



Announcement

Nº 2020-18

Subject: 2020 CARS Competition licenses

Issue Date: November 9, 2020

Canadian Association of Rallysport (CARS) being a Federal Not for Profit (NFP) Association always plans to operate with a balanced budget. This means that we plan to raise just enough income to cover our operating costs.

Our operating income comes from the following sources

1. 76% Competition Licenses
2. 10% Sale of Competition Supplies
3. 8% Rule Book Advertising
4. 6% Club Memberships

Heading into 2020 our budget was balanced; this was based upon the typical number of licenses being sold to competitors.

As soon as COVID-19 hit, it became obvious that license income could miss the mark significantly. Luckily many of our operating costs are associated with the running of events so as events were cancelled costs automatically reduced.

The Canadian Rally Championship (CRC) season went from bad to worse until we finally had so many events cancel that the CRC 2020 was also cancelled. With no need for an award banquet the board have taken the opportunity to reduce a large cost from the 2021 budget by opting to hold a virtual AGM in January 2021. (this was an option provided by the Federal Government as a way for NFP's to safely hold an AGM and to save money)

In 2020 we have ended with approx. 40% of normal license sales. Of those license holders some did not get to compete in a single performance event, some got to compete in only 1 performance event and the lucky few did more.

By year end 2020 CARS will have a budget deficit of approx. minus \$14,000. Approx. \$11,000 of this will be recouped in January by eliminating the face to face AGM.

The CARS board have decided to offer a credit on the 2020 license purchases, for use against the 2021 license as follows;

1. 100% credit to any license holder that did not enter a performance event.
2. 25% credit to any license holder that entered only 1 performance event.
3. 0% credit to any license holder that entered 2 or more performance events

Performance Events that can use a CARS license are National & Regional Performance rallies and Rallysprints.

This credit will effectively reduce our license income in 2021, further adding to our cumulative budget deficit by approx. \$13,000.

To manage the credit, we will add an option to the 2021 license application form that requires you to apply for the credit, if it is applicable to you. The CARS office has a full record of all competitors and their competition status in 2020. The CARS office will apply the appropriate credit to your license application.

We are in the process of also issuing the 2021 CRC Calendar and looking forward to an excellent season of rally and the return of a strong championship.