



MINUTES OF 8th ANNUAL GENERAL MEETING 2010

**Greater Victoria Harbour Authority
Held at 9:00 a.m. on 15 October 2010
GVHA Offices 202 – 468 Belleville Street**

- Members in attendance:** Christopher Causton, Capital Regional District (CRD)
Barbara Desjardins, Township of Esquimalt
Pamela Madoff, City of Victoria
David Rand, Greater Victoria Chamber of Commerce (GVCC)
Lyle Soetaert, Victoria/Esquimalt Harbour Society (VEHS)
Chief Andy Thomas, Esquimalt Nation
Bill Wellburn, Provincial Capital Commission (PCC)
Randy Wright, Tourism Victoria
- Directors in Attendance:** Jim Allard, Victoria/Esquimalt Harbour Society
Dave Cowen, Tourism Victoria (via Skype)
Dermot Loughnane, Community Director
Don Prittie, Community Director
Mike Williamson, Community Director
- Resources:** Ian Crocker, Manager of Operations
Julia Park, Recording Secretary
Rebecca Penz, Manager of Communications
Sonterra Ross, Acting CEO
- Regrets:** Chief Robert Sam, Songhees Nation
- Guests:** Briane Anderson, Fisherman's Wharf Community Assoc. (FWCA)
Bob Barlow, Western Stevedoring
Bruce Cuthbert, Esquimalt Resident
Marg Gardiner, James Bay Neighbourhood Assoc. (JBNA)
Rob Gialloreto, Tourism Victoria
Barry Hobbis, Victoria Harbour Ferries
Scott Hooker, KPMG LLP
Stewart Johnston, GVHA Life Member
Angus Matthews, Victoria Resident
Ian Maxwell, GVHA Life Member
Greg McAllister, King Bros. Limited
John Milligan, Western Stevedoring
Paul Ridout, GVHA Life Member
Brian Scarfe, JBNA
Lyle Soetaert, VEHS
Fran Thoburn, JBNA

1. Call to Order

Board Chair, Don Prittie, called the meeting to order at 9:04 a.m.

The Chair welcomed GVHA Life Members Bea Holland, Ian Maxwell, Randy Wright, Stewart Johnston and Paul Ridout to the meeting.

2. Approval of Agenda

MOVED and SECONDED THAT the agenda be approved.

CARRIED

3. Approval of Minutes from the October 16, 2009 AGM.

MOVED and SECONDED THAT the minutes be approved as circulated.

CARRIED

The Chair confirmed that 14 days notice had been given for the AGM. All Member Agencies acknowledged they had been notified 14 days in advance in accordance with GVHA's Constitution and Bylaws and the *Society Act*.

The Chair explained that each Member Agency has the right to select a voting member for the AGM that may or may not be the appointed Director.

4. Report from the Directors (Chair)

The Chair reported GVHA had a very good year (April 1, 2009 to March 31, 2010).

Highlights included:

- A successful strategic planning session that reaffirmed the vision and dream for GVHA.
- Record year for cruise ships, passengers and crew with the addition of RCI's Mariner of the Seas and Carnival Splendor calling Victoria due to the flu advisory in Mexico
- Pier B mooring dolphin project completed with partnership funding from the provincial and federal governments
- Upgrades and improvements to GVHA assets
- Land and Sea Mural Phase I completed
- Land and Sea Mural Blessing Ceremony
- Successful Seattle Boat Show

5. Presentation of Summarized Audited Financial Statements

The Treasurer reported that the Audited Financial Statements were derived from the complete audit and then summarized.

He noted that GVHA is still a young organization but has matured and revenues have grown despite the many challenges the organization faces. Revenues have increased to \$6.1 million (\$3.7 million 5 years ago). Management has worked hard to improve the facilities, including:

- Expansion and reconfiguration of the docks at Fisherman's Wharf
- Optimization of facilities on water and land
- Achieving market rates for facilities that were well below market rates to increase revenues
- Increased volume of cruise ship calls
- Funding and continuation of the land and Sea Mural Project

- Reducing administration, consulting and labour costs
- Generating cash to maintain and expand GVHA facilities

MOVED and SECONDED THAT the Board approve the Audited Financial Report as presented.

CARRIED

6. Appointment of Auditors

MOVED and SECONDED THAT KPMG be retained as auditors for Greater Victoria Harbour Authority (GVHA) for the period of 2010/11.

