



All ATHRA Club Executives

20<sup>th</sup> July, 2015.

Re: ATHRA Fee Structure for 2016

ATHRA reluctantly advises of an increase of \$20 in the cost of Adult membership commencing on the 1<sup>st</sup> October 2015. This brings the Adult membership fee to \$100 for new and re-joining Adult members for the 2016 operating year.

An increase of \$10-00 will also apply to "Potential Members" (Day Visitors), bringing the new daily fee to \$30, also affective as of the 1<sup>st</sup> October 2015.

The good news is that Junior and Social Member fees for 2016 remain unchanged at \$40 and \$30 respectively. We have also introduced 2 new membership categories, Junior under 5 years and Senior 80 years and over. It was considered that as neither of these memberships is covered by the Personal Accident policy that the fees should be discounted accordingly.

**The 2016 scale for memberships and club affiliation fees is as follows:**

**MEMBERSHIPS**

Adult	\$100
Junior 5 to 17 years	\$40
Social	\$30
Junior under 5 years	\$20
Senior 80 years & over	\$60
Prospective Member (Day Membership)	\$30

**CLUB AFFILIATIONS**

New club affiliation	\$100
Club renewing before January 1 <sup>st</sup> 2016	\$50
Club renewing after January 31 <sup>st</sup> 2016	\$75
Club renewing after February 29 <sup>th</sup> 2016	\$100



ATHRA is mindful that this is the second time in two years Adult membership fees have increased so it is appropriate to provide some rationale for these decisions.

The organisation has experienced significant increases in insurance premiums in the last 2 years, due to the extremely high costs of claims in 2013. These claims exceeded \$150,000 in that year alone and higher insurance premiums are a reflection of those claims. These costs represent a 190% loss to the insurer on the Personal Accident policy alone.

To put costs into perspective, ATHRA's annual insurance premiums prior to 2013 had never exceeded \$100,000. The 2014 premium increased to well in excess of \$100,000 and after much negotiating and a change of underwriters, the 2015 premium was reduced to a more palatable amount, but still well in excess of \$100,000. I might point out that this cost is inclusive of the new 24/7 Personal Public Liability cover, so ATHRA negotiators did very well in this respect. We do not anticipate that premiums will be reduced at any time in the near future.

Revenue from the 2015 fee increase for Adult members only covered the increase in the cost of current insurance premiums, and does not recover ATHRA's contingency funds used to purchase the policies for the 2014 operating year.

ATHRA's current financial position is not sustainable in the event of a similar operating cost spike as experienced in 2013. In order for ATHRA to be in a stable and sustainable financial position it requires a "contingency fund" which is set aside for such occurrences. It is estimated that it will take the organisation years to recover the contingency fund based on this current fee increase.

At the 2015 ATHRA AGM, the membership cost issue was extensively debated and many options reviewed. Even though the discussions proved quite emotive, the meeting unanimously agreed that this increase would be the best option and did not envisage further increases being required in the immediate future.

Despite being compelled to increase fees, ATHRA's membership costs remain the lowest of all comparable organisations. ATHRA still provides, what is considered by many, to be the best value for money insurance coverage available for members. The cover includes \$20 million Public Liability, Personal Accident, 24/7 Personal Public Liability, and Professional Indemnity & Liability for all ATHRA officials and members.

We remain committed to provide the most cost effective services and insurance cover for our clubs and members.

Regards,

*Alan Salter*

Director - General Manager

[www.athra.com.au](http://www.athra.com.au)