



**GOVERNANCE MANUAL**  
**COMOX VALLEY AIRPORT COMMISSION**



**October 2025**

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# 1. OVERVIEW

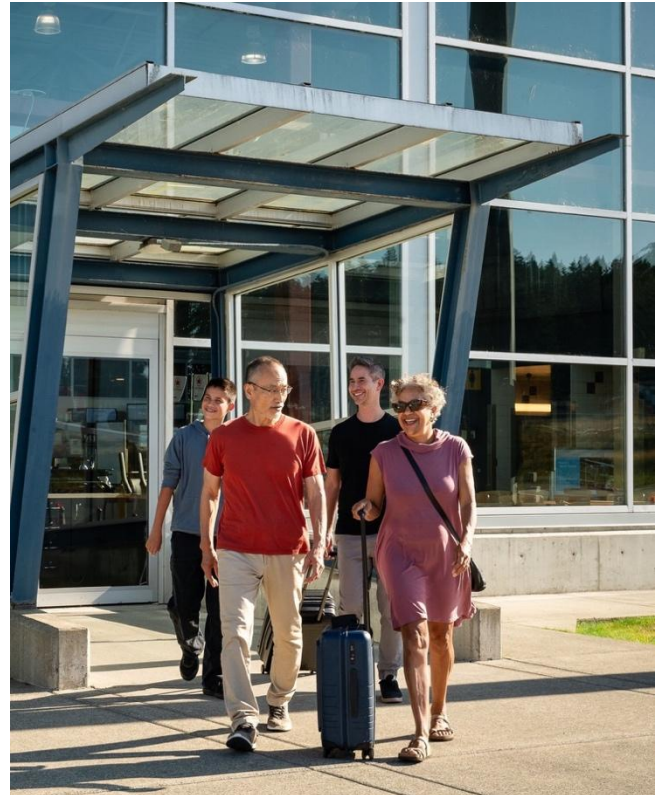
## 1.1 ABOUT THE COMOX VALLEY AIRPORT COMMISSION

The Comox Valley Airport Commission (CVAC) is a not-for-profit organization and the governing body responsible for the management and operation of the Comox Valley Airport (YQQ). Located in the Comox Valley Regional District (CVRD), the Comox Valley Airport serves the region of Comox Valley and surrounding areas, as defined by School District 71 as defined by the School Act, S.B.C. c.61 and amendments thereto as those boundaries existed on January 1, 1996.

CVAC is governed by a nine-member Board of Directors whose structure and legal obligations are defined by the Canada Not-for-Profit Corporations Act S.C. 2009, c.23. The role of the Board is to set and oversee the strategic direction, financial management, and overall operation of the airport.

The Chief Executive Officer (CEO) is an Officer of CVAC responsible for ensuring regulatory compliance and operational success in delivering quality services to passengers and airlines, contributing positively to the community, and implementing the Board's Strategic Plan.

Uniquely, the Comox Valley Airport operates on land owned by the Department of National Defense (DND) based on a long-term lease agreement. As such, the Board and CEO are not responsible for full airport operations. DND is responsible for maintaining the tarmac and air traffic control tower; the Board manages the terminal operations and airline relations.



### About CVAC

As per the Articles of Continuance, the purposes of CVAC are:

1. To undertake the management and operation of the Comox Airport Civilian Terminal and associated facilities in a safe and efficient manner for the general benefit of the public.
2. Where feasible, undertake the development of the lands of the Comox Valley Airport that are available for civilian benefit for uses compatible with air transport activities.
3. To advocate, generate and participate in economic development projects and undertakings that are intended to expand British Columbia's air transportation facilities and to generate economic activity in all areas compatible with air transportation.
4. To assemble information, advise on and otherwise contribute to the advancement of air transportation.

5. To maintain a close working liaison with His Majesty the King of Right of Canada as represented by the Department of National Defence and Transport Canada officials in delivering civilian air service to and for the residents of the Comox Valley.
6. To acquire additional lands and chattels for expansion purposes of the aeronautical industry within the boundaries of School District 71.

## **1.2 PURPOSE OF THE MANUAL**

The purpose of this manual is to describe how CVAC is governed, including its structure, decision-making processes, roles and responsibilities of the Board, committees, and the Chief Executive Officer (CEO).

## **1.3 HIERARCHY OF GOVERNANCE**

In the event of any conflict or document inconsistency, CVAC's governing documents shall be applied in the following order of precedence:

1. Canada Not-for-profit Corporations Act (or Societies Act of British Columbia, if applicable).
2. Articles of Continuance and Amendments.
3. By-laws.
4. CVAC Board-approved Governance Manual and related policies (Appendix 4).

## **1.4 SCOPE OF GOVERNANCE**

1. Governance Style: The governance style of the CVAC Board requires Directors to:
  - a) Be mindful of the Board's responsibilities and the distinction between the Board's and the CEO's responsibilities.
  - b) Retain a sense of group responsibility.
  - c) Focus on results.
  - d) Make collective decisions.
  - e) Listen actively.
  - f) Operate in a collegial mode.
2. Board Roles and Responsibilities: The Board of CVAC is responsible for:
  - a) Formulating sound and effective policies at the broadest level.
  - b) Establishing the Board's vision, mission, values and goals, accompanied by an ongoing review of the strategies associated with the same, to include the planning and development of the following documents to accommodate growth:
    - i) CVAC Master Plan;
    - ii) CVAC Strategic Plan;
    - iii) CVAC Financial Plan/Budget;
    - iv) CVAC Capital Plan;

- v) CVAC Risk Management Plan; and
    - vi) CVAC Land Use Plan.
  - c) Establishing quality control and performance monitoring procedures to ensure the integrity of internal controls, financial information systems, forecasts, and audited statements and ensure the adequacy of human, financial, and material resources.
  - d) Communicating at the political level with elected government officials, as directed by the Board Chair.
  - e) Ensuring a dispute resolution mechanism is in place that requires a resolution to be reached in a timely manner.
  - f) Ensuring effective internal and external communication processes are maintained, including communication amongst Board Directors, Board to committees, committees to committees, Board to staff and vice versa, and Board to other Relevant Parties within the community serviced by the Comox Valley Airport.
  - g) Providing advice and counsel to the Chief Executive Officer.
  - h) Ensuring that a succession plan is in place for the CEO.
  - i) Conducting a thorough orientation for new Directors.
  - j) Evaluating Board and Committee performance annually.
  - k) Amend By-laws and Articles, by Special Resolution. Any changes are effective from the date of the directors' resolution.
3. Individual Directors' Terms of Reference: Directors are responsible for upholding CVAC's integrity, governance, and strategic direction. Each Director is expected to:
- a) Governance and Ethics:
    - i) Uphold high ethical standards and comply with the CVAC Code of Conduct, confidentiality, and conflict of interest policies;
    - ii) Understand governance vs. management, ensuring a clear distinction between Board responsibilities and CEO duties; and
    - iii) Disclose conflicts of interest and abstain from related discussions or votes.
  - b) Knowledge and Engagement:
    - i) Develop industry knowledge of aviation and CVAC's operating environment;
    - ii) Stay informed on the organization's policies, business, and affairs;
    - iii) Support and uphold Board-approved policies, decisions, and positions; and
    - iv) Recognize the CEO and Chair as the primary spokespersons for CVAC.



c) Board and Committee Participation:

- i) Prepare for meetings by reviewing reports and background materials.
- ii) Maintain at least 75% attendance at Board and Committee meetings;
- iii) Serve on at least one Board Committee;
- iv) Contribute meaningfully to Board discussions and decision-making; and
- v) Ensure Board decisions align with the mission, vision, values, and goals of CVAC.

d) External Representation and Development

- i) Engage with Nominating Entities, if applicable, to report on CVAC activities;
- ii) Attend CVAC-related business and social events as required; and
- iii) Commit to ongoing education and development to strengthen governance skills.

4. Matters Reserved for the Board

While some issues may be referred to Committees for review, the final decisions on the following matters are reserved for the Board.

a) Strategic Planning and Oversight:

- i) Approval of the CVAC Master Plan, Land Use Plan, Strategic Plan, and Capital Plan; and
- ii) Review CVAC's performance in relation to the Strategic Plan and budget, ensuring corrective action when necessary.

b) Financial and Risk Management:

- i) Approval of the annual operating and capital budgets and any material changes;
- ii) Approval of financial statements and management's discussion and analysis;
- iii) Approval of the annual risk management plan;
- iv) Approval of major capital projects; and
- v) Review and approval of material, strategic, or high-value contracts.

c) Leadership and Governance:

- i) Appointment or removal of the CEO;
- ii) Annual review of the CEO's performance;
- iii) Approval of the CEO's compensation system;
- iv) Division of responsibilities between the Board and the CEO;
- v) Appointment, reappointment, or removal of the external auditor;

- vi) Establishment of Board Committees and their Terms of Reference;
- vii) Approval of changes to the structure, size, and composition of the Board; and
- viii) Formal review of the Board's performance.

