

## **PLBC Board Minutes**

Wednesday, December 15, 2021

**Present:** Betty Wade, Sally Radigan, Karen Kavanaugh, Steve Russell, Charlene Purcell, Dave Brabrooke and Laurie Fitzpatrick

**Absent:** Joan Murray

**Next Scheduled Board meeting:** Tuesday, January 18 at 1:00 pm

1. Call to order at 1:00 pm.

2. Approval of Tues., Nov 16 minutes

Motion to approve by Karen and seconded by Laurie. Carried.

3. President - Betty

- Received an update from Chris Kawalek. PLBC proposal was presented to the committee as a whole in early December. The real estate and financial people have been engaged. The proposal will be addressed in council in a closed session in January 2022.

Action item: Betty to arrange a meeting with John Ewart. Dave has put together a list of questions for John to review.

4. Treasurer - Joan

Bank balance: \$1200.00

5. Other business:

(a) Update from Dave Brabrooke regarding meetings on Nov. 25 and Dec. 9 with Bob Guppy Mary Anne Johnston and Betty Wade (refer to attached notes below in Addendum A).

.

(b) Review 'plan of action' prepared by Dave B. regarding upcoming MSAC - Joint Board of Management meeting on Dec. 20.

- Present a motion that the MOA addendum #3 dated Sept 11, 2018 be rescinded and that the MOA Article 3 (a) be restored without the "100% of all income and 100% of expenditures of Facility" clause.
- PLBC needs to assert their MSAC Facility cheque-signing authority immediately, via letter to WMSC and by notification at the next Joint Board meeting, demanding that all future withdrawals from the MSAC bank account(s) be signed by a PLBC authority.
- Present a motion at the next Joint Board meeting appointing Sally Radigan (chair of Joint BOM) to be registered as the second PLBC signing authority on all MSAC bank accounts in place of the past signing authority of Glen Gray.
- Present a motion whereby no MSAC Facility fixtures, furniture, equipment, materials, supplies are to be removed from the Facility until the final disposition of the Facility is determined, and then only after ownership and disposition of the fixtures, furniture, equipment, materials, supplies and the like are agreed upon. In accordance with the MSAC Policies and Procedures Manual "Under no circumstances is any item to be removed from the Centre without permission."

(c) List of Inventory in Facility: Dave submitted a list to the board members for review (still ongoing) and has asked that we add to the list. PICS taken will need to be put into a file for future reference.

(d) Next steps:

- Obtain an up-to-date account of MSAC operating costs. WMSC is closing at the end of January. They have advised their members that all activities will end at the end of December. Is it feasible for PLBC to carry on into 2022?

- Obtain support from City councillors. Dave will contact the councillors from his ward (Keith Reil and Gary Baldwin) and has suggested that the other board members do the same.

Items to be deferred to Jan 18, 2022 board meeting:

- Ontario + Summer Games - Tentative dates Aug 9-11.
- TVA Presentation - Steve
- Web designer - Steve
- OLBA Online Coaching sessions - cost \$100

Meeting Adjourned 3:00 pm

## **ADDENDUM A - NOV 25 AND DEC 9 MEETINGS WITH BOB GUPPY**

### **Bob Guppy Meetings 11-25-2021 & 12-9-2021**

**11-25-2021 9a.m.** Dave Brabrooke met with Bob Guppy in the MSAC office for my request to access **Books and Records of Accounts** permitted by Memorandum Of Agreement Article 5. (Joan Murray was to accompany me but was not available then.)

We had a cordial discussion on MSAC background and some MSAC financial background.

Bob said he was PLBC Secretary 1965-1988 then back in 1998 and President in 2011.

We discussed the grant and donor contributions for the Facility. He said he did not have copies of the Donor agreements. Some time ago, he had contacted Doug Gilpin and Hilda regarding any Facility related files he might have kept.

Doug was not in a position to talk but he said Hilda replied that Doug may have lost or destroyed them in their preparation to move.

I asked for a copy of the latest MSAC Financial Statement but he said they were not available. He said John Ruby prepared the 2019 statements and Subsequently, Grant Thornton had pushed the 2020 documents back to Bob saying he wanted nothing more to do with the MSAC account. (Bob would not show me the 2019 statements.)

Bob confirmed that WMSC was registered as a Not-For-Profit organization.

Bob said he provided PLBC with information needed for PLBC to complete their Financial Statements for recent years – depreciation on 40-year life Building and 10-year Kitchen equipment. I asked how the 60/40 split came about and he said WMSC wanted a 50/50 split but PLBC would not accept but agreed to for a 60/40 split. He did not state the logic for any split.

I asked if there was a formal PLBC/WMSC agreement for the repayment of the \$600,000 City loan. He said no. He said the payments were being paid from MSAC member activity fees, trust funds and ways & means fund raising. Loan balance was \$145,000 since 2019. Interest was paid but no further funds were available for principal payments due to Covid-19 shut down.

Bob said there has been a WMSC/PLBC disagreement regarding 100% v/s 60/40 split of the MSAC profits.

Bob did not agree to show me any files and the meeting ended at 10 a.m. because he was to attend a WMSC meeting in the conference room.

Dave Brabrooke

**2-09-202110:30a.m.** Betty Wade and Dave Brabrooke met with Bob Guppy in the MSAC office for our request to access **Books and Records of Accounts** permitted by Memorandum of Agreement Article 5.

