

ROYAL CANADIAN LEGION KINGSWAY BRANCH #175
MINUTES OF THE EXECUTIVE MEETING
TUESDAY 17 SEPTEMBER 2024

The President opened the meeting by ritual at 6:30 p.m.

The meeting was chaired by Comrade S. Danyi

ROLL CALL:

Present: Comrades R. Torrie, Etmanski, W. Hyshka, R. Wills, C. Wills, J. Hyshka, Criss, Deugau, Morrill, Danyi, Simon, N. Danyi, D. MacIntosh, Walsh, Werner, Hazen

Excused: Comrade Wiebe (sick), Nelson

Absent:

Guests:

LAST POST

<u>Name</u>	<u>Age</u>	<u>Deceased</u>	<u>Service (if applicable)</u>
Charlie Collett	94 years	12/Oct/2024	
Harry Grace	83 years	2/Sept/2024	

MOTION TO ACCEPT THE AGENDA:

Motion to accept the agenda were made by Comrade R. Wills
Seconded by Comrade W. Hyshka

CARRIED

COMMITTEE REPORTS

FINANCIAL: Comrade N. Danyi

175 Kingsway Legion - Interim Treasurer's Report

Overview: The 175 Kingsway Legion has experienced a decline in revenue, with key financial metrics reflecting both external challenges and internal trends. As we review the year-to-date (YTD) performance, there are areas of concern, particularly around event-driven income and the rising costs associated with our building. Despite these challenges, we are managing expenses in line with reduced revenues, but several ratios indicate a need for immediate action and strategic adjustments going forward.

Revenue: Revenue is down by \$93K (11%) year-over-year (YoY). This drop is primarily driven by:

- A 33% decrease in special event revenue, down \$24K.
- A 24% decrease in rental revenue, representing a \$26K decline.
- A 12% decrease in canteen revenue, down \$70K.

Despite the decline in revenue, our gross margins have held steady at 46%, compared to 42% at this time last year. This indicates that cost control measures have been effective in maintaining profitability, despite inflationary pressures.

Canteen Performance: The canteen remains the largest driver of cash flow, generating \$499K YTD, which represents 66% of total revenue. September showed a recovery from summer canteen revenues increasing from \$40K to \$63k month over month.

Cost of Goods Sold (COGS): COGS have decreased by 18% YoY, aligning with the revenue decrease. This proportional reduction in costs is noteworthy, as it has occurred despite inflationary pressure. This effective management of COGS has allowed us to maintain stable gross margins.

Building Expenses: The building continues to be our largest expense, accounting for approximately 41% of our total expenses. Building-related costs have flattened out to where they were last year, however, remain our largest fixed expense category, representing 41% of all fixed costs (excluding interest expense). These high costs are placing additional pressure on our overall financial position.

Building Operating Ratio: The Building Operating Ratio, calculated as Gross Profit from all events, canteen, and rentals divided by building expenses and wages, has decreased to **0.89x**, down from **1.06x** last year. This means that every dollar of building revenue can now only cover \$0.89 of building costs, compared to \$1.06 last year. This declining ratio is a significant concern and will need to be addressed through either increased revenue or a reduction in building costs. Please note that this ratio has improved from the month of August to the month September.

Liquidity Ratio: Liquidity, defined as the Legion's ability to meet its short-term obligations with its available assets, has weakened. The Liquidity Ratio has decreased to **0.49x** from **0.99x** last year. This means that for every \$1 of liabilities, we only have \$0.49 in liquid assets, compared to \$0.99 last year. A lower liquidity ratio signifies potential difficulty in covering short-term debts, and it emphasizes the need for more immediate cash flow management. This ratio has weakened over the past month indicating that we are running out of cash and liquid assets to cover our short-term liabilities.

Debt to Total Assets: The Debt to Total Assets ratio remains unchanged at **0.13x**. This ratio indicates that we are in a relatively safe position in terms of asset coverage, with the book value of our building and land standing at \$11MM. In the event of asset liquidation, this ratio suggests we can comfortably cover debts.

Credit Line and Debt Service Coverage: As of the end of August, there was \$18K (\$39K in August) available on our credit line. Unfortunately, our debt service coverage ratio remains negative, as it was last year. This means that regular cash flows are insufficient to cover debt obligations, which requires us to cover debt payments either by reducing expenses, using cash reserves if they become available, or continuing to use the credit line to pay the mortgage. Our total debt servicing costs amount to \$216K per year (principal and interest), consuming 46% of our gross profit.

