



GENERAL GOVERNMENT SERVICES COMMITTEE AGENDA

Wednesday, March 23, 2016, 4:00 p.m.
55 Zina Street, Orangeville – Sutton Room (2nd Floor)

Declarations of Pecuniary Interest by Members

PUBLIC QUESTION PERIOD

Members of the public will be provided an opportunity to ask questions of the Committee during this time. (Limited to 10 minutes)

REPORTS

1. GENERAL GOVERNMENT SERVICES – March 23, 2016 – ITEM #1
Indexing of Development Charge

A report from the Treasurer dated March 23, 2016 to recommend the annual indexing of Development Charge (DC) rates.

Recommendation:

THAT the Treasurer's report dated March 23, 2016 with respect to Indexing of Development Charges be received;

AND THAT the residential per-unit Development Charge be set at \$2,670.00, and the non-residential Development Charge be set at \$6.29 per square metre, and the Wind Turbine charge be set at \$4,088.60 per unit, as of 1st of May, 2016.

2. GENERAL GOVERNMENT SERVICES – March 23, 2016 – ITEM #2
Building Reserve Fund Annual Report

A report from the Treasurer dated March 23, 2016 to update members of Committee on the Building Permit Reserve Fund (BPRF) results for 2015, as required under the Building Code Act, S.O. 1992, Chapter 23.

Recommendation

THAT the Building Reserve Fund Annual Report, from the Treasurer, dated March 23, 2016, be received.

3. GENERAL GOVERNMENT SERVICES – March 23,2016 – ITEM #3
Year-end 2015 Operations Variance Analysis

A report from the Treasurer dated March 23,2016 to disclose a review of County Operations results for 2015, and to propose how to allocate the funds arising from a net positive bottom-line variance for that year.

Recommendation

THAT the Treasurer's report, 2015 Operations Variance Analysis, dated March 23, 2016, be received:

AND THAT the 2015 County Operations Surplus be allocated as follows:

- ***\$300,000 to the existing Housing Providers Reserve Fund***
- ***\$200,000 to a new County Reserve for Economic Development***
- ***\$100,000 to replenish the Dufferin Oaks Operations Reserve***
- ***\$100,000 to replenish the Social Housing Operations Reserve***
- ***\$ 50,000 to replenish the Ontario Works Operations Reserve***
- ***\$ 10,406 to the Capital Asset Management Plan (AMP) project***
- ***the remainder of approximately \$1,399,304 to the Roads Rehabilitation Reserve, subject to any further adjustments coming from the 2015 external audit***

4. GENERAL GOVERNMENT SERVICES – March 23,2016 – ITEM #4
Scholarship Program Update

A report from the Chief Administrative Officer dated March 23,2016 to recommend minor amendments to the Scholarship program based on observations from the first year of the program.

Recommendation

THAT the Chief Administrative Officer's report, Scholarship Program Update dated march 23, 2016, be received;

AND THAT the following minor amendments be implemented for the 2016 Scholarship Program application process:

- ***Change application deadline to May 31, panel review to June and the Award presentation to July Council;***
- ***Change the Agriculture stream eligibility to include students currently enrolled in post-secondary education;***
- ***Change the Business stream to Business and Social Sciences to include all administrative and soft services programs;***
- ***Increase marketing efforts***

5. GENERAL GOVERNMENT SERVICES – March 23,2016 – ITEM #5
Headwaters Tourism Municipal Service Agreement

A report from the Chief Administrative Officer dated March 23,2016 to recommend approval of The Headwaters Tourism municipal service agreement for 2016-2019.

Recommendation:

THAT the Chief Administrative Officer's report, Headwaters Tourism Municipal Services agreement dated march 23, 2016, be received;

AND THAT attached Municipal Services Agreement be approved;

AND THAT the necessary by-law be presented to Council;

AND FINALLY THAT the budget shortfall of approximately \$12,500 be offset with a transfer from the Reserve for Rate Stabilization if there is not a sufficient general operating surplus to cover the amount.

Next Meeting: Wednesday, April 28, 2016 – 4:00 pm
55 Zina Street, Orangeville – Sutton Room



REPORT TO GENERAL GOVERNMENT SERVICES

To: Chair McGhee and Members of General Government Services Committee

From: Alan Selby, Treasurer

Meeting Date: March 23, 2016

Subject: Indexing of Development Charge

In Support of Strategic Plan Priorities and Objectives:

Good Governance, through increased transparency (Objective 3.2), by providing more open routine disclosure and information for residents (3.2.2)

Purpose

The purpose of this report is to recommend the annual indexing of Development Charge (DC) rates.

Background & Discussion

The County DC By-law 2012-31 took effect in September 2012. It followed the recommendations from Hemson Consulting's background study, completed in the spring of 2012. Annual indexing for inflation is required in the Bylaw.

Local Municipal Impact

The Town of Orangeville collects the County DC on behalf of the County for development in Orangeville, and forwards the funds to the County, and so Town staff must be informed of any DC rate change made by the County.

Financial, Staffing, Legal, or IT Considerations

Indexing DC rates will modestly increase the funds collected, which are used to partially finance growth-related capital project expenses.

The Statistics Canada Construction Price index, Kitchener-Waterloo area, CANSIM Table 327-0046 was

- For December 2014 at 113.6
- For December 2015 at 114.6

Taking 114.6 over 113.6 gives an indexing factor of 0.88% for the full year 2015. It is recommended that DC rates be increased by 0.88% effective May 1, 2016.

In 2016, a new DC Study will be undertaken, resulting in new DC rates for 2017.

