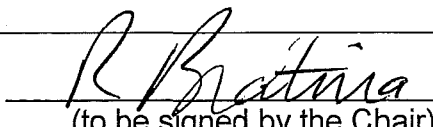




HECFI BOARD OF DIRECTORS REPORT

11-002

To:	Mayor and Members of Council	
From:	Bob Bratina, Interim Chair HECFI Board of Directors	 (to be signed by the Chair)
Date:	October 31, 2011	
Re:	Financing of the 2011 HECFI Budgetary Variance	

Recommendation:

- (a) That the Work-in-Progress Account 3720841802 for "Copp's Coliseum Permanent Seating Refurbishment" be closed and the unspent balance of \$1,000,000 be transferred to the HECFI Reserve for Capital Projects;
- (b) That any 2011 HECFI Budgetary Variance, including unbudgeted one time restructuring costs, be funded from the HECFI Reserve for Capital Projects to a maximum of \$1,000,000;
- (c) That if the 2011 HECFI Budgetary Variance, including unbudgeted one time restructuring costs, exceed \$1,000,000, that City Council be requested to fund any excess.

Information:

The HECFI Board of Directors approved the recommendations of the staff report hereto attached as Appendix "A".

Appendix A to HECFI Board of Directors Report 11-002

HAMILTON ENTERTAINMENT AND
CONVENTION FACILITIES INC.

FOR ACTION

MEMO TO : HECFI BOARD OF DIRECTORS
FROM : Mr. J. Hertel
Interim Chief Executive Officer
: Mr. R. DiFilippo, CA
Corporate Controller
DATE : October 24, 2011
SUBJECT : FINANCING OF THE 2011 HECFI BUDGETARY
VARIANCE

RECOMMENDATION:

THAT THE HECFI BOARD OF DIRECTORS RECOMMEND TO COUNCIL:

1. THE CLOSURE OF WORK-IN-PROGRESS ACCOUNT 3720841802 "COPPS COLISEUM PERMANENT SEATING REFURBISHMENT" AND TRANSFER THE UNSPENT BALANCE OF \$1,000,000 TO THE HECFI RESERVE FOR CAPITAL PROJECTS,
2. THE FUNDING OF ANY 2011 HECFI BUDGETARY VARIANCE, INCLUDING UNBUGETED ONE TIME RESTRUCTURING COSTS, FROM THE HECFI RESERVE FOR CAPITAL PROJECTS TO A MAXIMUM OF \$1,000,000, and
3. THAT IF THE 2011 HECFI BUDGETARY VARIANCE, INCLUDING UNBUDGETED ONE TIME RESTRUCTURING COSTS, EXCEED \$1,000,000, CITY COUNCIL BE REQUESTED TO FUND ANY EXCESS.

Mr. J. Hertel
Interim Chief Executive Officer

Mr. R. DiFilippo, CA
Corporate Controller

Appendix A to HECFI Board of Directors Report 11-002

BACKGROUND:

For the 2009 and 2010 budget years, Council previously approved two allocations of \$500,000 towards a project to refurbish the upper bowl seating in Copps Coliseum and established work-in-progress account 3720841802.

The project was deferred due to budgetary pressures, and the relatively few times per year that the upper bowl is in use.

The \$1M for this project currently remain in the City's account. With the Board's support and Council's approval, the funds could be transferred into HECFI's Capital Reserve account and used to offset any unbudgeted operating losses, including the unbudgeted one time restructuring costs, and in doing so would be protecting taxpayers against negative impacts in the 2012 budget.

This is the same account that has been used in 2011 to cover the cost of KPMG's Phase One and Two projects for an estimated \$240,000.