

**INFORMATION TO BE PROVIDED, AS APPLICABLE**

## 1. Title of Submission

***Reduce PEO Fee(s) to Reduce Large Budget Surplus***

## 2. Please briefly describe the issue, problem, risk or gap that this submission addresses.

*PEO has recently amassed a large surplus over the COVID period. There is a high potential (human nature) that PEO will spend this surplus on new ongoing expenditures that will lead to on-going increased fees with no input from members, and with no demonstrated added value. Given PEO has the ability to raise fees at will without member input, PEO should reduce the surplus by reducing member fees until the surplus is reduced to a nominal value. If PEO requires more money for future on-going initiatives these future initiatives can be used to justify future fee increases. This motion is really about accountability with member monies.*

## 3. Please summarize the action that you are requesting from Council and how it will address the issue, problem, risk or gap stated above.

*Reduce member fees until PEO budget surplus is reduced to a nominal value. Removes the risk of PEO spending the surplus in a manner that increases future member fees while avoiding justifying these increases.*

## 4. Please cite and briefly summarize any research that supports the proposed action.

*See PEO Budget summaries at 2019, 2020, 2021, and 2022 AGMs.*

## 5. As applicable please describe how the proposed action will contribute to serving and protecting the public interest as it pertains to the regulation of professional engineering and the engineering profession.

*Will require PEO to justify value added for any future activities that require a fee increase. This is about accountability of the profession.*

## 6. Please identify any legal considerations (eg., the need for changes to the statute, regulation, by-laws etc.) that may affect Council's ability to implement the proposed action.

*Understanding is that PEO legally cannot refund the fees already paid, but PEO Council is completely free to set future fees which is what is the mechanism by which this motion would be implemented.*

## 7. Please identify any considerations that are relevant to the timing (or urgency) of the proposed action.

*Must be done as soon as possible for the longer the surplus remains, the longer the possibility exists that PEO will engage in ongoing fee increasing activities without a need to engage members.*

8. Please provide any other information that you feel will assist members of the AGM and Council in understanding your submission, in particular your proposed action.

*The argument has been put forward by some that PEO should keep the large surplus because non-profits are permitted large surpluses. This argument is flawed in two ways however. First, it is only true if there is a plan to spend the large surplus which PEO currently does not have. Second, and this is very important, most non-profits do not have control over their income, e.g., hospitals or charities, however, PEO has complete control and this is the fundamental reason PEO needs to reduce fees to reduce the surplus. For only in this way can PEO be held at least partially accountable for future fee increases.*

9. Please list any attachments to this document.

*See attached PDF of the 'Whereas' and the actual motion.*

Member #1 (name/signature): Roydon Fraser  
SIGNATURE IS ON ATTACHMENT, ON MOTION

Member #2 (name/signature): Vajahat Banday  
SIGNATURE IS ON ATTACHMENT, ON MOTION

Date: April 20, 2022

**PLEASE FORWARD THE COMPLETED SUBMISSION ELECTRONICALLY,  
WITH ANY ATTACHMENTS  
TO:  
CEO/REGISTRAR, c/o AGMSUBMISSIONS@PEO.ON.CA  
AT LEAST TEN (10) DAYS PRIOR TO THE ANNUAL GENERAL MEETING**

**PEO 2022 AGM Motion:  
Reduce PEO Fee(s) to Reduce Large Budget Surplus**

Whereas:

PEO Council currently has a very large budget surplus primarily due to the unusual event of decreased spending during COVID lockdown.

Whereas:

The expectation for non-profits with large surpluses is that they have a plan for spending the surplus, yet no plan currently exists, or at least has not been transparently identified.

Whereas:

PEO has the power to increase fees unilaterally, unlike hospitals and charities, negating the need for a large budget surplus.

Whereas:

It is human nature to spend what one has, and it is bureaucracies nature to spend on items that contribute to long term spending as opposed to one-of expenses.

And Whereas:

If there are to be long term spending increases they should be justified separately for value added and relevancy, and with peer review, as opposed to being imposed unilaterally just because a budget surplus exists.

Be It Resolved and Moved That:

**Council reduce PEO's budget surplus by reducing future fees (also known as a fee holiday in pension plans), or establish a clear plan for the budget surplus that may involve one-time, peer reviewed, expenditures but no ongoing expenditures (i.e., cannot be used to run mandatory PEAK program - mandatory PEAK program costs must be a separate line item outside the budget surplus).**

Moved by: Roydon Fraser, P.Eng., FEC

New President-Elect, 9 times elected Councillor, 25+ years PEO volunteer



Seconded by: Vajahat Bandy, P. Eng., FEC, PE (Michigan)

New Councillor-at-Large, former Lieutenant-Governor Appointee, 15+ years PEO volunteer

