

Official

Minutes of the Board of Directors (BOD) Meeting April 9-11, 2019 Marriott Ottawa Hotel, Ottawa, Wellington Salon

Directors: Jean-Guy Soulière, President (Chairperson)
Roy Goodall, Vice President (VP) (Treasurer)
Brian Strongman
Alain Trépanier
Rick Brick
Cynthia Foreman
Linda MacDonald
Ted Young
Daniel Brunet
Hélène Nadeau
Jacques Lambert
James Nicholson
Léonard LeBlanc
Megan Williams

Other participants:
Simon Coakeley, Chief Executive Officer

Staff Observers:
Nikki Dignard, Director, Corporate Services/Chief Financial Officer
Donna Hansen, Manager, Human Resources and Volunteers
Deborah Krause, Manager, Governance
Andrew McGillivray, Director, Communications, Marketing & Recruitment
Sayward Montague, Director, Advocacy
Lionel Raymond, Executive Assistant (Recording Secretary)
Jeff Wolfson, Manager, Recruitment & Member Services (item 14)

Guests:
Derek Dobson, Chief Executive Officer and Plan Manager, Colleges of
Applied Arts and Technology (CAAT) Pension Plan (item 9)
Christa Casey, Partner, Welch LLP (item 10)
Craig Dalton, Veterans Ombudsman (item 11)
Gregory Lick, Acting Department of National Defence (DND) and Canadian
Armed Forces (CAF) Ombudsman (item 11)

Tuesday, April 9, 2019

1. Welcome / Call to order / Approval of agenda

The President called the meeting to order at 13:00.

It was agreed by consensus to move the session in-camera to discuss a personnel matter.

The Board held an in-camera session from 13:00 to 14:10.

All staff joined the meeting at 14:10.

Following this in-camera session, the following decision was recorded:

It was agreed by consensus that the membership of Philip Godin (Haute-Yamaska branch QC93) be immediately terminated in accordance with section 3.6 of the Association by-laws.

The President gave a brief report of his recent activities on behalf of the Association. The agenda for the meeting was then reviewed. No changes were proposed.

It was agreed by consensus to approve the agenda for the Board meeting of April 9-11, 2019 as presented.

The President declared that the minutes of the January 24-25, 2019 Board meeting were approved.

The President indicated that the CEO's monitoring report for the first quarter of 2019 has been provided. There were no questions or comments on the report.

It was agreed by consensus to approve the CEO Monitoring Report for Q1, 2019 as presented.

2. Business arising/Other business for decision

a. Approval of Branch preferred partnership program

The CEO presented a proposed preferred partnership between the Victoria Fred Whitehouse Branch (BC09) and Digital Rabbit Cellular Inc., a company providing cell phone, tablet & computer repair services in Victoria, BC.

It was agreed by consensus to approve the preferred partnership program between the Victoria Fred Whitehouse Branch (BC09) and Digital Rabbit Cellular Inc. as presented.

The CEO then presented a proposed preferred partnership between the Victoria Fred Whitehouse Branch (BC09) and Wicker Land Patio Victoria, a company selling patio furniture in Victoria, BC.

It was agreed by consensus to approve the preferred partnership program between the Victoria Fred Whitehouse Branch (BC09) and Wicker Land Patio Victoria as presented.

b. Board meeting dates and locations for 2021

The Board discussed proposed dates for the meetings to be held in 2021.

It was agreed by consensus to hold the spring 2021 Board meeting on March 23-25 (Tuesday to Thursday).

It was agreed by consensus to hold the winter 2021 Board meeting on November 30-December 2 (Tuesday to Thursday).

The Board had a discussion on the benefits of holding meetings outside of the Ottawa region in 2020 and 2021. After discussion, it was agreed to wait until the winter 2019 Board meeting in Moncton to decide whether other meetings should be held outside of the Ottawa region. Based on the outcome of the meeting in Moncton, the Board will consider holding a Board meeting in Chilliwack, BC in 2021.

The Board also discussed potential hotel locations for the meetings to be held in 2021. Based on information prepared by the National Office, it was agreed to hold Board meetings in 2021 at the Novotel in Ottawa.

It was agreed by consensus to hold the Board meetings in 2021 at the Novotel in Ottawa (33 Nicholas St).

c. Special meeting (think tank/retreat) of the Board

The President asked the Board to consider holding a think tank/retreat meeting in late 2019 or early 2020. This would be a 2 or 2-5-day meeting (retreat) being led by a professional facilitator in a location outside Ottawa where Board Members and Senior Staff would be able to share their thoughts and ideas about the future of our Association in a relaxed, informal, constructive, and creative environment.

