



FCC NEWS

May 2007

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FCC Inserts

Planning Update
Treasurer's Update
Community Hero Award—Nomination ✓
Partnership Group—Services

Advertising Inserts

Live Outside the Box—Poster
Bishop Grandin Music—Concert
Calgary Police Services—News
Calgary Reads—Book Sale
Forest Lawn Seniors—Workshop
Women Extraordinaire—Workshops

✓ Denotes Communities only

The FCC does not endorse anyone nor do we encourage you to engage specific people. We provide you with information (marketing & advertisements), but we leave the decision up to you.

We have informed people of our policy, so if anyone says that they are supported by the FCC, please keep this policy in mind.

SOCAN FEES and Community Associations

The Federation of Calgary Communities has received a few calls with regards to Community Associations having to pay SOCAN tariffs if they play music in their facility. After a discussion with SOCAN, the answer is YES you are, by law, obligated to pay the tariff fees.

SOCAN is a copyright collective representing more than 80,000 Canadian music creators and publishers and, through our affiliated performing rights organizations (PROs), hundreds of thousands more worldwide. These are the people who create the music that's such an important part of our lives.

If you use music as part of your business or functions, you know that music sells: ideas, services, goods, and a host of other products. Music entertains bar and dance club patrons, your employees, your customers and even people waiting on hold when they call your business on the telephone.

In order to use music as part of your business, you usually need a performing rights license. SOCAN will grant such a license, allowing you access to virtually the world's entire repertoire of copyright-protected music for communication and public performance, at rates approved by the Copyright Board of Canada. A SOCAN performing rights license ensures that the music and the rights of those who create and publish it are respected.

Generally speaking, there are a few main categories of music user industries: Telecommunications (radio, television, cinema, internet)

- Hospitality (bars, restaurants, dance clubs, private clubs, hotels, karaoke clubs)
- Retail (stores, shopping malls)
- Recreation (game halls, fitness facilities, private clubs, sports arenas, bowling alleys, sports clubs)
- Concert (live bands or recorded music)
- Workplace (in offices, service establishments, on hold on the telephone)

If you use music in public, you may need to obtain a SOCAN licence and pay the appropriate tariff(s) as set by the Copyright Board. (<http://www.socan.ca/jsp/en/resources/tariffs.jsp>)

FCC has also obtained five PDF brochures related this topic. To obtain a copy please send an email to fcc@calgarycommunities.com requesting copies.

Children's Fitness Tax Credit

A member organization has requested some information on the Children's Fitness Tax Credit – here is what we found out....

As a community association you may be required to issue receipts to parents in order for them to qualify for the Children's Fitness Tax Credit:

1) Program Receipts

Eligible programs

On December 19, 2006, the Department of Finance released information explaining what programs of physical activity will qualify. It proposes that in order to qualify for the tax credit a program must be:

- ongoing (either a minimum of eight weeks duration with a minimum of one session per week or, in the case of children's camps, five consecutive days);
- supervised;
- suitable for children; and
- substantially all of the activities must include a significant amount of physical activity that contributes to cardio-respiratory endurance plus one or more of: muscular strength, muscular endurance, flexibility, or balance.

Before you advertise the program, you should use the checklist to determine if the activity qualifies so that you can be prepared with the appropriate type of receipt:

Answering the questions in the **Children's Fitness Tax Credit Eligibility Checklist** will help you determine whether a program should qualify for purposes of the proposed tax credit. **If you answer "yes" to all four questions**, then you should issue receipts to parents for the purposes of this credit.

If the fee is for membership in a mixed-use facility such as a community centre, or for enrolment in an organization in which only some activities qualify, see the Memberships and mixed-use facilities

Children's Fitness Tax Credit Eligibility Checklist

Answering the questions below will help you determine whether a program should qualify for purposes of the proposed children's fitness tax credit. **If you answer "yes" to all four questions**, then you should issue a receipt for the purposes of this credit to parents whose child is under 16 years of age at any time during the year. For assistance completing receipts, see <http://www.cra-arc.gc.ca/whatsnew/organi-e.html#receipts>.

Note:

The following activities do **not** qualify:

- activities where riding in or on a motorized vehicle is an essential component of the activity

- activities occurring as part of regular school physical education programming
- self-directed activities

1. Is the program suitable for children under 16 years of age? Note: The program should be physically safe, not place children at undue risk and comply with safety regulations.

Yes / No

2. Does the program operate at least once a week for a minimum of eight consecutive weeks or over a period of at least five consecutive days?

Yes / No

3. Answer Question A below if your program operates for a minimum of eight consecutive weeks with one or more sessions per week. Answer Question B if your program operates for at least five consecutive days.

