

Q: Now that LISA has approved the new Club's membership, what are the steps needed to complete amalgamation?

A: Now that the new Club has been accepted by LISA as a member, we can proceed with the formal process of amalgamating the Clubs. The Transition Committee has identified the following steps to conclude the formal amalgamation process:

- The Treasurer's of both Clubs will sign off on each other's financial statements to ensure that there are not any unidentified debts or other financial obligations that would cause a concern in the amalgamation process.
- The Transition Committee will develop a draft Constitution and bylaws for the new Club. This Constitution will provide a high level framework for Club governance, including the creation of a new Board of Directors and Club operating principles. Both Clubs will do some consultation on the drafting of the new Constitution.
- Once a new Constitution is ready, each Club will call their own Special General Meeting to give their members an opportunity to review and vote on the new Constitution.
- If the members vote to support the new Constitution, we will register the new Society under the *Societies Act*. Once this registration is complete, the Gordon Head Soccer Association and the Cordova Bay Soccer Club will automatically be dissolved, and replaced with the new amalgamated Gordon Head and Cordova Bay Soccer Club. The existing Boards of both Clubs will also be dissolved.
- A special general meeting of the new Club will then be called, in order to elect a new amalgamated Board.

Q: What happens if the membership does not approve the new Constitution?

A: If the membership does not approve the new Constitution, the two Clubs will continue to operate with separate Boards until such time as we can address the concerns of the membership, and call for a new vote. Youth programs will continue to operate as an amalgamated Club under the LISA constitution.

Q: How do we know that both Clubs are financially sound? What outstanding debts does Cordova Bay have? What outstanding debts does Gordon Head have?

A: Under the Societies Act both Clubs must develop an annual report, including annual financial statements. Both Clubs are willing to share these statements with any member who requests to see them. We are also asking the Club treasurers to review each other's financial statements to ensure that there are no financial concerns before the amalgamation proceeds.

The only outstanding debts of each Club are with regard to the turf fields. Each Club took out a \$250,000 interest free loan from Saanich to support the building of the turf fields. The Clubs are paying back these loans over 5 years and have already made one payment each of \$50,000. Each Club will be making a second payment of \$50,000 each over the summer. As a result by the time the new season starts each Club will have an outstanding debt of \$150,000.

Both Clubs have developed plans to pay back these loans using a combination of player registration fees and fundraising events. Cordova Bay has had a long-standing "field improvement fee" surcharge on its registration fee to help pay for field improvements such as the turf field. This fee has now been integrated into the general fee structure of both clubs to assist with paying down the debt.

Both Clubs have a number of sources for funds to pay down the turf debt. This includes turf rental fees (\$7,000-\$10,000 per Club annually); fundraising initiatives (Cordova Bay raises approximately \$30,000 annually through its fundraising campaigns of a bottle drive, World Cups Tournament, Turf Burn tournament; and Gordon Head has taken a similar approach, and is raising funds to pay down the debt through events such as the Gordon Head Jamboree). All of these events will continue to be operated to support debt repayment, and ultimately other capital projects undertaken by the new Club.

As both Clubs have clear and achievable plans for payment of these loans, the Transition Committee currently has no concerns regarding the financial ability of the new Club to pay back their current debts.

Q: What happens to the debts and obligations of the old Clubs when the new Club is created?

A: Under the *Societies Act*, when the two existing societies amalgamate, the debts and obligations of the existing societies are automatically transferred to the new society.

Q: Is there a need to vote on amalgamation immediately? Why are we rushing into this?

A: The process to amalgamate the Gordon Head and Cordova Bay Soccer Clubs has in fact been a slow and deliberate process that has occurred over the past several years.

In the 2005/2006 season the Clubs began working together on their soccer programs. That year, recognizing that both Clubs could achieve some economies of scale, we integrated the Cordova Bay house league programs with the Gordon Head house league programs. This provided both Clubs the opportunity to form a critical mass of players and to offer a better learning environment for our younger players.

Soon after, the Boards of both Clubs began to explore the impacts of demographic changes both on current Club membership and future Club membership. The Boards came to the conclusion that unless some actions were taken, declining registrations in both Clubs were going to impact the ability of the clubs to provide their youth members with the best possible playing experience. Declining registration is a problem that is being experienced across the city and the Clubs wanted to take proactive actions before the problem became acute.

