

7331-1-2 (EFC)

22 November 2019

Distribution List

RECORD OF DECISIONS-EUROPEAN FUND COMMITTEE
MEETING CANADIAN EMBASSY BRUSSELS 31 OCTOBER 2019

In Attendance:

Chairperson: Commander Formation Europe BGen D.O. Quinn

Members: CO Germany Col R.A. Pamplin
 CO Italy Col D.A. Russel
 CO NATO IMS Col M.J. Stalker rep by Col T. Wilson
 CO SHAPE LCol S.N.M. Harding
 CO CFSU (E) LCol H.L. Staal
 SCO CDLS (L) Col A.V. Lussier
 CO Netherlands/North-East Col W.A. Taylor rep by LCol K.A
 Taylor
 NUF Rep LCol P. Mackenzie rep by
 Capt M.W. Wojcik
 FCWO CWO R. Viel

Ex-Officio: Chair EFWG Maj J.R. Murdock
 COS FE Cdr M.S.J Lessard
 CO UK Col D.C.D. Hilton
 Sr Manager PSP Mrs. Johanne Thibault
 NPF Acct Mgr Mrs. Michelle Joly

Absent DNATEX Mr. Carl Towning
 SCO Brussels Col G. Ivey
 Secretary Mrs. Jovy Niese

Guest CO Turkey Col M. Dufour

Item	Discussion	Action
I	OPENING REMARKS	
	1. The Chair called the meeting to order at 13:10 hrs. The attendees were welcomed and everyone introduced themselves.	EFC Chairperson
	2. The Chair explained that EFC members received the agenda and that she is the designated Commander for the NPP European Fund in Europe. NPP is used in Europe to foster friendship and enhance Morale and Welfare experience while posted in Europe.	
	3. Statistic of the EF were presented to the EFC members. It was explained that the numbers of EF members are based on the numbers of	Info

	<p>members as of Oct/Nov 2018. Those numbers are used the following Financial Year to issue the EF and CANEX-SISIP grant. PSP is currently in the process of gathering the current numbers of EF members from your units and the numbers will be used next Fiscal year. It looks that we will have a few less children next year; therefore less EF members.</p>	
II	ADOPTION OF PREVIOUS EFC ROD 13 FEBRUARY 2019	
	<p>1. The Chair asked the Committee members to review the previous record of decisions, from the meeting held on 7 February 2019. No comments from the members.</p> <p>MOTION: CO Germany motioned to adopt the record of decisions, motioned seconded by CO Netherlands/NE. All in favour, motion carried.</p>	Carried
III	REVIEW OF EF FINANCIAL STATEMENTS AS OF 31 AUGUST 2019	
	<p>1. The NPF Acct Mgr presented the financial position of the EF based on 31 August 2019 financial statements. The EF is currently performing above budget with an actual YTD net income of €12K vice the budget €34K. At the time of those statements, the CANEX-SISIP grant had not been received and was budgeted to be €35K in revenues. The chalet program seems to be low but it is a financially well-controlled program and it is going to be as per budget at the end of FY. It was explained that those members winning a chalet pay 60% of the cost of the chalet and EF subsidize 40% of the cost of the chalet.</p> <p>2. The three canteens are performing above budget WRT net profit but under budgets WRT sales. The canteens are doing better than expected because the wages cost are controlled and the Gross Profit (GP) is higher than expected.</p> <p>3. The EF Grant seems to be low. This always depends on the NUF claims, if they claim early, this number will be higher and if they claim at the end of the year, then the number is lower. The actual should reach the budgeted amount at the end of FY if all NUFs process their claim.</p> <p>4. Sr Mgr PSP explained that although the stores are performing well, the sales are lower than budgeted at the three stores. Ten years ago, the sales were €2M and today, they are not reaching €2M. NMR asked where the sales are lower, is it in tobacco products or in the alcohol products? Sr Mgr PSP explained that the duty free tobacco products is going through transformation. There will be less duty free tobacco brands for sale; therefore the customers will either buy their favorite brands elsewhere or quit or change their brand of products to continue to buy duty free. There will be an impact because this is where we make money. A question WRT the level of funds we should have in the bank was asked. There is no guidelines on that and the more funds you have</p>	Info

