

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON
MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

REPORT
RAPPORT

Our File/N/Réf. 06 98 0150
Your File/V/Réf.

DATE 1 September 1998

TO/DEST. Committee Co-ordinator
Corporate Services and Economic Development Committee

FROM/EXP. Regional Clerk

SUBJECT/OBJET **GRANT REQUEST OUTSIDE REGULAR GRANTS PROCESS –
1999 BANK OF MONTREAL CANADIAN CHAMPIONSHIPS**

DEPARTMENTAL RECOMMENDATION

That the Corporate Services and Economic Development Committee and Council consider a grant request in the amount of \$50,000 from the Canadian Figure Skating Association for the 1999 Bank of Montreal Canadian Championships.

PURPOSE

This report presents a project grant request (Annex A) from the Canadian Figure Skating Association in the amount of \$50,000 for the 1999 Bank of Montreal Canadian Figure Skating Championships.

BACKGROUND

In February 1998, the Canadian Figure Skating Association approached the Region of Ottawa-Carleton for funding of the 1999 Canadian Championships to be held January 27 to 31, 1999 at the Ottawa Civic Centre. As the request for funding met the criteria of the Economic Development Grants Program (EDGP), specifically “the initiative will provide extensive benefit to the economic development of Ottawa-Carleton”, it was initially directed to the 1998 EDGP, despite being past the annual deadline date.

The EDGP Allocation Panel met on March 30, 1998 and decided to strictly enforce the deadline of October 1, 1997 and consequently the application from the Canadian Figure Skating Association was not considered for funding with the other 1998 applications.

As part of the Region's Corporate grants review, Council approved a policy on 25 October 1995 with respect to grants received outside the budget. An application under this policy was received from the Canadian Figure Skating Association on April 14, 1998. Following the direction of the policy, the application was reviewed to ensure it met the initial eligibility criteria and a Recommendation Panel was formed. The project meets the eligibility criteria with an interpretation of "only projects that fall outside of the formal Regional Grants Program are eligible; others will be redirected to the next funding application deadline."

While the current funding request meets the criteria of a formal grants program (EDGP), it cannot be redirected to the 1999 funding application deadline for the following reasons. Even though the event is taking place in January 1999, decisions regarding grant allocations for the 1999 EDGP are not expected to be made until after approval of the 1999 Regional budget. Approval of the 1999 budget is tentatively scheduled for December 1998, however, the EDGP Allocation Panel will not meet until January or February 1999, and the event is to occur in January 1999. In addition, should there be any delay with the approval of the 1999 budget, the organization would again be placed in the situation of timing difficulties, and for purposes of financial planning, a decision so close to the event may cause concern for the organization. Speaking to the 1998 deadline, it would not be expected to have the organization meet the 1998 deadline, as it was 16 months before the anticipated event.

In accordance with the grants outside budget policy, the grant proposal was considered by a recommendation panel made up of L. Crandall, Ottawa Tourism & Convention Authority, S. Kelly, Ottawa Economic Development Corporation, and J. Barbeau, Office of the Chief Administrative Officer.

DISCUSSION

At the 30 March 1998 meeting, the EDGP Allocation Panel acknowledged that requests such as the current one cannot be accommodated by the EDGP under its current guidelines because of timing difficulties. It has addressed this shortcoming in their recommendations put forward in their 1998 EDGP report by allowing a limited flexibility to organizations whose project present a timing difficulty with respect to the annual grant deadline. However, this modification does not assist the timing difficulty associated with this request for the reasons outlined above.

The request for funds is to support the volunteer component, the banner promotion and the transportation system for the 1999 Bank of Montreal Canadian Championships.

With regard to 1998 event, the Association has confirmed the Region of Hamilton-Wentworth contributed \$25,000. The 2000 event will be held in the West and the Cities of Calgary and Winnipeg have confirmed a contribution of \$125,000 each. The Association has indicated any surplus of revenue from the annual event was used as the funding source for the Development Programs of the Canadian Figure Skating Association, and were not available for the following year's event.

