Agenda - Executive Policy Committee -September 4, 2002

REPORTS

2. From the Clerk, Lord Selkirk-West Kildonan Community Committee
Minute 253 - LSWK 2002/06/11

Expenditure from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund to the Seven Oaks House Museum Board for the Seven Oaks Children's Craft Barn project
Files EP-2 (Vol. 29) and PR-9.7(Vol. 3)

Advising that on June 16, 2002, the Lord Selkirk-West Kildonan Community Committee considered a communication from the Treasurer, Seven Oaks House Museum Board, received on May 6, 2002; report from the Chief Financial Officer dated June 10, 2002; report from the Director of Planning, Property and Development dated July 5, 2002; and communication from the Chairperson and Member-at-Large, Seven Oaks House Museum Board, dated July 16, 2002, with respect to the above, and passed the following motion, namely:

"1. That the report from the Chief Financial Officer dated June 10, 2002 and the report from the Director of Planning, Property and Development dated July 5, 2002 be received as information.

2. That the sum of $25,000.00 approved by Council from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund, on May 26, 1999, for the Seven Oaks House Museum Children's Craft Barn project, and the additional sum of $25,000.00 held in abeyance from the same funding source since January 9, 2001 for the same purpose, be reallocated/approved to the Seven Oaks House Museum Board for the Seven Oaks House Museum restoration project,

and forwarded to Executive Policy Committee."

Minutes - Lord Selkirk-West Kildonan Community Committee – July 16, 2002

REPORTS

253. From the Treasurer, Seven Oaks House Museum Board
Communication (received) 2002/05/06

Expenditure from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund to the Seven Oaks House Museum Board for the Seven Oaks Children's Craft Barn project
Files EP-2(Vol. 29) and PR-9.7(Vol. 3)

Advising that at a meeting of the Seven Oaks House Museum Board held on May 1, 2002, the matter of the previous Board's "Craft Barn Project" was discussed and a motion was passed stipulating that the Seven Oaks House Museum Board considers the project to be defunct.

Submitting, for the information of the Lord Selkirk-West Kildonan Community Committee, a copy of the presentation made in this matter by the Treasurer to the Seven Oaks House Museum Board on May 1, 2002.

Note: On April 16, 2002, the Lord Selkirk-West Kildonan Community Committee requested that the Financial Statement issued by RBC Dominion Securities dated February 28, 2002 obtained by James Fielding, Chairperson, Seven Oaks House Museum Board, be referred to the Chief Financial Officer for investigation and report back to the Lord Selkirk-West Kildonan Community Committee, on where the funding sources for the investments came from, the amount of funding received from each contributor, and specifically, the type and amount of funding received from the City of Winnipeg.

From the Chief Financial Officer
Report 2002/06/10

Recommending that the report outlining funding sources of money invested with RBC Dominion Securities be received as information.

Note: On June 18, 2002, the Lord Selkirk-West Kildonan Community Committee passed the following motions in this matter:

1. That the Lord Selkirk-West Kildonan Community Committee go on record as accepting the information of the Seven Oaks House Museum Board that the Children's Craft Barn project is defunct and filed.

2. That the expenditure from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund to the Seven Oaks House Museum Board be laid over to the next meeting of the Lord Selkirk-West Kildonan Community Committee scheduled for July 16, 2002.

3. That a meeting, to discuss the concerns of the Seven Oaks House Museum Board and the ongoing maintenance problems of the Seven Oaks House Museum facility, be coordinated by Councillor Lazarenko's Office with the following persons requested to be in attendance, namely: Jim Galley, Asset Accommodations Administrator, Clive Wightman, Manager of Finance and Administration Services, and Roland Gibson, Portfolio Management Analyst.

4. That representatives of the Seven Oaks House Museum Board submit in writing and appear in delegation before the Lord Selkirk-West Kildonan Community Committee, at its meeting scheduled for July 16, 2002, recommendations for the reallocation of the funding from the Land Dedication Reserve Fund for the restoration of the Seven Oaks House Museum facility.

5. That the Chief Administrative Officer be advised of the above motions and be requested to take immediate action on the motion passed by the Lord Selkirk-West Kildonan Community Committee on May 14, 2002 relative to the identification of the immediate and essential repairs/upgrades to the Seven Oaks House Museum facility and the provision of the necessary funding for such repairs, and report back to Committee thereon for its next meeting on July 16, 2002.