CARRIED

7. Director Compensation Special Resolution

The Board Secretary presented a powerpoint on the Western Compensation & Benefits Consulting (WCBC) report on GVHA Director Compensation and GVHA's Director Compensation Philosophy:

The total fees paid in the fiscal year 2009/10 were 1.6% of the previous year's gross revenues.

Current arrangements:

- Attendance at Board meetings \$600
- Attendance at Committee meetings \$150
- Board Chair annual retainer \$4,200
- Attendance at out-of-town meetings \$300
- Total director compensation may not exceed 5% of GVHA's annual gross revenues

Guiding principles for GVHA's Director Compensation Philosophy

1. Attracts and retains qualified individuals with:
 - Business savvy
 - Comparable board experience
 - Interest in the working harbour
 - A stakeholder orientation
2. Provides fair compensation for directors
3. Provides fair value to GVHA

DIRECTOR COMPENSATION PHILOSOPHY

Greater Victoria Harbour Authority (GVHA) seeks to maintain an experienced, competent and diverse Board of Directors that is responsible for GVHA's strategic direction, policy framework and the oversight of its affairs.

In order to set Director compensation that is fair to both GVHA and individuals serving on the Board of Directors, the Governance Committee engages an independent compensation consultant who brings forward recommended compensation.

The consultant's recommendation is based on their survey of other Canadian harbour and airport authorities of similar size and complexity with a target compensation for GVHA directors set at the 50th percentile of these comparator organizations."

Comparator organizations:

1. Hamilton Port Authority
2. Nanaimo Port Authority
3. Prince George Airport Authority

4. Prince Rupert Port Authority
5. Provincial Capital Commission (Belleville Terminal)
6. Saint John Port Authority
7. Toronto Port Authority
8. Victoria Airport Authority

Consultant's recommendations:

Annual retainers

- Director \$5,000 plus meeting fees
- Board Chair \$15,000
- Vice-Chair \$9,000
- Committee Chairs \$5,000
- Meeting fee \$400

Board of Directors recommendation:

Annual retainers

- Director \$4,000 plus meeting fees
- Board Chair \$10,000
- Vice-Chair -
- Committee Chair \$2,500
- Meeting fee \$400

	Current	Consultant	Board of Directors Recommendation
Board Chair Retainer	4,200	15,000	10,000
Vice-Chair Retainer	-	9,000	-
Director Retainer	-	5,000	4,000
Committee Chair Retainer	-	5,000	2,500
Board Meeting Fee	600	400	400
Committee Meeting Fee	150	400	400
Out-of-Town Meeting Fee	300	400	400

Discussion included:

- Mayor Christopher Causton voiced his opposition to the compensation package and philosophy stating he believed the wrong comparators were used. GVHA is not a port and should operate more closely to a Crown Corporation model given GVHA's budget and number of employees.
- Randy Wright, Chair of Tourism Victoria, inquired if the pay raise would exceed GVHA's policy of a 5% ceiling on Director fees. The remuneration would be well below 5%, close to the 3.5 % range.
- Lyle Soetaert, President of V/EHS stated he did not understand the comparative organizations.
- The Board Secretary explained the WCBC used organizations in similar size and complexity and based their results on what those Directors were paid.
- The Board Treasurer stated that fair compensation will serve the organization well. People with good qualifications and skills are often in demand and should be fairly compensated.

PROPOSED RESOLUTION

MOVED and SECONDED THAT the Members of Greater Victoria Harbour Authority approve the following annual cash compensation for Directors at the October 2010 Annual General Meeting:

	<u>Position</u>	<u>Retainer per annum</u>
	Directors	\$4,000
Plus an additional payment for:	Board Chair	\$10,000
	Committee Chairs	\$2,500
And	<u>Meeting Fees</u>	\$ 400 per meeting

CARRIED

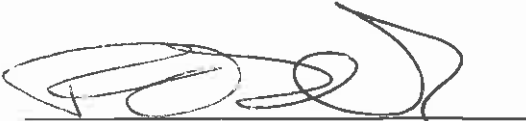
Christopher Causton opposed
Barbara Desjardins abstained
Pamela Madoff abstained

- 8. **Appointment of Directors**
None.
- 9. **Input from Members**
None.
- 10. **Adjournment of the meeting**

MOVED and SECONDED that the meeting be adjourned.

CARRIED

The meeting was adjourned at 9:45 a.m.



David Rand, Secretary