

## **COG 2007 Annual General Meeting Feb 25, 2006: Cornwall Ontario**

### **Minutes** (Samuel Godfrey)

Present: Janine Gibson, Samuel Godfrey, Ray Pearmain, Jean Arnold, Arnold Taylor, Ray Pearmain, Theresa Schumilas, Av Singh, Achim Mohssen-Beyk, Suzanne Stoeckle, Tom Manley, Dag Falck, Tom Kennedy, Gerard Daechsel, Closoybil Grace, Janet Mrenica, Lori Stahlbrand, Faith Phillips, Duane Falk, Frebis Hiffmeyer, John Henning, B.F. Foley, Dick Cloote, Janet Duncan, Daphne Wellman, Lloyd Strachan, Ross Butstone, Marg Dickson, Margot Allen, Maureen Lafrenière

12:20 Janine Gibson (President) opens meeting

### **Brief introductions by attendees**

Minutes from 2005 AGM discussed and approved. Motion to approve by Achim Mohssen-Beyk, seconded by Jean Arnold. Carried.

### Janine Gibson, **President's Report**

We now have 2300 members. An overall increase. Govern-General's support has helped. New prairie memberships have made a big difference. These memberships include large organic farms which make COG more representative. We are very close now to National regulations. COG has worked hard to make this happen and to make sure they represent the interest of all size farms. Very excited by the publication of two excellent new books: *Gaining Ground: Transition to Organic Farming* and *The Organic Companion: Gleanings from the Magazines of Canadian Organic Growers*. COG National has a new staff-person: Daphne Wellman, welcome. New acclaimed Board of Directors introduced: Janine Gibson, Jean Arnold, Theresa Schumilas, Ray Pearmain, Achim Mohssen-Beyk, Suzanne Stoeckle, Dag Falk, Samuel Godfrey, Av Singh and Arnold Taylor.

### Laura Telford, **Executive Director's Report**

This has been a year of big changes. After a lot of work, we are helping the Federal Government shift to the implementation of the National Regulations. The government wants a permanent body; we want ultimately to hold or "own" our own standards. The CGSB (Canadian General Standards Board) will hold the standards for now. COG will apply for funding to revise the standards. Welcome Daphne Welmman, new Membership Coordinator. Financial documents have only been available at the last minute because of challenges keeping a book-keeper. We now have a new book-keeper. My main focus has been built on the strategic plan: Building COG's membership and Organic Acres. To do this, we have focused on the 'low hanging fruit' – helping conventional farmers transition to organic. To this end we have published the *Gaining Ground* handbook. Thanks are due to Eleanor Hoise. The book was paid for by Federal grants and other funding. COG is now cash poor but book rich. We are developing

workshops which will help farmers transition and sell the handbook. Metcalf funding is secure to do this in Ontario. The next region we will focus on will be the Prairies and AACF may have funding for this. There is a lot of buzz for organics, our goal is to convert this into COG memberships

Ray Pearmain, **Treasurer's Report**

The Treasurer read out his written report:

As your volunteer National Treasurer, on the Executive Committee of the COG National Board, it is my duty to:

- participate on the Executive Committee
- present audited year-end statements to the AGM for approval
- present quarterly financial updates to the Board of Directors
- maintain signing authority, along with at least one other Board member and the Bookkeeper and the Executive Director
- review budget vs. actual statements quarterly, clarifying issues with the Executive Director as necessary, presenting quarterly statements to the Board of Directors

I have not been able to do this, as, unfortunately, the past year has been one of frustration in that the Board has not received timely financial information from the Executive Director [ED] and there has been a series of bookkeepers and admin assistants, hired by the ED, who have started and quit, including the resignation of our long-time bookkeeper Joan Scarrow-Valyear. I advised the President and ED to use contract help in the meantime, but this fell on deaf ears. I also reviewed the resumes we received from our advertisement for a bookkeeper and suggested that our auditors might participate in the appointment process. The Board decided that the bookkeeper should now be a part time employee rather than a contractor as Joan was.

But the net result is that the Board has not received quarterly financial statements during 2005 and only on Wednesday, have I received an unaudited statement of actual cash receipts and expenditures for 2005. Unfortunately, this was not prepared on the accrual basis [i.e. it does not reflect monies still to be received in revenues or expenditures still to be paid out] and thus does not necessarily reflect the true COG financial position for 2005. An unaudited Balance Sheet was subsequently sent directly by the Board yesterday, Friday, which does not show comparative figures for the previous year.