(d) Reporting and Accountability:

- i) Approval of the Annual Report.

5. Duties and Liabilities of Directors and Officers

In exercising their powers and carrying out their duties and functions, the CVAC Directors and Officers shall:

- a) Act honestly and in good faith with a view to the organization's best interests.
- b) Exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

## **1.5 POWERS OF DIRECTORS**

1. Oversight of Organizational Administration

The Board holds the authority to appoint individuals or external agents to support CVAC's operations.

2. Delegation of Authority

To ensure efficient operations, the Board may delegate and approve specific administrative and financial responsibilities to designated Officers or agents, as necessary.

3. Financial Management & Expenditures

The Board is responsible for approving expenditures that align with CVAC's objectives. It may authorize financial commitments and delegate financial decision-making authority to designated Officers through an ordinary resolution of the Board.

4. Compensation & Remuneration

The Board can determine reasonable compensation for its Directors and the CEO. All remuneration decisions will be made according to the CVAC's financial policies and approved by an ordinary resolution of the Board.



## **2. GOVERNANCE**

### **2.1 BOARD GOVERNING PRINCIPLES**

1. The Board's role is to govern the organization, as outlined in its legislative mandate and purpose; this includes setting direction, oversight, and accountability. In contrast, the CEO is responsible for managing day-to-day operations. While both roles are essential, they are distinct; governance is the Board's focus, and management is the CEOs.
2. The Board acts and speaks as one.
3. The position of the Directors and the entity known as the Board exists to operate in the best interests of the organization and those it was established to serve.
4. The only decisions or positions of the Board are those made by the Board in a legally convened session and through its accepted decision-making process.
5. The Board speaks through policy.
6. Annual assessment and evaluation of CVAC performance (governing and managing) is a Director requirement, not an option.
7. Individual Directors do not make decisions or take actions on behalf of the Board unless authorized to do so by the Board.
8. The CEO is selected by and reports to the whole Board, not to any individual Director or Committee.
9. The CEO is the only staff member:
  - a) Who is directed by and reports to the Board.
  - b) With whom the Board communicates and interacts regarding the organization's management, administration and operation.
  - c) Who the Board holds accountable for organizational performance.

### **2.2 COMPLIANCE WITH REGULATIONS**

1. CVAC is committed to full compliance with all applicable laws, regulations, by-laws, and industry standards governing airport operations. This includes ensuring that all subleases, licensees, and business activities conducted on airport property adhere to the requirements set by relevant regulatory authorities, including the Minister of National Defence representing His Majesty the King in Right of Canada.
2. CVAC is responsible for maintaining compliance in all aspects of airport use, construction, maintenance, and business operations to uphold legal and regulatory obligations.

### **2.3 BOARD POLICIES**

1. Recommendations for Board policies shall be prepared by the Finance Committee, Governance and Nominating Committee or the Audit Committee accountable for Board policies.

## **2.4 ELECTION PROCESS FOR CVAC OFFICERS**

The Governance and Nominating Committee is responsible for overseeing an orderly election process for Officers. The process shall be as follows:

1. Election of Officers will be held by secret ballot, at the Board meeting following the Annual General Meeting to fill expiring terms.
2. Directors are eligible to stand for election as Officers if the remaining term as Directors of the Board does not expire during the first 12 months that the office will be held.
3. The Governance and Nominating Committee will appoint a Registrar from the Committee, preferably an outgoing Director, to oversee the election process.
4. Each year, the Registrar will provide Directors with at least two weeks' notification of the deadline to file Expressions of Interest for Officer positions.
5. A candidate for Officer positions (Chair, Vice Chair, Secretary, or Treasurer) shall file an Expression of Interest for a specific position to the Governance Chair two weeks before the Annual General Meeting.

Directors will be notified of the candidates running for the position of Officer the day after the close date for Expressions of Interest.

## **2.5 DIRECTOR'S CODE OF CONDUCT**

1. Pre-Appointment Requirements: Before joining the CVAC Board, individuals must complete and submit a Disclosure Statement and Undertaking Form (Appendix 2), which discloses any business activities—either personal or involving an associate—that may create a real or perceived conflict of interest.
2. Ongoing Disclosure Obligations: All Directors must update and submit the Disclosure Statement and Undertaking annually. Additionally, a Director must file an amended form immediately if a material change occurs mid-year.
3. Directors are expected to:
  - a) Act with integrity and honesty and in the best interests of CVAC.
  - b) Exercise due diligence and reasonable care, expected from a prudent individual in a similar role.
  - c) Comply with all applicable laws, regulations, and policies.
  - d) Consider and balance all competing interests in their decision-making while maintaining their fiduciary duty.
4. Confidentiality: Directors must maintain confidentiality regarding any non-public information during and after their tenure. They must not use confidential information for personal benefit or financial gain.
5. Public Communication: Directors may not engage with the media or discuss CVAC's affairs publicly unless authorized by:
  - a) The Chair.

- b) A resolution of the Board.
- c) The provisions outlined in CVAC's by-laws.

## **2.6 CONFLICT OF INTEREST**

Directors and Officers must avoid situations where their personal or professional interests could conflict with CVAC. If an apparent, perceived or actual conflict arises, the individual must immediately notify the Chair. The Chair may require disclosure to the Board and may restrict the individual's participation in related decision-making. To ensure transparency and integrity in decision-making, the following rules apply:

1. Directors: Must avoid any actual or perceived conflicts of interest. This includes:
  - a) Being a party to, or having a significant interest in, a material contract (or proposed contract) with CVAC.
  - b) Personal or business interests that conflict with CVAC's affairs.
  - c) Interests of related persons that may present a conflict.
  - d) Situations that give the appearance of a conflict, even if no direct impact exists.

2. Disclosure and Non-Participation

If a Director becomes aware of a potential or actual conflict, they must:

- a) Immediately disclose the nature and extent of the conflict in writing to the Chair.
  - b) Refrain from participating in any discussions or votes related to the matter.
  - c) Ensure the conflict is recorded in the Board meeting minutes.
    - i. If disclosed during a meeting, it will be entered into the minutes of that meeting; and
    - ii. If disclosed outside of a meeting, it will be documented in the minutes of the next Board meeting.
3. Participation Restrictions: The individual concerned must not vote on any resolution related to the contract or proposed contract unless permitted by the Canada Corporations Act or other applicable laws.

## **2.7 DIRECTOR RECOGNITION**

1. At the end of their service, a Director may be recognized with a token of appreciation in the form of a luncheon to celebrate their years of service to the Board.
2. During a Director's term of service, it may be appropriate to acknowledge certain life events, such as get-well wishes, the death of an immediate family member, or a current Director's death. In such cases, an acknowledgment may include a card, flowers, or, if the family requests, a charitable contribution of a nominal amount made only to a named charity with a public service mission. These acknowledgements apply to the Directors during their term of service and will not extend beyond one year, or at the discretion of the Board.

### **3. THE ROLE OF THE BOARD**

The Board shall operate in accordance with the By-laws. It shall set and oversee the strategic direction and management of CVAC.

#### **3.1 BOARD APPOINTMENTS AND TERMINATION**

The nomination of Directors is detailed in Section 4.5 of the CVAC by-laws, followed by the grounds set for Ceasing to Hold Office in Section 4.6.

##### **1. Selection Process**

- a) In coordination with the Governance and Nominating Committee, the Secretary oversees a qualified candidate's identification, nomination, and selection.
- b) The Governance and Nominating Committee reviews all candidates interested in a Board appointment based on a skills matrix and creates a short list of candidates to interview.
- c) The Governance and Nominating Committee maintains and reviews the skills matrix to ensure balanced expertise in key areas, addressing gaps through the appointment process.
- d) Select candidates will be interviewed by a minimum of three members of the Governance and Nominating Committee, who will put forth a motion to the Board recommending the Appointments.
- e) The Board, by ordinary resolution, approves the new Director Appointment guided by the skills needed to execute on the strategic priorities, governance needs, and operational demands of the Board.

