## International Actuarial Association

### 2018 Budget (excluding Sections)

<table>
<thead>
<tr>
<th></th>
<th>2016 Actual</th>
<th>2017 Budget</th>
<th>2018 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Fully Qualified Actuaries</td>
<td>94,607</td>
<td>$96,643</td>
<td>$98,577</td>
</tr>
<tr>
<td>% Increase of FQAs</td>
<td>4.2%</td>
<td>2.2%</td>
<td>2%</td>
</tr>
<tr>
<td>Annual Fees Rate</td>
<td>$17.75</td>
<td>$18.75</td>
<td>$18.75</td>
</tr>
<tr>
<td>% Increase of Annual Fees Rate</td>
<td>2.9%</td>
<td>5.6%</td>
<td>0%</td>
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</tbody>
</table>

### Ordinary Income/Expense

#### Income

- **Book sales & other revenue**: $25,176
- **Interest & investment revenue**: $33,732
- **Membership dues - Associate**: $1,500
- **Membership dues - Full**: $1,679,278
- **Membership dues - Observers**: $10,000
- **Membership dues - Patrons**: $40,000

**Total Income**: $1,789,686

#### Expense

- **Amortization - capital assets**: $15,116
- **Bank charges & service fees**: $14,308
- **Bulletins**: $(20,000)
- **Committee & Representation Exp**: $16,272
- **Committee expenses**: $51,281
- **Representation expenses**: $51,447

**Total Committee & Representation Exp**: $119,000

- **Gain (loss) on disposal of assets**: 
- **Gifts & awards**: $3,525
- **Insurance**: $30,746
- **Investment service fees**: $2,488
- **Loss (gain) on foreign exchange - realized**: $50,132
- **Office & overhead**: $36,626
- **Office space**: $126,081
- **Printing**: $7,942
- **Professional services**: $76,232
- **Statutory meetings - logistics**: $199,828
- **Statutory meetings - ICA Funds**: 
- **Statutory meetings - travel**: $119,275
- **Support staff**: $1,070,403
- **Telephone, fax & teleconference**: $38,508
- **Translation**: $4,583
- **Travel - general**: $6,412
- **Website services & development**: $31,368

**Total Expense**: $1,932,573

### Net Ordinary Income

**Net Ordinary Income**: $(142,887)

### Other Income/Expense

#### Other Income (Expense)

- **Unrealized gain (loss) - investment**: $61,600
- **Section Administration Recovery**: $129,376
- **Section contribution to IT project**: 

**Net Other Income**: $190,976

### Excess (deficiency) of Revenue over Expenses

**Excess (deficiency) of Revenue over Expenses**: $48,089
Notes to the Budget for 2018

1. This budget assumes no increase in the Full Member Association fee rate and no increase in revenue from other categories of membership. It reflects an average 2% increase in the overall number of fee paying actuaries. The budget also anticipates that Full Member Associations with other categories of fee paying actuarial members not already included in their IAA membership fee calculations (such as Associates and CERA) will pay IAA membership fees for 50% of those additional members in 2018.

2. Book sales and other revenue: This line item is primarily revenue from the sale of books. The publication of the Risk Adjustment monograph is expected in 2017. It is anticipated that the publication of the monograph will have a similar financial impact on revenue as the publication of Discount Rates in 2013.

3. Amortization - capital assets: There is a significant increase here to allow for the anticipated costs of a new website and additional IT software to increase the capabilities of the IAA’s current technology. The total capitalized cost of the implementation is estimated to be $150,000. We are currently working on the IT contracts and expect to start the project this year.

4. Bank charges and fees include credit card fees incurred for book sales and events.

5. The cost recovery amount under Bulletins represents the participating Section’s payment to the IAA (Excluding Sections) for the management of the ASTIN Bulletin.

6. Office and overhead includes an amount of $10,000 to be used by the Executive Director, with the approval of the Officers, for unforeseen expenditures of an immaterial nature. This line also covers staff training and development, ongoing computer equipment replacements, software updates and the cost of day-to-day office supplies.

7. Professional services include audit fees, legal fees and consultant fees.

8. Meeting locations for 2018 are Berlin, Germany and Mexico City, Mexico.

9. Statutory meetings travel and accommodation is budgeted for three Officers and seven staff members (includes the Section Support person) to attend the IAA statutory meetings. It also includes a provision of $10,000 for the special assistance fund.

10. Support staff:

   2018: 10 full-time positions and 3 part-time

   Executive Director; Director of Operations and Finance; Director of Technical activities (actuary); Director of Communications and Membership; Meeting Manager; IT and Web Administrator; Executive Assistant; Office Administrator; Assistant, Communications and Development; Assistant, Director of Technical activities, Manager of Supranational Relations and Development (part-time), part time Section Support.

11. Website services & development includes the annual licensing fee for the new software, additional services to host and protect our data off-site, $10,000 of additional funds for services required in the implementation of the new website and IT systems.

12. Section Administration Recovery decrease is due to ongoing decreasing number of Section members and efficiencies recognized through reducing administration costs. There is also an allowance for the Sections to participate in the costs of the new IT system with its increased capabilities.