

# EXECUTIVE COMMITTEE MEETING

Wednesday 15 August 2018

1900-2200 EST



## IN ATTENDANCE

President	Merv Ozirny
1 <sup>st</sup> Vice President	Jim Hunter
Treasurer	Ernie Weisner
Vice President	Hille Viita
Vice President	Tom Taborowski
Past President	Don Berrill
ED/Secretary	Pierre Forgues
Consultant	Scott Lawson

## GUEST

CIBC Wood Gundy Advisor      Marc Leblanc

## 1. ADMINISTRATION

- 1.1 **President's Opening Remarks:** The Chair welcomed everyone to the meeting. Tom, seconded by Jim, moved that they have the capacity to spend up to \$350 including tax to purchase a glider print and frame to present to the President of Air Canada Jazz as a thank you for all their support. Motion carried.
- 1.2 **New Items for Agenda:** No new items for the agenda.
- 1.3 **Approval of Agenda:** Hunter, seconded by Ernie, moved to approve the agenda. Motion carried.
- 1.4 **Approval of previous meeting ROPs:** Hunter, seconded by Hille, moved that the ROPs from 18 July 2018 be approved. Motion carried.

## 2. INFORMATION

- 2.1 **President's Report** – Merv Ozirny  
A written report was submitted before the meeting. Merv reported that most of his time has been taken up by the review of an appeal of dismissal submitted by a volunteer which now appears to be resolved.
- 2.2 **Executive Director's Report** – Pierre Forgues  
A written report was submitted before the meeting. Pierre provided an update on several items: the affair with 636 squadron has effectively died down; the Corporations Canada annual report is due 25 October; the employee annual appraisals are due 1 August; the national office will be closed Saturday 22 Dec to Tuesday 1 January. Pierre asked the NEC for recommendations for the SAM guest of honour.

*Action Item:* Pierre will try to secure BGen Cochrane or Col Fleury as the SAM guest of honour.

### 2.3 **Treasurer's Report** – Ernie Weisner

Ernie provided a brief overview of his written report. He reported that all outstanding expense claims have been approved for payment and will be sent out shortly. The DND grant should be coming in near the end of August. Jim pointed out that the ACC9 return statistics are the same as the last report – for Pan Territorial we have 2/3 not 0/3. Ernie explained that they did not get the July ACC9 figures. Ernie, seconded by Hille, moved the adoption of the report as outlined. Motion carried.

## 3. **BUSINESS ARISING**

### 3.1 **PC AGM Attendance** – Pierre Forgues

Pierre provided an update on PC AGM attendance. They are still waiting for confirmation of dates from NL and NS. Jim will not be going to the BC AGM. Pierre cannot attend the Winnipeg AGM as it conflicts with the Career Expo in Ottawa in October. PC AGM attendance still TBD.

### 3.2 **Glider Liens** – Pierre Forgues

Pierre provided a summary page for item 3.2. He reported that 4 of the 16 gliders do not have a clear title. The problem with all 4 of these is essentially the age of the liens. Pierre reported that he talked to our pro bono lawyer and he is of the opinion that the risk is low as the only liability we would assume is limited to the value of the salvaged aircraft.

Jim, seconded by Ernie, moved to proceed with Pierre's recommendation to proceed with the deal, finalize the purchase and make plans to go down and pick up the remaining 4 gliders. Motion carried.

### 3.3 **724 Squadron** (in camera) – Pierre Forgues

## 4. **CRITICAL PATH UPDATE**

### 4.1 **Screening and Registration** – Hille Viita

Hille had nothing further to add.

### 4.2 **CRA Charities Registration** – Ernie Weisner

Ernie reported that things are slow on this file. They are still waiting for clearance on 5 PCs who require VN number changes. They have requested documents that the CRA wants to review with NB, NS and SK. He indicated that once those things are settled they should be able to move to phase 2 (dealing with SSCs). Ernie also reported that they are getting calls from the NB and NS RCSUs. They are being pressured by their finance people saying we need VN numbers for all SSCs who facilitate the direction of refunds coming from DND for training expenses. Ernie will have more information on this soon.

Pierre brought up the LSA issue and the issue raised by the Army League that some of our SSCs are using army quarters VN numbers (as well as the ACL National number). A discussion ensued on the purpose of VN numbers as a DND requirement and a necessity to receive money. The NEC discussed different options. In the short term, the first solution would be to get DND to hold off on enforcing that rule. As a second short term solution, PCs could lend their number to non-registered units provided they do a report to the PC so that everything lines up properly for the CRA and for the affiliation agreements.

*Action Item:* Pierre will seek further clarification on this issue.

**4.3 Affiliation Agreements – Scott Lawson**

Scott reported that they have provided the PCs with a revised version of the Affiliation Agreement including details of the revisions and a time frame of the end of August/early September to respond with questions. Scott provided an update on the legal situation with AB (AB and National using different lawyers from the same law firm) and a discussion followed. Our legal counsel is waiting to hear from the law society on what the ruling is for this situation. Don informed the NEC that when this situation occurred in 2016, they had two separate law firms recommend it was fine to use the lawyers this way because one was with the firm in Ottawa and the other from AB. Don, seconded by Ernie, moved to proceed with National's intention to maintain the law firm regardless of what AB does. Motion carried.

