

MAHONE BAY CENTRE SOCIETY
Board of Directors Meeting
Monday April 27, 2020, at 7:00 pm.

Convened by Zoom Video Conference

Present:

Lynn Hennigar (Chairman), Chris Heide, Meg Craig, John Merchant, Peter Hall, Lettie Maloney, Lisa Rhuland, Mary-Ann Hiltz, Kelly Wilson, Paul Seltzer, Jeff Phillips, Laura Wentzell, Don Mader, Norman Whynot, Veryan Haysom.

Guests:

Jeff Frampton, Jason Martell, Julie Power

1. Welcome

- 1.1 Lynn Hennigar, Chairman, called the meeting to order at 7:00 p.m.
- 1.2 Lynn welcomed Jason Martell and Julie Power and thanked them for agreeing to serve as directors.

2. Approval of Agenda

- 2.1 The circulated Agenda was adopted.

3. Approval of Minutes

- 3.1 **Moved** by Kelly Wilson, seconded by Chris Heide, that the Minutes of the Board meeting held on March 23, 2020, be approved as circulated. **Carried.**
- 3.2 The Chairman reported that subsequent to the last Board meeting the amount of the federal wage subsidy referred to in the second last bullet in paragraph 4.6 of the minutes has been increased from 10 to 75%.

Approval of resolution passed by e-mail

- 3.3 The Board ratified the following resolution that had been passed by e-mail vote:

Moved by John Merchant, seconded by Mary-Ann Hiltz, that Lynn Hennigar, Chair of the Mahone Bay Centre Society be authorized to apply for the Canada Emergency Business Account through BMO the Society's regular banking institution. The Emergency Business Account provides a revolving line of credit of up to \$40,000 interest free until Dec 31, 2022 with 25%, \$10,000, as a grant if the remaining \$30,000 is repaid by then. The loan can be converted to a 3-year term loan at 5% if the Society is unable to repay in full by the end of 2022.

- 3.4 The Chairman reported that she has applied for the Emergency Business Account through our business operating account with the Bank of Montreal but has yet to receive approval.

4. Financial Update

(a) *2019 Year-end financials*

- 4.1 The Treasurer, Chris Heide, presented the Centre's Financial Statements for 2019 for formal review and approval by the Board for presentation to the Annual General Meeting. The Chairman had provided these to the Board ahead of the meeting. Chris said that in prior years the Statement of Income and Expenses was presented in a consolidated and abbreviated form. He has decided to present the full picture as usually seen by the Board. He noted that the final adjustments to the Statement of Income and Expenses had been made with the help of Scott Veinot and resulted in a deficit of \$6,000, mostly attributable to capital spending and HST. A capital statement will be presented to the AGM for the first time and will let the membership know how the proceeds of our excellent fundraising are spent. The Balance Sheet is consolidated.
- 4.2 John Merchant requested clarification of the treatment of distinction between fundraising and donations. Mary Ann Hiltz pointed out that expenditures on the website, telephone and internet included a portion attributable to capital and there may be some confusion about these items as they do not seem to be consistently treated from year to year. Chris said that he will explain the figures and provide the information at the AGM.
- 4.3 **Moved** by Chris Heide, seconded by Veryan Haysom that the 2019 Financial Statement are approved for submission to the members at the 2020 Annual General Meeting. **Carried.**

(b) *1st quarter 2020 Financial Report*

- 4.4 Chris reviewed the financial statements for the first quarter, which he had circulated prior to the meeting. The *Income Statement* to March 31 shows revenues are up and expenses down when compared with the same period last year. There is little point in comparing performance against the budget as the Covid 19 Emergency has upstaged our budget and financial picture. He reported that the *Balance Sheet* to March 31 is also somewhat immaterial at present but gives the big picture in terms of items such as Deferred Revenues, Contributions, Mortgage and Capital Assets. Payables at March 31 have been paid and Receivables mostly collected. Chris had circulated a Capital Report prior to the meeting and reported that he plans to make a capital report available monthly in future. While there is very little capital spending at present a lot of work was done prior to March 31.
- 4.5 Chris Heide **Moved** seconded by Norman Whynot that the Financial statements for the period to March 3, 2020 be accepted as reported. **Carried.**

