



ACEP-CAPE FINANCE COMMITTEE MEETING

Meeting Minutes

Date: March 16, 2021

Time: 3:00 PM to 5:10 PM

Location: Microsoft Teams

Present: **Members:** Greg Phillips (President), Howard Delnick (Chair) André Picotte, Andreas Trau, Camille Awada, Kelly Mansfield, Charlene Lonmo

Staff: Omid Kahriz (Director of Finance), Mark Courty (Payroll and Accounting Assistant)

Regrets: Claude Vézina (Executive Director), Jamie Lafontaine

Topic	Follow-up items
3:00 PM Meeting quorum reached, and G. Phillips read the harassment policy to the Finance Committee and assigned himself as the policy officer.	
1. <u>Approval of Agenda</u> H. Delnick moves to approve the agenda, seconded by C. Awada. Motion carried.	
2. <u>Approval of Minutes from the June 15, 2020 and July 15, 2020 Meetings</u> H. Delnick mentioned that the contents of the minutes reflect the meetings well. K. Mansfield agrees with H. Delnick. G. Phillips asked the Finance Committee if there would be any requests for revisions. C. Lonmo indicated that she will abstain as she was not apart of the Finance Committee at the time. H. Delnick moves to approve the minutes of June 15, 2020 and July 15, 2020, seconded by K. Mansfield. In favour = 6 Against = 0 Abstention = 1 Carried	



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<p>3. <u>Election of Chair</u></p> <p>G. Phillips asked if anyone would be interested in becoming the Chair of the Finance Committee.</p> <p>C. Awada nominated H. Delnick, and the nomination was accepted. K. Mansfield put her name forward and nominated A. Trau. A. Trau respectfully declined.</p> <p>H. Delnick and K. Mansfield provided a brief speech to the Finance Committee as to why they would be a great candidate for Chair of the Finance Committee.</p> <p>A vote was held and H. Delnick was voted in as the Chair.</p> <p>As Chair of the Finance Committee, H. Delnick mentioned that he would like to implement some changes. Those changes include ensuring all Finance Committee minutes are posted to the web, developing a Terms of Reference (ToR) for the Finance Committee, develop a chart of accounts showing a summary as to what each account includes.</p> <p>G. Phillips mentioned that he believed a ToR would not help the Finance Committee as it falls under the Constitution.</p> <p>H. Delnick indicated that the Constitution says all Committees need to review a ToR.</p> <p>G. Phillips indicated that the ToR would need to adhere to the Constitution.</p>	<p>M. Courty to ensure all minutes are on the web.</p> <p>M. Courty to ensure the chart of accounts is included in all future Finance Committee packages.</p>
<p>4. <u>Budget Planning</u></p> <p>G. Phillips indicated that he is looking to the Finance Committee to see what the recommended steps would be going forward. He indicated that new positions and being fully staffed would begin to diminish the surplus. He also mentioned that currently CAPE is receiving funds due to Phoenix</p>	



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issues and that CAPE cannot depend on this for budget purposes. He indicated that if a dues increase would be necessary, he feels as though the first year of the mandate would be the best year to present this to the membership.

A. Trau recommends moving the budget process by one year to have the vote in November for a budget that begins in May. He indicated that initially a 3-year budget would need to be prepared and presented to the membership.

A. Trau indicated that he does not believe a dues increase would pass with such a high surplus. He would recommend to fully staff CAPE and run a deficit before presenting a vote for a dues increase to the membership.

G. Phillips indicated that when running a deficit, it is a bad experience.

K. Mansfield agrees with A. Trau that it would be difficult to sell a dues increase to the membership with such a surplus. She also mentioned that the funds needed for the extra positions could possibly be taken from the surplus along with any possible savings regarding the CAPE accommodations.

G. Phillips agrees with K. Mansfield that saving money with the rent will help with staffing.

A. Picotte believes that a dues increase would fail with CAPE having a surplus and would recommend that CAPE run a deficit before asking the membership for an increase in dues. He also mentioned that he does not feel like now would be the appropriate time to ask for a dues increase given the pandemic and investments returns. He indicated that if CAPE does go forward with a dues increase, it will have to be explained carefully.



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<p>O. Kahriz mentioned to the Finance Committee that 75% of any surplus is transferred to the defence fund.</p> <p>H. Delnick indicated that the first obligation should be to manage CAPE as best we can. He also mentioned that he feels like a dues increase would be an issue given the funds that CAPE has invested.</p> <p>K. Mansfield indicated that she is not opposed to a dues increase but mentioned that she believes there would be complaints from the members if they were not getting extra services for the increase.</p> <p>O. Kahriz indicated that he could prepare a budget with all the implementations and review it with the Finance Committee. He mentioned that he will work with the Chair of the Finance Committee to get the budget process setup.</p> <p>A. Trau inquired about his proposal regarding the three-year budget change.</p> <p>G. Phillips indicated that he would have to investigate this proposal to see if the Constitution allows it.</p> <p>C. Lonmo asked about changing the possibilities of changing the fiscal year period.</p> <p>G. Phillips recommends moving forward with the regular budget meetings and have the topics of A. Trau and C. Lonmo discussed during those meetings.</p> <p>H. Delnick indicated that he would like to have an extended discussion as to why the President's salary was removed from the budget. He recommends adding the President's salary back into the budget but only the known aspects and not the confidential parts.</p>	<p>O. Kahriz to prepare budget.</p> <p>O. Kahriz to discuss with Chair.</p> <p>G. Phillips to inquire regarding proposal.</p>
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A. Trau indicated that he has never seen a budget with the Presidents salary and does not understand why CAPE would want it in the budget.

