

Bobsleigh CANADA Skeleton
Board of Directors Meeting 1113, Minutes
November 27, 2013 18:00-20:00
AIC 3rd Floor Boardroom

Our Mission: Bobsleigh Canada Skeleton develops Olympic and World Champions.

Call to Order – 18:05

Present: Reid Morrison, Lee Genier, Sarah Storey (Conference Call), Bernie Asbell (Conference Call), Amy Gough

Staff: Don Wilson, Shivauna Brown, Jody Griffeth (CC)

Regrets: Bill France, Cody Sorensen

1. Review and approval of agenda.

Motion 1113 1: Genier/Storey
To approve the agenda as distributed.

CARRIED

2. Review and approval of Oct 16, 2013 1013 Minutes.

The minutes were not on the web and have not been approved

3. Business arising from minutes:

3.3 513.4.1d. Risk Management Workshop

Don presented the Risk Registry, which was worked on by himself and Bernie Asbell. There was general discussion about the registry and it was agreed that risk assessment would be apart of all further planning.

CLOSED

4. General Operations Update.

4.1 CEO Report: 1113

1. General:

- a. As directed Bernie and I reviewed the Risk Registry and present to you for your approval. **ACTION: To approve the BCS Risk Registry.**
- b. Jody and I met with our Auditor, Allan Payne of BDO, to discuss the submission of T3 reporting to the Canadian Revenue Agency for the BCS Trust. It has been noted that the last reporting on file was 2009. As a special accounting package is required to complete the reporting, Jody has been in contact with the BCS Trust about the issue and the costs associated with the T3 reporting. I am meeting with representatives of the Trust in Toronto on November 22. At that time we will also discuss the sale of development sleds to OBSA, ABA and BCBSA and the request for financial support from the BCS Trust, discussed last year. **ACTION: For your information.**
- c. As a wrap up to the Deloitte NSF Enhancement evaluation a cumulative report of all 51 federations who participated in the evaluation will be presented at the COC meetings in Toronto Nov 22 during the National Sport Federation Leadership Summit. Not surprisingly the three top priorities for improvement overall were: Marketing, Partnerships & Sponsorship and Fundraising. **ACTION: Document attached for**

your information and review.

- d. The Audit Committee has met and no major issues have been identified through our accounting, the 2012 audit or the management letter. **ACTION: Minutes of the Audit Committee are attached for your review and comment.**
- e. Nathan and I met with Wim Noorman, President of Eurotech. We have agreed in principle to a 1 year - 3 year association. The first year will be a maintenance contract, along with the completion of work to the 4man and the two push sleds. Upon completion of the first year we will look at an agreement for the remaining 3 years of the quadrennial. We had very productive conversations with Wim and we concurred that the amount of money to do the research/development and fabrication of our own sleds would be prohibitive. Over the past 4 years we have spent approximately \$1.2MM through the support of OTP. But Eurotech has spent and additional \$0.5MM. As well there is specific expertise that Eurotech possesses or has access to that we do not. BCS needs to concentrate on three pillars of Intelligence: Pilot Identification/Training, Physical Preparation and Equipment Knowledge. We have had success on the first two and we need to spend more time and energy on the last one so that if Eurotech leaves, we have the internal knowledge of what we need and seek out a supplier to allow us to build on that internal intelligence. **ACTION: For your information.**
- f. We have had two appeals to the selection of the ICC skeleton team. An athlete was de-selected and won her appeal to be reinstated. This appeal was handled through the internal Appeal Policy. The athlete that was subsequently displaced from the program by the reinstatement of the de-selected athlete has appealed to the SDRCC. Sarah Storey has graciously agreed to assist with this appeal. Once the appeals are over, BCS will review selection criteria and the Appeal Policy to determine if amendments are required. The appeal at the SDRCC level supported the original opinion of the internal Appeal Panel and Ms. Prediger joined the ICC team in Igls. **ACTION: For your information.**
- g. OTP made a presentation to the Winter sports in Calgary and Ottawa. The presentation has been sent to the Board previously. There was significant discussion about the categorization of sports: Level 1, 2 or 3. The criteria include past medal performance in Olympic Games which determines which category you are named to: Reward. The second component was the true potential to continue or improve upon your performance for Pyeongchang: Award. There was also much discussion about the funds from the COC for the past quad and the upcoming quad. There was a discussion about OTP and COC not being aligned in the amounts and the disbursement. At the COC meeting meetings OTP presented to the winter caucus and clarified the financials. **ACTION: for your information.**

4.2 Finance

Jody presented the financials of October 30, 2013.

