



INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS

ADVANCED TREASURER



STRIVE FOR EXCELLENCE - 2026

TODAY'S TEAM

Bill Dodd

- Past Secretary-Treasurer
- Coeur d'Alene, ID L0710
- Consultant with GST

Tory Fatjo

- 12th District DFRS
- Broward County, FL Local 4321



TODAY'S TEAM

Matthew Tomek

- Secretary-Treasurer
- Memphis Fire Fighters Local 1784

Matthew Petro

- Secretary-Treasurer
- Memphis Fire Fighters Local 5195



TODAY'S TEAM

Frank Ramagnano

- IAFF AGST of GST Operations
- Toronto, ON Local 3888

Doug Stern

- IAFF Director of GST Operations
- Cincinnati, Ohio Local 48

Ryan Weber

- IAFF Comptroller



LEARNING OBJECTIVES

- Tax Filings
- Fraud Protection/Audits
- Sub-Contractor vs Employee
- Budgeting
- Investment Options
- Bonding Amounts



FIDUCIARY RESPONSIBILITY

- Applies to ALL Union Officers
- Legal Obligation
- Duty to Make Decisions in the Best Interest of the Union
- Duty to Inquire/Ask Questions
- Intro to Fiduciary Responsibilities Class
 - Online class
 - Certificate provided



Link to IAFF
Intro to Fiduciary
Responsibilities Class





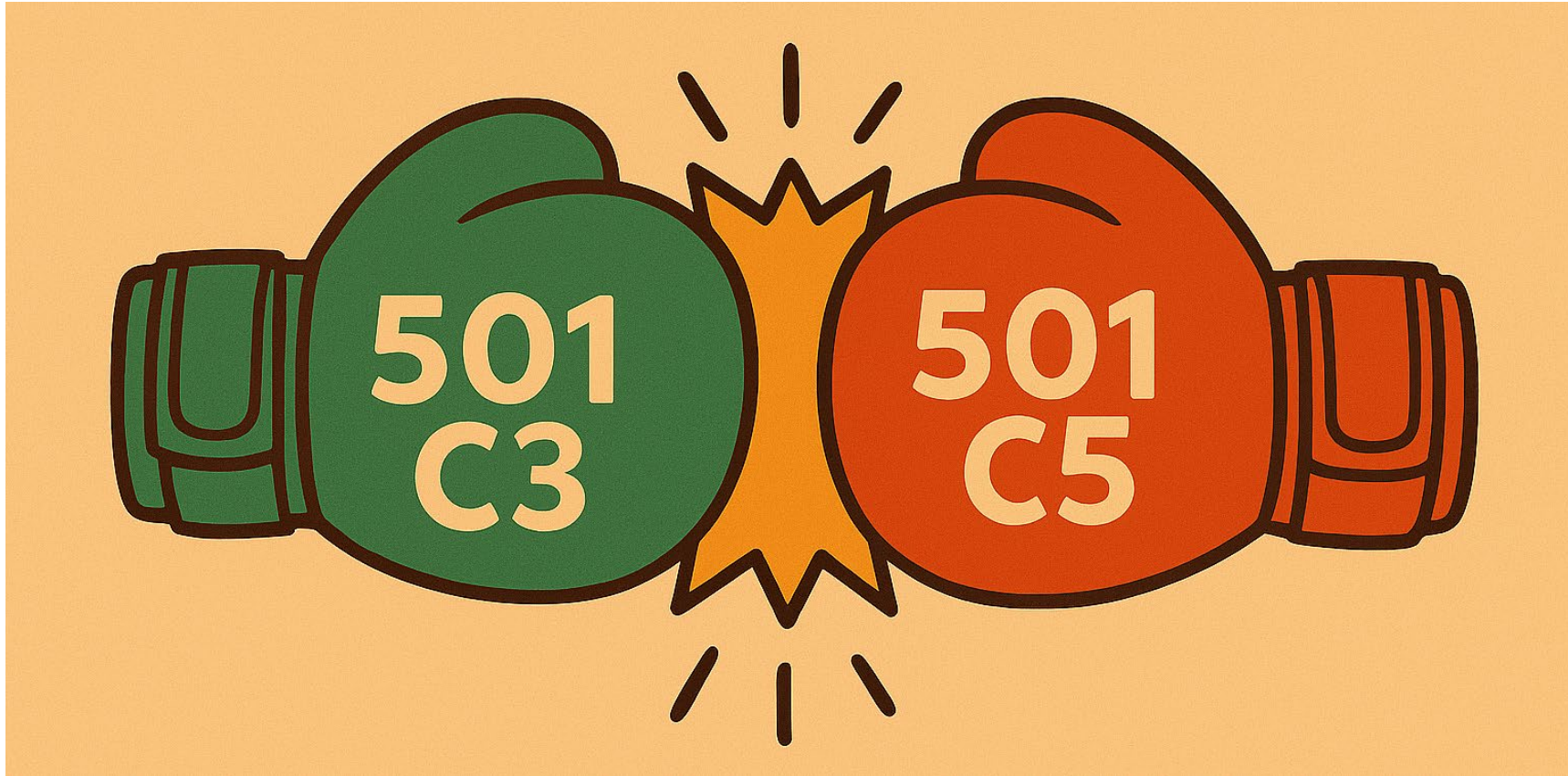
US TAX FILINGS

YEAR END RESPONSIBILITIES

- IAFF Audit
- 990 Tax Return
- State Tax Return (CA 199)
- Payroll W2's and W3, 941, 940, State forms
- 1099s and 1096
- DOL Forms (Federal Firefighters only)



TAX-EXEMPT STATUS



TAX EXEMPT STATUS

- Two Steps to Obtain Status
 - Get an EIN
 - File for Exemption
 - File a 1024 or
 - Join the IAFF Group Exemption
- Failure to file a tax return for three consecutive years = Revocation