The new DC rates after indexing will be:

County-wide Charges	RESIDENTIAL CHARGE PER UNIT			NON-RESIDENTIAL CHARGE calculated on per sq. metre of gross floor area	Turbines per unit
	Single & Semi-Detached	Multiples	Apartments	Uniform Non-residential	
<u>Service Component</u>					
Roads and Bridges	\$ 694.25	\$ 585.60	\$ 520.15	\$ 3.81	\$2,427.40
Other Services	\$1,975.75	\$ 1,666.40	\$ 1,481.55	\$ 2.48	\$1,661.20
County-wide Total	\$2,670.00	\$2,252.00	\$2,001.70	\$ 6.29	\$4,088.60

Strategic Direction and County of Dufferin Principles

By annually indexing the County DC, the County meets the requirements of its own DC Bylaw. This action adheres to the County of Dufferin Principles:

1. We Manage Change - by proactively responding to the level of the Development Charge, to keep up with inflationary increases
2. We Deliver Quality Service – by responding to the needs of the customer and the community
3. We Communicate – by reporting to Council on indexing updates, sharing the information on the amount of the Development Charge
4. We Make Good Decisions – by updating the DC annually, and by periodically conducting a review of the overall DC, when the County's Capital Program has been substantially changed, so the DC continues to match-up with current plans

Recommendation

THAT the Treasurer's report on Indexing of Development Charges be received;

AND THAT the residential per-unit Development Charge be set at \$2,670.00, and the non-residential Development Charge be set at \$6.29 per square metre, and the Wind Turbine charge be set at \$4,088.60 per unit, as of May 1st, 2016.

Respectfully Submitted By:

Alan Selby, B. Math, CPA, CGA
Treasurer, County of Dufferin



REPORT TO GENERAL GOVERNMENT SERVICES

To: Chair McGhee and Members of General Government Services Committee

From: Alan Selby, Treasurer

Meeting Date: March 23, 2016

Subject: **Building Reserve Fund Annual Report**

In Support of Strategic Plan Priorities and Objectives:

Good Governance, through increased transparency (3.2), by providing more open routine disclosure and information for residents, and Council (3.2.2), and by ensuring compliance with Ministerial requirements (3.3.1)

Purpose

To update members of Committee on the Building Permit Reserve Fund (BPRF) results for 2015, as required under the Building Code Act, S.O. 1992, Chapter 23.

Background & Discussion

The Building Code Act requires an annual reporting of the activity in the BPRF. The BPRF is restricted in its use, namely it may only be used to pay for the operational net losses of the Building Department, to ensure that Department has a zero net impact on the County budget.

There was an unexpectedly large increase in building permit activity, in 2013 combined with a prior fee increase which resulted in a significant surplus for that year. This drove the need to perform a review of the fund, and a consulting firm was hired to make recommendations to County Council on future actions.

The consultants forecasted the activities of the BPRF, for the six-year period 2015 to 2020. Based on their forecast, it was recommended that building permit fee rates be reduced 10% in each of the years 2015, 2016 and 2017, subject to annual reviews of permit-volume activity. There were 1,002 permits issued in 2014 and 922 issued in 2015 (80 fewer permits in 2015). Permit fees were reduced by 10% on January 1, 2015 and reduced by another 10% on January 1, 2016 as per the recommendation.

Financial, Staffing, Legal, or IT Considerations

The consultants have stated in their report that the target level for the Fund should be 1.8 times the annual operational costs of the Building Department. The large amount of

revenues received in 2014 and 2015 have raised the BPRF to a level that is about 4.5 times the annual operational costs, as of the end of 2015 (see *attached schedule*).

It took many years for the BPRF to grow to a balance of about \$750,000 by the end of 2012, which was roughly equal to 1.25 times annual operational costs, as they were in 2012. Then in 2013, permit activity grew by about 50% over 2012, the BPRF grew by about \$600,000 in one year, and then in 2014 the BPRF grew by over \$1.2 million in a single year. In 2015, another \$827,000 was added.

In their forecast, the consultants expect annual revenues to drop back to more normal levels (namely closer to \$800,000 to \$900,000 per year), starting with 2016. If their forecasts are accurate, the BPRF will now experience five years of consecutive, but moderate, net losses, from 2016 to 2020 inclusive. For 2016, the County has budgeted revenues of \$919,000 and a small net loss of \$41,000.

The expectation is that the BPRF has now peaked in size. The BPRF will continue to be monitored by County staff. There is now a specific forecast in place, for staff to use, to compare against actual results.

Strategic Direction and County of Dufferin Principles

By reporting on the activity in the Building Permit Reserve Fund, County Council is kept informed. This action adheres to the County of Dufferin Principles:

1. We Manage Change - by proactively responding to the level of the Reserve Fund through ongoing decreases in the building permit fee
2. We Deliver Quality Service – by complying with the reporting requirements of existing legislation
3. We Communicate – by writing a report to Council, sharing the information on the Reserve Fund
4. We Make Good Decisions – by monitoring actual Reserve Fund results against forecasts, and responding when needed

Recommendation

THAT the Treasurer's report on the Building Reserve Fund Annual Report, dated March 23, 2016, be received.

Respectfully submitted by:

Alan Selby, B. Math, CPA, CGA
Treasurer, County of Dufferin

Attached: Schedule of 2015 results



March 2016

**COUNTY OF DUFFERIN
BUILDING FEE REPORT**

**AS REQUIRED UNDER BUILDING CODE ACT, S.O. 1992, Chapter 23
FOR THE YEAR 2015**

BUILDING PERMIT FEES RECEIVED		\$1,616,294
OTHER FEES RECEIVED		\$ 36,830
TOTAL REVENUES		\$1,653,124
<u>DIRECT COSTS</u>		
ADMINISTRATION	284,031	
INSPECTION SERVICES	475,305	
	<u>\$759,336</u>	
<u>INDIRECT COSTS</u>	<u>\$ 66,600</u>	\$825,936
Net Transfer INTO the Building Reserve Fund for 2015		\$ 827,188
Building Reserve Fund at the start of 2015		\$2,627,078
Interest added in 2015 to the Reserve Fund		\$ 24,741
Building Reserve Fund at the end of 2015		\$3,479,007



**REPORT TO
GENERAL GOVERNMENT SERVICES COMMITTEE**

To: Chair McGhee and Members of General Government Services Committee

From: Alan Selby, Treasurer

Meeting Date: Wednesday, March 23, 2016

Subject: Year-end 2015 Operations Variance Analysis

In Support of Strategic Plan Priorities and Objectives: Good Governance through increased transparency (3.2) using more open routine disclosure (3.2.2)

Purpose

The purpose of this report is to disclose a review of County Operations results for 2015, and to propose how to allocate the funds arising from a net positive bottom-line variance for that year. All amounts are on a cash-basis.

