

7331-1-2 (EFC)

13 February 2019

Distribution List

**RECORD OF DECISIONS-EUROPEAN FUND COMMITTEE MEETING
NIEDERHEID A-16 CONFERENCE ROOM 7 FEBRUARY 2019-1300 HRS**

In Attendance:

Chairperson: Commander Formation Europe BGen D.O. Quinn

Members: CO Germany Col D. Constable
 CO Italy Rep LCol S. Côté
 CO NATO IMS Rep LCol K. Lalonde
 CO SHAPE LCol J. Galuga
 CO CFSU(E) LCol M. Penney
 SCO CDLS (L) Rep Maj. D. Martimbeault
 CO Netherlands NE Col W.A. Taylor
 NUF Rep Mrs J. Thibault
 FCWO CPO1 G. McTigue

Ex-Officio: Chair EFWG Maj J.R. Murdock
 COS FE Cdr D. Wakeland
 SCO Brussels Col G. Ivey
 D NATEX Mr. C. Towning
 Sr Manager PSP Mrs. J. Thibault
 NPF Acct Mgr Mrs. M. Joly
 EFC Secretary Mrs J. Niese

Absent CO UK Col D. Hilton

Guests: LCol D. King CO Ramstein
 Mr. M.A. Gaudet CCR Manager

Item	Discussion	Action
I	OPENING REMARKS AND EF STATISTICS FOR 2019-20	
	1. The Chair called the meeting to order at 13:10 hrs. She welcomed everyone who introduced themselves around the table and then on VTC and finally those on the phone. 2. The statistics of the EF for next fiscal year were presented. They are based on the number of EF members provided in November 2018 and will be used to determine the EF and CANEX-SISIP grants during fiscal year 2019-20.	Sr Mgr PSP
II	ADOPTION OF PREVIOUS EFC ROD DATED 19 NOVEMBER 2018	

	<p>3. The Chair asked the Committee members to review the previous record of decisions, from the meeting held on 18 Oct 2018.</p> <p>CO CFSU(E) motioned to adopt the record of decisions, seconded by CO SHAPE. All in favour. Motion carried</p>	<p>Info</p> <p>Carried</p>
III	REVIEW OF EF FINANCIAL STATEMENTS AS OF 31 Dec 18	
	<p>4. The NPF Acct Mgr presented the financial position of the EF based on 31 Dec 2018 financial statements. The EF is currently performing above budget with an actual YTD net of €71,352 vice the budget (€3855). There are still a lot of expenses to come, but if the trend continues, the forecast to year end will be a net of €28, 929 vice the budgeted €1572.</p> <p>5. The EF Unencumbered cash is currently €328,386 (Investments of €312,328 and cash €16,058)</p> <p>6. CBA Interest Options: Yearly in March, CFMWS requests that all those with CBA and investments choose Interest Options. Last year Comd FE asked Sr Mgr PSP to include both the EFWG and the EF in the decision to choose one or more of the offered options. Sr Mgr PSP suggests the following: When the letter arrives in March 2019, CSO CFSU(E), NPF Acct Mgr and Sr Mgr PSP Europe will review the letter and make recommendations to the EFWG via a secretarial vote, then the EFWG's recommendations will be forwarded to the EFC members for a secretarial vote. Comd FE will approve. All in favour of the recommendation.</p>	<p>Info</p> <p>Sr Mgr PSP</p>
IV	BUSINESS ARISING FROM LAST EFC MEETING	
	<p>7. <u>Opening a canteen in Riga</u> At the last EFC, members asked Sr Mgr PSP to look into ways to increase revenues for the EF by opening a new NPP duty free canteen in Riga.</p> <ul style="list-style-type: none"> • Supported in principle by Riga • No physical space at this time (perhaps in 2 to 3 years) • Adazi sells tobacco products and the staff at TFL HQ has access to duty free • Approx 40 to 50 CAF members would be entitled to shop at the duty free plus some NATO positions • At this time, it is not worth, investing in opening a duty free canteen in Riga • This needs to be looked at again in 2 to 3 years. It is important to make sure that the host nation gives its accord (D NATEX) to open a canteen that will sell duty free alcohol and tobacco products. <p>8. <u>Grant for Local Nationals</u> (LNs used below as opposed to CTA)</p>	<p>Info</p>

CO CFSU(E) is requesting a grant to support the Local Nationals (LNs) working in Europe in order to allow them to participate in functions organized by the unit funds.

