

7331-1-2 (EFC)

12 April 2021

Distribution List

RECORD OF DECISIONS-EUROPEAN FUND COMMITTEE BUDGET  
MEETING FOR FY 21/22 - MS TEAMS 10 MARCH 2020

In Attendance:

Chair:	Commander Formation Europe	BGen D.O. Quinn
Members:	CO Germany CO Italy  CO NATO IMS CO Casteau/South-West CO CFSU(E) SCO CDLS (L) CO Netherlands/North-East NUF Rep FCWO	Col R. Pamplin Col D. Russel Rep LCol P. Breton Col Y. Poirier LCol S. Harding LCol H. Staal Col A. Lussier (absent) LCol A. Taylor LCol P. Mackenzie CWO R. Viel (absent)
Ex-Officio:	EFWG Chair COS FE SCO Brussels (CANMILREP) CO UK Sr Manager NATEX Sr Manager PSP (E) NPF Acct Mgr Secretary	Maj T. Byrd Cdr E. Kerr Col M. Stalker Col D.C.D. Hilton (absent) Mr. Sajid Butt (absent) Mr. Mike Taylor Ms. Michelle Joly Ms. Tamara Clarke

Non-Voting Guests:

Comd FE Staff Officer                      Capt S. Manser

ITEM	DISCUSSION	ACTION
<b>I</b>	<b>OPENING REMARKS</b>	
	1. The EFC Chair welcomed attendees and called the meeting to order at 1408 hrs.	Info
<b>II</b>	<b>ADOPTION OF PREVIOUS EFC ROD 18 FEB 2021</b>	
	1. The EFC Chair requested acceptance of the Record of Decisions from the EFC 18 Feb 2021.	
	2. Members presented no changes to the minutes.	

	3. <b>MOTION:</b> CO Germany motioned to adopt the record of decisions, seconded by CO Netherlands /NE.	<b>All in favour, motion carried.</b>
<b>III</b>	<b>OLD BUSINESS</b>	
	<p>1. The decision on eligibility for chalet program draws was deferred from the last meeting, allowing Sr Mgr PSP (E) to provide statistics on outstanding chalet claims in the event this impacted the Committee’s decision on draw eligibility. Sr Mgr PSP (E) presented the stats for Full Flex FY 20/21 as of 9 Mar 2021 (EFC PPT 10 Mar 2021), reminding members that they voted to extend claim submission deadlines for Full Flex and NUF Grant claims for FY 20/21 to 20 Mar 2022. The costs of those Full Flex/NUF claims will be reflected as an accrual at end-year FY 20/21 and will not effect the FY 21/22 Budget. Discussion was renewed on whether to follow the current Full Flex draw rules in FY 21/22 or make changes. Concern was that with the adjusted deadline for Full Flex winners in FY 20/21 there is the possibility that people could have two winner’s vouchers at a single time. Discussion was that those who had previously won and were unable to use the vouchers due to COVID restrictions should not be penalized by being ineligible to apply for the following seasons in accordance with the current rules. This would mean members are eligible for draws one season after having won a voucher.</p> <p>2. <b>MOTION:</b> NUF Rep motioned to maintain the current draw rules, seconded by CO NATO IMS.</p>	<b>Motion carried.</b>
<b>IV</b>	<b>NEW BUSINESS</b>	
	<p>1. <u>General.</u> Chair stated stores are key revenue generators for the EF and this budget will show the impact of the store closures. Although the Committee will set a budget today, the EFC will have the flexibility to amend in-year if warranted. Despite the impact of the closures, overall the EF is still healthy. The EFC meet prior to the summer to take decisions on the Winter Chalet program.</p> <p>2. The NPF Accounting Mgr (NPFAM) presented the EF forecast as of 31 Mar 2021. (EFC PPT 10 Mar 2021).</p> <p>a. <u>Forecast Revenues.</u> The Ramstein revenue was adjusted by €23,000 to reflect the estimated profit sharing up to 31 Mar which came to €178,000. Innsworth and Ruislip stayed the same as they remain closed. The estimated CBA/Investment Interest of €13,500 was added to revenue projections for 31 Mar 2021 based on reports we will get an interest inject by end year. The other revenues have not changed. The total estimated revenues as of 31 Mar 2021 are €225,958.</p>	Info