Background and Discussion

Unaudited results from 2015 show an Operations net surplus. County policy states that any Operations surplus goes into the Roads Rehabilitation Reserve, in an effort to address the infrastructure needs of the County. This policy took effect in 2013.

The County also has other needs besides infrastructure, and in past years there have been some exceptions made to the Surplus policy. Portions of past Operations Surplus have been applied to cover cost over-runs on capital projects, and also to build reserves other than Roads Rehabilitation. Table A provides a brief summary of the actual Operations surplus in prior years, and how it was applied. The practice of applying some of the surplus towards the next year’s budget was ended after 2009.

Year	Operations Surplus	Capital project over-runs	For Roads Rehabil. Reserve	Tax Rate Stabiliz. Reserve	Add to other reserves	Reduce the next year’s budget
2006	\$1,970,633	\$ 475,045		\$ 695,588	\$ 350,000	\$ 450,000 (2007)
2007	\$1,927,176	\$ 669,508		\$ 610,697	\$ 196,971	\$ 450,000 (2008)
2008	\$ 803,100			\$ 0	\$ 453,100	\$ 350,000 (2009)

2009	\$1,282,471		\$ 0	\$ 186,444	\$1,096,027	
2010	\$1,728,188		\$ 345,400	\$1,382,788	0	
2011	\$1,144,828		\$ 100,000	\$ 664,828	\$ 380,000	
2012	\$1,037,557		\$ 200,000	\$ 637,557	\$ 200,000	
2013	\$1,270,019		\$ 813,203	\$ 0	\$ 456,816	
2014	\$ 413,638		\$ 394,909	\$ 0	\$ 18,729	
2015	\$2,159,710	Allocation is yet to be determined				
Year	Operations Surplus	For capital project over-runs	For Roads Rehabil. Reserve	Tax Rate Stabilization Reserve	Add to other reserves	Reduce the next year's budget

TABLE A

Table A shows the Operations surplus for 2015 was over \$2.1 million, a level not seen since 2007. A positive result such as this one requires a closer look. In recent years, the County has consistently stayed within its budget, and realized a surplus each year, typically at about \$1.0 to \$1.2 million each year, roughly 2% of its Operations budget.

There were several non-routine items in 2015, that contributed to the final surplus results. In regular operations, several expenses were under-budget and in other cases, revenues exceeded budget expectations. Table B is a breakdown of 2015 net results by department, where positive variances can result from the expense side, or from the revenue side, or from both sides. Non-routine items are shown separately.

	Variance from 2015 Budget Net Positive or (Negative)	
Admin./Treasury/Facilities/Council (General Gov't.)	\$ 280,859	
Paramedics Service	\$ 104,905	
Health Unit	\$ 15,973	
Public Works – Winter Control	\$ 559,658	
Public Works – regular maintenance	\$ 804	
Public Works – Waste Services	\$ 18,838	
Museum and Forest operations	\$ 69,749	
Bylaw enforcement	\$ (648)	

	Variance from 2015 Budget Net Positive or (Negative)	
Dufferin Oaks, DCCSS, M-B Apt's. and the MLC	\$ 453,512	
Edelbrock facility + Emergency Services	\$ 17,206	
Ontario Works programs	\$ (262,662)	
Child Care programs	\$ 54,004	
Social Housing programs	\$ 87,106	
SUBTOTAL, REGULAR OPERATIONS	\$ 1,399,304	
Taxation: supplementary taxes + PILs – write-offs	\$ 505,385	
Retro-active HST recovery, minus consulting fee	\$ 124,552	
Accounting change (accrued debt interest reversed)	\$ 130,469	
2015 OPERATIONS SURPLUS	\$ 2,159,710	

TABLE B

The 2015 surplus before non-routine items was \$1.399 million, with the largest contributions coming from savings in Dufferin Oaks operations and Public Works winter control costs. This is not out-of-step with previous years, as can be seen from the data in Table A. Also note that the Surplus figures in Table A do NOT include the surplus generated by the Building Department, because those amounts are placed directly into a dedicated reserve, forcing the net bottom-line of that department to zero, every year. (see separate report)

Almost every County department came in under-budget in 2015. The only division to be over-budget by a large amount was Ontario Works (OW), which has been over-budget in each of the past three years. The OW budget for administrative costs, including staff, was under-spent, however the amounts paid for client assistance in 2015 exceeded the budget. Details on 2015 OW will be in the annual report of Community Services. The negative variance would have been larger, if not for the ongoing uploading of OW assistance costs by the Province (County's share of these costs will be zero by 2019).

To put these results in perspective, the Gross 2015 County Operations budget was \$62.040 million, as shown in Bylaw 2015-08, so a surplus of \$1.399 million is a 2.25% positive variance from budget. Put another way, in 2015 the County used 97.75% of its Operations budget.

Financial, Staffing, Legal and IT Considerations

The allocation of the 2015 surplus is recommended as follows:

- Allocate the full amount from regular Operations \$1.399 million to the Roads Rehabilitation Reserve, as per normal policy
- Allocate the surplus coming from three non-routine items to other specific needs of the County, based on changed circumstances that have recently become apparent (explained below)

This action would represent the largest contribution yet made to the Roads Rehabilitation Reserve (per Table A), while still providing some funding to address other County needs.

