

NCKC

Spring Bi Annual Meeting

April 3rd, 2016

(St-Anthony Soccer Club)

1. The President brought the meeting to order at 09:00.
2. We had a quorum consisting of a minimum of 3 executives and 25% of members as per our By-Law (more than 16 members were present).
 - a. When asked about current member count by someone in the audience, Frank answered that we have 24 members as of now.
3. Opening remarks.

Jacques opened the meeting; acknowledge that some members had raised some concerns about recent events. The board hopes that these concerns will be addressed today.

At this point, Jacques read some passages from our bylaws which highlighted core values and club objectives and which he said are at the base of everything done by the board. These included:

 - Our Purpose: to promote fun, safe and competitive environment for karting in the National Capital
 - Our objectives:
 - To promote and publicize kart racing
 - To foster a spirit of unity and comradeship amongst the karting fraternity
 - To provide safe, clean and enjoyable environment in which individuals and families can enjoy kart racing as an activity.
 - To provide information of interest to kart racers
 - To organize and encourage the organization of karting events, and
 - To foster the growth of our members in terms of racing, social and leadership skills and increase both personal and community self esteem.
4. NCKC executives were introduced. Present were Frank Jones (VP), Jacques Larose (President), Enrico Valente (Promotion), Michael Harris (Treasurer) and Sylvain Coulombe (Secretary and Rules). Jacques also acknowledged Stephanie Berg who helps with our web site and Wayne Ross who helps with our Facebook

page. He invited Frank to share his experience with working on the board as he has been involved on the board for the longest.

Frank mentioned that he started with the club in 2008. Some in the room have been club members longer than him; some were on the exec in the past. He shared that from his perspective, people need to be treated with respect to enjoy themselves in any activity and he is concerned that, in past years, attrition in the karting ranks may have happened because people didn't feel they were being respected.

As with anything being refereed in any sport, sometimes right calls are made and sometimes, right calls are not made. He mentioned for instance that in his first year, 5th event of the season (known to some past members as "black Sunday"), the karting community has been dealing with this kind of thing since then.

There are now three clubs instead of one in the area, so there is competition for members. Track owners have more cards in their hand and can therefore exert more influence. NCKC has been trying to work back and forth with the other two clubs over the years with moderate successes. We have had to make some adjustments through the years to reduce our costs for instance, when we ran into financial difficulties. We tried to rely on promotion (DAWG FM for which we paid about \$1000 for advertising) and sponsorship, again with hit and miss successes in terms of return on investment. He suggested that last season, return on value was really good.

Kevin Conty mentioned that he didn't disagree but his perspective was that, in previous years, the club was aware of promotional expenses ahead of time. This started some discussion on a concern that was previously expressed and planned to be addressed so discussion on this specific point was deferred to a later slide.

As an executive, Frank said he has been proud and happy to have worked with everyone who served on the board through the years and is very happy to work with the current board. He is still involved because he wanted to see continuity of experience with the current board. This concluded Frank's opening remarks.

Since he had come to realize through recent exchanges that not everyone knew him well, Jacques provided a brief synopsis of himself and his motivations for contributing to club objectives through the board. He mentioned aspects of his family, his cottage, his work experience in the government, that he had joined the board in 2012, first as Secretary and Treasurer and now as President since the Fall 2015 AGM. Last year, he became involved heavily with the preparation of the first Grand Prix as he saw the benefit that it could bring to the karting

community. For him, it was one the most rewarding event he had contributed to in the karting community, it was challenging but worth it so he continued to be engaged in planning of the 2016 edition to ensure that it becomes a feature event for NCKC. This is one of the reasons why he is still here today.

5. Understanding our By-Laws

Jacques proceeded to explain how the board operates, how it is constituted of club members, and, that board members are bound by the contents of our by-laws, the purpose, and the objectives of the club. He mentioned the change in not for profit organizations that were brought about by the government in 2014 which resulted in a significant revision of our own by laws to follow the format and scheme put forward by the government. Our current set of by laws was approved at an AGM in 2014. Some of the changes involved removal of things that potentially change on a yearly basis such as fees, which are now referenced but not part of the by laws; and how board member roles are now decided amongst board members following a “right fit” approach. This is how the current roles were decided at our first director’s meeting following the fall 2015 AGM.

