

City Council Meeting Agenda

Monday, July 20, 2020, 5:00 p.m.

Remote meeting live streamed
on guelph.ca/live

Changes to the original agenda are noted with an asterisk "*".

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Pages

1. Notice - Electronic Participation

1.1 City Council

This meeting will be held by Electronic Participation in accordance with the City of Guelph Procedural By-law (2020)-20490.

2. Call to Order

3. Authority to move into closed meeting

Recommendation:

That the Council of the City of Guelph now hold a meeting that is closed to the public, pursuant to the Municipal Act, to consider:

3.1 Disclosure of Pecuniary Interest and General Nature Thereof

3.2 Confirmation of Minutes for the closed Council meetings held June 17 and 29, 2020

3.3 361 Whitelaw Road - Local Planning Appeal Tribunal Appeals - Update

Section 239 (2)(e) and (f) of the Municipal Act relating to litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; and advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

3.4 Review of Chief Administrative Officer 2019 Performance Objectives and Setting of Revised 2020 Objectives

Section 239 (2) (b) and (d) of the Municipal Act related to personal matters about an identifiable individual, including municipal or local board employees; and labour relations or employee negotiations.

4. Open Meeting – 6:30 p.m.

4.1 O Canada

4.2 Silent Reflection

4.3 First Nations Acknowledgement

4.4 Disclosure of Pecuniary Interest and General Nature Thereof

4.5 Closed Meeting Summary

5. Confirmation of Open Minutes

4

(Councillor Allt)

Recommendation:

That the minutes of the open Council Meetings held June 15, 17 and 29, 2020, be confirmed as recorded and without being read.

6. Council Consent Agenda

The following resolutions have been prepared to facilitate Council's consideration of various matters and are suggested for consideration. If Council wishes to address a specific report in isolation of the Consent Agenda, please identify the item. It will be extracted and dealt with separately as part of the Items for Discussion.

6.1 Paramedic Service Response Time Performance Plan 2019-2020 - 2020-83

25

Recommendation:

1. That the Response Time Performance Plan for 2021 be set as recommended by staff.

7. Items for Discussion

The following items have been extracted from the Committee of the Whole Consent Report and the Council Consent Agenda and will be considered separately. These items have been extracted either at the request of a member of Council or because they include a presentation and/or delegations.

7.1	2019 Consolidated Financial Statements and External Audit Findings Report, 2020-97	30
	Presentation: Matthew Betik, CPA, CA, KPMG Chartered Professional Accountants	
	Recommendation: 1. That the 2019 Consolidated Financial Statements and External Audit Findings Report, dated July 20, 2020, be approved.	
7.2	Community Road Safety Strategy - 2020-80	183
	Presentation: Liraz Fridman, Transportation Safety Specialist	
	Delegations: Ray Gordon, Sargent, Traffic Unit, Guelph Police Service	
	Correspondence: Gord Cobey, Chief of Police, Guelph Police Service	
	Recommendation: 1. That the Community Road Safety Strategy, included as Attachment 1, to the Infrastructure, Development & Enterprise Services Report (2020-80), dated July 20, 2020 be approved and in effect as of August 4, 2020. 2. That the Traffic Calming Policy, included as Attachment 2, to the Infrastructure, Development & Enterprise Services Report (2020-80), dated July 20, 2020 be approved and in effect as of August 4, 2020.	
8.	Special Resolutions	
9.	By-laws	
	Resolution to adopt the By-laws (Councillor Bell).	
10.	Mayor's Announcements	
	Please provide any announcements, to the Mayor in writing, by 12 noon on the day of the Council meeting.	
11.	Adjournment	



Minutes of Guelph City Council

June 15, 2020, 6:30 p.m.
Remote meeting live streamed
on guelph.ca/live

Council:

Mayor C. Guthrie
Councillor P. Alit
Councillor B. Bell
Councillor C. Billings
Councillor L. Caron Piper
Councillor C. Downer
Councillor D. Gibson
Councillor R. Goller
Councillor J. Gordon
Councillor J. Hofland
Councillor M. Salisbury
Councillor M. MacKinnon
Councillor D. O'Rourke

Staff:

K. Dedman, Deputy Chief Administrative Officer,
Infrastructure, Development and Enterprise Services
T. Baker, General Manager, Finance/City Treasurer
M. Aldunate, Manager, Policy Planning and Urban Design
C. DeVriendt, Manager, Development Planning
D. McMahon, Manager, Legislative Services / Deputy City
Clerk
N. Goss, Senior Policy Planner
L. Cline, Council and Committee Coordinator
T. Di Lullo, Council and Committee Coordinator

1. Call to Order

Mayor Guthrie called the meeting to order (6:30 p.m.).

2. Open Meeting

2.4 Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

3. Items for Discussion

3.1 Shaping Guelph Growth Management Strategy - Community Engagement and Growth Vision and Principles - 2020-49

Natalie Goss, Senior Policy Planner, provided an overview of the Municipal Comprehensive Review, including a summary of community engagement, and the draft vision and principles for growth to 2041.

The following delegates spoke via telephone regarding this item:

Susan Watson

Morgan Dandie-Hannah

Matt Saunders

The following delegation withdrew and did not speak:

Mike Darmon

Moved By Councillor Bell

Seconded By Councillor Caron Piper

1. That the draft vision and principles for growth to 2041 contained within report number 2020-49 be endorsed for the purposes of guiding the development of the Shaping Guelph Growth Management Strategy.

Amendment

Moved By Councillor O'Rourke

Seconded By Councillor Gibson

1. That the draft vision and principles for growth to 2041 contained within report number 2020-49 be referred to the July 13, 2020 Council Planning meeting for endorsement for the purposes of guiding the development of the Shaping Guelph Growth Management Strategy.

Voting in Favour: (4): Mayor Guthrie, Councillor Billings, Councillor Gibson, and Councillor O'Rourke

Voting Against: (9): Councillor Allt, Councillor Bell, Councillor Caron Piper, Councillor Downer, Councillor Goller, Councillor Gordon, Councillor Hofland, Councillor Salisbury, and Councillor MacKinnon

Defeated (4 to 9)

Main Motion

Moved By Councillor Bell

Seconded By Councillor Caron Piper

1. That the draft vision and principles for growth to 2041 contained within report number 2020-49 be endorsed for the purposes of guiding the development of the Shaping Guelph Growth Management Strategy.

Voting in Favour: (13): Mayor Guthrie, Councillor Allt, Councillor Bell, Councillor Billings, Councillor Caron Piper, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Gordon, Councillor Hofland, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke

Carried (13 to 0)

4. By-laws

Moved By Councillor Goller

Seconded By Councillor Hofland

That By-laws Numbered (2020)-20502 to (2020)-20503, inclusive, are hereby passed.

Voting in Favour: (13): Mayor Guthrie, Councillor Allt, Councillor Bell, Councillor Billings, Councillor Caron Piper, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Gordon, Councillor Hofland, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke

Carried (13 to 0)

5. Mayor's Announcements

Councillor Goller announced a Ward 2 Virtual Town Hall meeting on Saturday, June 27, 2020 at 1:30 p.m. featuring Police Chief Gordon Cobey.

6. Adjournment

Moved By Councillor Goller
Seconded By Councillor MacKinnon

That the meeting be adjourned (8:04 p.m.).

Voting in Favour: (13): Mayor Guthrie, Councillor Allt, Councillor Bell, Councillor Billings, Councillor Caron Piper, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Gordon, Councillor Hofland, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke

Carried (13 to 0)

Mayor Guthrie

Dylan McMahon - Deputy City Clerk



Minutes of Guelph City Council

June 17, 2020, 1:00 p.m.

Remote meeting live streamed on guelph.ca/live

Council:

Mayor C. Guthrie
Councillor P. Allt
Councillor B. Bell
Councillor C. Billings
Councillor L. Caron
Councillor C. Downer
Councillor D. Gibson
Councillor R. Goller
Councillor J. Gordon
Councillor J. Hofland
Councillor M. Salisbury
Councillor M. MacKinnon
Councillor D. O'Rourke

Staff:

S. Stewart, Chief Administrative Officer
C. Clack, Deputy Chief Administrative Officer, Public Services
K. Dedman, Deputy Chief Administrative Officer,
Infrastructure, Development and Enterprise Services
T. Lee, Deputy Chief Administrative Officer, Corporate
Services
T. Baker, General Manager, Finance/City Treasurer
C. Cooper, General Manager, Legal Realty and Court
Services/City Solicitor
A. Thornton, Associate Solicitor
T. Sprigg, General Manager, Corporate Communications and
Customer Service
D. McMahon, Manager, Legislative Services/Deputy City Clerk
S. O'Brien, General Manager, City Clerk's Office/City Clerk
J. da Silva, Council and Committee Assistant

2. Call to Order

Mayor Guthrie called the meeting to order (1:02 p.m.)

2.1 Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

3. Authority to move into closed meeting

Moved By Councillor Hofland

Seconded By Councillor Allt

That the Council of the City of Guelph now hold a meeting that is closed to the public, pursuant to the Municipal Act, pursuant Section 239 (2)(e) and (f) of the Municipal Act relating to litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; and advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

Voting in Favour: (13): Mayor Guthrie, Councillor Allt, Councillor Bell, Councillor Billings, Councillor Caron, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Gordon, Councillor Hofland, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke

Carried (13 to 0)

The following matters was considered:

3.1 Disclosure of Pecuniary Interest and General Nature Thereof

3.2 361 Whitelaw Road, City of Guelph Official Plan and Zoning By-law Amendment Application File No. OZS18-005 Notices of Appeal pursuant to Sections 22(7) and 34(11) of the Planning Act

4. Open Meeting

Mayor Guthrie called the meeting to order (2:01 p.m.).

4.1 Closed Meeting Summary

Mayor Guthrie spoke regarding the matters discussed in close session and identified the following:

361 Whitelaw Road, City of Guelph Official Plan and Zoning By-law Amendment Application File No. OZS18-005 Notices of

Appeal pursuant to Sections 22(7) and 34(11) of the Planning Act

City Council gave direction to staff on how to proceed with this matter.

4.5 Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

5. Council Consent Agenda

The following item was extracted:

Guelph's Temporary Seasonal Patio Program - 2020-74

6. Items for Discussion

6.1 Managing the Impacts of COVID-19: Update #3

Mayor Guthrie provided a summary of intergovernmental collaboration with other levels of government and an update on the Mayor's Task Force for Economic Recovery.

Scott Stewart, Chief Administrative Officer, provided an update on the City's response to COVID-19.

Trevor Lee, Deputy Chief Administrative Officer, Corporate Services, outlined the City's organizational recovery plan and fiscal impacts as it relates to COVID-19.

Kealy Dedman, Deputy Chief Administrative Officer, Infrastructure, Development and Enterprise Services, outlined the City's economical recovery plan and how the City is supporting businesses during their reopening.

Colleen Clack, Deputy Chief Administrative Officer, Public Services, outlined changes to transit fees and the City's social recovery plan.

Scott Stewart, Chief Administrative Officer, acknowledged the efforts from City staff and the collaboration among departments.

The following delegates spoke via telephone regarding this item:

Dustin Brown

Susan Watson

Mike Darmon

Kate Nixon

Sherry Cox

Lili Ziobakas

Councillor L. Caron joined the remote meeting (3:52 p.m.).

Moved By Councillor O'Rourke

Seconded By Councillor Goller

1. That report "Managing the impacts of COVID-19: Update #3" dated June 17, 2020 be forwarded to the local MP and MPP, FCM, AMO, LUMCO and the Federal Minister of Finance and the Ministers of Municipal Affairs and Housing and Minister of Finance for the Province of Ontario.
2. That Council approve the Principles for post-COVID Stimulus Programs, and that a copy of the principles be forwarded to the local MP and MPP, FCM, AMO, LUMCO and the Federal Minister of Finance and Minister of Infrastructure and Communities, and the Ministers of Municipal Affairs and Housing, Minister of Infrastructure, Minister of the Environment, Minister of Transportation and Minister of Finance for the Province of Ontario.
3. That Council requests that Local Boards and funded agencies take necessary 2020 cost containment actions, similar to those implemented by Council, to mitigate budget overages collectively for the tax and ratepayers of Guelph.
5. That the City of Guelph Sign Bylaw No. (1996)-15245, Table 4, Row 1, be suspended from June 17 to August 31, 2020 to allow for the issuance of more than four, 30-day mobile sign permits to the same business within a calendar year.
6. That the City of Guelph Bylaw No. (2019)-20460, Table 89, related to mobile sign fees be suspended from June 17 to August 31, 2020 to allow for the issuance of 30-day mobile sign permits without a fee.
7. That staff be directed to assist the Guelph Family Health Team and the Guelph General Hospital with a transition plan for relocating the COVID-19 Screening Centre to an

alternate site, in order to allow for the eventual reopening of Victoria Road Recreation Centre.

Amendment:

Moved By Councillor O'Rourke

Seconded By Councillor Caron

That clause 3 be amended as follows:

3. That Council requests that Local Boards and funded agencies, with the exception of The Elliott Community, take necessary 2020 cost containment actions, similar to those implemented by Council, to mitigate budget overages collectively for the tax and ratepayers of Guelph

Voting in Favour: (5): Councillor Allt, Councillor Caron, Councillor Gordon, Councillor Hofland, and Councillor O'Rourke

Voting Against: (8): Mayor Guthrie, Councillor Bell, Councillor Billings, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Salisbury, and Councillor MacKinnon

Defeated (5 to 8)

Amendment:

Moved By Councillor Hofland

Seconded By Councillor Gordon

That clause 4 be amended as follows:

4. That transit fares be reinstated effective on or around September 1, 2020, subject to ServiceGuelph resuming operations with the public.

Voting in Favour: (4): Councillor Allt, Councillor Caron, Councillor Gordon, and Councillor Hofland

Voting Against: (9): Mayor Guthrie, Councillor Bell, Councillor Billings, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke

Defeated (4 to 9)

It was requested that clause 4 be voted separately.

Motion as Amended:

Moved By Councillor O'Rourke
Seconded By Councillor Goller

1. That report "Managing the impacts of COVID-19: Update #3" dated June 17, 2020 be forwarded to the local MP and MPP, FCM, AMO, LUMCO and the Federal Minister of Finance and the Ministers of Municipal Affairs and Housing and Minister of Finance for the Province of Ontario.
2. That Council approve the Principles for post-COVID Stimulus Programs, and that a copy of the principles be forwarded to the local MP and MPP, FCM, AMO, LUMCO and the Federal Minister of Finance and Minister of Infrastructure and Communities, and the Ministers of Municipal Affairs and Housing, Minister of Infrastructure, Minister of the Environment, Minister of Transportation and Minister of Finance for the Province of Ontario.
3. That Council requests that Local Boards and funded agencies take necessary 2020 cost containment actions, similar to those implemented by Council, to mitigate budget overages collectively for the tax and ratepayers of Guelph.
5. That the City of Guelph Sign Bylaw No. (1996)-15245, Table 4, Row 1, be suspended from June 17 to August 31, 2020 to allow for the issuance of more than four, 30-day mobile sign permits to the same business within a calendar year.
6. That the City of Guelph Bylaw No. (2019)-20460, Table 89, related to mobile sign fees be suspended from June 17 to August 31, 2020 to allow for the issuance of 30-day mobile sign permits without a fee.
7. That staff be directed to assist the Guelph Family Health Team and the Guelph General Hospital with a transition plan for relocating the COVID-19 Screening Centre to an alternate site, in order to allow for the eventual reopening of Victoria Road Recreation Centre.

Voting in Favour: (13): Mayor Guthrie, Councillor Allt, Councillor Bell, Councillor Billings, Councillor Caron, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Gordon, Councillor Hofland, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke

Carried (13 to 0)

Moved By Councillor O'Rourke
Seconded By Councillor Goller

4. That transit fares and parking fees be reinstated effective on or around July 6, 2020, subject to ServiceGuelph and the parking office safely resuming operations with the public.

Voting in Favour: (10): Mayor Guthrie, Councillor Bell, Councillor Billings, Councillor Caron, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke

Voting Against: (3): Councillor Allt, Councillor Gordon, and Councillor Hofland

Carried (10 to 3)

6.2 Rise and recess from Council Meeting

Council recessed at 5:25 p.m. and reconvened at 5:36 p.m..

6.3 Guelph's Temporary Seasonal Patio Program - 2020-74

The following delegates spoke via telephone regarding this item:

Colton Proveau

Martin Collier

The following delegate did not speak:

Susan Watson

Moved By Councillor Caron
Seconded By Councillor Gibson

1. That the Temporary Seasonal Patio Program as described in 2020-74 be approved.
2. That for the period from June 12, 2020 to November 1, 2020, staff are directed to temporarily suspend enforcement of such provisions of the Zoning By-law (1995)-14864 which conflict with Provincial

Directives with respect to licensed outdoor dining capacity and the establishment of temporary outdoor dining premises, and in particular to suspend enforcement of:

- a. restrictions for licensed capacity of outdoor commercial patios in section 4.17.1 which are more restrictive than the temporary Provincial requirement of 1.11 square metres per person; and
 - b. restrictions in required parking numbers in section 4.13.4 of the Zoning By-law in connection with a an establishment which has an approved application for a Temporary Patio, and which are operated in conformity with all applicable laws, including the Temporary City of Guelph Guidelines for outdoor patios and all other relevant Zoning By-law requirements.
3. That the temporary suspension of enforcement of Zoning By-law (1995)-14864 as outlined above shall be strictly time-limited and shall not be interpreted as an authorization for any Temporary Outdoor Patio which is operated beyond these limited timelines or which operates in contravention of any other applicable law and/or of the Temporary Patio Guidelines established by the City.
 4. That operation of a permitted Temporary Outdoor Patio between June 12, 2020 and November 1, 2020 pursuant to this Resolution does not permit the continued use of the land, buildings and/or structures for the purpose temporarily authorized, establish a legal non-conforming use, or entitle any person to an exemption from the Zoning By-Law beyond November 1, 2020.
 5. That staff be directed that any fee associated with the approval of applications in connection with the City of Guelph's Temporary Patio Pilot Program including, but not limited to, fees listed in the User Fee By-law (2019) – 20460, be waived until October 31, 2020.
 6. That the Chief Administration Officer, or designate, be delegated authority until October 31, 2020, to implement, administer and revise any City Council approved form, guideline or requirement associated with the City of Guelph's Temporary Patio Pilot Program, including any modifications which may be necessary to the forms prescribed in connection with Commercial Patio Premises by the City Lands Encroachment By-law (2009) 18799.
 7. That staff shall be directed to conduct further consultations with the community and to prepare a draft temporary use by-law as

authorized under section 39 of the Planning Act in connection with this Resolution, and shall schedule a public meeting in connection therewith as soon as practical.

Voting in Favour: (13): Mayor Guthrie, Councillor Allt, Councillor Bell, Councillor Billings, Councillor Caron, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Gordon, Councillor Hofland, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke
Carried (13 to 0)

7. Councillor Motions in Response to COVID-19

7.1 Motion from Mayor Guthrie

Moved By Councillor Gibson
Seconded By Councillor Salisbury

1. That the City of Guelph offer a pilot program for the opportunity for the Downtown Guelph Business Association and/or commercial areas that are predominantly restaurants and cafes to create temporary, shared "Outdoor Dining Districts" on City streets or to use specified parking areas for Summer/Fall 2020.
2. That staff consult with the Downtown Guelph Business Association and/or interested restaurant owners to identify appropriate locations where City streets or specified parking areas could be temporarily converted into shared Outdoor Dining Districts, and that applications for shared Outdoor Dining Districts be accepted and reviewed through an expedited process with a start date of no later than July 1st, 2020.
3. That any Outdoor Dining Districts follow all applicable public health requirements, including any COVID-related public health requirements, as well as all applicable Provincial Orders.
4. That through the application process, staff ensure safe alternatives with respect to pedestrian safety, accessibility, emergency services, public transit, private accesses or any and other issues that are normally addressed through the regular patio process be implemented.
5. That costs for the establishment of Outdoor Dining Districts on City streets or City parking lots/spaces for temporary road closure

permits, Book 7 traffic management measures, be waived with all other costs to be borne by the applicants.

6. That the applicants be responsible for the management and operation of any approved Outdoor Dining Districts, including ensuring that they are staffed at all times when open, to ensure proper use, cleaning and physical distancing.
7. That the City waive any requirement for site plan review for such locations and waive enforcement of any zoning provisions related to parking supply, provided the patios are created as temporary uses with no permanent fixtures and no alterations that require a Building Permit, and only during the term of the pilot.
8. That when opportunities exist, within established guidelines of Public Health, that "programming" within the downtown core take place, and that staff continue to identify funding for such programming through RT04, Federal and Provincial initiatives and private sector partnerships.
9. That staff collaborate with the Downtown Business Association to provide a report including, but not limited to, feedback, policy and or process changes, overall costs, business and patrons/visitor experience of this pilot project by April 2021 for further consideration by City Council to make this a permanent program.
10. That Council immediately request that the Minister of Municipal Affairs and Housing issue a zoning order for a temporary pause to zoning bylaws that would enable relief from procedural requirements under the Planning Act and Municipal Act to allow the program to initiate on July 1, 2020.

Voting in Favour: (12): Mayor Guthrie, Councillor Allt, Councillor Bell, Councillor Billings, Councillor Caron, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Gordon, Councillor Hofland, Councillor Salisbury, and Councillor O'Rourke

Voting Against: (1): Councillor MacKinnon

Carried (12 to 1)

7.2 Motion from Councillor Downer

Moved By Councillor Downer

Seconded By Councillor O'Rourke

1. That staff be directed to adjust the 2020 allocation funding from the GMHI dividend through the Community Investment Strategy to focus on the Emergency and Resiliency Funding streams, to permit funding to Community Benefit organizations that are struggling to recover from the impacts of COVID-19; and
2. That the funding allocation for 2020 be \$350,000.

Voting in Favour: (13): Mayor Guthrie, Councillor Allt, Councillor Bell, Councillor Billings, Councillor Caron, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Gordon, Councillor Hofland, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke

Carried (13 to 0)

8. By-laws

Moved By Councillor Gordon

Seconded By Councillor Allt

That By-law Numbered (2020)-20504 is hereby passed.

Voting in Favour: (13): Mayor Guthrie, Councillor Allt, Councillor Bell, Councillor Billings, Councillor Caron, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Gordon, Councillor Hofland, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke

Carried (13 to 0)

9. Adjournment

Moved By Councillor Hofland

Seconded By Councillor Downer

That the meeting be adjourned (7:32 p.m.).

Carried

Mayor Guthrie

Stephen O'Brien - City Clerk



Minutes of Guelph City Council

**June 29, 2020, 6:00 p.m.
Remote meeting live streamed
on guelph.ca/live**

Council:

- Mayor C. Guthrie
- Councillor P. Alit
- Councillor B. Bell
- Councillor C. Billings
- Councillor L. Caron
- Councillor C. Downer
- Councillor D. Gibson
- Councillor R. Goller
- Councillor J. Gordon
- Councillor J. Hofland
- Councillor M. Salisbury
- Councillor M. MacKinnon
- Councillor D. O'Rourke

Staff:

- S. Stewart, Chief Administrative Officer
- C. Clack, Deputy Chief Administrative Officer, Public Services
- K. Dedman, Deputy Chief Administrative Officer,
Infrastructure, Development and Enterprise Services
- T. Lee, Deputy Chief Administrative Officer, Corporate
Services
- S. O'Brien, General Manager, City Clerk's Office/City Clerk
- L. Cline, Council and Committee Coordinator
- T. Di Lullo, Council and Committee Coordinator

1. Call to Order

Mayor Guthrie called the meeting to order

1.1 Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

2. Authority to move into closed meeting

Moved By Councillor Goller

Seconded By Councillor O'Rourke

That the Council of the City of Guelph now hold a meeting that is closed to the public, pursuant to Section 239 (2) (b) the Municipal Act, relating to personal matters about an identifiable individual, including municipal or local board employees.

Voting in Favour: (9): Mayor Guthrie, Councillor Allt, Councillor Bell, Councillor Gibson, Councillor Goller, Councillor Hofland, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke

Carried (9 to 0)

The following matters were considered:

2.1 Disclosure of Pecuniary Interest and General Nature Thereof

2.2 Confirmation of Minutes for the closed Council meeting held May 25, 2020

2.3 June 2020 Public Appointments to Advisory Committees, Local Boards, Agencies, Commissions and Associations, 2020-07

3. Open Meeting

Mayor Guthrie called the meeting to order (6:31 p.m.).

3.4 Closed Meeting Summary

Mayor Guthrie spoke regarding the items discussed in closed and identified the following:

Confirmation of Closed Minutes

The minutes of the Closed Council meeting held May 25, 2020 were adopted.

June 2020 Public Appointments to Advisory Committees, Local Boards, Agencies, Commissions and Associations, 2020-07

The Mayor advised that information was received and Council will report on this matter as part of the next item.

4. June 2020 Public Appointments to Advisory Committees, Local Boards, Agencies, Commissions and Associations, 2020-06

Moved By Councillor Gibson
Seconded By Councillor Goller

1. That Mike Puddister, Liana D'Andrea, Emily Damstra, Justine Richardson, Tom Nicholls, Sam Stevenson, Nathan McFadden, Martin Litchfield and Eric Wilkinson be appointed to the Natural Heritage Advisory Committee for a term ending April, 2021 or until such time as a successor is appointed.
2. That Ran Zhu be appointed to the Transit Advisory Committee for a term ending April, 2021 or until such time as a successor is appointed.
3. That Greg Sayer be appointed to the Solid Waste Management Master Plan Public Advisory Committee for a term ending April, 2021 or until such time as a successor is appointed
4. That Paul Fitzpatrick and Mario Deschamps be appointed to the Property Standards Committee for a term ending April, 2021 or until such time as a successor is appointed.
5. That Shannon McIntyre and Hannah Senitt be reappointed to the Wellbeing Grant Allocation Panel for a term ending June, 2022 or until such time as a successor is appointed.

Voting in Favour: (12): Mayor Guthrie, Councillor Allt, Councillor Bell, Councillor Billings, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Gordon, Councillor Hofland, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke

Carried (12 to 0)

5. Confirmation of Open Minutes

Moved By Councillor Hofland
Seconded By Councillor Allt

That the minutes of the open Council Meetings held May 25 and 27, 2020, be confirmed as recorded and without being read.

Voting in Favour: (13): Mayor Guthrie, Councillor Allt, Councillor Bell, Councillor Billings, Councillor Caron, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Gordon, Councillor Hofland, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke

Carried (13 to 0)

6. Council Consent Agenda

Moved By Councillor Hofland
Seconded By Councillor Allt

That the June 29, 2020 Council Consent Agenda as identified below, be adopted:

6.1 PS-2020-01 238 Willow Road Application, 2020-32

That the Cash-in-Lieu of parkland dedication requirement with respect to Building Permit Number 19 005894 pursuant to Bylaw (2019)-20366 be calculated based on the addition of the two new units being developed as part of that permit application.

6.2 The Elliott Community - Consent to Guarantee External Financing - 2020-75

1. That the increase in debt of \$2,000,000 that The Elliott Community is seeking from an external lender be approved.
2. That the City Treasurer be authorized to enter into an agreement to guarantee The Elliott Community's loan with an external lender in the total amount of \$4,000,000.

Voting in Favour: (13): Mayor Guthrie, Councillor Allt, Councillor Bell, Councillor Billings, Councillor Caron, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Gordon, Councillor Hofland, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke

Carried (13 to 0)

7. By-laws

Moved By Councillor MacKinnon
Seconded By Councillor O'Rourke

That By-laws Numbered (2020)-20505 to (2020)-20507, inclusive, are hereby passed.

Voting in Favour: (13): Mayor Guthrie, Councillor Allt, Councillor Bell, Councillor Billings, Councillor Caron, Councillor Downer, Councillor Gibson, Councillor Goller, Councillor Gordon, Councillor Hofland, Councillor Salisbury, Councillor MacKinnon, and Councillor O'Rourke

Carried (13 to 0)

8. Adjournment

Moved By Councillor Hofland
Seconded By Councillor O'Rourke

That the meeting be adjourned (6:42 p.m.).

Carried

Mayor Guthrie

Stephen O'Brien - City Clerk

Staff Report



To	City Council
Service Area	Public Services
Date	Monday, July 20, 2020
Subject	Paramedic Service Response Performance 2019 and Performance Plan 2021

Recommendation

1. That the Response Time Performance Plan for 2021 be set as recommended by staff.
-

Executive Summary

Purpose of Report

To provide a report on the performance of the Paramedic Service against the 2019 Response Time Performance targets as set by Council, and to establish a Response Time Performance Plan (RTPP) for the Paramedic Service for 2021 as required by Provincial Legislation.

Key Findings

In 2019 Guelph Wellington Paramedic Service was generally able to meet the targets and compliance rates as set by Council. The targets set do not compare favourably with some paramedic response times in comparator municipalities, as the service is challenged by a relatively large rural area and increasing call volumes.

Financial Implications

The response time performance is a key data set that supports budget investment and is a measurable goal of the Strategic Plan. As the City moves towards presenting a four-year budget, the Paramedic Master Plan in connection with the actual response time results will be used to demonstrate the recommended timing of expanded paramedic services required to meet response time targets over this period.

Report

Response times are important for a paramedic service in order to ensure effective pre-hospital patient care. The timely intervention of paramedics in providing care can improve the overall condition and outcome of a patient suffering from a potentially life threatening event.

Provincial legislation requires that Council set the target performance levels for the ambulance service for each year by October 31 of the preceding year, and to inform

the Ontario Ministry of Health of the actual performance results by March 31 of the following year.

The purpose of setting response time targets is to provide the residents of our area with a reasonable expectation of ambulance response times in their community, and to provide some accountability and transparency around the provision of the paramedic ambulance service.

Performance targets are set in the form of a Response Time Performance Plan (RTPP), which establishes a target response time and compliance level to that target for each of five (5) categories of medical emergencies. The categories are based on the severity of the patient's illness or injury and are defined based on the Canadian Triage Acuity Scale (CTAS).

The five levels of CTAS include:

- CTAS 1 – requires resuscitation (i.e. cardiac arrest)
- CTAS 2 – requires emergent care (i.e. major trauma)
- CTAS 3 – requires urgent care (i.e. mild shortness of breath)
- CTAS 4 – requires less urgent care (i.e. minor trauma)
- CTAS 5 – requires non-urgent care (i.e. sore throat)

A sixth target is required measuring the response times to a call for a patient suffering a sudden cardiac arrest, and is different than CTAS 1 as it includes non-paramedic responders using defibrillators. The target of six minutes has been set by the Ministry of Health (MOH) but the compliance rates to that standard can be set by Council.

Performance in 2019

Response times to emergency calls tend to be affected by the volume of calls for assistance. As the service becomes busier, there are fewer ambulances available in the area that a call occurs, and available ambulances must travel further to respond. Guelph Wellington Paramedic Service's call volume has been increasing significantly over the past several years, attributable to an aging population, increasing population, and the community efforts to allow aging at home and recovery at home from serious illnesses (earlier discharge from hospital).

The negative effects on response times caused by these increases in call volumes have been offset with the enhancements to the service approved by Council over that past several years. The service was able to generally meet the targets set by Council for 2019.

Guelph Wellington Paramedic Service utilizes best practices in staffing and deploying available resources strategically so as to provide the best response time to emergency calls.

The table below illustrates Council's approved RTPP for 2019, and Guelph Wellington Paramedic Service's compliance with its response time targets. The paramedic service was required to report these results to the Ontario Ministry of Health by March 31, 2020.

CTAS Category	Response Time Target	2019 Target Compliance as approved by Council (October 2018)	2019 Actual Compliance Rate
Level 1	8 minutes (set by MOH)	65%	68%
Level 2	10 minutes	75%	76%
Level 3	15 minutes	90%	89%
Level 4	15 minutes	90%	87%
Level 5	20 minutes	90%	92%
Sudden Cardiac Arrest	6 minutes (set by MOH)	65%	51%

Table Notes:

- The response time performance for Sudden Cardiac Arrest involves multiple agencies and public access defibrillators. The actual response times of public access defibrillators are often difficult to capture consistently.
- The RTPP is a good retrospective measurement of performance, but is less useful as a planning tool. The service needs to attempt to arrive at all calls as quickly as possible because the severity of the patient's condition (and therefore their CTAS level) cannot be verified before a paramedic arrives.

Guelph Wellington Paramedic Service Master Plan

In 2016 a consultant was engaged to review the station locations and staffing using a sophisticated computer modelling process. The review provided some guidance on necessary steps that will be required in order to meet the needs of the community through 2026.

The final report was used to develop a five-year Master Plan for the paramedic service that has previously been presented to Council. That plan outlines recommended incremental enhancements to the service and relocation of some paramedic stations. Each change will be brought forward to Council for approval in the budget process for the proposed year of introduction.

Recommendations for the 2021 Response Time Performance Plan

Pressures on the response times for the Guelph Wellington Paramedic Service are offset by the enhancements that have been approved by Council in past budgets. As such, staff recommend maintaining the current RTPP targets and compliance rates for 2021:

Canadian Triage Acuity Scale Levels	Response Time Target	Compliance Rate Recommended to Council
CTAS Level 1	8 minutes (set by the Province)	65%
CTAS Level 2	10 minutes	75%
CTAS Level 3	15 minutes	90%
CTAS Level 4	15 minutes	90%
CTAS Level 5	20 minutes	90%
Sudden Cardiac Arrest	6 minutes (set by the Province)	65%

Guelph Wellington Paramedic Service will continue to strive to meet or exceed these targets and compliance rates using best practices in deployment strategies and methods.

Financial Implications

The response time performance is a key data set that supports budget investment and is a measurable goal of the Strategic Plan. As the City moves towards presenting a four-year budget, the Paramedic Master Plan in connection with the actual response time results will be used to demonstrate the recommended timing of expanded paramedic services required to meet response time targets over this period.

Consultations

The Response Time Performance Plan will be provided to the Ontario Ministry of Health, where it will subsequently be posted on their website. It will also be posted on the City's website: [Guelph Wellington Paramedic Services](#)

The County of Wellington will be provided with a copy of this report. Staff will be present at their Social Services Committee meeting to explain the RTPP Standards.

Strategic Plan Alignment

The creation of a Response Time Performance Plan is part of building our future and ensuring that we continue to build strong, vibrant, safe and healthy communities that foster resilience in the people who live here.

Departmental Approval

None

Report Author

Stephen Dewar, Chief, GWPS

This report was approved by:

Stephen Dewar

General Manager, Chief, Guelph Wellington Paramedic Services

Public Services

519-822-1260 extension 2805

Stephen.dewar@guelph.ca

This report was recommended by:

Colleen Clack

Deputy Chief Administrative Officer

Public Services

519-822-1260 extension 2588

Colleen.clack@guelph.ca

Staff Report



To	City Council
Service Area	Corporate Services
Date	Monday, July 20, 2020
Subject	2019 Consolidated Financial Statements and External Audit Findings Report

Recommendation

That the City of Guelph 2019 Consolidated Financial Statements and External Audit Findings Report, dated July 20, 2020, be approved.

Executive Summary

Purpose of Report

To present and provide an overview of the City's 2019 Consolidated Financial Statements, including related entities' Financial Statements; and to provide Council with the City's external audit results as reported in KPMG LLP's 2019 Audit Findings Report.

Key Findings

KPMG LLP, the City's external auditor, performed an audit of the City's 2019 Consolidated Financial Statements in accordance with generally accepted auditing standards and expressed an unqualified or clean opinion that the statements present fairly, in all material respects, the financial position of the City. There were no concerns raised in KPMG LLP's External Audit Findings Report included as Attachment-5 to this report.

The City's 2019 consolidated net financial assets increased by \$48.2 million over 2018, a continued affirmation of financial health and stability of the corporation. The key 2019 financial indicators are presented in the Corporate Financial Performance Measures Dashboard on the City's website, and include:

- Cash and investment holdings increase of \$80.2 million over December 31, 2018, and a ratio of 1.20:1 in comparison with total reserves and reserve funds (including deferred contributions). This is an increase from the 2018 consolidated cash and investments to reserves and reserve funds ratio of 1.17.
- The City has continued to maintain a low tax receivable position as a percentage of total taxes levied; the City is at 1.98% compared to the Ontario southwest regional average of 5.4% for 2018 (the 2019 data is not yet available).
- The City repaid \$13.9 million in debt principle and incurred \$3.2 million of interest on long-term debt. The City continues to have strong debt ratios, including debt to total reserves, debt outstanding per \$100,000 of

unweighted assessment, and debt interest as a percentage of own source revenue. The City issued debt in 2019 totaling \$33.1 million at an average rate of 2.43% interest.

- The balance in the City's reserves and reserve funds totals \$250.6 million, an increase of \$33.0 million over the balances at December 31, 2018.

The City is required to consolidate and report on related entities as a requirement of Public Sector Accounting Standards (PSAS). The entities, and highlights of their 2019 Audited Financial Statements include:

- The Elliott Community (The Elliott) reported a 2019 excess of revenues over expenses of \$1.2 million compared to \$1.1 million in 2018. The net deficit of \$5.8 million at the beginning of the year was reduced to \$4.6 million by the end of the year. Operating revenue increased by approximately \$300 thousand and operating expenses increased by approximately \$450 thousand, however bequests totaling \$290 thousand were received during the year offsetting what would have otherwise been a decrease in the annual surplus.
- The Downtown Guelph Business Association (DGBA) reported a 2019 excess of revenues over expenses of \$8 thousand compared to \$51 thousand in 2018. In 2019, net assessment write-offs were \$13 thousand, whereas recoveries of \$4 thousand were reported on the same line in 2018. Special projects contributions also increased by \$22 thousand in 2019.
- Wellington-Dufferin-Guelph Public Health (Public Health) reported an excess of revenue over expenditures of \$805 thousand (2018 - \$325 thousand). The City proportionately consolidates the health unit based on the percentage of municipal funding contributed which was unchanged from 2018 at 46.3%. This percentage is based on the 2016 census population.
- Guelph Municipal Holdings Inc. (GMHI) and Guelph Junction Railway Limited (GJR) both have a formal process for reporting their Financial Statements to Council in accordance with each entity's Shareholder Declaration; for this reason their Financial Statements have not been included as attachments.
- A variance analysis of the Guelph Police Service Board (Police Board) and Guelph Public Library Board (Library Board) was included in report 2020-41 2019 Year-end Operating Variance Report and Surplus Allocation.

Financial Implications

An unqualified opinion of the 2019 Consolidated Financial Statements will assist the City in obtaining a fair credit rating which has the potential to lower its borrowing costs as well as support grant-funding requests from outside organizations.

The City's net financial position is a key indicator of its overall fiscal condition and is used in the City's annual credit rating review. A stable financial position helps ensure the City of Guelph meets service levels and infrastructure standards without resorting to excessive rate increase or disruptive cuts in service.

Report

City Council annually reviews and approves the City of Guelph's audited Consolidated Financial Statements as required under the Municipal Act, 2001.

