

**THE CORPORATION OF THE CITY OF WINDSOR  
CITY SOLICITOR- Legal Services**

**MISSION STATEMENT:**

*"Our City is built on relationships – between citizens and their government, business and public institutions, city and region – all interconnected, mutually supportive, and focused on the brightest future we can create together."*

<b>LiveLink REPORT #: 16915 MB2014</b>	<b>Report Date: November 6, 2013</b>
<b>Author's Name: George Wilkki</b>	<b>Date to Council: January 6, 2014</b>
<b>Author's Phone: 519-255-6100 ext. 6424</b>	<b>Classification #:</b>
<b>Author's E-mail: gwilkki@city.windsor.on.ca</b>	

**To: Mayor and Members of City Council**

**Subject: Roseland Golf & Curling Club Limited  
Shareholder Annual Meeting**

**1. RECOMMENDATION: City Wide: \_\_\_\_\_ Ward(s): 1**

- A. THAT the report of the Board of Directors to Roseland Golf & Curling Club Limited **BE RECEIVED** for information;
- B. AND THAT City Council consider the ADOPTION of the recommendations from the Board of directors as presented.

**2. BACKGROUND:**

Pursuant to the *Business Corporations Act* the directors of a corporation must call an annual meeting of the shareholders not later than 15 months after holding the last preceding annual meeting. The last annual meeting was held on August 27, 2012. Tonight's council meeting will, in part, therefore form Roseland's shareholders' meeting.

**3. DISCUSSION:**

As contained in the Board's report, there are a variety of issues to be addressed at the Shareholders' Meeting:

- 1) Election of Directors: Directors to be appointed – the slate presented reflects Council's previous appointment, except that Council has not yet appointed a new Director to replace Percy Hatfield following his resignation;
- 2) Appointment of Officers: Ratification not required - brought to the Shareholder for purposes of transparency;
- 3) Report to Shareholder (Minutes of Shareholder Meeting): already adopted at Council's Meeting held on September 4, 2012– no action required;
- 4) Report to Shareholder (Financial Statements): adoption of statements and ratification/approval of format – forming part of City's overall external audit. The reason

for forming part of the City's overall external audit results in a financial savings to Roseland.

**4. RISK ANALYSIS:**

None identified.

**5. FINANCIAL MATTERS:**

There are no costs to the recommendation. Should the Shareholder require full financial statements, then the financial records of Roseland would need to be separately audited – which would result in additional costs to be borne by Roseland. It is estimated that a separate external audit of Roseland would cost approximately \$9,000-\$12,000 per year.

Audited financial statements are normally required when an entity has outstanding loans or lines of credit with financial institutions and therefore covenants within such creditor agreements often require the submission of audited financial statements to the financial institution within defined timelines as a condition of the loans. Roseland does not have any such agreements as all of its financing is handled directly by the City. Therefore, there is no specific need to have separately audited financial statements prepared. As indicated, the Roseland accounts are already audited within the City's overall consolidated audit.

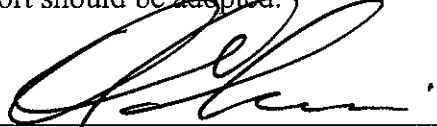
**6. CONSULTATIONS:**

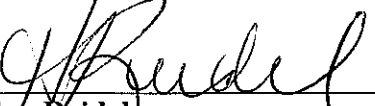
Cheryl Glassford – Legal Counsel to Roseland Golf & Curling Club Limited  
Joe Mancina – Treasurer to Roseland Golf & Curling Club Limited

**7. CONCLUSION:**

In order to maintain the integrity of the Board, and to comply with the requirements of the *Act*, the recommendations contained in the Board's report should be adopted.

  
\_\_\_\_\_  
George Wilkki  
City Solicitor and Corporate Leader  
Economic Development and Public Safety

  
\_\_\_\_\_  
Onorio Colucci  
CFO/City Treasurer and  
Corporate Leader Finance & Technology

  
\_\_\_\_\_  
Helga Reidel  
Chief Administrative Officer

GW/clg

**APPENDICES:**  
**Report of the Board**

**DEPARTMENTS/OTHERS CONSULTED:****Name:****Phone #: 519            ext.****NOTIFICATION :**

Name	Address	Email Address	Telephone	FAX
Mark Masanovich		<a href="mailto:mmasanovich@city.windsor.on.ca">mmasanovich@city.windsor.on.ca</a>		
Karen Kadour		<a href="mailto:kkadour@city.windsor.on.ca">kkadour@city.windsor.on.ca</a>		
Joe Mancina		<a href="mailto:jmancina@city.windsor.on.ca">jmancina@city.windsor.on.ca</a>		
Cheryl Glassford		<a href="mailto:cglassford@city.windsor.on.ca">cglassford@city.windsor.on.ca</a>		



