

V.P. Finance report MAUT 2017 Spring General Meeting Ken Hastings

Discussion Topic: Proposal to reduce membership dues from 0.65% of salary to 0.58%.

History:

Membership dues over many years were 0.55%, reduced in FY2014 to 0.50%.

Due to costs of major legal cases dues were increased to 0.65% in FY2011. This was a transient measure to cover costs and restore depleted accumulated funds.

The total legal costs for our side were ~\$600k (\$300k MAUT and \$300k CAUT). Therefore our target has been to have accumulated reserves ~\$600k.

Plan and predictions

At 0.65% we have been accumulating reserves, ~\$90k per year.

We passed our reserve target during FY2015 (~\$642k accumulation).
The FY2016 accumulation was \$712,909.

At its January 2017 meeting MAUT Council resolved that it
".....gives preliminary approval for a decrease in the membership dues mil rate for Full Members from the current 6.5 (i.e. 0.65 % of salary) to 5.8 (i.e., 0.58 % of salary) to take effect September 2017.

This preliminary approval by Council will be presented at the upcoming Spring General Meeting For discussion and will then come back to Council in May 2017 for final approval."

Predicted accumulated reserves after 3 years of 0.58% dues rate: 3 scenarios

	Hiring Membership Engagement Officer	
1. Status quo	2. low end salary	3. high end salary
~\$758k	~\$562k*	~\$511k*

Assuming no increase in membership due to activities of Membership Engagement Officer