(c) *Covid-19 financial impact*

- 4.6 The Chairman reviewed the Pandemic Scenarios that had been prepared in relation to the Centre's financial situation. These were circulated prior to the meeting. She acknowledged the valuable assistance of Scott Veinot. The scenarios predict revenues and expenses in the face of large uncertainties for Best, Likely and Worst cases. Revenue predictions are based on information from tenants and an assumption that short-term rentals, fundraising and fitness memberships will all dry up. In a best case revenues will decrease by about 42% or \$7,000 – 8,000 per month less than budgeted and in a worst case will drop to about 55% of budgeted monthly income. The miscellaneous revenue item may change significantly as this includes pandemic revenues from governments. Initially the wage subsidy was 10% but is now 75% of wages paid and so we will continue to hire and pay Kelly Bent. Our application for the wage subsidy has been made and should land by mid May. We also expect to get a provincial grant of about \$4,000. Lynn reported that our application for the operating line of credit, mentioned above, had been declined but she had resubmitted. The application process for grants is difficult because services are automated and it is difficult to speak to anyone.
- 4.7 The Chairman noted that expenses will not go down in the short term but will do so as the emergency continues. In the short-term we expect a significant monthly deficit of about \$6,400 but could see positive monthly revenue of about \$2,500 in the long term depending on our eligibility for and receipt of Covid grants and subsidies. Our mortgage payments will decrease as the principal portion is deferred but we must continue to pay the interest. Oil bills will stop in the medium term. Insurance will have to be paid in full. The Joint Services Board will defer the capital portion of our payments for Internet services but the Eastlink and phone service expenses will continue. Cleaning and related costs will be reduced as the building is closed.
- 4.8 The scenarios were discussed. Laura Wentzell noted that the principal payments on the mortgage would be added to the end of the term. Jeff Phillips recommended separating out amounts of grants, subsidies and loans from other general revenues. The possibility of an ACOA funding program was discussed and the Chairman noted that while their programs remain very uncertain at the moment because there is no federal budget, we should be ready to make an application if a program does open up. Jason Martell reported that based on the experiences of his business the Centre should keep trying for the \$40,000 operating line of credit, that exact tax form reporting numbers should be used in the application and not rounded, and if approved the loan simply lands without notice.

5. Committee Reports

- (a) *Fundraising* - No Report.
- (b) *Centre Fit* – No Report.
- (c) *Building and Infrastructure* - No Report.

(d) *Volunteer & Human Resources*

- 5.1 Veryan Haysom reported that Jason Martell and Julie Power have agreed to accept nominations as Directors and Angela Eaton has agreed to serve as a volunteer on the Finance Committee subject to Board approval. The Committee has begun working on the Volunteer program.
- 5.2 There was consensus that Angela Eaton be welcomed as a member of the Finance Committee. Chris Heide noted that he believed she would make an excellent addition to the Committee.

Replacement for Wayne Whynot

- 5.3 Wayne Whynot has resigned. He has served as custodian since 2005 opening the building at 7:00 a.m. and closing it at 10:00 pm unless there is a special event. The Chairman reported that we will advertise for a replacement and that is being worked on at the moment. We have some time as the building is presently closed. Laura Wentzell pointed out that some Centre Fit members find the 7:00 am opening to be late and asked if the position could be advertised for a 6:00 a.m. opening. Jason Martell explained that for him 6:00 a.m. access would be essential. The lack of showers was noted. The possibility of automated opening and locking of the Centre's doors was discussed at some length. The Chairman undertook to look into the possibility of automating the locking and unlocking of doors.

(e) *Executive Committee* – No Report

(f) *Finance Committee* – No Report

6. Other Business

(a) *Annual General Meeting*

- 6.1 Following discussion of the date, time and format of the AGM there was **Consensus** that the AGM will be held on June 25 and that if personal meetings are still restricted under the Covid 19 emergency the AGM will be held on the Internet on the Zoom platform.
- 6.2 Laura noted that Zoom allows for polling. Decisions on this and other details were deferred to the May Board meeting. It was noted that we will have to be clear about the rules around meetings and how they depend on the emergency.

(b) *Emergency Access to the Building*

- 6.3 Paul Seltzer asked whether the Fire Department would have full access to all rooms in the building. They hold a master key for that purpose but he wondered whether that would give access to Centre Fit now that we use fobs. It was reported that the Fire Department still has full access as key access still works but the matter will be followed up.

(c) Bell Tower Library Signage

6.4 The Chairman reported this had been settled. She had received no response on the alternatives and had selected one to go ahead.

7. Adjournment

7.1 The meeting adjourned at 8:25 p.m.

Next Meeting: May 25, 2020 at 7:00 pm.