

BACKGROUND

Special Areas is inviting residents to take part in a community conversation about the future of the CJ Peacock Centre. This information sheet summarizes what we heard at the March 5, 2026, Annual General Meeting (AGM) of the Cereal Community Centre (CCC) group and outlines some important information for the decisions ahead.

Why Are We Talking About the Future of the CJ Peacock Centre?

In late 2025, the Special Areas Advisory Council provided direction that Special Areas should stop operating the CJ Peacock Centre after 2026 as Special Areas does not operate other community halls in the region.

First, a little history...

The CJ Peacock Centre was a former school building which had been owned and operated by the Village of Cereal prior to the dissolution of the Village. As a part of the community's transition to a hamlet, Special Areas became responsible for village facilities. During the transition, Special Areas assessed village facilities to evaluate the best approach moving forward, including village shops, arena / curling rink, old community hall, village office, and the CJ Peacock Centre. Some buildings were demolished as they had no salvage value and some were repurposed for municipal / public works.

In 2021, the CJ Peacock Centre was identified as the best option to function as the Cereal Community Centre. The Special Areas Facilities team evaluated the CJ Peacock Centre to identify urgent repairs and future maintenance / repair work. Repair work completed since 2021 includes: the installation of two boilers (older section), repair of south furnaces, repair of makeup air in basement, upgrade of electrical panel, emergency lighting upgrades, and key control upgrades for rooms.

The Province provided transition funds to Special Areas as a part of Cereal's dissolution process, these repairs were completed using these funds.

GOA Transition grant funds (revenue in)	\$ 822,000.00
<i>Severance & transitional staffing</i>	\$ 158,837.00
<i>Final financial audit (Village)</i>	\$ 5,500.00
<i>Payment of ATB Line of Credit (Village)</i>	\$ 142,131.33
<i>Repayment of SAB advance to Village (pumphouse)</i>	\$ 150,000.00
<i>Water infrastructure work</i>	\$ 39,519.21
<i>Village building repairs</i>	\$ 22,993.67
<i>Curling rink abatement & removal</i>	\$ 77,297.34
<i>Repair work on Cereal scale</i>	\$ 11,781.61
<i>Equipment Repairs (Village equipment)</i>	\$ 50,043.26
<i>New equipment purchases (mower, skid steer, dump trailer)</i>	\$ 117,395.56
<i>Truck for Public Works Employee (Hamlet of Cereal)</i>	\$ 63,527.00
Grant Fund Expenditures (post amalgamation)	\$ 839,025.98

Like other community facilities in the region, operational expenses for the CJ Peacock Centre were intended to be funded through the recreation grant program. However, as there was no community group established who was interested in operating the facility when Cereal became a hamlet, Special Areas took over the operations of the CJ Peacock Centre on a temporary basis.

Residents now need to determine what happens next for the CJ Peacock Centre.

WHAT WE HEARD - CEREAAL COMMUNITY CENTRE AGM

(March 2026)

Based on feedback shared through the Cereal Community Centre (CCC) Annual General Meeting held March 2026, the community is concerned about the costs and issues associated with operating the CJ Peacock Centre. Key areas of concern included:

- Rising utility and insurance costs
- Costs for facility management (estimated at \$24,000/year)
- Liability issues – who is liable if something were to happen?
- Facility repairs & maintenance issues – who would be responsible?

Other concerns raised include uncertainty around how the community could raise funds for operating the facility on an ongoing basis (e.g. Casino funding, fundraisers, etc.). Limited use of the facility creates challenges raising revenue to cover operating costs. The current kitchen facilities (Level 1) significantly limit use and potential revenue. The gymnasium was identified as a key revenue generating opportunity. Questions were raised around Special Areas role in assisting with funding if the CJ Peacock Centre is planned to be used for emergencies, and a need for clear information on how provincial funds for the dissolution of the village were used.

Challenges with the long-term sustainability of a community-operated facility were also raised. From difficulty recruiting and retaining volunteers to changing demographics to the need for ongoing fundraising due to high operating costs, there was a sense that the community would like to see the facility remain open *only if a sustainable model could be identified*.

CURRENT STATUS - CJ PEACOCK CENTRE

Special Areas currently pays utilities and insurance for the CJ Peacock Centre. Funds for these expenses are paid through recreation grant dollars which are allocated annually through the Special Areas Recreation Grants Program.

The 2025 allocation was \$20,768.29 and included funds for the playground, tennis court and the CJ Peacock Centre.

CJ Peacock – Operating & Ownership Costs

Currently, the Special Areas Board owns and operates the CJ Peacock Centre in Cereal, AB. Some of the costs associated with this facility include utilities, insurance, maintenance and repair work. A breakdown of annual costs for the CJ Peacock Centre is below:

	TOTAL	Gas	Power	Water	Insurance*	Maintenance & Capital
2024	\$ 32,641.82	\$ 10,515.17	\$ 17,020.43	\$ 1,857.14	\$ 600.00	\$ 2,647.08
2025	\$ 29,761.91	\$ 9,072.86	\$ 16,576.07	\$ 926.16	\$ 600.00	\$ 2,586.82

**Currently insurance is provided to Special Areas (as the owner of this facility) through Alberta Risk Management as per our role as a crown agency. As a result, the historical insurance premiums paid for this facility by Special Areas are significantly lower than insurance premiums the community could expect to pay if they were to take out insurance for this facility.*

A comparable community-operated facility in the region has insurance premiums of around \$6,063 per year (based on a commercially assessed facility value of \$3.7M) which do not include liability or any other insurance, just property insurance. This insurance is provided through the Rural Municipalities of Alberta (RMA) Insurance program, available to community groups who are registered not-for-profit organizations. It is expected that a commercial assessment would be required for the CJ Peacock Centre prior to qualifying under RMA's community group insurance program. Generally, Special Areas is advising community groups to look at alternative insurance options as there may be lower premiums available outside the RMA Insurance program.