From the Director of Planning, Property and Development
Report 2002/07/05

Recommending that the items listed as a priority for 2002 on the Seven Oaks House Museum "Ten Year Maintenance and Repair Plan identified as Schedule "A", be considered immediate and essential repairs/upgrades and that funds for said repairs be reallocated in part out of the now defunct Children's Craft Barn project and the Lord Selkirk-West Kildonan Community Committee Land Dedication Reserve Fund.

From the Chairperson and Member-at-Large, Seven Oaks House Museum Board
Communication 2002/07/16

Submitting a copy of the presentation the Chairperson and Member-at-Large of the Seven Oaks House Museum Board, will be making to the Lord Selkirk-West Kildonan Community Committee at its meeting scheduled for July 16, 2002.

Moved by Councillor Lazarenko,

1. That the report from the Chief Financial Officer dated June 10, 2002 and the report from the Director of Planning, Property and Development dated July 5, 2002 be received as information.

2. That the sum of $25,000.00 approved by Council from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund, on May 26, 1999, for the Seven Oaks House Museum Children's Craft Barn project, and the additional sum of $25,000.00 held in abeyance from the same funding source since January 9, 2001 for the same purpose, be

reallocated/approved to the Seven Oaks House Museum Board for the Seven Oaks House Museum restoration project,

and forwarded to Executive Policy Committee.

Carried

May 6, 2002 - FAX: 947-3452

ATTENTION: DIANE TIMMINS - CITY CLERK'S OFFICE

SEVEN OAKS HOUSE MUSEUM

Comments to Board - May 1, 2002

PROPOSED BARN PROJECT

This project was undertaken by the former Board in 1998. Since then there were two meetings held to inform area residents of their plans and the subject was discussed at the Seven Oaks Residents' Association general meetings in the Spring of 2000 and 2001. No specifics were ever made available to the residents and it was impossible to obtain any information as to exact cost, source of funding, anticipated completion date, income and cash flow projections and proposed plans for operation and meeting expenses on an on-going basis.

The matter was presented to the Lord Selkirk-West Kildonan Community Committee on several occasions in the past 18 - 24 months, both by the proponents and opponents. On January 17, 2002, the Project Chair Person informed Community Committee that the Seven Oaks House Museum Board was withdrawing its latest variance application for the project. In light of the expected appointment of a new Board, Community Committee directed that the matter of request for funding from the City be held in abeyance until such time as the new Board had an opportunity to review the records, form an opinion and report back to them.

On April 8, 2002, I spoke with Bernice Marmel, Project Chair, requesting their files but she declined to co-operate, implying that all information could be obtained from Councillor Lazarenko's office. This was discussed with the Councillor's Executive Assistant, who informed that while they did have copies of some correspondence they had no specifics relating to the fund raising and investment activity.

Without the benefit of any file material it is impossible to realistically assess the viability of the project. In addition, as caretakers of the Museum and its surroundings, we have a moral obligation to preserve this valuable historical green space.

If you have any questions, I will attempt to address them and following any discussion we can make a Motion to support our decision, which can then be passed on to Community Committee for their next regular meeting in may.

Submitted by: Ruth Boyd - Treasurer

May 6, 2002 - FAX: 947-3452

ATTENTION: DIANE TIMMINS - CITY CLERK'S OFFICE

RE: SEVEN OAKS HOUSE MUSEUM

Presentation to Lord Selkirk-West Kildonan Community Committee - May 14, 2002

At our Board Meeting of May 1, 2002, the matter of the previous Board's "Barn Project" was discussed and a Motion passed stipulating we consider the project to be defunct. A copy of the presentation made to the Board is attached.

The newly appointed Board have now had an opportunity to assess the needs of the Museum and recognize there is much required in the way of upgrading to preserve this historical site.

In the company of our Chairperson, Jim Fielding, City of Winnipeg representatives attended the Museum at 1:30 p.m. on Friday, May 3, 2002 to inspect the premises and grounds. A team of seven or eight people, led by Roland Gibson, were comprised of staff from Planning & Property Development Dept. and Public Works Dept. Mr. Fielding pointed out to the team the necessary repairs, that is - lighting, alarm system, general repairs to washrooms, etc. This facility is open to the public and safe access must be provided. A report on the findings of this delegation has been promised within three weeks of their inspection.

Pending receipt of the report, we can only stress that since the site is an asset of the City their involvement is long overdue and an essential requirement to ensure its preservation. We look forward with favor for results in this regard.

We would also advise that at our May 1 meeting, we accepted the resignation of Board Member Richard Kennett and his letter has been directed to the City Clerk. We will currently leave the position vacant and should a replacement be considered, standard procedures will be observed and the initial term will expire November 2003 in order to maintain approved continuity with respect to terms of office.

