



Agenda No: 7.2

Mtg. Date: April 27, 2015

## Regional Board Report

**TO:** Regional Board

**FROM:** Murray Kopp  
Director – Parks Services

**DATE:** April 17, 2015

**SUBJECT:** Killiney Community Hall Annual Operational Funding Agreement -  
North Westside Communities Association

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### Purpose:

To seek the Board's approval to renew an operational and capital funding agreement between the RDCO and North Westside Communities Association (NWCA). Implementation of this agreement is supported by RDCO Bylaw No. 1294 (adopted in 2011) for the purpose of funding the operation, maintenance and capital expenditures for the Killiney Community Hall (a service area within the Central Okanagan West Electoral Area).

### Executive Summary:

Subsequent to a November 2011 referendum and adoption of RDCO Bylaw No. 1294 which supported the establishment of a RDCO service area associated with the Killiney Community Hall, the RDCO and North Westside Communities Association entered into a three year funding agreement that expired on December 31<sup>st</sup>, 2014. The proposed renewed funding agreement will facilitate the annual disposition of service area tax requisition funding in association with operational and capital asset requirements at the Killiney Community Hall for the annual fiscal periods extending from 2015 - 2017.

### Recommendation:

**THAT** the Board approve entering into the 'Killiney Community Hall Annual Operational Funding Agreement - North Westside Communities Association' for a renewed term of three (3) years (2015 – 2017).

Respectfully Submitted:

Murray Kopp  
Director – Parks Services

Approved for Board's Consideration

Brian Reardon, CAO

Killiney Community Hall Annual Operational Funding Agreement -  
North Westside Communities Association

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**Implications of Recommendation:**

The implementation of the Killiney Community Hall Annual Operational Funding Agreement - North Westside Communities Association will address the RDCO Strategic Plan in the following ways:

- Growth Management (Community Sustainability)
  - Intergovernmental Affairs (Benefits of access to community hall "recreation" programs and amenities for the residents of the North Westside within Electoral Area Central Okanagan West)
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**Background:**

Since the 1970's, the North Westside Road Communities Association (formally the Killiney Beach Community Association) has leased RDCO park land in Killiney and constructed and have successfully operated the Killiney Beach Community Hall. The Association has provided continuous community recreation programming and undertaken all required building repairs and maintenance. Operational and maintenance expenses have been supported through revenue from NWCA membership fees, hall rentals, fundraising activities and occasional requests for grant-in-aid contributions from the Regional District.

**Specific Financial Considerations:**

The Killiney Community Hall Annual Operational Funding Agreement - North Westside Communities Association (NWCA) provides a clear process related the provision of annual operational funding support requests associated with the operation of the Killiney Community Hall. The established local area service program is intended to support, in part, the fiscal operating requirements associated with this community amenity. This renewed agreement recognizes that the North Westside Communities Association has access to alternate revenue sources which will also be utilized in supporting annual operational needs. The RDCO will be provided with five (5) year community hall operational and capital budgets on an annual basis (October 15<sup>th</sup>) in advance of the RDCO's annual fiscal year end (December 31<sup>st</sup>) and budget bylaw adoption deadline of March 31<sup>st</sup> annually.

Attachment(s):

1. Draft "Killiney Community Hall Annual Operational Funding Agreement - North Westside Communities Association" (April 27, 2015)

**KILLINEY COMMUNITY HALL ANNUAL OPERATIONAL FUNDING AGREEMENT –  
NORTH WESTSIDE COMMUNITIES ASSOCIATION**

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THIS OPERATIONAL FUNDING AGREEMENT (this "Agreement") made this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

BETWEEN:

REGIONAL DISTRICT OF CENTRAL OKANAGAN  
having offices at 1450 KLO Road, Kelowna, British Columbia, V1W 3Z4  
(the "District");

OF THE FIRST PART

AND:

NORTH WESTSIDE COMMUNITIES ASSOCIATION (NWCA)  
a non-profit Society registered in the Province of BC  
516 Udell Road  
Vernon, BC, V1H 2G2  
(the "NWCA");

OF THE SECOND PART

WHEREAS:

