



RCA Dues and Fees Webinar Package Supplementary Information

Thursday November 26, 2020
4:00pm PST / 5:00pm MST / 6:00pm CST /
7:00pm EST / 8:00pm AST / 8:30pm NST

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RCA COMMITTEE ON DUES AND FEES REPORT TO THE RCA BOARD OF DIRECTORS - DRAFT (November 20, 2020)

RCA Committee on Dues and Fees Meeting Participants

COMMITTEE MEMBERS:

Daphne Dumont, Atlantic Region
Zahoor Chughtai, Quebec
Alison Parsons, Ontario
Pippa Hobbes, (Chair) Ontario
Richard Galway, Prairies Region
Derek Page, British Columbia
Debra Neufeld, 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 30th October 2020. The procedures, timetable and information that would be needed by the committee, was determined.

The Committee met again on the 10th November 2020 to review and discuss a comprehensive portfolio of financial information, participant activity data and other relevant information. Following a third meeting on 20th November, 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:

- Based upon last year's Fees and Dues recommendation the 2020/2021 Membership Fees are \$24 per participant, Regatta Seat Fees \$3.50 per event, and Club Dues \$400.
- Historical membership and seat fees. The 'pay as you play' model was put into place on April 1st 2018, thus we had two years of data as well as the baseline before the change available. Due to COVID-19 restrictions, the data for the current year was not comparable. For every competitor category, the combination of the participant fee and the average of the seat fees is less than the former RCA competitive fee rate of

\$50. A significant amount of seat fees (24%) was collected from non-Canadian participants which was higher than expected. In some categories people participated in fewer regattas, which was offset by many more people registering for just one or two.

- Historical financial operating statements were reviewed (back to 2017), including a forecast for the current year 2020/2021. A detailed source of funds was also provided, outlining historical, budgeted, and forecasted funding. Membership fees represented approximately 7% of total revenues, and 32% of national operations expenditures, the difference coming from donations, fundraising and events (*calculations based on approved budget*).
- Thanks to RCA's to 'survive and thrive' attitude, significant COVID-19 Response funds were secured, which helped avert a financially disastrous year.
- While the Bylaws require Fees and Dues to be reviewed and proposed annually, last year's committee recommended 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. As of October 2020, the annual inflation rate is at a nominal level of 0.7%.
- Due to COVID-19 there has been significant disruption amongst our member clubs and athletes. Furthermore, there is considerable uncertainty as to when the current crisis will come to an end and activities can 'return to normal'.
- Club Membership Dues are \$400, which has remained the same for several years and was not subject to a cost of living increase this year. Last year's committee considered the club fee structure and recommended it be reviewed. The current committee will review the structure and related fees.

Recommendations

The Dues and Fees Committee recommends no changes in Club Membership Dues at this time. A review of the structure will be undertaken by the current committee.

The Dues and Fees Committee recommends no changes to the Base Participant Membership Fees (\$24) or Seat Fees (\$3.50) at this time due to the impact of COVID-19 and the uncertainties lying ahead.

If there is inflationary pressure over the next while, it may be necessary to apply a cost of living increase in the future.

Motion:

*That the 2020 RCA Committee on Dues and Fees recommends **no changes** to Club Dues (\$400), Special Association Dues (\$500) or Provincial Association Dues (\$700); and **no changes** to the Base Participant Fee (\$24) or Seat Fee (\$3.50) for the next fiscal year: April 1, 2021 to March 31, 2022*

Moved by: Richard Galway Seconded by: Derek Page

Rationale

- Cost of living inflation for the twelve months ending October 2020 is nominal at 0.7%.
- Due to COVID-19 the financial uncertainty for many Members and Clubs does not justify increases or significant changes for the fiscal period ending March 31, 2022.