TAX EXEMPT AND TAXES

- Exempt from Federal income taxes
- Sales tax still applies
- Unrelated Business Income Tax (UBIT)
- Income from a trade or business, that is regularly carried on, and that is not substantially part of your exempt purpose
- Must file 990-T if your gross income is over \$1,000
- Corporate tax rate is 21%





FEDERAL FILING REQUIREMENTS

All locals are required to complete a Form 990 annually and file with the IRS

The appropriate version of the form is as follows:

Size of Local	Form required
Gross Receipts \leq \$50,000	990-N
Gross Receipts $<$ \$200,000 and Total Assets $<$ \$500,000	990-EZ or 990
Gross Receipts \geq \$200,000 or Total Assets \geq \$500,000	990

Filing deadline is the 15th day of the 5th month following the end of the fiscal year.



WHICH 990?

- Gross Revenue as of 12/31/23 = \$220,000 Total Assets = \$100,000
- IAFF dues paid in 2023 = \$30,000
- State dues paid in 2023 = \$35,000

Total revenue for IRS = \$190,000 so 990-EZ

Payments to a parent organization can be removed from income to calculate gross revenue for the form 990. If you reduce your revenue you also need to remove the amount from the expense side too.



990-N

- Electronic Postcard done on IRS website.
- No need for a tax professional to file.

Information copy. Do not send to IRS.

Form 990-N Department of the Treasury Internal Revenue Service	Electronic Notice (e-Postcard) for Tax-Exempt Organizations not Required To File Form 990 or 990-EZ	OMB No. 1545-2085 2019 Open to Public Inspection
A For the 2018 calendar year, or tax year beginning _____, and ending _____.		
B Check if applicable <input type="checkbox"/> Terminated, Out of Business <input type="checkbox"/> Gross receipts are normally \$50,000 or less	C Name of organization: d/b/a: _____	D Employer Identification Number _____
E Website: _____	F Name of Principal Officer: _____	

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

The organization is not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. The rules governing the confidentiality of the Form 990-N is covered in Code section 6104.

The time needed to complete and file this form and related schedules will vary depending on individual circumstances. The estimated average times is 15 minutes.

Note: This image is provided for your records only. Do NOT mail this page to the IRS. The IRS will not accept this filing via paper. You must file your Form 990-N (e-Postcard) electronically.



990 INCOME AND EXPENSE CATEGORIES

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)

Check if the organization used Schedule O to respond to any question in this Part I

Revenue	1	Contributions, gifts, grants, and similar amounts received	1	1,225
	2	Program service revenue including government fees and contracts.	2	
	3	Membership dues and assessments	3	189,033
	4	Investment income	4	46
	5a	Gross amount from sale of assets other than inventory	5a	
	b	Less: cost or other basis and sales expenses	5b	
	c	Gain or (loss) from sale of assets other than inventory (subtract line 5b from line 5a)	5c	
	6	Gaming and fundraising events:		
	a	Gross income from gaming (attach Schedule G if greater than \$15,000)	6a	
	b	Gross income from fundraising events (not including \$ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)	6b	
c	Less: direct expenses from gaming and fundraising events	6c		
d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	6d		
7a	Gross sales of inventory, less returns and allowances	7a		
b	Less: cost of goods sold	7b		
c	Gross profit or (loss) from sales of inventory (subtract line 7b from line 7a)	7c		
8	Other revenue (describe in Schedule O)	8	8,915	
9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8	9	199,219	
Expenses	10	Grants and similar amounts paid (list in Schedule O).	10	
	11	Benefits paid to or for members	11	86,929
	12	Salaries, other compensation, and employee benefits	12	16,250
	13	Professional fees and other payments to independent contractors	13	3,250
	14	Occupancy, rent, utilities, and maintenance	14	332
	15	Printing, publications, postage, and shipping	15	
	16	Other expenses (describe in Schedule O).	16	88,787
17	Total expenses. Add lines 10 through 16	17	195,548	
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 9)	18	3,671
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	280,748
	20	Other changes in net assets or fund balances (explain in Schedule O).	20	
	21	Net assets or fund balances at end of year. Combine lines 18 through 20.	21	284,419

For Paperwork Reduction Act Notice, see the separate instructions.

Form 990-EZ (2022)



990 INCOME AND EXPENSE CATEGORIES

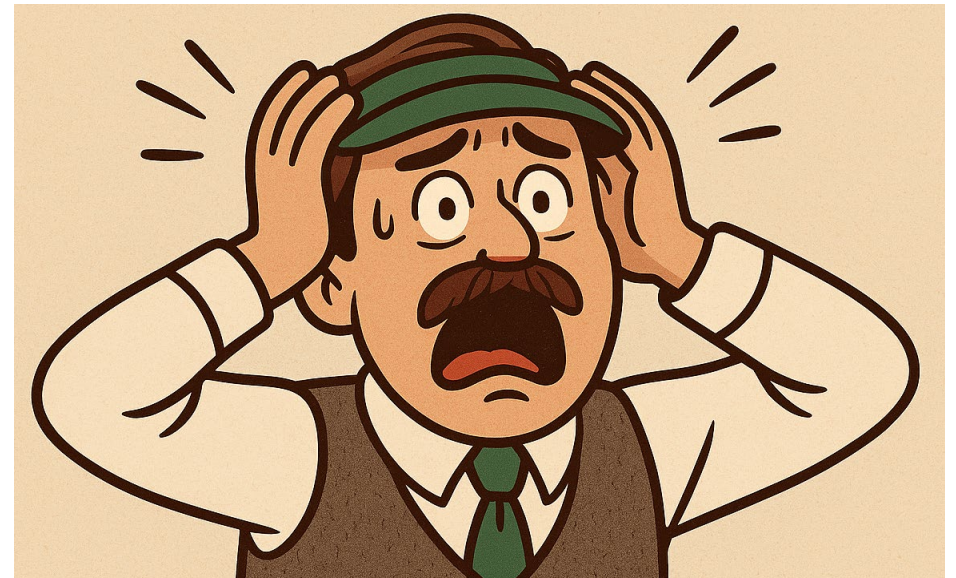
02. Description of other expenses (Part I, line 16)

