

# Dewberry & District Agricultural Society

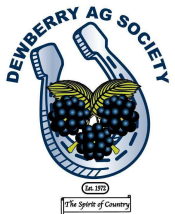
Presentation to County of Vermilion River Council – March 11, 2025

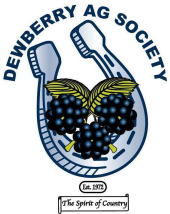
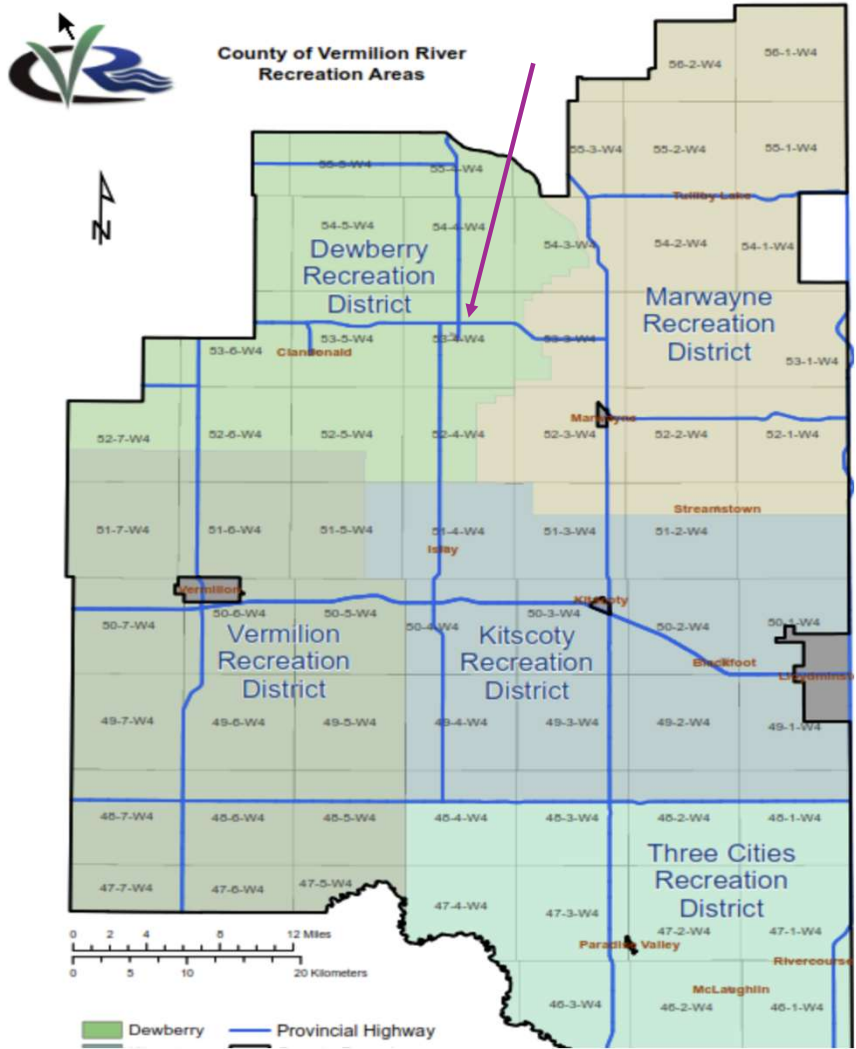


# Introductions

- Eleanor Parr – Ag Society member since early 70's
- Darlene Goldsmith – Ag Society member since early 80's
- Darren Bowman – Ag Society member since early 2000's and current Vice President
- Holly Holmen – Ag Society member since early 80's and current Treasurer; on Board since 2008
- Carey Kraus – Ag Society member for last decade

All of the above have been active in fundraising for the Dewberry arena for many year.



