



**Minutes of the 2019 Annual General Meeting  
of the Grand Bend & Area Chamber of Commerce  
held at the Royal Canadian Legion  
20 Municipal Drive, Grand Bend, ON**

**Tuesday, February 25, 2020, 1pm-2:30pm**

**Members Attended (17):** Chris & Windy Holder (Auxsables Inn), Glen Baillie (Baillie's Picture Framing), Doug Harrison (Big Bass Carpentry), Jane Girodat (Bluewater Cottage Rentals), Valerie Boland (Denny's Drive-Inn), Matt DeJong (Green Bucks Dollar Discount Store), Veronica Brennan (Grog's / MacPherson's), Darren Boyle (myFM 90.5 Exeter/Grand Bend), Jeff Pacheco (Oakwood Resort), Mary-Jo Schottroff-Snopko (Pine Dale Motor Inn), Don Windsor (Riverbend Pizzeria), Gerry Bezaire (Royal Canadian Legion Branch 498), Chantelle Core (Sarnia Lambton Economic Partnership), Janet Kurasz (St. John's by-the-lake Anglican Church), Mark Perrin (Tourism Sarnia Lambton), Dusty Carter (White Squirrel Golf Club).

**By Proxy (3):** Jacquelyn Culligan (Gift of Art / Foodies), Jeannette St. Jacques (Grand Bend Riverfront Condo), Spencer Donald (TD Bank – Grand Bend).

**Directors in Attendance (7):** Jeff Pacheco (President), Glen Baillie (Past-President), John Choma (Treasurer), Veronica Brennan (Secretary), Matt DeJong (Director), 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 1:15pm 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 - 17 members.
- 2. Motion to Approve the Minutes of the 2018 Annual General Meeting as written:** Jeff Pacheco (President) introduced the draft minutes from the 2018 Annual General Meeting for review and approval by members. Motion to approve the Minutes of the 2018 AGM by Mary-Jo Schottroff-Snopko (Pine Dale Motor Inn); Seconded by Valerie Boland (Denny's Drive-In). All in favour: 17 votes. Carried.
- 3. Year End Report:** Jeff Pacheco (President) presented the 2019 Year-End Report (see Annual Report). Printed reports distributed and PowerPoint used to highlight key achievements and milestones. Highlights included: increased financial support from the Municipality of Lambton Shores for local Tourism & Visitor Services in the amount of \$6k; continued strong visitor guide advertising sales combined with reduced print and distribution costs; and successful fundraising golf tournament.



Challenges include the Municipal Accommodation Tax (MAT) and tourism advocacy for the area. This was my first year with the Chamber and on the Board as its President; it's been a pleasure to work with the other directors as we continue to fine-tune the organization. We offer great membership pricing, and networking opportunities with members' mixers and events. As a committee, we are working towards making strides in creating more value for our members. Feedback from members is crucial as this helps guide and navigate our decisions as directors. The more we know about your business, and what you hear from other businesses, the more we can support you. Feedback is integral – so please don't feel shy about talking to a director when you see us or email us. We want to hear from you.

- 4. Presentation and adoption of the 2019 Financial Statements:** John Choma (Treasurer) presented the audited 2019 Financial Statements and explanation of financial activities (printed copies distributed). The Statement of Revenues and Expenditures shows a summary of the 2019 financial year, with revenue from all sources and activities totalling \$182,543. Subtracting direct costs of \$86,177 leaves gross revenue of \$96,366. Subtracting general expenses, which are the operational costs associated with administration, staff, utilities, repairs, insurance and all other costs related to operating the Welcome Centre (\$81,121), provides a net result of \$15,245.

The statement of financial position shows how 2019 results affected the Chamber's overall net assets and gives a year-end "cash-in-the-bank" snapshot. Assets of \$154,840 are comprised of the total amount of money remaining in the bank account at 2019 fiscal end (\$82,283), money owed to the Chamber (\$62,949) and prepaid 2020 expenses (\$9,608). Liabilities and net assets include \$6,015 of bills and other amounts owing, but not yet paid; \$1,274 of HST payable; \$1,384 of payroll source deductions to remit, and \$122,426 of 2020 program and services revenue. Subtracting total liabilities from assets, gives a net result of \$23,741. In other words, the Chamber began fiscal 2019 with \$8,496 of retained revenue from previous years and over the course of 2019's programs and services increased that by \$15,245 to achieve \$23,741. The Chamber uses net revenue from Member Services activities to compensate for what is typically a deficit from Tourism & Visitor Services. The previous two years of deficits (2018 and 2017) were entirely due to the cost of Tourism & Visitor Services outstripping revenue generated from Chamber Services. With increased financial support by the Municipality combined with reduced visitor guide print and distribution costs, a difference of about \$8k, there was only a small short fall generated by Tourism Services.