	<p>in the bank, the better it is. A few years ago, Heidelberg store was closed and the EF lost a significant source of revenues. Since that time, the bank account of the EF has gone down. Two years ago, the EF had to cash \$150,000 of its investment. Since then we have put stricter controls. NMR asked us to try to have €100,000 in our bank account and to keep our investments untouched. CO Germany asked what the long term plan for the EF investment was. NPF Acct manager replied that the investment is not growing as the interests are included in the revenues of the EF and spent on programs. The EFC members annually vote on how to invest the EF investments. They are given three choices and they make a decision on how to invest. This past spring the EFC votes to invest at CFCF IRR .5% as per last year. Last year we made 6.4 % in interest. The full presentation is attached as Annex A.</p>	
	<p>5. The EFC asked NPF Acct Manager to provide an apercu of how much better financially we are doing compared to last year and to provide a critical long term view of the EF Financials. This is to be provided secretarially to EF members at the end of the month of Nov based on the end of October financial statements.</p>	
IV	<p>BUSINESS ARISING FROM THE LAST EFWG AND EFC MEETINGS</p>	
	<p>1. <u>Grants for local nationals</u> a. This item is deferred to the next meeting.</p> <p>2. <u>Changes to the constitutions</u> a. The following changes to the EF constitution are presented: i. Signature of Comd FE and date in document; ii. Add new Annex J: Emergency Trust Accounts (note that this in NPP fund coming from CFMWS and there is no limit to the number of time it can be used); iii. Add Note 4 Para 106: UFs may alter their constitution membership list to include, as appropriate to local needs, other than EF members (ie CTA, LEE, GAC, etc) Note: this is to allow a community to invite non-members to some events to create a better sense of community); iv. Para 204 add Riga and delete Norfolk as members of EFWG (Note: Riga was a NUF for one year and decided to create a Unit Fund, Norfolk had a unit fund and decided to disband it and are now a NUF); v. Add task to Sr Mgr PSP: Prepare the EFWG and EFC meetings; vi. Add to Annex I sub-para H: Depart with Dignity: EF allocates a maximum of €200 for the purchase of two frames for certificates per retiring member; vii. Add to Annex I sub-para I for Hospital Comfort for families; and viii. Delete CAN MIL REP from para 1 e Annex I.</p> <p>b. Chair EFWG provided some explanations for those changes.</p>	Info

	<p>MOTION: CO CFSU (E) motioned to approve the changes to the EF constitution as presented, motioned seconded by CO Germany. All in favour, motion carried.</p> <p><u>3. Chalet program</u></p> <p>a. Sr Mgr PSP explained to the member that a major consultation of the EF members was done this summer regarding the satisfaction with the Chalet program. This consultation was done on the request of the</p>	<p>Carried Sr Mgr PSP</p>
	<p>EFWG.</p> <ul style="list-style-type: none"> i. UFs and NUF consulted their membership; ii. MFS/PSP consulted the families during the annual family forum; and iii. The PSP Chalet coordinator provided comments. <p>b. In general EF members like the chalet program and do not want to change it. In general, the Full flex program is appreciated as it provides flexibility to the EF members. If any changes are required, it is to provide more chalets and more full flex options.</p> <p>c. The EFWG recommended to provide the Chalet program some stability over the next two years and not make major changes to this EF program. We have gathered a lot of statistics over the last four years to show, to prove that the Chalet program is popular. In the past three years we have researched and found new chalets to replace older chalets to offer the best product we can.</p> <p>d. The chalet program is one of the EF priorities. Annually, the program priorities are revisited and voted by the EFC members at the February budget meeting. EFC members would like to have access to the stats presented at the EFWG. They will be attached to the RODs. There was a lot of discussion WRT to the chalet program.</p> <p>MOTION: FE CWO motioned that the next consultation of the Chalet Program with European Fund membership will occur no earlier than 2021, seconded by CO Netherlands NE Rep. All in favour, motion carried.</p> <p><u>7. Representational Expenses</u></p> <p>a. During a cyclical review performed by CFMWS, it was noticed that there were inconsistencies WRT those in FE receiving the Senior Executive Appointment (SEA) grant and Representational Expenses. There is a rule which says: If you receive the SEA grant, you may not have access to NPP. There were discussions with all concerned to know if they wished to retain the SEA grant or the Representational expenses. The results is as follows:</p> <p>b. Forego Rep Expenses</p> <ul style="list-style-type: none"> i. CANMILREP ii. DCOM JFC Naples iii. Cmdt NDC Rome 	<p>Carried Sr Mgr PSP</p>

	<ul style="list-style-type: none"> iv. SNR MARCOM v. CO Norfolk <p>c. Loss of SEA grant</p> <ul style="list-style-type: none"> i. CDLS (L) <p>d. There was a suggestion to increase the Rep Expense of those on the slide presented to compensate for the loss. This was presented to the EFWG and the members believed that this was circumventing the rules and therefore did not support this suggestion. Sr Mgr PSP explained that the amount of the Rep fund is set by CFMWS and if we increase the Rep fund of a few COs to the maximum entitlements, it does not circumvent any NPP rules.</p>	
	<p>e. Sr Mgr PSP explained the difference between the SEA grant and the Rep expenses.</p> <ul style="list-style-type: none"> i. The SEA grant provides to Sr Appointments (who have no access to other NPP Funds) with modest NPP resources to provide MW programs for their staff and in certain circumstances, can be used for their obligations to represent the department; ii. The Representational Expense can only be used to meet the obligations to represent the department in accordance with rules. <p>f. In Europe we have set the Rep expense at €660/CO and €800 for those COs who have a CWO. What is suggested today is to raise the Rep expense of a few COs to the maximum entitlement to assist those who lost either their Rep expense or their SEA grant.</p> <p>g. A list of all those FE position who receive the Representational Expense and SEA grant will be provided to the EFC members.</p> <p>MOTION: CO Italy motioned that we make no changes as recommended by EFWG, seconded by CO Germany. All in favour, motion carried.</p> <p>h. The RODs of the last EFWG meeting did not accurately report on the discussion of this point. It was a majority of the EFWG members who did not agree with the suggestion to raise the Representational Expenses of some COs and it was the majority who did not recommend to change the current program.</p> <p>MOTION: CO Italy motioned that the EFWG re-examine the amount spent on the Representational expenses, seconded by CO Germany. All in favour, motion carried.</p> <p>i. The EFC discussed tasking the EFWG to re-examine the EF Representational Expenses program and to present recommendations at the next meeting in February 2020:</p> <ul style="list-style-type: none"> i. Who receive, who should receive; ii. What amount is received, what amount should be received; and 	<p>Carried</p> <p>Carried EFWG</p>

