

# **Finance & Property Committee Annual Report**

**2013 – 2014**

*Respectfully submitted by;*

*John Helle, M.Ed.  
NSTU Secretary-Treasurer*

*July 2014*

## **Terms of Reference**

*[Sourced from NSTU Guidebook 2013-14 (page 90-91)]*

- 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 examine the internally reviewed reports of Locals, RRC's 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 2013-2014 were:

John Helle	Secretary-Treasurer (Chair) Provincial Executive
Ron MacIntosh <i>Cape Breton Local</i>	(2015)
Lana Pothier <i>Annapolis Valley Local</i>	(2014)
Lori Mackinnon <i>Yarmouth Local</i>	(2014)
Louis Robitaille	Provincial Executive Member
Joan Ling	Executive Director
Maureen Smith	Business Manager
Paolo Mascarin	Financial Officer

## Meeting Dates

The Finance and Property Committee met nine (9) times during 2013-2014.

September 13, 2013	March 21, 2014
October 11, 2013	April 17, 2014
November 22, 2013	May 16, 2014
January 17, 2014	June 5, 2014
February 17, 2014	

The budget for 2013-14 was \$8,250 and there were \$13,333 in expenditures.  
The budget for 2014-15 is \$10,500.

## Budget 2014-2015

The annual 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. The draft budget was recommended to the Provincial Executive which was amended and approved for presentation to Annual Council.

Membership dues in 2014-15 will decrease to \$8,300,000. A reduction of \$75,000 is anticipated as the number of members (teachers) continues to drop.

Rebates to Locals will remain at 17%. There is a change to operational procedure section 10(s)1 'Funding for Small Locals.' The new language is as follows;

*'Small Locals of 200 or fewer members will receive a \$5,000 top up when their net assets per member are less than the average net assets per member of all locals across the province (Based on year end of the previously published Summary of Statement of Revenue & Expenditures by Locals). No Local belonging to a RRC shall receive less than the smallest Local contributing to a RRC.'*

Annual Council expenditure is expected to drop by approximately \$30,000. Council 2015 will be held at the World Trade Center and the reduction in cost is mainly due to the change from 3 nights to 2.

No presidential election is scheduled for 2014-15.

Affiliate Consultation is expected to increase \$14,000 based on two major factors. CTF Collective Bargaining scheduled for 2014-15 and increased travel costs expected to attend Canadian Atlantic Provinces Teacher Organizations (CAPTO) meetings based on the location of the host cities in 2014-15.

An increase of \$18,000 in 'Committees and Meetings' line item is linked to a revised funding formula introduced in 2013-14 and the stage of bargaining for public schools and Community College negotiations.

A large increase of \$40,000 in the 'Conferences/Workshops' line is attributed to an additional conference in 2014-15 and revisions to a new funding formula that was introduced in 2013-14.

A drop in Counselling services by \$130,000 is related to one less counsellor on staff. The reduction in this line is mirrored by the reduction in Revenues: Administrative Recoveries which represents funding received from the Insurance Trustees in support of Counselling Services.

In 2014-15 expenditures were cut and a small deficit of \$6,585 is expected for 2014-15. There is no transfer from the Reserve Fund expected for 2014-15.

## **Financial Statements**

2012-2013 financial statements for all 52 Locals, RRCs 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, 2013 were over \$3.62 million with Locals accounting for the majority, approximately \$3.29 million.

## **Audited Financial Statements**

The NSTU has elected to apply the Canadian accounting standards for not-for-profit organizations (ASNPO). The financial statements for the year ended July 31, 2013, and the comparative period were prepared in accordance with the accounting principles and provision set out in Section 1501: First Time Adoption by Not-for-Profit Organizations. Implementation is required for the fiscal year beginning on or after January 1, 2012. The policies adopted are in effect for the year ended July 31, 2013, and for the comparative period information presented; August 1, 2011 and July 31, 2012.

The adoption meant a change to the presentation of the audited financial statements including the addition of a Cash Flow statement and a note highlighting the adjustments made to the previously reported assets, liabilities, members' equity and expenses of the NSTU.

## **Other Business**

### Professional Associations

The new Professional Association (PA) NSTU grant policy was introduced in 2013-14. PAs that qualified for the grant had up to three executive meetings (for a max of 8 members) reimbursed by NSTU. In 2013-14, seventeen (17) PAs qualified for the NSTU grant.