

Community Seniors Co-operative Ltd.
Annual General Meeting
Minutes
June 2, 2021 O'Leary United Church 6:30PM

Call to Order

Chairperson Sally Lockhart called the meeting to order at 6:32 and welcomed all those in attendance.

Special recognition was given to Minister Ernie Hudson, MLA Robert Henderson, and His Worship Mayor Eric Gavin.

Credential Report

Secretary John Martin reported that 23 members were present, 3 guests, and 3 regrets. A quorum was declared. One additional member arrived after this report.

Members Present: Bruce Smallman, Christine Smallman, Ronnie MacWilliams, Claretta MacWilliams, Rick Cameron, Beth Benjamin-Cameron, John Martin, Fran Lewis, Arthur Lewis, June Easter, Sally Lockhart, Robert Lockhart, Jordan MacDonald, Cameron MacDonald, Barbara MacDonald, Bill Smith, Florence MacWilliams, Verna Wedlock, Marvin MacDonald, Paul Arsenault (O'Leary Lion's Club), Eric Gavin, Marylois Bernard, Blair Bernard, Mike Adams.

Guests: Melissa Heald, Robbie Henderson, Ernie Hudson

Regrets: Eileen Brown-MacKenzie, Darlene Bulger, Judy MacIsaac

Reading of the Minutes of the 2018 AGM (June 20, 2019)

The minutes from the June 20th 2019 Annual General Meeting were read. There was no AGM held in 2020 due to COVID-19. Ronnie MacWilliams moved the acceptance of these minutes. Mary Lois Bernard seconded the minutes. Motion carried.

Minutes of the Special Membership Meeting (March 3, 2021)

The Minutes from a Special General Membership Meeting on March 3, 2021 were reviewed. Fran Lewis moved the approval of these minutes. Mike Adams seconded this motion. Motion carried.

Business Arising

There was no business arising from the previously discussed meeting minutes.

Financial Statement Presentation for Years Ended December 31, 2019 and 2020

Treasurer Mike Adams presented the reviewed 2019 and audited 2020 financial statements completed by Bradley Hanrahan Chartered Professional Accountants. There were no questions from the membership. Mike Adams moved the acceptance of the Audited statements. This was seconded by June Easter. Motion carried.

Appointment of Auditors

Mike Adams moved to appoint the accounting firm of Bradley Handrahan Chartered Professional Accountants as auditors for the 2021 fiscal year. Bruce Smallman seconded this motion. Motion carried.

Board Chairperson Reports 2019, 2020

Sally Lockhart tabled two Chairperson Reports. The first for the year 2019 and the second for the year 2020. The reports noted a steady advance in positive activity that led to an intensive period of research, conceptual development, preparation of documents for submissions for financing of the proposed 50 room Community Care Facility. Ronnie MacWilliams moved the acceptance of the Chairperson's reports. Blair Bernard seconded this motion. Motion carried.

Project Manager's Report 2020

Jordan MacDonald tabled his report on the extensive work that has been achieved to date. Business plan evolution, sourcing financial resources, building design, public engagement, work towards achieving Charitable status, capital fundraising and personal skill development were key areas of work that have been addressed as part of his role, with significant achievements in each area. Rick Cameron moved the adoption of this report. Robert Lockhart seconded the motion. Motion carried.

Resolution Committee

Resolution with Respect to CSCL Capital Campaign

Mike Adams reported that in November 2020 CSCL initiated a Capital Campaign to raise funds from community members as an equity contribution towards the planned community care facility. Following the launch of this Capital Campaign it was recognized that the promotional materials did not make clear which types of project costs would be supported by Capital Campaign funds.

Mike Adams moved that the Community Seniors Co-operative Ltd. Board of Directors be authorized to use funds received as part of a capital campaign to pay both the hard and soft costs associated with developing the planned community care facility. Robert Lockhart seconded this motion. Motion Carried.