The three non-routine items total a net surplus of \$760,406. Supplementary came in much higher than budget in 2015. This was unexpected good news, and is a reflection of recent high levels of local building activity being added to the tax roll. Table C is a review of recent experience of the County with supplementary taxes (from all eight municipalities combined):

Year	Actual Supplem. Taxes	Budget Forecast	Variance
2015	\$ 1,234,520	\$ 651,800	\$ 582,720
2014	\$ 862,387	\$ 575,200	\$ 287,187
2013	\$ 733,472	\$ 587,300	\$ 146,172
2012	\$ 547,149	\$ 554,300	\$ (7,151)
2011	\$ 624,502	\$ 500,000	\$ 124,502

TABLE C

Tax write-offs in 2015 were \$77,335 higher than budget, leaving a net variance in 2015 taxation of $\$582,720 - 77,335 = \$505,385$ positive variance (in Table B). Table C shows

- the County is generally cautious in its forecasts of supplementary tax revenue
- supplementary tax revenue in 2015 was well above the normal amount

Over recent months, the need for enhanced financial resources have become evident in specific functional areas of the County. These areas include

- Social Housing, in particular external non-profits and co-ops (report to Community Services up-coming Committee meeting)
- Economic Development support (report to up-coming Council meeting)
- Funds for renewal and expansion of the County Asset Management Plan
- Operational Reserves that protect the County from future subsidy reductions

The non-routine items generated a 2015 surplus of \$760,406. It is recommended that this amount be distributed to the “areas-of-need” in this manner:

1. \$300,000 to the existing Housing Providers Reserve Fund, for the purpose of providing assistance to local housing facilities as needed, subject to the approval of County Committees and Council, based on future staff reports;
2. \$200,000 to a new County Reserve for Economic Development, to be spent on future actions to be approved by Council and identified in an Economic Development Plan that is in progress;
3. \$100,000 to replenish the Dufferin Oaks Operations Reserve;
4. \$ 50,000 to replenish the Ontario Works Operations Reserve;
5. \$100,000 to replenish the Social Housing Operations Reserve;
6. \$ 10,406 allocated to the Capital Asset Management Plan (AMP) project.

Rationale

Although a large part of the 2015 surplus came from Winter Control, the existing Winter Control Reserve is \$349,902 and we do not recommend an increase.

The Dufferin Oaks Operations Reserve has been decreased by \$200,000 in recent budgets, even though the Oaks operation has come under-budget every year. It is recommended that the existing reserve be replenished by \$100,000, in light of the uncertainty caused by high reliance of the Oaks budget on revenue from subsidies.

Both the Ontario Works Operations Reserve, and the Social Housing Operations Reserve, were created from previous year surpluses. Both reserves were partially drawn-down in the County 2016 Budget, to help offset 2016 subsidy reductions, and to keep the increase in the 2016 Operating Budget below \$1 million. After the approved 2016 Budget withdrawals, the reserve balances are reduced to

- Ontario Works Operations Reserve \$50,000 remaining
- Social Housing Operations Reserve \$60,000 remaining

It is recommended that these two reserves be replenished from the 2015 surplus, to protect the County in the event of further subsidy cut-backs, beyond 2016.

The Province requires all municipalities to expand on their AMPs by the end of 2016. This means adding to the AMP additional information on other assets besides roads, bridges, water and sewer systems, which are the only assets now included in many municipal AMPs. This requirement also has an impact on future Development Charge Studies, and on Federal Gas Tax eligibility. This requirement is also anticipated to be worked into the infrastructure program announcements coming in the March 22 Federal Budget. These funds will be used for staff training costs, to learn the specific techniques necessary to complete, and bring forward, a new County AMP to Council for its review, before the end of 2016.

Strategic Direction and County of Dufferin Principles

A strategic allocation of the 2015 Operations Surplus will address all four County Strategic Priorities: Economic Vitality (new reserve created), Communications (sharing data), Good Governance (providing protection for the future) and Service Excellence (keeping under-budget). It adheres to the County of Dufferin Principles:

1. We Manage Change - by proactively addressing areas of financial need, using the resources made available through positive 2015 operating results
2. We Deliver Quality Service – by providing a variety of municipal services effectively and in a cost efficient manner, as evidenced by the 2015 results;
3. We Communicate – by sharing results of successful operations with staff, Council, and the community;
4. We Make Good Decisions – by working within the County budget limits, and by taking actions that assist in closing the infrastructure gap.

Recommendation

THAT the Treasurer's report, 2015 Operations Variance Analysis, be received:

AND THAT the 2015 County Operations Surplus be allocated as follows:

- \$300,000 to the existing Housing Providers Reserve Fund
- \$200,000 to a new County Reserve for Economic Development
- \$100,000 to replenish the Dufferin Oaks Operations Reserve
- \$100,000 to replenish the Social Housing Operations Reserve
- \$ 50,000 to replenish the Ontario Works Operations Reserve
- \$ 10,406 to the Capital Asset Management Plan (AMP) project
- the remainder of approximately \$1,399,304 to the Roads Rehabilitation Reserve, subject to any further adjustments coming from the 2015 external audit

Respectfully Submitted by,

Alan Selby, B. Math, CPA, CGA
County Treasurer



**REPORT TO
GENERAL GOVERNMENT SERVICES COMMITTEE**

To: Chair McGhee and Members of General Government Services Committee

From: Sonya Pritchard, Chief Administrative Officer

Meeting Date: Wednesday, March 23, 2016

Subject: **Scholarship Program Update**

In Support of Strategic Plan Priorities and Objectives: Good Governance through improving policies, practices, and procedures (3.3)

Purpose

The purpose of this report is to recommend minor amendments to the Scholarship program based on observations from the first year of the program.

Background and Discussion

The Scholarship program was approved by Council in 2014 and introduced in 2015.

