TO: Chair and Members  
Emergency & Community Services Committee  
WARD(S) AFFECTED: CITY WIDE

COMMITTEE DATE: June 22, 2011

SUBJECT/REPORT NO:  
One time funding request for the Boys and Girls Club of Hamilton (Kiwanis) Recreation Centre (CS11032) (Ward 4)

SUBMITTED BY:  
Joe-Anne Priel  
General Manager  
Community Services Department

PREPARED BY:  
Coralee Secore 905.546.2424 ext 4689

RECOMMENDATION

(a) That a one time funding increase in the amount of $25,000 be approved for the Boys and Girls Club of Hamilton (Kiwanis) for the operation of the Boys and Girls Club;

(b) That the one time funding payment of $25,000, as outlined in Recommendation (a) of Report CS11032, be funded first from any 2011 Community Services Department surplus, second from any 2011 Corporate surplus and lastly from the Tax Stabilization Reserve; and,

(c) That a Fee for Service Agreement, a framework for program delivery and an evaluation process for the Recreation Division operating grants be developed prior to the 2012 budget process.
EXECUTIVE SUMMARY

The Recreation Division provides annual operating fees to fifteen (15) agencies and organizations in amounts ranging from $5,000 to $271,920 (attached as Appendix B to Report CS11032). The Boys & Girls Club of Hamilton (Kiwanis) has requested a fee for service increase of $25,000 for 2011 to avoid negatively impacting programming for their community.

In 1975, the City of Hamilton established an operating agreement with the Boys and Girls Club to deliver recreation services on behalf of the City. The operating agreement expired in 2000 and since that time no funding increases have been given to maintain the service level and deal with cost increases.

The Community Services Department, Recreation Division has been advised that the Boys and Girls Club is unable to continue operating with the established funding levels of $228,508 without negatively impacting existing programming in 2011. The one time funding request would mean an additional $25,000 in grant funding to Boys and Girls Club in 2011. It should also be noted that for the Boys and Girls Club the Recreation Division has an additional operating budget of $92,100 for maintenance of the facility, making the total funding $320,608.

There is a need to develop a Fee for Service Agreement Framework and Evaluation Process to effectively determine and allocate operating funds. The Fee for Service Framework would include, but not be limited to, the following key areas: identify priorities; set common goals and outcome based objectives; identify indicators of success; measures and evaluation standards; determine appropriate funding levels and formulas for funding increases or potential decreases should there be changes in programs delivered; and, establish a process for reporting the outcomes.

The intent is to bring the completed Fee for Service Agreement framework and evaluation process to the Emergency and Community Services Committee for approval prior to the commencement of the 2012 Budget process. The Fee for Service Agreement framework would be used to create a new Fee for Service Agreement with the Boys & Girls Club of Hamilton (Kiwanis) in the fall of 2012. A review of all the other agencies will follow with the intent to enter into fee for service agreements with each.

Alternatives for Consideration – See Page 4

FINANCIAL / STAFFING / LEGAL IMPLICATIONS
Financial: The Community Services Department will attempt to cover the additional $25,000 through the current operating budget. Should that not materialize, staff are requesting that the $25,000 be covered first through any 2011 Corporate surplus and finally, if necessary, through the Tax Stabilization Reserve.

Staffing: There are no staffing implications associated with Report CS11032.

Legal: There are no legal implications associated with Report CS11032.

**HISTORICAL BACKGROUND**

The Recreation Division provides annual operating fees to fifteen (15) agencies and organizations in amounts ranging from $5,000 to $271,920. These agencies deliver a variety of recreational services across the City. Services include the delivery of recreational programs and/or the maintaining and operation of community halls. Presently only the Young Women’s Christian Association (YWCA) and the Boys and Girls Club of Hamilton have operating agreements which expired in 2000.

**The Boys and Girls Club of Hamilton**

The Boys and Girls Club of Hamilton (Kiwanis) Recreation Centre at 45 Ellis Avenue is a facility owned and maintained by the City of Hamilton (facility operation and maintenance budget of $92,100), and operated by the Boys and Girls Club through an annual grant of $228,508. The club offers recreational fitness, arts, social, aquatic and athletic based programs to over 5,000 children, youth, adults and seniors in an economically disadvantaged neighbourhood.

The Boys and Girls Club of Hamilton has not received an increase to their operating fees since 2000 but has requested a $25,000 increase for 2011 attached as Appendix A to Report CS11032.

**POLICY IMPLICATIONS**

There are no policy implications associated with Report CS11032.

