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**REPORT TO GOVERNANCE AND FINANCE COMMITTEE
MEETING OF WEDNESDAY, NOVEMBER 06, 2019**

SUBJECT **Sooke Region Museum and Visitor Centre Reporting Structure**

ISSUE

The Governance and Finance Committee has requested a review of the Sooke Region Museum and Visitor Center financial reporting structure.

BACKGROUND

At the October 2, 2019 Governance and Finance Committee meeting Director Tait of Sooke brought the following motion, which was endorsed:

WHEREAS the Sooke Region Museum and Visitor Centre are located at 2070 Phillips Road within the District of Sooke boundaries;

WHEREAS in 2019 approximately 62.9% of the Sooke Region Museum's funding was provided by District of Sooke taxpayers, in addition to the District of Sooke providing a community grant in the amount of \$26,500 for the Visitor Centre; and

WHEREAS the Sooke Region Museum and Visitor Centre currently report to the Electoral Area Directors Committee at the Capital Regional District at which the District of Sooke does not have representation.

THEREFORE BE IT RESOLVED THAT the CRD Governance & Finance Committee direct staff to review the reporting structure of the Sooke Region Museum and Visitor Centre and report back with options that more appropriately reflects the funding base and includes the CRD Director from the District of Sooke.

The Sooke Regional Museum and Visitor Centre (the "Museum"), run by the Sooke Region Historical Society, is funded through the CRD by residents of the District of Sooke and a portion of the Juan de Fuca Electoral Area pursuant to Bylaw 3751, "Sooke Region Historical Society Service Establishment Bylaw No. 1, 2011", and under a contribution agreement. Because it is a contribution service, CRD takes no part in the governance of the Museum and is only responsible for contributing to its operating costs, based on an annual contribution request from the Museum.

The contribution agreement sets out how funding is requested and approved, service responsibilities, roles of CRD and the Museum, and the terms of the budget review (Appendix A). The current agreement is in effect until January 1, 2022.

The Terms of Reference for the Electoral Area Services Committee ("EASC") lists the local service area committees and commissions that report through it. The Museum is not one of those services. Typically the annual budget review by the EAC is only done for local area services contained completely within the Electoral Areas.

No mention of the EAC is made in the contribution agreement. The formal reporting relationship between the Sooke Region Historical Society and the CRD is via the Chief Financial Officer, who

receives the request and makes recommendations on the budget (including reserve funds) for the Museum prior to passing that matter to the CRD Board as a whole for provisional and final approval.

The portion of the Museum's budget considered at the EAC is only the portion funded by the Juan de Fuca Electoral Area budget. The full funding amount under the contribution agreement is considered by the CRD Board at provisional budget in fall and final budget in March of each year.

Any issues relating to the budget from a Director would be raised through discussions at the Committee or Board level. Budget decisions at Board are subject to a weighted all vote, with Sooke accorded 2 votes and Juan de Fuca accorded 1 vote. If the Museum has requests related to the budget it would raise those with the Chief Financial Officer who would bring it to the bi-annual budget discussions; alternatively it could request to speak as a delegation to the CRD Board.

ALTERNATIVES

Alternative 1

That the Governance and Finance Committee recommend to the Capital Regional District Board: That this report be received for information.

Alternative 2

That this report be referred back to staff for additional information.

CONCLUSION

The Museum is contributed to the by the District of Sooke and a portion of the Juan de Fuca Electoral Area. The annual budget of the Museum is considered each year by the Board, with representation from both contribution local governments.

RECOMMENDATION(S)

That the Governance and Finance Committee recommend to the Capital Regional District Board: That this report be received for information.

Submitted by:	Emilie Gorman, MPA, Manager, Legislative Services & Deputy Corporate Officer
Concurrence:	Kristen Morley, JD, General Manager, Corporate Services & Corporate Officer
Concurrence:	Nelson Chan, MBA, CPA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

EG:snc

Attachments:

Appendix A: Sooke Regional Museum and Visitor Centre Contribution Agreement