

DURING THE 2018 GA, IN SEOUL, IT WAS DECIDED THAT A NEW METHOD OF COLLECTING FEES WOULD BE INSTITUTED. THE NEW RULE WAS APPROVED BY A DISTANT VOTE IN 2021. THE NEW RULE WAS IMPLEMENTED FOR THE FIRST TIME IN 2022-23.

THREE THINGS REQUIRED TO COMPUTE THE FEE: (A) SI ANNUAL BUDGET FOR THE NEXT YEAR, (B) NUMBER OF ACTIVE MEMBERS AT THE END OF THE CURRENT YEAR, (C) HDI INDEX (PUBLISHED BY THE UN) TO SET THE RATE PER MEMBER.

## Servas Member fees for 2024-25

Dear Walter,

I recently got a question about how much each country is paying for 2024-25 and how the amount was calculated. I realized that the answer will be of interest to all the member groups. The “fee rule” that was approved by the Distant Vote in 2021 is quite new, and many members still find it puzzling. I have therefore put together this note to explain how the fee was computed this year. I hope you will find this useful. I would love to get your feedback.

Radha B. Radhakrishna  
President, Servas International



### History

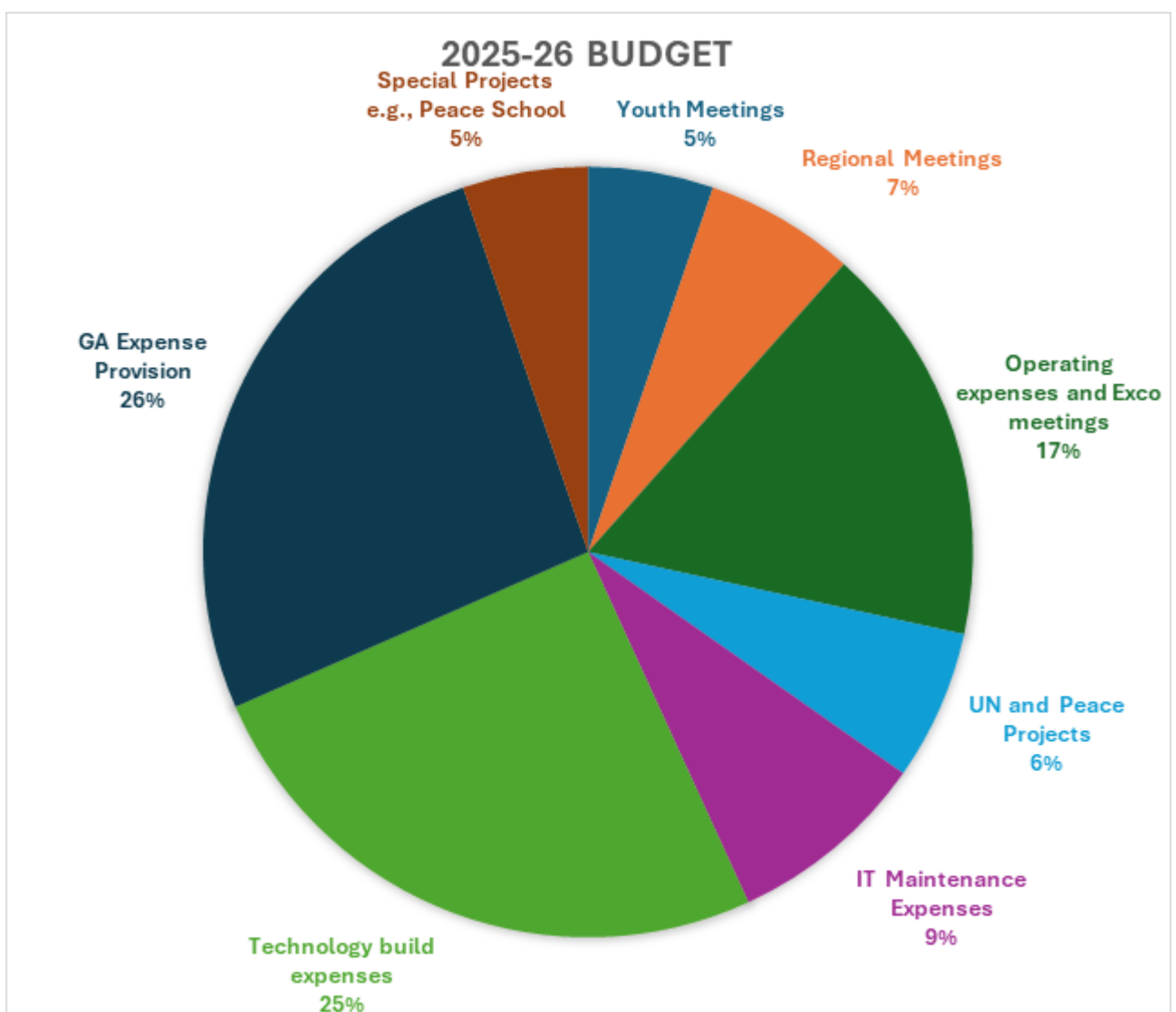
In 2018, the general assembly was concerned that the fees from stamps were shrinking. They were concerned that the fees from stamps would be inadequate to meet our growing technology budget. Therefore, they decided that a new fee rule should be created that would ensure that our budgetary requirements were met. Accordingly, a new rule was devised through collaborative discussions amongst many member groups and approved in the distant vote of 2021. It was adopted for the first time in 2022-23.