Bylaw Committee

Bruce Smallman reported that the CSCL Board of Directors reviewed the by-laws governing the Association and have proposed ten amendments that will bring the by-laws into alignment with current practices of co-operative non-profit organizations. A copy of the existing by-laws with amendments was included in the notice to members for the Co-operative's AGM and was also circulated to those in attendance.

Bruce Smallman gave a verbal overview of the proposed amendments. A copy of the amendments is included in Appendix A.

Bruce Smallman presented the 10 amendments and moved their approval. Mike Adams seconded the motion. Motion carried.

New Business

Chairperson Sally Lockhart gave an overview of the proposed building with slides and information presented on an overhead screen. She described the goal of the project being a net zero energy efficient design with Canada Mortgage and Housing Corporation, and the Federation of Canadian Municipalities being key funders. It was shared that it is possible that actual construction could commence as early as the fall of 2021.

Discussions with the Province of PEI have been positive to date with support options being reviewed. The Town of O'Leary has committed \$270,000.

Of note as well is the support of the other two not for profit community care facilities in West Prince. The Phillips Residence, Tignish Seniors Home, and Community Seniors Co-operative have formed an informal working group called the West Prince Community Care Partnership. This partnership seeks support in the area of staff recruitment and retention and have shared many policy documents with CSCL as well.

Jordan MacDonald presented the anticipated capital budget for the planned community care project. The cost of the project is expected to be in the \$10,000,000 range. The fundraising efforts to date were noted as well with approximately \$162,000 being raised to date.

Nominating Committee Report

John Martin provided the nominating committee report. At present there are no set term lengths indicated in the bylaws of the association. It was discussed and decided by the Board of Directors that terms and term lengths would be implemented when the community care facility is operational. This will allow for continuity of the board members during the development and construction phase.

In February 2020 Brian Willis resigned from the Board of Directors as he would working and living outside of the O'Leary area. Bruce Smallman was appointed to the Board by the remaining directors in October 2021.

The following nine individuals have offered to continue in their position as Director until the next AGM:

- Sally Lockhart
- Ronnie MacWilliams
- John Martin
- Mike Adams
- Darlene Bulger
- Fran Lewis
- Rick Cameron
- Dennis Hubert
- Bruce Smallman

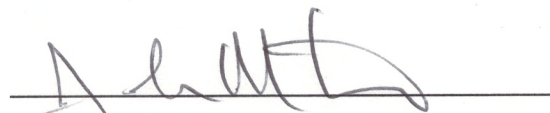
Sally Lockhart asked for additional nominations from the floor three times. There being no further nominations from the floor the presented nine individuals were acclaimed to the Board of Directors until the following AGM. John Martin moved the approval of these individuals. Marylois Bernard seconded the motion. Motion carried.

Concluding Remarks

Sally Lockhart thanked those in attendance for their continued support of the Co-operative and wished everyone a good evening.

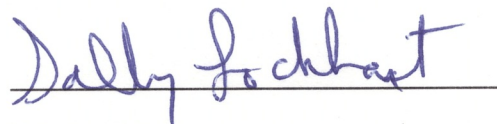
Adjournment

Mary Lois Bernard moved the adjournment of the Annual General Meeting.



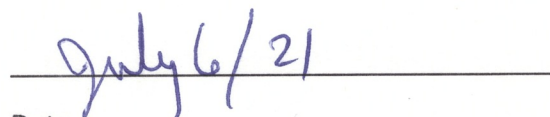
John Martin

Secretary



Sally Lockhart

Chairperson



Date

**COMMUNITY SENIORS CO-OPERATIVE LTD.
CO-OPERATIVE ASSOCIATIONS ACT
BY-LAWS**

[Proposed Amendments Identified in Bylaws via Bolding, Strikeouts, and Bracketed Additions]

NAME

1. The name of the association shall be:

Community Seniors Co-operative Limited

REGISTERED OFFICE

2. The registered office of the association shall be located at 34 Beechwood Avenue, O'Leary, PEI, in the province of Prince Edward Island.

FISCAL YEAR END

3. The fiscal year of the association shall end on the 31st day of December in each year.

SHARE CAPITAL

- 4.

