



CITY OF KINGSTON
REPORT TO COUNCIL

Report No: 07-214

TO: Mayor and Council

FROM: Cynthia Beach, Commissioner of Sustainability & Growth Group
 Denis Leger, Commissioner of Corporate Services Group

RESOURCE STAFF: Joseph E. Davis, Manager, Brownfields & Initiatives
 Yvonne Holland, Facilities Manager, Asset Management

DATE OF MEETING: 2007-07-24

SUBJECT: **MUNICIPAL BUILDING ENERGY RETROFIT PROJECT**

EXECUTIVE SUMMARY:

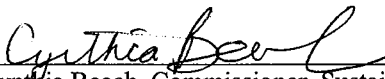
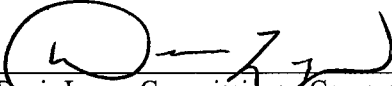
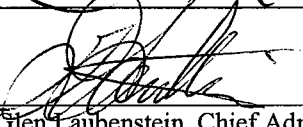
The City of Kingston is committed to reducing its corporate greenhouse gas emissions by 25% by the year 2014. An energy retrofit of existing municipal buildings will effect a reduction in the amount of energy required to heat, cool and light these facilities and thus reduce greenhouse gas emissions as well as provide for much needed investment in facilities as part of an asset management strategy. A municipal building energy retrofit program should be developed as part of the City's Energy Management Plan. The City will procure the services of an Energy Services Company (ESCO) to provide a detailed engineering study which leads to a design, implementation and guarantee on a program of municipal building energy retrofits. Each of the respondents was required to provide the City with a proposal to retrofit a number of Municipal buildings with the intent of reducing energy costs and greenhouse gas emissions.

Staff recommends that the detailed engineering study for the energy retrofit project be awarded to MCW Custom Energy Solutions Ltd. (MCW). This firm is being recommended as it has scored the most favourably based on their response to the City's request for proposals (RFP).



RECOMMENDATION:

That Council authorize the Mayor and Clerk to enter into a contract, in a form satisfactory to the Director of Legal Services, with MCW Custom Energy Solutions Ltd. (MCW) to complete the detailed engineering study with the intent of reducing energy costs and greenhouse gas emissions required for the energy retrofit project.

AUTHORIZING SIGNATURES:

 Cynthia Beach, Commissioner, Sustainability & Growth Group
 Denis Leger, Commissioner, Corporate Services Group
 Glen Laubenstein, Chief Administrative Officer

CONSULTATION WITH THE FOLLOWING COMMISSIONERS:

Commissioner Beach, <i>Growth & Sustainability</i>	✓
Commissioner Segsworth, <i>Public Works & Emergency Services</i>	N/R
Commissioner Hunt, <i>Finance & Corporate Performance</i>	
Commissioner Thurston, <i>Community Development Services</i>	N/R
Commissioner Leger, <i>Corporate Services</i>	
Jim Keech, President, <i>Utilities Kingston</i>	N/R

(N/R indicates consultation not required)

OPTIONS/DISCUSSION:

On April 17, 2001, City Council began the process of reducing our corporate and community greenhouse gas emissions by endorsing membership in the Federation of Canadian Municipalities' (FCM) Partners in Climate Protection (PCP) Program.

The first undertaking required by the PCP program was to complete an inventory of corporate and community emissions. The emissions inventory for the year 2000 revealed that as a corporation we consumed approximately \$6.1M of energy and emitted just over 27,000 tonnes of greenhouse gas emissions.

At its June 22, 2004 meeting, Council further endorsed the PCP program by passing the following resolution:

THEREFORE BE IT RESOLVED THAT City Council continues to support Partners in Climate Protection as a strategic priority; and

THAT Council directs staff to develop corporate and community action plans in accordance with the Partners in Climate Protection Program that will achieve greenhouse gas emission reductions targets of 25% for the corporation and 10% for the community below the baseline year, by the year 2014; and

THAT City Council direct staff to aggressively pursue FCM Green Municipal Enabling Funds (GMEF) and other granting opportunities to develop a Local Action Plan (LAP) for achieving our Corporate and Community greenhouse gas emission reduction targets.

The next step of the PCP program was the creation of action plans that could be implemented to achieve the desired reduction targets. In November 2006, the Corporate Management Team approved the City's Energy Management Plan for City Owned Facilities as a mechanism to reduce greenhouse gas emissions and operational spending associated with energy. The Energy Plan contains the following five (5) strategic priorities:

Strategic Priority # 1: Optimize Municipal Infrastructure for energy efficiency
Reduce energy consumption through: **energy retrofits of municipal buildings**, enhanced Leadership in Energy and Environment Design (LEED) policy and energy-wise purchasing practices.

Strategic Priority # 2: Develop a Culture of Conservation
Reduce energy through a culture of conservation change strategy.

Strategic Priority # 3: Optimize Energy Data Management
Reduce energy consumption through an energy data management system that empowers building managers to recognize opportunities for reduction.

Strategic Priority # 4: Review Facility Infrastructure Management and Long-term Facility Management
Reduce energy consumption by transitioning from a semi-decentralized to a centralized facility infrastructure structure. Plan for long-term facility energy retrofits, maintenance and renewal through the adoption of a corporate-wide long-term facility management plan.

Strategic Priority # 5: Incorporate Renewable Energy into the energy mix
Reduce energy consumption by developing a financial framework to incorporate renewable energy into the corporate energy mix.

The Energy Retrofit project, the subject of this report, is the first step towards achieving the strategic priorities listed above. The industry standard for the completion of energy retrofit projects is the use of Energy Service Companies (ESCO's) under a contract known as an Energy Performance Contract (EPC). The process is delivered in the following manner:

- The City prequalifies the Energy Services Companies using a Request for Information
- The prequalified ESCOs were then invited to respond to a Request for Proposals
- An ESCO is selected to perform a detailed engineering design study for a number of preselected buildings
- Once the detailed engineering design study and suggested building retrofit program is completed, it will be reviewed by staff for feasibility and timing and the study as well as staff recommendations relating to the program and financing strategy will be presented to Council, with the initial retrofits to be incorporated as part of the 2008 capital budget
- Implementation of the capital construction works
- A monitoring program is established by a third party to verify the actual savings earned as a result of the construction undertaken

This type of contract differs from most other contracts because it is written to provide a guaranteed savings to the Municipality as a result of these retrofits. These savings are used to finance the costs associated with the retrofits. This enables the Municipality to finance capital costs from cost savings. If the savings are not realized, the ESCO pays the City for the shortfall in savings. Under the terms of the proposal and ensuing contract, the City would have the opportunity to self-finance the retrofit works. Depending on the cost of capital and any risk the City may want to bear, it might nonetheless be advantageous for the City to self-finance the work. The financing strategy will form part of staff recommendations and will take these and other factors into consideration.

In 2006 staff issued a Request for Information (RFI) to short list the qualified ESCOs. Eight firms responded to the RFI with six meeting the qualifications.

The six firms short listed as a result of the Request for Information in 2006 each received an RFP with a submission date of June 6, 2007 and approval is now requested of Council to engage the successful ESCO to complete a Detailed Engineering Study. This study will look at the selected buildings and street lighting and determine the estimated capital costs required and the annual energy savings that could

accrue to the City. This stage of the work needs to be completed by October in order that program estimates can be included in the City's 2008 capital budget.

During this stage of the process, known as the Detailed Engineering Study stage, the ESCO is responsible to complete all the necessary work to develop a work plan, a budget of the capital cost, detailed design, and the savings that they will guarantee for each building or service. The cost of the detailed engineering study is only payable if the City does not proceed to the implementation stage of the works with the ESCO. As part of the RFP requirement and submission; the ESCO guarantees the savings to within 10% of the estimated savings. If the City determines not to proceed with the ESCO for the implementation stage, it would have to pay for the services rendered in the detailed engineering study and retrofit work plan and would not have the benefit of guaranteed savings from the ESCO. An Energy Performance Contract transfers the risk for the success of the project to the ESCO by them guaranteeing the savings in energy costs as a result of capital investment to renew electrical and mechanical systems. The capital costs are often financed by the savings achieved through the project.

Further at Council's direction the project can be expanded to include other buildings that could benefit from this type of program. This is usually done where a building could not generate savings to provide a reasonable payback, but when combined with other buildings the savings of all the buildings can support these marginal buildings. The project will, while providing savings through reduction of energy costs and reduction of greenhouse gas emissions also provide for investment in City buildings as part of our overall asset management strategy.

The ESCOs have submitted their proposals based on preliminary information provided by the City, and the detailed engineering study and resulting proposed program and associated energy savings will be required to come within 10% of their original proposal. If it does not, the City is under no obligation to continue any further. Also, if the works recommended in the detailed energy study are not acceptable by the City and it determines to not proceed with the Energy Performance Contract; the City will pay the ESCO their cost to prepare the study. The cost to conduct the detailed engineering study is listed in the table below.