The Clubs began pooling (integrating) teams at the bronze and silver levels in the 2008/09 season, and in addition we formed joint teams at the U12 levels to enter into the Gordon Head Jamboree. In 2009/10 we began integrating full field teams at the gold, silver and bronze level under a one year agreement with LISA. LISA provided the Clubs the one year agreement under the understanding that discussion had to proceed towards a full amalgamation of the Clubs. The Clubs implemented a fully-integrated team formation process for the 2010/11 season at the youth level.

The Clubs have been integrating our technical development activities over a number of years. At this point, we have established joint technical and joint disciplinary committees. It does not make sense to the Boards to continue to operate two separate societies now that the youth programs are fully integrated.

Q: What will the governance of the new Club look like?

A: To the casual observer, there will not likely be many changes in governance with the new Club. The Board of Directors will have similar functions, however once established, the new Board will be elected by members of both Clubs.

One probable difference will be increased representation from the adult programs on the Board. The Board will need to have representatives from the Gordon Head and Cordova Bay adult programs, as these programs are not going to be integrated as part of the amalgamation.

Q: Will senior and youth team both amalgamate?

A: While the amalgamation will result in the creation of a new society representing the former members of the existing Clubs (both youth and adult), only the youth programs are being integrated at this time. Senior teams are in discussion about the benefits of amalgamation.

Q: What would the protocol be for recruiting youth players to senior teams?

A: Youth soccer in Victoria is governed by the Lower Island Soccer Association (LISA). Senior Mens soccer on Vancouver Island is governed by the Vancouver Island Soccer League (VISL). Under the VISL constitution, there are no internal Club boundaries on the lower island, and players can play for whatever Club they choose. Womens Soccer in Victoria is governed by the Lower Island Womens Soccer Association (LIWSA). They have new guidelines in effect for the coming season. Refer to their website for an update.

As a result, players graduating from the youth system will continue to have the opportunity to play for whatever senior program they wish to, including the Gordon Head and Cordova Bay senior teams. That said, the new Club will work hard to retain existing players within the Club, and graduating youth players will have the choice over which teams they wish to play for.

Q: How will fields and resources be allocated?

A: The transition committee has not delved into specific details about how the various aspects of the new Club will be operated. Operational issues such as playing time and field allocation are too detailed to be included in the new constitution and bylaws.

That said, for the most part, the various activities undertaken to run Club operations will continue much in the same way they are today. The new Board will allocate resources in a way that best serves the membership, which will now include members from both Clubs.

With regard to field allocation, the new amalgamated Club will have the best soccer facilities of any Club on the Island – bar none. Members of the Club will have access to two turf fields (Cordova Bay’s turf field includes an extra, additional euro size field) including access to two full lit fields at Lochside Park (one turf, one grass), a lit euro field at Cordova Bay Elementary, as well as the lit turf field and a lit

gravel practice field at Tyndall. This will increase the Clubs capacity to manage practice schedules across all the facilities. Currently, Tyndall is facing usage pressures, some of which can be transferred to the facilities at Lochside, as the Lochside facilities are currently not being used to full capacity.

Q: What are GHSA and Cordova Bay's legal obligations?

Once amalgamated any legal or financial obligations of Cordova Bay and Gordon Head will be transferred to the new Club. The Boards have hired a lawyer to assist with the drafting of the new Constitution and to provide advice on any outstanding liabilities.

The Clubs have also discussed the amalgamation with Saanich, and Saanich has indicated that they are in support of the initiative.

Q: How are current registration fees allocated?

A: While Gordon Head and Cordova Bay have integrated the youth registration system this year in anticipation of full amalgamation, registration fees are not being pooled and are being returned to the home Club of the player in question.

Gordon Head and Cordova Bay have hired the existing Gordon Head registrar to administer the registration process. The cost of the registrar is shared by the Clubs on a pro-rated basis.

Q: How do we develop unity in the new Club?

A: Club unity as something that occurs over time, however we must remember that the youth amalgamation process has been occurring over a number of years. While more work will need to be done, many players who played on integrated teams last year did not differentiate based upon which Club they came from. We anticipate this

process to continue as more Club operations are integrated as a result of amalgamation.