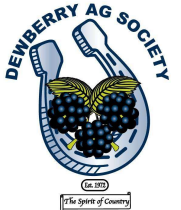


# Three Messages Today

- The Challenge We Have
- How We Got To This Situation
- What We Believe Is The Way Forward

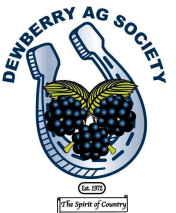
# First A Bit Of History on the Dewberry Arena

- Discussions on Building a New Arena Started in 2008
- Alberta Infrastructure Review of Old Arena in 2012
- Bylaw 14-23 Passed Resulting in \$1.4 Million Debenture in 2014
- Heifer Lottery Has Been Running Annually Since 2015
- Demolition of Old Arena and Start of Construction of New Arena in Early 2016
- Official Opening of New Arena in Fall 2017



# We Are Still “Community Builders”

- All of the Reasons that Existed at the Start of the New Arena Project Still Exist
  - Arena is a Community Hub
  - Provides a Unique Recreation Facility in our Area
  - Well Used Facility – Community and Other Teams
  - Supports Growth and Use of Existing Assets in Hamlet of Dewberry
  - Dewberry Ag Society is a Group of Passionate Individuals – Passionate about Community Building, Supporting Youth, and adding Reasons to Live in our Corner of County of Vermilion River

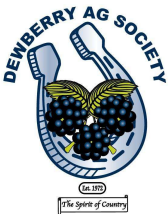


## The Challenge We Have

- Actual Construction Budget Much Higher Than 2014 Budget
- Increase Covered By \$2.7 Million Loan from Alberta Treasury Branch
- Although They've Showed Patience, We are Unable to Properly Service ATB Loan
  - As of Dec. 16/24, \$2.384 Million owing despite making almost \$1.3 Million in payments where 3/4 has gone to Interest.

Dewberry Arena Budget Vs Actual		
	Original Budget Per August 19, 2014 Bylaw 14- 23	Actual
CVR Park Trust	\$ 25,000	\$ 25,000
Debenture	1,400,000	1,400,000
Village of Dewberry	50,000	**
Fundraising	1,559,105	2,427,832
Various Grants	535,000	214,548
Casino	20,000	19,034
In Kind (volunteer labour & equipment)	307,877	47,653
ATB Loan	-	2,700,000
<b>Total</b>	<b>\$ 3,896,982</b>	<b>\$ 6,834,067</b>

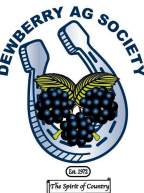
\* - figures from Oct 1, 2014 to Oct 30 2018  
 \*\* - no actual cash - the Village installed an extra fire hydrant as their contribution