Highlights of the program include:

- Award of up to 5, \$2,500 one-time scholarships annually. One in each of the following fields of study:
 - Science and Technology (includes Health Sciences, Engineering, and General science programs)
 - Business
 - Agriculture
 - Arts (Fine arts and Liberal arts)
 - Trades/apprenticeship programs
- A selection committee consisting of County of Dufferin, school, and Arts Council (for the Arts scholarship) representation
- Presentation of the awards at a County Council meeting

Scholarship applications were evaluated based on:

- Academic achievement
- A school nomination

- Community service
- Extra-curricular activities
- A 300 word essay outlining the applicants vision for their future

Information about the program was distributed to the 4 local high schools and through social media. The inaugural year of the program saw 17 complete applications received. The applications were reviewed as per the policy by a panel consisting of the Warden, Chair of General Government Services, school representative (Principal from Centre Dufferin High School) and a representative from the Dufferin Arts Council for the Arts award. Only 4 scholarships were awarded as there were no applicants for the agriculture stream.

The review panel discussed the overall program and recommended some minor amendments to improve the program.

- Advance the timeline - move the application deadline to May 31, review the applications in June and present the awards at the July Council meeting. Although this means final grade 12 marks will not be available it ensures applications are completed prior to the busy June schedule. Grade 11, first semester grade 12 and midterm second semester marks will be used in the evaluation. Presentation at the July Council meeting will make it easier for students to attend prior to commencing their studies in September.
- Amend the eligibility for the agriculture stream – due to the fact that many students do not enter the agriculture area of focus until after their first year of study, the agriculture stream should be available to students currently enrolled in post-secondary education.
- Refine the descriptions of some of the streams – Business should be changed Business and Social Science to include all administrative and soft service programs. Trades/apprenticeship programs should be changed to Skilled trades and applied training programs to better reflect current terminology.
- Increase marketing efforts to raise awareness of the program – additional advertising, promotion of the program through other local agencies.

Financial, Staffing, Legal and IT Considerations

There are no financial, staffing or legal impacts resulting from this report.

Strategic Direction and County of Dufferin Principles

Reviewing and updating the scholarship program supports Good Governance and adheres to the County of Dufferin Principles:

1. We Manage Change - by implementing program updates to reflect changing requirements and committee feedback;

2. We Deliver Quality Service – by providing a support to young residents of Dufferin County;
3. We Communicate – by promoting the program and sharing the need for periodic amendments;
4. We Make Good Decisions – by considering input and having regular review and evaluation of programs.

Recommendation

THAT the Chief Administrative Officer's report, Scholarship Program Update dated march 23, 2016, be received;

AND THAT the following minor amendments be implemented for the 2016 Scholarship Program application process:

- Change application deadline to May 31, panel review to June and the Award presentation to July Council;
- Change the Agriculture stream eligibility to include students currently enrolled in post-secondary education;
- Change the Business stream to Business and Social Sciences to include all administrative and soft services programs;
- Increase marketing efforts

Respectfully Submitted by,

Sonya Pritchard, C.P.A. C.M.A.
Chief Administrative Officer

Attached: Dufferin County Scholarship Program Guide (updated)

Dufferin County Scholarship Program Guide

Program Overview

The County of Dufferin provides an annual scholarship program consisting of five one-time \$2,500 scholarships. The program is intended to recognize outstanding Dufferin County students who will be pursuing post-secondary education and/or training.

Scholarship Streams

Scholarship awards will be considered for university, college, and trade/practical training programs. One scholarship will be awarded in each of the following areas:

- Science and Technology (includes Health Sciences, Engineering, and General science programs)
- Business and Social Science
- Arts (Fine arts and Liberal arts)
- Skilled Trades/Applied Training Programs
- Agriculture

Eligibility Criteria

Applicants in the first four streams must meet the following criteria:

- Be a resident of Dufferin County
- Be accepted to a post-secondary institution or training program where the tuition/registration fees exceed \$2,500
- Be a current year graduate
- Be nominated by current high school

Applicants in the agriculture stream must meet the following criteria:

- Be a resident of Dufferin County
- Be accepted to a post-secondary institution or training program where the tuition/registration fees exceed \$2,500
- Be in any year of an undergraduate or graduate program in a recognized agriculture program
- Have a letter of reference from the current school or program

Application Process

All applicants will be required to submit the following information:

- Completed application form including a 300 word essay
- Transcripts from Grades 11 and 12 (to date) or most recent two years of post-secondary program for agriculture
- Letter of Reference from High school or post-secondary program
- Proof of admission/enrollment to post-secondary institution or training program

Selection Process

Completed applications must be received by May 31st. Applications will be reviewed by the selection committee with names and school affiliations redacted. The selection committee will consist of 2 members from the County of Dufferin (Warden and Chair of General Government Services), a school board member (rotating between boards/schools), a member from the Dufferin Arts Council (for the Arts stream).

Successful applicants will be notified by no later than the end of June and invited to attend either the July meeting of County Council to be presented their award.

Application Information

Name:

Address:

School:

Field of Study:

Future/current post-secondary institution:

Community Service (school involvement (i.e. Student Council) and/or community volunteering) Please list your most important (no more than four) and indicate the # of hours per week over the past 2 years:

Activities/Skills/Talents (sports, music, jobs, etc...). Please list up to three and describe your involvement:

Awards/recognition/accomplishments. Please list up to three and describe why you are proud of these successes:

Short Essay: Please submit a short essay of approximately 300 words that answers the following questions:

- Where do you see yourself in 5-10 years after you finish your education/training?
- Do you feel your chosen field is important in Dufferin County?
- How do you believe you could give back to your community



**REPORT TO
GENERAL GOVERNMENT SERVICES COMMITTEE**

To: Chair McGhee and Members of General Government Services Committee

From: Sonya Pritchard, Chief Administrative Officer

Meeting Date: Wednesday, March 23, 2016

Subject: **Headwaters Tourism Municipal Services Agreement**

In Support of Strategic Plan Priorities and Objectives: Economic Vitality through fostering a regional approach to economic development (1.1)

Purpose

The purpose of this report is to recommend approval of The Headwaters Tourism municipal service agreement for 2016-2019.

