



To our valued members and fellow Production Accountants,

As we enjoy the last part of the summer and set our sights on a busy fall, what better time for an update from your CAPPA Board of Directors.

It was a pleasure to see those of you lucky enough to attend our Annual Golf Tournament back in June. The weather couldn't have been better and thanks to the organizing committee, Judy Ly in the CAPPA office, our generous sponsors and the Inglewood G&CC, the tournament was a soothing balm to even the worst handicap.

July marked the start of our new Fiscal Year. Leading up to that, CAPPA CEO Sheila McFadyen and the Board rolled up our sleeves to review the 2015/2016 fiscal year and craft the budget guidance for 2016/2017. As you know, the past year had been extremely challenging, with industry cutbacks having a direct impact on CAPPA's already tight operating budget. It was thanks to the Board's diligence and Sheila's adept management that we emerged in far better shape than what was anticipated in the initial forecast. Deep cuts on the administrative side as well as deferred expenditure in our Education development were key contributors to cost mitigation.

This will mark our third year under the new Governance Board format, with a CEO running the operations and moving us forward on many important fronts. Without increased income, however, this next year will prove just as challenging, if not more so, with us having cut as deep as possible to maintain the existing level of service to our members.

We will speak more to this at the upcoming AGM in September where we will present the year-end financials that are currently in the audit process. Also in preparation for that, the Board Policy committee has reviewed our Bylaws and put forward suggested changes that will ensure their currency and relevance to our operations. The proposed changes will be presented for membership approval at the AGM which everyone is encouraged to attend. The AGM also provides the opportunity to get up to speed with how your organization is running, to meet the Board members who represent you and to discuss with us your expectations of CAPPA.

Thanks to open and honest discussion at a Board level, we have a very unified, focused and productive group. As such, we are clear in our mandate and we believe the current focus on Education Development, Industry Stakeholder engagement and working towards Self-Regulation fits that.

Unfortunately, and to be frank, this is not sustainable at current membership levels.

At just under 1,000 members, we are but a third of where we hoped and need to be to maintain our current structure. Our endeavours, specifically the work towards Professional Right of Title of the Production Accounting profession, impacts each and every PA. As such, we need the support and membership of all PA's in the industry.

Admittedly, this message serves only to "preach to the choir" as the saying goes, since you are already registered. If, however, you are the sole member out of larger PA department, we ask that you express the importance of membership and encourage others to sign up. This can be done via the following link: <https://cappa.wildapricot.org/cappa-membership/>

At CAPPa, we will continue to roll with the punches and will fit our structure to fiscal realities but there is much at risk if we can't maintain and advance our Certificate Program.

At the beginning of the recent price downturn industry was adjusting to an environment of "lower for longer ", however, that may have become "lower forever". For that reason, it is even more important today for our industry to rely on the value of properly trained and accredited Production Accountants to directly support the optimization of the return to all citizens as owners of the resource.

CAPPa and its members are guardians of the PA profession, ensuring that knowledge and expertise is available and keeping PA's relevant.

If you agree, please help us to spread the word and reach the membership we know is out there.

Sincerely,

Gavin Schafer  
CAPPa Chairman of the Board