



American Planning Association – Ohio Chapter

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MEMORANDUM

Date: Friday, April 24, 2015
To: APA Ohio Chapter Board of Trustees
From: Rachel S. Ray, AICP
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Subject: **APA Ohio Chapter – Dues Increase Summary & Recommendation**

Summary

- The Mission of APA Ohio is to advance the art, science and profession of good planning - physical, economic and social - to create vibrant communities that offer better choices for where and how people work and live in order to maintain and improve the quality of life for all Ohioans. APA Ohio seeks to implement the mission through strategies to *Inform, Advocate, Promote, and Serve* the Ohio planning community.
- APA Ohio has increased its member services in recent years, principally through managing online event registrations and administering the highly successful webcast consortium; however, the Chapter's two primary sources of income (membership rates and conference profits) have remained flat.
- APA Ohio has adopted an imbalanced budget with expenses exceeding income over the previous three fiscal years (FY 2013, 2014, 2015).
- The APA Ohio Chapter Board began exploring the potential of increasing the APA Ohio Chapter's membership dues at the November 21, 2014 Board meeting as one factor in addressing the consistent budget imbalance.
- APA Ohio dues have not changed since 2006, when individual annual membership rates increased from \$35 to \$45.
- In recent years, APA National has explored standardizing Chapter membership dues. Currently, APA encourages Chapters to adopt a percentage-based dues rate (25%, 35%, or 45% of national dues); however, APA is considering requiring Chapters to standardize their dues within the next few years.
- Should APA Ohio adopt a percentage-based dues rate, the Chapter will need to determine an appropriate Chapter-only membership rate.
- Should APA Ohio determine it is necessary to amend the Chapter dues, the increase should be accompanied by a membership drive, evaluation of member services and benefits, and a communications strategy.
- Should APA Ohio elect to amend the Chapter dues, the amendment must be submitted to APA National by May 1st, 2015 to allow processing and implementation by October 1st, 2015.

Recommendation

The APA Ohio Chapter Treasurer recommends to the APA Ohio Chapter Board of Trustees that the Chapter dues increase from \$45 per year to 25% of APA National membership dues, and that Chapter-only single memberships be increased from \$45 to \$55. Board approval is requested via phone conference meeting on April 24, 2015, for implementation by October 1, 2015.

Background & Overview

APA Ohio has always made every effort to adopt a balanced annual budget, with expected income roughly equating to expected expenses. Over the past few years, the difference between income and expenses has become more pronounced. While the Chapter has increased services, principally through managing online event registrations and administering the highly successful webcast consortium, our two primary sources of income (membership rates and conference profits) have generally remained flat. As the Chapter's cash flow trends toward a significant imbalance, the Chapter Treasurer recommends that the APA Ohio Board of Trustees take corrective measures, including exploring an increase to Chapter dues (last increased in 2006).

The idea of increasing the Chapter's dues was introduced at the November 21, 2014 Board meeting. The Board recommended fully exploring the necessity of an increase, and preparing a rationale for consideration both by the Board and the Chapter's membership.

Additional information was prepared as part of the Treasurer's Report for the February 6, 2015 Board meeting. Some of the Board's questions and considerations included:

- If the Chapter moved to the fee structure recommended by APA National (25%, 35%, or 45% of national's dues, which are based on income), what should the Chapter charge for Chapter-only membership dues?
- While APA National is encouraging the percentage-based dues structure, they may later require all Chapters to adopt a standardized rate, potentially necessitating another change to the dues in the near term.

The purpose of this report is to consolidate all of the background information and analysis, as well as the rationale for the proposed APA Ohio Chapter dues increase. This report also outlines an implementation schedule for rolling out the dues increase.

Membership Benefits

APA Ohio exists primarily to serve its membership in advancing the art, science and profession of good planning - physical, economic and social - to create vibrant communities that offer better choices for where and how people work and live in order to maintain and improve the quality of life for all Ohioans. The Chapter membership dues should be commensurate with the services it provides to individuals and groups, as well as the work it undertakes as an organization to advance and advocate for planning policy in Ohio.