Review and approval of the audited 2019 Consolidated Financial Statements and review of KPMG LLP's Audit Findings Report satisfy the following Audit Committee responsibilities:

- Understand the scope of the external auditor's review of internal financial control over financial reporting and obtain reports on significant findings and recommendations, together with management's responses and the timing of the disposition of significant findings;
- After consultation with the Treasurer and the external auditors, gain reasonable assurance, at least annually, of the quality and sufficiency of the City's accounting, financial personnel and other resources;
- Review with staff and the external auditors the results of the audit, including any difficulties encountered, and all other matters required to be communicated to the Committee under generally accepted auditing standards;
- If required, at the conclusion of the audit, consult with the external auditors, without the presence of staff, about internal financial controls, compliance, and the completeness and accuracy of the City's Consolidated Financial Statements;
- Ensure the timely presentation of the external auditor's annual audit report to Council;
- Review significant accounting and reporting issues in terms of their impact on the Financial Statements, including complex or unusual transactions, areas high in subjectivity, and recent professional and regulatory pronouncements;
- Review the representation letter provided by staff to the external auditors;
- Prior to the presentation of the annual Financial Statements to Council, review the Financial Statements and consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles; and
- Recommend to Council the approval and distribution of the annual consolidated Financial Statements.

Overview of the Consolidated Financial Statements

Please refer to Attachment-1 for the Draft Consolidated Financial Statements. These statements are required to be approved by Council in accordance with the Municipal Act, 2001.

The Consolidated Financial Statements have been prepared in accordance with PSAS, which require the consolidation of the following entities into the City's statements:

- The Elliott – fully consolidated
- DGBA – fully consolidated
- Public Health – proportionately consolidated (46.3%)
- GMHI – modified equity basis
- GJR – modified equity basis
- Police Board – fully consolidated
- Library Board – fully consolidated

Fully consolidated means that the full financial statements of those entities have been combined into the City's statements.

Proportionately consolidated means that only the City's share (46.3%) of Public Health's financial statements have been included in the City's statements. All inter-

organizational transactions have been eliminated between the City and the fully consolidated and proportionately consolidated entities.

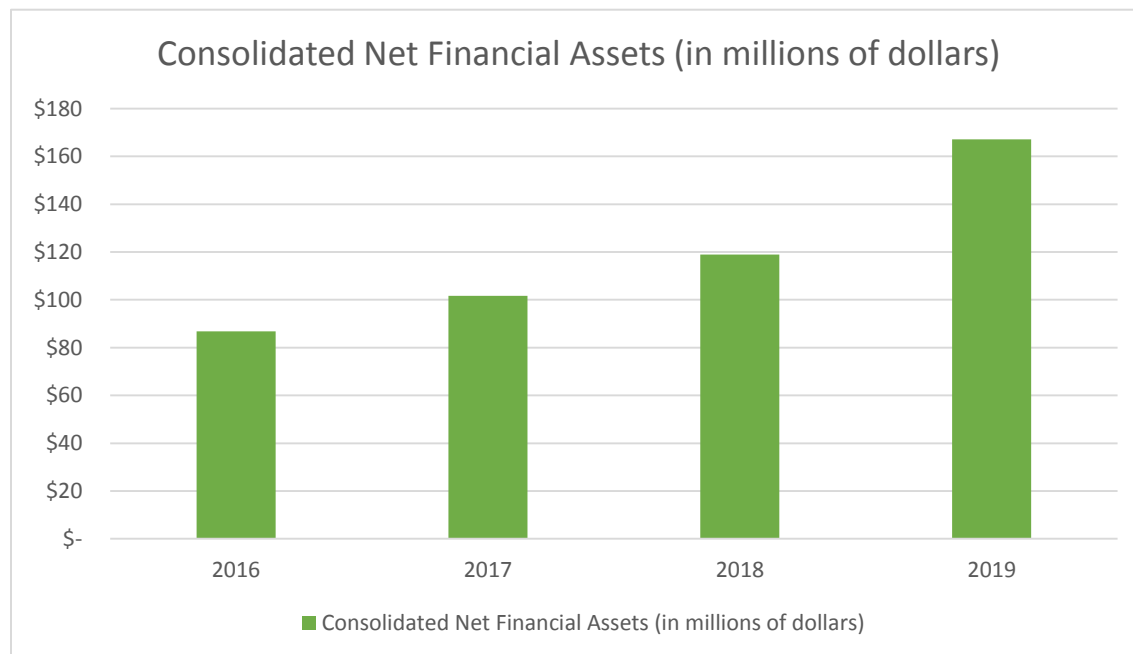
Modified equity basis means that the carrying value of the net assets of the investee are shown on the face of the City's Statement of Financial Position as an investment, and any gain or loss in carrying value is shown on the Statement of Operations as government business enterprises earnings. There are no inter-organizational transaction eliminations.

Statement of Financial Position

The Statement of Financial Position is a summary of the consolidated assets, liabilities and accumulated surplus, which includes reserves and reserve funds. The City's net financial position (net financial assets) is a key indicator of its overall fiscal health and is used by the credit rating agency in the City's annual rating review. As of December 31, 2019 the City's consolidated net financial assets totaled \$167.2 million, an increase of \$48.2 million from 2018. This continues a trend now spanning four years and indicates that the City and its consolidated entities are generating revenue to increase financial assets (increase of \$100.8 million in 2019) at a greater rate than the increase in financial liabilities (increase of \$52.5 million in 2019).

On a per capita basis, the City has also been trending upward with 2019 net financial assets per person of \$1,185, which is above the 2018 municipal average of \$517 and median of \$659 for single and lower tier municipalities. 2019 data is not yet available for comparison.

Figure 1 – Consolidated Net Financial Assets Trend (in millions)



Highlights

Total cash and investment holdings increased by \$80.2 million in 2019. Cash increased by \$4.7 million, the result of positive cash flows from operations of \$102.2 million and financing activities of \$46.2 million, and offset by \$143.7 million in negative cash flows from capital and investing activities. Net investment

acquisitions totaled \$75.4 million. The City meets the minimum target measure of cash and investment holdings which is a 1:1 ratio with the City's reserve and reserve fund balances including the deferred contributions on the Statement of Financial Position.

Accounts receivable

Accounts receivable increased by \$4.9 million in 2019 compared with the balance as at December 31, 2018. The two main contributors to this increase were HST receivable (increase of \$1.9 million) and amounts receivable from Alectra Utilities Corp. (Alectra) for water and wastewater revenues (\$3.0 million).

Loans and notes receivable

Loans and notes receivable decreased by \$2.5 million, mainly due to the funds remaining from the 2018 special dividend paid by Guelph Hydro Electric Systems Inc. (GHESI) to GMHI during the merger with Alectra being transferred to City investment accounts.

Investment in GJR

The City's investment in GJR increased by \$1.0 million as GJR had net income of just under \$1.1 million in 2019 and paid the City a dividend of \$80 thousand.

Investment in GMHI

The City's investment in GMHI increased by \$17.3 million mainly due to GMHI's investment in its electricity utility being brought up to market value through the accounting transactions required to report on the merger of GHESI and Alectra.

Deferred revenue

Developer agreement deferred revenue increased by \$700 thousand and other deferred revenue increased by \$2.3 million. The increase in other deferred revenue was driven by an increase in site plan security deposits totaling \$2.2 million, and deposits received in advance of work being completed for site servicing of \$584 thousand, and tree planting of \$277 thousand, as well as River Run ticket sales totaling \$200 thousand. These increases were offset by a decrease in building permit deferred revenue totaling \$1.0 million.

Deferred contributions

Deferred contributions include development charges (for growth-related capital expenditures), federal and provincial gas tax funds and parkland dedication and Ontario Building Code Act funds that have been received but not yet spent. In 2019 the City received \$59.5 million in deferred contributions and spent \$33.6 million on projects funded through these revenues, for a net increase of \$25.9 million to the year-end balance. The largest portion of this net increase was an increase of \$16.6 million in deferred development charges. Federal and provincial gas tax deferred contributions increased by \$5.6 million, and parkland dedication and Ontario Building Code deferred revenue increased by \$3.7 million.

Employee future benefits

Employee future benefits increased by \$4.5 million with an increase to the future liability for Workplace Safety and Insurance Board (WSIB) liability accounting for \$2.6 million of the increase, in addition to an increase of \$1.6 million for post-retirement benefits. The City is a Schedule II employer for WSIB (self-insured). The

liability reported on the City's balance sheet includes the present value of the projected future WSIB payments, including administration and other costs for past WSIB claims, plus the unamortized gains and losses which have occurred at past valuation dates. Gains and losses are amortized over the average remaining period for paying the WSIB benefits. The WSIB liability increase is mostly driven by WSIB claim volume and increased payments per claim. The post-retirement benefits liability increase is driven by changes to the Fire and Police retirement benefits.

Debt

The City issued debt in 2019 totaling \$33.1 million for several capital projects under By-law 20417, and The Elliott borrowed \$1.4 million on a line of credit. The City and its consolidated entities made debt principal repayments totaling \$13.9 million, for a net increase in debt principal outstanding of \$20.5 million at the end of 2019.

Other long-term liabilities

Other long-term liabilities include Tax Increment Based Grant (TIBG) liabilities for Heritage Redevelopment, Downtown Community Improvement Plan, and the Brownfield Redevelopment Community Improvement Plan. The liability for the Downtown Development TIBG decreased by \$2.5 million, while the liability for the Brownfield Redevelopment TIBG increased by \$1.8 million, for an overall net decrease of \$700 thousand in the liability.

Liability for contaminated sites

The liability for contaminated sites decreased by \$1 million as expenditures for contaminated sites remediation totaled \$1.1 million in 2019 and the present value of the remaining expenditures was adjusted for inflation.

Tangible capital assets

The City spent \$88.8 million to acquire tangible capital assets in 2019, with a further \$4.6 million being received in contributed subdivision assets for total tangible capital asset additions of \$93.4 million.

Statement of Operations and Accumulated Surplus

The City ended the year with an excess of revenues over expenditures of \$84.8 million (compared with \$55.6 million in 2018).

The audited Consolidated Financial Statements are prepared in accordance with PSAS, and as a result, the net surplus reported in these financial statements is different from the surplus reported by staff in the 2019 Year-end Operating Variance Report and Surplus Allocation Report (report 2020-41). Both numbers are computed using the same underlying data, however, as shown in Figure 2 they are presented differently based on the requirements of cash basis operating and capital budgeting versus accrual-based financial reporting.

Figure 2 – Reconciliation of PSAS surplus versus operating budget surplus

Description	Amount
Ending surplus - PSAS	\$84,807
Net capital-related revenues and depreciation	31,206

Description	Amount
Debt-related and non-cash items	(29,201)
Reserve related transfers	(75,527)
Consolidated entities	(1,757)
Total	\$9,528
Ending surplus – tax supported	\$5,478
Ending surplus – non-tax supported	4,050
Total	\$9,528
Difference	\$0

Revenue Highlights

Tax revenue is the largest source of income for the City, followed by user charges and contribution revenues. Total revenues increased by \$42.7 million in 2019 to \$527.2 million, largely due to government business enterprises earnings, property taxes, provincial government contributions, and user charges.

Tax revenue

Tax revenue increased by \$11.0 million in 2019 overall predominantly due to the general levy increasing by \$9.9 million as a result of Council's approved tax levy increase. Also of note, the supplementary levy decreased by \$300 thousand from 2018 and penalties and interest increased by \$100 thousand.

User charges

User charges increased by \$2.4 million, driven largely by increases in fare bus passes, wastewater, storm water, and water consumption charges.

Contributions

Contribution revenues are received from the federal and provincial governments, other municipalities, and developers. The increase in year-over-year contribution revenues totaled \$5.5 million and was driven by an increase to provincial contributions, half of which was an increase to provincial child care funding provided to the County of Wellington (the City records its share of provincial social services funding as revenue). A large portion of contribution revenue is directly related to capital spending and therefore can fluctuate year-to-year with large projects funded by grants and development charges.

Investment income

Investment income increased by \$1.9 million largely due to the increased reserve and reserve fund balances and the average rate of return increasing from 2.19% in 2018 to 2.45% in 2019.

Recoveries

Recoveries increased by \$1.3 million, with \$600 thousand of this increase being other revenue from The Elliott consolidation.

Loss on disposal of tangible capital assets

The most significant asset disposals in 2019 were the police headquarters which is nearing completion of a complete renewal of the existing building, sale of vehicles and equipment that reach the end of life, and sale of industrial land at the Hanlon Creek Business Park. In total, these transactions generated a loss of \$1.4 million in 2019.

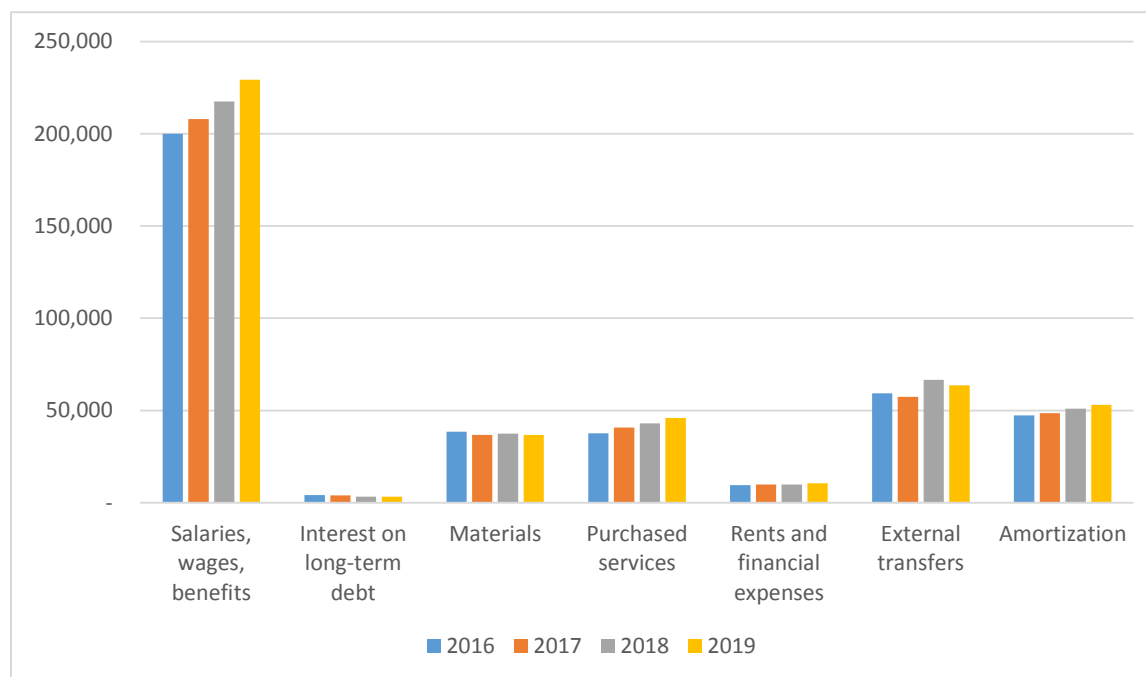
Government business enterprises earnings

Government business enterprise earnings increased by \$27.2 million. Of the \$34.0 million in government business enterprise earnings reported in 2019, \$1.1 million is GJR's net income. The remaining \$32.9 million is GMHI's net income of \$41.8 million less \$8.8 million in the refundable portion of deferred tax liability associated with the merger transaction between GMHI and Alectra.

Expense Highlights

Year-over-year total expenses increased by \$13.5 million with the largest increase in the salaries, wages and employee benefits cost (\$11.7 million), purchased services (\$2.8 million), and amortization of tangible capital assets (\$2.1 million). A decrease of \$3.0 million in external transfers offset these increases.

Figure 3 – Expenditure by type (in millions)



Salaries, wages and employee benefits

Salaries, wages and employee benefits are the most significant component of the City's operating costs, increasing by \$11.7 million (5%) over 2018. The increase is due to increased wage rates, increased employee benefits costs (OMERS, medical and dental, accumulated sick leave and retiree benefits) and costs from the

additional full-time equivalents hired. Slightly over \$3 million of the increase was related to the WSIB liability adjustment.

Materials

Materials expenses increased by \$785 thousand over 2018 with the largest drivers of this increase being contracted construction, automotive parts, and fuel costs due to fleet growth, increased use, and typical annual fuel commodity price increases.

Purchased services

Purchased services expenses increased by \$2.8 million over 2018 mainly due to increased activity for work related to monitoring, maintenance, remediation and rehabilitation such as increased storm water pond monitoring, maintenance on storm water linear system, clean-up of contaminated sites, and water valve maintenance.

External transfers

External transfers decreased by \$3.0 million under 2018, mainly due to a very large increase in TIBG expenses in the prior year (2018 was \$12.0 million and 2019 was \$1.6 million). This was offset by an increase in transfers to the County of Wellington for Child Care services (\$4.3 million increase) and Ontario Works (\$800 thousand increase); 2019 external transfers also included \$400 thousand for the Smart Cities Program.

Figure 4 below depicts the percentage amount of total operating expenses for each service category within the City for 2019 and Figure 5 presents the same information for 2018. The percentages have remained relatively stable with a slight increase in protection services, general government and recreation and cultural services and decreases in social housing and planning and development. The most significant year-over-year change was the decrease in planning and development which was the result of the significantly lower TIBG expense in 2019.

Figure 4 – Expenses by Function (2019)

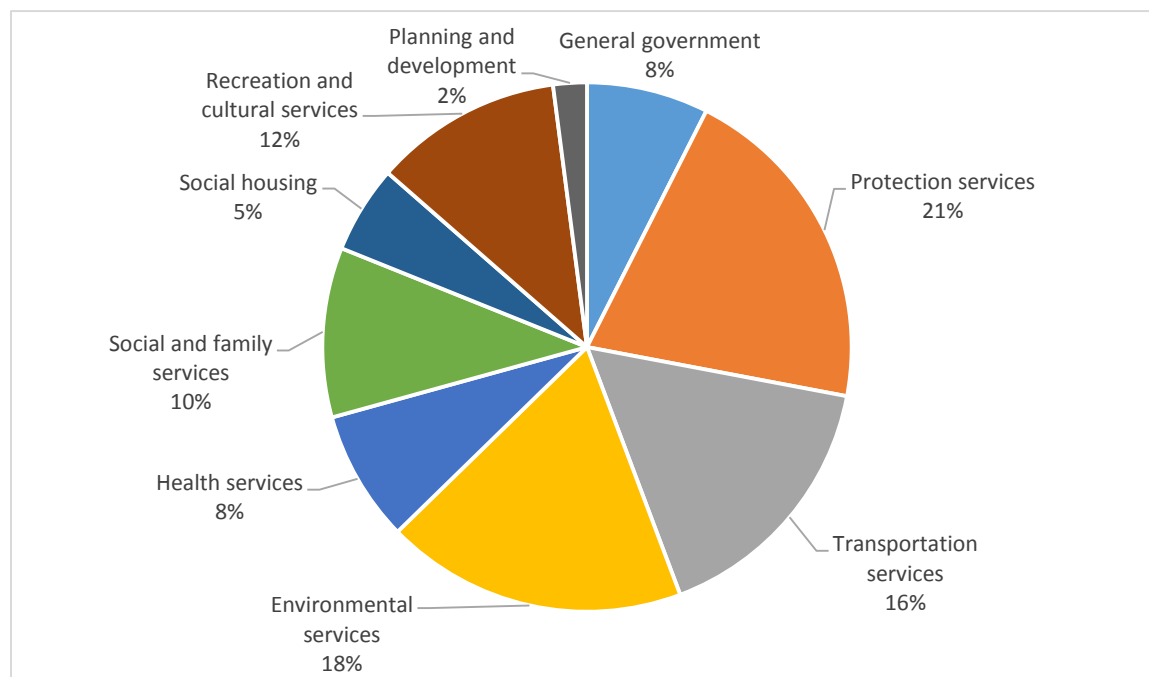
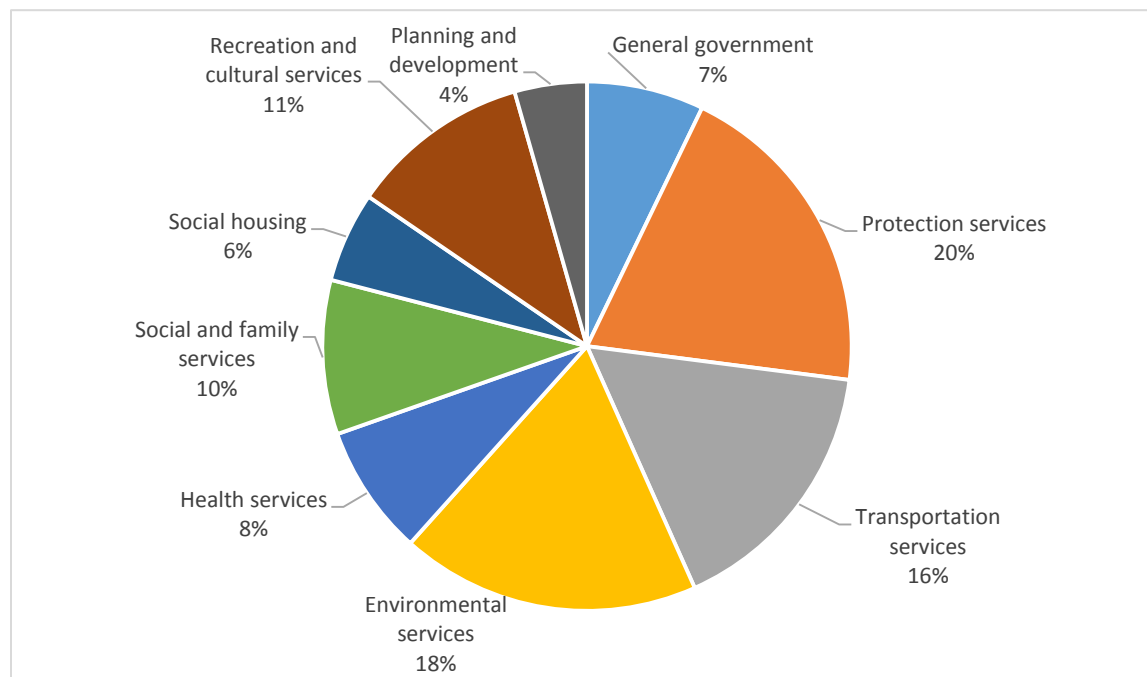


Figure 5 – Expenses by Function (2018)



Accumulated Surplus

Accumulated surplus is the excess of the City's total assets over its total liabilities. A full breakdown of the accumulated surplus can be found in Note 14 to the Consolidated Financial Statements included in Attachment-1. The most significant component of the accumulated surplus is the amount invested in tangible capital assets, followed by the City's reserves and reserve funds which are detailed in Schedule 4 of Attachment-1.

The 2019 Year-end Reserve and Reserve Fund Statement (report 2020-39) was approved by Council in May and provided an overview of current reserve balances, activity throughout the year, outstanding commitments and target reserve levels.

Statement of Cash Flows

This statement provides a summary of how cash was generated during 2019 and where it was spent. The purpose of this statement is to reconcile the excess of revenue over expenses for the year from the Statement of Operations and Accumulated Surplus to cash on hand at the end of the fiscal year, as shown in the Statement of Financial Position.

The first section of the Statement of Cash Flows highlights the cash earned from operations and begins with the excess of revenues over expenses for the year of \$84.8 million, and adds and subtracts items that are non-cash in nature. During 2019, the City and its consolidated entities generated \$102.2 million in cash from operations (2017 - \$123.1 million).

The next two sections relate to capital, investing, and financing activities which show how the City has used and generated its cash during the year. The City spent \$88.8 million to acquire tangible capital assets, and received \$2.4 million from the sale of capital assets. Net cash of \$75.4 million was transferred to the City's investment accounts, and the City received dividends totaling \$15.7 million from its government business enterprises (GMHI and GJR). A further \$2.5 million was

transferred to the City's investment accounts from GMHI and is accounted for as a loan from GMHI to the City. The City issued debt in 2019 totaling \$33.1 million and The Elliott borrowed \$1.4 million on a line of credit but total debt principal repayments totaling \$13.9 million were made during the year, for a net cash inflow from debt activities of \$20.5 million. Receipts of deferred contributions (development charges, federal and provincial gas tax, and Ontario Building Code and parkland dedication revenues) exceeded expenditures funded through these sources by \$25.9 million

Overall, the City's cash position increased year-over-year by \$4.7 million.

Review of the Consolidated Entities' Financial Statements

In the preparation of the 2019 Consolidated Financial Statements, staff reviewed the audited Financial Statements for each of the consolidated entities. The impacts of the consolidated entities' Financial Statements on the City's Consolidated Financial Statements are included in the commentary above, however an overview of significant items from the consolidated entities financial statements is provided for further information:

The Elliott (Attachment-2)

The Elliott is required to be consolidated into the City's Financial Statements because of its financial reliance on the City. The Elliott's Financial Statements are audited by KPMG LLP and have a year-end date of December 31, 2019. KPMG provided a clean audit opinion on The Elliott's 2019 Financial Statements.

The Elliott reported an annual surplus of \$1.2 million for 2019 (2018 - \$1.1 million). The net deficit of \$5.8 million at the beginning of the year was reduced to \$4.6 million by the end of the year. Operating revenue increased by approximately \$300 thousand and operating expenses increased by approximately \$450 thousand, however bequests totaling \$290 thousand were received during the year offsetting what would have otherwise been a decrease in the annual surplus.

The City has a loan receivable from The Elliott of \$14.7 million (2018 - \$15.3 million) relating to debentures issued on behalf of The Elliott by the City. The loan was eliminated in the consolidated statements, but is highlighted here because it appears on The Elliott's Financial Statements. The City guarantees The Elliott's line of credit totaling \$1 million, as well as a revolving lease line of \$2 million, of which \$1.4 million was drawn upon at the December 31, 2019 year-end (2018 - \$0). On June 29, 2020, Council approved an increase in the amount of revolving lease line of credit it would guarantee for The Elliott from \$2.0 million to \$4.0 million.

DGBA (Attachment-3)

The DGBA is a business improvement area in the City and is consolidated because it is financially dependent on the City for funding. The DGBA Financial Statements are audited by KPMG LLP. KPMG provided a clean audit opinion on the DGBA's 2019 Financial Statements.

The DGBA reported a 2019 excess of revenues over expenses of \$8 thousand compared to \$51 thousand in 2018. In 2019 net assessment write-offs were \$13 thousand, whereas recoveries of \$4 thousand were reported on the same line in 2018. Special projects contributions also increased by \$22 thousand in 2019.

Public Health (Attachment-4)

The City proportionately consolidates the assets, liabilities, revenues and expenses of Public Health based on the percentage of municipal funding contributed during the year. The 2019 percentage was unchanged from 2018 at 46.3%. This percentage is based on the 2016 census population. The Public Health Financial Statements are audited by KPMG LLP. KPMG provided a clean audit opinion on Public Health's 2019 Financial Statements.

Public Health reported an excess of revenues over expenditures of \$805 thousand (2018 - \$325 thousand) and an increase in the accumulated surplus from \$17.0 million in 2018 to \$17.8 million in 2019. The largest portion of the accumulated surplus is invested in tangible capital assets (net of long-term debt used to finance Public Health's two owned facilities), with just over \$1.1 million in reserves and reserve funds at the 2019 year-end (2018 \$5.7 million).

The City has a loan receivable from Public Health of \$2.5 million (2018 - \$5.3 million). This loan is eliminated in the consolidated statements but is highlighted here because it appears on Public Health's Financial Statements.

GMHI and GJR

GMHI and GJR both have a formal process for reporting their Financial Statements to Council in accordance with each entity's Shareholder Declaration; for this reason their Financial Statements have not been included as attachments. Commentary is provided in the Council reports that accompany these statements which Council will receive at each company's annual general meeting on July 22, 2020.

Police Board

The Police Board is fully consolidated into the City's Consolidated Financial Statements and a supplementary schedule (Schedule 6) within Attachment-1 outlines the activity throughout the year. An analysis of the Police Board's variance is included in the Council quarterly and annual variance reporting, so further analysis is not provided in this report.

Library Board

The Library Board is fully consolidated into the City of Guelph's Consolidated Financial Statements and a supplementary schedule (Schedule 5) within Attachment-1 outlines the activity throughout the year. An analysis of the Library Board's variance is included in the Council quarterly and annual variance reporting, so further analysis is not provided in this report.

External Audit Findings Report

The external audit results, as prepared by KPMG LLP, are included in Attachment-5. Highlights from KPMG's report include:

- There were no significant changes from the Audit Planning Report previously presented to Council.
- There have been no initial selections of or changes to significant accounting policies and practices to bring to Council's attention.
- No significant control deficiencies in internal control over financial reporting were identified.
- No audit differences were identified by KPMG.
- KPMG confirmed their independence from the City.

Financial Implications

An unqualified opinion of the 2019 Consolidated Financial Statements will assist the City in obtaining a fair credit rating which has the potential to lower its borrowing costs as well as support grant-funding requests from outside organizations.

Consultations

No consultations were required.

Strategic Plan Alignment

The City's Consolidated Financial Statements and the unqualified audit opinion provided by KPMG LLP on them supports the Strategic Plan pillar of Working Together for our Future through maintaining a fiscally responsible local government.

Attachments

Attachment-1 City of Guelph 2019 Consolidated Financial Statements

Attachment-2 The Elliott Community 2019 Audited Financial Statements

Attachment-3 Downtown Guelph Business Association 2019 Audited Financial Statements

Attachment-4 Wellington-Dufferin-Guelph Public Health 2019 Audited Financial Statements

Attachment-5 City of Guelph 2019 External Audit Findings Report

Departmental Approval

None noted.

Report Author

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Consolidated Financial Statements

City of Guelph

December 31, 2019

City of Guelph
December 31, 2019

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INDEPENDENT AUDITORS' REPORT

To the Mayor and Members of Council, Inhabitants and Ratepayers of the City of Guelph

Opinion

We have audited the consolidated financial statements of the City of Guelph (the Entity), which comprise:

- the consolidated statement of the financial position as at December 31, 2019
 - the consolidated statement of operations for the year then ended
 - the consolidated statement of change in net financial assets for the year then ended
 - the consolidated statement of cash flows for the year then ended
 - and notes to the consolidated financial statements, including a summary of significant accounting policies
- (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2019, and its consolidated results of operations, its changes in consolidated net financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.



We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Page 4

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants

Waterloo, Canada
July 20, 2020

DRAFT

City of Guelph

Consolidated statement of financial position as at December 31, 2019 (\$000's)

	2019 \$	2018 \$
Financial assets		
Cash	54,871	50,128
Investments (Note 3)	354,607	279,175
Taxes receivable	5,096	5,248
Accounts receivable	34,268	29,373
Loans and notes receivable	186	2,644
Investment in Guelph Junction Railway Limited (Note 4)	10,421	9,409
Investment in Guelph Municipal Holdings Inc. (Note 5)	89,411	72,122
	548,860	448,099
Liabilities		
Accounts payable and accrued liabilities	54,123	54,256
Accrued interest payable	1,190	893
Vacation and other employee benefits payable	7,862	7,627
Developer agreement deferred revenue	2,161	1,459
Other deferred revenue	24,627	22,327
Deferred contributions (Note 6)	90,304	64,385
Employee future benefits (Note 8)	41,811	37,319
Debt (Note 9)	116,485	95,938
Obligation under capital lease (Note 10)	246	494
Landfill post-closure liability (Note 11)	4,520	4,435
Other long-term liabilities (Note 12)	12,377	13,043
Liability for contaminated sites (Note 17)	26,000	27,000
	381,706	329,176
Net financial assets	167,154	118,923
Non-financial assets		
Tangible capital assets (Note 13)	1,159,903	1,123,348
Inventory	1,844	1,860
Prepaid expenses	4,006	3,969
	1,165,753	1,129,177
Contingencies (Note 18)		
Commitments and guarantees (Note 19)		
Accumulated surplus (Note 14)	1,332,907	1,248,100

The accompanying notes are an integral part of the financial statements.

City of Guelph

Consolidated statement of operations and accumulated surplus year ended December 31, 2019 (\$'000's)

	2019 Budget (Note 21) \$	2019 Actual \$	2018 Actual \$
Revenues			
Taxation			
Property taxation (Note 2)	247,625	249,695	238,833
Property taxation - Downtown Guelph BIA	621	621	618
Penalties and interest on taxes	1,305	1,359	1,251
	249,551	251,675	240,702
User charges	109,127	111,878	109,467
Contributed subdivision assets	4,600	4,607	9,560
Contributions			
Government of Canada	7,574	12,455	12,011
Province of Ontario	61,563	63,883	56,840
Municipal	4,688	5,019	5,111
Developers	15,727	18,196	18,735
Other	1,380	960	2,313
	204,659	216,998	214,037
Other			
Investment income	3,298	7,457	5,515
Donations	312	677	397
Sales of equipment, publications	2,671	4,221	4,443
Recoveries	3,700	5,650	4,311
Licences and permits	4,117	3,918	3,967
Provincial Offences Act revenues	2,708	2,845	2,686
Other fines	1,200	1,143	1,369
(Loss) gain on disposal of tangible capital assets	-	(1,396)	278
Government business enterprises earnings	917	34,006	6,804
	18,923	58,521	29,770
Total revenues	473,133	527,194	484,509
Expenses			
General government	39,440	32,959	30,722
Protection services	90,556	90,795	85,262
Transportation services	70,229	72,087	69,867
Environmental services	84,100	81,552	78,524
Health services	35,760	35,441	34,225
Social and family services	45,655	45,896	40,413
Social housing	21,070	23,664	23,684
Recreation and cultural services	47,587	50,897	47,304
Planning and development	9,393	9,096	18,938
Total expenses	443,790	442,387	428,939
Excess of revenues over expenses for the year	29,343	84,807	55,570
Accumulated surplus - beginning of year	1,248,100	1,248,100	1,192,530
Accumulated surplus, end of year	1,277,443	1,332,907	1,248,100

The accompanying notes are an integral part of the financial statements.

City of Guelph

Consolidated statement of change in net financial assets year ended December 31, 2019 (\$000's)

	2019 Budget (Note 21) \$	2019 Actual \$	2018 Actual \$
Excess of revenues over expenses for the year	59,823	84,807	55,570
Amortization of tangible capital assets	47,081	53,050	50,925
Acquisition of tangible capital assets	(91,330)	(88,841)	(90,524)
Contributed subdivision assets	(9,560)	(4,607)	(9,560)
Loss (gain) on disposal of tangible capital assets	-	1,396	(278)
Proceeds from disposal of tangible capital assets	-	2,447	5,571
Change in inventory	-	(37)	(770)
Change in prepaid expenses	-	16	(195)
Increase in net financial assets for the year	6,014	48,231	10,739
Net financial assets, beginning of year	118,923	118,923	108,184
Net financial assets, end of year	124,937	167,154	118,923

The accompanying notes are an integral part of the financial statements.

City of Guelph

Consolidated statement of cash flows year ended December 31, 2019 (\$000's)

	2019 \$	2018 \$
Operating activities		
Excess of revenues over expenses for the year	84,807	55,570
Items not affecting cash:		
Amortization of tangible capital assets	53,050	50,925
Loss (gain) on disposal of tangible capital assets	1,396	(278)
Contributed subdivision assets	(4,607)	(9,560)
Allowance on asset backed investment	-	15
Unrealized gain on interest rate swap contracts	-	(153)
Earnings from government business enterprises	(34,006)	(6,804)
Employee future benefits expenses	4,492	1,450
Landfill post-closure cost	85	230
Contaminated sites (recovery) cost	(1,000)	1,554
Changes in non-cash working capital:		
Taxes receivable	152	1,121
Accounts receivable	(4,895)	7,934
Developer agreement deferred revenue	702	(833)
Inventory	16	(195)
Prepaid expenses	(37)	(770)
Accounts payable and accrued liabilities	(133)	8,167
Accrued interest payable	297	(91)
Vacation and other employee benefits payable	235	678
Other deferred revenue	2,300	2,987
Other long-term liabilities	(666)	11,132
Cash provided by operating activities	102,188	123,079
Capital and investing activities		
Acquisition of tangible capital assets	(88,841)	(90,524)
Proceeds from disposal of tangible capital assets	2,447	5,571
Dividend from Guelph Municipal Holdings Inc. (Note 5)	15,625	1,900
Dividend from Guelph Junction Railway Limited (Note 4)	80	100
Change in loans and notes receivable	2,458	(515)
Net investment (acquisitions) disposals	(75,432)	(15,107)
Cash used by capital and investing activities	(143,663)	(98,575)
Financing activities		
Net issuance (repayment) of debt principal	20,547	(14,831)
Net change in obligation under capital lease	(248)	(240)
Net change in deferred contributions	25,919	3,463
Cash (used in) provided by financing activities	46,218	(11,608)
Increase in cash for the year	4,743	12,896
Cash, beginning of year	50,128	37,232
Cash, end of year	54,871	50,128

The accompanying notes are an integral part of the financial statements.

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

1. Significant Accounting Policies

The consolidated financial statements of the Corporation of the City of Guelph (the "City") have been prepared by management in accordance with Canadian public sector accounting standards. Significant accounting policies adopted by the City are as follows:

Reporting entity

The consolidated financial statements reflect the assets, liabilities, operating revenues and expenses and of the reporting entity. The reporting entity is comprised of those City functions or entities which have been determined to comprise a part of the aggregate City operations based upon control exercised by the City, except for the City's government businesses which are accounted for on the modified equity basis of accounting.

Consolidated entities

In addition to the City departments, the reporting entity includes the following:

Guelph Public Library Board
Guelph Police Services Board
Downtown Guelph Business Association
The Elliott Community

All interfund assets, liabilities, revenues and expenses have been eliminated.

Proportionately consolidated entities

The City reports only its share of assets, liabilities and results of operations of any government partnerships in which it participates. The City participates in the Wellington-Dufferin-Guelph Public Health Unit to the extent of 46.3% (2018 – 46.3%) based on population, as stated in agreement with the other participants. In 2018, the proportionate share of each obligated municipality was realigned to the 2016 census.

Modified equity basis entities

The investments in Guelph Municipal Holdings Inc. and Guelph Junction Railway Limited are accounted for on a modified equity basis, consistent with the public sector accounting standards for the treatment of government business enterprises. Under the modified equity basis, the business enterprise's accounting principles are not adjusted to conform to those of the City, and inter-organizational transactions and balances are not eliminated. Under the modified equity basis of accounting, the carrying value of the investment in subsidiaries is adjusted to reflect the City's share of the net asset change of the investee and the change in net assets is recorded as income from government business enterprises on the statement of operations and accumulated surplus.

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

1. Significant Accounting Policies (continued)

Basis of accounting

Accrual basis of accounting

Revenue and expenses are reported on the accrual basis of accounting except for revenues generated under the Provincial Offences Act which are accounted for on the cash basis. The accrual basis of accounting recognizes revenues in the period in which the transactions or events occurred that gave rise to the revenues; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services or the creation of an obligation to pay.

Taxes receivable and related revenues

Property tax billings are prepared by the City based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established annually by the City Council, incorporating amounts to be raised for local services and amounts the City is required to collect on behalf of the Province of Ontario in respect of education taxes. A normal part of the assessment process is the issuance of supplementary assessment rolls, which provides updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the City determines the taxes applicable and renders supplementary tax billings.

Taxation revenues are recorded at the time the tax billings are issued. Assessments and the related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded as a reduction of tax revenue when the result of the appeal process is reasonably certain. The City is entitled to collect interest and penalties on overdue taxes and these revenues are recorded in the period the interest and penalties are levied. Tax revenue is recorded net of reductions including rebates. Taxes receivable are reported net of any expense or allowance for doubtful accounts.

