



2016 OPPI Business Plan

Approved: November 25, 2015

The 2016 OPPI Business Plan addresses:

- OPPI's financial sustainability including trends and issues and the 3 Year Financial Projection (appendix 2).
- 2016 Budget to fund operations, capital expenses, strategic initiatives and reserve fund (appendix 1)
- 2016 strategic priorities as proposed by staff.

Approval of the Business Plan is required.

Overview of Business Plan

The purpose of the annual Business Plan (Plan) is to direct implementation of OPPI's Strategic Plan. It is guided by the Institute's Financial Strategy to achieve fiscal stability over the short and long terms

The Plan is a dynamic document, developed through a collaborative and iterative process with Council members and association staff. It is monitored and reviewed on an ongoing basis, including at each Council meeting, so elements and tactics may be calibrated as feedback and circumstances require. The following principles help to keep the Plan on track and serve as a means to measure progress.

- Member-centric—Allocation of resources targets programs and services that are valued by members.
- Technologically savvy—Programs and information are offered in a timely, accessible and responsive manner.
- Strategic Plan driven—Re-directing, enhancing and maximizing resources to achieve OPPI's Strategic Plan goals.
- Revenue optimizing—Members' fees fund the Institute's core operations, services and programs. Costs associated with programs and services that benefit a particular member (e.g., continuous professional learning programs and consultants' directory) are fully recovered, including the cost of staff support, through appropriate pricing strategies and sponsorships. Costs for programs and services that offer benefits to other parties are shared through partnerships arrangements or recovered through a fee, advertising revenue or sponsorship.

The Plan, and achievement of its goals and objectives, is communicated to members in several ways, including OPPI's website, social media and in the *Ontario Planning Journal*. Throughout the year Council Directors keep members informed, documenting results and providing feedback through Journal articles, district leadership team meetings and other events and postings on the OPPI website. At year end, the President prepares a comprehensive report for the AGM, which is posted on OPPI's website and social media.

Managing OPPI Resources in Fulfillment of the Plan

OPPI aligns its resources with the Plan in ways that seek to make optimal use of its financial, human and technology resources across all facets of the association.

The Institute manages its financial resources based on the following operational guidelines:

- **Balanced budget**—Annually OPPI strives to prepare a balanced operating budget. It incorporates conservative estimates of anticipated revenues, drawn from members' fees and other sources. It describes expenses associated with annual strategic plan initiatives and the ongoing costs of maintaining the work of the Institute.
- **Breakeven price points**—Costs associated with programs and services benefiting an individual member or a third party are fully recovered through appropriate pricing strategies, sponsorships, advertising or cost sharing agreements.
- **Revenue diversification**—Revenue sources are diversified such that 60 per cent should come from membership fees and 40 per cent should come from other sources such as fees from professional practice and development courses, sponsorships and advertising.
- **Operational efficiencies**—Operating budget targets a distribution ratio of 70/30 with 70 per cent used for member services/programs and 30 per cent for administration costs.
- **Net asset maintenance**—OPPI maintains five distinct net assets: the Scholarship Fund, Capital Fund, Strategic Fund, Discipline Fund and Unrestricted Net Assets (**Appendix 3**). These assets are only used to fund earmarked, segregated programs such as scholarships, strategic plan implementation, moving or equipment costs, legal fees for Discipline hearings and an unexpected shortfall in revenue or unforeseen significant expense such as employee severance or lease wind-up. Investments are credited to designated accounts annually.
- **Cash flow projections**—Ensure investments are maximized and not unnecessarily cashed in. An annual cash flow projection is undertaken while ensuring all expenditure demands are met.

Human Resources are managed by focusing the work of OPPI staff on implementation of the Strategic Plan and maintenance of day-to-day operations. Administrative work that is not the core business of the organization is outsourced. This may include mailing service, computer and website system support and hosting, and conference/symposium event coordination, automated administrative processes such as membership renewal. Writing and editing services are also contracted out to assist the association in its strategic communications.

Technology is used to minimize staff resources and costs through email and teleconference meetings. OPPI's website and database are used to deliver high quality information and timely responses to members.

