

ASSOCIATION OF CANADA LANDS SURVEYORS

Special General Meeting On Emergency Loan

March 4th 2021 at 12:00 Noon EST
GoToWebinar

MINUTES

1. Call to order

Call to order by Jim Christie, ACLS President.

2. Introduction and Voting Instructions

The meeting is being recorded and anyone wishing to speak must be recognized by the chair so please put up your hand on the GoToTraining platform or send a message via the chat box.

J.C. Tétreault: All voting during this meeting will be conducted by lifting your hand on GoToTraining.

Jim Christie: The meeting will be conducted under the authority of Roberts Rules of Order as interpreted by myself with assistance from our parliamentarian – Rick Beaumont

3. Approval of the Agenda

MOTION to approve the agenda. Moved by Brian Ball Seconded by Bronwyn Denton.....**Carried.**

4. Background for request of initial \$40,000 loan under the CEBA program

Jim Christie: ACLS received \$40,000 loan last spring under the Canada Emergency Business Account (CEBA) program

- Considering applying for another \$20,000
- By-law issue. Need an extraordinary resolution for loans over \$10,000

5. Financial Situation

Rob Pinkerton: Financial situation in April 2020:

- Document revenue in 2019: \$31,521
- In 2020: \$26,968

Patrick Ringwood requested to read the notices of motion for a special general meeting from the bylaws. Section 7.8.2 reads the Registrar should call the meeting. Council called the meeting and the notice sent out the request.

MOTION to approve the meeting request by the Secretary Treasurer instead of the Registrar. Moved by Phillippe Breau seconded by R. Pinkerton.....**Carried.**

Opposed Patrick Ringwood

- Monument revenue in 2019: \$85,648
- In 2020: \$68,512
- Reduction of: 18.5%
- Decrease of value of investments by 6.4%
- Late summer cash flow issue
- Facing the unknown

J.C. Tétreault reported on the criteria for the loan.

- The conditions to be eligible for the CEBA are:
- The organization is an operating business (i.e., not a holding company) in operation on March 1, 2020
- The organization's payroll expense in the 2019 calendar year was between \$50,000 and \$1 million (\$393k)
- Funds from this loan must be used to pay for operating costs that cannot be deferred, such as payroll, rent, utilities, debt service, insurance and property tax

Council decided to go ahead with applying for the loan for the following reasons:

- The ACLS meets the requirements
- There is no cap on the amount of loans being awarded so the ACLS is not preventing any other organization from benefiting from CEBA
- It makes good business sense to protect the association assets
- There are no disadvantages since there is no interest and the ACLS has sufficient funds in reserve to return the loan
- Overall economic uncertainty as the pandemic took shape and assuring the Association's economic stability

6. 2021 Budget

Unaudited results show:

- Revenue shortfall of \$219K from 2019
- Expenses lower by \$212K from 2019
- Deficit of over \$25K in 2020

Investment Portfolio

- General fund and discipline and legal practice fund total in Feb 2020 \$734k at the end of March is went down to 696K. Funds did rebound later in 2021.

Council approved the budget on February 2nd

- Increase in dues was deferred to January 1 2022
- Deficit of \$124K

7. Section 5.8 of the ACLS General By-laws on Borrowing and Security

5.8 (1) If circumstances arise such that Council believes it necessary or advisable to borrow money, in excess of \$10,000, the matter must be brought before the Members as an extraordinary resolution.

(2) The proposed resolution stating the proposed amount and security therefor shall be circulated to all Members along with an explanation of the circumstances giving rise to the need, alternatives to borrowing, advantages and disadvantages, and any other fact necessary for Members to make an informed decision.

8. Why apply for another \$20,000?

- ACLS still meets the criteria
- Pandemic not over
- Makes good business sense
- No interest cost

9. Will the ACLS Council retain 33% of the \$60,000 loan?

- Repayment by December 2022
- Council will make the decision considering the ACLS financial situation at that time

Questions/ Comments

Martha Burchat asked if there was a penalty if reserve funds (\$695k) are used and why they were not used instead of a loan. J.C. Tétreault reported that at the time the investments were going down back in April and summer there is usually a cash flow issue, so the decision was made to use the loan instead of cashing in on investment.

Carl Friesen asked to confirm if general funds are used to cover shortfalls. J.C. Tétreault reported yes we can cash in on different investments.

Ian Lloyd asked do you have legal opinion as a professional association being a business entity. J.C. Tétreault reported no, we are a not-for-profit corporation.

David Wyllie it sounds like the loan is being used to cover general operation costs instead of operational shortfalls due to the pandemic.

10. Voting Process

- Deadline to apply for extra \$20K is end of March
- Launch electronic vote tomorrow
- Deadline to vote March 25
- The meeting recording will be posted on the ACLS website.

Resolution A: That the membership of the ACLS authorize the CEBA initial loan of \$40,000 to the ACLS, on the basis that any loan balance is re-paid under the terms of the loan agreement prior to December 31, 2022. Decision related to retaining the forgivable portion (25 percent of loan) will be made by ACLS Council based on a review of the Covid-19 pandemic impact on ACLS finances and the financial situation at the time.

If defeated, loan will be returned. Resolution B is not required.

Resolution B: That the membership of the ACLS authorize the CEBA expansion financing of an additional \$20,000 to the ACLS, on the basis that any loan balance is re-paid under the terms of the loan agreement prior to December 31, 2022. Decision related to retaining the forgivable portion (33 percent of the aggregate loan) will be made by ACLS Council based on a review of the Covid-19 pandemic impact on ACLS finances and the financial situation at the time.

