



Annual General Meeting

**Wednesday, February 20th, 2013,
at 12:00 pm
in Room A2-217
125 Sussex Drive, Ottawa.**

Assemblée générale annuelle

**le mercredi 20 février 2013,
à 12 h 00
à la salle A2-217,
125, promenade Sussex, Ottawa.**

MINUTES

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Gordon McAllister, President, presided the AGM.

1. Call meeting to Order.

The meeting was called to order at 12:03 p.m.

2. Introduction of the Executive.

The executive introduced themselves as follows:

Gordon McAllister, President
Stéphane Allard, 2nd Vice-President
Kinga Nogrady, Interim Secretary and 3rd Vice-President
Jean Lalonde, Health and Safety Officer
Archie Campbell, Chief Shop Stewart
Gloria Castro, Treasurer and Human Rights Officer

3. Introduction of Guests.

Gordon introduced the UNE representatives who were present at the meeting:

Eddy Kennedy, National Executive Vice-President
Karl Lafrenière, Assistant Regional Vice-President, Outside Canada
Jay Castonguay, PSAC Regional Office, Gatineau
Jim McQuaid, previous Local 70125 President

4. Adoption of the proposed Agenda.

Gordon reviewed the proposed agenda.
Jean Lalonde moved that the agenda be adopted.
Gloria Castro seconded the motion.
All were in favour and the agenda was passed at 12:09 p.m.

5. Adoption of Minutes of Previous Meetings

The minutes of the Annual General Meeting (AGM) Part A (March 21, 2012) and Part B (November 30, 2012) were tabled.

Jean Lalonde moved that the minutes of AGM Part A be adopted.

Stéphane Allard seconded the motion.

All were in favour and the minutes of AGM Part A were passed at 12:10 p.m.

Kinga Nogrady moved that the minutes of the AGM Part B be adopted.

Archie Campbell seconded the motion.

All were in favour and the minutes of the AGM Part B were passed at 12:11 p.m.

6. Business arising from the minutes.

Gordon noted that questions arising from the minutes regarding the budget would be addressed during agenda item #8 "*Approval of 2012 expenditures/Proposed 2013 budget*".

7. Guest – UNE.

During the November 30, 2012 Annual General Meeting Part B, questions were raised regarding the non-compliance of Local 70125 which the Local Executive were not in a position to answer. Gordon introduced Eddy Kennedy, National Executive Vice-President of the UNE, who was in attendance to address the issues that were raised.

Mr. Kennedy indicated that he would answer any questions raised by the members, but would commence by answering questions raised at the AGM Part B which were noted in the minutes of the meeting.

Question from the AGM Part B minutes: In what area was the local not compliant?

Response from Mr. Kennedy: Local 70125 undertakes annual audits as part of their accounting process. The audit is performed to ascertain the validity and reliability of information, as well as to provide an assessment of the Local's internal control. The auditor examines dues paid to the local and the expenditures which occurred. The auditor then reports to the Component level. During an audit in 2011, irregularities were reported to the Component by the auditor, who recommended further investigation. As a precautionary measure, the Component immediately stopped all dues from going into the Local and froze their bank account. Local 70125 was in financial limbo as the investigation proceeded.

Question from the AGM Part B minutes: Can you confirm that no funds are missing?

Response from Mr. Kennedy: As mentioned, the auditor performed a review and discovered irregularities. Money was spent on items which the bylaws do not allow or for which there was not sufficient documentation that the appropriate process had taken place to approve the expense. Locals do not have the authority to spend money as they wish: a system of checks and balances is in place to ensure that funds are spent appropriately. During the audit, it was discovered that no paperwork existed for some expenditures. The expenditures were not one large purchase, but a series of smaller items such as travel, loss of salary, etc. The grand total for the inappropriate expenditures was \$43,939.00.

The component performed their investigation through an unbiased, independent party. The investigation showed that the individuals incurring these expenses could not provide satisfactory explanations or documentation. As such, the component made the following recommendation to the National Executive:

The President at that time claimed expenses of approximately \$40,000. It was recommended that she reimburse the Local and that she be expelled from the UNE. The National Executive upheld the recommendation. This individual is expelled for life and even repayment of the funds does not guarantee she can re-enter. The President did not repay any of the money nor contact the National Office.

The Treasurer at that time incurred a \$3,000 expense. The component recommended that she repay the money and that she be suspended for 5 years. This person did pay back the money, however the 5 year suspension is still in place.

This is why the strike fund did not balance for the Local. As a rule, one person cannot have access to any Local bank accounts. In this case, the 2 signatories to the bank account were involved. The Treasurer wasn't aware that the President did not have authority to make these expenditures.

Gloria Castro interjected that the Local has now implemented a 3-person signature account.