REVENUE

- 1. Account 4010 (7100) – comprises April to September actual figures. October's figures were entered the day after the October financials were sent out.
- 2. Account 4020 – we received \$10k from the ASPRWF (Alberta Government) as a grant for the NAC. The rest of the funds are the ticket sales for the WC.
- 3. Account 4040 – most of the \$ are comprised of equipment sales of TESA tape and skeleton helmets and visors. \$400 in this account will be moved in November to 4020.
- 4. Account 4050 – the entire amount received in October was from the Canadian Rugby Union, their contribution to the Maple Leaf Program. To the date of these financials, the Maple Leaf Program has earned \$14,200.25. The remaining

amount of \$105K is what we have received to date in sponsorship from the BMW Group (COC), Conceptum and the Globe & Mail.

5. Account 4060 – we received the Q3 payment from Sport Canada on time, at the beginning of October. Our next payment from them will be the beginning of January.
6. Account 4070 – as there were selections at the end of October and the invoices were originally input in September, I moved the invoice dates to October. The final tally on program fees and the National Team Fee will be in November once I receive a confirmed athlete list from Nathan and Keith. When the athletes are confirmed, the amounts can then be ratified and an emailed invoice will be sent to each athlete to collect on the fees owed. I intend on sending statements to all the athletes at the end of December or early January to provide them with an update on their respective accounts.
7. Account 4900 – amount is comprised of shop supplies and shop equipment that was sold.
8. Account 9000 – the amount is due to the exchange difference on two September invoices from Eurotech, which were paid in October.

EXPENSES

Expenses for the month did not include a \$7k invoice for training runs in Whistler and the icehouse training and track use in September and October. These were the only invoices not input into the system yet due to timing or discrepancies on the amounts charged.

BALANCE SHEET

1. Account 1000 – The large negative value in the bank was due to a small cheque run that I did just before the end of the month. The largest cheque was to pay down Jody’s Visa (account 2230) for \$65k.
2. Account 1200 – Accounts Receivable, a few athletes still have AAS donations to apply to their A/R account concerning fees from last season or the like that exist on their account, these amounts will be reconciled in November. Of note here is it is likely Adam Rosenke’s amount from last season will not be collectible, as he has not contacted me regarding payment on his overdue amount since he was removed from selections.
3. Account 1300 – Prepaid expenses increased due to the group flights with Air Canada for November travel as well as the deposit on accommodations in Sochi for training week. The majority of the amount in this account will be moved in November and December.
4. Account 2000 – Accounts Payable, all amounts listed are representative of what is currently outstanding, except for the \$7k mentioned earlier to

4.3 Marketing/Development:

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> • G&M • CHA • Global Calgary • Corus Ent’t • Miscellaneous • Kellogg | <p>\$120k</p> <p>\$25k</p> <p>\$30k VIK</p> <p>\$30k VIK</p> <p>\$2k VIK</p> <p>\$20k</p> | <p>Novus has officially begun selling our inventory. President expects \$250-\$300k to be sold by BCS YE.</p> <p>Signed contract received. \$15k > 2012</p> <p>World Cup sponsor</p> <p>World Cup sponsor</p> <p>World Cup budget offsets (printing, flowers)</p> <p>Convenience & Cafeteria Program</p> |
|---|---|---|

	• Samsung	\$50k	Redirected to Cheil, AOR
	• Blackberry	\$50k	Invited to World Cup
	• AMEX	\$100k	
	• Choice Hotels	\$80k VIK	
	• Heineken	\$50k	Invited to World Cup
	• VitaminWater/Coke		Toronto promotion with Jesse; Invited to World Cup
Declined			
	• Scotiabank	\$15k	Purchased a WC Corporate Sponsor package
	• Alveda Pharma	\$10k	No reply
	• Stantec	\$10k	No reply
	• RBC	\$10k	No reply

MARKETING

World Cup Highlights

- New sponsors: Globe and Mail, Gazprom, Conceptum, CHA, Corus Entertainment, Global Calgary, Safeway, Penny Lane Entertainment, Grafitti, Bloomex
- Strong sponsor and prospect attendance
- Diverse Media and Promotions plan

5. Athletes' Business

- Amy asked that the posting of Selection Criteria be date stamped in the notation of the document (footnote) and that when Selection Criteria is posted to the web that an email be sent to all Athletes tell them that the criteria is posted.
- It was noted that it is the responsibility to the athlete to review the website for items such as new policies and criteria, but that BCS does have a responsibility to advise athletes of changes as well.

