



Royal Canadian Naval Benevolent Fund  
Minutes of the 77<sup>th</sup> Annual General Meeting  
Virtual Zoom Meeting Ottawa, Ontario  
Saturday, September 10, 2022 at noon (EDT)  
Via Zoom

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**Attendance:**

**Members Present**

Randy Maze  
Tim O'Leary  
Robert Cl  roux  
Ken Johnston  
Tom Riefesel  
Michel Vigneault  
Richard Jean  
Mike Feltham  
Serge Bertrand  
Trish Arthurs  
David Hudock  
Alena Mondelli  
Jeffery Lacey  
Gary Hatton  
Line Laurendeau  
Tom Eustace  
Paul O'Boyle  
Ramona Burke  
Don Kelso  
Michelaine Lahaie  
Ginette Seguin  
Shannon Lewis-Simpson  
Linas Pilypaitis  
Jamie Clarke  
Spencer Fraser

Claude Morissette  
Colleen O'Brien  
Lauren Copeland  
Chris Lyon  
Darcy Webb  
Mitch Wierenga  
Nancy Setchell  
Sarah McMillan  
Stephen Irwin  
Joan Emode  
Joanne Legge  
Andrew Dionne

**Champion**

Mark Norman

**Non-Members**

Gay Hamilton  
Duane Herperger  
Michael McMahan  
Cathie Milne  
Christine McPherson

## AGENDA

1. Meeting Agenda
2. Annual Report of the activities of the Corporation for the fiscal year ending March 31, 2022
3. Consideration of the audited financial statements and the report of the Public Accountant for the fiscal year ending March 31, 2022
4. Appointment of the Public Accountant
  - 4.1 Report on the RFP process and recommendation of the Board of Directors for the appointment of the Public Accountant
  - 4.2 Resolution to appoint the Public Accountant for fiscal years ending March 31, 2023, March 31, 2024, and March 31, 2025  
*Be it resolved: That Vaive & Associates be appointed to perform the annual audit for the RCNBF, that is, conduct an examination of the Corporation's books, records, and financial procedures for the fiscal years ending March 31, 2023, March 31, 2024, and March 31, 2025, and that Vaive & Associates further provide a report on that examination to the Board of Directors.*
5. Election of the Directors to take office immediately following the AGM and until the 2023 AGM
  - 5.1 Report on the process to receive nominations for the election of the 2022-23 board of directors
  - 5.2 Resolution to elect the board of directors 2022-23  
*Be it resolved: That, as there are 11 board seats available on the 2022-23 board of directors, and the nominations process yielded 11 qualified nominations, the slate of 11 directors presented in the report on nominations be elected to take office immediately and sit as directors until the Annual General Meeting in 2023.*
6. Closing remarks and adjournment

## Meeting Minutes:

### 1. Meeting agenda

The President calls the 77th Annual General Meeting (AGM) of the RCNBF to order at 1200 and confirms a quorum of members is present. A moment of silence is called to reflect on the passing of Her Majesty Queen Elizabeth II.

The President welcomes the members and guests to the meeting. He commends the efforts of members, staff, and advisors for their contributions to the fund over the past year.

The meeting is turned over to the moderator (Duane Herperger) who explains the guidelines for the AGM meeting and reviews the agenda. He notes that the minutes of the 75<sup>th</sup> AGM (2021-22) were provided in the meeting package for information purposes.

## 2. Annual Report of the activities of the Corporation for the fiscal year ending March 31, 2023

The Executive Director presents the highlights and achievements of the fund for 2021-2022.

- For the past 18 months, the RCBNF has focussed on renewal and the re-invention of the Fund. Discussions centred on programs offered, audiences, and community impact. Financial stability, governance, modernizing operations, and increasing the Fund's presence and visibility are key priorities.
- The Annual Report outlines the engagement of members/volunteers in several committees, members, the naval family, and other Canadians through a variety of media.
- Financial assistance to clients through the traditional model has continued but with case verification assumed by the referring partners.
- The Program Planning and Review Committee has reviewed the bursary program, loans program, and the V/Adm Mark Norman Leadership Award and engaged in blue sky thinking around future programming.
- An RFP was issued to select a consultant to conduct a comprehensive needs assessment that will guide future programming.
- Initial conversations have determined what our financial needs and goals are.
- IA client/donor platform using software from FundMetric Inc is in place.
- Landshark Group is the Fund's first sponsor. We received funding through the Navy Bike Ride, Facebook auction, Veterans Organization Emergency Support Fund, and donations from some estates.
- The fund board of directors has transitioned from a working to a governance model.
- The Fund is in full compliance with all legislative requirements.
- Bboard orientation and training is conducted annually.
- Committees are supported by Terms of Reference
- Further change management areas include professional staffing/outourcing, document digitization, technology integration, communications (social media), and process and procedure.
- In the upcoming year the fund will engage in a programming bridging strategy while the needs assessment is completed, and will initiate fundraising that is sustainable, as well as outreach.

### Questions:

How many people benefited from the fund?

How has the fund benefited people from the Navy.

