Minute No. 375
Report - Standing Committee on Fiscal Issues - April 15, 2003

Item No. 1 Recommendations for Entertainment Funding By-Law Exemption - April 2003
File FL-6 (Vol. 25)

COUNCIL DECISION:

Council concurred in the recommendation of the Standing Committee on Fiscal Issues and adopted the following:

1. That the following amusement and/or place of amusement, which meets the criteria set forth in Schedule "B" of the Entertainment Funding By-law No. 7710/2000, be listed in Schedule "A":

   Masterworks Studio Inc.

2. That the City Solicitor/Manager of Legal Services be directed to prepare the necessary amending By-law in accordance with the foregoing for submission directly to Council for approval.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing, including the execution of any documents related thereto.

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DECISION MAKING HISTORY:

Moved by Councillor Clement,

That the recommendation of the Standing Committee on Fiscal Issues be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 23, 2003, the Executive Policy Committee concurred in the recommendation of the Standing Committee on Fiscal Issues and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On April 15, 2003, the Standing Committee on Fiscal Issues concurred in the administrative recommendation, and submitted its recommendation to Executive Policy Committee and Council.

RE: RECOMMENDATIONS FOR ENTERTAINMENT FUNDING BY-LAW EXEMPTION – APRIL 2003

FOR SUBMISSION TO: Standing Committee on Fiscal Issues

ORIGINAL REPORT SIGNED BY: Chief Financial Officer

REPORT DATE: April 4, 2003

RECOMMENDATION(S):

That the following amusement and/or place of amusement, which meets the criteria set forth in Schedule "B" of the Entertainment Funding By-law 7710/2000, be recommended to Council for listing in Schedule "A".

1. Masterworks Studio Inc.

REPORT SUMMARY

Key Issue(s):

The application received from Masterworks Studio Inc. for exemption from the entertainment funding tax has met the criteria set forth in Schedule "B" of the Entertainment Funding By-law 7710/2000.

Implications of the Recommendation(s):

General Implications

- [ ] None
- [ ] For the organization overall and/or for other departments
- [X] For the community and/or organizations external to the City
- [ ] Involves a multi-year contract

Comment(s): The organization intends to provide training and other fine performing arts from a Christian perspective to the community at large.

Policy Implications

- [X] No
- [ ] Yes

Comment(s):

Environmental Implications:

[X] No
[ ] Yes
Comment(s):

Human Resources Implications:

[X] No
[ ] Yes
Comment(s):

Financial implications

[X] Within approved current and/or capital budget
[ ] Current and/or capital budget adjustment required
Comment(s): The financial impact of approving this application for exemption from the entertainment funding tax is unknown. The tax revenue that could be generated from events hosted by this organization cannot be quantified because the events have not yet occurred.

Report

REASON FOR THE REPORT:

Council must approve all Entertainment Funding By-law exemptions.

HISTORY:

The Entertainment Funding By-law 7710/2000 was adopted in September 2000, wherein the former Amusement Tax By-law was replaced. A report to the Standing Committee on Fiscal Issues is prepared for each scheduled meeting if an application for exemption is received. The report was first submitted for the meeting of January 16, 2001 and for each meeting thereafter as required.

DISCUSSION:

An amusement or place of amusement may be listed in Schedule “A” where an organization has submitted an application for exemption. Listings are intended to assist locally based charitable and not-for-profit cultural or athletic organizations in producing entertainment and sporting events with admission prices at a level which will encourage a broad audience. Listings are not intended to apply where an amusement is held for fund raising events in which the performers or promoters profit or where the exemption would result in for-profit gain.

The Administration has conducted a thorough review of the application received for exemption from the Entertainment Funding By-law in accordance with the criteria set forth in both Schedule “B” and By-law 7710/2000. It is recommended that Council approve listing in Schedule “A” for the Entertainment Funding Tax exemption application from the Masterworks Studio Inc., as the organization has satisfied the criteria set forth in Schedule “B “.

Financial Impact Statement:

Project Name: EXEMPTION FOR ENTERTAINMENT FUNDING TAX

Date: April 4, 2003 First Year of Program **2003**

	2003	2004	2005	2006	2007
Capital					
Capital Expenditures Required					
Less: Existing Budgeted Costs					
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - Enter Description Here					
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs					
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts					
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: The financial impact of approving this application for exemption from the entertainment funding tax is unknown. The tax revenue that could be generated from events hosted by this/these organization(s) cannot be quantified because the events have not yet occurred.

"original signed by Carrie Erickson"
Manager of Finance and Administration

In preparing this report, there was consultation with and concurrence by:

This Report Submitted By:

Department:	Corporate Finance Department
Division:	Taxation & Revenue
Prepared by:	Robert Weselowski
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