Interest Expenses: Interest expenses have increased by 26% or \$30K YoY, largely due to the variable rate tied to the Bank of Canada's prime rate increases last year. However, with the recent Bank of Canada rate decreases, we anticipate some relief in interest costs going forward

Cash Burn: Our average cash burn per month is averaging \$16K based on trailing 3-months. Based on this average we have enough cash to cover 1.2 months (down from 2.5 months) using all of our available non-restricted cash as well as the full extent of our credit line.

Financial Year-End (FYE) Reporting: The Chairman of the finance committee will present the draft financial statements for your approval.

Budgeting for 2025: To prepare the oncoming executive, each department is asked to create a 2025 detailed budget based on last year's term to be given to the finance committee prior to the Nov 16th 2024 meeting for compilation and discussion. The purpose is to have a working draft budget for the new executive next year to start with. Going forward with the 2025 year the finance committee asks that each department present a update budget as a part of the agenda at the monthly meetings comparing their department budget to YTD to Estimate final costs for the year. This will help the legion better manage their cashflows going forward.

Conclusion and Next Steps: The financial situation of the 175 Kingsway Legion requires immediate attention, particularly in improving our revenue streams and managing building expenses. With a liquidity ratio of 0.49x, it's critical that we enhance our cash position, either through raising funds or controlling expenses further. We must also explore opportunities to increase our debt service coverage ratio, potentially by restructuring our debt or finding additional revenue sources.

Further discussions are necessary to map out a clear strategy for addressing these challenges and ensuring the financial stability of the Legion in the coming months.

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I so move my report

Seconded by Comrade Criss

CARRIED

TREASURER: Comrade R. Wills

Jamie reviewed the 2023 Annual Financial Statements with the committee. He noted that we are seeing a marked increase in Operational Expenses (14%) compared to a small decrease (2.7%) in revenue. The main item of concern continues to be how to account for membership dues. Last month Flo & Ron implemented a new policy on how to track all Membership transaction Natalie reviewed the Balance Sheet & Profit & Loss Statement with the committee. There are still a few accounts that need be straightened out but the books are looking much better. A special shoutout to Debbie for all the hard work she has put into bringing the accounts up to date.

Class Action Lawsuit Latest update 14 Mar 2022 – No Change

2023 AGLC Audit – Submitted to AGCL on July 12th, waiting for their report.

I so move my report.

Seconded by Comrade N. Danyi

CARRIED

Motion: We accept the Financial Statement as presented from Jaime Araujo, Ellis Group LLP,
Chartered Accountants
Seconded by Comrade N. Danyi

CARRIED

WAYS & MEANS: Comrade Criss

Have applied for the New Horizons Grant for full \$25,000 for banquet chair upgrades, new POS system, and stage. Looking at new fundraiser for late February details to follow.

Last Saturday had Comedy Hypnosis show and dance in conjunction with the silent auction. This Saturday is our kick off for the new season of Extreme Musical Bingo. Come on out and enjoy a great fun cheap evening out.

Music Bingo – our next Music Bingo is on October 26. Future dates to be made known when set up with Joe Luce and the front desk.

If you know of anyone or a company that can donate prizes or any other fundraising ideas, please contact Steve Criss at 780 278 1233 or at steve.criss@kingswaylegion.ca

Seconded by Comrade Deugau

CARRIED

MEMBERSHIP: Comrade C. Wills reported that we have 1186 members for 2024 in good standing.

Ordinary	Associate	Affiliate	Life Members
459	437	265	25

I so move my report.

Seconded by Comrade Fecteau

CARRIED

NEW MEMBERS: Comrade C. Wills 6 New Applications 1 Transfer 2 Reinstatement

New Members

Ordinary	Associate	Affiliate
Barrett, Garry	Barrett, Christine	Chemilnisky, Julie
Buchanan, Dawna	Lennie, Rosemary	
	Chiasson, Lorna	
	Bedard, Donna	
	McGregor, James	

Transfer

Vincent, Jeffrey
Brockville, On Br 96

Reinstatements

For a total of 9

I so move my report.

Seconded by Comrade Simon

CARRIED

PUBLICITY: Comrade Simon - No report

Comrade R. Wills stated he is updating the website.

SPORTS: Comrade Nelson - No report

BUILDING & GROUNDS: Comrade W. Hyshka - No report

HISTORIAN: Comrade Deugau

I'm working on some ideas for the new year. The 100th anniversary display will stay up to the new year.

I so move my report.