*Action item:* Jim will call the normal PC Chairs meeting in Sept and he will tell them they need a timeline and they MUST be ready for discussion/ with questions for the BOG at the SAM. \*see 6.1

**4.4 Strategic Planning – Scott Lawson**

Nothing new to report. Sue and Scott will be finalizing things in the next few weeks.

**4.5 DND Cadet Renewal – Scott Lawson**

There are 2 new working groups that are being organized in Sept. The first is the youth voice review which Guy Albert will be attending. The second is the unit leadership team review. Jim and Scott will sort out who will be attending.

**5. NEW BUSINESS**

**5.1 Presentation from CIBC Wood Gundy – Marc Leblanc**

Marc revisited the ACLs existing investment policy and asked the NEC to consider increasing the level of exposure towards stocks or equities. The ACLs published investment policy in the PPM is 70/30. Taking into consideration our tolerance to risk (low), the spending formula and time horizon, Marc strongly recommended that we allow the equity max to move from 30 to 50. Marc explained the pros and cons of the additional risk that would be involved with moving from 70/30 to 60/40 or 50/50. He explained how asset allocation and getting the right asset mix dictates your rate of return (RoR). A more aggressive asset mix in favor of stocks or equities could increase the RoR from 2-3 % (if you only had GICs) to 6-8 % over the long term (what he usually achieves with a 60/40 split). Moreover, by introducing some stocks and a little risk we could position ourselves to meet grant requirements and make the portfolio grow by at least the rate of inflation, protecting the principle and having the potential for growth. Additionally, Marc emphasized low cost stocks with low management costs (around .06-.09%).

Don, seconded by Ernie, moved that the NEC make the following recommendations to the BOG:

1. We adjust our exposure to 50% low risk 50% medium risk for investments,
2. We remove the references to equities being dividend bearing in the PPM,
3. The Board allow the NEC to adjust the finance/investment policy to reflect the above recommendations. Motion carried.

*Action Item:* At Tom's request, Pierre will ask Marc if he can give us an idea of what the average RoR is for 3/5/10 years for funds he is managing similar to ours (Pierre pointed out that the RoR is based on risk and we are his most conservative client, so he may not have a comparison).

## 6. COMMITTEE REPORTS

### 6.1 PC Chairs, Air Cadet, Aviation – Jim Hunter

*Action Item:* Jim will send out a package to the NEC with Vern's minutes from the PC chairs meeting plus the report from Jerry Pratt on the Air Cadet Committee.

*Action Item:* Don will forward Jim the dress regulations from Ontario. Once Jim and Merv review it, Don will forward it to the Advisory Council saying they would like to make this dress regulation applicable as the minimum standard across the country.

The NEC discussed PC Chair attendance at the SAM. The NEC agreed that the PC Chairs can attend this SAM as they are willing to pay their own way and they have a reason to meet – to discuss the affiliation agreement and as their approval is needed on the 8 items the NRGC put forward regarding funding. National will pay for PC Chairs that do not have the funds (Pan Territorial). Condition for attendance: PC Chairs MUST be prepared, up to date, and have questions ready to discuss the affiliation agreement.

*Action Item:* Jim will make PC attendance at the 2018 SAM an agenda item for the next PC Chairs meeting.

### 6.2 Finance, NRGC/LIP – Ernie Weisner

Ernie provided a brief overview of his report touching on a few key items including: the Career Expo in October, the user pay system, the Presidents Club initiative (has been launched), grant application status', the glider print initiative, ACES, and the new ALC ring. Ernie is going to reconstitute the finance committee.

### 6.3 Music, IACE, Selections – Tom Taborowski

Hille reported on IACE – the Maritimes finished their 3-year term successfully. They have had 2 meetings regarding QC for 2019 so far. The annual IACEA meeting will be in Brisbane this year.

### 6.4 Members, Communication, Effective Speaking, Screening – Hille Viita

Hille reported that the Members Committee will meet in 2 weeks. They have a to-do list from the President to focus on. She had nothing new to report for the Communications Committee. Pierre has taken the lead on the QC incident which can provide valued lessons learned. The Effective Speaking topics are up on the website.

### 6.5 Advisory Council, Awards, Nominations, Scholarships – Don Berrill

Don referred to his report in the meeting book. Don has expressed his concern to Craig Hawkins that the Nominating Committee needs to make sure the nominating process is still robust. He also reported that Don Doern is having some issues with honours and awards transition but is working through that.

*Action Item:* Jim, Merv and Pierre will get professional pictures taken at a reasonable cost.

Jim, seconded by Don, moved to move the meeting in camera. Motion carried.

7. **CONCLUSION**

7.1 **Closing Remarks:** Jim reported on Jan Reidulff's health – he is considering doing chemo. Pierre reported that during the meeting he received a call from Chris Toth who informed him we had another aircraft accident resulting in minor damage with one of our tow aircrafts in Valcartier. Merv informed the NEC he will be very busy the next four weeks travelling to Saskatoon, Cold Lake, Anaheim, Ottawa and then Ottawa again for the change of command.

7.2 **Good and Welfare of the ACL:** Nothing further.

7.3 **Date and Time for next meeting:** 12 Sep 2018 (BOG).  
Jim, seconded by Hille, moved to adjourn the meeting. Motion carried.