Under this rule, the fee is set so that it can recover the Servas International budget for the upcoming year. So, the first step in setting the fee is to set the budget.

### Step 1: The Budget: How is the Servas International budget set?

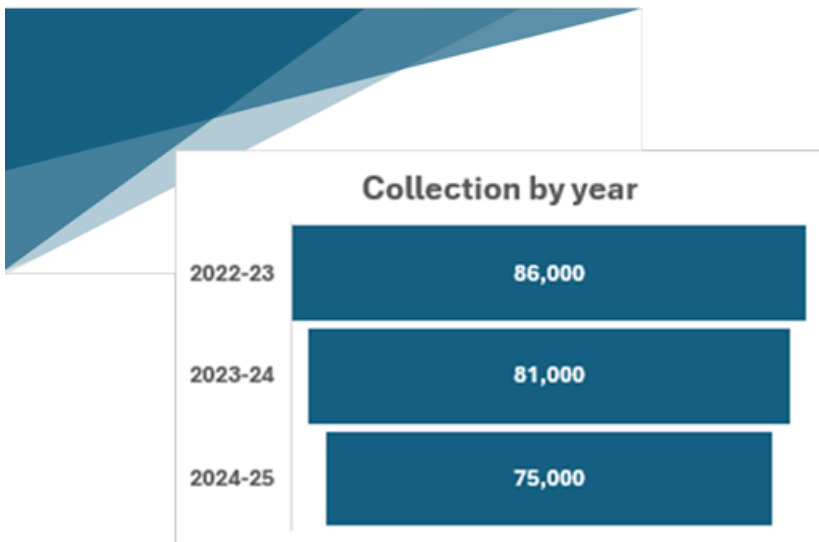
The SI budget is initially set by the general assembly, which approves a budget for the next three years. During the SICOGA in 2022, the general assembly set a total budget of CHF 258,000 for the next three years (2022-23 TO 2025-26). This is the maximum amount that the SI can spend within these three years. To increase the budget would need a General Assembly vote for the higher amount. SI Exco is required to create an annual budget for each of the three years which must be within this total budget.

To set the budget each year, the SI Treasurer does two things. (a) Review amount spent in the previous two years, (b) collect information from committees and member groups on their planned expense next year. Getting communication from committees and member groups is important, otherwise it would not be possible to create a proper budget. To give an example, to set the budget for “Technology build and maintenance”, the treasurer asked the technology team about their planned projects and expected spend for the next year. The chart below shows the budget allocation for the next year (2025-26).



For the next year (2025-26), SI set a total budget of CHF 95,000. The annual budget was shared with you by the Treasurer recently and is also presented in Appendix – 1. It is also posted on Servas.Org on the Administration Archive page (<https://servas.org/administration-archive>). This is a member only page.