CONCLUSION - RECOMMENDATION PANEL

The Recommendation Panel has expressed their support for the event in that it will provide extraordinary benefits, both economic and public awareness, to Ottawa-Carleton, has solid funding support from other sponsors, and relates to the lucrative sports tourism market Ottawa-Carleton is attempting to expand into.

Despite the support of this initiative, Committee must note that funds no longer remain in the 1998 Provision for Unforeseen. Finance Department has recommended an alternative option for funding this request the Committee may consider.

PUBLIC CONSULTATION

The public consultation process is not applicable to individual grant requests.

*Approved by
Mary Jo Woollam*

FINANCE DEPARTMENT COMMENT

No funds remain in the 1998 Provision for Unforeseen account. Subject to Council approval of this grant request, funding may be allocated through a pre-commitment from the 1999 Economic Development Grants Program Budget.

*Approved by T. Fedec
on behalf of the Finance Commissioner*



Canadian Figure Skating Association
Association canadienne de patinage artistique

ANNEX A

April 9, 1998

Mary Jo Woollam
Regional Clerk
Regional Municipality of Ottawa-Carleton
111 Lisgar Street
Ottawa, ON
K2P 2L7

Dear Ms. Woollam:

The Canadian Figure Skating Association would like to request funding from the Regional Municipality of Ottawa-Carleton for the 1999 Bank of Montreal Canadian Championships. This event generates \$12.25 million for the region and will be held January 27-31 at the Ottawa Civic Centre. Tickets have been on sale since January and over 50% of the tickets have already been sold.

It is estimated that 4,550 hotel rooms will be booked for the event with an additional 4,000 reserved by spectators. An average of nearly 1.75 million people daily will watch the event during 25 hours of national television coverage on the CTV Television Network Ltd.

The Bank of Montreal Canadian Championships are held annually by the Canadian Figure Skating Association to determine national champions for novice, junior and senior figure skaters in ladies, mens, pairs and dance disciplines. 300 skaters will compete for national titles and a chance to represent Canada on the international stage. The Canadian Figure Skating Association is an Ottawa based non profit organization dedicated to the principles of enabling every Canadian to participate in skating throughout their lifetime for fun, fitness and/or achievement. There are 200,000 members in 1,500 clubs across the country.

Bank of Montreal is the official event title sponsor and provides funding and promotional assistance to the event. Other CFSA national team and association sponsors provide goods and services and promotional assistance to the event. In addition, numerous local companies will be involved through local sponsorship of the event. Last year, over \$200,000 in goods and services were provided to the event by the local corporate community.

This event is held at various locations across the country. National level figure skating events ensure the continued development of the sport in the local figure

skating community through the direct payment of revenues to the local volunteers. Each of the 250 volunteers who will be involved with the event earn shares which are converted to cash disbursements paid directly to skaters, teams, or clubs within the area which the volunteer chooses. The request for funding in the amount of \$50,000 will ensure that revenues are available to be redirected to the local figure skating community.

The grant would be directed to three areas which support the local volunteers' efforts:

1. Volunteer Appreciation Reception
2. Volunteer Lounge
3. Volunteer Uniforms

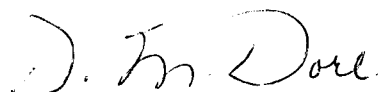
Additionally, the funds would be directed towards two other areas which are within the jurisdiction of the Regional Municipality of Ottawa-Carleton. These two items are a banner promotion and the transportation system for the event.

The Regional Municipality of Ottawa-Carleton will receive promotional benefits at the event should the application be successful. Such benefits include VIP tickets, signage, program advertising and hosting opportunities. The Canadian Figure Skating Association would request that the Regional Chair or an appropriate representative speak at various official functions including the Opening Ceremonies and the Opening Media Conference. Additionally, the Regional Municipality of Ottawa-Carleton will be identified on promotional materials for the event including the advertising campaign to appear in the Ottawa Citizen and on Majic 100 and CJOH-TV.