- LN (or CTA) are usually non-Canadians who have been working in the units for several years and support Cdn in Europe.
- The EF promotes Morale and Welfare opportunities and fosters friendship amongst community members
- The grant would cover the cost delta to invite LNs to four functions
- CFSU(E) has 26 LNs and the rest of Europe only 12. CFSU(E) has the largest number of LNs and cannot afford to invite the LNs to functions
- The grant would be €25 to €30/person or a max of €1140 for the 38 LNs in Europe

EFWG did not support this request but supported that the EF changes its constitution to allow UFs to alter their constitution membership list to include, as appropriate to local needs, other than EF members. (ie, CTA, LEE, etc)

Discussion:

It is evident that the EFC members are divided on this issue, these are some of the comments:

- It is a slippery slope to allow this, although I am sympathetic;
- Could we add membership categories such as in the mess and people are invited to join the UF at a cost
- The EF grant to UFs would not change as the LNs are not part of the EF
- Are there other mechanisms to support LNs
- Will we allow LNs to access the other EF programs such as Chalet, etc
- It will only cost the EF €95/month to show a sense of humanity and to foster relationship
- By principle, I cannot agree with this request, although I am sympathetic
- CFSU(E) is the only unit with a large number of LNs and cannot afford to invite all LNs as other UFs are currently doing
- We need to be more stringent with the EF funds

CO CFSU(E) requested that a grant from EF to the CFSU(E) UF so that CO CFSU(E) has the ability to sponsor several events for M&W to that all employees here can participate at equal cost.

The chair suggested to vote on this specific request on the table €1140 or €25 to €30 per employee carried across all 38 existing employees now. Motioned by CFSU(E) and seconded by NUF Rep For: 4 votes, Against: 5

Motion defeated

CO CFSU(E) motioned that EF grant CFSU(E) UF and other units a grant not to exceed €1140 on a one year basis to be used to offset the cost

CO CFSU(E)
EFWG

<p>for LNs employees to attend up to four functions. CFSU(E) will capture the cost associated with the LNs participation in these activities amongst from €1140 that are expressly used for this purpose will be returned to the EF. Seconded by NUF Rep. Vote: For 4 Against:5 Motion defeated</p>	
<p>Chair requested that due to the close vote, the CO CFSU(E) lead a working group (EFWG) and prepare an updated submission for the next meeting including more detailed financials and information. (number of events, costs, number of LNs, etc)</p>	<p>CO CFSU(E) Chair EFWG</p>
<p>CO IMS Rep motioned that the EFC be approached to change the EF constitution to add that local UFs constitutions can alter their membership list to include, as appropriate to local needs, other than EF members ie CTA, LEE. Seconded by CO CDLS Rep. All in favour. Motion carried</p>	<p>Sr Mgr PSP</p>
<p>Secretarial Note: at the end of the meeting, it was discussed whether this motion to change UF membership included people that were external to the workforce, such as members of the local community. Because this was not discussed in the context of the motion that was voted on, the Chair determined that the motion that was carried did not include circumstances such as members of the local community and invited further discussion at the next meeting if desired.</p>	
<p>9. <u>EF Cash Flow Option</u> The EF has been in a negative Cash Flow position from April to Nov 2018 and is finally in a positive cash flow position on 31 Dec 2018. This is due to the fact that the EF has no cash on hand and is distributing the EF grant early in April before the Canteens make any contributions to the EF. To fix this problem, the EFWG is proposing the following: Starting 2019-20, the EF grant will be distributed in two installments in July and December and the CANEX-SISIP grant will be distributed in December, with no changes to the Non-Unit Funds (NUFs) members. This distribution process will be reviewed annually to make sure that the UFs can sustain receiving their EF and CANEX-SISIP grants at a later date in the future. FCWO motioned that starting 2019-20, the EF grant will be distributed in two installments in July and December and the CANEX-SISIP grant will be distributed in December, with no changes to the Non-Unit Funds (NUFs) members. This distribution process will be reviewed annually to make sure that the UFs can sustain receiving their EF and CANEX-SISIP grants at a later date in the future. Seconded by CO SHAPE. All in favour. Motion carried</p>	<p>Sr Mgr PSP</p>
<p>10. <u>Options for Representational Expenses</u> The Chair indicated that the EFWG proposed that the Representational Expenses continues to be provided to the recipients as it has been in the past. ie €660 to all COs and €800 to COs with a CWO/CPO1. The Chair pointed out that this will not allow flexibility to support those COs who, by their position/functions, have a greater demand than others to provide</p>	

