



Australian Endurance Riders Association Inc.

Minutes of AERA Management Committee Meeting

Date: Meeting commenced at 8.00 pm AEDT, 13 October 2021.

Venue: [Teleconference](#)

1. Welcome by President

Meeting declared open at 8.00 pm and Linda welcomed everyone to the meeting and reminded that members should deal with issues as AERA representatives and not DA representatives.

2. Attendees

2.1. AERA Management Committee Member:

Linda Tanian (AERA President) (Chairperson); Mark Dunn (AERA Vice President, AERA Treasurer); Kim Moir (AERA Secretary); Noni Seagrim (NSWERA); Belinda Hopley (NSWERA); Dick Collyer (QERA); Jodie Luck (SAERA); Sarah Dumbrell (WAERA).

Dick Collyer joined the meeting at 8.14

2.2. Apologies

Nil received

2.3. Proxies

Kim Moir for Dick Collyer

2.4. Visitors

Pat Hodgetts (honorary member and delegate)
Apology from Kerry Fowler-Smith (NSWERA Delegate)

3. Purpose of Meeting

To allow discussions on topics that are time sensitive:

- AERA Points and Distance Awards – ref correspondence from Clare Fleming and Vic Alran
- Quotes for AERA Insurance for 2022
- Other items deemed to be of priority to discuss prior to scheduled meeting on 20 November
 - Recovery of PL expenses
 - Preliminary review of fees and charges

4. AERA Points and Distance Awards for 2021

Correspondence received from Clare Fleming and Vic Alran (NSWERA members) expressing concern about the impact of COVID 19 on the equal participation of all members and suggesting two options for AERA's consideration.

“Possible suggestions include

1. the cancellation of National points/distance awards in 2021, while allowing the state points/distance accumulation to continue.

2. Determining a date when “fair play” was not possible for all endurance members to earn National distance/points due to COVID border closures and rules leading to ride cancellations.”

Discussion

Points raised in discussion:

Two DAs have been significantly affected by lack of rides since July 2021 – NSWERA and VERA; other DAs reported reasonable participation though numbers lower overall.

The lack of full member participation was acknowledged but it was also acknowledged that many rides have happened with good entries and those members who have participated should have their successes acknowledged.

The Quilty went ahead with smaller numbers participating and most DAs unable to attend but there is no way of predicting how next year would roll out and it was thought that we had to move on – “to get on with life”.

It was acknowledged that the decision to proceed with national points and distance awards should be well explained.

Consensus that awards should proceed

Action

Kim will respond to Clare and Vic to advise them of MC decision.

Notification to DAs, Awards Sub-committee, AERA Registrar and then to Facebook.

5. Insurance

Quote received from SUREWiSE – report provided to members.

Policy is basically the same content as last year with increases to premiums for consideration.

Summary of premiums for 2022 compared to 2021

Class of Insurance	2021/2022 premium	2022 / 2023 premium	Variance
General liability	\$71,815.95	\$86,660.20	+14,844.25
Association liability	\$ 3,401.95	\$ 3,912.25	+ 510.30
General property	\$ 3,878.35	\$ 4,266.20	+ 387.85
Total	\$79,096.25	\$94,838.65	+ 15,742.40

Note there is no increase to PA premiums for individuals or for Voluntary Workers.

Sponsorship has increased by \$2,000 to \$7,000.

No other quotes have been received.

Discussion

Mark reported that he had started the process 6 weeks ago and had contacted 5 insurers giving them a timeline for response. Only SUREWiSE, AON, Gow Gates and some smaller parties. There had been some initial discussion with AON but there was no final offer from them.

They had been asked to consider a reduction in limited liability from \$50 million to \$25 million which would have given a premium reduction of \$13,000 but they strongly advised that the higher cover was needed. This is what we had asked for when we first approached SUREWiSE.

It was noted that many of our partners require a high level of insurance to access facilities in particular.

Action

Mark to go back to SUREWiSE and ask for final offer with \$50 million cover and to send a “clean” document. Also to ask if there is any option to increase the sponsorship.

