

Oseredok Ukrainian Cultural and Educational Centre
Minutes of Annual General Meeting
Monday, June 24, 2024 – 6:00 p.m.

1. Oseredok's Board president, L. Hunter, called the meeting to order at 6:02p.m.
2. L. Hunter asked the members in attendance to vote on the appointment of A.) M. Pasieczka as Meeting Chair and B.) R. Rohalsky as Secretary.
A.) A. Hawaleshka/E. Kisiow; carried
B.) A. Hawaleshka/ K. Yurkiw; carried

L. Hunter confirmed a quorum is established with over 50 people in attendance.

M. Pasieczka took control of the meeting.

3. Demyan Hyworon asked that a Treasurer's report be added to the agenda; subsequently added to agenda as point 3) after Executive Director's report. **Action: *It had been noted that this report will be an agenda item at all future AGM meetings.***

Motion: To accept the meeting's agenda as amended.

A. Hawaleshka/H. Tarasiuk; carried

4. M. Pasieczka asked if all have read the minutes from the previous year's AGM before proceeding with a vote to accept them.

Demyan Hyworon identified a couple of items from the last AGM that were missing in the minutes:

- 1) Status of projectors that Oseredok had in their possession from a previous exhibit was marked for resale and we were informed that there was a potential buyer.
- 2) where are Staff banked vacation reflected on the financial statements.

Motion: To accept the amended minutes from the 2023 AGM as presented:

Demyan Hyworon/J. Kozelko; carried

O. Skrypnyk asked that copies of the financial statements be available at the door at future AGMs. **Action: *This was noted,*** as well, copies were made and circulated at this AGM during the meeting.

5. M. Pasieczka asked if there was any business arising from the previous minutes.

Demyan Hyworon identified two items:

1) Related to the Special Meeting in December 2022, where section 8 of the Constitution was tabled to be discussed further whereby additional information is to be added to the Treasurer role. Asked for an update.

Action: L. Hunter reported that this has not been done as yet. This has been tabled for future review.

2) Note 15 “Contingent Liability” has appeared as a note since 2017. The constitution reads that the Board needs to protect Oseredok’s collections. Why is there no insurance coverage; this is contrary to the constitution?

Action: Board will add as agenda item to discuss at next Board’s meeting.

It was brought to the attention of the attendees at the meeting that although this is a note on the Financial Report, generally museum collections are uninsurable as it is impossible to ascertain the exact value of all items.

6. Reports:

1. President’s Report – L. Hunter, Board President, read her report.
2. Executive Director’s Report – M. Radyk as Acting Executive Director read her report.
3. Treasurer’s Report – L. Prout provided an oral report highlighting two key points:
 - a) Improvements to future fundraising need to be addressed
 - b) Oseredok needs to be better prepared for future capital expenditures
4. External Auditor’s Report – Michael Delaurier of the accounting firm, The Exchange Group provided the report. He answered D. Hyworon’s two questions from agenda item 4:
 - a) Vacation payable of \$21,800 is part of the Accounts Payable and Accrued Liabilities balance of \$45,199.
 - b) Projectors on the most part, were marked down to zero value since there was no market for resale. A few projectors were brought into the asset inventory.He highlighted a critical point; Oseredok can not afford another loss like it had in this past year.
5. Audit Committee – S. Armstrong provided the committee’s report. Raised three points:
 - a) Can’t have another year of a recorded loss.
 - b) Asked for a copy of the Auditor’s Management Letter before the AGM and received it.
 - c) Proceeds from the Land sale; was it appropriate to treat as part of designated funds or should the funds be renamed?

7. Discussion and Adoption of Reports.

A lively discussion ensued along with numerous questions/comments as a result.

- 1) B.Bashuk identified an error with Note 11; in that it should have reflected a \$20,000 grant from the Shevchenko Foundation in the current year. An additional \$48,245 was received as designated funds. **Action: B. Bashuk asked that a correction to note 11 be made to next year’s audited report.** Also, Shevchenko Foundation should have been recognized for their contribution towards the exterior signage as the holders of the estate where the funds are held.
- 2) E. Hyworon asked the auditor if when conducting the audit, do they question the Board on their role with operations? How could this poor financial result not been caught sooner? The

auditor replied that this was not an operational audit review, which is more expensive, and therefore not a function of this financial audit.

3) Demyan Hyworon asked whether the Audit Committee should meet more regularly than just at the end of the year? S. Armstrong replied that it would be prudent on a go forward basis considering the circumstances. D. Hyworon asked further as to what functions in the operating area were reviewed if any? S. Armstrong noted “separation of duties” and “reconciliation processes” were discussed.

4) Demyan Hyworon asked if all government remittances (GST, payroll etc) are paid in a timely manner? L. Hunter answered yes they were. The auditor added that this is something that needs to be followed diligently since the Board could be found liable if Oseredok does not make payments as required.

5) Demyan Hyworon asked for ***Action: Terms of Reference(Restrictions) to be written and made available at the next AGM outlining how Restricted Funds operate and how they move to Unrestricted Fund status.***

6) Z Hyworon – Is basement renovation complete and if not, is there sufficient money to complete? L. Hunter said it is not as of yet, however, the plan is to have it completed in this fiscal year. There is a shortage of funds to complete.

7) Z. Hyworon - Will we need to refund the monies to the Government should the Building Expansion not take place by 2030? ***Action – Board needs to review this further and report back.***

8) D. Jaworsky – When was the Board made aware of the deficit? How are cost saving decisions made? What Fundraising projects took place in this year? L. Hunter replied the Board was notified in February of the deficit. At this time, along with the Executive Director, discussions on cost saving measures took place. L. Prout mentioned that most of the fund raising effort was in the form of a direct mail initiative.