6. Officials Report

- No Report

7. New Business

8. Adjournment

- Meeting adjourned 19.30

**NEXT MEETING AIC 3rd Floor Boardroom - BCS Office
Wednesday January 29, 2014 6:00pm**

Bobsleigh Canada Skeleton

Audit Committee Meeting 1013

October 21/2013

Meeting Minutes

3:04 meeting called to order

Present: Bill France, Kirk Look, Anne-Marie Feoli, Don Wilson, Jody Griffeth

Kirk – Chair, Jody-Secretary

Don noted that he would like to see a representative from the athletes' council take part in the audit committee so he would discuss this with Cody Sorenson and Amy Gough regarding the next meeting.

Main Concept of the meeting- review of the 2012/13 Audit and the Management letter provided by BDO, our auditors.

1. Question by Kirk – is there a need for our line of credit with the bank still? Jody and Don answered yes. Anne-Marie asked what is our line of credit at right now, Jody answered at 0\$.
2. Question by Don to Jody whether the information the bank required in August was prepared and sent in, Jody answered yes. Discussion ensued between Anne-Marie and Don regarding the practice of the bank requesting proof of sponsorship agreements to accompany the audited financial statements. Anne-Marie indicated that the bank needs the sponsorship agreements as proof of future income as security for the debt servicing. Don reviewed with the board the current status of the sponsorships with our biggest sponsors, BMW, Globe & Mail, GasProm, Sport Canada and Alberta Government with respect to the World Cup.
3. Remark by Don regarding the new financial impact of the lease agreement with Eurotech. Jody spoke of it, indicating that the auditors changed their view on the lease to a capital lease, and prior years reporting of it was recaptured. Kirk asked about it affecting the net cash flow, and discussion ensued by both Don and Jody regarding where to find the numbers on the financials and that our loss was significantly reduced due to the capitalization, but the net cash flow suffered greatly because of the unrecognized revenue with regards to sponsorships.
4. Kirk asked if there is a plan for repayment on the revolving loan outstanding, Don and Jody answered no at this time.
5. Kirk asked if there was a budgeted surplus for the 2013/14 year, Don replied no, that the budget was very conservative on the revenue side as to not end up as in the 2012/13 fiscal year where the sponsorships budgeted for did not come through, and we carried a great deal of expenses. Don discussed the current year sponsorships that BCS has already received and are about to receive, BMW, Globe & Mail and Government of Alberta grants as well as Sport Canada Grants for the WC.

6. Discussion ensued by all with regards to advances to coaches with cash and how to avoid potential losses. Kirk indicated his organization follows a maximum \$ value of receipts not submitted, a \$500 limit on credit cards permissible without receipts, however a policy agreement should be signed off by all credit card holders of the organization. Kirk also mentioned that the policy should also state that no personal expenses should be made on company credit cards. All discussed what BCS's threshold should be in this particular instance, and \$250 was agreed upon. Kirk also indicated that if there is no source document submitted because of loss, then the coach/employee can initial the charge to be acceptable on the credit card statement.
7. Kirk questioned whether all credit cards were reconciled monthly, Jody answered yes.
8. Kirk suggested that the Audit Committee meet before the next AGM, which would be the middle of July. This would give opportunity for the Audit Committee to review the current years financial statements after they have been finalized by the Auditors and before their release to the board.
9. Don shared with the committee that the monthly board meetings will be later in the month now.
10. Discussion ensued around Quarterly meetings with the Audit Committee, and all discussed when the next meetings should be.
11. Kirk was concerned with the \$526 cutoff for materiality concerns with respect to the next audit, as he found it to be very low. Discussion ensued on how to gauge this for the next audit. Kirk mentioned he would provide a next step document for controls by Jody to increase the level of confidence by the auditors.
12. Discussion ensued with regards to the management letter for the 2012/13 audit. Of note were the recommendations for some of the segregation of duties with respect to cash may not be achievable due to the size of our organization and that there is only one person in finance and one other person, Don who would handle the duties suggested. Discussion ensued regarding the formal review process changes that have been implemented since Jody's start with the organization. Further discussion with respect to bank reconciliations being reviewed and expenses being reviewed and approved by Don prior to entry into quickbooks by Jody, a review of Vacation Days by Don and how that is recorded currently, the unrealized foreign exchange account that Jody now uses, GST returns being filed on a timely basis and the VAT return this year being higher than in previous years and how Jody has implemented changes and informed coaches and vendors on requirements for submission of the allowable expenses.
13. Dates for the next meetings were discussed and planned for March 18th 2014 and June 19th 2014 each at 3 pm in the BCS Boardroom.
14. Kirk indicated that he would provide a copy of all the policies that he has implemented with his organization to Jody.
15. 4:13 pm approx. meeting adjourned.