If the savings are not realized throughout the contract period, which is estimated to be eight years, the ESCO will pay the City the difference between realized savings versus the proposed savings for the duration of the contract. If the project is successful the City will have the option of adding additional facilities to the program.

Three of the six firms responded to the RFP. Each has been evaluated by the consultant and the staff evaluation team made up of representatives from Finance, Legal, Facilities Management, Strategy, Environment & Communications, and Growth & Initiatives. The evaluation was based on a predetermined set of criteria outlined below:

Pricing & Finance	300 points
Related Benefits	100 points
Regulatory Experience	100 points

Implementation Information	150 points
Project Management	150 points
Training & Publicity	100 points
Corporate Profile and related experience	100 points
Total	<u>1000 points</u>

Using the above evaluation criteria the firms received the ranking as shown on the chart below.

RFP respondent	Points received	Cost- Detailed Engineering study
Direct Energy Business Solutions	820.7	\$91,000
Honeywell	834.8	\$220,000
MCW Custom Energy Solutions Ltd.	868.3	\$97,000

Each of the three proposals evaluated represent a capital retrofit program at a very preliminary level with each firm recommending the capital cost to be undertaken to achieve savings. At this point in the process we are not able to complete a comparison of the proposed capital costs of each firm, since these cannot be known until the detailed engineering study is completed. Each firm was asked to conduct a preliminary analysis based on three site visits to a selected number of municipal buildings and from that developed a proposal based on the criteria above and provide an estimate of costs and annual savings. Since each firm may take a different approach, the capital costs and works undertaken as well as resulting energy savings will be actually negotiated when the City reviews the Detailed Engineering Design Study.

The MCW proposal currently estimates that a \$3.5M capital expenditure for retrofits could yield annual operating savings in the order of \$440,000. This represents a 13% annual rate of return compared to a 12% and 9% annual rate of return for Honeywell and Direct energy respectively. These preliminary estimates will be refined within the detailed engineering study phase of the project.

RFP respondent	Estimated Capital Cost	Estimated Savings Annually
Direct Energy Business Solutions	\$5,600,000	\$512,678
Honeywell	\$6,739,600	\$812,000
MCW Custom Energy Solutions Ltd.	\$3,505,147	\$438,444

EXISTING POLICY/BY LAW:

N/A

NOTICE PROVISIONS:

N/A

ACCESSIBILITY CONSIDERATIONS:

N/A

FINANCIAL CONSIDERATIONS:

The financial implications of the City's energy retrofit program are not as of yet known and will be dependant on the detailed engineering study. In the event the City does not accept the proposed retrofit program based on the detailed engineering study, and does not proceed with the ESCO with the implementation of the works, it will have to reimburse the ESCO the \$97,000 costs for the detailed engineering study. This amount has been previously been provided for in capital budgets.

It is anticipated that the operational cost savings due to reduced energy consumption will be sufficient to repay debt financing for the project. In addition, it is expected that savings would also provide a sustainable funding source for the cost premium associated with the purchase of a yet to be determined quantity of renewable (green) energy into the City's energy consumption portfolio.

Staff believe that proceeding with a detailed engineering study and the premise of an associated energy retrofit program through an ESCO is innovative and may well position the City to take advantage of grant and loan opportunities from upper levels of government intent on facilitating projects that reduce greenhouse gas emissions.

CONTACTS:

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OTHER CITY OF KINGSTON STAFF CONSULTED:

Desiree Kennedy, Director of Financial Services
Alan MacLeod, Senior Legal Council
Jamie Brash, Supervisor of Facility Maintenance
Yvonne Holland, Facilities Manager, Asset Management

EXHIBITS ATTACHED:

N/A



CITY OF KINGSTON
REPORT TO COUNCIL

Report No.: 07-247

TO: Mayor and Council

FROM: Lance Thurston, Commissioner, Community Development Services

RESOURCE STAFF: Mark Fluhrer, Director, Culture and Recreation Department
 Robin Etherington, Manager, Culture and Heritage Division

DATE OF MEETING: 2007-07-24

SUBJECT: Additional 2007 Operating Grant to the Marine Museum of the Great Lakes

EXECUTIVE SUMMARY:

During budget deliberations, the Commissioner of Community Development Services noted that the Marine Museum of the Great Lakes at Kingston requested an additional \$60,000 operating grant in 2007. Currently the City provides a \$65,000 annual operating grant.

At the Committee of the Whole meetings on February 5 and March 7, 2007, Council directed staff to write off the Marine Museum's outstanding loan of \$59,278.10 to the City, as well as have a budget increase of \$60,000 for the Marine Museum be removed from the operating budget and funded from the working fund reserve. As a condition of approval, Council asked that the Marine Museum provide a business plan that explains the proposed use of the additional 2007 operating grant.

On June 24, 2007, the Marine Museum submitted the "Marine Museum of the Great Lakes at Kingston 2007 Business Plan" for Council's consideration. Staff has reviewed the business plan and considers it thorough and complete.

Also the Marine Museum has asked that the entire fourth quarter installment of the \$65,000 operating grant be paid in full and not contingent on the license agreement that expires on November 29, 2007.

RECOMMENDATION:

THAT Council receive the 2007 Marine Museum of the Great Lakes at Kingston's 2007 Business Plan.

THAT Council direct staff to forward the additional 2007 operating grant of \$60,000 to the Marine Museum in accordance with the direction in the 2007 approved budget.

THAT Council direct staff to pay in full the fourth quarter installment of the \$65,000 operating grant.

REPORT TO COUNCIL.


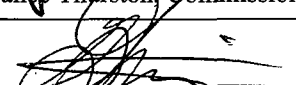
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Additional 2007 Operating Grant to the Marine Museum of the Great Lakes


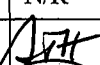
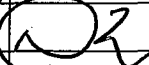
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AUTHORIZING SIGNATURES:


Lance Thurston, Commissioner, Community Development Services Group

Glen Laubenstein, Chief Administrative Officer

CONSULTATION WITH THE FOLLOWING COMMISSIONERS:

Commissioner Beach, <i>Sustainability & Growth</i>	
Commissioner Segsworth, <i>Public Works & Emergency Services</i>	N/R
Commissioner Hunt, <i>Finance & Corporate Performance</i>	
Commissioner Leger, <i>Corporate Services</i>	
Jim Keech, President, <i>Utilities Kingston</i>	N/R

(N/R indicates consultation not required)

REPORT TO COUNCIL

Additional 2007 Operating Grant to the Marine Museum of the Great Lakes

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OPTIONS/DISCUSSION:

During budget deliberations, the Commissioner of Community Development Services Group noted that the Marine Museum of the Great Lakes at Kingston requested an additional \$60,000 operating grant in 2007. Currently the City provides a \$65,000 annual operating grant to the end of the license agreement, November 29, 2007. The license agreement is subject to the head lease that the City has with the Federal Government which in turn expires on November 30, 2007.

At the Committee of the Whole meeting No. 01-2007 on February 5, 2007, Councillor Glover requested that funding for the Marine Museum be provided at \$60,000 and discussed more fully on February 14th.

At the March 7, 2007 Committee of the Whole meeting, the following motions were carried:

Councillor Smith Moved
Seconded by Councillor Foster

THAT the budget increase of \$60,000 for the Marine Museum be removed from the operating budget and be funded from the working fund reserve, provided that a business plan be provided.

CARRIED

Councillor Foster Moved
Seconded by Councillor Gerretsen

THAT Council direct staff to write off the outstanding loan owed by the Marine Museum to the City of Kingston in the amount of \$59,278.10.

CARRIED

The outstanding loan has been written off.

On June 24, 2007 the Marine Museum submitted the "Marine Museum of the Great Lakes at Kingston 2007 Business Plan" for Council's consideration. They request that Council approve the business plan and direct staff to forward to them the additional 2007 operating grant of \$60,000.

The Marine Museum has indicated that the majority of these additional 2007 grant funds will be used to upgrade safety and security on the museum ship, Alexander Henry, and Museum buildings, as well as address any outstanding environmental risk issues.

The 2007 Business Plan has been reviewed by staff who feel that the plan is thorough and complete.

In addition, the Marine Museum has asked for an advancement of the fourth quarter installment of the \$65,000 along with the third quarter instalment. In the past, the City has forwarded the grant monies in advance. The City is forwarding the third quarter plus the fourth quarter minus a month. This is due to the authority for the funding is located in the License Agreement with the Marine Museum, along with other

REPORT TO COUNCIL

Additional 2007 Operating Grant to the Marine Museum of the Great Lakes

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terms relating to the locating of the Museum, and that funding is for the period of the term of the Agreement. The License Agreement ends on November 29, 2007 which is one day before the City's head-lease with the Federal Government ends. Staff recommends that Council approve granting of full funding for the fourth quarter 2007 along with the third quarter installment.

Staff also recommends that Council consider funding of the Marine Museum in 2008 and recommends that funding be separated from any future License Agreement with the Marine Museum. The Agreement with the Marine Museum is contingent on the head-lease between the City and the Federal Government and at this time the form and relationship has not been finalized. Accordingly, by separating the funding from the issues of tenancy, the City can confirm its continuing support for the Marine Museum by way of an operating grant agreement.