6. Other business

6.1. Recovery of PL Expense

It was agreed last year that AERA had the option to recover PL expenses that had not been recovered through the set fees and charges and that this would be done on a proportional basis to DA membership.

It is estimated that income from TQ21 will be reduced by approximately by 50%.

Affiliation fees and direct payment for PL per entry should cover the PL cost – both of these income sources are down by a total of \$16k at end of August.

Our PL cost is \$72k and direct recovery is \$52k – down by \$20k.

Note from the Treasurer

The MC agreed earlier this year that, in such circumstances, AERA would have the ability to claw back insurance shortfall by directly billing the DAs. The alternatives are:

1. Do this
2. Do this in part and budget for 2022 accordingly
3. Do nothing now and budget for 2022 accordingly

My preference now is to go for option 2 as this is less likely to encounter opposition from DAs. We do look like having enough \$ in the bank at the end of 2021 to meet our initial commitments in 2022.

Discussion

It was noted that ride entries for this year are approximately 60% of ride entries for 2019, accepted as the last full year of participation, and agreement that the invoicing for the PL deficit should be to recover part and AERA to wear some of this loss, noting the bank balance anticipated for end of year provides a buffer.

Mark suggested that AERA seek to recover \$10,000 from the DAs, approximately 60% of the deficit. Members debated recouping 50 – 60% noting that members pay the bill one way or another and asking less now may result in a further deficit for next year.

Motion: 2021/10/01 Moved: Mark Dunn / Kim Moir

That we recoup the Public Liability shortfall by billing the DAs proportional to membership to the sum of \$10,000.

Voting: JL – yes; NS – yes; SD – yes; MD – yes; KM – yes; DC – yes; BH – yes; LT – no

Voting Result: For – 7 votes; Against – 1 vote

Carried by majority

Action

Letter to go to DAs to explain rationale for invoices – invoices to be sent. Mark, Kim and Deb

6.2. Fees and charges for 2022

Preliminary discussions supported by comments from Treasurer

Right now, we have a deficit on budget of approx. \$22k, largely (~\$15k) a consequence of the cancelling of many 2021 rides in NSW and Vic. This resulted in a shortfall in the collection of (already paid to the insurer) insurance dollars from the DAs. There is also an increased expenditure on AERAspace (~\$7k), due to the development of the online member management / nomination platform. There is a little bit of other to'ing and fro'ing (eg EA affiliation fee, meeting costs) but these largely cancel each other out.

I do not yet have a 2022 budget in a state that I am comfortable sharing with the MC however it does look like we will need to increase some costs to DAs and/or members of DAs in 2022. Likely we will be looking for additional \$\$ to ensure we remain solvent and to cover general + any unexpected expenses.

The options are:

1. Increase all insurance costs - a 20% increase would generate an additional ~\$20k
2. Increase member affiliation fees – an increase of \$8 to the adult fee (32 à 40) would generate an additional \$10k in income. I am disinclined to seek to increase the day member fee as we should be encouraging people to try out endurance.
3. Increase horse rego fees – an increase of \$40 (60 à 100) would generate an additional \$5k. This fee has not risen in many years.
4. Increase the ride levy – a \$2 increase (4 à 6) would generate an additional \$16k in income

What I'd like from MC members is their guidance on the preferred option(s). The numbers may vary slightly depending on what the 2022 budget looks like when finalised.

Discussion

The option to increase fees relating to insurance costs makes sense as this follows the overall “user pays” principle and this is where increased costs can clearly be identified.

An increase to the ride entry of \$1 increase gives an \$8000.

Also note that the anticipated income from on-line nominations is not something we have had in the past and should begin to show in the income for 2022.

Again, noted that any increases need to be clearly explained to DAs, supported by a sound rationale, and that MC members need assist with that understanding.

Action

Finance team to proceed with development of a budget with consideration of items discussed at this meeting and general direction supported by membership discussions.

7. Meeting Closure

Closed at 8.49

President: Linda Tanian

Signature: 

Date: 24/11/2021