

Questions from Parksville Qualicum and Comox to CFUW National President Doris Mae Oulton

Doris Mae: So - the amendment is to remove our membership in GWI. If the amendment is passed we are effectively no longer members of GWI. Period.

I have consulted with the Parliamentarians and my understanding is that our membership ends effectively as soon as the amendment is passed. CFUW could decide to rejoin GWI, or indeed another international organization, but ONLY at the direction of the membership and a vote to do so.

1. Can an individual club opt out of paying the GWI portion of their dues to National CFUW? Is that the question? (Q&A#1)

We explored this question rather thoroughly. Our Parliamentarians tell us that this is not possible - we thought about creating a special membership class - or Articles and bylaws do not allow it.

2. Basically, at the AGM, clubs are voting whether or not to retain membership in GWI as a requirement in the articles, correct?

No - very clear that this can only be done with proper notification at an AGM. We can not even do a 'special' levy as this could be construed as a dues increase in disguise. It is clear that if we do not pay GWI dues, we do not have a deficit.

3. If the article is removed, there could be, at some time, a second question: Should CFUW National renew its membership in GWI for 2017? Correct?

Although it has been referred to as a lively debate on the conference floor at the Cape Town triennium, we believe that it would be duplicitous for any Board to propose a dues increase other than the one they actually need. If you look at the GWI financials, GWI is broke, the only 'fund' raising has been the cashing in of an existing endowment and two of the next largest NFAs (Germany and Netherlands) have been reduced to 20 members. As the GWI Constitution now reads we could remain a member for three years without paying dues (non-voting), however there is a motion on the floor to change that part of the GWI constitution. So, it is our understanding that if the change is made, and we do not pay, we are no longer members. Our legal advice has been that we do not have to bankrupt our own organization to pay these increased dues. The first responsibility of the CFUW Board is the health and viability of CFUW.

Comox's Q and A's which you forwarded...and these are my questions only and do not reflect any one's opinions other than my own.

- 1 If CFUW establishes a 6-month task force (say June to January), no matter whether a dues increase is needed for the National portion or for both National and GWI, could there be a dues increase 120 days from January 1 or must an increase in dues be voted at a June AGM 2017 or would the AGM date be moved forward? I ask this so we have some idea of the range of contingencies for which we must budget (our next budget year is July 1 2016 to June 30 2017 - at this time we understand we would pay same dues to CFUW in January 2017 that we paid in January 2016 though GWI might cease to be an expenditure made by CFUW...in that case, does CFUW cease to operate at a deficit?). (Q&A#1)
- 2 CFUW is thinking maybe the dues increase adopted at the GWI AGM will be less than 100% of what is being proposed now. However, no matter what the increase to GWI, CFUW cannot afford to pay it in 2017. Therefore, if there is an increase, no matter what, CFUW cannot pay it in 2017 and cannot really afford to pay existing dues under the existing structure. Essentially does CFUW opt out of GWI at least for one year because it cannot pay any increase? Is there any scenario being considered for graduated dues increase over a couple of years? Can CFUW pay the current GWI dues in January 2017? (I think we saw that calculation in the pre-budget consultation paper - yes, but only by incurring additional deficit?) (Q&A#2)

What if we (our club) votes to not stay with GWI? Will the dues go down or up? How will that affect National?

We would expect that there would be a task force for the next (notionally) six months and then Clubs would make their choice. Any change in dues must have a 120 day notice period so we would have to create a path forward with that in mind.

We are right now running a deficit - mostly because of the change in the Swiss franc and the collapse of the Canadian dollar - but also because of declining membership and the increasing costs of AGMs. .

There would be an assessment of what the reduced costs of having left GWI leaves us with and I expect a carefully considered discussion of alternative International affiliations. I cannot envision a future where CFUW does not have some international ties. However - there are questions such as if we maintain the A Vibret Douglas scholarship (the international scholarship that we have awarded through GWI - \$4000 annually) and if we join another group, if there would be international travel involved.

One would expect that dues would go down but it really depends on the choices that the Clubs make.

What if we (our club) votes to stay with GWI? What will be the cost of dues? It seems from the information that they would be much more than \$20.00 more

Right now - doing a very rough calculation - we would need dues of \$28 to break even on the GWI portion of dues and as much as \$48 if the dues increase that GWI is proposing goes through....which is very awkward. This proposal has not been voted on and anything might happen. Presumably the dues increase will be less than the 100% increase proposed. However, the fact remains, there are many Clubs who will not survive a dues increase. Doubly awkward is the fact that the proposed increase starts in 2017 - we do not even have a process in place that can provide for that kind of early response. We have looked at the reserves and there are not the available funds to support the payment of a 100% dues increase in 2017 for GWI.

.

Also what if most clubs vote to break away from GWI, what then for National and individual clubs?

I am not sure exactly what this next question means - it would appear that the issue of money is particularly trying for Clubs which are already struggling - many Clubs in the Atlantic region - for example - have not passed on the last \$10 dues increase - they fund raise to offset the cost to members.

Many of the Clubs on the Prairies only charge the National dues - leaving themselves no operating funds. If there is a dues increase, we will lose Clubs; I expect we will lose one province,

Fewer members - of course - means less revenue for National - that is why we are doing the budget consultation paper as well - regardless of the outcome of the amendment vote - we are going to lose members.

Remember that this amendment requires a 2/3 majority.