Chamber activities include business networking events, awards dinners, professional development opportunities and advocacy on behalf of the local business community. Our Chamber runs seven member events annually, in addition to the provision of affinity programs, business website and co-op marketing opportunities. The business awards dinner had \$3,959 in ticket sales and sponsorship, plus \$1,405 in silent auction bids (listed as "donations"). Costs related to holding that event were \$4,267. The awards dinner provided net revenue of \$1,097. Likewise, subtracting golf tournament expenses from revenue, we net \$8,791. Membership fees and web marketing fees provided \$39,734 and all other activities provided a net revenue of \$6,283.

The revenue and expenses from Member Services and Tourism & Visitor Services are recorded separately, with each functional area taking 50% of the expenses related to operations, maintenance



and staffing of the year-round Welcome Centre (insurance, repairs, maintenance, landscaping, utilities, summer student wages, staff wages, mandatory employer expenses, office supplies, mileage, and audit and bookkeeping fees). The purpose of this allocation is two-fold. Firstly, it shows the Chamber's ongoing financial contribution to Tourism & Visitor Services. Secondly, it responds to the Municipality's request for the Chamber to identify how we use the money they provide in support of Tourism & Visitor Services. Despite putting on a new roof this year, administration and operations costs were reduced by \$5,487, which provided a savings of \$2k in overhead expenses charged to Chamber Services and \$2,600 in savings charged to Tourism & Visitor Services. Tourism Services revenue comes from the Municipality of Lambton Shores (\$24k), the Federal Canada Summer Jobs program (\$4,400), the Ontario Summer Experience program (\$3,658), and visitor guide advertising sales (\$78,987). The only tourism activity that generates net revenue is the visitor guide. After the cost of sales is deducted from revenue, the resulting \$40,461 of gross revenue is almost enough to cover \$40,561 of allocated overhead expenses, leaving a small shortfall of \$100. Chamber Services net revenue (\$15,345) easily covered the \$100 deficit, leaving an overall positive net position for the first time in three years.

In 2019, for every dollar the Chamber generated through sales, sponsorship, donations or grants, it had 52 cents to cover operating costs. Although it has more meaning for a for-profit business rather than a not-for-profit like the Chamber, the "gross profit" percentage of 52.79% (page 5 of the financial statements) does provide some insight into how hard the Chamber worked as an organization to earn money. In 2019, the Chamber ran a leaner organization than 2018 by about 5 percentage points.

The statement of cash flows gives an overall picture of how much money from all sources came into and out of the Chamber. In 2019, we received \$180k from advertisers, grants, members and sponsors, and paid \$164k to suppliers and employees. We paid \$1,463 in bank charges (PayPal fees) and have \$3,601 of HST refund from fiscal 2018. The Chamber had a positive increase in cash flow of \$18k. As of October 31, 2019 – the Chamber had \$82k in the bank entering fiscal 2020 operations.

The Chamber had a good year. The Board expects similar results for 2020. At this point, the Municipality of Lambton Shores has confirmed they will again provide \$24k of financial support for local Tourism & Visitor Services and the Chamber has applied for both the federal and provincial summer wage grants to cover off the cost of the Welcome Centre's summer student hire. 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 2019 financial statements as presented:** Mary-Jo Schottroff-Snopko; Seconded: Glen Baillie. All in favour: 17. Carried.

5. **Appointment of the 2020 Accountants of the Corporation:** John Choma motioned to appoint *The Fisher Professional Corporation* as the accountants of the corporation; seconded: Jeff Pacheco. All in favour: 17. Carried.
6. **Confirmation of Directors to the Board:** Jeff Pacheco (President) presented the slate of returning 2019 directors to the 2020 Board and incoming director Mark Perrin (Tourism Sarnia Lambton). As part of the electronic AGM package emailed on Wednesday, December 18, 2019 to all members,



director nomination forms were included. The email announced the beginning of the nomination period from that day through to January 27, 2019. This provides a nomination period of at least 41 days, closing 30 days prior to the Annual General Meeting (February 25, 2020), as required by the Chamber's Bylaws. At the time, the Board was looking for the addition of one director; however, Mark Perrin, the new Executive Director of Tourism Sarnia Lambton (TSL), expressed an interest in joining the board. In the interests of greater communications flow between our organizations, Mark joined in the fall as Director-at-Large. **Motion to confirm Mark Perrin to the Board:** Mary-Jo Schottroff-Snopko (Pine Dale Motor Inn); Seconded: Chris Holder (Auxsables Inn). All in favour: 17. Carried.

