



Frequently Asked Questions About a Recommended Dues Increase

April 2010

Q: How much of a dues increase is being recommended?

A: Appreciating that business has not rebounded to earlier years' levels, the recommended increase has been divided and spread over three years, with the first increase not due until 2011. The increases are: \$10 in January 2011; \$15 in January 2012; and \$15 in January 2013.

Q: When was the last time dues were increased?

A: National dues have been increased only twice in the last 15 years. In 1994 they went from \$65 to \$71, and in 2003 from \$71 to \$86. A dues increase was needed again in 2008, however it was not approved, so the Council made deep, across the board cuts and has been supplementing from savings, which is not a sustainable practice.

Q: This increase comes at a time when many market areas are down, and money is tight for many members. Why not wait until things pick up again?

A: We have waited, cut expenses drastically (to the extent that it is infringing on member value) and ultimately subsidized operations by taking money from our reserves. However, just as in our own businesses, we can only take money from savings for so long to make ends meet, so it is with the Council. The funds that will be generated by a dues increase have been needed for some time, and discussed with many leaders at the Annual Conference last November. This \$10 increase will not go into effect until January 1, 2011, which gives ample time for the business climate to improve further. Based on conversations with members and leaders during the past 18 months, three modest increases spread over time will be the best and most affordable way with the least impact on our members and will ensure that our Women's Council will continue to be viable and forward moving.

Q: Still, this makes an already tough job for local chapters even tougher. How can we recruit effectively when membership is so expensive?

A: While a Women's Council member might not see national as vital to her local chapter experience, the fact is that the training and conferences provided by national are what keep local chapter leaders trained, motivated and supported. Too, most people are willing to pay for what they value, and Women's Council members are no exception. As long as local chapters put on good programs, providing relevant education, structured networking and business and leadership development opportunities, members will join and renew. National needs resources to accomplish these things. In terms of value received for dollars spent, it should be noted that Women's Council national dues are one of the lowest among NAR's Institutes, Societies and Councils, even after the increase.

Q: What has been done to contain costs?

A: Over the last two years, staff & leadership have worked together to make significant budget cuts.

1. Staff was reduced, a two year salary freeze was imposed, and a reduction in office space lowered the rental expense.
2. Reductions in programming
 - No training for National Committee members

- No updates for PMN Courses (we opted to work with NAR to include NAR Certification classes)
- 3. Elimination of print materials
 - Connection Magazine* was replaced by the electronic newsletter *e-Connect*
 - the print *Referral Roster* was eliminated in favor of the online Membership Directory/Profile
- 4. Registration fees for events such as Leadership Academy (once partially funded by National) were raised to cover delivery costs.
- 5. Food functions at National Meetings were eliminated such as breakfasts & hot food at the Networking Reception.

Q: What will a dues increase allow us to do that we cannot do now?

A: First and foremost, we will be able to maintain the vital services that the national Women’s Council provides in support of nearly 300 local chapters, which includes membership billing and collection services, processing new member applications and providing tools and training for local chapter leaders. We will replenish the reserves we have been spending and expand leadership training and social media outreach, as well as develop new programs and services that meet the evolving needs of our members.

Q: What are the principal revenue and expense areas of our operating budget?

A:

2010 Operating Budget		
Program Area	Revenue	Expenses
<u>Member Services</u> Chapter Support (data entry, accounting services, telephone/e-mail assistance, etc.), Leadership Academy, <i>News You Can Use</i> & Officer Mailings, New Member Processing, Awards, <i>Leadership Policy & Procedure Manual</i> , Officer Travel, Renewal Processing, New Member Mailings, Royalties, Recruiting Campaigns, Membership Applications, Postage, Stationery, Supplies, Etc.	\$1,042,743	\$790,697
<u>Member Education & Business Development</u> PMN Course delivery, Instructor Fees & Expenses, Manuals, Candidate Application Processing, Brochures, Sponsor Marketing Kits, PMN Advertising, Auditions, Graduate Seminars, Pins, Plaques, Photography, Ribbons, Etc.	\$127,225	\$127,928
<u>Website, Membership Database & Social Media</u> <i>e-Connect Newsletter</i> , wcr.org services and information, Chapter Management Center for chapter leaders, and social media like Facebook and Twitter.	\$11,980	\$163,271
<u>National Meetings</u> Midyear Meeting, National Conference & Expo, Knowledge Summit	\$403,680	\$553,670
Subtotals	\$1,585,628	\$1,635,566
Governing Board approved infusion from Reserves to Balance the 2010 operating budget	\$49,938	