

Long Range Plan for Rush Creek Yacht Club

April 1984

DRAFT V

TABLE OF CONTENTS

Statement of Purpose	
Introduction	
Foremost Goal	
Principles Governing the Future	
Club Administration	
Selection Process	
Organizational Structure	
Board of Governors	
Officers	
Board Meetings	
Executive Committee	
Finance Committee	
Committees	
Club Manager and Administrative Assistant	
Racing	
Commitment to Excellence	
Club Racing	
Race Management Training	
Youth Program	
Training	
Facilities	
Racing	
Physical Facilities	
Development of Club Property	
Parking/Dry Storage	
Harbor	
Clubhouse	
Financial Condition	
Financial History of Rush Creek Yacht Club	
Dues and Slip Rentals	
Statement of Current Operations	
Current Financial Status	
Future Capital Expenditures	
Summary	

Long Range Plan for Rush Creek Yacht Club

April 1984

Statement of Purpose

Introduction

In 1985 Rush Creek Yacht Club will celebrate the 15th anniversary of its founding. Fifteen years is, in the life of a yacht club, a short time and many of Bush Creek's peer organizations have longer histories. Rush Creek Yacht Club can be truly proud of what has been achieved in this brief span of time. The list of members who have distinguished themselves regionally and nationally is impressive.

As it approaches a symbolic milestone in its history, Rush Creek Yacht Club is poised to commence a special effort to advance the quality of its operation and programs. In so doing it is appropriate for the club to reaffirm its mission and at the same time to assert its special purposes for the future. Of course its fundamental mission should never change. Rush Creek Yacht Club must always remain committed to the singular aspect of the authentic mission of all true yacht clubs everywhere -- racing excellence. The mission statement of 1972 with its affirmation of wise principles has not wavered on this fundamental point; the present Statement of Purpose cannot do so either.

Foremost Goal

The foremost goal of Rush Creek Yacht Club for the future is to continue to advance toward one of the outstanding racing yacht clubs in the nation. The club affirms its conviction that this is a difficult yet realistic task. Indeed the retention of excellence is never a completed task. It must be continually pursued to be regarded as having been achieved. RCYC's commitment is not unmindful of identical aspirations on the part of many other clubs. RCYC welcomes the challenge posed by those aspirations.

In setting forth its determination to become a yacht club which ranks with the very best in the nation, the club believes that with the commitment and support of its Board, membership and management, it can articulate a revised institutional vision which entails major improvements in a unique blend of racing, social, and educational programs. Specifically, this aspiration means that Rush Creek Yacht Club must continue to advance its standing in terms of clearly identified criteria: comparative standards that can be measured by such elements as quality of leadership, quality of facilities and programs, quality of operations, and the participation and accomplishments of its members.

Four commitments underlie the purposes of Rush Creek Yacht Club for the future.

1) The first commitment is to continually strive to provide an intra-club racing program of the highest quality for its members.

The yacht club affirms its conviction that in the matrix of its diverse activities there is no more fundamental responsibility than that of exposing its members to quality yacht racing. Members must be provided with a basis for developing manual skills, tactical knowledge and rule mastery in order to achieve success and exude the winning attitude characteristic of racers from Rush Creek Yacht Club. As stated by the Board of Governors, the essence of RCYC's philosophy is that "a superior yacht club must rise from the solid foundation of a quality racing program."

2) The second commitment is to continue to promote and support inter-fleet competition of the highest quality, locally, regionally, nationally and internationally.

The yacht club affirms its conviction that such activities are essential to the very nature of the club and their existence enriches the quality of the organization as a whole.

Long Range Plan for Rush Creek Yacht Club

April 1984

These activities are important in their own right as they reinforce racing knowledge and create more highly developed competition. It's relatively easy to be a fleet champion but considerably more difficult to become club champion when competing against the best from each fleet; however, it is only through this inter-fleet competition that national, world and Olympic champions can be molded.

3) The third commitment is to continue to foster training and education through the promotion of youth programs to advance the knowledge and understanding of yacht racing. Many yacht clubs once famous for their racing programs and participants are now forgotten or known only as a social facility because they ignored the time honored theory that new members are the life blood of the organization and youth training is the plasma.

4) The fourth commitment of RCYC is to continue to share and communicate its resource and knowledge of yacht racing with the community at large.

The yacht club affirms its conviction that in order to excel it must reach out to the larger community and promote yacht racing and the efforts of its members be they local competitors or Olympic contenders.

Principles Governing the Future

These four commitments have inspired the yacht club's past; they also chart its future directions. Rush Creek Yacht Club will continue the pursuit of these goals guided by the following specific principles:

1) RCYC can only enjoy the increased support of its membership if it offers a racing program either markedly superior or distinctly different from those available at other yacht clubs. Accordingly, all new and continuing program/activities/endeavors of the club should be measured by this principle and periodically evaluated to determine quality and need.