##### **2. Diversity, Equity and Inclusion**

- a) The Board is committed to fostering diversity, equity, and inclusion in its appointments. The selection of Directors welcomes individuals who bring a range of perspectives, professional backgrounds, and lived experiences, ensuring that the composition of the Board reflects the diversity of the communities served; and
- b) Candidates may be identified through nominations, recommendations, or external recruitment, ensuring alignment with the organization's needs.

##### **3. Nominating Entities and Notice of Vacancy**

- a) At least six (6) months before the expected vacancy of a Director appointed upon recommendation from a Nominating Entity, the Secretary will notify the Nominating Entities in writing and request a recommendation of candidate(s).
- b) Nominations must fulfill the specific skills, knowledge, and experience the Board needs.
- c) Nominating Entities shall provide a sufficient list of candidates as specified in the By-laws.
- d) Failure by Nominating Entities to propose enough qualified individuals within the period set by the Board shall proceed as defined in the By-laws.

#### 4. Notification and Date of Appointment

- a) Individuals confirmed by the Board shall receive written notification of their appointment by the Secretary, including the official commencement date, as specified in their offer letter. The appointment shall take effect on the date stated in the letter unless otherwise determined by the Board.
- b) Unsuccessful candidates will receive written notice of the Board's Decision by the Secretary.

#### 5. Removal of Directors

A Director may be removed from the Board by resolution if they:

- a) Fail to abide by CVAC's Code of Conduct.
- b) Do not actively participate or fulfill their duties in serving CVAC, including failure to attend meetings or contribute meaningfully to Board responsibilities.
- c) Refuse or fail to sign the Code of Conduct or any other required ethical guidelines;
- d) Miss three consecutive meetings.
- e) Engage in unethical, unlawful or detrimental conduct to CVAC's reputation, operations, or governance standards.

#### 6. Process for Removal

- a) A recommendation for removal shall be reviewed by the Chair and brought forward to the Board.
- b) If the Director recommended for removal is the Chair, the matter shall be reviewed and brought forward to the Board by the Vice-Chair.
- c) The Director in question will receive written notice of the concerns and an opportunity to respond.
- d) A resolution for removal must require approval by a Special Resolution of the Board.
- e) A Director who resigns is entitled to submit a written statement giving the reasons for resigning or opposing their removal as a Director.
- f) A Director who is removed immediately ceases to hold office and must return any CVAC-related documents or property.
- g) The vacancy shall be filled in accordance with the Board's Director Appointment procedures.

### **3.2 OFFICERS**

#### 1. Election of Officers

- a) The Board shall elect Officers. Officer positions include:
  - i) Chairperson;
  - ii) Vice-Chairperson;
  - iii) Secretary; and

iv) Treasurer.

- b) A single individual may hold more than one Officer position simultaneously.

2. Appointment of Officers

To maintain leadership stability, the Board shall appoint Officers by resolution at the first Board meeting following the AGM at the expiration of their term. Officers may be reappointed upon the completion of their term to ensure continuity in governance and operational oversight.

3. Term of Office

- a) Officers shall serve a term of two years.
- b) If an Officer position becomes vacant before the end of the term, the Board shall appoint a replacement by resolution at the next Board meeting.
- c) The newly appointed Officer shall serve for the remainder of the unexpired term of their predecessor.

4. Termination of Officers

The appointment of an Officer (Chairperson, Vice-Chairperson, Secretary, or Treasurer) may be terminated by a two-thirds majority vote of the Directors present at a duly called meeting convened for this purpose.

### **3.3 CEO APPOINTMENT AND SUCCESSION**

The Board is responsible for ensuring CVAC's leadership continuity.

1. The Board holds the ultimate authority to appoint the CEO, ensuring the selected candidate possesses the necessary skills, experience, and leadership qualities to advance CVAC's mission and strategic objectives.
2. The Board shall maintain a current CEO position description outlining the required qualifications and competencies.
3. A documented succession plan shall be in place for appointing an interim CEO if an extended leave of absence is required due to personal health or other circumstances.
4. The CEO shall report on the succession plan annually as part of the evaluation process.
5. Planned Vacancy (e.g. retirement)
  - a) The Board will establish a CEO Search Committee consisting of up to four Directors, including the Chair.
  - b) The Chair or their delegate will chair the CEO Search Committee.
  - c) The CEO Search Committee will design the work plan to present a shortlist of candidates to the Board. In doing so, it should consider:
    - i) selecting a search firm to assist with the process;
    - ii) inviting directors who are not members of the CEO Search Committee to attend its meeting as observers;

- iii) seeking the Board's approval of the CEO position description and compensation range;
  - iv) giving the Board full electronic access to all documents relating to the search; and
  - v) bringing extraordinary or unexpected developments in the search to the Board for decision.
- d) The Board will interview a short list of candidates and select the successful candidate.
- 6. Sudden Vacancy (e.g. resignation, termination, extended leave)
  - a) The CEO will report on the succession plan annually during the evaluation process. The appointment of an interim CEO will be subject to Board approval.
  - b) Once an interim CEO is in place, the Board will follow the same procedure as a planned vacancy.

### **3.4 BOARD RELATIONSHIP WITH THE CEO**

The Board will adhere to the following principles in its relationship with the CEO:

1. The Board's sole link to operational performance and conduct is the CEO. All authority and accountability of staff are delegated through the CEO, who is ultimately responsible to the Board.
2. Accountability of the CEO is monitored regularly as per the CEO Operational Accountability monitoring schedule and the Performance Framework Schedule.
3. Only decisions made by the Board are binding on the CEO. Individual Directors or Committees may not direct the CEO unless authorized by the Board.
4. Directors shall not interfere with the daily administration of the organization by directly influencing or instructing employees.
5. Any concerns or questions regarding management performance must be directed to the Chair.
6. Unity of Control: The CEO is accountable to the full Board, not individual Directors or Committees, except when expressly authorized.
7. Communications and Support to the Board. The CEO shall:
  - a) Keep the Board informed and provide necessary support for its governance work.
  - b) Submit timely, accurate, and relevant monitoring data aligned with Board policies.
  - c) Advise the Board on significant trends, potential risks, and changes impacting the organization.
  - d) Notify the Chair if the Board is not in compliance with its own policies.
  - e) Ensure the Board has access to diverse perspectives, including insights from staff and external experts.



8. Financial Conditions and Activities

- a) The CEO is responsible for ensuring that financial decisions align with Board priorities.
- b) At no time shall the CEO cause or allow fiscal jeopardy.

## **4. BOARD LEADERSHIP AND SUPPORT**

### **4.1 BOARD CHAIR TERMS OF REFERENCE**

The Chair is responsible for leading the Board to fulfill its governance duties and ensure effective decision-making. The Chair shall:

1. Preside Over Meetings
  - a) Leads Board meetings and ensures that the appropriate issues are addressed.
  - b) Ensures discussions are orderly, inclusive, and productive.
  - c) Maintains focus on strategic governance rather than daily operations.
2. Facilitate Board Engagement and Effectiveness
  - a) Promotes consensus and teamwork among Directors.
  - b) Addresses inappropriate behaviour or conflicts among Directors.
  - c) Ensures strong attendance and participation in meetings.
3. Board-Management Relations
  - a) Act as the primary liaison between the Board and the CEO.
  - b) Ensure the CEO is informed of Board concerns and stakeholder feedback.
  - c) Provide support, mentorship, and accountability to the CEO.
4. Communication and Representation
  - a) Serves as the official spokesperson for the Board.
  - b) Represents the Board at industry, business, and government functions.
  - c) Promotes the organization's mission, vision, values, and goals.
5. Committee Oversight and Appointments
  - a) Appoints Directors to committees and task forces.
  - b) Oversees and evaluates committee work and effectiveness.
6. CEO and Strategic Coordination
  - a) Manage the CEO's contract and performance review.
  - b) Works with the CEO to enhance relationships with external organizations and Relevant Parties.
  - c) Ensures the Board remains aligned with organizational priorities and projects.

### **4.2 BOARD VICE CHAIR TERMS OF REFERENCE**

The Vice-Chairperson supports the Chairperson in carrying out Board responsibilities and assumes leadership duties when necessary. The Vice-Chair shall:

1. Act as Chairperson When Required
  - a) Perform the duties and exercise the authority of the Chairperson in their absence.

- b) Ensure continuity in leadership and decision-making.
- 2. Support Board Functions
  - a) Assist in the execution of Board responsibilities.
  - b) Provide guidance and support to Directors and committees as needed.