RCA MEMBER AND PARTICIPANT ACTIVITY: 2018/2019 – 2019/2020 REGISTRATION AND FINANCIAL COMPARISON

Background

RCA Membership Model

On April 1, 2018, the RCA Membership Model shifted from a model with 2 distinct categories- Sport and Competitive- to the current “pay as you play” model that includes one base membership category and a regatta seat fee. Information about the model including the [original proposal](#) and the [report that was presented at the 2017 Semi-Annual meeting](#) can be found online in the [Members section](#) of the RCA website.

For 2018-2019 and 2019-2020, the Dues and Fees were set as follows:

- Base membership category fee: \$20 per participant
- Regatta seat fee: \$3.25 per event
- Club Dues: \$400
- Provincial Rowing Association Dues: \$700
- Special Rowing Associations and Associate Organizations Dues: \$500

The 2018-2019 fees were established during the development of the RCA Membership Model proposal based on a combination of evidence and assumptions related to the following participant activity:

- The total # of registered participants is **12,700** and **4,500** are competitive
- The average # of events attended by participant/year is **five (5)**
- The average # of seats/participant at an event is **two (2)**

Additionally, fees were set to recover the typical RCA participant revenue from recent years and the cost required for the system to support the new membership model. The original intent was to collect a total of \$430,833.33 from participant and seat fees during the 2018-2019 fiscal year.

For 2020-2021 the Dues and Fees were set as follows:

- Base membership category fee: \$24 per participant
- Regatta seat fee: \$3.50 per event
- Club Dues: \$400
- Provincial Rowing Association Dues: \$700
- Special Rowing Associations and Associate Organizations Dues: \$500

2019-2020 Assessment

1. The number of participants attending regattas is higher than expected and on average, participants are not attending as many regattas as expected.
 - From April 1, 2019 -March 31, 2020 a total of **5,877** Canadian participants with RCA numbers competed in RCA sanctioned regattas. This is **31%** $((5877-4500)/4500)$ more than the membership model predicted amount and a **7.8% decrease** $((5,877-6,374)/6,374)$ when compared to the number of participants that competed during the same time frame in 2018-2019.

- From April 1, 2019-March 31, 2019 the average # of regattas attended by participants with RCA numbers/year is **3.6** and the average # of seats/participants with RCA numbers at an event is **1.7**. This differs from the model assumptions that the average # of events attended by participant/year is five (5) and the average # of seats/participant at an event is two (2).
2. When compared to the membership model predicted amount, there is a shortfall of **\$25,138.33** (\$430,833.33-\$405,695) for 2019-2020. A portion of this shortfall is due to decreased activity in the month of March 2020 as a result of COVID-19.
- A total of **52,568** seats for the 88 regattas held from April 1, 2019-March 31, 2020 resulted in a collection of **\$170,846** in seat fees. Seat fees were collected from Canadian and other international participants. This is **\$4,283** (2.45%) less than the amount of **\$175,129.50** collected in 2018-2019 and **\$5987.33** (3.4%) less than the model predicted amount of **\$176,833.33**.
 - A total of **\$234,849** was collected through participant registrations (including deferred revenue). This is **\$17,606** (7.0%) less than the amount of **\$252,455** collected in 2018-2019 and **\$19,151** (7.5%) less than the model predicted amount **\$254,000**.
 - i. There was **\$8,927** less collected throughout the month of March 2020 compared to March 2019, due to decreased activity as a result of COVID-19.

