

Membership Dues Increase (2024)

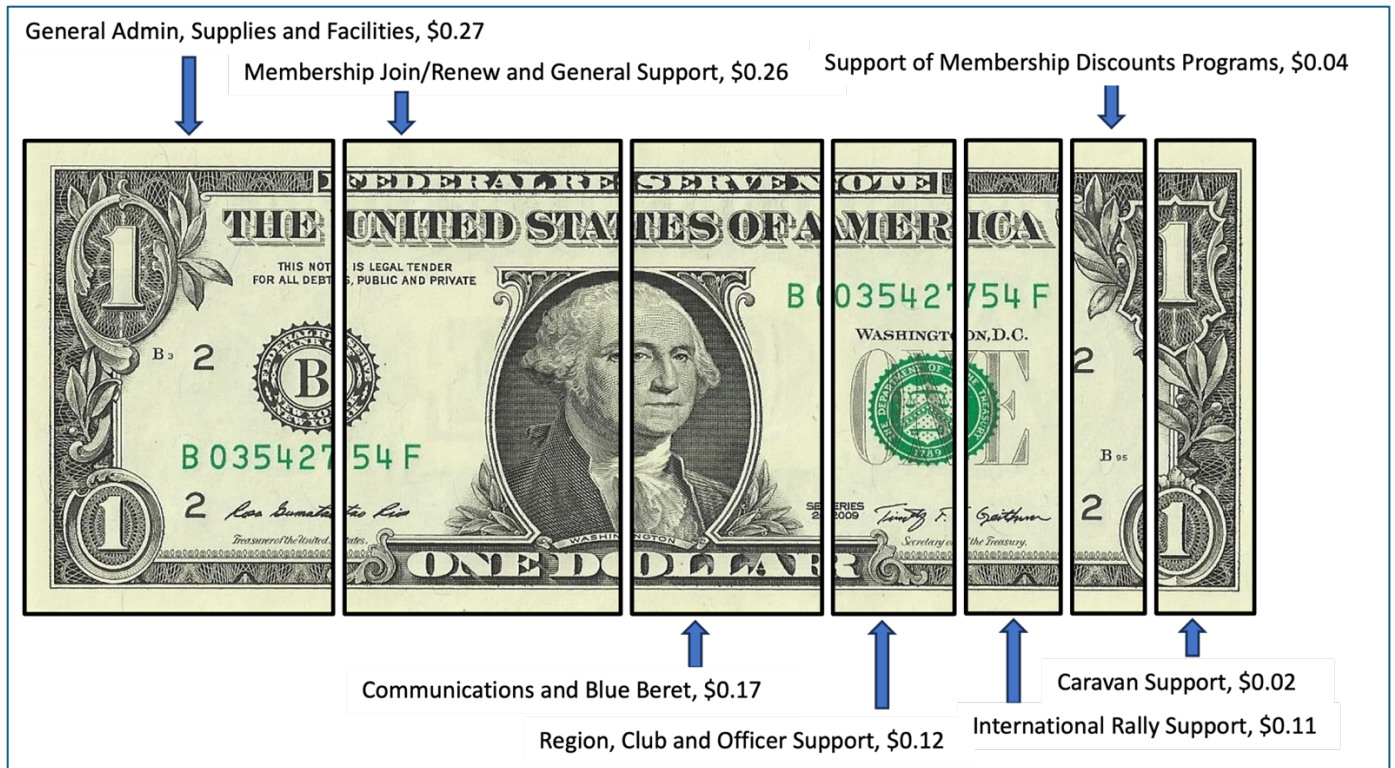
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Message to Members (8/27/2024)

In response to rising costs, our International Board of Trustees has voted to increase the annual International dues from \$75 to \$99. This decision comes after careful consideration of the financial pressures we face. Despite previous increases in 1994, 2005, 2010, and 2021, these adjustments have not been sufficient to keep up with inflation. We are not alone in facing dues or price increases; we all encounter them in various aspects of our lives. From groceries to utilities and entertainment, prices have steadily risen due to inflation and other economic factors pre and post the COVID pandemic. Understanding this broader context can help us appreciate the necessity of these adjustments.

How are my membership dues used?



Your annual dues cover a wide range of essential items and services that are crucial for the smooth functioning of our Club. These include banking fees, software, labor costs, printing, and postage. Additionally, the dues fund the production and distribution of the Blue Beret magazine, new member packets, and provide support for membership and local clubs. By ensuring our dues are aligned with current costs, we can continue providing the quality services and support our Club members rely on. We understand that any increase can be challenging, but this change is necessary to meet our financial needs and sustain our Club's growth and development.