- a. The par value of the shares of this association is \$1.00 each.
- b. Each person shall subscribe to at least one (1) shares and purchase (1) share before being admitted to membership in this association.
- c. The maximum amount of share capital that any one member may hold in this association shall not exceed \$50,000.00
- d. Shareholders are prohibited from transferring shares for profit during the company's lifetime and when it is dissolved.
- e. Dividends are prohibited from being paid to the members of the association.

MEMBERSHIP AND MEETINGS

- 5.

- a. Application for membership in the Association shall be made in writing to the Board and no application shall be approved unless voted on by a majority vote of the Board.

PROPOSED AMMENDMENT #1: Section 5b.

- b. The annual membership meeting shall be held ~~during the month of April in the year~~ **[within the first six (6) months following the end of the fiscal year end]** at a time and place within the Province of Prince Edward Island as determined by the Board of Directors and specified in the call to the meeting.
- c. Membership in the Association shall be open to all persons who are in agreement with the aims and purposes of the Association. However, no person under the age of sixteen (16) years shall be entitled to hold office or vote at meetings.

PROPOSED AMMENDMENT #2: Section 5d.

- d. Notice of the annual meetings shall be posted prominently in the association's place(s) of business and either sent in the form of a notice to the **[mailing or**

electronic] address of every member as registered on the books of the association or published in the local newspaper. Notice shall be provided at least ten calendar days prior to the meeting.

- e. Twenty (20) members present and entitled to vote shall constitute a quorum for the transaction of business at any meeting of the members. When a quorum is not convened, the next called meeting shall be a valid meeting, notwithstanding lack of a quorum, and the call shall so inform the members.
- f. Special meetings of the membership may be called at any time by the Board of Directors and such meetings must be called whenever a petition therefore is signed by at least forty (40) members or twenty (20%) per cent of the members of the association, whichever is the lesser number, and presented to the Board of Directors. Notice of special meetings shall be given in the same manner as is provided for annual meetings in these by-laws and shall state time, place, and purpose of such meetings and the business to come before it, and no business other than that specified in the notice shall be transacted.

PROPOSED AMMENDMENT #3: Addition of Clause 5g.

- g. **[Notwithstanding anything to the contrary in these bylaws, an annual general meeting or special meeting of the members may, at the discretion of the Board of Directors, be held by means of a teleconference communication system or a video conference communication system, or any other similar electronic communication facility, that permits all members participating in such a meeting to hear each other during the meeting. An individual member, who, through such communication system attends a meeting, shall be deemed to be personally present at that meeting.]**

DIRECTORS

6.

- a. The management of the association shall be vested in the Board of Directors consisting of nine (9) members who shall be elected at the annual meeting. The Board shall meet at least quarterly and a majority shall form a quorum.

PROPOSED AMMENDMENT #4: Addition of Clause 6b.

- b. **[The Board of Directors shall meet immediately after the first general meeting of the association, and subsequently immediately after each annual meeting, and shall organize by electing for the current year from their own number a president and vice-president. A secretary, treasurer, or secretary-treasurer shall be appointed and such member may or may not be a director.]**
- c. Any director or officer shall vacate his or her office if he or she becomes an employee of the association or if he or she becomes bankrupt or insolvent. No director shall engage in business which competes with the business of the association.

- d. If a vacancy occurs in the Board of Directors by reason of death or resignation or other cause, the vacancy so created shall be filled by appointment by the remaining directors until date of the next annual meeting.

PROPOSED AMMENDMENT #5: Addition of New Clause Following 6e.

- e. [Notwithstanding anything to the contrary in these bylaws, meetings of the Board of Directors may, if all the Directors consent, be held by means of a teleconference communication system or a video conference communication system, or any other similar electronic communication facility that permits all Directors participating in such meeting to hear each other during the meeting. Participation in a meeting by such communication system shall constitute presence for the purpose of these bylaws.]

