

**To:** Finance Committee

**From:** Sub-committee on Club and WOG fees

**Date:** March 26, 2013

**Sub-Committee Members:** Ralph Davis, Betsy Durant, Harry Greenfield and Laszlo Eger

- 1. Recommendation:** The Sub-Committee recommends, unanimously, the imposition of an annual registration fee of \$25 on each Club and Workout Group registering with USMS, starting in 2014.
- 2. Charge:** The Sub-Committee on Club and WOG fees was charged with finding an equitable fee structure for Clubs and WOGs that would help cover the costs of USMS spending in providing services to Clubs and WOGs.
- 3. Comment:** The unanimous recommendation should not be construed as an enthusiastic support by the members of the sub-committee for the imposition of an additional fee on our members. Rather, it reflects a reluctant but necessary compromise for a more equitable approach on this divisive issue. It should also be noted that 3 members of the Sub-Committee come from Clubs with WOGs.
- 4. Rationale:** USMS is providing increasing levels of services (Bill Brenner's efforts, et al.) across the board to all, Clubs and WOGs, and a level fee is the most equitable way of contributing towards funding these efforts – realizing that the costs of these services is far greater than the income these fees will provide. The imposition of a small fee on WOGs, while slightly reducing the current Club fee, should be palatable to the majority of our membership.
- 5. Financial Impact:** USMS should receive \$30,000 to \$37,500 in fees versus the current \$24,000.

There are about 800 Clubs and 700 WOGs. Assuming all Clubs register, USMS will receive \$20,000 from Clubs (vs. the current \$24,000). The receipts from the WOGs will depend on how many will register. Assuming that, at least, 400 will do so, USMS will receive, at least, an additional \$10,000, and could receive as much as \$17,500 from WOGs.

## 6. Background Information:

Based on USMS registration information as of March 6, 2013, details attached, there are

- i. 52 LMSC's
  - 34 LMSC's have WOG, 18 do not
  - LMSC's with 48% of registrations do not have WOG
  - 3 largest LMSC's, 31% of USMS registrations, do not have WOGs
- ii. 783 Clubs
  - 37 clubs (5% of total) have WOGs
  - \$23,490 in fees to USMS
- iii. 697 Workout Groups
  - 27% of registered swimmers are in WOGs
  - 21% of WOG members are in 18 WOGs with >100 members
  - the other 679 WOG have an average of 14 members each

There are dozens of Clubs and WOGs with less than 10 members.

## 7. Alternatives considered:

- a. Increase Club fee to \$40, no fee on WOGs. - **\$32,000** to USMS.
- b. \$40 for Clubs, \$10 to \$40 for WOGs - **\$36,000 to \$50,000** for USMS. (400 to 700 WOGS register).
- c. Equal fee for Clubs and WOGs - \$20 to \$30 each. Net to USMS - **\$24,000** (800 Clubs and 400 WOGs at \$20 each) to **\$45,000** (800 Clubs and 700 WOGs).
- d. No fees for either, one-time increase in membership dues of \$.50-\$1.00 - **\$30,000 to \$60,000** to USMS.