Background and Discussion

Headwaters Tourism has been providing tourism marketing for the region encompassing Dufferin County, the Town of Caledon and the Town of Erin for many years. Within Dufferin County the Towns of Mono and Shelburne have also chosen to participate as individual municipal partners. Headwaters Tourism is governed by a volunteer Board of Directors who oversee the strategic direction of the organization. The Board includes representation from all partner municipalities and tourism industry stakeholders. Warden Ryan is the current representative for the County of Dufferin.

The Vision for Headwaters Tourism is, “to position Headwaters as Ontario’s premier rural tourism destination”. The organization has grown and evolved since its inception however the primary goal of the organization has remained constant, “to work on behalf and in conjunction with partners and regional tourism operators to support tourism that is consistent with the region’s rural heritage, respectful of its extraordinary natural environment and that promotes its spirit of community.” Headwaters Tourism has achieved considerable success over the last few years developing brand equity in the provincial tourism framework.

The Municipal Services Agreement provides municipal funding on a per capita basis and identifies a number of detailed obligations for the organization that can be categorized as follows:

- Product Development
- Tourism Marketing
- Communications
- Tourism advocacy and Partnership Development
- Tourism Industry Support

Municipal partners are also encouraged to provide in-kind support, ongoing input and a staff member to sit on the board in an ex-officio capacity.

It is important to note that financial support for Headwaters Tourism is included in the economic development section of the County budget. As per the Corporate Strategic Plan and subsequent Council direction; a review of the economic development role with the intent to create an economic development plan that identifies the best use of County funds, is underway. At this point in the process it does not appear that the provision of tourism services is likely to change from its current partnership model. A report with respect to the Economic Development Steering Committee work to date is scheduled to be presented at the April Council meeting.

Financial, Staffing, Legal and IT Considerations

The requested per capita rate for 2016 is \$1.49 with 2% increase slated for each subsequent year. The population figure is based on the 2001 census data for the duration of the agreement. This equates to the following amounts for the County of Dufferin whose 2011 population was 56,881: 2016 - \$84,753, 2017 - \$86,459, 2018 – \$88,166, and 2019 - \$89,872.

This represents an increase from previous years (the 2015 payment was \$69,837) due to a change in allocation of the population. Mono and Shelburne had previously been deducted from the County amount however it is now proposed that their payments be in addition to the County allocation as they wish to be full municipal partners with a seat at the board table.

The amount included in the 2016 budget is approximately \$72,000. It is recommended that the shortfall be covered from the Reserve for Rate Stabilization at the end of the year if there is not a sufficient general operating surplus to offset the \$12,500.

Strategic Direction and County of Dufferin Principles

A Municipal Services Agreement with Headwaters Tourism promotes economic vitality by fostering a regional approach to economic development activities. It adheres to the County of Dufferin Principles:

1. We Manage Change - by proactively addressing changes in partner needs and ensuring we are able to respond to opportunities within the tourism economy;

2. We Deliver Quality Service – by providing financial and in-kind support to a well-respected partner organization;
3. We Communicate – by ensuring regular, timely and detailed updates on activities are made available;
4. We Make Good Decisions – by working collaboratively with municipal partners and community stakeholders to enter into an agreement to provide superior tourism services in the region.

Recommendation

THAT the Chief Administrative Officer's report, Headwaters Tourism Municipal Services agreement dated march 23, 2016, be received;

AND THAT attached Municipal Services Agreement be approved;

AND THAT the necessary by-law be presented to Council;

AND FINALLY THAT the budget shortfall of approximately \$12,500 be offset with a transfer from the Reserve for Rate Stabilization if there is not a sufficient general operating surplus to cover the amount.

Respectfully Submitted by,

Sonya Pritchard, C.P.A. C.M.A.
Chief Administrative Officer

Attached: Headwaters Tourism Municipal Services Agreement



Municipal Services Agreement January 1, 2016 – December 31, 2019

Headwaters Tourism is the recognized destination marketing organization for the Headwaters region, which encompasses the geographic region of Dufferin County, the Town of Caledon and the Town of Erin, and provides tourism services on behalf of the regional tourism industry and the partner municipalities that include: Dufferin County and the Towns of Mono, Shelburne, Caledon & Erin.

Vision: To position Headwaters as Ontario's premier rural tourism destination.

Mission: To integrate tourism into the regional economic development strategies of our partner municipalities, helping to build a robust and thriving tourism industry by working directly with tourism stakeholders across the region. Key areas of focus include:

- Marketing & communications
- Product development & industry capacity development
- Advocacy & partnership development
- Industry engagement & communications
- Municipal economic development integration
- Provincial tourism integration & liaison

While the organization has evolved over the years, the primary goal is still the same: to work on behalf of and in conjunction with our partners and regional tourism operators to support tourism that is consistent with the region's rural heritage, respectful of its extraordinary natural environment and that promotes its spirit of community.

Headwaters Tourism strongly advocates for regional collaboration in all their undertakings, understanding that an integrated approach allows individual businesses, groups, committees, communities and municipalities to expand their reach, pool resources and leverage their impact in the marketplace for the enhanced benefit of all partners. Headwaters Tourism's organizational strategy focuses on a larger vision to support regional economic development and to work with industry and municipal partners to enhance and grow capacity, thereby helping to ensure viable and sustainable communities. Headwaters Tourism continually identifies and implements synergies with a variety of public and private sector partners to leverage available resources and expand the reach of the programming available.