2) The enhancement of the racing program constitutes a primary objective for the yacht club. Over the next several years the club should raise significantly its admission standards and become an increasingly more selective organization.

3) As an essential corollary to efforts to improve the quality of its membership, RCYC should make the allocation of additional efforts and resources toward the maintenance of its racing program a matter of highest priority. Alongside its affirmation of a meaningful commitment to racing, the yacht club will improve other aspects of operations including dry storage, clubhouse, harbor, etc.

4) The yacht club should continue to support a carefully chosen configuration of recognized fleets. New fleet distinction should be granted only if there is a compelling match between clear need, demonstrated participation, and continued growth of the proposed fleet. The club should not lose sight of the need for balanced fleet representation. Moreover, RCYC should promote both keel and centerboard boats in order to encourage participation and foster "racing excellence" in all types of fleets. This will make us unique from other clubs and provide a logical growth pattern as the club matures. It is recommended that an examination be made of the fleets to determine any deficiencies and an action program be developed for future improvement.

5) The yacht club should continue to increase its national/international distinction by hosting select events and to continue the qualitative sponsoring of local and regional events and because club representation at regional and national events is a key indicator of a quality organization, the yacht club should continue to make prudent financial support of such representation a matter of significant priority.

Long Range Plan for Rush Creek Yacht Club

April 1984

6) High quality management and leadership is central to the yacht club's well-being. Accordingly, RCYC should hire and elect only the most outstanding individuals with the capacity to contribute to the growth and success of the club. In short, if the situation arises the club should not knowingly elect weak leadership but rather exercise the option of reusing strong, proven leadership to ensure the integrity of the position and ultimately the organization and all that it represents.

7) The club recognizes that the need for up-to-date equipment and the modernization of facilities is constant and pressing. Specific recommendations for equipment improvement and facility expansion/renovation for the future should be evaluated in light of club wide priorities.

8) The achievement of RCYC's qualitative objectives will entail a thoughtful allocation of resources. Planning objectives should be developed to guide the club in the identification of organizational priorities. These priorities will determine the resource allocation decisions of the club.

9) Recognizing the categorical necessity for fiscal prudence in the face of many important needs, the club should be committed to operating within a balanced budget and to allocating properly the available resources at any given point in time.

10) The club should actively explore ways to improve the efficiency and effectiveness of its administrative services in order to enhance the productivity of its human, financial and physical resources. These are the purposes of RCYC for the future. Their implementation will not be easy; however vision can be turned into reality for the full loyalty and effort of all members of the club will be available for the task.

CLUB ADMINISTRATION

Selection Process

The organizational structure of Rush Creek Yacht Club has not changed significantly since its creation. At the close of each year a nominating committee, chaired by the Commodore consisting of several past Commodores, has the responsibility to ensure that for the following year the organization is lead by the strongest possible combination of individuals which is capable of managing the diverse and sometimes complex affairs of the organization. After assembling, the committee first reviews the list of vacant positions to generate a cadre of nominees for the at-large membership to ratify. It is understood that the nominees shall be active racing members of the club who have demonstrated a willingness and desire to work for the club in a participatory atmosphere and have a commitment to the responsibilities of their nominated position. Next, at the club's annual meeting held the first Saturday of December, each member in good standing is afforded the opportunity to vote in an election of nominated officers and Board Members.

Organizational Structure

The bylaws provide for an immediate past Commodore, Commodore, Vice Commodore, Treasurer, and Secretary each elected to one year terms. Six Governors are elected to the Board each to serve three year terms. A system designed to rotate Governors requires that two new Governors be elected annually unless additional vacancies occur.

Board of Governors

The bylaws provide that the Board of Governors will consist of representation from each of the recognized one-design and the auxiliary fleet. This ensures that the interests of each fleet are considered and are consistent with the goals of the club as interpreted by the members of the Board of Governors. This structure also helps to maintain the integrity of the racing program as it is the responsibility of each fleet representative to communicate the importance of continued fleet participation on the race course as

Long Range Plan for Rush Creek Yacht Club

April 1984

well as with race management responsibilities in order to maintain a recognized fleet status at RCYC. The organization of the Board is different from other yacht clubs as it is designed to ensure broad representation while at the same time remaining committed to racing excellence.

Because the responsibilities of the Officers and Governors are so broad their duties are not rigidly defined in the bylaws, and further do not specify provisions pertaining to meetings, but it is practice that the Board meets on the third Monday of the month. Each Officer and Governor is expected to attend, and Rear Commodores are invited to attend to make reports. Formal minutes are taken by the Secretary.

