Minutes – Executive Policy Committee – March 19, 2019

BUDGET REVIEW

Item No. 11 General Council of Winnipeg Community Centres 2018 – 2020 Business Plan

EXECUTIVE POLICY COMMITTEE DECISION:

The Executive Policy Committee received the matter as information.

(See Budget Review Item 22)

Minutes – Executive Policy Committee – March 19, 2019

DECISION MAKING HISTORY:

Moved by Councillor Gillingham,
That the matter be received as information.

Carried

COUNCIL DECISION:

On September 20, 2018, Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That the General Council of Winnipeg Community Centres' (GCWCC) 2018 – 2020 Business Plan (Appendix A) be received as information.

2. That an annual $35,000 conditional grant to GCWCC for the purpose of legal service reimbursement be referred to the 2019 – 2021 Budget process, subject to the following:

    A. That reimbursement of legal fees to GCWCC for itself and the City's community centres be (1) for the provision of legal advice with respect to the review and execution of management agreements between community centres and the City; (2) for the provision of legal representation with respect to the defence of claims filed against community centres provided that such claims do not allege bad faith or defamation; and (3) other legal services pre-approved by the Director of Legal Services and City Solicitor on a case-by-case basis.

    B. That the Chief Corporate Services Officer be authorized to develop and approve the administrative process for the submission and payment of claims for such legal fees;

    C. That a periodic review be conducted by the Director of Legal Services and City Solicitor of the actual requests for reimbursement received by GCWCC and recommend adjustments, as deemed appropriate, to this maximum amount in future years' budgets.

    D. That the City enter into, execute and deliver a grant agreement with GCWCC, and that the Chief Corporate Services Officer be authorized to negotiate and approve the terms and conditions of such grant agreement in accordance with this report and such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

3. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 12, 2018, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

Title: Proposed General Council of Winnipeg Community Centres 2018 – 2020 Business Plan

Critical Path: Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
P. de Graaf	C. Fernandes	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

General Council of Winnipeg Community Centres (GCWCC) has identified 17 goals in their 2018 - 2020 Business Plan. Goals relate to:

- GCWCC Strategic Plan
- Management Agreements
- GCWCC Plan 2025
- Grant Administration
- Universal Funding Formula and Responsibilities Document
- Community Centre Boundary Review
- GCWCC 2018 – 2020 Priority Action Plan
- Community Centre Engagement

GCWCC requires continued support and consultation with the Public Service on key initiatives, including the following:

- Community Centre Universal Funding Formula (UFF) and Responsibilities Document
- Management Agreement
- GCWCC Plan 2025
- Winnipeg Recreation & Parks Strategies

GCWCC receives grants from the City of Winnipeg. The GCWCC Business Plan includes program details, recipients of the grant dollars by name and year, and a financial summary for the Operating Grant, Programming Grant, Community Centre Program Registration Fee Subsidy Grant, the Community Centre Janitorial Program, Athletic Field Equipment, and the Athletic Fields Maintenance Grant.

Recently, the GCWCC and Community Centres (CC's) are and will need to be incurring incremental legal expenses associated with claims and management agreements. City lawyers cannot provide the GCWCC and CC's with legal advice or services without contravening the conditions of their exemption from the Law Society insurance requirement. GCWCC is requesting funding to retain legal representation. The Public Service supports GCWCC's request.

Upon Council approval, the Public Service will develop and approve the administrative process for the submission and reimbursement of claims for such legal fees. A periodic review will be conducted by the City Solicitor / Director of Legal Services of the actual requests for reimbursement received by GCWCC and will recommend adjustments, as deemed appropriate, to this maximum amount in future years' budgets.

RECOMMENDATIONS

1. That Council receives as information the General Council of Winnipeg Community Centres' (GCWCC) 2018 – 2020 Business Plan (Appendix A).

2. That Council refer to the 2019 - 2021 Budget process, an annual $35,000 conditional grant to GCWCC for the purpose of legal service reimbursement, subject to the following:

    a. That reimbursement of legal fees to GCWCC for itself and the City's community centres be (1) for the provision of legal advice with respect to the review and execution of management agreements between community centres and the City; (2) for the provision of legal representation with respect to the defence of claims filed against community centres provided that such claims do not allege bad faith or defamation; and (3) other legal services pre-approved by the City Solicitor / Director of Legal Services on a case-by-case basis.

    b. That the Chief Corporate Services Officer be authorized to develop and approve the administrative process for the submission and payment of claims for such legal fees;

    c. That a periodic review be conducted by the City Solicitor / Director of Legal Services of the actual requests for reimbursement received by GCWCC and recommend adjustments, as deemed appropriate, to this maximum amount in future years' budgets.

    d. That the City enter into, execute and deliver a grant agreement with GCWCC, and that the Chief Corporate Services Officer be authorized to negotiate and approve the terms and conditions of such grant agreement in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

3. That the proper officers of the City be authorized to do all things necessary to implement the foregoing.

REASON FOR THE REPORT

GCWCC is required to provide a three-year Business Plan and annual audited financial statements to Council on an annual basis.

Council approval is required for new grant requests.

IMPLICATIONS OF THE RECOMMENDATIONS

GCWCC's 2018 - 2020 Business Plan contributes to the strengthening of neighbourhoods, promotion of community social cohesion, and an increase in community pride and satisfaction.

GCWCC's 2018 - 2020 Business Plan identifies planning strategies that enhance the well-being and quality of life among area residents through sport and recreation programming.

Securing legal representation will provide the GCWCC and 63 Community Centres legal services as they require to govern and manage the City's community centre portfolio. Beginning in 2019, additional Mill-rate support is required to provide the conditional grant to reimburse GCWCC itself and the City's community centres for legal services.

Reimbursement of legal fees for GCWCC and City-owned community centres may trigger requests by other non-related entities that the City has a partnership with.

HISTORY/DISCUSSION

GCWCC was established in 1971 to promote and encourage cooperation and communication among the community centres and City of Winnipeg administration; to provide a central council for the exchange of ideas; and, to consider solutions to common problems.

The Universal Funding Formula (UFF) was adopted by Council in 1993 to address many discrepancies and inequities that existed as a result of Unicity. Today, all centres receive funding based on heated square footage, population base and number of outdoor hockey pens.

With the adoption of the Recreation, Leisure and Libraries Facilities Policy in May 2005, the roles and responsibilities of GCWCC were significantly increased. The Policy included an increase of $150,000 to GCWCC's annual operating grant. The annual operating grant is $216,491 and is included within the 2018 – 2012 tax-supported budget and grant to GCWCC. GCWCC was requested to submit an annual three-year business plan as a requirement of this increase.

On April 14, 2008, GCWCC entered into a Management Agreement with the City of Winnipeg. This agreement outlined the responsibilities of the GCWCC and the City of Winnipeg as related to the City of Winnipeg's community centres. GCWCC continues to work in partnership with the City of Winnipeg's Community Services Department to facilitate the implementation of policies and operating procedures that assist community centres in their day-to-day operations.

On May 27, 2009, Council adopted Plan 2025, a 20-year policy for the future direction of the community centre movement in the City of Winnipeg.

On September 27, 2012, Council adopted the proposed General Council of Winnipeg Community Centres' 2012 - 2014 Business Plan.

On September 24, 2014, Council adopted the proposed GCWCC 2013 - 2015 Business Plan.

On December 14, 2016 Council adopted the proposed General Council of Winnipeg Community Centres' 2016-2018 Business Plan.

On September 27, 2017 Council received the proposed General Council of Winnipeg Community Centres' 2017-2019 Business Plan as information.

In 2017, the Community Centre Annual Volunteer Report identified that 17,497 individuals volunteered their time to 63 community centres for a total of 1,268,981 hours. Volunteers provide social supports and bring value to their communities through their contributions.

On July 19, 2018, Council adopted the authority for the City of Winnipeg to enter into, execute, and deliver, a Management Agreement with the General Council of Winnipeg Community Centres Inc.

GCWCC's 2018 - 2020 Business Plan reviews the history of the organization to provide context to the direction identified in the plan. It describes the initiatives and programs the organization has started or will be embarking on in the next three years and provides updates on feasibility studies.

GCWCC has identified 17 goals in their 2018 - 2020 Business Plan. Goals relate to:

- GCWCC Strategic Plan
- Management Agreements
- GCWCC Plan 2025
- Grant Administration
- Universal Funding Formula and Responsibilities Document
- Community Centre Boundary Review
- GCWCC 2018 - 2020 Priority Action Plan

Key initiatives requiring continued support and consultation between the City of Winnipeg and GCWCC include:

- **Community Centre Universal Funding Formula (UFF) and Responsibilities Document** - A review of the UFF and the Responsibilities Document is currently underway for implementation in 2019, for the purpose of assessing the current formula to ensure it is equitable, and to confirm expectations and responsibilities of community centres, GCWCC, and the City of Winnipeg relative to the management of these City-owned assets.

- **Winnipeg Recreation & Parks Strategies** - In 2017, the City of Winnipeg initiated the development of the Winnipeg Recreation and Parks Strategies (WR&PS), led jointly by the Community Services Department and the Parks & Open Space Division of the Public Works Department. The WR&PS will involve significant public engagement processes that will include GCWCC, district community centre boards, other recreation

stakeholders and the general public. This consultation will serve to determine economically sustainable, community needs-based levels of service for all recreation facility types including community centres, and lead to confirmation or revision of current recreation facility service level policy based on population, geographic distribution and square footage per capita.