RCA FIVE YEAR SUMMARY OF OPERATIONS

Rowing Canada Aviron
Summary of Operations - Five Years

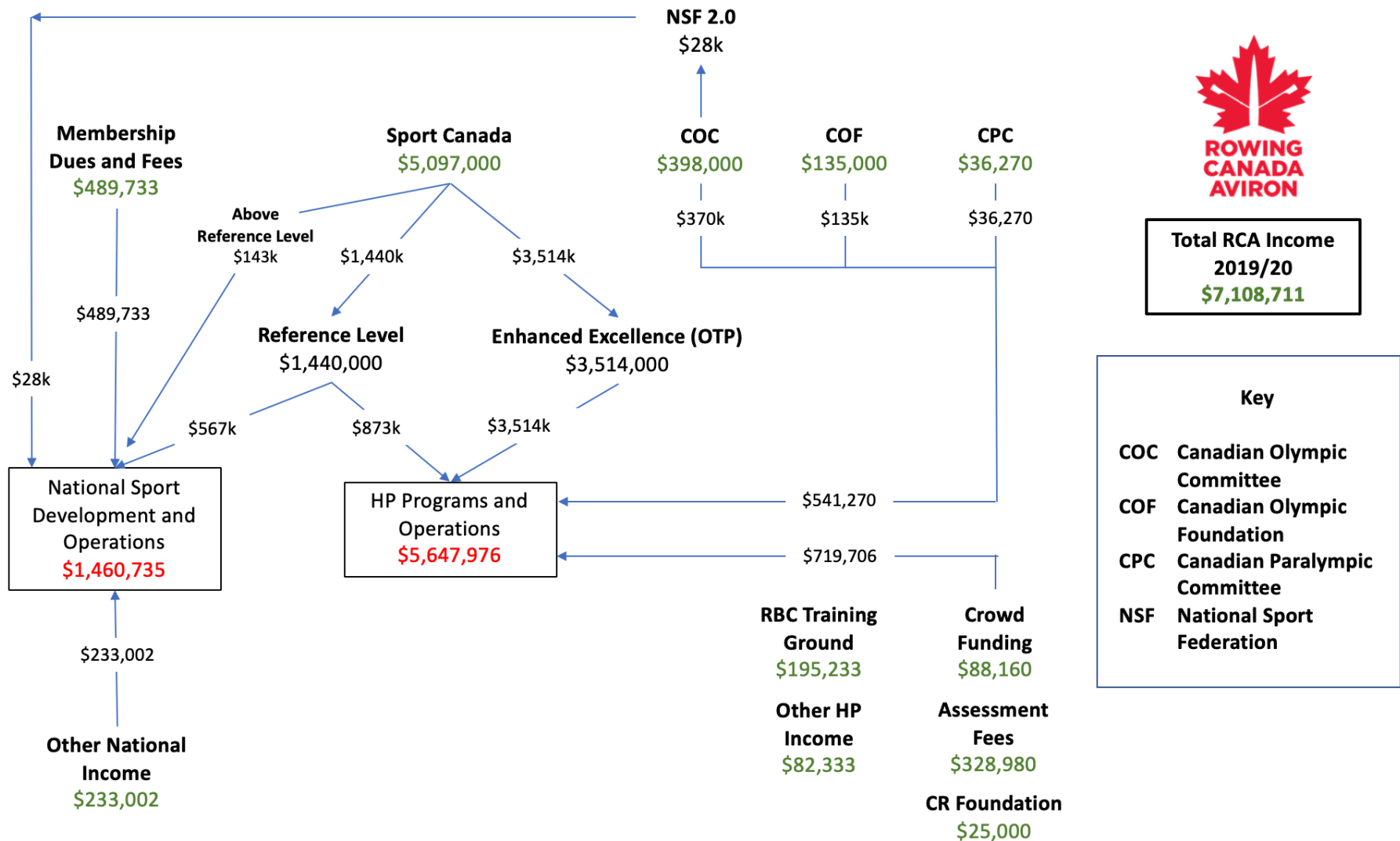
(DRAFT For Dues & Fees Committee Discussion Purposes Only)