A) Do approximately 90% of the activities in the program include a significant amount of physical activity that contributes to cardio-respiratory endurance **plus** one or more of muscular strength, muscular endurance, flexibility or balance?

Yes / No

B) Do physical activities make up 50% or more of structured program hours? If yes, do approximately 90% of these physical activities include a significant amount of physical activity that contributes to cardio-respiratory endurance **plus** one or more of muscular strength, muscular endurance, flexibility or balance?

Note: The **Public Health Agency of Canada's Physical Activity Guides for children and youth** (http://www.phac-aspc.gc.ca/pau-uap/paguide/child_youth/index.html) list the types of activities that contributes to cardio-respiratory endurance.

Activities qualify if they require a cardio-respiratory contribution at least equivalent to that of a brisk walk.

Yes / No

4. Is a supervisor present and sufficiently engaged to encourage active participation by the children?

Note: Explicit instruction or coaching is not needed to meet this requirement.

Yes / No

2) Membership Receipt

Before you advertise that you can provide a membership receipt you need to know what percentage of your Community Association programs qualify using the Children's Fitness Tax Credit criteria...

If the fee is for membership in a mixed-use facility such as a community centre, or for enrolment in an organization in which only some activities qualify, see <http://www.cra-arc.gc.ca/whatsnew/organi-e.html#mixed> for more information about how to calculate

eligible fees.

Memberships and mixed-use facilities

A child's full membership fee in a club or other organization for two months or more can qualify if:

- more than 50% of the programs available to a qualifying child as a result of membership are eligible programs; **or**
- more than 50% of available time is devoted to eligible programs for qualifying children.

Example:

Membership in a local boys and girls club entitles each child to participate in a wide range of programs, some of which are eligible (biking club, weekend hip hop dances, open swim or gym, ski club) and some of which are not (career planning, board games, reading club). A receipt for the full amount of the annual membership cost can be issued if more than 50% of the programs qualify. A receipt for the full annual membership fee paid can also be issued if more than half of the club's scheduled time (i.e. total program hours) is devoted to eligible programs.

If neither of the 50% tests are met, a receipt can be issued for a pro-rated amount.

Family memberships

The portion of a family membership attributable to a qualifying child's participation in eligible programs will qualify. A receipt for that portion of the family membership cost can be issued.

Community interpretation as per a telephone conversation with Revenue Canada:

Depending on the records the community association keeps, the calculation of the membership could be either

the number of people in the family divided by the cost of membership (ie. 5 people in a family with a \$15 dollar membership is \$3 per person) or

the number of people in the family that uses the membership divided by the cost of the membership (ie. A family of 5 but only 3 access programs with a \$15 dollar membership is \$5 per person).

You are not done yet!!! You now have to look at all the programs in your Association. If more than 50% pass the child fitness test then you can issue a membership receipt for \$3 or \$5 using the aforementioned examples. However, if only 20% of your programs meet the child fitness criteria then you can only issue a membership receipt for 20% of \$3 or \$5 dollars.

Continued on Page 4...

FCC UPDATE

Strategic Planning

As part of our transition process of hiring a new Executive Director, we consulted with you to gain insight on what you were looking for from FCC. That helped us a lot in the process of recruiting Leslie Evans.

Now, we are undertaking another phase of the transition process, which is coming up with a new Strategic Plan. By now, all of you have received or should have received an invitation to consultation sessions that are being held in May. If you have not, please contact Leslie and she will provide you with the details. These consultations are very important to us and ultimately to you as our members and we hope you will attend one of these sessions.

The Board is active in this strategic planning process also. We are reviewing the bylaws to see how they fit with our new and evolving strategic direction. We are discussing how we recruit Board members and the type of skills we recruit for the Board in light of the changes in direction. We are reviewing what and how we communicate and through what means. We will be developing some key messages for when we talk to government, the media and the like. And, the list goes on. We will update you along the way as things evolve.

September 15 Central Council

Please mark this important date on your calendar or in your PDA. We will be bringing the new Strategic Plan to you at this meeting. We will bring any changes to the bylaws at this meeting for approval. And we are working on some interesting presentations including Synergy Calgary that has just been formed to help deal with energy development issues in the Calgary area. We hope you will make a point of attending this meeting.

Smith Insurance Hero Award

As members of the FCC, you can recognize the unsung

heroes in your community through the Smith Insurance Community Hero Award program. All you have to do is fill in the nomination form that comes in the FCC's monthly mailout. We come out to your community, say at some community special event such as an AGM or Volunteer Recognition evening and present the people you nominate with a framed Award certificate. All the people that are nominated between our AGM's have their name put into a draw for a special gift that is presented at our AGM (October 30).