Thank you for your time.

Ruth Boyd - Treasurer 158 Tait Avenue, Winnipeg, Mb R2V OK1

Re: **SEVEN OAKS HOUSE MUSEUM**

For submission to: **Lord Selkirk-West Kildonan Community Committee**

Submitted by: **Chief Financial Officer**

Report date: **June 10, 2002**

In Camera: **No**

Recommendation(s):

That the following report outlining funding sources of money invested with RBC Dominion Securities be received as information.

Report Summary

Key Issues:

Involves the review of funding sources of money invested with RBC Dominion Securities.

Implications of the Recommendation(s):

General Implications

ð None

ð For the organization overall and/or for other departments

x *For the community and/or organizations external to the City of Winnipeg*

ð Involves a multi-year contract

Comment:

Policy implications

X No

ð Yes

Comment:

Financial Implications

X Within approved current and/or capital budget

ð Current and/or capital budget adjustment required

Comment: There are no financial implications with this report.

Report

Recommendation(s):

That the following report outlining funding sources of money invested with RBC Dominion Securities be received as information.

Reason for the report:

At its meeting held on April 16, 2002, the Lord Selkirk - West Kildonan Community Committee requested that the Financial Statement issued by RBC Dominion Securities dated February 28, 2002, obtained by James Fielding, Chairperson, Seven Oaks House Museum Board, be referred to the Chief Financial Officer for investigation and report back to the Lord Selkirk - West Kildonan Community Committee on where the funding sources for the investments came from, the amount of funding received from each contributor, and specifically, the type and amount of funding received from the City of Winnipeg.

History:

The Seven Oaks House Museum is one of several museums the City owns. In 1988, Council adopted a policy relative to the operation of City-owned Museums including "that the services of civic support departments (i.e. Audit, Budget Bureau, Finance, Law, Civic Properties, Personnel, etc.) be made available to the Museums' Boards upon request and as soon as possible within available resources."

In November 1994, Council adopted the following recommendation from the Audit Department "that the Mayor and Council rescind the Council Order adopted March 2, 1988, that requires an audit of the financial statements of Museums receiving funding from the City."

Discussion:

In the Fall of 2001, the Board of the Seven Oaks House Museum was disbanded. A new Board was put in place in early 2002 and a set of Operating Terms of Reference was adopted by Council on April 24, 2002. Included in the Operating Terms of Reference is the following: "The Board shall keep at the Seven Oaks House Museum, or at such place as shall be designated from time to time, the proper books and accounts of the receipts, payments, credits, assets and liabilities of the Board and submit its accounts to be audited by the City Auditor in like manner and at the same time as the accounts of the City are audited." At the April 16th meeting of the Lord Selkirk - West Kildonan Community Committee, the new Chairperson of the Board of

the Museum brought a February 28, 2002 investment statement from RBC Dominion Securities to the attention of the Committee. The statement shows a balance of $71,186.02. The administration was advised that this investment money had been collected for the construction of a Children's Craft Barn to be located adjacent to the Museum. As there are no longer plans to construct the Craft Barn, the Board does not want to access these funds until the source of them has been clarified.

In discussing this issue with the new Chairperson and the Treasurer of the Seven Oaks House Museum Board, the administration was told that there were no records transferred over to them identifying the source of these funds. The Board members did discover there had been two different bank accounts opened at the Canadian Imperial Bank of Commerce and a bank account as well as the investment account opened up at the Royal Bank. These accounts were being used for the ongoing operations of the Museum and are not part of this review.

The administration also discussed this issue with the former Fundraising Chairperson of the Board. She informed the administration that there was only a small amount of money donated to the Museum from private citizens. She explained the bulk of the money came from the Federal Government through a program whereby funding is provided to organizations such as this to compensate them for volunteer time (approximately $32,000). There was also a cheque for $12,500.00 received from Culture, Heritage and Tourism department of the Provincial Government. Since this money was received specifically for the purpose of building the Craft Barn, the Museum should write to the Province requesting their approval to reallocate the funds. The former Fundraising Chairperson also stated that she had turned over to the current Chairperson any financial records she had.

Since the Museums submit their donations through the City's Treasury for tax receipt purposes, the administration was able to find receipts related to two different deposits made to the Museum. One was made in November 2000, totaling $1,120.00 from 4 different people and another was made in February, 2001, totaling $200.00 from 3 different people. The names and addresses of these people are available should the Museum want to contact them to see if they want this money returned to them or if the funds could be reallocated to other needs of the Museum.

