

Q&A's regarding RDCO Operating Agreement

As answered by Murray Kopp- RDCO Parks Service Director

Q1 *“Is Section 3.5 is properly understood to mean that any monies raised during fundraising events at the hall are subject to the terms and conditions of the operating agreement? If this is indeed true, I imagine that society members may take issue with this because our constitution is broad, and members may wish to raise funds for other activities/responsibilities under our constitution. Can you please advise if there is any scope for flexibility in this section of agreement?”*

A: The RDCO included this clause with the intent that if JRRATS were to undertake fundraising activities that highlighted the “Centre” (defined in the agreement as “(c)“Centre” means a portion of the lands and improvements, outlined in red on the sketch plan attached hereto as Schedule “A”, known as the Joe Rich Community Hall located at Highway 33, Joe Rich, B.C.,”) as a focus or beneficiary of the fundraising activities, these funds should be placed in to the RDCO capital or operating reserves to help support the centre (community hall). If the Society were to embark on a fundraising effort for other activities / responsibilities under the JRRATS constitution I would advise that you need to diligent and ensure that any fundraising effort outside of the community hall being a beneficiary was not subsidized or financially supported in any way through the funding supplied via taxation for operating and recreational program delivery at the community hall.

Q2: *“Furthermore, Section 3.3 suggests that JRRATS is responsible for fundraising activities to “support” future capital improvements. I do not see any further parameters/targets and wonder what the RDCO actually expects JRRATS contribution to be in the future. JRRATS is a small society with limited funds outside of the operating agreement monies and being approached for a significant amount of money in the future would require a plan be in place now to meet the expectations.”*

A: The RDCO included this clause because the community hall has only recently become a beneficiary of eligibility and access to the Canada – BC Community Works Fund (Gas Tax) to support capital asset maintenance and hall upgrades. I have cautioned the previous few and this current JRRATS Board of Directors that the Community Works Fund (CWF) is a short term (5 year) agreement between the Federal and Provincial governments and there could be a time in the future when this agreement in not renewed. If this were to be the case, the only source of funding we may have access to for capital maintenance and upgrades would be local tax requisitions. Previous JRRATS Boards have expressed concerns about tax rates associated with the community hall so through this clause, we are encouraging JRRATS to also provide assistance with future capital maintenance and upgrade costs at the community hall. In fact, the current (Dec 31, 2018 JRRATS Balance Sheet) illustrates a very healthy positive cash situation that I believe has resulted from unspent community hall program funding that has accrued over the past 5+ years. In the spirit of this clause’s intent and as another idea to consider as we look forward – the JRRATS Board may want to nominate setting aside a portion of their current savings (+\$35K) for future capital interests

and not utilize all of these funds to provide increased community hall programming subsidy levels for the next few years. In an effort to provide a capital funding future “safety net” in the event that the CWF program is eliminated – I have been budgeting and am setting aside small amounts of tax requisition funds and any annual operating surplus into a Capital Facilities Reserve that is now projected to have a balance of \$23,128 at the end of 2019.

Q3: *“The language in Section 6.1(d) would suggest RDCO is not responsible for the building but only the maintenance of the exterior grounds including the rink and snow clearing. I think the agreement would benefit from a more detailed list of responsibilities of RDCO and JRRATS as it relates to actual building maintenance and repair, both interior and exterior.”*

A: I would be happy to discuss further but it has been a long understanding of the RDCO that JRRATS has engaged custodial staff and / or conducted routine building maintenance in accordance with the current and previous agreements. Respecting your concern for volunteer safety and fixing the light lens, I have also since requested that when our Parks staff are attending to maintenance activities associated with the rink, community hall grounds or local community parks (i.e. Three Forks) that we make our staff available to help out with minor building maintenance requests. I am also very conscientious of previous JRRATS Board expressed concerns about RDCO staff costs associated with the Joe Rich Community Hall and impacts on tax rates so have assigned very minimal RDCO Parks Dept. staff time to this program over the past 5+ years.

Should anyone have any other questions/ concerns, Murray Kopp will be in attendance and available to answer questions regarding the Operating Agreement at the JRRATS General meeting at the Joe Rich Hall.

May 8th at 7:30pm