



Minutes

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Finance Committee Meeting May 30, 2017

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Minutes of a meeting of the Finance Committee (FIC) held in the offices of the association, 40 Sheppard Avenue West, North York, Ontario, on May 30, 2017 commencing at 3:00 pm.

In attendance:

Finance Committee Members:

Michael Wesa, P.Eng.(Chair)
Michael Chan, P.Eng. (Vice-Chair)
Noubar Takessian, P.Eng., FEB, BScME, GSC
Warren Turnbull, P.Eng.

Staff: Chetan Mehta, MS, MBA, Director, Finance
Peter Cowherd, CPA, CMA, Manager, Financial Services & Procurement
Gerard McDonald, P.Eng., MBA, Registrar
Fern Goncalves, CHRL, Director – People Development
Lucy Capriotti, Administrative Assistant

Observer: Roger Jones, P.Eng.

Regrets: None

The committee members agreed to allow W. Turnbull to Chair the meeting. W. Turnbull called the meeting to order. After a brief discussion, the committee members agreed that they would go in-camera to discuss and review the various applications that were received for the position of non-Councillor members in the FIC. Subsequently, all non-committee members had to leave the room as we were going in-camera.

R. Jones was requested to leave the room as he was attending the meeting in the capacity of an observer and advised that he may return to the meeting once the in-

camera session has concluded. R. Jones did not return to the meeting once we were out of camera.

MOTION

That the committee meeting be moved to an in-camera session to discuss potential candidates for the position of non-Councillor member appointments to the FIC.

Moved by M. Chan and seconded by N. Takessian

MOTION CARRIED

1. Election of Chair and Vice Chair

M. Chan nominated M. Wesa for the position of Chair. W. Turnbull nominated M. Chan for the Vice Chair position. All the members unanimously agreed to these nominations.

MOTION

That M. Wesa be nominated as Chair of the Finance Committee.

That M. Chan be nominated as Vice Chair of the Finance Committee.

Moved by M. Chan and seconded by N. Takessian.

MOTION CARRIED

F. Goncalves advised the FIC members that per their instructions, a recruitment process had been conducted for the three positions of non-Councillor members in the FIC and twenty-eight applications had been received thus far.

F. Goncalves then proceeded to hand out a list of potential candidates along with a brief summary and rating for each applicant to the FIC members for their feedback and decision. After a brief review, M. Wesa advised that the members would get together separately to discuss and review the applications and revert to staff with their preferences.

G. McDonald indicated that included in this list were four potential candidates who were also on the last committee and who had expressed an interest in continuing to volunteer. These candidates were: R. Gupta, R. Jones, N. Colucci and K. McMartin.

F. Goncalves suggested that she would create an excel spreadsheet with the individual names and their credentials and email this list to the FIC members who could then shortlist the top five candidates of their choice. G. McDonald suggested that the FIC members could pick the top five candidates via Survey Monkey and that this could be reviewed by the FIC members if they had some time at the upcoming Council workshop.

The FIC members agreed with this suggestion and G. McDonald made a commitment to get the Survey Monkey link set up and sent to the committee members by the coming Thursday morning at the latest. The committee members then agreed to move out of the in-camera session.

MOTION

That the FIC meeting move out of the in-camera session.

Moved by W. Turnbull and seconded by M. Chan

MOTION CARRIED

2. Approval of Agenda

The committee members agreed to proceed with the agenda as presented.

MOTION

That the agenda as presented be approved.

Moved by M. Chan and seconded by N. Takessian.

MOTION CARRIED

3. Review and Approve 2018 Budget Assumptions

M. Chan requested that it would be beneficial for FIC members if 2017 assumptions be highlighted in comparison to the 2018 assumptions and the reason for the changes, if any, be explained. C. Mehta advised that he would be doing this as he walks the committee members through the highlights of the 2018 budget assumptions. C. Mehta then proceeded to walk the committee members through the key 2018 budget assumptions and answered the questions they had.

The committee members inquired about the space in the building that was unleased and when the mortgage was due. C. Mehta stated that the fourth floor had a vacancy for approximately fifteen thousand square feet was vacant and a search was underway for a tenant whereas a lease for the second floor for approximately twenty-five hundred square feet was likely to be signed soon. C. Mehta indicated that the mortgage matured in March 2019.

G. McDonald stated that the committee may want to consider later in 2018 the option to hire the help of a financial expert to provide PEO with an assessment advising on whether PEO should pay off the mortgage in 2019 or continue with mortgage payments and invest the money.

After additional discussion, the committee members unanimously agreed to recommend the 2018 budget assumptions for approval.

MOTION

That the Finance Committee recommends to Council that the Registrar be directed to initiate the budgeting process, per PEO's budgeting cycle and provide the 2018 operating budget and capital budget assumptions at the September 2017 Council meeting based on the approved assumptions.

Moved by N. Takessian and seconded by M. Chan.

MOTION CARRIED

4. Financial Statements for the three months ended March 31, 2017

P. Cowherd discussed the first quarterly financial statements and discussed the key highlights for the committee members.

5. Other Business

The following additional items were requested as ACTION ITEMS.

- 1) M. Chan suggested that explanations on variances over 5% be provided in the FS.
- 2) M. Wesa requested that C. Mehta provide the committee members with a vacancy map for the building.

6. Date of Next Meeting

The committee members agreed that a doodle poll will be sent out to schedule the meetings for the remainder of the year. F. Goncalves requested the FIC meet to select either July 18th or 25th so that the investment sub-committee could be selected once the non-Councillor members were appointed by Council.

7. Adjournment

The members agreed to adjourn and the meeting was adjourned at 4:50 p.m.