EXISTING POLICY/BY LAW:

N/A

NOTICE PROVISIONS:

N/A

ACCESSIBILITY CONSIDERATIONS:

N/A

FINANCIAL CONSIDERATIONS:

The Marine Museum of the Great Lakes receives an annual operating grant of \$65,000 as per its current Licence Agreement that expires on November 29, 2007. The head-lease with the Federal Government expires on November 30, 2007. During 2007 budget deliberations, the Marine Museum asked Council for an additional 2007 operating grant of \$60,000. Council approved the money in the budget, however approving giving it to the Marine Museum is subject to receipt of a business plan articulating how the extra funds will be spent. In addition, the City is expending funds on the repair of the dry dock and property to ensure safety of the public and maintenance of the federal property.

CONTACTS:

Mark Fluhrer, Director, Culture & Recreation Department

613-546-4291 ext 1342

Robin Etherington, Manager, Culture & Heritage Division

613-546-4291 ext 1255

OTHER CITY OF KINGSTON STAFF CONSULTED:

Alan McLeod, Legal Services, Corporate Services Group

Desiree Kennedy, Director Financial Services

Speros Kanellos, Director, Growth & Initiatives

EXHIBITS ATTACHED:

Exhibit 'A' – Marine Museum of the Great Lakes 2007 Business Plan

CULTURE AND

-06- 25 2007

HERITAGE

Marine Museum of the Great Lakes at Kingston

2007 Business Plan



Marine Museum
of the Great Lakes
at Kingston

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Executive Summary

The Marine Museum of the Great Lakes at Kingston operates on a year-round basis. Museum operations include the permanent and temporary galleries and exhibits, gift shop, Audrey Rushbrook library, Gordon C. Shaw research centre, extensive archives and numerous artefacts located in the historic Kingston Shipyards building at 55 Ontario Street, Kingston ON as well as the Museum Ship Alexander Henry moored alongside historic Kingston Dry Dock. Over 10,000 guests visit the Museum annually.

The Museum’s strategic plan is:

- *To collect, document and preserve the past, present and future history of maritime activities on the Great Lakes and the transportation links that bear on this history.*
- *To display this history with show and flair in a way that amazes, amuses, educates and gives prominence equal to Canada’s social and military history.*
- *To provide the general public, families, students, scholars and tourists opportunities to relate, interpret and connect maritime history to our culture.*

This mission might be summed up with the three-part phrase “preserve-display-connect.”

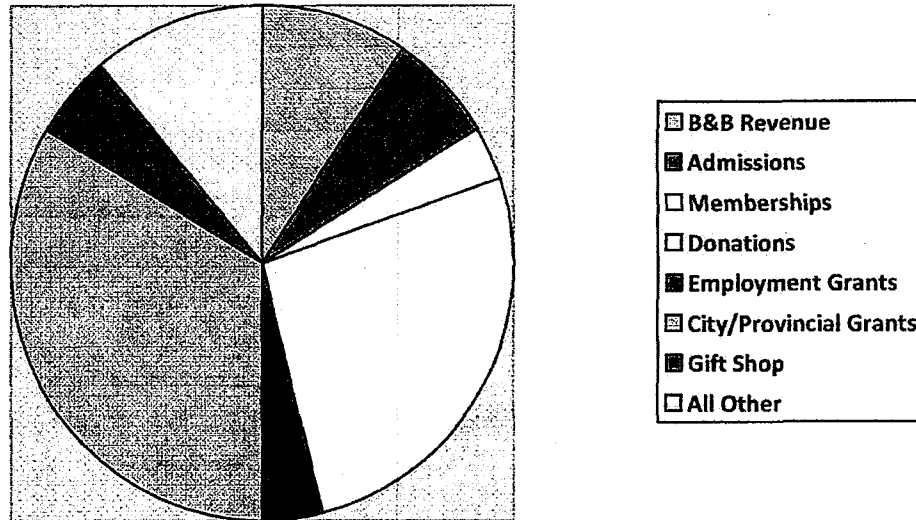
Financial Summary

	2001	2002	2003	2004	2005	2006	2007 Budget
Revenue	\$472,455	\$495,553	\$532,696	\$500,897	\$441,446	\$459,087	\$453,695
Expense	\$492,122	\$476,265	\$491,088	\$556,092	\$502,892	\$414,673	\$423,939
Surplus/Deficit)	(\$19,667)	\$19,288	\$41,608	(\$55,195)	(\$61,446)	\$44,414	\$29,757

The Marine Museum will report an accounting surplus and be cash flow neutral in 2007. The Museum has gone through cycles of surpluses and deficits, but the deficits of 2004 and 2005 were serious. Generous support from our members and donors coupled with stringent spending controls returned the Museum to an operating surplus in 2006. In 2007, the Alexander Henry will be moved into the dry dock necessitating a postponement in the opening of the B&B until July 1st (normally opens for the May long weekend) and a resulting decline in Guest revenue. Salaries and other expenses will decline proportionately. A positive operating surplus is forecast.

Revenue

The following chart summarizes the main sources of the \$453,695,000 Museum revenue projected for 2007.



The keys to a balanced budget are: rigorous spending control, volunteer contributions of time and talent, continued support from the City and our major donors, successful grant applications, admissions, B&B reservations, exciting, interactive exhibits to attract new and returning visitors and a strong, vibrant and growing membership. Developing an active, annual and sustainable fund-raising campaign focused on corporations and major donors remains the biggest challenge.

Revenue Detail

Alexander Henry B&B (\$42,000)

The B&B season will be shortened from the historic Victoria Day – Thanksgiving to Canada Day – Labour Day to optimize profitability by reducing staffing costs and to allow the ship to be disconnected, moved into the dry dock and then reconnected to services. Prices will be increased and the focus will be on marketing the upper end cabins. The Backpacker cabins will not be open in 2007 as major maintenance and upgrades are required. The continued strength of the Canadian dollar and higher gasoline costs may adversely affect the projected revenue stream. In summary, 2007 revenue is projected to be well below the annual norm in what is hoped will be a “once and done” year.

Marine Museum Admissions (\$32,000)

Admissions are expected to be in line with last year. Visitors drawn by the series of Nan Yeoman exhibits should offset potential additional declines in visitors from the USA due

to the higher gas prices, stronger Canadian dollar and passport and border crossing delays.

Memberships (\$15,000)

Memberships will increase as confidence in the Museum's future grows as evidenced by the financial results in 2006 and increasing support from the City of Kingston. The membership year was changed to the calendar year rather than the 12 month rolling previously used. This change reduces administrative costs and concentrates the income during the down cycle in the Museum's cash flow.

Donations (\$118,004)

A slight decline as contributions from new and existing donors will not offset the generous one-time gifts received the Michael Davies Foundation (\$50,000) and Anonymous (\$25,000) in 2006.

Employment Grants (\$17,000)

Equal to 2006, grant requests have been submitted to SJS-Summer Jobs (\$2,500), SCP-HRDC Summer Placement (\$16,668), Kajita Mikam (\$5,250), SDS-St. Lawrence Young Canada Works (\$3,460) and Young Canada Works-Internship (\$9,445). The budget assumes half of the grant requests will be received (\$17,700).

Municipal, Provincial, Federal Grants (\$150,500)

The City of Kingston \$65,000 annual operating grant has been supplemented by an additional \$60,000 in 2007. The CMOG annual grant of \$25,500 continues.

Gift Shop (\$23,000)

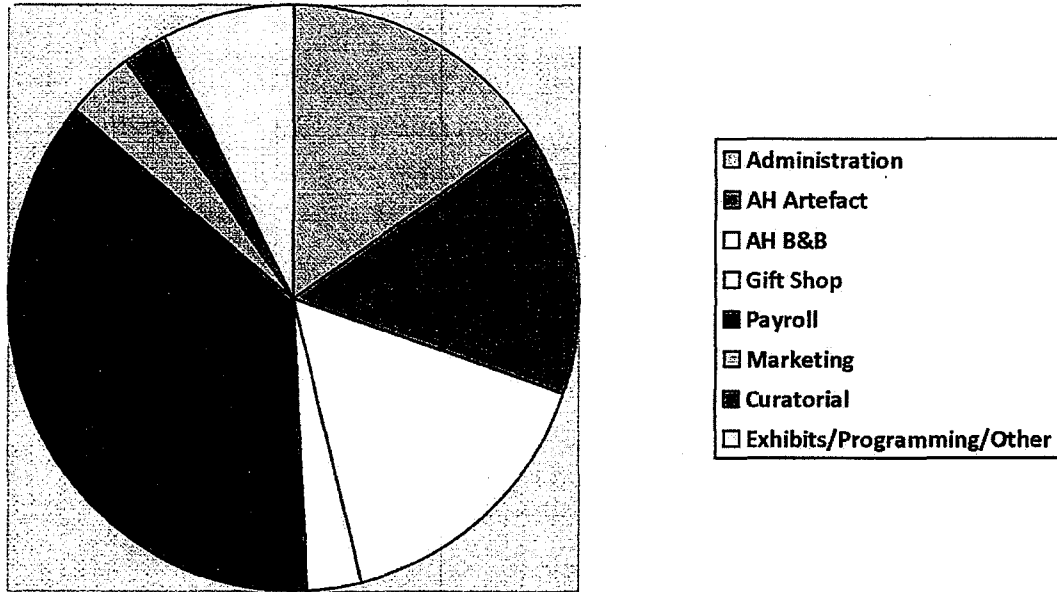
Sales will increase dramatically as all Nan Yeoman proceeds will be booked through the Gift Shop account. Expense will increase in a corresponding fashion as the money is subsequently remitted to the Nan Yeoman foundation.

