



**MINUTES OF A MEETING
OF THE ASSOCIATION OF VANCOUVER ISLAND
AND COASTAL COMMUNITIES EXECUTIVE
HELD FRIDAY, JANUARY 28, 2022
BY ZOOM**

IN ATTENDANCE: Director Ian Morrison, Cowichan Valley RD, President
Director Penny Cote, Alberni-Clayoquot RD, 1st Vice President
Councillor Ben Geselbracht, City of Nanaimo, 2nd Vice President
Director Vanessa Craig, RD of Nanaimo, Electoral Area Representative
Councillor Colleen Evans, City of Campbell River, Director at Large
Director Mark Gisborne, qathet RD, Director at Large
Director Travis Hall, Central Coast RD, Director at Large

REGRETS: Councillor Carl Jensen, District of Central Saanich, Past President

STAFF ATTENDANCE: Liz Cookson, Executive Director

President Morrison called the meeting to order at 8:35 am. He noted that this meeting is the continuation of the January 14th meeting that was adjourned to today to complete the two items under Finance and Administration.

FINANCIAL AND ADMINISTRATION

Interim Financial Statements, 2022 Budget, Member Dues

Liz Cookson presented the draft interim financial statements, and noted that some adjustments would be made to finalize them. The key adjustments would be to move the sponsorship revenue received in 2020 for the 2021 convention off of the balance sheet, and to move the consultant cost for the December 6th strategy session out of Executive Meetings to consulting fees.

She reviewed the process AVICC follows to prepare budgets: the budget is set so that profits from the convention offset losses from general operations for a net zero budget. Costs related to the website, Executive meetings, and the UBCM contract (Executive Director's position, office space, postage, phones, supplies, etc.) are recorded against general operations rather than against the convention (other than convention overtime). The key drivers of the budget are the convention registration fees, member dues, sponsorship revenue, costs of holding the convention in a particular community, and any extra advocacy work anticipated for the year.

Liz Cookson reviewed the assumptions used to prepare the draft budget for the Executive's consideration. The key assumptions included: the Executive would continue to meet virtually so would not incur travel expenses; a member dues increase of 2%, and an increase for the minimum dues level from \$245 to \$300; a registration fee for the convention would be set at \$350 plus \$75 for the banquet; member attendance was estimated at 80% of the level at the 2018 convention in Victoria; the method used for voting will affect AV expenses; lower printing costs with the elimination of printing hard copies of the annual report and resolutions book; sponsorship revenue would be 85% of that collected in 2019; minimal costs for the keynote speaker; and there would not be any change in the level of advocacy work carried out by AVICC.

The Executive questioned whether some of the administrative costs that sit outside of the convention should be allocated to the convention. For example, a percentage of the cost of the Executive Meetings could be charged to the convention. Staff was directed to report back at a future meeting on the impact to the convention budget and registration fees of allocating a portion of administrative costs to the convention budget.

The Executive discussed the member dues fee structure that is based on population with a sliding scale of four bands of rates per capita. There is a minimum fee of \$245 that corresponds to roughly a population of 1,700.

Following discussion around the issues affecting the convention budget and the overall budget, the Executive confirmed the assumptions used to prepare the draft budget with the exception of increases to the member dues.

On motion by Director Gisborne, seconded by Director Evans,
That the rates used to calculate member dues be increased by 5% was CARRIED

On motion by Director Evans, seconded by 2nd Vice President Geselbracht,
That the minimum fee for member dues be increased from \$245 to \$350 was CARRIED
Director Gisborne opposed

On motion by 1st Vice President Cote, seconded by EA Representative Craig,
That the budgeted amount for Advocacy be increased from \$3,000 to \$5,000 was CARRIED
President Morrison opposed

On motion by Director Gisborne, seconded by 2nd Vice President Geselbracht,
That the report on the budget be received, and the 2022 budget be approved was CARRIED

At the March 4th meeting the Executive will receive the proposed rates based on these changes and the current population estimates. The increased dues will flow through to the 2022 budget.

Documenting Financial Practices

As set out in the Executive Policies, the financial practices report presented to the Executive in June, 2020 was redistributed for information. This report documents the financial practices followed by AVICC including signing authorities for cheques and credit cards, book-keeping procedures, and the use of the short-term and long-term bank accounts. EA Representative Craig suggested that the report on AVICC financial practices prepared in 2020 that was circulated with the audit plan be updated to reflect current signing authorities. Direction was given to staff to update the report when the 2022 audit report is presented.

2021 Audit Plan

Liz Cookson referred to the audit plan prepared by KPMG that was distributed with the meeting package. The audit plan materiality reflects the impact of COVID-19 on AVICC's finances, and variances in revenues and expenses will be taken into account. KPMG advised of a fee increase from \$5,500 to \$6,500 for the 2021 audit.

Liz Cookson advised that at the March 4th Executive meeting the KPMG representative will join the meeting to review the audit outcomes and answer questions. If satisfied, the Executive will receive the audit findings report, and approve the audited financial statements for distribution to the membership.

On motion by 1st Vice President Cote, seconded by Director Evans,
That the report on the 2021 financial audit and the audit plan prepared by KPMG be received, and

THAT the Executive Committee members confirm they are aware of the six questions of inquiry laid out in the audit plan, and were encouraged to contact the auditors directly with any questions on the inquiries was CARRIED

Director Evans left the meeting.

On motion by 1st Vice President Cote, seconded by Director Evans,
That a policy on transfers from the Municipal Finance Authority account be developed to bring back to the Executive to add to the Executive Policies was CARRIED

NEXT MEETING

The next meeting is scheduled for Friday, March 4th from 9 am to noon.

ADJOURNMENT

At 9:30 am, on motion by EA Representative Craig, seconded by Director Gisborne,
that the meeting be adjourned was CARRIED

Ian Morrison
President

Liz Cookson
Executive Director