

**Minutes of the 2020 Annual General Meeting
of the Grand Bend & Area Chamber of Commerce
held at Oakwood Resort
70671 Bluewater Hwy., Grand Bend, ON**

Tuesday, March 30, 2021, 1pm-1:30pm

Members Attended (13): Chris & Windy Holder (Aux Sables Inn), Jane Girodat (Bluewater Cottage Rentals), John Choma (BMO), Veronica Brennan (Grog's Pub & Grill / MacPherson's Restaurant), Grace & Jim Dekker (Ipperwash Beach Club), Darren Boyle (myFM 90.5 Grand Bend-Exeter), Jeff Pacheco (Oakwood Resort), Mary-Jo Schottroff-Snopko (Pine Dale Motor Inn), Stan Franjkovic (Pinery Bluff Developments), Doug Pedlar (Re/Max Bluewater Realty), Glen Baillie (Summer Sunset Sounds), Steve Riddell (Sutton Group - Small Town Realty), Mark Perrin (Tourism Sarnia Lambton).

By Proxy (3): Valerie Boland (Denny's Drive-In), Don Windsor (Riverbend Pizzeria), Laura Greaves (Sarnia Lambton Workforce Development Board).

Directors in Attendance (7): Jeff Pacheco (President), Glen Baillie (Past-President), Doug Pedlar (Vice-President), John Choma (Treasurer), Veronica Brennan (Secretary), Darren Boyle (Director), Mark Perrin (Director-at-Large).

In attendance: Susan Mills – General Manager, Grand Bend & Area Chamber of Commerce.

Quorum: Under Section 42 of the Bylaws of the Grand Bend & Area Chamber of Commerce, quorum attained.

- 1. Call to Order & Scrutineer's Report:** Meeting called to order at 1:09pm by Jeff Pacheco (President and Meeting Chair). Opening welcome and remarks by Jeff Pacheco. Susan Mills acting as scrutineer (Chamber General Manager) confirmed quorum attained - 13 members.
- 2. Motion to Approve the Minutes of the 2019 Annual General Meeting as written:** Jeff Pacheco (President) introduced the draft minutes from the 2019 Annual General Meeting for review and approval by members. Motion to approve the Minutes of the 2019 AGM by Mary-Jo Schottroff-Snopko (Pine Dale Motor Inn); Seconded by Jane Girodat (Bluewater Cottage Rentals). All in favour: 13 votes. Carried.
- 3. Year End Report:** Jeff Pacheco (President) presented the 2020 Year-End Report (see Annual Report). Printed reports distributed and PowerPoint used to highlight key achievements and milestones. Highlights included: support and advocacy for local business related to Covid-19, ShorelineToGo.ca restaurant and farm-to-fork promotional website, ability to still sell enough advertising in 2020 to produce a 2021 visitor guide, a successful fundraising golf tournament and remain in a healthy financial position despite Covid-19's impact on the Chamber's ability to hold events and therefore

fundraise and also the pandemic's impact on our members. The main challenge of 2020 was Covid-19 and all the restrictions and limitations that brought.

4. **Presentation and adoption of the 2020 Financial Statements:** John Choma (Treasurer) presented the audited 2020 Financial Statements and explanation of financial activities (printed copies distributed).

Despite the Covid-19 pandemic, which reduced our ability to provide all of Member events and increased costs and reduced revenues, the Chamber finished the year with net revenue of \$11,858. Adding this amount to retained revenue from the last 10 years, we now have a reserve of \$35k. This is an important milestone, as it represents almost 50% of the Chamber's base operating expenses, which is the recommended reserve level for a not-for-profit organization. In the event of unforeseen expenses or sudden drop in revenue, the Chamber could continue operating.