	<p>iii. Should the amount be set per capita of the grouping of units in an area (ie UK)?</p> <p>j. Everyone agreed not to have a motion but just to task EFWG to do more analysis.</p>	EFWG
V	NEW BUSINESS	
	<p><u>1. Academic program</u></p> <p>a. Sr Mgr explained what the FE Academic program is. PSP has accepted 14 registrations to the EF Academic program and spent the €7000 budgeted. Two registrations came late and were accepted after the deadlines. Two to three were not accepted because they did not meet the rules.</p> <p>There was some discussion about providing the Academic grant to children of members who have left FE APS 2019 if the children finished high school in June 2019. This was not supported by the EFC.</p> <p>b. It seems that some EF members were not aware of this program although it is well publicized:</p> <ul style="list-style-type: none"> i. A letter to COs is sent twice per year in April and Sep; ii. It is inserted in MFS quarterly communication; iii. It is publicized on the CAF Connection website; iv. It is also announced in the Welcome briefings; v. It is sent to the Principals of the schools; and vi. It is sent to all NUFs in their by-annual letter. <p>c. COs can add this info to the Welcome program and soon it can be placed on CFSU(E) Facebook.</p> <p>d. Sr Mgr PSP will send this letter to all COs again in November.</p> <p><u>2. Request for Write-off Ramstein Canteen</u></p> <p>a. Sr Mgr PSP presented the EF population statistics that will be used for the new fiscal year.</p> <ul style="list-style-type: none"> i. Camera security in Ramstein. Value \$0 ii. Renovation to store, shelves and counter, wine display. Value \$0 iii. Air Conditioner. (old and broken) Value \$0 <p>MOTION: SCO CDLS (L) motioned to support the Request for Write off, seconded by CO NATO IMS. All in favour, motion carried.</p> <p><u>3. Alignment of EF Hospital Comfort with CFMWS</u></p> <p>a. Sr Mgr PSP proposed to align the EF Hospital Comfort program offered to the families to the CFMWS offered to the CAF members. Both programs are very similar and it would be easier for all if they were the same program, the EF program would be:</p> <ul style="list-style-type: none"> i. €10 or \$10 (Cdn or US) or 10 GBP per day if hospitalized in excess of 48 hours during the first month and the amount goes to 5 the second month and to 0 the third month; 	<p>Info</p> <p>Sr Mgr PSP</p> <p>Carried Sr Mgr PSP</p>

	<p>ii. Maximum of €75 or \$75 (Cdn or US) or 75 GBP/month for parking or taxi including UBER.</p> <p>MOTION: CO Italy motioned to align EF Hospital Comfort Program to match what CFMWS have for CAF Program, seconded by CO SHAPE. All in favour, motion carried.</p> <p>4. <u>Information</u></p> <p>a. Sr Mgr PSP would like to inform the members of a few things during the last months:</p> <p>i. Sr Mgr PSP approved travel expenses for Chalet Coord to explore new Chalet in Canary Island this winter: €1000;</p>	Carried
	<p>ii. Ramstein canteen was moved to new location, moved and reno paid by the Public;</p> <p>iii. New Point of Sale (POS) purchased for three canteens and was installed end of Sep 2019. The Public paid for the equipment;</p> <p>iv. New Camera security system was purchased for Ramstein canteen, paid by the Public;</p> <p>v. Bank fee EF loss: €231.72 on loss of exchange for the purchase of the POS by NPP and reimbursement from the Public; and</p> <p>vi. EFC secretarially voted to invest EF CBA/Investment at CFCF IRR-.5% (as per last year)</p>	
VI	OPEN DISCUSSION	
	<p>1. <u>NPP Budget 2020-2021</u></p> <p>a. Sr Mgr PSP asked if there were any directions for her as she will very soon budget next year NPP EF budget. The Sr Mgr PSP (E) will present conservative budget.</p> <p>b. The EFWG is tasked to look at the longer term of the EF programs and make suggestions for the future knowing that the revenues are expected to be lower.</p> <p>2. <u>Raising money: Is this NPP?</u></p> <p>a. CO Shape asked when an organization raises fund, is this money considered NPP. Yes, it is and it can be deposited with local UF or it can be deposited into a trust account under Unit fund. Sr Mgr PSP (E) can assist CO SHAPE with this project.</p>	<p>Sr Mgr PSP</p> <p>EFWG</p> <p>CO SHAPE Sr Mgr PSP</p>
VII	AJOURNMENT	
	<p>1. A motion to adjourn the meeting was made by CO CFSU (E) at 15:30 hrs, seconded by CO Germany. All in favour, motion carried.</p> <p>2. The next meeting will be in the first half of February 2020.</p>	Carried

Annex A: EFC Presentation

REVIEWED BY


J. Thibault, Sr Mgr PSP (E)

3 Dec 19

Date

RECOMMENDED

MURDOCK
JAMES 639

J.R Murdock, Maj
CSO/Chair of EFWG

3 Dec 19

Date

APPROVED/NOT APPROVED


D. O. Quinn, BGen
EFC Chair

Date

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