Reserves and reserve funds

Certain amounts, as approved by City Council, are set aside in reserves and reserve funds for future operating and capital purposes. Reserve funds are interest bearing and the current year earned interest is accounted for as interest income and an adjustment within accumulated surplus.

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

1. Significant Accounting Policies (continued)

Basis of accounting (continued)

Deferred revenue and deferred contributions

Deferred revenues and deferred contributions represent property taxes, user charges and fees, developer contributions and other grant revenues which have been collected but for which the related services or expenses have yet to be incurred. These revenues have certain restrictions and will be recognized in the fiscal year the services are performed, or expenses incurred. Development charges, federal and provincial gas tax grants, funds received for parkland dedication restricted under the Planning Act, and funds received in relation to the Ontario Building Code Act which together make up Deferred Contributions, are interest bearing and current year interest earned on these amounts is added to deferred revenue and recognized as revenue when eligible expenses are incurred.

Tangible capital assets

- a) Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated lives as follows:

Asset	Useful Life (Years)
Land improvements	20 - 75
Buildings	10 - 75
Machinery and equipment	3 - 25
Vehicles	5 - 15
Sanitary sewers infrastructure	50 - 80
Storm sewer infrastructure	15 - 80
Transportation infrastructure	20 - 80
Waterworks infrastructure	5 - 80

The City has various capitalization thresholds so that individual tangible capital assets of lesser value are expensed unless the assets have significant value collectively (pooled assets). Examples of pools are desktop and laptop computers, police equipment, traffic signals, streetlights, and fire equipment.

- b) Land purchased for service delivery purposes is recorded as a tangible capital asset at cost. Any land cost premium incurred or discount received related to expropriation will be included as part of the asset to be constructed and amortized over its' useful life.
- c) Tangible capital assets received as contributions are recognized at their fair value at the date of receipt, and correspondingly recognized as revenue in that period. Similarly, contributions of assets to a third party are recorded as an expense equal to the net book value of the tangible capital asset as of the date of transfer.

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

1. Significant Accounting Policies (continued)

Basis of accounting (continued)

Tangible capital assets (continued)

- d) Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of the asset are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Employee future benefit obligations

The cost of future benefits earned by employees is actuarially determined using the projected benefit method prorated on service and assumptions of mortality and termination rates, retirement age and expected inflation rates.

Past service costs from plan amendments, if any, are deferred and amortized on a straight-line basis over the average remaining service life of active employees at the date of the amendment. Actuarial gains and losses on the accrued benefit obligation arise from differences between the actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The excess of the net actuarial gains or losses over 10% of the benefit obligation is amortized over the average remaining service life of active employees.

Government transfers

Government transfers are recognized as revenues by the City in the period during which the transfer is authorized and any eligibility criteria are met. Government transfers are deferred if they are restricted through stipulations that require specific actions or programs to be carried out in order to keep the transfer. For such transfers, revenue is recognized when the stipulation has been met.

Investment income

Investment income earned on available funds and loans receivable are reported as revenue in the period earned. Investment income earned on deferred contributions is recorded as an increase to deferred contributions.

Contaminated sites

Under PS 3260, contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard. This relates to sites that are not in productive use and sites in productive use where an unexpected event resulted in contamination.

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

1. Significant Accounting Policies (continued)

Basis of accounting (continued)

Use of estimates

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include valuation allowance for asset backed investments, valuation allowances for receivables, certain accrued liabilities and obligations related to employee future benefits, landfill post closure liability, liability for contaminated sites and the estimated future lives of tangible capital assets. Actual results could differ from these estimates.

2. Taxation revenues

a) Taxation collected on behalf of school boards

The net taxation levies collected on behalf of the school boards are comprised of the following:

	2019	2018
	\$	\$
Taxation revenue collected - school boards	67,060	66,091
Requisitions	(67,060)	(66,091)
Net levy for the year	-	-

b) Taxation revenue by major tax class

2019	Taxes (own purpose) \$	Payments in lieu \$	Supplem- entary taxes \$	Rebates & write-offs \$	2019 total \$
Residential	161,763	28	2,687	(136)	164,342
Multit-residential	16,892	-	249	(232)	16,909
Commercial	42,902	3,680	991	(633)	46,940
Industrial	18,044	211	144	(511)	17,888
Pipelines	591	-	12	-	603
Farmlands	13	-	-	-	13
Managed forests	3	-	-	-	3
Other	-	2,847	161	(11)	2,997
Total tax revenue	240,208	6,766	4,244	(1,523)	249,695

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

2. Taxation revenues (continued)

b) Taxation revenue by major tax class (continued)

2018	Taxes (own purpose) \$	Payments in lieu \$	Supple- mentary taxes \$	Rebates & write-offs \$	2018 total \$
Residential	155,128	27	2,874	(272)	157,757
Multi-residential	16,115	-	(15)	(28)	16,072
Commercial	41,036	3,580	967	(777)	44,806
Industrial	17,410	231	418	(362)	17,697
Pipelines	587	-	6	-	593
Farmlands	12	-	-	-	12
Managed forests	3	-	-	-	3
Other	-	2,839	286	(1,232)	1,893
Total tax revenue	230,291	6,677	4,536	(2,671)	238,833

3. Investments

Investments are recorded at cost. The cost and market values are as follows:

	2019		2018	
	Market \$	Cost \$	Market \$	Cost \$
Short-term investments	152,470	150,163	124,281	123,009
Long-term investments	205,395	204,444	158,217	156,166
	357,865	354,607	282,498	279,175

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

4. Investment in Guelph Junction Railway Limited

The City of Guelph owns 100% of Guelph Junction Railway Limited (the "Railway"). The following table provides condensed supplementary financial information for the year ended December 31:

	2019 \$	2018 \$
Financial position		
Current assets	1,802	1,425
Property, plant and equipment	12,659	11,583
Total assets	14,461	13,008
Current liabilities	2,101	684
Long-term debt	-	1,519
Deferred capital contributions	1,939	1,396
Total liabilities	4,040	3,599
Net assets	10,421	9,409
Results of operations		
Revenues	4,713	3,992
Operating expenses	3,621	3,251
Net income	1,092	741
Retained earnings, beginning of year	9,409	8,668
Dividend to City of Guelph (Note 4.b)	(80)	-
Retained earnings, end of year	10,421	9,409

a) Related party transactions

The City pays certain expenses and receives certain revenues on behalf of the Railway for which the Railway reimburses the City periodically through the year. During the year, these net expenses reimbursed to the City amounted to \$405 (2018 - \$512). Included in loans and notes receivable is an amount owing from the Railway of \$344 (2018 - \$321) related to the reimbursement of these current year net expenses.

The Railway paid the City \$55 (2018 - \$55) in office rent and administration fees. These transactions were made in the normal course of business and have been recorded at the exchange amounts.

In 2015, the City entered into a long-term loan agreement with Guelph Junction Railway Limited for the purpose of reconstructing a bridge within City limits. The total amount of the loan was \$1,710 repayable monthly through blended principal and interest payments which started January 2016 at 3.395%. At year end \$1,520 (2018 - \$1,568) was outstanding and included in loans and notes receivable. In 2019 principal and interest payments were \$49 and \$53 respectively (2018 - \$47, \$54)

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

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4. Investment in Guelph Junction Railway Limited (continued)

b) Dividend to Shareholder

On March 1, 2019, the Board of Directors declared a dividend of \$80 based on the income earned in the year ended December 31, 2019. The dividend was paid on April 1, 2019.

5. Investment in Guelph Municipal Holding Inc.

The City of Guelph owns 100% of Guelph Municipal Holdings Inc. ("GMHI"). Prior to January 1, 2019 GMHI owned 100% of Guelph Hydro Electric Systems Inc. ("GHESI"), and prior to June 30, 2019, GMHI owned 100% of GMHI Development Corporation ("DevCo").

On January 1, 2019, GMHI sold its shares of GHESI to Alectra Inc. ("Alectra") for consideration of 4.63% of Alectra's shares.

On June 30, 2019, GMHI and DevCo were amalgamated, leaving one combined entity: GMHI.

Prior to the sale of GHESI to Alectra, GMHI controlled GHESI and DevCo, and therefore the assets, liabilities, revenues and expenses of GHESI and DevCo were fully consolidated into GMHI's financial statements.

With the sale of GHESI to Alectra and the amalgamation of GMHI and DevCo, GMHI now owns 4.63% of Alectra and has representation on the Board of Directors. GMHI has been assessed as having significant influence over Alectra, and has therefore accounted for the investment in Alectra using the equity method as prescribed by International Financial Reporting Standards (IFRS).

The 2018 comparatives in the 2019 GMHI financial statements include the full operations of GHESI as well as DevCo, while the 2019 figures include the transactions related to the sale of GHESI, the operations of DevCo and GMHI's share of Alectra's net income.

GMHI recorded a \$46 million gain on sale of GHESI, and \$5.6 million in deferred tax expense, for a net impact on the total comprehensive income of GMHI in 2019 being \$40.4 million.

City of Guelph

Notes to the consolidated financial statements

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5. Investment in Guelph Municipal Holding Inc. (continued)

The following table provides condensed supplementary financial information for GMHI for the year ended December 31:

	2019	2018
	\$	\$
Financial position		
Current assets	404	59,425
Property, plant and equipment	-	171,850
Intangible assets	-	352
Deferred income taxes	-	6,020
Due from related parties	2,545	-
Investment in Alectra Inc.	101,109	-
Total assets	104,058	237,647
Accounts payable and accrued liabilities	183	26,842
Deferred tax liability	14,464	26,842
Customer deposits and deferred revenue	-	33,697
Long-term debt	-	94,360
Employee future benefits	-	10,626
Total liabilities	14,647	192,367
Shareholder's equity	89,411	45,280
Results of operations		
Revenue		
Investment revenue	2,269	-
Gain on disposal of investment in Guelph Hydro Electric Systems Inc.	46,002	-
Other services	-	5,381
Electricity sales	255	234,516
Total revenue	48,526	239,897
Expenses		
Cost of sales	248	202,500
Operating expenses	900	30,070
Income taxes	5,627	2,149
Total expenses	6,775	234,719
Net income (loss)	41,751	5,178
Retained earnings, beginning of year	4,921	1,643
Dividends	(15,625)	(1,900)
Refundable portion of deferred tax liability	(8,837)	-
Other	(329)	-
Retained earnings, end of year	21,881	4,921
Shareholder's Equity		
Share capital	67,530	67,530
Accumulated other comprehensive loss	-	(329)
Retained earnings, end of year	21,881	4,921
Shareholder's equity	89,411	72,122

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Notes to the consolidated financial statements

December 31, 2019

(\$000's)

5. Investment in Guelph Municipal Holding Inc. (continued)

a) *Related party transactions*

In 2018 GMHI paid certain expenses and received certain revenues on behalf of the City related to customer water billings which GMHI remitted to the City monthly. In 2019 this arrangement no longer existed due to the sale of Guelph Hydro Electric Systems Inc. to Alectra Inc. on January 1, 2019. During the year 2018, net revenues received by GMHI on behalf of the City amounted to \$60,592. The cost paid to GMHI in 2018 for administrating these billings on behalf of the City was \$1,557. Amounts owing to the City related to these transactions in 2018 totaled \$11,701 and are included in accounts receivable.

Dividends received from GMHI during the year were \$15,625 (2018 - \$1,900). These transactions were made in the normal course of business and have been recorded at the exchange amounts.

The following summarizes the Corporation's related party transactions, recorded at the exchange amounts and balances with GMHI for the year ended December 31:

	2019	2018
	\$	\$
Revenue:		
Property taxes	-	359
Rent, percentage, land lease	-	25
Subcontracting	-	71
Expenses:		
Energy sales (at commercial rates)	78	7,192
Waterworks expense	-	1,689
Street light maintenance	-	366
Balances:		
Legal and financial services provided to GMHI by the City	90	-
Accounts receivable	-	877
Accounts payable and accrued liabilities	29	29

b) *Events after the reporting period*

The former DevCo, now amalgamated with GMHI, operates district energy assets. GMHI has transitioned out of certain district energy contracts and is continuing to consider options available for the remaining contracts.

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

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6. Deferred contributions

The following funds have statutory restrictions and as such are classified as deferred contributions:

	Beginning balance 2019 \$	Inflows \$	Outflows \$	Ending balance 2019 \$
Development charges	46,372	38,653	22,024	63,001
Grants	11,536	17,012	11,383	17,165
Other	6,476	3,812	150	10,138
	64,384	59,477	33,557	90,304

The development charges are restricted for use to fund growth related capital expenditures in accordance with the *Development Charges Act*. The deferred grants include federal gas tax funds, and provincial gas tax funds. Each of the grants has a specified set of restrictions that outlines how the funds can be utilized. The other deferred contributions include funds received for parkland dedication as restricted under the *Planning Act* and funds received in relation to the *Ontario Building Code Act*.

7. Pension agreement

The City makes contributions to the Ontario Municipal Employees Retirement System ("OMERS") which is a multi-employer plan, on behalf of the 2,285 (2018 – 2,249) members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The multi-employer plan is valued on a current market basis for all plan assets.

The amount contributed to OMERS for 2019 is \$17,141 (2018 - \$16,915) for current service and is reported as an expense on the unconsolidated statement of operations and accumulated surplus.

The latest available report for the OMERS plan was as at December 31, 2019. At that time the plan reported a \$3.4 billion actuarial deficit, based on actuarial liabilities of \$106.4 billion and actuarial assets of \$103.0 billion. Ongoing adequacy of the current contribution rates will need to be monitored and may lead to increased future funding requirements. As at December 31, 2019, the City has no obligation under the past service provisions of the OMERS agreement.

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

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8. Employee future benefits and other liabilities

Employee future benefits are current costs of the City to its employees and retirees for benefits earned but not taken as at December 31, and consist of the following:

	2019 \$	2018 \$
Workplace Safety and Insurance ("WSIB")	10,462	7,850
Sick leave	10,305	10,056
Post retirement benefits	21,044	19,413
	41,811	37,319

a) Liability for Workplace Safety & Insurance ("WSIB")

The City is a Schedule II employer under the *Workplace Safety and Insurance Act*. As a Schedule II employer, the City assumes the liability for any award made under the Act. An actuarial update was completed using information as at December 31, 2018 and extrapolated for the 2019 year end. The next required valuation will be performed in 2022 using information as of December 31, 2021.

The significant actuarial assumptions adopted in estimating the City's WSIB liabilities are as follows:

- Discount rate 3.75% (2018 - 4.25%)
- Expected future WSIB payments 121.00% (2018 - 69.00%)
per lost time injury
- Health care inflation CPI plus 2.00% (2018 - CPI plus 4.00%)
- WSIB administration rate 32.00% (2018 - 36.00%)
- Lost time injury count 65 (2018 - 50)

Information about the City's WSIB liability is as follows:

	2019 \$	2018 \$
Accrued benefit obligation, beginning of year	17,185	7,756
Current service cost	3,252	883
Interest	663	328
Benefits paid	(2,273)	(951)
	18,827	8,016
Unamortized net actuarial loss	(8,365)	(166)
Accrued benefit obligation, end of year	10,462	7,850

A reserve in the amount of \$3,427 (2018 - \$3,313) has been accumulated to fund this obligation.

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

8. Employee future benefits and other liabilities (continued)

Information about the City's WSIB expenses recognized in the period is as follows:

	2019 \$	2018 \$
Current period benefit	3,252	883
Amortization of losses	970	54
Interest expense	663	328
	4,885	1,265

b) Liability for sick leave

Under the sick leave benefit plan, unused sick leave can accumulate for certain employees and these employees may become entitled to a cash payment when they leave the City's employment.

A comprehensive actuarial valuation was completed using information as at December 31, 2016 and extrapolated for the 2019 year end. The next required valuation will be performed in 2020 using information as of December 31, 2019.

The significant actuarial assumptions adopted in estimating the City's sick leave liabilities are as follows:

- Discount rate 4.00% (2018 - 4.00%)
- Inflation rate 1.75% (2018 - 1.75%)
- Future salaries 2.75% per year (2018 - 2.75%)

Information about the City's sick leave liability is as follows:

	2019 \$	2018 \$
Accrued benefit obligation, beginning of year	11,083	10,812
Current service cost	819	773
Interest	436	430
Benefits paid	(1,174)	(932)
	11,164	11,083
Unamortized net actuarial loss	(858)	(1,027)
Accrued benefit obligation, end of year	10,306	10,056

There are currently reserves totaling \$10,571 (2018 - \$10,329) available to fund this obligation.

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

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8. Employee future benefits and other liabilities (continued)

b) Liability for sick leave (continued)

Information about the City's sick leave expenditures recognized in the period is as follows:

	2019 \$	2018 \$
Current period benefit cost	819	773
Amortization of net actuarial loss	169	168
Interest expense	436	430
	1,424	1,371

c) Post-employment benefits

The City provides dental and health care benefits between the time an employee retires under OMERS, or retires at a normal retirement age, up to the age of 65.

The significant actuarial assumptions adopted in estimating the City's liabilities are as follows:

- Discount rate 4.00% (2018 – 4.00%)
- Inflation rate 1.75% (2018 – 1.75%)
- Prescription drugs trend rate 5.08% reducing over 3 years to reach 3.75% per year starting in 2021 (2018 – 5.08% reducing over 3 years to reach 3.75% per year starting in 2021)
- Dental and other medical trend rate 3.75% (2018 – 3.75%)

Information about the City's employee post-employment benefits are as follows:

	2019 \$	2018 \$
Accrued benefit obligation, beginning of year	20,899	20,453
Current service cost	1,035	982
Increase due to plan amendment	825	-
Interest	831	811
Benefits paid	(1,310)	(1,347)
Accrued benefit obligation, end of year	22,280	20,899
Unamortized net actuarial loss	(1,235)	(1,486)
	21,045	19,413

A portion of the City's corporate contingency reserve has been allocation to partially fund this obligation.

City of Guelph

Notes to the consolidated financial statements

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(\$000's)

8. Employee future benefits and other liabilities (continued)

Information about the City's employee future benefit expenses recognized in the period are as follows:

	2019 \$	2018 \$
Current period benefit cost	1,035	982
Amortization of net actuarial loss	251	251
Interest expense	830	811
	2,116	2,044

A comprehensive actuarial valuation was completed using information as at December 31, 2016 and extrapolated for the 2019 year end. The next required valuation will be performed in 2020 using information as of December 31, 2019.

9. Debt

a) *Debt is comprised of the following components:*

	2019 \$	2018 \$
Operating line of credit - bearing interest at prime, due on demand	1,385	-
Debentures - repayable at rates ranging from 0.95% to 5.237% and maturing from 2019 through 2031	110,915	91,127
Long-term loans - repayable at rate 6.38% and maturing 2025	3,043	3,468
Banker's acceptance, interest at 2.07% fixed through a swap transaction, plus a stamping fee of 0.8% for a total of 2.87%, payable in varying installments of principal and interest, maturing June 25, 2025	1,142	1,343
	116,485	95,938

Included in accounts payable and accrued liabilities is \$405 (2018 - \$505) representing the fair market value of the interest rate swap facilities.

All debt is payable in Canadian dollars. Refer to schedule 3 for further details.

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

9. Debt (continued)

b) *The debt is repayable in the following periods and will be funded through the following revenue:*

	General taxation \$	User pay and other \$	Total \$
2020	12,261	1,810	14,071
2021	12,419	441	12,860
2022	7,487	458	7,945
2023	7,668	475	8,143
2024	5,158	492	5,650
Thereafter	65,461	2,355	67,816
	110,454	6,031	116,485

c) *Total charges during the year for debt are as follows:*

	2019 \$	2018 \$
Principal repayments	13,916 \$	14,831
Interest	3,249	3,324
	17,165 \$	18,155

10. Obligation under capital lease

A consolidated entity of the City has financed certain equipment through a capital lease arrangement as follows:

	2019 \$	2018 \$
2019	-	258
2020	213	213
2021	39	39
Total minimum lease payments	252	510
Less amount representing interest at 3.16% and 3.04%	(6)	(16)
Present value of net minimum capital lease payments	246	494

Interest of \$12 (2018 - \$19) relating to capital lease obligations has been included in interest expense.

City of Guelph

Notes to the consolidated financial statements

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11. Landfill post-closure liability

The City owns one landfill site. This landfill site was closed in 2003. The liability for post-closure costs has been reported on the unconsolidated statement of financial position. The liability was calculated based upon the present value of estimated post-closure costs discounted to December 31, 2019 at a factor of 3.75% (2018 – 4.00%) per annum. Post-closure care is estimated to be required for 35 years from the date of site closure.

The estimated expenditures for post-closure care as at December 31, 2019 are \$4,520 (2018 - \$4,435).

No reserve funds have been established to fund this liability as at December 31, 2019, as the City is funding this cost annually through the budget process.

12. Other long-term liabilities

The City offers three tax-increment based grant ("TIBG") programs in the areas of Heritage Redevelopment, Brownfield Redevelopment and Downtown Development.

The tax-increment based grants are approved individually by Council and require annual reporting and property tax payment by the applicant in order for the City to pay a grant installment. The agreements have two identifiable phases: i) grant pre-approval and construction phase; ii) grant approval and payment phase.

The City has TIBG agreements that are in the grant payment phase as follows:

a) TIBG Agreements

	2019 \$	2018 \$
Heritage Redevelopment	79	94
Downtown Development	6,285	8,780
Brownfield Strategy	6,013	4,169
	12,377	13,043

b) The TIBG's are repayable in the following periods:

	2019 \$	2018 \$
2019	1,852	2,352
2020	1,524	2,116
2021	1,505	1,894
2022	1,495	2,357
2023	1,483	1,289
Thereafter	4,518	3,035
	12,377	13,043

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

13. Tangible capital assets

	2019			
	Balance, beginning of year \$	Additions \$	Disposals \$	Balance, end of year \$
Cost				
Land and land improvements	88,010	8,577	(1,564)	95,023
Buildings	336,641	55,168	(6,351)	385,458
Machinery and equipment	189,073	15,479	(2,543)	202,009
Assets under capital lease	1,071	-	(7)	1,064
Vehicles	78,789	4,873	(2,539)	81,123
Infrastructure				
Sanitary sewers & waste water	303,641	4,014	-	307,655
Storm water	211,194	7,398	-	218,592
Transportation	433,078	14,910	(1,514)	446,474
Waterworks	285,243	5,568	(660)	290,151
Assets under construction	67,817	(22,534)	-	45,283
	1,994,557	93,453	(15,178)	2,072,832
Accumulated amortization				
Land and land improvements	8,966	1,111	(157)	9,920
Buildings	129,487	10,108	(5,373)	134,222
Machinery and equipment	122,819	11,937	(2,370)	132,386
Assets under capital lease	593	236	-	829
Vehicles	42,365	6,560	(2,234)	46,691
Infrastructure				
Sanitary sewers & waste water	153,381	4,678	-	158,059
Storm water	62,626	3,193	-	65,819
Transportation	236,717	9,156	(535)	245,338
Waterworks	114,255	6,071	(661)	119,665
	871,209	53,050	(11,330)	912,929
Net book value				
Land and land improvements	79,044			85,103
Buildings	\$ 207,154			\$ 251,236
Machinery and equipment	66,254			69,623
Assets under capital lease	478			235
Vehicles	36,424			34,432
Infrastructure				
Sanitary sewers & waste water	150,260			149,596
Storm water	148,568			152,773
Transportation	196,361			201,136
Waterworks	170,988			170,486
Assets under construction	67,817			45,283
	\$ 1,123,348			\$1,159,903

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

13. Tangible capital assets (continued)

	2018			
	Balance, beginning of year	Additions	Disposals	Balance, end of year
Cost	\$	\$	\$	\$
Land and land improvements	84,090	5,907	(1,987)	88,010
Buildings	329,697	9,282	(2,338)	336,641
Machinery and equipment	171,838	18,410	(1,175)	189,073
Assets under capital lease	1,071	-	-	1,071
Vehicles	73,501	17,295	(12,007)	78,789
Infrastructure				
Sanitary sewers & waste water	294,869	8,772	-	303,641
Storm water	208,209	2,985	-	211,194
Transportation	421,262	11,816	-	433,078
Waterworks	264,265	20,978	-	285,243
Assets under construction	63,178	4,639	-	67,817
	1,911,980	100,084	(17,507)	1,994,557
Accumulated amortization				
Land and land improvements	8,036	1,050	(120)	8,966
Buildings	119,937	9,852	(302)	129,487
Machinery and equipment	113,363	10,397	(941)	122,819
Assets under capital lease	344	249	-	593
Vehicles	46,059	7,157	(10,851)	42,365
Infrastructure				
Sanitary sewers & waste water	148,790	4,591	-	153,381
Storm water	59,518	3,108	-	62,626
Transportation	227,743	8,974	-	236,717
Waterworks	108,708	5,547	-	114,255
	832,498	50,925	(12,214)	871,209
Net book value				
Land and land improvements	76,054			79,044
Buildings	209,760			207,154
Machinery and equipment	58,475			66,254
Assets under capital lease	727			478
Vehicles	27,442			36,424
Infrastructure				
Sanitary sewers & waste water	146,079			150,260
Storm water	148,691			148,568
Transportation	193,519			196,361
Waterworks	155,557			170,988
Assets under construction	63,178			67,817
	1,079,482			1,123,348

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

14. Accumulated surplus

The accumulated surplus is comprised of the following components:

	2019 \$	2018 \$
Reserves set aside for specific purpose by Council:		
for corporate	24,814	20,629
for program specific	20,562	24,949
for strategic	(1,474)	(3,666)
Reserves set aside by Wellington-Dufferin-Guelph Public Health		
for contingency	314	810
Total reserves - Schedule 4	44,216	42,722
Reserve funds set aside for specific purpose by Co:		
for capital financing	206,219	173,146
Reserve funds set aside by Wellington-Dufferin-Guelph Public Health		
for capital financing	211	1,810
Total reserve funds - Schedule 4	206,430	174,956
Total reserve and reserve funds	250,646	217,678
Invested in tangible capital assets	1,159,903	1,123,248
Investment in Guelph Municipal Holdings Inc.	89,411	72,122
Investment in Guelph Junction Railway Limited	10,421	9,409
Operating fund	11,342	(1,050)
Unfunded liabilities		
Debt	(116,485)	(96,926)
Contaminated sites liability	(26,000)	(27,000)
Employee future benefits and related liabilities	(41,811)	(44,946)
Landfill post closure liability	(4,520)	(4,435)
Total	1,082,261	1,030,422
Accumulated Surplus	1,332,907	1,248,100

In accordance with the City's policy for reserve funds, interest is earned on the average reserve fund balance for the year at the average rate of return earned on investments during the year. In 2019, \$4,232 (2018 - \$3,219) of interest was earned by the reserve funds and is an increase in reserve and reserve funds.

City of Guelph

Notes to the consolidated financial statements

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15. Government partnerships

The City's share of 46.3% (2018 - 46.3%) of the results of the Wellington-Dufferin-Guelph Public Health's operations for the year and its financial position at December 31 are included in the consolidated financial statements using proportionate consolidation and include the amounts as follows:

	2019 \$	2018 \$
Financial assets	1,691	3,693
Liabilities	3,788	6,493
Net financial assets	(2,097)	(2,800)
Tangible capital assets	10,354	10,650
Prepaid expenses	31	51
Inventory	3	4
Total non-financial assets	10,388	10,705
Accumulated surplus	8,291	7,905
Revenues	12,777	12,540
Expenses	12,392	12,277
Excess of revenues over expenses for the year	385	263
Accumulated surplus, beginning of year	7,905	7,642
Accumulated surplus, end of year	8,290	7,905

During the year, the City contributed \$3,946 (2018 - \$3,869) towards its share of the costs of the partnership. This amount is included in revenue in the table above, but has been eliminated from the statement of operations on consolidation.

Financing Agreement

On December 19, 2012, the City, the County of Wellington and the County of Dufferin (the "obligated municipalities") entered into a Financing Agreement with Wellington-Dufferin-Guelph Public Health ("Public Health") to finance the cost of building two new Public Health facilities at Chancellors Way, Guelph, and Broadway, Orangeville.

The interest rate is 3.34% per annum, and the term and amortization of the loan is twenty years. Repayment to the obligated municipalities commenced thirty days following certification by the project's architect of substantial completion of both facilities. The whole or any part of the capital financing under this agreement may be prepaid at any time or times without penalty or bonus. The aforementioned loan is included in liabilities in the table above but has been eliminated upon consolidation.

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

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16. Shared service agreements

Certain programs as mandated by provincial legislation are managed by neighboring municipalities on behalf of the City and certain programs are also managed by the City on behalf of other municipalities.

Social Service Programs

The City's share of revenues and expenses from social service programs managed by Wellington County are as follows:

	2019 \$	2018 \$
Revenues		
Social housing provincial contributions	7,521	7,921
Child care provincial contributions	13,494	10,020
Social services provincial contributions	9,771	9,167
	30,786	27,108
Expenses		
Social housing	23,633	23,648
Child care	17,492	13,242
Social services	12,486	11,637
	53,611	48,527
Net expenses	(22,825)	(21,419)

The City's share of net expenses for social housing is 85% (2018 - 83%), child care 74% (2018 - 77%) and social services 70% (2018 - 65%).

The revenue and expenses from programs managed by the City on behalf of the City and the County of Wellington are:

Provincial Offences Act Administration

	2019 \$	2018 \$
POA revenues	2,652	2,525
POA expenses	2,228	2,188
Net City revenue	424	337

The City's share of net revenue from Provincial Offences Act administration in 2019 was 56% (2018 - 57%). Included in the above expense figure is \$340 (2018 - \$249) in transfers to the County of Wellington for the County's share of net revenue from fines collected.

The Provincial Offences Act revenues are recorded on a cash basis due to regulatory restrictions. As at December 31, 2019 there are \$21 (2018 - \$21) of over-due fines receivable and of this amount \$- (2018 - \$-) is considered uncollectable, and \$6 (2018 - \$5) is a collection agency cost and fully recoverable upon receipt of payment.

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

16. Shared service agreements (continued)

Land Ambulance

	2019	2018
	\$	\$
Land ambulance revenues	15,340	14,770
Land ambulance expenses	22,801	21,912
Net City expense	(7,461)	(7,142)

The City's share of net operating expenses for land ambulance in 2019 was 63% (2018 – 61%). Included in the above revenue figures is \$4,531 (2018 – \$4,528) in contributions from the County of Wellington which includes the County's contributions to Land Ambulance capital projects.

The full amount of the revenue and expenses for Land Ambulance and Provincial Offences Act administration are included in the consolidated statement of operations and accumulated surplus.

17. Liability for contaminated sites

The City reports environmental liabilities related to the management and remediation of contaminated sites where the City is obligated or likely obligated to incur such costs. A contaminated sites liability of \$26,000 (2018 - \$27,000) has been recorded based on environmental assessments or estimates for those sites where an assessment has not been conducted.

The City's ongoing efforts to assess contaminated sites may result in additional environmental remediation liabilities related to newly identified sites or changes in the assessments. Any changes to the City's liabilities for contaminated sites will be accrued in the year in which they are assessed as likely and reasonably estimable.

18. Contingencies

From time to time, the City may be involved in other claims in the normal course of business. Management assesses such claims and where considered likely to be material exposure and, where the amount of the claim is quantifiable, provisions for loss are made based on management's assessment of the likely outcome. The City does not provide for claims that are considered unlikely to result in a significant loss, claims for which the outcome is not determinable or claims where the amount of loss cannot be reasonably estimated. Any settlements or awards under such claims are provided when reasonably determinable.

19. Commitments and guarantees

a) Heritage Redevelopment Grant Program

The City has commitments totaling \$2,901 (2018 - \$1,200) resulting from agreements entered into as part of the Heritage Redevelopment Grant Program. Grant expenses will be recognized upon the applicant meeting all the eligibility criteria.

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

19. Commitments and guarantees (continued)

b) Brownfield Tax Increment Based Grant Program

The City has commitments totaling \$6,705 (2018 - \$5,217) resulting from agreements entered into as part of the Brownfield Tax Increment Based Grant Program. Grant expenses will be recognized in the year of reassessment by MPAC and when all eligibility criteria have been met by the applicant.

c) Major Downtown Activation Grant Program

The City has commitments totaling \$7,082 (2018 - \$7,082) resulting from agreements entered into as part of the Major Downtown Activation Grant Program. Grant expenses will be recognized in the year of reassessment by MPAC and when all eligibility criteria have been met by the applicant.

d) City Commitments

The City has commitments under a variety of leases and agreements of which the longest expires on October 31, 2057. The minimum lease payments over the next five years and thereafter are as follows:

	2019
	\$
2020	1,064
2021	861
2022	675
2023	619
2024	531
Thereafter	652
	4,402

e) City Grants

The City has committed to providing various grants to organizations in the community totaling \$2,428 (2018 - \$514).

20. Local Immigration Partnership

Included in the consolidated statement of operations and accumulated surplus are the activities of the Local Immigration Partnership Program (LIPP) which is a federally funded program for the purpose of creating a more welcoming community for immigrants by focusing efforts on employment services, English language training, community integration/inclusion and community services/programs. During 2019, the City of Guelph received \$353 (2018 - \$295) of funding from Citizenship and Immigration Canada related to the operation this program.

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

21. Budget figures

Budgets are established to set tax rates or to finance projects which may be carried out over one or more years. Budget figures have been translated to reflect changes in public sector accounting standards on the consolidated statement of operations and accumulated surplus by adjusting for amortization of tangible capital assets, including the consolidated entities and excluding budgeted amounts for the debt principal repayment and reserve transfers.

22. Comparative figures

Certain 2018 comparative figures have been reclassified in order to present them in a form comparable to those for 2019.

23. Subsequent events

Subsequent to December 31, 2019, the World Health Organization declared the Coronavirus COVID-19 (COVID-19) outbreak a pandemic. This has resulted in significant financial, market and societal impacts in Canada and around the world.

Markets are prone to volatility and the COVID-19 virus has presented many uncertainties and is threatening the outlook for future global trade and GDP. This uncertainty has translated into widespread volatility across equity and bond markets since December 31, 2019.

At this time these factors present uncertainty over future cash flows and may cause significant changes to the assets or liabilities. An estimate of the financial effect is not determinable at this time.

24. Segmented information

The City of Guelph is a diversified municipal government institution that provides a wide range of services to its citizens. For management reporting purposes, the City's operations and activities are organized and reported on in two groups: Operating Fund and Capital Fund. These funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Within the operating fund, the City's operations are further defined into the Tax Supported and Non Tax Supported categories and then segregated in to four service area pillars: Office of the Chief Administrative Officer, Corporate Services, Infrastructure, Development & Enterprise Services, and Public Services.

Although City services are provided internally by these defined service areas, for financial reporting, the City has chosen to remain consistent with the Ontario Financial Information Return (FIR) and the nine functional areas that it prescribes. This will allow comparability between our Schedule of Segment Disclosure (Schedules 1 and 2 attached) and several schedules on the FIR that require full segment disclosure of operating expenses and limited disclosure of operating revenues.

The services that have been separately disclosed in the segmented information are defined by the compositional requirements of the FIR as follows:

City of Guelph

Notes to the consolidated financial statements

December 31, 2019

(\$000's)

24. Segmented information (continued)

a) *General Government*

- Governance (election management, Council, Council support, Office of the Mayor).
- Corporate management (Office of the CAO, finance, corporate communications, legal, corporate properties and real estate and information technology).

b) *Protection services*

- Police services, fire services, 911 service, court operations, building and structural inspection, parking enforcement, by-law enforcement and animal control.

c) *Transportation services*

- Roadways – including asphalt resurfacing and crack sealing, line painting, sweeping, traffic operations and maintenance of roadside areas, culverts and bridges.
- Winter control, street lighting, parking and public transit.

d) *Environmental services*

- Water, wastewater, storm sewers, and solid waste collection, disposal and recycling.

e) *Health services*

- Land ambulance operations and City's proportionate share of Public Health.

f) *Social housing*

- Social housing program costs.

g) *Social and family services*

- General assistance (Ontario Works) and childcare programs, contributions to The Elliott operations.

h) *Recreation and cultural services*

- Parks, recreational facilities, recreational programs, libraries, museums, River Run Centre, Sleeman Centre and other cultural services.

i) *Planning and development services*

- Planning and zoning, Committee of Adjustment, tourism, economic development, and Downtown Guelph Business Association operations.

