

2022 CAFII Budget

	2019 Actuals	2020 Actuals	CAFII 2021 Operating Budget	2021 YTD Aug 2021	2021 Forecast	Scenario 1 Total Budget 2022 (2% Salary Increase)	Scenario 2 Total Budget 2022 (3% Salary Increase)	Scenario 3 Total Budget 2022 (4% Salary Increase)	Comment/Rationale
Revenue									
Membership Dues	\$734,664	\$884,721	\$918,475	\$637,313	\$955,969	\$996,452	\$996,452	\$996,452	See breakdown in Member Dues Revenue Tab. Reflects recommendation of no 2022 Member Dues increase (status quo); movement of SunLife into full Upper Tier Regular Member dues status, and Canadian Tire Bank being an Initiation Member for a full dues year (2021 was a pro-rated dues year for CTB as it was admitted in June; and 2022 will be the second year of its two-year, discounted dues Initiation Member status)
Annual Members' Luncheon "Additional Seats" Revenue	\$195	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Interest	\$982	\$399	\$300	\$157	\$236	\$250	\$250	\$250	Interest from the Savings Account
TOTAL REVENUE	\$ 735,841	\$ 885,120	\$ 918,775	\$ 637,470	\$ 956,205	\$ 996,702	\$ 996,702	\$ 996,702	
EXPENSE									
Management Fees	\$465,134	\$476,844	\$487,780	\$327,284	\$487,780	\$503,258	\$506,888	\$510,518	Includes Managing Matter Fees (5.0% contractual increase over 2021) and incremental amount for six webinars @ \$1,700 each ("net new") and salary and benefits for two Co-Executive Directors (three Scenarios with proposed increases of 2%, 3%, and 4% respectively in salary and benefits each, over 2021, factored in). See Explanatory Note (1) below. Difference between each of Scenarios 1 and 2, and 2 and 3 is a \$3,630 incremental spend; and difference between Scenario 1 and 3 is twice that, or \$7,260. For streamlining/simplicity, this line now includes expenses previously captured under the former line item Regulatory Model(s).
Legal and consulting costs associated with regulatory submissions and initiatives	\$0	\$28,975	\$50,000	\$0	\$75,000	\$90,400	\$90,400	\$90,400	
Audit Fees	\$14,799	\$16,743	\$16,743	\$8,478	\$14,238	\$14,950	\$14,950	\$14,950	5% increase on 2021 Forecast
Insurance	\$5,338	\$5,385	\$6,050	\$3,801	\$5,878	\$6,466	\$6,466	\$6,466	10% increase on 2021 Forecast, as per advice from insurance broker Marsh, as a buffer for 2022 renewal in June 2022
Member Communication and Technology Tools	\$10,022	\$5,765	\$7,156	\$4,752	\$7,156	\$7,513	\$7,513	\$7,513	5% average/overall increase on 2021 Forecast - Includes CG Technology website hosting and support (\$233 per month (3% increase)), Constant Contact (\$62.83 per month (3% increase)), Soda PDF Premium (\$56.47), Zoom (\$237.60 per month), Survey Monkey (\$307.36), Virtual Platform (\$500)
Telephone/Fax/Internet	\$6,494	\$5,808	\$5,730	\$4,288	\$5,730	\$6,016	\$6,016	\$6,016	5% Increase on 2021 Forecast - Includes office phone line with multiple extensions (\$56.50 per month), teleconference service (\$47.46 per month), & Co-Executive Directors' phone and internet access
Postage/Courier	\$159	\$53	\$150	\$0	\$150	\$158	\$158	\$158	5% Increase on 2021 Forecast - mainly for monthly cheque runs and ad hoc mailings
Office Expenses	\$2,025	\$2,158	\$5,000	\$2,220	\$5,000	\$5,250	\$5,250	\$5,250	5% Increase on 2021 Forecast
Bank Charges	\$112	\$236	\$470	\$562	\$687	\$721	\$721	\$721	5% Increase on 2021 Forecast - Annual Credit Card Fee (\$190) plus monthly EFT charges (approx. \$25 per month)
Budget for Co-Executive Directors' New Office Equipment						\$9,040	\$9,040	\$9,040	Brendan will likely need a new laptop (current: 2016), multi-function printer/scanner (current: 2016), and 19" monitor (current: 2012); and Keith will likely need a new laptop (current: 2017). All existing computer/office equipment will be fully depreciated at end of 2021.
Depreciation Computer/Office Equipment	\$1,136	\$1,136	\$1,136	\$757	\$1,136	\$0	\$0	\$0	Completed in 2021. Co Executive Directors' Office Equipment reached full depreciation in 2021. See Explanatory Note (2) below.
Miscellaneous Expense	\$0	\$0	\$500	\$0	\$500	\$524	\$524	\$524	5% Increase on 2021 Forecast
Board/EOC/AGM									