CJ Peacock – Known Maintenance Issues / Planned Work

Current maintenance concerns for the facility have been identified and are listed below. Special Areas plans to address these issues prior to the community taking on ownership and management of the CJ Peacock Centre by the end of 2026. Costs for these short-term repairs are estimated at \$25,000 and are included in Special Areas Board's 2026 budget.

- Front entrance door was repaired (due to sticking)
- Cracked sidewalk in front of CJ Peacock Centre – the section from front doors to the east parking area will be repoured (concrete)
- Basement clean-up work

The following facility maintenance issues have also been identified; however, the Special Areas Board currently does not plan to address these issues in 2026. The Board recommends these items be an area of further discussion with the community to develop a plan on how to address them after the facility is no longer operated or owned by Special Areas.

- Gym area – back door replacement
- Gym floor – current flooring showing need for repair / replacement
- Water line leaks in gym washrooms (*currently water is shut off to the area to prevent damage, further investigation is required to assess repair costs*)
- Potential hazardous material abatement

Community Halls in the Special Areas

The Special Areas Board does not own, operate, maintain, or directly insure community halls in the Special Areas region.

Instead, Special Areas supports the ownership and operation of these important facilities by:

- connecting community groups with RMA Insurance to help community groups match their facility insurance needs with the right type of insurance and risk management program
- providing annual recreation grant funding to assist with operational costs
- potentially partnering with the community for large facility upgrades and projects (e.g. *bridge financing, direct financial contributions, etc.*)

Special Areas Board - Annual Recreation Grants

The Special Areas Board levies a recreation millrate which provides funds for annual recreation grants. These funds are allocated based upon local Recreation Board's recommendations. Special Area No. 2, 3 and 4 each have their own Recreation Board; members are appointed by the Special Areas Board and can serve up to two consecutive four-year terms.

Each Recreation Board has five members in total: two positions are administrative in nature and filled by Special Areas employees (historically the Director of Finance & Administration and the local Area Administrator); the other three members are resident ratepayers in the Special Area to represent the region.

Annual recreation grants are provided to assist community groups with their facility operations.

2025 funding in Cereal was allocated (*out of the larger Special Area No. 3 Recreation Grant funding*) based upon the recreation facilities:

- Cereal Athletic Association:
 - Ball Diamond: \$ 2,076.83
 - Playground: \$ 1,038.41
 - Rodeo Grounds: \$ 2,076.83
- Cereal Golden Center:
 - Seniors Recreation Center: \$ 2,596.04
- Cereal Board of Trade:
 - Museum: \$ 2,596.04
- CJ Peacock Center: *retained by Special Areas as facility operator*
 - Community Hall: \$ 18,691.46
 - Playground: \$ 1,038.41
 - Tennis Court: \$ 1,038.41

What Are The Options For The CJ Peacock Centre?

Option 1

Special Areas continues operating the CJ Peacock Centre until the end of 2026. A community group in Cereal takes on ownership of the facility and begins operations on January 1, 2027.

- To transfer ownership of the CJ Peacock Centre, the following steps would be taken:
 - the community group would enter a miscellaneous long-term lease with Special Areas for the lands
 - the community group would purchase the CJ Peacock Centre from Special Areas for a nominal fee
- Special Areas would provide annual recreation grant funds once the facility is no longer owned/operated by Special Areas.
 - This group would need to meet requirements for recreation board funding program including adequate insurance, financial reporting, etc.
 - *In 2025, \$20,768.00 was provided in Recreation Grant Funding*
- The community group would be responsible for procuring adequate insurance.
 - Insurance could be procured through the Rural Municipalities of Alberta (RMA) Insurance program, available to community groups who are registered not-for-profit organizations.
 - It is expected a commercial assessment would be required for the CJ Peacock Centre prior to qualifying under the RMA insurance program.
- The community group would be responsible for ongoing maintenance and repairs of facility and grounds.
 - Outstanding facility repairs (estimated at \$25,000) are currently included in the 2026 SAB budget and will be completed by Special Areas prior to the community taking over operations at the end of 2026.
 - **Moving forward, once the facility is operated by the community group, any maintenance or facility issues would be the responsibility of the community group.**
 - The following repairs have been identified; however, they are not included in current planned work. The community club responsible for the facility and Special Areas would need to discuss a shared approach to addressing these issues:
 - Replacement of the back door (Gym)
 - Repairs/replacement of gym flooring
 - Water line leaks in gym washrooms
 - Potential hazardous material abatement

Option 2**Special Areas closes the CJ Peacock Centre at the end of 2026.**

- This would be a result of no community group taking ownership of the facility and becoming responsible for operations.
- The facility would be disposed of in line with Special Areas Board's established procurement processes.

Option 3**The community constructs a new community hall/facility with lower operational and maintenance costs and better fits community needs.**

- Generally, Special Areas collaborates with community groups to help fund construction of new or replacement community halls.
- Typically, this works on a partnership basis, with Special Areas Board providing one-third of project costs, grants (provincial & federal) used for one-third of project costs, and the community fundraising the remaining one-third of project costs.
- Costs to construct a 7,000 ft² new community hall could be around \$2.1M, based on comparable recent projects in the Special Areas region.