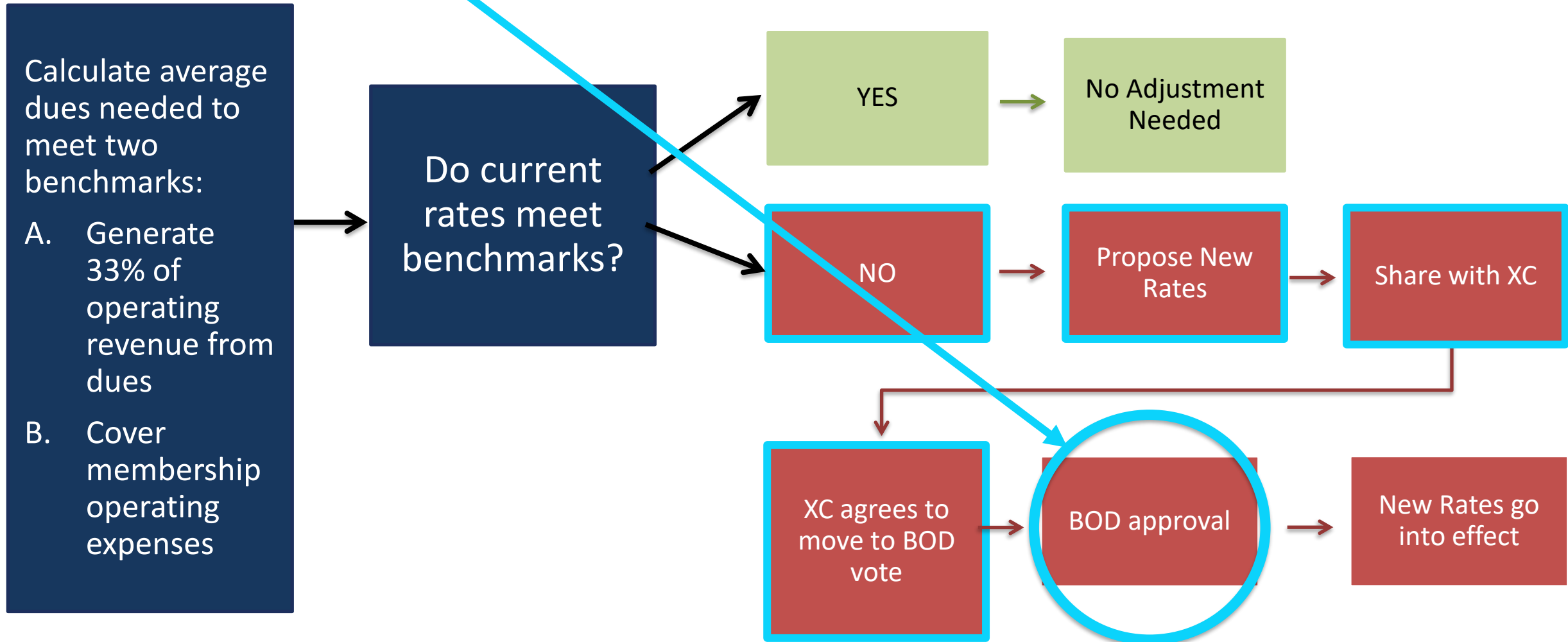


# 2024 Annual Dues Review

# Compelling Outcomes of Dues Adjustments

1. Better serve and manage our members at Post and Nat'l levels.
2. Improve SAME's financial stability by:
  - aligning dues with the value we provide,
  - substantially covering the cost to serve our members,
  - better balance overall organizational revenue streams, and
  - adjusting rates in accordance with inflation and other external economic factors.
3. Provide a more responsive and relevant approach to member management and financial adjustments over time.
4. Future Budgets would reflect more financial stability, less risk, and could fund other initiatives for member benefits, or Foundation support.