- A. The District owns or operates parks within the Central Okanagan;
- B. The District has possession and control of ALL AND SINGULAR that certain parcel or tract of land dedicated and described as "park" with legal road access from Udell Road on Subdivision Plan 21925, O.D.Y.D. containing 4.56 acres more or less (hereinafter called the "Lands"), the Lands being outlined with a solid black line on the plan attached hereto as Appendix "A";
- C. The NWCA is a not for profit organization that has a mandate to advocate for and represent members of the Association on issues within the Regional District of Central Okanagan to the benefit of the community;
- D. The NWCA has built and has ownership of a Community Hall (Areas A and B) and ancillary double wide manufactured building, the "Library / Annex", (Area F) on the Lands, and the District has built an addition on the Lands, the "Fire Hall Addition", (Area C) contiguous with these Community Hall Buildings (the "Community Hall"), the Community Hall Service Area being outlined with a solid black line and identified as the "Killiney Community Hall Site Boundary" on the plan attached hereto as Appendix "A";
- E. The NWCA has a further mandate to maintain and administer the operations of the Killiney Community Hall to the benefit of members of the Association, this mandate will, upon signing of this agreement, expand to include all taxpayers within the Service Area established under RDCO Bylaw No. 1294;
- F. The District adopted Bylaw No. 1294 on November 28, 2011 which is a bylaw to establish a service area within a portion of Central Okanagan West Electoral Area for the purpose of funding the operation, maintenance and capital expenditures for the Killiney Community Hall outlined with a solid black line on the plan attached hereto as Appendix "B";

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- G. The parties recognize the benefits of formalizing a relationship whereby the NWCA will provide annual operational and capital budgets for the purposes of determining Community Hall funding requirements. These operational and capital funding requirements will also be supported through revenue from NWCA membership fees, hall rentals, fundraising activities in addition to partial support secured through the RDCO tax requisition authority in accordance with RDCO Bylaw 1294 for the Killiney Community Hall Service Area.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the premises and of the mutual warranties, representations and agreements herein contained, the parties agree as follows:

## 1. DEFINITIONS

- 1.1. For the purposes of this Agreement, the following words and phrases shall have the meanings attributed to them:
- 1.1.1. "Director" means the Director of Park Services for the District and/or his/her designate;
  - 1.1.2. "Parks" means the public parks owned or operated by the District within the Central Okanagan, and "Park" means any singular one of them;
  - 1.1.3. "President" means the President of the North Westside Communities Association and/or his/her designate;
  - 1.1.4. "Term" means the term of this Agreement as described in Section 5 of this Agreement;
  - 1.1.5. "Fiscal Year" means a term extending between January 1<sup>st</sup> and December 31<sup>st</sup> annually.

## 2. RESPONSIBILITIES

- 2.1. The NWCA and the District each agrees to enter into this Agreement to partially support the annual operational and capital need requirements associated with the Community Hall.
- 2.2. The District is hereby empowered to grant to the NWCA, for the term of Bylaw No. 1294, money in an amount identified in the NWCA annual budget, as submitted to and approved by the District, but in any event not exceeding the service area bylaw requisition limit of \$0.05/\$1000 of assessed value.
- 2.3. Money granted pursuant to Section 2.2 of this agreement must be expended only by the NWCA.

## 3. RDCO RESPONSIBILITIES

- 3.1. Subject to the Regional District Board of Directors consideration and approval of the annual RDCO Five Year Financial Plan Bylaw and concurrent review of other sources of projected NWCA annual revenue, the RDCO agrees to make available to the NWCA, by April 15 of each year, the portion of annually requisitioned funds which have been secured to assist in Community Hall operational and capital budget requirements.

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### 4. NWCA RESPONSIBILITIES

