



# Board of Directors Meeting

**Date:** Feb 24<sup>th</sup>, 2020

**Location:** Phoenix Boardroom

Name	Present	Name	Present	Name	Present	Name	Present
Lynn Algra	Yes	Sandra Ecclestone	No	Pat Pearce	Yes	Brian Wills	Yes
Marcus Boyle	Yes	Troy Hudson	Yes	Hugh Seaton	Yes		
Tara Fulop	Yes	Anya Lee	Yes	Cor Smit	Yes		

#	Details	Follow-up																				
<b>1.0</b>	<b>General Admin</b>																					
	<ul style="list-style-type: none"> <li>• Agenda and minutes of meeting of Jan 27<sup>th</sup>, 2020 – approved by e-mail</li> <li>• Next meetings               <ul style="list-style-type: none"> <li>○ Apr 6<sup>th</sup>, 2020 at 7pm – Phoenix Board Room (delayed one week due to Nationals)</li> <li>○ Apr 27<sup>th</sup>, 2020 at 7pm – Phoenix Board Room (major focus is to discuss programs)</li> </ul> </li> </ul>																					
<b>2.0</b>	<b>Committees</b>																					
<b>2.1.</b>	<b><i>Finance (as of Jan 31/2020 unless otherwise stated)</i></b>																					
	<ul style="list-style-type: none"> <li>• Balance Sheet               <ul style="list-style-type: none"> <li>○ Our operating bank account is \$582k.</li> <li>○ Season Pass sales YTD are \$244k. (\$30k higher than Jan 31 last year).</li> <li>○ Net revenue for SuperCamp (YTD) is \$68k (\$10k higher than last year).</li> </ul> </li> <li>• Statement of Operations (Nationals not included)               <ul style="list-style-type: none"> <li>○ Revenue YTD is \$650k. This is lower than our budget for Jan 31 by \$14k and lower than last year by \$27k.</li> <li>○ Programs revenue of \$102k is \$17k higher than last year.</li> </ul> </li> </ul>																					
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Lodge Sales</th> <th style="text-align: center;">November</th> <th style="text-align: center;">December</th> <th style="text-align: center;">January</th> <th style="text-align: center;">Totals (Nov-Jan)</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">2017-18</td> <td style="text-align: center;">89,446</td> <td style="text-align: center;">102,275</td> <td style="text-align: center;">80,419</td> <td style="text-align: center;">272,141</td> </tr> <tr> <td style="text-align: left;">2018-19</td> <td style="text-align: center;">92,314</td> <td style="text-align: center;">141,105</td> <td style="text-align: center;">95,776</td> <td style="text-align: center;">329,195</td> </tr> <tr> <td style="text-align: left;">2019-20</td> <td style="text-align: center;">73,193</td> <td style="text-align: center;">130,195</td> <td style="text-align: center;">77,958</td> <td style="text-align: center;">281,346</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>▪ Lodge sales for Nov-Jan are down \$48k from last year due to a later start to the active season and a cold snap in January. However, lodge sales this year are still \$9k higher than two years ago.</li> <li>▪ Day ticket sales, rentals and lessons are 40% of our budgeted revenues.</li> </ul>	Lodge Sales	November	December	January	Totals (Nov-Jan)	2017-18	89,446	102,275	80,419	272,141	2018-19	92,314	141,105	95,776	329,195	2019-20	73,193	130,195	77,958	281,346	
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	<ul style="list-style-type: none"> <li>Expenses at \$499k YTD are \$60k higher than last year. The big reasons are higher R&amp;M Building (mold remediation) and Wages &amp; Salaries. Wages &amp; Salaries \$230k YTD are \$48k higher than last year. This is due to an increase in person hours (up 12%) and a slight increase in cost per hour (\$0.25) (Oct-Dec comparables).</li> </ul>	
	<ul style="list-style-type: none"> <li>Outlook to Year End (Nationals not included) <ul style="list-style-type: none"> <li>Our operating profit YTD at \$93k is running \$65k lower than last year.</li> <li>With four months remaining in the fiscal year, it is reasonable to anticipate lower year-end net income than last year. Revenues Jan 31 YTD are slightly lower than last year due to the loss of the gaming grant and lower lodge sales. Expenses are higher mainly due to higher payroll, mold remediation, and higher R&amp;M trail.</li> </ul> </li> </ul>	
	<ul style="list-style-type: none"> <li>Transfer of donations from BC Parks – finance to follow-up to ensure transfer of funds to club. <ul style="list-style-type: none"> <li>Groomer – all but \$6,500 has been transferred</li> <li>Jess4Kids – proper place to put the funds (\$38k) to be determined, before transfer</li> </ul> </li> </ul>	Hugh Hugh
	<ul style="list-style-type: none"> <li>Financial Policy Motions: <ul style="list-style-type: none"> <li>(Carry, will be resolved at Finance Committee meeting this week.) <b>#1 - Sole Sourcing</b> – “Sole source may be considered for reasons of market conditions or unique qualities of the vendor. Approval of sole source purchases requires a written rationale using the Club’s current sole source table and approval by the General Manager and Finance Committee.” Hugh will check to see if there is a general threshold for approval that would require board approval that would cover this as well.</li> </ul> </li> </ul>	Hugh