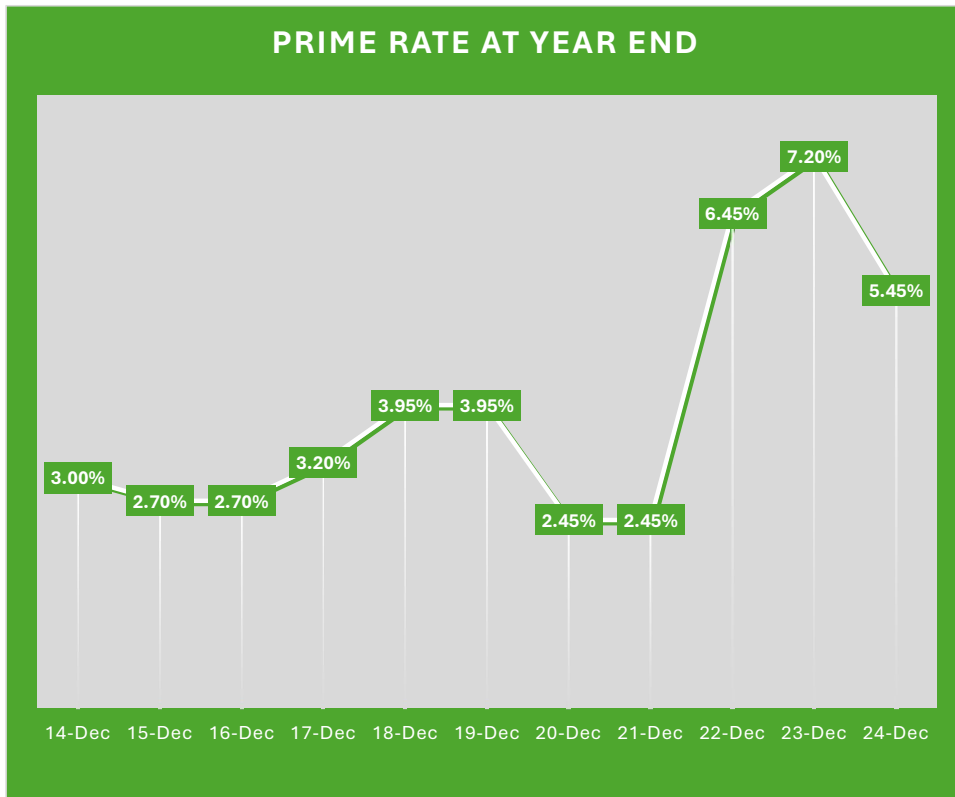
## How We Got To This Situation

- No Large Donations (e.g. Naming Rights) Materialized
- Grant Opportunities to Reduce Debt Not Available
- Fundraising Not Sufficient To Make the Required \$250k Loan Payment
- No Interest Forgiveness From ATB During Covid
- Very Large Jump in Interest Rates
- Significant Increase in Final Cost of New Arena

Heifer Lottery Summary				
Year	Total Ticket Revenue	Prizes plus Lottery Expenses	Net Proceeds	
2015	\$ 229,180	\$ 51,489	\$	177,691
2016	\$ 146,220	\$ 51,550	\$	94,670
2017	\$ 168,580	\$ 52,200	\$	116,380
2018	\$ 178,140	\$ 51,585	\$	126,555
2019	\$ 162,700	\$ 51,125	\$	111,575
2020	\$ 252,341	\$ 53,862	\$	198,478
2021	\$ 249,360	\$ 54,000	\$	195,360
2022	\$ 250,682	\$ 61,402	\$	189,280
2023	\$ 242,357	\$ 62,361	\$	179,996
2024	\$ 249,317	\$ 96,989	\$	152,328
Total	\$ 2,128,876	\$ 586,563	\$	1,542,313
Average	\$ 212,888	\$ 58,656	\$	154,231

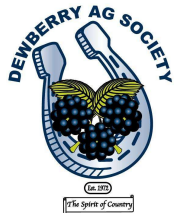






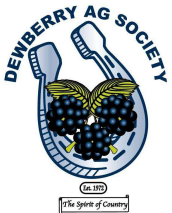
## Some Of The Reasons For Increase In Actual Cost Over Budget

1. Ice plant removal and reinstall.
2. Extra steel standoffs for the roof that were incorrect.
3. Cost monitor that ATB Required.
4. Extra wages for laborers.
5. Project management fees that exceeded original estimates.
6. Rubber flooring and vinyl flooring.
7. Extra costs for wall finish work and painting when original contractor declared bankruptcy.
8. Extra groundwork costs .
9. Extra fees for building erection when things didn't fit properly.



# What We Believe Is The Way Forward

- Reviewed Options Ranging From Walking Away, to Finding New Sources of Grants or Fundraising, to Selling Arena
- Two Most Feasible are:
  - 1) Sell Arena - Who Would Buy an Arena in Dewberry Beside County of Vermilion River?
  - 2) Refinance All or Part of ATB Loan, and Renegotiate Terms on Remainder
- What Options are Available to Refinance?
  - Another Financial Institution – Servus Credit Union, ??
  - Taxpayer Supported Debenture

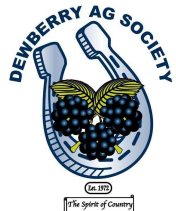


## Current Debenture

- Authorized August 19, 2014 Bylaw 14-23
- Original Amount was \$1,400,000
- 15 Year Term at a Rate of 2.351%
- \$667,247 as of Dec. 15, 2024
- Semi-Annual Payments of \$55,648.74
- Supported by Levy for Dewberry Rec Area in Annual Tax Assessment
- Will be Fully Paid by June 2031 (in 7 years)

## Our Ask Today

- Council Approve an Additional Borrowing in Total Amount of \$1,000,000 and For a 15 Year Term
- Comprised of:
  - \$200,000 to Assist With Needed Roof Repair (if Necessary)
  - \$800,000 for ATB Debt Repayment
- New Borrowing to be Supported by Levy for Dewberry Rec Area in Annual Tax Assessment



**QUESTIONS ?**