



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: February 5, 2007
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Meeting Date: February 27, 2007

TO: Vancouver City Council
FROM: Managing Director, Cultural Services
SUBJECT: Vancouver Art Gallery - Amendment to By-laws

RECOMMENDATION

THAT Council approve amendments to the Constitution and By-laws of the Vancouver Art Gallery Association as outlined in this report.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services recommends APPROVAL.

COUNCIL POLICY

The Vancouver Art Gallery Association By-laws stipulate that no amendment may be made without being approved by City Council.

PURPOSE

This report seeks Council approval for an amendment to the By-laws of the Vancouver Art Gallery Association ('Association') for the purpose of changing the Association's fiscal year as outlined in this report.

BACKGROUND

Founded in 1931, the Vancouver Art Gallery ('Gallery') is an independent not-for-profit cultural organization which, as Canada's fourth largest public art museum, collects, preserves and exhibits the City of Vancouver's fine art collection, in trust for the citizens of Vancouver.

The Association's Constitution sets out the ownership and governance of the assets held and acquired by the Gallery including the collection. To protect the assets and safeguard the intent of the Constitution, the Association's By-laws require Council approval for any amendments. Specifically, By-law 14.1 provides that:

"No amendment to these By-laws shall be made without being approved by the Council of the City of Vancouver".

DISCUSSION

The Association's Board of Trustees is seeking Council approval to amend its By-laws to change its year end. Currently the Association's fiscal year coincides with the calendar year, January 1st to December 31st. The fiscal year end proposed is July 1st to June 30th. This change will allow the Gallery to better manage its budgeting and cash flow based on seasonal revenue variables.

As per the Association's By-laws, all members were invited to an Extraordinary General Meeting at the Gallery on Wednesday, December 13th, 2006, at which the membership unanimously approved the proposal to amend the By-law such that the next financial period of the Association shall commence January 1, 2007 and terminate June 30, 2008, being a period of 18 months, and that the Association's financial year terminate on the 30th day of June in each year subsequent to 2008.

The exact wording of the proposed amendment to By-law 3.1 and By-law 11.6 is attached to this report as Appendix 'A'. Cultural Affairs and Legal Services staff have reviewed the proposed amendments and concur that they are appropriate and operationally beneficial to the Gallery.

CONCLUSION

Staff support the proposed amendment to the Vancouver Art Gallery Association's By-laws and recommend Council APPROVAL.

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NOTICE TO: MEMBERS OF THE VANCOUVER ART GALLERY ASSOCIATION

To facilitate the operations of the Vancouver Art Gallery, we would like to adjust our fiscal year timing. Currently the fiscal year coincides with the calendar year, January 1st to December 31st, and the new timing contemplated is July 1st to June 30th. In order to make this change, members are invited to an Extraordinary General Meeting at the Gallery on Wednesday, December 13th, 2006 at 3:30 pm. It will be held in Room 302 of the Gallery Annex.

Further information and the formal resolution are as per below. We invite you to attend the Extraordinary General Meeting to cast your vote on this proposed change.

WHEREAS:

A: the Board of Trustees of the Vancouver Art Gallery Association (the "Association") considers it to be in the best interests of the Association that the fiscal year of the Association terminate on 30th day of June rather than the 31st day of December, and that By-law 11.6 of the Association be amended accordingly such that the next fiscal year of the Association shall commence January 1, 2007 and terminate June 30, 2008, being a period of 18 months, and that the Association's fiscal year terminate on the 30th day of June in each year subsequent to 2008;

B: it is proposed that the annual general meeting of the Association in respect of the 18 month fiscal year ending June 30, 2008 be held subsequent to June 30, 2008;

C: pursuant to By-law XIV of the Association, the necessary amendment to the By-laws of the Association to change the date of termination of the Association's fiscal year requires the approval of the Council of the City of Vancouver and the approval of the members of the Association by Special Resolution;

D: pursuant to the provisions of the *Society Act* (British Columbia) the Association is required to hold an annual general meeting once every calendar year and not more than 15 months after the previous annual general meeting, unless the consent of the registrar under such Act is obtained to extend the time within which the annual general meeting is held;

RESOLVED, as a Special Resolution, that:

1. By-law 11.6 of the Association's By-laws be amended to read as follows:

"Effective January 1, 2007 the fiscal year of the Association shall commence January 1, 2007 and shall be for a period of 18 months and shall terminate on June 30, 2008, and each fiscal year of the Association thereafter shall terminate on the 30th day of June."

2. By-law 3.1 of the Association's By-laws be amended to read as follows:

"In each year the annual general meeting of the Association shall be held as soon as conveniently may be after the close of the fiscal year of the Association on such day (not later than September 30th) at such hour and at such place as shall be designated by the Board."

3. The Association make application to the Council of the City of Vancouver for its approval of the amendment to By-law 11.6 proposed by paragraphs 1 and 2 of this Special Resolution; and
4. The Association make application to the registrar under the provisions of the *Society Act* (British Columbia) that the time for holding the Association's annual meeting for the fiscal year commencing January 1, 2007 and ending June 30, 2008 be extended to a period after June 30, 2008.