## 2.2. Operations

- Expenses

Expenses*	YTD	Budget	On Track	Comments
Advertising/Marketing	\$5,980	\$14,000	Green	Have a significant buffer.
Office Supplies	\$9,296	\$10,000	Yellow	We will exceed budget in Office Supplies. Not a big deal and no extravagant spending. Invested in two new laptops this season for new positions.
Snow Removal	\$12,321	\$20,000	Green	We will have additional plowing expenses for Nationals Parking lot expansion and increased snow over last winter.
R&M Building	\$54,627	\$65,000	Green	Should not have any more significant expenses for this season.
R&M Trail	\$21,879	\$22,000	Red	We will be over budget due to increased signage requirements in Parking lots and on Backcountry/Snowshoe trails. Biathlon expenses exceeded expectations.
Fuel Expenses	\$36,658	\$43,000	Yellow	We have not removed Chase Plowing Fuel as yet for Jan 31st so this number will come down considerably.
Utilities	\$10,807	\$18,000	Green	Tracking well.
Wages & Salaries	\$229,974	\$385,883	Yellow	Eric de Nys and Assistant Coach wages are in here which are actually Programs Budget expenses. \$38k to date. We have adjusted staffing levels.

#	Details	Follow-up
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- Financial Overview

Net Revenue*	Month of Feb	YTD	2018/19 TOTAL	Comments
Day Tickets	\$39,019	<b>\$223,217</b>	\$309,578	\$11K up for the month compared to Feb 2019. Digging into that \$50k revenue loss from early season.
Lessons	\$3,090	<b>\$15,407</b>	\$580	Investing in a new online booking platform and a Lead Instructor has paid off! We have already beaten our all time lessons record.
Rentals	\$7,473	<b>\$38,003</b>	\$54,832	Slowly recovering but will not catch up for lost early revenue. Up 25% over last season this month.
Merch/Food/Wax	\$7,063	<b>\$45,827</b>	\$56,114	YTD we have already exceeded our total march sales from last season. We are very low on inventory leading into Nationals. <i>Needing to replenish some basic inventory to a max of \$3k. Plus offer some exclusive Nats merch outside of the organizing committee.</i>
Programs/Events	\$1,121	<b>\$21,082</b>	\$20,872	Already exceeding last years revenues with Masters growth and expanded social events calendar.
Services	\$429	<b>\$1,926</b>	\$2,028	We will beat last years total by month end. We are increasing our service dept options and creating better signage for 2020-21

