



Special National Executive Committee Meeting
Friday, May 13th, 2022
Hybrid Format

MINUTES

In Attendance: G. Phillips (*Chair*), C. Awada, S. Crawford, C. Lonmo, K. Mansfield

Via Zoom: A. Butler, J. Brulotte, H. Delnick, J. Lafontaine, E. Tremblay, S. Harquail, M. English, A. Picotte, A. Okladov, G. Kopytko, R. Kossick, P. Makrodimitris, S. Rehman

Staff: J. Courty, A. Lizotte, S. Salter, K. Thériault and J. Ouellette

Regrets: M. Collins, P. Ives, D. Monafu, A. Nemec, J. King, A. Trau

1. Call to Order

The SNEC meeting was officially called to order at 9:03 am and it was confirmed quorum was achieved.

**At this time, CAPE's Statement on Harassment was read aloud. J. Ouellette was identified as the Anti-Harassment resource person for the meeting and concerns should be directed to his attention via email.*

2. Budget

S. Salter prefaced the budget presentation by reminding the NEC that the proposed draft budget is similar to the one presented in March, however with supplemented adjustments to reflect inflationary pressures. As a follow up to feedback and recommendations put forth at the LLC meeting, no monetary changes were requested, however moving forward information will be streamlined and presented more concisely highlighting recent changes. A slide deck presentation reflecting prior year actuals in comparison to the next 2-year budget will be developed for the membership prior to the vote.

Budget assumptions for investment revenues in 2023-2024 indicate a slight decline as a 2-year deficit is projected, mainly attributed to the staffing of 10 LROs positions along with costs associated with the hiring process, negotiations of collective bargaining agreements,

inflation and increased travel-related expenditures associated with meetings. An accrual of anticipated savings from the severance categories is expected, as well as from reduced administrative expenses associated with the RAND campaign next year and from continuing to hold hybrid meetings.

Q&A / Comments:

- Further clarification was requested under budget line item 13.14 “NEC Workshop”. It was explained that though not yet formalized, a NEC retreat may be on the horizon in September as a follow up to discussions related to the improvement of membership services and increase in representation.
- It was clarified that the current membership count is over 22 000.
- Clarification on the accrued interest revenues was requested. S. Salter explained it is a combination of interest income, as well as an increase in the equity whereby the change in the investment is recorded on a monthly basis as revenue. The scenario analysis presented was based on the prior fiscal year budget, which is an assumption based on the market performance.
- It was confirmed that the aim is to hold the membership vote prior to the next AGM. Upon the approval of the budget, timelines will be explored expeditiously.

Be it resolved that the NEC accept the final budget as presented by the Finance committee for ratification by the membership

Moved by: H. Delnick

Seconded by: C. Awada

Abstentions (1)

Motion Carried Unanimously

3. Fiscal Year-End

Supporting documentations along with a memo were provided to the NEC ahead of time. Benefits of shifting to a calendar year-end include, but are not limited to, matching CAPE’s revenue stream based on members’ payroll, which is reconciled on a calendar-year basis, as well as to align with the fiscal year-end of the Government of Canada (March 31st) and with CAPE’s employee pension plan year-end as of December 31st. Aligning the two would alleviate the need for an additional actuarial valuation. From a procedural standpoint, this would be the preference of the Finance Department. While there is no operational impact, the audited financial statements would require earlier approval, potentially in the June or July timeframe through an SGM.

As for cons or drawbacks from adopting this change, the Association would incur a one-time cost/audit fee amounting to approximately \$7,000 in the 2022-2023 fiscal year, as a result of the additional audit required for the period of May 1st to December 31st.

With respect to the timeline of events and how the change will affect the budget planning cycle and consultation with the Locals, two Gant charts outlining the current audit process and budget process, as well as the proposed process have been laid out in the ‘Timelines’ document. The year-end audit would commence in May until the end of September, and subsequently be presented to the membership at the November AGM.

Be it resolved that the NEC accepts to change CAPE’s fiscal year-end from April 30th to December 31st as recommended by the Finance Committee

Moved by: H. Delnick

Seconded by: C. Awada

Abstentions (1)

Motion Carried Unanimously

4. Request for NEC participants for the new committee dealing with WFA

The Employment & Benefits Defense Subcommittee (EBDS) is tasked to prepare the Association for potential lay-offs by proactively addressing upcoming WFA related matters. The Subcommittee is comprised of the President, 2 VPs and a minimum of 5 NEC members. As such, NEC volunteers to sit on the Subcommittee were sought. S. Crawford, P. Makrodimitris, E. Tremblay, R. Kossick, J. Brulotte, and S. Harquail volunteered to sit on the EBDS. A subsequent call out will be issued to the membership-at-large.

Motion to accept the 6 NEC volunteers to sit on the Employment & Benefits Defense Subcommittee (EBDS)

Abstentions (1)

Motion Carried Unanimously

The SNEC meeting adjourned at 10:00 a.m. EDT.

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The above minutes are accepted as a true representation of the Special National Executive Committee meeting held on May 13th, 2022.

APPROVED by:

Chairperson

Date