APA Ohio Membership includes the following benefits:

1. Access to the online membership directory – find and connect with other practicing planners.
2. Membership discounts at local Planning and Zoning Workshops, the APA Ohio biennial State Conference and the OKI (Ohio, Kentucky, and Indiana) regional biennial conference – earn Certification Maintenance (CM) credits for AICP and network with colleagues at a discounted rate.
3. Subscription to the quarterly Ohio Planner's News newsletter – learn about the planning issues, projects, and initiatives in communities across Ohio, hear about upcoming events and webcasts, and find potential consultants to assist with upcoming projects.
4. Subscription to the weekly eNEWS – learn about the latest planning headlines, hear about upcoming events and webcasts, and find potential consultants to assist with upcoming projects.
5. Access to the Planning Webcast Consortium – earn Certification Maintenance (CM) credits for AICP for free from the comfort of your home or office, and learn about the latest topics in planning and zoning.
6. Invitations to networking, job, and educational opportunities.
7. Access to job and RFP/RFQ postings.
8. Invitations apply for student and professional scholarships.

9. Section level support and initiatives – APA Ohio offers online webhosting, event registration, and sponsorship administration for Chapter and Section events.

Following the APA Ohio Chapter Board’s Strategic Planning retreat in June 2014, additional services and initiatives are in progress.

APA National Membership Dues

A few of the considerations informing the Chapter dues increase discussion are outlined below.

1. **Standardized Dues Structure.** Since 2006, APA National has recommended that Chapters update their fees to a percentage of National membership rates (either 25, 35, or 45% of national membership rates). As of the April 2014 Chapter President’s Council Budget Review Committee & Task Force Report, APA National is exploring the possibility of requiring Chapters to transition to the standardized dues system. A determination has not been provided; however, since the report cites “Recommendation 3 from the APA Long-Term Chapter Task Force, which would require all Chapters to move to a percentage of National’s dues for their own dues,” it is reasonable to expect that this recommendation will become a requirement within the next few years.
2. **APA National Dues.** The majority of APA Ohio’s membership comes from National members who elect to participate in Chapter membership as well (all non-international APA members must participate in a minimum of one Chapter). In addition to the standard \$45 single Chapter membership, there are other sub-categories of membership that range from \$0 to \$25:

Membership Code	Membership Type	Dues
MEM	Regular Member	Based on member salary
NP	New Professional Member	Based on member salary
STU	Student Member	Dues not associated with Early Career Program are \$5; Student & NP Dues based on the five-year Early Career Program are as follows: Category ECP1&2=\$10; Category ECP3=\$14; Category ECP4=\$18; and ECP5=\$21
FSTU	Free Student Member	\$0
RET	APA Retired Member	\$10
NOM	Chapter Only Members	(Currently \$45 for Ohio; vary by Chapter)
FCLTI/FCLTS	Faculty Members	\$25
GPBM	Group Planning Board Members	\$5
LIFE	Lifetime Members	\$10

Comparison | Other APA Chapters

1. **Percentage vs. Flat Dues.** Of the 47 APA Chapters, 37 (78.7%) charge a flat dues rate, while the remaining 10 Chapters now charge (starting in 2007) a percentage of APA National’s membership rates (25% (6 Chapters), 35% (2 Chapters), or 45% (Florida and Pennsylvania Chapters)).
2. **Chapter-Only Memberships for Chapters that Charge Percentage-Based Dues.** Chapters that charge a percentage of national dues charge the following for Chapter-only memberships:

Chapter	National Membership (%)	Chapter-Only Membership Rates
Colorado	25%	Individual Planner - \$50 Planning Commissioner - \$30 Planning Board (Group) - \$125 Corporation/Agenda - \$200
Connecticut	35%	\$60
Florida	45%	\$60 – Individual \$5 – Student
Illinois	25%	Chapter-only Memberships not offered
Nebraska	25%	\$40
New Jersey	35%	(Follows National Percentage-Based Rates – average is \$83.40)
Northern New England	25%	\$35
Pennsylvania	45%	Student - \$26 Emerging Professional - \$52 Individual - \$104 Citizen Planner - \$76 Non-Profit - \$79 Consultant - \$254 Organization - \$79-254 (10 memberships; additional memberships are \$15/each)
Utah	25%	\$30
Washington	25%	\$50

3. **Chapters with Dues Exceeding APA Ohio's.** Chapters with **flat** dues rates that are **higher** than APA Ohio's \$45 annual dues include New York Metro (\$49), Louisiana (\$50), Minnesota (\$50), Oregon (\$55), Michigan (\$60), and California (\$105).

