

**Transfer of Funds from the Eglinton Flats Reserve Fund
(XR3204)**

Date:	October 7, 2008
To:	Budget Committee
From:	Brenda Patterson, General Manager, Parks, Forestry and Recreation
Wards:	Ward 11 – York South – Weston
Reference Number:	

SUMMARY

Parks, Forestry and Recreation (“PFR”) has a reserve fund in place that is dedicated by agreement to aggregate an annual fixed amount from the Eglinton Flats Winter Tennis operation. The purpose of the reserve fund is for resurfacing of tennis courts and other tennis related state of good repair works.

Authority is being requested to transfer \$22,500 from the Eglinton Flats Reserve Fund (XR3204) to the PFR Division’s operating funds to pay for resurfacing of six tennis courts at Eglinton Flats Park.

RECOMMENDATION

The General Manager, Parks, Forestry and Recreation recommends that:

1. Authority be granted to the appropriate City officials to apply \$22,500 from the Eglinton Flats Reserve Fund (XR3204) to the Parks, Forestry and Recreation Division’s operating budget to allow for the payment to Tennex Systems Inc. for the resurfacing of the 6 north quadrant tennis courts at Eglinton Flats Park; and
2. the Parks Forestry and Recreation 2008 Operating Budget be increased by \$22,500 gross, 0 net, fully funded from the Eglinton Flats Reserve Fund (XR3204), with a corresponding reversal in 2009, for this is a one time occurrence.

Financial Impact

The funds for this purpose are currently held in the Eglinton Flats Reserve Fund (XR3204). The reserve fund balance is currently \$22,500 with annual contributions from First Service Tennis Management of \$7,500 per year.

A 2008 in-year operating budget adjustment is required to access the reserve funds and pay for the vendor for resurfacing. A net-zero budget adjustment will be required to increase Parks, Forestry and Recreation's Gross 2008 Operating Budget expenditures by \$22,500 funded from the Reserve Fund. This 2008 in year adjustment will be reversed in 2009.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

City Council at its meeting on January 27, 28 and 29, 2004 adopted Policy and Finance Committee Report No. 1, Clause 37, titled "Operation and Maintenance of a Winter Tennis Facility Installation of New Tennis Bubble at Eglinton Flats – RFP" created the Eglinton Flats Reserve Fund (XR3204) that First Service Tennis Management Inc. the operator of the winter tennis club at Eglinton Flats Park would contribute \$7,500.00 annually as per the agreement. First Service Tennis Management Inc. also pays a base rent to the City of \$55,000.00 annually plus 15% of net revenues annually from the operation of the facility.

(www.toronto.ca/legdocs/2004/agendas/council/cc040127/pof1rpt/cl037.pdf)

COMMENTS

The six north quadrant tennis courts at Eglinton Flats Park were in need of resurfacing and Tennex Systems Inc. was contracted to resurface the tennis courts.

Tennex Systems Inc. completed the work and issued an invoice for \$22,500 (including GST) to the City of Toronto for payment.

The work completed meets the City's requirements, and funds are required from the Eglinton Flats Reserve Fund (XR3204) to pay the outstanding invoice.

The Eglinton Flats Reserve Fund (XR3204) was established for ongoing capital improvements to the winter tennis facility, including resurfacing, upgrading of tennis posts, nets and straps and other improvements deemed necessary by the General Manager of Parks, Forestry and Recreation.

The resurfacing of the tennis courts falls within the purpose of the reserve fund, but in order to make payment funding must be transferred from the Reserve Fund to the Operating Budget.

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SIGNATURE

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