

Orienteering Victoria 2015 Budget financial principles

The purpose of this paper is to clarify, provide more information and establish some principles arising out of the changes agreed at October 2014 Council Meeting .

General principles in the collection and expenditure of Orienteering Victoria funds.

I propose these be to:

- Recognise the importance of shared responsibility of income and expenditure across all disciplines of orienteering.
- Simplify levies to assist the volunteer office bearers in clubs
- Aim to balance the budget of OV each year. The reserve gives a buffer to absorb some losses.
- Attempt to reduce the reserves held by the Association to agreed levels by directing funds to specific projects such as the legacy fund to support overseas team members and junior team members.
- Continue to establish all levies and membership rates each year at the October Council meeting.
- Maintain the levy income and not consider any variation such as discounting. Clubs and Subcommittees set entry fees.

Orienteering Victoria reserves

Over the past years the reserves of OV have built up to \$200,000 mainly due to surpluses made at major orienteering carnivals held in Victoria.

Income for Orienteering Victoria general activities

There are three areas of OV income and expenditure – grants, school and corporate sessions and funds raised via memberships, levies and club affiliations. Grant money is expended on the grant projects with a small percentage allowed for administration of the grant. School and corporate sessions are user pays sessions charging a fee to cover the cost of running the sessions including staffing. This paper will concentrate on the general activities of Orienteering Victoria.

Changes to membership, club affiliation and levies agreed at October 2014 Council meeting

The new rates arose out of a membership group set up in 2013 to:

- increase OV member numbers by making membership more attractive (lower fees, more transparent event participation discounts for membership)
- simplify the membership structure: So membership of a club = membership of OV. It is very common in other states for all participating members to be members of both their club and their state association.

The new rates are:

Memberships	All participating club members
<i>Membership types</i>	Senior/Junior (no family)
<i>Australian Orienteer</i>	\$30 optional extra
<i>Senior member fee</i>	\$25
<i>Junior member fee</i>	\$1

Club affil fee	\$100 each club
Event levies: <i>champs/State Series</i>	70c increase for long champs; \$1.20 inc on Badge/NOL; 40c increase on other champs/SS
<i>Event levies: club/PAS</i>	\$3.20 (ie 55c increase) (now \$2.80 flat rate)

That is, club affiliation and membership rates were substantially reduced. To maintain income for Orienteering Victoria, **the levy rate was increased.**

At the same Council meeting it was agreed that levies on event entries would be worked out on a **flat rate**: \$2.80 per entrant in local events and park/street events, \$6.90 per entrant in state series events.

(see attachment 1 for calculation of flat rate by averaging levies)

	2014	2015
Memberships including magazine	21,070	
Magazine alone (from 2015)		
Club affiliation	6,618	
Levies	52,400	

Total income \$80,088 in 2014

In 2015 the Australian Championships Carnival will contribute about \$9,000 in extra levies.

Expenditure on general OV activities

This income is expended on:

- activities to foster all branches of orienteering – fixtures & promotion (\$5,690 in 2014), prizes (1,839), control cards & general equipment (6628), magazines& yearbook (13,194)
- contributions to the schools team and to overseas teams (7,551)
- meeting the financial obligations of the state association – both to the national association and the government (29,305 to OA, 3,741 insurance, 2,643 bank & audit)
- an office for OV including part-time staffing (\$44,542)

Total expenditure \$114,863

(see attachment 2 for pie charts showing total income and expenditure for 2014)

Attachment 1

Setting Orienteering Victoria levies for 2015 – simplification by averaging

Our existing problem

The present system of levy calculation and payment involves working out the numbers to put in each of the boxes on the form – seniors, juniors, life members, families (and then working out the number of non-members for state series). It is complicated for club organisers and treasurers to make the numbers balance with the income. Once the entry numbers become large such as for championship or carnival events it becomes even more difficult.

Proposal 1: that a single rate is paid per person on the results list

The average levies paid per person on **local events** including Bendigo, MelBushO in 2014 ranged from \$2.30 to \$2.43 Bendigo had 32% of junior participants, MelBushO had 14% (although there were many family groups paying a single senior levy)

The lowest average of \$2.30 is 87% of \$2.65

Suggested new levy rate for 2015 is \$3.20. If take 87% of this is \$2.80

Proposal 2: That a single levy rate of \$2.80 per person is charged for all participants in local club events

2014 average for foot **state series** is \$6.30 including members and non-members. 10% of these are juniors and 3% are families.