- 4.1. The NWCA shall submit to the Director of Parks Services and the RDCO Board of Directors, annually, on or before October 15<sup>th</sup> of each year, a budget that has been duly and appropriately reviewed and approved by a majority of Board Members of the NWCA for the upcoming five calendar years, which outlines revenues and expenditures related to the carrying out of Community Hall operations and proposed capital improvements.
- 4.2. The annual five year financial budget submission of the NWCA referenced in Section 4.1 must include Killiney Community Hall five year budget authorized by the NWCA Board of Directors as well as a copy of the NWCA Board of Directors annual budget motion adoption.
- 4.3. The NWCA shall deposit the Killiney Community Hall Service Area annual portion of tax requisition operational and capital fund allocation in two (2) separate bank accounts held at a Canadian Schedule 1 Chartered Bank in accounts as detailed below:
  - 4.3.1. A tax requisition operating account of the NWCA for budgeted operations funds. This account shall be an account out of which all approved operating and maintenance expenses shall be paid.
  - 4.3.2. A tax requisition capital improvements account of the NWCA for all scheduled capital improvement funds. This account shall be either GIC(s) or Savings account(s) which provide the maximum available return on investment for those funds deposited and allow for capital improvements to be completed in a timely and cost effective manner.
- 4.4. The NWCA shall provide the Regional District with annual financial statements within sixty (60) days of the end of each Regional District Fiscal Year in accordance with generally accepted accounting practices, consistently applied, that has been duly and appropriately reviewed and approved by a majority of Board Members of the NWCA. Notwithstanding the foregoing, upon written notice from the Regional District, the Regional District may require the Society to prepare such annual statements as a notice to reader, review engagement or on an audited basis at its option.
- 4.5. Tax requisition funds that have not been utilized in accordance with the approved annual budget must be held by the NWCA "In Trust" and carried forward as a tax requisition budget surplus to the next fiscal year and applied toward subsequent fiscal year operational and/or capital requirements within the Community Hall.
- 4.6. The NWCA shall not incur any indebtedness or other obligations beyond each budget year.
- 4.7. The NWCA shall take out and maintain public liability, property damage, and other required insurance naming the Regional District of Central Okanagan as Additional Insured in the amount of not less than \$2,000,000.00, and shall provide upon request to the Regional District of Central Okanagan proof of such insurance in the form of the RDCO's standard Certificate of Insurance.
- 4.8. All Insurance required to be obtained by the NWCA pursuant to this bylaw shall name the Regional District of Central Okanagan as an Additional Insured, and shall be primary without any right of contribution from any insurance otherwise maintained by the Regional District of Central Okanagan.

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## 5. TERM

- 5.1. The Term of this Agreement shall commence on the date hereof and shall end on the 31<sup>st</sup> day of December, 2017, unless earlier terminated in accordance with the provisions of this Agreement (the "Term").
- 5.2. In the event that the NWCA has not breached any of the terms and conditions of this Agreement, then six (6) months prior to the expiration of the Term, the Regional District and the NWCA shall, without obligation, enter into negotiations for an extension of the Term, on such terms and conditions as the parties may mutually agree. During the period of negotiation of such extension of the Term, the terms and conditions of this Agreement shall be deemed to continue on a month by month basis until such negotiations are concluded.

## 6. ARBITRATION IN THE EVENT OF A DISPUTE

- 6.1. In the event of a dispute between either party to this agreement as to the interpretation of any current or future provision of this agreement, such dispute shall be resolved by a single arbitrator pursuant to the provisions of the Commercial Arbitration Act of British Columbia.
- 6.2. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of this breach. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.
- 6.3. Any notice to be given hereunder may be given by first class prepaid registered mail addressed as follows:

To the District:                      Corporate Officer  
   1450 KLO Road, Kelowna, BC  
   V1W 3Z4

To the NWCA:                         President of the NWCA  
   516 Udell Road, Vernon, BC  
   V1H 2G2

Any notice given shall be deemed to have been received on the third (3<sup>rd</sup>) day next following the date of delivery of same into the custody of a Canadian post office at the point of mailing.

## 7. AUTHORITY

- 7.1. The Society represents and warrants that it has the authority and capacity to enter into this Agreement and perform its obligations hereunder. The Regional District represents and warrants that it has the authority and capacity to enter into this Agreement and perform its obligations hereunder.
- 7.2. Nothing in this Agreement shall constitute the parties as partners. Except as specifically provided herein, neither party shall be the agent of the other party or have any authority whatsoever to create obligations or bind the other party hereunder.

**KILLINEY COMMUNITY HALL ANNUAL OPERATIONAL FUNDING AGREEMENT –  
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8. The terms of this Agreement constitute the entire agreement between the parties and supersede all previous representations and agreements between the parties with respect to the subject matter of this Agreement.
9. This Agreement shall be construed in accordance with the laws of the Province of British Columbia.
10. Time is of the essence of this Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement on the date and year first above written.