Chairman of the Board

The Chairman of the Board of Governors is a second or third year Board and is elected for a term of one year. The Chairman is in charge of the agenda, presides at the meetings, and sees to the execution of the decisions of the Board. Also, because the officers rotate each year it is the responsibility of the chairman to ensure a continuity and fiscal discipline from year to year.

Commodore

The Commodore is the chief executive officer of the club and is responsible for addressing the priorities for the year with the advise and consent of the Board of Governors. In addition, the Commodore prepares the budget with the assistance of the Treasurer, finance committee and Vice-Commodore, keeps the membership informed by way of the newsletter, and provides overall supervision and maintenance of club operations. The Commodore also has the responsibility of ensuring that each Rear Commodore perform his duties, with the exception of the House Rear Commodore who reports to the Vice-Commodore.

Vice Commodore

The Vice Commodore reports to the Commodore and has responsibility for the House Rear Commodore, including clubhouse operations and budget, as well as the direct supervision of the club manager and administrative assistant. It is important to note that the Vice Commodore normally succeeds the Commodore. Abundant communication between the two is therefore essential.

Board Meetings

Members are welcome to attend board meetings by invitation from the Chairman. Inquiries from members regarding issues pertinent to the club are otherwise conveyed to the Board through any officer or Governor.

Executive Committee

The Board of Governors is the policy-making and decision-making branch of the club administration. However, in the event action must be taken on matters concerning the club between board meetings the executive committee, elected by the Board, usually consisting of the Chairman, Commodore and another Officer or Governor have the authority to act on matters which the Board has tentatively approved. On such executive committee decisions there should be unanimity, and if not, then the Chairman should poll the Board members for a decision and if there is clear opposition to the matter then a special board meeting should be called or the matter deferred until the next regularly scheduled meeting.

Finance Committee

The finance committee is appointed by the Chairman and has the responsibility to advise the Board with regard to significant financial commitments that the club may be considering. The finance committee's

Long Range Plan for Rush Creek Yacht Club

April 1984

recommendations are based on a sound understanding of the club's financial posture and are given careful consideration by members of the Board of Governors during deliberations over expenditure issues.

Committees

Rear Commodores are appointed by the Commodore and subject to ratification by the Board. The Rear Commodores chair the following committees:

- 1) Dry Storage: Responsible for general supervision, assigning, and policing of dry storage area.
- 2) Education: Responsible for planning and supervision of the Junior training program and adult education activities.
- 3) Grounds: Responsible for maintenance and beautification of club property with the exception of the harbor and docks.
- 4) Harbor and Docks: Responsible for general supervision as well as assigning, policing and maintaining the slips, ramps and hoists.
- 5) House: Responsible to coordinate clubhouse services for regattas, and to plan and coordinate club social events. Representation from each fleet is mandatory on this committee.
- 6) Membership: Responsible to promote activities which will build the acceptance and prestige of the club in the community, to create literature and brochures as needed to inform prospective members about the club. Finally, the committee reviews and presents all membership applications to the Board for approval/disapproval.
- 7) Race Equipment: responsible for maintenance of equipment and to make recommendations for equipment improvements.
- 8) Racing: Responsible to create club racing calendar to be coordinated with USYRU events. other responsibilities include an annual review of the club racing rules citing recommendations for changes.

Club Manager and Administrative Assistant

The club manager(s) carry out club operations, and are full-time salaried employees. The club manager(s) is in charge of the clubhouse, grounds, equipment that may or may not include club boats, pool, clerical and all clubhouse operations with such full or part-time employees as are seasonally necessary. The manager(s) should be involved with care-taking duties as well as security. The administrative assistant is primarily involved with regatta planning and administration of overall club business. From a management standpoint the manager(s) and administrative assistant work with officers and Rear Commodores in a participative manner.

RACING

Commitment to Excellence

In the Statement of Purpose, racing excellence and becoming one of the outstanding racing yacht clubs in the nation were goals for the future of Creek Yacht Club. The philosophy behind the creation of these goals is essentially that in order to achieve superiority as a yacht club there must first be a racing program of equal superiority.

Club Racing

The commitment necessary to achieve the above goals can be seen in the current attitude taken toward club racing at RCYC. Racing is held year round on Sunday afternoon with the first gun at 1:20 p.m., Wednesday nights during the summer, and Saturdays for junior sailors. An exception to this is during the late summer months when heat becomes a deterrent to participation. Fleets or even the entire club may desire to sail on Saturday evenings. other sailing activities such as major regattas, fleet regattas, and

Long Range Plan for Rush Creek Yacht Club

April 1984

USYRU events are considered by the Board and many are added to the annual racing calendar. The Board is mindful of over-stressing the club (its facilities and membership) and seeks to sponsor only quality events in order to maintain the delicate quality/quantity balance of its racing activities. Quality races will attract the better area competitors so our statement of purpose, "racing excellence" will help insure our growth.

Race Management Training

A kin to championship racing is the ability to sponsor and manage such activities in a commensurate fashion. RCYC is fortunate to have among its membership experts in the theory and practice of race management who have devoted much time and effort developing a highly successful Race Management Seminar. Currently there is a requirement that each fleet graduate a number of race officers in order to increase the quality of race management during club races. This excellent program should be continued year after year at any cost because it manifests in our credo "Racing Excellence" and separates us from other less concerned yacht clubs.

YOUTH PROGRAM

It has been demonstrated over and over again that new members are the life blood of yacht clubs and we find that youth programs are a prime factor in that effort. Competition from other yachting organizations in the area combines with everyday diversions to make this effort difficult. A casual approach to any part of the overall growth program will lose the battle. Here are some of the various facets.

Training

The growth and development of the junior racing program at RCYC has been identified as a unique quality of the current program as well as an essential ingredient to the club's overall success. The sailing school has been good for teaching basic sailing skills and of course should be continued. It has been observed that when the school is poorly promoted or poorly instructed or the curriculum is poorly organized the enrollment suffers. Organizing the sailing school is a difficult but rewarding task and takes a dedicated and talented person. In the past, parents with school aged children have made the best directors. The April 1964 issue of Yacht Racing devotes several pages to youth training programs. It is recommended that this article be reviewed for new ideas to enliven the program-

In addition to promoting the basics through the sailing school, special attention must be given to the development of the more talented youth who are seeking racing experience. In the past this group of aspiring racers have received only sporadic attention. It is clear that the youth are the future supporters of "Racing Excellence" at Rush Creek. If properly nurtured, our young adults will become the membership and leadership of tomorrow and ensure that "Racing Excellence" is maintained at RCYC.

Facilities

We recommend that the officers take a look at improving the existing facilities for our juniors. If this group is to grow they must have a place to congregate and a place to hold functions. Upgrading of the present pavilion will serve that purpose well and provide another club facility for protests, meetings, etc.

Membership and Dues:

Sometimes in our monetary or political concentrations we overlook the condition of our youth. If we are to encourage their participation we must make it easy for them to be with us. We recommend a review of these two items so our objectives can more easily be obtained.

Racing

Long Range Plan for Rush Creek Yacht Club

April 1984

Once we have trained our youth we must be sure to keep their interest by providing a race program of their own. Strategies, duties, confrontations and victories are much more impressive and meaningful if they are self experienced. They learn from doing and we have to provide them that opportunity. We recommend further utilization of the 420's and Resolutes in that regard as well as some new thinking on how a comprehensive Youth Racing Program for all age levels could be accomplished.

PHYSICAL FACILITIES

Development of Club Property

Rush Creek Yacht Club is the envy of many racing yacht clubs because of the size of the grounds, the length of shoreline under club control, and the way in which these assets have been developed. If the club is to achieve the goal of becoming one of the finest yacht racing facilities in the country, future development of the property must be carefully planned to provide for the most efficient use. Overall development can be planned by looking at three basic areas -- parking/dry storage, harbor, and clubhouse/grounds.

Parking/Dry Storage

The area in which inadequacies can be the most serious deterrent to development of the racing program is that of parking and dry storage. The inability to efficiently accommodate the storage and launching of large numbers of trailered boats can discourage local members and decrease the desirability of the yacht club to act as host for major racing events.

The addition of spaces for automobile parking and dry storage in 1981 was a significant step for RCYC. Although there are still an adequate number of dry storage spaces for small boats, the spaces for larger keelboats are fully occupied and the trend has been for new keelboats to be dry sailed resulting in longer lines at the hoist.

The requirement over the next two to three years can be met with the addition of automobile parking spaces, more efficient use of areas already designated for dry storage with the overflow of less frequently used boats going to unimproved storage areas, and installation of an additional hoist.

There are presently 76 spaces specifically designated for automobile parking. There are some 80 dry storage spaces of sufficient length to provide parking for both trailer and car. On an average Sunday, there are probably 200 people involved in racing and another 20 to 30 non-racers using the club. The present parking is barely adequate for this normal situation, and when there is a regatta that extends into Sunday, which happens about half of the weekends each year, boats get blocked in their spaces and people park anywhere they can when the designated spaces are filled thus creating congestion in the dry storage, ramp and hoist areas. One solution to this problem is to limit vehicular traffic in these areas to those vehicles going to the loading zone near the breakwater or those needed to move boats to the ramp or hoist and to provide more designated automobile parking for crew, owners of boats in the harbor and owners of boats in small dry storage spaces by expanding the parking area near the clubhouse.

