



Minutes for June 19/2008 Board of Directors Meeting  
9724 4th Street, Sidney BC

Call to Order 7:05 pm

Attendees: Dave Erb, Vijay Vyas, Kim Erb, Eric Bye, Bob Hope, Chris Wallace, Dixie Allan, April Ogloff, Sharon Guenther

Staff: Dixie Allan, Dave Keith

Regrets: Jordon Dagg, Richard Mosher, Val Scott-Moncrieff, David Marks, Tony Medeiros

**(All Standing Committee and Officer Reports shall be circulated at least Seven (7) calendar days prior to board meeting)**

**Motion:** Approval of Agenda **SC**

**Motion:** to Adopt corrected Minutes of 080515 meeting **SC**

**Old Business: Bob H,** PSA Div 7 senior team is in good standing with the VISL after paying the fines due of \$329.00

**Capital Projects: Dave E,** Clubhouse design is now in the hands of Advanced Architecture Inc. to prepare construction plans

**Fields: Eric B,** A Super 8's and Mini field scheduler has come forward (Mr R MacDonald), still need a practice field scheduler

**Finance: Vijay V, presented a number of draft financial policy recommendations received from Lloyd Guenther. They are:**

- Financial statements should be system generated and include the budget, whether annual or year to date. If the statements are not system generated, both the system statements and custom statements should be provided to the Board monthly in advance of the Board meetings. The Treasurer or accounting firm should report to the Board as a whole.
- Financial statements should provide prior year information
- Financial statements and budgets should follow accounting standards for non-profits including Property, Plant & Equipment and Restricted Funds
- The MPS accounts (donations, refunds, capital expenditures, expenses) should be incorporated into the monthly PSA financial statements. Not doing so results in financial statements that are incomplete and inaccurate. Review of the MPS reports and verification will be necessary



- All Blue Heron invoices should be recorded in the appropriate expenses or asset accounts of PSA
  - Payments to MPS for Blue Heron accounts payable should be applied to the PSA payables accrual and specific amounts
  - Donations to MPS for PSA (Blue Heron) should be recorded as income by PSA and as restricted funds (Field, Clubhouse, etc.) as appropriate
  - PSA should assume all responsibility for invoice payments and GST Rebates
- The annual financial statements should include a note setting out information on leases, including term, annual cost and total cost over the term of the lease
  - The monthly financial reporting should include explanations of variances from budget and from prior years
  - The annual financial statements should include notes on accounting policies, lease obligations, Property, Plant & Equipment, liabilities, grants receivable, Restricted Funds, etc.
  - Sales and Cost of Sales should be shown together in the financial statements so that margins can be reviewed. Currently Cost of Sales is reported in the Administrative and Operating costs. Note that the GST rebate threshold determination is also affected by reporting
  - Bank statements should be received by a Board member other than the Treasurer. The Board member should review the statements and attached cheques and date and initial the statement before passing the documents on to the Treasurer
  - The Treasurer should ideally not be preparing bank reconciliations. However, this is not necessarily practical. Bank reconciliations prepared by the Treasurer should be reviewed by the Board, dated and initialed. Balances should be verified to the bank statement and general ledger/financial statements
  - The Board should review a cheque listing from the general ledger monthly and date and initial the cheque listing
  - A random checking of deposit information to the bank statements and general ledger should be implemented. If the deposits are made by the Treasurer, a log of deposits should be prepared by another individual and randomly checked to the bank statements and general ledger
  - Donations and Grants should be identified in the financial records and reports as operating or capital and restricted or unrestricted
  - The monthly and annual financial statements should include a cash flow statement
  - The Treasurer should be a qualified individual with the appropriate training and experience. To assist PSA, a copy of the Accounting Guide for Non-Profits has been provided for reference. The Treasurer should have access to professional advice if required. The business arrangements between PSA and MPS have resulted in incomplete and inaccurate records for PSA. There are reporting issues for MPS that have not been addressed in the recommendations
  - The monthly and annual financial statements should not be signed. If the Treasurer wishes to report that the statements have been prepared by him or her, he/she is free to do so. However, signing unaudited financial statements is not appropriate. The statements should be accepted by way of a motion at a Board meeting. The February 2008 statements and in all likelihood all of the statements for the current and prior year



are in fact incomplete and inaccurate as presented. Annual financial statements would have to be audited/reviewed and approved by the Board before any qualified representations can be made

