

2018 Calgary Combative Sports Commission Annual Report



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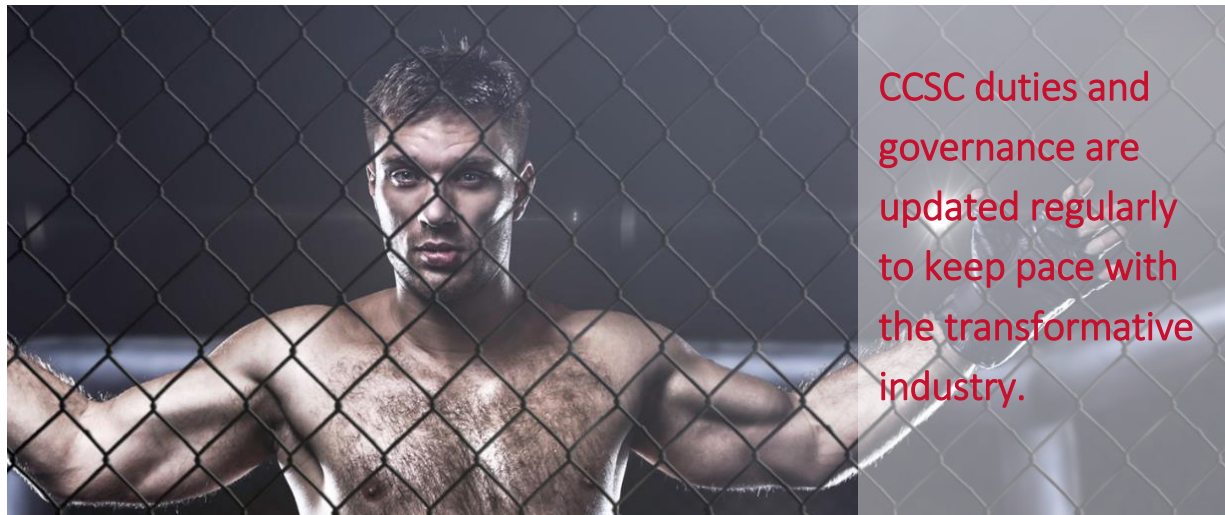
Introduction

For over 100 years, the Calgary Combative Sports Commission (CCSC) has been responsible for the regulation, governance and supervision of combative sports in Calgary. CCSC's mandate is to ensure all events are conducted in the safest possible environment for participants, officials, and spectators, minimizing the inherent risks associated with combative sports.

CCSC keeps pace with rapidly-evolving industry standards by frequently reviewing its rules and regulations, while actively communicating and working with similar regulatory bodies across North America.

Strategic, operational, and regulatory functions are performed by CCSC board member volunteers, with support from Administration. CCSC is funded through a cost recovery model, where costs associated with its regulatory activities are recovered from fees paid by combative sports promoters when staging an event.

The 2018 annual report provides an overview of enhancements, a summary of sanctioned events, and event trends. Also included in the report is a review of the current combative sports model, responses and actions for improvement, succession planning and a financial overview.



Enhancements

CCSC has created two key internal documents aimed at improving the safety and supervision of combative sports: an inspector manual and a ringside physician guide. These two initiatives ensure consistent standards are delivered at all combative sports events in Calgary, allowing easier onboarding of new doctors and inspectors, with clearly outlined roles, procedures, and expectations.

Inspector Manual:



Inspectors are responsible for constant supervision of competing fighters, from the dressing room until post fight, on behalf of CCSC. These individuals play a critical role in safety and oversight, working closely with the doctors and referees. This comprehensive manual and training tool outlines the inspectors' duties, expectations, and risk management protocols.

Ringside Physician Guide:

Recognizing the need to provide additional information to its ringside physicians, CCSC established detailed protocols and standards to ensure the highest level of care for the health, safety, and welfare of fighters. A thorough medical procedures guide was developed to ensure a consistent level of medical response is provided and maintained.