- Season Passes

- o 2038 individual members (we had 2045 total last year)
- o \$260,913

- Programs

- o 180 in youth programs (highest in 6 years)
- o 273 in masters programs

- SuperCamps

- o 428 participants (highest ever)
- o \$270,580 net revenue
- o Anticipated \$126,000 profit. (highest to date)

- Jess4kids

- o We have raised \$3800 this season through the Jess4Kids Team Challenge
- o We have granted \$1628.68 in grants to 7 schools
- o We have provided ski opportunities for 78 individual kids to date!!!
- o We are working with Spirit North to create an Indigenous ski program working in partnership with the Okanagan Indian Band for next season. This will provide free ski experiences for First Nations children partially subsidized through the Spirit North Program started by Beckie Scott, retired, gold-medal-winning XC ski Olympian. We are sending three of our instructors to the festival at Telemark in March to take part as volunteer coaches

- o Safety

#	Details	Follow-up
	<ul style="list-style-type: none"> <li>○ 13 first aid incidents to date, which is fewer than over the last few years. May see increases as ski conditions become icier in March.</li> <li>○ 3 close calls to date this season between skiers and grooming machines.</li> <li>○ No staff injuries.</li> <li>○ Programs is having a safety session relating to skiing in close proximity to the groomers this weekend.</li> </ul>	
	<ul style="list-style-type: none"> <li>● Staffing</li> </ul>	
	<ul style="list-style-type: none"> <li>○ Our lead groomer resigned. We are very grateful to Don for coming back to help.</li> <li>○ All senior staff are managing their respective areas well.</li> </ul>	
	<ul style="list-style-type: none"> <li>● Equipment <ul style="list-style-type: none"> <li>○ Replaced the track bands on the 2008 Pisten Bully this month at a cost of \$6,000.</li> <li>○ The engine on the 2008 will need a rebuild this summer; leaks are starting to form. Not critical.</li> <li>○ All small equipment is running well. Quads are in for mid-season maintenance at the dealerships this week</li> </ul> </li> </ul>	
<b>2.3.</b>	<b>Advertising/Marketing</b>	
	<ul style="list-style-type: none"> <li>● Anya introduced to the group some of the ideas that are being considered. Some of those include: having special rates at low times (Motivational Monday's, cheaper afternoon passes), special days for various groups such as NOCS, triathlon clubs, Vernon Outdoor Club, rowing, hockey, etc. To include special rates so that they can be tracked for uptake. Also newcomer events, women's days, men's days, ski hosting and more. The board was very supportive of this proceeding further. Anya and Tara will work together to put together a plan, focusing on next year, but with some potential trial events this year.</li> </ul>	Anya/Tara
<b>2.4.</b>	<b>Biathlon</b>	
	<ul style="list-style-type: none"> <li>● 2020 BC Winter Games – Silver medals for both boys and girls zone 2 junior teams. Well done!</li> <li>● Feb 14-16: Cadet Provincials – Was a positive event but definitely some learnings to take forward into next year. Unanticipated demand for 67 pairs of rental skis, boots and poles was an unexpected challenge for the lodge staff, but they were able to meet demand.</li> <li>● Peter Algra has sourced some inexpensive biathlon rifles to meet increased demand for rental rifles in the biathlon program. The rifles cost approx. \$800 and it is likely that we will purchase five of them. Lynn will check to see that there is space for these additional rifles in the lockup area.</li> </ul>	
<b>2.5.</b>	<b>Competitions</b>	
	<ul style="list-style-type: none"> <li>● Committee –</li> </ul>	
	<ul style="list-style-type: none"> <li>○ Terms of Reference have been updated. Review at next board meeting.</li> </ul>	Marcus
	<ul style="list-style-type: none"> <li>○ There are currently not enough chiefs to run a high level event, so we will not be hosting NorAms in the fall of 2020 and, whether we are able to handle a Sovereign Open race in December is still to be determined. Sharon Clark and Pat Pearce will be stepping down from their challenging roles running high level events.</li> </ul>	Marcus
	<ul style="list-style-type: none"> <li>● Snow Fun – 36 finishers (out of 40) in a tough day on snow.</li> </ul>	
	<ul style="list-style-type: none"> <li>● Sovereign “Best in Snow” Loppet – continues to have good planning for March 14<sup>th</sup>. Marcus to let the team know about a possible trail conflict given where the waxing tents for Nationals are being set up on March 11th.</li> </ul>	Marcus
	<ul style="list-style-type: none"> <li>● Nationals 2020 – 352 paying registrants to date. The Nationals budget is based on 750 racers paying \$160 (\$40 per race, competing in all 4 races). Volunteers have stepped up really well, and</li> </ul>	