### **4.3 BOARD SECRETARY TERMS OF REFERENCE**

The Secretary oversees the Board's records, governance compliance, and administrative functions. The Secretary shall:

1. Oversees the process of maintaining meetings and records produced by the Board Liaison to ensure there is a record of all minutes, votes and CVAC meets all legal and governance requirements to remain in good standing. Oversee Maintenance of Meeting Records and Governance Compliance.
  - a) The Chair is responsible for ensuring that meeting minutes are compiled while the Secretary will oversee the recording and maintenance of minutes and votes of all proceedings.
2. Meeting Coordination and Quorum Management
  - a) Provide notices of meetings when requested by the Chairperson.
  - b) Ensure a quorum is present for Board meetings.
3. Governance and Nominations
  - a) Act as Chair of the Governance and Nominating Committee.
  - b) Oversee Board appointment and nomination procedures.
  - c) Oversees the orientation and onboarding process for new Directors.
4. Custodian of CVAC Records
  - a) Ensure CVAC's Seal is secured.
  - b) Maintain official corporate documents and records.
5. Additional Responsibilities
  - a) Perform other duties as assigned by the Board.

### **4.4 TREASURER TERMS OF REFERENCE**

The Treasurer oversees CVAC's financial management and compliance. The Treasurer shall:

1. Financial Oversight and Compliance
  - a) Ensure CVAC's financial affairs are conducted per Board policies and directives.
  - b) Maintain accurate financial records in compliance with the Canada Not-for-Profit Corporations Act and other applicable regulations.

2. Financial Reporting and Accountability
  - a) Provide financial statements and reports to the Board and other Relevant Parties as required.
  - b) Monitor CVAC's financial risk management strategies.
3. Committee Leadership
  - a) Serve as Chairperson of the Finance Committee and oversee financial planning and budgeting.
4. Additional Responsibilities
  - a) Perform other duties as assigned by the Board.

#### **4.5 CHIEF EXECUTIVE OFFICER TERMS OF REFERENCE**

The CEO leads and manages CVAC's operational, administrative, financial, and business affairs. The CEO is appointed by the Board and reports through the Chair.

1. Leadership and Governance
  - a) Act as a non-voting ex-officio member of the Board and all CVAC committees.
  - b) Serve as a signing authority on behalf of the Board.
  - c) Maintain open communication with the Board and provide regular updates on significant matters.
  - d) Ensure that Directors receive relevant information to fulfill their governance responsibilities.
  - e) Work with the Chair to support the Board in fulfilling its strategic oversight function.
  - f) Guides the task of the Board Liaison.
2. Strategic Planning and Risk Management
  - a) Develop and recommend a Strategic Plan aligned with CVAC's mission, vision, values, and priorities.
  - b) Implement an Action Plan to achieve the Board's approved strategic plan.
  - c) Identify and assess key risks facing CVAC and propose risk management strategies.
  - d) Ensure compliance with agreements involving Transport Canada, the Department of National Defence (DND), 19 Wing Comox, and other Relevant Parties.
  - e) Oversee consultant engagements as required and authorized.
3. Financial Management and Oversight
  - a) Develop and recommend an annual operating budget for Board approval.
  - b) Oversee the implementation and management of financial resources within Board-approved guidelines.
  - c) Develop and present five-year budget forecasts and a five-year capital plan for Board approval.

- d) Establish and maintain financial procedures, accounting records, and reporting systems.
  - e) Ensure proper processing of accounts payable and receivable and authorize payments.
  - f) Provide quarterly and annual financial statements to the Board.
  - g) Work with the Audit Chair to facilitate the annual financial audit.
4. Operational Oversight
- a) Direct the day-to-day operations of the Comox Valley Airport, including:
    - i. Facility management;
    - ii. Staff, contractors, and consultants; and
    - iii. Maintenance and public safety/security.
  - b) Ensure compliance with Transport Canada and DND/19 Wing regulations.
  - c) Maintain airport service levels, safety protocols, and operational manuals.
  - d) Act as the primary point of contact for 19 Wing Comox on operational matters.
  - e) Liaise with tenant airlines regarding operational needs.
5. Property and Land Development
- a) Develop, negotiate, and execute subleases and contracts with tenants and suppliers.
  - b) Manage tenant agreements for CVAC-managed lands and facilities.
  - c) Oversee the growth and development of airport lands, facilities, and services as per the Land Development Policy CVACB-1.
6. External Relations and Communications
- a) Act as the primary spokesperson with the Chair on CVAC's mission, vision, values, goals, and priorities.
  - b) Represent CVAC at government, industry, business, economic development, and tourism events.
  - c) Promote the airport's services and facilities to grow passenger traffic and air cargo services.
  - d) Maintain relationships with Transport Canada, NAV Canada, CATSA, DND/19 Wing, and other key Relevant Parties.
  - e) Respond to inquiries from elected officials, airport users, media, and tenants in accordance with Board policies.
  - f) Oversee media relations, advertising, and public communications.
7. Administrative and Human Resources Management
- a) Oversee the administrative functions of CVAC, including record-keeping and reporting.

- b) Prepare the Annual Report and the Accountability Report for the Board.
  - c) Ensure compliance with labour laws and establish human resources policies.
  - d) Supervise and manage full-time and part-time staff as well as external consultants.
  - e) Conduct annual performance reviews and ensure ongoing training and development for CVAC employees.
  - f) Develop and maintain a succession plan for the CEO role to ensure continuity of leadership.
8. Emergency Preparedness and Succession Planning
- a) Ensure that at least one senior manager is prepared to assume the CEO role in an emergency.
  - b) Maintain and update emergency response and contingency plans for CVAC operations.

#### **4.6 BOARD LIAISON**

The Board Liaison is accountable to the CEO for fulfillment of the duties and responsibilities to:

1. Organize all Board and committee meetings, including agendas, support documentation, Board calendar, and carry-forward items.
2. Advise the CEO, the Chair and the Committee Chairs of items for Board discussion.
3. Prepare and distribute all agenda material and documents as directed by the Chair or the Committee Chairs.
4. Record all votes and maintain the minutes of all proceedings.
5. Organize logistical support for the Board and committee meetings.
6. Arrange the Director's travel to meetings and conference events.
7. Ensure that CVAC's records are maintained safely and securely.
8. Ensure adequate procedures are in place to maintain confidential data safely and confidentially.
9. Review and prepare expenses for payment, provided that the expenses fall within CVAC guidelines.
10. Serve as a point of contact for Board inquiries.
11. Ensure that the corporate record is accurate and current at all times.
12. Provide other support functions as required from time to time by the Chair and the Board.

## **5. COMMITTEES AND SUB-COMMITTEES**

### **5.1 TERMS OF REFERENCE FOR COMMITTEES**

The Board may establish committees comprising Directors and other individuals to support CVAC's objectives. Committees serve at the discretion of the Board and must operate within the guidelines and mandates set by the Board. While committees recommend their designated focus areas, final decisions rest with the Board.

1. Committee Responsibilities
  - a) Analyze issues, deliberate, and develop recommendations for Board consideration.
  - b) Assist in the development of policy recommendations for Board approval.
  - c) Act on behalf of the Board when explicitly authorized.
  - d) Work collaboratively with the CEO and staff to achieve the organization's objectives.
2. Committee Structure and Membership
  - a) No committee shall have more than four (4) voting members to ensure Board oversight and prevent any committee from holding majority influence over the Board's decisions.
  - b) All Directors must serve on at least one Committee to promote engagement and strengthen governance effectiveness.

### **5.2 PROCEEDINGS OF COMMITTEES**

Committee members have the discretion to convene and adjourn meetings as needed. A majority vote of those present shall make decisions. Unless otherwise specified, meeting procedures shall align with the principles governing Board meetings, with adjustments as necessary to fit the Committee's context.

### **5.3 TERMS OF REFERENCE FOR COMMITTEE CHAIRS**

The Committee Chairs are responsible for leading their Committee, ensuring effective decision-making, and reporting to the Board. Key responsibilities include:

1. Agenda and Meeting Coordination
  - a) Set the agenda for committee meetings.
  - b) Ensure the preparation and distribution of meeting materials and information packages.
  - c) Coordinate related events and activities relevant to committee work.
2. Leadership and Facilitation
  - a) Set the tone and direction for the Committee's work.
  - b) Chair meetings efficiently, effectively, and with focus.
  - c) Ensure all committee members have the necessary information to make informed decisions.



