

# Increase in Club Fees

## Summary.

We unfortunately need to increase subscriptions for the first time in 6 years.

- Subscription income has decreased 31% (\$153K to \$106K) in the last 4 years due to dwindling membership.
- In Covid we have saved on premises rentals for non-Moorabbin SIGs, but we have lost more from secondary incomes like raffles, and have the extra cost of Zoom licenses.
- FY21 deficit will be \$24K versus \$6K previous year.
- All other expenses have increased: Owners' Corp fees (by \$6K to \$22K), insurances, printer rental, office help, etc.

## Details.

The Melbourne PC User Group is a club of 1,400 members with various SIGs meeting across Melbourne and at the Moorabbin premises.

Members' subscriptions are our main source of income and cover not just SIGs' hall rental and insurance, but also the day to day running costs of administering the club and Moorabbin premises.

Many of our members do not attend SIGs, instead they maintain membership for the iHelp service only, or for the monthly meeting, PC Update newsletter or email address that they have used since first joining the club.

When the Covid lockdowns started, we naturally had a reduction in rental for the external SIGs, but the insurance costs remained the same at \$5,400. We then bought 10 Zoom licences costing \$1,500 and spread these around the SIGs so that they could still meet each month. The SIGs continue to meet, and some run a hybrid meeting (face-to-face plus Zoom).

*The current membership dues have been the same for the last six years.*

Income from subscriptions, due to falling membership, has fallen from \$153k in FY17 to \$106k in FY21.

Moorabbin Outgoings haven't changed with Covid. Eg: insurance, owners corporation, office charges to name a few.

The Moorabbin costs have been steadily increasing each year and this is putting the budget back into deficit for the foreseeable future.

As an example, Owners' Corp fees for FY22 have increased by \$6,000 to \$22,000.

Compared to other clubs and associations, our fees are relatively low for the resources and facilities that we share amongst our members, and for the opportunities for gaining knowledge and helping other members.

The deficit for the Financial Year 30/6/21 will be (\$24k) versus (\$6k) previous year.

No Club or Business can continue running deficits without acting to either reduce costs or increase fees. Some of our costs cannot be reduced in the short term due to contracts made by previous committees. These contracts were appropriate at the time, but circumstances change, and we must wait for those contracts to expire.

Given that the fees have not increased for 6 years, the committee therefore proposes increasing fees with the intent to get to a break-even point in the next two-three years. Expenses are being tightly managed and reduced where possible.

*The committee encourages you to vote for this increase.*

We feel that this is in line with responsible management of the members (your) interests, and gives the Committee the ability to position the Club as an attractive proposition for future members.