Overview of Purpose and Status of OPPI's Distinct Net Assets (Five Distinct Funds)

OPPI has created 5 Distinct Net Assets in keeping with its Financial Strategy to achieve fiscal stability both short and long-term. Annually a Business Plan is prepared for Council approval ensuring that the funds are allocated appropriately. The funds are described below providing information on their proposed use for the 2016 Business Plan.

Capital fund

The Capital Fund was established in 2004 to support the acquisition and replacement of assets. A contribution of \$10,000, is allocated to the fund from excess revenue received from OPPI's revenue-generating mailing service. Following the completion of the annual audit, the fund may be augmented

by an annual allocation from general operations with the approval of Council. The fund balance is invested and the investment income is accumulated in the fund.

Discipline fund

The Discipline Fund was established in 2014 to support expenses related to Discipline matters. A contribution of \$20,000 to be allocated from year end excess of revenue over expense. Following the completion of the annual audit, the fund may be augmented by an annual allocation from general operations with the approval of Council. The fund balance is invested and investment income is accumulated in the fund.

Strategic fund

OPPI's strategic fund was established in 2004 to support the ongoing funding of the much needed strategic initiatives at that time. Excess revenue from conferences, symposiums and district education events are allocated directly to the strategic fund. Annually strategic priorities are established and their value monitored and measured. Financial resources from the fund support priorities as appropriate and are reflected in the Business Plan approved by Council. The fund balance is invested and the investment income is accumulated in the fund.

The 2016 Strategic Budget, funded through excess revenue after expense from conferences, symposiums and districts follows:

Opening Balance	\$318,923
2015 Conference excess of revenue estimated	40,000
2015 District excess of revenue estimated	20,000
2015 Strategic activities estimated	(100,000)
2016 Strategic activities estimated	(206,150)
2016 Strategic Fund (Symposium)	20,000
2016 District excess of revenue estimated	<u>20,000</u>
Estimated Strategic Fund Balance as at December 31, 2016	<u>\$112,773</u>

Scholarship Fund

The Scholarship Fund was established in 1999 to support the ongoing funding of OPPI Scholarships. The fund receives revenue from events held at our conference or symposium, district and private donations and through accumulation of interest on the balance in the fund. The interest generated from the accumulation of the fund is intended for supporting the financial award of the scholarship. The current accumulated interest does not cover the amount of the scholarship awards. As such OPPI continues to fund \$2-3000 annually from the operating budget to support the scholarship program. Moving forward, a strategy will be developed in 2016 to achieve and sustain the financial goal of this fund.

2015 projected year end revenue excess (Reserve Fund)

For the year ending December 31, 2015, a projected operational revenue excess of \$90,000 after expense is expected. This is predominantly due to increased revenue from job ads, additional revenue from membership fees due to conservative budgeting, CPL Penalty fee and unspent funds within the Discipline, Government Relations and Communications areas. Following the audit excess operational revenue can be allocated to any of the 5 Distinct Net Assets with Council's approval.

Investments

An overriding recognition of philosophy for the investment of funds is the protection of members' funds. Membership fees must be invested in a manner which provides the best possible return with the greatest possible security. OPPI invests in short term (one year or less) and medium term investments (excess of 1 year but less than 5 years) such as GIC's, Government of Canada Treasury Bills and investment savings account. OPPI has a total of \$1,000,000.00 in investments.

Overview of Annual Budget to fund Operations and Strategic Priorities

2016 Operating Budget

The 2016 Operational Budget is fully funded, primarily through member fees with the remainder from other revenues.

Details of the attached budget (**Appendix 1**) reflect the following decisions and outcomes:

Overview of Revenue

Revenue from Membership Fees

At the October 2015 Council meeting, a membership fee increase of 5 per cent was endorsed across all fee categories, except student members, to further stable operational funding and to build our reserve levels so that they are in line with not-for-profit standards (approximately 6 months of operating expense). This represents an increase of \$6.15 for Retired and Non-Practicing, \$16.08 for Public Subscriber, \$20.54 for Full, Candidate and Pre-Candidate members and comes into effect with the 2016 membership renewals.