Other Considerations

1. **Comparison | Other Membership Organizations.** The current (2014-15) fee structures for other allied organizations are listed below, although it is important to note that member services/benefits range greatly:
- *Urban Land Institute (ULI)*: National dues only; range \$215-\$1200; Student/Retiree: \$108
 - *ASLA*: National dues only; range \$173-\$345; Student: \$55
 - *AIA*: National dues only; range \$250-\$575; no student rates
 - *ICMA/OCMA*: State Chapter dues are \$160; Retiree: \$50; Student: \$25
 - *Government Finance Officers Association (GFOA), Ohio Chapter*: \$20-\$140 based on municipal budget
 - *Ohio Society of Professional Engineers*: Local Chapter: \$145; no student rates
2. **CD/Savings Account Funds.** APA Ohio is fortunate to have been in the position for much of its history to have maintained healthy savings and investment account balances. While these funds have been used periodically to assist with budget shortfalls, the Chase savings account (\$11,706 balance) has been informally dedicated to funding scholarships issued by the Chapter. The funds previously held in the Union Savings Bank CD (currently held in the Chase savings account with a balance of approximately \$46,091) have been used as "rainy day" funds to pay for significant projects such as the first APA Ohio Chapter website, as well as funding the Chapter's Board retreat for strategic planning efforts. This account has also served as a reserve in the event of other unforeseen expenses or emergencies.

It is important to note that neither of the savings accounts have been replenished/added to since before 2005; all increases in balance have been the result of earned interest (the CD accrued \$8,082 between February 2005 and June 2014). While these funds could be used to assist with meeting short-term gaps in the APA Ohio Chapter budget, they should not be relied upon to solve the long-term income/expense imbalance.

3. **Enhanced APA Ohio Services.** As noted above, APA Ohio’s services provided to the Chapter membership has increased significantly over recent years. In addition to hiring a full-time Executive Director to ensure sound Chapter management and financial administration, the Chapter has also taken the lead with operating the webcast consortium, which allows APA members to participate in online CM sessions. This has been identified by the membership as particularly valuable, since travel expenses often deter members from attending conferences and other CM events. As of 2012, the Chapter also manages all online event registrations, which allows for much easier and cost-effective registration management for all Section events and state/Ohio-hosted OKI conferences.

Maintaining a website, centralizing online event transactions, and running the webcast series does not come without its associated costs, which is part of the reason for the increased expenses. Unfortunately, these services have not yet translated into any meaningful increase in membership numbers, advertisers, or other revenue-producing impacts.

APA Ohio Membership Rates

APA Ohio’s current (February 2015) **NATIONAL** membership rates are listed below:

	FCLTI	FCLTS	FSTU	GPBM	LIFE	MEM	NOM	NP	RET	STU	TOTAL
AICP		8			30	335		2	6		381
APA	7	17		92	4	267		38	3	176	604
Total:	7	25		92	34	602		40	9	176	985

Out of all 54 APA Chapters (8 of which are California sections), 12 have more members than APA Ohio (APA Florida has the most with 2,637 members).

APA Ohio’s FY 2014 (July 1, 2013 – June 30, 2014) **CHAPTER-ONLY** membership rates were:

	June 2014 Memberships
Single-Chapter Only	72
Student/Retiree	12
TOTAL	84

Past Trends | APA Ohio Revenue (FY 2014 Summary)

Does not include pass-through or webcast income/expenses.

Income

National Dues	\$27,032.30
Chapter Only Dues	\$3,285
Total Dues	\$30,317.30

Other Income	\$12,271.87
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TOTAL	\$42,589.17
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Expenses

APA Fees	\$4,115.96
Leadership Meetings	\$1,426.90
Contracted Services	\$41,200.00
Total Reimbursables	\$2,324.91
Insurance, Legal, Accounting	\$1,884.00
Board Meeting Expenses	\$509.54
Awards	\$800.01
National/Reg. Conference Support	\$1,000.00
Webmaster Expenses	\$1,967.50
Scholarship Awards to Individuals	\$1,625.00

TOTAL	\$56,853.82
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2014 Estimated Budget Shortfall	-\$14,264.65
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Projections | Membership Dues Revenue Projections

Dues Rates as a Percentage of APA National Dues (25%, 35%, or 45%)

Member Salary	APA National Dues	Chapter Dues* (3 Scenarios)			Percentage of Ohio Chapter Total Membership**
		25%	35%	45%	
Under \$42,000	\$160.00	\$40.00	\$56.00	\$72.00	6.50%
\$42,000 - \$49,999	\$190.00	\$47.50	\$66.50	\$85.50	9.34%
\$50,000 - \$59,999	\$220.00	\$55.00	\$77.00	\$99.00	6.38%
\$60,000 - \$69,999	\$245.00	\$61.25	\$85.75	\$110.25	10.87%
\$70,000 - \$79,999	\$270.00	\$67.50	\$94.50	\$121.50	10.52%
\$80,000 - \$89,999	\$295.00	\$73.75	\$103.25	\$132.75	8.75%
\$90,000 - \$99,999	\$320.00	\$80.00	\$112.00	\$144.00	6.86%
\$100,000 - \$119,999	\$350.00	\$87.50	\$122.50	\$157.50	4.73%
\$120,000 and above	\$380.00	\$95.00	\$133.00	\$171.00	4.26%
Undisclosed	\$385.00	\$96.25	\$134.75	\$173.25	1.89%