Description	Amount
AFFILIATE DUES	33,424
CHARITABLE DONATIONS	1,325
EDUCATION AND TRAINING	23,400
EVENTS	2,000
INSURANCE	692
LEGISLATIVE	3,090
OFFICE EXPENSE	6,770
PAYROLL TAXES	1,555
SPORTS TEAMS	160
SUPPLIES	490
WEBSITE	524
PAC	11,785
UNREALIZED LOSS ON INVESTMENTS	3,572



LOST TAX-EXEMPT STATUS

- Call the GST Office
- Options Exist
- **Do Not** Hire an Accountant or Service to Reinstate Your Status



FEDERAL FIRE FIGHTERS LM REPORTS

- LM-1 Labor Organization information report
- LM-2 Total annual receipts > \$250,000
- LM-3 Total annual receipts \$10,000 - \$249,000
- LM-4 Total annual receipts < \$10,000

DUE 90 DAYS AFTER YEAR END





CANADIAN TAX FILINGS

T4 SLIP (ANY EMPLOYEES INCLUDING ELECTEDS)

- A T4 slip identifies all of the remuneration paid by an employer to an employee during a calendar year.
- You can get a [Form T4 slip](#) in a PDF or PDF fillable/saveable format to file on paper. The total of all payments in the calendar year was more than **\$500** (under the CRA administrative policy)
- If you are an employer (resident **or** non-resident) and you paid your employees employment income, commissions, taxable allowances and benefits, fishing income, or any other remuneration, you **must** issue a T4 slip if **any** of the following apply:
 - You deducted CPP/QPP, EI, PPIP, or income tax from remuneration paid to your employee



NON-PROFIT REPORTING

- Generally, all nonprofits that are corporations have to file a corporate income tax return with Canada Revenue Agency, regardless of whether they have to pay tax or not.
- In addition, certain nonprofits may also have to file a Non-Profit Organization (NPO) Information Return (which is also referred to as a Form T1044).



NON-PROFIT REPORTING

Distinguishing a non-profit organization from a charity

- An NPO cannot be a charity, as defined in the [Income Tax Act](#). There are differences between these types of organizations.
- Under the Act, a charity can apply to the Canada Revenue Agency for registration. Once accepted, a registered charity is exempt from income tax under paragraph 149(1)(f). The charity can then issue charitable donation receipts for tax purposes.
- An NPO does not have to register federally or provincially to acquire its tax-exempt status. An NPO cannot issue tax receipts for donations or membership fees contributed.

File your return no later than six months after the end of your fiscal period.



T3010 CHARITY RETURN

Failure to file your return

- If you do not file your return **within six months after the end of your fiscal year**, your registration could be revoked for [failure to file](#). When your registration is revoked:
 - you can no longer issue official donation receipts
 - you are no longer exempt from income tax
 - you must give all of your remaining assets to an [eligible donee](#) or pay a revocation tax equal to the full value of your assets
- If you re-apply for registration, you will have to pay a \$500 late-filing penalty.



BUDGETING

BUILDING YOUR BUDGET

- Start with your expected revenue
- Determine what your fixed expenses are
- IAFF/State/Labor Council dues, Payroll, Rent etc.
- The remaining balance can be used for other expenses
- Don't have a negative balance on your budget



BUDGET - TRANSFERS

- Accounts for monthly transfers
- Add them below Net Income



BUDGET INFO TO CONSIDER

Revenue

Dues
Merch Sales
Interest
Assessments
Contributions

Expense

IAFF Per Capita (\$19.59)
State/Provincial Per Cap (\$12.25)
Rent
Office Supplies (Computers)
Travel
Salaries
Professional Fees (Legal/Accounting)



BUILD YOUR OWN BUDGET

15 MINUTE EXERCISE

BUDGET FOR LOCAL 476

Active Members 32 (median-sized IAFF local)	
Active Retired Members 5 (assumption for this exercise) dues are half full dues.	Local (City) elections are every even number calendar year.
2023 Salary for top step firefighter is 82,000	The local executive board elections are every odd number calendar year in October.
Local dues are 1% of top step salary	You are the newly elected secretary treasurer who just took office on October 1, 2025, so you are responsible for the 2026 budget.
Local belongs to state association	The local president has been in office since 2022
IAFF and State Assn Per Cap will be listed for on each years sheet	Legal Retainer is \$1500 per year on a contract signted through 2026
Local negotitated a three year contract in 2023 and 2024.	
Contract has 3% raises for every year that take effect in January (2024[retroactive], 2025, 2026)	



BUDGET 2023

LOCAL ASSETS				
Checking Account	\$ 17,512.00			
LODD Fund	\$ 750.00			
CD	\$22,603.00			
REVENUE				
Active Members Dues	\$26,238.72	\$26,238.72		
Retiree Dues	\$ 2,050.20	\$ 2,050.20		
Fill The Boot	\$ 15,000.00	\$14,893.94		
Donations	\$ 1.00	\$ 250.00		
EXPENSES				
IAFF Per Capita			\$ 7,059.00	\$ 7,059.00
State Assn Per Cap			\$ 4,740.60	\$ 4,740.60
Legal Fees			\$ 7,500.00	\$ 6,750.00
IAFF Travel			\$ 1,580.00	\$1,645.25
State Assn Travel			\$ 2,290.00	\$2,582.40
Office Supplies			\$ 375.00	\$ 265.87
Fill The Boot			\$ 15,000.00	\$ 14,893.94
LODD Fund			\$ 100.00	\$ 250.00
	\$43,289.92	\$43,432.86	\$38,644.60	\$ 38,187.06
Profit/Loss			\$4,645.32	\$5,245.80
NOTES				
PEP Travel includes four hotel nights. \$275 per room night. Six per diems at \$80 each				
State Travel includes six hotel nights \$275 per room night. Eight Per Diems at \$80 each				

