

Finance & Property Committee Annual Report

2011 – 2012

Respectfully submitted by:

*Melanie Waye
Financial Officer*

June 2012

Terms of Reference

1. **Prepare an annual budget**
 - a. Present draft budget to Provincial Executive
 - b. Cost all resolutions to Annual Council
2. **Exercise control over the finances of the NSTU**
 - a. Monitor all expenditures of the NSTU
 - b. Ensure checks and balances are in place for NSTU funds (see handbook)
 - c. Receive regular reports on income, expenditures, investments and loans
 - d. Ensure audits are conducted on a yearly basis
 - e. Receive and review audited reports of Locals, RRCs and Professional Associations
 - f. Present regular financial statements to the Provincial Executive
 - g. Determine interest rates on repayment of money borrowed from the Reserve Fund
 - h. Receive reports from Executive Director regarding unanticipated expenditures
3. **Make recommendations to the Provincial Executive on the provision of financial and management services**
 - a. Meet with current providers annually to ensure quality services
 - b. Review proposals of service providers as required
 - c. Provide recommendations to the Provincial Executive on contracts with service providers every three (3) years
4. **Provide leadership, guidance and training for Local, RRC and Professional Association Treasurers**
 - a. Ensure a handbook is prepared and updated for Treasurers
 - b. Arrange for meetings and/or conferences for Treasurers on a regular basis
5. **Exercise oversight and control of properties held or leased by the NSTU**
6. **Provide recommendations to the Provincial Executive on matters referred to the Committee by the Provincial Executive**
7. **Consider resolutions referred by Annual Council and make appropriate recommendations**
8. **Participate as required in the NSTU Policy Review process by providing recommendations for the Provincial Executive's consideration**
9. **Provide advice to and representation on NSTU Employee Pension Plan Advisory Committee**

Membership

The members of the Finance and Property Committee for the year 2011-2012:

Dave Jones <i>Kings Local</i>	Secretary-Treasurer (Chair) Provincial Executive
John Spurdakes <i>Pictou Local</i>	(2013)
Keri Butler <i>Halifax City Local</i>	(2012)
Grant MacQuarrie <i>Kings Local</i>	(2012)
John Helle <i>Cape Breton District Local</i>	Provincial Executive Member
Bill Redden	Executive Director
Maureen Smith	Business Manager
Melanie Waye	Financial Officer

Meeting Dates

The Finance and Property Committee met seven (7) times during 2011-2012.

September 16	January 13
October 14	February 17
November 25	March 23
May 18	

The budget for 2011-12 was \$ 12,375 and there were \$ 8,241 in expenditures.

Overview

This fiscal year will be mainly be remembered for it's challenging budgeting process and its policy changes for Professional Associations grants. In other business, the committee kept a close eye on the NSTU finances by reviewing monthly financial and investment statements. They also continued to review the status of all Locals, RRCs and Professional Associations by reviewing their internally reviewed financial statements.

Budget 2012-2013

Another year of education cuts played a significant role in the formulation of the 2012-2013 NSTU budget. It is anticipated that the number of members will continue to drop in the upcoming budget year which means less membership fee revenue. The committee had to cut expenditures and transfer from the reserve in order to maintain some equity.

The budget process involves getting suggestions from Locals, RRCs, staff and Provincial Executive members. All suggestions were considered when formulating the budget. A draft budget was formed and the committee worked on the budget at their February meeting. A draft was recommended to the Provincial Executive which was approved and sent to Annual Council.

Sensing the climate, member dues did not increase for 2012-2013 and remain at \$690 per member. However, the rebates to Locals have been reduced for the budget year from 17% to 15%. The committee felt that this reduction could be sustained considering the healthy financial condition of the Locals.

There are also some new or additional costs which impacted our budget. A new Local, APSEA, was formed during the year which will have cost implications, specifically a NSTU rebate. There will not be a presidential election during the year but, we will have a new President which requires moving and accommodations expenses. A new Educational Summit will be held during the year. An additional payment for the pension plan is necessary and we are anticipating a higher adjustment for the health care benefit.

Another considerable change is to the publication "The Teacher" which will now be exclusively an online publication. This change will save the Union over \$50,000 per year along with the environmental implications. We also believe that the new online format will be more relevant to members with more frequent updates.

During these difficult times public relations continues to be an important budget line. The committee recognizes the significance of public relations which is why the amount of funding has stayed consistent.

Other cost savings for the upcoming year include reducing our contribution to Projects International from three participants to two. Also, New Member Contact conference will happen every second year, rotating with the Equity conference.

Financial Statements

2010-2011 financial statements for all 52 Locals, RRC's and Professional Associations were reviewed by the Finance & Property committee. It was noted that the combined assets of all Locals, RRCs and PAs has decreased marginally since last year. The combined assets at July 31, 2011 were over \$3.6 million with Locals accounting for the majority, over \$3.2 million.

Monthly financial reports and quarterly investment statements were also reviewed and forwarded on to the Provincial Executive members for their consideration and approval.

Professional Development

The format of Summer Leadership was changed in 2011. There is no longer a separate conference exclusively for Treasurers. The new format includes three sessions with financial topics; Financial Reports, Taxable Benefits and Budgeting. Over a three year period all summer leadership delegates will attend all sessions, which provide an overall understanding of each topic. In addition, an optional session is provided for Treasurers that have specific questions or concerns. The Financial Officer also provides one on one support to Treasurers throughout the year on a variety of topics including Quicken and budgeting.

Other Business

Operational Procedures Leasing & Purchasing

The wording of the Operational Procedures relating to Leasing and Purchasing was updated. It was noted that it had been some time since the section had been reviewed. The wording changes were approved by the Provincial Executive and made in the Guidebook.

Professional Associations

The committee was approached by the Professional Association Co-ordinating committee regarding the Professional Association grants. The grant amount has remained unchanged for some time and with costs on the rise some Associations are finding it difficult to get by on the \$4,450 to cover executive meeting costs. After meeting with PACC, the Finance & Property committee came up with a new policy for Professional Association grants. Starting in the 2013-2014 year, if a Professional Association qualifies, the NSTU will cover the executive meeting costs for up to three meetings a year. Costs will only be paid if the financial net assets are below \$13,350 at year end. The committee feels that this change will ensure the opportunity for all Associations to fill Executive positions with volunteers around the province without being concerned with the corresponding travel costs. The cost is estimated to be \$6,600 per year per Association for those that qualify. This new policy was accepted by the Provincial Executive and communication will begin in the upcoming year.