A Benefit of Being a CA Member

In case you have missed it, every resident of your community can potentially benefit from being a member of your community association through the CA group home and auto insurance program developed by Smith Insurance. I personally have saved quite a bit of money through this insurance program.

One community has used this program extensively as a selling point when they sell memberships and they have found this program to be an excellent membership selling point. There is also a membership information brochure that is available through the FCC to assist your membership selling efforts. It explains what community associations do and why people should join.

Enjoy Spring

As you know our weather is rather variable, so take time to enjoy the warmer spring days whenever you can. This will help you cope with the everyday pressures, including the important work you do for your community.



Bob Larg
President

ANNOUNCEMENTS... for more details call us at 244-4111

NEW....Success Stories

We would like to profile and share your success stories with all our communities and other subscribers.

Please email your stories to Leslie Evans at leslie.evans@calgarycommunities.com before the posted Deadlines on Page 4.

FCC MEETINGS

FCC Strategic Planning Meetings

May 2, 9, and 16 at 7:30 p.m.

Regular Board of Directors Meeting

Monday, May 28 at 7:00pm

Central Council of Presidents

Saturday, Sept. 15, 2007 at 9:00 a.m.

Area Council Meetings

April to June 2007

Watch for your email meeting notice

OTHER WORKSHOPS

Insurance Workshop

Thursday, May 10 at 7:00p.m.

Neighbourhood Safety – In Community Spaces

Thursday, May 17th, 2007 at 7:00 p.m.

Call FCC for more details on these meetings or workshops: 244-4111 ext. 201

Children's Fitness Tax Credit Continued

If your program qualifies you must then:

1. **Calculate eligible fees**
2. **Issue an appropriate receipt**
3. **Calculating eligible fees**

To be eligible for the children's fitness tax credit, the fees must be paid for a child who is under 16 at any time in the year. The fees must relate to the cost of registration or membership in an eligible program of physical activity. If your organization provides family memberships relating to an eligible program of physical activity, you will be able to issue a tax receipt for the child's portion of the membership fees.

Registration and membership costs can include the costs of administration, instruction, and the rental of facilities. If the fees charged to parents include a part for accommodation, travel, food, or beverages (for example, room and board at a fitness camp), then this part must be deducted when calculating the part of the fees that qualify for the tax credit.

Example:

You operate an away-from-home hockey camp for children. Parents pay an all-inclusive registration fee of \$700 for the one-week camp. The camp provides hockey pucks, jerseys, and goalie nets that are shared during the camp but that are retained by the organization at week's end. Children must bring all other necessary equipment with them and parents are responsible for transporting

the children to and from the camp. The \$700 fee includes \$200 for accommodation and \$150 for meals. The portion of the fee that is eligible for purposes of the children's fitness tax credit is \$350 (\$700 - \$200 - \$150).

3) Issuing receipts

You should issue a receipt for income tax purposes for amounts **paid in 2007 only**. Amounts paid in 2006 do not qualify even if all or part of the activity takes place in 2007. A receipt should contain the following information:

- Organization's name and address
- Name of the eligible program or activity
- Total amount received, date received, and the amount that is eligible for the children's fitness tax credit
- Full name of the payer
- Name of the child and child's year of birth
- Authorized signature.

Note: An authorized signature is not required for electronically generated receipts.

You may use the program registration form so long as it contains the required information including how you received the money (cash, visa, cheque) and an authorized signature.

Revenue Canada Toll Free: 1-800-959-5525

FCC Newsletter Deadlines For 2007

Submissions are accepted until 4:00 pm on the following dates

ISSUE	Deadline
Jan _____	Jan 10
February _____	Jan 31
March _____	Feb 28
April _____	Mar 28
May _____	Apr 25
June _____	May 30
July _____	June 27
August _____	July 25
September _____	Aug 29
October _____	Sept 26
November _____	Nov 07
December _____	Nov 28

Full details can be found on our website

www.calgarycommunities.com

Potential Funding—Major Community Facilities Program

Major Community Facilities Program provides funding support to municipalities, not-for-profit organizations and Aboriginal communities for projects that are identified as a priority by a community, through the Alberta Lottery Fund. Projects that meet the criteria for the program include sports, recreational, cultural or other related family and community wellness facilities.

Applicants must meet established program guidelines and submit a business case to be considered for funding. Further details on applications are available at www.tprc.gov.ab.ca or by calling 1-800-642-3855.

Services at the FCC

ED / Organizational Support & Advocacy	Leslie Evans
Financial—Audits & Accounting	Heidi Brauer
Community Planning & Development	Bob van Wegen
Communications & Marketing	Vacant
Fund Development Officer	Phyllis Snider

November 2006–2007 FCC Board of Directors

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