Because there are no other financial records available, it is difficult to determine the source of the remainder of the money in the RBC Dominion Securities investment account.

The Museum uses the City's financial systems and therefore, the funding the City provides to the Museum is accounted for and none of the money the City provides to fund the Museum has been deposited into the investment account. For the most part, these amounts are paid directly to individuals in the case of salaries and benefits and directly to a third party in the case of the utilities and the grant to Ross House.

A review of the City's accounting records with respect to the Museum determined the following support was received by the Museum from the City in 2001:

Salaries and Benefits	$14,716.00
Utilities	$ 1,313.00
Materials/Supplies	$ 2,771.00
Grants (to Ross House)	$17,639.00
Transfer to Civic Buildings	$ 5,587.00
Total	$42,026.00

In conclusion, the funding the Museum receives from the City has been accounted for and none of it was deposited into the investment account. A large amount of the funding in the RBC Dominion Securities investment account has been accounted for but due to the fact that financial records are not available, the source of the remainder of the funds cannot be determined. The Board could choose to leave that portion of the investment fund in place for an appropriate period until there is unlikely to be any further claims made against it. The Board could also choose to have a full audit of the finances done but given there are limited records to look at this may not be feasible. With the new Terms of Reference adopted by Council for the Seven Oaks House Museum, this issue of the source of funds should not be a problem in the future.

RE: IMMEDIATE AND ESSENTIAL REPAIRS/UPGRADES TO THE SEVEN OAKS HOUSE MUSEUM

For submission to: **Lord Selkirk – West Kildonan Community Committee**

Original report signed by: **Director of Planning, Property and Development**

Report date: July 5, 2002

In camera item: **No**

Recommendation(s):

That the items listed as a priority for 2002 on the Seven Oaks House Museum "Ten Year Maintenance and Repair Plan", attached as Schedule "A", be considered immediate and essential repairs/upgrades and that funds for said repairs be reallocated in part out of the now defunct Children's Craft Barn project and the Lord Selkirk-West Kildonan Community Committee Land Dedication Reserve Fund.

REPORT SUMMARY

KEY ISSUES:

- Said repairs are prioritized based on the security of the building and its occupants.
- Maintenance funds for this building have not, in the past, been budgeted for in any Civic Department's current or capital budget.

IMPLICATIONS

General implications

X	None
	For the organization overall and/or for other departments
	For the community and/or organizations external to the City of Winnipeg
	Involves a multi-year contract

Comment: •

Policy implications

X	No (*There are no policy implications if the report is asking for a one-time decision.)*
	Yes *(There are policy implications if the recommendation(s) is/are asking for a decision that will be used to guide decisions over time.)*

Comment: •

Financial implications

	Within approved current and/or capital budget

X	Current and/or capital budget adjustment required
	No financial implications

Comment:

- Approximately $25,000 has been authorized from the LSWK Land Dedication Reserve account, which can be reallocated for this purpose. Apparently additional funds, in the amount of $25,000 have been reserved in the LSWK Land Dedication Reserve but which require Council approval. No known funding source has been identified for the residual $42,000.

REPORT

RECOMMENDATION(S):

That the items listed as a priority for 2002 on the Seven Oaks House Museum Ten Year Maintenance and Repair Plan, attached as Schedule "A", be considered immediate and essential repairs/upgrades and that funds for said repairs be reallocated in part out of the now defunct Children's Craft Barn project and the Lord Selkirk-West Kildonan Community Committee Land Dedication Reserve Fund.

REASON FOR THE REPORT:

At its meeting held June 18th, 2002 the Lord Selkirk-West Kildonan Community Committee requested:

That the Chief Administrative Officer be advised of the above motions and be requested to take immediate action on the motion passed by the Lord Selkirk-West Kildonan Community Committee on May 14, 2002 relative to the identification of the immediate and essential repairs/upgrades to the Seven Oaks House Museum facility and the provision of the necessary funding for such repairs, and report back to Committee thereon for its next meeting on July 16, 2002.

HISTORY:

The Community Services Department is responsible for providing funds in support of the program deliverables of the Seven Oaks House Museum. Neither the Planning, Property & Development nor the Public Works Departments have had any involvement in this property whatsoever.

With the wholesale change of the Seven Oaks House Museum Board, the Chairman contacted the Administration with respect to his immediate concerns for the security of the property. Representatives from the Planning, Property and Development and the Public Works Department inspected the property resulting in the Public Works Department providing Schedule "A" Seven Oaks House Museum, Ten Year Maintenance and Repair Plan.