Supporting documentation has been attached to this letter. It would be greatly appreciated if we could have the opportunity to further explain the extraordinary benefit that the 1999 Bank of Montreal Canadian Championships provides to the region at the Corporate Services and Economic Development Committee. The support of such funding sources is an integral part in the decision making process for site selection of figure skating events across the country.

Thank you in advance for your consideration of this request.

Regards,



David Dore
Director General

LIST OF ATTACHMENTS

1. 1999 Bank of Montreal Canadian Championships - **Economic Impact**
2. 1999 Bank of Montreal Canadian Championships - **Fact Sheet**
3. Canadian Figure Skating Association **National Sponsor Listing**
4. 1999 Bank of Montreal Canadian Championships - **Marketing Plan**
5. 1999 Bank of Montreal Canadian Championships - **Event Budget**
6. Canadian Figure Skating Association **Board of Directors List**
7. 1998 Bank of Montreal Canadian Championships **Newspaper Coverage**

1999 BANK OF MONTREAL CANADIAN CHAMPIONSHIPS
Economic Impact

The economic impact of the 1999 Bank of Montreal Canadian Championships to Ottawa-Carleton is approximately \$12.25 million as calculated below. Ottawa-Carleton will also enjoy national and international television exposure throughout the five day event, as well as international media coverage.

ITEM	AMOUNT
GUESTS	
Expected out of town guests over five days	2,500
Skaters	300
Coaches/Officials	200
Parents	500
TOTAL GUESTS	3,500
EXPENDITURES	
Average guest expenditure	\$175
Total over five days	\$875
Total guest expenditure (Total x Total Guests)	\$3,062,500
Trickle down factor	4
GROSS ECONOMIC IMPACT	\$12,250,000



The Skating Events Trust

1600 James Naismith Drive, Suite 401, Gloucester, Ontario K1B 5N4 • Telephone (613) 742-5419 • Fax (613) 748-5780 or (613) 748-5616

1999 BANK OF MONTREAL CANADIAN CHAMPIONSHIPS FACT SHEET

- The economic impact of this event to the Regional Municipality of Ottawa-Carleton will be \$12.25 million.
- The 1999 Bank of Montreal Canadian Championships is scheduled for January 27-31 at the Ottawa Civic Centre and 75,000 spectators are expected to attend.
- It is estimated that 4,550 hotel rooms will be booked for the event with an additional 4,000 reserved by spectators.
- An average of nearly 1.75 million people daily will watch the event during twenty five hours of national television coverage.
- There will be nearly 300 skaters in ladies, mens, pairs and dance disciplines competing at the senior, junior and novice levels. Competition is also offered in fours at the senior level only.
- Competitors qualify through 13 Bank of Montreal Sectional Championships and four Bank of Montreal Divisional Championships. At the senior level, the top four finishes in the sectional championships qualify for the divisionals and the top six finishes advance to the 1997 Bank of Montreal Canadian Championships.
- The top five finishers in singles, pair and dance disciplines comprise Canada's National Figure Skating Team. All of these skaters will have an opportunity to compete for Canada at one or more international competitions. Selection to the Junior National Team is based on the top five junior finishes and top three novice finishes in singles, pair and dance.
- The senior competitors will be vying for a spot on Canada's World Championships Team.
- There will be 60 officials, 140 coaches and 250 local volunteers at the event.
- Nearly 100 accredited national and local media will cover the event.