City of Guelph

Consolidated schedule of segment disclosure - Schedule 1 year ended December 31, 2019 (\$'000's)

	General government \$	Protection services \$	Transportation services \$	Environmental services \$	Health services \$	Social and family services \$	Social housing \$	Recreation and cultural services \$	Planning and development \$	Total \$
Revenues										
Taxation	251,675	-	-	-	-	-	-	-	-	251,675
User charges	1,144	1,408	16,426	75,227	36	9,836	-	7,089	712	111,878
Contributed subdivision assets	4,607	-	-	-	-	-	-	-	-	4,607
Contributions	1,459	5,007	18,904	9,905	23,991	27,887	7,521	5,117	722	100,513
Other										
Investment income	7,176	3	-	201	73	-	-	4	-	7,457
Donations	5	14	-	-	-	-	-	658	-	677
Sales of equipment, publications	(1)	1	8	1,729	-	98	-	2,385	1	4,221
Recoveries	1,114	189	1,421	714	-	1,006	-	946	260	5,650
Licences and permits	76	3,881	(75)	17	-	-	-	19	-	3,918
Provincial Offences Act revenues	-	2,845	-	-	-	-	-	-	-	2,845
Other fines	-	1,143	-	-	-	-	-	-	-	1,143
(Loss) gain on disposal of tangible capital assets	(528)	(753)	(685)	(77)	-	-	-	(123)	770	(1,396)
Government business enterprises earnings	34,006	-	-	-	-	-	-	-	-	34,006
	300,733	13,738	35,999	87,716	24,100	38,827	7,521	16,095	2,465	527,194

City of Guelph

Consolidated schedule of segment disclosure - Schedule 1 year ended December 31, 2019 (\$'000's)

	General government \$	Protection services \$	Transportation services \$	Environmental services \$	Health services \$	Social and family services \$	Social housing \$	Recreation and cultural services \$	Planning and development \$	Total \$
Expenses										
Salaries, wages and employee benefits	22,227	77,166	37,616	23,592	27,292	10,855	-	26,101	4,394	229,243
Interest on debt	677	691	601	425	77	256	-	503	19	3,249
Materials	750	2,200	14,540	9,475	1,637	1,996	-	5,889	228	36,715
Purchased services	7,420	4,483	5,411	17,970	2,506	1,691	10	4,674	1,740	45,905
Rents and financial expenses	3,706	208	1,484	3,109	236	10	-	1,750	7	10,510
External transfers	2,482	1,035	-	1,577	-	29,978	23,633	2,790	2,220	63,715
Internal charges	(8,940)	1,745	(4,339)	7,556	2,068	4	-	1,804	102	-
Amortization of tangible capital assets	4,637	3,267	16,774	17,848	1,625	1,106	21	7,386	386	53,050
	32,959	90,795	72,087	81,552	35,441	45,896	23,664	50,897	9,096	442,387
Excess of revenues over expenses for the year	267,774	(77,057)	(36,088)	6,164	(11,341)	(7,069)	(16,143)	(34,802)	(6,631)	84,807

City of Guelph

Consolidated schedule of segment disclosure - Schedule 2 year ended December 31, 2018 (\$'000's)

	General government \$	Protection services \$	Transportation services \$	Environmental services \$	Health services \$	Social and family services \$	Social housing \$	Recreation and cultural services \$	Planning and development \$	Total \$
Revenues										
Taxation	240,702	-	-	-	-	-	-	-	-	240,702
User charges	1,196	1,470	15,285	73,860	14	9,998	-	6,849	795	109,467
Contributed subdivision assets	9,560	-	-	-	-	-	-	-	-	9,560
Contributions	1,059	4,862	11,345	12,447	23,296	23,751	7,921	9,457	872	95,010
Other										
Investment income	5,351	2	-	93	68	-	-	1	-	5,515
Donations	-	12	-	-	-	-	-	385	-	397
Sales of equipment, publications	(89)	2	22	2,718	-	86	-	1,702	2	4,443
Recoveries	682	122	1,213	731	5	428	-	914	216	4,311
Licences and permits	80	3,796	-	72	-	-	-	19	-	3,967
Provincial Offences Act revenues	-	2,686	-	-	-	-	-	-	-	2,686
Other fines	-	1,369	-	-	-	-	-	-	-	1,369
(Loss) gain on disposal of tangible capital assets	(3)	(120)	397	(110)	23	-	-	(26)	117	278
Government business enterprises earnings	6,804	-	-	-	-	-	-	-	-	6,804
	265,342	14,201	28,262	89,811	23,406	34,263	7,921	19,301	2,002	484,509

City of Guelph

Consolidated schedule of segment disclosure - Schedule 2 year ended December 31, 2018 (\$'000's)

	General government \$	Protection services \$	Transportation services \$	Environmental services \$	Health services \$	Social and family services \$	Social housing \$	Recreation and cultural services \$	Planning and development \$	Total \$
Expenses										
Salaries, wages and employee benefits	20,920	73,299	35,525	21,816	26,136	10,574	-	25,178	4,071	217,519
Interest on debt	740	568	457	586	92	298	-	557	26	3,324
Materials	966	2,236	13,511	11,750	1,546	2,089	-	5,191	212	37,501
Purchased services	7,561	4,555	5,448	14,860	2,601	1,510	15	4,431	2,082	43,063
Rents and financial expenses	3,142	269	1,346	3,646	199	-	-	1,282	54	9,938
External transfers	1,729	896	58	1,538	-	24,879	23,648	1,883	12,038	66,669
Internal charges	(8,824)	382	(2,634)	7,146	1,921	5	-	1,918	86	-
Amortization of tangible capital assets	4,488	3,057	16,156	17,182	1,730	1,058	21	6,864	369	50,925
	30,722	85,262	69,867	78,524	34,225	40,413	23,684	47,304	18,938	428,939
Excess of revenues over expenses for the year	234,620	(71,061)	(41,605)	11,287	(10,819)	(6,150)	(15,763)	(28,003)	(16,936)	55,570

City of Guelph

Consolidated schedule of debt - Schedule 3

December 31, 2019

(\$000's)

Bylaw	Project description	Term	Maturity date	Interest rates	2019 \$	2018 \$
Debentures:						
18898	Road Projects - Gordon, Victoria, Eramosa	10	11/25/2019	.95 % to 4.60%	-	87
18898	South End Station	10	11/25/2019	.95 % to 4.60%	-	764
18898	New City Hall	10	11/25/2019	.95 % to 4.60%	-	264
18898	Land Purchase - Library	10	11/25/2019	.95 % to 4.60%	-	97
18898	Public Drop Off Facility	10	11/25/2019	.95 % to 4.60%	-	25
18898	Transit Terminal Road Upgrades	10	11/25/2019	.95 % to 4.60%	-	214
18898	Watermain Projects - Laird, Arkell, Scout Camp	10	11/25/2019	.95 % to 4.60%	-	729
18898	Waste Water Treatment Plant Facility Upgrade	10	11/25/2019	.95 % to 4.60%	-	670
19294	Organic Waste Facility Composter Rebuild	10	11/9/2021	1.25% to 3.70%	5,967	8,863
19294	Fire - Pumper	10	11/9/2021	1.25% to 3.70%	142	211
19294	Civic Museum Renovations	10	11/9/2021	1.25% to 3.70%	1,244	1,847
19294	On behalf of the Elliott	10	11/9/2021	1.25% to 3.70%	2,847	4,229
20084	Public Health Facilities	7	7/20/2023	1.20% to 2.25%	798	990
20084	Public Health Facilities - DC	7	7/20/2023	1.20% to 2.25%	2,608	3,238
20084	Riverside Fuel Tank	7	7/20/2023	1.20% to 2.25%	87	109
20084	Stormwater CIP	7	7/20/2023	1.20% to 2.25%	413	513
20084	Roads Projects - Carden & Downtown	7	7/20/2023	1.20% to 2.25%	3,226	4,005
20084	Land Purchase - Baker Street	7	7/20/2023	1.20% to 2.25%	663	823
20084	Waste Management Carts	7	7/20/2023	1.20% to 2.25%	2,533	3,145
20084	Roads Projects - Clair & Laird Road	7	7/20/2023	1.20% to 2.25%	3,058	3,797
20084	Police HQ Renovations	7	7/20/2023	1.20% to 2.25%	7,442	7,697
20084	Roads Projects - Clair & Laird Road - DC	10	7/20/2026	1.20% to 2.25%	12,077	12,493
20084	Police HQ Renovations - DC	10	7/20/2026	1.20% to 2.25%	7,079	7,322
20084	Victoria Road Recreation Facility Renovation	10	7/20/2026	1.20% to 2.25%	11,726	12,130
18105	New City Hall	25	8/28/2031	5.237%	12,426	13,155
18105	New POA Court	25	8/28/2031	5.237%	3,505	3,710
20417	Police HQ Renovations	20	7/10/2039	1.95% to 2.8%	7,000	-
20417	Police HQ Renovations - DC	20	7/10/2039	1.95% to 2.8%	8,124	-
20417	Wilson Parkade	20	7/10/2039	1.95% to 2.8%	10,600	-
20417	Wilson Parkade - DC	20	7/10/2039	1.95% to 2.8%	4,500	-
20417	Farebox	20	7/10/2039	1.95% to 2.8%	1,300	-
20417	Fuel Tank	20	7/10/2039	1.95% to 2.8%	1,550	-
					110,915	91,127
Other loans:						
N/A	The Elliott Line of Credit - RBC	Demand	N/A	prime	1,385	-
N/A	The Elliott Bankers Acceptance - SWAP	10	6/25/2025	4.83%	1,142	1,343
N/A	CIBC Loan - Sleeman Centre - SWAP	18.8	9/1/2025	6.38%	3,043	3,468
					5,570	4,811
Total Debt					116,485	95,938

City of Guelph

Consolidated schedule of reserves and reserve funds - Schedule 4 December 31, 2019 (\$000's)

Code	Description	2019 \$	2018 \$
Reserves:			
Corporate:			
115	Police Operating Contingency	189	189
131	Compensation Contingency	5,333	5,533
180	Tax Rate Stabilization Contingency	11,974	7,728
193	Legal/Insurance	2,861	2,723
198	Environment and Utility Contingency	2,882	2,882
208	Social Housing Contingency	1,574	1,574
		24,813	20,629
Program Specific:			
100	Accumulated Sick Leave - Fire	6,591	6,324
101	Accumulated Sick Leave - Police	3,981	4,005
181	Water Contingency	1,730	3,897
182	Waste Water Contingency	1,920	4,734
195	Election Costs	322	200
211	Court Contingency	731	573
330	Workplace Safety and Insurance Board	3,427	3,313
338	Paramedic Retirement	1,403	1,446
345	Westminster Woods	35	35
359	Stormwater Contingency	422	422
		20,562	24,949
Strategic:			
119	Affordable Housing	1,296	972
122	Redevelopment Incentives	8,751	8,387
179	Strategic Initiatives	552	488
194	Downtown Improvements	544	507
332	Industrial Land	(12,876)	(14,279)
352	Greenhouse Gas	259	259
		(1,474)	(3,666)
Consolidated Entities:			
	Reserves set aside by Wellington-Dufferin-Guelph Public Health	314	810
Total Reserves		44,215	42,722

City of Guelph

Consolidated schedule of reserves and reserve funds - Schedule 4 December 31, 2019 (\$000's)

Code	Description	2019 \$	2018 \$
Reserve Funds:			
120	Courts Capital	1,188	1,146
135	Museum Donations	129	126
138	Library Bequests	895	524
150	Infrastructure Renewal	35,085	24,565
151	Parking Capital	1,496	-
152	Water Capital	46,191	45,076
153	Wastewater Capital	87,508	80,629
155	City Owned Contaminated Sites	4,851	2,165
156	Growth	2,357	1,620
157	Library	449	836
158	Police	2,533	2,599
159	City Building	5,078	(156)
162	Sleeman Centre Naming Rights	30	33
165	Stormwater Capital	7,093	4,597
189	Sleeman Capital	62	39
205	Community Investment	1,427	91
206	Rental Property	749	643
340	River Run	326	241
350	Transportation Demand Management	37	562
351	Efficiency Innovation Opportunity	6,778	7,648
355	100% Renewable Energy	1,716	-
356	Public Art	62	76
360	Paramedic Services Provincial Capital	177	86
		206,217	173,146
Consolidated Entities:			
	Reserve funds set aside by Wellington-Dufferin-Guelph Public Health	211	1,810
Total Reserve Funds		206,428	174,956
Total Reserves and Reserve Funds		250,643	217,678

City of Guelph

Guelph Public Library Board - Schedule 5 Statement of revenues and expenses year ended December 31, 2019 (\$000's)

	2019 Budget \$	2019 Actual \$	2018 Actual \$
Operating fund			
Revenues			
User charges	321	310	306
Contributions	168	168	168
Other	71	391	151
	560	869	625
Expenses			
Salaries, wages and employee benefits	6,320	6,366	6,515
Materials	1,702	968	920
Purchased services	777	788	809
Rents and financial expenses	975	897	839
Internal charges	99	153	144
	9,873	9,172	9,227
Net operating deficit	(9,313)	(8,303)	(8,602)
Capital fund			
Revenues			
Contributions	-	190	123
Expenses			
Assets under construction	-	1,163	313
Capitalized library books	-	735	860
Amortization of tangible capital assets	-	1,393	1,317
	-	3,291	2,490
Net capital deficit	-	(3,101)	(2,367)
Add: net contributions (to)/from reserves	(50)	114	76
	(50)	(2,987)	(2,291)
Total combined net deficit	(9,363)	(11,290)	(10,893)

City of Guelph

Guelph Police Services Board - Schedule 6 Statement of revenues and expenses year ended December 31, 2019 (\$000's)

	2019 Budget \$	2019 Actual \$	2018 Actual \$
Operating fund			
Revenues			
User charges	499	585	606
Contributions	2,372	2,412	2,209
Other	57	113	87
	2,928	3,110	2,902
Expenses			
Salaries, wages and employee benefits	41,007	43,291	39,166
Interest on debt	-	480	328
Materials	1,332	1,328	1,170
Purchased services	2,711	2,874	2,898
Rents and financial expenses	163	162	225
Internal charges	345	139	260
	45,558	48,274	44,047
Net operating deficit	(42,630)	(45,164)	(41,145)
Capital fund			
Revenues			
Contributions	-	2,612	2,985
Other	-	(753)	(120)
	-	1,859	2,865
Expenses			
Amortization of tangible capital assets	-	1,366	1,188
Assets under construction	-	6,618	8,338
	-	7,984	9,526
Net capital deficit	-	(6,125)	(6,661)
Add: net contributions from reserves	1,767	9,708	1,968
Less: debt principal repayments	-	(849)	(401)
	1,767	8,859	1,567
Total combined net deficit	(40,863)	(42,430)	(46,239)

Financial Statements of

THE ELLIOTT

Year ended December 31, 2019

THE ELLIOTT

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of The Elliott

Opinion

We have audited the financial statements of The Elliott (the Entity), which comprise:

- the statement of financial position as at December 31, 2019
- the statement of operations and changes in deficit for the year then ended
- the statement of remeasurement gains and losses for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.



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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the text is a single, long, horizontal, slightly wavy line that serves as a flourish or underline.

Chartered Professional Accountants, Licensed Public Accountants

Waterloo, Canada

April 30, 2020

THE ELLIOTT

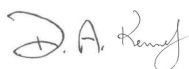
Statement of Financial Position

December 31, 2019, with comparative information for 2018

	2019	2018
Assets		
Current assets:		
Cash	\$ 1,845,650	\$ 259,976
Accounts receivable (note 2)	178,788	85,376
Inventory	5,402	3,975
Prepaid expenses	65,306	44,958
Trust funds held for residents	4,970	5,212
	<u>2,100,116</u>	<u>399,497</u>
Fair value of interest rate swap contract (note 5)	-	7,324
Capital assets (note 3)	14,413,384	13,359,696
	<u>\$ 16,513,500</u>	<u>\$ 13,766,517</u>
Liabilities, Deferred Contributions and Deficit		
Current liabilities:		
Revolving lease line of credit (note 4)	\$ 1,385,415	\$ -
Accounts payable and accrued liabilities	2,166,825	1,304,110
Deferred revenue	111,433	11,026
Trust funds held for residents	4,970	5,212
Current portion of long-term debt (note 5)	877,221	852,727
Current portion of obligations under capital leases (note 6)	208,387	248,095
	<u>4,754,251</u>	<u>2,421,170</u>
Long-term liabilities:		
Long-term debt (note 5)	14,925,648	15,799,388
Obligations under capital leases (note 6)	37,225	245,612
	<u>14,962,873</u>	<u>16,045,000</u>
Fair value of interest rate swap contract (note 5)	2,311	-
Employee future benefits obligation (note 7)	475,589	426,733
Deferred capital contributions (note 8)	896,554	604,313
	<u>1,374,454</u>	<u>1,031,046</u>
	<u>21,418,400</u>	<u>19,497,216</u>
Deficit:		
Deficit	(4,575,767)	(5,738,023)
Accumulated remeasurement gains (losses)	(2,311)	7,324
	<u>(4,578,078)</u>	<u>(5,730,699)</u>
Subsequent event (note 14)		
	<u>\$ 16,513,500</u>	<u>\$ 13,766,517</u>

See accompanying notes to financial statements.

On behalf of the Board:



Director



Director

THE ELLIOTT

Statement of of Operations and Changes in Deficit

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Revenue:		
Long-Term Care - Basic	\$ 1,812,784	\$ 1,770,865
Long-Term Care - Preferred	483,501	462,567
Retirement Suites	6,305,857	6,261,062
Life Lease Suites	621,319	602,714
Provincial Subsidy	4,622,016	4,563,752
City of Guelph - Long-Term Care Funding	1,341,634	1,302,896
Suite re-leasing (note 10)	178,775	194,800
Fees and recoveries	440,558	385,198
Amortization of deferred capital contributions	193,017	130,667
Community Centre	218,588	232,467
Other revenue	86,939	92,718
	16,304,988	15,999,706
Expenses:		
Wages and salaries	8,419,133	8,170,144
Employee benefits	1,968,642	1,888,017
Supplies	1,287,739	1,252,374
Facility costs	1,150,181	1,105,990
Minor equipment, repairs and maintenance	536,367	504,636
Amortization of capital assets	983,078	934,811
Interest and financing fees	578,167	601,824
Purchased services	319,566	330,602
Administrative and other	172,963	182,376
Accretion of deferred financing costs	3,481	3,481
	15,419,317	14,974,255
Excess of revenue and expenses before other revenue and expenses	885,671	1,025,451
Other revenue and expenses:		
Bequests	291,170	-
Fundraising revenue	62,311	64,420
Grant revenue	87,629	-
Enhanced living fundraising expenses	(76,896)	(26,767)
Grant expenses	(87,629)	-
	276,585	37,653
Annual surplus	1,162,256	1,063,104
Deficit, beginning of year	(5,738,023)	(6,801,127)
Deficit, end of year	\$ (4,575,767)	\$ (5,738,023)

See accompanying notes to financial statements.

THE ELLIOTT

Statement of Remeasurement Gains and Losses

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Accumulated remeasurement gains, beginning of the year	\$ 7,324	\$ 5,426
Remeasurement (loss) gain attributable to interest rate swap agreement	(9,635)	1,898
Accumulated remeasurement gains (losses), end of the year	\$ (2,311)	\$ 7,324

See accompanying notes to financial statements.

THE ELLIOTT

Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operation activities:		
Annual surplus	\$ 1,162,256	\$ 1,063,104
Items not involving cash:		
Amortization of capital assets	983,078	934,811
Amortization of deferred capital contributions	(193,017)	(130,667)
Accretion of deferred financing costs	3,481	3,481
Employee future benefits obligation	48,856	45,368
	2,004,654	1,916,097
Changes in non-cash operating working capital:		
Accounts receivable	(93,412)	225,711
Inventory	(1,427)	1,600
Prepaid expenses	(20,348)	(19,362)
Accounts payable and accrued liabilities	384,952	(79,004)
Deferred revenue	100,407	(64,517)
	2,374,826	1,980,525
Financing activities:		
Repayment of operating line of credit	-	(130,000)
Repayment of long-term debt	(852,727)	(827,861)
Principal repayments on capital leases	(248,095)	(240,622)
	(1,100,822)	(1,198,483)
Capital activities:		
Purchase of capital assets	(173,588)	(784,131)
Capital contributions received	485,258	251,352
	311,670	(532,779)
Increase in cash	1,585,674	249,263
Cash, beginning of year	259,976	10,713
Cash, end of year	\$ 1,845,650	\$ 259,976
Non-cash transactions:		
Capital assets under construction financed by revolving lease line of credit and accounts payable	\$ 1,863,178	\$ -

See accompanying notes to financial statements.

THE ELLIOTT

Notes to Financial Statements

Year ended December 31, 2019

The Elliott is incorporated under the laws of the Province of Ontario and its principal business activity is the provision of sheltered care and services for seniors.

On January 31, 2015, The Elliott surrendered its long-term care license to the Ministry of Health and Long-Term Care (now the Ministry of Long-Term Care). Subsequently the Corporation of the City of Guelph ("City of Guelph") was approved to operate the same long-term care beds. As part of this transfer, The Elliott was designated as the City of Guelph's long-term care home.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with the Chartered Professional Accountants of Canada Handbook - Canadian Public Sector Accounting Standards including the 4200 standards for government not-for-profit organizations.

(a) Basis of presentation:

These financial statements include the operations of:

Long-term care residence - reflects the activities associated with the provision of care in the full nursing arrangements of the long-term care facility.

Life lease suites - reflects the activities associated with the operation of the life lease suites.

Retirement suites - reflects the activities associated with the operation of the retirement facility.

(b) Revenue recognition:

The Elliott follows the deferral method of accounting for contributions which include donations and government grants.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of buildings and equipment are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate of the related buildings and equipment.

Revenue from suite re-leasing, preferred accommodation, interest, as well as income from parking and other ancillary operations, is recognized when the goods are sold or the service is provided.

THE ELLIOTT

Notes to Financial Statements (continued)

Year ended December 31, 2019

1. Significant accounting policies (continued):

(c) Cash and cash equivalents:

Cash and cash equivalents consist of cash, bank overdrafts and investments in money market or other short-term instruments or investments with a maturity of less than 90 days.

(d) Inventory:

Inventory is valued at the lower of cost on a first-in, first-out basis, and replacement cost.

(e) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. Capital assets are recorded at cost and amortized as follows:

Asset	Method	Rate
Buildings	Straight-line	40 years
Building improvements	Straight-line	5-20 years
Machinery and equipment	Straight-line	5-15 years
Vehicles	Straight-line	10 years
Equipment under capital leases	Straight-line	over the lease term

The estimated useful lives of capital assets are reviewed by management and adjusted if necessary.

Capital assets under construction are not amortized until the project is complete and the capital asset is available for use.

(f) Employee future benefits:

The Elliott provides sick leave benefits for substantially all employees.

The Elliott accrues its obligations under the defined benefit plan as the employees render the services necessary to earn the compensated absences. The actuarial valuation of the benefit plan was performed as of December 31, 2019.

Actuarial gains (losses) on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The net accumulated actuarial gains (losses) are amortized over the average remaining service period of active employees which is 15.8 years. Past service costs arising from plan amendments are recognized immediately in the period the plan amendments occur.

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Notes to Financial Statements (continued)

Year ended December 31, 2019

1. Significant accounting policies (continued):

(g) Contributed services:

A substantial number of volunteers contribute a significant amount of their time each year. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

(h) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Derivative instruments and equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. Management has elected to record all investments at fair value as they are managed and evaluated on a fair value basis. Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the effective interest rate method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and any unrealized gain is adjusted through the statement of remeasurement gains and losses.

When the asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains and losses are reversed and recognized in the statement of operations.

Long-term debt is recorded at cost. The related interest rate swaps are recorded at fair value.

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Notes to Financial Statements (continued)

Year ended December 31, 2019

1. Significant accounting policies (continued):

(h) Financial instruments (continued):

Canadian Public Sector Accounting Standards require an organization to classify fair value measurements using a fair value hierarchy, which includes three levels of information that may be used to measure fair value:

- Level 1 Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 Observable or corroborated inputs; other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

(i) Multi-employer pension plan:

The costs of multi-employer defined contribution pension plan benefits, such as the Ontario Municipal Employees Retirement System ("OMERS") pensions, are the employer's contributions due to the plan in the period.

(j) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of capital assets, and obligations related to employee future benefits. Actual results could differ from those estimates.

2. Accounts receivable:

	2019	2018
HST receivable	\$ 119,599	\$ 41,509
Residents	48,314	22,100
Other	10,875	21,767
Less allowance for doubtful accounts	-	-
	<u>\$ 178,788</u>	<u>\$ 85,376</u>

THE ELLIOTT

Notes to Financial Statements (continued)

Year ended December 31, 2019

3. Capital assets:

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Buildings	\$ 34,691,626	\$ 23,454,002	\$ 11,237,624	\$ 11,900,754
Building improvements	877,880	61,740	816,140	-
Machinery and equipment	3,544,343	3,163,970	380,373	403,074
Vehicles	77,847	48,654	29,193	39,977
Construction in progress	1,715,376	-	1,715,376	537,943
	40,907,072	26,728,366	14,178,706	12,881,748
Equipment under capital lease	1,064,134	829,456	234,678	477,948
	\$ 41,971,206	\$ 27,557,822	\$ 14,413,384	\$ 13,359,696

Included in construction in progress is \$1,715,376 (2018 - \$nil) that will be refinanced in 2020 under a long-term capital lease, within the revolving lease line of credit limit of \$2,000,000, upon completion of the capital project.

The above buildings and equipment do not include those assets related to the life lease suites building and equipment other than the cost of the security system and common area renovations. The terms and conditions of suite-leasing transfer the responsibility and stewardship of the individual suites to the residents occupying the suites.

4. Revolving lease line of credit:

The Elliott has a revolving lease line of credit available of up to \$2,000,000 to fund the leasing of capital assets, of which \$1,385,415 is drawn at year end (2018 - \$nil). Advances under the line of credit bear interest at bank prime rate, in the period before a capital project is complete and a long-term capital lease is entered into.

In 2018, the City of Guelph Council approved the additional financing for the revolving lease line of credit of \$2,000,000.

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Notes to Financial Statements (continued)

Year ended December 31, 2019

5. Long-term debt:

	2019	2018
Mortgage held by the City of Guelph bearing interest at 3.119%, payable in monthly installments of \$93,000 for principal and interest, maturing December 25, 2036	\$ 14,661,045	\$ 15,308,772
Banker's acceptance, with interest of 2.07% per annum fixed through a swap transaction, plus a stamping fee of 0.8% for a total of 2.87%, payable in varying installments of principal and interest, maturing June 25, 2025	1,201,000	1,406,000
	15,862,045	16,714,772
Less current portion of long-term debt	877,221	852,727
	14,984,824	15,862,045
Less transaction costs	59,176	62,657
	\$ 14,925,648	\$ 15,799,388

The repayment terms of the mortgage held with the City of Guelph have payments due 30 days from the invoice date, being the payment due date under the mortgage agreement. The mortgage is secured by a general security agreement over assets and property of The Elliott.

The Elliott is a party to an interest rate swap agreement to manage the volatility of interest rates. The maturity date of the interest rate swap is the same as the maturity date of the banker's acceptance, being June 25, 2025.

The fair value of the interest rate swap at December 31, 2019 is in a net unfavourable position of \$2,311 (2018 - \$7,324 net favourable) which is recorded on the statement of financial position. The current year impact of the change in fair value of the interest rate swap is a decrease of the accumulated remeasurement gains in the statement of remeasurement gains and losses of \$9,635 (2018 - \$1,898 in losses decrease).

The fair value of the interest rate swap has been determined using Level 3 of the fair value hierarchy. The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

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Notes to Financial Statements (continued)

Year ended December 31, 2019

5. Long-term debt (continued):

Principal repayments on the long-term debt are due as follows:

2020	\$	877,221
2021		901,363
2022		929,174
2023		954,676
2024		982,889
Thereafter		11,216,722
	\$	15,862,045

Interest expense on long-term debt for the year ended December 31, 2019 amounted to \$505,911 (2018 - \$531,551).

6. Obligations under capital leases:

The Elliott has financed various equipment purchases by entering into capital lease arrangements. Capital lease repayments are due as follows:

	2019	2018
2019	\$ -	\$ 257,733
2020	213,492	213,492
2021	38,448	38,448
Total minimum lease payments	251,940	509,673
Less amount representing interest at 3.16% and 3.04%	6,328	15,966
Present value of net minimum capital lease payments	245,612	493,707
Current portion of obligations under capital leases	208,387	248,095
Long-term portion of obligations under capital leases	\$ 37,225	\$ 245,612

Interest for the year ended December 31, 2019 of \$11,576 (2018 - \$18,951) relating to capital lease obligations has been included in interest expense.

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Notes to Financial Statements (continued)

Year ended December 31, 2019

7. Employee future benefits obligation:

Full time employees are provided with sick leave of 7.5 hours per month which, if unused, can accumulate to a maximum of 450 hours for use in future periods. Continuous part-time employees receive 3.75 hours per month and can accumulate at most 225 hours. Part-time employees receive 1.88 hours per month and can accumulate at most 225 hours. Flexible part-time employees do not receive sick leave.

Hourly paid employees are compensated at 75% for the first two days of illness and 100% for subsequent days. Salaried employees receive 100% reimbursement.

Accumulated credits may be used in future years if the employee's illness or injury exceeds the annual allocation of credits.

The main actuarial assumptions employed for the valuations are as follows:

	2019	2018
Discount rate	3.00%	3.00%
Rate of compensation increase	2.00%	2.00%

Information about The Elliott's sick leave benefit plan is as follows:

Balance, beginning of year	\$ 468,322	\$ 425,386
Current benefit cost	68,390	66,398
Interest	14,530	13,208
Benefits paid	(36,362)	(36,670)
Actuarial loss	(30,080)	-
Balance, end of year	484,800	468,322
Unamortized actuarial loss	(9,211)	(41,589)
Accrued benefit obligation related to accumulated sick leave benefits	\$ 475,589	\$ 426,733

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Notes to Financial Statements (continued)

Year ended December 31, 2019

8. Deferred capital contributions:

Deferred capital contributions represent the unamortized amounts of donations and grants received for the purchase of capital assets. The amortization of contributions is recorded as revenue in the statement of operations:

	2019	2018
Balance, beginning of year	\$ 604,313	\$ 483,628
Add City of Guelph - Long-Term Care funding - Capital	212,000	212,000
Add other capital contributions received during the year	273,258	39,352
Less amounts amortized to revenue during the year	(193,017)	(130,667)
Balance, end of year	\$ 896,554	\$ 604,313

Deferred capital contributions include unspent restricted capital contributions from the City of Guelph of \$nil (2018 - \$3,513).

9. Multiemployer defined benefit pension plan:

The Elliott makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of full-time members of staff and eligible part-time staff. The plan is a defined benefit pension plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to OMERS for 2019 was \$594,628 (2018 - \$552,784) for current service.

The latest available report for the OMERS plan was as at December 31, 2019. At that time the plan reported a \$3.4 billion actuarial deficit, based on actuarial liabilities of \$106.4 billion and actuarial net assets of \$103.0 billion. Ongoing adequacy of the current contribution rates will need to be monitored and may lead to increased future funding requirements.

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Notes to Financial Statements (continued)

Year ended December 31, 2019

10. Suite re-leasing fees:

The Elliott provides a service coordinating the re-leasing of the life lease suites.

	2019	2018
Suite re-leasing revenue	\$ 1,940,500	\$ 2,063,000
Suite re-leasing costs	(1,761,725)	(1,868,200)
	\$ 178,775	\$ 194,800

11. The Elliott Endowment Fund:

The Elliott has a permanent endowment fund established under an agreement with the Guelph Community Foundation. Under the terms of this agreement, the invested capital cannot be withdrawn and only the related income can be paid to The Elliott.

The estimated market value of The Elliott Endowment Fund and the income earned during the year from the endowment fund are as follows:

	2019	2018
Market value	\$ 11,493	\$ 10,688
Income (loss)	804	390

12. Financial risks

(a) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows or a financial instrument will fluctuate because of changes in the market interest rates.

Financial assets and financial liabilities with variable interest rates expose The Elliott to cash flow interest rate risk. The Elliott is exposed to this risk through its interest bearing long-term debt, which is mitigated through its interest rate swap and its revolving lease line of credit.

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Notes to Financial Statements (continued)

Year ended December 31, 2019

12. Financial risks (continued):

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Elliott is exposed to credit risk with respect to the accounts receivable and cash.

The Elliott assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The maximum exposure to credit risk of The Elliott at December 31, 2019 is the carrying value of these assets. The amount of any related impairment loss is recognized in the income statement. Subsequent recoveries of impairment losses related to accounts receivable are credited to the statement of operations.

(c) Liquidity risk:

Liquidity risk is the risk that The Elliott will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Elliott manages its liquidity risk by monitoring its operating requirements. The Elliott prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

Accounts payable and accrued liabilities are generally due within 30 days of receipt of an invoice.

The contractual maturities of long-term debt, capital leases and interest rate swaps are disclosed in notes 5 and 6.

13. Comparative information:

Certain comparative information has been reclassified from those previously presented to conform to the presentation of the December 31, 2019 financial statements.

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Notes to Financial Statements (continued)

Year ended December 31, 2019

14. Subsequent event:

Subsequent to December 31, 2019, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social dislocating impact.

At the time of approval of these financial statements, The Elliott has experienced the following indicators of financial implications and undertaken the following activities in relation to the COVID-19 pandemic:

- The Great Escape annual fund raising event scheduled for April 5, 2020 has been postponed until September 13, 2020; and
- Closure of facilities to the public from March 14, 2020 to the date of the auditors' report based on public health recommendations.

At this time these factors present uncertainty over future cash flows, may cause significant changes to the assets or liabilities and may have a significant impact on future operations. An estimate of the financial effect is not practicable at this time.

2020 approved operating budget



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Introduction

The City of Guelph's approved 2020 local boards and shared services operating budget includes:

- Guelph Public Library Board
- Guelph Police Service Board
- Wellington-Dufferin-Guelph Public Health (WDGPH)
- County of Wellington Social Services and Social Housing
- The Elliott Community; and
- Downtown Guelph Business Association (DGBA)

With the exception of the Downtown Guelph Business Association, the City's share of these services is funded through the property tax levy. These budgets have been extracted from the City's traditional tax supported operating budget as City Council has limited or no control over these costs.

Municipal contribution to local boards and shared services

The 2020 approved budget reflects an operating budget of \$83,753,886, a net expenditure increase of \$4,761,773 or 6.03 per cent over 2019.

The net levy impact of the 2020 approved budget is 1.95 per cent

Table 1, 2020 operating budget and levy impact

	2019 approved budget	2020 budget	2020 budget change	2020 budget change	2020 levy impact
GPL	9,363,062	9,622,212	259,150	2.77%	0.11%
GPS	42,019,900	45,641,500	3,621,600	8.62%	1.49%
WDGPH	3,946,400	4,025,400	79,000	2.00%	0.03%
Social Services	22,109,117	22,884,317	775,200	3.510%	0.31%
The Elliott	1,553,634	1,580,457	26,823	1.73%	0.01%
Total	78,992,113	83,753,886	4,761,773	6.03%	1.95%

Legislation

The Municipal Act, 2001 requires the municipality to prepare and adopt an annual, balanced budget that includes estimates of all sums required. The budget sets out the estimated revenues to be raised through property taxes, and the portion to be paid into reserves. Estimated revenues to be raised through property taxes must be equal to the estimates of all sums required for expenditures sand transfers to create a balanced budget.

However, unlike City departments, there is additional legislation governing the local boards and shared services budgets as shown in the Table 2.

Table 2, Legislation Governing Local Boards and Shared Services Budgets

Agency/Board/Commission	Governing Legislation	Budget Submission Requirement to the City	City Council Governance Role
Guelph Public Library Board	Public Libraries are created by municipal bylaws Public Libraries Act	Operating and capital budget estimates to Council (according to the format and timetable determined by Council)	Council approves or amends and approves the Board’s total budget Council may not direct additions or deletions to specific items within the budget
Guelph Police Service Board	Police Services Act Adequacy and Effectiveness of Police Services Regulation	Operating and capital estimates to Council (according to the format and timetable determined by Council), showing separately amounts sufficient to maintain and deliver required police services and provide appropriate equipment, facilities and other supporting infrastructure in accordance with the Act	Council must establish an overall budget Council may not accept or reject specific items within the budget Disputes heard by the Ontario Civilian Commission on Police Services
Wellington Dufferin Guelph Public Health	Health Promotion and Protection Act	<p>A board of health shall give an annual written notice to each obligated municipality in the health unit served by the board of health that shall specify the amount that the board of health estimates will be required to defray the expenses incurred for the board of health and the medical officer of health, sufficient to perform its functions and duties under the Act and regulations for the year specified in the notice</p> <p>The notice shall specify the amount for which the obligated municipality is responsible, in accordance with proportions agreed upon or where no agreement has been entered into, in accordance with regulations</p> <p>The notice shall specify the times at which the board of health requires payments to be made by the obligated municipality and the amount of each payment required to be made</p>	Obligated municipalities in a health unit must pay the expenses incurred for the board of health and the medical officer of health, and shall ensure that the amount paid is sufficient to enable the board of health to provide or ensure the provision of health programs and services in accordance with the Act and regulations

Agency/Board/Commission	Governing Legislation	Budget Submission Requirement to the City	City Council Governance Role
Social Services and Social Housing	Ontario Works Act	Income and Employment Services: CMSM determines the City budget amount required, based on residence of recipient	The City of Guelph must pay the amounts required by the CMSM on demand, and may be charged interest and penalties for nonpayment
	Housing Services Act		
	The County of Wellington is the Consolidated Municipal Services Manager (CMSM) for Social Services and Social Housing through the Local Services Realignment, authorized by the Services Improvement Act and the Social Assistance Reform Act	Child Care: CMSM determines the City budget amount required, based on residence of recipient for fee subsidy and location of the Child Care Centre for wage subsidy	
		Social Housing: CMSM determines the City budget amount required, based on prior residence of tenant	
The Elliott	Long Term Care Homes Act	Long Term Care: The Ministry of Health and Long Term Care requires each municipality to contribute financial support to a long-term care facility. All areas of operation are overseen by a Board of Trustees appointed by City Council.	Council provides funding to support the operations of the Long-Term Care facility.
Business Improvement Association (BIA)	Municipal Act, 2001 S. 204 - 215	Operating budget estimates to Council (according to the format and timetable determined by Council) that reflect the priorities and needs of the BIA, as determined by the Board and membership	Council approves or amends and approves the Board's total budget. Council may not add expenditures to a BIA's budget

Guelph Public Library



2020 initiatives

- Continue to deliver excellent services to the community.
- Offer a wide variety of programs at each location that appeal to all ages and communities.
- Expand the fundraising campaign, with numerous events and one major sustainable program.
- Continue the work on a new Central Library that will fulfil Our Vision: A thriving community. Created together.
- Continue to build community resilience by promoting literacy and free access to materials and resources.
- Continue to improve the quality of life for Guelph residents by providing opportunities to “Explore, Connect, Thrive”.

Financial information

The 2020 operating budget for the Guelph Public Library Board is \$9,622,212 representing a 2.8 per cent increase or \$259,150 over 2019.

Table 3, Guelph Public Library 2018 to 2020 trend

	2018 actuals	2019 approved budget	2020 budget	2020 budget change	2020 budget change
Revenue					
User Fees & Service Charges	(305,873)	(321,000)	(321,000)	-	0.0%
Product Sales	(1,611)	(1,000)	(1,000)	-	0.0%
Interest & Penalties	(1,027)	(1,000)	(1,000)	-	0.0%
External Recoveries	(148,683)	(68,900)	(68,900)	-	0.0%
Grants	(167,774)	(167,700)	(167,700)	-	0.0%
Internal Recoveries	(71,689)	-	-	-	0.0%
Total Revenue	(696,657)	(559,600)	(559,600)	-	0.0%
Expenditure	-	-	-	-	
Salary, Wage & Benefits	6,511,204	6,319,700	6,613,250	293,550	4.6%
Purchased Goods	1,780,159	1,702,400	1,691,700	(10,700)	(0.6%)
Purchased Services	1,490,304	1,744,500	1,735,300	(9,200)	(0.5%)
Financial Expenses	7,646	7,200	7,200	-	0.0%
Internal Charges	230,510	148,862	134,362	(14,500)	(9.7%)
Total Expenditure	10,019,823	9,922,662	10,181,812	259,150	2.6%
Net Budget	9,323,166	9,363,062	9,622,212	259,150	2.8%

Explanation of changes

- \$293,500 increase in compensation due to economic adjustments
- \$10,700 decrease in purchased goods due to reduced furniture expenditures
- \$9,200 decrease in purchased services due to adjustments to 2019 actuals
- \$14,500 decrease in internal charges due to savings in Insurance and Fleet maintenance charges.

Budget requests

None

Capital programs of work

Open Spaces, Recreation, Culture, and Library

Guelph Police Service (GPS)



2020 initiatives

- Ensure the safety of our community, compliance with regulations/legislation and the wellness of our members.
- Address the strategic priorities as identified in the 2019-2021 Strategic Plan to ensure the highest quality of life for the citizens of Guelph. These priorities include:
 - Continued focus on community policing by strengthening relations/engagement with community members and ensuring that GPS staff is knowledgeable, equipped and resourced appropriately to meet the policing and safety needs of our community.
 - Organizational health and service effectiveness with an enhanced focus on community wellness and member wellbeing to ensure efficient, effective and compassionate service is provided by the most appropriate resources.
 - Ensure adequate staffing and deployment of resources to better respond to community safety issues and increased policing demands by addressing concerns in our downtown and in the community regarding road safety and drugs and property crime.
 - Implementation of the Green Initiative which will convert all uniform and traffic vehicles to hybrid technology.
 - With the upcoming completion of the new and expanded headquarters building, a building condition assessment will be undertaken to assist in ensuring proper asset management and preventative maintenance programs. This is a carry-over from 2019 and will be funded from reserves.