	<p>b. <u>Forecast Expenses.</u> Adjusted estimated end year expenses were: Representational Fund up to €3,000, EF Grant €171,200, PSP Full Flex/NUF €76,642 and estimated amounts from programs, Deployment &amp; Hospital Comforts, €3,000. These were added to €59,444 accounting fees, €1,408 miscellaneous, €7,000 Academic Program and €76 revaluation fees bringing the total estimated expenses at end year to €321,770.</p> <p>c. <u>Summary.</u> End year budget forecast (slide 6 EFC PPT 10 Mar 2021) reflects a projected net loss at end year at <del>–€95,812</del>. Unencumbered cash in the Investments is at €314,341 and an estimated unencumbered consolidated bank account (CBA) for end year FY 20/21 is €90,965.</p> <p>3. Sr Mgr PSP (E) continued to present the EF Budget (EFC PPT 10 Mar 2021) and show the impact of COVID on the revenue and expenses this year. The average revenue of the previous two FYs was reported as €525,000. FY 20/21 end year revenue impacted by COVID restrictions and store closures is estimated at €225,000. Average expenses in previous two FYs was reported at €470,000, this FY end year expense estimate is €322,000. The combined total of €300,000 less revenue and €148,000 less expenses is approximately a €150,000 net reduction from average. Mid-year target was to keep unencumbered bank account at <math>\geq</math> €60,000. The projection is that objective will be achieved.</p> <p>4. <u>Key Factors to Increase Financial Health FY 21/22:</u></p> <p>a. Gradual return to normal store revenues depending on the HN COVID restrictions. CO Germany added that the Ramstein store reopening is aligning with Germany’s 5 step opening plan based on the COVID case numbers. It could take some time to return to normal store revenues;</p> <p>b. The return of the CANEX-SISIP Grant has been budgeted at 75% of previous two years allocations as directed by CFMWS HQ who oversee this grant. The last year it was approximately €45,000 and this year €33,500; and</p> <p>c. A gradual return to the subsidized Chalet program.</p> <p>5. <u>FY 21/22 Budget Parameters.</u> In preparing the FY 21/22 draft budget, the following planning guidance was given:</p> <p>a. Store managers were asked to be conservative in their projected revenues;</p> <p>b. Budget for return of CANEX-SISIP Grant at 75% of previous years allocations; and</p>	
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	<p>c. Budget for 3% interest on consolidated bank account balance and investment income. *Note -The UK Stores are projecting €40,000 in profit sharing and Ramstein store is projecting €240,000.</p> <p>6. <u>Assumptions for FY 21/22 Budget Options.</u> All programs are being pursued as per EF published priorities. EF/NUF grant minimum starts at €100 per member. Level of fiscal support for Support to Families program, Representational Funds, Misc Exp, and Academic program would remain the same. Chalet/Full Flex program (no summer chalets – winter only and 100 Full Flex at €250 each).</p> <p>7. <u>EF Budget FY 2021/22 Budget Options.</u> In a previous meeting, the discussion was raised to review the amount per mbr allocation for UFs and NUF. This discussion was raised in the context of the potential increased benefit for our members/families to enhance morale and welfare. It was acknowledged that the allocation per member had decreased over the years as revenues had dropped and the number of personnel in FE has increased. Keeping all other program items constant, the impact to the bottom line on varying the funds allocated per member was examined (ref EFC PPT 10 Mar 2021):</p> <p>a. at €100 per EF member (slide 19), the cash balance at FY 21/22 year end is projected to be €47,367;</p> <p>b. at €125 per EF member (slide 20), it reduces to €6,042; and</p> <p>c. at €150 per EF member (slide 21), the net cash balance is projected to be <del>€34,282</del>.</p> <p>The Chair advised EFC that regardless of allocations, most of the UFs are in healthy positions and reminded members that a chosen budget option can be revisited later on if conditions require.</p> <p>8. <b><u>MOTION:</u></b> CO NATO IMS motioned to increase the allocated EF Grant amount to €125 per member for FY 21/22, seconded by NUF Rep.</p> <p>9. Chair purposed that the Winter Chalet meeting before summer could include a budget review. This would allow for documentation and analysis to be ready on the budget item.</p>	<p><b>Motion carried.</b></p>
<p><b>V</b></p>	<p><b>OPEN DISCUSSION</b></p>	
	<p>1. <u>CO Germany.</u> Looking forward to future discussions on the budget. Would prefer to meet end of June.</p> <p>2. <u>CO NATO IMS.</u> Supports idea for June meeting to review.</p>	

	<p>3. <u>CO Casteau/South-West</u>. UF Casteau has been able to spend its UF funds on activities during lockdown restrictions. Please feel free to contact for ideas to share with your UF.</p> <p>4. <u>NUF Rep</u>. The NUF Rep replacement notice will be in the next FE newsletter.</p> <p>5. <u>Sr Mgr PSP (E)</u>. Hopeful for the Winter Chalet program to go ahead.</p> <p>6. <u>Chair</u>. Mike and Michelle, thank you for the budget preparation. To all committee members, I encourage you to have those conversations with your community members about the meeting. A reminder to be prepared for the June meeting; have the concerns from your community ready to bring forward for discussion.</p>	
<b>VI</b>	<b>AJOURNMENT</b>	
	<p>1. Meeting adjourned at 1323 hrs.</p> <p>2. The next EFC meeting will take place in June (date TBC).</p>	Sr Mgr PSP (E)

REVIEWED BY

On leave at time of publishing.

Endorsed via email.

06-Apr-2021

M. Taylor  
Sr Mgr PSP (E)

Date

RECOMMENDED

BYRD,  
TERRY 183

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Date: 2021.04.08  
10:53:01 +02'00'

08-Apr-2021

T. Byrd, Maj  
EFWG Chair

Date

APPROVED/NOT APPROVED

12 Apr 21

D. O. Quinn, BGen  
EFC Chair

Date

Distribution List

Action

EFWG Chair  
EFWG Members

## Information

CO Brunssum  
CO CC NAEWF  
CO CFSU(E)  
CO Germany  
CO Kalkar/Uedem/Wesel  
CO Italy  
CO Lille  
CO Molesworth  
CO Naples  
CO NATO IMS  
CO Netherlands/North-East  
CO Norfolk  
CO Northwood  
CO Norway  
CO Oberammergau  
CO Poggio-Renatico  
CO Ramstein  
CO Romania  
CO Rome  
CO Casteau /South-West  
CO Torrejon  
CO Turkey  
CO UK  
SCO Brussels  
SCO OSH (E)  
SCO CDLS(L)  
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