REGIONAL DISTRICT OF CENTRAL OKANANGAN

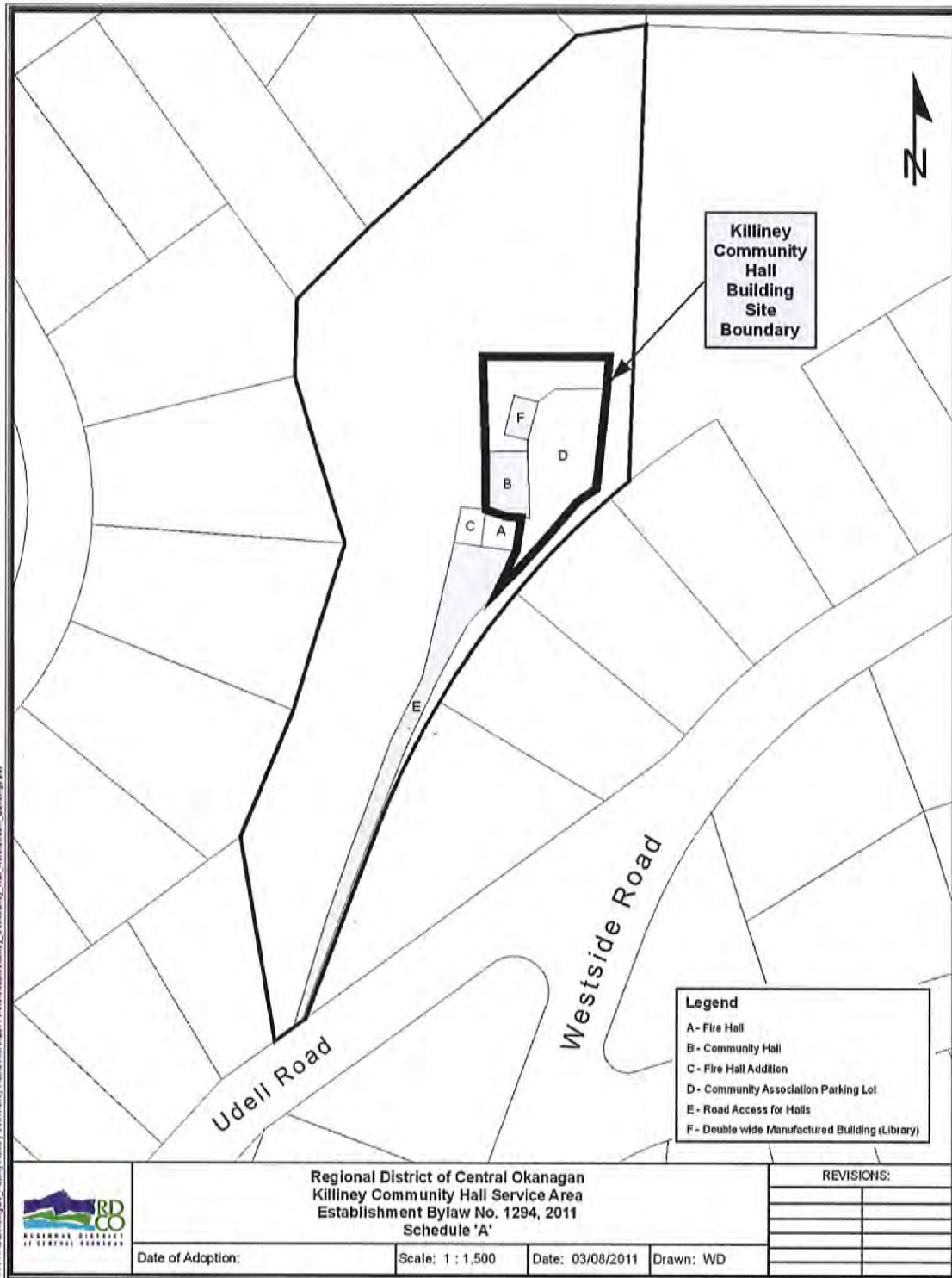
Per: \_\_\_\_\_  
\_\_\_\_\_

North WestSide Communities Association

Per: \_\_\_\_\_  
\_\_\_\_\_

# KILLINEY COMMUNITY HALL ANNUAL OPERATIONAL FUNDING AGREEMENT – NORTH WESTSIDE COMMUNITIES ASSOCIATION

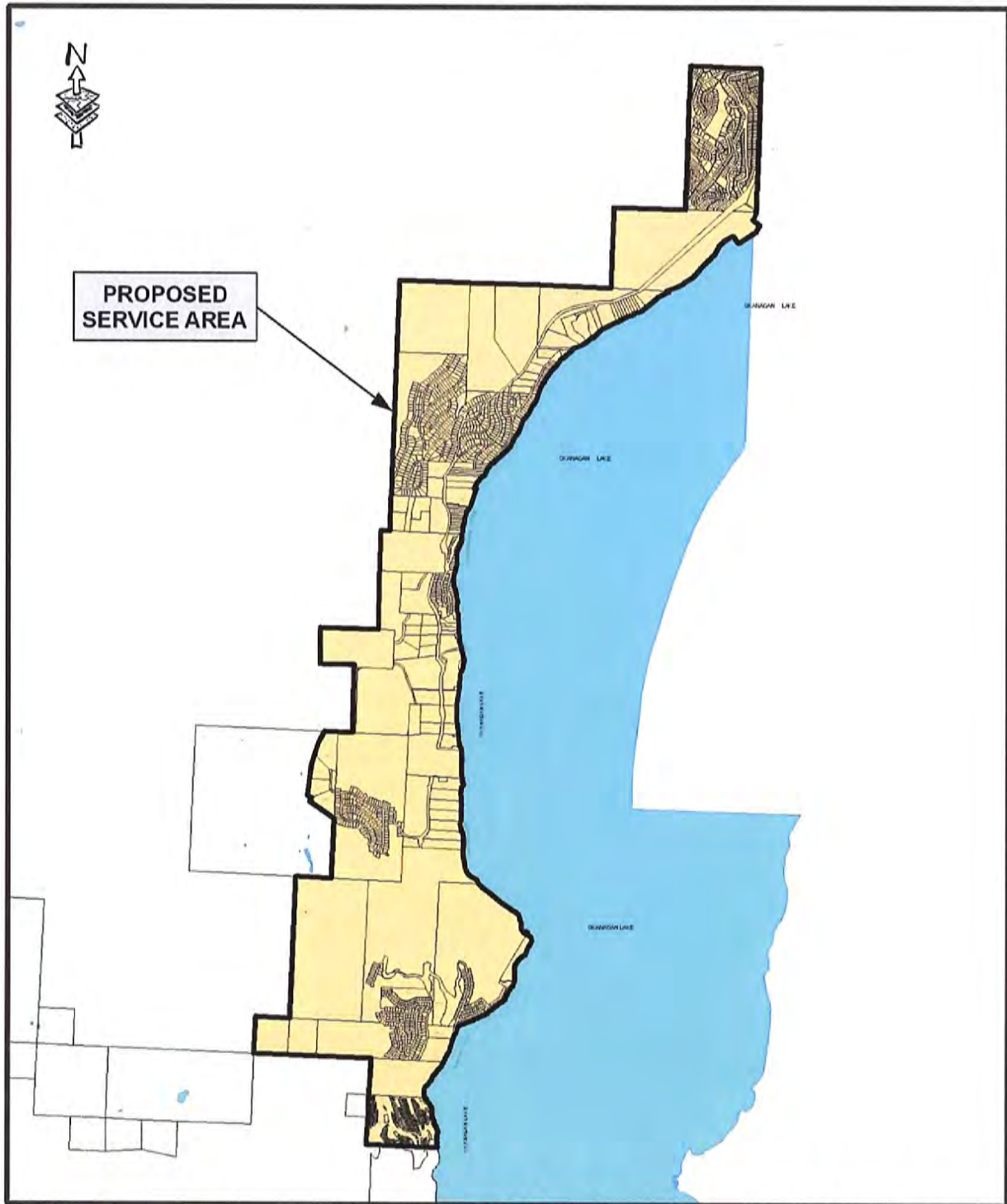
## APPENDIX A





**KILLINEY COMMUNITY HALL ANNUAL OPERATIONAL FUNDING AGREEMENT –  
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**APPENDIX B**



**Regional District of Central Okanagan  
Killiney Community Hall Service Area  
Establishment Bylaw No. 1294, 2011  
Schedule "B"**

Date of Adoption:      Scale: 1:55,000      Filename: Killiney\_Community\_Hall\_Bylaw\_Boundary2011.pdf

| REVISIONS |       |
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| DATE      | BYLAW |
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