He said he is the one talking today because, as prescribed in our by-laws, the president is the spokesperson for the board and chairs bi annual general meetings. Be that as it may, he is only one voice on the board. After open discussion on items of business, board decisions are made based on majority vote and even if a decision is not unanimous, others rally around the decision made by the board. Decisions of the board are therefore not made by the President, they are made by the whole board.

Jacques touched on the code of conduct and declaration of conflict of interest which have to be signed by every individual working the board and exist as a further protection of member’s interest.

6. 2015 financial clarification

Jacques acknowledged that the board didn’t provide sufficient explanation on this at the fall AGM and underestimated the effect on club members over the winter. He encouraged everyone to never hesitate to communicate with the board when they have questions and concerns.

Jacques proceeded to explain details of the deficit we had last season and the board’s perspective that it is not an alarming situation. The following factors were mentioned:

- The club needed a new laptop, the old one was acting up and the new one procured costed less then \$500 therefore within the spending authority of the board. The club has a new asset;
- The projections made early in the 2015 season were optimistic with respect to participation for the planned 2 events at Karters, we had realized that they were and planned a \$2000 deficit which materialized. We had hoped for better numbers of participants from LKA to join these events but this did not happen.
- The Grand Prix, the fact that it was the first year, planning and preparations became hectic at some point, not every board member was able to attend all planning discussions because work was required on site and some were highly invested there. We ran into some challenges along the way, the finances did not unfold entirely as initially planned and we had to adapt with the situation as it evolved and in some cases, after it happened.

During the discussion that ensued, members expressed their questions and concerns, including:

- Specifics of how the decision was made to cover the RESP prize costs
- Inconsistencies in communications as to whom was going to cover what expense;
- How spending decisions are made by the board, ceilings before going to members for votes;

After many discussions on the concerns expressed, Jacques acknowledged that definitely, there were communication challenges and we certainly would like to have done better and are planning to do better in 2016. The organization of the Grand Prix had its challenges, but we the organization committee was determined to make it happen despite challenges encountered. In regards to RESP prizes, a initial overall budget was established as best as it was possible given it was a first edition however higher expenses than anticipated were incurred. Podium covered about \$15000 of these higher than anticipated expenses. After the dust settled and RESP prizes remained to be covered, the board made a decision to cover this operational expense.

The board is elected by members, the spending authority of the board before going to members for vote is set at up to \$500 for capital assets and for operations, the budget presented and voted on at the beginning of the season established the plan that the board endeavors to manage with

thenafter during the season while adjusting with specifics of each events. Specifically, in the future, lessons learned from 2015 and from member feedback include:

- make sure that prizes from sponsors are secured before the event unfolds.
- better commitments and documentation of agreements should be secured before executing large events such as the Grand Prix.

7. Fall AGM minute adoption

One adjustment was requested: in regards to the motion to elect two new members to the board, nobody could remember who made the original motion, so we agreed to adjust the minutes to indicate that the motion was made by “a member”.

Motion to accept minutes of 2015 fall bi annual meeting, as just modified, made by Terry McGonigal, seconded by Martin Laplante. The motion was carried.

8. President report

Following the fall bi annual meeting, the new board met shortly after, settled our respective roles on the board and confirmed these on our facebook page and web site. We then started to work on planning for 2016. Our planning objectives included a series with LKA and, in keeping with our club objectives of offering variety and as best racing experience possible to our members, pursue a 3 race series with all 3 regional clubs. Representatives from the board started to work with LKA and LCQ on this high level plan and this resulted in the schedule that was posted on 19 February.

In March however, we received both an incendiary email and an ultimatum from LKA and the terms of these communications were such that LCQ pulled out of the 3 race series and we could not continue to work with LKA for the 2016 season.

9. 2016 Schedule

Jacques went through the proposed schedule. Scott asked if anyone had been to SLMP this year to see the state. Jacques answered that Sylvain drove there; it has been patched and is quite usable. First responder service was also discussed; Mike Harris is looking into it. We are not planning on having an ambulance there but a first responder yes.

After Jacques finished describing the schedule, Greg inquired whether all dates were firm. Jacques confirmed that the board didn't want to change dates of events because we thought that this was the most important for members to be

able to plan their summer. There is however some cost details that remain to be confirmed with Karters and if it turns out we cannot afford all the events at Karters, in other words if we do not have a reasonable of breaking even for the special events and test and tune days for instance, we would have to remove these and aim to keep focus on racing events. When asked by members, Jacques confirmed that when the softer aspects of the schedule are confirmed, it will be communicated.