Top Step Salary	\$82,000.00		
IAFF Per Capita	\$ 17.05		32
State Assn Per Cap	\$ 11.45		5
Local Dues	\$68.33 per month (\$34.17 for retirees)		

\$2186.56 per month
\$170.85 per month

Donation from Local Restaurant for
LODD Fund

Travel to District PEP event
State Travel includes one event in state.

Transfer funds to LODD Fund



BUDGET 2024

Top Step Salary	\$82,000.00		
IAFF Per Capita	\$ 17.05		32
State Assn Per Cap	\$ 11.45		5
Local Dues	\$68.33 per month (\$34.17 for retirees)		

LOCAL ASSETS				
Checking Account	\$22,757.80			
LODD Fund	\$ 1,000.00			
CD	\$ 23,733.15			
REVENUE				
	BUDGET	ACTUAL	BUDGET	ACTUAL
Active Members Dues	\$27,025.92	\$27,025.92		
Retiree Dues	\$ 2,111.40	\$ 2,111.40		
Fill The Boot	\$ 15,000.00	\$ 22,034.19		
Donations	\$ 250.00	\$ -		
EXPENSES				
IAFF Per Capita			\$ 7,253.28	\$ 7,253.28
State Assn Per Cap			\$ 4,864.80	\$ 4,864.80
Legal Fees			\$ 7,500.00	\$25,450.34
IAFF Travel			\$ 1,580.00	\$ 3,786.24
State Assn Travel			\$ 2,290.00	\$ 1,346.98
Meetings/Entertainment			\$ 1,000.00	\$ 1,256.00
Office Supplies			\$ 375.00	\$ 309.84
Fill The Boot			\$ 15,000.00	\$ 22,034.19
LODD Fund			\$ 100.00	\$ -
	\$44,387.32	\$ 51,171.51	\$39,963.08	\$ 66,301.67
Profit/Loss			\$ 4,424.24	-\$15,130.16
NOTES				
PEP Travel includes four hotel nights. \$275 per room night. Six per diems at \$80 each				
State Travel includes six hotel nights \$275 per room night. Eight Per Diems at \$80 each				

earned 5% last year

\$2252.16 per month

\$175.95 per month

\$560.64 per month (\$43.80 per month

\$376 per month (\$29.40 retiree)

Actual included mediation.

Travel to District PEP event was budgeted but board decision to go to IAFF Convention instead

State Travel includes one event in state. (actual only one officer attended) meetings with city officials and other unions



BUDGET 2025

Top Step Salary	\$86,993.00		
IAFF Per Capita	\$ 19.05		32
State Assn Per Cap	\$ 12.95		5
Local Dues	\$72.56 per month (\$36.28 retirees)		

LOCAL ASSETS				
Checking Account	\$	7,627.64		
LODD Fund	\$	1,000.00		
CD	\$	24,919.81		
REVENUE				
	BUDGET	ACTUAL	BUDGET	ACTUAL
Active Members Dues	\$27,863.04	\$27,863.04		
Retiree Dues	\$ 2,176.80	\$ 2,176.80		
Fill The Boot	\$15,000.00	\$ 18,905.12		
Donations	\$ 250.00	\$ 1,000.00		
EXPENSES				
IAFF Per Capita			\$ 7,253.28	\$ 7,253.28
State Assn Per Cap			\$ 4,864.80	\$ 4,864.80
Legal Fees			\$ 7,500.00	\$ 1,500.00
IAFF Travel			\$ 4,870.00	\$ 5,726.72
State Assn Travel			\$ 2,290.00	\$ 1,346.98
Meetings/Entertainment			\$ 1,200.00	\$ 1,528.87
Office Supplies			\$ 375.00	\$ 738.96
Fill The Boot			\$15,000.00	\$ 18,905.12
LODD Fund			\$ 100.00	\$ 1,000.00
	\$45,289.84	\$49,944.96	\$43,453.08	\$42,864.73
Profit/Loss			\$ 1,836.76	\$7,080.23
NOTES				
PEP Travel includes four hotel nights. \$275 per room night. Six per diems at \$80 each... total of \$1580				
ALTS travel includes airfare for two at \$500 each and six hotel nights \$275 per room night. Eight Per Diems at \$80 each... total \$3290				
State Travel includes six hotel nights \$275 per room night. Eight Per Diems at \$80 each... total \$2290				

earned 5% last year

\$2321.92 per month

\$181.4 per month

Donation from Local Business for LODD Fund

\$560.64 per month (\$43.80 per month retiree)

\$376 per month (\$29.40 retiree)

Only covered retainer for attorney

Travel to District PEP and ALTS event

was budgeted (ALTS rooms were \$350

per night and flights were \$525. PEP

Actual includes mileage at \$356.72)

State Travel includes one event in state.

(actual only one officer attended)

Includes food for union meetings and

meetings with city officials and other

Actual included a new lap top for local treasurer.

