

MINUTES
Monthly Information Meeting
May 15, 2018

1. The meeting was called to order at 10:00 a.m. edt by Vice President Nancy Wittenberg.
2. Not attending were: President David Bonewitz, NE RD Chris MelleBudget n (meeting attended by Carolyn Adams DRD). Attending by phone was SW RD Susan Medlin. All others were in attendance.
3. The address of an individual on a YRE log sheet is OPTIONAL. This has nothing to do with minors. A minor's info should never be recorded in a YRE log sheet because the walk boxes are not secured. There was no ruling on the issue regarding a "requirement" for minors to have a waiver signed by a parent or guardian so it is business as usual regarding minor participants. To sum up: Any personal information your participants put in a Walkbox for whatever use, is Not secured. Therefore, should a participant's info be stolen from a walkbox and compromised, there is exposure for the AVA as well as the participant. This is why the info is now optional.
4. Budget Discussion: We must either make more money or spend less. (Attached is a Committee Report for the Ad Hoc Committee studying AVA Member Club Dues.)
5. Motion Tracking: Andy Bacon will send a spreadsheet to the Board. (Attached)
6. Walk Directions need to be standardized somewhere in Policy.
7. Strategic Planning will be discussed at the June NEC Meeting.
8. Meeting adjourned at 10:40 a.m. edt.

Attachments:

1. Committee Report for the Ad Hoc Committee Studying AVA Member Club Dues
2. Motion Tracking Spreadsheet

Report of the AVA Ad hoc Committee Studying

AVA Member Club Dues

June 1, 2018

Ad hoc Committee –

This committee is comprised of Bob Morrison, AVA National Treasurer, Chris Mellen, Northeast Regional Director, John McClellan, Southeast Regional Director and Henry Rosales, AVA Executive Director.

Background –

AVA Member Club dues have been set at \$50 per year since AVA was formed in 1976. With inflation through the years and the continual decline in the number of clubs, changing the dues structure and possibly increasing dues is under discussion by the governing board of directors (NEC). The treasurer and a small group have been asked to make recommendations to the NEC as to the impact on clubs of various courses of action.

Club sizes –

Presently there are 216 AVA Member Clubs and 10 state organizations for a total of 226 dues paying clubs. Of the total, 46 clubs or 21% have fewer than 10 members; 55 clubs or 25% have between 10 and 25 members; 88 clubs or 41% have between 26 and 100 members, and; 27 clubs or 13% have more than 100 members.

There are estimated to be about 10,700 total local club members in the United States. AVA does receive an annual report from clubs stating the number of local club members in each club. However, some local club members are in multiple clubs. Therefore, AVA does not know the total unduplicated count of local club members. For the sake of moving this discussion forward, we have estimated 9,000 unduplicated local club members in these computations.

Potential Courses of Action –

First, the NEC could continue its policy of leaving annual club dues as they have been. Second, the NEC could decide on a blanket annual increase for all clubs. Third, the NEC could adopt a tiered dues structure where clubs pay dues based on the size of their memberships. Fourth, the NEC could adopt a dues structure based directly on the membership of each club.

Implications of Adopting a Blanket Annual Increase for all Clubs –

Presently, club dues provide ($\$50 \times 226$) **\$11,300** annually to AVA. The potential revenue from raising the annual club dues by 10% from \$50 to \$55 is ($\$5 \times 226$) \$1,130 annually and would generate at total of **\$12,430** annually. By comparison, if club dues were increased to \$75 the annual increase in revenue would be **\$5,650**. Either of these increases could easily be recovered by clubs raising their annual membership dues one or two dollars for each member. Even in the smallest clubs the additional cost for

individual membership would not be prohibitive. For many years, however, 10-11 clubs have terminated their AVA membership each year. Presumably, these are smaller clubs that lack the people power and/or the financial wherewithal to continue to sustain a viable club. Therefore, increasing club dues on this already troubled portion of our membership could be counterproductive as it hastens the demise of the smaller clubs.