9) A. Demko asked what is an average timeline of a government grant application? M. Radyk replied it could be 6 months from the time submitted to the time we hear back from the government as to whether our application was successful. She also mentioned that it has become more difficult to secure funding from the federal government since we are viewed as a local organization rather than a national presence. As well, many foundations do not provide grants for operating expenses but instead look to support project initiatives.

10) D. Kozelko asked if any input was sought to create classrooms in the basement, which will ultimately be used by children/adults who experienced psychological trauma because of the war? Was a Psychologist consulted? Y. Zmerzla responded that professionals such as teachers and other museums and galleries were consulted.

11) D. Kozelko asked why there was no concern sooner then February as to the deficit? Both Daria Hyworon and J. Dolynychuk responded saying the Board receives monthly statements but there was no indication for concern prior to February. Grant money normally comes in February/March so the gravity of our deficit situation was not revealed until that time. Daria Hyworon added that it has been her recommendation in the past that Oseredok’s approach related to the commencement of projects change and not start a project until the funds are received. This was affirmed by many others in attendance.

12) O. Ehrmantraut reiterated what many have expressed this evening; what are we going to do on a go-forward basis? M. Pasieczka said the Chair of the Audit Committee and the President of the Board have heard the concerns expressed this evening and will strive to make improvements.

- 13) O. Ehrmantraut - Are we counting on grant revenue too much? L. Prout replied that they will look into other avenues more diligently.
- 14) E. Kisiow asked why our new sign is not bilingual? M. Radyk said that the sign donors wanted to have it appeal to a wider audience outside of our Ukrainian community.
- 15) Demyan Hyworon had a number of questions:
- a) How do we plan to deal with what appears to be escalating salary expenses; in 2017 salaries were 40% of total expenses and in 2023 this rose to 78%? M. Pasieczka stated that we may need to have another meeting related to Governance since there are many questions/concerns of this nature that members want addressed.
 - b) Asked that the Boutique salaries and expenses be shown as an offset to Boutique revenue, possibly in a note to the financial statements, so as to depict a better picture of this retail operation. **Action: Confirmed by auditor that this can be considered for subsequent financial statements.**
 - c) There seems to be a lot of staff turnover; why? See item below,
 - d) What assurances can the Board give on how things can improve? Both L. Prout and J. Dolynychuk responded that the Board is very much aware of the critical situation Oseredok is in and plans to address issues raised. J. Dolynychuk added that Oseredok is not unique in finding itself in this financial loss situation; there are many non-profits in similar circumstances. He also addressed the former question and basically said as a non-profit Oseredok can not compete in offering salaries and benefits that public or private companies can. To some extent even the staff are volunteers to a degree since they feel they have a vested interest to see Oseredok prosper and therefore remain here versus taking a job elsewhere.

Motion: To accept all reports as presented:

A. Hawaleshka/O. Hawaleshka; carried

8. Nominating Committee Report – A. Hawaleshka presented the report.

Three Board members are not seeking re-election (D. Puhach, Daria Hyworon and M. Shkandrij). All three individuals were acknowledged with a certificate for their service to Oseredok; D. Hyworon was in attendance to receive hers.

9. Elections:

1.) Board of Directors. A. Hawaleshka noted that there are 3 vacant Board positions left by the individuals mentioned in point 8. above.

3 people have applied during the nomination process. They are: Luba Demko, Dmytro Lega and Gayle Cilinsky.

M. Pasieczka opened the floor for any other nominations.

D. Jaworsky/ N. Chomiak nominated Z. Hyworon who declined

D. Jaworsky/ N. Chomiak nominated A. Kozelko who accepted

M. Pasieczka called for nominations two more times and none were received.

Motion: To proceed with vote to nominate 3 individuals from the 4 proposed nominations:

E. Kisiow/O. Skrypnik; carried

M. Pasieczka called for two scrutineers. A. Demko and L. Prout volunteered.

Election results: L. Demko, D. Lega and G. Cilinsky were elected to the Board. There were 44 votes cast out of a possible 55.

Motion: To destroy ballots:

L. Prout/ O. Hawaleshka; carried

2) Audit Committee

Consists of 4 returning members: S. Armstrong, J. Pidkowich, M. Pawlowsky and S. Gordienko
M. Pasieczka called for nominations from the floor.

Z. Hyworon/A. Hawaleshka nominated Demyan Hyworon who accepted.

Motion: To re-elect the 4 returning members and the one new additional member to the Audit Committee.

D. Kozelko/ L. Prout: carried

10. Appointment of External Auditor.

Motion: To appoint the accounting firm, Exchange Group as Oseredok's external auditors for Fiscal Year 2024/25.

D. Hyworon/A. Hawaleshka ; carried

11. Ukrainian Cultural and Educational Foundation Inc. Report.

D. Kozelko, Chair of the UCEF Board. Read her report.

12. Other Business

Condolences were expressed to J. Pidkowich for the recent passing of his mother who was a great supporter of Oseredok.

13. Adjournment

M.Pasieczka thanked everyone for their attendance this evening and wished the new elected Board well in the upcoming year.

J. Kozelko thanked M. Pasieczka for chairing this evening's meeting.

Motion: To adjourn the 2024 AGM meeting at 9:09p.m.

O. Hawaleshka/ A. Hawaleshka; carried

M. Pasieczka – AGM Chair

R. Rohalsky – Secretary