

2020 CAFII Budget

	2017 Actuals	2018 Actuals	2019 Actuals	2020 Budget	2020 YTD October 2020	2020 Revised Forecast	Variance 2020 Budget vs. 2020 Revised Forecast	Comment/Rationale
Revenue								
Membership Dues	\$475,425	\$695,545	\$734,664	\$908,720	\$737,267	\$884,720	-\$24,000	See breakdown in Member Dues Revenue Tab
Luncheon 2019	\$126	\$0	\$195	\$0	\$0	\$0	\$0	
Interest	\$126	\$0	\$982	\$200	\$360	\$400	\$200	Additional Interest from the Savings Account
TOTAL REVENUE	\$ 475,677	\$ 695,545	\$ 735,841	\$ 908,920	\$ 737,627	\$ 885,120	-\$ 23,800	
EXPENSE								
Management Fees	\$442,012	\$460,299	\$465,134	\$474,989	\$398,776	\$476,844	\$1,855	Includes MM Fees (2.5% contractual increase) and two Co-Eds (2.5% increase each)
CAFII Legal Fees/Corporate Governance	\$2,954	\$563	\$0	\$20,000	\$28,975	\$28,975	\$8,975	Legal Fees related to Competition Advice, Cancellation of Spousal Coverage & Regulatory Matters
Audit Fees	\$14,271	\$14,432	\$14,799	\$15,247	\$14,201	\$16,743	\$1,496	3% increase over 2019 Revised Forecast due to additional technology charge
Insurance	\$5,238	\$5,258	\$5,338	\$5,500	\$4,487	\$5,385	-\$115	Coverage cost remained same as 2019 Actuals
Website Ongoing Maintenance	\$42,575	\$6,461	\$10,022	\$5,500	\$4,408	\$5,456	-\$44	Includes CG Technology (\$250 per month), Translation (\$400), Domain (\$30), Zoom (\$75 per month) & Survey Monkey \$307.36. Increase in select months for Zoom Webinar Fee.
Telephone/Fax/Internet	\$6,119	\$5,939	\$6,494	\$5,800	\$4,741	\$5,800	\$0	Same as 2019 Budget
Postage/Courier	\$380	\$458	\$159	\$250	\$53	\$53	-\$197	Less mailing required in FY20
Office Expenses	\$1,312	\$2,423	\$2,025	\$2,000	\$1,971	\$2,080	\$80	
Bank Charges	\$38	\$23	\$112	\$190	\$236	\$236	\$46	Same as 2019 Actual plus Annual Fee for CAFII TD Visa credit card
Amortization Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Depreciation Computer/Office Equipment	\$1,564	\$1,136	\$1,136	\$1,200	\$947	\$1,136	-\$64	Same as 2019 Budget
Miscellaneous Expense	\$433	\$0	\$0	\$500	\$0	\$500	\$0	Same as 2019 Budget
Board/EOC/AGM								
Annual Members Luncheon	\$10,247	\$10,503	\$12,052	\$12,400	\$0	\$0	-\$12,400	No costs associated with the virtual members luncheon held in October 2020
Board Hosting (External)	\$7,500	\$19,515	\$14,001	\$22,500	\$0	\$0	-\$22,500	No in person board meeting in FY20
Board/EOC Meeting Expenses	\$25,493	\$20,715	\$35,419	\$39,500	\$5,559	\$8,075	-\$31,425	Expenses incurred in Q1/Q2 of FY20.
Industry Events	\$36	\$1,270	\$0	\$1,300	\$0	\$0	-\$1,300	No industry events in FY20
EOC Annual Appreciation Dinner	\$8	\$763	\$2,193	\$4,244	\$4,244	\$4,244	\$0	EOC Dinner held in Q1 of FY20
Total Board/EOC/AGM	\$43,284	\$52,766	\$63,665	\$79,944	\$9,803	\$12,319	-\$67,625	
Provincial Regulatory Visits and Relationship-Building	\$11,011	\$11,230	\$16,833	\$12,875	\$983	\$983	-\$11,892	No travel planned for the remainder of FY20
Research/Studies	\$17,807	\$77,345	\$5,368	\$60,000	\$0	\$56,274	-\$3,726	Reduced to match planned expense for FY20
Website SEO and Enhancements	\$21,702	\$21,702	\$40,914	\$41,950	\$22,104	\$41,950	\$0	3% increase over 2019 Revised Forecast
Regulatory Model(s)	\$15,001	\$6,490	\$7,555	\$15,000	\$0	\$0	-\$15,000	Reduced to match planned expense for FY20
Federal Regulatory Visits and Relationship-Building	\$0	\$0	\$442	\$7,500	\$540	\$540	-\$6,960	No travel planned for the remainder of FY20
CAFII Benchmarking Study/RSM Canada	\$0	\$0	\$0	\$67,800	\$51,415	\$67,800	\$0	New Line - CAFII Benchmarking Study/RSM Canada estimated at \$60K plus HST. The expense related to CAFII Benchmarking Study/RSM Canada could be found from this line item in the first year, or this \$60K research fund could be reduced to offset the cost of the benchmarking study.
FCAC Presentation	\$0	\$0	\$0	\$22,600	\$20,905	\$22,600	\$0	New Line - FCAC Presentation estimated at \$20k plus HST - \$10K plus HST for Dog and Pony; \$10K plus HST for WTW Benchmarking Data.
Media Outreach	\$44,023	\$38,522	\$32,803	\$36,100	\$23,515	\$28,035	-\$8,065	Reduced to match planned expense for FY20
Marketing Collateral	\$0	\$557	\$1,629	\$5,000	\$195	\$500	-\$4,500	Reduced to match planned expense for FY20
Tactical Communications Strategy	\$379	\$0	\$0	\$0	\$0	\$0	\$0	
CAFII Reception Events	\$500	\$0	\$0	\$900	\$0	\$0	-\$900	No In Person events planned for FY20
Media Relations	\$164	\$0	\$0	\$0	\$0	\$0	\$0	covered under Media Outreach
Speaker fees & travel	\$0	\$191	\$1,189	\$2,000	\$0	\$0	-\$2,000	No In Person events planned for FY20
Gifts	\$452	\$0	\$200	\$500	\$0	\$0	-\$500	No In Person events planned for FY20
CAFII 25th Anniversary Celebration	\$26,495	\$0	\$0	\$0	\$0	\$0	\$0	Deferred to 2022
Networking Events	\$350	\$0	\$0	\$500	\$0	\$0	-\$500	No networking events planned for FY20
TOTAL EXPENSE	\$ 675,862	\$ 705,793	\$ 675,816	\$ 883,845	\$ 588,253	\$ 774,208	-\$ 109,637	
Excess of Revenue over Expenses	(\$200,185)	(\$10,248)	\$60,025	\$25,075	\$149,373	\$110,912	\$85,837	
Unrestricted Net Assets (beginning of year)	\$380,758	\$180,447	\$170,198	\$230,223	\$230,223	\$230,223		
Unrestricted Net Assets (end of year)	\$180,573	\$170,198	\$230,223	\$255,298	\$379,596	\$341,135		

