

## **Athletics Alberta 2025 Membership Fee Proposal**

The Board of Directors of Athletics Alberta is recommending an increase in membership fees for most membership types for reasons explained below.

### **Background**

Of Athletics Alberta (AA) membership fees collected from members, part is remitted to Athletics Canada (AC) for AC membership fees, part is used to pay for liability insurance for members and \$5.00 is the per member Safe-sport fee. The remainder of fees collected (after paying the AC fee, insurance and safe-sport costs) are used for human resources and program delivery and services. The last AA membership fee increase was in 2015; nine years ago.

### **Rationale for Increases**

#### **Impact of Inflation and AA Deficits**

Inflation impacts AA in a number of ways. It increases costs, including the costs of program delivery and human resources. On the revenue side, Government grants often do not increase as a result of inflation because Government operating costs increase putting pressure on governments to either cut annual grants or maintain the status quo. AA's statement of operations includes a deficit of expenses over revenue for the 2022/2023 fiscal year with a further deficit projected for the 2023/2024 fiscal year.

#### **Impact of Insurance**

AA pays for liability insurance coverage for all members. Recently insurance costs have increased significantly. Prior to the current year, insurance cost per member were estimated at \$1.03 per member. Current costs indicate a per member increase to \$3.30.

#### **AC Membership Fees**

Provincial/Territorial Branches of AC were notified in June of 2023 that AC was introducing a motion to increase membership fees from \$15 per AA member to \$25 per member for most membership types. AC indicated the reason for the 67% increase in membership fees was to support the increasing gap in AC's budget to fund National Teams. If AC did not increase their fees, the result would be a \$250,000 yearly deficit as a result of the higher costs of sending teams to international events.

## Proposed Increases and Impact on AA

Proposed AA fees, by membership type, are included in the table below. The total annual registration fee includes the AC fee, AA's cost of general liability insurance, the safe sport fee and the AA general fee. As indicated above, AC has increased its fee by \$10 per membership from \$15 to \$25. For most member types, AA is proposing to increase the fee attributable to AA (general fee) by \$20. It is estimated this level of fee increase will increase AA membership revenues by approximately \$50,000.

<b>ATHLETICS ALBERTA PROPOSED FEE SCHEDULE (Effective January 2025)</b>			
<b>Competitive Athlete Memberships</b>			
<b>Membership Type</b>			<b>Total Annual Registration Fee*</b>
U10 & U12			\$ 80.00
U14			\$ 90.00
U16 & U18			\$115.00
U20 & Open			\$130.00
Masters			\$ 80.00
Para			\$ 80.00

Competitive Membership Unattached: \$160 for all membership types except Masters

<b>Limited Competitive Athlete Memberships</b>			
<b>Indoor – September to March, or, Outdoor – April to August</b>			
U10 & U12			\$ 50.00
U14			\$ 70.00
U16 & U18			\$ 70.00
U20 & Open			\$ 80.00
<b>Other</b>			
Cross Country			\$ 70.00
Road			\$ 45.00

<b>Non-Competitive Athlete Membership</b>			
Recreational – all ages			\$ 50.00
2 Week Trial			\$ 0.00

<b>Non-Athlete Memberships</b>			
Coaches			\$ 80.00
Associates			\$ 40.00
Officials (1)			\$ 0.00

\* Includes AC fee, AA fee, safe-sport fee of \$5.00 per athlete, and insurance.

(1) Officials are a key priority for Athletics Alberta as they are essential for the ability to host high quality competitions across the province and meet sanctioning standards. To recruit and retain Officials, AA proposes to keep Officials membership fees at \$0.00 with AA paying the AC fee on behalf of officials.

**Membership Fee Increases Going Forward**

AC fee changes include an *annual escalator clause* that will be in place to respond to inflationary pressures. The *annual escalator* will track the Consumer Price Index (CPI) but have a 5% cap.

AA covers the cost of liability insurance for members. We propose an annual membership fee increase determined as follows:

AC Increase based on inflation	\$ XXX
AA Increase based on inflation	XXX
Increase in per member cost of liability insurance	<u>XX</u>
Increase in membership fee	\$ XXX

As an example, assume the current AA fee is \$90.00 (including \$3.00 for insurance) and the current AC fee is \$25. The annual rate of inflation based on the CPI is 4%, and insurance goes up by \$1.00 per member.

Increase in AC fee \$25 x 4%	\$ 1.00
Increase in AA fee (\$90 - \$3) x 4%	3.50
Increase in AA fee for insurance	<u>1.00</u>
Total increase in fee (AA and AC combined)	<u>\$5.50</u>