

## Minutes

AVA Board of Directors (BOD) Electronic Board Meeting (EBM)  
February 18, 2020

1. Meeting was called to order at 10:00 a.m. EST by President David Bonewitz.
2. All were present except for the North Central RD. Representing the National Office (NO) were Henry Rosales (ED) and Erin Grosso. Also participating were DRDs from Northeast and Rocky Mountain Regions, as well as Tim Miner, Chair of the Programs and Special Programs Committee. A quorum was declared.
3. Minutes of the January 21, 2020 meeting are on hold to incorporate a last-minute change. The approval vote will be at the next meeting.
4. Updates from the Executive Director
  - a. The Texas Trail Roundup (TTR) International Marching League (IML) event is February 21-23. The NO ordered AVA bags that will be in participant goodie bags. Erin added that preregistration is up to about 500 for each day. The NO has handled the registration process for the TTR and will be working at the event. A press conference is Friday at 1:00 with participation by local politicians and will take about 20 minutes, then transition into the opening ceremony. Henry plans a parade of flags at 12:30, and Erin has invited a school band and kids to lead the parade. After everything, there will be a reception. There will also be an open house at AVA all day on Thursday. This event will be a warm-up for the 2023 Olympiad.
  - b. Element3 (E3) Health Initiative. Natasha Wampach, Vice President of Network, Element3 Health, was scheduled to speak but was unable due to technical issues. AVA will create a walker packet specific to E3 participants, and the books will have Element3 stamped on them to identify their participation. E3 participants will have 10 walks, with revenue split between AVA and the clubs. The clubs working the referrals will get the revenue for the walks, even though they can walk anywhere. Clubs will receive referrals by a phone call or e-mail from E3, and Erin will send a new E3 walker packet to the clubs. Complete details are still in the works.
  - c. Budget. Erin noted AVA revenue is primarily from participants. The strategic plan sought revenue sources outside the membership, and the Big Give was the first initiative Henry started when he came on board in 2014-2015, since major non-profits hold fund raisers. The revenue data shows trending toward smarter budgeting such that actual revenue much better matches budgeted income. In terms of expenses, smarter budgeting over the years also shows a better match. In years showing we were over budget, the Board had voted to incur additional expense to invest in items such as technology (2015-2016). In 2017-2018, the variance came from investing in Convention, which was offset in income.
  - d. Participation Information. Participation remains a main revenue stream. Participation in traditional walks showed an uptick in 2019 likely resulting from Convention. Free walker numbers have trended down over the years.
5. The Big Give. Nancy Wittenberg (VP) announced Samanta as the point person for the Big Give. Board members, please let her know that we will be participating and provide an estimate of how much. Nancy also noted that Samanta wrote 200 notes last year to individuals who sent in money (not online). Nancy would like the Board to help with the handwritten notes this year to

thank donors. The NO will provide the note cards and what should be written. Finally, Nancy encouraged clubs and individuals to give and to participate in peer-to-peer (P2P). Emily at the NO can help set up P2P.

6. Reduction of Free Walker Class. Tom Baltes (NW RD) presented results of a study on free walkers. His notes are at Attachment 1. Board members described how different jurisdictions treat free walkers.

## 7. Open Discussion

a. Increasing participation. President David Bonewitz asked what regions are doing to increase participation. Bob Buzolich (MA RD) said the Washtenaw Wanderers and Ohio Wanderfreunde are planning additional events and engaging media. Bob personally will host two guided walks on April 5 in eastern KY, where AVA needs clubs. He is also engaging tourism boards. Tom Baltes (NW RD) said NW Region has Meetup-type walks, and clubs collaborate to visit some of the more remote walks that get little participation, which encourages social time. There was also discussion on using Meetup or Facebook to seek additional paid participation. John McClellan (SE RD) warned that management overhead is heavy for those platforms. He then broke down needed participation into numbers given the current \$1.25 per participant paid to AVA. Given our current revenue model, we need about 200,000 paid participants a year to be solvent. Annual participation has been around 117,000. With \$80,000 in Big Give, that's about equivalent to 64,000 walkers. That leaves AVA about 20,000 paid participants short (or the equivalent in other revenue sources). From 200 clubs, that means about 100 more paid participants per club.

b. National Walking Week, April 1-7. Tim Miner, Chair of the Programs and Special Programs Committee reported on efforts to help clubs understand their role in NWW. He also has provided a template for a declaration or proclamation that clubs and regions can use to get their local and state jurisdictions on board.

c. Short-notice walks. Mike Green (AT RD) announced a change in RD approval rules. Hector at the NO needs to create stamps in batches to be financially efficient, and notifications are expensive. Thus, approvals of less than 60 days won't be allowed in the system. The RD needs to call Hector to make sure the stamp can be made in time.

d. Starting new clubs. John McClellan (SE RD) has not started a new club this year, but with collaboration between clubs, there will be a multi-event weekend in Memphis at the end of March, which he hopes will lead to a club. He is still working to get a club in Miami. Sammy Hunnicut (SW RD) suggests we refer people to existing clubs when possible.

e. Raising the participation fee. The current \$3.00 fee has been the rule since around 2003. John McClellan (SE RD) noted that \$3.00 is a cap, and the cap only applies to IVV Credit category walkers. Clubs can charge any amount for everyone else. The idea was to keep costs down for those keeping books, as they are also contributing by buying books. Henry and Erin (NO) noted that the \$1.25 per participant currently going to AVA resulted from changes in sanctioning fees, which were much higher in the past, and from IVV rules that limited the number of YREs in the past. Tom Baltes (NW RD) stressed that many clubs are suffering financially, reporting a net loss after paying for web domains, post office boxes, state association fees, and costs associated with putting on walks. Adding additional financial burden to the clubs is not desirable.

