



Staff Report

Report Title: Lucknow Community Centre

Prepared By: Jodi MacArthur, Treasurer

Department: Treasury

Date: May. 15, 2023

Report Number: TR-2023-05-40

File Number: C11 TRE 23

Attachments: Loan Agreement, Draft Lease Agreement

Recommendation:

That the Township of Huron-Kinloss Council hereby receives for information Report Number TR-2023-05-40 prepared by Jodi MacArthur, Treasurer.

Background:

The Lucknow Community Centre was constructed in 1978 on municipal land and three service organizations; Lucknow Ag Society, Lucknow Kinsmen and Lucknow Lions form the Board and have been operating the facility for over 40 years. The Lucknow Community Centre Board operates at arm's length from the Township, managing their own finances, maintaining their own liquor license and setting their own policies and procedures. The Township has assisted them in obtaining some capital grants and fundraising over the years to make improvements to the building and has been providing financial support by paying the monthly Westario Power bill on their behalf since 2007 (The Township of Ashfield-Colborne-Wawanosh shares this cost equally). Insurance was provided through the municipal insurance program and the premiums paid by the Board.

In 2021, a request was received from the Lucknow Community Centre Board for financial support to help cover the loss of rentals during the pandemic. Council authorized a loan subject to the terms in the attached loan agreement.

Discussion:

It was identified that an agreement should be developed for the continued operation of the Lucknow Community Centre that would specifically include the following terms and conditions:

- Annual reporting from the Lucknow Community Centre Board to Council on operating activities and future capital upgrades,
- A copy of the annual financial statements be submitted to Council in exchange for payment of the hydro account, and
- The Lucknow Community Centre Board obtain their own insurance coverage.

Staff have been working with the executive to develop a draft agreement. The Board has secured liability insurance coverage but a decision needs to be made on whether to require property insurance or to leave that under the municipal insurance program in order to finalize the wording in the agreement. There are a limited number of companies that provide municipal insurance, therefore less competition tends to increase premiums. The Board may be able to access additional carriers. A stand-alone policy could be tailored to manage costs such as deductibles and perils.

Financial Impacts:

The current balance of the loan is \$8,000.00. The annual hydro varies. In 2022 the total amount was just over \$6,100.00 shared equally between Huron-Kinloss and Ashfield-Colborne-Wawanosh.

Strategic Alignment / Link:

The information provided in this report is consistent with and in keeping with the municipality's Vision & Mission.

We are a vibrant community that values our uniqueness and creativity by creating places where people want to be and protecting our history and heritage,

We are a spirited community that takes pride in calling Huron-Kinloss home and welcoming others by engaging in our community, and

We are an accessible community that offers opportunities for everyone by having amenities and services nearby and being open and transparent.

Respectfully Submitted By:

Jodi MacArthur, Treasurer

Report Approved By:

Mary Rose Walden, Chief Administrative Officer