March 20, 2019

CANENA COUNCIL MEETING MINUTES

MEETING: CANENA Council

PLACE OF MEETING:
Maria Isabel Sheraton Hotel
Paseo de la Reforma 325 Col. Cuauhtemoc
CP 06500, Mexico City
(Angel B, C, D)

DATE:
Thursday, 28 February 2019

TIME:
3:30 PM – 5:00 PM

PRESIDING OFFICERS:
Julian Yarza, President
Leonard Letea, Treasurer
Joel Solis, Secretary-General

Members Participating:
Attia, Hanan
Benjamin, Guy
Cometa, Evangeline
Davis, Valara
Desilets, Pierre
Harris, Donald
Hernandez, Luis Ivan
Hill, Luke
Humphries, Mark
Iafano, Maria
Lai, Ronald
Letea, Leonard
Marquez, Edwin
Nava, Rafael
Ricardez, Jesus
Rosales, Juan
Scoggin, Brian
Silvas, Rogelio
Solis, Joel
Ulemek, Svetlana

Panduit Corp.
Thomas & Betts, Member of the ABB Group
CSA Group
Underwriters Laboratories Inc.
Leviton Canada
Northern Cables Inc.
ANCE
Polaris Sales Co. Inc.
CSA Group
Underwriters Laboratories Inc
Hubbell/Burndy LLC
CSA Group
Southwire Company LLC
CANAME
CONDUMEX
CANAME
Phoenix Contact
Enduro Composites
NEMA
Hubbell/Burndy LLC
1.0 **APPROVAL OF AGENDA**

President Julian Yarza called the meeting to order at approximately 3:30 PM, welcoming Council members and guest. The Secretary General noted that the meeting agenda was incorporated into the 2019 CANENA Annual General Meeting program and circulated to members. Council members were then asked if there were any proposals to modify the agenda. Hearing none, the agenda was approved as circulated.

2.0 **MATTERS OF STRATEGIC IMPORTANCE**

2.1 **Voting Members Status of the Executive Committee for 2019-2020**

3.2 The Council shall elect the President, the Treasurer, and the country Members-At-Large (See 4.1). The term of office shall span two successive Ordinary Council meetings. They may be re-elected for not more than two successive terms. Newly elected officers shall take office on the first day of the month following the Council meeting at which they were elected.

The Secretary-General reported on the member status of the Executive Committee that need to be acted on for 2019-2020 as follows:

**Guest Participating:**
- Chopra, Gurvinder, Electro-Federation Canada
- Clark, Alec, Standards Council of Canada
- Domínguez Poó, Gustavo, NEMA
- Leibowitz, Mike, NEMA
- Nazarali, Karim, CSA Group
- Paulsen, Shawn, CSA Group
- Rood, Steve, Legrand/Pass & Seymour
- Sama, Claudia, UL
- Santos, Amaury, IEC Central Office
- Updyke, Craig, NEMA
- Vargas, Jorge, Bticino Costa Rica SA
- Vargas, Jorge, Legrand Central America
- Vazquez, Ricardo, NEMA
- Westbrook, Robert, ILSCO
- Zwit, Andrew, ILSCO Corporation
President
Mr. Julian Yarza will complete the second year of his first term following the conclusion of the 2019 AGM. President Yarza has indicated his willingness to stand for a second and final term.

Treasurer
Mr. Leonard Letea will complete the second year of his first term following the conclusion of the 2019 AGM and has decided to not stand for a second and final term. A request for nominations was circulated to Council Members resulting in two submissions: Pierre Desilets (Leviton Manufacturing of Canada) and Rusty Tharp (Goodman Manufacturing Co). The Executive Committee recommends the nomination of Pierre Desilets as the next CANENA Treasurer.

Member-at-Large
Canada: Mr. Donald Harris will complete the second year of his first term following the conclusion of the 2019 AGM. He has indicated a willingness to stand for a second and final term.

Mexico: Mr. Jesus Martin Ricardez Barbera will complete the second year of his first term following the conclusion of the 2019 AGM. He has indicated a willingness to stand for a second and final term.

Discussion: Following a brief introduction by each of the candidates, a motion was made by Steve Rood, seconded by Guy Benjamin, and

VOTED: To approve the nominations for the 2019-2020 terms of office: Julian Yarza (President), Pierre Desilets (Treasurer), Donald Harris (Canada Member-at-Large) and Jesus Martin Ricardez Barbera (Mexico Member-at-Large).

2.2 Clarification of CANENA’s Tax Exempt Status

The Secretary-General reported that after having opened a US bank account for CANENA in 2017, CANENA was required to obtain an employer identification number (EIN). An EIN is needed to identify CANENA as a business account for filing tax returns and associated reporting. An EIN was obtained on April 10, 2017. Having obtaining an EIN, it was decided to clarify CANENA’s tax-exempt status with the IRS. In doing so, a Form 1024, Application for Recognition of Exemption under Section 501(a), and a Form 8718, User Fee for Exempt Organization Determination Letter Request, were filed with the IRS around November 2017. On April 2, 2018, the IRS responded, asking for additional information concerning compliance with the Office of Foreign Assets Control (OFAC). Compliance with OFAC concerns the disbursement of funds to organizations designated by the U.S. Department of the Treasury as specially designated nationals and blocked persons. On May 22, 2018, the IRS responded that it has determined that
CANENA is exempt from federal income tax under IRC, Section 501 (c) (6) as of November 13, 2017.

The 2017 income tax filing to the IRS was approved by the Executive Committee at its October 30-31, 2018 meeting. It was also agreed to formalize the preparation and approval process of income tax filings. The Secretariat would be responsible for preparing the income tax filing. Approval for submitting the income tax filing would require approval of the CANENA President, Past-President, Treasurer, Controller and General Secretary. Following approval, a concise report of the income tax filing is to be presented to the Executive Committee at its next regularly scheduled meeting.

2.3 Legal Compliance Program

The Secretary-General reported that CANENA’s Legal Compliance Program is a statement of principles and procedures to govern CANENA’s directors, officers and employees in the performance of their duties. The policy was approved by letter ballot issued on November 15, 2018 (8, 0, 0). The Legal Compliance Program is readily available to COUNCIL members by visiting the CANENA website at https://www.canena.org/about-canena/legal-compliance-program/.

2.4 Record Retention Policy

The Secretary-General reported that the Record Retention Policy is intended to guide CANENA staff in preserving certain records. The policy was approved at the October 30-31, 2018 Executive Committee meeting. The Record Retention Policy is readily available to COUNCIL members by visiting the CANENA website at https://www.canena.org/about-canena/record-retention-policy/.

2.5 Clarification of the CANENA Registrar Role in the CANENA By-Laws

The Secretary-General reported that at the February 26, 2019 Executive Committee meeting, the committee clarified the role of the Registrar. The role and responsibility of the Registrar is as follows:

a. Registers and maintains Council membership rolls and membership database and broader communication databases.
b. Executes the annual dues collection campaign that is essential to member retention and receives dues payments.
c. Executes Council communications broadcasts through electronic databases.
d. With respect to membership rolls, maintains records of membership classification: individual (in good standing, dues exempt, company (Supporting and Regular), association and distinction of voting versus non-voting members including country representation.
e. Provides and keeps up to date on the CANENA Website a list of members in good standing.
f. Provides periodic reports on membership rolls and general guidance on registrar matters at CANENA Executive Committee and Council meetings and, at such times and in such form as the CANENA Executive Committee specifies.

2.6 Registrar Service Provider

The Secretary-General reported that the Executive Committee had formed a task group consisting of Rafa Nava, Juan Rosales, Louis Ivan Hernandez, Rob McIntyre and Joel Solis, to work with ANCE/CANAME to develop a proposal for separating the Controller and Registrar functions. Separating the two functions would make it possible for Electro-Federation Canada (EFC) to continue serving as controller while ANCE would serve as the Registrar. The move would provide for a balance regional approach to the administration of CANENA into three distinct functions, i.e., Secretariat, Registrar and Controller, where Canada, Mexico and the United States would retain responsibility for one of the administrative functions. The United States would be responsible for the Secretariat function, EFC would be responsible for the Controller function and ANCE would be responsible for the Registrar function as of January 1, 2019.

2.7 Directors and Officers Liability Insurance

The Secretary-General reported that CANENA has purchased a three year Directors and Officers liability policy from Travelers Casualty and Surety Company of America as of March 28, 2018.

2.8 By-Laws

The Secretary-General reported that the CANENA by-laws have been updated to provide a clear delineation between the Registrar and Controllership/Accounting functions. The update includes new clause 4.3, Powers of the Executive Committee. The clause empowers the Executive Committee to appoint a Controller. A new clause 4.9, Controller, was added to clarify the role of the Controller. The March 23, 2018 revised by-laws were certified on October 30-31, 2018 and have been posted to the CANENA website, https://www.canena.org/about-canena/structure-management/.

2.9 THC/THSC Secretaries Training

The Secretary-General reported that the CANENA Operations Committee, Chaired by Michael Wilson, has revised the CANENA Harmonization Procedures. On April 2-3, a training session for CANENA members in good standing will be provided by CANENA’s SDO Representatives at NEMA’s Conference Center in Washington, DC. At the February 26, 2019 Executive Committee meeting, the officers agreed to appoint Mark Humphries (CSA Group – Electrical Program Manager) as the next CANENA Operations Committee Chair.
2.10 Biannual General Meeting

The Secretary-General reported that CANENA’s single major expense annually is the funding of the Annual General Meeting. At its February 20, 2018 meeting, the Executive Committee agreed to hold the Annual General Meeting (AGM) on odd years, beginning in 2019, as a cost saving measure.

3.0 TREASURER’S REPORT

3.1 Financial Position and Audit Committee Report

Treasurer Leonard Letea provided the 2018 fiscal year end report, with total income of $65,584 and total expenses of $83,837. The resulting deficit of $18,253 depleted the reserves to $66,845.

3.2 2019 Work Plan and Budget

Treasurer Letea reported that total income for 2019 is expected to be $71,180 and total expenses of $58,084. A projected surplus of $13,096 will increase the reserves to $79,941.

4.0 REGISTRAR’S REPORT

Registrar Luis Ivan Hernandez provided and overview of the 2019 membership fees. Regarding the 2019 membership renewal effort, he noted there were 81 individual members and 94 corporate/association members.

5.0 VICE PRESIDENTS’ REPORT

Each country Vice President was invited to provide a brief report on particular national standardization trends that may have an influence on the activities of CANENA or its members.

Discussion: None.

6.0 AMBASSADORS REPORTS

Ambassador-at-Large Rafael Nava provided an update regarding the current status of trade agreements under review in the Americas, see attachment.

7.0 ENTERTAINMENT OF MOTIONS

None.
8.0 ANY OTHER BUSINESS

None.

9.0 FUTURE MEETING

The next meeting of the Executive Committee will be by teleconference and is scheduled for May 22, 2019. The 2020 COUNCIL meeting will be held as a web-conference scheduled for February 26, 2020 from 3:00 – 5:00 PM, ET. The meeting will be held in conjunction with the Executive Committee meeting.

10.0 ADJOURNMENT

The meeting ended at approximately 5:00 PM.

Respectfully submitted,

Joel Solis
March 20, 2019
2019 CANENA
Treasurer’s Report
Leonard Letea (CSA) – CANENA Treasurer

Council for Harmonization of Electrotechnical Standards of the Nations in the Americas

Consejo de Armonización de Normas Electrotécnicas de las Naciones en las Américas
Fiscal Year Report

• Reporting is based on Calendar Year Report
  – 2018 final closeout December 31, 2018
  – 2019 Budget (January 1, 2019 – December 31, 2019)

• New bank account opened with Sun Trust in USA

• 2018 final numbers and 2019 budget have been reviewed by CANENA Auditing Committee
2018 Total Income: $65,584

• Individual Membership Dues CAN/USA/MEX: $16,905

• AGM Registration/Sponsors: $24,122

• Association Memberships: $12,500

• Company Membership: $12,057
2018 Total Expenses: $83,837

- 2018 CANENA AGM: $49,740
- Communication services NEMA: $10,000
- Registrar and Accounting (EFC): $8,000
- Secretariat (NEMA): $7,800
- Cvent fees and bank services: $6,320
- Insurance and other expenses: $1,977
2018

• Reserve fund Dec. 31, 2017: $85,098 USD
• 2018 Total income: $65,584 USD
• 2018 Total expenses: $83,837 USD
• 2018 surplus / (deficit): ($18,253) USD
• Reserve Fund Dec. 31, 2018: $66,845 USD
2019 Budget Income: $71,180

- Membership Dues CAN/USA/MEX: $15,680
- AGM Registration/Sponsors: $24,000
- Association Memberships: $17,500
- Company Memberships: $14,500
2019 Budget Expenses: $58,084

- 2018 CANENA AGM: $25,000
- Communication Services (NEMA): $10,000
- Controller Services (EFC): $8,000
- Secretariat Services (NEMA): $7,800
- Cvent charges and merchant fees: $6,300
- Insurance: $984
2019

- Reserve fund Dec. 31, 2018: $66,845 USD
- 2019 Budget income: $71,180 USD
- 2019 Budget expenses: $58,084 USD
- 2019 projected surplus / (deficit): $13,096 USD
- Projected reserve Dec. 31, 2019: $79,941 USD
THANK YOU!
KINDS OF MEMBERSHIPS

- General membership
  Council member vote
  $ 250 USD

- Company membership – Basic
  Up to 10 council member votes
  $ 2500 USD

- Company membership – Sponsoring
  Up to 10 council member votes
  Special recognition at AGM and website
  $ 3500 USD

- Association membership
  Special recognition at AGM and website
  $ 3500 USD
KINDS OF MEMBERSHIPS

Participating THC/THSC members need to be in good standing to attend meetings.

THC/THSC Secretary can verify member standing from CANENA website roster.

For assistance: lihernandez@ance.org.mx, and pamela.violante@ance.org.mx
2019 CANENA Membership - final

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Questions?

Thank you

Registrar: Luis Ivan HERNANDEZ