

THE MUNICIPALITY OF LAMBTON SHORES

Report DCS 33-2023

Council Meeting Date: December 19, 2023

TO: Mayor Cook and Members of Council
FROM: Ashley Farr, Director of Community Services
RE: YMCA Agreement

RECOMMENDATION:

THAT Report DCS 33-2023 regarding the “YMCA Agreement” be received; and

THAT the agreement with the YMCA of Southwestern Ontario for the operation of the Suncor Wellness Centre located at the Shores Recreation Centre be approved; and

THAT the By-Law authorizing the Mayor and Clerk to sign the agreement be approved.

SUMMARY

This report seeks Council approval of the agreement with the YMCA of Southwestern Ontario for the continued operation of the Suncor Wellness Centre for an additional three years.

BACKGROUND

At its November 28, 2023 meeting, Council passed the following resolution:

***THAT** Report DCS 30-2023 regarding the “YMCA Agreement Renewal” be received; and*

***THAT** staff be directed to negotiate a three-year agreement renewal with the YMCA to be presented at the December 19, 2023 Council meeting.*

A copy of the agreement is attached to this report. There are no notable changes from the previous agreement.

The existing agreement with the YMCA includes a management fee of 15.5% on actual revenue, with a revenue sharing clause whereby the Municipality receives 40% of membership revenue beyond a 350 threshold, which helps to offset the management fee. This arrangement is unchanged from the previous agreement.

All fitness and administration equipment located in the facility remains the property of the Municipality, apart from some of the group fitness class equipment purchased corporately through the YMCA of Southwestern Ontario.

ALTERNATIVES TO CONSIDER

There are no alternatives presented based on the direction received from Council as the November 28, 2023 meeting.

RECOMMENDED ACTIONS

The recommendation of this report is to approve the agreement with the YMCA for the operation of the Suncor Wellness Centre located at the Shores Recreation Centre. The agreement will be in place from January 1, 2024 to December 31, 2026.

FINANCIAL IMPACT

There are no changes to the existing financial arrangement proposed in the updated contract. The Municipality pays a management fee that is equal to 15.5% of actual revenue. The anticipated management fee to the Municipality for 2024 is \$41,733 based on the YMCA draft 2024 budget. Once memberships exceed 350, the management fee is offset by the revenue sharing arrangement identified in the agreement. The 2023 revenue earned to date is just under \$40,000.

It is important to note that the Municipality retains any operating surplus of the YMCA, and is responsible for paying any budget shortfalls. This is unchanged from the existing agreement. Both the Municipality and YMCA strive to ensure that there is no operating deficit.

The Municipality remains responsible for other operational expenses related to the facility including cleaning and the cost of utilities. This is unchanged from previous years.

CONSULTATION

YMCA of Southwestern Ontario
Janet Ferguson, Director of Financial Services
Stephanie Troyer-Boyd, Director of Corporate Services
Steve McAuley, CAO
Intact Insurance