

FINANCE COMMITTEE MEETING  
Friday, October 12, 2018, 1:00 – 2:30  
Webinar/Teleconference  
APPROVED MINUTES

Committee Members		
R. Shreewastav, Chair – Present	J. Boudreau – Present	T. Brookes – Present
J. Dunn - Present	D. Gelowitz – Present	
Staff Support		
J. Monterrosa – Present	H. Anderson - Present	M. McCourt - Present
Observers Present		
A. Bergeron	G. McDonald	S. Price
C. Brown	J. Southwood	A. Rangi
E. Spence		

1.	<p><b>CALL TO ORDER AND APPROVAL OF AGENDA</b></p> <p>The Chair called the meeting to order at 1:00 pm and welcomed everyone. He noted that the main purpose today is to discuss comments and concerns received relating to the operational budget and to determine how we as a committee can work with staff to address them. Our focus is to review the revised 2019 budget as distributed.</p> <p>Moved by D. Gelowitz, seconded by T. Brookes that the agenda be approved.</p> <p>CARRIED</p>
2.	<p><b>APPROVAL OF MINUTES FROM AUGUST 15, 2018 MEETING</b></p> <p>Moved by J. Dunn, seconded by T. Brookes that the minutes of the August 15, 2018 meeting be approved as written.</p> <p>CARRIED</p>
3.	<p><b>DISCUSSION: 2019 BUDGET</b></p> <p>The Chair suggested the committee focus attention on a few items: revenue versus total expenses; operational versus capital. Approved major projects fall under capital. The table on page 9 of the agenda book reflects the changes made to the original budget as presented to the Board in September.</p> <p>G. McDonald noted that the Board made it clear that they would not accept an \$831K operational deficit and that they expected a balanced budget. The senior leadership team (SLT) went back to the drawing board and identified 48 items that could be scaled back or deferred. They clarified which of these items are one-time versus on-going expenditures. The table on page 11 reflects this information. The revised budget has a small surplus of \$12K. Due to the short timeline, the SLT was unable to update the tables in the package (pp 6-9). These details will be provided prior to December’s meeting.</p> <p>The revised budget document was reviewed page by page.</p> <p>Pages 1-8 – No comments made.</p> <p>Pages 9 – 15 – There is no further forecasted draw on reserves after 2019. Reserves are built up/drawn down either by surplus or deficit. It is never a line item.</p>

	<p>PEO has until the end of 2018 to take its \$2M Affinity funds; taking the 2019 amount can be decided upon at any time during that calendar year.</p> <p>Page 16 – Accreditation – \$118K savings. The work plan was developed subsequent to the initial budget figure being presented and it revealed that staff can take care of this work in house. It was suggested that an explanation be added to the portfolio detail analysis being presented to Board for this and all items.</p> <p>Page 18 – Advocacy to federal government - \$63K savings. No comments made.</p> <p>Page 20 – Corporate services - \$203K savings. Some of the savings achieved in this portfolio are reductions, others are spreading costs over more years. There are one-time expenditures in 2019 that won't happen in 2020. The website is robust enough for the coming year. Reducing performance pay and COLA from 3% to 2.5% is well within line with inflation (COLA). The SLT still feel it is a generous performance award. It was noted that we don't want to balance budget on backs of staff.</p> <p>Page 22 – Diversity and inclusion – no changes proposed. No comments made.</p> <p>Page 24 – International mobility - \$158K savings. There is a significant compromise in deferring the IIDD improvement project. Five regulators use this tool regularly; others use occasionally as a supplemental tool. A brief explanation should be provided for the Board.</p> <p>Page 26 – Offering national programs - \$45K savings. The PIEVC and IRP divestitures are not being deferred, only the related costs.</p> <p>Page 28 – Promotion and outreach – \$22K for scholarship payments has been added as this was missed in the first round of budgeting. Of note, awards are not self-sustaining in terms of the HR costs, which are about \$200K. Concern was expressed that no cuts were made to line 1. Additional details will be provided in the portfolio detail analysis.</p> <p>Page 29 – Protecting official marks – no change.</p> <p>Page 30 – Fostering relationships - \$32K savings. It is not felt that the changes will impact productivity.</p> <p>Page 31 – Research - \$130K savings. No comments made.</p> <p>Page 32 – Secretariat services - \$48K savings. Meeting costs were determined by averaging the last four Spring meetings/AMMs.</p> <p>Page 35 – Services and tools - \$69K savings. The CEQB work plan will also be approved at the December meeting and they will provide details on the changes to it.</p> <p>\$843K in total reductions have been made.</p> <p>It was noted that savings are also achieved by Board committees meeting on-line.</p>
4.	<p><b>OTHER BUSINESS</b></p> <p>The committee's terms of reference and work plan need to be developed, therefore a meeting will be scheduled in late November/early December.</p> <p>The Finance committee has also been asked to review the Volunteer expenses policy. Staff will provide background information for reference.</p> <p>The quarterly financial performance for Q3 should also be reviewed at the next meeting.</p> <p>The revised budget package will be distributed with the agenda book on November 23<sup>rd</sup>.</p>
5.	<p><b>ADJOURNMENT</b></p> <p>Meeting adjourned at 2:35 pm.</p>