After discussion, the Board agreed to hold such a meeting. However, because of the federal election in October, the Board considered the timing around this retreat. One option would be to hold the meeting in Moncton in conjunction with the existing Board meeting in early December 2019. The Board may also consider holding this retreat in January or February 2020 or even later in the spring. Toronto, Montreal and Quebec City were mentioned as potential locations for the meeting. Upon further discussion, it was also agreed that Alain Trépanier will be invited to attend this meeting.

Based on the feedback from the Board, the National Office will conduct a cost analysis of the potential locations and dates for the Board retreat and will report back to the Board at the June 17, 2019 meeting.

Board members were asked to send their suggestions for items on the meeting's agenda to the President.

d. Audio/Video (AV) contract for the Annual Members Meeting (AMM) 2019-2021

The National Office solicited bids from AV providers based on requirements at prior annual meetings. As this expense will exceed the CEO's spending limit (under policy ER-1.4.1), the CEO requested the Board's approval to select a service provider.

Based on the overall value of the quotes received, and the lack of disruption by using our existing provider, the National Office recommended selecting FMAV for such a contract.

It was agreed by consensus to authorize the CEO to sign a contract for Audio/Video services at AMM with FMAV for 2019-2021.

e. Updated rules of order for AMM

The Board discussed 2 proposed changes to the rules of order for the 2019 AMM. Under section 3.3.8, the time for debate on administrative proposals will be increased to 20 minutes. After discussion, the Board agreed to amend the wording so that after the 20 minutes, the chair will automatically ask for a vote to call the question. If the AMM votes no, then the matter will be automatically referred to the Board.

Further, under section 7.2, a change in the wording will now clarify that the Presidents' Forum discussion relates to branch operation items. Other items, such as funding issues or adherence to policy which affects branches would be part of normal debate in the actual Annual Members' Meeting.

It was agreed by consensus to approve the updated rules of order for the 2019 AMM as amended.

f. Board orientation 2019

It was agreed by consensus to invite the nominees for the 2019 AMM elections to the Monday June 17, 2019 Board meeting as guest observers.

The Board took a short break at 15:30.

3. National Office operations quarterly report

On March 1st, the President, Jacques Lambert and Hélène Nadeau met with the CEO to discuss the CEO's performance evaluation for 2018. During that meeting, it was suggested that the CEO give quarterly reports to the Board on the National Office's operations instead of one presentation in the fall as has been the practice in the past few years.

The CEO presented this new quarterly report to the Board. He asked for suggestions on the formatting of the report and the information it contains to ensure that it meets the Board's expectations. Further, it was agreed that these reports, once received by the Board, will be shared with branches in the bulletin to branches.

It was agreed by consensus to receive the National Office operations quarterly report for Q1 2019 and to share future reports with the branches.

4. Nominations Committee report

Megan Williams presented the list of nominees for the elections that will be held at the 2019 AMM.

It was noted that this year, a letter from the President was sent to members to advertise the positions open for election. The ad in Sage magazine was also revamped with more attractive formatting. Deborah Krause noted that she is also keeping track of candidates who expressed interest in Board positions to potentially offer them roles in Board committees or advocacy initiatives.

Deborah Krause also explained that she has sought legal advice to determine whether incumbents who started in 2014 will be able to run for re-election at the 2020 AMM, because it is not clear whether their two consecutive terms have been completed or not under the new by-laws versus the old ones. The Board will be advised once the legal opinion is received.

5. Advocacy Committee report

Brian Strongman reported on the Advocacy Committee's recent activities. Alain Trépanier reported on the committee's 2019 Federal Election Roadmap. This Roadmap confirms the issues that the Association and its partners want to bring to the forefront during the election campaign. It also articulates the goals and objectives so that our volunteers in the field can help with the advocacy efforts in a united voice.

The Director of Advocacy gave a detailed presentation on the Roadmap, which includes a SWOT review (Strengths, Weaknesses, Opportunities, Threats), the campaign's goals and objectives, key messages, planned activities and milestones.

Adjournment of Day 1 at 17:20

Wednesday, April 10, 2019

The session reconvened at 8:55.

6. Governance Committee report

- **Board investment policy**

Jacques Lambert noted that the Board investment policy (BCP-1.2.1) was reviewed by the Finance Committee and the Governance Committee.

Upon review, the Board agreed to remove the first sentence of section 2.1 of the proposed policy.

It was agreed by consensus to approve policy BCP-1.2.1 (Board investment policy) as amended.

- **Branch proposal re: Operational Plan**

This was the only proposal submitted by branches for the 2019 AMM. Jacques Lambert noted that the Governance Committee recommended that the Board not support this proposal as it stands.

The President remarked that he was surprised by this proposal, but perhaps there was some misunderstanding, since the Board already has an operational plan and once the Strategic Plan for 2019-2024 is approved, it is expected that the Board will cause a related National Operational Plan to be drafted, agreed upon by the Board, communicated to the Branches and implemented. This process will then be followed by the CEO's regular National progress reports to all branches, using various communication tools such as Bulletin to Branches. Branches will be invited to consider generating their own individual Branch Operational Plan, on a voluntary basis. So far, branches have received numerous reports on operations in the past, so this proposal is essentially asking for something that in substance, the Board already intends to carry-on in the future and that is acknowledged as a good business practice.

It was noted that the President, the CEO and the Governance Manager have met with the branch who submitted this proposal to discuss it in more detail and to explain that there is significant reporting already in place. A letter was sent following the meeting which the branch has responded to. The branch will be meeting the end of April and will discuss whether they will withdraw the proposal.

The two directors from the district offered to contact the branch to discuss this matter in more detail, to explain the Board's position regarding this proposal with a view to ask the Branch to reconsider introducing this proposal.

It was agreed by consensus to recommend non-support of this branch proposal as it stands.

- **Potential amendment to proposal 1902BODF01 – Branch Support Fund**

The Board discussed a potential amendment to proposal 1902BODF01 – Branch Support Fund. This amendment may be required depending how the debate on the proposal goes during the AMM, and is provided as an alternate option to provide to delegates.

It was also noted that a meeting room will be available for the Board to hold an emergency meeting during the debate on proposals at the AMM. This is in case the delegates on the AMM floor vote to increase the branch portion of the membership fees to a degree that would jeopardize the National Office's capacity to deliver existing programs.

- **Director assignments for 2019 AMM proposals**

The Board reviewed and amended the list of Directors' assignments for 2019 proposals. For each proposal, two Board members are assigned to explain the Board's recommendation to the delegates at the AMM. The list also includes standing resolutions proposed for deletion, and Directors assigned to explain why they are being deleted if a question arises.

7. Update on Sage magazine

As previously reported, the production of Sage is now done in-house at the National Office. The CEO and the Director of Communications, Marketing and Recruitment briefed the Board on this new process. Following requests for proposals, a printer has been selected. The Sage issues in 2019 will be done on a per-issue basis to allow the National Office to confirm that the selected supplier meets our expectations.

The National Office also procured liability insurance and hired an editor. However, we are still looking for an advertising agent.

Following this update report, The CEO sought the Board's direction on including an ad from Veterans Affairs Canada in the next issue of Sage as staff had concerns that including this ad could be seen as partisan or give the impression that the Association supports the Pension for Life program that is advertised.

It was agreed by consensus to allow the publication of an ad from Veterans Affairs Canada re: Pension for Life program in Sage.
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The Board took a short break at 10:50. Derek Dobson joined the meeting.

9. Board development session – Presentation by Derek Dobson re: Defined benefit pensions plans

The Board welcomed Derek Dobson, Chief Executive Officer and Plan Manager of the Colleges of Applied Arts and Technology (CAAT) Pension Plan. He gave a presentation about defined benefit pension plans. Following his presentation, Derek Dobson answered the Board's questions.

The President left the meeting at 12:00. The chair was passed to the Vice President.

The Board took a lunch break at 12:10. Derek Dobson left the meeting.

Christa Casey joined the meeting at 13:00.

10. PRESTO¹ – Presentation by Christa Casey (Welch LLP) – Financial reporting fundamentals for the non-financial Board member

The Board welcomed Christa Casey, Partner at Welch LLP, who is part of the team of auditors for the Association. She gave a presentation to the Board about financial reporting fundamentals. This included governance principles, details about the various types of reporting, the things a director should look for in an auditor's report, and information on the difference financial statement components. Following her presentation, she answered the Board's questions.

The Board took a short break at 14:20. Christa Casey left the meeting. Craig Dalton and Gregory Lick joined the meeting.