All Other Revenue (\$50,400)

All Other revenue will be in line with 2006 and consists of Curatorial (\$6,500), Designated Funds transfer (\$7,314), Fund-Raising (\$5,000), Community Foundation Greater Kingston Interest (\$6,000), Parking Lot (\$10,500), Programming (\$9,000), Site Rental (\$3,000) and Deferred Contributions (\$8,200).

Expense

The following chart summarizes the planned expenditures for 2007.



Expenditure Detail

Alexander Henry Artefact (\$63,000)

Significant investment will be made in the Alexander Henry in terms of ship safety and security, maintenance and upgrades and mitigation of potential environmental hazards. Costs associated with moving the ship into the dry dock are budgeted. On-going annual costs associated with insurance, utilities, maintenance and restoration are also included.

Alexander Henry B&B (\$67,000)

The Alexander Henry B&B will operate on an abbreviated schedule for the 2007 season. The normal Victoria Day weekend opening will be delayed until the July 1st weekend to permit the museum ship to be moved into the Dry Dock, to further reduce any environmental hazards and to ensure those cabins that will be made available to guests have a minimal acceptable level of functionality and cleanliness. The intent is to focus on the officer level cabins and to not open the crew (backpack) cabins in 2007. The current plan is to close the B&B after the Labour Day weekend rather than at Thanksgiving. Staffing costs will be reduced in total and a “surge” staffing concept will be introduced to ensure maximum flexibility whether occupancy is up or down versus projections. The payroll costs associated with the seasonal employees hired to operate the B&B are budgeted in this account. The B&B requires five full-time (Manager, Assistant Manager, Host and Maids) and two part-time employees (Maids). Prices will

be raised between 10% and 30% to optimize the profitability of the B&B by recovering all variable costs associated with each cabin rental as well as contribute to the fixed costs of operating the B&B and maintaining the artefact. Because of the reduced season, reduction in cabins available and one-time catch-up maintenance costs, the B&B will not generate a surplus in 2007.

Payroll (\$158,000)

The Museum employs three full-time (Executive Director, Administrative Assistant, Facilities Manager) and four part-time seasonal staff (Museum Assistants, Book-keeper, Registrar). The seasonal staff hired to operate the B&B are budgeted in that account and not included in the headcount listed here. The part-time curator consultant is budgeted under Curatorial. The Museum is staffed in order to support an Hours of Operation schedule that surpasses the minimum required by CMOG.

Administration (\$65,000)

All costs associated with management operations the Museum are budgeted in this account including: audit expense, bank service charges, office equipment leases, insurance, utilities, maintenance, office supplies, computer and telephone expense, etc.

Gift Shop (\$13,000)

The cost of inventory purchased for sale in the gift shop. In 2007, the processing of funds raised by the Nan Yeoman exhibits will impact this account versus prior years.

Marketing (\$16,000)

The bulk of the Marine Museum marketing expense is associated with print and magazine/flyer advertising and event specific street banners. The cost of the member/volunteer quarterly publication *Jib Gems* is also included in this account. The Museum will work with the Kingston Accommodation partnership in 2007.

Curatorial (\$11,000)

The costs associated with the part-time registrar / curator consultant and materials needed to support the function including responding to research requests are included in this account.

Exhibits/Programming/Other (\$32,000)

This account includes expenses associated with fund-raising, Events & Activities, summer camps, Volunteers, Designated Funds projects and amortization/depreciation.

Excess Revenue for the Year

The Marine Museum of the Great Lakes at Kingston is expected to generate an excess of revenue versus expense for the fiscal year 2007 of \$29,757. Cash Flow is expected to be neutral.

Exhibits

- I. 2007 Plan P&L Analysis versus prior years (*Excel*)
- II. 2007 Profit & Loss Budget Overview by Month (*Excel*)
- III. Calendar of Events
- IV. Hours of Operation
- V. Affiliations

28-May-07
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Marine Museum of the Great Lakes
2007 Plan - P&L Analysis

Exhibit I

Actual / Projected	B&B July 1		Jan 25/07		
	2007 Plan	2007 Plan	2006 Actual	2005 Actual	2004 Actual
Revenue					
Alex Henry B&B	\$ 42,000	\$ 103,000	\$ 102,044	\$ 123,955	\$ 125,823
Museum Admissions	\$ 32,000	\$ 35,000	\$ 33,685	\$ 33,903	\$ 36,882
Curatorial	\$ 6,500	\$ 6,500	\$ 6,928	\$ 700	\$ 10,129
Collection Support	\$ -	\$ -	\$ -	\$ 12,063	\$ -
Designated - Mowat	\$ 500	\$ 2,000	\$ 1,780	\$ -	\$ 56,078
Designated Phoebe	\$ 6,914	\$ -	\$ 15,949	\$ -	\$ -
Designated - Page	\$ 29,400	\$ 29,400	\$ -	\$ -	\$ -
Donations/Pledges	\$ 83,604	\$ 60,000	\$ 121,285	\$ 25,511	\$ 42,357
Pledges-Donor Wall	\$ 5,000	\$ 5,000	\$ 5,078	\$ -	\$ -
FundRaising	\$ 5,000	\$ 8,000	\$ 7,370	\$ -	\$ -
Gift Shop Store	\$ 23,000	\$ 15,000	\$ 14,077	\$ 20,615	\$ 30,908
Grants-Employment	\$ 17,700	\$ 10,000	\$ 16,791	\$ 16,401	\$ 11,870
Grants-City	\$ 125,000	\$ 65,000	\$ 67,418	\$ 73,178	\$ 59,834
Grants-CMOG	\$ 25,500	\$ 25,500	\$ 25,485	\$ 25,484	\$ 33,206
Grants-CFGK	\$ -	\$ 6,165	\$ 335	\$ -	\$ -
CFGK-Interest Income	\$ 6,000	\$ 10,520	\$ 1,422	\$ 1,754	\$ 716
Museum Memberships	\$ 15,000	\$ 15,000	\$ 10,782	\$ 15,826	\$ 18,921
Parking Lot	\$ 10,500	\$ 10,500	\$ 10,465	\$ 705	\$ -
Camps	\$ 4,000	\$ 2,000	\$ 1,114	\$ -	\$ -
Programming/Education	\$ 3,977	\$ 3,500	\$ 3,146	\$ 6,226	\$ 10,722
Special Projects	\$ 1,000	\$ 2,500	\$ (641)	\$ 418	\$ -
Site Rental	\$ 3,000	\$ 3,000	\$ 5,242	\$ 2,048	\$ 5,218
Amortization of Deferred Conti	\$ 8,200	\$ 8,000	\$ 8,187	\$ 8,187	\$ 8,884
PHSM-City	\$ -	\$ -	\$ -	\$ 30,721	\$ 30,000
PHSM-Other	\$ -	\$ -	\$ -	\$ 2,500	\$ 2,322
PHSM Admissions	\$ -	\$ -	\$ -	\$ 5,238	\$ 6,520
Tea Room	\$ -	\$ -	\$ 9	\$ 3,672	\$ 3,218
Boat Pro Courses	\$ -	\$ -	\$ -	\$ -	\$ 6,498
Maritime Heritage Center	\$ -	\$ -	\$ -	\$ 22,751	\$ -
Investment Interest	\$ -	\$ -	\$ 494	\$ 838	\$ 791
Uncategorized Income	\$ -	\$ -	\$ 100	\$ (95)	\$ -
Revenue Actual/Outlook	\$ 453,695	\$ 415,585	\$ 458,544	\$ 432,599	\$ 500,897