7. **Chamber Name Change:** Jeff Pacheco (President) introduced the idea of whether or not the membership would be interested in changing the Chamber's name. Accompanying handout provided context, timelines and requirements for possible name change and URL for members to respond to a short survey, the results of which to be used to stay or take further action. Open discussion followed. Members in attendance agreed use of "Grand Bend" in the name provides much recognition of where the Chamber operates. Discussion that name change could be more inclusive and perhaps increase membership. Question was raised as to whom the Chamber wants to represent and if current name is enticing to those businesses. The business community represents a marketplace not a political boundary. Question arose as to whether or not Chamber must use the term "chamber" in its name. In general, current name was favoured over changing it to something like Lambton Shores Chamber. URL for voting: [www.grandbendchamber.ca/name-change](http://www.grandbendchamber.ca/name-change).
8. **Questions / New Business:** Jeff Pacheco (President) opened up the meeting proper to questions and new business arising from the floor.
  - a. Jane Kurusz (St. John's by-the-lake Anglican Church) asked about the meaning of the auditor's note on page 1: *"In common with many not-for-profit organizations, the Association derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification."* Manager Susan Mills answered that since some fundraising activities receive cash payments, like the passport sales, there is no written receipt at time of payment. Therefore, the accuracy and reliability of the amount raised cannot be substantiated through regular accounting practices and paper trails that invoices and cheques provide.
  - b. Chris Holder (Aux Sables Inn) asked about the MAT tax and how that works. Glen Baillie (Past-President) responded that the Municipal Accommodation Tax was defeated at Council 6 to 3 and that it would take two-thirds vote to bring it back before Council. Mark Perrin explained that Lambton County is about 2 years behind other areas of Ontario in implementing the tax. Most "OHL cities" have already implemented and are raising money for tourism marketing. Ontario municipalities work with Ontario Restaurant and Motel Association (ORMA), which is the cheapest way to collect the tax. ORMA collects the tax and remits it to the municipality and DMO. The amount is split evenly with 50% used for marketing by the DMO and 50% used for tourism infrastructure used by the municipality. The Chamber's official correspondence to the Municipality of Lambton Shores expressed support for the tax, but cautioned cottage registration and licensing needed to come first so that when the tax was implemented it would be a fair playing field for all accommodation providers. Online marketing websites, such as



AirBnB, already required to apply the tax in other areas of Ontario; the municipality simply needs to ask for it. Lambton Shores was going to bring the tax in first and then deal with cottage registration and licensing. Doug Harrison (Big Bass Carpentry) commented there are many cottages he does work on that are in poor shape and lack basic safety features, don't meet building codes and many have mold. He also mentioned that in Britain there are tight health and safety regulations on short-term rentals to protect visitors and the reputation of the brand. Mark Perrin noted other areas have similar product quality issues and hopefully these issues will be addressed before they damage this area's brand.

- c. Gerry Bezaire (Royal Canadian Legion Branch 498) asked about the status of the bridge construction. Glen Baillie (Past-President) responded that at the recent Mayor's Breakfast, Mayor Bill Weber said the province has a \$3-million cap on "connecting bridge" projects and the reconstruction of the bridge in Grand Bend will cost \$6-million. Bayfield's Highway 21 bridge replacement project exceeds that cap and yet is being paid for by the province, so Lambton Shores is lobbying the province to get the extra money. The new bridge will have five traffic lanes and wider sidewalks. Roadwork north of the bridge set to start this year.

9. **Adjournment & Closing Remarks:** Jeff Pacheco (President) thanked everyone in attendance for coming out to the annual general meeting. Motion to adjourn at 2:30pm: Mary-Jo Schottroff-Snopko; Seconded: Chris Holder (Aux Sables Inn). All in favour: 17. Carried.

#### **Documents Submitted**

- Year End Report
- 2019 audited Financial Statements
- 2018 AGM Minutes

#### **Notes and Scheduling Items**

- Date set for the 2020 Annual General Meeting: Tuesday, February 23, 2021.

#### **Certification of Previous Minutes**

- Minutes of the previous Annual General Meeting held Tuesday, February 26, 2019.

#### **Minutes Submitted for the Official Record**

- Certified by President/Chair: