



## СВІЙ ДО СВОГО Ukrainian Community Issues 25 – 25 January 2017

### Time for a Change

### Association of Ukrainians in Victoria

#### Right of Reply to

#### “AGM Association of Ukrainians in Victoria Future Leadership”

Article published in the “Church and Life Newspaper” December 2016 edition.

This publication is not a balanced view of the AUV AGM

#### Ukrainian Community in Victoria Historically

##### First 20 years

Most Ukrainians arrived in Australia 1950 circa. In the first 20 years our parents achieved their own personal goals building their home, establishing businesses and sent their children to various educational institution to achieve higher education.

In the same 20 years, the Ukrainian Community right across Australia built all of our churches, community centres and acquired the Plast and CYM camps and established our successful Co-operatives.

During this period the original immigrants had established the entire Ukrainian Infrastructure in Australia as we know it today, for the benefit of future generations of Ukrainians in Australia.

During this period just about all Ukrainians were members of a Hromada; were heavily involved with CYM and Plast and supported our Co-operatives. You could say that **100% of Ukrainians in Australia were involved** in some aspect of our community

##### The Next 50 years

Today, there are **barely 3% of Ukrainians in Australia who are involved** in Community activities. For such a steep decline in involvement:

- one has to look at the Community leaderships activities or lack thereof or
- just ask those who are adamant not to be involved, WHY they are not involved. Some of you will be offended by their truthful response.

##### **In the next 50 years, what happened? - NOT MUCH AT ALL.**

WHY? Politics became the “order of the day” and focusing on it divided us without realising the consequences; many were ostracised and never to be seen again; just because they may have had an alternative point of view, did not speak Ukrainian well or were not conformist. Leaders were making up their own rules and acting like dictators (maybe they thought champions) instead of being conciliatory and inclusive.

With all the assets the Ukrainian Community acquired in the first 20 years, our leaders in Victoria managed to accumulate a debt in the order of \$2 million and worse still, the bank was ready to foreclose on the AUV (see further comment below).

This is an appalling situation, especially given that we have well educated professional persons in our community. We could have done better.

## Communication

Since 1987, I have been trying to foster Ukrainians to communicate with each other by creating the:

- printed hard copy of the “Ukrainian Community and Business Directory”; of which 5000 copies were distributed annually across Australia at each of our churches during Easter and the
- internet based “Ukrainian International Directory” which now achieves some 32,000 hits per month.

Lately there have been fewer and fewer attempts to communicate with Ukrainians across Australia and in particular Victoria.

To me, one of the best means of communication is our regular “get together” with friends, we have not seen for a while, at concerts, churches, organised dinners etc. The Ultimate “get together” is our deep seated cultural, historic and traditional annual Malankas which reinforces our bond.

*According to National Geographic*

*“Malanka is a celebration so deeply embedded in Ukrainian identity and culture that no one is quite sure exactly where it came from or how old it is.”*

*“In Soviet times, you could go to prison for celebrating Malanka,”*

*“It's in our blood; it's tradition,”*

*“Malanka brings everybody together. If two people are having an argument, they become friends again during Malanka.”*

This year, after 70 years in Australia, maintaining our culture, history and tradition of our most sacred and sort after function in Australia, the Melbourne Malanka was CANCELLED. The President and Directors of AUV clearly misread the community's basic needs. Instead of protecting this valued function that meets everyone's expectations, the AUV organised a fanciful lavish function that was priced only for the financial elite; rather than average members and as such it FAILED. It was already challenged by events at last year's Malanka.

I see this as a great shame and potential loss of an important local tradition. This will dilute us further as a community and is another potential “nail in the coffin”.

## Lack of Action

We have not seen any attempt to encourage Ukrainians to be more inclusive and involved apart from repeating the conventional failing exhortations.

Nor have we seen any attempt to have a succession plan to foster future leaders in our Community.

The manner which our meetings and elections are held is appalling, to say the least (see below).

It is **TIME for a CHANGE** to and an express intention to turn this situation completely around so that our Community can become stronger and more sustainable. Although no one person alone can achieve this, more of the same from the retiring leadership is not a formula for change either.

## AGM and Membership Notification to Members

I am aware of:

- several person who **applied for membership of AUV** have not received any notification of their acceptance as at the day of the AGM despite applying at least 6 months prior.
- a number of members, including myself, who had not received their **membership renewal**. In my case until prompted by an email to the President.
- a number of members had not received their **Notification of the AGM**.

To date there some 12 incidents of this nature where members have not been notified.

The questions I raise are:

***“How many more members have:***

- 1. not had their membership renewal notices***
- 2. not been advised of the AGM”.***

Prior to the AGM, I notified the President of these occurrences. I was advised that all correspondence has been posted to the respective members; the problem being Australia Post; which I did not accept or believe.

However, at the AGM, the President read a letter from the AUV Book keeper stating he had made the error. Unfortunately, I don't accept the explanation as there seems to be substantial problems in the AUV administration, as detailed further in this newsletter.

I will also point out that, after the “part heard” AGM of 27 November 2016, I received a call from a member of the Nomination Committee stating that my Nomination for Director is invalid, as the Proposer and Secunder were not members. Strange, the Proposer was admitted to the AGM as a voting member and I sighted the Seconders membership acceptance letter.

There are problems in the Administration at AUV as cited by both the Internal and External Auditors and it seems that these problems extend into other areas. These problems seem to stem back several years, all as detailed below.

Most of us have hear of Branch Stacking by Unions, which is illegal, the AUV situation in not notifying members appropriately may be seen as AGM Stacking by eliminating any opposition. I have reported similar activities in my earlier Newsletters

**There is sufficient evidence to take this matter before the ACNC and ASIC.**

## President's Report

**The President stated:** “The rights of members and Association's assets are fully protected”

In a previous Newsletter, I reported that if it were not for, our one and only, “White Knight” Victor Rudewych loan of over a million dollars, the Bank was ready to foreclose on the AUV.

What does that mean to the AUV, its Branches and membership?  
– the answer is simple and devastating:

- As a Property, Building and Construction Cost Engineer (Quantity Surveyor), I have been engaged by Financial Institutions to assess the value of defaulters' assets and make recommendation as to the most cost effective defaulters' assets the bank can sell at auction to recover its loans.
- If I were given this assignment, which I wouldn't because of Conflict of Interest, I would have recommended selling either Noble Park or Geelong Branch property and assets.
- As we all know, Auction Realisation Sales never reach their ultimate true value. If this was the case, the next affordable asset would have been St. Albans property and assets.

The most annoying aspect of the urgent bailout by Victor Rudewych is that the AUV were so close to losing millions of dollars in assets.

The statement by the President "*The rights of members and Association's assets are fully protected*" is just a "feel good" statement.

*Branch members owe a huge debt of gratitude to Victor and Mimi Rudewych for saving their assets from being sold from under them.*

#### **The President** referred to Derogatory Publications

I can only infer that the following comments were levelled at my recent Newsletters. The President made the following comments regarding my comments:

*"Undermined, misrepresented, defamation attacks, forefathers and their committees were undemocratic – unfounded and offensive comments, Wild generalisations, Undermined as an organisation"*

It should be pointed out that following my recent Newsletters, two members of the Building Committee and the President commenced legal proceedings against me under the Defamation Act.

During the legalities, they attempt to force me to withdraw my newsletters in total and claim damages against me under the Defamation Act.

However the litigants, under questioning failed to state where any "word, phrase, sentence or paragraph" within the Newsletters were "untruthful", "false and malicious", "false and misleading" and "highly defamatory" imputations.

The three litigants' FAILED to prove the above and as such they were UNSUCCESSFUL. Their claims against me were frivolous.

They failed to understand that the law of defamation "does not place unreasonable limits on freedom of expression and, in particular, on the publication and discussion of matters of public interest and importance".

The President claims, as detailed above, at law, was proved to be totally unfounded.

*I defy anyone to read all the 25 СВІЙ ДО СВОГО Ukrainian Issues Newsletters I have published to be:*

*"Undermining, misrepresenting, defamation attacks, forefathers and their committees acted undemocratic – unfounded and offensive comments and wild generalisations" as claimed; taking into consideration the Defamation Act and my right to freedom of expression and, in particular, on the publication and discussion of matters of public interest and importance.*

**The President stated:** “there are forums for this (grievances etc.) to happen”.

I question “where are these forums where the ordinary member can express their personal views” without being ostracised for having an alternative point of view.

I cite the farce surrounding the enquiry about the mysterious suspension of myself from the Building Committee. The AGM, which is the ultimate authority, passed a resolution to hold the enquiry. **The President and Board defying the AGM's ultimate authority's decision and decided NOT to hold the enquiry.** (they were a law unto themselves).

So much for having a democratic forum; proving that they make their own rules in lieu of following legitimate protocol.

**The President stated:** “The Board has promoted changes to the Constitution...”

On 4 February 2016, I was appointed as a member of the Constitution Committee. I was made aware that this Committee had been working for couple years prior my appointment. At this point in time I was given drafts of the work undertaken to date.

On 28 October 2016, (some 9 months later) a meeting was called where the 21<sup>st</sup> version of the Draft Constitution was presented.

It is absolutely absurd that no committee meeting was held during the 9 months despite several committee members repeatedly requesting a meeting.

It is my understanding that the committee discusses and approves any work undertaken prior to submission to the Board.

Strangely, the 21<sup>st</sup> Draft of the Constitution was presented to the Board without committee approval; furthermore I believe the Board had dictatorial powers over the committee, as they vetoed further discussion on the following:

- the establishment of an Essendon Branch (equal to other branches, not superior, as at present)
- Branch representatives voting at Board meetings
- Branch members voting on Central property.

### **Constitution Committee Failings:**

There was no visible attempt to:

- consult with the broader Ukrainian Community
- consult with the Branches
- consultation with Central members

However, I found that certain persons who were NOT members of the committee knew more about the Draft Constitution than members of the committee. I question why and how did they know about the contents of the Draft Constitution.

The President's statement “The Board has promoted changes to the Constitution...” and I would add “*only within the Presidents and Boards preferred limitations*”

## Russell Street Properties

It has been a long standing belief that the Russell Street, Essendon Properties are owned only by the members of the AUV Central membership.

Let me make it quite clear that on the purchase of 3 – 11 Russell Street, Essendon it was funded by all Ukrainians in Victoria. I am personally aware of the fund raising that occurred in Geelong, Beechforest, Moe, Newborough, Sale, Maffra and Orbost; in the same way the Ukrainian Catholic Cathedral was funded.

The Russell Street, Essendon property is owned by Ukrainians in Victoria and not just Essendon based Melbourne.

## Financial Reports

### External Auditor Report by Krammers Accountants

#### The Report stated:

*“AUV failed to retain one receipt book which documents money received by the Association during the financial year as required by Section 55-5 of the ACNC Act during the period September 2015 to May 2016. I have no way of knowing what may have been recorded in that book or whether the money was, in fact, banked.”*

### Internal Audit Report (AUV Controlling Commission)

#### The Internal Auditors Report stated:

*“The Internal audit conducted was NOT able to review the following items **due to lack of supporting documentation**:*

- Agreement with the Department of Human Services for the Health and community program.
- Contractual obligations of AUV to employees and contractors
- Foreign currency management
- *Stocktake of goods for Venue Management and Postup*
- *Cash transactions and bar takings as compared to banked income from these sources operations*
- *Any aspect of the 2016 Malanka*
- *AUSTRAC reporting”*

#### The Internal Audit Report also stated:

Point 11. *“A declining standard of information / documentation management in the administration of the AUV has been observed this year as well.” (Implications are that this situation has occurred in the past and has not been rectified by the Board or the President)*

Point 12. *“There has been an ongoing lack of assistance from the administration of the AUV for the KK (Controlling Commission) to complete a through audit to the standard as expected.”*

The External and Internal Audit Reports are quite damning. There seems to be a concerning administration failure at the AUV.

## Building Committee Report

Miroslav (Ross) Merunovich's verbal Building Report at the AGM in November was grossly short on detail to the extent that one member stated quite clearly that this "report was an insult to the membership" and another requested that Miroslav (Ross) Merunovich prepare a detailed written report.

In the "Church and Life Newspaper" dated December 2016, the report made it appear that a comprehensive report was made at the AGM – not so.

In the same "Church and Life Newspaper", Miroslav (Ross) Merunovich's stated "the Herron Todd White valuation" summary was submitted at the AUV AGM on the 27<sup>th</sup> of October 2013..." I was present at this meeting, as such I do not recall this to be true.

It is obvious from this statement that the actual valuation was available prior to the 2013 AGM and yet despite repeated requests for a copy of the valuation, Miroslav (Ross) Merunovich, the Chairman, **refused to provide the valuations to members of the Building Committee. Oleh Bulka and I, members of the Building Committee, repeatedly requested the valuation and had every right to view this valuation report.**

I believe that the Building Report should include the following information:

1. The value of the AUV properties in question, individually listed
2. The builders estimated construction cost.
3. The number of apartments and other spaces within the complex
4. The number of car spaces
5. What is the total area in square meters for the apartments, other spaces and below ground level?
6. The number of storeys above and below ground level
7. The sale price of each of the individual spaces within the building
8. The number of apartments and other spaces that AUV will eventually own
9. The floor level these apartment are located,
10. The individual values of the spaces as per point 8 above.
11. The current market value of spaces as per point 8 above.
12. When is the expected construction commencement?
13. When is the expected construction completed?
14. What are the financial arrangements AUV have with the developer?
15. What are the individual payment made by the Developer to AUV to date?
16. Are there any additional individual payment to be made by the Developer?
17. How many individual apartment and other spaces sales have been made?
18. Provide a typical floor plan for each concept floor design
19. Provide elevation of the building showing each floor and basement.
20. Provide a 2 cross sections of the building.

