Agenda – Executive Policy Committee – February 1, 2012

REPORTS

Item No. 5 Increased Funding for Community Centres

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That the creation of an annual Community Centre Renovation Grant Program (CCRGP) of up to $965,000, to be funded by the Land Operating Reserve, commence in 2012.

2. That Council approve an increase of up to $235,000 in the annual Programming Grant to General Council of Winnipeg Community Centres (GCWCC), from $235,000 to a maximum of $470,000; the increase to be funded by the Land Operating Reserve, be referred to the 2012 – 2014 Operating Budget process.

3. That the purpose of the Land Operating Reserve Fund be amended to include the transfer of funding to the General Revenue Fund (for programming grants to GCWCC) and the General Capital Fund (for the CCRGP), both to be approved by Council annually.

4. That the transfers from the Land Operating Reserve Fund (not to exceed $1.2 million in aggregate) to the General Revenue Fund and General Capital Fund be equal to 15% of gross land sales for the fiscal year two years prior to the budget year under consideration (e.g. transfer amounts for 2012 budget year based on 15% of gross land sales for 2010).

5. That, if gross land sales are less than the amount to achieve the maximum $1.2 million aggregate amount for this program, the transfer to the General Revenue Fund of up to $235,000 for the GCWCC programming grant be made first with the residual balance, if any, being transferred to the General Capital Fund for the CCRGP.

6. That the transfers be subject to the Land Operating Reserve Fund having sufficient capacity (i.e. not going into a deficit position) prior to any transfers to the General Revenue Fund.

7. That the authority to administer the new CCRGP be delegated to the Chief Administrative Officer.

8. That the Public Service be directed to do all things necessary to implement the intent of the foregoing.

ADMINISTRATIVE REPORT

Title: **Increased Funding for Community Centres**

Critical Path: Executive Policy Committee / Council

AUTHORIZATION

Author	Department Head	CFO	COO/CAO
C. Fernandes	C. Wightman B. Thorgrimson	Mike Ruta CFO	Deepak Joshi COO

RECOMMENDATIONS

1. That the creation of an annual Community Centre Renovation Grant Program (CCRGP) of up to $965,000, to be funded by the Land Operating Reserve, commence in 2012.

2. That Council approve an increase of up to $235,000 in the annual Programming Grant to General Council of Winnipeg Community Centres (GCWCC), from $235,000 to a maximum of $470,000; the increase to be funded by the Land Operating Reserve, be referred to the 2012 – 2014 Operating Budget process.

3. That the purpose of the Land Operating Reserve Fund be amended to include the transfer of funding to the General Revenue Fund (for programming grants to GCWCC) and the General Capital Fund (for the CCRGP), both to be approved by Council annually.

4. That the transfers from the Land Operating Reserve Fund (not to exceed $1.2 million in aggregate) to the General Revenue Fund and General Capital Fund be equal to 15% of gross land sales for the fiscal year two years prior to the budget year under consideration (e.g. transfer amounts for 2012 budget year based on 15% of gross land sales for 2010).

5. That, if gross land sales are less than the amount to achieve the maximum $1.2 million aggregate amount for this program, the transfer to the General Revenue Fund of up to $235,000 for the GCWCC programming grant be made first with the residual balance, if any, being transferred to the General Capital Fund for the CCRGP.

6. That the transfers be subject to the Land Operating Reserve Fund having sufficient capacity (i.e. not going into a deficit position) prior to any transfers to the General Revenue Fund.

7. That the authority to administer the new CCRGP be delegated to the Chief Administrative Officer.

8. That the Public Service be directed to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Council approval is required for the creation of the new Community Centre Renovation Grant Program (CCRGP) and to increase the annual programming grant to General Council of Winnipeg Community Centres (GCWCC).

Per Section 289 of the City of Winnipeg Charter, Council approval is required to amend the purpose for which a reserve was created.

IMPLICATIONS OF THE RECOMMENDATIONS

Additional funds are required in order to improve the condition of Community Centre facilities based on the repairs, upgrades, retrofits, safety, and renovation projects that are required with these city-owned infrastructure.

Capital funds (up to $965,000) for the renovation and improvement of City-Owned Community Centre infrastructure are required to supplement limited capital resources available through existing budgets.

New Community Centre Renovation Grant Program (CCRGP) – Capital:

This report proposes that the CCRGP Application Evaluating Committee be comprised of one member of GCWCC, one member from the Community Services Department, and one member of the Planning, Property and Development Department. This Committee will further define the program parameters, application process, intake period, and evaluation criteria but will include the following guiding principles, subject to refinement by the Committee:

- The CCRGP will be open to all GCWCC Community Centres in Winnipeg
- Each Community Centre shall be eligible to receive funding for one project per calendar year
- The maximum City contribution to each project, inclusive of all applicable taxes, cannot exceed $50,000
- There shall be one intake period per year where applications will be accepted by the CCRGP Evaluating Committee (e.g. November 1st of each year)
- Reviews by the Committee will begin after the intake deadline with awards made by March 1st of the following year

The new Community Centre Renovation Grant Program (CCRGP) will be administered by the Community Services Department. Incremental staffing is not being requested, but will be absorbed within existing resources.