To insure the most efficient use of present dry storage areas a program should be implemented to identify infrequently used boats and require them to relocate to an undeveloped area making more spaces available to the active racers. Such a program would effectively increase the size of the dry storage facilities without requiring a large capital investment. The area off the north end of the parking lot near the clubhouse and the area behind the keelboat parking near the entrance could be used for storage. Also, in conjunction with trying to decrease the congestion near the ramp and harbor, the automobile parking area along the retaining wall west of the ramp should be converted to dry storage and the maintenance

Long Range Plan for Rush Creek Yacht Club

April 1984

area relocated to the area near the entrance to the club grounds where trailers are presently stored. Water and electricity would have to run to the area, but if properly routed could also serve the keelboat storage area and motor home hookups.

As the racing program grows and the club hosts more large regattas, we see that more racing boats require a hoist for launching. Another 4,000 pound capacity hoist will be required not only to allow handling a larger number of boats but also to serve as a backup to the existing hoist. Relocation of the T-dock eastward as far as the ramp, would permit installation of a second hoist between the ramp and the existing hoist.

Since these problem areas of parking, dry storage and additional hoist facilities are all related and will require much thought to arrive at the best solution, they should be researched by a planning task force.

When all of the available dry storage spaces are taken by active racers, major capital expenditures will be required to fully develop the present board-boat area and the area where derelicts are now stored to provide an entirely new storage area for small boats complete with a 2,000 pound capacity hoist and launching ramp. There could also be additional keelboat storage to the right of the entrance road between the road to the condominiums and the first condominium unit.

Harbor

Estimates are that less than 50% of our slips are used by active racers. In concert with the statement of purpose, the club must not become solely a boat storage facility. Instead, the harbor should support the racing program, as do all facilities.

The harbor presently has 82 slips and 20 moorings with space for additional moorings. By restricting future assignment of slips to those who have exhibited participation in or support of the racing program, and undertaking a program to have present slip occupants voluntarily move to the less expensive moorings, the present facilities should be adequate for the next year or two considering that the trend has been to dry sail the larger racing boats. Also, the relocation of the T-dock as mentioned previously, even if another hoist is never installed, might permit the addition of two 24' and two 26' slips while maintaining present spacing.

In addition, the wide-spread use of "hydro hoists" could increase the demand for slips, therefore, this trend should be carefully monitored.

One area where the club has been negligent is in providing facilities that make it easy for our board boat sailors, most of whom are juniors, to launch and retrieve their boats. At present, nearly all of our junior sailors have to have adult assistance to use their boats. This negligence has been a deterrent to the growth of the junior program and should receive immediate attention. Floating platforms should be installed off the shoreline of the board boat area to provide space for approximately 40 sunfish and lasers in addition to the 420's owned by the Rush Creek Educational Foundation. One step toward supporting the junior program was taken with construction of a permanent shelter in the board boat area. However, since the cost of the floating platforms will only partially be offset by the storage fees, how soon they get installed will be a real indication of the club's dedication to development of the junior program.

The shoreline eastward from the existing sunfish dock should be cleared and graded to make it available for catamaran sailors and the overflow of board boats during the regattas.

Any significant increase in the number of slips in the harbor to meet future requirements utilizing previous plans will be an expensive proposition since they have envisioned extension of the north

Long Range Plan for Rush Creek Yacht Club

April 1984

breakwater to provide an entrance configuration that would reduce the effect of wave action from the lake on those developments. The present configuration allows waves driven by the predominant southwesterly winds to enter the harbor and affect the north shoreline from the T-dock eastward and the last few slips on the 30' dock.

Extension of the north breakwater will be expensive because the extension will cross the deepest area of the harbor. Cost of extension has recently been estimated at \$1,000/ft. and an extension of approximately 80-100 ft. would be required. Extending the breakwater thusly to reduce this wave action would allow at least one additional row of slips from the breakwater and extension of existing docks plus safe installation of additional slips and docks near the north shore, which is our only undeveloped shoreline. In planning any future developments, it should be kept in mind that a large number of our boats operate by sail alone and the harbor should never become so congested as to make maneuvering in the harbor under sail a problem.

Nevertheless, we must recognize that our large lake is conducive for larger keel boats. It is undesirable that it's easier to utilize these in slips than to launch via hoist or ramp. Therefore we must necessarily examine an economically feasible way to expand the number of slips. Inadequate local road strengths plus the high costs of extending the present breakwater have made previous efforts in this effort unpalatable. Therefore we recommend new studies that include extending the small breakwater from the south shore of the Rush Creek cove where the water is more shallow, utilization of used tire rafts as floating breakwaters like are now being used by other marinas and other unexplored methods.