# We are Here in BOD approved process of July '21

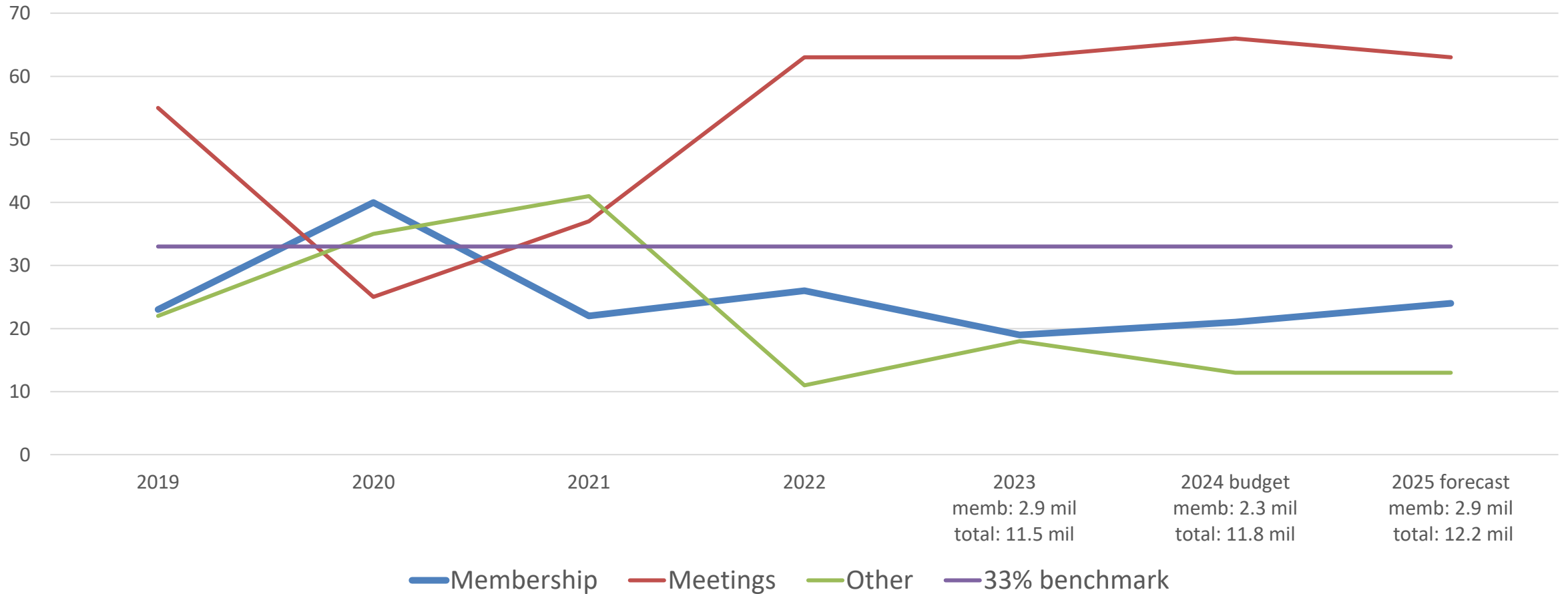


# For Discussion + Decision

## Propose a dues adjustment that:

- Would bring 2025 overall revenue from membership from 22% to 24%
  - 33% is the Assn. industry goal standard
- Enables us to cover the cost to serve each member
- Increases individual rates from \$10 - \$25 per person
- Adjusts rates to cover compounded inflation rate of 19.6% since last dues rate calculation
- Maintains individual rates that are lower than those of our competitive set.