Membership fees are budgeted conservatively with the following outcomes:

- Reduction of 100 Full members due to resignations prompted by retirement from employment or for non-compliance of the professional standard for mandatory Continuous Professional Learning (CPL).
- Adjusting for the planned reduction of members in the Candidate (Provisional) category which continues to decrease (from 250 members in 2015 to 200 members in 2016) while conservatively projecting the intake of new Candidate members increasing (from 324 members in 2014 to 375 members in 2015).

Revenue from Penalty Fees from CPL

Note that a CPL Penalty for non-compliance of \$250 + HST was implemented in 2015. We had a resounding number of members record their CPL in 2015 and we anticipate the same for 2016. As such we will benchmark fees collected for the 2016 CPL penalty and reflect this number in future budgets-2017.

Revenue from CPL programs and events

CPL revenues are based on a consistent conservative approach

Liability Insurance

As of 2016 OPPI will provide Liability Insurance to all Full, Candidate, Non-practicing and Retired members. Appendix 1, Line 2, "Other Fees" reflects additional revenue for 2016 in the amount of \$179,928 over revenue in 2015.

Overview of Expenses

Legal Fee expenses

In 2015 additional legal fees were approved mid-year from reserve funds to augment the budgeted legal expenses. This was because of unforeseen legal costs associated with CIP realignment initiative. The 2016 budget for legal fees provides for funds for such.

District Leadership Team Expenses and Revenues

District Leadership Teams like all other committees are funded through OPPI's operating budget. Based on the formula approved by Council at its December 2012 meeting—operational expenses are funded, and costs associated with events are recouped and provides for a 20% surplus obtained through event fees or by sponsorship. Operational funding has been included to cover about two face-to-face meetings and four conference calls. Districts can request up to \$5000 for the implementation of strategic priorities as identified in their annual work plans and approved by the Executive Director.

Adaptation to inflation/market adjustments

Built into this business plan are the costs associated with OPPI's agreement with its website provider, 78digital and database provider, eSolutions. Operational expenses reflected in the budget are for hosting, technical support, website updates and project management.

Increases in operational costs are as follows:

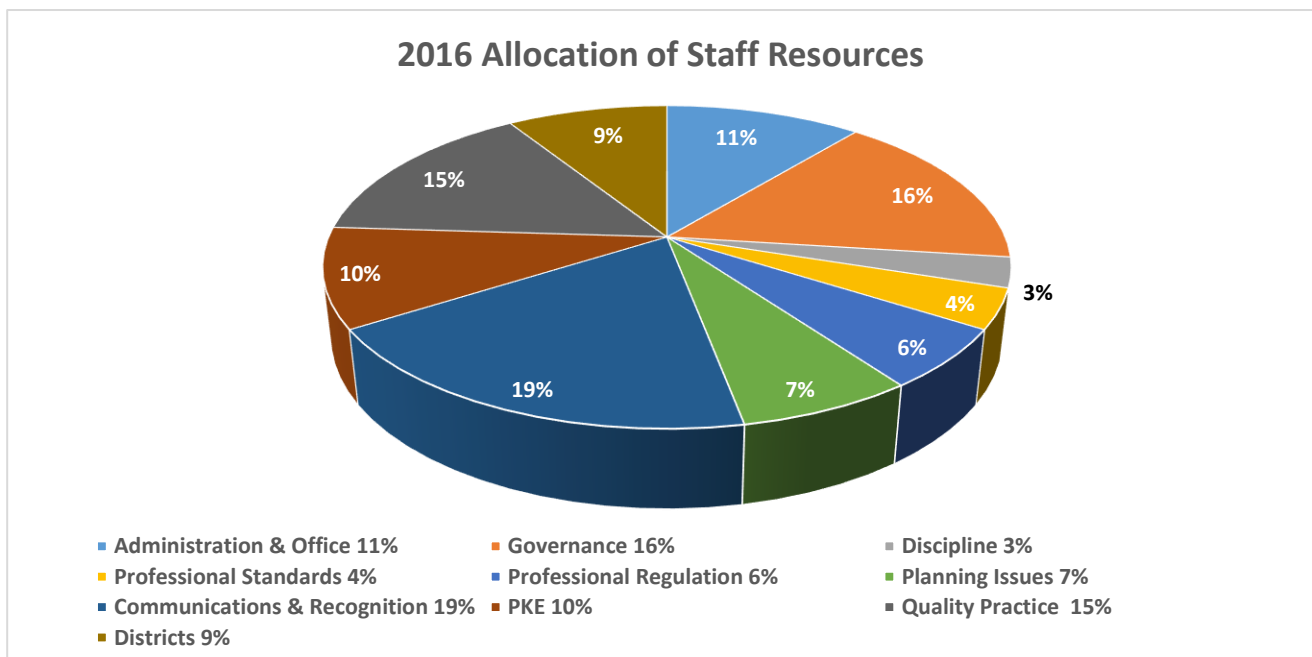
- Salaries, pursuant to OPPI's HR Policy. Salaries are based on performance and are capped to a maximum of 5%.
- Office Rent
- Journal Honorariums
- Funding for staff CPL courses and events