Clubhouse/Grounds

It is important to remember that the clubhouse exists to support the racing program. Other less successful clubs have lost sight of this and let social programs dominate the mix of activities to the detriment of racing sailors. The club leadership must continually guard against this possibility.

Although it is unlikely that deficiencies in our clubhouse or grounds will prevent us from reaching the goals in our racing program, this is an area which can be of some significance to many s. With the addition of the deck, remodeling of interior, including the kitchen, and addition of storage facilities adjacent to the kitchen, the clubhouse presently meets most of the needs of the club. However, continued growth of club membership and increased sponsorship of major sailing events by the club will require additional clubhouse facilities. The inadequacies beginning to show in the present clubhouse include shortage of administrative office space and sheltered eating area, the lack of a meeting/protest hearing room, and certain deficiencies in the kitchen area.

There are obviously two solutions to correcting these inadequacies -expand the existing clubhouse or construct a new facility. The financial burden of constructing a completely new clubhouse is more than the club will be able to handle in the foreseeable future if our emphasis continues to be directed toward becoming a better racing organization requiring substantial expenditures in the two basic areas already discussed. Therefore, gradual expansion/remodeling of the present clubhouse should be undertaken as financial conditions permit. Since the expansion of the clubhouse would be of benefit to all club members, not just boat owners, the use of the assessment provisions of the Bylaws would be appropriate if necessary.

The Board of Governors should appoint a Building Committee early in 1984 to develop plans for expansion of the clubhouse, including financial data, to be completed in time for presentation to the membership at the 1984 annual meeting. Approval by the membership would bind future Boards of Governors to carry out the building program.

Long Range Plan for Rush Creek Yacht Club

April 1984

The two main items of concern in the grounds area are the appearance of the entrance to the grounds and the future of the tennis court. The whole area to the left of the entrance including the garbage dumpsters, stored trailers, and relocated maintenance area should be screened behind fencing and/or shrubbery. The usefulness of the tennis court is questionable since the surface is severely warped and cracked - probably beyond reasonable repair. Consideration should be given to removing the court and using any rubble to fill in our deteriorating harbor breakwater and using the fencing to screen the garbage dumpsters. If the surface is sufficiently durable, an alternative would be to use the as a foundation for a partially covered and/or enclosed pavilion that would be used for storage of grounds equipment on a regular basis and provide a surface for sail measurement, etc., as needed.

Another concern which must be addressed in the near future is the security of the club grounds. With the development currently underway near the club, and increased public knowledge about Lake Ray Hubbard, there is going to be more traffic in the area which will very easily find its way onto club property if measures are not taken to clearly distinguish our property and limit access to it. Construction of an attractive fence or wall on our property line along Yankee Creek Road and for some distance south of the entrance road would clearly identify the property as private. Inside this well-defined entrance could be a card or keyboard-operated gate or arm that would physically block the entrance road when operational and limit access to members with cards or those who knew the code number. The gate or arm would only be operational when the club was closed. Obviously, access to the club can be made from the lake side as well. Considering the amount of pilferage of late and the additional traffic forecast in the area, a security guard is a near-term necessity. It is unfortunate that measures such as these must be considered, but they will be necessary to protect the property.

FINANCIAL CONDITION

Financial History of Rush Creek Yacht club

In 1971, James Anderson bought approximately twelve acres of land abutting what in the future would be lake Ray Hubbard-the present site of Rush Creek Yacht Club. He proposed to a group of Dallas sailors that they form a high quality racing yacht club. He agreed to sell the land to them by having these sailors sign a note for \$150,000.00 to be repaid without any interest or principle at the expiration of a ten year period. The sailors agreed and Rush Creek Yacht Club was founded. In 1974, this payment schedule was amended to designate \$100,000.00 as principle and \$50,000.00 as interest with the continued agreement that Mr. Anderson would receive no payment until 1981.

In May 1971, the Board of Directors had plans for the clubhouse, crane, swimming pool, parking area, and a recently invented "floating breakwater." Dallas Federal Savings and Loan agreed to lend the Club \$125,000.00 to complete this layout. The loan company, however, required the personal guarantee of this loan by approximately twenty of the founding club members. At that time, to facilitate the loan, Mr. Anderson also waived his collateral position. A trusteeship was set up to protect the signers of the note and Mr. Anderson.

The floating breakwater was sold to the Board of Directors as being adequate for the protection of the harbor. However, in of 1970 a series of two severe storms completely destroyed the breakwater, and many of the club members' boats were damaged. A financial settlement was made with the manufacturer of the breakwater. The funds from this settlement were used to replace the lost slips and add new ones, and to construct the first phase of the present earthen and rip-rap breakwater.