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	there is now a small surplus. Biggest issue will likely be parking. Carpooling will be essential for volunteers as well as athletes and coaches. US athletes have not yet registered but we were told that they are definitely coming to race.	
<b>2.6.</b>	<b><i>Governance</i></b>	
	<ul style="list-style-type: none"> <li>Governance Board Roles and Responsibilities – Sandra updated it and sent it around. It was approved.</li> </ul>	
	<ul style="list-style-type: none"> <li>Sandra sent the updated drive structure for review. She is continuing to work on updating the documents within the drive.</li> </ul>	Sandra
	<ul style="list-style-type: none"> <li>Review of new governance documents – full day event. Schedule into September.</li> </ul>	Sandra
	<ul style="list-style-type: none"> <li><a href="mailto:Board@sovereignlake.com">Board@sovereignlake.com</a> will be directed to the new secretary, once that person has been identified.</li> </ul>	
<b>2.7.</b>	<b><i>Parks/Lodge</i></b>	
	<ul style="list-style-type: none"> <li>Lodge committee – is meeting again this week to review/finalize requirements and functional flow, and to start working on funding, design, and construction methods.</li> </ul>	
	<ul style="list-style-type: none"> <li>Fundraising – Brian presented a draft MOU (memorandum of understanding) with BC Parks Foundation. It is based on a 2% charge by BC Parks Foundation in addition to any credit card charges. Any money has to be given to SLNC based on a contract. The board agreed that Brian should continue to pursue this. Brian may request an approval by e-mail between board meetings. BC Parks is NOT affiliated with BC Parks Foundation. Brian will work with Andrew re: Jess for Kids and managing those funds, possibly as a trust.</li> </ul>	Brian
	<ul style="list-style-type: none"> <li>Silver Star Park Management Plan – Marcus sent the rough map of the intensive recreation area to BC Parks</li> </ul>	
<b>2.8.</b>	<b><i>Programs</i></b>	
	<ul style="list-style-type: none"> <li>Participation numbers have increased in some of the programs</li> </ul>	
	<ul style="list-style-type: none"> <li>Pat noted that the masters athletes have met and discussed the growing interest in masters programs and the provision of coaching services such that coaching time be allocated proportionately to the number of athletes in each of the various programs.</li> </ul>	
	<ul style="list-style-type: none"> <li>Pat will work with Eric to put together an agenda for the board meeting on April 27<sup>th</sup></li> </ul>	Pat
<b>2.9.</b>	<b><i>Social/Recreational</i></b>	
	<ul style="list-style-type: none"> <li>International Women’s Day on March 8<sup>th</sup> will be offering grab bags and draw prizes as well as special package pricing.</li> </ul>	Tara
<b>2.10.</b>	<b><i>Other Committees/Tasks</i></b>	
	<ul style="list-style-type: none"> <li>HR – Terms of reference presented for review. Approved.</li> </ul>	Brian
	<ul style="list-style-type: none"> <li>Liaison – Expansion to Gold Mountain Transfer Station. Troy will be meeting with RDNO to discuss. All parties understand the need to maintain the trail. The waste transfer station will be tripling in size.</li> </ul>	Troy
	<ul style="list-style-type: none"> <li>Sponsorship/Fundraising – No committee</li> </ul>	
	<ul style="list-style-type: none"> <li>Volunteering – No committee.</li> </ul>	
<b>3.0</b>	<b>Other Business</b>	
<b>3.1.</b>	<b><i>Use of High Fluoro (HF) Waxes</i></b>	
	<ul style="list-style-type: none"> <li>Costs – Invoices for 1/3 each have been paid by NC and CCBC for the costs to date.</li> </ul>	