Mr. Kennedy indicated that the current Local Executive were not involved in the monetary improprieties that occurred.

Question from the floor: Is the \$43,000 loss reflected on the budget that is being tabled?

Answer from Mr. Kennedy: The Local will answer budget questions during that portion of the meeting. However, the executive inherited this issue and it occurred prior to the years that are captured on the current budget.

Question from the floor: How is the remaining \$40,000 being recovered?

Answer from Mr. Kennedy: It is up to the individual to repay the money. The Component does not press criminal charges -- however even if the RCMP were contacted regarding this white collar crime, it is likely that they would simply take a statement and not pursue such a small crime. If the individual were taken to small claims court, there is no confidence that the money would be returned to the Local as the individual does not have assets to pay the money back.

Question from the floor: Can we put a lien on her home?

Answer from Mr. Kennedy: This is unlikely since we did not pursue criminal charges.

Question from the floor: Can we sue her?

Answer from Mr. Kennedy: It is a big investment of time and money to pursue this legally. It would likely cost the Local more money to pursue the individual than the total amount that the individual inappropriately spent.

Question from the floor: Did you report the theft to the government?

Answer from Mr. Kennedy: No, we do not report to the federal government.

Gordon indicated that the goal of this conversation was to put this issue to bed and move

forward. The current Local Executive were not involved in the questionable expenditures and did not have knowledge that they took place, however they felt uncomfortable that they were not able to answer members questions about the issue. This is the reason they invited the Component representative to the AGM. Gordon asked whether the local now felt informed of the situation and had enough knowledge to put this issue behind us and move forward.

There was no response from the floor. No further questions were posed.

Gordon indicated that Gloria had performed an excellent job in cleaning up the finances and had set up various procedures to avoid this type of situation in the future. For example, procedures are now put in place that a person who incurs an expense cannot be one of the signatories on a cheque for reimbursement.

8. Approval of 2012 expenditures/Proposed 2013 Budget

Gloria tabled the 2012 expenditures and the proposed 2013 budget. Gloria emphasized that all members are responsible for the expenditures and budget of the Local and that it is their responsibility to ask questions and ensure that they understand the documentation that is tabled. Gloria has made great efforts to clean-up the books and ensure that the proper documentation is in place to support any expenses that have been reflected on her report.

Gloria also indicated that \$85,083.00 had been transferred to the strike fund to pay back the money owed to the fund for the years 2005 to 2012.

Gloria detailed each line of the report of the 2012 expenditures so that members could fully understand where their money had been spent.

Upon completing her report, Gloria asked if there were any questions from the members. The members indicated they had no questions.

Gloria moved that the report of the 2012 expenditures be approved.

Jean Lalonde seconded the motion.

All were in favour and the report of the 2012 expenditures was passed at 12:45 p.m.

Gloria then presented the proposed 2013 budget.

Gloria explained that the numbers quoted on the budget were the maximum amount that the Executive could spend on any item. She also indicated that the approximate local income after strikes funds for 2013 is \$35,342.55. There was a transfer from the chequing account to expenses for 2013 in the amount of \$5,657.45, which explains the current balance of \$42,000 in the budget. Gloria detailed why the "Office Administration" expenses were increasing, including such items as updated and translating the website. She also indicated that the audit for this year will be significantly less expensive than previous years, because the books are in order. Gloria explained that the line for "Conventions, seminar, conference activities and events" indicated \$4,000, which the Executive hoped to roll-over for the 2014 Conference and Convention. While Convention costs for delegates does not come out of the Local budget, the costs for observers must be covered, including expenditures such as transportation, hotel, meals and loss of salary. This can add up to thousands of dollars and so the Local is putting money aside each year to have the funds

available as the need arises.

Gloria moved that the 2013 budget be approved.

Stéphane seconded the motion.

All were in favour and the report of the 2013 budget was passed at 12:58 p.m.

Question from the floor: I would like to thank Gloria for putting the books in order.

Gloria Castro was given a round of appreciative applause by the members.

Question from the floor: I would also like to ensure that we do not have a repeat of the past and that there are no large expenditures by the Local. Expenditures such as Observers for Conventions should be put to a vote by the members.

Answer by Gordon McAllister: We do vote on these issues and they normally take place at the general meetings. As Gloria has mentioned, it can be expensive to send observers since the Local pays for their travel, meals, hotel, etc. The Local follows the PSAC per diem standard. However, it is important to have delegates and observers at the convention because it can result in money for the Local. Costs for the observer will vary depending on their position: for example, reimbursing the pay for a CR-03 does not cost as much as a reimbursement for an AS-06.

Our process, as reflected in this budget, is to put aside the money each year and have it roll-over, so that when a Convention occurs, we have the money available at that time.

9. UNE - Lecture of the PSAC Rules of Order.

Karl Lafreniere reviewed the rules of order for the elections.