Golf & Curling Club Limited

**ANNUAL SHAREHOLDERS' MEETING  
REPORT OF THE BOARD**

Author: Cheryl Glassford, legal counsel to Roseland Golf & Curling Club Limited

Contact: (T) 519.255.6100 ext 1774 (E/M) [cglassford@city.windsor.on.ca](mailto:cglassford@city.windsor.on.ca)

Board Meeting Date: October 22, 2013

Shareholder Meeting Date: December 18, 2013

**1. RECOMMENDATION:**

- C. THAT the report of Roseland’s legal counsel, authored on behalf of the Board, regarding the Roseland Shareholder’s Annual Meeting **BE RECEIVED** for information;
- D. AND THAT the following persons, having consented, be re-elected as Directors for the Roseland Golf & Curling Club Limited:
  - a. Ronald Jones
  - b. Ed Sleiman
  - c. Philip Haddad
  - d. Duane Bear
- E. AND THAT \_\_\_\_\_ be appointed as Director to the Roseland Golf & Curling Club Limited Board of Directors.
- F. AND THAT the following persons, having been appointed as Officers of Roseland by the Directors, be ratified in the respective positions ascribed opposite their names:
  - a. Philip Haddad - President/Chair
  - b. Ed Sleiman - Vice President/Vice-Chair
  - c. Joseph Mancina - Treasurer
  - d. Mark Masanovich - Secretary & General Manager
- G. AND THAT the financial statements of Roseland and their format **BE ADOPTED**, and that the financial records of Roseland continue to form part of the City’s overall external audit in lieu of Roseland’s own external audit and further or additional financial statements being provided.
- H. AND THAT it be acknowledged that the minutes of the 2012 Shareholders’ Meeting (held August 27, 2012 at the regular council meeting) were adopted by the Shareholder at the regular meeting of Council held on September 4, 2012.

**2. BOARD REPORT:**

The Shareholder will recall that historically the Roseland Board members were the shareholders of the corporation, in trust for The Corporation of the City of Windsor. However, in 2011, a transfer of all shares was effected, and they are now held directly by the City.

Section 94(1) of the *Business Corporations Act* requires that the directors of a corporation call an annual meeting of the shareholders not later than 15 months after holding the last preceding annual meeting. The last annual meeting was held on August 27, 2012.

At their board meeting held October 22, 2013, the Board called the Shareholder's Meeting (being the regular scheduled Council Meeting) for November 18, 2013.

The annual Shareholder meeting is required under the Act, and requires:

- Election of the Directors;
- Consideration of the minutes of previous shareholder meetings; and
- Consideration of the financial statements of the corporation.

#### Election of Directors

Percy Hatfield, former Director of Roseland, resigned from his position on August 13, 2013.

The *Business Corporations Act* states that in the absence of a fixed term (and not to exceed three years) set by the shareholders, the term of any Director shall "cease to hold office at the close of the first annual meeting of shareholders following their election". As a result, the remaining Directors' terms shall cease at the end of this Shareholder meeting.

The current Directors have all been polled and have consented to continue acting as a Director, should the Shareholder appoint them.

Roseland's bylaws require 5 Directors to be appointed. Roseland continues to await the Shareholder's appointment of a fifth Director following the resignation of Percy Hatfield.

#### Appointment of Officers

Directors have the power to appoint the Officers. There is some question in the law as to the term of an Officer, and their appointment potentially expires at the end of the term of the Board which appointed them. Therefore, the Board, at their meeting of October 22, 2013, appointed the Officers for the next year, as follows:

Philip Haddad	-	President/Chair
Ed Sleiman	-	Vice President/Vice-Chair
Joseph Mancina	-	Treasurer
Mark Masanovich	-	Secretary & General Manager

For purposes of transparency and clarity, this matter has been brought before Council, as Shareholder, for ratification.

#### Prior Shareholder Minutes

As noted above, the last Shareholder's meeting was held on August 27, 2012, at the regular Council meeting. Through CR202/2012, the 2012 report of the Board was received, and its recommendations were adopted as presented. Those recommendations were:

- A. *THAT the report of the Roseland's legal counsel, on behalf of the Board, regarding the Roseland AGM BE RECEIVED for information;*
- B. *AND THAT the following persons, having consented, be re-elected as Directors for the Roseland Golf & Curling Club Limited:*
  - a. *Percy Hatfield*
  - b. *Ronald Jones*
  - c. *Ed Sleiman*

- d. Philip Haddad
- e. Duane Bear

- C. AND THAT the following persons, having been appointed as Officers of Roseland by the Directors, be ratified in the respective positions ascribed opposite their names:
- a. Percy Hatfield - President/Chair
  - b. Philip Haddad - Vice President/Vice-Chair
  - c. Joseph Mancina - Treasurer
  - d. Mark Masanovich - Secretary & General Manager
- D. AND THAT the financial statements of Roseland and their format **BE ADOPTED**, and that the financial records of Roseland continue to form part of the City's overall external audit.
- E. AND THAT the minutes of the 2011 Shareholders' Meeting **BE RECEIVED** for information.

The Minutes of the last Shareholder's meeting were adopted at the next regular Council meeting, held September 4, 2012.

