



Minutes

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Enforcement Hotline:

Finance Committee Meeting on September 10, 2020

Meeting Minutes issued:

Minutes of a meeting of the Finance Committee (FIC) held via Zoom on September 10, 2020 commencing at 6:00 pm.

In attendance:

Finance Committee Members:

Chair: Lorne Cutler, P.Eng., MBA; Lieutenant Governor-in-Council Appointee

Vice-Chair: Arthur Sinclair, P.Eng., Vice President (appointed), East Central Region Councillor

Chantal Chiddle, P.Eng., FEC; Eastern Region Councillor

Arjan Arenja, P.Eng., MBA; Lieutenant Governor-in-Council Appointee

Colin Chan, P.Eng., MBA, CPA, CMA

Linda Drisdelle, P.Eng., M.Eng., MBA, FEC

Roberto Martini, P. Eng., CPA, CMA

Staff: Marisa Sterling, P.Eng., FEC, President (Ex-Officio)

Johnny Zucco, P.Eng., CEO/Registrar

Chetan Mehta, MS, MBA, Director, Finance

Peter Cowherd, CPA, CMA, Manager, Finance and Procurement

Lucy Capriotti, Administrative Assistant

Guests:

Regrets:

The meeting was called to order at 6:00 p.m. by L. Cutler and the draft agenda was presented to the committee members for their review and approval.

1. Approval of Draft Agenda

The committee members reviewed the draft agenda and agreed to amend it to include under other business, an update on the status of the Investment Subcommittee and a discussion on financial modelling. A motion was passed to that effect.

MOTION

That the draft agenda as amended above be approved.

Moved by A. Arenja and seconded by C. Chiddle.

MOTION CARRIED

2. Approval of Minutes of the FIC meeting held on July 16, 2020

The committee members unanimously agreed and passed a motion to approve the Minutes.

MOTION

That the Minutes of the FIC meeting held on July 16, 2020 be approved as presented.

Moved by A. Sinclair and seconded by A. Arenja.

MOTION CARRIED

3. Matters arising from the Minutes

C. Mehta provided an update on the action items:

- Revisions to the Expense Reimbursement Policy
This is a work in progress and a draft copy of the revised draft policy will be presented to the committee once it is ready.
- Response from Deloitte on the FIC and AUC ToR and workplans
Response from Deloitte received and will be sent out to the FIC via email.
- Demographic data on members
IT is working on this and the data will be sent to the FIC once it is available.
- All remaining items are work in progress.

4. Review of 2021 Draft Operating and Capital Budgets

C. Mehta began by stating that a few changes were made to the budget presentation format this year to help elevate the discussions on the budgets to a more strategic level.

These changes are:

- Unlike prior years where all eight department heads attended the budget meeting to present details of their respective individual departments, this year only the CEO/Registrar and Director-Finance were in attendance;
- Details on non-core projects and spend items was provided in a separate schedule; and
- Detailed departmental schedules presented in prior years are no longer being presented.

C. Mehta then walked the committee members through the key highlights of the 2021 draft operating and capital budgets. He went through the 2020 forecast and compared the variances in comparison to the 2020 budget and then proceeded to go through the key highlights of the 2021 budget and the variances of that budget in respect to the 2020 forecast. The committee members had several questions on the budgets which were answered by C. Mehta. After extensive discussions the committee members unanimously agreed that both the 2021 operating and capital budgets be presented to Council for review. A motion was passed to that effect.

MOTION

That the 2021 operating and capital budgets for 2021 be presented to Council for review at the September 2020 Council meeting.

Moved by C. Chan and seconded by A. Sinclair.

CARRIED

5. Other Business

1) Update on the setting up of the Investment Sub-committee

C. Mehta informed the committee that the HRC has selected Luc Roberge as the HRC representative on the Investment Sub-committee and Alison Elliot had applied

for the position of a staff representative on the sub-committee. Now that the appointments to the sub-committee were complete, a meeting of the sub-committee with the portfolio managers of the operating portfolio and pension fund portfolio will be arranged and staff will keep the Chair and Vice Chair of the FIC informed once a meeting date had been finalized.

2) Response from Auditor

C. Mehta clarified that a response had been received and that the email from the auditor will be forwarded to all the FIC members.

3) Financial Modelling

L. Cutler asked if the FIC can contribute to Council via preparing various models to understand the kind of questions they need to answer. President Sterling suggested that the FIC could advise Council that they want to help make sure that PEO is financially sound. L. Drisdelle stated that financial modeling could be a good way to help PEO project various scenarios that directly impact its ability to raise revenue and hence predict PEO's long term financial health and viability.

6. Date of next meeting

A doodle poll will be sent out to the FIC for a meeting in October.

7. Adjournment

The members agreed to adjourn, and the meeting ended at 8:50 pm.



Finance Committee Action Items – as of Sep 10, 2020

S. No	Action items	Responsible Staff	Status update
1	Update on the Investment Sub-committee meeting	C. Mehta	Work in progress

Finance Committee Action Items – as of Mar 3, 2020

S. No	Action items	Responsible Staff	Status update
1	Revisions to Expense Reimbursement Policy	C. Mehta	Work in progress
2	Seek feed-back from auditor on the FIC ToR and Workplan	C. Mehta	Complete
3	Demographic data on members	IT Staff	Work in progress

Audit Committee Action Items – as of Mar 3, 2020

S. No	Action items	Responsible Staff	Status update
1	Set up of pension committee	HR staff	Work in progress
2	Best practices on pension governance from other regulatory bodies	HR Staff	Work in progress