3. Governance and Oversight

- a) Ensure the Committee fulfills its monitoring responsibilities.
- b) Assign tasks to committee members and track progress.
- c) Report decisions and recommendations to the Board.

## 5.4 TERMS OF REFERENCE FOR THE AUDIT COMMITTEE

The Audit Committee provides oversight of the Corporation's financial integrity, internal controls, and risk management. The Committee assists the Board in ensuring accounting and financial reporting compliance and evaluates the effectiveness of internal and external audits.

1. Composition

- a) The Board Chair assigns the Chair of the Audit Committee.
- b) The Committee shall consist of at least three Directors but less than a majority of the Board.
- c) At least one Director shall not be a member of the Finance Committee.
- d) The CEO and Board Chair are ex-officio attendees to the Audit Committee.
- e) The Chair of the Board and Chair of the Finance Committee cannot be the Chair of the Audit Committee.
- f) The CEO shall provide internal staff support to the Committee.
- g) A majority of Directors constitutes a quorum.

2. Accountability

- a) The Audit Committee reports to the Board after each meeting.
- b) Minutes of all meetings shall be maintained and made available to the Board.

3. Meetings

- a) The Committee shall meet at least twice per year.
- b) The committee Chair may call additional meetings as needed.
- c) A meeting must be called if requested by:
  - i) The auditor; or
  - ii) Any committee Director.
- d) The auditor can attend and be heard at all meetings, except when their performance or compensation is discussed.

4. Responsibilities

- a) Financial Oversight
  - i) Conduct periodic reviews of accounting policies; and
  - ii) Supervise the implementation of internal financial controls.

b) Audit and External Review

- i) Oversee the financial statement review process and provide recommendations to the Board;
- ii) Evaluate the auditor's independence, including reviewing past or current relationships between the auditor and CVAC;
- iii) Make recommendations to the Board regarding the auditor's appointment, removal, and remuneration;
- iv) Approve the scope of internal and external audits and any non-audit services the auditor performs; and
- v) Review audit findings and management's response, making necessary recommendations to the Board.

c) Rotation of Auditor

- i. The Audit Committee, assisted by input from management, will undertake an annual review of the corporate auditor's performance and compensation. If the annual review warrants, to ensure auditors of sufficient expertise are retained by CVAC for fair compensation, the Audit Committee may:
  - Request quotations from competing firms; and/or
  - Request a partner or staff rotation from within the current auditor.
- ii. The Audit Committee must undertake a complete RFP process every 5 years to maintain auditor objectivity and independence.

d) Compliance and Governance

- i. Annually review Form A: Disclosure Statement and Undertaking for Directors to identify conflicts of interest; and
- ii. Report any conflicts to the Board Chair for further action.

e) Risk Management

- i. Oversee the Risk Management Framework as detailed in section 7.1.
- ii. In consultation with CVAC's auditor, the Board ensures appropriate financial controls are in place to support sound fiscal management.

f) Safety

- i. Requires CVAC to maintain safety and security programs that ensure regulatory compliance and minimize potential hazards on or about CVAC lands.

## **5.5 TERMS OF REFERENCE FOR THE FINANCE COMMITTEE**

The Finance Committee oversees CVAC's financial performance, budgeting, and financial policies. It ensures CVAC's financial resources are managed responsibly and aligned with its strategic objectives.

1. Composition
  - a) The Treasurer chairs the Finance Committee.
  - b) The Committee shall consist of at least three Directors but less than a majority of the Board.
  - c) The Chair of the Board cannot serve as Chair of the Finance Committee.
  - d) The CEO and Board Chair are ex-officio attendees to the Finance Committee.
  - e) Committee members must be familiar with basic accounting principles and able to read and interpret financial statements.
  - f) A majority of Directors constitutes a quorum.
  - g) Internal staff support will be provided through the CEO.
2. Accountability
  - a) The Finance Committee reports to the Board after each meeting.
  - b) The Committee regularly updates financial matters, ensuring transparency and sound financial oversight.
  - c) Conducts periodic reviews of financial statements and provides recommendations to the Board.
  - d) Ensures the financial reporting aligns with regulatory and governance standards.
3. Meetings
  - a) The Committee shall meet at least four times per year.
  - b) The Chairperson may call additional meetings as needed.
  - c) A meeting can be called at the request of any committee member.
4. Responsibilities
  - a) Financial Oversight and Financial Risk Management
    - i) Ensure that CVAC's financial policies are followed;
    - ii) Conduct periodic reviews of financial policies and recommend updates as needed;
    - iii) Monitor expenditures and revenues to ensure sound financial management; and
    - iv) Assess financial risks and provide recommendations to the Board regarding risk management strategies.

b) Budgeting and Financial Planning

- i) Assist the CEO in developing the annual operating and capital budget;
- ii) Review and recommend Board approval of annual operating and capital budgets;
- iii) Oversee 5-year Capital Plans and make recommendations to the Board; and
- iv) Review and recommend budgetary adjustments to maintain financial stability.

## **5.6 TERMS OF REFERENCE FOR THE GOVERNANCE AND NOMINATING COMMITTEE**

The Governance and Nominating Committee is a Standing Committee established to ensure that CVAC complies with statutory requirements, by-laws, policies, and governance best practices. The Committee also oversees Board composition, director qualifications, and succession planning.

1. Composition

- a) The Secretary chairs the Governance and Nominating Committee.
- b) The Committee shall consist of at least three Directors but less than a majority of the Board.
- c) The CEO and Board Chair shall attend in an ex-officio capacity.
- d) Internal staff support will be provided through the CEO.
- e) A majority of Directors constitutes a quorum.

2. Accountability

- a) The Governance and Nominating Committee reports to the Board following each meeting.
- b) Regular updates on governance effectiveness and Board appointments are provided to ensure transparency.

3. Meetings

- a) The Committee shall meet at least four times per year.
- b) The Committee Chair may call additional meetings as needed.
- c) A meeting must be called at the request of any committee member.

4. Responsibilities

- a) Governance Oversight
  - i) Conduct periodic reviews of CVAC's corporate governance policies;
  - ii) Review the overall governance effectiveness, including the Board, Board Committees and individual Directors; and

- iii) Conduct an annual evaluation of Board, Committee, and Director performance.

b) Board Skills and Nominations

- i) Identify the skills, knowledge, and experience required for the Board;
- ii) In case of a Board vacancy, determine the ideal qualifications for the role;
- iii) If a vacancy involves a Nominating Entity, communicate the required qualifications to that entity; and
- iv) Consult with Nominating Entities on the qualifications of potential candidates.

c) Succession Planning and Board Development

- i) Lead succession planning for Directors and the CEO;
- ii) Maintain and periodically review a Director orientation program; and
- iii) Recommend Board development initiatives to enhance governance effectiveness.

## **6. FINANCIAL PLANNING AND MANAGEMENT**

### **6.1 FINANCIAL PLANNING**

Financial planning for any fiscal year or the remaining part of any fiscal year shall reflect the Board's priorities, demonstrate fiscal responsibility, be derived from a multi-year plan and provide adequate reporting procedures.

The CEO shall provide credible projections of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.

### **6.2 FINANCIAL ACCOUNTABILITY FRAMEWORK**

1. Financial Reporting
  - a) The CEO shall provide the Board with quarterly financial performance reports.
2. Expense and Revenue Budgets
  - a) The Board shall approve CVAC's annual operating budget and capital budget.
  - b) The CEO is authorized to spend within the approved budget, subject to reporting unusual variances in quarterly financial reports.
  - c) Board approval is necessary for contractual commitment exceeding five years.
3. Capital Projects
  - a) The CEO shall not exceed the total capital budget without prior Board approval.
  - b) The CEO may reallocate individual project budgets within the approved total capital budget. However, cost increases of more than 10% for individual projects exceeding \$100,000 must be reported to the Board.
  - c) Large capital projects, with a total project value exceeding \$5 million, will be subject to the same rules as outlined in 6.4, but the dollar values will be doubled.
4. Business Expenses
  - a) A Board Signatory shall approve business expenses for the Directors and the CEO but not their own.
5. Payment Instruments
  - a) All payment instruments, except those to the Canada Revenue Agency (CRA), require two authorized signatures or the equivalent electronic approval.
  - b) CRA-related payments (e.g., GST, Income Tax, CPP, EI) may be processed by staff authorized by the CEO within an approval limit of \$75,000.
  - c) Usually, payment instruments will be signed or electronically approved by the CEO and one designated board signatory.