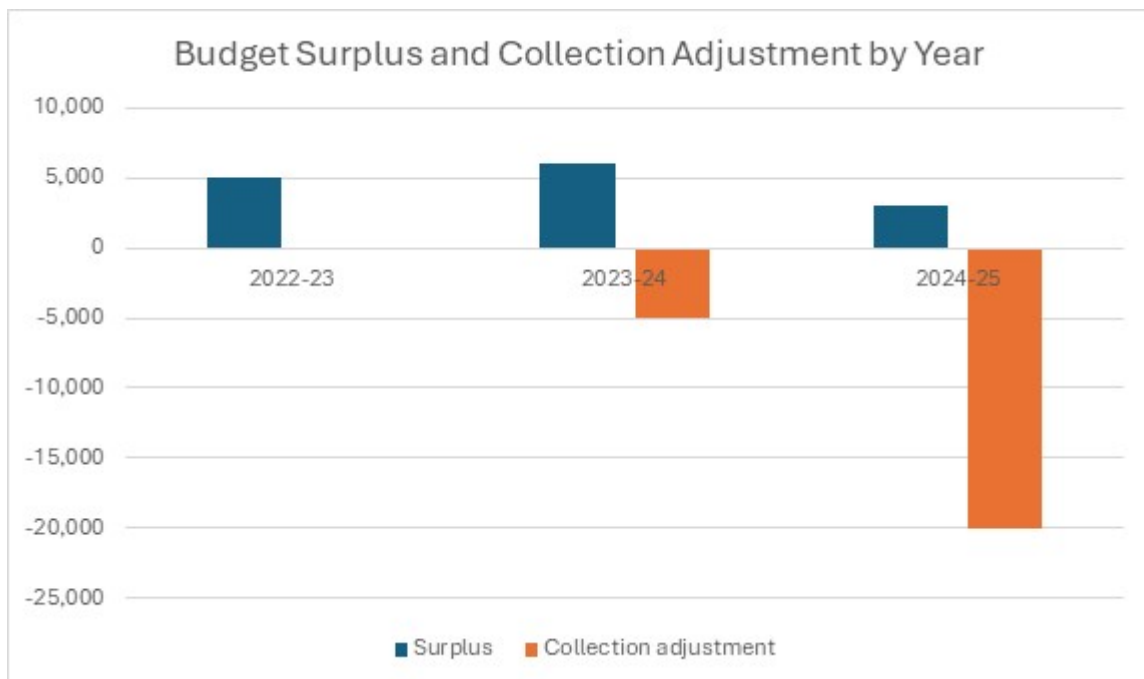
## Step 2: Determining the amount to be collected from members



Fee collected has gone down each year.

The 2021 distant vote requires SI to set the fee in a manner that ensures that there is enough available to pay for budgeted expenses. However, it did not provide guidelines on how to use unused portions of the previous year's budget. Therefore, SI improvised and made a decision that if a portion of the previous year's budget was not spent, then it would reduce the

amount it collected in the current year by a similar amount while setting the fee. In 2022-23, there was a surplus of CHF 5,048.87. Consequently, for 2023-24, SI collected CHF 81,000, which was CHF 5,000 less than what it collected in 2022-23. In 2023-24, there was a surplus of CHF 6,995.37, but SI felt comfortable with its cash holdings and decided to collect CHF 20,000 less than the planned next year budget of CHF 95,000. Consequently, the fee was set such that we will collect a total of CHF 75,000 from all members this year (CHF 20,000 less than the budget).



## Step 3: Allocating the amount to be collected across members

This is a 3-step process. First an average fee per member is calculated. Then, the fee per member is adjusted based on the richness of the country. Finally, members whose fee is less than CHF 100 for the year are waived.

To calculate the fee per member, the total number of active members at the end of the year is collected. For this purpose, the number of active members is collected in December. This is fair because that person has already enjoyed the benefits of members for the period up to December this year. Note that SI typically collects fees in arrears. So, for example, it collects fees for 2024-25 in January to March of 2025. The number of active members per country is collected by the membership team and given to the Treasurer. According to the list that the Treasurer received, the number of active members living in countries that are full members<sup>[1]</sup> on 20 December 2024, was 15,286. Consequently, the average fee per member for the year is CHF 4.91.

