

**International Actuarial Association
IAA (Excluding Sections)
2015 Budget**

	<u>2013 Actuals</u>	<u>2014 Annual Budget</u>	<u>2014 Forecast</u>	<u>2015 Annual Budget</u>
Fully Qualified Actuaries	82,174	85,261	86,185	87,178
Fully Qualified Actuaries increase	2.8%	3.8%	4.9%	1.2%
Annual Dues (Note 1)	\$16.75	\$17.25	\$17.25	\$17.75
Annual Dues increase	0.0%	3.0%	0.0%	2.9%
Ordinary Income/Expense				
Income				
Book sales & other revenue (Note 2, 7)	\$ 97,300	\$ 62,000	\$ 65,723	\$ 100,000
Colloquia/Web Seminars	-	-	-	-
Interest & investment revenue	27,928	20,000	31,014	25,000
Membership dues				
Full Members	1,376,415	1,470,752	1,486,686	1,547,410
Associate Members	1,450	1,500	1,400	1,500
Patrons	-	10,000	-	30,000
Observers	5,000	10,000	5,000	30,000
Total Income	<u>1,508,093</u>	<u>1,574,252</u>	<u>1,589,823</u>	<u>1,733,910</u>
Expense				
Amortization - capital assets	24,154	25,000	13,984	20,000
Bank charges & service fees (Note 3)	14,454	10,500	11,701	12,000
Bulletins (Note 4)	(20,000)	(20,000)	(20,000)	(20,000)
Committee & Representation Exp	120,534	220,000	192,817	200,000
Gifts & awards	2,253	5,000	5,057	4,000
Insurance (Note 5)	10,883	13,500	13,306	13,500
Investment service fees	-	-	2,051	2,000
Loss (gain) on foreign exchange	1,784	-	(1,834)	-
Office & overhead (Note 6)	57,526	38,500	36,495	55,000
Office space (Note 8)	87,822	120,000	88,039	132,000
Printing (Note 7)	24,882	21,500	17,740	29,000
Professional services	26,343	22,500	22,782	25,000
Statutory meetings - logistics (Note 9)	205,485	200,000	288,084	220,000
Statutory meetings - travel exp (Note 10)	109,544	75,000	75,524	75,000
Support staff (Note 11)	879,349	975,000	968,886	1,035,000
Telephone, fax & teleconference	20,159	22,000	21,922	22,000
Translation	7,523	10,000	7,099	7,000
Unrealized gains/loss - investments	34,066	-	(58,217)	-
Website services & development (Note 12)	35,385	37,500	37,469	45,000
Total Expense	<u>1,642,146</u>	<u>1,776,000</u>	<u>1,722,905</u>	<u>1,876,500</u>
Net Ordinary Income	(134,053)	(201,748)	(133,082)	(142,590)
Section Administration	(114,618)	(125,000)	(110,916)	(115,000)
Excess (Deficiency) of Revenue over Expenses	<u>\$ (19,435)</u>	<u>\$ (76,748)</u>	<u>\$ (22,166)</u>	<u>\$ (27,590)</u>

(Unaudited - Prepared by Management)

International Actuarial Association Budget for 2015

IAA (Excluding Sections)

Notes to the Budget for 2015

1. This budget represents an increase in Full Member Association dues of CAD 0.50 and an increase in revenue from other categories of membership.
2. Miscellaneous revenue is comprised primarily of book sales. The publication of the Risk Adjustment monograph is expected in 2015 and it is anticipated that it will have a similar financial impact on revenue as the publication of Discount Rates in 2013. This will increase the number of publications available for sale and, if the trend continues, we expect a renewed interest in prior publications resulting in increased sales overall.
3. Bank charges and fees include credit card fees incurred as a result of book sales.
4. The cost recovery amount under Bulletins represents ASTIN's payment to the IAA (Excluding Sections) for the management of the ASTIN Bulletin.
5. Insurance includes coverage for events, business, Directors and Officers, and Errors and Omissions.
6. Office and overhead includes shipping costs for book sales. There is a direct correlation between this line and the miscellaneous revenue line. As book sales increase, office and overhead increases to account for the shipping costs related to books. This line also covers staff training and development, ongoing computer equipment replacements, software and the cost of day-to-day office supplies.
7. There is a direct correlation between the miscellaneous revenue and the printing lines. Prior to sale, books are carried as inventory. As books are sold, their related printing expenses are recognized.
8. Cost of office space has increased due to a move late in 2014 to larger premises.
9. Meeting locations for 2015 are Zurich and Vancouver. The meetings have been expanded by the addition of seminars in Zurich and a Session on the IAA.
10. Statutory meetings travel and accommodation is budgeted for three Officers and six staff members to attend the IAA statutory meetings. It also includes a provision of \$10,000 for the special assistance fund.
11. Support staff:
2015: 11 full-time positions (10 in 2014)
Executive Director; Director of Operations and Finance; Director of Technical activities (actuary); Director of Communications and Development; Manager of Supranational Relations and Development; Meeting Manager; IT and Web Specialist; Executive Assistant; Office Administrator; Assistant, Communications and Development; Assistant for Director of Technical activities (new support position)
12. The web site was last updated in 2009. We are planning to move to a more modern infrastructure in 2015. This move should bring savings of CAD 7,000 annually in hosting costs, however we expect to incur one-time costs in the order of CAD 15,000 for consulting and design as part of the update.