Bob took us down to the lower storage room and pointed to boxes of invoices and vendor statements and asked which ones we wanted to look. I said we wanted to look at MSAC and WMSC financial statements, WMSC Articles of Incorporation and MSAC bank statements. Bob said they were in the upstairs office filing cabinets but we could not see them without President Mary Anne Johnston's permission.

We went to the upstairs office and Betty phoned Mary Anne, with Bob present, and told her what we wanted. Mary Anne didn't understand our rights to the information and Betty passed the phone to Dave. Mary Anne didn't know what Articles of Incorporation were and didn't know our rights as WMSC members nor the PLBC access rights to access MSAC books and records of accounts per Article 5. of the Memorandum Of Agreement.

Dave explained to Mary Anne that under section 95 of the Ontario Not For Profit Corporation Act (ONCA), Betty and I, as WMSC members, had a right to one copy of the WMSC Articles of Incorporation and by-laws provided to them upon request and free of charge. Under Section 84, members have the right to receive the annual financial statements before or after the annual meeting and under section 98 "members also have the right to examine and make copies of financial statements at any other time." Mary Anne replied that they make many copies of their annual financial statements available to their members at the annual meeting but most of them are not taken. I said I was not notified of any annual WMSC annual meeting and we are entitled to a copy now. She didn't agree.

As to our request for MSAC Financial Statements, she said we could not have them until WMSC received a copy of PLBC's financial statements as in the past. I

explained that PLBC could not complete their financial statements until their accountant gets the outstanding required information from the MSAC statements. I further explained that under the ONCA, WMSC had no right to PLBC financial statements nor did they have such a right under the PLBC/WMSC MSAC Memorandum of Agreement. Mary Anne then instructed Bob to provide the MSAC annual Financial Statements that were available.

Bob advised us that the 2018 and 2019 statements were at his home and he would bring a copy to the MSAC for Betty to pick up at the MSAC office on Friday Dec. 10, 2021. He further said that they no longer have a CPA engaged in reviews or audits so he prepares the financial statements in spreadsheet form. He will provide spreadsheet statements for 2020 and 2021 next week

In my telephone discussion with Mary Anne, I said we also wanted to see the MSAC bank account statements. After some discussion, she did agree that we could see but not copy any. Bob went to the filing cabinets and found only 2016 and 2017 bank statements and asked which month we wanted to see. I said we wanted to see current year statements. Bob asked several times which month and I said all months several times. From his computer, Bob then printed the Sept. and Nov. months of the MSAC TD Bank Operating Account (3434-5218898 – balance \$31,073 Nov.) bank statements and the Nov. statement for the Building Account – balance \$7,852 - for us to look at. Betty asked if would keep the print-outs and Bob said NO.

Most entries only showed cheque #s and amounts but some entries were direct debits showing names such as “Hydro One” and amounts. I asked if the direct debits were on-line banking and Bob said he does not use on-line banking – only direct debits and CHEQUES. (Copies of the cheques were on the back of the Sept. statement which he had printed – so we know such records are available in his files.) Betty pointed out that she was one of the PLBC required signing au-

thorities on the bank MSAC TD account but has never signed a bank account cheque and she does not know who the other PLBC signing authority was. Bob agreed that PLBC authorities have not been signing for cheques and he said that Glen Gray signed the cheques for PLBC when he was the chairman of the Joint Board.

When I realized that he had printed the back of the September statement showing the check images, we noticed three of the cheques were to Bob Guppy - #01926 \$425.00, #01942 \$1,544.37 (looked like reimbursements) and #01960 for \$3,000.00. (Betty recorded this bank statement on her smart phone.)

I do not recall seeing the TD MSAC third bank account statement covering the 2018 donor grants via the City for which Bob explain the operation of (he deposited donor receipts with the city and received similar grant checks from the city for the MSAC operation costs - enabled by the same City by-law that was used for the original widow donor major grants for the Facility construction). These latter 2018 donations were enabled by Addendum #3 to the Memorandum of Agreement adding the words "100% of all income and 100% of expenditures of the Facility" to WMSC overall responsibility. I asked Bob of the possibility of getting more such donations. He said the potential had dwindled away and the City by-law arrangement had expired June 30, 2021. That by-law was linked to the original City loan agreement which was extended twice to June 30, 2021 accompanied by the requested by-law extension but extension of the linked donor by-law ended there because it was not applied for by PLBC along with the loan extension to 2023. *(While we did not mention it in our discussion with Bob, it appears that the MOA Addendum #3 is no longer useable for the intended purpose.)*

In discussing original Facility construction funding agreements, I asked Bob about the Trillium grant. He explained that that was an Ontario government grant

obtained by PLBC for operations prior to the Facility project. He further detailed the Facility funding as Recreational Infrastructure Canada (RInC) Program in Ontario \$1,040k, two widow donors \$520k, other donors via Doug Gilpin about \$195k and the City loan \$600k. = \$2,355k, (I now realize that the total is still \$360+ short of the \$2,718k that I am looking for as shown on the 2017 MSAC audited Financial Statement.)

The meeting ended at about 12 noon and we thanked Bob.

After the meeting, Betty and I took an inventory of the furniture down stairs which I will add to the list of the upper floor furniture.

Dave Brabrooke