The statement of revenues and expenditures shows the overall, combined results for Chamber Member Services and Tourism & Visitor Services. The Business Awards event held in November 2019, which occurs in fiscal 2020, provided \$7,360 from ticket sales, sponsorship and silent auction purchases (listed here as "donations"); a \$2k increase over the previous year's event. Other gross revenue increases came from Membership dues, Visitor Guide ad sales and the "Other" category, which included an Ontario Chamber of Commerce Covid-19 grant of \$1,800, residuals from the Chamber Group Insurance and First Data, and Breakfast with the Mayor ticket sales and sponsorship. Gross revenue was down for the golf tournament and web marketing fees. Government support from Municipal, Federal and Provincial levels remained unchanged. Overall, there was a small gross revenue increase of \$2k to arrive at \$184,544. Subtracting direct costs (expenses related to providing revenue-generating functions) of \$87,468 from gross revenue leaves a gross profit of \$97,076. Subtracting general expenses (administration, staff, utilities, repairs, insurance and all other costs related to Welcome Centre operations) of \$85,218 from that figure provides a net result of \$11,858. Gross profit can be expressed as a percentage to indicate the financial health of an organization and how hard an organization works to earn its money. This year that percentage was 52.6%. In 2020, for every dollar the Chamber generated through sales, sponsorship, donations or grants, it had 52.6 cents to cover operating costs, slightly lower than 2019. In other words, the Chamber had to work harder in 2020 to reach similar results.

The statement of financial position shows how 2020 affected the Chamber's overall net assets and gives a year-end "cash-in-the-bank" snapshot. The assets of \$151,667 are comprised of the total amount of money remaining in the bank account at the end of fiscal 2020, which was \$104,681, money owed to the Chamber of \$36,920, 2021 prepaid expenses of \$8,781 and recoverable HST of \$1,285. The accounts receivable amount of \$36k, is less than the amount of receivables at the end of 2019 due to the fact that we had a greater number of membership and advertising invoices paid by October 31 than in previous years – which is a good thing! The liabilities and net assets include \$9,111 of bills and other amounts owing, but not yet paid, \$1,858 of payroll source deductions to remit, and \$105,098 of 2021 program and services revenue, such as membership fees and visitor guide ad sales. The 2021 Deferred Income amount is less than last year, because there was no business awards event held in November 2020 and therefore no ticket sales or sponsorship. Subtracting total liabilities from assets, gives a net asset or reserve of \$35,600.

The statement of changes in net assets shows the retained revenue from the beginning and end of the year. The Chamber began fiscal 2020 with \$23,742 of retained revenue from previous years and over the course of 2020's programs and services was able to increase that amount by \$11,858 to achieve

\$35,600. As previously mentioned, that \$35k figure is a milestone amount, because it's almost 50% of the Chamber's base operating costs.

Revenue for Tourism Services comes from government grants and visitor guide ad sales revenue (\$112,636). The Municipality of Lambton Shores provided a \$24k Tourism grant, we received \$4,402 from the Canada Summer Jobs program and \$3,658 from the Summer Experience program. Visitor guide ad sales contributed \$80,576 of gross revenue. After the \$70,532 of cost of sales is subtracted, the resulting \$42,104 of gross profit is not enough to cover the \$41,606 of allocated overhead expenses and bad debt of \$1,500, leaving a shortfall of \$1,002. Bad debt was created by two local events being unable to pay the full amount of their advertising invoices due to Covid-19 cancellation of their events and ability to raise sponsorship, donations or ticket sales. In the interest of community support, the Chamber decided to share 50% of that cost, totalling \$1500.

Traditional Chamber activities include business networking events, awards dinners, professional development opportunities and advocacy on behalf of the local business community. In normal years, we run seven member events. In 2020, due to Covid-19, we were only able to run four: the Mayor's Breakfast, the AGM, one Members' Mixer and the golf tournament. In addition to affinity programs available to every member, we maintain multiple websites and work to provide co-op marketing opportunities through which member businesses may increase their exposure and reputation. The largest revenue generator for Member Services is membership fees, which accounts for 59% of all net revenue, followed by 14% from web marketing fees, 12% from "Other" revenue (includes Group Insurance and First Data residuals), 8% from the Golf Tournament, 4% from the Silent Auction (i.e. "donations") and 2% from the Business Awards Dinner. Subtracting the costs of member activities from gross revenue results in overall gross profit of \$54,972 to cover operating expenses of \$41,606 and bad debt. In 2020, the \$506 of bad debt was due to two failed memberships.