A meeting was held with representatives from the Seven Oaks House Museum Board on July 2, 2002 to discuss these matters.

DISCUSSION:

Those items listed as a priority for 2002 on Schedule “A” are considered immediate and essential repairs/upgrades. It is proposed, subject to funding approval as outlined herein, that these items be approved in principle and undertaken immediately in consultation with the Seven Oaks House Museum Board.

While $92,000 in repairs has been noted only $50,000 is currently identified as potentially available for this project out of the Lord Selkirk-West Kildonan Land Dedication Reserve Account.

SCHEDULE "A"
Seven Oaks House Museum
TEN-YEAR MAINTENANCE AND REPAIR PLAN

<u>High Priority 2002 Immediate and Essential Repairs</u>		
Replace Cedar Shingles – General Store		
Alarm System – General Store		
Install Exterior Lighting & Standards - Grounds		
Replace Alarm System - Main Building		
Replace Roof Cedar Shingles – Main Building		
Structural Repairs / Painting – Main Building		
Replace Asphalt Shingles – Maintenance Building		
Alarm System & Smoke Detectors – Maintenance Building	Subtotal	$92,000.00
<u>Prioritized for 2003</u>		
Rechink Building & Paint Trim		
Smoke Detectors – General Store	Subtotal	$ 8,000.00
<u>Prioritized for 2005</u>		
Summer Kitchen (Soda Blast Exterior Walls)		
Soda Blast Exterior Walls – General Store	Subtotal	$13,000.00
<u>Prioritized for 2007</u>		
Install Sump Pump	Subtotal	$ 4,000.00
<u>Prioritized for 2008</u>		
Replace Cedar Shingles – Display Shelter	Subtotal	$10,000.00

Financial Impact Statement

Date: July 5, 2002

Project Name:

Immediate and Essential Repairs/Upgrades to the Seven Oaks House Museum

First Year of Program 2002

	2002	2003	2004	2005	2006
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	$ 92,000	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 92,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	25,000	-	-	-	-
Net Budget Adjustment Required	$ 67,000	$ -	$ -	$ -	$ -

Additional Comments:

The only approved funding source for this project is a $25,000 allocation from the LS/WK Community Land Dedication Reserve Fund approved by Council on May 26, 1999. Additional funding of $25,000 from the Community's Land Dedication Reserve had been approved by the LS/WK Community Committee, but has not yet received Council approval. As yet, no potential funding sources have been identified for the remaining $42,000 required to complete the defined immediate and essential repairs/upgrades.

Gord Courage, Manager
Support Services Division

IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

Public Works Department
City Clerks

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
Division: Civic Accommodations
Prepared by: Jim Galley
PPD File #: CAD 2002-033

Document name: o:\reports directive\civic accommodations\seven oaks repairs.doc

July 16, 2002

TO: Lord Selkirk-West Kildonan Community Committee

Councillor Harry Lazarenko
Councillor Mike O'Shaughnessy
Councillor John Prystanski

Gentlemen:

As per your request at the Lord Selkirk-West Kildonan Community Committee Meeting of June 18, 2002, Mr. James Fielding , Chairperson, and Mr. Ron Bylo, Member-at-Large, of Seven Oaks House Museum Board, are requesting that monies previously allocated from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund for the now defunct barn project, be reallocated toward the restoration of the Seven Oaks House Museum.

In accordance with your request at the June 18, 2002 Community Committee Meeting, Mr. Fielding and Mr. Bylo met with Civic Administration and Chris Hurley on July 2, 2002. It was agreed that priority be given to the following immediate repairs as recommended by Dan Repeta, Superintendent of Building Maintenance and Public Works Department:

Replace Alarm System
Install External Lighting and Standards.

These immediate repairs could be financed through the $25,000. 00 currently available and approved out of the Lord Selkirk-West Kildonan Land Dedication Reserve Fund. Subject to Council's approval, a further $25,000.00 could be allocated out of the same account.

In view of the urgency of these matters, we request this Community Committee move and approve the reallocation of these monies totalling $50,000.00 from the Lord Selkirk-West Kildonan Land Dedication Reserve Fund towards restoration of the Seven Oaks House Museum.

- continued

For the information of Community Committee, we have requested reallocation of Provincial funds from the Department of Culture, Heritage and Tourism as well as Federal funding from the Millennium Bureau of Canada.

Respectfully submitted:

James Fielding, Chairperson
144 Jefferson Avenue
Winnipeg, MB R2V OM4

Ronald Bylo, Member-at-Large
168 Tait Avenue
Winnipeg, MB R2V OK2