  - The WR&PS will provide a decision-making framework and defined levels of service that will guide Council on investing in redevelopment and rehabilitation of existing recreation infrastructure, as well as the development of new infrastructure in underserviced neighbourhoods and areas of growth.

- **Plan 2025** – The purpose of Plan 2025 (2005 – 2025) is to provide a 20-year Policy for the future direction of the community centre movement in Winnipeg. GCWCC's goal is to proceed with the next review of Plan 2025 in conjunction with the development of the Winnipeg Recreation & Parks Strategies

- **Recreation, Leisure and Libraries Facilities Policy** – The Recreation, Leisure and Libraries Facilities Policy identified a stronger leadership role for GCWCC to strengthen and optimize the community centre model in the City of Winnipeg.

- **Management Agreement** – On April 14, 2008, GCWCC entered into a Management Agreement with the City of Winnipeg. This agreement outlines the responsibilities of the GCWCC and the City of Winnipeg as it relates to City of Winnipeg community centres. GCWCC continues to work in partnership with the City of Winnipeg's Community Services Department to facilitate the implementation of policies and operating procedures that assist community centres in their day-to-day operations. The Management Agreement has expired and consultation between GCWCC and the City to develop an agreement that addresses the challenges and opportunities facing community centres is underway.

  - GCWCC is working collaboratively with the City of Winnipeg on the GCWCC/City of Winnipeg Management Agreement, to be completed in 2018.

- **Legal Representation Services for the GCWCC and CCs -** All lawyers who practice law in Manitoba are regulated, licenced and insured by the Law Society of Manitoba. The lawyers who work for Legal Services at the City of Winnipeg are exempt from the insurance requirements imposed by the Law Society so long as their practice is limited to providing legal services/advice solely to the City. Each CC and the GCWCC is a separate legal incorporated entity. As a result, City lawyers cannot provide them with legal advice or services without contravening the conditions of their exemption from the Law Society insurance requirement.

  Due to the above, the GCWCC has requested in its business plan, financial assistance from the City for the GCWCC and CC's to secure legal representation. The Public Service supports this request for the following reasons:
  - CC's were created by Council in 1947.[1]
  - The 2005 *Recreation, Leisure, and Libraries Facilities Policy* (RLLF) as adopted by Council on May 18, 2005 identified that the General Council of Winnipeg Community Centres would assume an enhanced governance role in order to strengthen and optimize the Community Centre model in Winnipeg.

[1] "Recreational and Youth Needs Report" C.W. Board of Parks 1946

- In terms of operations, section 3.3 of RLLF indicates:
  'GCWCC will assist in providing day-to-day administrative support to Community Centres and will collaborate with the City to optimize the support provided to Community Centres.'
- CC's are responsible for the day-to-day programming, care, control, and maintenance of City-owned assets.
- CC's are managed by volunteer boards. In 2017, 17,497 CC volunteers provided over 1,260,000 volunteer hours in order to improve quality of life for the residents of Winnipeg. Furthermore, in 2017, 46 CC's participated in the Athletic Field maintenance program providing services to City fields at a very low cost.
- Recently, the City has and will continue to formalize funding and management agreements with the GCWCC and CC's. As a result, and on behalf of Community Centres, the GCWCC is requesting funding to retain their own legal representation.
- Legal representation for the GCWCC and the CC's may result in reduced financial risks for taxpayers, C.C. volunteers, GCWCC, and the City.

In support of GCWCC's request in their Business Plan submission, the Public Service is proposing that the City reimburse GCWCC and CC's legal representation for defence of claims filed against the community centres (with the exception of claims alleging bad faith or defamation) and legal advice with respect to the review and execution of management agreements with the City, and other legal services approved by the City Solicitor / Director of Legal Services.

Upon Council approval, the Public Service will develop and approve the administrative process for the submission and reimbursement of claims for such legal fees. A periodic review will be conducted by the City Solicitor / Director of Legal Services of the actual requests for reimbursement received by GCWCC and will recommend adjustments, as deemed appropriate, to this maximum amount in future years' budgets.

GCWCC's Business Plan includes program details, recipients of the grant dollars by name and year, and a financial summary for the Operating Grant, Programming Grant, Community Centre Program Registration Fee Subsidy Grant, the Community Centre Janitorial Program, Athletic Field Equipment, and the Athletic Fields Maintenance Grant.

GCWCC receives the following grant funds from the City of Winnipeg and administers the following grant programs (2018 Council-approved levels):

Operating Grant - $216,491 - GCWCC utilizes the grant for salaries, administrative and operating expenses of the organization.

- GCWCC's Roles and Responsibilities include:

  - Communication
  - Administrative and Operational Supports
  - Administration of Grants
  - Community Centre Engagement
  - Programming Support
  - Community Centre Facility Development
  - Business Planning

- District Planning
- Leadership, Training Support
- Universal Funding Formula Responsibilities
- Sustainability Efforts

- **Programming Grant (existing)** - $470,000 - GCWCC is responsible for administering the Community Centre Programming Grant. The grant provides funding assistance to ensure that all centres can offer sustainable programs for their area residents. In 2017, 21 community centres were awarded funding.

