



University of Victoria  
Faculty Association

# TREASURER'S REPORT

ORDINARY GENERAL MEETING  
6 DECEMBER 2018

# OUTLINE

## CAUT Defence Fund Report

## 2018 Transition Year Audited Statements

### Treasurer's Report

- Introduction
- Financial Overview
- 2018/19 Revised Budget and Actuals
- 2019/20 Preliminary Budget
- Questions

# CAUT DEFENCE FUND REPORT

**DF represents nearly 60 member unions representing over 25,000 academic staff across Canada**

- Strike benefits (\$88/day)
- Mediation benefits 100% above \$5,000
  - UVic FA reimbursed ~\$17 k
- DF is strong, nearly \$28 Million reserve

**Treasurer and Vice-President are Defence Fund Trustees**

**DF financed by dues (\$5.50/month per member)**

- UVic FA currently does not pass on dues to members
- Not inflation indexed; but goal is to maintain fund, and maintain value of benefits

**Questions?**

# HIGHLIGHTS OF AUDITOR'S REPORT

- **Clean audit, no management notes**
  - Signal of good financial management from Auditor
  - Chris Mills, partner at Wiseman Mills, here today
- **Feb-June 2018, deficit \$97 k**
  - \$46 k deficit for same period in 2017
  - Legal costs \$54 k higher than budgeted

Questions?

# UNIVERSITY OF VICTORIA FACULTY ASSOCIATION

## STATEMENT OF OPERATIONS

PERIOD ENDED	June 30, 2018 <i>5 months</i> \$	January 31, 2018 <i>12 months</i> \$
<b>REVENUE</b>		
Members dues	299,897	705,490
Investment income	936	3,963
	<u>300,833</u>	<u>709,453</u>
<b>EXPENSES</b>		
Amortization	1,870	698
Association services	1,216	15,953
Communications	-	995
Education and training	4,484	12,862
Governance and committees	14,759	44,958
Legal services for members	122,455	129,564
Membership fees	109,092	262,454
Office	27,054	38,823
Special commitments	649	4,900
Wages and employee benefits	116,322	224,629
	<u>397,901</u>	<u>735,836</u>
(DEFICIENCY) OF REVENUE OVER EXPENSES	<u>(97,068)</u>	<u>(26,383)</u>

# TREASURER'S REPORT – INTRODUCTION


- **Contract expires June 30, 2019; bargaining prep has started**
- **Completed Feb-June transition FY (fiscal year)**
- **Now in new regular July-June FY**
- **New mil rate started 1 July; dues now \$90 k/mo (up from \$60 k)**

# FINANCIAL OVERVIEW

- **July-Oct 2018, \$125 k surplus**
- **Budget surpluses in 2018/19 and 2019/20 even if all contingencies expended (new mil rate)**
- **Reserve funds, \$223 k, continue to be invested in GICs (Guaranteed Investment Certificates; CDIC insured, fixed rate, no withdrawal penalties)**

# FA BUDGET PROCESS

## Budget process:

- Treasurer (in consultation with staff and Finance and Investment Committee) prepares budget
- Executive Committee recommends approval to Council
- Council recommends approval to Membership
- Budget approved at the April General Meeting
-  Revisions to current-year budget approved by EC, Council, **Membership**



# 2018/19 AND 2019/20 BUDGETS

**Budget not entirely predictable; dues and demand for Membership Services not in our control**

- FA does not control member numbers or salaries
- Duty of Fair Representation means we must pursue grievances if valid

**Budget tries to live within our means**

- EC recognized we needed two Member Services staff to handle member-to-member disputes with professional staff (new staff started mid-February 2018)
- Staff workload still heavy; some employees banking overtime hours

**Principles unchanged:**

- Frugal/prudent office and financial management
- Sufficient funding for core functions; member services and bargaining
- Build adequate reserves (\$800 k)

# REVISIONS TO 2018/19 BUDGET

- **Mil rate raised to 8 (+\$337 k)**
- **Collective Bargaining costs raised (\$20 k more for legal, \$15 k more for non-legal)**
- **Replace older office computers (\$5 k)**
- **5 more course releases for Bargaining Team + cost now \$8 k each (up from \$7,500) (\$42 k)**
- **Website development (\$3 k)**
- **Staff training conferences (\$3 k)**
- **Benefits consultant (\$25 k)**
- **Deficit would have been \$29-104 k**
- **Now surplus, \$120-196 k**

# 2019/20 PRELIMINARY BUDGET

- Based on 2019/20 Pro Forma Budget created for mil rate graphs spring AGM (not shown)
- Revisions:
  - Update all dues/staff cost figures based on actuals
    - Step increases as per staff contract
    - Pro-D moved from training to benefits
  - Raised revenues \$9 k, expenditures \$41 k, contingencies \$31 k
  - Budget assumes bargaining finished by June
    - Legal costs for finalizing Collective Agreement
  - In Contingency, budget for extended bargaining
- Surplus projected at \$144-252 k

# UVic Faculty Association

## Income Statement 07/01/2017 to 10/31/2018

	2018 Transition		2018/19		2019/20		
	Approved Budget Feb-June 2018	Audited Feb-June 2018	Approved Budget July 2018 to June 2019	Revised 2018/19 Budget (Mil Rate 8)	Budget July-Oct 2018 (pro-rated)	Actual July-Oct 2018	Prelim Budget July 2019 to June 2020
<b>REVENUE</b>							
Member Dues	295,000	299,897	731,000	1,088,385	243,667	358,386	1,098,299
Miscellaneous						-	-
Donations Individuals/Groups						-	-
Interest Revenue	1,300	936	1,300	1,300	433.33	-	2,000
<b>TOTAL REVENUE</b>	<b>296,300</b>	<b>300,833</b>	<b>732,300</b>	<b>1,069,685</b>	<b>244,100</b>	<b>358,386</b>	<b>1,100,299</b>
<b>EXPENSES</b>							
CAUT and CUFA Fees	109,750	109,092	263,000	263,000	87,667	88,205	273,600
Legal Services (Membership Svcs., Bargaining, other)	68,500	122,455	95,000	115,000	31,667	22,354	107,660
Association Services (Training, Education, Events)	4,200	1,216	12,800	12,800	4,267	4,575	14,556
<b>TOTAL COST OF MEMBER SERVICES</b>	<b>182,450</b>	<b>232,762</b>	<b>370,800</b>	<b>390,800</b>	<b>123,600</b>	<b>115,133</b>	<b>395,816</b>
<b>WAGES AND BENEFITS</b>	<b>115,130</b>	<b>116,322</b>	<b>289,924</b>	<b>289,924</b>	<b>96,641</b>	<b>101,211</b>	<b>335,600</b>
Office Administration (Office, Audit, Legal)	23,210	28,924	34,811	39,811	11,604	10,967	42,795
Governance & Committees (Release Time, etc.)	13,817	14,759	45,600	87,600	15,200	3,632	48,400
Communications	1,150	-	3,400	6,400	1,133	711	6,400
Research and Consultants	100	-	200	25,200	67	-	200
Education & Training (CAUT, CUFA, Bargaining, etc.)	5,200	4,484	9,200	12,200	3,067	661	12,200
Special Commitments (Bargaining, Donations)	833	649	7,000	22,000	2,333	224	7,000
<b>TOTAL GENERAL &amp; ADMIN. EXPENSES</b>	<b>44,310</b>	<b>48,817</b>	<b>100,211</b>	<b>193,211</b>	<b>33,404</b>	<b>16,195</b>	<b>116,995</b>
<b>TOTAL EXPENSES</b>	<b>341,890</b>	<b>397,901</b>	<b>760,935</b>	<b>873,935</b>	<b>253,645</b>	<b>232,539</b>	<b>848,411</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>(45,590)</b>	<b>(97,068)</b>	<b>(28,635)</b>	<b>195,750</b>	<b>(9,545)</b>	<b>125,848</b>	<b>251,888</b>
<b>CONTINGENCY (Possible Expenditures)</b>	<b>55,000</b>		<b>75,000</b>	<b>76,000</b>			<b>108,000</b>
Arbitration	50,000		50,000	50,000			50,000
Release Time	-		15,000	16,000			48,000
Operational	5,000		10,000	10,000			10,000
Collective Bargaining							30,000
<b>NET SURPLUS (DEFICIT) INCL. CONTINGENCY</b>	<b>(100,590)</b>		<b>(103,635)</b>	<b>119,750</b>			<b>143,888</b>
<b>TRANSFER TO DEFENCE FUND (Target \$800,000)</b>		<b>0%</b>		<b>0%</b>		<b>100%</b>	<b>100%</b>

# Questions?