

OAVT Financial Report – Rory Demetriooff, Executive Director & Registrar, OAVT



Continuing to Build a Strong OAVT to Advance a Successful RVT Future

We have seen your OAVT grow each year. There's been growth in member services and support for RVTs, growth in public advocacy, growth in the number of RVTs in Ontario, growth in our operational financial capacity, and growth in our financial reserves. And, this has been accomplished while maintaining membership dues at a stable rate over the last six years. While many organizations may struggle with growth, OAVT has embraced it. It is this growth that is helping to advance our ability to do more on behalf of RVTs while overseeing our regulatory responsibilities that have been bestowed upon us in legislation by the Ontario government.

The report from our president highlights some of the fantastic accomplishments that we've achieved since our last formal finance report. It brings great pride to the OAVT office team to share the outcome of this year's financial audit. While finances are not often the most exciting topic, they are the fuel that ignites ideas into action and what propels our organization to achieve all that it does. As a team, it is our shared effort that has contributed to the great financial prudence that has enabled us to present such strong year after year performance.

Behind these numbers is a team that makes every financial commitment with you in mind. Membership dues represent a major component to our financial capacity. We respect your contributions to enable us to work on behalf of RVTs and the public interest; which we strongly believe coincide concerning high quality veterinary care and animal welfare.

So, how did we perform financially this year? In the accompanying summaries, you will find the results as prepared and confirmed by **RLB Chartered Accountants** who completed this year's audit of OAVT's finances.

OAVT has reached a point where our financial reserves are stable and strong.

The **Statement of Changes in Net Assets** describes our reserve as of our fiscal year end (October 31, 2016) as reaching \$453,185 – growing by \$98,912 from 2015. The good

news is that OAVT no longer needs to be in a position to build our reserve. Rather, our Board is now planning future budgets that utilize our resources to further support member services, advocacy and strategic priorities. We are looking forward to doing more on your behalf!

ONTARIO ASSOCIATION OF VETERINARY TECHNICIANS STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED OCTOBER 31, 2016

	Invested In Capital Assets	Unrestricted	2016	2015
BALANCE, beginning of year	\$ 50,793	\$ 303,480	\$ 354,273	\$ 282,877
(DEFICIT) SURPLUS for the year	(16,604)	115,516	98,912	71,396
CAPITAL ADDITIONS (note 1(h))	<u>16,695</u>	<u>(16,695)</u>	<u>0</u>	<u>0</u>
BALANCE, end of year	<u>\$ 50,884</u>	<u>\$ 402,301</u>	<u>\$ 453,185</u>	<u>\$ 354,273</u>

Referring to the OAVT's **Statement of Financial Position**, we see the overall accumulative picture of our financial status to date. This includes our assets and liabilities, with the difference being our net assets. You will notice that our cash account has grown to over \$700,000. This means OAVT is in a very liquid position, and has the ability to meet any short term and ongoing payments, mainly government remittances and immediate payments. The large amount of "Deferred Revenue" listed as a liability, represents membership dues collected during last year's fiscal period, but extend past the October 31st fiscal (that's because membership renewals are due in June, but cover a period that goes into the current fiscal period to May 31st 2017).

Other observations about the Statement of Financial Position:

- Our Account Receivable is driven from conference sponsorship commitments which are typically paid without concern. As collected, this will further increase our cash account.
- Prepaid expenses relate to conference commitments for the venue and any other services that require deposits. This amount clears at the conclusion of the conference each year.
- Our net assets have increased by nearly \$100,000!

Turning our attention to the **Statement of Operations** (often called the Income or Profit & Loss Statement), we see some trends that are generally all good news. (*Graphic on next page*)

Revenues are up, controllable costs such as overhead is down, expenses are generally stable when married against any associated revenues, and our bottom line increased from \$71,396 in 2015 to \$98,912 as of our fiscal year end in 2016. Going forward, our plan is to not run large surpluses, but to do our best to refocus our resources to support our strategic priorities and the RVT profession.

Some observations to highlight about OAVT's Statement of Operations:

- Revenue grew by \$120K from \$1.601M to \$1.720M. Roughly \$69K of this was driven by the growth of the RRP from \$276K to \$346K. This means the OAVT's growth (less the RRP) was \$51K, which exceeded the budgeted growth that had been planned to be \$11K.