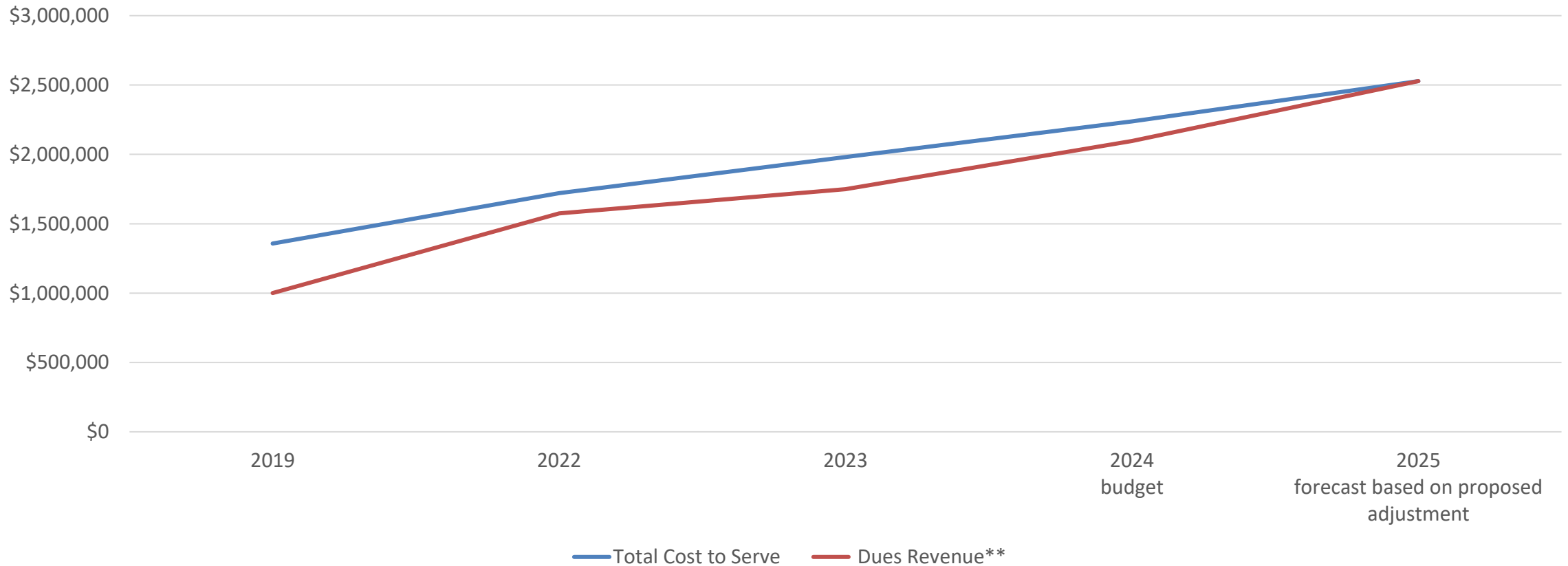
# Trends in overall revenue



2023 memb: 2.9 mil total: 11.5 mil  
 2024 budget memb: 2.3 mil total: 11.8 mil  
 2025 forecast memb: 2.9 mil total: 12.2 mil

*\*includes post dues revenue*

# Trends in Membership Expenses & Revenue



*\*\*does NOT include post dues revenue*

# Competitive Set Individual Dues Comparison

2023	Student	YP	Govt / Military	Private	Consultant	Corporate Member	Academic Nonprofit	Retired
<b>SAME</b>	\$0	\$40/75	\$55	\$125	N/A	\$95	\$55	\$55
<b>AVERAGE DUES OTHER ORGS*</b>	\$33	\$97	\$157	\$438	\$251	\$252	\$232	\$63

*\*Compiled from 36 Govt./military focused professional organizations. Average is calculated based on the organizations that have the same categories.*

Adjutant General's Corps Regimental Assn.  
 AFCEA  
 Air Force Assn.  
 American Public Health Assn.  
 American Society of Naval Engineers  
 Army Engineer Assn.  
 Assn. for Govt. Leasing and Finance  
 Assn. of Govt. Accountants  
 Assn. of Quartermasters  
 Assn. of the United States Army  
 Assn. of the US Navy

Ceiling & Interior Systems Construction Assn.  
 CMAA  
 Construction Owners Assn. of America  
 DBIA  
 IFMA  
 InterNat'l Assn. of Govt. Officials  
 InterNat'l Code Council  
 Logistic Officer Assn.  
 Marine Corps Engineer Assn.  
 Military Officers of America Assn.  
 Nat'l 8(a) Association  
 Nat'l Assn. of Govt. Communicators  
 Nat'l Assn. of Govt. Contractors

Nat'l Assn. of Govt. Web Profs.  
 Nat'l Assn. of Women in Construction  
 PMI  
 Red Horse & Prime Beef Assn.  
 Reserve Officers Assn.  
 SMPS  
 Society of American Archivists  
 Society of Federal Health Professionals  
 United States Army Ordnance Corps Assn.  
 US Army Warrant Officers Assn.  
 US Cavalry Assn.

# Next Steps

1. Conduct vote and gain BOD approval.
2. Implement adjustments beginning with July 1 renewals.
3. Build 2025 budget based on new rates.
4. Conduct dues review annually following the same process.



# BACKUP

## Specifics of Dues Adjustment Proposals

# Individual Member Dues Adjustment Proposal

The following dues rates are recommended to get closer to membership revenue generation {benchmark A (\$147)} and better cover the costs to serve members {benchmark B (\$95)}

Member Type	Proposed Rate	Current Rate
Private Industry		
Private Industry Regular	\$150	\$125
Private Industry Corporate	\$120	\$95
Private Industry Young Professional	\$100	\$75
Private Industry Corporate YP	\$85	\$60
Government (Uniformed or Civilian)		
Govt. Regular	\$75	\$55
Govt. Young Professional	\$50	\$40
E-6 & below 2-year membership*	\$50	
Academia or Non-Profit		
Academia or Non-Profit Young Prof.	\$50	\$40
Retired	\$75	\$55

*\*Trial new member type for NEW individuals E-6 & below*

**Recommend: Adjust the individual dues rates.**

# Corporate Member Dues Adjustment Proposal

6 Individual memberships are included in most corporate memberships;  
3 are included for companies with 10 or fewer employees.