-1% -9% 6%

Expenditures	B&B July 1		Jan 25/07		
	2007 Plan	2007 Plan	2006 Actual	2005 Actual	2004 Actual
AP-1987 Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Affiliations	\$ 1,050	\$ -	\$ -	\$ -	\$ -
Audit	\$ 7,500	\$ 6,000	\$ 8,650	\$ 5,475	\$ -
Administration	\$ 56,711	\$ 61,000	\$ 41,416	\$ 80,471	\$ 49,722
Alexander Henry	\$ 57,023	\$ 15,000	\$ 16,789	\$ 5,668	\$ 23,231
Alexander Henry Refit	\$ 6,030	\$ 6,500	\$ 335	\$ -	\$ -
Alexander Henry B&B	\$ 41,220	\$ 45,000	\$ 35,777	\$ 30,560	\$ 77,032
Alex Henry Payroll	\$ 25,909	\$ 36,736	\$ 54,292	\$ 58,032	\$ -
Alex Henry Benefits	\$ 3,627	\$ 5,143	\$ 5,429	\$ -	\$ -
Coll. & Acqu. (Mowat)	\$ 1,000	\$ 2,500	\$ 1,830	\$ 12,083	\$ 11,281
Curatorial Expense	\$ 11,085	\$ 8,000	\$ 8,406	\$ (897)	\$ -
Events & Activities	\$ 862	\$ 2,000	\$ 928	\$ 3,294	\$ -
FundRaising Expense	\$ 4,359	\$ 5,000	\$ 5,135	\$ -	\$ -
Designated Funds/Phoebe	\$ 9,814	\$ 5,000	\$ 15,949	\$ -	\$ 57,385
Gift Shop Store	\$ 13,125	\$ 12,000	\$ 10,774	\$ 17,633	\$ 28,988
Utilities/Maintenance/Security	\$ 4,118	\$ 8,500	\$ 25,301	\$ 4,893	\$ 32,605
Payroll & Benefits(ex. AH benefits)	\$ 126,951	\$ 122,167	\$ 156,833	\$ 199,229	\$ 139,602
Benefits	\$ 24,558	\$ 18,103	\$ -	\$ -	\$ -
Appreciation/Severance	\$ 5,500	\$ 5,500	\$ 1,800	\$ 16,000	\$ -
Programming Exhibitions	\$ 2,059	\$ 1,000	\$ 843	\$ 6,078	\$ 16,157
Summer Camp	\$ 1,800	\$ 1,000	\$ -	\$ 437	\$ -
Promotion	\$ 9,558	\$ 12,000	\$ 11,059	\$ 8,582	\$ 9,691
Communications(Jib Gems)	\$ 2,106	\$ 3,000	\$ 1,680	\$ 286	\$ -
Tearoom	\$ 150	\$ 200	\$ 177	\$ 4,333	\$ 1,217
Membership/Volunteer Service	\$ 450	\$ -	\$ -	\$ 594	\$ -
Amortization/Depreciation	\$ 11,000	\$ 8,000	\$ 10,761	\$ 11,226	\$ 8,845
Education	\$ -	\$ 1,000	\$ 69	\$ 6,015	\$ 8,374
Board of Trustees	\$ -	\$ -	\$ -	\$ 141	\$ -
Boat Pro Courses	\$ -	\$ -	\$ -	\$ -	\$ 2,063
Promissory Interest Expense	\$ -	\$ 650	\$ 629	\$ -	\$ -
Library	\$ -	\$ -	\$ -	\$ 132	\$ -
Other Designated Projects (Maritime Heritage Centre)	\$ -	\$ -	\$ -	\$ 10,873	\$ -
PHSM	\$ -	\$ -	\$ 0	\$ 5,743	\$ 87,763
PST	\$ -	\$ -	\$ (0)	\$ 3,661	\$ -
Site Rental/Parking Lot	\$ -	\$ 1,000	\$ 455	\$ 272	\$ -
Other	\$ -	\$ 2,500	\$ (630)	\$ 3,171	\$ 2,136
Total Expenditure	\$ 427,565	\$ 394,499	\$ 414,685	\$ 488,490	\$ 556,092

-15%

Income	\$ 26,130	\$ 21,086	\$ 43,859	\$ (55,891)	\$ (55,195)
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2007 Plan.xls

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Marine Museum of the Great Lakes at Kingston
 Profit & Loss Budget Overview

Exhibit II
 1/3

REPORT TO COUNCIL
 EXHIBIT A

COUNCIL MEETING 16 JUL 24 '07
 2007-07-24
 - Page 13 -

Report No.: 07-247

	Jan 07	Feb 07	Mar 07	Apr 07	May 07	Jun 07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07	Dec 07	TOTAL Jan - Dec 07
Ordinary Income/Expense													
Income													
B&B Income													
Guests	0.00	0.00	0.00	0.00	0.00	0.00	20,000.00	20,000.00	2,000.00				42,000.00
Admissions													
Admissions-General	200.00	200.00	800.00	1,500.00	3,500.00	5,500.00	8,000.00	7,000.00	3,500.00	1,500.00	200.00	100.00	32,000.00
Total Admissions	200.00	200.00	800.00	1,500.00	3,500.00	5,500.00	8,000.00	7,000.00	3,500.00	1,500.00	200.00	100.00	32,000.00
Curatorial													
Curatorial Services	150.00	150.00	150.00	150.00	70.00	80.00	200.00	200.00	50.00	50.00	50.00	200.00	1,500.00
Library-Archives					CSL	5,000.00							5,000.00
Total Curatorial	150.00	150.00	150.00	150.00	70.00	5,080.00	200.00	200.00	50.00	50.00	50.00	200.00	6,500.00
Designated Funds Income													
Phoebe/Mowat	50.00	50.00	100.00	100.00	100.00	100.00	6,814.00					0.00	7,314.00
Page Foundation													0.00
Total Designated Funds Incc	50.00	50.00	100.00	100.00	100.00	100.00	6,814.00	0.00	0.00	0.00	0.00	0.00	7,314.00
Donations													
Christmas Campaign	1,345.00											655.00	2,000.00
Museum	6,431.84	172.80	4,800.00	48,000.00	4,800.00	4,800.00	4,600.00	4,800.00	4,600.00	4,800.00	4,800.00	4,800.00	98,004.44
Pledges													
Donor Wall										2,500.00	2,500.00		5,000.00
Canada Steamship Lines					CSL	15,000.00							15,000.00
Total Donations	7,776.84	172.80	4,800.00	48,000.00	4,800.00	19,600.00	4,600.00	4,800.00	4,600.00	7,100.00	7,100.00	5,255.00	118,004.44
Fundraising Income					1,000.00	2,000.00				1,000.00	1,000.00		5,000.00
Gift Shop													
Books & Magazines	70.00	200.00	200.00	250.00	250.00	500.00	500.00	500.00	500.00	200.00	200.00	200.00	3,570.00
Canteen	0.00		50.00	50.00	250.00	250.00	400.00	400.00	300.00	100.00	50.00	0.00	1,850.00
Clothes	0.00	0.00	50.00	150.00	250.00	400.00	600.00	600.00	600.00	400.00	100.00	100.00	3,250.00
Novelties	0.00	0.00	150.00	150.00	150.00	250.00	600.00	600.00	600.00	250.00	100.00	100.00	2,950.00
Postcards	5.00	5.00	15.00	15.00	50.00	50.00	100.00	100.00	100.00	50.00	50.00	0.00	540.00
Posters/prints					25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	200.00
Publications	30.00			50.00	50.00	50.00	50.00	50.00	20.00	20.00	20.00	20.00	360.00
Stationary	130.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	680.00
Nan Yeoman Proceeds					1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	8,000.00
Toys			100.00	150.00	200.00	200.00	200.00	200.00	200.00	200.00	100.00	50.00	1,600.00
Total Gift Shop	235.00	255.00	615.00	665.00	2,275.00	2,775.00	3,525.00	3,525.00	3,395.00	2,285.00	1,695.00	1,545.00	23,000.00
Grants - Employment													
SJS-Summer Jobs Service	0.00					2,500.00							2,500.00
SCP-HRDC Summer Career Placement (\$16,668)						3,500.00							3,500.00
Kajita Mikam - First Nations (\$5250)							2,600.00	2,600.00					5,200.00
SDS-ST.Lawrence Young Canada Works (\$3480)								2,000.00					2,000.00
Young Canada Works-Internship (\$8445)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,500.00	0.00		4,500.00
Total Grants - Employment	0.00	0.00	0.00	0.00	0.00	6,000.00	0.00	2,600.00	4,600.00	4,500.00	0.00	0.00	17,700.00
Grants - Operating													
City of Kingston Grant		32,500.00					32,500.00						65,000.00
Ontario CMOG Grant								25,500.00					25,500.00
Operating Grants - General							60,000.00						60,000.00
Total Grants - Operating		32,500.00	0.00				92,500.00	25,500.00					150,500.00
Interest Income-CFOK							6,000.00						6,000.00
Memberships												1,000.00	15,000.00
Parking Lot	870.00	1,125.00	1,125.00	1,125.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	1,005.00	10,500.00
Programming													
Camp Income			2,000.00				1,000.00	1,000.00				0.00	4,000.00
Education					923.00	923.00		923.00		923.00	0.00	0.00	3,692.00
Programming - Other	285.00												285.00
Special Events							500.00			500.00		0.00	1,000.00
Total Programming	285.00	0.00	2,000.00	0.00	923.00	923.00	1,500.00	1,923.00	0.00	1,423.00	0.00	0.00	6,977.00
Site Rental					500.00	1,000.00	500.00	500.00	500.00				3,000.00
Amortization of Deferred Contributions												8,200.00	8,200.00
Total Income	18,866.84	36,152.60	12,390.00	51,740.00	13,718.00	43,728.00	144,389.00	66,598.00	19,395.00	18,818.00	10,795.00	17,305.00	483,695.44