- i. In the CEO's absence or to maintain familiarity of process, the Operations Manager may approve payments subject to the same financial controls; and
  - ii. If no Director with signing authority is available for an urgent payment, the CEO and Operations Manager may approve payments, provided the Board and Finance Committee Chair are informed in writing of the payment and justification.
- 6. Authorized Signatories and Signing Authority
  - a) Who Can Sign
    - i. Authorized signing officers of CVAC include the Chair, Vice Chair, Treasurer, Secretary and the Chief Executive Officer (CEO) (or Operations Manager acting in his stead). The Board may designate additional signing authorities by resolution as required.
  - b) To Be Dealt with by Resolution
    - i. The Board shall, by resolution, designate individuals who have authority to sign on behalf of CVAC for transactions in excess of \$1 million.
  - c) Contracts
    - i. The CEO may sign contracts within the authority limits established by the Board;
    - ii. Contracts exceeding the CEO's delegated authority, must be approved by the Board prior to execution; and
    - iii. All contracts must comply with applicable procurement policies and financial controls.
  - d) Binding CVAC
    - i. No individual Director, Officer, or employee shall have the authority to bind CVAC unless such authority has been explicitly delegated by Board resolution or policy.

### **6.3 FINANCIAL POLICIES**

The Board, based on recommendations from the Finance Committee, is accountable for ensuring adherence to applicable policies listed in Appendix 4.

### **6.4 CONTRACTING**

1. The Board must approve all contracts involving related parties.
2. The CEO must execute revenue-producing contracts and expense contracts for over \$25,000.
3. We recognize that a competitive procurement process brings value to CVAC. Proposals, contracts and annual payments exceeding \$75,000 and up to \$125,000 must invite



multiple bids, and those over \$125,000 require a request for proposals. Contracts will be awarded to the proposal offering the best overall value.

4. Sole-source contracts exceeding \$75,000 will only be entered into when there are reasonable justifications in accordance with Policy CVACB-2.0, which is in effect for any transaction.

## **6.5 ASSET PROTECTION AND FINANCIAL CONTROLS**

The CEO shall protect CVAC's assets by adequately insuring and maintaining them and avoiding unnecessary risk. The CEO shall:

1. Establish and maintain a current system of internal financial controls.
2. Adhere by Board financial policies (Appendix 4).
3. Ensure the investments remain within the parameters of the Board's Investment Policy Statement.

## **6.6 FINANCIAL RECORDS, AUDIT AND ACCOUNTING RECORDS AND ACCOUNTS**

The Board is responsible for ensuring that CVAC maintains accurate and complete financial records. The Board also monitors financial reporting to ensure it meets regulatory standards and reflects sound financial management practices.

1. Location of Financial Records: CVAC's accounting records are to be maintained on the airport premises or such other location within British Columbia as the Board directs.
2. Access to Records: Directors may review the organization's financial and accounting records anytime during normal business hours.
3. Auditor Appointment and Role: An external auditor shall be appointed annually at the Annual General Meeting and serves until the next AGM or until a successor is named. The Board may fill any vacancy or remove an auditor by ordinary resolution. To ensure independence, no Director, employee, or a member of a Director's firm may serve as the auditor. The auditor is entitled to attend Board meetings and is responsible for conducting the annual audit and reporting findings to the membership.
4. Fiscal Year: CVAC's fiscal year ends on March 31, unless changed by Board resolution.
5. Financial Statements
  - a) The Board ensures that financial statements are prepared at least once per fiscal year in accordance with generally accepted accounting principles (GAAP) and Accounting Standards for Not-for-Profit Organizations (ASPNPO). These statements shall include:
    - i. A statement of financial position;
    - ii. A statement of operations and changes in net assets; and
    - iii. A statement of cash flows.

- b) Quarterly financial statements shall be prepared and presented to the Board.
- c) Major Capital Projects, including budgeted amounts, actual amounts spent, amounts remaining and variances, shall be reported to the Board quarterly.

## **6.7 INVESTMENTS AND BORROWING**

CVAC acknowledges that investments will accumulate from operational surplus for future capital needs and unanticipated emergencies or extraordinary purposes.

- a) Investment Authority
  - i. The Board oversees CVAC's investment funds. While the Board is not limited to trustee-permitted securities, all investment decisions must be made with prudence and discretion, adhere to Board policies found at CVACB-3 "Investment Policy" and ensure they align with CVAC's best interests; and
  - ii. The Board has the authority to adjust and reallocate investments as necessary.
- b) Borrowing:
  - i. The Board may authorize borrowing and financial transactions subject to approval by a resolution, which includes the authority to secure funds on behalf of CVAC, collateralized as deemed appropriate. These loans can be backed by any of CVAC's assets, including property, leases, or other rights it owns now or in the future.

## **7. RISK MANAGEMENT**

Risk management is a critical aspect of governance for a not-for-profit organization, as it helps protect the CVAC's assets, reputation, and ability to achieve its mission. The Board will annually review its risk management policies to identify if any changes, deletions or additions are required.

### **7.1 RISK MANAGEMENT FRAMEWORK**

1. Statement of Principle: CVAC is committed to ensuring that risk management is a core capability and an integral part of its business activities. The Board is accountable for overseeing risk management and ensuring a risk management framework is used to achieve CVAC's strategic plan goals.
2. Definitions:
  - a) Risk has an effect of uncertainty on business objectives. It is an event that can deter CVAC from achieving its strategic goals.
  - b) Enterprise Risk Management is a proactive approach by which threats to and opportunities for an organization are identified, evaluated, and integrated across all disciplines.
  - c) Risk Register is the official record of the identified risks facing the CVAC, their probability and severity rating, and mitigation strategies.
3. Procedures:
  - a) Management will maintain a Risk Register for review by the Board at least annually. The Register will include a description of the risk, its probability, its severity or impact upon occurrence, an overall rating (probability x severity), mitigation strategies and the operational manager responsible.
4. Ongoing Monitoring: Continuously monitor the organization's risk environment and the effectiveness of its risk management policies and procedures. This includes regular reporting to the Board on key risks and mitigation efforts.
5. Periodic Review: Conduct annual reviews of all risk management policies to ensure they remain relevant and effective in addressing emerging risks and changes in the organization's operations or external environment.

### **7.2 DATA PROTECTION AND PRIVACY**

1. Data Security: The organization is committed to safeguarding sensitive data by implementing robust security measures, including encryption, access controls, and regular data backups. Policies and procedures shall be maintained to prevent unauthorized access, data breaches, or loss, ensuring all stored information's confidentiality, integrity, and availability.
2. Privacy Compliance: The organization shall comply with applicable data protection laws and regulations. This includes obtaining explicit consent for data collection, maintaining transparency in data usage, and providing individuals with the right to access, correct, or delete their personal information in accordance with legal requirements.

### **7.3 REPUTATION MANAGEMENT**

1. The Board shall ensure that the organization operates with clear guidelines to protect and enhance the organization's reputation, including proactive communication strategies, media engagement protocols, and social media policies.

## **8. BOARD PERFORMANCE AND DEVELOPMENT**

### **8.1 BOARD TRAINING AND DEVELOPMENT**

The CVAC Board is committed to ongoing professional development to ensure strong governance and effective oversight. The organization will invest in training that enhances Board members' skills in governance, financial stewardship, risk management, and sector best practices. Directors are encouraged to participate in educational opportunities, peer learning, and industry events to stay informed on emerging trends and regulatory changes. By prioritizing continuous learning, the Board strengthens its accountability, leadership, and ability to fulfill the organization's mission.

### **8.2 DIRECTOR'S ORIENTATION**

The Governance and Nominating Committee shall ensure a structured onboarding program for new members to ensure the effective integration of new Directors into the organization, alignment with its mission, and promotion of long-term commitment. Orientation documents will be provided to new members upon their appointment.

### **8.3 BOARD AND DIRECTOR'S EVALUATION**

The Board is responsible for evaluating overall Board performance, individual Director contributions, and peer feedback. These evaluations help identify areas for improvement and enhance Board effectiveness.

1. Once a year, the Board conducts a board evaluation.
2. Directors will be asked to complete and confidentially submit the evaluation to the Board Secretary.
3. The Secretary will complete a summary of the evaluations and present results for discussion and action at a subsequent Board meeting.
4. The Board Liaison will compile and share the results with the Board Chair and the Director. Regarding the peer evaluation of the Board Chair, the Board Liaison will compile the results and share them with the Secretary and the Board Chair. The Board Chair will arrange a time to review the peer evaluation with the Director. The Secretary will arrange a time to review the peer evaluation with the Board Chair.