Annual Members and Associates Luncheon	\$12,052	\$0	\$0	\$0	\$0	\$15,065	\$15,065	\$15,065	25% increase on 2019 in-person event (anticipating high cost inflation for such events: food and beverage; venue rental, and AV equipment rental)
Board Hosting (External)	\$14,001	\$0	\$0	\$0	\$0	\$22,500	\$22,500	\$22,500	Based on "CAFII Board Hosting Reimbursement Policy" of \$7,500 per Meeting/Reception (3 such reimbursements anticipated in 2022)
Board/EOC Meeting Expenses	\$35,419	\$4,676	\$0	\$0	\$0	\$29,055	\$29,055	\$29,055	Based on estimates arising from 2019 actuals, but factoring in resumption of in person meetings/travel only in May 2022
Industry Conferences and Events	\$0	\$0	\$0	\$0	\$0	\$3,390	\$3,390	\$3,390	Contingency for possible attendance at LIMRA Canada Conference, etc.
EOC Annual Appreciation Dinner	\$2,193	\$4,244	\$0	\$0	\$0	\$5,305	\$5,305	\$5,305	25% increase on 2020 actuals for this in-person event, based on both increased size of EOC membership and anticipated high cost inflation for such food and beverage events
Speaker fees & travel	\$1,189	\$0	\$0	\$0	\$0	\$3,390	\$3,390	\$3,390	Contingency for possible expense reimbursement of a speaker at a CAFII event
Gifts	\$200	\$0	\$0	\$0	\$0	\$1,200	\$1,200	\$1,200	Estimate for thank you/recognition gifts for departing CAFII Board and EOC members
Networking Events	\$0	\$0	\$0	\$0	\$0	\$1,130	\$1,130	\$1,130	Contingency for Co-Executive Directors' opportunistic attendance at industry networking events
CAFII Reception Events	\$0	\$0	\$0	\$0	\$0	\$3,955	\$3,955	\$3,955	Contingency for event-related expenses associated with CAFII Receptions which are not covered under "CAFII Board Hosting Reimbursement Policy"
CAFII 25th Anniversary Celebration	\$0	\$0	\$0	\$0	\$0	\$39,550	\$39,550	\$39,550	32% increase on 2017 Actuals (CAFII 20th Anniversary Celebration at Ripley's Aquarium) for 25th Anniversary Celebration in-person event planned on June 7/22, to be hosted by BMO Insurance at First Canadian Place; factoring in anticipated high cost inflation for such food and beverage events
Total Board/EOC/AGM	\$65,053	\$8,920	\$0	\$0	\$0	\$124,540	\$124,540	\$124,540	
Provincial Regulatory Visits and Relationship-Building	\$16,833	\$983	\$0	\$0	\$0	\$20,340	\$20,340	\$20,340	21% increase on 2019 actuals (incremental \$3,507), based on planned major return to in-person provincial regulatory visits, post-pandemic
Federal Regulatory Visits and Relationship-Building	\$442	\$540	\$0	\$0	\$0	\$5,650	\$5,650	\$5,650	Provision for return to in-person relationship-building meetings with FCAC, post-pandemic
Research/Studies	\$5,368	\$28,646	\$60,000	\$29,230	\$60,000	\$67,800	\$67,800	\$67,800	Same as 2021 Budget (status quo)
Website SEO and Enhancements	\$40,914	\$31,144	\$41,950	\$31,577	\$41,950	\$45,200	\$45,200	\$45,200	Increase of \$3,250 on 2021 Budget
CAFII Benchmarking Study/RSM Canada	\$0	\$68,365	\$67,800	\$33,900	\$67,800	\$67,800	\$67,800	\$67,800	Same as 2021 Budget (status quo) for continuation of CAFII CPI Benchmarking Study with RSM Canada, estimated at \$60K plus HST.
Media Outreach	\$5,683	\$350	\$6,000	\$6,572	\$6,672	\$7,345	\$7,345	\$7,345	22% increase on 2021 budget for anticipated higher wire service and related media release expenses
Media Consultant Retainer and Related Expenses	\$27,120	\$27,685	\$27,120	\$20,679	\$27,120	\$30,510	\$30,510	\$30,510	Monthly retainer fee for David Moorcroft, S2C (increase of 12.5% on monthly retainer fee over 2021, first such increase since CAFII's engagement of D. Moorcroft at the beginning of 2016)
Marketing Collateral	\$1,629	\$845	\$5,000	\$622	\$622	\$1,695	\$1,695	\$1,695	Provision for design and printing of CAFII marketing materials, such as research results leave-behinds
TOTAL EXPENSE	\$ 675,816	\$ 731,485	\$ 788,585	\$ 474,722	\$ 807,419	\$ 1,015,177	\$ 1,018,807	\$ 1,022,437	
Excess of Revenue over Expenses	\$60,025	\$153,636	\$130,190	\$162,749	\$148,786	(\$18,476)	(\$22,105)	(\$25,735)	
Unrestricted Net Assets (beginning of year)	\$170,198	\$230,223	\$383,859	\$383,859	\$383,859	\$532,645	\$532,645	\$532,645	
Unrestricted Net Assets (end of year)	\$230,223	\$383,859	\$514,049	\$546,608	\$532,645	\$514,169	\$510,539	\$506,909	