Increased Community Centre Programming Grant to GCWCC – Operating:

Increased programming funding (from $235,000 up to $470,000) to Community Centres will help develop long-term program initiatives to meet the needs of neighbourhoods, sustain current programs, offer leisure recreation and leadership opportunities that will improve the quality of life in the neighbourhood, and support initiatives that will increase participation.

The Management Agreement between the City of Winnipeg and the General Council of Winnipeg Community Centres, as of April 10, 2008, includes annual program funding to GCWCC. In Appendix "C" of the Management Agreement, an addendum to the Agreement approved in 2006, it states:

"2.0 GCWCC will utilize annual program grant funding from the City of Winnipeg to assist recognized Community Centres of Winnipeg to achieve the following objectives:
(a) the development of new long-term program initiatives designed to meet the need of the neighbourhoods;
(b) to sustain current programs that are responding to specific neighbourhood needs;
(c) to offer leisure recreation and leadership opportunities that will improve the quality of life in the neighbourhood; and
(d) to support initiatives that will increase community participation

2.1 Program grant funding eligibility and amount of funding provided to the Community Centres will be determined by the GCWCC.

2.2 GCWCC will provide the City of Winnipeg annually with:
(a) an annual audited financial statement; and
(b) an annual summary of the number and types of programs being funded

2.3 The City of Winnipeg agrees to provide funding to GCWCC in the sum of $235,000 annually. The funding will be advanced by way of two (2) installments annually, 60% in January with the remaining 40% in June."

This report proposes increasing the grant to GCWCC to a maximum of $470,000 annually. Program funding eligibility and the amount of funding provided to the Community Centres should continue to be determined and administered by GCWCC as per the existing Management Agreement between the City of Winnipeg and GCWCC.

Land Operating Reserve:

The funding to increase financial support to Community Centres is proposed to come from the Land Operating Reserve, which would reduce the balance of funds available in the Reserve. The maximum amount each year that would be transferred from the Land Operating Reserve is $1.2 million, based upon a contribution equal to 15% of gross land sales, calculated as at December 31st of the year two years prior to the budget year under consideration (e.g. transfer amounts for 2012 budget year based on 15% of gross land sales for 2010).

HISTORY

Currently, the annual programming grant to General Council of Winnipeg Community Centres is $235,000.

The 2011 Adopted City of Winnipeg Capital Budget Program for Community Centres is $500,000 (*Community Centres – Refurbishing and Improvements, Municipal Accommodations*). This program is for the refurbishment and improvement of Community Centres and provides funds for roofing, structural upgrades, site drainage, and hard surface building access upgrades.

GCWCC currently administers a Provincial Capital Grant of $150,000 for Community Centres.

There are 66 Community Centres in Winnipeg.

FINANCIAL IMPACT

Financial Impact Statement **Date:** December 7, 2011

Project Name: **First Year of Program** **2012**
Increased Funding for Community Centres

	2012	2013	2014	2015	2016
Capital					
Capital Expenditures Required	$ 965,000	$ 965,000	$ 965,000	$ 965,000	$ 965,000
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ 965,000	$ 965,000	$ 965,000	$ 965,000	$ 965,000
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	965,000	965,000	965,000	965,000	965,000
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ 965,000	$ 965,000	$ 965,000	$ 965,000	$ 965,000
Total Additional Capital Budget Required	$ 4,825,000				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 470,000	$ 470,000	$ 470,000	$ 470,000	$ 470,000
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 470,000	$ 470,000	$ 470,000	$ 470,000	$ 470,000
Less: Existing Budget Amounts	235,000	235,000	235,000	235,000	235,000
Net Budget Adjustment Required	$ 235,000	$ 235,000	$ 235,000	$ 235,000	$ 235,000

Additional Comments:

The increased programming grant to the General Council of Winnipeg Community Centres (GCWCC) of up to $235,000 and the establishment of a new capital program called the Community Centre Renovation Grant Program (CCRGP) for up to $965,000 for a total of up to $1.2 million are proposed to be funded through a contribution of annualized gross land sales from the Land Operating Reserve (LOR). Assuming the recommendations in the report are accepted and funding is provided by the LOR for both the capital and operating components, the Net Budget Adjustment Required for the tax-supported fund would be zero.

original signed by
Cindy Fernandes, CMA
Controller, Community Services

original signed by
Mike McGinn, CA
Controller, Planning Property & Development

CONSULTATION

In preparing this report there was consultation with:

Chief Financial Officer
Legal Services Department

SUBMITTED BY

Department: Community Services
Division: Finance & Administrative Services
Prepared by: Cindy Fernandes, Controller/Manager, Finance & Administrative Services
Date: December 7, 2011
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