

The Board of Directors of the B.C. Soccer Association will be proposing a fee increase at the Semi-Annual General Meeting on January 8, 2005. The increase will affect Coastal Youth registration fees for 2005 and Interior Youth registration fees for the 2006 playing season. Note that the proposed fee increase will not affect the Senior Leagues as they previously approved an increase effective for the 2004 and subsequent seasons.

It is the Board's recommendation that the fee increase be approved by the membership for a number of reasons. We have experienced rising costs in the past two years that have been absorbed without any increase in youth registration fees. The player levy charged by the CSA has risen since 2002 by almost \$300,000 or 61% and our insurance costs have grown by \$80,000 or 83%. These are expenditures that are beyond the control of the Association and we must take steps now to generate revenues so that our development programs are not jeopardized.

The Board has directed staff to continue its efforts in trying to secure alternate sources of revenues such as sponsorship in order to reduce the Association's reliance on membership fees. Securing these types of arrangements takes considerable time and staff resources but can be very beneficial as evidenced this past summer when the Association signed a three-year cash sponsorship agreement with Vancity Savings Credit Union.

The association continues to increase its funding from government and for the second consecutive year received \$160,000 in gaming revenues. We have also been aggressive in our efforts to obtain a greater portion of general government funding received through Sport BC and we believe these efforts will eventually be successful. The tenuous nature of government funding means that we cannot place too much reliance on this source of revenue.

We also want to ensure that we continue to have the ability to attract and retain quality staff in both the technical and administrative areas. We believe that we have built an excellent team that will allow us to provide timely and meaningful service to our membership. In addition, the skill and experience of our technical staff is unparalleled in Canada. With the number of new initiatives that we have undertaken, we would like to expand our staffing to provide even more support to the youth, mini's, girl's and women's programs. In particular, we believe that it is critical that we hire a female staff coach to assist in one of the fastest growing segments of our sport.

Over the last five years the Association has developed a wide range of programs that continue to assist us in attracting funding. Without these programs these government and sponsorship revenues could be in jeopardy. For example, the new formula for "Direct Access Gaming Revenues" is based entirely on the programs offered by the applicant – any reduction in programming would inevitably lead to a

reduction in gaming revenues. Our direct government (Sport BC) funding is now based on very clearly defined criteria related to development models for athletes, coaches and officials. The ability to maintain current levels of government funding and the potential to increase this form of funding require the Association to continue to support these development models – a failure to do so could also result in less funding.

The Canadian Soccer Association continues in its efforts to improve its performance both on and off the field. Accordingly, ongoing increases in player levies are expected from the National Association. The new provincial funding schedule we are proposing will also allow our Association to absorb moderate increases from the CSA.

This past year has been exciting with the launch of the District Development Centres and the partnership with the Vancouver Whitecaps Football Club. It is encouraging to work with individuals like Greg Kerfoot who have the vision and passion to take soccer to another level in B.C. The new training facility at Simon Fraser University and the prospect of a new stadium in the Lower Mainland are evidence of the direction our sport can and should take. Our President, Victor Montagliani, has toured the province and the message that he is hearing is clear – the membership wants a continuation and enhancement of the programs that are offered by the Association. Again, in order to do so we need to ensure adequate and stable funding.

As indicated on the attached schedule, registration fees account for about 50% of our gross revenues. This percentage has declined from prior years due to our success in generating other sources of funding such as sponsorship income, government funding and program registration fees. The schedules also reflect how much of your registration fees are available to fund the different programs that we administer. Clearly, in certain categories very little of the fee is retained to support the activities of the Association.

We have analyzed the fees charged by other provincial associations and B.C. ranks as the third lowest in Canada. This is completely incongruent with our position as one of the strongest technical programs in the country. We have also reviewed other sports in B.C. and almost all charge a significantly higher registration fee to their members. More information will be available with regard to our analysis with your package at the Semi-Annual General Meeting.

In view of the foregoing, the Board of Directors of B.C. Soccer Association propose the following fee structure:

Mini (U-6 to U-10)	\$15.00
U – 11	\$26.00
U – 12 to U – 18	\$26.00

This proposal will permit the Association to achieve the financial stability necessary to build on the initiatives that have been launched in the past two years. If we are unable to obtain a fee increase, it is likely that existing programs will suffer and new projects will not be undertaken. If we are truly “Dedicated to Development” then it is imperative that we provide adequate funding to enable our coaches, officials and players to strive for, and achieve excellence.