As in previous years, we separate Member Services revenue and expenses from Tourism & Visitor Services, with each functional area taking 50% of the Welcome Centre operating costs. This includes property insurance, repairs, maintenance, landscaping, utilities, student wages, staff wages, mandatory employer expenses, office supplies, mileage, and the financial audit. The purpose of this allocation is two-fold. It shows the Chamber's ongoing financial contribution to the provision of Tourism & Visitor Services, in that we share in the costs of the Welcome Centre and cover off net losses incurred by Tourism Services. And, it responds to the Municipality's request for the Chamber to identify how we use the grant money they provide. Out of the \$12,860 net revenue from Member activities, \$1,002 was used to cover the Tourism & Visitor Services net loss.

The statement of cash flows gives an overall picture of how much money from all sources came into and out of the Chamber. In 2020, we received \$191k from advertisers, grants, members and sponsors, and paid \$164k to suppliers and employees. We paid \$1,304 in bank charges (PayPal fees) and \$2,559 of net HST. Overall, we had a positive cash flow increase of \$22k. The Chamber began fiscal 2021 with \$104k in the bank.

Given the constraints and pressures on the Chamber's ability to hold events due to Covid-19, which reduced our fundraising capacity, and the pressure on our Members and local businesses ability to support our activities at the same levels as previous years, we are happy to end the year with net revenue. The Municipality of Lambton Shores has provided a \$24k grant in support of 2021 Tourism & Visitor Services and the Chamber has applied for the Federal summer wage grant. Special thanks to

Shawn Fitzsimmons of the Fisher Professional Corporation for the preparation and review of our financial documents and production of the audited Financial Statements.

Motion to adopt the 2020 financial statements as presented: Mary-Jo Schottroff-Snopko (Pine Dale Motor Inn); Seconded: Darren Boyle (myFM 90.5 Exeter-Grand Bend). All in favour: 13. Carried.

5. **Appointment of the 2021 Accountants of the Corporation:** John Choma motioned to appoint *The Fisher Professional Corporation* as the accountants of the corporation; seconded: Mark Perrin. All in favour: 13. Carried.
6. **Confirmation of Directors to the Board:** Doug Pedlar (Vice President) presented the slate of returning 2020 directors to the 2021 Board. As part of the electronic AGM package emailed on Friday, November 20, 2020 to all members, director nomination forms were included. The start of the director nomination period began on that day and ended on January 24, 2021, giving a 65-day timeline in which to nominate a director (Bylaws require at least 45 days). No nominations were received, however all 2020 directors have agreed to return for the 2021 year: Jeff Pacheco (Oakwood Resort), Glen Baillie (Summer Sunset Sounds), Doug Pedlar (Re/Max Bluewater Realty), John Choma (BMO), Veronica Brennan (Grog's & MacPherson's), Matt DeJong (GreenBucks Dollar Discount Store), Don Windsor (Riverbend Pizzeria), Darren Boyle (myFM 90.5), and Mark Perrin (Tourism Sarnia Lambton). Doug Pedlar motioned to confirm the slate of directors; seconded: Mary-Jo Schottroff-Snopko (Pine Dale Motor Inn). All in favour: 13. Carried.
7. **Questions / New Business:** Jeff Pacheco (President) opened up the meeting proper to questions and new business arising from the floor. No questions received.
8. **Adjournment & Closing Remarks:** Jeff Pacheco (President) thanked everyone in attendance for coming out to the annual general meeting. Motion to adjourn at 1:30pm: Mary-Jo Schottroff-Snopko; Seconded: Veronica Brennan (Grog's / MacPherson's). All in favour: 13. Carried.

Documents Submitted

- Year End Report
- 2020 audited Financial Statements
- 2019 AGM Minutes

Notes and Scheduling Items

- Date set for the 2021 Annual General Meeting: Tuesday, February 22, 2022.

Certification of Previous Minutes

- Minutes of the previous Annual General Meeting held Tuesday, February 25, 2020.

Minutes Submitted for the Official Record

- Certified by President/Chair: