



Financial
Forecasts
2021-25 and
Path Forward

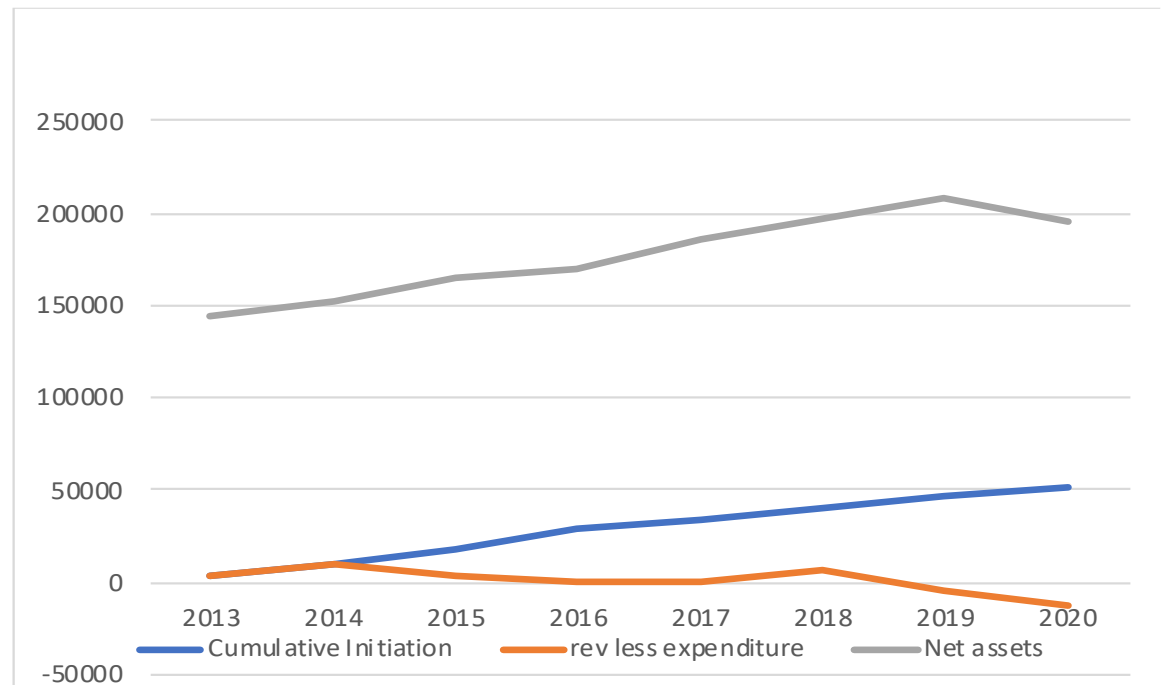
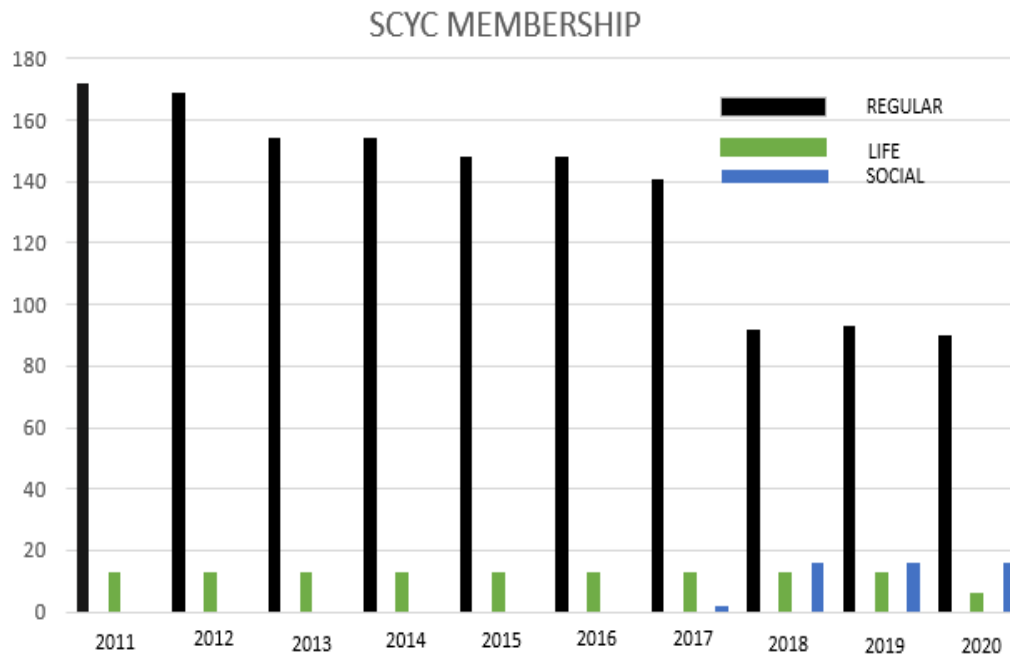
2021 SCYC Membership Survey Highlights

- **70 % of membership responded to the February, 2021 Survey**
 - Full results of survey being sent to membership
 - 85% more than satisfied with membership benefits and communication
 - Strong support for focusing energy on a membership campaign
- **Membership identified relative importance of key programs**
 - Most important programs were Comradery, Cruising Stations and Reciprocals
 - Racing and Rallies ranked lowest but are a cornerstone of being a yacht club
 - Similar support for maintaining current programs versus reducing programs to maintain the fund
- **The high cost and relatively low ranking of mooring buoys prompted a reassessment of their value**
- **The suite of social programs were ranked similarly but lower in importance**
 - Collectively, our social programs support “comradery and interaction” and our social membership category
 - Members equally support both major organized and informally held social events
- **Our core volunteers come from about 50% of our membership**
 - Members who volunteer do so broadly across all programs and events.
 - 82% of members happy to contribute to specific events/working groups
 - Few members are willing to take on leadership roles
 - Given falling membership trends our volunteer pool is shrinking
- **Question of how best to support funding of club programs triggered further analysis to....**
 - Assess membership relative preferences of program levels and funding alternatives
 - Recognize declining membership trend and its impact on program levels and club finances
 - Develop various budget scenarios for years 2022 to 2025 to show impacts

Historical Membership and Fund Growth

- Membership attrition has been significant over past 10 years (170 to 106) (excludes honorary life)
- Attrition offset by 50+ new memberships since 2013
- A top priority for our club is membership. With declining membership, comes declining revenue, volunteerism and participation.

- The fund was established pre-2000 to save for “clubhouse facilities”
- New memberships are primary contributor to fund (including savings) growth (144k\$ to 198k\$) from 2013 to 2020
- Retention of fund needs to be supported by viable projects
- Current options for fund use are afterdeck renovation / rebuild or Fairwinds Landing lease
 - Neither option is appropriate to pursue in the near term

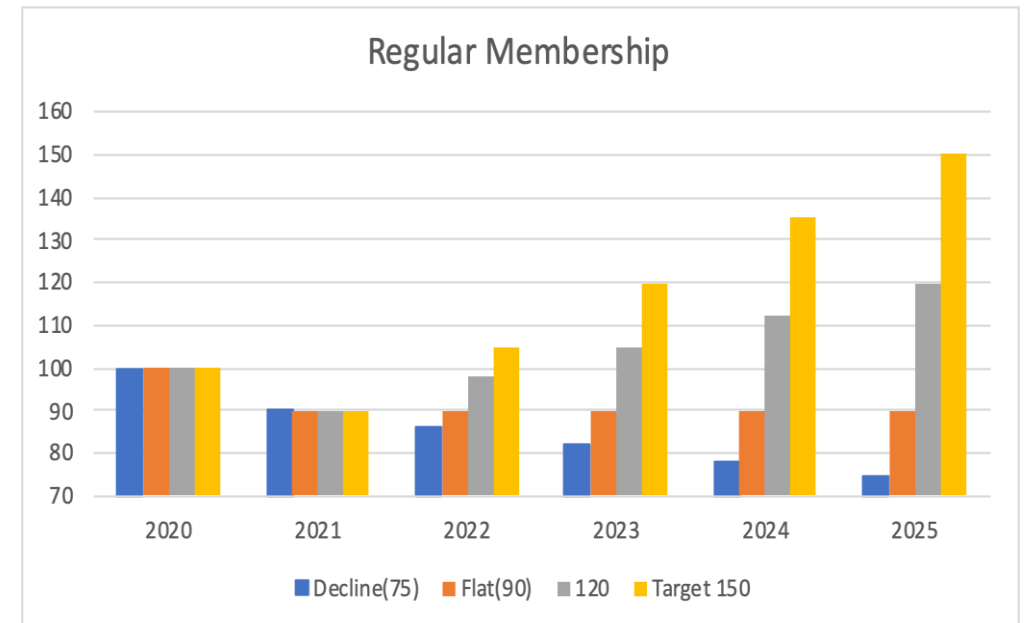


Budget/Membership/Fund Scenarios

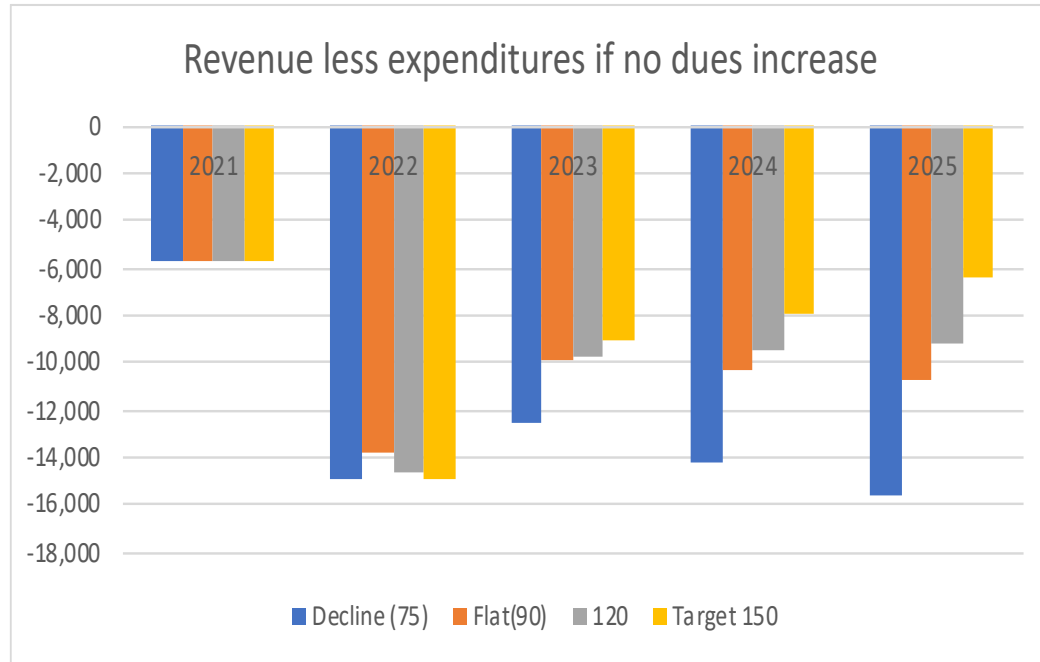
- Analysis of the survey data
 - Membership response was split on the question of; *maintaining the level of current programs with fund or dues increase or *reduce current programs sufficiently to provide a balanced budget.
 - Membership was split on using the fund or raising dues to maintain program level
 - Substantial support for retaining fund for “capital” projects and/or special projects or donations
- Budget and Scenario Planning forecast was done yearly to 2025, based on the following:
 - Maintain programs and benefits levels to recognize importance of member retention and growth
 - Projected revenue & expenses based on approved 2021 budget - adjusted w/ overhead costs inflation
 - Program levels expenditure adjusted for each membership scenarios
 - Initiation Fee Reduction
- Objective
 - To examine use of fund, dues increase & program reductions

Four Membership Scenarios Examined:

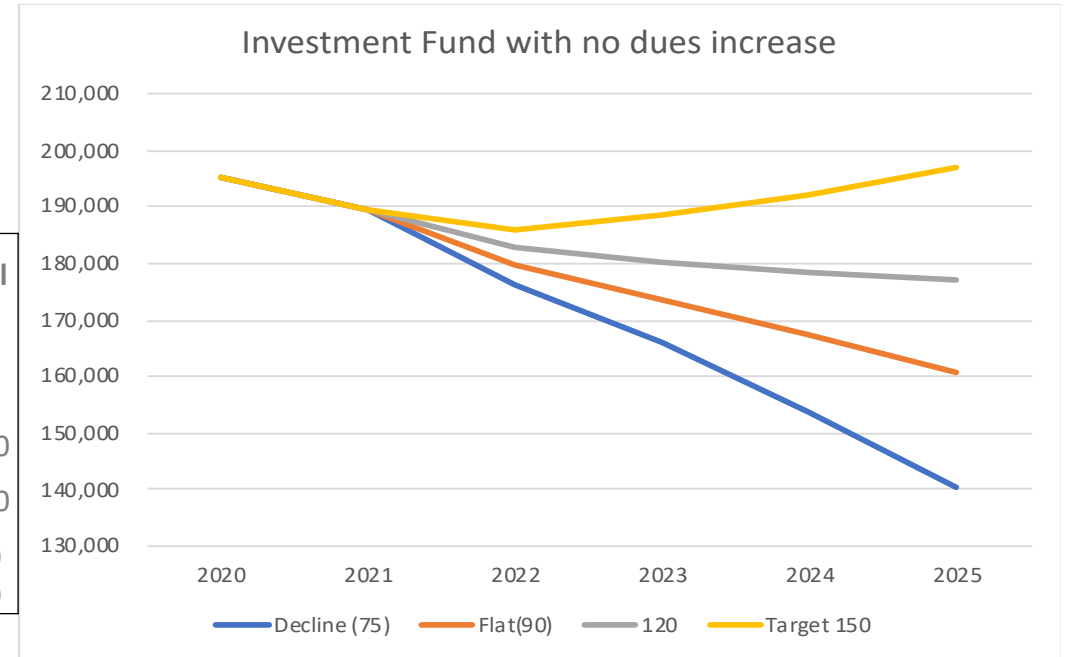
- ***Decline:*** Anticipated 35% membership attrition is partially offset (~75 regular and 15 social memberships in 2025)
- ***Flat(90):*** Memberships at maintained at current levels
- ***Growth(120):*** Growth to 120 regular memberships
- ***Target 150:*** Regular memberships grow to 150



Club expenditures impacts on using the fund (with no dues increase) 2022-2025



Annual Shortfall in 2025	
Member #	\$/yr
75	15,600
90	10,800
120	9,200
150	6,500



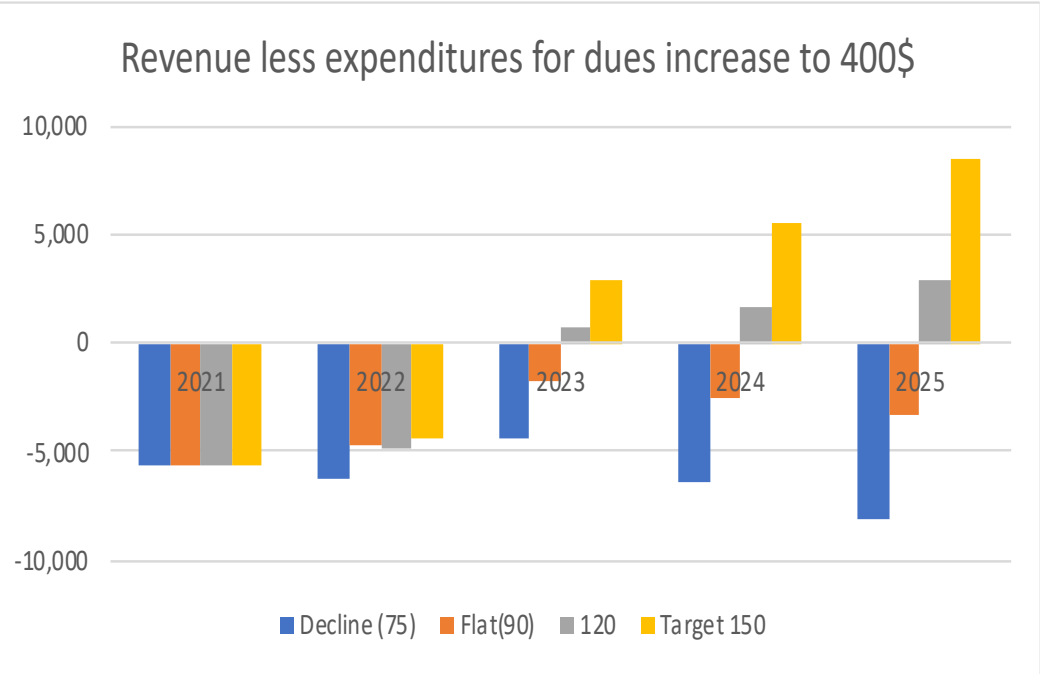
Analysis:

- Expenditures exceed revenues in all scenario
- Without dues increase or utilizing fund substantial cut in program levels
 - Requires a 50% reduction in program benefits (excludes overheads) in 2022

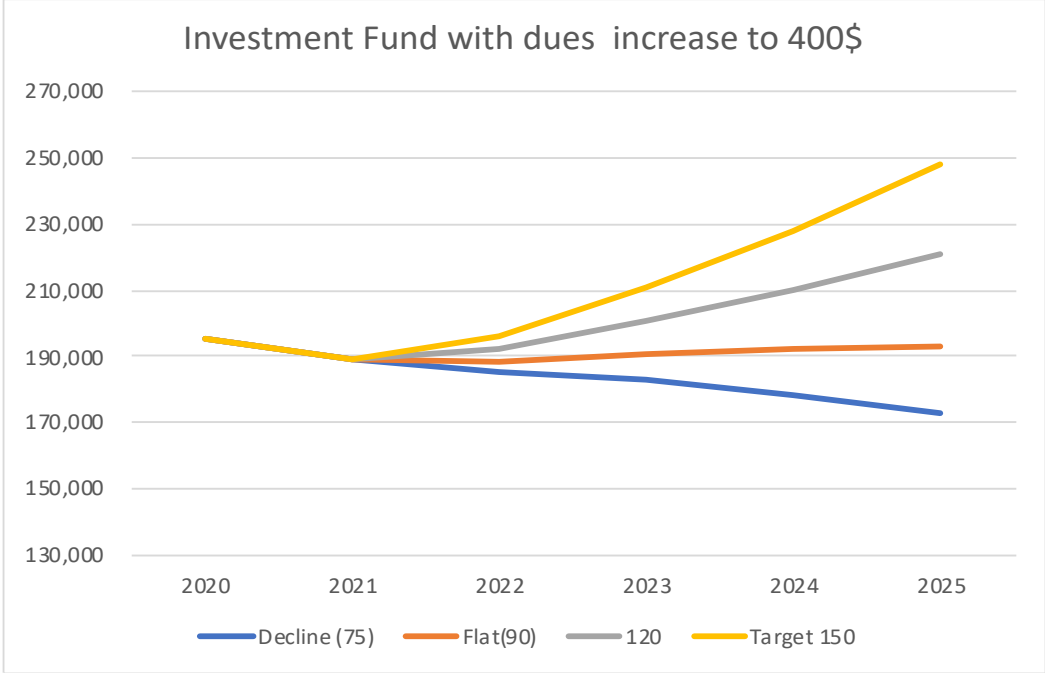
Analysis:

- Fund reduced to \$160K\$ (85%) without requiring a dues increase to maintain programs (Flat scenario)
- Fund reduction to 74% in the Decline scenario
- Investment Fund grows in “Target” scenario primarily due to new initiation fees

Club expenditures impacts of Dues Increase of 100\$ in 2022 2022-2025



Annual Shortfall in 2025	
Member #	\$/yr
75	8100
90	3200
120	-2800
150	-8500



Analysis:

- Revenue exceeds expenditure in membership growth scenarios
- Expenditure still exceeds revenue in flat and decline member scenarios
- Program reduction of 5-6k\$ would still be required balance budget in 2022
- A member increase to 150\$ would balance 2022 revenues and expenditures

Analysis:

- Initiation fees allow Fund to increase by 2025 in all but Decline scenario
- Fund (2% increase) with a 100\$ dues increase while maintaining programs (Flat scenario)
- Fund reduction to 91% in the Decline scenario
- Investment Fund grows 30% in “Target” scenario with 75% coming from initiation fees

SCYC - Path Forward

A sustainable future depends on membership growth. Attracting new members is dependent on our club offering exciting and valued programs in an environment where members are welcome in a friendly and relaxed way. Our club has a very healthy fund to support this growth. Maintaining competitive initiation fees and annual dues while providing strong program benefits is key to attracting and retaining members.

The goal is 150 members by or before our 50th year (2025)..... “150 by 50”.

To summarize the forward plan,

- **Keep dues at current levels and maintain funding levels for majority of programs**
 - Remove mooring buoys in 2021
 - Cruising stations funded as per 2021 budget
 - Cover costs to allow reciprocals to continue
- **Utilize the fund for the benefit of existing memberships**
 - Use the fund to cover revenue shortfalls
 - The fund withdrawal will benefit members who have contributed to the fund
 - The fund remains healthy and substantial through to 2025 in all scenarios
- **Continue focus on attracting new members**
 - By continuing to offer excellent membership benefits and reducing initiation fee by 50%
 - Through a focused campaign to highlight SCYC to potential boaters
- **Monitor membership growth and adjust plan as required**
 - Dues decision can be reassessed on an annual basis
 - The executive will continue to represent the members with transparency and openness

SCYC Exec Commitment
Will Monitor & Report on
Outcomes on a Yearly Basis
and adjust as needed