Seconded by Comrade Walsh

CARRIED

SICK & VISTING: Comrade Wiebe - No Report

ENTERTAINMENT & SPECIAL EVENTS: Comrade J. Hyshka

Upcoming dates and bands are as follows:

October 25/26 – Dean Henry

Nov 1/2 – Hickory Winds

Nov 8/9 – Dean Henry

Nov 15/16 – Sparkling Tones

Nov 22/23 – Trick Ryder

Nov 29/20 – Sparkling Tones

UPCOMING EVENTS - **all prices are GST applicable

Jimmy the Janitor

“Maritime Canada’s Best... Good Clean Fun”

Sunday, November 24, 2024

Show only - \$30.00

Doors open 6:00 pm

Show at 7:00 pm

Saturday, November 30, 2024

Twilight Time

Dinner and Show - \$65.00

Show only - \$35.00

At the Door - \$45.00

Doors – 5:00 pm

Dinner – 5:30 pm
Show – 7:00 pm
Tickets available at the Branch or Eventbrite

December 31, 2024
New Year's Eve
"The Diamonds Band"
Advance Sales – prior to December 17
\$65.00 Legion members
\$70.00 non-Legion members
Tickets Sales – December 18 – 28
\$70.00 Legion Members
\$80.00 non-Legion members
Tickets on sale soon

February 8, 2025
Canadian Coldwater Revival (CCR)
More to come
I so move my report.
Seconded by Comrade Criss

CARRIED

POPPY: Comrade MacIntosh

- Poppy kits dropped off at public school depot October 8th.
- Poppy kits dropped off at Catholic school depot October 9th.
- Donna and Geoff have completed building Business kits.
- MFRC will not be participating this campaign due to staff shortages. Geoff will deliver Poppy kits for this route.
- Over the last week all sports league's have been presented with the need for volunteers.
- Donna and Geoff completed phone calls to Branch volunteers about volunteer opportunities, list provided by Carol Simons, its 3 pages long.
- Geoff and Donna have completed the mall kits.
- Greater Edmonton Poppy fund has received 18 Tap machines. Of the 18 Tap machines 5 have required inhouse repairs after parts arrived from the owners.

The group has decided to provide 1 Tap machine to Fort Saskatchewan Branch 27 because they were assigned 0.

Kingsway 175 had zero Tap machines assigned to them. The branch now has 4 in their possession.

- Volunteer sign ups are going pretty good overall, but we still have a lot of volunteer opportunities.
- Sean is Organizing Tag Dag.

I so move my report.
Seconded by Comrade Walsh

CARRIED

SERVICE OFFICER'S REPORT: Comrade Walsh

I have completed 3 requests for Poppy Fund assistance, completed one request for information pertaining to veterans' disability benefits and referred two individuals to Command Service Officer for additional follow-up

I so move my report.

Seconded by Comrade Fecteau

CARRIED

Motion 175-24-018 Walmart Cards \$300.00

Motion 175-24-019 Walmart Cards \$200.00

CARRIED

HONOURS & AWARDS: Comrade Fecteau - No Report

CORRESPONDENCE: Comrade C. Wills - No Report

CADET LIAISON REPORTS: Comrade Fecteau

Comrade Jocelyn Guillemette – 180 RCACC, On October 15, 2024, I attended the 180 RCACC evening training session. The 180 RCACC currently has 57 Cadets registered and there were 32 in attendance for this evening training.

On Oct 8, there were a few promotions presented on parade. Oct 29 will be a sports theme night.

The contact person for 180 RCACC is Captain Sean Garrett

I so move my report.

Seconded by Comrade Criss

CARRIED

SGT-AT-ARMS: Comrade Etmanski

I did up a list of Remembrance week activities that the Colour Party are involved with. We have an Honour Guard on Wednesday Oct 23rd at 11:00 hours. Celebration of Life for Michael Bedel at Kingsway Legion. We have a celebration of Life for Guy Lamoureux 85 years old at Kingsway Legion – Honour Guard. I will be handing out the Colour Party date and times for Remembrance Day events.

I so move my report.

Seconded by Comrade Hazen

CARRIED

MANAGER'S REPORT:

I have spoken to AlSCO about our invoices, we were paying 22 % for a service charge. They also charge us for a complete tablecloth for every size we order. He will bring the service charge down to 18%, he says that's the best he can do. He is looking into bringing down the longer tablecloth prices. He has already brought down the price of the ones we use the most. So, we will have to put the price of linens up

I have noticed that the carpets in both banquet halls are very stained. I have checked into renting a carpet cleaner from Safeway. The cost is \$39.99 per cleaner for 48 hrs. If we could find some volunteers to help that would be great, but then we have to find the time when the rooms are not being used

When is the lobby light going to be put up?