After the club facilities were completed, a group of builders approached the Board of Directors with a proposal to build condominiums on part of the club land. An agreement was reached whereby the club leased the land under the present condominiums for ninety-nine years for \$500.00 per month.

Long Range Plan for Rush Creek Yacht Club

April 1984

As the club grew, it became evident that the facilities of the clubhouse were inadequate. A complete kitchen was added and the bar was remodeled. At the completion of this work, in 1979, the club obtained a second mortgage on the property for \$75,000.00, at 10% interest, payable monthly at \$724.00. The next major capital investment made by the club was the parking lot in front of the building which was constructed in 1981 at a cost of \$70,000.00. The club has just completed repair of the concrete erosion control and retaining wall on the perimeter of the lake at the cost of \$22,000.00 which will be fully amortized in January 1985. Further repair of the concrete apron must be to eliminate construction of a new wall. Nevertheless the present condition of the club is both sound and liquid.

Dues and Slip Rentals

At the inception of the club, membership and initiation fees were \$850.00 for the approximate one hundred charter members. Then, two years later these fees escalated to \$1,200.00 with a \$200.00 assessment for all members. As a result, a significantly lower number of new members were brought into the club. This, of course, was counter productive to the objects of the club. We overpriced the product. In 1976, in order to increase the membership (thereby increasing the number of members paying monthly dues), the membership was reduced to \$300.00.

Approximately five years ago, an "age factor" was added to the membership structure. In order to bring in young, new members, the membership was designed to allow persons up to twenty-five years of age and younger to join for \$150.00, and for those from twenty-five to thirty years old to join for \$300.00. For those thirty years old and older, membership and initiation fee was \$450.00. At attainment of each of these age brackets, the additional initiation fee is then due. In 1981, the Board changed the initiation fees to \$300.00, \$525.00 and \$750.00.

The monthly dues started in 1971 at \$20.00 with no minimum for food and drink. Over the years, in order to meet operating expenses, the dues were increased to \$41.00 per month with an additional \$10.00 minimum charge for food and drink. Slip rentals have historically been charged on a per lineal foot basis starting at \$1.25 per lineal foot in 1972. They have now increased with inflation to \$1.92.

In order to attract young members, particularly those attracted to the small boat one design fleets, any increase in initiation fees, dues, food and drink charges, slip and dry storage rentals, etc., should be carefully measured against inflation and affordable to assure maintenance of fleet balance necessary to attain our goal of racing excellence.

Statement of Current Operations

Our present facility is adequate for about 350 members or a growth of 10%. At this level, we must make special arrangements in the clubhouse for large regattas and special events, but for regular racing and social functions, it works well. However, we have few dry storage spaces available, the crane and launching facilities are barely adequate for club races, making the day very long from arrival to boat lock-up for many avid dry sailors (the heart of high quality racing). For big regattas, the problem compounds. Today we have no available large slips, and limited additional mooring space for auxiliaries.

For the club to attract quality racers and racing events, we need to address utilizing the improved cash flow available in 1985, 1986 and after, toward the following priorities. The Board, through Task Forces, will evaluate the importance of these based on the size, perceived need and available funding, but roughly in this order: More crane capacity, more dry storage space, covered patio space, enlargement of harbor and slips, additional parking and clubhouse expansion. To comply with the overall objectives of the club, the pricing philosophy and a conservative financial policy, these projects will take several years to complete.

Long Range Plan for Rush Creek Yacht Club

April 1984

Current Financial Status

At the present time, the club is in sound financial condition. This has not always been the case. At times we have had to call upon the members for assessments, volunteer help to operate the facility, increases in dues and rental charges. Capital expenditures have been authorized and financed through debt. In many cases, we have had to compromise and segment expansion in order to meet the immediate needs while keeping the charges to our members consistent with the objectives of the club.

As we have grown and learned more about the running of a club, we have established controls and procedures that enable the Officers and Governors to avoid severe financial problems and to plan for growth.

We have book assets of \$555,000 for the calendar year of 1983 of which \$80,000 is in cash or cash equivalents - adequate for working capital. The balance is in equipment, land and improvements. We owe about \$8,000 in current payables and \$225,000 in scheduled debt. This leaves an equity of \$320,000, of which about \$25,000 is retained earnings since the inception of the club or about \$2,000 profit per year of operation.

In recent years we have taken on debt at a greater rate than the non cash depreciation expense would retire the principal payment on the debt. For 1984 the club will need to operate at a \$25,000 profit to maintain the cash flow and working capital required. Subject to final year end closing adjustments, we will be very near this figure.

Since all debt is structured to be paid off well in advance of the anticipated life of the purchase, we can look to the future knowing that funds will be available for continued improvements and expansion. Our total interest and principal for 1984 amount to just over \$90,000.00. For 1985, assuming we borrow no more, this amount drops \$51,000.00 and for 1986 drops an additional \$24,000.00, for a total of \$75,000.00 annually to be spent on capital expenditures assuming that we maintain today's level of profitable operations.

Future Capital Expenditures

Funding capital expenditures has been accomplished by both debt and positive cash flow from operations and non cash depreciation. The borrowing for club house, the original land improvements and the land have been long term (15 years and longer). The borrowing for slips, boats, paving etc. has been short term (3 to 7 years). Smaller purchases i.e. tractors, maintenance equipment, vehicles, etc., has been funded by operating funds. This has worked well and should be continued using the life of the expenditure as the basis for the length of funding term.

This sound philosophy permits steady growth and provides ample funding for larger improvements. The long term loans are at fixed interest rates while the short term loans can be variable to prime or fixed as the board feels appropriate. As interest rates have increased on average since the club was founded, the relationship of interest cost to expenditure has become less favorable. Because of our policy toward short term borrowing, these loans carry heavy principle payments. Even so, interest costs are running at \$25,000 per year which in a not-for-profit organization, is a cost which is not reduced by tax savings. Therefore, interest expense is of no value other than accommodating expenditures in advance of the funding available through operations. Moneys spent on interest actually reduce the clubs ability to provide the services that make first class racing a reality when considered over the long term. Each board must weigh obligating the club's future income by balancing both immediate requirements and still

Long Range Plan for Rush Creek Yacht Club

April 1984

provide latitude for future boards as they carry out the charter as described in the "Statement of Purpose" section of this planning document.

Listed below are some of the capital expenditures that will be needed in the next two or three years. Both the immediacy of need and the dollars required will dictate the priority. Additionally, some improvements generate revenue and therefore relate directly to proposed debt service. Since the current status is covered under the section titled "Physical Facilities", the following is a recap listed in a rough priority order. Some are not mutually exclusive and therefore must be analyzed in conjunction with others. Viewing these from a cumulative standpoint rather than each individually is vital. Long range financial planning must utilize total club revenues and available debt service, not each being self liquidating.

Dry Storage

More dry storage area is needed for all size boats.

To be competitive, more and more of the larger boats are dry sailing. A second 4000 pound capacity hoist would facilitate better club racing and regattas. More launching and a third 2000 pound capacity hoist is needed as we accommodate more storage space for the smaller one design boats.

Harbor

Floating platforms for the 40 sunfish and 420 club boats is long been overdue.

More dock storage is needed as there is always a waiting list for 24 foot and larger slips.

Clubhouse

Adequacy of the Clubhouse is directly related to the size of the membership, although continued efficiency improvements are an ongoing source of smaller capital expenditures.

Parking

As the racing programs continue to expand with bigger regattas and club race attendance, parking becomes less available, therefore, an inconvenience to the membership as a whole. Since parking is non revenue producing and it tracks activity growth, its consideration is tied with the other priorities.

Grounds and Racing

The capital expenditures generally have to do with weather, erosion, wear, etc. These tend to be less predictable but require that the financial strength of the club be sufficient at all times to handle unexpected expense and/or have borrowing capacity available.

As stated on page 34 [Current Financial Status], a substantial amount of debt service matures in the next two years. As can be seen from the list above, now is the proper time for the various task forces to begin to analyze and recommend appropriate changes. As the dollar magnitude of each becomes apparent then priority, finance options (short and long term) and the revenue generation for each should be analyzed. Until the composite package can be evaluated, we should not authorize other than small, relatively easily funded projects.

Summary

The long range plan committee has obviously taken a look at the major components of the club at a period of major change. Debt schedules are maturing and new capital expenditures are approaching. The first

Long Range Plan for Rush Creek Yacht Club

April 1984

“Master Plan” had many unknowns to contend with and sailing in uncharted waters is always difficult and unpredictable. However, with 14 years of experience the job is clearer yet still difficult. The committee has examined facilities, programs and money trying to consolidate and coordinate the club's thinking on all counts. The committee members represent experts in their respective yacht club fields and feel strongly that an all inclusive approach to our growth be undertaken. It's all too easy and therefore frequent that we charge ahead on one project or another with no regard to other considerations that surprise us tomorrow. It's also easy to occasionally forget the statement of purpose and jeopardize the Rush Creek identity altogether. It is hoped that these issues have been brought into focus so that the club will continue the outstanding record of the past 14 years. The RCYC credo, “Racing Excellence” should ensure that mission.

Respectfully submitted,

Bob Chilton, Chairman
Steve Andre
Manning Grinnan
George Hatfield
Van A. Smith
Mike White