H. Delnick indicated that he agrees with A. Trau, but as past President's salaries were in the budget, he recommends adding it back in for transparency and to avoid questions from members.

K. Mansfield agrees with H. Delnick and mentioned that a lot of discussions were had regarding this and believes it would be the proper thing to do for transparency as the salary is not confidential per the Constitution.

H. Delnick requested for this topic to be added to the agenda for next meeting.

H. Delnick indicated that he would like the Finance Committee to receive the cheques over \$500. He mentioned that he will email O. Kahriz to discuss and decide what goes on the agenda for this topic.

O. Kahriz asked H. Delnick if he could include G. Phillips in the discussion.

H. Delnick asked the Finance Committee when they would like to start working on the budget.

K. Mansfield indicated that her schedule is extremely busy for the month of April.

C. Lonmo indicated that she would be available but would ask for as much notice as possible.

M. Courty to add item on agenda.



<p>H. Delnick indicated that he would like to begin to discuss the possibility of changing the CAPE fiscal year.</p> <p>O. Kahriz indicated that it involves a lot of work but is possible.</p> <p>H. Delnick would like to add this item for discussion on the next agenda.</p>	<p>M. Courty to add item on agenda.</p>
<p>5. <u>Review and approval of the unaudited February 2021 Financial Statements</u></p> <p>H. Delnick indicated that the Financial Statements are difficult to read as they are too small.</p> <p>O. Kahriz indicated that he can remove the middle portion and send separate documents for next meeting.</p> <p>H. Delnick indicated that he would like to see the month, year to date and possibly the previous year.</p> <p>O. Kahriz provided an overview of the Financial Statements and advised the Finance Committee that if all goes accordingly, the surplus would be close to \$4 million.</p> <p>A. Trau asked O. Kahriz if it would be possible to create another line item to represent the one offs that are being received due to the Phoenix issue.</p> <p>O. Kahriz indicated that the amounts would be the variance between what was budgeted for and the actuals.</p> <p>A. Trau asked if this could be added as a line item in the budget.</p> <p>G. Phillips moves to approve the February 2021 Financial Statements, seconded by C. Awada.</p>	<p>O. Kahriz to make the necessary adjustments.</p> <p>O. Kahriz to add line item.</p>



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<p>In favour = 7 Against = 0 Abstention = 0 Carried</p>	
<p>6. <u>Life Cycle of CAPE Assets</u> O. Kahriz asked the Finance Committee how often they would like the life cycle of CAPE assets to be.</p> <p>H. Delnick indicated that he is open to ideas and asked O. Kahriz to create a schedule to discuss with the Finance Committee at the next meeting.</p>	<p>O. Kahriz to prepare schedule.</p>
<p>7. <u>Cumberland Investments</u> O. Kahriz advised the Finance Committee that CAPE is currently exposed to more risk due to the portfolio being heavy on bonds.</p> <p>H. Delnick indicated that he was under the impression that CAPE wanted to get away from bonds and went with Cumberland to diversify the portfolio. He would like to add this item to the agenda for next meeting.</p> <p>G. Phillips suggests that Cumberland be invited to the next Finance Committee meeting to discuss the CAPE portfolio and afterwards report to the NEC.</p> <p>H. Delnick asked O. Kahriz to coordinate with Cumberland for the next Finance Committee meeting.</p> <p>G. Phillips suggested to look at the Terms of Reference for the Investment Policy as it may have a cyclical review.</p> <p>H. Delnick asked O. Kahriz to investigate this. A. Picotte asked if CAPE has the results for the investments.</p> <p>O. Kahriz indicated that the Financial Statements show approximately a \$470, 000 return as of February 28, 2021.</p>	<p>M. Courty to add item on agenda.</p> <p>O. Kahriz to invite Cumberland to the next Finance Committee meeting.</p> <p>O. Kahriz to review the Investment Policy.</p>



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<p>A. Picotte mentioned that previously the Finance Committee would be briefed every 2 months or so and was wondering why this stopped.</p> <p>O. Kahriz indicated that he believes it was done quarterly. O. Kahriz also indicated that the CAPE profile at Cumberland will have to be updated to reflect the addition of H. Delnick and the removal of Nick Giannakoulis.</p>	
<p>8. Roundtable</p> <p>K. Mansfield mentioned the possibility of the CAPE membership continuing to grow due to the pandemic and more people working from home. This would reduce restrictions such as having to reside in the National Capital Region.</p> <p>A. Trau asked if CAPE was hiring more Labour Relation Officers since the membership continues to increase.</p> <p>H. Delnick mentioned that the Communications department has grown tremendously over the last 3 years and is wondering where CAPE is going with this department.</p> <p>K. Mansfield indicated that she feels the Communications Team has improved tremendously and are doing a fantastic job.</p> <p>A. Trau indicated that the last NEC voted for the changes in Communications and echoes K. Mansfield on them doing a good job.</p>	
<p>9. Confirmation of next meeting and adjournment</p> <p>H. Delnick asked the Finance Committee if anyone would be opposed to having another 2-hour meeting in April. There were no objections and H. Delnick asked M. Courty to send out a doodle poll for mid April.</p> <p>Meeting adjourned at 5:10 PM.</p>	<p>M. Courty to send out doodle poll.</p>



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