

1596954 Ontario Inc.

MINUTES

Corporate Annual General Meeting

May 1, 2018

Ottawa, Ontario

**1596954 Ontario Inc.
2285 St Laurent Blvd – Unit B-2
Ottawa, Ontario, K1G 4Z5
Corporate Annual General Meeting**

Held Tuesday, May 1, 2018 at 10:00 a.m.
At the Hellenic Centre, 1315 Prince of Wales Dr., Ottawa, ON

MINUTES

Approval of the Agenda

The President, Robert Giroux opened the meeting by calling for a motion to approve the agenda.

Motion 1: to approve the Agenda for the Corporate AGM

Moved by: Steven White, member and seconded by Steve Troy, Past President, Ottawa Branch. CARRIED.

President's Report

The President explained that this AGM represents the last important step to officially establish Ottawa Branch as an unincorporated entity that will be totally compliant with National Association by-laws. As of 2014, these bylaws require that all association branches be unincorporated.

The Ottawa Branch originally became incorporated in 2004 to purchase the office condo. In the fall of 2016, members approved the establishment of Ottawa Branch as a separate unincorporated charter branch with a new set of by-laws, to comply with National Association by-laws. The outstanding issue was how to handle ownership of the condo.

To resolve this issue, the old corporation, which will from now on be known as 1596954 Ontario Inc., is being repurposed solely to own the condo office on St. Laurent Blvd. and to lease it back to the Ottawa Branch. At this AGM, members will be asked to approve the amended corporate by-laws and application for supplementary letters patent to make this happen.

Treasurer's Report

The President gave the Treasurer's Report and referred members to the 2017 Audited Financial Statements for the corporation, which were included in the meeting envelopes provided to all attendees and which show a Net Loss of \$3,210. He advised that the independent auditor, Frouin Group CA, gave the corporation a clean, unqualified audit report.

The Treasurer indicated that the only corporate revenues in 2017 were \$ 19,048, which represents the amount paid by Ottawa Branch for its use of the condo owned by the corporation. The 2017 expenses of the same amount represent what the corporation disbursed for condo fees, property taxes and utilities and others. The balance sheet shows that the depreciated value of the condo at the end of 2017 is \$ 86,402. The net loss is caused by the annual amortization of the building.

The Treasurer's Report in the meeting envelope also contains the Auditor's statement that, in their opinion, "the financial statements present fairly, in all material aspects, the financial position of 1596954 Ontario Inc. as at December 31, 2017 and of its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for non-for-profit organizations".

The Treasurer invited a motion from the floor to acknowledge receipt of the 2017 Audited Financial Statements for the corporation.

Motion 2: to acknowledge receipt of the of the 2017 Audited Financial Statements for 1596954 Ontario Inc.

Moved by Christine Desloges, Vice-President, Ottawa Branch and seconded by Fred Lyle, member. CARRIED.

The President described the work and due diligence that the Ottawa Board of Directors had done with their lawyer and the National Association Office to amend the old corporate by-laws.

He explained that, during this process, it had become apparent that 1596954 Ontario Inc. did not need 34,000 members or a large board to efficiently make decisions that are in the best interests of Ottawa Branch members.

Instead, it is recommended that 1596954 Ontario Inc. should have:

- just 12 members and these should be the 12 members of the Ottawa Board of Directors;
- between 3 and 5 Directors on the Corporate Board and that these Director positions should be filled by members of the Ottawa Board of Directors; and,
- to start immediately, the Corporate Board should consist of just 3 Directors and these first directors should be the current President of the Ottawa Board (R. Giroux), the current Treasurer of the Ottawa Board (H. Ruthnum) and the current Secretary of the Ottawa Board (G. Samson-Verreault).

With these recommendations, that have been built into the amended by-laws, the Ottawa Board of Directors remains accountable to Ottawa Branch members to make decisions about the branch and the condo that are based on principles of good governance and that are in the members' best interests.

The President advised that copies of the amended by-laws and application for supplementary letters patent: were available at the meeting; had been posted on the Ottawa Branch website; and, were distributed via electronic link, as a part of the electronic registration process to attend the AGM.

He then called for an initial motion to put the subject of approving the amended by-laws and application for supplementary letters patent on the floor so that members could pose questions. This was so moved by moved by Karen Kirby, member and seconded by Camille Guerin, member.

Questions from members and answers from the President

Q1) How will this work financially?

A1) *Every year, Ottawa Branch will pay rent to 1596954 Ontario Inc. The rent will be registered as corporate income to cover the costs of owning and operating the condo. In 2017, this was approx. \$19,000. The rent will be treated as an expense by Ottawa Branch.*

Q2) What would happen if 1596954 Ontario Inc. ever decides to sell the condo? Where would the proceeds from the sale go?

A2) *The Corporate Board will consult with the broader Ottawa Branch membership before a final decision is taken on selling. If sale of the condo office is ultimately approved, the proceeds would be banked for the Ottawa Branch to draw on as a reserve and to finance renting at a different location.*

Q3) Are any significant expenses anticipated in future associated with the condo?

A3) *No. The building is well maintained, and no significant structural changes are anticipated.*

Q4) How would the Branch prepare financially to handle an unanticipated requirement to invest in the building structure?

A4) *The condo corporation has a healthy reserve fund.*

The President called for a vote on the motion.

Motion 3: to approve the amended by-laws and application for supplementary letters patent for 1596954 Ontario Inc.

Moved by Fred Lyle, member and seconded by H el ene Nadeau, Director, Ottawa Branch. CARRIED.

Note: it was clear by a show of hands that well over two-thirds of the group voted in favour. No abstentions and no objections were declared.

Concluding Remarks

Mr. Steve Troy asked to take the podium. He thanked everyone involved for their patience, understanding and assistance in what has essentially been a five-year process to establish Ottawa Branch as a charter branch and to appropriately safeguard the condo office for branch use. In particular, he commended the work of Louis Robayo, a former Board member.

The President advised that, now that the motion has been passed:

- the first directors of the Corporate Board (R. Giroux, H. Ruthnum and G. Samson-Verreault) are now in place;
- the members of the corporation are now the 12 Directors currently serving on the Ottawa Branch Board, 8 of whom were elected at the Ottawa Branch AGM earlier this morning;
- the 12 members will be the participants at the next corporate AGM; and,
- the 12 members of the corporation are now responsible for decisions regarding auditors for future years.

Therefore, the larger Ottawa Branch membership will not be asked to attend any additional corporate AGMs. However, the President assured everyone that the Ottawa Branch Board of Directors will consult the broader membership if there is any serious discussion of selling the condo.

Adjournment

The President then called for a motion to adjourn the 2018 AGM of 1596954 Ontario Inc.

Motion 4: to adjourn the 2018 AGM of 1596954 Ontario Inc.

Moved by Steve Troy and seconded by Gisèle Samson-Verreault. CARRIED.

The meeting terminated at 10:40 a.m.



Robert Giroux, President



Gisèle Samson-Verreault, Secretary