Explanatory Notes:

- (1) Assumes two Co-Executive Directors, one @ 5 days per week (Keith); one @ 4.5 days per week (Brendan); plus Managing Matters administrative, accounting, events, and IT support
(2) Amortization of office equipment based on 4 year straight line depreciation

Actual/Forecasted Financial Reserves	2019 Actuals	2020 Actuals	2021 Operating Budget
Minimum 3 months (25%) of Annual Operating Expenses =	\$168,954	\$182,871	\$209,646
Maximum 6 months (50%) of Annual Operating Expenses =	\$337,908	\$365,742	\$419,293
Actual/Forecasted Level of Financial Reserves:	\$230,223	\$383,859	\$464,049
Actual/Forecasted Level of Financial Reserves %:	34%	52%	65%

2021 Forecast	2022 Budget (Scenario 1)	2022 Budget (Scenario 2)	2022 Budget (Scenario 3)
\$201,855	\$253,794	\$254,702	\$255,609
\$403,709	\$507,589	\$509,404	\$511,219
\$532,645	\$514,169	\$510,539	\$506,909
66%	51%	50%	50%

2021 Operational Budget - Member Dues Breakdown
- No Dues Increase

2021 Member Dues Breakdown

Upper Tier Member	77,110	9	693,989.10
Lower Tier Member	38,555	4	154,219.80
Initiation Members (Upper Tier)	46,266	1	46,265.94
Initiation Members (Lower Tier)	23,133	0	0.00
Associate	4,800	5	24,000.00
			918,474.84

2021 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

2021 Lower Tier Member

Assurant Solutions
Canadian Premier Life Insurance Company
Valeyo
Cumis Group Ltd/Co-operators Life Insurance Co.

2021 Initiation Members (Upper Tier)

Sun Life Financial 2 Year

2021 Associate

RSM Canada
Willis Towers Watson
KPMG MSLP
Optima Communications
RGA Life Reinsurance Company of Canada
Torys LLP

2021 Actual

2021 Member Dues Breakdown

Upper Tier Member	77,110	9	693,989.10
Lower Tier Member	38,555	4	154,219.80
Initiation Members (Upper Tier)	46,266	1	46,265.94
Initiation Members (Lower Tier)	13,494	1	13,494.00
Associate	4,800	10	48,000.00
			955,968.84

2021 Upper Tier Member

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2021 Initiation Members (Upper Tier)

Sun Life Financial 2 Year

2021 Associate

RSM Canada
Willis Towers Watson
KPMG MSLP
Optima Communications
RGA Life Reinsurance Company of Canada
Torys LLP
Dog and Pony Studios
Stikeman Elliott LLP
RSA
Norton Rose Fulbright Canada

Initiation Members (Lower Tier)

Canadian Tire Bank 1st Year

2022 Operational Budget - Member Dues Breakdown
- No Dues Increase

2022 Member Dues Breakdown

Upper Tier Member	77,110	10	771,099.00
Lower Tier Member	38,555	4	154,219.80
Initiation Members (Upper Tier)	46,266	0	0.00
Initiation Members (Lower Tier)	23,133	1	23,132.97
Associate	4,800	10	48,000.00
			996,451.77

2022 Upper Tier Member

BMO Bank of Montreal
CIBC Insurance
RBC Insurance
ScotiaLife Financial
TD Insurance
Desjardins Financial Security Life Assurance Company
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2022 Lower Tier Member

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2022 Initiation Members (Upper Tier)

2022 Associate

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Willis Towers Watson
KPMG MSLP
Optima Communications
RGA Life Reinsurance Company of Canada
Torys LLP
Dog and Pony Studios
Stikeman Elliott LLP
RSA
Norton Rose Fulbright Canada

Initiation Members (Lower Tier)

Canadian Tire Bank 2nd Year

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