Transfer funds to LODD Fund



BUDGET 2026

Top Step				
IAFF Per Capita	\$19.59			32
State Assn Per Cap	\$14.06			5
Local Dues				

LOCAL ASSETS				
Checking Account	\$ 14,707.87			
LODD Fund	\$ 2,000.00			
CD	\$ 25,916.60			earned 4% last year
REVENUE	BUDGET	ACTUAL	BUDGET	ACTUAL
Active Members Dues				
Retiree Dues				
Fill The Boot				
Donations				
EXPENSES				
IAFF Per Capita				
State Assn Per Cap				
Legal Fees			\$ 1,500.00	\$1500 retainer through 2026
IAFF Travel				
State Assn Travel				
Meetings/Entertainment				meetings with city officials and other unions
Office Supplies				
Fill The Boot				
LODD Fund				
	\$ -	\$ -	\$ 1,500.00	\$ -
Profit/Loss			\$ (1,500.00)	\$0.00
NOTES				



FRAUD /AUDITS

IAFF BOARD OF TRUSTEES



COMPILATIONS, REVIEWS, AND AUDITS

A **compilation** is the preparation of financial statements of private entities based on information provided by the entity's management.

A compiled financial statement represents the most basic level of service **CPAs** provide with respect to financial statements.



Compilation



COMPILATIONS, REVIEWS, AND AUDITS

A **review** requires all of the procedures necessary for a compilation engagement, plus other procedures that enable the accountant to provide limited assurance on the financial statements. These additional requirements are inquiries of client management and analytical procedures.



Review



COMPILATIONS, REVIEWS, AND AUDITS

An **audit** is the third and most extensive service. It provides the highest level of assurance on the client's financial statements, because many important audit procedures are not required for compilations or reviews.



HOW DO WE INTERNALLY REVIEW OUR FINANCIALS

- Start with ending bank balances
- Compare the Budget vs Actual P&L
- Details on categories with a variance over your threshold
- Should be able to tie to receipts or documents
- Review the transactions on bank statements



FINANCIAL STATEMENT

IAFF L1234


Financial Statements

	2023 Budget	2023 Actual	Variance
Profit & Loss Statement			
Revenue			
Member Dues	95,000	94,500	(500)
State Assoc Reimbursements	-	-	-
Member Reimburesments	-	-	-
Misc. (fill the boot)	12,000	7,000	(5,000)
Total Revenue	107,000	101,500	(5,500)
Expenses			
Dues			
IAFF	25,000	24,550	(450)
State Assoc	30,000	29,570	(430)
AFL-CIO	3,000	2,957	(43)
CLC	300	295	(5)
Total Dues	58,300	57,372	(928)
Charity	10,000	10,000	-
Travel/Conferences	11,000	15,980	4,980
Insurance	800	799	(1)
Payroll of officers	8,000	8,000	-
Payroll taxes	1,600	1,600	-
Professional/Legal fees	600	625	25
All Other Expenses	10,000	10,000	-
Total Expenses	100,300	104,376	4,076
Net Income/(Loss)	6,700	(2,876)	(9,576)

Assets	12/31/22	12/31/23
Checking Acct	60,000	37,124
Savings	-	-
EDF/Legal Fund	-	-
Union Hall	-	-
Total Assets	60,000	37,124
Liabilities		
Union Hall loan	-	-
Total Liabilities	-	-
Fund Balance	60,000	37,124
Total Liabilities and Fund Bal	60,000	37,124



IAFF LOCAL UNION FINANCIAL AUDIT REPORT



INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Frank V. Lima
 General Secretary-Treasurer

IAFF LOCAL UNION FINANCIAL AUDIT REPORT & REVIEW

Local No. _____ Local Name _____ State/Province _____ IAFF District _____

Fiscal Year ended _____ Local Employer Identification Number (EIN) _____

GENERAL INSTRUCTIONS

This annual report shall be prepared and certified by the local union trustees or audit committee. The original shall be forwarded to the IAFF General Secretary-Treasurer at 1750 New York Ave NW, Washington D.C. 20006 and/or emailed to financialreport@iaff.org within 180 days after the close of the local's fiscal year.

A copy shall be retained in the files of the local union in accordance with the IAFF Constitution and By-Laws.

Annually, the local union shall perform an independent inspection of the local's adherence to IAFF's financial policies contained in Article XIII, Section 9 of the IAFF Constitution and By-Laws and answer the following questions based on their inspection.

	YES	NO*
1. All cash receipts are required to be deposited into the local's bank account.	<input type="checkbox"/>	<input type="checkbox"/>
2. All disbursements are required to be paid by check or electronic funds transfer.	<input type="checkbox"/>	<input type="checkbox"/>
3. Two signatures on every check or verification of a minimum of two officers before electronic funds transfer is completed are required.	<input type="checkbox"/>	<input type="checkbox"/>
4. An independent individual(s) reviews all bank statements to ensure adherence to disbursement policies.	<input type="checkbox"/>	<input type="checkbox"/>
5. An invoice or other supporting documentation is required for every expenditure.	<input type="checkbox"/>	<input type="checkbox"/>
6. Signing blank checks is prohibited.	<input type="checkbox"/>	<input type="checkbox"/>
7. Checks made payable to cash and ATM withdrawals are prohibited.	<input type="checkbox"/>	<input type="checkbox"/>
8. The local has adopted a petty cash policy that limits petty cash to \$100 or less, requires a receipt and requires all expenditures to be logged in a petty cash journal.	<input type="checkbox"/>	<input type="checkbox"/>
9. Minutes of membership and executive meetings are required.	<input type="checkbox"/>	<input type="checkbox"/>
10. Was the trustees' annual Local Union Financial Report for the prior year submitted to the IAFF?	<input type="checkbox"/>	<input type="checkbox"/>
11. Was the trustees' annual Local Union Financial Report for the prior year submitted to the local's membership?	<input type="checkbox"/>	<input type="checkbox"/>
12. Are required federal and state/provincial payroll tax returns currently filed with the respective agencies?	<input type="checkbox"/>	<input type="checkbox"/>
13. The local's principal officers have reviewed the IAFF Local Union Financial Responsibilities Manual.	<input type="checkbox"/>	<input type="checkbox"/>
14. The local's principal officers have reviewed the IAFF Manual of Common Procedures.	<input type="checkbox"/>	<input type="checkbox"/>
15. The local has a Labor Organization Bond of at least 10% of its assets.	<input type="checkbox"/>	<input type="checkbox"/>
16. The local has Directors' and Officers' Insurance Coverage.	<input type="checkbox"/>	<input type="checkbox"/>
17. The local has updated its membership and officer roster with the IAFF within the last 30 days.	<input type="checkbox"/>	<input type="checkbox"/>

*Please provide an explanation on the additional sheet if the answer to any of these is NO.

