

# NATIONAL TRUSTEES' REPORT

## January 1 to December 31, 2024

### INTRODUCTION

The Trustees met from June 2 to June 6, 2025, at the CUPE National Office in Ottawa. On Monday June 2, 2025, Candace Rennick, CUPE National Secretary-Treasurer and Mark Hancock, CUPE National President, met with us.

To do our Trustee duties, we reviewed financial information given to us and had access to the minutes of all National Executive Board (NEB) meetings. The draft financial statements dated December 31, 2024, for the General Fund, the National Defence Fund, and the National Strike Fund were reviewed. The Global Justice Fund draft financial statements with sample expenses were tested. We also looked at the files on per capita payments and arrears, and the expenses of the National Strike Fund and National Defence Fund.

During the week, we met with the Deloitte LLP representatives to review their draft financial statements and the Audit Results report. We met with the consulting and actuarial firm Eckler, which presented the actuarial valuation of the post-retirement and post-employment benefit plans along with the Pension Plan.

### General Fund

The Trustees reviewed the General Fund and to the best of our knowledge found them to be in good order. The total assets of the General Fund were \$449,073,468. Highlights are listed below:

Accounts	Balances
<b>National General Fund revenue</b>	\$289,618,112
<b>National General Fund expenses</b>	\$280,137,327
<b>Unrealized gains (deficiency)</b>	\$11,442,595
<b>Excess of revenue over expenses (deficiency)</b>	<b>\$20,923,380</b>

## **National Defence Fund**

The Trustees reviewed entries made to the National Defence Fund and found them to be in compliance with National Defence Fund Regulations. The Defence Fund was \$20,803,289. Highlights are listed below:

<b>Accounts</b>	<b>Balances</b>
<b>National Defence Fund revenue</b>	\$18,001,802
<b>National Defence Fund expenses</b>	\$18,847,142
<b>Unrealized gains (deficiency)</b>	\$507,548
<b>Excess of revenue over expenses (deficiency)</b>	<b>(\$337,792)</b>

## **National Strike Fund**

The Trustees looked at entries made to the National Strike Fund and found them in compliance with the National Strike Fund Regulations. The Strike Fund was \$132,615,726. Highlights are listed below:

<b>Accounts</b>	<b>Balances</b>
<b>National Strike Fund revenue</b>	\$21,902,913
<b>National Strike Fund expenses</b>	\$17,130,652
<b>Unrealized gains (losses)</b>	\$3,281,202
<b>Excess of revenue over expenses (deficiency)</b>	<b>\$8,053,463</b>

## **FINDINGS**

### **Per Capita Receivables, Per Capita Arrears**

The per capita receivables as of December 31, 2024, were \$3,996,003. An estimated portion of that amount (7.6%) is over 90 days (about 3 months) in arrears.

### **Expense Forms**

The Trustees looked at the expense forms of National Executive Board members, Executive Assistants, Senior Management, and a random selection of staff. The staff expenses are all processed electronically, and we were given access to Moniroo to go over them. We reviewed and sampled expenses randomly across the country. We found that the expense remittance and receipts matched.

### **Bank Reconciliations**

We went in detail over various bank accounts, including payroll, and we found them to be balanced.

### **CUPE Corporate Credit Card Statements**

We followed the CUPE Corporate Credit Card Policy when going through the credit card statements of ten (10) cardholders, found them to be well-kept and in good order.

### **Cost-Shared Campaigns**

The Trustees reviewed the cost-shared campaigns and found them to be in compliance with the regulations.

### **Accrued Benefit Liability - Other Plans**

In 2024, the accrued benefit liability amounted to \$293,195,273 which is reported on the balance sheet. This information can be found in the 2024 financial statements of the General Fund (please refer to Note 7).

### **Accounting Standards**

CUPE is using the Accounting Standards as we reported in 2023 Canadian Accounting Standards for Not-For-Profit Organizations.

## **Actuaries**

The Trustees discussed the post-retirement and post-employment benefit plans and the CUPE Employees' Pension Plan with Eckler Consultants. As well, we reviewed the financing of post-employment benefits documents provided.

- Eckler – CUPE Employees' Pension Plan (CEPP)

“To the best of our knowledge and on the basis of discussions with CUPE, it is our understanding that there were no events which occurred between December 31, 2024, and the date of this report which would have a material impact on the results of the valuation or the year end disclosures at December 31, 2024. The indexing coming into effect January 1, 2025, has been reflected as previously described. Although this indexation may change, we do not anticipate that a change would result in a difference greater than Deloitte's overall materiality threshold.

-quote taken from Eckler Pension Plan Report

As per the Eckler report, the pension plan is fully funded.

- Eckler – Benefit Plans

We analyzed the 2024 actuarial valuation of the post-retirement and post-employment benefit plan; Phillippe Laplante from Eckler walked us through their methodologies and assumptions used in their report.

## RECOMMENDATIONS

The Trustees have the following recommendations after the 2024 audit:

Currently the Audit Committee has no new Recommendations but encourages the NEB to work on past recommendations.

### Updates for Past Recommendations

<b>Audit Year</b>	<b>Recommendation</b>	<b>Status</b>
2023	Trustees would like to have the strike forms updated and more user-friendly.	Working on Drafts
2023	Review and update, if needed, all existing policies and regulations at a minimum every three years.	On going
2023	To reinforce the previous recommendation from the trustees, we insist that bank reconciliations must be reviewed and signed off monthly.	Vastly improved
2021	Encourage Locals to sign up for Electronic Fund Transfer (EFT) (around 95% is on EFT).	On going

## CONCLUDING REMARKS

The Trustees found the books to be in good order. We congratulate Mark and Candace and the NEB for their efforts during the last year. We also thank the CUPE staff in the Accounting, Administration, and IT branches for preparing the documents to be accessible.

Special thanks to Marie-Anne Ruelland for all her help with this audit, as she was always readily available to us, which made our job run smoothly. We would like to thank Isabelle Gendron and Jasen Murphy for making themselves available.

## **INTERNAL AUDIT PLAN 2024**

<b>AUDITABLE PROCESS OR UNIT</b>	<b>RELATIVE RISK RATING</b>	<b>NATURE OF WORK</b>	<b>KEY AUDIT AREAS OR ISSUES</b>
Per Capita Arrears  Over 3 months	2022: Medium 2023: Low 2024: Medium	Financial review	Membership stats
	2022: Low 2023: Low 2024: Low		
Pension Liability	Going-Concern Report: 2022: Low 2023: Low 2024: Low	Financial review	Review investment Report policy
	Solvency: 2022: Medium 2023: Medium 2024: Low	The solvency gap has decreased to 2.3%	Actuarial valuation 2024: Trustees met with the actuaries
Post-Retirement and post-Employment Employee Benefits	2022: Medium 2023: Low 2024: Low	Financial review	2024: Trustees met with the Actuaries

  
DONNA VAN KROONENBURG

  
DAVID TREMBLAY

  
CHRISTIAN TRUDEAU

  
BOB GUENTHER

  
TALITHA DEKKER

Signed on June 10, 2025

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June 6, 2025