BORROWING

7. The Board of Directors may and they are hereby authorized from time to time to:
 - a. Borrow money upon the credit of the association;
 - b. Mortgage, hypothecate, charge or pledge all or any of the real or personal property, undertaking the rights of the association with the sanction of an extraordinary resolution and subject to the approval of the Inspector.

PROPOSED AMMENDMENT #6: Removal of Clause 8.

~~**8. The association may borrow money from its members for period of up to ten years at a rate of interest not more than one per cent above the prime lending rate charged for chartered banks as determined by the Board of Directors.**~~

FINANCIAL STATEMENT AND SURPLUS FUNDS

PROPOSED AMMENDMENT #7: Section 9i-iv.

9. The financial statements laid before the members of the Association at any special meeting or at any annual meeting shall consist of at least the following:
 - ~~**i. Balance sheet [Statement of Financial Position]**~~
 - ~~**ii. Statement of earnings [Statement of Operations]**~~
 - ~~**iii. Statement of retained earning (and where applicable, statements of contributed surplus and reserves) [Statement of Changes in Net Assets]**~~
 - ~~**iv. Statement of changes in financial position [Statement of Cashflows]**~~

PROPOSED AMMENDMENT #8: Additions to Clause 10.

10. A general reserve shall be created by appropriations from retained earnings. The amount appropriated in each fiscal year shall be equal to **[not less than]** ten (10%) per cent of the net earnings before income taxes of the association for the fiscal year.
[a. The general reserve shall be appropriated from retained earnings for the purpose of extraordinary losses or expenditures and to provide some protection for share capital. Extraordinary losses or expenditures shall be included on the statement of earnings and a corresponding transfer will be made from the general reserve to retained earnings to

reflect the fact that part or all of the general reserve has been used for its designated purpose.

b. Transfers from the general reserve back to retained earnings require the approval of the Inspector of Co-operatives.

c. Transfers from retained earnings to the general reserve are not required in a fiscal year if the general reserve is at least equal to thirty per cent of the aggregate of the paid-up share capital.]

PROPOSED AMMENDMENT #9: Addition of Clause Following Clause 10.

[A capital repairs and replacement reserve shall be created by appropriations from retained earnings. The amount appropriated in each fiscal year shall be in alignment with any funding, financing, or other agreement entered into by the Association for the purpose of building or purchasing a capital asset. Reserved funds will be managed and used in alignment with any funding, financing, or other agreement for which the funds have been reserved.]

PROPOSED AMMENDMENT #10: Changes to Clause 11.

11. At the end of each fiscal period, after providing for ~~a general reserve~~ *[established reserves]*, the remainder of the net earnings shall be credited to the retained earnings account.
12. No dividend, patronage refund or bonus shall be approved or paid by the Association in any financial year.

NON-PROFIT OPERATION

13. The organization shall be carried on without purpose of gain for its members, and any profits or other gains to the organization shall be used in promoting its objectives.

WITHDRAWAL FROM MEMBERSHIP

14. A member wishing to terminate his or her membership shall make written application to the Board of Directors and shall present the application at least ninety (90) days prior to the date on which the member wishes to withdraw. The Board of Directors may approve the withdrawal from membership and repurchase the shares held by the member subject to the following conditions:
 - i. The repurchasing the shares does not jeopardize the financial viability of the co-operative.

BY-LAW AMENDMENTS

15. The Association may make, repeal or amend the by-laws at a special or annual meeting provided that:
 - a. Notice of the proposed action is given in writing to the members at least ten days before the meeting;
 - b. The aforesaid notice contains the exact wording of the proposed by-law(s), the exact wording of the by-law(s) to be repealed, and the exact wording of the by-law(s) incorporating the proposed amendment(s), as applicable.

GOVERNMENT

The association shall be governed in accordance with the Co-operative Associations Act (25 Eliz. II [1976], Cap. 7) and regulations made pursuant thereto, as amended from time to time, and these by-laws. In any circumstances that may arise, the provisions of the Act and regulations shall apply. In all such cases, the regulations shall take precedence over the by-laws and the Act shall take precedence over the regulations.