

2013 Budget Draft - Canadian Association of Financial Institutions in Insurance

	2010 Budget	2011 Budget	2012 Budget	CAGR 2010-2012	2013 Budget Recco.	Change 2012-2013	Comments
Revenues							
Membership Fees	\$ 378,000	\$419,100	419700	3.5%	\$ 410,100	-2%	
Interest	\$ 925	\$100	750	-6.8%	\$ 750	650%	
TOTAL REVENUE	\$ 378,925	\$ 419,200	\$ 420,450	3.5%	\$ 410,850	-2%	
EXPENSE							
ASSOCIATION OPERATING EXPENSES							
Management Fees	\$61,387	\$69,167	\$70,617	4.8%	\$ 209,150	196%	Increase management fees + E.D. Compensation
Lawrie Savage Fees	\$167,990	\$167,990	\$171,289	0.7%	\$ -	-100%	Contract terminated
CAFII Legal Fees/Corporate Governance	\$10,467	\$10,467	\$10,467	0.0%	\$ 10,500	0%	
Audit Fees	\$9,420	\$9,813	\$11,594	7.2%	\$ 13,250	14%	Extra time estimated to prepare new standards for not-for-profit organizations
Insurance	\$4,320	\$4,320	\$4,320	0.0%	\$ 5,368	24%	Increase D&O coverage \$5MM-\$10MM, Increase in Office coverage \$2MM-\$5MM
Website	\$540	\$540	\$540	0.0%	\$ 540	0%	
Telephone/Fax/Internet	\$2,160	\$2,160	\$1,000	-22.6%	\$ 750	-25%	
Postage/Courier	\$1,080	\$1,080	\$500	-22.6%	\$ 500	0%	Additional fees for ADP
Office Expenses	\$2,700	\$2,700	\$2,700	0.0%	\$ 4,500	67%	Office hardware for E.D.
Bank Charges	\$0	\$0	\$0		\$ -		
Miscellaneous Expenses	\$0	\$0	\$0		\$ -		
Amortization Expense ¹	\$0	\$0	\$0		-\$ 640		CAFII office equipment Depreciation
SUB-COMMITTEE EXPENSES							
Distribution & Market Conduct Committee							
Provincial Regulatory Review	\$54,000	\$54,000	\$54,000	0.0%	\$ 35,000	-35%	
Research/Studies	\$59,000	\$42,000	\$42,000	-10.7%	\$ 42,000	0%	Updated Avalon study
Licensing Efficiency Issues Committee							
Regulatory Model(s)	\$5,940	\$2,940	\$2,940	-20.9%	\$ 12,000	308%	
Federal Financial Reform	\$2,160	\$2,160	\$2,160	0.0%	\$ -	-100%	
Media & Advocacy Strategy Committee							
Tactical Communications Strategy	\$27,000	\$28,250	\$22,250	-6.2%	\$ 25,000	12%	
Association Branding					\$ 7,000		Branding and awareness of CAFII
Networking and Events Committee	\$26,000	\$21,000	\$21,000	-6.9%		107%	Increase due to 15th Anniversary Event
Board/EOC/AGM Expense ²					\$ 10,000		
Networking Events					\$ 3,500		
15th Anniversary Event					\$ 30,000		
Media Relations, CAFII Consultant	\$0	\$12,000	12000	0.0%	\$ -	-100%	
TOTAL EXPENSE	\$ 434,164	\$ 430,587	\$ 429,377	-0.4%	\$ 408,418	-5%	
Balance	-\$ 55,239	-\$ 51,662	-\$ 10,177		\$ 2,433		
Estimated Cash Balance			\$ 125,000		\$ 127,433		

Explanatory Notes:

- (1) Amortization of office equipment based on 4 year straight line depreciation
(2) Board meetings and receptions, special Board or EOC lunch meetings, speaker expenses

2013 Reserve (based on 6 month Reserve):

Operating Expenses	2013	Est. Monthly
Management Fees	\$ 209,150	\$17,429
Audit Fees	\$ 13,250	\$1,104
Board/EOC/AGM Expense	\$ 10,000	\$833
Insurance	\$ 5,368	\$447
Telephone/Fax/Internet	\$ 750	\$63
Postage/Courier	\$ 500	\$42
Office Expenses	\$ 4,500	\$375
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	\$ 245,531	\$ 20,293

Minimum Reserve = Greater of:

Reserve at 25% of Annual Operating Expense =	\$ 61,383
Reserve at 6 months of Operating Expense =	<div>\$ 121,759</div>

2013 Reserve (based on 3 month Reserve):

Operating Expenses	2013	Est. Monthly
Management Fees	\$ 209,150	\$17,429
Audit Fees	\$ 13,250	\$1,104
Board/EOC/AGM Expense	\$ 10,000	\$833
Insurance	\$ 5,368	\$447
Telephone/Fax/Internet	\$ 750	\$63
Postage/Courier	\$ 500	\$42
Office Expenses	\$ 4,500	\$375
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	\$ 245,531	\$ 20,293

Minimum Reserve = Greater of:

Reserve at 25% of Annual Operating Expense =	<div>\$ 61,383</div>
Reserve at 3 months of Operating Expense =	\$ 60,879

	2000	2001-2002	2006-2010	2011	2012
Founding Members	\$ 44,000	\$ 47,000	\$ 42,300	\$ 47,000	\$ 47,000
TD Life Insurance					
BMO Life Insurance Company					
CIBC Insurance					
RBC Insurance Services					
Scotia Life Insurance Company					
Voting Members	\$ 22,000	\$ 24,000	\$ 21,600	\$ 23,500	\$ 23,500
Assurant Solutions					
Canadian Premier Life Insurance Company					
National Bank of Canada					
Desjardins Financial Security Life					
American Express					
Associate Members	\$ 5,000	\$ 5,000	\$ 4,500	\$ 4,800	\$ 4,800
Avalon Actuarial Consulting Inc					
CSI Brokers Inc.					
Dion, Durrell & Associates Inc.					
KPMG					
Laurentian Bank of Canada					
Oliver Wyman Consulting Limited					
Optima Communications					
RGA Life Reinsurance Company of Canada					
Swiss Re Life & Health Canada					
Munich Re					
Aima					
The Canadian Life Assurance Company					
Total Membership Fees	\$ 395,000	\$ 420,000	\$ 378,000	\$ 419,100	\$ 410,100
% Increase/(Decrease) from previous term		6.3%	-10.0%	10.9%	-2.1%