It is also recognized that Headwaters Tourism has achieved considerable brand equity in the provincial tourism framework, and that Headwaters Tourism represents each of our partners and industry stakeholders in the larger marketplace, and with the Ontario Ministry of Tourism, Culture and Sport, with the Ontario Tourism Marketing Partnership Corporation, with Regional Tourism Organization #6 and with any other provincial and industry tourism agencies.



Municipal Services Agreement January 1, 2016 – December 31, 2019

Obligations of Headwaters Tourism:

In consideration of the funding provided by Headwaters Tourism's municipal partners, Headwaters Tourism agrees to provide the following services:

Product Development

- i. Develop and recommend, in collaboration with its municipal and industry stakeholders, a regional product development strategy, for approval by the Board of Directors.
- ii. Facilitate and coordinate tourism industry & municipal partner development of approved tourism products, subject to sufficient interest and engagement from industry stakeholders.
- iii. Engage industry partners through the collaborative marketing program known as **Leading With the Best**, to promote market-ready tourism businesses to the consumer market.
- iv. Host regional tourism development workshops, to support the regional tourism product development strategies.
- v. Utilize a product development/market-readiness toolkit to support business development and capacity building, and make this toolkit available to municipal & industry stakeholders to support their work in this area.
- vi. Identify tourism product development funding opportunities, and make every attempt to secure additional funding to support product development strategies.

Tourism Marketing

- i. Facilitate, on behalf of our industry stakeholders, the publication of an annual Visitor Guide for the region; and distribute the Visitor Guide through mutually agreed upon channels, in order to promote the Headwaters region to visitors from outside our geographic region
- ii. Maintain and update the regional tourism website known as www.headwaters.ca. Monitor and recommend improvements and upgrades to said website, and where possible identify and exploit potential funding opportunities for site upgrades and improvements.
- iii. Support highway directional signage program (through Canadian TODS), at three existing locations.
- iv. Distribute a monthly electronic tourism newsletter (Get R.E.A.L. Guide) and continue to make every reasonable effort to grow the size of this database for the benefit of all tourism industry partners.

Communications

- i. Develop and recommend to the Board of Directors a marketing communications & social media strategy, and then implement approved strategy to achieve agreed upon outcomes.
- ii. Continue to supply content, as required, to local area media publications, and to provincial tourism agencies, to support the brand & tourism product in the Headwaters region.



Municipal Services Agreement January 1, 2016 – December 31, 2019

Tourism Advocacy & Partnership Development

- i. Facilitate the engagement of regional tourism industry stakeholders & municipal partners delegates and work with designated committees/sub-committees to seek guidance and input on regional tourism development strategies and initiatives.
- ii. Act as the regional tourism industry representative, on behalf of our industry & municipal partners, with all Ontario agencies & ministries, including (but not limited to) the Ontario Ministry of Tourism, Culture & Sport.
- iii. To represent the interests of the Headwaters region (and our partners) on the Board of Directors (and associated industry sub-committees) of Regional Tourism Organization #6.
- iv. Provide a representative, as requested, to sit on any of our funding municipal partners' economic development committees.
- v. Act as the regional tourism spokesperson in regards to any regional tourism enquiry.
- vi. Work with other municipal, provincial or federal organizations, as deemed necessary, in support of regional tourism development in the Headwaters region.
- vii. Continue to work with and leverage partnerships with other regional business and community groups, to leverage opportunities, and support shared visions for the development of all communities within the Headwaters region.
- viii. Electronically communicate, on a regular basis, with tourism industry stakeholders & municipal partners, with any pertinent industry news, information or relevant data.
- ix. Continue to seek opportunities for partnership & funding that will allow Headwaters Tourism and our funding partners to expand industry development and level of service.

Tourism Industry Partner Support

- i. Operate an administrative office to support tourism industry and municipal partners
- ii. Maintain a database of community organizations and service providers.
- iii. Ensure that all staff are properly trained in regards to regional tourism offerings, to support our goal of promoting area tourism businesses, and help train (as required) industry and municipal partners who are interested in supporting tourism information dissemination.
- iv. Provide letters of support for regional industry undertakings that support regional tourism & economic development strategies.
- v. Continue to seek out funding and partnership opportunities on behalf of our municipal and industry partners.
- vi. Act as a resource for all tourism related matters to industry stakeholders & municipal partners.
- vii. Recognize tourism businesses and operators who exemplify excellence.



Municipal Services Agreement January 1, 2016 – December 31, 2019

Obligations of municipal funding partners:

In consideration of Headwaters Tourism supplying the aforementioned services, and recognizing that this service delivery model is based on the notion of collaboration, partnership & engagement, each municipal partner agrees that Headwaters Tourism is acting as their agent to support the development of a strong, viable and sustainable tourism industry. Each municipal partner agrees to support Headwaters Tourism and the development of regional tourism as follows:

- i. Each municipal partner agrees to work in a collaborative manner, to be an advocate for tourism, and to recognize the mutual value derived from this partnership Agreement by all partners.
- ii. Each municipal partner recognizes that Headwaters Tourism is no more than a collaborative framework representing all municipal partners who are signatory to this Agreement, and that Headwaters Tourism will be working to support and enhance municipal tourism & economic development objectives.
- iii. Each municipal partner agrees to fully engage with Headwaters Tourism, and agrees to appoint a representative to serve as a member of Headwaters Tourism's Board of Directors. Each municipal partner is welcome to appoint an ex-officio staff member to the Board of Directors, to help further enhance the impact of the partnership.
- iv. Each municipal partner representative agrees to provide two-way communication between Headwaters Tourism and their respective municipality, through regular committee reports.
- v. Each municipal partner will encourage the participation of Headwaters Tourism in all tourism related activity, either in a direct or indirect capacity, in an effort to ensure alignment of strategic goals and undertakings.
- vi. Each municipal partner will consider supporting Headwaters Tourism through the provision of letters of support and applications for additional funding that would support the work of Headwaters Tourism on behalf of its industry and municipal partners.
- vii. Recognizing that the primary funding for Headwaters Tourism is derived from partner municipalities, and that Headwaters Tourism is working on behalf of our municipal partners and industry stakeholders, the municipal partners agree to provide, where feasible and appropriate, other support (contra or in-kind) that will enhance the work of Headwaters Tourism, and that will ensure that municipal funding dollars are used to their best advantage in the support of tourism development on behalf of our municipal funding partners.



