

**Cape Breton University
Board of Governors
Public Meeting**

**Friday, March 8, 2019
Following Prologue
CE-339**

1 – 5 Opening Information/Discussion

Present:

Mr. Robert Sampson (Chair), Mr. Mark Shannon (Vice Chair), Mr. David Dingwall (President), Mr. Gordon MacInnis (Treasurer), Dr. Richard MacKinnon (Secretary), Mr. Nagy Abdou, Mr. Pat Bates, Ms. Carol Beaton, Mr. Parteek Brar, Dr. Sheila Christie, Mr. Michael Claener (via teleconference), Ms. Bhreagh Gillis, Mr. Calvin Howley, Mr. Terry Kelly, Mr. Clayton Locke, Mr. Keith MacDonald, Mr. Bernie MacLennan, Ms. Emily MacLennan, Mr. Kirk MacRae, Ms. Tara Milburn, Mr. Jim Mustard, Mr. Steve Parsons, Mr. Darryl Poirier, Mr. Michael Sandalis (via teleconference)

Regrets:

Dr. Ann Francis D'Intino, Mr. Pierre Jean, Ms. Ann Sylliboy

The Chair declared quorum and called the meeting to order at 10:50 am.

Mr. Sampson began with the acknowledgement that Cape Breton University is located in Mi'kma'ki, the ancestral and unceded territory of the Mi'kmaq People. This territory is covered by the "Treaties of Peace and Friendship" which Mi'kmaq and Wolastoqiyik (Maliseet) people first signed with the British Crown in 1726. The treaties did not deal with surrender of lands and resources but in fact recognized Mi'kmaq and Wolastoqiyik (Maliseet) title and established the rules for what was to be an ongoing relationship between nations.

He also recognized it being International Women's Day and the Membertou Development Corporation being named among Canada's 2019 best-managed companies.

2 Minutes

2.1 - It was moved by Mr. Claener, seconded by Mr. Poirier, to approve the Public Minutes of January 18, 2019. **Motion carried.**

3 Business Arising – N/A

4 Reports

4.1 President's Report

President Dingwall referred to his report as circulated electronically in advance of the meeting and welcomed any comments or questions. On the question of the relationship between CBU and CBRM with respect to the Canada Games Complex, President Dingwall noted the two continue to operate as per the yearly Memorandum of Understanding with respect to the operations of the ice surface.

4.2 Report of Senate

Dr. Christie reported that Senate received and accepted the quality assurance reports from the MBA and BACS programs, approved a permanent Fall Reading week; pending collective agreement negotiations, and a new timetable template. Senate is also planning a retreat to review the structure and workings of Senate to improve efficiencies.

4.3 Report of the Students' Union

Mr. Parteek Brar, CBUSU President, reported on a very successful general election with the highest turn out (42.5%) in the history of the students' union at CBU. He welcomed the incoming Vice President, Samuel Shaji, who was attending in the gallery. The Union hopes to work with administration to increase student supports, and the development of an MOU to formalize the workings of the two units.

4.4 Special Announcements, Questions – N/A

5 Treasurer's Report

5.1 Financial Statements

Mr. MacInnis referred to the Financial Statements circulated with the meeting package and the following key items were highlighted and discussed:

- CBU' s cash position is very healthy.
- The student accounts receivable balance has increased due to dramatic international student enrolment which, in turn, generates higher tuition and fee charges.
- Higher enrolment levels will also result in increased and unbudgeted instructional costs and student support service expenditures.
- The Canada Games Complex subsidy represents the non-ice, base line building expenses
- Increased liabilities are due to accrued salaries, human resource obligations, accrued costs to fund anticipated growth in vacation accruals and pension contributions, monies generated through student union fees, and normal trade payables.
- Expenditures are tracking as expected however, with the enrolment growth, unanticipated expenses in various areas are expected.
- A positive variance is expected for year end. And budget planning for the coming year will commence in the coming weeks.

On the question of the sustainability of the Emerging Scholars Award, Dr. MacKinnon noted that because it was so well-received, it will certainly be part of the upcoming budget discussions with a strong emphasis for it to continue. It was noted that the cut-off date was a concern and disappointment to those who began in January and May and not September. It was noted that this situation would be looked in to.

6 Committee Reports

6.1 Executive Committee

Mr. Sampson, reported that the Executive Committee met on March 7th. He noted that most items discussed have been, or will be, covered on the Prologue or Public agendas. The Committee also reviewed a draft protocol for the composition of Board members. It was suggested and accepted by members, to move the next meeting to May 3, 2019. Students' Union members expressed concern because this would be the first meeting of the newly elected members.

6.2 Investment Committee

The Investment Committee met on March 7th to discuss the Eckler prepared Annual Investment Review Report, including the Manager and Mandate Review for the calendar year ended December 31, 2018. Representatives from Eckler were in attendance to lead the Committee through the report and indicated they had no particular concerns at that time. The total fund had a negative 1.65% return

before fees (2.3% after fees) for the 2018 calendar year. The market value of the total fund at December 31st was \$ 35.5 million. The Committee reported that the fund returned 3.7% net of fees for the month of January 2019 and had a market value of \$ 36.8 million.

6.3 Audit Committee

Mr. Kelly reported that the Committee met with Mr. Darren Chiasson of MGM Associates and Mr. Donnie Hamilton of the CBU Finance Department. Mr. Chiasson provided an overview of the planned audit process and the key responsibilities for the auditors, CBU, and the Board of Governors. Mr. Chiasson also noted that a new expanded audit report will be presented. The Committee discussed, at length, enterprise risk management and where this responsibility lies. It was agreed to have management look at this further and bring their findings to a future meeting of the Audit Committee.

7 Items Requiring Action \ Decision – N/A

8 New Business – N/A

9 Presentations

9.1 Campus Infrastructure/Deferred Maintenance – Mr. Gordon MacInnis

In a PowerPoint presentation, Mr. MacInnis noted, according to the APPA, that deferred maintenance is defined as an identifiable backlog of major maintenance projects unfunded in capital or operating budgets and deferred to a future budget cycle. He explained the two main causes of deferred maintenance and provided examples of known deferred maintenance issues across campus, including the estimated cost of repair. In conclusion, he noted that deferred maintenance is a serious issue which requires constant attention. It currently does not appear on the balance sheet and he suggested that during the operational planning process, CBU ought to consider ways to address some of the issues.

Following the presentation, he responded to questions and comments on fundraising for deferred maintenance, the need for a long-term plan to address deferred maintenance through a reserve, as well as the need to consider equipment replacement.

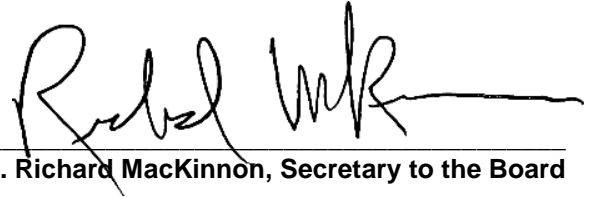
10 Open Session – N/A

11 Date of Next Meeting

Due to a series of conflicts, members were advised that the June meeting will be moved to Tuesday, June 25th. A reminder note will be sent to ensure members unable to attend today are made aware.

12 Adjournment

It was moved by Mr. MacLennan to adjourn the meeting at 12:10 pm. **Motion carried.**



Dr. Richard MacKinnon, Secretary to the Board