If defeated, will not apply for additional \$20K

Questions/Comments

Carl Friesen: Do you know of any other professional associations that have tapped into this loan. J.C. Tétreault reported no (after the meeting we found that PSC has benefited from CEBA).

Cameron Twa: Is Council fully onboard with the loans and approve this, what is Council recommendation. Jim Christie reported that Council is in favour of both resolutions and the association is still running a deficit.

Martha Burchat: is there a requirement of how much money is in the reserve? J.C. Tétreault reported that we need to cover 75% of expenses.

Jean Gagnon reported that it is a loan, if the association applies for the loan there is no impact on any other industry or entities to apply.

- When the decision was made to apply for the loan it was early in the pandemic and the deficit that was being seen in the budget. A recommendation to increase the dues was made to push this another year back due to the pandemic.
- The forgivable component (20K) will be reviewed by Council at that time.

- I did abstain from voting as a member of government.

Calvin Bourassa: the CEBA website states it is for hard hit business or not for profit, we are not hard hit as other businesses are. We are proposing to borrow \$60k to offset \$7k.

Carl Friesen: how can you justify tapping into funding when we have a reserve of \$500k. J.C. Tétreault reported that it is a loan not a grant or contribution.

Jim Christie: when we applied for the initial loan we there was uncertainty and we could have gone into the investments, but they were losing money at the time. The situation was grim, and Council would need to see how the pandemic plays out and before we repay in 2022; decide if all of the loan amount is to be repaid.

Ron Robichaud: Is the deficit not more of a result from the dues not being increased as apposed to the pandemic this is common amongst other associations. J.C. Tétreault reported yes it is more related to the dues.

David Wylled: we are running a deficit based upon general operations, should we get our expenses in order before we borrow money.

Cade Brown: we have seen our investment recover, since we have sufficient reserve funds, should we consider not applying for more funds.

Ian Llyod: if we are taking a loan, would we not have to go into the reserve funds to repay the loan, why not just go into the reserve funds.

James Gunn: I have difficulty having the entire membership vote on this if they were not privy to this discussion. Jim Christie reported that the recording and minutes will be posted on the loan voting page.

Julia Meldrum Smith: I do not feel we are out of the woods yet, there is still uncertainty and it is prudent to be prepared.

Bert Hol: What happens if we defeat resolution A. J.C. Tétreault reported then we return the money.

Patrick Ringwood: The resolution is cleverly worded and is there a way to advise Council to return all the money? There is not guarantee that all the money will be returned. J.C. Tétreault reported that this could be brought up as a motion at the AGM.

Anita Lemetty: I may agree with the loan but not the forgivable amount.

Ian Lloyd: perhaps we need 3 resolutions to address Patrick Ringwood's point.

James Gunn: Bylaw 5.8 is there to prevent this situation from happening.

Jim Christie suggested not to change the resolutions as of now but can address the issue at the AGM.

Ian Lloyd: Concerns that resolution A may fail and there is no option to return the 10k, possibly modify resolution A.

Bert Hol: Can the resolution be amended? Rick Beaumont reported that they may be amended and agreed upon before they are posted.

Patrick Ringwood: reported that you cannot amend a motion that changes the intent of the motion.

J.C. Tétreault reported to go ahead with the 2 motions and at the AGM to bring it back.

Bert Hol: could we give further notice of motion if resolution A is defeated there is uncertainty in paying back the 10k.

Rick Beaumont: Could add a 3rd resolution but not 100% sure of that.

As a non-parliamentarian, your Council has considered the resolutions carefully and have put them forward. By defeating these motions, you are stating you do not have trust in your Council. They have done a good job at putting these forwards. Individually I support these motions.

Courtney Tripp: I am with Rick on support of Council.

Greg Hartel: I support Ricks Comment.

11. Adjournment

MOTION to adjourn. Moved by Rick Beaumont seconded by Courtney Tripp....**Carried.**

March 17th, 2021

Jean-Claude Tétreault
Secretary Treasurer

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Attendees:

Ball Brian	Kliaman Cindy	Twa Cameron
Beaumont Richard	Lamerton Glen	Tétreault Jean-Claude
Bourassa Calvin	Larocque Martin	Urso Dave
Breau Philippe	Lemmetty Anita	Wilson Cathy
Brown Cade	Leyzack Andrew	Young Dave
Bunker Chris	Lloyd Ian	Zelli Rod
Burchat Martha	Meldrum Smith Julia	Boudreau Patrick
Card Steve	Minnie Steve	Crews William
Christie Jim	Moisan Estelle	Jacob Alain
Clifford Gregory	Mooy Matthew	Johnson Chad
Connolly Geoff	Natt Irwin	Lawrence Gavin
Denton Bonwyn	O'Connell Rory	Macphee Stewart
Dixon Paul	Patkau Darren	Sedaghatjahromi Saeid
Egger Reid	Pinkerton Rob	Wylied David
Foord Czarina	Putnam Max	
Friesen G.C. (Carl)	Riecken Robert	
Gagnon Jean	Ringwood Patrick	
Gillis Damian	Rissikatou Abéné	
Gingras Martin	Robertson Gail	
Gorman Michael	Robichaud Ronald	
Gosselin Tania	Robidoux Marie	
Gunn James	Rochette David	
Halcro Ken	Rogers Steve	
Halliday Robert	Sabo Olivia	
Hamel Jason	Sansom Brian	
Harrichhausen Martin	Skinner Iain	
Hartel Greg	Stewart Ron	
Hatcher Mark	Stirling Rob	
Higgins David	Storback Dave	
Hol Bert	Sutherland Norm	
Irons Leona	Thompson Michael	
Johnson Walter	Tripp Courtney	