Municipal Services Agreement January 1, 2016 – December 31, 2019

Insurance & indemnity:

Headwaters Tourism agrees to obtain and maintain at its own expense, throughout the terms of this Agreement:

- i. comprehensive general liability insurance that will include but not be limited to, non-owned automobile liability; personal injury; broad form property damage; blanket contractual liability; owners and contractors protective liability; products and completed operations liability; contingent employers' liability; and severability of interest and cross liability clauses.
- ii. liability insurance shall have a limit of not less than \$2,000,000 for any one occurrence; be comprehensive liability insurance covering the operations and liability assumed under this Agreement; be endorsed to provide that the policy shall not be eligible to be cancelled or allowed to lapse without 30 days prior written notice.

Headwaters Tourism shall indemnify and save harmless, each of the municipal partners, including their elected officials, employees, agents and contractors, from and against any loss, cost and expense in connection with loss of life, personal injury, damage to property or any other loss or injury whatsoever arising from or out of this Agreement, occasioned wholly or in part by any act or omission of the Headwaters Tourism but only if such loss, claim, action, damages, liability, expense or injury arose by reason of the breach of the Agreement Headwaters Tourism, or as a result of the illegal or wilful or negligent action of Headwaters Tourism or its agents, employees or other persons for whom Headwaters Tourism is in law responsible.

Each of the municipal partners shall indemnify and save harmless Headwaters Tourism, its officers, employees, agents and contracts, from and against any loss, cost and expense in connection with loss of life, personal injury, damage to property or any other loss or injury whatsoever arising from or out of this Agreement, occasioned wholly or in part by any act or omission of the applicable municipal partner or partners but only if such loss, claim, action, damages, liability, expense or injury arose by reason of the breach of the Agreement by the partner or partners, or as a result of the illegal or wilful or negligent action of the partner or partners or its/their agents, employees or other persons for whom the municipal partners is/are in law responsible.



Municipal Services Agreement January 1, 2016 – December 31, 2019

Terms of agreement & provisions for amendment:

This Agreement commences on the date hereof and continues in full force and effect for a period of four years, subject to earlier termination of this Agreement as provided herein.

It is the intention of the parties to provide continuity of regional tourism services, as outlined in this Agreement. As such, unless one (1) of the municipal partners gives written notice to the other municipal partners and to the Association of its desire to terminate the Agreement, delivered not less than six months prior to the expiry of the initial term, or renewal term (if applicable), or unless subsequently otherwise agreed to in writing, then this Agreement shall be automatically renewed, subject to any amendments (as set out below) for a successive three year term.

Prior to renewal, a review of this Agreement shall be initiated by Headwaters Tourism, and in addition, may be initiated by one or more of the municipal partners, in order to respond to trends and changes in the tourism industry. Amendments to this Agreement will be considered at this time.

Notwithstanding the above, the municipal partners may terminate this Agreement if Headwaters Tourism is in default of any of its obligations herein provided that the municipal partners shall first have given 120 days written notice to Headwaters Tourism of the nature of the default and provided that such default has not been cured or remedied within the said ninety 120 day period. If such notice has been given, resolutions of the Councils of the municipal partners specifying the default and the fact of its occurrence during the 120 day period shall be deemed to be conclusive evidence of the continuing default and this Agreement shall thereafter be terminated effective the date of such Council resolutions.

Where a municipal partner or municipal partners have terminated this Agreement in accordance with this provision of any other provision, the municipal partner(s) shall be relieved of their obligations at the beginning of the next calendar year.

Notwithstanding the above, Headwaters Tourism may, at its option, terminate this Agreement at any time after the municipal partners default in making the required payments or obligation hereunder provided that it shall give sixty (60) days written notice to the municipal partners of its intention to terminate the Agreement and further provided that the municipal partners have failed to cure the default within the said sixty (60) day period.



Municipal Services Agreement January 1, 2016 – December 31, 2019

Funding formula:

It is agreed that Headwaters Tourism will provide the tourism related services on behalf of our partner municipalities, as outlined in this Agreement, subject to each municipal funding partner agreeing to the following schedule of payments. 2016-2019 municipal per capita contributions will be based on 2011 Statistics Canada figures. Per capita contributions will be assessed at a rate of \$1.46 per capita (2015), and will be subject to a 2% increase each year, for the period 2016-2019.

	2011 population	2016 contribution	2017 contribution	2018 contribution	2019 contribution
Town of Caledon	59460	\$88,595	\$90,379	\$92,163	\$93,947
Town of Mono	7546	\$11,244	\$11,470	\$11,696	\$11,923
Town of Shelburne	5846	\$8,711	\$8,886	\$9,061	\$9,237
Dufferin County	56881	\$84,753	\$86,459	\$88,166	\$89,872
Town of Erin	10770	\$16,047	\$16,370	\$16,694	\$17,017
		\$1.49 per capita	\$1.52 per capita	\$1.55 per capita	\$1.58 per capita

This Agreement shall ensure to the benefit of and be binding upon the parties hereto, their respective successors and assignees.



Municipal Services Agreement January 1, 2016 – December 31, 2019

In witness whereof the Parties have caused to be affixed their corporate seals under the hands of their duly authorized officers on that behalf.

On behalf of Dufferin County:

Warden

Dated:

CAO

Dated:

On behalf of Headwaters Tourism:

Chair, Board of Directors

Dated:

Executive Director

Dated: