

CITE Executive Committee

DISTRICT PRESIDENT

Edward Soldo, P.Eng.
City of Hamilton
T: (905) 379-7851
president@cite7.org

DISTRICT VICE PRESIDENT

Julia Salvini, P.Eng.
Salvini Consulting Inc.
T: (519) 591-0426
vicepresident@cite7.org

DISTRICT SECRETARY TREASURER

Ryan Vanderputten,
M.Eng., P.Eng.
City of Calgary
T: (403) 801-0567
treasurer@cite7.org

DISTRICT DIRECTOR & PAST PRESIDENT

Jen Malzer, P.Eng., M.Sc.
City of Calgary
T: (403) 880-9786
director@cite7.org

May 2019

Dear CITE Members,

As you may recall, CITE became an Incorporated Not For Profit at the end of 2017. As such, the 2018 Financial Statements are the first as an Incorporated entity. 2018 was a learning year for both the executive and your Board. There were a number of new processes to be learned, including new rules related to the review and approval of financial statements. I am pleased to share with you our final 2018 Financial Statement, which has been reviewed by the CITE Executive Committee and the CITE Board, and will be brought forward to the membership for approval at the Annual General Meeting (AGM) in Ottawa in June. Please note that there are some minor revisions from the financial statements published in the Spring 2019 edition of Transportation Talk. These revisions reflect some recommendations that came from the year-end review by our public accountant.

2018 was another very successful year for CITE. We maintained a strong financial position, allowing us to reinvest in our membership through a variety of initiatives. 2018 saw the development of a new training program, offering in-person sessions across the country on a variety of technical topics. Our continued partnership with the Transportation Association of Canada has led to joint technical projects, including the recently completed 2nd Edition of the Canadian Guide to Traffic Calming.

We continue to invest in our students through membership support and a broad scholarship program. This enables students and academic leaders to participate in many of the CITE events across Canada, including the inaugural Student Leadership Summit, and 10 student chapters participating in the 2018 Traffic Bowl in Edmonton.

The CITE Board again approved the appointment of Wilkinson Rogers as the CITE Public Accountant for the 2018 Financial Year. They have reviewed our financial statements and provided the following statement:

"Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Canadian Institute of Transportation Engineers as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for Not-for-Profit organizations."

The complete review engagement report is attached to this letter.

There are a number of items to highlight as part of the 2018 financial statement:

- Membership Dues - ITE International now distributes section dues directly to the various sections. Historically, section dues were paid to the District, and then distributed by CITE to the sections. As such, the Membership Dues income in 2018 was lower than budgeted. The Section Dues expense incurred in 2018 was the distribution of 2017 dues.
- Product Sales - through our agreement with TAC, net revenue from the sale of the Canadian Guide to Traffic Calming (2nd Edition) publication is shared 50/50 with CITE.
- Section Revenue - CITE now facilitates event registration for a number of sections. This can reduce the third-party transaction costs incurred by sections. This revenue is offset by Section Payments under expenses.
- Training Revenue - Revenue generated by the CITE Training Program is offset by Hosted Training. The net Training Revenue for 2018 was approximately \$1,200. This was due to higher travel costs for the training providers for sessions in Western and Atlantic Canada.
- Increased reliance on the District Administrator and Communications Coordinator roles will be reflected in the revised 2019 budget.
- Bank Charges have increased due to the increased number of online transactions related to training, the annual meeting and section events.
- Legal costs were related to the Incorporation of CITE.

A motion will be put forward at the AGM to transfer the net revenue from 2018 into our reserve fund. This will further support the long term financial sustainability of CITE.

The CITE Board also approved a revised 2019 Budget to reflect a number of changes since the budget was originally approved back in 2017, including many of the items highlighted in the 2018 Financial Statement.

One of the significant 'behind the scenes' changes in 2018 was the shift to an online financial management system. This has streamlined a number of financial processes, and coincided with the incorporation of CITE. We have also updated a number of our financial policies in 2018 to ensure the long term sustainability of our organization. If you have any questions related to anything related to the CITE financials, please feel free to contact me and I would be pleased to provide further detail.

Sincerely,



Ryan Vanderputten, M.Eng., P.Eng.
Secretary-Treasurer, Canadian Institute of Transportation Engineers