**ONTARIO ASSOCIATION OF VETERINARY TECHNICIANS
STATEMENT OF FINANCIAL POSITION
AS AT OCTOBER 31, 2016**

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 702,476	\$ 575,078
Short term investments	50,473	50,249
Accounts receivable	46,724	42,269
Government of Ontario receivable	76,035	78,100
Prepaid expenses	<u>159,283</u>	<u>196,747</u>
	<u>1,034,991</u>	<u>942,443</u>
CAPITAL ASSETS (note 3)	<u>50,884</u>	<u>50,793</u>
LICENSING COSTS	<u>62,688</u>	<u>62,688</u>
	<u>\$ 1,148,563</u>	<u>\$ 1,055,924</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 85,960	\$ 100,796
Government remittances payable	26,158	12,159
Deferred revenue (note 4)	<u>583,260</u>	<u>588,696</u>
	<u>695,378</u>	<u>701,651</u>
NET ASSET BALANCES		
Net assets invested in capital assets	50,884	50,793
Unrestricted net assets	<u>402,301</u>	<u>303,480</u>
NET ASSETS	<u>453,185</u>	<u>354,273</u>
	<u>\$ 1,148,563</u>	<u>\$ 1,055,924</u>

- Continuing education (primarily driven by the conference and P&E Workshop) had revenues of \$461K and cost \$413K.
- The RRP was revenue/expense neutral (as planned); bringing in and costing \$346K
- The RVT Journal brought in \$29K and cost \$53K; a deficit of \$24K. It did show cost improvements from the previous year's \$59K, but remained fairly consistent between years in revenue.
- Membership revenue grew by \$48K from \$707K to \$750K. This exactly met our budgeted membership target of \$750K.
- Website revenue grew by 10K from \$75K to \$85K; exceeding our revenue target that was set at \$65K. This is driven by website ads for jobs.
- The member benefits programs cost \$18K and brought in \$16K in revenue. Both the revenues and expenses are down from the previous year; as the programming represents member uptake of offered programming and is generally designed to be revenue/expense neutral.
- Office overhead was driven down from \$63K to \$46K; a significant portion attributed to the shared rent cost with RRP.
- Professional Liability Insurance for RVTs was reduced significantly from \$118K to \$101K due to the negotiations led by Stacey Huneke, RVT, to source a new broker and to set up a new agreement on behalf of OAVT.
- Salaries are up from \$368K to \$422K due in part to the introduction of an additional staff member to support OAVT's Continuing Education, RVT Journal, and OneHealth interests.

ONTARIO ASSOCIATION OF VETERINARY TECHNICIANS
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED OCTOBER 31, 2016

	2016	2015
REVENUE		
Administrative and miscellaneous income	\$ 19,483	\$ 25,745
Continuing education	461,274	425,699
Grant - Ministry of Health and Long-Term Care	346,523	276,820
Interest	2,322	2,808
Journal sponsorship and advertising	29,946	29,099
Memberships	755,239	707,742
Membership benefits	16,514	49,769
Promotional	2,790	2,038
Regulatory	1,700	6,089
Website	<u>85,175</u>	<u>75,671</u>
	<u>1,720,966</u>	<u>1,601,480</u>
EXPENDITURES		
Amortization	16,604	5,364
Annual general meeting	10,181	11,201
Continuing education	413,877	396,436
Governance	29,796	26,653
Journal production	53,295	59,394
Marketing	21,799	21,190
Memberships	26,855	26,642
Membership benefits	18,887	48,227
Office overhead	46,738	63,400
Professional fees	8,110	9,378
Professional liability insurance	101,503	118,136
Rabies response program	346,523	276,820
Regulatory enforcement	1,158	4,313
Salaries, subcontractors and employee expenses	422,016	368,266
Service charges	28,739	26,244
Strategic initiatives	<u>75,973</u>	<u>68,420</u>
	<u>1,622,054</u>	<u>1,530,084</u>
SURPLUS for the year	<u>\$ 98,912</u>	<u>\$ 71,396</u>

- We've seen an increase in spending in strategic initiatives from \$68K to \$75K to support our various marketing, communications, and events programming to support the visibility of RVTs.
- Our bottom line is \$98K, up from \$71K, exceeding the budgeted bottom line, while adding to the OAVT's reserves. This unplanned increase will be helpful for OAVT's upcoming budget years, which have planned deficits that were intended to support the introduction of new programming such as the Member Assistance Program.

All in all, from a management perspective, it is great to see how a productive organization and a financially well-managed organization can go hand in hand. Everyone can take great pride in the success of the OAVT, while looking forward to Continuing to Build a Strong OAVT to Advance a Successful RVT Future.



Rory Demetrio
Executive Director and Registrar

By-Law Changes

By-Law #	Article	Update	Old By-Law	Reason
1	4.4.4	Repeal By-Law #1 Article 4.4.4	In odd numbered years five Directors shall be elected; in even numbered years four Directors shall be elected.	This is a By-Law that cannot be enforced. If multiple Directors terms are up or resign mid-term after the completion of one, three or five years, then it will not be possible to maintain elections for 5 Directors in odd years, and 4 in even years.
1	4.4.5 and 4.4.6	Renumber the By-Laws affected by the repealing of article 4.4.4.		With the repeal of By-Law #1 4.4.4, then By-Law #1 4.4.5 becomes 4.4.4 and 4.4.6 becomes 4.4.5
1	4.4.6	Add to By-Law #1, article 4.4.6 "In the case where a Director is elected or appointed to complete the term of another Director, a partial term of greater than one year shall be counted as a term of office in calculating a Director's eligibility for election or re-election."		This scenario was not previously accounted for in OAVT's By-Laws (i.e. a Director steps down within the first year, resulting in a replacement completing the term).