**RELEVANT CONSULTATION**

City staff have worked with the Executive Director of the Boys and Girls Club of Hamilton to review current operating issues and budget pressures. The review
highlighted that operating costs, especially utilities, has increased by greater than 20% and staff wages had not kept pace with the cost of living increases.

The following Departments were consulted:

- Corporate Services Department, Financial Planning and Policy Division, Administration Section in regards to the funding options for the one time request. They provided assistance on the recommendation and review of the Report CS11032.

**ANALYSIS / RATIONALE FOR RECOMMENDATION**

The Boys and Girls Club has requested an increase of $25,000 for 2011 to avoid negatively impacting programming. The Boys and Girls Club has experienced increases in utility costs, and with no funding increases, over the past years, they have had to absorb these increased costs while continuing to deliver the programs to this high need community. The intent of the recommendations of this report is to provide a one time funding increase for the current year while the Community Services Department, Recreation Division develops a framework strategy and evaluation process for determining funding levels, oversight and reporting of City issued operating grants for the 2012 budget process.

There is currently no existing practice or policy for the Community Services, Recreation issued operating fees. In total, the Recreation Division provides annual operating fees to fifteen (15) agencies and organizations in amounts ranging from $5,000 to $271,920.

The intent of the annual Fee for Service Agreement strategy framework and evaluation process is for the Recreation Division to work with partnering agencies to collectively identify priorities, set common goals and outcome based objectives, identify indicators of success, measure and evaluate change, determine formulas for funding increases and establish a process to report the impacts.

**ALTERNATIVES FOR CONSIDERATION**

Council could choose to decline the one time funding increase request. It has been identified by the Boys and Girls Club of Hamilton that any lesser amount received will risk negatively impacting community specific programming currently offered by this alternative service provider.
Vision: To be the best place in Canada to raise a child, promote innovation, engage citizens and provide diverse economic opportunities.

Values: Honesty, Accountability, Innovation, Leadership, Respect, Excellence, Teamwork

CORPORATE STRATEGIC PLAN


Skilled, Innovative & Respectful Organization

• Council and SMT are recognized for their leadership and integrity

Financial Sustainability

• Delivery of municipal services and management of capital assets/liabilities in a sustainable, innovative and cost effective manner

Intergovernmental Relationships

• Maintain effective relationships with other public agencies

Social Development

• People participate in all aspects of community life without barriers or stigma

Healthy Community

• Adequate access to food, water, shelter and income, safety, work, recreation and support for all (Human Services)

APPENDICES / SCHEDULES


Appendix B to Report CS11032: Community Services, Recreation Division, 2011 Grants
November 8, 2010

Joe-Anne Priel  
General Manager Community Services Department  
City of Hamilton  
1 Hughson Street North, 2nd Floor  
Hamilton, Ontario L8P 4Y5

Dear Joe-Ann

It was great meeting with you last week, as you are aware the Boys and Girls Club is a very proud alternative service provider for the City of Hamilton.

In our meeting we talked about a one time $25,000.00 payment to the Hamilton East Kiwanis Boys and Girls Club in 2011, to offset some budget pressures that have occurred over the last few years. As you are aware the Boys and Girls Club have not received an increase for many years from the City of Hamilton.

Please be advised that the one time increase will help to offset the increase in Utilities at the Kiwanis Boys and Girls Club. Utilities cost have risen over 50% for our organization, and have become the second largest expense for the organization, after staff and benefits. The extra dollars will also enable our organization to give Boys and Girls Club staff a cost of living increase for 2011, something they have not received for over three years. The amount will also cover an increase in the cost of insurance for the organization, another expense that continues to rise.

We are very proud of our long and productive relationship with the City of Hamilton. Our successful partnership began in early 1950, and continues to be a strong partnership; one that I think is a model for other Municipalities across Canada.

continued..
Thanks for your continued interest in all that we do. I always enjoy meeting with you, I always leave your meetings feeling appreciated and up beat, ready to take on the world again!! Thanks for that!!!

If you have any questions concerning the request, please call me.

Sincerely,

Glenn Harkness
Executive Director
## Community Services, Recreation Division

### 2011 Grants

<table>
<thead>
<tr>
<th>Organization</th>
<th>Amount</th>
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<tbody>
<tr>
<td>YWCA</td>
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<tr>
<td>Kiwanis</td>
<td>$228,508</td>
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<tr>
<td>Catholic Youth Organization</td>
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<td>Wesley Urban Ministries</td>
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<td>Roselawn Lawn Bowling Facility</td>
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**Total**                                      $721,308.00