Liability Insurance

As of 2016 OPPI will provide Liability Insurance to all Full, Candidate, Non-practicing and Retired members. Appendix 1, Line 10, "Administration & Office" reflects additional expense for 2016 in the amount of \$179,928 over expense in 2015.

Allocation of Staff Resources

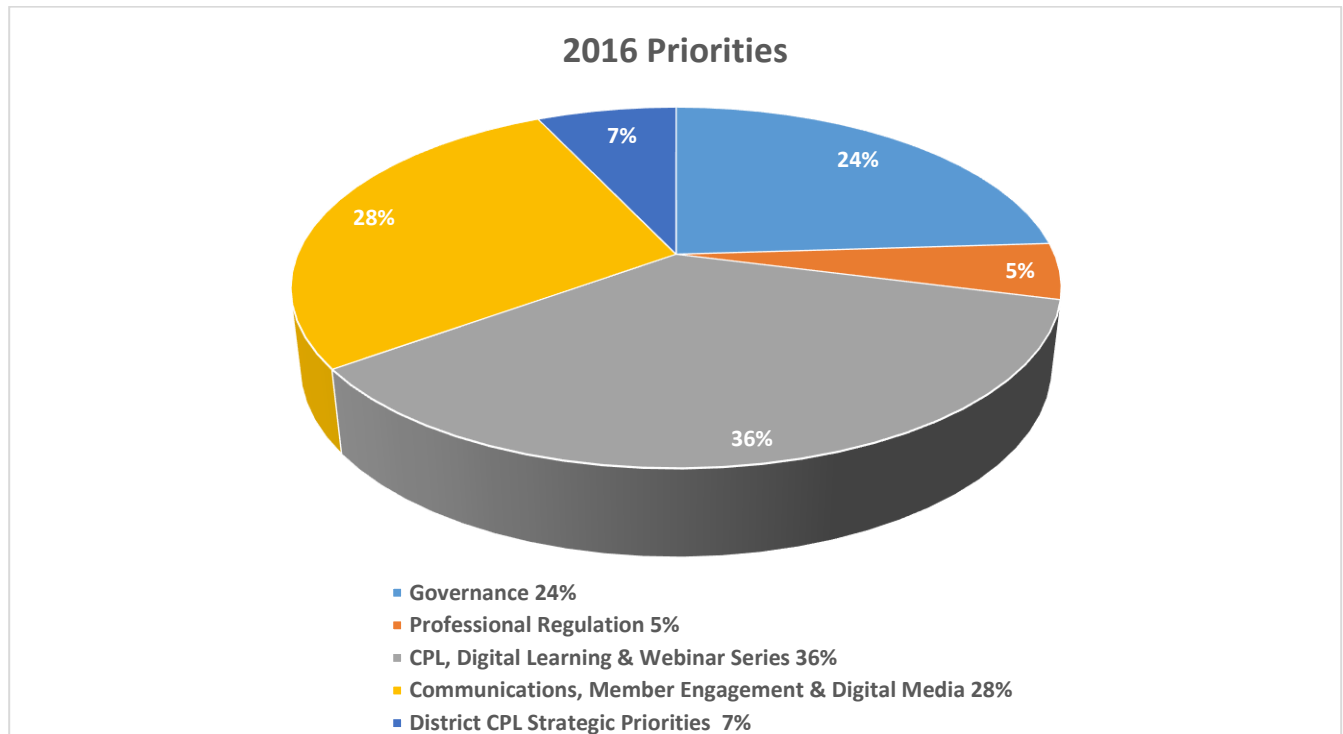
Staff resources are allocated to governance, programs and services as shown below, comprising 28% of the budget or \$754,895.