11. Presentations by the Veterans Ombudsman and the Acting DND and CAF Ombudsman

The Board welcomed Craig Dalton, the Veterans Ombudsman, and Gregory Lick, the Acting DND and CAF Ombudsman. Each gave a presentation to the Board about their respective functions: who they serve, what their mandates and services are, etc.

The Board took a short break at 15:45. Craig Dalton and Gregory Lick left the meeting.

Following the presentations, the Board agreed to hold an in-camera session to discuss a personnel matter. Staff was asked to leave the meeting.

It was agreed by consensus to move the session in-camera to discuss a personnel matter.

The Board held an in-camera session at 15:55. All staff left the meeting.

Adjournment of Day 2 at 17:10

¹ PRESTO stands for Political; Regulatory; Economic; Social & Cultural; Technological; Other in the context of a strategic environmental scan.

Thursday, April 11, 2019

The session reconvened at 8:50. *The President and all staff re-joined the meeting. The President took back the chair.*

8. Board evaluations – Policy BCP-1.6 to 1.7 and BCP 1.8 to 1.10

The Board agreed to discuss the Board evaluations on these policies in-camera. Staff was asked to leave the meeting.

It was agreed by consensus to move the session in-camera to discuss the Board evaluations on policies BCP-1.6 to 1.7 and BCP 1.8 to 1.10.

The Board held an in-camera session at 8:55. All staff left the meeting.

Following the in-camera session, all staff re-joined the meeting at 9:40.

12. Finance Committee report

Nikki Dignard presented the audited financial statements for 2018 and answered the Board's questions. This presentation included a review of overall operations, revenues, expenses, a statement of financial position, investments and financial reserves

As part of her presentation, she confirmed to the Board that, having verified all payments and invoices, all of the following tax and mandatory government remittances, for the National Office only, have been made for the year ended 31 December 2018: Harmonized Sales Tax (Federal); Payroll Deductions (Federal); Employer Health Tax (Ontario); Worker's Compensation Premiums (Ontario); and Quebec Sales Tax (QST).

It was agreed by consensus to adjust the financial reserves as follows:

CNFPICA Section 146 reserve from \$650,000 to \$620,000.

Fundamental vote reserve from \$400,000 to \$250,000.

Building rehabilitation reserve from \$140,000 to \$250,000.

It was agreed by consensus to pay the Defence of Benefits reserve up to \$750,000.

Simon Coakeley and Nikki Dignard asked for the Board's direction on a confidential matter related to the National Office building's lease agreement.

It was agreed by consensus to move the session in-camera to discuss the National Office building's lease agreement.

The Board held an in-camera session at 10:20.

It was agreed by consensus to approve the proposed course of action re: National Office building's lease agreement as presented.

The Board reviewed the applications received from branches for funds from the Supplementary Branch Funding Fund. The only amendment to the proposed list was to convert one applicant's

purchase of equipment to a rental. The treasurer noted that the Board will need to consider adding rules about the purchase of capital assets for future applications of this fund.

It was agreed by consensus to approve the list of Supplementary Branch Funding applications as amended.

The Board took a short break at 11:00. Jeff Wolfson joined the meeting.

13. Audit and Risk Management Committee report

The Board finalized the review of the audited financial statements for 2018.

It was agreed by consensus to accept the audited financial statements for 2018 as presented.

It was noted that these are unqualified financial statements, a first for the Association. The Board congratulated the CFO and the National Office for this achievement.

The Audit and Risk Management Committee presented a motion to the AMM

It was agreed by consensus to recommend to the 2019 Annual Members Meeting that, based on the result of the 2018 financial audit process and results, Welch LLP be selected to complete the Association's 2019 financial audit.

Léonard LeBlanc updated the Board on the issue of a NB Branch encountering difficulties submitting accurate financial statements for 2016 and 2017. He advised the Board that the branch has now submitted all the requested documents. It was also noted that another branch in Ontario whose books were also incomplete has now also submitted all the requested documentation.

It was reported that the Audit and Risk Management Committee has conducted its annual review of the National Office's Human Resources Policy. The policy has been found to be fully compliant with the relevant Ontario legislation.

Léonard LeBlanc noted that the Audit and Risk Management cannot report on the status of human resources policies for the 3 branches in Quebec because they are under the Quebec legislation.

The Board was also advised that one of the recommendations from the auditors is to centralize the collection of membership fees at the national level (i.e. fees collection should not be done at the branch level).