	2021 <i>Revised</i> <i>Budget</i>	2021 <i>Approved</i> <i>Budget</i>	2021 <i>Initial</i> <i>Budget</i>	2020 <i>Audited</i>	2019 ¹ <i>Audited</i>	2018 <i>Audited</i>	2017 <i>Audited</i>	CAGR <i>5 Yr</i>
Revenue								
Sport Canada	6,411,890	5,196,000	5,147,000	5,065,610	4,706,500	4,867,000	4,762,000	6.1%
Canadian Olympic Committee	315,000	350,000	370,000	418,942	446,245	367,827	601,663	-12.1%
Club Dues	41,600	51,200	52,400	51,600	52,000	50,800	52,000	
Special Associations	6,500	6,500	7,000	6,500	7,000	6,500	6,500	
Provincial Associations	7,000	7,000	7,000	7,000	7,000	7,000	7,000	
Come & Try Event	-75	3,000	3,000	5,000	2,300	1,150	-	
Base Rower Registration Fees	147,640	300,000	250,000	241,209	258,742	336,068	298,617	
Competition Seat Fees	0	188,350	174,850	170,846	175,130	-	-	
Membership Fees	202,665	556,050	494,250	482,155	502,172	401,518	364,117	-11.1%
Other Sports Assoc & Foundation	307,000	324,000	407,270	388,091	419,099	250,742	373,409	
In Kind Donations	22,500	19,500	19,500	23,216	21,734	21,174	19,500	
Sports Associations and Foundations	329,500	343,500	426,770	411,307	440,833	271,915	392,909	-3.5%
Donations	15,000	35,000	35,000	79,156	50,158	45,202	29,752	
Fundraising Events	0	25,000	25,000	92,692	68,989	35,100	11,489	
RCA Products	6,000	14,000	23,000	13,158	6,875	165	1,034	
Regatta Income	5,000	154,200	121,200	67,724	82,189	122,543	75,047	
Event Income	1,500	84,000	80,000	73,860	77,096	80,774	208,131	
Miscellaneous	35,927	49,000	43,000	40,412	36,489	25,611	36,954	
Donations, Events and Fundraising	63,427	361,200	327,200	367,002	321,795	309,395	362,406	-29.4%
Competition and Camp Registrations	0	575,890	383,140	281,283	298,991	126,680	309,623	-100.0%
Sponsorships	3,000	10,000	13,000	3,000	3,000	3,000	16,200	
Interest Earned	12,500	25,000	14,000	27,384	14,979	9,906	7,451	
Allocation from Internally Restricted Fund	0	80,000						
Total Revenue	7,337,982	7,497,640	7,175,360	7,056,683	6,734,515	6,357,241	6,816,369	# 1.5%
Expenses								
Communications, Marketing Initiatives	181,466	217,066	182,769	178,200	250,884	272,443	236,271	
Membership Services	148,670	259,330	259,330	229,206	234,225	160,603	134,733	
Official Languages	24,500	28,500	28,500	31,149	28,547	29,643	28,853	
Membership Services	173,170	287,830	287,830	260,355	262,772	190,246	163,586	1.4%
National Operations	347,528	354,478	389,888	361,406	364,330	357,061	360,649	-0.9%
Governance	11,800	100,500	100,500	90,540	98,867	103,313	109,261	-42.7%
International & Domestic Assoc	3,800	7,300	7,300	11,227	3,393	6,375	10,962	-23.3%
Governance and National Operations	363,128	462,278	497,688	463,173	466,590	466,749	480,872	-6.8%
High Performance	4,232,664	5,740,190	5,608,609	5,698,162	5,284,554	4,797,647	5,253,789	-5.3%
Domestic/HP Bridge Coach Education	109,820	133,220	127,134	120,666	143,004	154,009	134,240	
Para Rowing	7,000	15,000	7,000	7,892	17,474	13,709	5,718	
RCA Regattas and Events	76,000	259,200	181,200	82,896	134,503	203,587	187,136	
Sport Participation Development/Safe Sport	282,660	278,761	264,854	198,670	84,668	62,044	114,051	
Umpires Committee	20,800	49,500	51,300	46,844	33,491	67,738	59,858	
Safety and Events Committee	200	11,900	10,900	9,020	6,394	8,441	7,978	
Domestic Development	33,723	44,723	51,220	34,499	57,540	65,016	102,274	
Domestic Development	530,203	792,305	693,608	500,487	477,075	574,543	611,255	-3.5%
Covid 19 Response	1,234,500							
Total Operating Expenses	6,715,132	7,499,669	7,270,504	7,100,377	6,741,876	6,301,628	6,745,773	-0.1%
Income from Operations	622,850	(2,029)	(95,144)	(43,694)	(7,361)	55,613	70,596	
Gain on Disposal of Assets	0	-	5,000	65,618	1,500	23,507	10,281	
Excess of Revenue over Expenses	622,850	(2,029)	(90,144)	21,924	(5,861)	79,120	80,877	