Allocation of funding for 2016 Strategic Priorities

Funding for the proposed 2016 strategic priorities totalling \$206,150 are as follows:

- Governance work for Strategic Plan development - \$50,000
- Professional regulation communication services - \$10,000
- CPL development of new learning initiatives - \$50,000
- Digital Learning Platform - \$15,000
- Webinar Series - \$10,000
- Communication strategy & Support Services- \$40,000
- Member Engagement - \$5,000
- Digital media projects - \$15,000
- District Leadership Teams request for enhanced CPL offerings - \$11,150
 - Lakeland - \$5,000
 - Oakridges - \$5,000
 - Southwest - \$950
 - Toronto - \$200



Achieving Balanced Budget

The operational budget, which is based on a conservative forecast of membership revenue, reflects an excess of revenue over expense in the amount of \$0.

Financial Sustainability—trends and issues

As OPPI prepares for the future, Council should be mindful of the following trends and issues.

Current reserve fund does not meet the acceptable standard for not-for-profit organizations—OPPI's reserves should be at least 6 months of its operational budget or about \$870,000. They are currently at \$786,274.

Revenue from non-member fees is subject to the economy—as reported by many not-for-profits, sponsorship revenues are down. Garnering additional revenue to support/offset operating expenses is not as predictable as it once was.

Funding for strategic initiatives is entirely reliant on the revenue generated from OPPI's bi-annual conference—about \$40K—and symposium—about \$20K. OPPI has been blessed over the past few years with larger excess revenues over expenses in these events due to strong member engagement.

OPPI's professional membership fees are among the lowest fees for professional organizations **(Appendix 4- based on 2015 data)**. Over the long-term OPPI must continue to balance fee increases and the need for enhanced core service delivery to members.

OPPI member demographics show that 20% of members are 55 years and older. As Members leave the workforce OPPI's consistent Full Member fee revenue may be impacted.

CIP Task Force FutureForward recommendations introduces change to its purpose and governance relationship with PTIAs and any forthcoming agreements. How this will impact OPPI's resources and existing programs and services it provides, is unknown at this time.

Monitoring OPPI's demographic membership profile for trends and benchmarking should continue to be a priority for Council to ensure that our strategies that support member engagement, communications and operations are resulting in continued membership growth and sustainability.

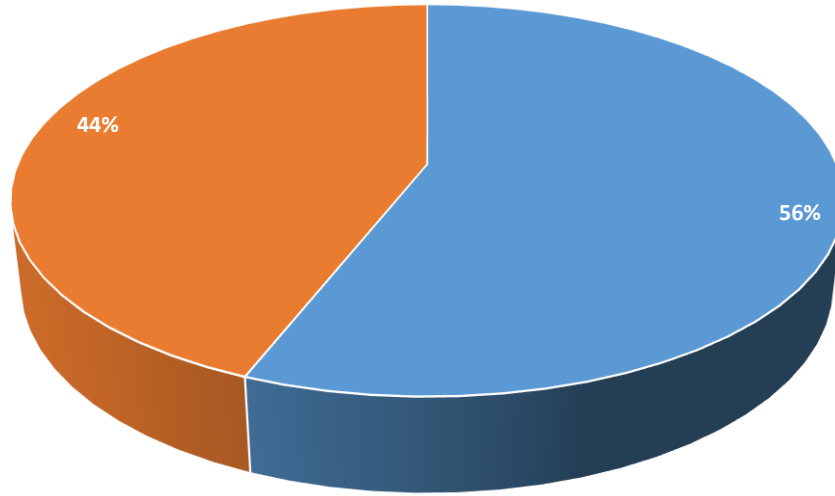
Three-year financial forecast

In accordance with OPPI's Financial Strategy, a three year - financial forecast **(Appendix 2)** is found below.