*The following dues adjustments are recommended to meet revenue targets and cover the costs to serve members.*

PRIVATE COMPANY DUES		
Employees (# members)	PROPOSED	Current
<b>1-10</b> (350 companies)	\$400	\$325
<b>11-50</b> (450 companies)	\$800	\$650
<b>51-100</b> (175 companies)	\$1,000	\$800
<b>101-500</b> (200 companies)	\$1,150	\$950
<b>501-1,000</b> (50 companies)	\$1,300	\$1,200
<b>1,001-5,000</b> (75 companies)	\$1,450	\$1,450
<b>5,001 +</b> (30 companies)	\$1,700	\$1,700

**Recommend: Adjust the Corporate Membership dues rates so that rate covers cost to serve each included membership.**

# Agency/Organization Dues Proposal for Decision

Organization dues includes 3 individual memberships.

*The following dues adjustments are recommended to cover the costs to serve members.*

PROPOSED DUES			Current Dues	
Type (# members)	Nat'l	Per Post	Nat'l	Per Post
Govt. Agency (30)	\$400/3 years	\$80	\$325/3 years	\$80
Academic Inst. (9)	\$400/year	\$80	\$325/year	\$80
Non-Profit Org. (10)	\$400/year	\$80	\$325/year	\$80

**Recommend: Update the Public Agency and Organization dues changes so that rate covers cost to serve each included membership.**

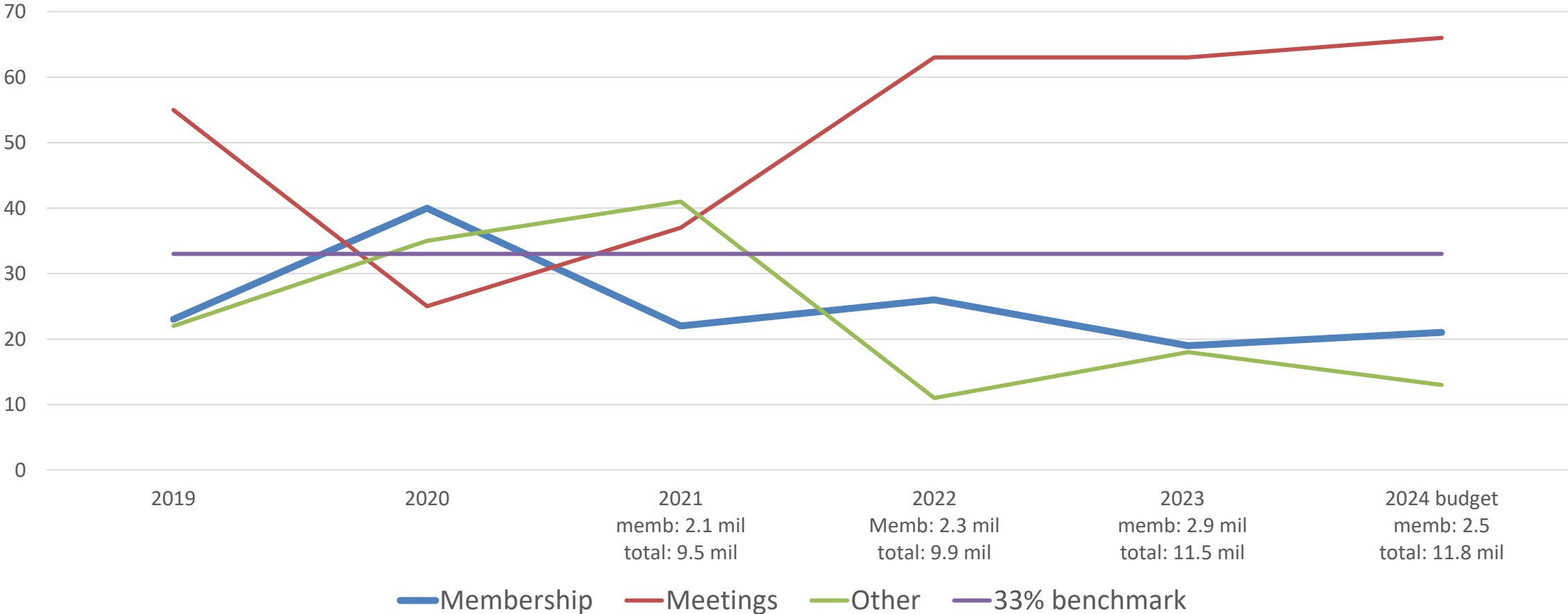
## Impact of Dues Adjustment for Full Fiscal Year 2025