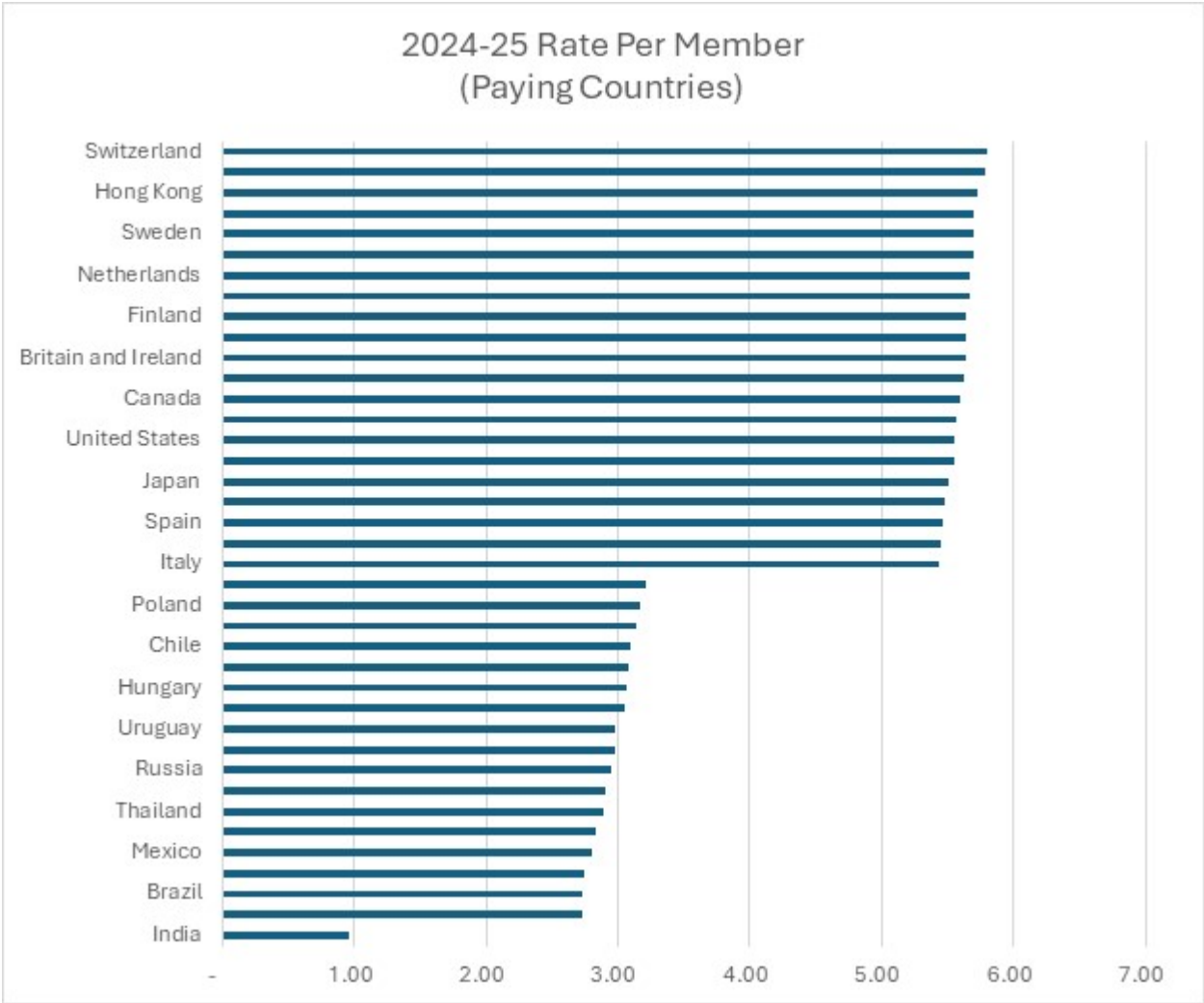
| HDI greater than | Weight |
|------------------|--------|
| 0.90             | 1.00   |
| 0.70             | 0.60   |
| 0.60             | 0.25   |
| Below 0.6        | 0.00   |

However, this number is adjusted for the richness of the country. For this purpose, we are required to use the latest Human Development Index (HDI) issued by the UN. Each country is rated on a scale of 0 – 1. The richest countries have a score above 0.9. Moderately developed countries have a score above 0.7. Countries below 0.6 are considered

poor. The weight is used to adjust the fee is given in the sidebar.