As AUV is the holder of the Title of the individual properties in question, the membership is entitled to know the above information. The Developer cannot claim Privacy or Commercial-in-Confidence in not providing the above information.

## Loans

I believe that the membership have a right to know the history behind the AFUO Loan to AUV.

Answers are required as to what was the:

- purpose of the loan
- original loan value, given that with the accumulated interest now amounting owing to \$675,810,
- interest paid to date and the
- interest rate applied to this loan.

## Community Welfare Services Report

It was stated in the “The Social Welfare Bureau” is involved in a number of aspects in the Community: One of which I highlight “Migrant, New Arrivals, Settlement and Visa issues”

I have been involved with the “New Arrivals” on differing fronts. The people I have been involved with do not know of the existence of such services, furthermore the vast majority did not know of the existence of AUV let alone have they been approached to join.

Many of the New Arrivals experience with the “original Ukrainian” speaks volumes as to why that will have nothing to do with us, citing our attitude towards them.

In the main, this attitude towards them is unembracing because they grew up speaking Russian even though they clearly identify as Ukrainians.

It is my point of view, that the New Arrival Ukrainians speaking Russian are no different to us in Australia speaking English to each other.

The Community Welfare Report also stated “Representatives of the Victorian Department of Health and Human Services have indicated to us that it is difficult to find any information on our site (website) particularly about our support services”

This just shows the underachievement of a stagnated AUV management and needs to be addressed before the organisation collapses completely.

I have pointed out this and similar issues of “lack of communication” through the previous Newsletters to the community.

## Election of Office Bearers

### Current Directors

Michael Moravski	President	Term expired
Stefan Romaniw	Deputy President	One more year to run
Irena Andreeva	Director / Secretary	Term expired
Taras Moravski	Director	Term expired
Roman Varenica	Director	Term expired
Roman Rozek	Director	One more year to run
Tatiana Zachariak	Director	One more year to run (Resigned)
Anna Chalabarczuk	Director / Secretary	

### Director Nominations (nominations submitted by due date of 23 November 2016)

Taras Moravski  
Ivanka Bernyk  
Stefan Sikora  
Irena Andreeva  
Michael Karaszkewycz  
Slavko Kulyk – nominated by Nomination Committee



## President's Nomination

No official nominations received by the due date

**Call for Nomination from the floor** by the Nomination Committee:

### 1 Stefan Sikora nominated

- The Chairman did not call for a Secunder to this nomination
- The Chairman allowed discussion on this nomination
- During the discussion by members, which culminated in certain members stating that they:
  - did not even know him
  - not had the seen him at any Ukrainian function and
  - he had only recently became a AUV member despite being close to the Ukrainian community for a lengthy period.
- Steven Sikora withdrew his nomination.

### 2 Michael Karaszkewycz – nominated

- Given there were no other nominations from the floor, two members of the Nomination Committee approached me as to whether I would be prepared to be nominated, to which I reluctantly agreed. My nomination was seconded.
- For some inexplicable reason, immediately after my nomination was seconded, the Chairman declared a "Break in proceedings". I do not believe there was a valid reason for the "Break in proceedings"
- During the "Break in proceedings", the Chairman conferred with several members, which I consider to be inappropriate.
- The Chairman should have referred to normal election processes and the Constitution and its provisions for the election of office holders when there is only one candidate who has been nominated and seconded.
- The Chairman put a proposition to me which was not in accordance with proper nomination and election procedures and not in accordance with the Constitution. This proposition I rejected.

Immediately on resuming after the "Break in proceedings", the Chairman called for a motion to defer the elections for 3 months which was passed.  
(AGM to resume on 26 February 2016).

## ***Election Process may be subject to a further СВІЙ ДО СВОГО Ukrainian Issues Newsletters***

I believe that the AUV election process is grossly flawed and needs to be urgently reviewed in line with electoral and meeting procedures and principles (including Secret Ballots) used throughout Australia.

It should be noted that after the AGM, I received three telephone calls from members apologising for not voting at all, as they did not want "others" seeing how they voted. This definitely supports the need for mandatory "Secret Ballots"

There is sufficient evidence to take this whole matter before the Australian Charities and Not-for-profit Commission (ACNC) and the Australian Securities and Investment Commission (ASIC).

Michael Karaszkewycz  
Member of AUV Central, Member Sunshine Hromada, Member St. Albans Hromada  
Editor, Ukrainian International Directory