ATTACH ANY TAX FORM OR GOVERNMENT REQUIRED FILING TO THIS SUBMISSION

Revised November 2023

Number of members at the end of the last Fiscal Year _____
 Number of members at the end of this Fiscal Year _____

If your local dues is a flat rate, what is that flat rate? _____
 If your local dues is based on a percentage, what is that percentage? _____
 How often are dues collected? Circle One: Weekly/Every Two Weeks/ Twice a Month/Monthly

How are dues collected? Circle One: Payroll Deduction, ACH, Other Program

ASSETS AND LIABILITIES - START OF FISCAL YEAR

1. Cash, savings, and investments	_____
2. Other assets	_____
(please list other assets on next pages)	
3. Total assets (sum of Lines 1 and 2)	_____
4. Total liabilities	_____
5. Net assets (Line 3 minus Line 4)	_____

ACTIVITY THROUGHOUT THE FISCAL YEAR (CASH FLOW)

FISCAL YEAR REVENUE:

6. Initiation fees	_____
7. Per Capita (Dues) received	_____
8. Interest on all accounts	_____
9. Other revenue	_____
(please list revenue on next pages)	
10. Total Revenue for Fiscal Year	_____

FISCAL YEAR EXPENSES:

11. Salaries and payroll expenses	_____
12. Per Capita (Dues) paid to IAFF and state/provincial assn	_____
13. Other Expenses	_____
(please list expenses on next pages)	
14. Total Expenses for Fiscal Year	_____
15. Operating Revenue/Loss for Fiscal Year (Line 10 minus Line 14)	_____

ASSETS AND LIABILITIES - END OF FISCAL YEAR

16. Cash, savings, and investments	_____
17. Other assets	_____
(please list other assets on next pages)	
18. Total Assets (sum of Lines 16 and 17)	_____
19. Total liabilities	_____
20. Net assets (Line 18 minus Line 19)	_____
21. Change in investments not recorded elsewhere (investment increase on paper for example)	_____
22. Change in Net Assets for Fiscal Year (Line 5 compared to the total of Line 20 plus Line 21)	_____

NOTE: LINES 15 PLUS LINE 21 SHOULD BE EQUAL TO LINE 22
 (Fiscal Year Revenue/Loss creates the Change in Net Assets.)

Revised August 2025

Questions about this Local Union Financial Report or about the audit/
 review process should be directed to gstoffice@iaff.org



IAFF LOCAL UNION FINANCIAL AUDIT REPORT



INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS

Frank V. Lima
General Secretary-Treasurer

Local Union Financial Audit Report and Review Document

The Local Union Financial Report must be prepared and certified by the local union trustees or audit/finance committee. Additional information is requested in several places in the Local Union Financial Audit Report and Review. This document provides space for that information and explanation.

On the front of the page, any of the 17 questions that are answered **NO** require an explanation. Please provide those explanations here.

Please list all *other revenue sources* from Line 9 on the back of the report here.

Please list all *other expenses* from Line 13 on the back of the report here.

List all *other assets* from Line 2 and Line 18 on the back of the report here.

Please provide any other information or pertinent details not captured on the report here.

Description of any departures from IAFF's financial policies and procedures.

To oversee the local union's adherence to IAFF's financial policies and procedures for the year, we selected and verified a sample of transactions and either: a) encountered no departures from IAFF's financial policies and procedures contained in the [Local Union Financial Responsibilities & Management](#) manual, or b) addressed and corrected any departures. Please provide a brief description on any departures on the additional sheet provided. Individuals submitting report should not be members of the Executive Board (with spending authority but an independent group of trustees or an audit committee. A minimum of two reviewers is required.

Reviewer Printed Name		Signature:	
Reviewer Printed Name		Signature:	
Reviewer Printed Name		Signature:	

If auditing work was performed by an external group such as an auditing firm or CPA, please click this box



LOCAL UNION FINANCIAL REPORT

Common Errors & Concerns

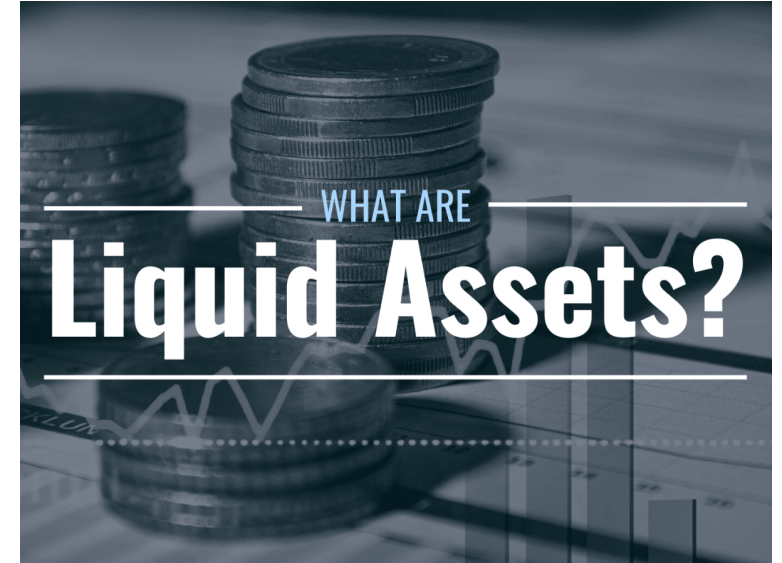
- Wrong EIN – some are using the department's number.
This can create a reporting issue.
- Checking the Director's and Officer's Insurance Box.
Not punitive, just gauging how many have it.
- Local board members signing the form.
- Not including an attached sheet with expense/revenue breakdown.
Too little information to detect trends or issues
- Revenue minus expenses not matching with change in net assets.