- Membership fees for the next 3 years reflect a 5% increase with reductions in Full and Candidate (Provisional) members due to not fulfilling CPL requirements and the winding down of the Candidate (Provisional) category.
- Salary increases for staff are based on performance goals and are in keeping with OPPI's HR policies.
- Inflation/market adjustments are included in estimated expenses.

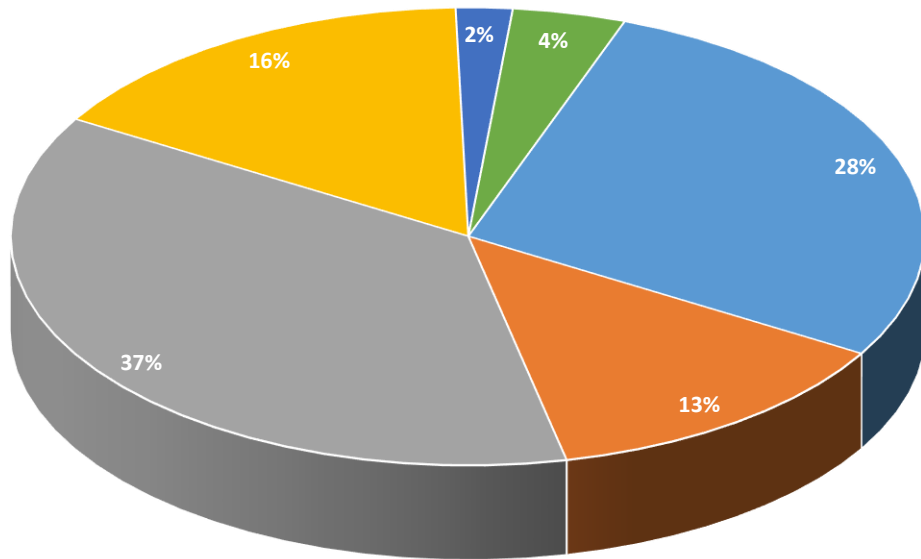
2016 BUDGET		1	2	3	4	5
BUDGET ITEM DESCRIPTION		2016 OPERATIONAL BUDGET	2015 OPERATIONAL BUDGET	2016 STRATEGIC BUDGET	2016 STRATEGIC FUND BUDGET	2016 CAPITAL FUND BUDGET
REVENUE						
1	Membership	\$1,439,366	\$1,380,747			
2	Other Fees	\$202,862	\$28,732			
3	Continuous Professional Learning	\$133,510	\$121,560		\$600,000	
4	Awards	\$6,000	\$6,000			
5	Consultants Directory	\$11,250	\$11,250			
6	Journal Advertising and Subscriptions	\$38,900	\$45,000			
7	Job Postings	\$80,000	\$80,000			\$40,000
8	Other	\$5,000	\$5,000			
9	TOTAL REVENUE	\$1,916,888	\$1,678,289	\$0	\$600,000	\$40,000
EXPENSE						
10	Administration and Office	\$733,234	\$531,760			\$30,000
11	Governance, Executive and Nominating Committee	\$172,003	\$177,200	\$50,000		
12	Discipline Committee	\$45,933	\$44,725			
13	Professional Standards Committee	\$73,905	\$52,250			
14	Self-Regulation Strategy Group	\$97,904	\$95,725	\$10,000		
15	Quality Practice Strategy Group	\$174,982	\$158,010	\$75,000	\$580,000	
16	Planning Issues Strategy Group	\$63,385	\$61,088			
17	Communications, Marketing and Recognition	\$377,294	\$374,538	\$60,000		
18	Planning Knowledge Exchange	\$79,372	\$75,980			
19	District Leadership Teams	\$98,876	\$106,415	\$11,150		
20	TOTAL EXPENSE	\$1,916,575	\$1,677,691	\$206,150	\$580,000	\$30,000
21						
22	TOTAL REVENUE	\$1,916,888	\$1,678,289	\$0	\$600,000	\$40,000
23	TOTAL EXPENSE	\$1,916,888	\$1,677,691	\$206,150	\$580,000	\$30,000
24	EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSE	\$0	\$598	(\$206,150)	\$20,000	\$10,000