Supporting



Canadian
Figure Skating
Association

Association
canadienne de patinage
artistique

THE CANADIAN FIGURE SKATING ASSOCIATION

OFFICIAL BROADCAST PARTNER / PARTENAIRE OFFICIEL DE TÉLÉDIFFUSION



EVENT TITLE SPONSORS / COMMANDITAIRES DE COMPÉTITIONS



Sun Life



Bank of Montreal

NATIONAL TEAM AND ASSOCIATION SPONSORS / COMMANDITAIRES DE L'ÉQUIPE NATIONALE ET DE L'ASSOCIATION



SPORTS



AIR CANADA



WITTNAUER
SWISSWISSWISS

Till the end of time™



Canadian Patrimoine
Heritage canadien
Sport Canada



Commanditaires

QUI APPUIENT L'ASSOCIATION CANADIENNE DE PATINAGE ARTISTIQUE

**1999 BANK OF MONTREAL CANADIAN CHAMPIONSHIPS
Marketing Plan**

PHASE	TARGET MARKET	OBJECTIVE	STRATEGY	TACTICS	TIMELINES	
Event Announcement	Avid CFSA event fan 25-54 year old women Upper income Highly educated	To provide event details to hard core skating fan.	Provide event information and ticket sale details to media.	Issue national media release and focus on local market where event is being held. Details include event dates, location and ticket sale information.	January 27, 1998 release January 29, 1998 tickets on sale	
			Produce event postcard	Distribute to CFSA clubs	Ready for March, 1998	
			Newspaper Campaign	Ottawa Citizen entertainment section	Olympic Games	
			Produce event ad	Place in 1998 BMO Canadians program	January 7-11, 1998	
All Event Ticket Sales Campaign	Strong skating fan Women 25-54 Upper income Highly educated	To maximize sales of all event tickets.	Extensive media campaign with three outlets	Purchase advertising space and negotiate local sponsorship packages	September 15, 1998 - November 29, 1998	
				Newspaper -The Ottawa Citizen	September 15, 1998 - November 29, 1998	
				Radio -Majic 100	September 15, 1998 - November 29, 1998	
				Television - CJOH TV	September 15, 1998 - November 29, 1998	
				Stars on Ice Promotion	Posters distributed at IMG event in Ottawa	April 29, 1997
				Media Conference	Feature Elvis Stojko in a media conference during the Elvis Tour of Champions	TBD (if Elvis remains eligible)
				City Wide Promotion	1. Poster distribution 2. Banner Program	September, 1998 November, 1998
Single Event Ticket Sales Campaign	Casual skating fan Men (35-40%) Entertainment seekers	To maximize sales of single event tickets and sellout the venue.	Announce single event ticket sale date	Revise radio and TV to reflect single event tickets now on sale. New newspaper creative to be designed.	November 30, 1998 single event ticket sales date (Ads to preview sale date week before and use now on sale tag after first day of sales on Nov. 30)	

1999 BANK OF MONTREAL CANADIAN CHAMPIONSHIPS
Event Budget

REVENUES

Ticket Sales	\$1,000,000
Souvenir Sales	121,500
Advertising (Program and Rinkboards)	71,250
Banquet Tickets	21,525
Bank Interest	15,000
Donated Goods & Services	233,400
Sponsorships	32,500

TOTAL REVENUES **\$1,495,175**

EXPENSES

Administration	\$147,300
Advertising	306,700
Accommodation/Food	267,180
Souvenirs	65,900
Facilities/Operations	550,800
Transportation/Travel	153,150

TOTAL EXPENSES **\$1,491,030**

PROJECTED PROFIT **\$4,145**

BUDGET NOTES:

- Potential ticket revenues are restricted by Ottawa Civic Centre seating capacity of 9,348. Standard NHL sized venues have capacities of +18,000.
- Ticket price has been lowered to reflect acceptable price point within the market.
- Contributed goods and services are part of the operating budget. These items are necessary to operate the event and are provided in exchange for promotional benefits associated with the event.
- Value of contributed goods and services has been determined based on size of market.
- Expenses generally remain consistent in each market. The potential for ticket sales combined and sponsorship/goods and services revenues have the most significant impact on the profit margin.
- Any additional revenues will improve the profit margin and be redirected to the figure skating community.