10. Elections of the Executive.

Karl presided over the elections for the positions of:

- 1st Vice-President
- 3rd Vice-President
- Treasurer
- Chief Shop Steward
- Human Rights Officer

Karl indicated that 1 nomination had been submitted for Stéphane Allard as 1st Vice President.

Karl asked for any other nominations. There was no response.

A second request for nominations was put forth without response.

A third request for nominations was put forth without response.

Stéphane Allard was accepted and acclaimed as 1st Vice President at 1:00 p.m.

Stéphane had previously held the position of 2nd Vice President. As such, his move to 1st Vice President left a vacancy for the 2nd Vice President position. An election for this seat would be for a 1-year term. Karl indicated that 1 nomination had been submitted for Kinga Nogrady as 2nd Vice President.

Karl asked for any other nominations. There was no response.
A second request for nominations was put forth without response.
A third request for nominations was put forth without response.
Kinga Nogrady was accepted and acclaimed as 2nd Vice President at 1:01 p.m.

Karl indicated that no nominations had been submitted for the position of Treasurer.
Karl asked for any nominations.
Barb Delaney nominated Chantal DiFranco.
Elizabeth Samokhina seconded the nomination.
Karl asked if Chantal accepts the nominations. Chantal accepted.
Karl asked for any other nominations. There was no response.
A second request for nominations was put forth without response.
A third request for nominations was put forth without response.
Chantal DiFranco was accepted and acclaimed as Treasurer at 1:03 p.m.

Karl indicated that 1 nomination had been submitted for Archie Campbell as Chief Shop Steward.
Karl asked for any other nominations. There was no response.
A second request for nominations was put forth without response.
A third request for nominations was put forth without response.
Archie Campbell was accepted and acclaimed as Chief Shop Steward at 1:04 p.m.

Question from the floor: Are we intending to elect a 3rd Vice President today?

Answer from Karl: Yes, thank you for reminding me.

Karl indicated that no nominations had been submitted for the position of 3rd Vice President.
Karl asked for any nominations. There was no response.
A second request for nominations was put forth without response.
A third request for nominations was put forth without response.
The 3rd Vice President seat remains vacant.

Karl indicated that no nominations had been submitted for the position of Human Rights Officer.
Karl asked for any nominations. There was no response.

Question from the floor: I have spoken to Jean Lalonde about this issue: I have just returned from having a serious illness and would like to chair a disability committee with a staff.

Answer from Karl: The idea of a committee to handle Human Rights issues should be brought to the Executive, who can vote on the issue. We cannot form a committee today as we would have to change the bylaws to turn the Officer position into a committee. Bylaws require a 30-day notification to be tabled at a general meeting. As another option, you can take the seat of Human Rights Officer and then establish a committee. However, this committee must represent all equity groups and the expectation is that you would not limit yourself to just disability issues.

Question from the floor: How do I go about doing this?

Answer from Karl: You will need a nominator and a seconder.

Peggy Coupland nominated Christine Comtois as Human Rights Officer.

Chantal DiFranco seconded the nomination.
Karl asked for any other nominations. There was no response.
A second request for nominations was put forth without response.
A third request for nominations was put forth without response.
Christine Comtois was accepted and acclaimed as Human Rights Officer at 1:08 p.m.

Christine addressed the members: I would just like to say that I am considered disabled and I am available to help anyone else with any related issues.

Karl indicated that no nominations had been submitted for the position of Secretary.
Karl asked for any nominations. John Aboud offered to take the position.
Jean Lalonde nominated John Aboud.
Gloria Castro seconded the nomination.
Karl asked for any other nominations. There was no response.
A second request for nominations was put forth without response.
A third request for nominations was put forth without response.
John Aboud was accepted and acclaimed as Secretary at 1:10 p.m.

11. Executive Member Reports

Executive reports have been tabled and distributed. If a member has any questions regarding a report, they should feel free to contact the specific Local Executive.

12. New Business

Jean indicated that at the AGM Part A, Christine Comtois was not able to run due to a technical issue. Jean requested that the Component confirm that Christine is a member of good standing. Eddy Kennedy confirmed that Christine Comtois is a member in good standing.

Christine indicated that she had been embarrassed by this accusation and requested an apology from the UNE.

Eddy Kennedy issued an apology on behalf of the UNE and Christine accepted this apology.

13. Oath of Office

Newly elected Local Executives were asked to stay behind after the meeting to take their Oath of Office.

14. Adjournment

Gordon Mcallister moved that the meeting be adjourned.
Stéphane Allard seconded the motion.
The meeting was adjourned at 1:15 p.m.

The Oath of Office for the newly elected Local Executive Members occurred at 1:20 p.m.

Minutes drafted by: Kinga Nogrady, 2nd Vice President.