Exhibit II
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Marine Museum of the Great Lakes at Kingston
Profit & Loss Budget Overview

January through December 2007

1:30
May 23, 2007
2007 Revised Budget

EXPENSE	Jan 07	Feb 07	Mar 07	Apr 07	May 07	Jun 07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07	Dec 07	TOTAL Jan - Dec 07
Expense													
Administration	375.00	875.00			7,500.00								1,050.00
Affiliations													7,500.00
Audit													600.00
Bank Charges & Interest	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Bank Service Charges	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Total Bank Charges & Intst	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
Computer Services													
Internet & email	118.00	118.00	118.00	118.00	118.00	118.00	118.00	118.00	118.00	118.00	118.00	118.00	1,416.00
Software	5,000.00	5,000.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	5,750.00
Total Computer Services	5,118.00	5,118.00	193.00	193.00	193.00	193.00	193.00	193.00	193.00	193.00	193.00	193.00	7,166.00
Credit Card Cost													
Insurance	100.00	100.00	340.00	340.00	340.00	340.00	340.00	340.00	340.00	340.00	340.00	340.00	3,800.00
Interest Expense	800.00	800.00	1,855.16	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	19,655.16
Office Equipment	230.00	230.00	230.00	230.00	230.00	230.00	230.00	230.00	230.00	230.00	230.00	230.00	2,760.00
Office Supplies	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	4,800.00
Postage	412.00	21.00	412.00	21.00	21.00	41.00	41.00	41.00	41.00	41.00	41.00	41.00	2,327.00
Printing & Copying	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	420.00
Staff Travel	258.00	450.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	1,750.00
Telephone	2,300.00	2,300.00	2,800.00	2,800.00	1,800.00	1,000.00	1,500.00	1,500.00	1,500.00	1,000.00	1,300.00	1,000.00	3,658.00
Utilities	2,778.00	10,178.00	7,080.16	5,984.00	11,784.00	3,765.00	3,914.00	3,914.00	3,914.00	3,389.00	3,689.00	4,821.00	18,600.00
Total Administration	2,778.00	10,178.00	7,080.16	5,984.00	11,784.00	3,765.00	3,914.00	3,914.00	3,914.00	3,389.00	3,689.00	4,821.00	66,281.16
Alexander Henry					Environmental Cleanup	Relocation							
Alex Henry Artefact	30.00	1,500.00		4,500 gallons	20,000.00	7,000.00							27,000.00
Alex Henry Refit Expense	875.00	875.00	2,000.00	2,000.00	2,000.00	2,500.00							6,000.00
Alex Henry Salaries	827.00	875.00	875.00	875.00	1,012.50	875.00	875.00	875.00	875.00	875.00	1,012.50	875.00	8,775.00
Insurance	1,800.00	200.00	2,200.00	2,200.00	2,200.00	2,000.00	200.00	200.00	200.00	200.00	200.00	200.00	5,346.00
Maintenance	48.28	48.28	48.28	48.28	48.28	48.28	48.28	48.28	48.28	48.28	48.28	48.28	10,000.00
Payroll expense (CPP & UI)	2,980.28	2,873.28	3,373.28	3,323.28	25,683.71	16,188.28	1,323.28	1,323.28	1,323.28	1,973.28	1,553.71	1,173.28	65,063.02
Total Alexander Henry	2,980.28	2,873.28	3,373.28	3,323.28	25,683.71	16,188.28	1,323.28	1,323.28	1,323.28	1,973.28	1,553.71	1,173.28	65,063.02
Bed & Breakfast Expense													
BAB - Maintenance/Upgrades													
BAB Food													
BAB Laundry													
BAB - Salaries													
BAB Administration													
BAB - Promotion/Supplies expense													
Total Bed & Breakfast Expense	120.00	120.00	0.00	0.00	1,125.00	4,086.00	2,000.00	2,000.00	3,101.00	800.00	450.00	450.00	10,000.00
Collections Support Expense													
Collection Doc. & Proc. Exp.	50.00	50.00	500.00	100.00	100.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	500.00
Mower Boat	100.00	100.00	100.00	100.00	100.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	500.00
Total Collections Support Ex	150.00	150.00	600.00	200.00	200.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	1,000.00
Curatorial expenses													
Cataloguing Supplies	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	1,000.00	1,000.00	500.00	1,000.00
Consultant Fees	75.00	75.00	50.00	50.00	50.00	300.00	50.00	50.00	130.00	50.00	290.00	50.00	8,500.00
Curatorial Services	100.00	100.00	100.00	100.00	80.00	800.00	90.00	40.00	40.00	80.00	80.00	440.00	1,145.00
Subscriptions	575.00	500.00	650.00	800.00	630.00	800.00	1,140.00	1,550.00	1,870.00	1,050.00	1,370.00	550.00	11,065.00
Total Curatorial expenses	1,250.00	1,275.00	1,350.00	1,500.00	1,360.00	1,900.00	1,420.00	1,620.00	1,970.00	1,180.00	1,750.00	1,020.00	11,065.00
Exhibition Expense													
Exhibit Equipment	300.00	300.00	300.00	150.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	300.00
Exhibit Supplies	27.55	27.55	600.00	150.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	581.55
Total Exhibition Expense	327.55	327.55	900.00	300.00	56.00	56.00	56.00	56.00	56.00	56.00	56.00	56.00	881.55
Fundraising Expense													
Food Tax	6.60	6.60	100.00	100.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6.60
Fundraising Supplies	1,018.50	1,018.50	100.00	100.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	4,116.60
Gratuity	235.53	235.53	100.00	100.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	235.53
Total Fundraising Expense	1,259.63	1,259.63	700.00	700.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	4,358.83
Designated Funds Expense													
Phoebe Internally Designated													
Total Designated Funds Expense													9,814.00

1:30
 1:00 PM
 May 28, 2007
 2007 Revised Budget

Marine Museum of the Great Lakes at Kingston
 Profit & Loss Budget Overview

Exhibit II
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REPORT TO COUNCIL
 EXHIBIT A