On behalf of your International Board of Trustees,

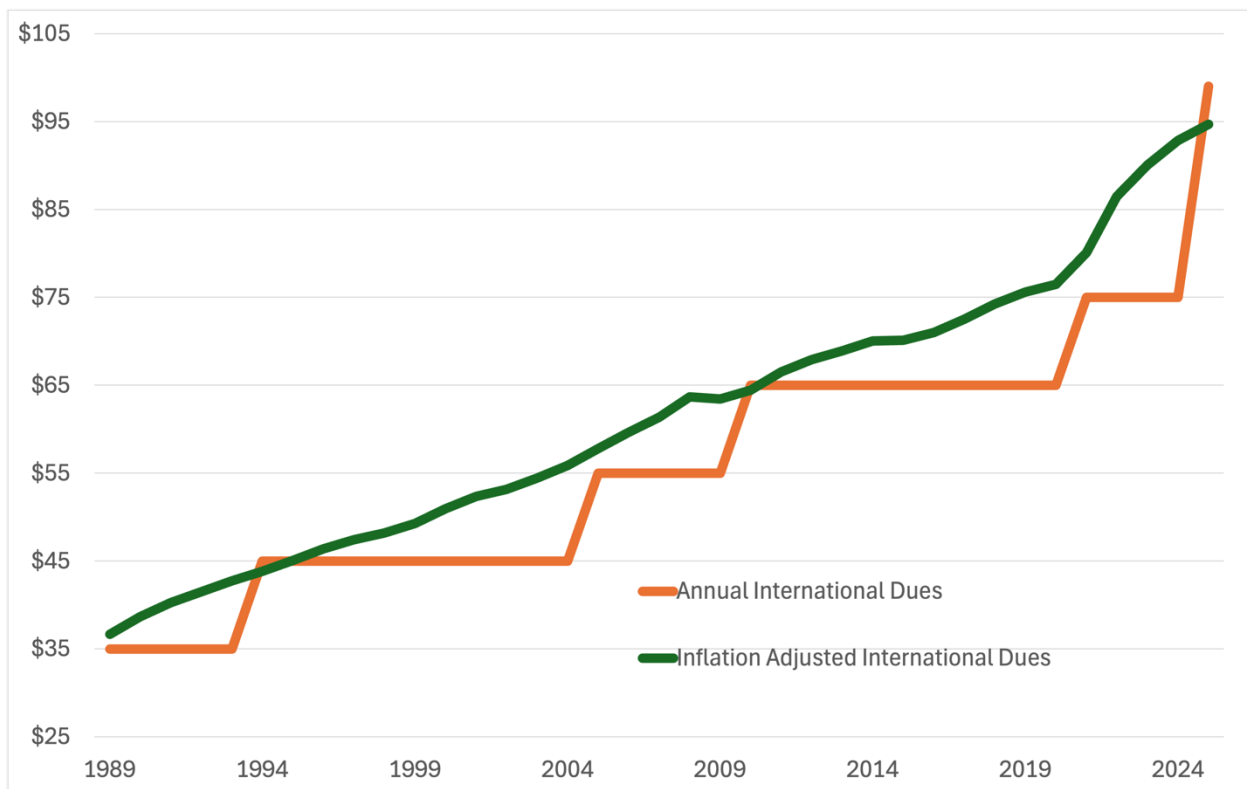
Eric McHenry
 International President
 BRN# 153
emchenry@airstreamclub.org

Dues vs, Inflation

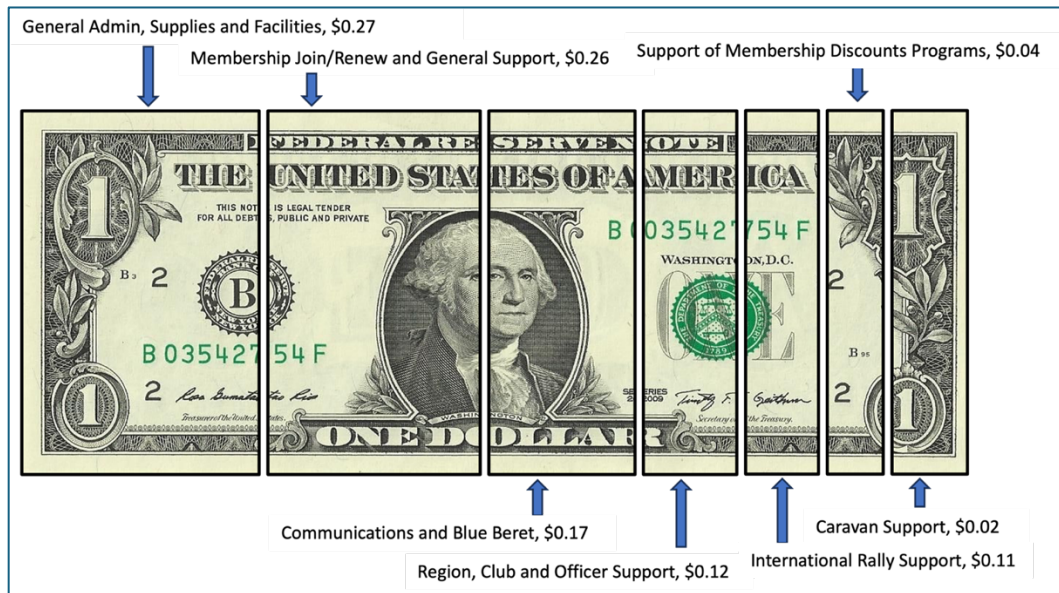
The chart below shows our **ACTUAL** Annual International Membership dues (red), compared to dues adjusted for inflation (green). This graph points out:

- Our dues increase in 1994 and 2009 were sufficient to keep track with inflation.
- Our dues increase in 2005 was insufficient to cover the impact of inflation that existed between 1994 and 2005.
- Our dues increase in 2021 also was insufficient to cover the impact of inflation that existed between 2009 and 2021.
- The impact of the COVID pandemic and subsequent recovery had an unexpected impact on inflation, seen starting in 2020 through today (albeit slowing down in late 2024).

Essentially, we have NOT responded to inflation-influenced cost increases since 2009, putting our club in the deficit for at least 15 years. Due to this, we find ourselves needing to recover from the deficits over the last 10-15 years.



How are my membership dues used - category examples



Notes:

- “FTE” = Full Time Equivalent. This refers to the number of HQ staff members (on average across a year) working in a particular area.
- “Unrecovered Labor” the residual HQ staff time not directly assigned to Caravan Support, International Labor, etc. These numbers are evaluated yearly and subject to change.

See below for the approximate expenses associated with these general areas:

General Admin, Supplies and Facilities (27%)

| General Admin, Supplies and Facilities | Labor (FTE) | | \$ 304,722 | 27% |
|---|-------------|----|------------|-----|
| Staff Labor (Admin) | 0.45 | \$ | 31,050 | |
| Insurance premiums | | \$ | 26,500 | |
| Taxes | | \$ | 4,500 | |
| Banking Fees | | \$ | 46,500 | |
| Accounting fees | | \$ | 6,500 | |
| Legal Expenses | | \$ | 4,500 | |
| HQ travel | | \$ | 5,000 | |
| General Productivity Software | | \$ | 50,000 | |
| Office Supplies + Maintenance, Utilities, etc | | \$ | 67,615 | |
| Mortgage | | \$ | 49,857 | |
| Equipment Rental | | \$ | 12,700 | |

Membership Join, Renew and General Support (26%)

| Membership Join, Renew and General Support | Labor (FTE) | | \$ 236,200 | 22% |
|--|-------------|----|------------|-----|
| Staff Labor (phone, email) | 2 | \$ | 138,000 | |
| Store/Retail | 0.15 | \$ | 10,350 | |
| Postage | | \$ | 10,200 | |
| Appreciation awards, Renewals, Life Member support | | \$ | 7,450 | |
| New member packets | | \$ | 60,000 | |
| Postage | | \$ | 10,200 | |

Communications and Blue Beret (17%)

| Communications and Blue Beret | Labor (FTE) | | \$ 198,500 | 17% |
|---------------------------------|-------------|----|------------|-----|
| Staff Labor | 1.25 | \$ | 86,250 | |
| Blue Beret printing and mailing | | \$ | 112,250 | |

International Rally Support (11%)

| International Rally Support | Labor (FTE) | | \$ 120,750 | 11% |
|-----------------------------|-------------|----|------------|-----|
| Un-recovered labor | 1.75 | \$ | 120,750 | |

Partnerships, Discounts and Benefits Administration (4%)

| Partnerships, Discounts and Benefits Administration | Labor (FTE) | | \$ 48,280 | 4% |
|---|-------------|----|-----------|----|
| Staff Labor | 0.5 | \$ | 34,500 | |
| Outside advertising | | \$ | 2,280 | |
| Brochures and Recruiting material | | \$ | 11,500 | |

Caravan Support (2%)

| Caravan Support | Labor (FTE) | | \$ 27,600 | 2% |
|--------------------|-------------|----|-----------|----|
| Un-recovered labor | 0.4 | \$ | 27,600 | |