#	Details	Follow-up
<b>3.2.</b>	<b><i>Code of Conduct</i></b>	
	<ul style="list-style-type: none"> <li>• (Carry) Discussion during the meeting of having a code of conduct apply to all users of/visitors to, the facilities. HR committee to review and decide on: <ul style="list-style-type: none"> <li>○ What the code is;</li> <li>○ Who it should apply to;</li> <li>○ How it should be delivered; and</li> <li>○ If there are any cases that need special treatment (such as travelling athletes)</li> <li>○ Consequences for breaches of the code of conduct</li> </ul> </li> </ul>	Brian
<b>3.3.</b>	<b><i>Strategic Plan</i></b>	
	<ul style="list-style-type: none"> <li>• Carried to a future date.</li> </ul>	All Members
<b>3.4.</b>	<b><i>Other</i></b>	
	<ul style="list-style-type: none"> <li>• Secretary – Lynn is having to step down as secretary. A new secretary is required.</li> </ul>	All members
	<ul style="list-style-type: none"> <li>• Volunteers – A Sovereign Lake member has offered his vision of how the club might address the issue of retaining sufficient volunteers for events. A committee meeting will be convened to discuss. Members: Lynn, Marcus (temporary), Cor, member. Meeting scheduled for this week.</li> </ul>	Marcus
	<ul style="list-style-type: none"> <li>• Insurance: general discussion of what insurance we have for buildings, what is covered by Parks, what is necessary and if anything needs to change. Troy will investigate costs and present to the board for next meeting. Troy is meeting tomorrow to discuss business continuity insurance in particular.</li> </ul>	Troy
	<ul style="list-style-type: none"> <li>• TOTA (Thompson Okanagan Tourism Association) Biosphere Adhesion Program <ul style="list-style-type: none"> <li>○ Troy presented for review the idea of joining this initiative for \$250 in the first year (and \$250 in each successive year if we choose to continue with it).</li> <li>○ Positives are that it comes with an initial consult valued at \$1k, was something that was felt to be in line with the values of the club and would also be a way to present a positive image. Goal of this initiative is to promote sustainability regarding employees, energy resources, and environmentally-friendly practices.</li> <li>○ Concerns expressed about this taking away from Troy's core business. So in pursuing it assistance is required for Troy. Marcus to ask somebody who had expressed interest.</li> <li>○ <b>Motion to approve the \$250 expenditure. Motion approved by all member except one abstention.</b></li> </ul> </li> </ul>	Approved Motion Troy
	<ul style="list-style-type: none"> <li>• Waxing – A program to wax for masters attending World Masters this year was cancelled due to potentially significant costs. As a result of the review done for this following things were recommended: <ul style="list-style-type: none"> <li>○ Waxing for this activity will not be run through the club again, unless board approval is granted in the future. But the board will consider what should be funded in terms of waxing and wax technician support.</li> <li>○ Programs budget will have greater delineation in the accounting system for better tracking (starting next year)</li> <li>○ Any program must be either 100% run through the society accounts or entirely outside. Partially in and partially out does not work.</li> <li>○ The programs budget will be specifically reviewed this year to ensure that the budget is well understood by all parties. Finance will be the reviewer. If any concerns or precedents need to be discussed they will be reviewed with the board.</li> </ul> </li> </ul>	All members    Hugh

#	Details	Follow-up
	<ul style="list-style-type: none"><li data-bbox="293 233 1279 289">○ The finance committee will do an audit of all major budget elements to see if there are other significant elements that need some further oversight.</li></ul>	Hugh