It was noted that there are still three branches that are not substantially compliant with the Canada Anti-Spam Legislation (CASL) and are not using the tools provided by the National Office to ensure that their communications with their members are compliant with the legislation. This is of great concern to the Board, because CASL-related complaints, if well founded, are subject to a regulatory enforcement process and penalties, including fines to a maximum of \$1 million for individuals and to a maximum of \$10 million for corporations per violation which may expose the Association to significant legal expenses if such proceedings were initiated.

It was agreed that the new Board of Directors (i.e. starting after the 2019 AMM) will work to address the CASL risk with the branches that are not complying (and will consider if further action is required).

Léonard LeBlanc advised the Board that 13 branches are still processing membership data in CRM.

The Audit and Risk Management Committee reported that the routine review of evidence of the CEO's performance, as per policy BMR-1.4 has been conducted and all is in order.

It was agreed by consensus to accept the report of the Audit and Risk Management Committee as presented.

14. Presentation on Membership and recruitment

Andrew McGillivray introduced Jeff Wolfson, who was hired as Manager of Recruitment and Member Services. He then gave a presentation to update the Board on the National Office's efforts in recruitment and member services.

During the presentation, he explained the benefits of increasing the number of members joining or renewing by direct deduction at source (DDS). In a briefing note, the Board was asked to consider launching a new recruitment program offering a 25% one-time, one-year membership discount for the 1,000 annual attendees at Retirement Planning Institute (RPI) "Ready to Retire" sessions, as well as past attendees, who agree to sign up with DDS. Further, a similar discount would be offered to current members who agree to switch to DDS when renewing beginning with the July 2019 renewals and for a period of one year.

After discussion, upon the recommendation by one member, the Board agreed that the offer should apply to any member joining or renewing rather than just attendees from the RPI event, such as that this offer may be used as part of any recruitment strategy at the National or at the Branch level.

It was agreed by consensus to launch an 18-month recruitment program allowing the National Office and the Branches to offer a 25% one-time, one-year membership discount for any new members who agree to sign up with DDS.

It was agreed by consensus to launch a DDS conversion initiative which will offer a 25% one-time, one-year membership discount for any existing membership renewals who switch to DDS beginning with the July 2019 renewals for a period of one-year.

It was agreed by consensus that the CEO will report quarterly to the Board on the success of the 18-month recruitment program and DDS conversion initiative and will bring a further recommendation to the Board at the end of the 18-month program to assess effectiveness based on join and renewal rates.

The Board took a lunch break at 12:15. Jeff Wolfson left the meeting.

15. Volunteer Recognition Committee report

It was agreed by consensus to move the session in-camera to discuss the 2019 Volunteer Recognition Awards.

The Board held an in-camera session at 12:45. All staff left the meeting.

All staff re-joined the meeting at 13:15.

It was agreed by consensus to approve the slate of recipients for the 2019 Volunteer Recognition Awards as presented.

16. Branch health roundtable

Ted Young and Linda MacDonald advised the Board that they had to deal with an issue with the president of a branch about some correspondence with a member that was of concern. As a result, the branch president left the Association. The matter has been resolved and the branch will hold elections in due time.

Jacques Lambert and James Nicholson advised the Board that, regarding the matter discussed earlier in the meeting, they will work with the Haute-Yamaska branch (QC93) to ensure they have everything they need to hold elections.

Cynthia Foreman and Rick Brick advised that the Swift Current branch (SK29) is currently being run by an interim president. Options are being explored for the branch's future, including a potential transition to a satellite branch status.

Cynthia Foreman and Rick Brick also advised that the Eastern Manitoba branch (MB91) received some help and is now out of danger of closing for the time being.

Brian Strongman and Alain Trépanier advised that following the passing of their long-time president Reg Daws at the end of 2018, the Chilliwack branch (BC02) is looking at options, including merging with other branches.

Deborah Krause presented a briefing note with proposed amendments to the by-laws of 3 branches.

It was agreed by consensus to approve the amended branch by-laws for Colchester East Hants (NS72); Central Fraser Valley (BC01); and Regina and Areas (SK24) as presented.

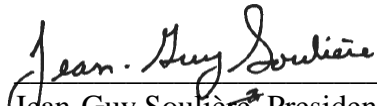
17. Next meeting agenda items and speaker(s)

The President asked the Board to send him any suggestions for items in the next meeting's agenda. Rick Brick noted that he will brief the Board on a series of presentations on social isolation in seniors that he attended earlier this year.

18. Roundtable

The Board held a roundtable session.

Adjournment at 13:50



Jean-Guy Soulière, President



Simon Coakeley, Chief Executive Officer