INVESTMENTS

INVESTMENT CONSIDERATIONS

- How liquid do you want your investment to be?
 - Certificates of Deposit
 - Real Estate
 - Cash
 - Other



CERTIFICATES OF DEPOSIT

**Generally considered a safe, stable investment.
Low risk, low reward.**

- **PROS**

- Safety

- Guaranteed Returns

- Higher Rates than
Checking Account

- **CONS**

- Accessibility

- Lower Returns than
Market

- Inflation Risk



REAL ESTATE

Long-term investment.

Unless investing as an owner-occupied office or union hall, it is likely not a good option for local affiliates.

- **PROS**

- Good ROI
 - Appreciation

- **CONS**

- Low Liquidity
 - High investment cost



GENERATIONAL INEQUITY

Use caution in regard to large investments on assets that are paid for by one generation of union members but the next generation own the asset without making the investment.

This is a concern when discussing union halls and other large financial projects.



CASH

For most locals, a cash investment will be a large part of their portfolio. This is perfectly acceptable and a viable strategy for planned spending.

This includes savings, checkings and money market accounts.

- **PROS**

- Funds available for emergencies

- Less Risk

- **CONS**

- No or minimal ROI



LINES OF CREDIT

Using credit can be a viable option when lending interest rates are lower than rates of return on other investments.

Credit also allows for liquidity when investing in other nonliquid platforms such as real estate.



FINANCIAL POLICIES

POLICIES

- Best Practice
- Approved by Local Board
- Adopted by Membership
- Sets Expectations and Rules
- IN WRITING

- GST Office can assist and advise

POLICY NUMBER:

POLICY TITLE:

EFFECTIVE DATE:

PURPOSE: To set rules and guidance for travel expense reimbursement.

1. Scope

- a. All travel must be pre-approved by the president or treasurer.
- b. This policy covers travel for union-related activities only.

2. Eligible Personal Travel Expenses

- a. Lodging (hotel room, tax, and fees only),
- b. Airfare/train fare (coach or economy only),
- c. Personal car mileage reimbursed at the IRS/CRA rate
- d. Rental car, fuel for rental car, parking fees.

3. Per Diem

- a. When a local member is on union travel with an overnight stay, they shall be eligible for a per diem of \$80 per day, including the first and last days of travel.
- b. This per diem reimbursement covers all meals, out-of-pocket tips, and incidental expenses not listed above.

4. Reporting Requirements

- a. Receipts or digital copies for all transactions are absolutely required unless, on rare occasions, a receipt cannot be obtained, in which case, a well-documented note explaining the reason will be provided.
- b. Receipts must be turned in via an expense voucher or electronic voucher system within 30 days of the transaction with
- c. The treasurer will reimburse for all eligible expenses within 15 days of submission
- d. The treasurer will preserve all receipts as required by the IRS/CRA and the Department of Labor
- e. Receipts will be made available to the Board of Trustees or Audit Committee to perform an annual review in compliance with the IAFF Constitution & By-Laws to complete the Local Union Financial Report.
- f. Deviations from this policy shall be explained in writing and approved by the Executive Board.



FINANCIAL POLICIES

- **Budget**
- **Expense Reimbursement**
- **Travel**
- **Credit Card Usage**
- **Document Retention**
- **Investments**



SUBS

VS

EMPLOYEES

SUB-CONTRACTOR VS EMPLOYEE

- Who has control over what the worker does and how the worker does his or her job?
- How is the worker paid, are expenses reimbursed, who provides tools/supplies?
- Does the worker have similar clients?
- Are there written contracts or employee type benefits?
- See IRS 20 question test



SUB-CONTRACTOR VS EMPLOYEE

- Union Officers
- Work replacement
- Other scenarios?



PAYROLL

- Employer Costs
- FICA 6.2% of wages up to \$162,200 then 0 (2023)
- Medicare 1.45% of all wages
- Federal Unemployment 6% of first \$7,000 but there is a 5.4% credit if State Unemployment is paid
- State Unemployment determined by State
- Workers Compensation Insurance (varies by state)



PAYROLL

- Federal withholding, FICA and Medicare payroll deposits due by the 15th of the month following payroll if over \$2,500 per quarter. Must use EFTPS if paying monthly
- FUTA due quarterly or annually based on amount, over \$500 must use EFTPS
- State payments vary based on amount and type



PAYROLL FROM 1099



Local 1234							
Payroll							
Employer payroll amounts							
Monthly stipend		2,000.00	1,800.00	1,800.00	1,500.00	7,100.00	
Employer paid:							
Social Security	0.062	124.00	111.60	111.60	93.00		
Medicare	0.015	29.00	26.10	26.10	21.75		
Subtotal		153.00	137.70	137.70	114.75	543.15	
Federal Unemployment	0.006	12.00	10.80	10.80	9.00		
WA Unemployment	0.035	69.60	62.64	62.64	52.20		
Subtotal		81.60	73.44	73.44	61.20	289.68	
Total		234.60	211.14	211.14	175.95	832.83	



