



# Annual Report 2019

CAA NORTH & EAST ONTARIO



North & East Ontario



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## Message from the Club

**F**or CAA North & East Ontario, Fiscal Year 2019 was a solid year in terms of total operating revenue, which rose 7%, and increased use of our services - providing a sturdy foundation for the club to capitalize on going forward.

Net income was the second highest in club history, at 1.5M.

Our business lines continue to experience increased usage and revenue. The number of roadside assistance calls increased by 6.4%. Travel revenue increased by 14%, representing 8% of overall revenue, and insurance revenue was up by 8%.

CAA Dollars are increasingly earned and redeemed by our Members who see the value and regularly experience the savings offered by our ever-expanding list of Rewards Partners. More than \$350,000 CAA Dollars were redeemed last year.

CAA's business lines, each with unique characteristics, are intended to work together and as a result, our sales and marketing efforts became focused late in the year on an extensive, multi-platform campaign, “There for You”. Results from this integrated approach have already provided encouraging results.

At CAA NEO, we continue to expand our capabilities to better position us for future growth. This year we selected and implemented RingCentral as a new communication system provider to deliver day-to-day operational improvements for our call

centres, stores and all employees in their daily communications. This best-in-class system integrates with our Customer relationship management (CRM) system to further streamline our Member engagement processes.

Our new CRM system, serving all CAA NEO lines of business, was completed this year and we are experiencing many benefits, including better service to our Members, and accessible, consolidated Member data to support our sales management. We anticipate not only increased Membership growth, but improved Member retention, and improved efficiencies and cost savings to result from its implementation.

CAA was named by the Gustavson Brand Index as the most trusted insurance brand and the second most trusted brand among 313 national brands in Canada. We're proud to continue to be a top trusted brand. This is a testament to all CAA employees across the federation and their incredible commitment to Members every day.

CAA NEO serves not only our Members, but also our communities, their causes and charitable agencies. It's very gratifying when we hear how our contribution or participation in an event has helped a worthy cause. Please read some of the comments in the “From our Members and Communities” section of this report.

Our community involvement extends to advocating for, and influencing, positive change on issues that are

important to our Members, including road safety, and the legislative rights of the travelling public.

We continue to lobby for better roads and the protection of our tow truck drivers as well as the motoring public and air travellers rights.

We're part of a community with our Members and we plan to continue to play a role in the communities where our employees and Members work and live.

I believe we are well-positioned to build on our recent achievements, and we have many opportunities to continue our momentum. We will continue to execute on our strategy of collaborative selling across business lines and to underscore the value of Membership to CAA NEO Members

On behalf of the Board of Directors, I want to thank our past CEO and President, Christina Hlusko, for the contribution she has made during the course of her tenure and a special thanks to all CAA NEO employees for their commitment and dedication during the past year. We have a lot to look forward to in the coming year.

Sincerely,

**Peter McIntosh**  
Chair of the Board

CAA North & East Ontario

# CAA NEO by the Numbers 2019

**Total number of  
CAA members nationwide**

6,501,291

**Number of CAA Dollars  
Redeemed by members**

\$355,501

**Number of CAA Dollars  
earned by members**

\$364,470



**Number of CAA NEO Members**

308,737



**Number of households that  
receive CAA NEO magazine**

208,499

**Number of  
road services calls**

TOTAL 156,859

**Number of customers  
insured by CAA travel and  
medical insurance**

38,700

Winter 52,873

Spring 33,577

Summer 33,488

**Number of CAA home and  
auto insurance  
policies in force**

23,651

Fall 36,921

**Number of cruise and  
tour passengers booked  
through CAA NEO Travel**

9,891

**Number of  
Facebook followers**

7,068



# From Our Members



## Canadian Blood Services @CanadasLifeline

*"@CAANEO We are grateful to our community partners and appreciate your ongoing support of the blood program in Canada. Thank you, for encouraging people in the community to donate blood. Partnerships like this are truly an integral part of Canada's Lifeline. ^MB"*



## Ian Butt

*"Thanks very much for the opportunity today to take in the Ottawa Fury practice. The players were amazing and did a great job with everyone and especially the kids. They definitely have created some interest in our family for soccer."*



## Sue Hicks Green

*"Have had CAA Plus for years and never regretted it once. Great service..."*



## Lauren E @ottawal Lauren

*"Shout-out to @CAANEO for rescuing my car, and going above and beyond in fixing my flat. Saved me a trip to the garage! #caa #CustomerService"*



## Congrats! You got a 5-star review

**STITTSVILLE STORE**



*"Always pleasant and willing to go that extra mile. Thank you."*



## Kathy Lutley

*"The Ottawa REDBLACKS practice experience was so cool and amazing! We had a great time! Thank you!!"*



## Cindy Smith, Executive Director

**THE CARING AND SHARING EXCHANGE**

*"Thank you, CAA NEO, for your ongoing commitment and support of the Student Success Program."*



## Congrats! You got a 5-star review

**CAA NORTH & EAST ONTARIO**



*"Obtained Travel Medical Insurance quotation for trip to USA. Staff are very knowledgeable and I was pleased with the quote."*  
Reviewed by KAT C