Motion to adopt the draft schedule proposed by Lee Williscroft, seconded by Greg Jewell, motion was carried.

10. Grand Prix

Enrico provided a debrief on the Grand Prix which is a major component of the NCKC promotion program with the second edition in 2016. He reiterated the importance of the Mayor's support as well as that of key sponsors such as Access Rigging. In 2015, participants in the Mayor's cup who participated in KK's rental karts and the public were exposed to the display of faster racing karts which contributes to exposing our sport and attracting interest and heightened awareness of karting as a family sport. He also mentioned that the long term vision of the city is to have an annual motorsport festival in the area and the Grand Prix registers as a building block in that vision.

Enrico mentioned that he has offered to revisit the club's sponsoring program, look at what the club has as assets that have marketing value and possibly build on this to be in a position to highlight value to potential sponsors.

When the question was asked, Frank answered that we did get a couple of new members from the visibility provided by the Grand Prix in 2015. Stephanie Berg identified herself as such.

A member inquired if there was a conflict of interest with Podium that Enrico runs. Jacques acknowledged that the board is aware and recognizes that there could be a risk of conflict of interest. Mike Harris said that if/when there is an item of business being voted on where Enrico or Podium might benefit out of it, he would not be voting on the matter. Jacques acknowledged that perception is big, the board is well aware about perception and we are hoping that members trust that we operate appropriately in that respect. He encourages members to keep checking on the board, email us, keep us on our toes in that respect.

Greg asked if there would be an agreement between NCKC and Podium to document the respective roles and responsibilities. Jacques and Enrico answered that yes, we intend on having such documented agreement. Frank said that we encourage members to participate in the Grand Prix organizing

committee, all help will be welcome and even if it is for members to be witness to the planning.

11. Treasurer report – Budget 2016 adoption

Jacques provided to talk through the budget slides provided in the deck. The first one depicted the ups and downs with respect to the club's opening balance since 2012.

A member asked if we knew how much was needed to secure the track for the draft schedule presented earlier. Jacques answered that we only needed to secure one track (KK down payment for the first event) and, with the expected revenue that is yet to be deposited in our club's account, we had enough to secure the track.

Kevin asked if all RESPs from 2015 Grand Prix (except his child's) had been accounted for? Jacques answered that yes and in fact, the numbers in the deck also include an assumption that the third one is spent and would change on the plus side if this expense does not materialize.

Jacques went through the budget summary and detailed slides, mentioning that

- Revenues – it is difficult to predict but \$2000 is the amount budgeted.
- Some sponsor money has already been secured.
- Operations, we will have to manage this closely
- We are not pursuing additional insurance for the trailer, we stick to the insurance provided through the ASN Director insurance already paid
- When asked, Jacques mentioned that we did not intend on buying a new generator and if we have to cross that bridge, it would be a capital asset over \$500 and therefore members would be consulted.

Motion to accept the budget proposed by Martin Laplante, seconded by Terry McGonical, motion was carried.

Fees were then presented. While we are looking at increasing the race day fee by \$5 to \$70, we are reducing the transponder rental to \$10 and Frank added that second transponder in the same family would still be \$5.

Motion to accept the fees proposed by Greg Jewell, seconded by Ron Henrie, motion was carried.

12. Rules

Sylvain spoke briefly on rules, that when he was assigned the Rules chair role last fall, he undertook to refresh his knowledge of rules by reading them all in details. Even if he's been racing for over 11 years, he still learned things he was not aware of from this and therefore decided to help members, old and new, increase their knowledge of important rules by preparing and publishing electronic cue cards on the important ones. These are available through our Facebook page and our club web site.

New 2016 technical and Briggs regulations have been posted and changes are identified with red sidebar. For instances, there is something new on fuel pump location this year.

Classes are not changing except for the Masters class where ASN changed the minimum age to 15. Since we follow ASN regs, we are aligning with that age change.

Final note from the Secretary, we have added a new governance section on our club web site and this is where you can find minutes and documentation pertaining to board and member meetings.

13. Meeting adjourned