Member Type	2025 potential total	2024 budget	Additional Revenue
Individual Members	1,245,975	986,335	259,640
Corporate Members	1,311,250	1,110,750	200,500
Organization Members	18,000	14,625	3,375
<b>TOTAL</b>	<b>\$2,575,225</b>	<b>\$2,111,710</b>	<b>\$463,515</b>

If a dues adjustment is approved and new rates go into effect July 1, 2024, SAME has the potential to generate an additional \$130,000 in revenue this fiscal year. While the 2024 budget is balanced and does not depend upon this additional revenue, this unbudgeted revenue increases our financial stability, reduces risk, and decreases reliance on event performance. (Note that the 2024 budget was balanced mostly by increasing event-related fees by a total of about \$400,000.)

# Reference

# Historic % of overall revenue



# Where We Were

**In July 2021, the BOD agreed that:**

- Membership dues reviews would be performed annually.
- The end of the fiscal year budget (i.e. year-end financial close) will be used to calculate dues benchmarks.
- Two benchmarks would be used to evaluate whether dues adjustments are necessary. Using two benchmarks allows us the option to offer a limited segment of membership more competitive rates.
  - A. Generate 33% of total operating revenue from membership dues.
  - B. Cover costs related to providing services to members.
- If benchmarks were not met, new dues rates would be proposed at the Spring Board of Direction Meeting.
- Approved rates will go into effect July 1.



# Compare Current Individual Member Rates to Benchmarks

Member Type	Current Dues	Meets Benchmark A (\$147)?	Meets Benchmark B (\$95)?
Industry Regular	\$125	N	Y
Industry Corporate	\$95	N	Y
Industry Young Professional	\$75	N	N
Industry YP Corporate	\$60	N	N
Uniformed / Govt.	\$55	N	N
Uniformed / Govt. YP	\$40	N	N
Academia / Non-Profit	\$55	N	N
Retired	\$55	N	N
Student	\$0	N	N

# Benchmark A Calculation - Generate 33% of SAME's total revenue from membership dues

- Determine SAME's average operating revenue in a typical year:
  - 2023: \$11,515,157
  - 2022: \$8,445,036
  - 2019: \$7,400,000
  - 2020 and 2021 were not typical years, do not include in calculation
  - **AVERAGE: \$9,120,064**
- Calculate target average revenue from membership using 33% standard: **\$3,040,021**
  - *Actual revenue from regular membership dues in 2023: \$2,289,595 (includes \$ for additional posts)*
  - *Actual average revenue per individual, using number of all individual members: \$99*
- Calculate rate needed per individual/year to generate 1/3 of operational revenue from membership dues (*divide target revenue by # of members*):
  - Using number of all individual members (23,016): \$132.08 | *2023 actual: \$99*
  - Using number of all professional members (no students) (21,493): \$141.44 | *2023 actual: \$106.53*
  - Using number of paying members (18,292): \$166.19 | *2023 actual: \$125*
  - **AVERAGE of ABOVE: \$146.57 | 2023 average: \$110.17**

# Benchmark B – Cover Membership Expenses

Cover the total costs related to providing services to members in a typical year (i.e. webinars, IGE, database, websites, PLW, personnel & overhead, travel subsidies, awards, etc.)

- Direct and indirect costs to serve members, use 2023 figures: **\$1,980,157**
  - *Actual revenue from regular membership dues in 2023: \$1,758,767 (not including \$ for add'l posts)*
  
- Calculate rate needed per individual/year to cover expenses:
  - Using number of all individual members (23,016): \$86.03 | 2023 actual: \$76
  - Using number of all professional members (no students) (21,493): \$92.13 | 2023 actual: \$82
  - Using number of paying members (18,392): \$107.66 | 2023 actual: \$95
  - AVERAGE of ABOVE: **\$95.27**