**Bobsleigh Canada Skeleton
Balance Sheet
As of October 31, 2013**

		Oct 31, 13
ASSETS		
Current Assets		
Chequing/Savings		
	1000 · RBC Operating Account-131	-113,430.26
	1120 · PayPal	540.98
	Total Chequing/Savings	-112,889.28
Accounts Receivable		
	1200 · Accounts receivable	217,149.47
	Total Accounts Receivable	217,149.47
Other Current Assets		
	1300 · Prepaid Expenses	184,867.63
	Total Other Current Assets	184,867.63
	Total Current Assets	289,127.82
Fixed Assets		
	1500 · Furniture and Equipment	2,152.00
	1510 · Computer Hardware	2,408.84
	1520 · Bobsleds	446,465.36
	1530 · Bobsled runners	30,954.46
	1540 · Skeleton Runners	36,898.46
	1550 · Video and Electronic Equipment	4,153.00
	1560 · Workshop Tools	2,143.00
	1570 · Skeleton Sleds	25,737.48
	1580 · Other Skeleton Equipment	17,367.68
	1590 · Moulds	0.00
	Total Fixed Assets	568,280.28
Other Assets		
	1400 · Bobsleigh Canada Trust Fund	448,670.89
	Total Other Assets	448,670.89
	TOTAL ASSETS	1,306,078.99
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
	2000 · Accounts Payable	209,603.40
	Total Accounts Payable	209,603.40
Credit Cards		
	2220 · Don Wilson Visa	5,016.05
	2230 · J Griffeth BCS Company Visa	-1,787.40
	Total Credit Cards	3,228.65
Other Current Liabilities		
	2100 · Accrued Liabilities	7,245.20
	2400 · RBC Line of Credit	10,000.00
	2500 · GST Payable/(Receivable)	-9,755.42
	2801 · Deferred revenue - current	23,080.00
	2900 · Eurotech Lease Liability	120,587.01
	Total Other Current Liabilities	151,156.79
	Total Current Liabilities	363,988.84
	Total Liabilities	363,988.84
Equity		
	3000 · Retained Earnings	-490,213.07
	3100 · Opening Balance Equity	632,901.81
	Net Income	799,401.41
	Total Equity	942,090.15
	TOTAL LIABILITIES & EQUITY	1,306,078.99

