



REPORT

To: Chair and Directors

Report Number: FN-BRD-013

From: Teri Vetter, Chief Financial Officer

Date: July 31, 2020

Subject: Establishing a Service Function – Regional Grant-in-Aid Contributions

RECOMMENDATION #1: [Corporate Unweighted]

That the Regional Board consider STARS - Shock Trauma Airlift Rescue Society for the establishment of an Air Ambulance service function in the region.

RECOMMENDATION #2: [Corporate Unweighted]

That the Regional Board consider Tumbler Ridge Museum Foundation for the establishment of a Museum service function in the region.

RECOMMENDATION #3: [Corporate Unweighted]

That the Regional Board consider Tumbler Ridge Global Geopark Society for the establishment of a Geopark service function in the region.

RECOMMENDATION #4: [Corporate Unweighted]

That the Regional Board decline the establishment of a service function to support PRRD funded hockey events in the region.

BACKGROUND/RATIONALE:

This report is being brought forward as the result of the Regional Board meeting held on June 11, 2020, the Regional Board passed the following resolution:

MOVED, SECONDED and CARRIED

That the Regional Board evaluate the hockey events that receive funding from the PRRD, to inform the consideration of the establishment of a service function in the region; further, that a workshop be held for the Regional Board to consider the administration of regionally funded grants, and to review and discuss the completed evaluations of PRRD funded hockey events, STARS, the Tumbler Ridge Global Geopark Society, and the Tumbler Ridge Museum Foundation.

Information contained in this report is to assist the Regional Board with their evaluation and determination of whether a service function should be established for STARS, TRGGS, and TRMF and to provide an explanation on how the Hockey Canada events held in the region have been funded.

Shock Trauma Airlift Rescue Society (STARS)

Since 2009, the total PRRD grant contribution paid to STARS is \$1,836,528 with all funding provided through Function 275, Grants to Community Organizations. Information provided by STARS explains

how PRRD grant funding has been used to support direct operations, mission flights, pilots and crew, training, medical supplies and equipment. STARS states that funds received from the PRRD directly support missions flown within the PRRD and those for PRRD residents that may have occurred within Alberta. The cost per mission, given the vast remote areas in the northern region, is \$7,200 and takes an average of two hours each mission. Over the past eleven (11) years, 2009-2019, STARS has flown 157 missions within the PRRD resulting in a total cost of \$1,130,400. A list of PRRD grants paid shown below.

2013 – 2020 (\$170,000/year)	\$1,360,000
2010 – 2012 (\$120,000/year)	\$ 360,000
2009	<u>\$ 116,528</u>
Total	\$1,836,528

Tumbler Ridge Global Geopark Society (TRGGS)

Since 2014, the total PRRD grant contribution paid to TRGGS is \$660,000. A total of \$630,000 was paid from Function 275, Grants to Community Organizations and \$30,000 was paid from Function 140, Economic Development. TRGGS submitted a breakdown of grant expenditures which indicates for each annual operational period (April 1 to March 31) how grant funding was used. TRGGS clearly demonstrates the majority of the grant funds were used to support core operational costs such as wages and administration. In 2014/15, a surplus of \$9,694 is shown as carried forward to 2015/16, a surplus of \$121,256 carried forward to 2016/17, and a surplus of \$18,453 carried forward to 2017/18. All grant funding provided was issued to support operational expenses. See the list of grants paid by the PRRD below.

2018 - 2020 (\$125,000/year)	\$375,000
2017	\$ 55,000
2015	\$200,000
2014	<u>\$ 30,000</u>
Total	\$660,000

Tumbler Ridge Museum Foundation (TRMF)

Since 2013, the total amount of PRRD grant contributions paid to TRMF is \$1,378,992. A total of \$1,128,992 was paid from Function 140, Economic Development and issued to support operational costs. The remaining \$250,000 includes a grant in the amount of \$5,000 and one in the amount of \$75,000 paid from Function 275, Grants to Community Organizations for special events that were held in 2013, and one in the amount of \$170,000 paid from Function 140, Economic Development to assist with improvements for the Dinosaur Discovery Gallery done in 2013. TRMF has provided a breakdown of how the grant funds are used to support operational expenses, not including the event and project specific funds from 2013. The annual grant contributions are itemized by year and applied as a percentage to certain operational expense categories. Based on the breakdown, the majority of the grant funding from the PRRD is used for wages and benefits. Below is a list of grants paid by the PRRD.

2020	\$ 110,000
2019	\$ 93,992
2015 – 2018 (\$200,000/year)	\$ 800,000

2014	\$ 125,000
2013	\$ 5,000
2013	\$ 75,000
2013	<u>\$ 170,000</u>
Total	\$1,378,992

Hockey Canada Events

The PRRD has provided a total of \$389,500 in grant contributions to support the Hockey Canada events held in the region. A total of \$209,500 was paid from Function 140, Economic Development, \$135,000 from Function 275, Grants to Community Organizations and \$45,000 was paid from Function 130, Administrative Fiscal and Other. All funds were issued to the City of Dawson Creek for the purposes of hosting Hockey Canada events as outlined below.

2012	\$ 5,000	U18 National Women's Championships
2015	\$ 75,000	U17 Men's World Hockey Challenge
2017	\$100,000	U17 World Men's Hockey Challenge
2019	\$109,500	World Junior Hockey Challenge
2020	<u>\$100,000</u>	U18 National Women's Championship (November 2020)
Total	\$389,500	

The PRRD also approved a multi-year commitment of \$150,000 to be issued as an annual grant in the amount of \$50,000 from 2014 to 2016 for the City of Dawson Creek to prepare for and host the International Ice Hockey Federation 2016 U18 Women's World Championships. Unfortunately, the City was not successful in the award of this event and no grant funding was ever paid out.

Under the current Regional Grant-in-Aid policy, it states the Regional Board is to evaluate all grant contributions issued to support operation funding for more than three consecutive years in excess of more than \$50,000 and determine whether a service function should be established. The grant contributions provided to the City do not fall into this category as they were issued to support events rather than annual operating costs. None of the events are annual in nature and did not occur consecutively year after year, nor were they part of the City of Dawson Creek's annual general operations. In June of 2018, the City of Dawson Creek in partnership with Spectra Venue Management and Hockey Canada announced they would be entering into a five year hosting agreement, creating further opportunities to continue hosting these events in the region.

ALTERNATIVE OPTIONS:

1. That the Regional Board receive the July 31, 2020 report titled "Establishing a Service Function – Regional Grant-in-Aid Contributions" for information.
2. That the Regional Board provide further direction.

STRATEGIC PLAN RELEVANCE:

- ☒ Organizational Effectiveness
- ☒ Comprehensive Policy Review

FINANCIAL CONSIDERATION(S):

None at this time.

COMMUNICATIONS CONSIDERATION(S):

None at this time.

OTHER CONSIDERATION(S):

That the Regional Board consider potential amendments to the Regional Grant-in-Aid Policy to align with the Regional Board's direction, applicable bylaws and Supplementary Letters Patent (SLP).

Attachments:

1. STARS – Summary of Grant Funds, June 30, 2020
2. TRGGS – Breakdown of Grant Expenditures, June 30, 2020
3. TRMF – Breakdown of PRRD Funds, June 30, 2020
4. Regional Grant-in-Aid policy