Canadian
Figure Skating
Association

1997-98 Board of Directors

President (1997-98)* Betty Bouma Robertville, NB	Past President (1997-98)* Jean MacLellan Westport, Ontario	Director General* David M. Dore Director General
Vice President (1997-1998) Jean Cloutier Lac Megantic, QC	Vice President (1997-1999) Michael Woogh Kingston, ON	Vice President (1997-1999) Marilyn Chidlow Ponoka, AB
Elected Directors' Rep* (1997-1998) Benoit Lavoie Quebec, Quebec	Finance Chairman* (1997-1998) Joanne Shaw Guelph, Ontario	Sections' Rep* (1997-1998) Diane Nielsen Penticton, BC
Elected Directors		
Raymonde Bissonnette (1997-99) Longueuil, Quebec	Elaine King (1996-98) Red Deer, Alberta	Joanne Shaw * (1996-98) Guelph, Ontario
Kay Bowman (1997-98) Calgary, Alberta	Benoit Lavoie * (1997-99) Quebec, Quebec	Jeff Partrick (1997-99) Mississauga, Ontario
Larry Johnson (1997-99) Regina, Saskatchewan	Nicole Roch (1996-1998) Boucherville, Quebec	
Representatives		
Athlete Representatives	ISU Representatives	
Jutta Cossette (1996-98) Montreal, Quebec	Cathy Dalton Whitby, Ontario	Ann Shaw Toronto, Ontario
Doug Ladret (1997-99) Mississauga, Ontario	Joyce Hisey Don Mills, Ontario	Doug Steele N. Battleford, Saskatchewan
	Dr. Jane Moran Victoria, British Columbia	
Coaching Representatives	Appointed Committee Chairs	
Joanne Godin (1997-98) Charlesbourg, Quebec	Dr. Paul Comper Toronto, Ontario Med/Sci Committee	Hillary Baker Brandon, Manitoba Hall of Fame Chair
Kerry Leitch (1997-98) Cambridge, Ontario	Robert Howard Toronto, Ontario Athlete Trust Committee	

Section Chairmen		
British Columbia* Diane Nielson Penticton, BC	Alberta George Zaychkowsky Lloydminster, SK	Saskatchewan Gayle Coopersmith Star City, SK
Manitoba Marlene Anderson Carberry, MB	Northern Ontario Wendy Milne North Bay, ON	Western Ontario Bill Boland London, ON
Central Ontario Joan Stevens Oakville, ON	Eastern Ontario Toni Carr Minden, ON	Quebec Pierre Limoges Gatineau, QC
New Brunswick Linda LeBlanc Memramcook Est, NB	Nova Scotia Phyllis Ashby Dartmouth, NS	Prince Edward Island Jean Eldershaw Morell, PE
Newfoundland Christine Moores Harbour Grace, NF		

* Executive Committee Member

1997 BANK OF MONTREAL CANADIAN CHAMPIONSHIPS

FINANCIAL STATEMENTS

MARCH 31, 1997



1997 BANK OF MONTREAL CANADIAN CHAMPIONSHIPS
FINANCIAL STATEMENTS
MARCH 31, 1997

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SCOTT & COMPANYY

Chartered Accountants

Robert J. Boyer, MBA, CFE, CGA, principal
Richard G. Monk, CFE, CMA, principal

Mark A. Scott, CA
Reg Thompson, CA
Thomas W. Swindells, CA

AUDITORS' REPORT

To the Trustees of
The Skating Events Trust

We have audited the balance sheet of the 1997 Bank of Montreal Canadian Championships as at March 31, 1997 and the statement of revenues and expenses for the period then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the 1997 Bank of Montreal Canadian Championships as at March 31, 1997 and the results of its operations for the period then ended in accordance with generally accepted accounting principles.