There were 65 countries that had a weight above zero. However, as per the rule, countries (member groups) that would have a bill of less than CHF 100 are waived, with the remaining countries compensating. Out of the 65 countries, 26 countries were waived as a result of this rule. The remaining 39 countries (non-waived) that paid the fees had 14,352 members.

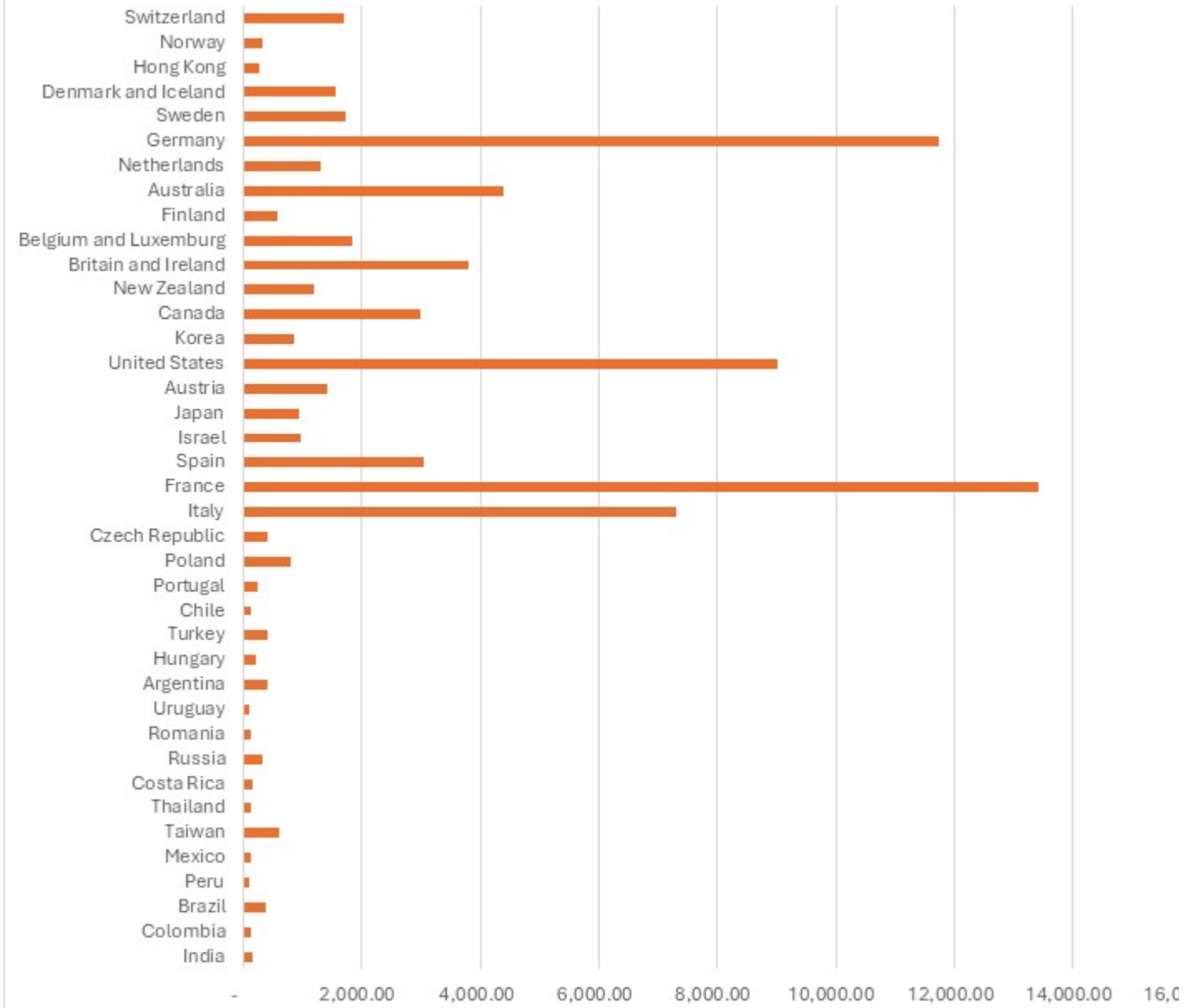
The chart below shows the rate per country after these calculations. Switzerland pays the highest rate of CHF 5.79 per member. About 22 countries pay more than CHF 5.00 per member. All of them had an HDI above 0.9. Appendix I contains the full data.