### Response:

Uptake on individual grants has been low with 17 applications, some withdrawals and 12 grants disbursed. Loan forgiveness supported 51 individuals. The Fund awarded 5 bursaries and the VAMNLA. 50 naval families were supported through funds granted to MFRCs. All recipients of RCBNF funds must be either naval veterans, serving members, or members of their respective families.

### **3. . Audited Financial Statements and Report of the Public Accountant for the Fiscal Year Ended March 31, 2022 – Michael McMahon**

Michael McMahon, CPA, of Bookkeeping Bureau of Ottawa, the RCNBF's bookkeeping firm, presented an overview of the Audited Financial Statements that were prepared by KPMG.

- The Auditor did not find any issues or concerns during their audit
- The review includes the financial position, balance sheet, and statement of operations
- Financial sustainability should be a priority in planning as more funds are being spent that are coming in, and the markets must be watched as investments will not yield consistently positive results. Management processes have improved over the past months.

Question:

In the case of a loan, money is accounted for as money leaving the organization. When clients pay the loan back is it not income? Why do the financial statements state the transaction on the balance sheet as an asset and account for the loan forgiveness as an expense.

Response:

When a loan is provided it is recorded on the balance sheet as an asset because it is recoverable. Since the organization converted the loans to grants with no expectation of recovering them, it becomes an expense.

Question:

The Fund spent \$500K in administration This is costly. How much was spent on helping clients?

Response:

The loans add to expenses considerably, but no money was disbursed as loans were discontinued as managing them was proving too expensive, the rate of attrition was very high, and lending money does not align with charitable purposes. The conversion of loans to grants did not affect the cash position of the organization.

### **4. Appointment of the Public Accountant**

4.1 Report on the RFP process and recommendation of the Board of Directors for the appointment of the Public Accountant

The Treasurer reports on the process followed to arrive at the recommendation put before the members for adoption. 8 proposals were received from professional firms. The Finance Committee (Linus Pilypaitis, Bob Cleroux, Spencer Fraser) reviewed them against a set of criteria and selected Vaive and Associates as the firm that best meets the requirements at the most reasonable price. The firm quoted for 3 years with flat rates.

4.2 Resolution to appoint the Public Accountant for fiscal years ending March 31, 2023, March 31, 2024, and March 31, 2025

Be it resolved: That Vaive & Associates be appointed to perform the annual audit for the RCNBF, that is, conduct an examination of the Corporation’s books, records, and financial procedures for the fiscal years ending March 31, 2023, March 31, 2024, and March 31, 2025, and that Vaive & Associates further provide a report on that examination to the Board of Directors.

Moved: Linas Pilypaitis  
Seconded: Randy Maze

**CARRIED**

The Treasurer thanks the committee members for their contributions in reviewing the proposals. He also thanked Gay Hamilton for the support she provided to the Finance Committee.

**5. Election of the Directors to take office immediately following the AGM and until the 2023 AGM**

5.1 Report on the process to receive nominations for the election of the 2022-23 board of directors

The Board is made up of eleven members. Of the current board members nine are standing for election and two are standing down. A nominations process was undertaken to identify nominees for the two vacant positions. Three aspects were considered in recruiting 1) support for the current renewal process, 2) experience, knowledge, and leadership, and 3) time, effort, and commitment. Tim O’Leary and Shannon Lewis-Simpson emerged as the nominees.

The legislation allows for nominations from the floor during the AGM. Members have an opportunity to ask questions and/or nominate additional candidates. With no nominations from the floor, the assembled members proceed with the election.

5.2 Resolution to elect the board of directors 2022-23

Be it resolved: That, as there are 11 board seats available on the 2022-23 board of directors, and the nominations process yielded 11 qualified nominations, the slate of 11 candidates presented in the report on nominations (and listed below) be elected to take office immediately and sit as directors until the Annual General Meeting in 2023.

The slate below is presented for the election as follows:

- |                 |                       |
|-----------------|-----------------------|
| Tom Riefesel    | Micheline Lahaie      |
| Serge Bertrand  | Linas Pilypaitis      |
| Randy Maze      | Spencer Fraser        |
| Ginette Seguin  | Tim O’Leary           |
| Line Laurendeau | Shannon Lewis-Simpson |
| Dave Hudock     |                       |

Moved: Serge Bertrand  
Seconded: Ginette Seguin

**Carried**

6. Closing remarks and adjournment

The President states that the two departing board members, Bob Cleroux and Paul O'Boyle, have contributed to the fund for many years. Paul has been a steadfast member on the east coast and at one time as coastal secretary and Bob as a member, director, and past-president - they both deserve incredible credit for positioning the fund to where we are today and for the future. Thank you to both of you for your service.

Thank you to everyone that took time on a Saturday afternoon to participate in this AGM and for your vote of confidence. Today's AGM is a clear marker around what has occurred in the past year in renewing the fund. Thank you again for your participation.

Motion, that with no other business before the members, the 77<sup>th</sup> AGM be adjourned.

**Moved:** Claude Morissette

The meeting adjourns at 13:08