Explanatory Notes:

- (1) Assumes Two Co-Executive Directors, one @ 5 days per week; one @ 4.5 days per week; plus Managing Matters Admin support
- (2) Amortization of office equipment based on 4 year straight line depreciation
- (3) \$45,000 Legal Expense for Marc Dequette/Norton Rose Fulbright to complete legal opinion re: AMF Spousal Coverage Issue. Alternative for paying for legal opinion is to use the remaining funds from the CCPBI Special Project Fund

Actual/Forecasted Financial Reserves	2017 Actuals	2018 Actuals	2019 Actuals	2020 Budget	2020 Revised Forecast
Minimum 3 months (25%) of Annual Operating Expenses =	\$168,965	\$176,448	\$168,954	\$220,961	\$193,552
Maximum 6 months (50%) of Annual Operating Expenses =	\$337,931	\$352,897	\$337,908	\$441,923	\$387,104
Actual/Forecasted Level of Financial Reserves:	\$180,573	\$170,198	\$230,223	\$255,298	\$341,135
Actual/Forecasted Level of Financial Reserves %:	27%	24%	34%	29%	44%

2019 Operational Budget - Member Dues Breakdown
2018 Member Dues Breakdown

Upper Tier Member	73,438.00	5	367,190.00
DFS	55,079.00	1	55,079.00
Lower Tier Member	36,719.00	4	146,876.00
Initiation Members	44,000.00	2	88,000.00
Associate	4,800.00	8	38,400.00
			695,545.00

2019 (Base) Member Dues Breakdown

Upper Tier Member	73,438.00	6	440,628.00
Lower Tier Member	36,719.00	4	146,876.00
Initiation Members	44,000.00	3	132,000.00
Associate	4,800.00	8	38,400.00
			757,904.00

2019 Operational Budget - Member Dues Breakdown - Revised
2019 Member Dues Breakdown

Upper Tier Member	73,438	6	440,628.00
National Bank	55,079	1	55,079.00
Lower Tier Member	36,719	3	110,157.00
Initiation Members	44,000	2	88,000.00
Associate	4,800	8.5	40,800.00
			734,664.00

2020 Operational Budget - Member Dues Breakdown - 5% Dues Increase
2020 Member Dues Breakdown

Upper Tier Member	77,110	9	693,989.10
Lower Tier Member	38,555	3	115,664.85
Initiation Members (Upper Tier)	46,266	1	46,265.94
Initiation Members (Lower Tier)	23,133	0	0.00
Associate	4,800	11	52,800.00
			908,719.89

- 2020 Upper Tier Member**
- BMO Bank of Montreal
 - CIBC Insurance
 - RBC Insurance
 - ScotiaLife Financial
 - TD Insurance
 - Desjardins Financial Security Life Assurance Company
 - National Bank Life Insurance Company
 - Manulife Financial
 - The Canada Life Assurance Company

- 2020 Lower Tier Member**
- Assurant Solutions
 - Canadian Premier Life Insurance Company
 - Cumis Group Ltd/Co-operators Life Insurance Co.

- 2020 Initiation Members (Upper Tier)**
- Sun Life Financial

- 2020 Associate**
- RSM Canada
 - Willis Towers Watson
 - KPMG MSLP
 - Munich Reinsurance Company Canada Branch (Life)
 - Optima Communications
 - RGA Life Reinsurance Company of Canada
 - Torlys LLP
 - PWC
 - RankHigher.ca
 - *TBC
 - *TBC

*Associate Candidates - Stikeman Elliott, Norton Rose, Deloitte, Dog and Pony - To be confirmed

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Upper Tier Member	77,110	9	693,989.10
Lower Tier Member	38,555	3	115,664.85
Initiation Members (Upper Tier)	46,266	1	46,265.94
Initiation Members (Lower Tier)	23,133	0	0.00
Associate	4,800	6	28,800.00
			884,719.89

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Did not renew in 2020

PWC
Munich Reinsurance Company Canada Branch (Life)
RankHigher.ca