2016 Budget - Revenue



■ Membership 56% ■ Other 44%

2016 Budget - Expense



■ Admin/Office 28% ■ Governance & Committees 13%
■ Strategy Groups 37% ■ Communications 16%
■ PKE 2% ■ DLT 4%

3 Year Projection

	OPERATIONAL BUDGET 2015	OPERATIONAL BUDGET 2016	OPERATIONAL BUDGET 2017	OPERATIONAL BUDGET 2018	
REVENUE					
1	Membership Fees	\$1,380,747	\$1,439,366	\$1,490,000	\$1,548,000
2	Other Fees	\$28,732	\$202,862	\$200,000	\$195,000
3	Continuous Professional Learning	\$121,560	\$133,510	\$136,180	\$138,904
4	Awards	\$6,000	\$6,000	\$6,000	\$6,000
5	Consultants Directory	\$11,250	\$11,250	\$11,250	\$11,250
6	Journal Advertising/Subscriptions	\$45,000	\$38,900	\$40,000	\$44,000
7	Job Postings	\$80,000	\$80,000	\$80,000	\$80,000
8	Other	<u>\$5,000</u>	<u>\$5,000</u>	<u>\$5,000</u>	<u>\$5,000</u>
9	TOTAL REVENUE	\$1,678,289	\$1,916,888	\$1,968,430	\$2,028,154
EXPENSE					
10	Administration and Office Governance, Executive and Nominating Committee	\$531,760	\$733,234	\$760,000	\$790,000
11	Discipline Committee	\$177,200	\$172,003	\$180,000	\$185,000
12	Professional Standards Committee	\$44,725	\$45,933	\$46,745	\$48,000
13	Self-Regulation Strategy Group	\$52,250	\$73,905	\$75,000	\$78,000
14	Quality Practice Strategy Group	\$95,725	\$97,904	\$99,000	\$101,000
15	Planning Issues Strategy Group	\$158,010	\$174,982	\$164,000	\$167,000
16	Communications, Marketing and Recognition	\$61,088	\$63,385	\$65,000	\$67,000
17	Planning Knowledge Exchange	\$374,538	\$377,294	\$387,000	\$393,500
18	District Leadership Teams	\$75,980	\$79,372	\$84,000	\$87,000
19		<u>\$106,415</u>	<u>\$98,876</u>	<u>\$105,000</u>	<u>\$110,000</u>
20	TOTAL EXPENSE	\$1,677,691	\$1,916,575	\$1,965,745	\$2,026,500
21	TOTAL REVENUE	\$1,678,289	\$1,916,888	\$1,968,430	\$2,028,154
22	TOTAL EXPENSE	\$1,677,691	\$1,916,888	\$1,965,745	\$2,026,500
23	EXCESS (DEFICIENCY) OF REV. OVER EXP.	\$598	\$0	\$2,685	\$1,654

NET ASSETS

SCHOLARSHIP FUND

The OPPI scholarship fund receives funding from events held at our conference or symposium, district and private donations and through accumulation of interest on the balance in the fund. The fund balance is invested and investment income is accumulated in the Fund.

	1999-2013	2014	2015	Total
Contributions	\$ 43,337	\$ 4,177	TBD	\$ 47,514
Transfer from Districts	42,665	175	TBD	42,840
Interest	<u>9,898</u>	<u>1,151</u>	<u>TBD</u>	<u>11,049</u>
TOTAL	<u>\$95,900</u>	<u>\$ 5,503</u>	<u>TBD</u>	<u>\$101,403</u>

STRATEGIC FUND

The strategic fund receives funding from the surplus of the conferences and symposiums. The goal is to transfer a minimum of \$20,000 to the fund on a yearly basis.

	2004-2013	2014	2015	Total
Conference	\$ 278,500	\$ 0	TBD	\$ 278,500
Symposium	114,302	60,407	TBD	174,709
Transfer	<u>(114,315)</u>	<u>(19,971)</u>	<u>TBD</u>	<u>(134,286)</u>
TOTAL	<u>\$ 278,487</u>	<u>\$ 40,436</u>	<u>TBD</u>	<u>\$ 318,923</u>

CAPITAL FUND

The capital fund receives funding from the surplus of the OPPI mailing service. This fund should be at 10% of our operating budget. Annually we strive to transfer a minimum of \$10,000 to the fund to achieve the intended goal of 10% of operating budget by 2021.