Financial information

The 2020 operating budget for the Guelph Police Service Board is \$45,641,500 representing a 8.6 per cent increase or \$3,621,600 over 2019.

Table 4, Guelph Police Services budget trend 2018 to 2020

	2018 actuals	2019 approved budget	2020 budget	2020 budget change	2020 budget change
Revenue					
User Fees & Service Charges	(606,117)	(498,700)	(629,700)	(131,000)	26.3%
Product Sales	(1,921)	(800)	(800)	-	0.0%
Interest & Penalties	(2,403)	-	-	-	0.0%
External Recoveries	(82,654)	(56,200)	(53,500)	2,700	(4.8%)
Grants	(2,209,114)	(2,371,800)	(2,143,300)	228,500	(9.6%)
Internal Recoveries	(733,186)	(941,800)	(1,451,200)	(509,400)	54.1%
Total Revenue	(3,635,395)	(3,869,300)	(4,278,500)	(409,200)	10.6%
Expenditure	-	-	-	-	
Salary, Wage & Benefits	38,634,778	41,006,800	44,179,900	3,173,100	7.7%
Purchased Goods	1,169,581	1,332,100	1,415,500	83,400	6.3%
Purchased Services	3,013,245	2,857,100	3,592,500	735,400	25.7%
Financial Expenses	98,950	16,000	16,000	-	0.0%
Internal Charges	981,002	677,200	716,100	38,900	5.7%
Total Expenditure	43,897,556	45,889,200	49,920,000	4,030,800	8.8%
Net Budget	40,262,161	42,019,900	45,641,500	3,621,600	8.6%

Explanation of changes

- \$131,000 increase in revenue due to higher volumes in user fees
- \$500,000 increase in transfer from reserve to help offset the 2020 budget increase
- \$2,700 decrease in External Recoveries due to reduction in corporate sponsorships.
- \$228,500 decrease in Grants based on changes to the Community Safety and Policing Grant.
- \$9,400 increase in Internal Recoveries related to communications and the increase in the secondment for the headquarters renovation.
- \$3,173,100 increase in compensation expenses due to:
 - Collective agreement assumptions.
 - Salaries and benefits for an additional 30.5 FTEs.
 - Overtime increases due to additional court time and recruiting for new FTEs and data services to relieve transcription backlogs.
- \$83,400 increase in purchased goods mainly due to the following:
 - Fleet costs are a combination of increased part costs as well as the savings from hiring an Outfitter to be able to do the work in house.
 - Increased utility costs.
 - Personnel supplies and computer software related to the additional 30.5 FTEs.
 - Operating costs related to capital purchases in the amount of \$27,000.
- \$735,400 increase in purchased services due to:
 - A small increase in the building repairs and maintenance related to the new and expanded headquarters building, along with the savings from hiring the Outfitter in vehicle repairs and maintenance \$5,800.
 - Higher communication costs as a result of historical trending and the increase in staffing related to cellular and radio operating costs \$40,500.
 - Increased training costs related to Canine and Tactical as well as access to the Canadian Police Knowledge Network online portal for all members \$109,900.
 - Increased consulting costs in relation to background checks to align with the number of new hires, the expansion of the wellness and safeguarding program, an increase in the Shared Service Agreement (Pride), and an increase in IT consulting to align with current spending levels \$216,400.
 - A decrease in the lease requirements for the Lewis Road building as a result of the completion of the headquarters renovation \$43,600.
 - Operating costs related to the new FTE of \$11,300.
 - Capital costs related to new FTE in the amount of \$395,100.

- \$38,900 increase to internal charges mainly due to an increase in the parking permit fees from the City in the amount of \$28,300.

Budget Requests

To address staffing requirements for the organization, a number of growth initiatives have been included in the approved 2020 budget for new staffing and related operational costs per the recommendations listed:

Neighbourhood Services Patrol Officers (8-January)

The addition of eight full time front line patrol officers will result in the increase of strength of two officers per front line platoon. The increase of two officers per platoon would permit one extra officer assigned to neighbourhood patrol and one officer assigned to downtown patrol.

The additional officers will increase patrol officers availability, thus:

- Reduced overtime due to staffing shortages.
- Reduced dispatch times due to officer availability.
- Increased member wellness due to improved lunch breaks.
- Increased member wellness due to less overtime worked.
- Increased presence and policing downtown.

Heat Team Members (2-May)

During the winter months of 2018/2019 a project team was assembled drawing members from various work units to target break and enters and auto thefts. The BEAT team proved to be a success but was not sustainable with the drain on other work units. The addition of two constables to the current HEAT (High Enforcement Action Team) will increase the complement to five constables and a supervisor (similar to the size of the BEAT team).

As part of a re-organization, this unit will operate under the Neighbourhood Services—Field Support division with a modified mandate that will allow flexibility to respond and target identified ongoing crime issues in the community.

Identification Unit Officers (2-May / 1-September) and Civilian Lab Technician (1-April)

In order to better serve the community and adequately maintain and keep up with the increasing demands of the Guelph Police Service, it is recommended that the best course of action is to increase the Forensic Identification Unit by three officers and one civilian staff member, bringing the unit to six working Identification officers, one Civilian Lab Technician member and one Detective/Sergeant for a total of eight members.

- Ident Officers respond to a wide variety of calls and are continuously assisting multiple units of the organization at the same time pushing other duties like reports, evidence processing in the lab to the backburner.
- Currently all Ident members are carrying a very heavy case load. (Each Ident officer consistently carries at least 40–50 cases at one time). This requires them to prioritize and have exceptional organizational skills. Evidence that relates to a major case gets top priority and often is delayed due to current work load. Other lower priority calls such as property crime cases wait months, sometimes years before being addressed
- The volume of work keeps increasing year after year and the current capacity of the Forensic Identification Unit and its members to successfully perform their duties is at a breaking point.

Professional Development and Recruiting Unit Officer (PDRU) (1-September)

Expand Professional Development and Recruiting Unit by one member and provide a use of force trained supervisor within the unit to primarily oversee training but assist with recruiting when required. Staff Sergeant position can remain to assist with recruiting and administration issues. Rapid legislative changes (i.e. Cannabis legalization, new drinking and driving laws, charter issues etc.) have made clear the need for an academic specialist within PDRU. This officer would be responsible for updating members to changes in police practices, case law matters as well as legislative changes. The officer would also be able to assist with Use of Force/CEW and firearms training when needed.

Benefits to the service include, but are not limited to:

- Better planning and response to legislative changes.
- More opportunities for training outside of block training including civilian and special constable training.
- More member opportunities for transfer with an expanded unit.
- Less reliance on other units for seconded officers.
- Less reliance on other units for members involved in recruiting, and the hiring process.
- Contingency in the event of injury or illness within PDRU especially during block training.

Firearms Officer (1-May)

The addition of the third sworn member, will carry out the duties of the Firearms Officer and provide support to our two property officers, as required, to manage the unit effectively. It is anticipated that upon the return to the newly renovated headquarters, there will be inherent efficiencies gained by being centralized. With

the exploration of technological efficiencies to assist in the management of property and firearms, this will be an adequate staffing model.

The implementation of a full time member will eliminate the need for a temporary contract member and the part time assignment of an accommodated officer. This position will be able to perform all the required functions of a property officer, and the duties of a firearms officer to ensure adherence to policy and legislation.

Traffic Constables (2-September)

Road safety has been a consistent priority of the service through previous business plans and continues to be a priority in the Guelph Police Service 2019–2021 Strategic Plan. Driving complaints have continued to rise over the past several years and motor vehicle collisions including property damage and personal injury have remained high. Service members have indicated an inability to perform proactive enforcement due to workload, also community satisfaction with traffic enforcement has declined significantly in the past three years.

Increasing the Traffic Unit by two constables will:

- Provide balanced staffing across the platoons.
- Increase the proactive enforcement capacity of the Traffic unit.
- Provide for more timely response of Traffic officers to motor vehicle collisions.
- Increase the Traffic Unit capacity to train members in advanced collision investigation techniques.
- Return the unit to the staffing level of 1991.

Emergency Vehicle Fleet Outfitter (1-April)

Currently, the Guelph Police Services Fleet Coordinator sublets all of the emergency vehicle outfitting; this includes emergency lighting, e-ticketing, mobile radio, and all other installations pertaining to the outfitting of emergency equipment in our fleet vehicles. The amount of time vehicles are down as a result of outsourcing, brings our fleet levels to very concerning low numbers. By adding an experienced Emergency Vehicle Outfitter, the amount spent on this person's wage will be recovered as we will not have to pay outside vendors. Even more important, the downtime of vehicles will decrease to a point where the Service will be adding the equivalent of 82 per cent of a fully marked vehicle due to much quicker response time for repairs, this will help us stretch the fleet out without adding vehicles based on optics rather than data. Lastly, the overtime hours of the Fleet Coordinator will be cut drastically.

Major Case Management PowerCase Data Entry (1-April)

The Guelph Police Service only has one member dedicated to PowerCase who is currently assigned to the Serious Crime Unit. The caseload generated by major case has been increasing over the years. This increase has added a significant workload to the member. The Guelph Police Service also needs to address succession planning and prepare in the event that this member is unable to continue performing these duties.

This expansion will:

- Assist with wellness of our File Coordinator/PowerCase Data Entry member and our IS Administrative Assistant who assists with data entry.
- Ensure we are compliant with the legislation in relation to our PowerCase requirements.
- Ensure safety of the public by identifying offenders in a timely manner.

Communicators (4-January / 2-July / 2-October)

The recommendation is that the Guelph Police Service increase the Communications Unit to 28 full time members from the current 20 authorized full time members in order to achieve the desired objectives. This proposal reflects the concerns that were identified in the 2013 Communications Staffing and Scheduling Review. Six years later the same issues exist, yet the demand on this unit continues to increase. The gateway/hub of the Guelph Police Service is the Communications Unit. In time of inquire or need, it will be a member of this unit that will have the first interaction with members of the community. They will listen, provide direction, advice and comfort to those in need. It is also the members of this unit that will provide support and assistance to our members in time of crisis. Their work is critical for all the emergency services within the City of Guelph. Lives depend on the timely actions of emergency personnel. It is therefore important that this unit is properly staffed to meet the needs of our members and the community and to prepare for legislative changes and decrease organizational liability.

Part Time Professional Development and Recruiting Unit Admin Assistant (0.5-January)

Currently, the sergeant and staff sergeant are required to manage all administrative functions for training and recruitment to support GPS. The recommendation to add a part time administrative support to the Professional Development and Recruiting Unit unit will ensure that the Service is able to meet the recruitment and training requirements and fill the staffing gaps due to retirements for both civilian and police positions.

Wellness Coordinator (1-April)

This position will focus on planning, developing and promoting sworn and civilian member total health promotion and injury/illness prevention programs. These programs will align with Strategic Priority 2—Organizational Health & Wellness by assisting with the development and implementation of psychological wellness initiatives, plans and procedures. With an enhanced focus on member health and wellbeing, the Service will see greater police presence in the City of Guelph and improved productivity and service levels. The Service will be better positioned with police resources and deployment within the City to better meet the needs of the community and members.

Media Relations Coordinator (1-April)

Historically, the Public Information Officer has been a sworn Constable, but we are recommending a civilian for the position which would be more cost effective and free up an officer for regular deployment. This member would act as our liaison with community groups and partners (i.e. Crime Stoppers) and would be proficient in marketing and branding and able to stay current with social media platforms as they evolve and change. A civilian communications coordinator would enhance our public messaging and consistently monitor public attitude and ongoing public issues. This person would also provide editorial support to members throughout the service who are responsible for public speaking, presentations and special events.

Capital programs of works

Emergency Services

Wellington-Dufferin-Guelph Public Health



The majority of WDGPH's budget is comprised of cost-shared programs that are jointly funded between the Ministry and the municipalities that the Agency serves. The Ministry also provides separate 100 per cent funding for a number of other public health programs that historically have not required a municipal contribution.

In 2020, the Ministry is changing this funding arrangement. Provincial dollars for cost-shared programs will remain flat, and all programs previously funded 100 per cent by the province, will now be cost shared with municipal funders as well. This change will result in a funding decrease close to 5 per cent for the Agency.

The Board of Health is requesting a 2 per cent increase in municipal funding from the three municipalities it serves, including the City of Guelph. As in past years, this increase is requested to help sustain program delivery costs. The deficit resulting from the funding formula change to the 100 per cent programs outlined above will be addressed internally via cost reduction strategies within the Agency.

Table 5, Wellington-Dufferin-Guelph Public Health 2018 to 2020 trend

	2018 actuals	2019 approved budget	2020 budget	2020 budget change	2020 budget change
Revenue					
Total Revenue	-	-	-	-	0.0%
Expenditure	-	-	-	-	
Other Transfers	3,868,974	3,946,400	4,025,400	79,000	2.0%
Total Expenditure	3,868,974	3,946,400	4,025,400	79,000	2.0%
Net Budget	3,868,974	3,946,400	4,025,400	79,000	2.0%

County of Wellington Social Services and Social Housing



The County of Wellington is the Consolidated Municipal Services Manager (CMSM) for Shared Services and Social Housing through the Local Services Realignment, authorized by the Services Improvement Act and the Social Assistance Reform Act. Under this authority, the County of Wellington is responsible for establishing the budget for these services, and the City is required to make the required payments as required by the CMSM.

In 2020, the budget for Shared Services and Social Housing is \$22,884,317 representing a 3.5 per cent increase or \$775,200 over 2019. This amount is based on the forecast provided by the County.

Financial information

Social Services

Table 6, Social Services 2018 to 2020 trend

	2018 actuals	2019 approved budget	2020 budget	2020 budget change	2020 budget change
Revenue					
Grants	(9,167,113)	-	-	-	0.0%
Total Revenue	(9,167,113)	-	-	-	0.0%
Expenditure	-	-	-	-	
Government Transfers	11,637,184	2,552,000	2,608,500	56,500	2.2%
Internal Charges	-	111,000	119,000	8,000	7.2%
Total Expenditure	11,637,184	2,663,000	2,727,500	64,500	2.4%
Net Budget	2,470,071	2,663,000	2,727,500	64,500	2.4%

Social Housing

Table 7, Social Housing 2018 to 2020 trend

	2018 actuals	2019 approved budget	2020 budget	2020 budget change	2020 budget change
Revenue					
Grants	(7,920,886)	-	-	-	0.0%
Internal Recoveries	-	(130,000)	(130,000)	-	0.0%
Total Revenue	(7,920,886)	(130,000)	(130,000)	-	0.0%
Expenditure	-	-	-	-	
Government Transfers	23,648,139	13,516,037	14,145,437	629,400	2.2%
Internal Charges	534,700	2,263,000	2,341,000	78,000	3.4%
Total Expenditure	24,182,839	15,779,037	16,486,437	707,400	4.5%
Net Budget	16,261,953	15,649,037	16,356,437	707,400	4.5%

Child Care

Table 8, Child Care 2018 to 2020 trend

	2018 actuals	2019 approved budget	2020 budget	2020 budget change	2020 budget change
Revenue					
Grants	(10,020,092)	-	-	-	0.0%
Total Revenue	(10,020,092)	-	-	-	0.0%
Expenditure	-	-	-	-	
Government Transfers	13,241,549	3,718,080	3,800,380	82,300	2.2%
Internal Charges	387,636	79,000	-	(79,000)	(100.0%)
Total Expenditure	13,629,185	3,797,080	3,800,380	3,300	0.1%
Net Budget	3,609,093	3,797,080	3,800,380	3,300	0.1%

The Elliott Community



The Elliott Long-Term Care Residence (The Elliott) operates as the City's long-term care facility. The Elliott is a charitable corporation which operates retirement living suites and life-lease suites, in addition to the long-term care residence. The Elliott is a local board of the City as established by The Elliott Act, 2002. All areas of operation are overseen by a Board of Trustees appointed by City Council. The Long-Term Care Homes Act, 2007, S.O. 2007 requires that a municipality, approved to operate a long-term care home, form a Committee of Management composed of members of Council to oversee the responsibilities of the home. On August 25, 2014, Council passed the Delegation of Authority By-law number (2014)-19796 which establishes Community and Social Services (now Public Services) Committee as the Committee of Management.

In 2020, the budget for The Elliott Community is \$1,580,457 representing a 1.7 per cent increase or \$26,823 over 2019.

Financial information

Table 9, The Elliot Community 2018 to 2020 trend

	2018 actuals	2019 approved budget	2020 budget	2020 budget change	2020 budget change
Revenue			(100,000)	(100,000)	0.0%
Total Revenue	-	-	(100,000)-	(100,000)	0.0%
Expenditure	-	-	-	-	
Other Transfers	1,514,896	1,553,634	1,680,457	126,823	8.2%
Total Expenditure	1,514,896	1,553,634	1,380,457	126,823	1.7%
Net Budget	1,514,896	1,553,634	1,580,457	26,823	1.7%

Budget requests

- Long-term care safety one-time funding - \$100,000 – approved by Council on December 3, 2019 to be funded one-time from tax rate operating contingency reserve

Downtown Guelph Business Association



The Downtown Guelph Business Association (DGBA) is considered a business improvement area (BIA), traditionally established by the municipality using the business improvement area provisions in the Municipal Act, 2001, and under this legislation is considered a local board of the municipality. Once a BIA is approved by municipal Council, businesses within the defined boundaries become members and pay the BIA levy in addition to their property taxes. The BIA levies are collected by the municipality and then disbursed to the DGBA Board for use in accordance with the approved budget.

The general functions of the BIA are to:

- Oversee the improvement, beautification and maintenance of municipally-owned land, buildings and structures in the area beyond what is provided at the expense of the municipality.
- Promote the area as a business or shopping area.

For 2020, the approved BIA levy from association members has increased by 4.76 per cent or \$30,000 from the 2019 budget. This increase is due to an increase in the total expenditure budget for the DGBA of \$16,240 as well as a reduction of other revenues totaling \$14,000.

Financial information

Table 10, Downtown Guelph Business Association 2018 to 2020 trend

	2019 approved budget	2020 budget	2020 budget change	2020 budget change
Revenue				
Tax Levy Income	630,000	660,000	30,000	4.8%
Tax Levy Adjustment	(10,000)	(10,000)	-	0.0%
Total Tax Levy Income	620,000	650,000	30,000	4.8%
Other revenue	59,500	45,500	(14,000)	(23.5%)
Total revenue	679,500	695,500	16,000	2.4%
Expenditures				
Payroll Expenses	274,000	284,270	10,270	3.8%
Marketing & Promotion Expense	97,910	100,360	2,450	2.5%
Event Expenses	62,075	55,795	(6,280)	(10.1%)
Revitalization Expense	60,000	62,000	2,000	3.3%
General & Administrative Expenses	142,225	149,525	7,300	5.1%
Other expenses	43,000	43,500	500	1.2%
Total expenditures	679,210	695,450	16,240	2.4%
Net income	290	50	(240)	(82.8%)

Financial Statements of

Wellington-Dufferin-Guelph Public Health

December 31, 2019

Wellington-Dufferin-Guelph Public Health

December 31, 2019

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INDEPENDENT AUDITORS' REPORT

To the Members of the Board of Health of Wellington-Dufferin-Guelph Public Health

Opinion

We have audited the financial statements of Wellington Dufferin Guelph Public Health Unit (the Entity), which comprise:

- the statement of financial position as at December 31, 2019
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2019, and its results of operations and its cash flows year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Waterloo, Canada

May 11, 2020

Wellington-Dufferin-Guelph Public Health

Statement of Operations and Accumulated Surplus year ended December 31, 2019

	Budget 2019 (Note 9)	Actual 2019	Actual 2018
	\$	\$	\$
Revenue			
Ministry of Health Base Funding	15,516,830	15,455,896	14,865,210
Ministry of Health One-time	101,739	121,696	366,613
City of Guelph	4,038,103	3,996,673	3,938,824
County of Wellington	3,168,375	3,168,375	3,161,176
County of Dufferin	1,843,489	1,843,490	1,807,342
Ministry of Children, Community and Social Services	2,581,108	2,581,208	2,597,423
Public Health Agency of Canada	63,410	22,602	45,939
Other community grants	281,979	249,668	156,283
	27,595,033	27,439,608	26,938,810
Other revenue			
Interest income	27,000	158,165	146,216
Total revenue	27,622,033	27,597,773	27,085,026
Expenses			
Cost Shared Mandatory and One-time	20,914,429	20,270,166	20,897,579
Cost Shared Vector-Borne Diseases	209,617	209,619	207,725
Cost Shared Small Drinking Water Systems	55,639	55,640	55,345
100% Ontario Seniors Dental Care Program	651,825	450,381	-
100% Harm Reduction Program Enhancement	150,000	150,000	150,000
100% Needle Exchange	61,000	61,000	61,000
100% Enhanced Food Safety	40,300	40,300	40,300
100% Healthy Smiles Ontario	817,400	817,400	771,346
100% Infection Control	333,400	333,400	333,400
100% Smoke Free Ontario	409,500	409,500	409,500
100% Enhanced Safe Water	21,600	21,600	21,600
100% Chief Nursing Officer	121,500	121,500	121,500
100% Infection Control Nurse	90,100	90,100	90,100
100% Social Determinants of Health Nurses Initiative	180,500	180,500	180,500
100% Electronic Cigarettes Act	19,200	19,200	19,200
100% MOH Compensation Initiative	83,505	224,015	83,710
Healthy Babies Healthy Children	1,567,992	1,551,429	1,567,992
Preschool Speech and Language	1,074,399	1,074,457	1,042,257
County of Wellington Weetalk	367,921	367,893	375,936
Community Grants	388,796	305,673	277,286
Pregnancy to Parenting Program	63,410	39,032	53,165
Total expenses	27,622,033	26,792,805	26,759,441
Excess of revenue over expenditures	-	804,968	325,585
Accumulated surplus, beginning of year	16,973,050	16,973,050	16,647,465
Accumulated surplus, end of year	16,973,050	17,778,018	16,973,050

Approved by the Board of Health on

Director _____ Director

The accompanying notes are an integral part of these financial statements.

Wellington-Dufferin-Guelph Public Health

Statement of Changes in Net Financial Debt
year ended December 31, 2019

	2019 \$	2018 \$
Excess of revenue over expenditures	804,968	325,585
Amortization of tangible capital assets	1,518,568	1,937,093
Change in prepaid expenses	44,071	(23,778)
Change in inventory	530	(1,188)
Tangible capital asset purchases	(880,355)	(462,938)
Loss on disposal of tangible capital assets	76	7,633
Decrease in net debt	1,487,858	1,782,407
Net debt, beginning of year	(6,147,640)	(7,930,047)
Net debt, end of year	(4,659,782)	(6,147,640)

The accompanying notes are an integral part of these financial statements.

Wellington-Dufferin-Guelph Public Health

Statement of Financial Position
as at December 31, 2019

	2019 \$	2018 \$
Financial assets		
Cash	2,494,911	7,412,049
Accounts receivable	462,122	543,834
Due from Province of Ontario	694,497	20,900
	3,651,530	7,976,783
Liabilities		
Accounts payable and accrued liabilities	1,164,720	924,298
Employee benefits payable (Note 7)	1,407,899	1,381,378
Deferred revenue	64,930	158,033
Trust liabilities (Note 4)	3,252	2,091
Due to programs (Note 5)	83,462	40,563
Long-term debt (Note 12)	5,587,049	11,618,060
	8,311,312	14,124,423
Net debt	(4,659,782)	(6,147,640)
Non financial assets		
Tangible capital assets (Schedule 9)	22,364,367	23,002,656
Prepaid expenses	66,088	110,159
Inventory	7,345	7,875
	22,437,800	23,120,690
Accumulated surplus	17,778,018	16,973,050

Approved by the Board of Health on

Director

Director

The accompanying notes are an integral part of these financial statements.

Wellington-Dufferin-Guelph Public Health

Statement of Cash Flows

year ended December 31, 2019

	2019 \$	2018 \$
OPERATING ACTIVITIES:		
Excess of revenue over expenditures	804,968	325,585
Items not affecting cash:		
Amortization	1,518,568	1,937,093
Loss on disposal of tangible capital assets	76	7,633
Net changes in non-cash working capital items related to operations	(329,384)	(442,051)
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,994,228	1,828,260
CASH FLOWS FROM INVESTING ACTIVITY:		
Acquisition of tangible capital assets	(880,355)	(462,938)
NET CASH USED BY INVESTING ACTIVITIES	(880,355)	(462,938)
CASH FLOWS FROM FINANCING ACTIVITY:		
Long-term debt repaid	(6,031,011)	(880,126)
NET CASH USED BY FINANCING ACTIVITIES	(6,031,011)	(880,126)
Net increase (decrease) in cash	(4,917,138)	485,196
Cash, beginning of year	7,412,049	6,926,853
Cash, end of year	2,494,911	7,412,049

The accompanying notes are an integral part of these financial statements.

Wellington-Dufferin-Guelph Public Health

Notes to the Financial Statements

For the Year Ended December 31, 2019

1. Description of business

The Board of Health for the Wellington-Dufferin-Guelph Health Unit (WDGPH) has been created by statute under the Health Protection and Promotion Act (HPPA) and is by statute an autonomous Board of Health. The Board of Health is comprised of municipal members representing each of the obligated municipalities of the County of Wellington (3), the County of Dufferin (2), and the City of Guelph (3) and seven Provincial appointees. As stated in WDGPH's Mission statement, WDGPH uses an innovative approach to deliver evidence-informed programs and services to meet the distinctive needs of our communities.

WDGPH operates programs in accordance with the Ontario Public Health Standards and Protocols as mandated by the Province of Ontario. The Province of Ontario mandates that WDGPH provide programs and services that prevent disease, protect health and promote the well-being of individuals. Additional initiatives are also delivered within Wellington, Dufferin, and Guelph including: Preschool Speech and Language, Canadian Prenatal Nutrition Program, and acting as the host agency for the Poverty Elimination Task Force Guelph-Wellington.

2. Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards (PSAS), and reflect the following policies:

Basis of accounting

- a) The operations reported on in the financial statements reflect the complete operations of WDGPH.
- b) The operations of WDGPH general programs are funded by the Counties of Wellington and Dufferin, the City of Guelph, and the Ontario Ministry of Health. Each year the amount of expenditure is based upon budgeted approvals and is funded accordingly. Funding amounts not received at year-end are recorded as receivable. Funding amounts in excess of actual expenditures incurred during the year are recorded as payable, or as deferred revenue depending on the terms of the funding agreement.

Revenue and expenses are reported on the accrual basis of accounting.

Use of estimates

The preparation of the financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Significant estimates used within these financial statements include accrued liabilities and employee benefits payable. Actual results may differ from these estimates.

Revenue recognition

WDGPH receives revenue in the form of government transfers from the Province of Ontario (Ministry of Health and Ministry of Children, Community and Social Services), the Corporation of the County of Wellington, the Corporation of the County of Dufferin, and the Corporation of the City of Guelph. Government transfers are recognized as revenue in the financial statements in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria and/or stipulations have been met, and reasonable estimates of the amount can be made.

Wellington-Dufferin-Guelph Public Health

Notes to the Financial Statements

For the Year Ended December 31, 2019

2. Significant Accounting Policies (continued)

Tangible capital assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to the acquisition, construction, development, or betterment of the asset. The cost, less residual value of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	30 years
Leasehold improvements	Term of lease
Equipment	5 years
Technology and communication	3 years
Furniture and fixtures	5 years
Parking lot	20 years

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal.

3. Expenditures by object

	2019	2018
	\$	\$
		(note 13)
Salaries and wages	15,676,501	14,611,402
Benefits	4,238,623	4,241,418
Staff and volunteer training and recognition	204,154	229,820
Board of Health	12,479	19,300
Travel	298,617	267,886
Building occupancy	1,288,893	1,503,340
Amortization of tangible capital assets	1,518,568	1,937,093
Contracted services	1,815,037	2,014,755
Program materials and supplies	1,121,258	949,211
Office supplies	19,750	15,705
Office expenses, printing, and postage	124,779	129,423
Information and IT	745,983	709,963
Communication costs	197,069	195,086
One-time projects	117,084	333,539
Loss on disposal of tangible capital assets	76	7,633
Administrative charge outs	-	3,935
Expenditure recoveries (Schedule 1)	(586,066)	(410,069)
Net expenditures	26,792,805	26,759,440

Wellington-Dufferin-Guelph Public Health

Notes to the Financial Statements

For the Year Ended December 31, 2019

4. Trust liabilities

WDGPH periodically receives funds from various sources for specific purposes, which WDGPH holds in Trust. Balances are drawn down when funds are expended in accordance with the stipulations placed on them by the provider of the funds.

	2019	2018
	\$	\$
Hearing (Wee Talk)	800	1,660
Children's Report Card	500	500
County of Wellington - Dental	1,952	(109)
United Way Contributions	-	40
	3,252	2,091

5. Due to programs

	2019	2018
	\$	\$
Due to Parenting to Pregnancy	38,893	15,826
Due to Preschool Speech and Language	44,569	24,737
	83,462	40,563

Wellington-Dufferin-Guelph Public Health

Notes to the Financial Statements

For the Year Ended December 31, 2019

6. Accumulated surplus and reserves

Accumulated surplus consists of individual fund surplus and reserves as follows:

	2019	2018
December 31, 2019	\$	\$
Surplus		
Invested in tangible capital assets (Schedule 9)	22,364,367	23,002,656
Reserves	1,134,233	5,659,242
Long-term debt	(5,587,049)	(11,618,060)
Accumulated (deficit) surplus from March 31st year-end programs	(133,533)	(70,788)
	17,778,018	16,973,050

Accumulated surplus from March 31st year-end programs represents the cumulative net excess of revenue over expenditures for the Preschool Speech and Language Program, Healthy Babies Healthy Children Program and the Pregnancy to Parenting Program as at December 31st.

	2019	2018
December 31, 2019	\$	\$
Balance, beginning of year	5,659,302	4,772,681
Interest earned on reserve	92,012	94,326
Transfer to reserves	482,919	792,295
Transfer from reserves	(5,100,000)	-
Balance, end of year	1,134,233	5,659,302

Reserves consist of the following:

	2019	2018
December 31, 2019	\$	\$
Contingency Reserve	415,133	1,750,155
Technology Reserve	154,889	1,187,063
Orangeville Facilities Reserve	200,028	1,061,429
Guelph Facilities Reserve	255,309	1,564,160
Fluoride Varnish Program Reserve	70,484	68,990
Poverty Elimination Task Force Reserve	38,390	27,445
Balance, end of year	1,134,233	5,659,242

Wellington-Dufferin-Guelph Public Health

Notes to the Financial Statements

For the Year Ended December 31, 2019

7. Employee benefits payable

	2019	2018
December 31, 2019	\$	\$
Sick leave benefits payable	-	24,136
Vacation time payable	1,332,398	1,286,800
Compensation time payable	58,251	54,457
Part-time ONA accumulated sick leave	17,250	15,985
	1,407,899	1,381,378

Sick leave benefits payable

Prior to January 1, 1982, WDGPB's sick leave benefit plan allowed for the accumulation of unused sick leave. If the criteria under the plan were met, employees were entitled to a cash payment based on the salary in effect when they left WDGPB's employment. The balance is reviewed at each year-end using the current salary rates in effect. There has been no accumulation of unused sick leave with entitlement to a cash payment at WDGPB since January 1, 1982.

The liability for sick leave accumulated by eligible employees and accrued prior to January 1, 1982, who meet the eligibility criteria for a payment in cash upon termination amounted to \$NIL (2018 - \$24,136) at the end of the year as all staff for whom this was accrued for as of December 31, 2018 retired during 2019 and the accrued total was paid out in 2019.

Vacation time payable

The provisions of the employee's vacation plan allows for the accumulation of vacation credits for use in future periods. The approximate value of the credits as at December 31, 2019 is \$1,332,398 (2018 - \$1,286,800).

Compensation time payable

Hours earned by employees that are not paid or taken are compensation time. Upon termination of employment, any hours of compensation time that an employee has earned, but not taken, are payable at their wage rate. The approximate value of the time as at December 31, 2019 is \$58,251 (2018 - \$54,457).

Part-time nurses accumulated illness allowance

Permanent part-time nurses who work less than twenty-eight hours per week are not eligible for the short-term disability or long-term disability plans provided to staff working twenty-eight hours per week or more. Instead, these nurses accumulate an illness allowance on a pro rata basis of one and one-half days per month worked in each year. Any unused portion accumulates from year to year. In the event of an illness, a nurse may draw from this accumulated balance to continue to receive their regular daily rate of pay. There is no payout for unused illness allowance. The estimated potential liability for part-time nurses accumulated illness allowance as at December 31, 2019 is \$17,250 (2018 - \$15,985).

Wellington-Dufferin-Guelph Public Health

Notes to the Financial Statements

For the Year Ended December 31, 2019

8. Pension agreements

WDGPH makes contributions to the Ontario Municipal Employees' Retirement System ("OMERS"), which is a multi-employer plan, on behalf of approximately 200 (2018 - 209) members of its staff.

OMERS is a multi-employer plan, therefore, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, WDGPH does not recognize any share of the OMERS pension surplus or deficit. At December 31, 2019 the plan reported a \$3.3 billion actuarial deficit (2018 - \$4.2 billion actuarial deficit).

The plan is a defined benefit plan that specifies the amount of the retirement benefit to be received by the employee based upon length of service and rates of pay.

The amount contributed to OMERS for 2019 was \$1,432,749 (2018 - \$1,426,573)

9. Budget figures

The budgeted figures, which are presented for comparison purposes, are prepared on a cash basis.

10. Commitments and contingencies

WDGPH leases office and clinic space under operating leases. In addition, land has been leased under a long-term operating lease which expires on April 30, 2062. WDGPH also has a small number of long-term commitments under contract. Minimum lease payments and other long-term commitments under contract over the next five years are as follows:

	\$
2020	310,018
2021	310,436
2022	310,866
2023	301,590
2024	302,046
	<hr/> 1,534,956 <hr/>

In the normal course of business, WDGPH is involved in various claims. Though the outcome of these various pending claims as at December 31, 2019 cannot be determined with certainty, WDGPH believes that their outcome will have no significant adverse impact on its financial position, operating results or cash flows.

11. Credit facility

At December 31, 2019 WDGPH had an unsecured line of credit of \$500,000 (2018 - \$500,000) bearing interest at the bank prime rate of 3.95% (2018 - 3.95%), of which all has remained unused at year-end.

Wellington-Dufferin-Guelph Public Health

Notes to the Financial Statements

For the Year Ended December 31, 2019

12. Long-term debt

On December 19, 2012, WDGPB entered into a Financial Agreement with the County of Wellington, the County of Dufferin, and the City of Guelph to finance the cost of building the two new facilities at Chancellors Way, Guelph, and Broadway, Orangeville. The Financial Agreement allowed for quarterly advances of capital by the obligated municipalities to WDGPB beginning in January 2013, until the completion of the new facilities. The total amount of the advances was not to exceed \$24,400,000. Interest is calculated annually, commencing on the 1st day of the month following the date of substantial completion of both facilities. The interest rate is 3.34% per annum, and the term and amortization of the loans is twenty years. Repayment of these loans commenced thirty days following certification by the project's architect of substantial completion of both facilities. The whole or any part of the capital financing under this agreement may be prepaid at any time or times without penalty or bonus.

The total amount borrowed under the loan agreement was \$18,481,487. The amount outstanding as of December 31, 2019 is \$5,587,049. Future principal and interest payments based on the total anticipated advances under this loan agreement are projected to be:

	\$
2020	1,281,624
2021	1,281,624
2022	1,281,624
2023	1,281,624
2024	930,467
	6,056,963
Less: Interest portion	469,914
Long-term debt	5,587,049

The total interest paid on long-term debt in 2019 was \$350,613 (2018 - \$401,497).

13. Comparative information

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.

Wellington-Dufferin-Guelph Public Health

Notes to the Financial Statements

For the Year Ended December 31, 2019

14. Municipal Split

WDGPH receives funding for Cost Shared Mandatory and Related programs from the three obligated municipalities under the Health Protection and Promotion Act. The percentage of total municipal funding provided by each of the three obligated municipalities is based on the population of each municipality relative to the total population of Wellington-Dufferin-Guelph, based on the most recent Census. In 2019, the split is based on the 2016 Census (2018 - 2016 Census).

	Population	2016 Census
County of Wellington	90,932	32.0%
County of Dufferin	61,735	21.7%
City of Guelph	131,794	46.3%
	284,461	100.0 %

Wellington-Dufferin-Guelph Public Health

Schedule of Expenditure Recoveries - Schedule 1

For the Year Ended December 31, 2019

	Budget 2019	2019	2018
	\$	\$	\$
Contraceptive sales	-	3,054	5,232
File searches	2,000	150	2,400
Food safety courses	15,000	22,835	19,929
HPV vaccinations	44,000	44,778	41,982
Meningococcal immunizations	18,000	27,634	6,647
Rental income	-	10,734	-
Other grant revenue	-	103,519	-
Other miscellaneous revenue	-	7,220	8,770
Prenatal and breastfeeding fees	9,312	1,341	8,274
TB skin tests	18,500	23,675	35,975
Vaccines (Gardasil)	20,000	34,817	33,446
Travel and immunization clinic fees	229,900	236,428	204,769
Universal influenza immunizations	7,000	69,810	42,645
Healthy Smiles Ontario (County of Wellington)	-	71	-
	363,712	586,066	410,069

The accompanying notes are an integral part of these financial statements.