Plumbers have been in to fix two toilets. The one in the Banquet Ladies handicap stall had to be snaked twice, someone flushed a diaper down. The cost to fix both toilets was \$800.00

Comrade C. Wills moved the report.

Seconded by Comrade Morell

CARRIED

OLD BUSINESS: - None

NEW BUSINESS:

Remembrance Day: Comrade R. Wills brought about who is organizing, how many volunteers, have people been told about their duties for that day?

Answers: Rick Etmanski and Carol Wills will organize and display wreaths in the Maple Leaf Room.

Volunteers – Norma Yerex has called 10 volunteers.

Set up and tear down, volunteers to help and a couple of them with trucks

Comrade R. Wills has been in contact with Clive Jones of the St. David's Welsh Male Voice Choir, and they are willing to come and perform 2 songs on Remembrance Day.

COMMENTS FOR THE GOOD & WELFARE OF KINGSWAYS BRANCH # 175

Year of Community 2025 Proposal

Background: In reviewing the financials over the last year, it has become apparent, with only 3% of our budget going back into our community, that in working to survive we have neglected to meet our mandate to be active members in our community. We cannot expect the community to come together and invest in us, we do not invest in them.

Objective: To become an active visible force within the community outside of the Legion walls. To show our community that we are force for positive change and put actions behind our words. To earn the investment from our members and community, by first being active in the spaces where we live and work.

Goal: 5,000 hours and \$5,000 back to our community

Plan:

We will ask members to report their volunteer hours (outside the Legion) and we will track them as a whole. There will be a box with slips at the front or they can email [Insert email here]. This amount will be totaled and updated monthly and reported.

Program will run from Nov 1, 2024, to Dec 31, 2025

Volunteering must be outside of the Legion and auxiliary organizations. It will be on the honour system. Members are encouraged to wear Legion regalia (Uniforms, Shirts, Hats and Pins) as a visual reminder of our presence in the community.

Examples include:

1. City of Edmonton, community clean up
2. Smiles Meals
3. Volunteering at/for the Stollery Children's Hospital

We will provide incentives for hours

10 hours = sticker [45 min/month] ~\$2/ea

25 = pin [1 hr 45min/month] ~\$3-7/ea
50 = t shirt [3 hrs 30min/month] ~\$25/ea
100 = bronze medal [7 hrs/month] ~\$35/ea
200 = silver medal [2 days/month] ~\$35/ea
300+ = gold medal [3 days/month] ~\$35/ea

Total cost = \$3-4K if 50ppl get over 100 hours and claim a sticker, pin, t shirt and medal. These are also retail prices without bulk discounts.

The \$10K will include:

- a) monies given by the Legion as donations to the community
- b) monies paid by the Legion for non-fundraising events (Remembrance Day, Canada Day Breakfast subsidy, donations for funerals or community events)
- c) donations made by Legion members to registered local charities (must present a tax receipt copy. The tax receipt will remain yours; it is only for record purposes)

We will promote the initiative by

- i) posting a thermometer poster showing our progress in the lobby along with posters of volunteering opportunities in the community
- ii) publish program and progress on the website and in the newsletter
- iii) run an Instagram page (that can be reposted and shared with our Facebook)
- iv) sharing progress at the general meetings encouraging both individual members as well as Legion leaders (such as sports captains, craft clubs etc.) to organize volunteering events.

If there is budget for it, we also propose a year end luncheon in Feb 2026 to celebrate all the participants and honour the top volunteer and community fundraiser.

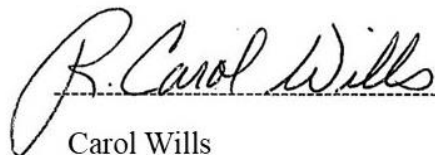
LEST WE FORGET CONCERT: Will be held at Kingsway Legion on November 5th. Tickets have been sent out to all branches and are available at Kingsway front counter. Posters have been sent out by the committee.

Motion: To adjourn was made by Comrade Walsh
The President closed the meeting by ritual.

The meeting adjourned at 9:15 P.M



Robert "Mac" Torrie
President
Kingsway Legion Branch #175



Carol Wills
Executive Secretary
Kingsway Legion Branch #175