8. Other topics

a. Mike Green (AT RD) described new ways of presenting multiple walks in the search engine. Also, he announced the Atlantic Region Conference has been rescheduled to August 21-23 in Plymouth Meeting, PA. Hotel negotiations are still ongoing. The conference will cover many special programs, Mayflower in particular. Mike then provided a link that will allow users to show a time-ordered list of traditional events filtered by region and state (<https://my.ava.org/regional-te-list.php>). Finally, Mike said the new quarterly participation process worked fairly well, and bugs discovered were handled.

b. Bob Buzolich (MA RD) asked the NO to publish changes for committees in the Checkpoint. He also asked about the status of bylaws changes. Henry is working toward the end of March.

9. Adjourned 12:09 EST. Please send agenda topics for the next meeting to David.

Respectfully submitted,

Cecilia Miner  
AVA Secretary

Attachment: Free Walker Report

## NW Region Report on Increasing Paid Participation (aka, reducing free walker class)

### Timeline:

- January 2019: Sam Korff briefed the Board on his Free Walker Committee study.
  - o The NW region requested that the Board not take a firm position and allow us to work to reduce Free Walkers within the Region to avoid impacts to the generosity and productivity of the Region, which I'll discuss below.
  - o January to June I attended state association meetings to solicit support and began a study of our history and how to proceed if a vote was not held at the convention
- June 2019: AVA Convention in Albany NY did not raise the issue, so we formed a Regional Committee to analyze the problem and develop recommendations on how to move forward.
- Fall 2019: The Committee had two basic findings:
  - o AVA and our Region have mis-represented the purpose of the fee from almost the very beginning. The fee is for participation, not IVV Credit. We pay to participate and stamping books should be a free service just as it is across all of IVV. Start Cards and Registration Logs have been misleading and consequently, built up an expectation for almost 40 years that walking could be done for free, while those stamping books were required to pay and would cover the cost of our program. Consistent with results across AVA, fewer walkers in our region are stamping books and we have fewer walkers each year.
  - o Having looked at our Region's 38 clubs' financial data from the last two years we noted that nearly half the clubs have recorded annual losses and declines in club reserves. The conclusion being that we can no longer afford to offer our program for free in the NW Region if we want our clubs to remain solvent.
- October 2019: I submitted motions to our two state associations to record agreement by the clubs to take immediate action to stop advertising our program for free and work to increase the number of paying participants. The vote was delayed until clubs could meet and reach consensus. We hoped to obtain electronic votes before the end of 2019, but that didn't occur.
- December 2019: Washington's State Board (ESVA) met and devised a recommended change to Registration Logs to include two entries: IVV Participant \$3 and Guest.
- February 2020: The Oregon Trail State Volkssport Association voted in favor of the motion and will move forward to implement the motion. ESVA doesn't meet until April, but I am hopeful for support. The state of WA has some complicated requirements for non-profits and Nancy Wittenberg and ESVA are exploring the ramifications of state law.

### Results from 2019 efforts:

- The latest data I've seen shows AVA had a total of 130914 participants, 116,654 paying participants and 14260 reported as free compared to 2018 results of 134515 participants, 118386 paying and 16129 free, so declining across the board.
- NW Region had 31846 participants, 24138 paying participants and 7708 free walkers compared to 2018 data with 32898 participants, 23656 paying and 9180 free walkers.
- As a percentage of regional walkers, we dropped from 28% free in 2018 to 24% in 2019, while increasing paid participants. NW reported 59% of AVA's free walkers in 2018 and in 2019 we had 54%.

### From a different angle, consider this data and what it might suggest for our leadership team:

- The NW Region has roughly 13% of AVA's membership, yet provided 24% of total participants and almost 21% of the paying participants in 2019. On a per capita basis, NW walkers delivered

18 paid walks a year with only NC doing better at about 19 paid per walker, thanks to Crazy Horse. It appears that comparable sized regions are not delivering anywhere near the results of the NW. AT is about 11 paid walks per member, PA at 7, and SW is at 6. The challenge I would offer is how do we get walkers across the AVA Nation to walk as prolifically as the NW walkers?

- The NW Region will continue to work on reducing free walker counts. Much of the effort involves reaching out to existing walkers one-on-one to educate on what they pay for and what they get in return. For some it is just advising them on which box to check on the log or start card. Moving forward it is a matter of properly introducing new walkers to the idea that we have a product worth paying for and then proving it to them.

From working this issue I have some observations for your consideration:

- Our clubs are stressed financially; they barely break even on Traditional Events, so it's getting harder to give more toward national needs.
- Asking our clubs to do more, such as National Walking Week and Element3 initiative is receiving mixed reviews. These are great ideas that will hopefully spur membership growth. But, the old saying about the straw that broke the camel's back comes to mind. My fear is we don't need to add more straw; the camel is getting older and will collapse eventually under the existing load, unless we find a way to lighten it.
- I encourage our Board to remain focused on increasing membership and diversifying revenue streams, not squeezing more out of our declining membership.
- Last year I suggested we set a trigger point in our reserves that will force us to cut expenses to meet revenue; around \$250k. Our Board has worked diligently for 2 ½ years to stop our decline, yet we're still closing clubs, burning through our reserves, membership is dropping and average member age is climbing. If the 2020 year end data shows the same trend then we must consider as a Board the inevitable shift in focus to cutting expenses and preserving our program for as many years as we can sustain it.

Respectfully,

Tom Baltes, NW RD