2007-07-24
 - Page 15 -

COUNCIL MEETING 16 JUL 24 '07

Report No.: 07-247

	January through December 2007												TOTAL
	Jan 07	Feb 07	Mar 07	Apr 07	May 07	Jun 07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07	Dec 07	Jan - Dec 07
Gift Shop Expense													
Canteen					750.00	500.00	500.00	250.00					2,000.00
Change in Inventory			300.00	5,000.00	2,000.00							(5,000.00)	2,300.00
Nan Yeoman Expense					1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	8,000.00
Consignment										100.00		425.00	525.00
Gift shop supplies			200.00	100.00									300.00
Total Gift Shop Expense	0.00	0.00	500.00	5,100.00	3,750.00	1,500.00	1,500.00	1,250.00	1,000.00	1,000.00	1,100.00	(3,575.00)	13,125.00
Maintenance & Repairs													
Electrical & Plumbing		100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,100.00
Janitorial Supplies	124.00		50.00		50.00		50.00		50.00		50.00		374.00
Materials and Supplies	33.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	583.00
Parking Lot-Expense				500.00	150.00					150.00	150.00		950.00
Security	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	34.00	408.00
Waste Management	58.62	58.62	58.62	58.62	58.62	58.62	58.62	58.62	58.62	58.62	58.62	58.62	703.44
Total Maintenance & Repairs	248.62	242.62	292.62	742.62	442.62	242.62	292.62	242.62	292.62	392.62	442.62	242.62	4,116.44
Payroll													
Administrative Staff	1,950.00	1,950.00	1,950.00	1,950.00	2,925.00	1,950.00	2,430.00	1,950.00	2,100.00	2,100.00	3,150.00	2,580.00	28,985.00
Benefits	227.00	227.00	227.00	227.00	227.00	227.00	227.00	227.00	227.00	227.00	227.00	3,227.00	5,724.00
Education Officer	600.00	675.00	750.00	600.00	1,350.00	1,500.00	1,650.00	1,875.00	975.00	675.00	750.00	300.00	11,700.00
Executive Director	3,692.30	3,692.30	3,692.30	3,692.30	5,538.00	8,692.30	3,692.30	3,692.30	3,692.30	3,692.30	5,538.00	4,892.30	53,999.00
Museum share (CPP,UIC)	584.22	569.31	541.78	531.58	930.48	737.55	644.80	873.52	710.80	684.15	1,021.71	773.29	8,582.99
AH Seasonal Staff Benefits					158.00	569.00	1,228.00	1,240.00	434.00				3,627.00
Physical Plant Manager	1,575.00	1,575.00	1,575.00	1,575.00	2,382.50	1,575.00	1,575.00	1,575.00	1,575.00	1,575.00	2,382.50	1,575.00	20,475.00
Registrar - salary								1,466.00	1,466.00	1,466.00	2,200.00	1,466.00	8,064.00
Seasonal Staff/Bookkeeper	480.00	480.00				2,973.00	2,970.00	2,483.00	383.00			480.00	10,249.00
Severance Pay				500.00							5,000.00		5,500.00
Staff Development	75.00		30.00		180.00		150.00		150.00	100.00		1,000.00	1,885.00
Workman's Compensation	29.00	29.30	27.88	27.36	47.89	37.80	33.18	43.83	35.53	33.14	54.81	38.78	438.58
Total Payroll	9,193.52	9,197.91	8,793.98	9,103.24	13,718.87	18,281.65	14,598.28	15,425.75	11,748.43	10,532.59	20,304.02	16,132.35	157,009.57
Programming-Events & Activities													
Audio Visual Supplies	38.00								38.00	38.00	38.00		152.00
Consultant Fees			1,800.00										1,800.00
Supplies	7.00		500.00		750.00	500.00		50.00	50.00	50.00			1,907.00
Total Programming-Events & Activities	45.00		2,300.00		750.00	500.00		88.00	88.00	88.00			3,659.00
Promotion & Advertising													
Brochures and Signs	0.00		2,000.00		200.00	1,000.00	200.00			200.00			3,600.00
Jib Gens & Freshwater pr	405.60		500.00			425.00			425.00		350.00		2,105.60
Print Media	397.35		450.00			350.00	350.00			350.00			1,897.35
Promotion General	890.00		850.00	200.00	185.00		638.00	822.00	425.00		300.00		3,710.00
Yellow Pages	29.25	29.25	29.25	29.25	29.25	29.25	29.25	29.25	29.25	29.25	29.25	29.25	351.00
Total Promotion & Advertising	1,522.20	29.25	3,629.25	229.25	414.25	1,804.25	1,217.25	851.25	879.25	579.25	329.25	379.25	11,683.95
Tearoom (expense)													
Tearoom - License	150.00												150.00
Total Tearoom (expense)	150.00												150.00
Volunteers													
Volunteer Supplies	20.00	20.00	50.00	20.00	50.00	50.00	50.00	50.00	50.00	50.00	20.00	20.00	450.00
Total Volunteers	20.00	20.00	50.00	20.00	50.00	50.00	50.00	50.00	50.00	50.00	20.00	20.00	450.00
Amortization												11,000	11,000.00
Total Expense	18,849	23,212	27,979	25,362	58,986	49,779	55,610	57,291	26,587	19,555	29,405	31,343	423,939
Net Ordinary Income	18	12,941	(15,589)	28,378	(45,288)	(8,051)	88,779	9,307	(7,172)	(937)	(18,610)	(14,038)	29,757
Net Income	18	12,941	(15,589)	28,378	(45,288)	(8,051)	88,779	9,307	(7,172)	(937)	(18,610)	(14,038)	29,757
Cumulative Net Income	18	12,958	(2,631)	23,747	(21,522)	(27,573)	61,206	70,513	63,342	62,405	43,795	29,757	
2007 Bank Balance			\$ 59,411	\$ 50,278									
Proj. Bank Balance					\$ 5,010	-\$ 1,041	\$ 97,737	\$ 97,044	\$ 89,873	\$ 88,936	\$ 70,327	\$ 58,288	

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Exhibit III

CALENDAR OF EVENTS - 2007

(October 23, 2006 "DRAFT")

Date	Event	Purpose	Responsible	Comments
15 January	Film: <i>The Riddle of the Sands</i>	Adult Ed programming	ED	
28 January	Lecture: Pam Buell, Parks Canada; 175 th anniversary Rideau Canal	Adult Ed programming	Lecture Committee; ED	
11 February	Film: <i>Whisky Galore!</i>	Adult Ed Programming	ED	
March	Shoulder Season Opening	Public Programming	All Staff	4 days/week public hours
March	Nan Yeoman's Exhibit Launch		Yeoman's Estate	
mid April	Clean Up Day	Volunteer Event	Facilities/Vol Committee	New event ; Welcome back volunteers; volunteer recruitment
April/May	Marine Flea Market	Fundraising	Fundraising Committee	New event
04 May – to 08 October	B&B Opens		B&B Manager; Facilities Manager	Postponed to July 1 st to move ship
May 27	Annual General Meeting	Members Event	Board, ED	
21 May to 08 October	Full Season Opening	Public Programming	All Staff	7 day a week public hours
June	First Capital Days	Public Programming	Programme Staff	
June	Doors Open	Public Programming	Programme Staff	Dependant on City of Kingston
17 June	Father's Day Brigantine Sail	Fundraising	Fundraising Committee	Second year
17 June	Used Marine Book Sale	Fundraising	Accessions/Fundraising Committee	Tentative Date
August	Volunteer and Member BBQ	Volunteer & Member Event	Volunteer Committee	
19 September	Talk Like a Pirate Day	Fundraising	Fundraising Committee	New event – proposed for consideration 2007
September	Lecture	Adult Ed Programming	Lecture/ Programming Committee	Speaker to be decided
08 Oct. –Nov. 30	Shoulder Season	Public Programming		4 day a week public hours
October	Film	Adult Ed Programming	Programming Committee	Season theme/film list to be decided
November	Lecture	Adult Ed Programming	Programming Committee	Speaker to be decided
November	Volunteer Pot Luck Luncheon	Volunteer Event	Volunteer Committee	Volunteer Recognition
December	Christmas Party	Volunteer Event	Board	
Mid December	Close for Season	Public Programming	Staff	
31 December	<i>Night at the Museum</i>	Fundraising	Fundraising Committee	Second year

Exhibit IV
1/3

HOURS OF OPERATION

Date	Staff	Museum	Alexander Henry B&B	Camps
2007				
January	Furlough?	Closed	Closed	
February	9-5		Closed	
March	9-5		Closed	Spring Break?
April	9-5		Closed	
May	9-5		Opens - May 21	
June	9-5			
July	9-5			KAM
August	9-5			KAM
September	9-5		Close - Sept 4	
October	9-5		Closed	
November	9-5		Closed	
December	Furlough Dec. 24-Jan. 4/08		Closed	

STAFFING HOURS

Date	Executive Director	Admin. Assist.	Facilities Manager	Member/ Guest Services	Seasonal Staff	Camps
2006						
October	M-F 9-5			Closed-Oct. 10		
November	M-F 9-5			Closed		
December	M-F 9-5		Furlough Dec. 27-Jan. 5/07	Closed		Christmas Break?
2007						
January	M-F 9-5			Closed		
February	M-F 9-5	1 wk Furlough		Closed		
March	M-F 9-5			Closed		Spring Break?
April	M-F 9-5			Closed		
May	M-F 9-5		Th-Mon 9-5	Opens-May 21		
June	M-F 9-5					
July	M-F 9-5					KAM
August	M-F 9-5					KAM
September	M-F 9-5			Close - Sept 4		
October	M-F 9-5			Closed		
November	M-F 9-5			Closed		
December	M-F 9-5			Closed		

Exhibit IV
2/3

Hours of Operation and Staffing Estimated Costs – Key Assumptions

- 1) CMOG: To meet requirements, our public open hours should be:
 - a. Closed: January, February, December
 - b. Shoulder Season: March-May; September-November; 5 days a week, Tuesday through Saturday; 10 am to 4 pm
 - c. Full Season: Victoria Day to Labour Day; 7 days a week, 10 am to 4 pm daily
 - d. Open Hours can be reduced by closing for the month of November if revenue targets not by mid-August

	Days Open	Hours
January	CLOSED	
February	CLOSED	
March	20	120
April	20	120
May	27	162
June	30	180
July	31	186
August	31	186
September	21	126
October	22	132
November	20	120
December	CLOSED	
TOTAL		1332

- 2) B&B Operating Season:
 - a. Shoulder Season: May (Victoria Day)/June; September (Labour Day)/October (Thanksgiving): Friday, Saturday, Sunday operation – open Thursday 17 May, close 8 October. *Subsequently shortened for 2007 (July 1 to September 6)*
 - b. Full Season (July/August): seven day a week operation
 - c. Operation can be reduced to Labour Day end date if revenue targets not met by first of August
- 3) Minimum Wage:
 - a. Base rate: \$8.00/hr effective Feb 2007 (\$7.75 per hour in 2006)
 - b. Rate for students under 18 yrs. (i.e. Stefani in 2006): \$7.50/hr effective Feb 2007 – up to 28 hours per week
- 4) 2007 Student Salary Rate: based on 2006 (\$1 above minimum wage) = \$9 per hour; \$7.5 for students under 18 years

Exhibit IV
3/3

5) Seasonal Staff Start Dates:

- a. B&B Manager: 16 April to 26 October; 5 days/week x 7.5 hours/day @ \$15/hr.
(NOTE: Manager's salary for 2006 was \$19 per hour)
- b. Training Week: ALL: 7-12 May; 7.5 hours/day, irrespective of start dates
- c. Contract Start Dates by Position:
 - i. Museum Assistant: 18 May to 21 May inclusive then Tuesdays to Sundays and Holiday Mondays until 3 September
 - ii. Museum Assistant (Student): Saturdays, Sundays and Holiday Mondays, July
 - iii. B&B Assistant (Night) Manager: 30 April to 3 September inclusive; 3 days/week x 7.5 hours/day @ \$12/hr; security bonus dropped from 30 April to 1 July; 5 days a week for July to Labour Day
 - iv. B&B Crew:
 1. Host: Thursday 17 May to Labour Day, extension beyond Labour Day is revenue dependant; 3 days/week x 7.5 hours (4 pm to 11 pm); position extends to 5 days a week for July and August
 2. Part-Time Host: as above; 1 July to Labour Day; 2 days a week
 3. Maid: 7 am to 11 am; 17 May to Labour Day, extension beyond Labour Day is revenue dependant; 3 days/week x 4 hours (7 am to 11 am); position extends to 5 days a week for July and August
 4. Additional Maids (2&3): Start 17 May to Labour Day; 2-3 days a week, 4 hours per day and start 1 July to Labour Day, 2 days a week maximum, 4 hours per day as required.
 5. Extra Cleans: 1 student under 18, July and August; hours as required (no more than 28 hours per week). NOTE: schedule priority" before Additional Maid (3)

- 6) Book-keeper: Assumption is that Carrol's paid hours will cease at the end of February 2007 at the latest and that she will work one day a week in December preparing for the 2008 audit.

Curatorial Assistant: replaced with Registrar's Position, start of 5 November 2007, 5 days a week. If funding is available through Job Creation Program, consider starting position earlier in year.

Affiliations and Subscriptions: (\$1,350.00)

Exhibit V

Affiliations (Canadian Museum Association) are membership fees we pay to an organization, which just happens to provide us with a publication. Library: these are memberships which provide us with publications for the Library and/or subscriptions only.

Institution/Publisher	Type	Dues	Periodical
Canadian Museums Assoc	Affiliation	\$450	MUSE
Council of American Maritime Museums	Affiliation	\$75 US	N/A
KAM (Kingston Museums)	Affiliation		
Ontario Museum Assoc	Affiliation	\$75	Currently
Attractions Ontario	Affiliation		
Friends of the Rideau	Affiliation	\$35	Rideau Reflections
Greater Kingston Chamber of Commerce	Affiliation	\$243.80	
Kingston Accommodation Partners	Affiliation		
Volunteer and Information Kingston	Affiliation	\$150.00	
Ass'n for Great Lakes Maritime History	Library	\$50 US	Newsletter
Australian Maritime Museum	Library		Signals
Cdn Antique and Classic Boat Soc.	Library		Classic Boat
Canadian Canal Society	Library		Canals Canada
Canadian Hydrographic Service	Library	\$32	Maritime Magazine
Canadian Nautical Research Society	Library	\$80	Arognauta & the Northern Mariner
Canadian Sail Training Association	Library		Tallships Canada
CSL International	Library		CSL World
Commonwealth Business Media	Library	\$130	Canadian Sailings
Friends of the Phoebe	Library		The Phoebe Legacy
GAM	Library	\$15?	GAM on Yachting
Great Lakes Commercial Shipping	Library		Seaway Review
Great Lakes Historical Society	Library	\$49 US	Inland Seas & The Chadburn
International Economic Maritime History Assoc.			Research in Maritime History
Int'l Journal of Maritime History	Library	\$45-75 US	
Marine Art Quarterly	Library	\$35 US	Marine Art Quarterly
Marine Historical Soc. Of Detroit	Library	\$30 US	The Detroit Marine Historian
National Oceanographic & Atmospheric Administration	Library	\$26 US	Mariner's Weather Log
Nautical Research Guild Inc.	Library	?	Nautical Research Journal
Save Ontario Shipwrecks	Library		S.O.S.
Society for Nautical Research	Library	\$104	Mariner's Mirror
Steamship Historical Society	Library	\$40 US	
Thunder Bay Museum	Library	\$10	Newsletter
Toronto Marine Historical Society	Library	\$40	The Scanner
Traditional Small Craft Assoc.	Library	\$25 US	Ash Breeze
Upper Lakes Shipping	Library		Upper Lakes News
WoodenBoat Publications	Library	\$41 US	Maritime Life and Traditions
WRCNS Assoc. of Kingston	Library		WRCNS Newsletter



CITY OF KINGSTON
REPORT TO COUNCIL

Report No.: 07-250

TO: Mayor & Council

FROM: Cynthia Beach, Commissioner, Sustainability & Growth

RESOURCE STAFF: Barclay Mayhew, Director, Project Development

DATE OF MEETING: 2007-07-24

SUBJECT: MULTIPLEX – AWARD OF PRO SHOP CONTRACT

EXECUTIVE SUMMARY:

In April 2007 staff provided Council with an information report with respect to the process that would be followed to issue Requests for Proposals (RFP's) for the four major revenue streams for the ongoing operation of the Multiplex. Staff developed and issued an RFP for Pro Shop Operation For The New Multiplex on June 6, 2007 with a closing date of June 27, 2007.

One (1) proposal was received, was evaluated and met the following criteria:

1. Business Plan and Financial Compensation
2. Product/Equipment/Service Characteristics
3. Company Profile
4. Ontarians with Disabilities Act



Representatives from the Multiplex Project, Facilities Management and the Legal Department have met with the proponent and recommend that the contract for Pro Shop Operation for the Multiplex be awarded to Pro Graphics Sports Ltd.

RECOMMENDATION:

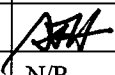
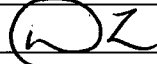
THAT staff be authorized to negotiate an agreement with Pro Graphics Sports Ltd. for the Pro Shop Operation for the Multiplex for an initial license of three years with an option to renew for another three years if mutually agreed upon, and

THAT the Mayor and Clerk be authorized to enter into such agreement in a form satisfactory to the Director of Legal Services.

AUTHORIZING SIGNATURES:

 Cynthia Beach, Commissioner, Sustainability & Growth Group
 Glen Laubenstein, Chief Administrative Officer

CONSULTATION WITH THE FOLLOWING COMMISSIONERS:

Commissioner Beach, <i>Sustainability & Growth</i>	✓
Commissioner Segsworth, <i>Public Works & Emergency Services</i>	N/R
Commissioner Hunt, <i>Finance & Corporate Performance</i>	
Commissioner Thurston, <i>Community Development Services</i>	N/R
Commissioner Leger, <i>Corporate Services</i>	
Jim Keech, President, <i>Utilities Kingston</i>	N/R

(N/R indicates consultation not required)

July 24, 2007

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OPTIONS/DISCUSSION:

In April 2007 an information report was provided to Council describing the process for the issuance of Requests for Proposals (RFP's) for the Multiplex Community Centre Project.

An RFP for the supply and delivery of pro shop services including sale and service of sports equipment and clothing and the servicing of equipment and skate sharpening was issued on June 6, 2007 with a closing date of June 27, 2007.

One proposal was received and evaluated by staff: Pro Graphics Sports Ltd. (PG Sports). The proposal was evaluated based on the following criteria:

1. Pricing and related costs
2. Product/Equipment/Service Characteristics
3. Company Profile
4. Value Added Components
5. Ontarians with Disabilities Act

The draft Multiplex Business Plan – January 2006 has an estimated vending revenue of \$15,000 per year. The proposal submitted by PG Sports includes a yearly revenue for the City of \$13,200 payment of all initial fit up costs.

Based on the above evaluation staff are recommending that the Pro Graphics Sports Ltd. be awarded the contract for the supply and delivery of sports equipment and services in the Multiplex pro shop.

Pro Graphics owners have indicated that they will operate with full time staff and hours of operations will be agreed upon with facilities Management. The proposal received from PG Sports includes funds to provide appropriate fit up of the space in keeping with design elements of the building and to the satisfaction of the City of Kingston. PG Sports have indicated that they want to work as a partner with the City to enhance the experiences of all attendees to the facility.

EXISTING POLICY/BY LAW:

There is no existing policy/by law.

NOTICE PROVISIONS:

There are no notice provisions.

ACCESSIBILITY CONSIDERATIONS:

Pro Graphics will design their facility to be fully accessible

July 24, 2007

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FINANCIAL CONSIDERATIONS:

The draft Multiplex Business Plan – January 2006 has an estimated vending revenue of \$15,000 per year. The proposal submitted by PG Sports includes a yearly revenue for the City of \$13,200 plus all initial fit up costs.

CONTACTS:

Cynthia Beach, Commissioner, Sustainability & Growth Group (613-546-4291, ext. 1150)
Barclay Mayhew, Director, Project Development (613-546-4291, ext. 1350)

OTHER CITY OF KINGSTON STAFF CONSULTED:

Gerard Hunt, Commissioner, Finance & Corporate Performance
Denis Leger, Commissioner, Corporate Services
Mark Fluhrer, Director, Dept. of Culture & Recreation

EXHIBITS ATTACHED:

Not applicable.