\$6.30 is 95% of the senior member rate of \$6.60

Suggested new levy rate for 2015 is \$7.30. 95% of this is \$6.90

Proposal 3: That a single levy rate of \$6.90 is charged per person for all state series events. However, the non-member rate is still \$10 more, ie \$16.90, offering an incentive to become a member of Orienteering Victoria.

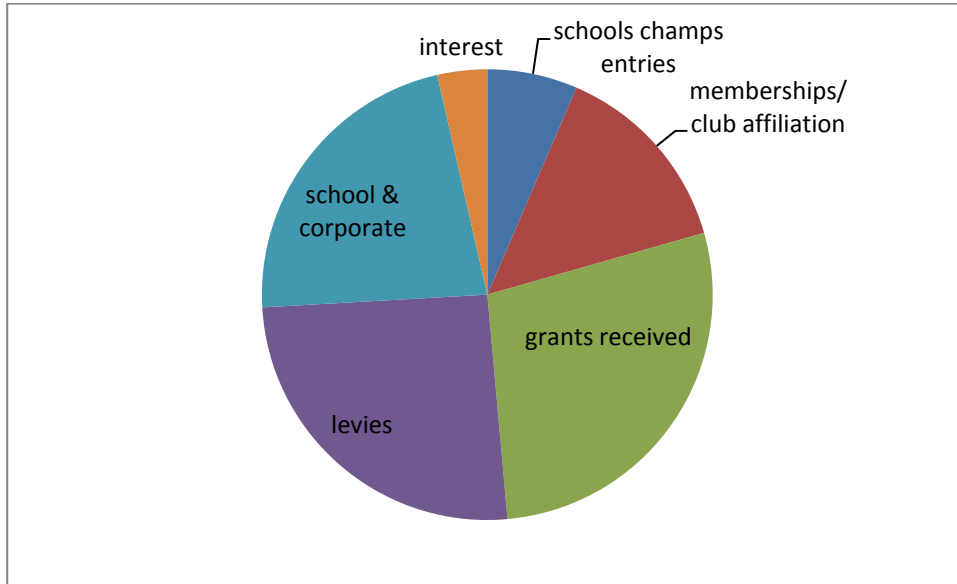
Advantages of the single levy rate

1. The club treasurer can easily work out the levies to be paid by just looking at the results (which are readily available on Eventor etc.)
2. Levy forms will be simpler – there is no need for the breakdown in types of entry on the present forms
3. There is no need to try to work out numbers in a family for levies.

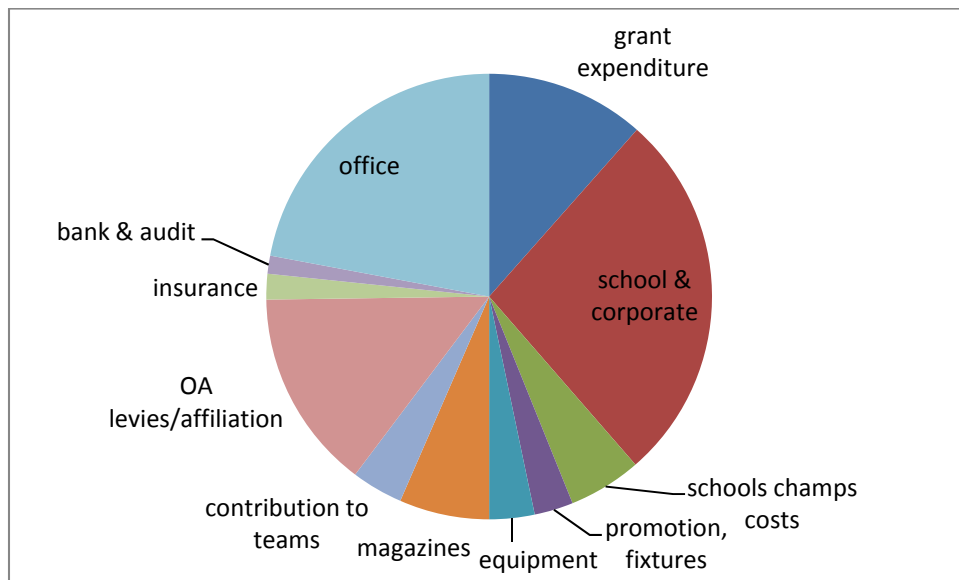
Ruth Goddard, Treasurer Orienteering Victoria
October 11, 2014

Attachment 2

All income and expenditure for Orienteering Victoria (January to December 2014)



All Orienteering Victoria income in 2014



All Orienteering Victoria expenditure in 2014