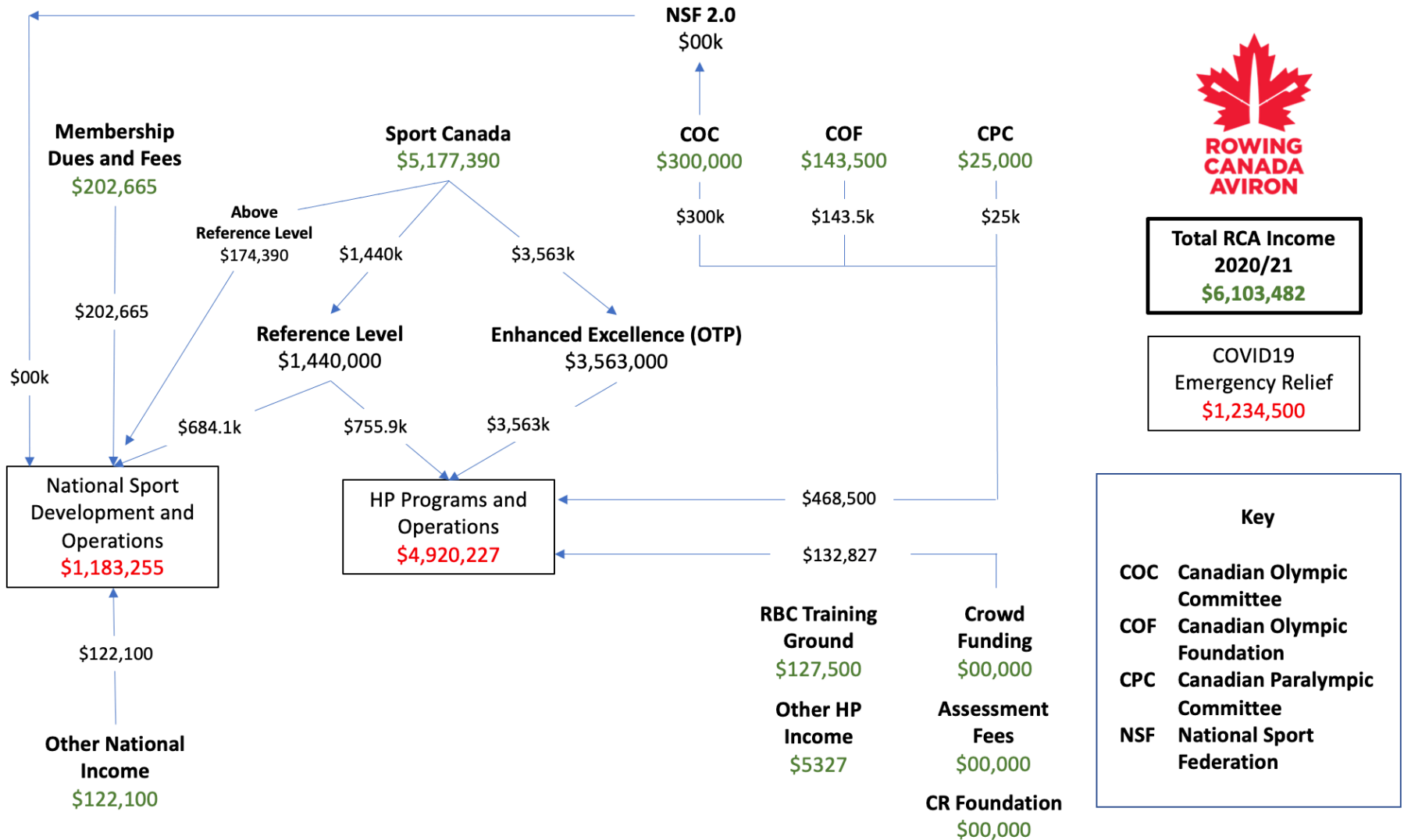
¹- First year of New Seat Fee Model

Sport Athletes	5,850	7,424
Competitive Athletes	6,374	4,271
Registered Athletes	12,224	11,695

2019-2020 RCA FUNDING AND REVENUE



2020-2021 RCA FUNDING AND REVENUE



RCA DOMESTIC INVESTMENT AND BENEFITS



Membership Services (\$149K)

- General Liability Insurance
- Sport Accident Insurance
- Incident Reporting and Tracking
- Officers and Directors Insurance and Legal Advice Line
- National Regatta Entry and Management System (Regatta Central)
- Club Program and Membership Registration System (WebReg)
- Registration and Payment Support Line

Official Languages (\$25K)

- Bilingual Communications
- Bilingual User Experience

Safe Sport (\$176K)

- Awareness Training, Preventative Procedures, Policy for Response to Abuse Harassment and Bullying
- Concussion Policies, Awareness Training; Return to Sport; Tracking and Reporting
- Trans-Inclusion advice and support on policy and procedure
- Water Quality Support Services

Regattas and Events (\$76K)

- National Conference
- Club, Umpire and Coach Recognition
- Technical Support for National Events
- Hosting Support and Submissions for World Rowing and International Events

Domestic Development (\$55K)

- Event Sanction Policy and Oversight
- Provision and Oversight of National Safety Guidelines
- Framework and oversight of Umpire Training, Licensing and Evaluation
- Rules of Racing Review Maintenance and Publication
- Event Support Line

Sport Participation (\$107K)

- Transport Canada Liaison
- Discipline and Complaints Resolution