Implications of Adopting a Tiered Annual Club Dues Structure –

By structuring dues so that larger clubs pay more than smaller clubs, more revenue could be raised. For example, if dues for the 55 clubs with 10-25 members were raised to \$60, while dues for the 88 clubs with 26-100 members were raised to \$80, and dues for the 27 clubs with more than 100 members plus 10 state associations were raised to \$100, the potential additional income would be $((\$10 \times 55) + (\$30 \times 88) + (\$50 \times 37)) + \$5,040$ generating total revenue of **\$16,340** annually.

Implications of Adopting a Per-Club-Member Annual Club Dues Structure –

One more structural change to club dues that offers interesting possibilities is to simply begin having clubs pay a fixed amount for each member of their club. This would provide relief to smaller clubs and increase club dues for larger, presumably more successful, clubs. It would also offer an easy way for clubs to easily explain a pass-through increase in their local club membership dues to their members.

If clubs were assessed dues of \$1.25 per each local club member (9,000), for example, AVA's dues revenue would roughly equal current annual revenue. If the dues were based on \$3 per member per year the total revenue to AVA would be $(\$3 \times 9,000)$ **\$27,000**, an increase of $(\$27,000 - \$11,300)$ **\$15,700** per year. At the same time, assuming the midpoint in each membership range, club dues would decline, on average, to $((25-0)/2=13)$ \$39 for clubs with fewer than 25 members and increase on average to roughly $((100-25)/2=38)$ \$114 for clubs with more than 25 members and state associations. This might be viewed as the fairest way to assess club membership because the burden of supporting AVA would fall equally on all local club members irrespective of the size of the club.

A hybrid of this concept would be for club dues to be the greater of \$50 or an amount per local club member. Based on the example above, where dues are the greater of \$50 or \$3 per local club member we would estimate that clubs reporting 16 or fewer members would pay \$50 and clubs reporting more than 16 members would pay more in dues. A best estimate is that the $(46+55)$ 101 smallest clubs with an average $(0 \text{ to } 25 \text{ members} / 2)$ of 13* members would pay \$50 each and generate revenue of $(\$50 \times 101)$ \$5,050. The remaining 115 clubs with $(9,000 - (101 \text{ clubs} \times 13 \text{ avg members}))$ a total of 7,687 would pay \$3 per member and generate revenue of \$23,061. Added with 10 state organizations paying \$100 each, the estimated total revenue generated from this hybrid method would be about **\$29,111**, about \$17,811 of additional revenue for AVA.

If coupled with a reporting mechanism that provides AVA with a membership roster of contact information for each local club member, this method could offer the added opportunity for AVA to reach out directly to participants to promote our sport more broadly. For example, direct emails could be sent to AVA participants promoting the biennial conventions and other national and regional events.

Recap of Revenue by Various Dues Methods –**(Est Total Rev)**

- Dues under present \$50 per club method	\$11,300
- 10% increase to all clubs (\$55)	\$12,430
- Tiered dues structure by size of clubs	\$16,340
- 50% increase to all clubs (\$75)	\$16,950
- Per-Club-Member dues	\$27,000
- Per-Club-Hybrid dues	\$29,111

Recommendation –

In fiscal year 2017/18, AVA has a budget in excess of \$500,000 and a planned budget deficit of \$110,000. The best projection herein for adjusting dues yields a mere (29,111 – 11,300) \$17,811 of additional revenue. Increased revenues may not be a primary objective and a change to a per member dues system may be politically impossible. But, the fact remains that club dues have remained the same for 41 years and that AVA's actual costs to support clubs is now much higher than current dues provide. Therefore, it is the consensus of the Ad hoc Committee to propose the following motion:

The AVA Member Club Dues Ad Hoc Committee moves that beginning for club membership renewals beginning July 1, 2018, the annual club dues for all clubs and state associations be set at \$75.

[illegible]