### Financial Statements

Section 42(1) of O.Reg.62 to the *Business Corporations Act* states that the financial statements are to include at least, (a) a balance sheet; (b) a statement of retained earnings; (c) an income statement; and (d) a statement of financial changes in financial position.

However, historically only an income statement with a comparison of actuals versus budget was prepared. Commencing in 2012, a balance sheet, information relating to retained earnings, and an income statement were also presented, but changes in financial position are not presented. It has been the practice to include Roseland in the City's external audit and Consolidated Financial Records, and the change in financial position is included in that process. The Board requests that the Shareholder continue to approve this format in order to keep costs to a minimum.

Should the Shareholder require full financial statements, the financial records of Roseland would need to be separately audited – which would result in additional costs to be borne by Roseland. It is estimated that a separate external audit of Roseland would cost approximately \$9,000-\$12,000 per year.

Audited financial statements are normally required when an entity has outstanding loans or lines of credit with financial institutions and therefore covenants within such creditor agreements often require the submission of audited financial statements to the financial institution within defined timelines as a condition of the loans. Roseland does not have any such agreements as all of its financing is handled directly by the City. Therefore, there is no specific need to have separately audited financial statements prepared. As indicated, the Roseland accounts are already audited within the City's overall consolidated audit.

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Cheryl Glassford, legal counsel to Roseland Golf & Curling Club Limited

Encl: 2012 Financial Statements

Cc: Mark Masanovich – Corporate Secretary & GM  
Joe Mancina – Roseland Treasurer

# UNAUDITED FINANCIAL STATEMENTS

## ROSELAND GOLF AND CURLING CLUB LIMITED

DECEMBER 31, 2012

### ROSELAND GOLF AND CURLING CLUB LIMITED

#### Balance Sheet - Unaudited

Year ended December 31, 2012 (With comparative figures from 2011)

(\$000's)

	2012	2011
	\$	\$
<hr/>		
<b>Assets</b>		
Cash	159	24
Prepaid expenses	16	29
Trade and other receivables	2	40
<hr/>		
<b>Total Assets</b>	177	93
<hr/>		
<b>Liabilities</b>		
Due to City of Windsor	698	930
Due to Reserves & Projects	50	-
Trade and other payables	30	44
<hr/>		
<b>Total Liabilities</b>	778	974
<hr/>		
<b>Accumulated Surplus (Deficit) [note 5]</b>	(601)	(881)
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The accompanying notes are an integral part of these financial statements.

**ROSELAND GOLF AND CURLING CLUB LIMITED**  
**Income Statement and Accumulated Surplus (Deficit) - Unaudited**  
**Year ended December 31, 2012 (With comparative figures from 2011)**  
**(\$000's)**

	2012	2011
	\$	\$
<b>Revenues</b>		
User Fees	1,464	1,233
Rental Income	177	123
Food and Beverage	748	723
Other	21	36
<b>Total Revenues</b>	<b>2,410</b>	<b>2,115</b>
<b>Expenses</b>		
Golf and Greenskeeping	1,108	1,021
Roseland Curling	57	60
Roseland Clubhouse	771	788
Admin Payment to City of Windsor	65	65
Contribution to City of Windsor	100	100
Reserves and Projects	29	32
<b>Total Expenses</b>	<b>2,130</b>	<b>2,066</b>
<b>Annual Surplus</b>	<b>280</b>	<b>49</b>
Accumulated surplus (deficit), beginning of year	(881)	(930)
<b>Accumulated surplus (deficit), end of year</b>	<b>(601)</b>	<b>(881)</b>



# ROSELAND GOLF AND CURLING CLUB LIMITED

## Notes to Financial Statements - Unaudited

Year ended December 31, 2012 (With comparative figures from 2011)

(\$000's)

### 1. Reporting entity

These financial statements reflect the assets, liabilities, accumulated surplus (deficit), revenues and expenses of Roseland Golf and Curling Club Limited, including current operations, reserve fund, and amounts due to the City of Windsor for various unfinanced capital projects.

### 2. Purpose

These financial statements are unaudited and intended solely for the internal use of the Board of Roseland Golf and Curling Club Limited.

### 3. Basis of accounting

These financial statements have been prepared based on a modified accrual method, which is consistent with the method used for budget purposes, and have not been prepared in accordance with Public Sector Accounting Board (PSAB) standards.

Roseland Golf and Curling Club Limited financial activity is included within the consolidated financial statements of the City of Windsor, which are fully compliant with PSAB requirements and annually audited by the City's external auditor.

### 4. Transfers

Transfers within the reporting entity have been eliminated, while transfers to other City of Windsor funds are recorded as expenses.

### 5. Accumulated surplus (deficit)

Accumulated surplus (deficit) consists of the following:

	2012	2011
Reserve fund	96	49
Maintenance building project	(648)	(630)
HVAC system upgrade project	(49)	(300)
<b>Accumulated surplus (deficit)</b>	<b>(601)</b>	<b>(881)</b>