Wellington-Dufferin-Guelph Public Health

Schedule of Revenue and Expenditures - Schedule 2

Cost Shared Mandatory and Related Programs, and 100% MOH Funded Related Programs

For the Year Ended December 31, 2019

	Total mandatory and related programs (cost shared & 100% MOH)																			
	Cost Shared Mandatory	Cost Shared Vector- Borne Diseases	Cost Shared Small Drinking Water Systems	100% Ontario Seniors Dental Care Program	100% Provincial One-Time	100% MOH Compensation Initiative	100% Needle exchange	100% Harm Reduction Program Enhancement	100% Enhanced Food Safety	100% Healthy Smiles Ontario	100% Infection Control	100% Smoke Free Ontario	100% Enhanced Safe Water	100% Chief Nursing Officer	100% Infection Control Nurse	100% Social Determinants of Health Nurses initiative	100% Electronic Cigarettes Act	Total Mandatory and Related Programs 2019	Total Mandatory and Related Programs 2018	
Revenue																				
Shared funding:																				
provincial																				
Ministry of Health Base Funding	12,345,700	150,700	40,600	450,381	-	224,015	61,000	150,000	40,300	817,400	333,400	409,500	21,600	121,500	90,100	180,500	19,200	15,455,896	14,865,210	
Ministry of Health One-time	-	-	-	-	121,696	-	-	-	-	-	-	-	-	-	-	-	-	121,696	366,613	
Sub-total provincial funding	12,345,700	150,700	40,600	450,381	121,696	224,015	61,000	150,000	40,300	817,400	333,400	409,500	21,600	121,500	90,100	180,500	19,200	15,577,592	15,231,823	
Shared funding:																				
municipal																				
City of Guelph	3,912,072	27,310	6,972	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,946,354	3,868,974	
County of Wellington	2,700,441	18,851	4,812	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,724,104	2,670,691	
County of Dufferin	1,827,476	12,758	3,256	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,843,490	1,807,342	
Sub-total municipal funding	8,439,989	58,919	15,040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,513,948	8,347,007	
Total cost-shared funding	20,785,689	209,619	55,640	450,381	121,696	224,015	61,000	150,000	40,300	817,400	333,400	409,500	21,600	121,500	90,100	180,500	19,200	24,091,540	23,578,830	
General Revenue																				
Interest income	156,775	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	156,775	145,848	
Total Revenue	20,942,464	209,619	55,640	450,381	121,696	224,015	61,000	150,000	40,300	817,400	333,400	409,500	21,600	121,500	90,100	180,500	19,200	24,248,315	23,724,678	
Expenses																				
Employee costs																				
Salaries and wages	12,098,586	77,038	43,491	79,293	-	212,560	-	121,439	30,293	529,229	261,409	326,044	14,370	97,382	70,428	141,091	16,785	14,119,438	13,022,112	
Benefits	3,348,367	12,854	12,149	19,660	-	11,455	-	28,561	8,461	151,090	71,991	76,882	3,195	24,118	19,672	39,409	1,015	3,828,879	3,798,077	
Total salaries, wages and benefits	15,446,953	89,892	55,640	98,953	-	224,015	-	150,000	38,754	680,319	333,400	402,926	17,565	121,500	90,100	180,500	17,800	17,948,317	16,820,189	
Operating costs																				
Staff and volunteer training and recognition	193,403	-	-	-	-	-	-	-	-	1,620	-	1,049	-	-	-	-	1,223	197,295	222,323	
Board of Health	12,479	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,479	19,300	
Travel	236,218	228	-	902	-	-	-	-	-	9,272	-	5,059	-	-	-	-	38	251,717	229,182	
Building occupancy	1,275,286	-	-	-	-	-	-	-	-	9,524	-	-	-	-	-	-	-	1,284,810	1,499,656	
Office expenses, printing, and postage	121,171	-	-	1,059	-	-	-	-	-	228	-	-	-	-	-	-	-	122,458	127,973	
Contracted services	468,112	107,505	-	5,770	-	-	-	-	-	10,805	-	-	150	-	-	-	-	592,342	899,893	
Program materials and supplies	525,311	11,864	-	343,697	-	-	61,000	-	1,286	90,902	-	-	3,849	-	-	-	71	1,037,980	842,776	
Office supplies	7,129	-	-	-	-	-	-	-	-	12,621	-	-	-	-	-	-	-	19,750	15,705	
Information and IT	745,608	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	745,608	709,342	
Communication costs	188,762	130	-	-	-	-	-	-	260	2,180	-	466	36	-	-	-	68	191,902	188,265	
One-time projects	-	-	-	-	117,084	-	-	-	-	-	-	-	-	-	-	-	-	117,084	333,539	
Amortization of tangible capital assets	1,518,568	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,518,568	1,937,093	
Loss on disposal of tangible capital assets	76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	76	7,633	
Total net operating costs	5,292,123	119,727	-	351,428	117,084	-	61,000	-	1,546	137,152	-	6,574	4,035	-	-	-	1,400	6,092,069	7,032,680	
Total expenditures	20,739,076	209,619	55,640	450,381	117,084	224,015	61,000	150,000	40,300	817,471	333,400	409,500	21,600	121,500	90,100	180,500	19,200	24,040,386	23,852,869	
Expenditure recoveries (Schedule 1)	(585,995)	-	-	-	-	-	-	-	-	(71)	-	-	-	-	-	-	-	(586,066)	(410,069)	
Total net expenditures after expenditure recoveries	20,153,081	209,619	55,640	450,381	117,084	224,015	61,000	150,000	40,300	817,400	333,400	409,500	21,600	121,500	90,100	180,500	19,200	23,454,320	23,442,800	
Excess of revenue over expenditures for the year	789,383	-	-	-	4,612	-	-	-	-	-	-	-	-	-	-	-	-	793,995	281,878	

Wellington-Dufferin-Guelph Public Health

Statement of Revenues and Expenditures - Schedule 3

Healthy Babies Healthy Children

For the Year Ended December 31, 2019

	Budget 2019 \$	2019 \$	2018 \$
Revenues			
Government transfers			
Ministry of Children, Community and Social Services	1,567,992	1,567,992	1,567,992
Expenses			
Salaries and wages	1,166,088	1,161,017	1,152,363
Benefits	320,691	313,178	329,262
Travel	40,000	45,051	36,644
Program materials and supplies	16,330	12,433	19,009
Office expenses, printing, and postage	2,416	2,317	1,435
Language line	14,000	6,831	14,970
Communication costs	-	5,167	6,821
Staff and volunteer training and recognition	8,467	3,183	5,022
Contracted services	-	816	806
Audit fees	-	1,061	1,039
Information and IT	-	375	621
	1,567,992	1,551,429	1,567,992
Excess of revenue over expenditures	-	16,563	-

The accompanying notes are an integral part of these financial statements.

Wellington-Dufferin-Guelph Public Health

Statement of Revenues and Expenditures - Schedule 4

Preschool Speech and Language

For the Year Ended December 31, 2019

	Budget 2019 \$	2019 \$	2018 \$
Revenues			
Government transfers			
Ministry of Children, Community and Social Services	1,013,116	1,013,216	1,029,431
Other community grants	61,283	60,376	60,376
Preschool Speech and Language interest income	-	447	368
	1,074,399	1,074,039	1,090,175
Expenses			
Salaries and wages	229,389	203,083	213,073
Benefits	61,470	57,559	59,590
Building occupancy	3,757	3,675	3,648
Program materials and supplies	-	105	29,163
Contracted services	779,783	808,974	735,744
Audit fees	-	1,061	1,039
	1,074,399	1,074,457	1,042,257
Excess (deficiency) of revenue over expenditures	-	(418)	47,918

The accompanying notes are an integral part of these financial statements.

Wellington-Dufferin-Guelph Public Health

Statement of Revenues and Expenditures - Schedule 5

County of Wellington Weetalk

For the Year Ended December 31, 2019

	Budget 2019 \$	2019 \$	2018 \$
Revenues			
Government transfers			
County of Wellington	367,921	367,921	375,936
Expenses			
Program materials and supplies	22,000	15,500	22,000
Contracted services	345,921	352,393	353,936
	367,921	367,893	375,936
Excess of revenue over expenditures	-	28	-
Due to County of Wellington, end of year	-	28	-

The accompanying notes are an integral part of these financial statements.

Wellington-Dufferin-Guelph Public Health

Statement of Revenues and Expenditures - Schedule 6

Pregnancy to Parenting Program

For the Year Ended December 31, 2019

	Budget 2019 \$	2019 \$	2018 \$
Revenues			
Government transfers			
Public Health Agency of Canada	63,410	22,602	45,939
Expenses			
Salaries and benefits	38,593	23,790	31,767
Travel	680	393	264
Program materials and supplies	20,437	11,135	15,342
Language line	-	427	1,617
Contracted services	3,200	3,287	4,175
Building occupancy	500	-	-
	63,410	39,032	53,165
Deficiency of revenue over expenditures	-	(16,430)	(7,226)

The accompanying notes are an integral part of these financial statements.

Wellington-Dufferin-Guelph Public Health

Statement of Revenues and Expenditures - Schedule 7

Other Community Grants

For the Year Ended December 31, 2019

	Budget 2019 \$	2019 \$	2018 \$
Revenues			
City of Guelph	91,751	50,320	69,851
County of Wellington	76,350	76,350	114,549
Other community grants	220,696	249,668	95,907
Total revenue	388,797	376,338	280,307
Expenses			
Salaries and wages	229,265	169,168	192,079
Benefits	48,360	39,010	54,492
Travel	2,970	1,456	1,796
Program materials and supplies	85,802	44,109	20,924
Contracted services	14,950	47,846	1,535
Staff and volunteer training and recognition	2,000	3,676	2,475
Administrative charge outs	3,751	-	3,934
Office supplies	1,699	408	51
	388,797	305,673	277,286
Excess of revenue over expenditures	-	70,665	3,021

The accompanying notes are an integral part of these financial statements.

Wellington-Dufferin-Guelph Public Health

Schedule of One Time Funds - Schedule 8

For the Year Ended December 31, 2019

Funding Period		Provincial funding \$	Actual spent 2018 \$	Actual spent 2019 \$	Provincial %	Provincial Portion \$	Municipal %	Municipal portion \$	Transfer to 2020 \$	Payable to/ (Receivable from) MOH
One time funding										
Data Breach Minimization	April 1, 2017 to March 31, 2018	15,000	-	-	100%	-	- %	-	-	-
High Availability and Disaster Recovery	April 1, 2017 to March 31, 2018	14,756	-	-	100%	-	- %	-	-	(244)
HSO: Dental Equipment	April 1, 2017 to March 31, 2018	20,000	18,483	-	100%	18,483	- %	-	-	1,517
HSO: Project Manager for New Dental Clinic	April 1, 2017 to March 31, 2018	75,000	50,266	-	100%	50,266	- %	-	-	24,734
Needle Exchange Program Initiative	April 1, 2017 to March 31, 2018	38,402	38,402	-	100%	38,402	- %	-	-	-
New Purpose Built Vaccine Refrigerator	April 1, 2017 to March 31, 2018	12,000	-	-	100%	-	- %	-	-	2,167
Reprocessing Room in a Box Training Equipment	April 1, 2017 to March 31, 2018	14,300	6,681	-	100%	6,681	- %	-	-	681
Panorama Immunization Solution 2017/2018	April 1, 2017 to March 31, 2018	97,200	92,270	-	100%	92,270	- %	-	-	4,930
Public Health Inspector Practicum	April 1, 2017 to March 31, 2018	10,000	-	-	100%	-	- %	-	-	-
ERP software (2018-19)	April 1, 2018 to March 31, 2019	37,500	30,610	19,390	100%	50,000	- %	-	-	-
Adverse childhood survey (2018-19)	April 1, 2018 to March 31, 2019	7,503	9,594	-	100%	9,594	- %	-	-	406
Preconception assessment (2018-19)	April 1, 2018 to March 31, 2019	22,500	20,256	9,744	100%	30,000	- %	-	-	-
Vision screening (2018-19)	April 1, 2018 to March 31, 2019	72,747	24,801	72,199	100%	97,000	- %	-	-	-
Flu response (2018-19)	April 1, 2018 to March 31, 2019	56,250	65,249	-	100%	65,249	- %	-	-	-
PHI Practicum (2018-19)	April 1, 2018 to March 31, 2019	7,500	10,000	-	100%	10,000	- %	-	-	-
PHI Practicum (2019-2020)	April 1, 2019 to March 31, 2020	13,483	-	10,000	100%	10,000	- %	-	-	-
Vaccine fridge replacement (2019-2020)	April 1, 2019 to March 31, 2020	11,000	-	10,363	100%	10,363	- %	-	-	-
Dental clinic upgrades - Guelph	April 1, 2019 to March 31, 2020	335,300	-	-	100%	-	- %	-	335,300	-
Dental clinic upgrades - Orangeville	April 1, 2019 to March 31, 2020	69,200	-	-	100%	-	- %	-	69,200	-

Wellington-Dufferin-Guelph Public Health

Schedule of Tangible Capital Assets - Schedule 9

For the Year Ended December 31, 2019

	Land \$	Buildings \$	Leasehold improvements \$	Equipment \$	Technology and communication \$	Parking Lot \$	Furniture and fixtures \$	Totals 2019 \$	Totals 2018 \$
Cost									
Balance, beginning of year	1,021,784	23,817,591	225,256	1,288,970	5,181,735	231,802	2,139,647	33,906,785	34,175,765
Add: additions during the year	-	364,545	10,451	102,353	403,006	-	-	880,355	462,938
Less: dispositions during the year	-	-	-	(15,141)	(61,655)	-	-	(76,796)	(731,918)
Balance, end of year	1,021,784	24,182,136	235,707	1,376,182	5,523,086	231,802	2,139,647	34,710,344	33,906,785
Accumulated amortization									
Balance, beginning of year	-	3,579,648	31,186	890,209	4,537,360	28,975	1,836,751	10,904,129	9,691,319
Add: additions during the year	-	734,714	15,830	147,439	393,830	10,624	216,131	1,518,568	1,937,093
Less: dispositions during the year	-	-	-	(15,065)	(61,655)	-	-	(76,720)	(724,283)
Balance, end of year	-	4,314,362	47,016	1,022,583	4,869,535	39,599	2,052,882	12,345,977	10,904,129
Net book value of tangible capital assets	1,021,784	19,867,774	188,691	353,599	653,551	192,203	86,765	22,364,367	23,002,656

City of Guelph

Audit Findings Report
for the year ended December 31, 2019

KPMG LLP

Chartered Professional Accountants, Licensed Public
Accountants

Prepared June 26, 2020 for the
Committee meeting on July 20, 2020

kpmg.ca/audit



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Executive summary

Purpose of this report¹

The purpose of this Audit Findings Report is to assist you, as a member of the audit committee, in your review of the results of our audit of the consolidated financial statements as at and for the year ended December 31, 2019. This Audit Findings Report builds on the Audit Plan we presented to the audit committee.

Changes from the Audit Plan

There have been no significant changes regarding our audit from the Audit Planning Report previously presented to you.

Finalizing the Audit

As of June 26, 2020, we have completed the audit of the consolidated financial statements, with the exception of certain remaining procedures, which include amongst others:

- Completing our discussions with the audit committee
- Obtaining evidence of the Board's approval of the financial statements
- Obtaining a signed management representation letter
- Receipt of legal letters

We will update the audit committee, and not solely the Chair, on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures. Our auditors' report will be dated upon the completion of any remaining procedures.

Independence

We have included a copy of our annual independence letter dated as of the date of this report, which notes that we are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada.

Significant accounting policies and practices

There have been no initial selections of, or changes to, significant accounting policies and practices to bring to your attention.

Uncorrected differences

We did not identify differences that remain uncorrected.

Control deficiencies

We did not identify any control deficiencies that we determined to be significant deficiencies in internal control over financial reporting.

¹ This Audit Findings Report should not be used for any other purpose or by anyone other than the audit committee. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Findings Report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Audit risks and results

We highlight our significant findings in respect of significant financial reporting risks as identified in our discussion with you in the Audit Plan, as well as any additional significant risks identified.

1	Significant Risk	Fraud risk from revenue recognition
----------	-------------------------	-------------------------------------

Significant financial reporting risk	Why is it significant?
Fraud risk from revenue recognition	<p>This is a presumed fraud risk.</p> <p>However, the audit team has rebutted this presumption due to the following reasons:</p> <ul style="list-style-type: none">— The presumed fraud risk is ordinarily associated with for-profit enterprises— The majority of revenue is calculated based on MPAC data and confirmed with lower tiers, approved utility rates and user fees, and from federal and provincial grants, and is not subject to complexity or judgement at the reporting level; and KPMG does not believe that the use of inappropriate cut-off or “channel” stuffing would be utilized to perpetrate fraud

Our response and significant findings

Not applicable.

Audit risks and results

2 Significant Risk

Fraud risk from management override of controls

Significant financial reporting risk

Fraud risk from management override of controls

Why is it significant?

This is a presumed fraud risk. We have not identified any specific additional risks of management override relating to this audit.

Our response and significant findings

As the risk is not rebuttable, our audit methodology incorporates the required procedures in professional standards to address this risk. These procedures include testing of journal entries and other adjustments, performing a retrospective review of estimates and evaluating the business rationale of significant unusual transactions. KPMG performed various substantive procedures examining journal entries that were being posted to the general ledger. Journal entries were selected using various criteria to identify journal entries that could possibly be related to override activities. No issues were identified in our testing performed.

Audit risks and results - estimates

We have summarized our assessment of the subjective areas.

Asset / liability	Carrying Amount (\$'000s)
Landfill Closure & Post Closure Liability	\$4,520
Contaminated Sites Liability	\$26,000

KPMG comment

- Assessed the appropriateness of the City's internal expert used for determining the contaminated sites liability by assessing their competence, capabilities, and objectivity so we can rely on their work for our audit.
- Focused review of calculations and inputs used in the calculation, such as the discount rate and budgeted expenditures.
- Performed a retrospective review and compared actual expenditures to 2019 expected budgeted expenditures used in the calculation for the liability.
- Compared forecasted expenditures in prior years to the current year forecast for consistency.
- Assessed management's assumptions used for future post closure costs to determine if they are reasonable.

KPMG did not find any issues with the reasonableness of management's estimate for the above noted liabilities.

We note that commencing in the year ending December 31, 2022, the City will be required to adopt the new accounting standards for Asset Retirement Obligations, which is expected to have a significant impact on the measurement of the landfill closure & post closure liability. The liability balance is expected to increase.

Audit risks and results - estimates

Asset / liability	Carrying Amount (\$'000s)
Employee Future Benefits:	
Post-employment/Retirement Liability	\$21,044
WSIB Liability	\$10,462
Sick Leave Liability	\$10,305

KPMG comment

- Reviewed valuation report by the actuary, Nexus Actuarial Consultants, including related assumptions and inputs.
- Confirmed actuary's assessment and linked it to the related liability.
- Ensured the note disclosure was complete and accurate based on actuary reports.
- Tested the appropriateness of the underlying data, including employee populations
- Discount rates used in calculating the employee future benefits range from 3.75% - 4.00%, considered to be reasonable, and consistent with similar term borrowing rates
- Tested the supporting assumptions for payroll accruals.

KPMG did not find any issues with the reasonableness of management's estimate for the employee future benefits liability.

KPMG notes that significant changes to assumptions for the WSIB liability resulted in an increase to the accrued benefit obligation. The most notable change was the increase to expected future payments due to historical experience of greater claims volume and higher amounts per claim. This resulted in a \$9.2M actuarial loss which will be recognized as an expense over the next 10 years.

We believe management's process for identifying critical accounting estimates is considered appropriate.

Audit risks and results

Significant findings from the audit regarding other areas of focus are as follows:

3 Other area of focus Investment in Guelph Municipal Holdings Inc.

Other area of focus	Why are we focusing here?
Investment in Guelph Municipal Holdings Inc.	– Significance of transaction during the year

Our response and significant findings

- Effective January 1, 2019, Guelph Municipal Holdings Inc. (“GMHI”) merged its investment in Guelph Hydro Electric Systems Inc. (“GHESI”) to Alectra Inc. (“Alectra”) in exchange for a 4.63% share of Alectra Inc.
- The transaction was accounted for at fair value, resulting in an accounting gain of approximately \$46M, less deferred income taxes of \$5.6M. The \$46M gain represents the difference between GMHI’s carrying value of GHESI [based on historical earnings less dividends paid] and the fair value of the shares of Alectra received. Note that the carrying value of GHESI was not its fair value at the time of the transaction.
- GMHI records its 4.63% share of Alectra’s earnings as an increase to its investment and reduces the investment by any dividends received. The consolidated financial statements of the City of Guelph record 100% of GMHI’s earnings in its statement of operations. Dividends received from GMHI are recorded as a reduction to the investment balance. This is different from the City budget approach, which includes the dividends from GMHI as income.
- KPMG audited the sale of GHESI shares to Alectra and the share of equity earnings of Alectra in GMHI for 2019 for the purposes of supporting our audit of the consolidated financial statements of the City.

Audit risks and results

Significant findings from the audit regarding other areas of focus are as follows:

4 Other area of focus	Obligatory Reserve Funds Revenue and Deferred Revenue
Other area of focus	Why are we focusing here?
Obligatory Reserve Funds Revenue and Deferred Revenue	Revenue recognized from the Development Charge Reserve Fund is subject to judgement as capital projects must be development in nature
Our response and significant findings	
<ul style="list-style-type: none">— Performed substantive testing over amounts being recognised as revenue.— Tested collection of development charges.	
KPMG did not find any issues identified through our audit procedures.	

Audit risks and results

Significant findings from the audit regarding other areas of focus are as follows:

5 Other area of focus Tangible Capital Assets (TCA)	
Other area of focus	Why are we focusing here?
Tangible Capital Assets (TCA)	<ul style="list-style-type: none">— Significant of the account balances.— Risk of error in inappropriately recognizing costs as either capital or operating
Our response and significant findings	
<ul style="list-style-type: none">— Substantive test of details approach, vouching samples of additions and retirements in fiscal 2019.— Tested open Construction in Progress projects to identify projects that should have been moved to TCA or Operating expenses.— Review of expense accounts to ensure that items related to tangible capital assets were not inappropriately expensed in 2019.— Recalculation of amortization expenses performed. <p>KPMG did not find any issues identified through our audit procedures.</p>	

Audit approach

Other areas of focus	Our audit approach and findings
Investments and related income	— Confirmation of details with investment managers
Taxation Revenue	— Analytical procedures recalculating tax revenues using approved tax rates and related MPAC assessments.
User Fees and Service Charge Revenue	— Analytical procedures were performed comparing current year's revenues on a disaggregated basis to the current year budget and the prior year, adjusting for known changes in assumptions
Expenses	<ul style="list-style-type: none"> — Analytical procedures comparing current year's expenses on a disaggregated basis to the current year budget and the prior year, adjusting for known changes in assumptions — Substantive procedures performed to test the existence and accuracy of expenses — Testing the completeness, existence, and accuracy of yearend accruals, most notably those that contain areas of estimate of judgment
Government Transfers	<ul style="list-style-type: none"> — Reviewed agreements to ensure proper revenue recognition criteria was followed. To ensure the transfers were authorized and all eligibility criteria and any stipulations were met. — Performed test of details on significant transfers

KPMG did not find any issues through our audit procedures on the above noted areas of focus

Financial statement presentation and disclosure

The presentation and disclosure of the financial statements are, in all material respects, in accordance with the Company's relevant financial reporting framework. Misstatements, including omissions, if any, related to disclosure or presentation items are in the management representation letter.

We also highlight the following:

Form, arrangement, and
content of the financial
statements

The form, arrangement and context of the financial statements are appropriate for the size, scope and industry segment of the organization.

Application of accounting
pronouncements issued
but not yet effective

No concerns at this time regarding future implementation.

Uncorrected differences and Corrected Adjustments

Differences and adjustments include disclosure differences and adjustments.

Professional standards require that we request of management and the audit committee that all identified differences be corrected. We have already made this request of management.

Uncorrected differences

We did not identify differences that remain uncorrected. Our collection threshold was \$400,000 for items impacting the annual surplus and \$1,000,000 for items not impacting the annual surplus.

Corrected adjustments

We did not identify any adjustments that were communicated to management and subsequently corrected in the financial statements.

Appendices

Content

Appendix 1: Required communications

Appendix 2: Audit Quality and Risk Management

Appendix 3: Management Representation Letter



Appendix 1: Other Required Communications

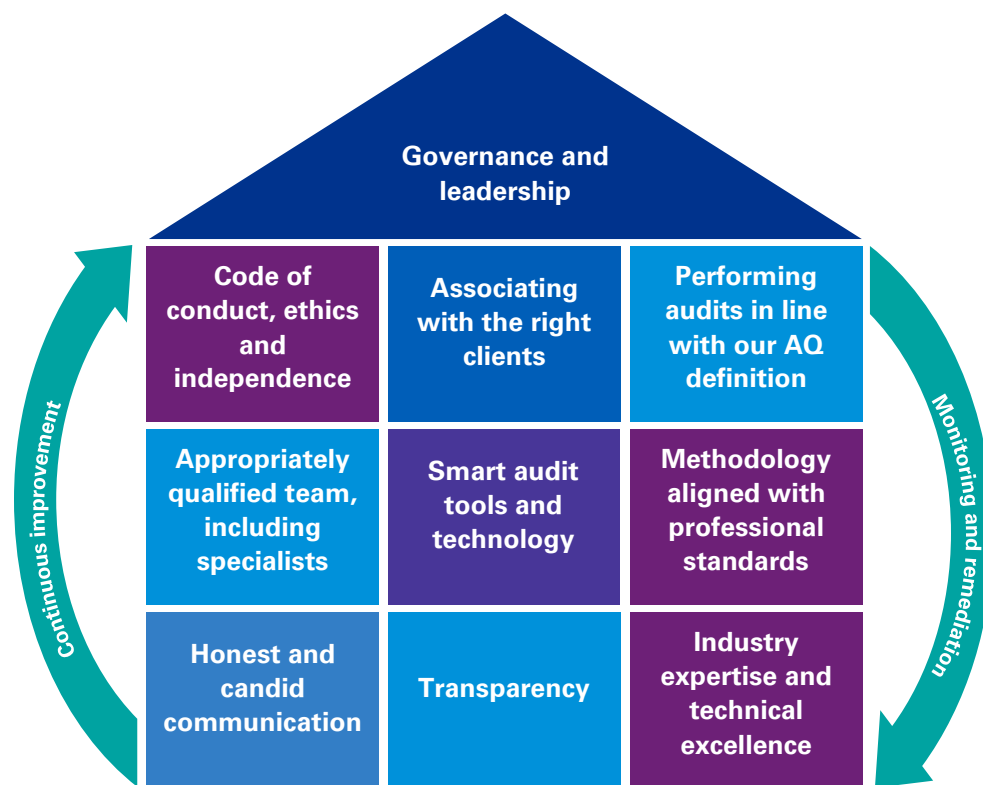
In accordance with professional standards, there are a number of communications that are required during the course of and upon completion of our audit. These include:

Auditor's report	Management representation letter
The conclusion of our audit is set out in our draft auditors' report attached to the draft financial statements.	In accordance with professional standards, a copy of the management representation letter is provided to the audit committee. The management representation letter is attached.

Appendix 2: Audit Quality and Risk Management

KPMG maintains a system of quality control designed to reflect our drive and determination to deliver independent, unbiased advice and opinions, and also meet the requirements of Canadian professional standards.

Quality control is fundamental to our business and is the responsibility of every partner and employee. The following diagram summarizes the key elements of our quality control system.



Audit Quality Framework

What do we mean by audit quality?

Audit Quality (AQ) is at the core of everything we do at KPMG.

We believe that it is not just about reaching the right opinion, but how we reach that opinion.

We define 'audit quality' as being the outcome when audits are:

- Executed consistently, in line with the requirements and intent of applicable professional standards within a strong system of quality controls and
- All of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics, and integrity**.

Our AQ Framework summarises how we deliver AQ. Visit our [Audit Quality Resources page](#) for more information including access to our [Audit Quality and Transparency report](#).

Appendix 3: Management Representation Letter

KPMG LLP
115 King Street South,
2nd Floor
Waterloo, ON N2J 5A3

July 20, 2020

Ladies and Gentlemen:

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the consolidated financial statements (hereinafter referred to as “financial statements”) of City of Guelph (“the Entity”) as at and for the period ended December 31, 2019.

General:

We confirm that the representations we make in this letter are in accordance with the definitions as set out in [Attachment I](#) to this letter.

We also confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Responsibilities:

- 1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated May 4, 2019, including for:
 - a) the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework.
 - b) providing you with all information of which we are aware that is relevant to the preparation of the financial statements (“relevant information”), such as financial records, documentation and other matters, including:
 - the names of all related parties and information regarding all relationships and transactions with related parties;
 - the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors and committees of the board of directors that may affect the financial statements. All significant actions are included in such summaries.
 - c) providing you with unrestricted access to such relevant information.
 - d) providing you with complete responses to all enquiries made by you during the engagement.
 - e) providing you with additional information that you may request from us for the purpose of the engagement.
 - f) providing you with unrestricted access to persons within the Entity from whom you determined it necessary to obtain audit evidence.
 - g) such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We also acknowledge and understand that we are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
 - h) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.

- i) ensuring that internal auditors providing direct assistance to you, if any, were instructed to follow your instructions and that we, and others within the entity, did not intervene in the work the internal auditors performed for you.

Internal control over financial reporting:

- 2) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which we are aware.

Fraud & non-compliance with laws and regulations:

- 3) We have disclosed to you:
 - a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 - b) all information in relation to fraud or suspected fraud that we are aware of that involves:
 - management;
 - employees who have significant roles in internal control over financial reporting; or
 - otherswhere such fraud or suspected fraud could have a material effect on the financial statements.
 - c) all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements, communicated by employees, former employees, analysts, regulators, or others.
 - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements.
 - e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Subsequent events:

- 4) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment or disclosure in the financial statements have been adjusted or disclosed.

Related parties:

- 5) We have disclosed to you the identity of the Entity's related parties.
- 6) We have disclosed to you all the related party relationships and transactions/balances of which we are aware.
- 7) All related party relationships and transactions/balances have been appropriately accounted for and disclosed in accordance with the relevant financial reporting framework.

Estimates:

- 8) Measurement methods and significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Going concern:

- 9) We have provided you with all information relevant to the use of the going concern assumption in the financial statements.
- 10) We confirm that we are not aware of material uncertainties related to events or conditions that may cast significant doubt upon the Entity's ability to continue as a going concern.

Non-SEC registrants or non-reporting issuers:

- 11) We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002).
- 12) We also confirm that the financial statements of the Entity will not be included in the group financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

Yours very truly,

Tara Baker, City Treasurer, GM of Finance

Shanna O'Dwyer, Manager, Financial Reporting and Accounting

Attachment I – Definitions

Materiality

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both.

Fraud & error

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

Related parties

In accordance with Public Sector Accounting Board (PSAB) *related party* is defined as:

- A related party exists when one party has the ability to exercise control or shared control over the other. Two or more parties are related when they are subject to common control or shared control. Related parties also include key management personnel and close family members.

In accordance with Public Sector Accounting Board (PSAB) a *related party transaction* is defined as:

- A transfer of economic resources or obligations between related parties, or the provision of services by one party to a related party. These transfers are related party transactions whether or not there is an exchange of considerations or transactions have been given accounting recognition. The parties to the transaction are related prior to the transaction. When the relationship arises as a result of the transaction, the transaction is not one between related parties.



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Staff Report



To	City Council
Service Area	Infrastructure, Development and Enterprise Services
Date	Monday, July 20, 2020
Subject	Community Road Safety Strategy

Recommendation

1. That the Community Road Safety Strategy, included as Attachment 1, to the Infrastructure, Development & Enterprise Services Report (2020-80), dated July 20, 2020 be approved and in effect as of August 4, 2020.
 2. That the Traffic Calming Policy, included as Attachment 2, to the Infrastructure, Development & Enterprise Services Report (2020-80), dated July 20, 2020 be approved and in effect as of August 4, 2020.
-

Executive Summary

Purpose of Report

The purpose of this report is to seek Council approval of the proposed Community Road Safety Strategy (CRSS) and the new Traffic Calming Policy.

Key Findings

The CRSS is a high-level road safety plan that outlines areas in Guelph where road safety measures will be implemented. These measures include educational campaigns, enforcement strategies, and engineering/infrastructure changes. The CRSS was developed through public engagement and in collaboration with many internal stakeholders. Community feedback gathered through online and in-person engagement was used to determine key areas and recommended strategies.

A total of 24 strategies that fall under 10 road safety categories are outlined in the CRSS. Educational strategies such as awareness campaigns on a variety of topics including impaired, distracted, and aggressive driving have been outlined through collaboration with the Guelph Road Safety Coalition.

Many engineering road safety solutions are addressed through the traffic calming policy. As part of the CRSS, the Neighbourhood Traffic Management Policy has been updated and renamed as the Traffic Calming Policy (TCP). The TCP outlines procedures for initiating, reviewing, implementing, and evaluating traffic calming plans in residential neighbourhoods to help address concerns about speeding and high vehicle volumes.

The CRSS recommends strategies to address the ten key road safety topics and aligns with Vision Zero principles currently under consideration through the Transportation Master Plan.

Financial Implications

The CRSS is funded through the tax-supported Capital budget and has \$900,000 of existing capital funding (TF0026) to begin implementing road safety initiatives. Future capital budgets identify annual additional funding of up to \$376,000 to continue implementing road safety measures. Depending on the types of devices installed, there may be annual operating impacts of approximately \$23,000 beginning in 2021.

Background

Through report [IDE-2019-13](#) Red Light Camera Program Review, Council directed staff “to explore a Community Road Safety Strategy (CRSS) that includes mitigation measures to reduce the likelihood of frequent traffic infractions as well as red light violations and that funding support for this strategy be referred to in the 2019 budget process.”

Many Guelph neighbourhoods face traffic and speeding issues. Transportation engineering staff receive approximately 1-2 road safety related concerns daily. Many of these concerns focus on speeding in local neighbourhoods. Historically, community members could request traffic calming measures such as speed cushions, on their road through the [Neighbourhood Traffic Management Policy](#), which was Council approved in 2006. The CRSS has provided an opportunity to review and replace the former policy with the proposed Traffic Calming Policy.

Report

Road safety impacts all members of the Guelph community, regardless of their age, ability, or mode of transportation. A safe road network benefits all users. The goal of the CRSS is to provide strategies that will improve road safety to benefit all users, whether you are walking, cycling, riding transit, using a mobility device or driving.

Road safety was a top concern raised during the City’s Community Plan engagement activities. Additionally, road safety was consistently identified by Council as a priority and is identified in the [Strategic Plan: Guelph](#). The CRSS will help tackle this priority by developing a city-wide road safety strategy.

A variety of road users (e.g. pedestrians, seniors, people with disabilities, cyclists, drivers, children, etc.) have different needs and expectations. The City needs to provide balanced solutions to maximize everyone’s safety. Enforcement can be a solution but is also a challenge, Guelph Police and Bylaw staff cannot always be everywhere. Therefore, the City needs to look at education and engineering as additional solutions.

The implementation and effectiveness of each recommended strategy under the CRSS will rely on evidence informed decision making, equity, and continuous evaluation.

Development of the Community Road Safety Strategy

The CRSS was developed by:

- Reviewing best practices in other municipalities
- Engaging stakeholders to update the traffic calming policy
- Engaging the community to determine emphasis areas and strategies

The following summarizes each section of the report while detailed explanations are provided in Attachment 1.

Section 1: Review of programs, policies, and literature

The strategies outlined in the CRSS were developed through a best practices review. Staff consulted other municipalities with similar road safety programs to determine which strategies were appropriate for Guelph. Additionally, staff reviewed published literature on the effectiveness of road safety measures (e.g. speed limit reductions) to ensure that each strategy has been rigorously evaluated.

Section 2: Update Traffic Calming Policy

The Traffic Calming policy (previously referred to as the Neighbourhood Traffic Management Review) was last updated in 2006. As part of the CRSS, the Traffic Calming policy was updated. The TCP uses the existing Neighbourhood Traffic Management Policy as its basis. The policy outlines procedures for initiating, reviewing, implementing, and evaluating traffic calming plans in residential neighbourhoods to address concerns about speeding and high vehicle volumes (see Attachment 2). Stakeholders including Accessibility Services, Emergency Services, Operations, Police, Public Health, Sustainable Transportation, Transit, and Solid Waste provided feedback on the updated policy through in-person workshops. Strategies that belong in the CRSS were also identified through these consultations.

Safety concerns on arterial roadways or roadways that do not meet traffic calming thresholds will be addressed on a case-by-case basis under the CRSS. The TCP is one component of the CRSS and roads that do not qualify for traffic calming measures through this policy may be eligible for other safety measures such as speed limit reductions, radar display boards, and other programs.

Section 3: Development of Emphasis Areas

Community engagement events were held both in person and online in February and March 2020 to help inform the CRSS. Participants were asked to rank their top three road safety priority areas and to provide examples of strategies they would like to see implemented in Guelph. Additionally, service requests received by the Transportation Engineering department that mainly address speeding, pedestrian and school safety were also reviewed. A detailed breakdown of the community engagement results can be found under Attachment 1.

Section 4: Development of Strategies and Countermeasures

A total of 24 strategies that fall under 10 road safety categories are outlined in the CRSS. Educational strategies such as awareness campaigns on a variety of topics including impaired, distracted, and aggressive driving have been outlined through

collaboration with the Guelph Road Safety Coalition. Many engineering road safety solutions are addressed through the traffic calming policy in Attachment 2. A more detailed description of each road safety strategy is provided Attachment 1.

Section 5: Implementation and Evaluation

There are two ways in which a strategy identified through the CRSS may be implemented:

1. Resident initiated traffic calming requests that are deemed ineligible in accordance with the Traffic Calming policy will be reviewed under the CRSS. These locations will be prioritized based on the same rankings identified in the Traffic Calming policy Attachment 2.1.
2. City staff will perform annual network screening to proactively identify locations that are eligible for CRSS measures. More information on network screening is provided in Attachment 1 Section 5.1.1 Data Driven Solutions.

To determine if the strategies outlined in the CRSS are having their intended effects of improving road safety, several indicators will be measured over time. These may include operating speeds, changes in volume for all road users, severe and fatal injury collisions, change in perceptions of road safety, etc. Several years of data collection is required after the strategy has been implemented to accurately and statistically determine if a change has occurred. Staff will provide annual collision reports that will also outline evaluation metrics once appropriate data is available.

Alignment with 'Vision Zero' approach

Vision Zero is a traffic safety initiative that is based on the philosophy that no loss of life is acceptable on our roadways. In a Vision Zero community, the main belief is that people may make mistakes and therefore the road system (i.e. infrastructure) must be optimally designed to eliminate fatalities and serious injuries. This requires a focus on safe drivers, safe vehicles, safe roads and the right speed for each type of road.

Many of the safe systems principles and preferred strategies to address road safety contained within the CRSS are in line with Vision Zero principles, although the plan does not formally adopt a Vision Zero approach. CRSS principals and strategies that align with Vision Zero include:

- Enhancing the safety of vulnerable road users (pedestrians and cyclists)
- Leveraging innovative technologies such as red-light cameras
- Improving road infrastructure for all road users
- Positioning road safety as a top priority in policies
- Raising public awareness about the importance of road safety
- Focusing on a data-driven approach to road safety
- Implementing and evaluating proven countermeasures.

The City will continue to monitor best practices and may explore a formal Vision Zero program in a future strategy if the Transportation Master Plan adopts a similar approach.

Financial Implications

The launch of the Community Road Safety Strategy is funded through the tax-supported Capital budget.

Consultations

Traffic calming policy feedback: Stakeholders including Accessibility Services, Emergency Services, Operations, Police, Public Health, Sustainable Transportation, Transit, and Waste provided feedback on the updated Traffic Calming policy through a set of in-person workshops. Strategies that belong in the CRSS were also identified through these consultations.

CRSS feedback: The City's Engineering and Transportation Services department engaged with the community through several in person and online engagement events that took place between February 18th and March 23rd 2020. To reach a more diverse demographic, in person engagement sessions were offered to the public at City Hall, the University of Guelph, Immigrant Services, and the Evergreen Senior's Centre. Over 500 responses were received that helped inform both the road safety priority areas and the strategies that were recommended.

Strategic Plan Alignment

Navigating our future

The Community Road Safety Strategy aligns with the city's Navigating Our Future strategic priority by improving the safety, efficiency and connectivity of the transportation system. By updating the Traffic Calming Policy and CRSS and improving safety on the road, more people may choose other active modes of transportation including walking and wheeling.

Attachments

Attachment-1 Community Road Safety Strategy (CRSS)

Attachment-2 Traffic Calming Policy Update

Attachment-3 Community Road Safety Strategy Presentation

Departmental Approval

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Attachment 1 – CRSS

Community Road Safety Strategy

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Background

Road safety impacts all members of the Guelph community, regardless of their age, ability, or mode of transportation. A safe road network benefits all users. The goal of the Community Road Safety Strategy (CRSS) is to provide strategies that will improve road safety to benefit all users, whether you are walking, cycling, riding transit, using a mobility device or driving.

