

BOARD OF DIRECTORS HIGHLIGHTS – JUNE 2023



Q1 Board Meeting Report

GVHA Board Highlights provides a brief summary of items from each quarterly Board meeting. The summary is not inclusive of all agenda items.

Strategic Planning

GVHA has embarked on a strategic planning process to revisit the current 10-year strategic plan which was created in 2015. Berlineaton was hired in April to facilitate the process to develop a 1-3 year bridge plan towards a longer-term 10-year Strategic Plan. As part of this process, Berlineaton, the Chair, CEO and CAO have met with the board, management, Esquimalt and Songhees Nations, and a variety of municipal, business, environmental, and commercial partners. The purpose of these data gathering activities was to provide an opportunity for engagement and to identify strategic themes for discussion at a two-day strategic planning session with the board and management.

Shore Power

In April, GVHA received \$9M from the Province of BC towards this project and has been working to secure funding from the Federal government and industry partners. Staff are preparing the administrative and governance process for delivering the project. A Project Steering Committee has been created and will be led by GVHA. Key objectives for fiscal 23/24 are to engage BC Hydro to study the servicing to the site and complete an updated Business Case.

KPI: Confirm government and private industry funding to complete development of a schematic design for the installation of Shore Power

Q4 Results: Schematic Design Completed by March 31st to obtain ECCC Funding

First Nations Initiatives

[The South Island Indigenous Business Directory](#), was launched by GVHA, SIPP, CRD, the Greater Victoria Chamber of Commerce, City of Victoria and Animikii. GVHA job shadowing and employment programs are seeing success with members securing employment at GVHA and other local organizations. The next job shadowing program is scheduled for July. Esquimalt Nation and Songhees Nation flags are being flown at the Breakwater District at Ogden Point and are creating conversations from cruise passengers. GVHA is preparing for re-certification for the Progressive Aboriginal Relations Program which will take place in April 24.

KPI: A percentage of GVHA's operational and capital 'influenceable spend' is from Indigenous businesses (3% operational and 5% capital)

Q4 Results: 1% operational; 67% capital. Soft launch of the Indigenous Business Directory launch with City, CRD, and SIPP. Developing press release and comms plan; MOU with Salish Sea Industrial has been the success in our capital spend.

Director Compensation

Director compensation was last reviewed in 2010 at which time Members voted to implement the compensation philosophy that Directors would be paid at the P50 level. In September 2022, the board engaged an external consultant, Logan HR, to undertake a review of director compensation. Logan surveyed 12 organizations identified by the Governance and Nominating Committee as peers who would recruit Directors with similar skill set and experience required for GVHA's board. Logan HR confirmed that the P50 philosophy of a chosen peer group is a reliable mindset and GVHA board voted to maintain this philosophy. A new fee structure for Directors was approved by the board to align compensation to the P50 level.

Cruise Line Industry Association

The CEO is building on GVHA's relationship with the Cruise Line Industry Association (CLIA.) He met with them in April following the Shore Power funding announcement by the Province of BC on April 5. At the June board meeting, the board received correspondence from CLIA confirming their support and partnership on the Shore Power project. They are represented on the Shore Power Steering Committee. In addition, CLIA was also engaged during the strategic planning process.

Committee Report Highlights

Audit & Finance Committee (AFC)

KPMG presented their audit plan to AFC in May and commenced the audit at the beginning of June. GVHA's insurance broker, AON, presented to AFC on GVHA's insurance policy. GVHA will pay almost \$1M in insurance premiums in 2023-24 which is an increase of 28%. \$125K of this is for community amenities that provide no revenue to GVHA. It was noted that all properties are insured for cash value only with the exception of the Breakwater District at Ogden Point which is insured for replacement cost. AFC also reviewed the Restricted Reserve Fund the purpose which is to cover all insurance deductibles if there was a catastrophic event. The fund is currently at 29% of target.

KPI: Manage operating budget for FY22/23. Target: Budgeted EBITDA of \$2.39M

Q4 Results: Achieved Actuals to YE \$5.74M

Environmental Stewardship Task Force (ESTF)

The inaugural meeting of the ESTF was held in May with Susan Kim as Chair and Mark Collins as Vice Chair. The purpose of the task force is to determine the best way to embed environmental stewardship into board governance and to provide oversight of the environmental aspects of GVHA properties and operations. The committee will meet as required with the next meeting to occur in June prior to the strategic planning session.

First Nations Economic Development Committee (FNED)

The committee has oversight of the First Nations Revenue Contribution Fund which is 1% of GVHA's annual operating revenue. For 2023/24 this amount is \$212,531. Funding to date has been used for job shadowing programs and contributions to the general operations of Explore Songhees. The Lekwungen Placemaking initiative is underway and submissions from a number of artists has been received. Florence Dick agreed to be Vice Chair of FNED. The committee received updates from both nations as well as a project update from GVHA.

KPI: 1% of GVHA operational revenue is directed to the cultural and economic aspirations of Esquimalt Nation and Songhees Nations

Q4 Results: Achieved GVHA will apply for remaining \$8k support Lekwungen job shadowing programs

Human Resources Committee (HRC)

The committee reviewed and received the Annual HR Strategy. The Annual HR Compliance Report was presented with a number of highlights including that the average number of applicants per position is 52 and the average employee tenure is four years. The CEO Job Description is reviewed annually by the committee. The CEO presented some changes to the position now that he has been in place for almost three months. The changes were approved and presented to the board.

KPI: Number of employees retained during the period (not including new hires) >70%

Q4 Results: 89% retention

Governance Nominating Committee (GNC)

In preparation for September's AGM, GNC reviewed GVHA's Constitution and Bylaws. There were no changes to the Constitution. GNC recommended two changes to the bylaws: change consent resolution from 100% to 90% (now allowed by Societies Act change) and incorporate gender neutral language. The board approved these recommendations subsequently they will be presented as special resolutions for approval at the AGM. GNC also reviewed the Joint Corporate Board policies and committee charters. Two new risks to the Governance Risk Register which highlight the importance of maintaining a good working relationship with the Esquimalt and Songhees Nations. GNC will also update Board Orientation to include a more robust piece on Lekwungen history.

KPI: Monitor status of Board risks and develop mitigation strategies. Average of Top 10 Risk <15, Average of all risks <10

Q4 Results: Average of top 10 is 12.8, average of all is 9.54

Infrastructure Planning & Development Committee (IPAD)

IPAD received updates from the Director of Infrastructure on a number of projects. The Broughton Pier project has all permits in place from Transport Canada but is still waiting for permits from the City of Victoria. There is concern that the City permitting process will delay the start of the project which is scheduled to start in October. Staff are working on relocating power and water to Hyack floats due to significant access agreement rate increase rate from the Regent Hotel. The committee discussed environmental remediation at the Breakwater District at Ogden Point as it pertains to the Ogden Point Master Plan. Director of Infrastructure presented an update on the Shore Power project (updated above.)

KPI: 90% of Projects approved by BOD are completed or in progress by fiscal year end.

Q4 Results: Not achieved due to delays in Supply chain and Permitting