	<p>strategic effect. She also indicated that CFMWS sets the annual limit and COs cannot spend more than this limit. CO Netherlands indicated that the public Hospitality funding is the public funds that is used to meet the strategic effects and that COs continues to want to have a little flexibility using the rep expenses.</p> <p>CO Netherlands NE motioned that the Representational Expenses continue to be distributed to recipients as it has been. COs have little flexibility in spending NPP and would like to continue having access to €660/€800, Seconded CO CFSU(E). Vote: 7 in favour, 1 abstention Motion carried</p> <p>11. <u>Contingency Fund for CAF members and families in distress</u> At the last EFC, Sr Mgr PSP and NPF Acct Mgr were asked to investigate what can be accessed in case of emergencies. CFMWS Support our Troops Fund has agreed to support Formation Europe and EF received the following funding:</p> <ul style="list-style-type: none"> • CO CFSU(E): €2000 for emergencies • Formation Europe three Padres: each €200 for emergencies <p>SOPs (Annex J to EF constitution) have been developed and requires input and a secretarial vote from the EF.</p> <p>12. <u>UF Unencumbered cash statistics for the past three years</u> The Chair proposed the slide with the unencumbered cash statistics of all NPP entities in Europe. It is easy to see that all UFs are healthy and can sustain receiving the EF and CANEX-SISIP grants later in the year.</p>	<p>Sr Mgr PSP</p> <p>Sr Mgr PSP</p> <p>Info</p>
V	NEW BUSINESS	
	<p>13. <u>EF Priorities</u> Yearly, the EF needs to review and vote on its priorities. The Chair asked the EF members to read the priorities and approve them as presented or submit changes. CO Italy moved to keep the same EF priorities for next year 2019-2020, seconded by CO CFSU(E). All in favour. Motion carried</p> <p>14. <u>2019/2020 NPP Budget</u> Sr Mgr PSP presented the NPP budget for next year 2019-20. She said it was a conservative budget. She is trying to build a little cash and the budget shows a net of €21,6K. The EF grant will be €100/EF member. DNATEX commented that the net of Ruislip seems too high compared to this year's net. Sr Mgr PSP will verify this and will send the budget for approval via a secretarial vote.</p> <p>15. <u>Petty Cash Canadian Canteen Ramstein</u> The Chair told the EF members that the new Petty Cash provided to the CCR needs to be approved by the EFC. The Petty Cash is used to pay for small expenses required for the running of the store. FCWO motioned to approve a Petty Cash in the amount of €500 for the CCR, seconded by CO Germany. All in favour. Motion carried</p>	<p>Sr Mgr PSP</p> <p>Sr Mgr PSP</p> <p>NPF Acct Mgr</p>

	<p>16. Request for Write Off Canteen SHAPE The Chair indicated that the Write off of two old and missing pieces of equipment belonging to the former Canteen in SHAPE requires to be approved by the EFC. The two pieces are a pricing gun and a cash register. Both have a zero value in the accounting books. FCWO motioned to approve the write-off of both pieces of equipment, seconded by the NUF Rep. All in favour. Motion carried</p>	<p>Sr Mgr PSP NPF Acct Mgr</p>
VI	OPEN DISCUSSION	
	<p>17. EF and VTA The Chair indicated that she has received information that some CAF members receive more than one VTA due to the level of Hardship of the location where they are posted. The VTA is provided because of the location and the cost to travel from those locations, etc. Those members also receive the EF grant. Do the EF members want to discuss this? Discussion:</p> <ul style="list-style-type: none"> • Those are two different grants for two different programs • CAF members are posted to Hardship locations • They should receive both second or more VTA and EF grant • Reducing the EF grant would show that we consider them as second class citizens • Some members received excellent M&W programs from host nations, perhaps they should not have the EF grants • They get VTA due to context of their work and that should not be part of our consideration • Some MPs are only posted for two years and do not get VTA • This would open a can of worms <p>The Chair noted the general agreement with the principal of inclusivity and indicated that we could revisit this discussion at some point in the future should conditions change.</p>	<p>Info</p>
VII	AJOURNMENT	
	<p>22. A motion to adjourn the meeting was made by CO CFSU(E) at 1540 hrs, seconded by CO SHAPE. All in favour. Motion carried</p> <p>The next meeting will take place in SHAPE as part of the FECC in October around the same time as last FECC.</p>	

Annex A: EFC Presentation (including the financial presentation)

REVIEWED BY


J. Thibault, Sr Mgr PSP (E)

13 Feb 19
Date

RECOMMENDED



13 Feb 19

J.R. Murdock Maj
Chair of EFWG

Date

~~APPROVED~~ ~~NOT APPROVED~~


D.O. Quinn, BGen
EFC Chair

13 Feb 19

Date

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Action

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