



# REPORT

To: Chair and Directors

Report Number: FN-BRD-015

From: Teri Vetter, Chief Financial Officer

Date: September 2, 2020

**Subject: 2020 Surplus from F275 – Grants to Community Organizations**

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## **RECOMMENDATION: [Corporate Unweighted]**

That the Regional Board receive the report “2020 Surplus from F275 – Grants to Community Organizations, FN-BRD-015” for discussion.

## **BACKGROUND/RATIONALE:**

At the August 18, 2020 Special Board Meeting, the Regional Board passed the following resolution:

*MOVED, SECONDED and CARRIED*

That the Regional Board be provided with a report on the anticipated 2020 surplus balance of Function 275 – Grants to Community Organizations, and the potential to use the surplus to fund Regional Grants-in-Aid and Economic Development projects in the 2021 budget year as the Board determines a path forward for economic development and grants to community organizations.

On May 7, 2020, the Regional Board passed the following resolution:

*MOVED, SECONDED and CARRIED*

That the Regional Board allocate the \$100,000 currently budgeted for the Northeast Physician Recruitment position to another use within the Grant to Community Organizations budget

Further, on May 28, 2020, the Regional Board passed the following resolution:

*MOVED, SECONDED and CARRIED*

That the Regional Board authorize a grant in the amount of \$100,000, payable from Grants to Community Organizations, Medical Recruitment, to the North Peace Division of Family Practice in support of their UBC Rural Fort St. John Residency Program, as needed.

## **ALTERNATIVE OPTIONS:**

1. That the Regional Board provide further direction.

## **STRATEGIC PLAN RELEVANCE:**

☒ Not Applicable to Strategic Plan.

**FINANCIAL CONSIDERATION(S):**

The following multi-year commitments were approved by the Regional Board for funding:

• Canadian Cancer Society	\$50,000	Ending in 2021
• Peace Liard Regional Arts Council	\$10,000	Ending in 2021
• SPHSS – Health Prof. Retention & Accommodations	\$75,000	Ending in 2021
• Shock Trauma Air Rescue Service (STARS)	\$170,000	Ending in 2022
• School District 60 – Rural Learn to Swim	\$10,000	Ending in 2021
• SP District Crime Prevention – One Call Subscription	<u>\$1,400</u>	Ending in 2021

**Total of commitments made for 2021** **\$316,400**

**Total of commitments made for 2022** **\$170,000**

The anticipated surplus is estimated at approximately \$330,933, given that a number of general grants within the function were denied in May 2020 due to COVID-19, and the prior year surplus was not fully utilized. This is assuming that the following will be paid out in 2020:

• SPHSS – Health Prof. Retention & Accommodations	\$75,000
• NP Division of Family Practice Grant	\$100,000
• Health Care Scholarships	\$89,389
• Search and Rescue GIA	\$50,000
• Rural GIA – Area , B, C, D, E	\$469,691

Note that of the \$469,691 for Rural GIA expense, there is revenue (Fair Share, PRA, Gas Tax) of \$319,191.

If it is decided that none of these will be paid out in 2020, the surplus would be estimated at \$786,822. This is deducting the revenue (\$319,191) that would have been brought in from Reserves for Rural GIA.

**COMMUNICATIONS CONSIDERATION(S):**

If grants are not going to be offered in 2021, the Regional Board may want to consider some form of public messaging informing societies that there will be no grants awarded in 2021.

**OTHER CONSIDERATION(S):**

As discussed on August 18, 2020, there is no authority under Function 275 in 2021 to budget or requisition for South Peace Health Services Society (SPHSS), NP Division of Family Practice, Health Care Scholarships, STARS, and Search and Rescue grants. Consideration under the current estimated 2020 surplus could cover the remaining 2021 commitments, if the Regional Board chooses, with \$14,533 remaining. Note that the 2021 commitments do not include Search & Rescue grants or Health Care Scholarships.

In addition to the above noted grants, the Health Care Scholarship Committee would like to add \$30,000 towards the Northern Baccalaureate Nursing Program that is tentatively beginning in September 2021. This would create another scholarship stream to Health Care Scholarships, which currently does not have a function to budget for due to inadequacy of the SLP that has been historically relied upon for grants. It is intended that the July 2, 2020 recommendation from the Committee will come forward to the Regional Board for consideration after the SLP's have been updated.