.50		
<b>CS01 (Const 8-17 Years)</b>	244.75	24.00			244.75	24.00		
<b>CS01 (Const &lt;8 Years)</b>	485.75	52.50	54.50	12.00	431.25	40.50		
<b>CS02 (Const 2-3 Years)</b>	178.00	0.75	160.50		17.50	0.75		
<b>CS03 (Const 1½ - 2 Years)</b>	113.25	15.75			113.25	15.75		
<b>CS04 (Const &lt; 1½ Year)</b>	105.00				105.00	0.00		
<b>Part Time Const.</b>	56.00				56.00	0.00		
<b>TOTAL HOURS</b>	<b>2,129.12</b>	<b>131.93</b>	<b>297.50</b>	<b>12.00</b>	<b>1,831.62</b>	<b>119.93</b>		

Contract Complement By Rank	# of Contract Complement (Column A)	Minimum # of Monthly Hours Based on Officer Availability <b>1467 hrs / 12 mths x Column A</b>
Insp	0.25	30.56
S/Sgt DC	0.00	0.00
S/Sgt	0.25	30.56
Sgt	2.00	244.50
Const	15.44	1,887.54
<b>TOTAL</b>	<b>17.94</b>	<b>2,193.17</b>
<b>Difference (Total Regular Hrs Worked Less Minimum Hrs)</b>		<b>(361.55)</b>

NOTE: Actual hours short should read 361.55 minus 215 hours worked by Federally funded officers who are not paid by the Town and are not part of the policing contract, representing a total hours short in contract policing of 146.55 hours.

Please enter the regular and calculated overtime hours worked by the ERT and Federally Funded Officers in "PORF" columns. These hours will automatically deduct from **Total Hours** to obtain **NET HOURS**.

**Report Submitted by:**

Signature	John D. Trude
Name/rank	Inspector/Detachment Commander
Telephone #	705-445-4321
Date	29-Aug-11

**Report Submitted to:**

Business and Financial Services Bureau  
 Amber Thompson-Carroll, Financial Analyst  
 Telephone # 705-329-6850  
 Fax # 705-329-6162  
 Email: amber.thompson-carroll@ontario.ca