Activity Summary

2018 Sanctioned Events				
Event	Date	Venue	Event Fee	Event Type
Ultimate Fighting Championship: UFC on Fox 30	2018-JUL-18	Scotiabank Saddledome	\$100,000	MMA
Dekada Fight Night	2018-SEP-08	Deerfoot Inn & Casino	\$6,000	Boxing
Dekada Fight Night	2018-NOV-03	Deerfoot Inn & Casino	\$6,000	Boxing

The biggest event regulated by CCSC in 2018 was Ultimate Fighting Championship (UFC) and it was their second time hosting a globally-televised Mix Martial Arts (MMA) event in Calgary. The event was seen by millions of viewers in the US, Canada, and around the world with over 10,000 fans attending live in the Scotiabank Saddledome. Calgary was actively promoted as the host city throughout the broadcast. This single UFC event provided more revenue to CCSC than all combined combative sports events in 2017.

Review of Current Model

CCSC regularly reviews and updates its operating procedures. In 2017, a decline in the number of combative sports events being hosted in Calgary was noted. Following an environmental scan, CCSC identified the following:

- The ebb and flow of combative sports events is normal within the industry and is often reflective of the economy. Many other jurisdictions in Canada reported a decline in the number of combative sports events.
- A large Calgary promoter ceased their live event business in 2017. The gap in the market wasn't immediately filled, however, there are several new promoters scheduled in 2019 to begin hosting events in Calgary.

Did you know?

Calgary's MMA rules were used by the UFC for the first time in July 2018 and have been adopted by other Commissions.



- Two promoters moved from hosting combined professional /amateur cards to amateur-only events. Although these events provide the same business and entertainment for Calgarians, they can be regulated by amateur sanctioning bodies.

CCSC is committed to facilitating the growth of combative sports in Calgary.

Jurisdictional Scan:

Alberta is the only province without a provincial combative sports commission in Canada. Although CCSC has world class standards, a provincial commission provides the opportunity to apply consistent standards across the province and a tax supported commission could potentially offer lower fees to promoters.

Participants Survey:

To further understand the recent decrease in combative sports events in Calgary, a stakeholder survey comprised of current and past promoters was conducted. The survey results showed several reasons for the decrease in events, including the availability of appropriate venues, the current economic climate, business opportunities in other jurisdictions, and the overall cost of promoting an event.

Response and Action

Recognizing the challenges faced by promoters, CCSC made efforts to reduce the cost of promoting combative sports in Calgary, as well as reducing CCSC's overall operational costs. Initiatives have been undertaken to support promoters and make combative sports a viable entertainment option within Calgary.

Cost Saving Measures:

CCSC recognizes the impact of economic conditions on promoters and has responded by reducing the cost of promoting combative sports in Calgary, as well as the CCSC's overall operational costs through:

- Reducing honorarium expenses by almost 45 per cent in 2018, compared to 2017 expenses by streamlining the number of meetings and decreasing the number of required CCSC members to attend weigh-ins and events.
- Reducing business expenses by over 30 per cent in 2018, compared to 2017 expenses.
- Absorbing the cost of miscellaneous items such as interpreters and medical supplies, rather than passing these on to the promoter.

CCSC ensures that all cost saving measures support the cost recovery model and that CCSC finances are managed in a manner that prioritizes sustainability.

Proposed Bylaw Amendment:

An amendment to the Combative Sports Commission Bylaw 53M2006 is being proposed, which will allow the contestant, judge or referee an option to be licensed for a single day, rather than the standard term of one year.

One day licences would cost \$50, a substantial reduction from the current \$191 charge to be licensed for one year. Even the smallest fight card would typically licence 8-16 contestants, so lowering this fee



would significantly reduce costs for the promoter.

Provincial Commission:

Alberta is the only province in Canada with combative sports regulation at the municipal level. Although CCSC has world class standards, an Alberta provincial commission could provide the opportunity for more consistent application of safety and regulatory procedures in other areas of the province. CCSC supports the Alberta Urban Municipalities Association (AUMA) resolution of exploring the feasibility to establish a provincial combative sports commission.