I therefore cannot offer an opinion on the 2005 results at this time. I would hope that when the audited 2005 accounts are available that they will be published in the Canadian Organic Grower, for all members to see..

The Board at its Brandon, Manitoba meeting in November 2005, also expressed dissatisfaction that they were not receiving timely information on finances and memberships with which to make decisions. They were also not able to compare actual figures with budgets or previous time periods. The books were behind, I was told, even when we did have a bookkeeper, as there was a learning curve with the purchase of the Raiser's Edge software program for tracking memberships, and there was no backup when the office admin assistant processing this, resigned.

To be fair, the changeover to using a calendar year end instead of June30, which the Board approved, has meant that, without restatement of prior periods, which our books cannot show easily at this time, comparisons are difficult. We also cannot have audited previous year statements available for you at each AGM, unless our books are up to date and into the auditor's hands in January or an interim audit is undertaken.

Our Auditors, in their Management Letter to the President, have also expressed concern over the tardiness in claiming GST refunds [which we as a charity can do]. At least one claim has been rejected by CRA [Canada Revenue Agency] and there seems to be little interest by the President or ED in following these up, unless specifically requested by the Treasurer. To my mind, this is

an unnecessary waste of possibly several thousand dollars, especially as we are asking the public and our members for donations on the grounds that we are short of funds..

So, looking ahead, it is hoped that the ED will be able to provide the Board with timely financial data in 2006 on a quarterly basis and explain significant variances against the budget..

The 2006 Total Budget [i.e National Head Office and Chapters] approved by the Board shows forecast memberships of \$74k [decreasing from the 2004-5 budget of \$80,000] plus grants being received of \$179k and publication sales of \$90k [including the new Transition Handbook], and other receipts of \$124k, for total receipts of \$468k and expenditures of \$458k -giving a net surplus of \$10k, despite the ending of the McConnell grant, which was for support to core activities.

I have some concern that memberships are not shown for the actual year as some people pay for multiple years which should be shown as prepayments, although this practice has been consistent for several years and assumes that on average, some members will renew for more than one year.

However, this makes comparisons of actual members from each year difficult.

I was elected for a three year term commencing in 2004 and am prepared to complete my role as Treasurer for 2006 in the hope that I will receive more timely financial information from the ED so that I can advise the Board on significant variations from budget. However, I believe that COG National should be putting more of a priority on getting the administrative and financial functions properly managed at National Office, to serve our members better..

**Questions** from attendee, Janet Mrenica:

Who sets policies re membership prepayments? Also, concern re audited statement. The normal timetable to prepared audited books after a transition like COG has gone through is three months – why has COG’s taken so long? Also concern re. changing revenue stream; sales of books would need to increase fourfold to meet targets.

Discussion

President: concerns duly noted.

Motion to continue using current auditors, Ray Pearmain; Seconded Theresa Schumilas . Carried, 1 abstention.

Janine Gibson thanks Tom Manley for his excellent work with the Board in one capacity or another since 1998. He has helped build membership and increased stability and his contributions are very

appreciated. Gift presented.

Lloyd Strachan, COG Ottawa Report and Concerns

COG Ottawa has 25% of COG members and are very active. COG has made great progress in some areas but chapter relations with COG National have weakened. For example, the way in which the *Gaining Ground* handbook is being sold was not discussed with Chapters even though we are directly effected. Chapters in effect subsidize the book by \$8 per sale. Perhaps this is a good strategy, perhaps not but it should definitely have been discussed with Chapters. We also have a concern regarding representation. Ontario does not have a say on the board that is proportional to its membership. We believe a committee should be created to look at these issues which is arms-length from the Board.

Jean Arnold responds: Thank you for raising your concerns. As we grow as an organization, we need to continue to change. AGMs, for example, can be much more service-based.

Achim Mohssen-Beyk: As the Ontario regional rep, I have responded directly to the Ontario chapters. The other 8 Ontario chapters feel sufficiently represented. Before the most recent changes to the Board structure we had 21 people on the Board. This led to high costs and poor communication. I agree that COG National – Chapter relations can be improved. In Ontario, we've set up a monthly conference call

Janine Gibson, President: We hear your concerns. Thanks for making suggestions too. We will respond. You are the canary in the coal mine and we will pay attention.

Theresa Schumilas: Move that COG Board consider Ottawa letter and 2<sup>nd</sup> Board meeting of the year. Arnold Taylor seconds. Carried, 1 abstention.

**Motion to Adjourn**, Theresa Schumilas; seconded by Janet Mrenica. Carried, unanimously. 1:30