*Current Dues: \$45 Individual Membership

** Remaining 29.9% of members are student, faculty, group planning board, etc.

National APA Membership Dues – Revenue Projection – Flat \$45 to 25%

APA Ohio Dues - Rate Scenario Projections (Flat Rate and Percentage)					
Salary	Dues Based on Salary	Ohio Chapter Total (as of Dec. 2014)	Ohio Chapter %	Ohio Chapter Proceeds (Current - \$45)	Dues As % of National (25%)
Under \$42,000	\$160.00	55	6.50%	\$2,475.00	\$2,200.00
\$42,000 - \$49,999	\$190.00	79	9.34%	\$3,555.00	\$3,752.50
\$50,000 - \$59,999	\$220.00	54	6.38%	\$2,430.00	\$2,970.00
\$60,000 - \$69,999	\$245.00	92	10.87%	\$4,140.00	\$5,635.00
\$70,000 - \$79,999	\$270.00	89	10.52%	\$4,005.00	\$6,007.50
\$80,000 - \$89,999	\$295.00	74	8.75%	\$3,330.00	\$5,457.50
\$90,000 - \$99,999	\$320.00	58	6.86%	\$2,610.00	\$4,640.00
\$100,000 - \$119,999	\$350.00	40	4.73%	\$1,800.00	\$3,500.00
\$120,000 and above	\$380.00	36	4.26%	\$1,620.00	\$3,420.00
Student Member	\$5.00	83	9.81%	\$415.00	\$415.00
Undisclosed	\$385.00	16	1.89%	\$720.00	\$1,540.00
TOTAL				\$27,370.00	\$39,537.50

Chapter-Only Membership Dues – Revenue Projection - \$45 to \$55 (and increased membership rate projection)

	Actual June 2014 Memberships	Current Dues	Total	Increased Flat Dues Rate	Total
Single-Chapter Only	72	\$45	\$3,240	\$55	\$3,960
			TOTAL		\$4260

Projected Impact on APA Ohio Budget – Assumptions

- Does not include pass-through or webcast income/expenses
- Increase to 25% for Individual National Memberships
- Increase to \$55 for Chapter-Only Single Memberships
- Student/Retiree Rates – Remain the same.
- Membership numbers (72 Chapter only, 676 Student and National Memberships, 170 other members, 12 Chapter only Student/Retiree Members) – Remain the same.

Income

<i>National Dues(Regular)</i>	\$39,122.50
<i>Other National Memberships</i>	\$3,759
<i>Chapter Only Dues</i>	\$4,140
Total Dues	\$47,021.50

Other Income \$12,271.87

TOTAL \$59,293.37

Expenses

<i>APA Fees</i>	\$4,445.98
<i>Other Expenses</i>	\$52,737.86

TOTAL \$57,183.84

Projected Revenue \$2,109.53

Timing

Should APA Ohio elect to increase Chapter dues, APA National requires lead time to process the increase, as follows:

Billing Cycle:	Request Form Needed By:
January 1	August 1
April 1	November 1
July 1	February 1
October 1	May 1

Communications Strategy

Clearly, maintaining transparency with respect to APA Ohio's financial position and potential changes to the fee structure is key, and keeping the APA Ohio membership up to speed on this topic is a top priority. The following communications methods and timelines are recommended:

1. Introduce the proposed dues increase and considerations in an early April Chapter email newsletter. Include an opportunity to submit comments to the Chapter Board.
2. Schedule a Board conference call by mid-April to discuss the potential dues increase and render a determination prior to the May 1st deadline for October 1st implementation.
3. If a decision is made to increase dues, advertise the new fee structure in the Summer 2015 newsletter.

Recommendations

1. The APA Ohio Chapter Treasurer recommends that the Chapter dues transition from \$45 per year to 25% of APA National membership dues.
2. The APA Ohio Chapter Treasurer recommends that Chapter-only single membership be increased from \$45 to \$55.
3. The APA Ohio Chapter Treasurer recommends submission of the proposed dues amendments to APA National by **May 1, 2015** for implementation by **October 1, 2015**.
4. Board approval of the proposed Chapter dues increase is recommended via a Board Conference Call scheduled for **April 24, 2015**.