CCSC has established a reputation as a respected authority in combative sport standards in the industry and received accolades for their concise and comprehensive oversight. CCSC has high standards, however, those standards are not consistent across the province. The AUMA 2017 Annual Conference noted how the current lack of consistency amongst combative sports commissions in Alberta poses risks for athletes' health and safety.

A provincial commission that can replicate the elite standards of CCSC would ensure consistent safety standards and could provide the prospect of government operational funding, which may reduce the cost to promoters. The CCSC will continue to actively support and cooperate in discussions around the establishment of a provincial commission.

Succession Planning

Due to the complexity and high-risk nature of combative sports regulation, succession planning is crucial for the CCSC. Over the past few years CCSC has taken steps to enhance its succession planning strategy which includes the ongoing documentation of procedures and the development of comprehensive operational guides. CCSC is training board members on core duties previously carried out by the Chair and assigning day-to-day operations to the Administrative support staff member.

.... One of the highest-profile combative sports legal experts in North America praised Calgary's MMA rules, noting: "The compiled 'unified rules' as put together by Calgary... are the most comprehensive and reader-friendly that I have seen to date".



Board Members

Calgary Combative Sports Commission Board Members			
Member	Role	Current Appointment	Expiry Year*
Shirley Stunzi <i>Chair</i>	Member appointed by resolution of Council	2007	2019
TJ Madigan <i>Vice Chair</i>	Member appointed by resolution of Council	2012	2019
Michael Gadde	Member appointed by resolution of Council	2015	2019
Shawn Hiron	Member appointed by resolution of Council	2014	2019
Allison Kavanagh	Member appointed by resolution of Council	2013	2019
Chad Ford	Member appointed by resolution of Council	2018	2020
Shane Moore	Member appointed by resolution of Council	2017	2019
Kent Pallister <i>Non-voting</i>	Chief Licence Inspector (Non -Voting)	2015	2019

*As per the Combative Sports Commission Bylaw members shall be appointed for two-year terms, expiring on the day of the Council's Organizational Meeting in the year of the expiry of the member's term. Members may serve a maximum of six consecutive years.



Revenues and Expenditures

Calgary Combative Sports Commission 2017 & 2018 Statement of Revenues and Expenditures (\$000) 2019 & 2020 Proposed Budget (\$000)				
	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2019 Proposed</u>	<u>2020 Proposed</u>
Revenues/Other Funding Sources:				
Event Fees	48	112*	42	36
Transfer to Contingency Fund **	0	(31)		
Draw from Contingency Fund	48	0	47	53
	\$96	\$81	\$89	\$89
Expenditures				
<u>Ongoing Operating Expenses</u>				
Salary, Wage and Benefits ***	22	26	26	27
Honorarium Expenses (attending meetings, weigh-in and events)	41	23	30	30
Business Expenses (parking, meeting supplies, bank service charge, conference)	16	11	12	12
Communication, IT, Contracted Services (including computer, phone, interpretation services, drug testing)	10	11	15	15
<u>CCSC Strategic Initiative Project</u>				
Technology Enhancements	7	0	0	0
Staff Training and Knowledge	0	0	3	2
Process Enhancements	0	10	3	3
	\$96	\$81	\$89	\$89
Net Surplus/(Deficit)	\$0	\$0	\$0	\$0

Note:

*Includes UFC amount of \$100K.

**As of December 31, 2018, the contingency fund balance was \$131K, which is approximately \$31K higher than previous year.

***A portion of a supporting City staff position is funded as part of CCSC's cost recovery model.

****CCSC special projects will continue into 2019 and 2020. The contingency fund will help support their operating requirements, as well as, the special projects to enhance sport safety, sustainability and customer service. The estimated ending balance of the contingency fund at 2020-year end will be \$31K.