	2004-2013	2014	2015	Total
Mailing Service	\$ 118,295	\$10,000	TBD	\$128,295
Transfer	<u>(3,316)</u>	<u>0</u>	<u>TBD</u>	<u>(3,316)</u>
TOTAL	<u>\$ 114,979</u>	<u>\$10,000</u>	<u>TBD</u>	<u>\$124,979</u>

DISCIPLINE FUND

The discipline fund is augmented by an annual allocation from operations and is approved by Council. The fund balance is invested and investment income is accumulated in the Fund.

	2004-2013	2014	2015	Total
Transfer	\$ 0	\$30,000	TBD	\$30,000
Interest	<u>0</u>	<u>0</u>	<u>TBD</u>	<u>0</u>
TOTAL	<u>\$ 0</u>	<u>\$30,000</u>	<u>TBD</u>	<u>\$30,000</u>

UNRESTRICTED NET ASSETS

Unexpended funds, accumulated, also known as the Institutes reserves have accumulated over the past years.

Unexpended Funds, Accumulated	\$786,274
Unexpended Funds, Projected year end 2015*	<u>70,000</u>
TOTAL	<u>\$856,274</u>

\$70,000 contributing to the reserves and \$20,000 allocated to the Discipline Fund.

*2015 Estimated operations excess revenue over expenses = \$90,000

Association Membership Fee Analysis - 2015

Ontario Associations	Provincial Full Membership Base	Provincial Fee*	Provincial Levy	National Fee*	Total Membership Fee	Liability Insurance Fee	College Fee
Engineers	7,200	\$169.00	\$0.00	\$10.00	\$179.00	\$0.00	\$220.00
Planners	2,700	\$410.74	\$0.00	\$190.92	\$601.66	\$44.00	\$0.00
Landscape Architects	860	\$572.40	\$0.00	\$162.00	\$734.40	\$0.00	\$0.00
Architects	3,300	\$808.00	\$0.00	\$226.00	\$1,034.00	\$0.00	\$0.00
Chartered Professional Accountants	80,000	\$580.00	\$0.00	\$380.00	\$960.00	\$0.00	\$0.00
Dietitians	3,500	\$0.00	\$0.00	\$453.00	\$453.00	\$88.90	\$590.00
Physiotherapists	7,000	\$258.59	\$0.00	\$272.44	\$531.03	\$196.00	\$635.00
Pharmacists	12,000	\$560.00	\$0.00	\$320.44	\$880.44	\$198.00	\$600.00
Chiropractors	3,300	\$926.59	\$600.00	\$490.83	\$2,017.42	\$0.00	\$1,050.00

* Not including HST

PTIA Full Membership Fee Analysis - 2015

PTIA Associations	Provincial Full Membership Base	Provincial Fee*	National Fee*	Total Membership Fee	Liability Insurance Fee	Additional Fees***	Total Fees for a Member to Pay
OPPI	2,700	\$410.74	\$190.92	\$601.66	\$44.00	\$0.00	\$645.66
OUQ	1,162	\$544.44	0.00**	\$544.44	\$0.00	\$27.22	\$571.66
PIBC	1,000	\$271.94	\$190.92	\$462.86	\$44.00	\$0.00	\$506.86
APPI	600	\$271.93	\$190.92	\$462.85	\$44.00	\$0.00	\$506.85
SPPI	N/A	\$210.00	\$190.92	\$400.92	\$44.00	\$0.00	\$444.92
API	N/A	\$170.00	\$190.92	\$360.92	\$44.00	\$0.00	\$404.92
MPPI	N/A	0.00****	\$190.92	\$190.92	\$44.00	\$0.00	\$234.92

* Not including HST

** OUQ Members pay directly to CIP if they wish to belong to CIP

*** OUQ Members pay a fee to the Office des profession du Quebec (the practice of a profession governed by a professional title)

OUQ members need liability insurance only if they are self-employed and they must pay \$1,100 per year for coverage.

OUQ is looking into CIP's coverage but due to their provincial regulation, this might not happen.

**** MPPI fee not provided as of yet