



**COMMITTEE ON DUES AND FEES
REPORT TO THE MEMBERSHIP
RCA SEMI-ANNUAL MEETING, JANUARY 29, 2023**

RCA Committee on Dues and Fees Meeting Participants:

COMMITTEE MEMBERS:

Daphne Dumont, Atlantic Region
Zahoor Chughtai, Quebec
Doug Diet, Ontario
Walter Benko Ontario
Richard Galway, (Chair) Prairies Region
Kate Rutherford, British Columbia
Vince Amodeo, British Columbia

EX-OFFICIO:

Carol Purcer President
Tom Hawker Director, Treasurer

RCA STAFF SUPPORT:

Terry Dillon CEO
Sid Murdoch Secretary
Jen Fitzpatrick, Director of Partnerships and Sport Development

Background to the Recommendations

The RCA Committee on Dues and Fees was convened according to Section 8.1 and 8.2 of the RCA Bylaws. A Chair was duly elected at the first meeting on 28th October 2022. The procedures, timetable and information that would be needed by the committee, was determined.

The Committee met again on 18th November 2022 to review and discuss a comprehensive portfolio of financial information, participant activity data and other relevant information. Following a third meeting on 25th November 2022, in accordance with Section 8.4 of the RCA Bylaws, the Committee formulated its recommendations to the RCA Board as outlined below.

The Committee is satisfied that it received full disclosure of relevant and appropriate financial information and other information that it requested, to support its decision making.

In making its recommendation to the RCA Board, the Committee on Dues and Fees considered the following:

- Following last year's recommendation, the 2022/2023 Participation Fees were set at \$25 per person, Regatta Seat Fees \$3.65 per event, Club Dues \$416, Provincial Rowing Association Dues \$728, and Special Rowing Associations and Associate Organizations \$520. This represented a 4% inflation adjustment over the previous year.
- Member and Participant Activity was reviewed. There is still some way to go but it is gratifying that significant bounce back from the depths of the COVID-19 experience is occurring. The majority of participants register in the first six-months of the financial year (April 1st to Sept 30th) and the 2022-2023 half-year total already exceeds that for the full 2021-2022 year (10650 vs 10170) and is approaching that for the full 2019-2020 year (11861). However, the number of seat fees paid (April 1 to Sept 30, 2022), while having more than doubled compared to the full 2021-2022 year is still only half of the number for the full 2019-2020 year. While the growth in number of sanctioned regattas between 2021-2022 and 2022-2023 (36 to 71, as of October 28, 2022) may explain that change, there were only 24% more sanctioned regattas in 2019-2020 (88 vs 71) indicating that fewer seats per regatta were being filled in 2022-2023 than in 2019-2020. We look forward to a full regatta schedule in 2023-2024 and a return to participant comfort in competing.
- Historical financial operating statements were reviewed (back to 2019), including a revised budget for the current year 2022/2023. A detailed source of funds was also provided, outlining the various sources of funding. Most of the organization's funding comes from Sport Canada and the Canadian Olympic Committee. Fees and Dues represented approximately 7% of total revenues during a 'normal' year and only approximately 20 to 30% of National Sport Development and Operations funding. That variation results from funding received irregularly for specific discrete initiatives such as Safe Sport or Community Sport for All. Thus, it is clear that very significant leverage is achieved for Dues and Fees income.
- While the Bylaws require Fees and Dues to be reviewed and proposed annually, for the past three years the committee has repeated the recommendation that cost-of-living allowance ("COLA") increases be added each year as a matter of course (barring unforeseen circumstances), in order to avoid larger increases in the future. Last year that was finally invoked. Leading up to this current year (2022-2023) it was clear that inflation had significantly increased, and the committee recommended an increase of 4% across the board to Dues and Fees and this was approved by the Membership. Subsequently StatsCan figures showed that the average inflation rate for April 1st 2021 to March 30th 2022 averaged 4.5%. Of course, any such change to the Dues and Fees lags the experienced inflation by a year so the full effect of it is felt for a year before any rebalance occurs. It is common knowledge that inflation has jumped again. For the six-month period April to September 2022, the StatsCan average was 7.35%. Therefore, difficult as it may be following last year's change, the Committee believes it necessary to again propose an increase but of 5%, not the full amount of inflation. While seeking to maintain support for our organization's initiatives this does then place the onus on Rowing Canada's board to manage any shortfall.

RECOMMENDATIONS:

The Dues and Fees Committee recommends an adjustment of approximately* 5% to the Base Participant Fee (\$25 to \$26.25) and Seat Fee (\$3.65 to \$3.85) which, while insufficient to fully keep up with inflation, is intended to limit its impact. The Statistics Canada Consumer Price Index for the six months from April 1st 2022 averaged a 7.35% increase, not only significantly larger than what is being proposed but also already impacting RCA.

The Dues and Fees Committee also recommends an approximately* 5% Increase in Club Membership Dues (\$416 to \$440), Special Association/Associate Organization Dues (\$520 to \$545) and Provincial Rowing Association Dues (\$728 to \$765).

*a minor amount of rounding has been applied to some of these numbers

Motion:

That the 2022 RCA Committee on Dues and Fees recommends making an adjustment of approximately 5% to all Dues and Fees for the next fiscal year: April 1, 2023 to March 31, 2024. Suggested fees and dues are: Participant Fee \$26.25, Seat Fes \$3.85, Club Dues \$440, Special Association/Associate Organization Dues \$545, and Provincial Rowing Association Dues \$765.

Moved by: Richard Galway

Seconded by: Zahoor Chughtai

The Dues and Fees Committee also wishes to bring the following statement and recommendation to the attention of the membership.

As of April 1st, 2023, it will have been five years since the new RCA Participant Fees Model was introduced and the Dues and Fees Committee believes that it may be timely to reflect on both its benefits and challenges for Members and Participants. The Committee realizes that no one model will ever be seen to be perfect for every occasion but supports the concept of periodic review to explore for opportunities to improve utility while still meeting necessary financial objectives.

Therefore, the Dues and Fees Committee recommends that RCA investigate, through structured consultation with and feedback from the Membership, whether the current Participant Fee Model adequately and effectively supports our members in their efforts to maintain and develop participation in rowing. This to be undertaken in pursuit of opportunities to better tune this system to member needs. The Committee recognizes, and cautions, that such an effort will not necessarily produce any change but nevertheless believes that the effort should be made.

Richard Galway
Chair, RCA Committee on Dues and Fees
Nov 29th 2022