### **8.4 CEO ANNUAL PERFORMANCE REVIEW, MONITORING AND EVALUATION FRAMEWORK**

The purpose of the CEO Annual Performance, Monitoring and Evaluation Framework is to set forth a rigorous process by which the CEO's annual performance goals are developed and agreed to by the CEO and the Board and are subsequently monitored and evaluated. The Framework provides for agreed-upon goal setting, focusing on accountability and fair CEO performance evaluation.

1. The following principles guide the Framework:
  - a) The CEO's performance objectives are aligned with CVAC's objectives.

- b) Clear expectations are developed and agreed upon between the CEO and the Board.
  - c) The CEO is encouraged to set personal developmental goals that provide specific direction as necessary from the outcomes of the evaluation process.
  - d) Processes are conducted in a manner conducive to ongoing good governance.
  - e) There is a clear link between performance and remuneration.
2. The Framework annual process will follow the following steps:
- a) The Board will identify the areas it wishes the CEO to focus upon in the year ahead to further CVAC's strategic goals. The Board communicates those areas to the CEO.
  - b) The CEO will consider Board priorities and identify their key measurable goals for the new operating year. There should be a balance of organizational and personal goals.
  - c) The Board and CEO will discuss their goals and agree upon a set of key annual goals, normally not to exceed 10 separate measurable goals.
  - d) Those agreed-upon performance goals and standards will be documented in the CEO Performance Objectives Template and signed off by the CEO and the Board Chair.
  - e) The Board will monitor performance throughout the year and provide feedback to the CEO as the year progresses.
  - f) Upon completion of the second quarter of the operating year, the CEO will provide a mid-year update to the Board on progress on the agreed-upon goals. The Board will provide feedback on that report.
  - g) Should the Board wish to include employee, stakeholder or client input in the year-end evaluation, the Chair should discuss the means to do so with the CEO during the mid-year review.
  - h) Upon completion of the operating year, the CEO will provide a written report of their goal accomplishment.
  - i) The Board will review the CEO's performance, considering the mid-year and end-of-year CEO reports and ongoing monitoring during the year.
  - j) Before an assessment discussion with the entire Board, the Chair and one other Director selected by the Board will provide initial feedback to the CEO.
  - k) The full Board will meet with the CEO to discuss the assessment and provide feedback.
  - l) The CEO will consider the assessment feedback before finalizing their proposed key performance goals for the year ahead.
  - m) The Board will consider the CEO evaluation as part of the annual remuneration review.

## **9. MEETINGS**

### **9.1 BOARD MEETINGS**

1. Frequency and Scheduling
  - a) The Board shall meet at least four times per year at a time and location determined by the Board.
  - b) Meetings will be conducted according to CVAC By-laws.
  - c) The Chair and CEO are responsible for developing the agenda for the board meeting.
2. Agenda and Preparation
  - a) Directors may submit agenda items to the Chair.
  - b) Board materials will normally be posted to a secure Director's online portal at least five (5) working days before each meeting by the CEO.
3. Convening Board Meetings
  - a) The Chairperson may call a Board meeting at any time.
  - b) A Board meeting must be convened if the Chairperson receives:
    - i) A written request from one-third of the Directors; and
    - ii) A written request from at least four Nominating Entities.
4. Quorum and Decision-Making
  - a) The quorum for Board meetings is a majority of Directors.
5. Lack of Quorum
  - a) No business other than the election of a chairperson and adjourning meeting shall be conducted.
6. Meetings Without Management (In-Camera Sessions)
  - a) The Board may hold an in-camera session at each meeting, presided over by the Chair, without the CEO or management present.
  - b) These sessions ensure effective governance and oversight while maintaining appropriate Board-CEO relations.
  - c) Discussions in these sessions are limited to:
    - i) Board's relationship with the CEO (e.g., information flow from management);
    - ii) CEO performance and compensation;
    - iii) Board's internal working relationships; and
    - iv) Board's management of its work.



- d) Following the in-camera session, the Chair debriefs the CEO and informs the Recording Secretary of any action items.
- e) The Secretary is responsible for ensuring that minutes of the in-camera meetings are completed and filed.
- f) A quorum of Directors necessary for the transaction of business shall be a majority of the Directors.

7. The Consent Agenda is designed to:

- a) Expedite routine business during Board meetings, allowing more time for strategic discussions and education.
- b) Ensure efficient approval of regular or routine items where no debate is anticipated.
- c) Typical Consent Agenda Items are routine and non-controversial, including:
  - i) Approval of prior Board and Committee meeting minutes;
  - ii) Approval of routine policies, procedures, or amendments; and
  - iii) Approval of reports or proposals that the Board has previously discussed.

8. Consent Agenda Process

- a) Before each Board meeting, the Chair and CEO determine which items should be placed on the Consent Agenda.
- b) Request for Item Removal:
  - i) At the start of the Board meeting, the Chair asks if any Director wishes to remove an item from the Consent Agenda for further discussion; and
  - ii) No motion or vote is required for item removal.
- c) Approval of the Consent Agenda.

9. Notice

Not less than 48 hours written notice of any meeting of Directors, specifying the time and place of the meeting and the general nature of the business to be discussed, shall be given to all Directors. The accidental omission to give notice of any meeting to, or the non-receipt of any such notice, by any Director shall not invalidate any proceedings at that meeting.

10. Waiver of Notice

Directors may waive or reduce the period of notice convening a meeting by unanimous consent in writing and may give such waiver before or during the meeting.

## 11. Adjournment

A meeting of Directors may be adjourned as needed, with the continuation taking place at a later time and location. No new business should be introduced at the reconvened meeting; only the unfinished matters from the original meeting should be addressed.

## 12. Resolutions

Any Director, attending a meeting shall be entitled to move or propose a resolution.

## 9.2 ANNUAL AND SPECIAL MEETINGS

1. A quorum of Directors necessary for the transaction of business shall be a majority of the Directors.
2. No error or omission in giving notice of any annual or special general meeting or any adjourned meeting, whether yearly or general, of the Directors shall invalidate the meeting or make void the business done or any proceedings taken, but if it should become necessary for any reason, a Director may waive any notice that was not given and may ratify and approve any business done.
3. At all meetings, every question shall be determined by a majority of votes unless otherwise explicitly provided by the Canada Not-for-profit Corporations Act S.C. 2009, c. 23 or by the By-laws. Each Director present at a meeting shall have the right to exercise one vote.
4. Save, except where the same is inconsistent with the By-laws and in which event the By-laws shall prevail, all proceedings of meetings of the Directors and committees shall be by the current edition of Robert's Rules of Order, newly revised.

## 9.3 MEETINGS BY ELECTRONIC MEANS

The guidelines for attending Board, Standing Committees, or Special Board meetings via telephone or other approved virtual platforms shall be governed by the following:

1. Process and Participation
  - a) All Directors must have equal access to the meeting platform and be able to hear all participants throughout the meeting.
  - b) Standard Board protocols—including quorum, voting, agendas, minutes, and procedures—apply equally to virtual and hybrid meetings.
  - c) The Directors shall notify the Chair and CEO in advance of any meeting if they are participating remotely.

2. Verification and Security

At the start of the meeting, the Board Chair shall confirm the following with any Director participating remotely:

- a) Name and general location (e.g. city/region).
- b) Confirmation of receipt of the agenda and meeting materials.
- c) Assurance that the meeting environment is private and secure.

- d) Compliance with attendance limits (Directors may attend a maximum of three Board meetings per calendar year via electronic means).

### 3. Attendance Expectations

Virtual participation is permitted, but in-person attendance is encouraged whenever possible to support active engagement and collaborative discussion. Directors are expected to attend the majority of meetings in person, unless otherwise approved by the Board.

## 9.4 DIRECTORS AND RECORDS

Minutes of Board and committee meetings, written resolutions, and related documents (such as notices, filings, and reports) are recorded and maintained by CVAC. These records are stored securely in the Directors' online portal and are available to all Directors upon reasonable request.

## 9.5 VOTES

The Chair is a full voting member of the Board and participates in all votes. In the event of a tie, the motion does not pass, as the Chair does not hold a casting or second vote.