- Canada Games Liaison
- Yamaha Partnership – Engine Discount

Domestic Para Rowing (\$7K)

- Para Classification
- Para Support Line

Coach Education (\$110K)

- Every Coach Certified (Essentials, Tracking and Compliance Reporting)
- Criminal Records Check service
- NCCP Locker (Certification and Tracking)
- Coach Education Program and Materials Development (Learn to Row, RCA Coach and Performance Coach)
- Coach Training and Evaluation (Performance Coach)
- Targeted Coach Development (Women in Coaching Program)
- Coach Education Support Line

National Communications (\$181K)

- Monthly eNewsletter and ongoing social media feed(s)
- Live Social Media and daily e-updates for National Events, National Team and NextGen Teams
- Website and Online Resources
- RCA online shop w/ provision of branded merchandise
- Alumni Relations
- Production of Annual Report

Governance (\$16K)

- Semi-AGM venue and support
- AGM online voting system and support
- PAC Meetings Board Meetings

National Operations (\$347K)

- Bricks and Mortar National Office
- Finance, HR and IT Operations
- General Administration
- Funding and Grant Submission
- Audit and Financial Statements

COVID 19 EMERGENCY RELIEF \$648K

- Domestic Budget Restore
- Membership Emergency Relief
- Community "Survive and Thrive" Programs

National Sport Development and Operations Investment 2020/21

\$1.25M

Communications and Marketing \$181K

Membership Services \$174K

Governance/National Operations \$363K

Domestic Development \$355K

Safe Sport (Above Reference) \$176K