- **Program Registration Fee Subsidy Program (existing)** - $85,750 - GCWCC administers the Community Centre Program Registration Fee Subsidy. This subsidy is designed to assist those children who would not otherwise participate in community centre activities due to financial circumstances. In 2017, with support from the City of Winnipeg, Province of Manitoba, Canadian Tire Jumpstart Program, and other contributors, 842 children from 54 different community centres accessed this program.

- **Community Centre Janitorial Program (existing)** - $300,000 - GCWCC administers the Community Centre Janitorial Program Grant. The purpose of the program is to support those community centres that need janitorial assistance and/or need incremental funds to support their janitorial program. In 2017, 13 community centres accessed this program.

- **Athletic Field Maintenance (existing)-** $374,484 - GCWCC, in conjunction with the City of Winnipeg Public Works Department, Parks and Open Space Division, awards grants to participating community centres using the City of Winnipeg Maintenance Standard. In 2017, 46 community centres accessed this funding.

- **Athletic Field Equipment (existing)** – $275,000 - GCWCC, in conjunction with the City of Winnipeg Public Works Department, Parks and Open Space Division, awards grants to participating community centres for the purpose of the Sweat Equity Maintenance Program. The grant was to purchase or acquire equipment that was required to transport athletic field maintenance equipment between sites that require the use of public roadways. In 2017, 5 community centres accessed this funding.

The Public Service requires GCWCC to use a business plan template (Appendix B), in order that applicable pertinent details and financial accountability be included in all future annual Business Plan submissions. GCWCC's Business Plan was completed according to this business plan template.

Per the Management Agreement, GCWCC is required to provide an annual three-year business plan and annual audited financial statements within 120 days of GCWCC's fiscal year end. Based on a fiscal year end of December 31, followed by the GCWCC Annual General Meeting held in April of each year, a business plan submission to the Public Service in June with a submission to EPC in September, is operationally feasible. This timeline will be recommended in the new Management Agreement currently under review.

The City of Winnipeg and GCWCC have a very strong partnership and are committed to working together to achieve the outcomes in the Business Plan.

FINANCIAL IMPACT

Financial Impact Statement

Date: August 17, 2018

Project Name:

First Year of Program **2018**

Proposed General Council of Winnipeg Community Centres 2018 – 2020 Business Plan

	2018	2019	2020	2021	2022
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 1,721,725	$ 1,756,725	$ 1,756,725	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 1,721,725	$ 1,756,725	$ 1,756,725	$ -	$ -
Less: Existing Budget Amounts	1,721,725	1,721,725	1,721,725	-	-
Net Budget Adjustment Required	$ -	$ 35,000	$ 35,000	$ -	$ -

Additional Comments: Direct costs represent grants to the General Council of Winnipeg Community Centres (GCWCC) from the City of WInnipeg. The following grants totalling $1,721,725 are included in the Community Services' and Public Works Department's 2018 Council adopted and 2019-2020 preliminary tax-supported budgets:

Community Services:
Operating Grant - $216,491
Programming Grant - $470,000
Program Registration Fee Subsidy Program - $85,750
Community Centre Janitorial Program - $300,000

Public Works:
Athletic Field Maintenance Grant - $374,484
Athletic Field Equipment - $275,000

Additional Mill-Rate support beginning in 2019 is required to provide an additional $35,000 conditional grant to GCWCC for the purpose of legal service reimbursement.

Original Signed by K. Lemoine
Kelly Lemoine CPA, CA
Manager Finance and Administratve Services
Community Services Department

CONSULTATION

This Report has been prepared in concurrence with:

- General Council of Winnipeg Community Centres
- Legal Services (as to legal issues)

This Report has been prepared in consultation with:

- Public Works Department – Parks & Open Spaces Division

OURWINNIPEG POLICY ALIGNMENT

01-1 City Building

Create Complete Communities - The daily necessities of life should be within reach, with options for accessing services, amenities and resources like grocery stores, banks and restaurants, together with community centres, schools and day care centres.

01-2 01-5 Recreation

Direction 6: Plan for sustainable and connected recreation and leisure infrastructure.
Enabling Strategy - Deliver community and neighbourhood-managed recreation services by maintaining ongoing support for developing community centres with public, not-for-profit and private partners.

SUBMITTED BY

Department: Community Services
Division: Community Development and Recreation Services
Prepared by: Peter de Graaf, Manager
Date: August 17, 2018
File No: CMS-2018-14

Attachments:

Appendix A – GCWCC Business Plan 2018 – 2020

Appendix B – Business Plan Template