## 9.6 DEFICIENCIES

No act or decision made by the Board shall be deemed invalid solely due to:

1. A vacancy resulting in fewer Directors than the number prescribed in the by-laws.
2. A defect in the appointment process of a Director.
3. The later discovery that a Director was not eligible to serve.

## 9.7 ALTERNATE CHAIRPERSON

The Vice-Chair will chair the meeting if the Chair is absent or unable to attend within 30 minutes of the scheduled start time. If neither is available, the Directors present will choose one of their members to serve as Chair for that meeting.

Directors may agree unanimously in writing to waive or shorten the required notice period for a meeting. This waiver may be given before or during the meeting.

## **10. RELEVANT PARTIES ENGAGEMENT**

### **10.1 NOMINATING ENTITIES, RELEVANT PARTIES AND PUBLIC COMMUNICATIONS**

1. CVAC Board will continually review its governance to ensure effective and transparent communication with Nominating Entities, Relevant Parties and the Public.
2. CVAC is committed to open communication and will engage with Relevant Parties through the following channels:
  - a) CVAC Website – The primary platform for communicating with the general public, Relevant Parties, and Nominating Entities. The website will feature key governance documents, policies, and reports.
  - b) Annual Public Meeting (APM) – A public forum to present the CVAC Financial Statements and CVAC Annual Report.
    - i) The public will be invited to provide input through comments or questions; and
    - ii) The CVAC Annual Report will be distributed and posted on the website.
3. CVAC will hold an annual meeting with Nominating Entities to present:
  - a) Audited Financial Statements
  - b) Annual Report
  - c) Operational goals for the current fiscal year
4. The Chair of the Board will provide regular updates to Nominating Entities on significant issues.

### **10.2 ACCESS TO INFORMATION**

1. CVAC is committed to strong governance practices that balance transparency with confidentiality. The organization provides timely access to information while protecting personal privacy and safeguarding information exempt from disclosure under applicable legislation, including the *Personal Information Protection and Electronic Documents Act (PIPEDA)*.
2. The Board will make available to the public:
  - a) CVAC's By-laws.
  - b) A list of elected and ex-officio Directors and their attendance records.
  - c) The Governance Manual.
  - d) The financial report on CVAC's performance as part of its Accountability Account and, upon request, information subject to disclosure under the Personal Information Protection and Electronic Documents Act.

## ***APPENDIX 1: DEFINITIONS***

### **Organizational and Governance Terms**

**Act** – refers to the Canada Not-for-profit Corporations Act S.C. 2009, c.23, including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time.

**Board** – The governing body overseeing the organization's strategic direction, policies, and financial health.

**By-laws** – The official rules and regulations that govern the structure, authority, and operations of CVAC.

**Conflict of Interest** – A situation where a Director's personal or professional interests could interfere with their duty to the organization.

**Code of Conduct** – A set of ethical guidelines that Directors must follow to ensure integrity and professionalism.

**CVAC** - The Comox Valley Airport Commission.

**Director** – An elected or appointed individual to the CVAC Board.

**Endorsing Entity** – Refers to one of the Local Government Entities described in By-law 4.5.

**Fiduciary Duty** – The legal and ethical obligation of Directors to act in the best interest of the organization.

**Directors at Large** – Individuals who are selected and appointed by the Board.

**Nominating Entities** – The organizations with the authority to recommend Directors for appointment to the Board.

**Relevant Parties** – Means the any external individuals with a direct role, responsibility directly involved in, or affected by, the matter under consideration.

### **Board and Leadership Roles**

**Chairperson (Board Chair)** – The leader of the Board, responsible for presiding over meetings and ensuring effective governance.

**Vice Chairperson** – Supports the Chair and assumes leadership responsibilities when the Chair is unavailable.

**Secretary** – Oversees record-keeping, meeting minutes, and compliance with governance regulations.

**Treasurer** – Responsible for financial oversight, budget review, and financial reporting.

**Chief Executive Officer (CEO)** – CVAC 's senior leader who implements board policies and manages day-to-day operations.

**Committees** – Sub-groups of the Board tasked with specific functions (e.g., Finance Committee, Audit Committee, Governance and Nominating Committee).

## **Decision-Making and Accountability Terms**

Strategic Plan – A long-term roadmap outlining the organization’s mission, vision, and goals.

Minutes – The official written record of board meetings, including discussions and decisions.

Majority Vote – A decision-making rule where more than 50% of Directors must agree for a motion to pass.

Ordinary Resolution – A resolution passed by a majority of not less than 50% plus 1 of the votes cast.

Quorum – The minimum number of Directors required for an official meeting or decision.

Special Resolution – A resolution passed by at least two-thirds of the votes cast

Unanimous Consent – A decision-making process where all Directors must agree on an issue.

## **Financial and Legal Definitions**

Financial Oversight – The Board's responsibility is to monitor the organization's financial health.

Audit – A formal review of financial records conducted internally or by an external auditor.

Reserves – Funds set aside for long-term financial stability or emergencies.

Indemnification – Protection for Directors from personal liability for actions taken in good faith.

Risk Management – Policies and practices to minimize financial, legal, and operational risks.

## **Public Accountability**

Annual General Meeting (AGM) – A yearly meeting for Directors to carry out the required activities in the Act, including electing Directors, approving financial statements, receiving operational reports, and appointing the auditor.

Annual General Public Meeting – A yearly meeting open to the public where the Board reports on the CVAC’s performance, financial results, and future priorities, providing transparency and accountability to the community.

Annual Nominating Entities Meeting – A yearly meeting with the Nominating Entities to review CVAC’s financial performance, governance matters, and strengthen alignment between CVAC and its appointing bodies.

Public Accountability – The Board’s responsibility to report openly to Nominating Entities, the Department of National Defense, Relevant Parties, regulators, and the community on its performance, compliance, and stewardship of resources.

## **APPENDIX 2: DIRECTORS' DISCLOSURE STATEMENT AND UNDERTAKING FORM**

Dated:           , 20           .

To: The Comox Valley Airport Commission

I,           , being a Director on the Board of the Comox Valley Airport Commission (CVAC), state and declare:

1. I have read and understand CVAC's Code of Conduct and hereby undertake to conform to and be bound by such Code and the organization's by-laws.
2. A direct and indirect conflict with my duty as a Director may arise because:
  - i. Hold the following offices (appointed or elected)           ; and
  - ii. I or a Trustee or Nominee on my behalf, own or possess, directly or indirectly, the following interests, including employment and professional interests, whereby directly or indirectly, a duty or interest might be created in conflict with my duty or interest as a Director or Officer of CVAC:           .
3. The nature of any conflicting office, duty or interest referred to in Clause 2 is:           .
4. In addition to any company referred to or listed in Clause 2, the following is a list of every company in which I, or a Trustee or Nominee on my behalf, directly or indirectly, hold 10% or more of the ownership interest, including, without limitation, issued shares of a corporation.
  - a) Name of company and nature of business carried on:           .
5. The following are brief particulars as to my present employment and my primary sources of income. (Do not disclose amounts)           .
6. Following is a list of each affiliate (as defined in the Canada Business Corporations Act) known to me of a company listed in clauses 2 (b), 4 and 5 of this Statement:           .
7. In addition to the offices listed above, the following is a list of every company of which I am a Director:           .
8. Name of company and positions held:           .

I hereby state that all the foregoing statements are true and correct to the best of my knowledge and belief.

Signed:

## APPENDIX 3: CEO ANNUAL PERFORMANCE FRAMEWORK SCHEDULE

Activity	Responsibility	Timeframe
Board identifies key objectives for the following operating year	Board	January
Seek any identified additional qualitative data	Board	Jan-Feb
Operational plan and CEO key objectives	CEO	Feb-Mar
CEOs completes /presents the Year-end results to the Board	CEO	Mar-Apr
Board reviews CEO results	Board	April
Board-CEO discuss results	Board and CEO	April-May
Board-CEO discuss and agree on the new operating year's key objectives	Board and CEO	May
Board determines CEO compensation for the new operating year	Board	May
Operational monitoring	CEO and Board	Each Board Meeting
Mid-year performance update and review	CEO and Board	November
Identification of intent to utilize additional qualitative data (e.g. 360 feedback)	Board	November



## APPENDIX 4: BOARD POLICIES

Policy Number	Policy Title
CVACB-1	Land Development Policy
CVACB-2	Sole Source Contract Policy
CVACB-3	Investment Policy
CVACB-4	Cash Management, Operational and Capital Reserve Policy
CVACB-5	Board Remuneration Policy
CVACB-6	Corporate Donations and Sponsorship Policy