PAYROLL REPORTING DATES

- W-2 due to employee by January 31
- W-3 due by January 31
- 941 due end of month after each quarter
 - 4/30, 7/31, 10/31, 1/31
- 940 due by January 31



1099s

- 1099 anyone paid \$600 or more in a year, that is not a corporation, due by January 31
- Local should have them fill out a W-9 before they are paid
- Form 1099-NEC (Non employee compensation)
- 1096 summary of all 1099's due by January 31



Canadian Payroll and Contractors

- The T4A summary (T4ASUM) represents the total of the information reported on all of the T4A slips you prepared for each recipient for the calendar year.
- You can get a [Form T4ASUM](#) in a PDF or PDF fillable/saveable format to file on paper
- Fill out a separate T4A Summary for each one of your payroll accounts. **The totals you report on your T4A Summary have to agree with the total of all amounts you reported on your T4A slips** for that payroll account. The total of all payments in the calendar year was more than **\$500** (under the CRA administrative policy)



BONDING AMOUNTS

BONDING

- IAFF covers first \$5,000
- Best Practice is a Bond of 10% of FUNDS HANDLED
 - Liquid Assets and Total Receipts
- Private and Federal Locals MUST have a 10% Bond
- Can purchase through same company IAFF uses
- If funds go missing, you can be reimbursed up to your bonding amount



BONDING

Three-year Premiums

\$10,000 for \$57

\$50,000 for \$312

<u>Limit of Liability</u>	<u>3 Year Premium</u>	<u>Limit of Liability</u>	<u>3 Year Premium</u>
\$7,500	\$27	\$110,000	\$582
\$10,000	\$57	\$120,000	\$597
\$12,500	\$72	\$130,000	\$609
\$15,000	\$90	\$140,000	\$624
\$17,500	\$108	\$150,000	\$639
\$20,000	\$123	\$160,000	\$651
\$22,500	\$141	\$170,000	\$666
\$25,000	\$159	\$180,000	\$678
\$30,000	\$189	\$190,000	\$693
\$35,000	\$219	\$200,000	\$705
\$40,000	\$252	\$225,000	\$741
\$45,000	\$282	\$250,000	\$774
\$50,000	\$312	\$300,000	\$846
\$55,000	\$339	\$325,000	\$878
\$60,000	\$363	\$350,000	\$915
\$65,000	\$390	\$375,000	\$948
\$70,000	\$414	\$400,000	\$984
\$75,000	\$441	\$450,000	\$1,053
\$80,000	\$468	\$500,000	\$1,125
\$85,000	\$492		
\$90,000	\$519		
\$100,000	\$570		

The above are three (3) year premiums, pro-rated monthly based on the 1st of the month following request.



SECRETARY-TREASURER RESOURCES



INTERNATIONAL
ASSOCIATION OF
FIRE FIGHTERS

ADVOCACY ▾ HEALTH & SAFETY ▾ TRAINING ▾ EVENTS ▾ NEWSROOM ▾ MEMBERS ▾



← LEADER RESOURCES

SECRETARY-TREASURER RESOURCES

CONTACT US

⬆ IN THIS SECTION

TAX AND FINANCIAL RESPONSIBILITIES
– U.S. →

TAX AND FINANCIAL RESPONSIBILITIES
– CANADA →

AFFILIATE BONDING INSURANCE →

FUND BALANCE TRANSFER REPORT →

RULES FOR PARLIAMENTARY
PROCEDURE →

DOCUMENTS →

EXECUTIVE BOARD MINUTES →

ARCHIVED CONVENTION
INFORMATION →

www.iaff.org/secretary-treasurer-resources/



INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS

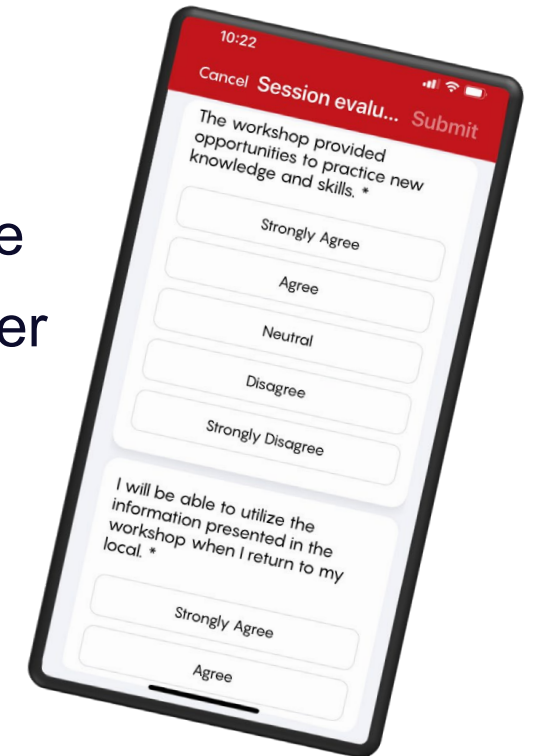


THANK YOU!
ANY QUESTIONS?

gstoffice@iaff.org

EVALUATION AND WIN AN IPAD!

- **Submit your workshop and overall evaluations to be automatically entered in two drawings for a new iPad!**
- **Complete your evaluations using the IAFF app:**
 1. Download the IAFF app and sign in with your iaff.org username
 2. Tap the 2026 Strive for Excellence Summit event image to enter the event's dashboard
 3. Tap "Sessions" and tap on the workshops you attended
 4. Tap "Evaluation" and complete the evaluation
 5. Tap "Submit"



For the event's overall evaluation, follow steps 1 and 2, then tap "Event Evaluation" located in the event's Dashboard.