# and Communities



**Debbie Marson, Community Fundraising Specialist**  
**CANADIAN CANCER SOCIETY, NORTH BAY**

*“Through CAA’s generous donation of allowing us to join you for the Pink in the Rink North Bay Battalion game we were able to raise over \$12,700 that night. We are so glad you joined the fight with us.”*



**SQU** @annettelabonne

*“@CAANEO The BEST service operators I may ever have dealt with!! Every Single Time. Pleasant. Kind. Unrushed Their demeanor leads me to conclude it must be a lovely company to work for.”*



**Deanna Lindsay, Executive Director**  
**SEATS FOR KIDS**

*“It’s been a great year with SEATS for Kids, and with CAA’s support we were able to offer direct support and education to over 200 families in our community. Thank you so much for your partnership!”*



**Rachael Shaffer, RN, BScN, MPH**  
**PUBLIC HEALTH NURSE, HEALTHY LIVING**

*“On behalf of the Commuter Challenge Planning Committee, we are so appreciative of CAA North and East’s contribution to this year’s challenge. We’ve never seen numbers like this in the six years Thunder Bay has been participating. Thank-you again!!!”*

# Message from the Chief Financial Officer

We are pleased to report fiscal year 2019 was a year of record revenues for CAA NEO. Revenue increased 7% from FY2018. Revenues for each of the product lines were up from last year and are at record highs. Net income at \$1.5M is the second highest in CAA NEO history.

Additionally, Membership revenue, which accounts for 81% of overall revenue, increased by 6% over last year. Also contributing to overall revenue was Travel revenue, which accounted for 8% of total revenue, and increased by 14% from FY2018.

Income from Operations declined year-over-year and was below expectations. This is due to (a) increased emergency roadside assistance costs as a result of a colder than normal winter, and (b) higher than anticipated implementation costs associated with the organization's new CRM system. The platform has been fully implemented now.

Membership growth is expected to increase at a rate of 2.5% for fiscal year 2020 and the overall financial position of the Club is expected to remain healthy and profitable.



**Rob Mulrooney**  
Chief Financial Officer

## Summary Consolidated Financial Statements

INCOME STATEMENT FOR THE YEAR ENDED SEPTEMBER 30, 2019 (UNAUDITED)	2019	2018
Total Operating revenue	<b>36,168,946</b>	33,864,546
Total Operating expenses	<b>35,113,028</b>	32,040,542
Income from operations	<b>1,055,919</b>	1,824,004
Other gains	<b>532,284</b>	530,901
Income before taxes	<b>1,588,202</b>	2,354,905
Income taxes	<b>51,605</b>	71,095
Net income	<b>1,536,597</b>	2,283,810
BALANCE SHEET AS AT SEPTEMBER 30, 2019		
Total assets	<b>29,430,804</b>	26,499,699
Total liabilities	<b>19,436,052</b>	18,041,424
Members' equity	<b>9,994,752</b>	8,458,275

**Ottawa South**  
2446 Bank St.  
613.736.9696  
huntclub@caaneo.on.ca

**Ottawa West**  
8-5703 Hazeldean Rd.  
613.836.7422  
stittsville@caaneo.on.ca

**Ottawa East**  
2026 Tenth Line Rd. Unit 7  
613.841.6441  
orleans@caaneo.on.ca

**Ottawa Centre**  
1331 Clyde Ave. Suite 105  
613.729.0707  
nepean@caaneo.on.ca

**Parry Sound**  
1 Pine Dr. Unit C7  
705.746.9305  
parrysound@caaneo.on.ca

**Thunder Bay**  
585 Memorial Ave.  
807.345.1261  
thunderbay@caaneo.on.ca

**North Bay**  
955 McKeown Ave. Unit 3B  
705.474.8230  
northbay@caaneo.on.ca

**Sudbury**  
2040 Algonquin Rd. Unit 13B  
705.522.0000  
sudbury@caaneo.on.ca

For a list of CAA Store hours and directions visit: [caaneo.ca/locations](http://caaneo.ca/locations)

**Travel Services  
Call Centre**  
Monday to Friday,  
8:00 AM to 8:00 PM  
1.800.267.8713 or 613.820.1890

**Group Travel**  
1.855.402.4636  
4neo@caaneo.on.ca

**Membership**  
Monday to Friday,  
9:00 AM to 9:00 PM  
Saturday 10:00 AM to 4:00 PM  
1.844.252.3648 or 613.820.1890

**Roadside Services  
Call Centre**  
Open 24/7  
1.800.CAA.HELP (4357) or  
613.820.1890 or dial \*222 from a  
cell phone.

**Facebook, Twitter**

 [Facebook.com/CAANEO](https://www.facebook.com/CAANEO)

 [Twitter.com/CAANEO](https://twitter.com/CAANEO)

 [Youtube.com/TheCAANEOChannel](https://www.youtube.com/TheCAANEOChannel)





North & East Ontario

[caaneo.ca](http://caaneo.ca)