The CRSS is a high-level road safety plan that outlines emphasis areas and appropriate countermeasures for implementation through educational campaigns, enforcement strategies, and engineering/infrastructure modifications. The implementation and evaluation of each strategy will rely on the following principles:

Evidence informed decision making: locations selected for road safety modifications through the CRSS shall be informed by data through network screening and selected interventions shall be informed by best practices.

Equitable approach: studies have shown that socioeconomic inequities exist in the distribution of roadway environment features that reduce speed and enhance pedestrian safety (e.g. traffic calming measures).¹ As such, demographic data should be considered when prioritizing projects for implementation. The CRSS will use census data and infrastructure data from the city to determine if there are any gaps in locations that require a road safety intervention (e.g. traffic calming).

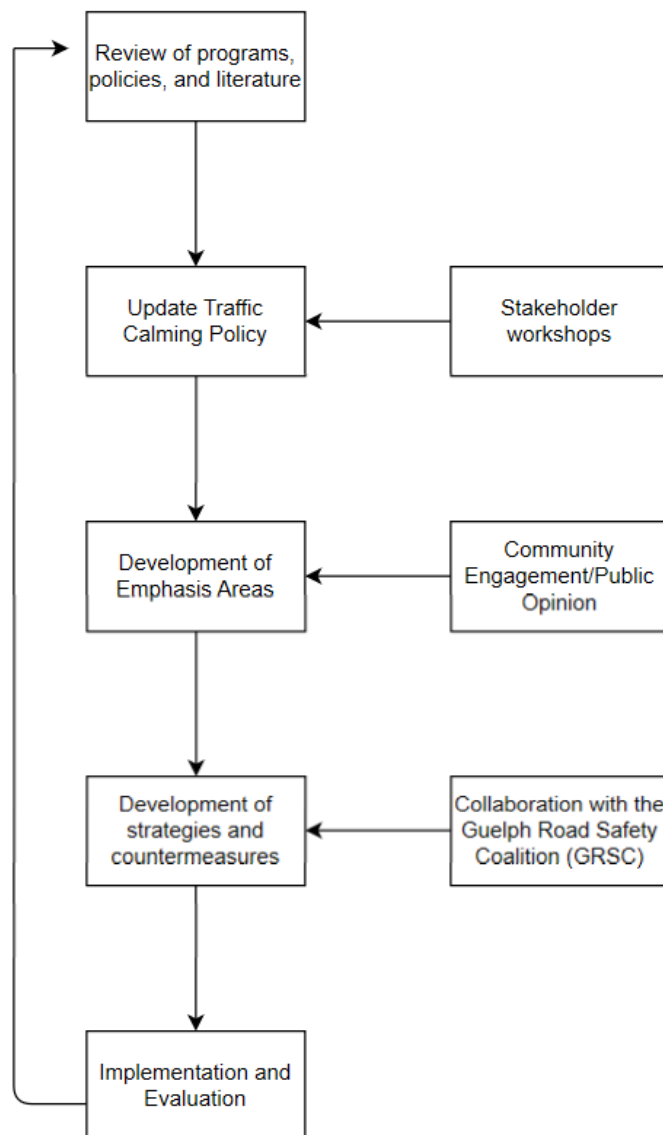
Continuous evaluation: the CRSS is a living document that will be revisited on a regular basis and amended as new evidence informed strategies become available. Engineering and Transportation Services staff will add, remove, or revise countermeasures over time so that the strategy remains timely and relevant.

Development of the CRSS

The CRSS was developed by reviewing best practices in other municipalities, engaging with stakeholders on the update of the traffic calming policy, community engagement to develop emphasis areas and strategies for the CRSS which will be further implemented and evaluated (see Figure 1).

¹ Rothman L, et al. Inj Prev 2019;**0**:1–5. doi:10.1136/injuryprev-2018-043125

Figure 1: Development of the CRSS



The main goals of the CRSS include:

- Enhancing the safety of vulnerable road users (pedestrians and cyclists)
- Leveraging innovative technologies such as red-light cameras
- Improving road infrastructure for all road users
- Raising public awareness about the importance of road safety
- Focusing on a data driven approach to road safety
- Implementing and evaluating proven countermeasures

Vision Zero is a traffic safety initiative that is based on the philosophy that no loss of life is acceptable on our roadways. In a Vision Zero community, the main belief is that people may make mistakes and therefore the road system (i.e. infrastructure) must be optimally designed to eliminate fatalities and serious injuries. This requires

a focus on safe drivers, safe vehicles, safe roads and the right speed for each type of road.

Although the City of Guelph has not formally adopted a Vision Zero approach, many of the safe systems principles and preferred strategies to address road safety are in line with Vision Zero principles. These include:

- Enhancing the safety of vulnerable road users (pedestrians and cyclists)
- Leveraging innovative technologies such as red-light cameras
- Improving road infrastructure for all road users
- Positioning road safety as a top priority in policies
- Raising public awareness about the importance of road safety
- Focusing on a data-driven approach to road safety
- Implementing and evaluating proven countermeasures

The City will continue to monitor best practices and may explore a formal Vision Zero program in a future strategy if the Transportation Master Plan adopts a similar approach.

1.0 Review of programs, policies, and literature

There are few municipalities with a road safety program on the Council approved comparator municipality list, so the city referenced leading documents from across the country. The CRSS is based off evidence informed best practices identified through experimental research studies and existing programs and policies in other municipalities including²:

- B.C. Road Safety Strategy Update: Moving to Vision Zero (2016)
- Calgary Safety Mobility Plan 2019-2023
- Canada's Road Safety Strategy 2025
- City of London's Road Safety Strategy 2014-2019
- Edmonton Road Safety Strategy 2016-2020
- Halifax Strategic Road Safety Plan
- P.E.I. Road Safety Strategy 2015: Toward Zero Tolerance
- Region of Peel Vision Zero Road Safety Strategic Plan 2018-2022
- Toronto's Vision Zero Road Safety Plan 2017-2021
- Town of Milton and Halton Hills Road Safety Strategy

2.0 Update Traffic Calming Policy

The Traffic Calming policy (previously referred to as the Neighbourhood Traffic Management Review) was last updated in 2006. As part of the CRSS, the Traffic Calming policy which outlines procedures for initiating, reviewing, implementing,

² Parachute Canada. Policy Information. <https://parachute.ca/en/professional-resource/vision-zero-collection/?resources=policy-information>

and evaluating traffic calming plans in residential neighbourhoods to address traffic safety concerns related to speeding and high vehicle volumes has been updated. Stakeholders including Accessibility, Emergency Services, Operations, Police, Public Health, Sustainable Transportation, Transit, and Waste provided feedback on the updated policy through a set of in-person workshops. Strategies that belong in the CRSS were also identified through these consultations.

3.0 Development of Emphasis Areas

3.1 Community Engagement/Public Opinion

The City's Engineering and Transportation Services department engaged with the community through several in person and online engagement events that took place between February 18th and March 23rd 2020. These events were communicated through:

- Public notices on Guelph.ca
- A city news ad in the Guelph Mercury Tribune
- The HQ online platform: haveyoursay.guelph.ca
- Social media promotion through Facebook and Twitter and;
- A radio ad on CJOY and Magic FM

Additionally, in-person drop in events were held at City Hall, the Delta conference centre, the Evergreen Seniors Centre, the University of Guelph, and Immigrant Services. The top five road safety priorities identified by the community in order of importance were: pedestrian safety (19.1%), distracted driving (17.4%), aggressive driving (15.5%) which includes red-light running, cycling safety (13.9%) and speeding (13.0%) (see [Figure 2](#)). Further information about the demographic and ward distribution of online participants can be found in [Figure 3](#) and [Figure 4](#) accordingly. City staff also mapped data from service requests that were received by Engineering and Transportation Services between 2015 and 2019, these top road safety priorities have been highlighted in [Figure 5](#) by ward. In addition to identifying top safety priorities, the community was asked to outline strategies that they would like to see the city consider in the CRSS. The themes from this activity are summarized below.

3.2 Summary of community engagement road safety themes

1. Need for increased enforcement using automated measures such as red-light cameras and speed enforcement. Other recommendations include increasing RIDE programs and fines/penalties in school zones.
2. Need for infrastructure improvements including physically separating drivers from cyclists and pedestrians.
3. Improved crossings at signalized intersections using leading pedestrian intervals and removal of pedestrian push buttons
4. Lowering speeds in areas with vulnerable populations

5. Improvement of safety in school zones by advocating for more crossing guards, reducing parking and installing kiss and ride zones
6. Updating the Traffic Calming Policy (formerly the 'Neighbourhood Traffic Management Review')
7. Increased connectivity using sidewalks and multi-use paths
8. Awareness and education campaigns for speeding, red-light running, sharing the road with cyclists and distracted driving
9. Winter maintenance to ensure that our roads, bicycle lanes, and sidewalks are safe to use
10. Focus on data driven solutions to collect information about dangerous areas and to evaluate if safety measures are working

4.0 Development of strategies and countermeasures

The included CRSS measures are outlined in [Section 4.2 CRSS Strategies](#) - below. These measures are categorized under the applicable road safety topics. Strategies were selected based on a review of the identified solutions that were received through the engagement opportunities and alignment with evidence informed best practices. Strategies have been subdivided and summarized under education, engineering, and enforcement techniques (see [Table 1](#)). Strategies that are out of scope for the CRSS or are being reviewed through another policy at the city are also described in Section 4.4.

Table 1: Summary of Road Safety Strategies by Topic and Type of Initiative

Road Safety Topic	Education	Engineering	Enforcement
Pedestrian Safety	Pedestrian routes map/app	Leading pedestrian intervals (LPIs) Pedestrian crossings (flashing signs and/or pavement markings)	N/A
Distracted Driving	Distracted driving awareness campaign	N/A	Out of scope
Aggressive Driving	Red light running awareness blitz	N/A	Red light cameras

Road Safety Topic	Education	Engineering	Enforcement
Cycling Safety	1-meter passing law share the road awareness campaign Avoiding right hook awareness campaign Dooring educational campaign	Addressed through another city policy or strategy	Out of scope
Speeding	Radar speed display boards Slow down lawn signs	Updating Traffic Calming Policy Speed limit reductions In road flex signs Slow streets	Automated speed enforcement cameras
Impaired Driving	Impaired driving awareness campaign	N/A	Out of scope
School Safety	Permanent radar display boards 'Walkers are winners' program'	Will be addressed through traffic calming policy update	Automated speed enforcement cameras
Senior Safety	Senior safety zone awareness campaign	Creation of 'senior safety zones' that offer a package of interventions which can include LPIs, reduced speed limits, flexible in road signs, pavement markings, etc.	N/A
Transit Safety	Working with Guelph Transit to review midblock bus locations to evaluate the safety of pedestrian crossings	Addressed through another city policy or strategy	N/A

Road Safety Topic	Education	Engineering	Enforcement
Railway Safety	Collaborate with Guelph Junction Railway to promote rail safety week and other initiatives that address at-level rail crossings	Controls to limit traffic through neighborhoods when trains are at level crossings by working with CN to amend switching operations	Out of scope

4.1 Guelph Road Safety Coalition

Educational strategies that require awareness campaigns will be developed through the Guelph Road Safety Coalition (GRSC). The GRSC is a coalition of organizations including the City of Guelph's Engineering and Transportation Services department, the Guelph Junction Railway, Wellington-Dufferin-Guelph Public Health, Guelph Police, University of Guelph Campus Police, and the Ministry of Transportation. The purpose of the GRSC is to bring community stakeholders together to coordinate and bolster road safety efforts in the City of Guelph through public education & awareness raising; capacity building; sharing of resources; and to explore future opportunities to collaborate.

4.2 CRSS Strategies

The CRSS recommends 24 strategies below that fit within 10 road safety emphasis areas.

Pedestrian Safety

- Leading pedestrian intervals (LPIs)
- Pedestrian crossing improvements
- Safe pedestrian routes application

Distracted Driving

- Distracted driving awareness campaign coordinated through the GRSC

Aggressive Driving

- Red light cameras
- Red light running awareness campaign coordinated through the GRSC

Cycling Safety

- Educational campaigns about the 1-metre passing rule (sharing the road), conflicts between drivers turning right and cyclists riding in a bicycle lane (right hook awareness), and dooring coordinated through the GRSC

Speeding

- Automated speed enforcement cameras
- Flexible in-road signs
- Slow streets
- 'Please slow down' lawn signs
- Radar speed boards
- Speed limit reviews
- Updating the Traffic Calming Policy

Impaired Driving

- Safety awareness campaign coordinated through the GRSC

School Safety

- Permanent radar display boards
- School safety reviews
- 'Walkers are winners' program

Senior Safety

- Creation of senior safety zones
- Senior safety zone awareness campaigns coordinated through the GRSC

Transit Safety

- Review midblock bus locations for safer pedestrian crossings

Railway Safety

- Rail safety awareness campaign coordinated through the GRSC
- Review at level crossings

Each strategy is described in detail below with references to other municipalities who have explored similar options through their road safety programs where applicable.

4.2.1 Pedestrian Safety

Leading pedestrian intervals. A LPI provides an advanced walk signal for pedestrians to begin to cross the street before vehicles get a green signal. The LPI is used to improve driver yielding behavior towards pedestrians when they enter the crosswalk. This strategy is particularly helpful in areas where there are increased senior pedestrians who may take more time to cross the road. LPIs are currently operational in cities such as Toronto and Hamilton.³ Recommended locations for implementation include roads where there are heavy vehicle turning movements and heavy pedestrian volumes, high crash locations due to right and

³City of Toronto. Leading Pedestrian Intervals. <https://www.toronto.ca/services-payments/streets-parking-transportation/traffic-management/traffic-signals-street-signs/types-of-traffic-signals/leading-pedestrian-interval-phase/>

left turning vehicles, school crossing locations, and areas with high population of seniors or people with physical disabilities.⁴ As part of the CRSS, the City of Guelph will review police reported collision data to determine which locations are eligible for an LPI.

Pedestrian crossing improvements (including pavement markings such as ladder crosswalks). The City of Guelph uses provincially accepted guidelines when deciding where to put a pedestrian crossing and which style of crossing to use.⁵ Under the CRSS, city staff will review the road network to determine if there are any locations that warrant a pedestrian crossing or could benefit from enhanced pavement markings (i.e. ladder crosswalks). Locations identified during network screening will be prioritized if they meet the appropriate criteria and minimum thresholds.

Safe pedestrian routes application. Through the community engagement surveys, residents identified the utility of having a website or phone app to identify safer walking routes throughout the city (e.g. routes where a pedestrian would have to cross the least amount of times thereby reducing potential for conflicts with vehicles). The [Active and Safe Routes to School](#) program is a provincial initiative that maps out the safest walking routes for children to get to and from school. A similar methodology could be used to create a safe pedestrian routes application that would highlight trails and other paths of travel that are safer for active transportation.

4.2.2 Distracted Driving

Distracted driving safety awareness campaign. Approximately one quarter of all car crashes involve phone use. Each year in Canada, driver distraction is a factor in about 4 million motor vehicle crashes.⁶ Distracted driving was identified as a top priority in all wards across Guelph (see [Table 2](#)). The city cannot control enforcement strategies that target distracted drivers, however, staff will work with Guelph Police on a distracted driving awareness campaign through the GRSC. As part of their 'Art of Distraction' educational campaign, the City of Toronto has highlighted vignettes of collisions that have involved driver distraction.⁷ The CRSS is advocating for similar educational strategies to be used to address distracted driving in Guelph. Through GRSC's social media platforms including Facebook and Twitter, similar messages and stories can be shared with Guelph's community to

⁴City of Hamilton. Routine Accommodation and Toolbox Solutions.

<http://www2.hamilton.ca/NR/rdonlyres/3205E0DC-3EE5-4329-A461-174B376FF620/0/Appendix17RoutineAccommodationandToolboxSolutionsasofFall2011.pdf>

⁵ City of Guelph. Pedestrian Crossings. <https://guelph.ca/living/getting-around/cycling-and-walking/pedestrian-crossings/>

⁶ CAA. Distracted Driving Statistics. <https://www.caa.ca/distracted-driving/statistics/>

⁷ City of Toronto. Art of Distraction. <https://www.toronto.ca/services-payments/streets-parking-transportation/road-safety/vision-zero/educational-campaigns/the-art-of-distraction-campaign/>

highlight the importance of putting down a device while operating a vehicle. The GRSC will explore the option of collaborating with community groups to spread this message. Distracted driving will also be addressed through research collaborations and partnerships identified in [Section 5.2.1](#).

4.2.3 Aggressive Driving

Red light cameras. Per Council direction in January 2019, the City of Guelph is proceeding with the implementation of the red-light camera enforcement program. The red-light camera program has been in Ontario since the early 2000's and is running in eight municipalities across Ontario with four more joining within the next few years (including Guelph). The red-light camera program is an automated enforcement program with a goal to improve road safety by reducing the amount of right-angle collisions at signalized intersections which are typically classified as severe. A systematic review that examined red-light camera effectiveness on the prevention of road traffic crashes, found that red-light cameras are effective at reducing total casualty crashes rather than total collisions.⁸ These findings suggest that the severity of these collisions may be reduced when this strategy is implemented. The City of Guelph is continuing to work on the implementation of this program, and it is scheduled to be operational at six locations by mid-2022.

Red light running awareness campaign. The City of Guelph will collaborate with Guelph Police and other organizations through the GRSC on a red-light running awareness campaign. The GRSC will explore opportunities to enhance awareness about red light running through targeted events leading up to the installation of red-light cameras in 2022. Additionally, the GRSC will run a social marketing campaign bringing awareness to red-light running infractions and penalties.

4.2.4 Cycling Safety

Educational campaigns. Engineering modifications including physically separated infrastructure will be considered under other city policies including the [Cycling Master Plan](#), road design standards, and the [Transportation Master Plan \(TMP\)](#). The CRSS will address cycling safety by providing education and awareness initiatives around topics such as the 1-metre passing law, conflicts between right turning drivers and cyclists (avoiding right hooks), and dooring. These awareness activities will be coordinated through the GRSC. Additionally, the GRSC will use their social media platforms to share cycling safety messages throughout the year and during targeted campaigns such as [bike month](#) and [Canada road safety week](#).

4.2.5 Speeding

Automated speed enforcement cameras. The Province of Ontario passed the Safer School Zones Act in 2017, allowing municipalities to use Automated Speed Enforcement (ASE) technology in school zones and community safety zones. The

⁸ Cochrane Library. Red-light cameras for the prevention of road traffic crashes. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6492462/>

cities of Toronto, Brampton, Ottawa and Niagara Region are launching ASE programs in Spring 2020. Additionally, 13 other municipalities are also looking at implementation in the coming months. The City of Guelph belongs to a working group that is evaluating the effectiveness of the ASE program in Ontario before proceeding with implementation. Components of the ASE program that are still being deliberated on include how to process tickets through a joint processing centre, updating by-laws in school and community safety zones, determining threshold speeds, defining warning period times and letters, signage, and privacy concerns. The City of Guelph will continue to be a part of the ASE working group and tailor a potential ASE program based on lessons learned and best practices from other municipalities who have had the opportunity to adopt, implement, evaluate and revise the program to function at an optimal capacity. More information about ASE in Ontario can be found on the [ASE Ontario Website](#).

Flexible in-road signs. Flexible in-road signs are signs that are installed in the centre of the road between opposing traffic lanes. If struck, they are designed to withstand impact and will not damage the vehicle. The signs can have a narrowing effect which can give drivers' the perception that they need to slow down. These signs are typically installed in the spring and removed by winter to allow for road maintenance. Toronto and Kitchener are both piloting these signs. Kitchener has reported a 3 km/h average vehicle speed reduction on streets where flexible in road signs have been implemented.⁹ The CRSS is recommending that flexible in-road signs be considered as a measure in identified school and/or senior safety zones based on a network screening review.

Slow Streets. Slow streets are one tool that can be considered to encourage drivers to slow down and open up streets for other road users who walk and wheel. This initiative involves placing signs and temporary barricades (i.e. bollards/chicanes) at the entrance to a neighborhood to discourage through traffic. Slow streets may be considered under the CRSS on a temporary or permanent basis.

'Please Slow Down' lawn signs. As part of their educational road safety campaigns, other municipalities including Burlington, Hamilton, London, Mississauga, and Toronto have produced 'please slow down' lawn signs that residents can use to help encourage motorists to practice safe driving habits. These signs also help to create awareness of driving the speed limit in residential areas where there may be higher volumes of pedestrians, cyclists, and children. Similar lawn signs will be created as part of the CRSS and residents will be able to request these signs online or through their ward councilors.¹⁰

⁹ City of Kitchener. Seasonal Traffic Calming Measures. <https://www.kitchener.ca/en/city-services/traffic-calming.aspx#Seasonal-traffic-calming>

¹⁰ City of Toronto. Please Slow Down Lawn Sign Campaign. <https://www.toronto.ca/services-payments/streets-parking-transportation/road-safety/vision-zero/educational-campaigns/fall-safety-campaign/>

Radar speed boards. Radar speed boards have been shown to reduce vehicle speeds in several studies. In school zones, radar boards reduced speeds by 17.5%.¹¹ The Community Speed Awareness Program (CSAP) has been in place in Guelph since 2018. This safety initiative displays the operating speed of drivers and brings awareness about speed limits on residential roads. These temporary radar speed boards are installed spring through fall each year subject to weather and available staff resources. The program typically runs from April to November each year and can cover up to 64 streets between solar and battery-operated radar speed boards. More information about the CSAP program can be found on [Guelph's website](#). The CRSS is recommending that this program be expanded to include permanent radar speed display boards in identified school and/or senior safety zones based on a network screening review.

Speed limit reviews. There is a well-established relationship between speed and injury severity when a collision occurs. Researchers reported a 28% reduction in pedestrian motor vehicle collisions in the City of Toronto after speed limits were reduced from 40 km/h to 30 km/h.¹² Severe and fatal injuries further decreased by 67% on speed limit reduced streets. The CRSS will undertake a review of speed limits within the City of Guelph's road network to determine if any roads can be reduced to lower speed limits. This work also aligns with the TMP.

Reduced lane widths. Lane widths can have a significant impact on operating speeds. For every 0.3 m reduction in lane width, speeds tend to be reduced by 1 km/h to 2 km/h.¹³ As part of the CRSS, city staff will review roads that may benefit from lane width reductions to decrease operating speeds where appropriate. The TMP's Complete Street Design Guidelines will also support this work.

Updating the former 'Neighbourhood Traffic Management Review' (now referred to as the Traffic Calming Policy). The physical measures included in this policy mainly address speeding concerns but may also have positive effects on pedestrian safety, aggressive driving, school safety, cycling safety, and senior safety. These measures include:

- Centre island medians
- Chicanes
- Concrete medians with flexible bollards
- Curb extensions (including traffic calming curbs)
- Curb radius reductions
- Directional closures
- Diverters
- Intersection channelization

¹¹ Lee C, et al. Transportation Research Record 2006; doi.org/10.1177/0361198106197300104

¹² Fridman L, et al. BMC Public Health 2020; **20**:56.

<https://bmcpublihealth.biomedcentral.com/articles/10.1186/s12889-019-8139-5>

¹³ Peterniak R, et al. Safety Evaluation of Lane Widths in the City of Edmonton.

https://www.tac-atc.ca/sites/default/files/conf_papers/peterniakr_-_safety_evaluation.pdf

- Lateral shifts
- Raised median islands
- Raised median islands through intersections
- Roundabouts
- Sidewalk extensions
- Speed cushions
- Speed tables
- Traffic circles
- Traffic islands

4.2.6 Impaired Driving

Safety awareness campaign. The City of Guelph will collaborate with Guelph Police and other organizations through the GRSC on an impaired driving road safety campaign. Other municipalities have implemented programs such as Project Drive Thru in Halton Region to report impaired drivers on the road.¹⁴ The GRSC will explore opportunities to enhance awareness about impaired driving through targeted events during increased risk periods (e.g. Christmas, St. Patrick's Day, etc.)

4.2.7 School Safety

Permanent radar display boards (see 'radar speed boards' under section [4.2.5 Speeding](#)). Under the CRSS, permanent radar display boards will be considered on adjacent streets surrounding a defined school zone and on some arterial roads. City staff will limit the use of these permanent display boards as long-term exposure can reduce their effectiveness on speeding.¹⁵

School safety reviews. As part of the CRSS, school officials can contact the city to do a school safety review. City staff will review school travel plans, previous safety initiatives that have been implemented and any gaps/opportunities to improve safety around school zones. These may include strategies such as improving pedestrian crossings, placing restrictive signage (e.g. no parking, no U-turns), or penalty reminders (e.g. signs that show the fines for violations). Other options include recommending the 'Walkers are winners' program outlined below. School safety reviews will be performed on a request and case by case basis. The city has been supporting school travel plans through the Active and Safe Routes to School (ASRTS) committee for over 10 years. The city will continue their involvement with the ASRTS committee and will invite them to take part in school safety reviews as necessary.

¹⁴ Milton Halton Hills Road Safety Strategy.

https://www.haltonpolice.ca/community/traffic/documents/Milton_HaltonHills_Road_Safety_Strategy.pdf

¹⁵ Churchill A.E. et al, Transportation Association of Canada Conference Proceedings. Speed feedback signs as a tool to manage demand for lower residential speeds. https://www.tac-atc.ca/sites/tac-atc.ca/files/conf_papers/churchill.pdf

Walkers are winners (WaW) program. The WaW program encourages active transportation to school by using ballots/a draw to incentivize children to walk or wheel. This program is one item in the CRSS toolkit that can be implemented by school officials. The city shall provide the WaW program as one educational option that schools can implement but the expenses of running the program are the sole responsibility of the participating school.

4.2.8 Senior Safety

Creation of senior safety zones. Under the CRSS, senior safety zones will be created that will be eligible for a package of road safety interventions. Other municipalities have explored enhanced pavement markings and signage to raise awareness of the older population, analysis of pedestrian crossing times, and conducting in-road safety reviews.¹⁶ Some of the strategies that may be implemented in a senior safety zone in Guelph include LPIs, reduced speed limits, improved pedestrian crossings, and in road flexible signs. Each senior safety zone will be reviewed on a case by case basis to determine eligibility.

Senior safety zone awareness campaign. The city will collaborate with members of the GRSC to raise awareness about newly installed senior safety zones. Through Facebook and Twitter, the GRSC will use their social media platforms to make residents aware of upcoming locations where senior safety zones will be implemented including the proposed changes (e.g. speed limit reductions).

4.2.9 Transit Safety

Review midblock bus locations. Many residents provided feedback about transit safety solutions including implementing transit priority lanes. These strategies are being considered under the [Transportation Master Plan](#). The CRSS will address transit safety by working with Guelph Transit to review all midblock bus locations in the city that may require a safety improvement (e.g. improving pedestrian crossings where warranted).

4.2.10 Railway Safety

Review at-level crossings. The city is working with railway owners on amending switching operations to limit traffic through neighbourhoods when trains are switching at level crossings. The city will continue to explore this relationship through the CRSS to prioritize railway safety in Guelph.

The infrastructure and geometric requirements at level railway crossings are governed by Transport Canada. The City of Guelph continuously works with local railway operators Metrolinx, Canadian National and Guelph Junction Railway to ensure all Transport Canada (regulations/ guidelines) are being met.

¹⁶ City of Toronto. Senior Safety Zones. <https://www.toronto.ca/services-payments/streets-parking-transportation/road-safety/vision-zero/vision-zero-dashboard/senior-safety-zones-vision-zero/>

Rail safety awareness campaign. Under the CRSS, the city will collaborate with the Guelph Junction Railway through the GRSC to promote rail safety week and other initiatives that address at-level rail crossings. Additionally, the GRSC will run a social media campaign to share rail safety tips.

4.3 Safety strategies under review through another policy at the City of Guelph

Below are strategies that were identified through community engagement that are being address through another policy, program, or study at the city or from an external organization including but not limited to the Transportation Master Plan, sidewalk needs assessment study, school crossing guards program, and the walking school bus program through the Active and Safe Routes to School Committee (ASRTS).

4.3.1 Transportation Master Plan

One of the main objectives of the Transportation Master Plan is to recommend new policies and guidelines that balance all road users' needs while prioritizing safety and access for all travelers. Through CRSS engagement staff received a lot of feedback about designing safer roads and neighbourhoods. Specifically, the following suggestions were made:

- Installing protected infrastructure including separated bike lanes
- Transit priority and carpool lanes
- Providing more off-road multi-use paths
- Design innovations including beautifying streetscapes

Although these strategies are out of scope for the CRSS, they will be addressed through the Transportation Master Plan.

4.3.2 Sidewalk needs assessment study

Another strategy that was recommended through community engagement was to review connectivity and missing sidewalk links throughout the city.

This strategy is being address under the [sidewalk needs assessment study](#) at the city.

4.3.3 School crossing guards' program

During community engagement we also heard that residents would like:

- To perform a review through gap analyses to identify schools that warrant additional crossing guards

This recommendation is outside the scope of the CRSS as the city already has a school crossing guard program in place. The City of Guelph Crossing Guard Program utilizes the [2017 Ontario Traffic Council School Crossing Guard Guide](#) to determine if an adult crossing guard is warranted. The guide outlines school crossing guard warrant methodologies which include gap and an exposure index. The type of data collection is dependant on the type of intersection. The guide also notes other qualitative factors that should be considered other than relying strictly on

quantitative data analysis. The school crossing guard program will continue to operate and evaluate eligible locations that warrant a school guard.

4.3.4 Active and safe routes to school (ASRTS)

As a strategy to address school safety, the community identified that they would like to see:

- Programs to promote active transportation to and from school (e.g. walking school bus program)

These initiatives are run by the ASRTS committee and are therefore being addressed through an external organization. The [walking school bus \(WSB\)](#) pilot is one initiative that promotes active transportation. The program which is supported by Green Communities Canada and the Government of Ontario hires adult walking supervisors who pick up children along a walking route on the way to school. The City of Guelph will continue their involvement with the ASRTS program.

4.4 Out of scope

The strategies outlined below are out of scope and therefore will not be recommended under the CRSS.

1. **Longer left turn signals for drivers.** This recommendation was identified through community engagement but is not feasible under the CRSS. Increasing a left turn phase can have adverse effects on the road signal network including causing further delay for drivers proceeding through an intersection where the volume of traffic is higher than in the left turn lanes. This can lead to aggressive driving behaviors as well as an increase in noise and air pollution. It can also cause the increase of the intersection cycle length by removing that intersection from a synchronized network of adjacent coordinated intersections. The ability for these intersections to move traffic subsequently decreases and causes more congestion. Therefore, adding unnecessary longer left turn signal for drivers will not be considered under this strategy. Where longer left turn signals are justified they will be reviewed on a case by case basis by the City's Traffic Signals team.
2. **Prioritize winter maintenance clearing for sidewalks before roads.** This recommendation was identified through community engagement but is not feasible under the CRSS. Snow clearing standards are set by the Province of Ontario. The City of Guelph follows the [minimum maintenance standards for municipal highways](#) and these standards will continue to guide the Public Works department on winter road maintenance. The Transportation Master Plan may make some operational recommendations based on the proposed street hierarchy that in part addresses this.
3. **Driver education/training.** The need to improve driver education/training was identified through community engagement. This recommendation is outside the scope of the CRSS as the [Ministry of Transportation \(MTO\)](#) is responsible for driver training. However, the MTO is one of the organizations involved in the GRSC and the Road Safety Coalition of Ontario (ROSCO) which Guelph is a

member of, therefore through the CRSS the city can share residents' recommendations to improve driver education training and programs with external agencies.

4. **Enforcement/tickets.** Residents requested that increased enforcement efforts and penalties be issued for unsafe driving behaviours including speeding, distraction, and impairment. The ability to increase RIDE programs, and fines/penalties in school zones for speeding or distracted driving is under Guelph Police's jurisdiction. However, through the GRSC, staff from Engineering and Transportation Services will work with Guelph Police to determine if any safety awareness campaigns can be created to educate the public about these topics. Additionally, as part of their [2019-2021 Strategic Plan](#), Guelph Police has identified road safety as one of their top priority areas. Guelph Police will continue to monitor indicators of road safety as part of their strategic plan including traffic crime rate, collisions, and satisfaction with traffic services/feelings of road safety.

5.0 Implementation and Evaluation

5.1. Implementation

There are multiple ways in which a strategy identified in the CRSS may be implemented:

1. **Through a traffic calming measure request.** Residents who initiate a traffic calming request in accordance with the Traffic Calming policy outlined in Attachment 2.1 and are deemed ineligible will be reviewed under the CRSS. City staff will review the identified location to determine if another measure (e.g. radar speed display board) can be implemented depending on the identified concern (e.g. speeding). These locations will be prioritized based on the same rankings identified in the Traffic Calming policy.
2. **Selecting sites using available data.** City staff will annually run network screening to proactively identify locations that are eligible for CRSS measures. Collision data will be used to identify site specific locations for engineering countermeasures. Site selection for strategy implementation will also be informed by reviewing equity data (e.g. census tract). Educational countermeasures will be largely identified and implemented to align with federal, provincial and international timelines (e.g. National injury prevention day).

5.1.1 Data Driven Solutions

1. **Streamlining collision data collection.** Police-reported collision data is used as one of the variables in traffic calming decision making. City staff will also review police-reported collision locations to determine where safety measures outlined in the CRSS should be implemented. Police-reported collision data is being obtained through the MTO Authorized Requester Information Services (ARIS). The MTO's ARIS system allows city staff to obtain detailed collision reports including information on collision location (i.e. intersection vs. midblock), driver condition (impaired, distracted, etc.), demographics including age and sex, injury severity, as well as weather conditions, lighting, driver action, etc.

that occur on Guelph's roads. This data will also be used to evaluate the safety effects of CRSS measures (e.g. pre/post analysis of speed limit reductions).

2. **Exploring smart cities volume data collection.** Many municipalities are moving towards leveraging video analytics to narrow down problem areas and conflicts (i.e. near misses).¹⁷ To effectively implement and evaluate CRSS measures, city staff need to understand which locations have a larger volume of drivers, pedestrians, and cyclists interacting with the road environment.
3. **Apply network screening to tackle road safety concerns proactively rather than reactively.** Network screening is a tool that municipalities can use to identify sites that may benefit from a safety intervention.¹⁸ To proactively select locations for a CRSS intervention, safety performance functions will be developed (using volume and infrastructure data) to predict the likelihood of a crash occurring at a location. By utilizing network screening at the City of Guelph, city staff will be able to proactively implement safety interventions at the most dangerous intersection and midblock locations.
4. **Produce annual collision reports.** One of the suggestions the city received from community engagement was the need for data transparency. By producing annual collision reports, city staff will be able to provide the public with collision trends over the past 5 years. These reports will help contextualize the circumstances surrounding a collision by reviewing rates (i.e. volume data), injury severity, and existing infrastructure that may require improvement.
5. **Explore crowdsourced data collection applications to report road safety concerns.** Many residents expressed the need to report conflicts or near miss events on the roads. The city will explore producing a crowdsourcing map or phone application that helps to collect data that may not be reflected in traditional sources (i.e. police reported collisions).
6. **Data transparency through open data platforms.** The city will contribute to the existing [open data platform](#) by providing updates on safety infrastructure projects, as well as data on locations of radar speed boards, red light cameras, and other measures that may be installed in the future (e.g. automated speed enforcement cameras).

5.2 Evaluation

To determine if the strategies outlined in the CRSS are having their intended effects of improving road safety, several indicators need to be measured over time.

Appropriate indicators will be determined based on availability of data. These may include operating speeds, changes in volume for all road users, severe and fatal

¹⁷ City of Kitchener. Cimcon Nearsky. <https://www.smartcitiesworld.net/news/city-of-kitchener-develops-data-driven-cycling-master-plan-4661>

¹⁸ Federal Highway Administration Office of Safety. Safety Performance Function Development Guide. https://safety.fhwa.dot.gov/rsdp/downloads/spf_development_guide_final.pdf

injury collisions, change in perceptions of road safety, etc. Several years of data need to be collected after a strategy has been implemented to accurately determine (statistically) if a change has occurred. Staff will provide annual collision reports that will also outline evaluation metrics once appropriate data is available.

5.2.1 Research and Collaboration Partnerships

Road Safety Committee of Ontario (ROSCO). The City of Guelph is one of the member organizations of ROSCO. ROSCO meets on a quarterly basis to discuss best practices and how each municipality is tackling road safety concerns. Many of the road safety strategies that have been recommended in the CRSS have been identified through consultations with ROSCO members who have similar road safety strategies in their jurisdictions. The city will continue its partnership with ROSCO to stay up-to-date on industry best practices and to share knowledge around road safety.

Research partnerships

University of Guelph. The city is partnering with the University of Guelph on several initiatives related to road safety. These include:

- A data collection exercise to determine what data the city currently collects to help inform road safety projects (e.g. police-reported collisions, speed, volume data, etc.). This exercise will help highlight how data can be shared across departments, how data is stored and visualized, and how data can be used to make evidence informed decisions.
- An equity study examining the distribution of road safety infrastructure (i.e. traffic calming measures, speed display boards, etc.) among a variety of income quintiles will also be undertaken through a collaboration with the University of Guelph. This study will help inform the distribution of civic engagement across wards in the city.

University of Toronto. The city is also partnering with the University of Toronto on an initiative related to driver behavior and inattention/distraction. Research questions include:

- How does driver inattention differ at locations with varying infrastructure (e.g. protected intersections vs. areas with poor pavement marking/signage)?
- How do people with a physical disability navigate the roadway and how is this related to drivers' attentional failures at an intersection?

These findings will be used to help tailor educational campaigns related to driver distraction.

Through research and collaboration partnerships, the City of Guelph can continue to monitor which measures are effective at reducing severe and fatal injury collisions and improve road safety. As the CRSS is intended to be a living document, evaluation findings will be used to help improve future changes and recommendations.