**Bobsleigh Canada Skeleton
Profit Loss Budget Performance
October 2013**

	Oct 13	Budget	Apr - Oct 13	YTD Budget	Annual Budget	YTD Actual \$ over Annual Budget	YTD Actual % of Annual Budget
Ordinary Income/Expense							
Income							
4000 · COC Revenue	0.00		781,750.00	48,750.00	48,750.00	733,000.00	1603.59%
4010 · Cdn Sport Centre Revenue	0.00	51,708.34	189,481.92	361,958.34	620,500.00	-431,018.08	30.54%
4020 · Event Revenue	12,659.92	26,000.00	12,506.32	209,500.00	234,500.00	-221,993.68	5.33%
4030 · FIBT Revenue	0.00		0.00		60,000.00	-60,000.00	0.00%
4040 · Other Revenue	1,455.00		25,711.72		5,000.00	20,711.72	514.23%
4050 · Sponsorship Revenue	6,245.25		119,200.25	55,000.00	421,100.00	-301,899.75	28.31%
4060 · Sport Canada Revenue	301,925.00	210,786.00	1,264,696.00	1,475,502.00	2,529,432.00	-1,264,736.00	50.00%
4070 · Athlete Program Fees	24,648.00		40,240.58	33,104.00	33,104.00	7,136.58	121.56%
4900 · Uncategorized Income	950.00		27,923.46			27,923.46	100.00%
9000 · Realized foreign exchange	-644.95		-1,254.22			-1,254.22	100.00%
Total Income	347,238.22	288,494.34	2,460,256.03	2,183,814.34	3,952,386.00	(1,492,129.97)	62.25%
Expense							
5000 · Administration	85,796.05	93,995.65	635,688.58	657,969.55	1,127,950.00	-492,261.42	56.36%
5100 · North American Cup Event	423.56	5,000.00	932.31	9,000.00	29,700.00	-28,767.69	3.14%
5200 · Canadian Championships Event	1,551.68		1,551.68		1,000.00	551.68	155.17%
5300 · Development Bobsleigh	140.43	1,000.00	2,754.31	4,000.00	20,000.00	-17,245.69	13.77%
5400 · Development Skeleton	332.54	5,375.00	2,551.82	21,500.00	43,000.00	-40,448.18	5.93%
5500 · ICC Skeleton Team	0.00	3,000.00	601.58	6,000.00	15,000.00	-14,398.42	4.01%
5600 · IC Cup Skeleton Event	0.00	8,500.00	0.00	15,500.00	25,000.00	-25,000.00	0.00%
5700 · IST Logistics	232.76		365.03			365.03	100.00%
5800 · National Team Skeleton	9,267.13	23,475.00	17,295.36	164,324.92	281,700.00	-264,404.64	6.14%
5900 · National Team Bobsleigh	87,095.43	69,350.00	142,445.27	449,449.88	787,100.00	-644,654.73	18.10%
6000 · Officials expenses	444.08	500.00	2,402.57	500.00	1,250.00	1,152.57	192.21%
6100 · Canadian Sport Centre Calgary	0.00	41,708.00	189,481.92	291,956.00	500,500.00	-311,018.08	37.86%
6200 · Recruiting	0.00	900.00	7,333.14	10,000.00	10,000.00	-2,666.86	73.33%
6300 · Starts and Strength Training	77.67		2,712.66			2,712.66	100.00%
6400 · Workshop	282.27	1,167.33	4,484.49	8,171.31	14,000.00	-9,515.51	32.03%
6500 · World Cup Calgary	1,065.50	36,500.00	8,688.74	89,000.00	150,200.00	-141,511.26	5.79%
6600 · World Cup Whistler	0.02		6,699.94			6,699.94	100.00%
6700 · Marketing and Promotion	4,407.25	2,554.17	26,480.34	17,879.10	30,650.00	-4,169.66	86.40%
6800 · Official Languages	1,674.07	417.00	4,233.72	2,919.00	5,000.00	-766.28	84.67%
6900 · Meetings/Representation	410.47	208.33	1,571.07	1,458.31	182,500.00	-180,928.93	0.86%
7100 · Equipment	15,344.43	32,283.00	351,656.51	157,650.00	393,900.00	-42,243.49	89.28%
7200 · Performance Technology	633.63		1,304.46			1,304.46	100.00%
7300 · Research and Innovation	1,629.75	12,500.00	101,223.57	87,500.00	150,000.00	-48,776.43	67.48%
7400 · Debt Servicing Expense	251.96		4,729.60			4,729.60	100.00%
7600 · Special Projects	7,354.11	6,250.00	99,511.98	107,700.00	183,700.00	-84,188.02	54.17%
7700 · Athlete Expenses - Donations	868.80		44,149.57			44,149.57	100.00%
Total Expense	219,283.59	344,683.48	1,660,850.22	2,102,478.07	3,952,150.00	-2,291,299.78	15.87%
Net Ordinary Income	127,954.63	-56,189.14	799,405.81	81,336.27	236.00	799,169.81	338731.28%
Net Income	127,954.63	-56,189.14	799,405.81	81,336.27	236.00	799,169.81	338731.28%