Scott & Company

May 12, 1997

1997 BANK OF MONTREAL CANADIAN CHAMPIONSHIPS

BALANCE SHEET

AS AT MARCH 31, 1997

	<u>1997</u>
ASSETS	
Amounts receivable	\$ 24,234
Due from Canadian Figure Skating Association	550,677
Prepaid event expense	<u>37,619</u>
	\$ <u>612,530</u>
LIABILITIES AND SURPLUS	
LIABILITIES	
Amounts payable and accrued liabilities	\$ 264,151
SURPLUS	
Excess of revenues over expenses	<u>348,379</u>
	\$ <u>612,530</u>

APPROVED ON BEHALF OF THE TRUSTEES

_____ Trustee

_____ Trustee



**1997 BANK OF MONTREAL CANADIAN CHAMPIONSHIPS
STATEMENT OF REVENUES AND EXPENSES
PERIOD ENDED MARCH 31, 1997**

	<u>1997</u>
REVENUES	
Ticket sales	\$ 1,817,104
Sponsorships	103,000
Donated goods and services	432,392
Souvenirs	135,387
Official program advertising	38,000
Official program sales	64,207
Meal, bar and banquet sales	21,104
Interest	16,539
Other	<u>32,360</u>
	<u>2,660,093</u>
EXPENSES	
Accommodations	93,470
Administration	113,371
Advertising	376,387
Banquets and receptions	124,960
Facilities	540,204
Food and beverage	38,622
Hospitality	108,683
Host share	150,000
Medals, gifts and prizes	49,166
Officials	3,000
Operations	96,139
Program	79,919
Public and media relations	2,713
Souvenirs	117,680
Sponsors	140,531
Ticket printing and sales	89,704
Transportation	112,188
Travel	35,868
Uniforms	<u>39,109</u>
	<u>2,311,714</u>
EXCESS OF REVENUES OVER EXPENSES	\$ <u>348,379</u>



1997 BANK OF MONTREAL CANADIAN CHAMPIONSHIPS

NOTES TO FINANCIAL STATEMENTS

PERIOD ENDED MARCH 31, 1997

1. NATURE OF OPERATIONS

The Canadian Figure Skating Association has created The Skating Events Trust in order to act as an agent in the management and operation of its skating events. The Trust together with the local organizing committee, organized and hosted the 1997 Bank of Montreal Canadian Championships. The event was held at General Motors Place in Vancouver, British Columbia from February 6 to February 9, 1997.

2. SCOPE OF FINANCIAL STATEMENTS

These financial statements include the results of operations with respect to this event and exclude other assets, liabilities, revenues and expenses of the Canadian Figure Skating Association and its agent, The Skating Events Trust.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Donated goods and services

The value of materials and services contributed to events is recorded when a fair value can be reasonably estimated and when the materials and services would normally be purchased and paid for if not donated.

(b) Provision for income taxes

No provision for income taxes has been made as the Canadian Figure Skating Association is a registered Canadian amateur athletic association and, as such, is not subject to income taxes.

4. RELATED PARTY TRANSACTIONS

The amount due from the Canadian Figure Skating Association is non-interest bearing and has no specific repayment terms.



1997 BANK OF MONTREAL CANADIAN CHAMPIONSHIPS
NOTES TO FINANCIAL STATEMENTS
PERIOD ENDED MARCH 31, 1997

5. DONATED GOODS AND SERVICES

Expenses include the following donated goods and services:

Accommodations	\$ 3,800
Advertising	230,808
Facilities	55,919
Banquets and receptions	12,045
Hospitality	26,358
Operations	36,000
Souvenirs	1,029
Transportation	<u>66,433</u>
	<u>\$ 432,392</u>



6. SURPLUS

The excess of revenues over expenses reflected in the attached financial statements forms part of the surplus of the Canadian Figure Skating Association.

7. STATEMENT OF CHANGES IN FINANCIAL POSITION

A statement of changes in financial position is not presented because it would not provide additional meaningful information.