- Invoices should be approved by the responsible person to indicate that the goods or services have been received and that the charges are correct
- Surplus funds should be invested in order to earn interest or dividend income. PSA should have a policy for the investment of surplus funds that addresses term and type of investment
- The business relationship between PSA and MPS should be documented and approved by the PSA Board. For example:
  - a. Donations received by MPS on behalf of PSA for Blue Heron.
  - b. The recording of Blue Heron revenues, grants, contributions, expenses and capital expenditures by PSA.
  - c. Payment of expenditures for Blue Heron by MPS on behalf of PSA.
  - d. GST rebates claimed by PSA and/or MPS.
  - e. Rental/lease of Blue Heron payable to MPS and GST charges.
  - f. Rights of MPS to rent Blue Heron and the disposition of the proceeds (PSA/MPS).
- With certain restrictions, a public service organization (non-profit) is able to file for a GST rebate of 50% of eligible amounts and does not have to register for GST. PSA should seek advice from a qualified professional or from CRA. The key considerations are:
  - a. A minimum of 40% of the revenue must come from government funding/support in the fiscal year or previous two fiscal years. Note that indirect support such as free municipal services should be recorded and revenue net of costs from fund raising activities.
  - b. You cannot claim ITCs for the GST/HST you pay or owe on purchases and expenses you sell, use or consume in the course of your exempt activities.
  - c. A special GST/HST rebate allows certain non-profit organizations to recover 50% of the GST and federal part of the HST paid or payable on eligible purchases and expenses for which they cannot claim ITCs. Eligible purchases and expenses for the public service bodies' rebate include the following: general operating expenses such as rent, utilities, and administration expenses for which you cannot claim ITCs; allowances and reimbursements you pay to employees; goods and services used, consumed, or supplied in your exempt activities; and capital property.
- All contractual arrangements or agreements, whether verbal or in writing, should be documented and approved the Board. The arrangements must be clearly understood by the Board prior to approval.
- If PSA is unable to receive written assurances on the following matters, PSA should consider undertaking to develop an alternate field and clubhouse location:
  - a. Reporting, restriction of funds and disbursement of donation funds to PSA
  - b. Appropriate term of lease for Blue Heron that reflects the nature of the investments made by PSA
  - c. PSA control of the Blue Heron lands and facilities
  - d. Design and construction/relocation of a clubhouse that meets the needs of PSA without undue interference from MPS
  - e. Naming rights to the field and clubhouse



f. Other matters to be identified

- Currently MPS is being used as a payables service. PSA should immediately undertake to maintain its own complete financial records, file for GST rebates and pay its own invoices. Unless PSA does so, maintaining financial records, compliance with Financial Accounting Standards, assurance to financial supporters and future fundraising will be compromised. MPS should be restricted to receiving donations, issuing tax receipts and the paying the donations to PSA. MPS should be reporting all Blue Heron related financial transactions, including a list of donations and any restrictions on the donations to PSA monthly

The plan is to meet with Dave and Lloyd this weekend after completion and discuss the financial statements coming out of Lloyd's audit and the recommendations before finalizing them and reporting to the Board. If PSA do use Lloyd's recommendations, Some should be acted on ASAP

**April O:** presented the April 08 statements

**Motion:** To accept the April 08 statements **SC**

**Motion:** to pay Secretary expenses \$25.39 **SC**

**Saanich Sports expenses with PSA.** They are in arrears \$5610.00. Lengthy discussion ensued with no resolve. **Action: ?**

**Seniors:** Will place an advertisement for players in the News Review. Chris will work with Dixie

**Chris W,** made a proposal to alter the seniors teams uniforms to allow for Sponsorship advertising (uniforms that will be purchased by sponsors).

**Motion:** that all Senior Uniforms purchased by Sponsors will be White Shirt, Navy Blue Shorts, Red Socks **SC**

**Senior's group will work with Kim E. to purchase uniforms**

**This motion does not allow any change in the current BCSA /PSA youth uniform policy regulating club uniforms. Youth uniforms may not contain advertisement and are supplied by the club.**

#### **New Business**

**Dave E,** Peninsula Foundation has donated \$1000.00 to the PSA

**Dixie A,** Registration numbers for 08/09 season as of 08/06/18

Total all ages: Boys 335, Girls 289, = 629

**Dave K,** PSA Academy cancelled for July 08

Check with BCSA re: registration of house spring league insurance for new registrants



**Action: Bob H (BCSA)**

Insurance coverage for parent volunteers e.g. field lining, concession, etc

**Action: Bob H (answer distributed) explanation of coverage is on BCSA website**

**Motion:** to enter into contract with ACTIV SOFTWARE for registration. This would start with our 09/10 playing season **S**

**Motion:** to table **SC**

**Action: Bob H** will solicit testimonials from those local clubs who currently use the ACTIV SOFTWARE for their registrations. PLSC, SSFC, CVBA SC

**Bob H and Duncan K,** Review all PSA forms and make sure they are available on our website

**Next meeting: July 17<sup>th</sup> /08 at 9724 4th Street, Sidney BC**

Adjourn: 10:05 pm