

CUPE BC Trustees
Report to Convention – April 2017

The Trustees attended the CUPE BC Think Tank July 26-28, 2016 and met July 26, prior to the start of the 2016 Think Tank to set their agenda for 2016-2017. The Trustees also met September 19-20, and November 3-4 in 2016 and March 13-14 and April 10, 2017 with full agendas. The Trustees set their goals and priorities for each coming year at their July meeting and will continue to do so each year to ensure they are consistent with the practices and policies as set out by the CUPE BC Constitution. The goals and priorities are reported each year to the CUPE BC Executive to help generate a better understanding of the roles and responsibilities of the Trustees. Each year, the goals and priorities are reviewed by the Trustees at their March meetings to determine if they are being met or if they need to be revised.

The CUPE BC Trustees made the following recommendation since the 2016 CUPE BC Convention:

1) The CUPE BC executive adopt the following policy replacing any previous policy regarding the CRA and Automobile Allowance Rates: The CUPE BC Trustees will monitor the official Canada Revenue Agency (CRA) Automobile Allowance Rate and recommend any changes necessary to the CUPE BC Expense Policy and the suggested implementation date to the Executive for approval.

The Trustees reviewed the CUPE BC Expense Policy per diem rate including the dependent care rate. It appears to be meeting the needs of the CUPE BC Executive and Committee members. The rate continues to reflect CUPE's commitment to ensuring Child Care providers receive a fair and equitable wage. The Trustees will also be reviewing the Dependent Care claim form to determine if any changes need to be implemented to improve the form.

Through a resolution at the 2015 CUPE BC Convention, CUPE BC enacted temporary formula changes to the per capita structure in lieu of the constitutional requirement to increase the per capita when the Defence Fund fell below \$750,000 after several major

strikes in the province. The temporary formula changes to the per capita structure ran until the close of convention 2016. As of May 1st the per capita structure reverted back to the normal practice of .8 to General Fund, .5 to the Defence Fund and .1 to the Colleen Jordan Humanity Fund.

The Trustees examined the 2016 Investment Reports for the twelve months ending December 31, 2016. The return rate on CUPE BC's investments was 6.33% in the Defence Fund and 8.08% in the Colleen Jordan Humanity Fund. The average return on investments was 6.75% (5.50% in 2015). This increased the market value of CUPE BC's investments with Seamark Asset Management Ltd. as of December 31, 2016 to a gain of \$110,945.

To help reduce the volatility, SEAMARK maintains a conservative, balanced portfolio for CUPE BC on blue chip stocks with good dividend histories, bonds and term deposits. They purchase carefully vetted companies that are leaders within their industries.

CUPE BC investments are made with an ethical screen. Despite the uncertainty ahead, we are confident that SEAMARK's investment process for CUPE BC will continue to meet our mandate for an investment return of a minimum of 4% as per page 5 of the *CUPE BC Investment Policy Statement*.

CUPE BC's *Investment Policy Statement* continues to provide an appropriate set of objectives, procedures and structure by which CUPE BC and its agents will invest funds of the membership. On an annual basis, the Trustees are mandated to meet to review the investment portfolio and any questions or comments will be presented to the Secretary-Treasurer for explanation or clarification as deemed necessary.

The CUPE BC Capital Asset Analysis report, which includes a record of the depreciation of physical assets and the disposal of those assets, continues to be updated regularly and reviewed by the Trustees. The safety and security of CUPE BC's capital assets continues to be protected through a comprehensive insurance plan.

In accordance with the policy of our Union, the books have been audited by Matthews Campbell, Chartered Professional Accountants.

As part of the internal audit process, the Trustees met with the Secretary-Treasurer and Sr. Accountant on April 10, 2017 and reviewed the CUPE BC Financial Statements to December 31, 2016 as submitted by the Auditor. After having reviewed the Auditor's report the Trustees are satisfied that the proper checks and balances remain in place to ensure the accuracy, transparency and completeness of CUPE BC's accounting records; that the financial records reflect what happened in the period being examined; that CUPE BC's assets are suitably protected with financial management, systems and procedures in place to minimize error and fraud; and that CUPE BC's operations are carried out in an orderly and efficient manner in accordance with mandates, policies and bylaws.

There will always be amounts owed between the three CUPE BC funds due to timing differences. For instance, per capita receipts are deposited into the General Fund bank account before being transferred appropriately to the Defence Fund and/or Colleen Jordan Humanity Fund accounts. Only when per capita revenues are confirmed and adjustments are made at year end, can the amounts owing between the three funds be accurately calculated and adjusted.

The principles and goals of CUPE BC members are being well represented through the CUPE BC Action Plan. CUPE BC continues to work towards building a just and equitable society through campaigns to build our capacity to refuse unreasonable employer mandates, the fight to build better pensions, to keep health care public, to bring contracted out work back in house, to ensure women's economic equality, to create safe, affordable public childcare and ensure access to affordable, public, post-secondary education and skills training. Rebuilding of the Defence fund is still a critical issue for CUPE BC. The Trustees continue to discuss with the Secretary-Treasurer ongoing strategies to rebuild and maintain the Defence fund's capacity so there will always be funds to support our members and sustain strike pay.

We continue to acknowledge the dedicated leadership of the CUPE BC Executive and the activism of CUPE members working across our province. CUPE members within our province should be proud of the leadership shown by the CUPE BC Executive and the dedication of our activists.

The Trustees wish to express our most sincere thanks to Lori Watt, Darci Schmid, Shirley Loftus, Kristi Bounegru, Wendy Monkhouse, Jolanta Osowska and Ron Stewart for their assistance; without which the Trustees would not be able to complete our duties. We especially want to acknowledge Ron Stewart for his many years of dedication to ensuring excellent accounting principles for CUPE BC.

We would like to thank Paul Faoro as President, for his support and leadership in the delivery of CUPE BC's goals and objectives. We would also like to thank Trevor Davies for his oversight and direction as Secretary-Treasurer.

Finally, the Trustees would like to thank Alexandra (Alex) Youngberg for serving as a Trustee for CUPE BC for the past 4 years. Alex will be retiring within the next three years and so decided not to run for re-election as a Trustee. Alex has brought her unique sense of humour, grammatical prowess and desire to simplify and clarify things to our work. She has also spoiled us over the past 4 years by bringing us goodies and pastries to help our work go that much smoother. Thanks Alex!

Respectfully submitted:

Alexandra Youngberg

José van Berkel

Laurie Whyte

APRIL 2017

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