The amount payable by each country is calculated by taking the rate per member and multiplying it by the number of active members.

The total number of paying countries is 39. Of these 15 countries paid more than CHF 1,000 each. Together, these 15 countries pay CHF 66,316 (88% of the collectible fee). These 15 countries collectively have 11,905 members (83% of the fee-paying membership). The top 4 countries (France, Germany, USA and Italy) with 52% of the members, paid 55% of the total fee. The chart below shows the payment by each country.

### Fee by Country 2024-25



## APPENDIX - 1

| <b>SI Budget</b>                    | <b>Budget</b>  | <b>Projected<br/>actuals<br/>for</b> | <b>Proposed<br/>for</b> |
|-------------------------------------|----------------|--------------------------------------|-------------------------|
|                                     | <b>2024-25</b> | <b>2024-25</b>                       | <b>2025-26</b>          |
| Youth Meetings                      | 10,000         | 500                                  | 5000                    |
| Regional Meetings                   | 10,000         | 9,000                                | 6,000                   |
| Exco meetings and expenses          | 10,000         | 10,889                               | 12,000                  |
| UN Projects                         | 4,000          | 4,000                                | 4,000                   |
| Peace Projects                      | 2,000          | 2,095                                | 2,000                   |
| IT Maintenance Expenses             | 4,000          | 16,306                               | 8,000                   |
| Other operating expenses            | 5,000          | 1,845                                | 4,000                   |
| Technology build expenses           | 32,000         | 8,530                                | 24,000                  |
| GA expense Provision                | 0              | 25,000                               | 25,000                  |
| Special Projects e.g., Peace School | 4,000          |                                      | 5,000                   |
|                                     |                |                                      |                         |
| <b>TOTAL</b>                        | <b>81,000</b>  | <b>78,165</b>                        | <b>95,000</b>           |

## APPENDIX – 2

| Member Group          | Rate | Amount |
|-----------------------|------|--------|
| France                | 5.45 | 13,406 |
| Germany               | 5.69 | 11,724 |
| United States         | 5.55 | 9,002  |
| Italy                 | 5.43 | 7,289  |
| Australia             | 5.67 | 4,381  |
| Britain and Ireland   | 5.63 | 3,796  |
| Spain                 | 5.46 | 3,034  |
| Canada                | 5.60 | 2,974  |
| Belgium and Luxemburg | 5.64 | 1,840  |
| Sweden                | 5.70 | 1,722  |
| Switzerland           | 5.79 | 1,686  |
| Denmark and Iceland   | 5.70 | 1,563  |
| Austria               | 5.55 | 1,426  |
| Netherlands           | 5.67 | 1,286  |
| New Zealand           | 5.63 | 1,187  |
| Israel                | 5.48 | 976    |
| Japan                 | 5.51 | 931    |
| Korea                 | 5.57 | 852    |
| Poland                | 3.17 | 811    |
| Taiwan                | 2.83 | 615    |
| Finland               | 5.64 | 559    |
| Czech Republic        | 3.22 | 412    |
| Turkey                | 3.07 | 400    |
| Argentina             | 3.05 | 397    |
| Brazil                | 2.73 | 372    |
| Russia                | 2.95 | 328    |
| Norway                | 5.79 | 324    |
| Hong Kong             | 5.73 | 252    |
| Portugal              | 3.14 | 223    |
| Hungary               | 3.06 | 211    |
| Costa Rica            | 2.90 | 162    |
| India                 | 0.96 | 159    |
| Romania               | 2.97 | 137    |
| Mexico                | 2.81 | 118    |
| Chile                 | 3.09 | 114    |
| Thailand              | 2.89 | 113    |
| Colombia              | 2.72 | 112    |
| Peru                  | 2.74 | 110    |
| Uruguay               | 2.98 | 101    |



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[1] There are approximately xxx members in countries that have not attained full member status.