Attachment 1.1 – Community Engagement and Service Request Results

Figure 2: Top Road Safety Priorities for the Community Road Safety Strategy

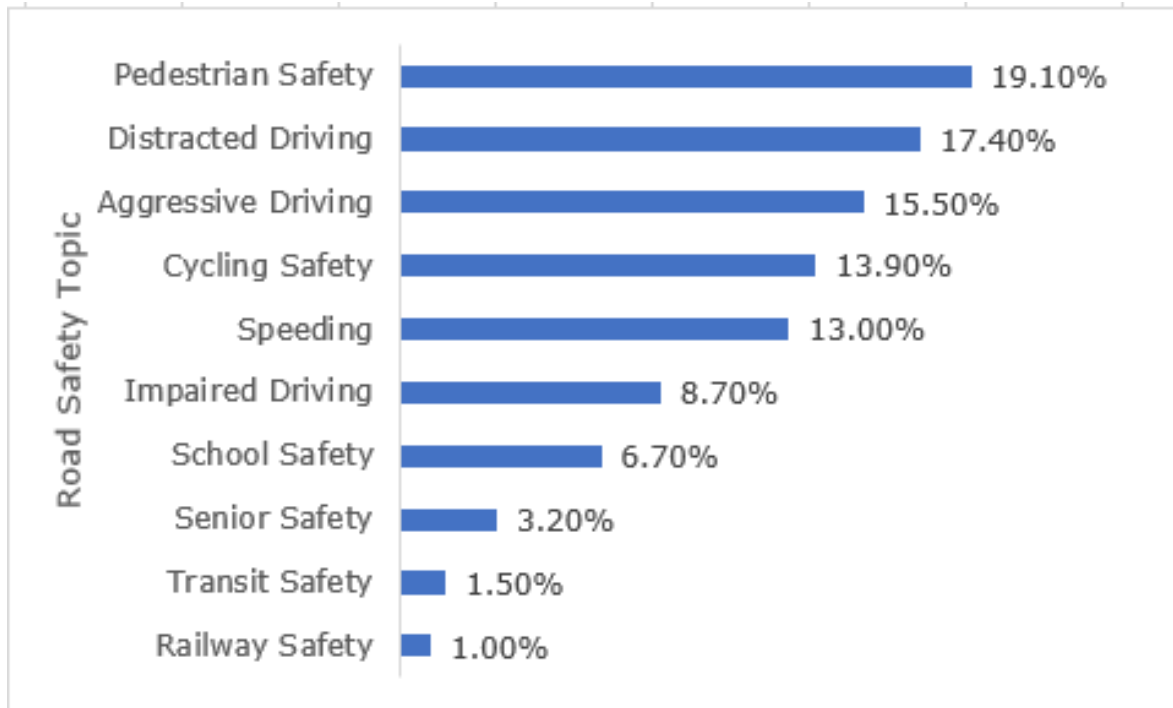


Figure 3: Online CRSS Response Demographics

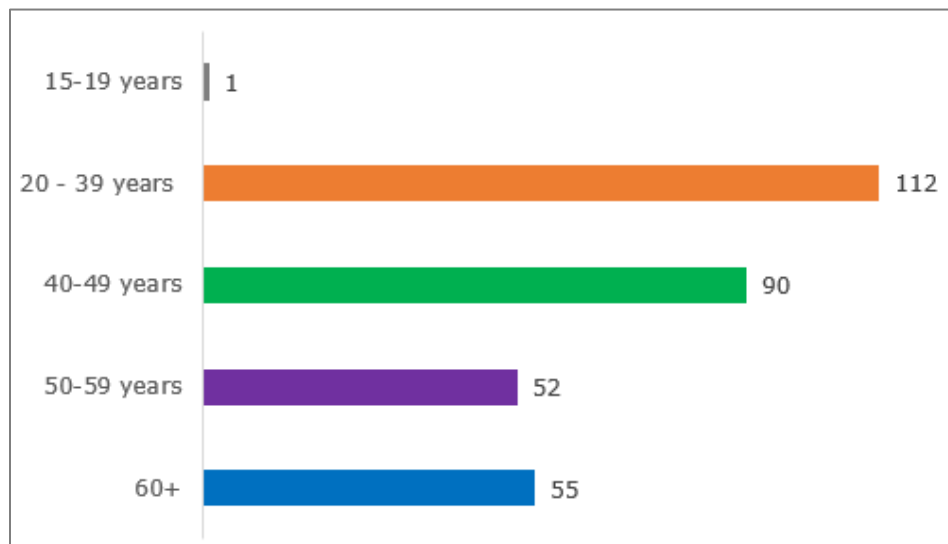


Figure 4: Online CRSS Responses by Ward

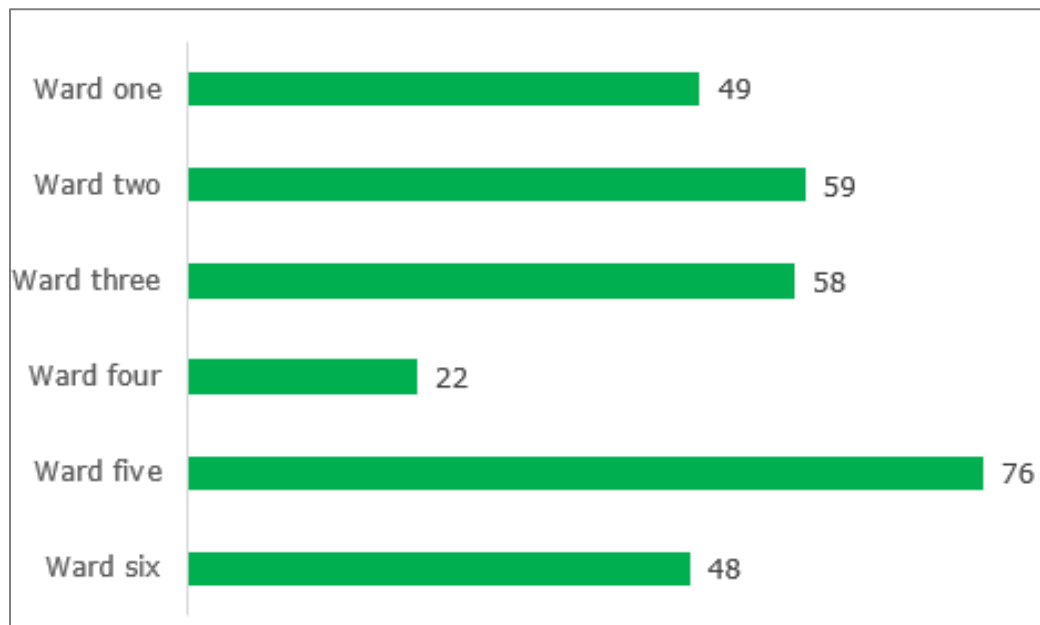
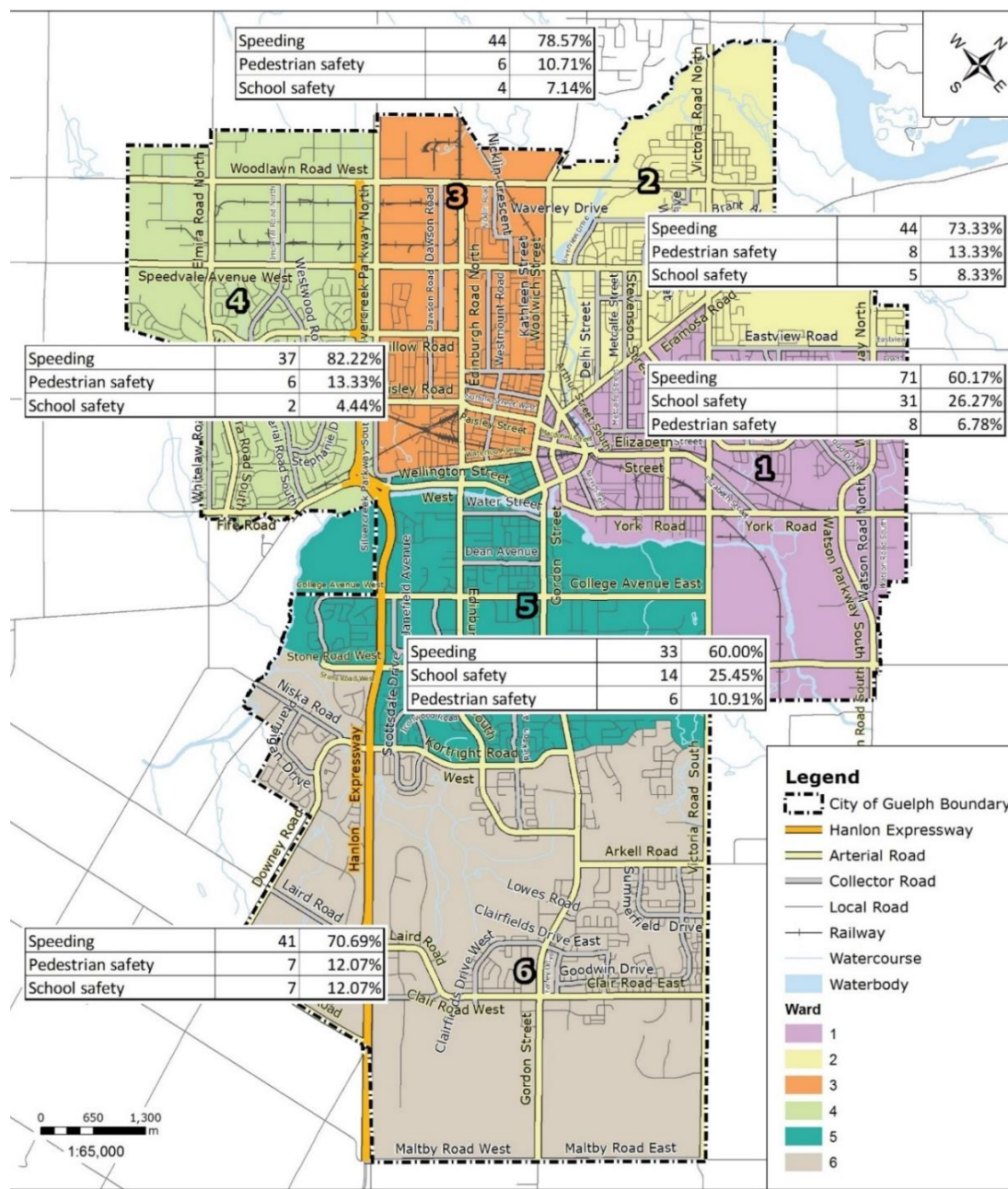


Table 2: Percent Ranking by Ward from Online CRSS Engagement

	Ward One	Ward Two	Ward 3	Ward 4	Ward 5	Ward 6
Aggressive Driving	17.8%	17.3%	14.4%	14.8%	14.2%	12.8%
Cycling Safety	8.2%	13.3%	16.8%	6.6%	17.8%	12.0%
Distracted Driving	19.2%	15.0%	15.6%	19.7%	16.0%	20.3%
Impaired Driving	10.3%	9.2%	5.2%	13.1%	6.2%	11.3%
Pedestrian Safety	17.1%	16.8%	20.8%	13.1%	20.9%	12.0%
Railway Safety	0.7%	1.3%	2.9%	3.3%	0.9%	0.0%
School safety	11.6%	7.5%	5.8%	8.2%	7.1%	12.0%
Senior Safety	1.4%	2.9%	3.4%	4.9%	2.2%	0.8%
Speeding	11.6%	15.0%	13.9%	14.8%	12.9%	18.8%
Transit Safety	2.1%	1.7%	1.2%	1.5%	1.8%	0.0%

The highlighted cells in this figure represent the top 3 road safety priorities in each ward.

Figure 5: Service Requests (2015 - 2019) by Road Safety Topic



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Infrastructure, Development & Enterprise
Engineering and Transportation Services
Monday, March 30, 2020

City of Guelph
CRSS Engagement
By Ward



Corporate Policy and Procedure

Policy	Traffic Calming Policy – Policy 016
Category	Departmental
Authority	Engineering and Transportation Services
Related Policies	N/A
Approved By	City Council
Effective Date	July, 1998
Revision Date	July, 2020

Policy Statement

The City of Guelph will undertake traffic calming on local and collector roads where validated by the criteria established in this policy.

Background

The Engineering and Transportation Services department receives numerous concerns each year from the public regarding speeding and high vehicle volumes, typically through residential neighbourhoods.

To resolve these concerns, staff will develop a traffic calming plan that incorporates traditional traffic control techniques and/or physical measures. Feedback from relevant stakeholders and area residents will be considered while developing the traffic calming plan. This policy will apply to local and collector roadways only.

Any road above 50 km/h will not qualify for traffic calming. The policy and procedures in this document therefore do not apply to arterial roadways. Concerns on arterial roadways will be addressed through the Community Road Safety Strategy.

Purpose

This policy document outlines procedures for initiating, reviewing, implementing, and evaluating traffic calming plans to address traffic safety concerns related to speeding and high vehicle volumes.

Introduction

This document presents a revised Traffic Calming Policy for the City of Guelph, initially adopted in July 1998 and previously revised in January 2006.

The use of traffic calming measures can reduce the speed and volume of traffic thereby increasing safety for all road users. Additional benefits include the reduction of vehicular traffic, occurrence of excessive speeding, noise, vibration, air pollution and collisions, while providing a safer environment for all road users.

The Transportation Association of Canada (TAC), in collaboration with Canadian Institute of Transportation Engineers (ITE), published 'The Canadian Guide to Traffic Calming', in 2018. The document provides guidance for traffic and transportation professionals in Canada on the use, application and recommended design parameters for various physical and passive traffic calming measures. The guide was designed to ensure uniformity in application of traffic calming measures throughout Canada. This policy is intended to define how and when the City will apply material contained in the 'Canadian Guide to Traffic Calming'.

Goals

To address traffic concerns in neighbourhoods, the Traffic Calming Policy will have the following goals:

- Improve public safety for all road users
- Encourage roadways to function as intended; and
- Encourage active transportation through infrastructure safety modifications

Objectives

Objectives to achieve the above goals will include:

- Reduce excessive vehicle speeds;
- Reduce vehicle volumes;
- Minimize conflicts between road users

Principals of Traffic Calming

The City of Guelph supports traffic calming initiatives that primarily reduce speeding, vehicle volumes and collisions in residential neighbourhoods. The following outlines the principals of traffic calming in Guelph:

1. Traffic Calming measures will be considered on all city roadways except arterial roadways.
2. Developers will be required to design new streets to limit the potential for excessive speeding and volume. If unable to do so to the satisfaction of the City Engineer or designate, then traffic calming measures will be designed and incorporated into new subdivision plans to try and limit vehicle speeds and the volume of traffic to the satisfaction of the City Engineer or designate, at the expense of the developer.
3. If a roadway has been identified in the Cycling Master Plan, any traffic calming measure would need to be designed to reduce negative impacts on the cycling facility.
4. To accommodate the installation of a traffic calming device there may be a requirement to locally restrict a portion of on-street parking.
5. Eligible traffic calming locations will be rated and prioritized annually by staff based on the criteria outlined in **Attachment 2.1 – Prioritization Rankings**
6. Traffic calming measures will be installed based on funding available through the City's capital budget process.
7. New and innovative methods of traffic calming will continue to be investigated, considered and used where feasible.

Applicable Traffic Calming Measures

The following is a list of traffic calming measures that the proposed policy will consider. Further information for the proposed measures can be found in **TCP Attachment 2.2 – Proposed Neighbourhood Traffic Calming Measures**.

Vertical Deflections

- Raised median island
- Raised median island through intersection
- Speed cushion
- Speed table

Horizontal Deflections

- Center island median
- Chicane
- Concrete median with flexible bollard
- Curb extension (including traffic calming curbs)
- Curb radius reduction
- Lateral shift
- Roundabout
- Traffic circle
- Traffic island
- Sidewalk extensions

Obstructive Measures

- Directional closure
- Diverter
- Intersection channelization

Traffic Calming Measures Not Recommended

Full road closures – The closure of a roadway will not be considered as a traffic calming measure under this policy. Full road closures are required to follow separate processes beyond the scope of this policy.

Raised crosswalk/Raised intersections – A raised crosswalk/intersection is a marked pedestrian crosswalk at an intersection or mid-block location constructed at a higher elevation than the adjacent roadway. Due to significant accessibility related concerns and the costs associated with construction, these measures will not be considered under this policy.

Rumble strips – The noise and vibration caused by this measure is significant, and generally not appropriate for urban areas.

Traffic Calming Policy Updates

The Traffic Calming Policy will be updated in 5-year cycles, or whenever significant changes in legislation (i.e. Highway Traffic Act) warrant its update.

Prioritization Process for addressing neighbourhood traffic concerns

Staff will prioritize all neighbourhood traffic concerns using the following process described in **Attachment 2.2– Proposed Neighbourhood Traffic Calming**

Measures:

- Minimum speed threshold (85th Percentile Speed)
- Minimum volume threshold (average total vehicles per day)
- Safety Rankings including collision history, severe/fatal injury collision history, presence of sidewalks, cycling facility (either existing or proposed through the Cycling Master Plan) and pedestrian generators.

Process for addressing neighbourhood traffic concerns

1.0 Initiation of Request

Residents who have a traffic-related concern on their street will submit their request for a traffic review to the Transportation Engineering department through a webform. The request, initiated by an individual or group of residents, may specify one or several residential local or collector roadways within a neighbourhood. Review of the historical data will be undertaken. If historical data is older than 3 years, updated traffic data will be collected. Further information can be found under [Attachment 2.3 – Neighbourhood Traffic Calming Review Flow Chart](#).

1.1 Eligibility

Requests for neighbourhood traffic reviews shall apply to local or collector roadways.

2.0 Defining the Affected Streets

The affected street(s) are defined as the roadway(s) under review for traffic calming measures. Staff may recommend that adjacent residential roadways be included in the traffic calming review that will likely be impacted by modifications on the subject roadway(s) within the neighbourhood.

3.0 Traffic Analysis

3.1 Data Collection

Transportation Engineering staff will analyse traffic patterns on affected streets to determine the extent and nature of the existing traffic characteristics. Traffic volumes, vehicular speeds and classification of vehicles data will be collected over a seven-day period. All studies will be conducted based upon established engineering practices.

3.2 Quantify the Problem

To qualify for prioritization, the following pre-screening eligibility criteria shall be met:

Is the road a local or collector

Does the road have a maximum of 2 travel lanes in either direction

Is the posted speed equal to or lower than 50 km/hr

Is average daily traffic (ADT) greater than or equal to 900 for a local roadway or 2000 for a collector roadway (does not apply to designated school or senior safety zones) for both one- and two-way streets

Does the 85th percentile speed meet the minimum threshold according to the road class:

- Local roadway must have a minimum volume of 900 vehicles per day (combined total – all lanes in both directions), and an 85th percentile vehicle speed of 5 km/h or more above the posted speed limit
- Local roadway within a school zone (defined as 150 m from the school frontage) - 85th percentile vehicle speed of 5 km/h or more above the posted speed limit (30 km/h), no minimum volume required.
- Collector roadway must have a minimum volume of 2,000 vehicles per day (combined total – all lanes in both directions), and an 85th percentile vehicle speed of 5 km/h or more above the posted speed limit

Roadways meeting the criteria will qualify for a traffic calming review and will be placed on the priority ranking list. Where staff has identified potential negative impacts to adjacent roadways within the neighbourhood, these roadways will be included in the review and considered affected streets regardless of whether they meet the minimum criteria.

The resident(s) will be notified of the results of the traffic analysis.

3.3 Roads Not Qualifying

For roadways not meeting the criteria in Section 3.2, the process is terminated, and the resident(s) is/are advised in writing with copies sent to the affected ward Councillors. If a street fails to meet the required criteria for a Traffic Calming Review, that street will not be considered for another review for a period of 24 months, after the date of final review, unless there is a significant change to the traffic patterns or development.

The Traffic Calming Policy is now one subsection of the City's Community Road Safety Strategy, roads that do not qualify for traffic calming measures may be eligible for other safety measures such as speed limit reductions, radar display boards, and other programs that address historical road safety concerns.

4.0 Identify Applicable Traffic Calming Measures

Upon reviewing the benefits and impacts associated with each of the traffic calming measures, staff will identify and select the appropriate measures for inclusion in the draft Traffic Calming plan.

5.0 Develop Plan Alternatives

Staff will develop plans in keeping with the goals, objectives and principles set out in this policy. Comprehensive traffic calming plans will be drafted as possible solutions to address identified traffic concerns. Affected internal stakeholders will be consulted to identify potential issues/concerns regarding impacts on their operations. Stakeholders can include, but are not limited to: Accessibility Services, Emergency Services, Guelph Transit, Guelph Police, Sustainable Transportation, Operations and Solid Waste Collection.

5.1 Select Recommended Traffic Calming Plan

A recommended plan will be selected and circulated to the affected residents in the neighbourhood. This plan will then be circulated to appropriate internal City stakeholders for approval. The plan may be modified by staff to address any concerns raised by internal stakeholders.

6.0 Implement the Plan

Staff will proceed with preparing designs, scheduling and staging implementation of the approved traffic calming measures. Installation will be implemented based on available funding. Where limited funds are available, temporary neighbourhood traffic calming measures may be implemented before permanent measures are considered.

Information signs pertaining to scheduling and pending changes to neighbourhood roadways will be installed at major gateways into the neighbourhood a minimum of two (2) weeks prior to neighbourhood traffic calming measures being installed.

The installation of neighbourhood traffic calming measures in a temporary manner may be used on a short-term basis. This will allow staff to test measures on a temporary basis prior to considering a permanent installation.

7.0 Evaluation & Follow-up

7.1 Evaluation

Data will be collected within the study area and on adjacent streets (where deemed necessary) two years after implementation to determine how traffic patterns have been affected by the traffic calming devices. Data collected will include traffic volumes, vehicle classification and speeds for a seven-day period using a variety of data collection methods. Collision rates before and after the traffic calming measure(s) was installed will also be reviewed.

7.2 Follow-up

Staff will evaluate the effectiveness of installed traffic calming measures by collecting data before and after the implementation period and make alterations if required.

Recommendations may include but are not limited to:

- Termination of the project;
- Converting temporary measures (e.g. flexible bollards) into permanent measures (e.g. concrete curbs);
- Removal of measures deemed ineffective; and
- Installation of additional measures.

Where additional measures are proposed, staff will advise new plan alternatives for resident comments.

Funding

The City funds the costs of implementing traffic calming measures through the tax-supported Capital budget.

Costs

Construction costs for traffic calming measures will vary depending on factors such as type of materials used, labour, drainage requirements, landscaping, presence of utilities and land acquisition. As a result, the cost of each measure will vary greatly. Staff will focus on using functionally effective and cost-efficient measures. This will ensure that funds can be distributed equally among the various roadways.

Neighbourhood Traffic Calming Sources

This policy was developed based on a review of traffic calming policies and programs from the following municipalities in Ontario:

- City of Brampton
- City of Hamilton
- City of Kitchener
- City of London
- City of Milton
- City of Oakville
- City of Toronto
- City of St. Catharines
- City of Sudbury
- City of Waterloo

In addition, the 2018 “The Canadian Guide to Traffic Calming” was consulted.

Definitions

Affected Street(s): Identified roadway(s) located within the study area under review for traffic calming measures.

Resident (s): The property owner of a household directly abutting (front, side or rear lot) the affected street(s).

Average Daily Traffic (ADT): The total volume of traffic in a 24-hour period.

City and Emergency Services: Refers to City of Guelph Departments including Guelph Transit, Waste Collection, Accessibility Services, Operations, Guelph Police Service, Guelph Fire Services and Guelph Emergency Services.

Household: A residential dwelling unit, including multi-unit residential (a residential building with 3 or more units as defined under the city’s Official Plan).

Study Area: All roadways encompassed by the nearest collector roadway, arterial roadway and/or natural boundaries, as defined by Transportation Engineering staff

Traffic Calming: The combination of mainly physical measures that reduce speeding and improve conditions for all road users.

85th Percentile Speed: The speed at which 85 percent of the vehicles are travelling at or below on a roadway.

Horizontal measures: Deflect vehicles from a straight path of travel

Vertical Measures: A vertical change in the course or path of a vehicle as the result of a physical feature of a roadway

Local Road: The primary function of local roadways is to provide access to adjacent properties. Local roads are not intended for use as through routes or as important links to move traffic within an area's overall road network. An acceptable volume of traffic for a local road is up to 900 vehicles a day (combined total – all lanes in both directions).

Collector road: Collector roadways with a maximum of 2 travel lanes in either direction. The primary function of a collector roadway is to help circulate traffic from within the neighbourhood out to the arterial road network.

Attachments

Attachment 2.1: Prioritization Rankings

Attachment 2.2: Proposed Neighbourhood Traffic Calming Measures

Attachment 2.3: Traffic Calming Review Flow Chart

Attachment 2.1 - Prioritization Rankings

Speed

85th percentile speed (both directions combined)	0 to 40	2.5 points assigned per 1 km/h above the posted speed limit (max 40 points)
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Volume

Average Daily Traffic vpd = vehicles per day	0 to 30	Number of points based on road classification (max 30 points) Local road: 1 point per 65 vpd over minimum threshold Collector road: 1 point per 165 vpd over minimum threshold
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Safety

Three-year collision history	0 to 15	Based on total collisions for the roadway segment (1 point for every collision in excess of an average of 3 per year over three years. Does not include collisions involving parked vehicles)
Severe/fatal injury collision history		Weighted based on injury severity
Presence of sidewalks	0 to 5	0 points: sidewalks exist on both sides 2.5 points: sidewalks exist on one side 5 points: no existing sidewalks
Cycling	0 to 5	0 points: not identified as a cycling route in the Cycling Master Plan 2.5 points: directly connects to a street identified in the cycling master plan 5 points: identified as a cycling route in the Cycling Master Plan

Pedestrian generators 0 to 5
(within 450m of the
roadway under review)

0 points: no significant
neighbourhood community
destinations on street

1 point: other (transit stops, trail
heads)

2 points: commercial plaza

3 points: community
centre/university

4 points: community
park/hospital

5 points: elementary/ high
school/university/ senior centre

Attachment 2.2 – Proposed Traffic Calming Measures

Measure	Description	Vertical	Horizontal	Obstruction
Center island median	Center island medians are raised islands located along the centerline of a street that narrow the travel lanes at that location		X	
Chicane	A series of curb extensions on alternating sides of a roadway, which narrow the roadway and require drivers to steer from one side of the roadway to the other to travel through the chicane. Typically, a series of curb extensions is used		X	
Curb Extension	A horizontal intrusion of the curb into the roadway resulting in a narrower section of the roadway		X	
Curb Radius Reduction	The reconstruction of an intersection corner using a smaller radius, usually in the 3.0 m to 5.0 m range.		X	
Concrete median with flexible bollard	A series of poles placed in the centre of a road to separate opposing traffic. Flexible, so able to withstand impact from a vehicle and return to original upright position when the force is removed		X	
Directional closure	A curb extension or vertical barrier extending to approximately the centerline of a roadway, effectively obstructing (prohibiting) one direction of traffic			X
Diverter	A raised barrier placed diagonally across an intersection, that forces traffic to turn and prevents traffic from proceeding straight through the intersection			X

Measure	Description	Vertical	Horizontal	Obstruction
Intersection channelization	Raised islands located at an intersection, used to obstruct specific traffic movements and physically direct traffic through an intersection			X
Lateral shift	Lateral shifts can be described as one half of a chicane. Curb extensions or pavement markings are provided on otherwise straight streets that cause travel lanes to bend one way and then bend back the other way to the original direction of travel.		X	
Raised median island	An elevated median constructed on the centerline of a two-way roadway to reduce the overall width of the adjacent travel lines	X		
Raised median island through intersection	An elevated median located on the centerline of a two-way roadway through an intersection, which prevents left turns and through movements to and from the intersecting roadway.	X		
Roundabout	A raised island located in the centre of an intersection, which requires vehicles to yield on all legs, and travel through the intersection in a counter-clockwise direction around the island.		X	
Sidewalk extension	A sidewalk is continued across a local intersection and is lowered to the level of the roadway.	X		
Speed cushion	Similar to speed hump, with a center channel which allows for Emergency services to pass without deflection	X		

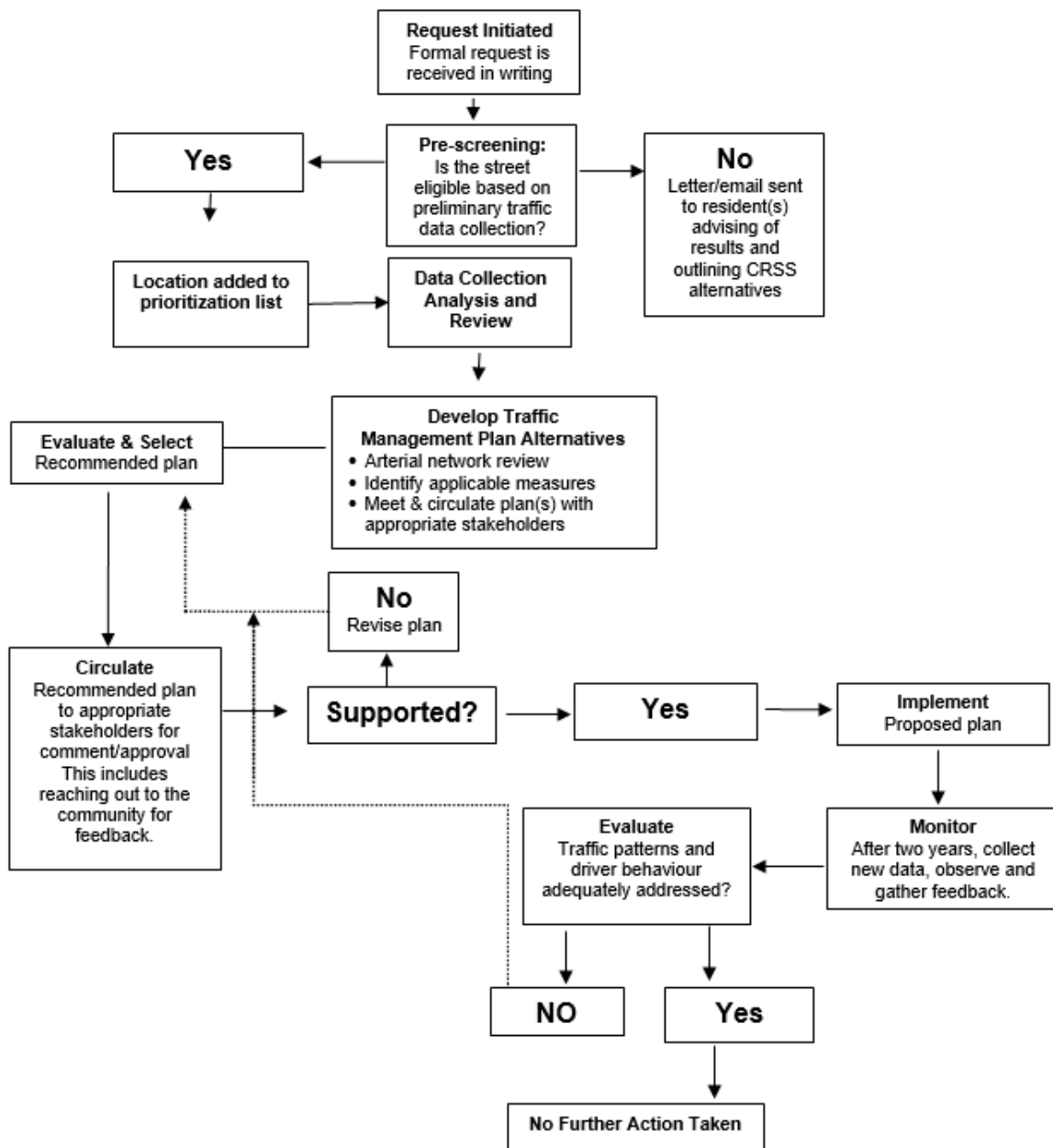
Measure	Description	Vertical	Horizontal	Obstruction
Speed table	Speed tables are flat-topped speed humps. Speed tables, which have a longer profile, may be considered with caution on higher-volume collectors. Speed tables should not be used on roads posted at 30 km/h, because vehicles will not have to slow down to pass over them	X		
Temporary flex post	Temporary flex posts are signs that are installed in the centre of the road, between opposing traffic lanes and designed to withstand impacts from, and avert damage to, vehicles if struck by collapsing and rebounding. The signs can have a narrowing effect on the lane or roadway which can give drivers' the perception of the need to slow down	X		
Traffic circle	A raised island located in the centre of an intersection, which requires vehicles to travel through the intersection in a counter-clockwise direction around the island		X	
Traffic island	Traffic Islands have the effect of narrowing the road and reducing the speed of passing traffic. They are not intended for pedestrians, as they have no dropped curbs and tactile paving		X	

Passive: The use of "Passive" traffic calming measures can include maintaining permissive on-street parking, installing textured pavement, police enforcement, radar speed boards, signage and pavement marking changes and signed turning restrictions. These are outlined in Guelph's Community Road Safety Strategy.

Moderate: The use of "Moderate" traffic calming measures can include traffic circles, speed humps and road narrowing (chokers/centre medians) to slow traffic.

Restrictive: The use of "Restrictive" traffic calming measures can include physical measures to prevent certain movements.

Attachment 2.3 - Neighbourhood Traffic Calming Review Flow Chart





Community Road Safety Strategy (CRSS)

July 20, 2020
Council Meeting

What is the CRSS?

High-level road safety plan for Guelph



The goal of the CRSS is to provide strategies that will improve road safety to benefit all users, whether you are walking, cycling, riding transit, using a mobility device or driving

Developing a framework that relies on safe systems principles

- Although the City of Guelph has not formally adopted a Vision Zero approach, many of the safe systems principles and preferred strategies to address road safety are in line with Vision Zero principles. These include:
 - Vulnerable road user safety
 - Leveraging innovative technologies
 - Improving road infrastructure
 - Focusing on a data-driven approach
 - Implementing and evaluating proven countermeasures

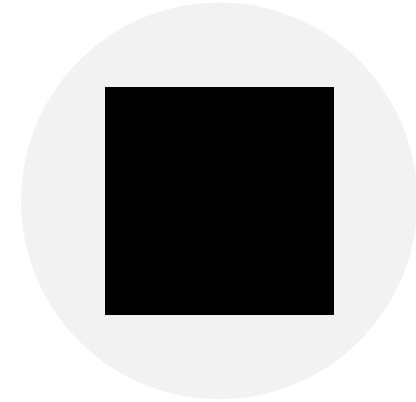
Development of the CRSS



REVIEWED BEST PRACTICES
IN OTHER MUNICIPALITIES



ENGAGED STAKEHOLDERS
TO UPDATE THE TRAFFIC
CALMING POLICY



ENGAGED THE COMMUNITY
TO DETERMINE EMPHASIS
AREAS AND STRATEGIES

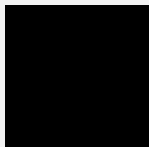
Section 1



Strategies were developed through a best practices review



Staff consulted other municipalities with similar road safety programs



Staff reviewed published literature on effectiveness of road safety initiatives

Section 2

- Updated from 2006 Neighbourhood Traffic Management Review
- Consulted stakeholders through workshops
- The policy outlines procedures for initiating, reviewing, implementing, and evaluating traffic calming plans in residential neighbourhoods to address concerns about **speeding** and **high vehicle volumes**

Community Engagement



Evergreen
Seniors Centre



Immigrant
Services



University of
Guelph



Delta Hotel
Conference
Centre



City Hall



Online Survey



Over 500
responses that
helped inform
road safety
priority areas
and the CRSS

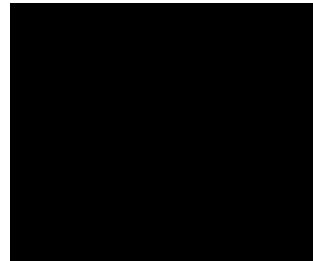


Number of
stakeholders
provided
feedback on the
updated policy
through
workshops

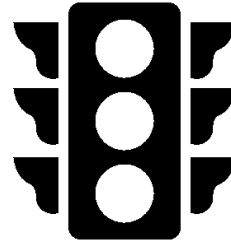
Section 3



Pedestrian
safety



Distracted
driving



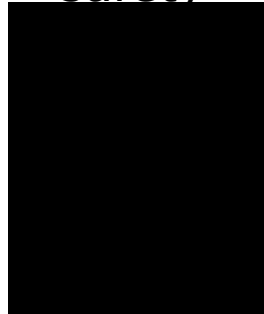
Aggressive
driving



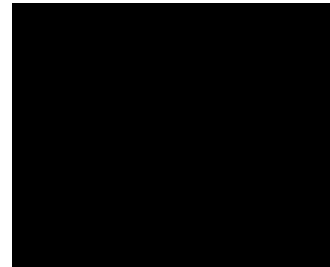
Cycling
safety



Speeding



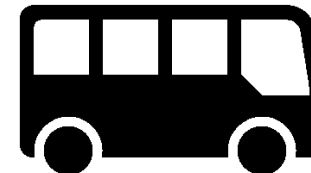
Impaired
driving



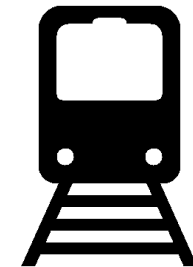
School
safety



Senior
Safety



Transit
Safety



Railway
Safety

Section 4

Pedestrian Safety

- Leading pedestrian intervals (LPIs)
- Pedestrian crossing improvements

Distracted Driving

- Distracted driving awareness campaign coordinated through the GRSC

Aggressive Driving

- Red light cameras
- Red light running awareness campaign coordinated through the GRSC

Section 4 Cont'd

Cycling Safety

- Educational campaigns coordinated through the GRSC
 - 1-metre passing rule (sharing the road)
 - Right hook awareness
 - Dooring

Speeding

- Automated speed enforcement cameras
- Flexible in road signs
- Slow Streets
- 'Please slow down' lawn signs
- Radar speed boards

Impaired Driving

- Safety awareness campaign coordinated through the GRSC

School Safety

- Permanent radar display boards

Senior Safety

- Creation of senior safety zones

Transit Safety

- Review midblock bus locations for safer pedestrian crossings

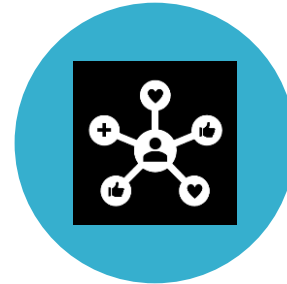
Railway Safety

- Review at level crossings

Section 5: Implementation



Residents who are ineligible under the Traffic Calming policy will be reviewed under the CRSS.



City staff will also annually run network screening to proactively identify locations that are eligible for CRSS measures.

Section 5: Evaluation

Some indicators that need to be measured over time include:

Operating
speeds

Volume data

Severe and fatal
injury collisions

Perceptions of
road safety

Several years of data need to be collected after a strategy has been implemented to accurately determine (statistically) if a change has occurred.

Staff will provide annual collision reports that will also outline evaluation metrics once appropriate data is available.

Alignment with Strategic Plan

The Community Road Safety Strategy aligns with the city's "**Navigating our future**" strategic priority by improving the safety, efficiency and connectivity of the transportation system.

Recommendations

1. That the Community Road Safety Strategy, included as Attachment 1, to the Infrastructure, Development & Enterprise Services Report 2020-80 dated July 20, 2020 be approved and in effect as of August 4, 2020
2. That the Traffic Calming Policy, included as Attachment 2, to the Infrastructure, Development & Enterprise Services Report 2020-80 dated July 20, 2020 be approved and in effect as of August 4, 2020.



Guelph Police Service

15 Wyndham Street S., Guelph, Ontario N1H 4C6
(519) 824-1212
TTY 1-866-513-8062

May 26, 2020

Ms. Kealy Dedman
Deputy CAO, Infrastructure, Development & Enterprise Services
City of Guelph
1 Carden Street
Guelph, ON N1H 3A1

RE: *Community Road Safety Strategy*

Dear Ms. Dedman:

The Guelph Police Service is pleased to support the creation of the Community Road Safety Strategy (CRSS).

As a member of the Guelph Road Safety Coalition, the Guelph Police Traffic Unit has been consulted throughout the process of devising this report. The principles of the CRSS align with the Guelph Police Service Strategic Plan and it is our hope that the implementation of this will affect positive change and increase road safety in the City.

The Guelph Police Service wholly supports the City of Guelph in its role as the lead in this initiative.

Yours sincerely,

Gord Cobey
Chief of Police