



## COMMON COUNCIL REPORT

|              |                               |
|--------------|-------------------------------|
| M&C No.      | 2025-186                      |
| Report Date  | July 07, 2025                 |
| Meeting Date | July 28, 2025                 |
| Service Area | Growth and Community Services |

Her Worship Mayor Donna Noade Reardon and Members of Common Council

***SUBJECT:*** Establishment of the City of Saint John Medical Education Scholarship in partnership with the New Brunswick Medical Education Foundation

### ***AUTHORIZATION***

|                              |  |                                 |
|------------------------------|--|---------------------------------|
| Primary Author               | Commissioner/Dept. Head                          | Chief Administrative Officer    |
| <b><i>Ronald Moncada</i></b> | <b><i>Amy Poffenroth / David Dobbelsteyn</i></b> | <b><i>J. Brent McGovern</i></b> |

### ***RECOMMENDATION***

That the City enter into the Scholarship Agreement with the New Brunswick Medical Foundation in the form as generally attached to this M&C 2025-186, for the purpose of establishing “The City of Saint John Medical Education Scholarship” commencing in 2026, and that the Mayor and Clerk be authorized to execute the said Scholarship Agreement and any other documents ancillary thereto.

### ***EXECUTIVE SUMMARY***

The City of Saint John wishes to support the establishment of “The City of Saint John Medical Education Scholarship” by donating \$10,400 annually for four years.

The New Brunswick Medical Education Foundation (NBMEF) would establish a scholarship to support two medical students every year with a \$5,000 scholarship each.

The City of Saint John and the New Brunswick Medical Education Foundation would enter into a partnership via an agreement. The NBMEF will select scholarship recipients in accordance with its rules and regulations.

The proposed agreement is in compliance with the City of Saint John's Grants Policy. The NBMEF will submit an annual report informing the City about the allocation of scholarships.

The NBMEF will keep a close track of recipients and will ask them to sign a legally binding agreement to ensure they commit to practice in the City after graduation for at least one year.



The NBMEF also commits to connecting the beneficiaries with residency programs and regional health authorities to help foster future relationships and create ties within the region.

The Common Council resolution directed the CAO to establish this partnership in 2025, however, given the steps required for approval and the timelines of the New Brunswick Medical Education Foundation for their application and allocation process, it is recommended to begin this partnership in 2026 up to 2029. These annual donations shall be contingent upon approval through the City's annual budget process.

### ***PREVIOUS RESOLUTION***

Common Council Resolution: January 27th, 2025 - RESOLVED that Council direct the CAO to establish a Medical Education Scholarship in partnership with the New Brunswick Medical Educational Foundation Inc. starting in 2025.

### ***REPORT***

The purpose of the City of Saint John Medical Education Scholarship is to support the studies of two medical students, residents of Saint John, New Brunswick. The recipients must agree to a one-year return of service in the City of Saint John, for each year of support they receive up to four years for the medical doctor program at an accredited Canadian university in New Brunswick. The amount granted per scholarship will be \$5,000.00 each.

These scholarships will be provided through an annual grant of \$10,400 by the City of Saint John to the New Brunswick Medical Education Foundation Inc. starting in 2026 for a four-year term.

By establishing this scholarship, the City of Saint John will:

- Attract the best medical students to study in Saint John, New Brunswick.
- Preserve students as practicing physicians in Saint John, after graduation, especially those who are granted the scholarship continuously.
- Engage New Brunswickers studying outside the province to return to practice medicine in Saint John, New Brunswick.
- Ensure medical students can qualify for support to complete their studies while committing to give back to the City.

The NBMEF - charitable Registration # 810513523RR0001- founded in 2010, is a charity dedicated to attracting and retaining health care providers by extending return-to-service scholarships to New Brunswick medical students, ensuring a pipeline of future physicians is ready to practice in the province following graduation.



In the event of a recipient not returning to the City, repayments would not begin for years following the completion of the scholarship payment. The students must complete four years of medical school and a minimum of two years of residency following graduation before they can be eligible to begin practicing within Saint John, with additional time to secure employment, relocate and begin working. The NBMEF is accountable for tracking recipients throughout this time, and if/when they learn a recipient has established a career outside of their binding return-to-service agreement, the case is referred to their Alumni Committee for further action and repayment if warranted.

Repayments are typically obtained through payment plans that span years. These funds go back to the NBMEF and not to the donors, given that the funds were a donation to the charity and it is beyond the time of the initial agreement. The model allows for a financial incentive should students settle in the City, and a financial penalty should they break their commitment to Saint John. It is not a guaranteed solution, but the data shows the NBMEF has one of the most effective physician recruitment tools in New Brunswick's history with a 75% retention rate to date.

The New Brunswick Medical Education Foundation will submit a report annually to inform the City who the beneficiaries of the scholarships were, and when it is expected for them to graduate and commence their practice following their graduation. The transfer of funds from the charity to the students will be conditional on receipt of a signed return-to-service agreement.

Staff has reviewed this situation and recommends proceeding with the agreement even with the risk that it represents, as it is minimal. This donation is also considered a long-term investment, in addition to its direct impact on two of the Council's priorities: Grow and Belong.

Lastly, it is important to clarify that the initial Council resolution that was passed on January 27, 2025, states: "that Council direct the CAO to establish a Medical Education Scholarship in partnership with the New Brunswick Medical Educational Foundation Inc. starting in **2025**." However, the recommendation of this report is to begin this agreement in **2026**, given that the NBMEF timelines for scholarship allocations have already passed for 2025 and that the City's Grant Policy directs fund recipients to use the funding during the same year it was granted. It should also be noted that these donations are contingent on approval through the City's annual budget.

### **STRATEGIC ALIGNMENT**

This aligns with the City's mission – Grow the City. Serve the City. Be the City of choice. It also aligns with council priorities Grow and Belong.

### **SERVICE AND FINANCIAL OUTCOMES**

The total amount of the agreement is \$41,600 for 4 years (2026 – 2029). It will be disbursed annually at an amount of \$10,400, which corresponds to two (2) \$5,000 scholarships and a 4%



(\$400) administrative fee. The allocation of this funding is contingent on the annual budget approval process by the City.

These funds should come from the Unconditional Grants budget, which needs to be adjusted to increase the amount given to this scholarship.

**INPUT FROM OTHER SERVICE AREAS**

| Name of Service Area/Stakeholder | Name of Staff Person             |
|----------------------------------|----------------------------------|
| GCO                              | <b><i>Melanie Tompkins</i></b>   |
| GCO                              | <b><i>Jacqueline Boucher</i></b> |
| GCO                              | <b><i>Harold Lee</i></b>         |
| Finance                          | <b><i>Jodie Forgie</i></b>       |
| Growth and Community Services    | <b><i>David Dobbelsteyn</i></b>  |

**ATTACHMENTS**

*NBMEF - Scholarship Agreement - City of Saint John Medical Education Scholarship 2026-2029 - July 2025*