



Minutes

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Finance Committee Meeting on October 16, 2018

Meeting Minutes issued:

Minutes of a meeting of the Finance Committee (FIC) held in the PEO offices at 40 Sheppard Avenue West, North York, Ontario, on October 16, 2018 commencing and 6:00 p.m.

In attendance:

Chair: Michael Chan, P.Eng., FEC

Vice-Chair: Kelly Reid, P.Eng., IACCM CCMP
Colin Chan, P.Eng.
Tim Kirkby, B.Eng., P.Eng., FEC
Lorne Cutler, P.Eng., MBA
Linda Drisdelle, P.Eng.
Roberto Martini, P.Eng. (via conference)
President David Brown, P.Eng.

Staff: Johnny Zuccon, P.Eng., Interim Registrar
Scott Clark, LL. B, FEC, Chief Administrative Officer
Chetan Mehta, MS, MBA, Director, Finance
Lucy Capriotti, Administrative Assistant

Guests: None

Regrets: Peter Cowherd, CPA, CMA, Manager, Financial Services & Procurement

1.0 Call to order and welcome

The meeting was called to order at 6:00 p.m. by the Chair of the FIC Michael Chan and the draft agenda was presented to the committee members for their review and approval.

2.0 Approval of the meeting Agenda

The committee members agreed to proceed with the agenda as presented. M. Chan asked to add one item as number 9. Future Projects.

MOTION

That the FIC agenda be approved with an addition of item 9. Future Projects



Moved by K. Reid and seconded by Tim Kirkby

CARRIED

3.0 Approval of Minutes from August 28, 2018 and September 6, 2018 meetings

It was agreed that the Minutes from August 28, 2018 be approved as presented with the following minor change on Page 5 under Regulatory Compliance. The following words ("**higher costs for media monitoring. She also stated that there will be**") be struck out as these were meant to be removed.

MOTION

That the revised Minutes from the FIC August 28, 2018 meeting be approved with the changes above.

Moved by K. Reid and seconded by C. Chan

CARRIED

The committee then proceeded to review the minutes of the FIC held on September 6, 2018 and staff was requested to provide an update on the Action items on page 6 on the minutes.

The following Action Items and status were discussed.

1. Engineers Canada Affinity Program

J. Zuccon updated the committee that this item along with some options would be discussed during a plenary session of the Council meeting to be held in November 2018.

2. Past 5 year spend data on all committees and task force

C. Mehta reported that this item was complete as the report showing the above data had been shared with the committee members.

3. Study / analysis on the pros and cons of centralizing chapter bank accounts

C. Mehta reported that he had followed up with Adeilton Ribeiro (the current acting manager of Chapters) who was in the process requesting banking balance and other related financial data from the Chapters.

4. FIC members to email a list of proposed changes to the FIC ToR to staff.



This item was reported as being complete

5. Information on speakers from Professional Institute of Public Servants of Canada for consolidation of Chapter accounts.
6. T. Kirkby reported that he was following up his contacts and would be providing an update to the committee.
7. Incorporate grammatical changes to the draft expense reimbursement policy.
C. Mehta reported that the changes recommended by the committee had been made.
8. Request Engineers Canada to explore the possibility of creating a business case for the standardization of licensing processes across all provinces to reduce IT costs. J. Zuccon said that he would look into this and provide information to the committee when it is available.
9. Check potential liability issues for PEO arising from serving alcohol at various committee meetings/events.
S. Clark said that if PEO has a potential liability issue if alcohol is served at meetings because if anybody goes home drunk or gets into an accident then PEO could be liable. K. Reid felt that Council should be made aware of the risks and it's up to them to take a decision on how they want to proceed.

After some additional discussion, it was agreed that the Minutes from September 6, 2018 be approved as presented and a motion was passed to that effect.

MOTION

That the Minutes from the FIC September 6, 2018 meeting be approved as presented.

Moved by L. Cutler and seconded by L. Drisdelle

CARRIED

4.0 Business arising from the Minutes

There was no business arising from the Minutes.



5.0 2019 Draft Operating Budget and Capital Budget Approvals

- Review of Council Recommendations to address 2019 budget deficit

The committee then proceeded to discuss the recommended suggestions for fees increases and cost savings presented in Appendix A of the package. After extensive discussions, the committee members provided their inputs on formatting changes to the appendices which showed the fee increases and costs savings. These revised appendices are attached to these minutes. The committee members then agreed that the draft 2019 budgets along with the revised appendices be presented to Council for direction.

MOTION

That the draft 2019 operating and capital budgets along with the list of proposed fee increases and cost cuts be presented to Council for direction.

Moved by C. Chan and seconded by L. Cutler

CARRIED

6.0 2019 Borrowing Resolution

C. Mehta advised the committee members that PEO's Borrowing Resolution was due for renewal. He explained that this resolution is presented to Council for approval around this time each year and is to allow PEO to renew its overdraft protection for \$250k along with credit facilities for \$120k with Scotiabank for PEO's corporate credit cards. The committee members unanimously agreed to present the Borrowing Resolution to Council for approval.

MOTION

That the Borrowing Resolution as presented be approved and recommended to Council for approval.

Moved by L. Cutler and seconded by C. Chan

CARRIED



7.0 Review of Minimum Cash Balance Requirement Policy

C. Mehta advised the committee members that each year the Minimum Cash Balance Requirement Policy was presented to the FIC members for their feedback and review. He explained that this policy was to ensure that PEO had adequate cash reserves to sustain operations for about 2 months in case any serious catastrophe was to befall PEO. He said that for the past few years this level had been kept at \$4.5M. Given the current financial circumstances, increasing it was not an option without substantial cuts in projects. After some discussion, the committee members agreed to keep the level at \$4.5M.

MOTION

That there be no changes to the minimum Cash Balance Requirement Policy.

Moved by L. Drisdelle and seconded by R. Martini

CARRIED

8.0 Review of Q3 Financial Statements

C. Mehta asked the committee members if there were any questions on the Q3 statements and the committee members had none.

9.0 Future Projects

After discussion, the committee members came with the following list of tasks along with a list of the committee members responsible for the respective tasks. C. Mehta was asked to have this list sent to all of the committee members along with the contact details of each member so that they could reach out to each other. M. Chan requested the FIC members are to email C. Mehta should they come up with additional ideas.

S. No	Task	FIC Champion
1	Chapter centralized banking	T. Kirkby / M. Chan
2	Membership Fee increase	C. Chan / L. Cutler



3	Expense Reimbursement Policy - per diem for meals	T. Kirkby
4	How can this committee become more effective	K. Reid / M. Chan
5	Business plan and multi-year budgeting	L. Drisdelle / R. Martini

10.0 Other Business

There was no other business discussed.

11.0 Date of Next Meeting

It was requested that T. Kirkby bring his chapter centralization people to the next FIC meeting. D. Brown suggested the FIC meet on the Thursday, November 15th, 4:00 p.m. prior to the plenary session of Council. Staff was requested to coordinate with T. Kirkby confirm the availability of the FIC members to attend a meeting on this proposed date. C. Mehta confirmed that this would be done.

12.0 Adjournment

The meeting adjourned at 9:25 p.m.

MOTION

That the meeting be adjourned.

Moved by K. Reid and seconded by L. Cutler

CARRIED



Professional Engineers Ontario

S. No	Action items identified at FIC meeting on June 5, 2018	Responsible Staff	Status update
Status of Action Items reviewed at FIC meeting on Oct 16, 2018			
1	Cost saving initiatives / info on Eng. Canada Affinity program	C. Mehta	Work-in-progress
2	Past 5 year spend data on all committees and task forces	C. Mehta	Completed
3	Study / analysis on the pros and cons of centralizing Chapter bank accounts	C. Mehta	Work-in-progress
Action items identified at FIC on July 24, 2018			
4	FIC members to email a list of proposed changes to the Terms of Reference to staff.	FIC	Completed
5	T. Kirkby to get information from the Professional Institute of Public Servants of Canada on how they went about centralizing bank Chapter accounts.	T. Kirkby	Work-in-progress
6	The draft Expense Reimbursement Policy be amended to incorporate the grammatical changes proposed at the FIC meeting.	C. Mehta	Completed
Action items identified at FIC on Sept 6, 2018			
7	Request Engineers Canada to explore the possibility for creating a business case for the alignment / standardization of licensing processes across all provinces to reduce IT costs.	?	Work-in-progress
8	Check to see if credit card fees can be passed on to those members who choose to pay their dues via credit card.	C. Mehta	Completed
9	Check about potential liability issues for PEO arising from serving alcohol at various committee meetings/events.	S. Clark	Completed