

RESOLUTION 1—2017
Regular Winter Session

Submitted by—
Indiana Veterinary Medical Association
Colorado Veterinary Medical Association
California Veterinary Medical Association
Massachusetts Veterinary Medical Association
Pennsylvania Veterinary Medical Association

Financial Remuneration to Host VMA City for AVMA Convention

RESOLVED, that the American Veterinary Medical Association (AVMA) House of Delegates (HOD) recommend that the Board of Directors consider offering financial remuneration to the host veterinary medical association where the AVMA Convention will be held.

Statement about the Resolution

Each year, the VMA in the state selected for the AVMA Convention is pleased and honored to welcome the AVMA and colleagues from around the country. However, experience demonstrates that the state VMA incurs a negative financial impact on the organization when the AVMA Convention is held in that state. It's only natural that some veterinarians will opt to spend their limited continuing education budget on a national meeting opportunity when it is occasionally in the veterinarian's own "backyard," rather than attending the state VMA's convention that is already familiar to the veterinarian.

The Indiana Veterinary Medical Association is deeply concerned about the financial impact the AVMA Convention to our state VMA. The Indiana VMA is a small association and there is no room in our tight operating budget to incur any financial surprises to the budget. In a continually competitive market for continuing education programs, the Indiana VMA works very hard to offering a quality program that produces a profit. This is the reason for this Resolution; other veterinary medical associations also experience similar impacts. In aligning with the precedent already set for providing a stipend to AVMA officers and board members, this concept could apply as well.

Recent experiences in states where the AVMA Convention has convened illustrate the point:

- For the Colorado Veterinary Medical Association, when the AVMA held its 2003 convention in Denver, registration revenue for education programs offered by the Colorado VMA and its Denver affiliate were suppressed by \$80,000 in comparison to typical years. When the AVMA Convention returned in 2014, Colorado VMA reduced its budget for convention revenue by 20% - and just barely realized those projections in reality; net convention revenue in 2014 was \$48,000 lower than in comparable licensing years (i.e. 2012 and 2016). With the return of the AVMA Convention in Denver in 2018, the Colorado VMA will be required to reduce its delivery of programs and services to members in anticipation of a significant reduction in revenue.
- The AVMA convention was held in Boston in 2015. The drop off in net revenue for the Massachusetts Veterinary Medical Association was approximately \$25,000 or 20% in comparison to typical years. This figure includes attendance, exhibitor and sponsorship revenue and represented a loss of approximately 6% of our annual operating income.
- For the Indiana Veterinary Medical Association, a negative impact on its annual meeting attendance (and therefore, revenue) is anticipated due to the 2017 AVMA Convention

being held in Indianapolis. The Indiana VMA also expects a negative impact on its exhibit and sponsorship revenue. With a small operating budget (less than \$500,000 a year), the Indiana VMA budget cannot sustain a negative impact to the bottom line. The Indiana VMA annual meeting revenue represents nearly 25% of operating income. The meeting profit supplements membership dues income to allow the Indiana VMA to provide programming for its members and the public.

It is important to acknowledge the difference between the operating budgets of the AVMA and state VMAs. A \$50,000 budget line to a state VMA with a \$1 million budget has the same implication, gravity, and impact as a \$1.835 million budget line in the \$36.7 million AVMA budget. It is fair to say that both amounts get the attention of the respective elected leaders, whose fiduciary responsibilities are equivalent despite the difference in the scale of the budgets.

We therefore propose that the AVMA annually budget for remuneration to the state VMA in the hosting state, beginning with the Indianapolis meeting in July, 2017. We propose that this is be in the amount of \$35,000*. The AVMA can offset this remuneration to the host state by reviewing and reducing the number of complimentary registrations and accommodations given to attendees. Additionally, we request that the AVMA Convention be held no more than once every eight years in the same state.

While experience shows that this amount will not fully cover the net revenue gap experienced by state VMAs due to the AVMA Convention, the remuneration recognizes that there is indeed a financial impact on the state VMA and demonstrates a spirit of partnership. Further, this model parallels the present-day policy of the AVMA providing stipends for AVMA officers and board members as a means to assist with the financial impact these volunteers incur by being involved with AVMA: we believe the same concept should apply with a host VMA.

Financial Impact: \$35,000 (**This dollar figure is meant to be a standard payment to each VMA, regardless of budget and size of organization. This amount is determined to be a goodwill payment to a VMA. No other means were used to determine this amount.*)

	Board of Directors	House Advisory Committee	Reference Committee #4	House of Delegates
Recommend Approval		*X	X- as amended	X- as amended
Recommend Disapproval				
Recommend Referral to...				
No Recommendation	*X			
Recommend Postpone Indefinitely				
<p>RESOLVED, that the American Veterinary Medical Association (AVMA) House of Delegates (HOD) recommend that the Board of Directors consider offering financial remuneration and/or other considerations to the host veterinary medical association where the AVMA Convention will be held.</p> <p>*Both the Board of Directors and House Advisory Committee reconsidered their original recommendations made at previous meetings.</p>				