

PRESIDENTS MESSAGE

Issue #2 – February 2020

Dear Members,

You know, this past VERY successful TNT hockey tournament reminded me of when I was a young cookie monster. We used to take the bus to get to the Club and...

I'm kidding of course (not about taking the bus... that was a real thing back then before helicopter parents started driving SUVs).

I'm kidding in that I'm not sending you another long-winded newsletter about the good old days with another lecture on positive thinking! I promised you last time that, lucky for you, that was a once only.

The goal of this newsletter is to share with you *what's happening* these days at the NSWC! What exactly is the Board up to? What's happening in the meetings of the sports committees? How are our staff doing? And what exactly is going on with that weird pump that they're installing down into the bottom of the parkade??

Outlined below are some answers and updates that I hope you'll find valuable. Is there a lot to read? Yes, there is. Is it too much? Maybe for some. In my experience, information and facts are always better than innuendo and rumours, so take what you need.

BOARD UPDATE

In addition to our monthly meetings, the Board also gets together a couple times per year for a full day of strategic planning. At our next full day meeting, scheduled for March 7th, we will focus on developing a comprehensive BOARD ACTION PLAN 2020. This plan is intended to address what is best for the Club while remaining at our current location. It includes considering many potential initiatives, including new amenities, new membership options, new sales and marketing strategies and mostly, ways to bring greater value and increased satisfaction to you, our Members.

In addition to developing the BOARD ACTION PLAN, there are three other important documents that the Board reviews and approves. The first is the OPERATIONS PLAN that is submitted by our General Manager, and the second is an accompanying annual BUDGET to support it, and finally, a comprehensive CAPITAL PLAN that tells us what needs to be replaced and when. The budget, which is first thoroughly reviewed and approved by the finance committee, comes to the Board for approval in March, just before the start of our next fiscal year on May 1.

What is the current state of the Club and where are we going?

If you have read any of the previous messages from past Club Presidents, attended any AGM's, or just sat around long enough at the bar, you have heard a familiar story.

- We are in a healthy cash position
- We are sitting on valuable land that 'one day' will allow the club to relocate into a new space
- We have maintained a consistent cycle each year of members joining and members leaving
- With increases to major expenses such as minimum wage, property taxes, insurance and other non-controllable costs, it has become increasingly difficult to break even without implementing a dues increase
- If we had another 100 or so members it would greatly help us meet our required revenues

To get a good grasp of where we are now, I want to share with you some statistics to help provide an overall sense of where we are today.

Membership vs Family Members						
	F2014	F2015	F2016	F2017	F2018	F2019
Total Memberships (accounts - not individuals)	546	553	586	669	667	664
Number of Family Memberships	273	294	310	363	356	346
Full Member Equivalents (FME)	416	425	434	454	505	482

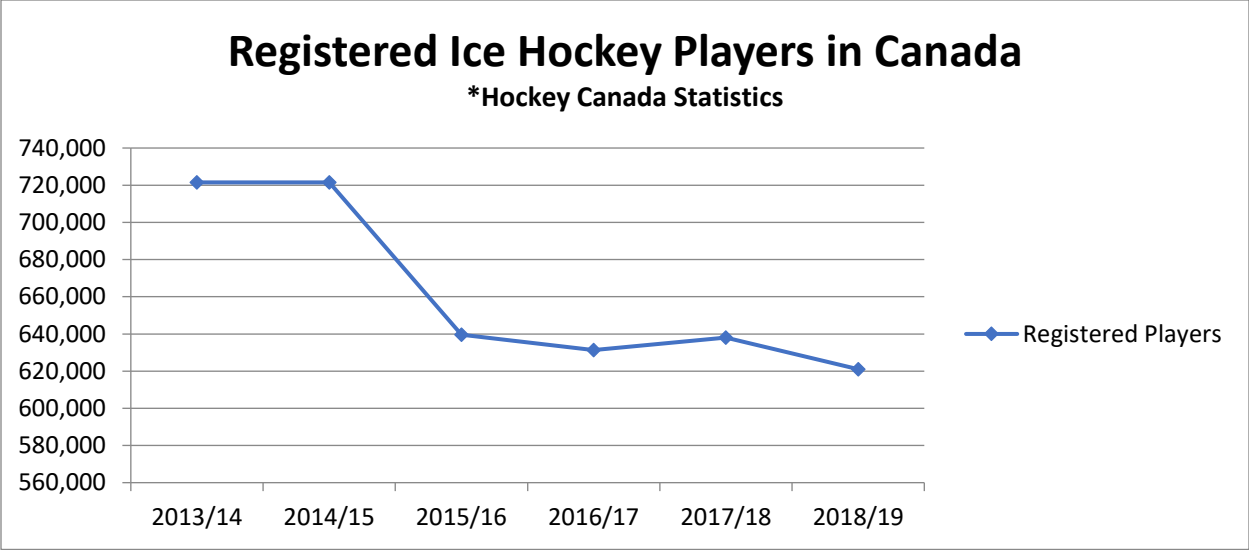
The chart above represents our total member accounts. When you include spouses and children within those accounts, we have 2031 active members today, which compares to 2130 active members in 2018 and 1965 active members in 2017. One of the challenges we face, however, is that while our number of memberships is relatively stable, our membership is aging, and because we offer significant discounts for age and tenure, the result is that our total monthly dues revenues are decreasing. This is a good news/ bad news story in that we're retaining more of our longer term members, but we're also failing to replace family memberships, as they move on, or switch to couples of singles status.

In general, other than in 2018 when we had successful membership drive to attract Alumni, we have 50 new member families joining each year and 50 resigning due to inactivity, job change, family changes, relocation, leaving for other hockey programs or other reasons.

Recreational Specific Members							
	F2014	F2015	F2016	F2017	F2018	F2019	F2020
Minor Hockey Players	401	419	439	442	433	429	407
Tennis Activity Members	314	321	309	323	369	336	TBD
Sr. Men's Activity Members	236	234	243	243	255	249	TBD
Marlins Activity Members	81	103	100	113	80	85	TBD
Total Activity Members	1012	1063	1073	1105	1137	1099	

This chart below reflects who registers for all of our programs, camps, classes, etc. You can see over the past few years member registration is on the increase and as a result, we need less non-members to fill programming.

Member and Non-Member Participation Programs				
	F2016	F2017	F2018	F2019
Total Non-Member Participation Programs	2952	2751	2444	2240
Total Member Participation Programs	6355	6194	6426	6471
Non-Member Participation %	32%	31%	28%	26%



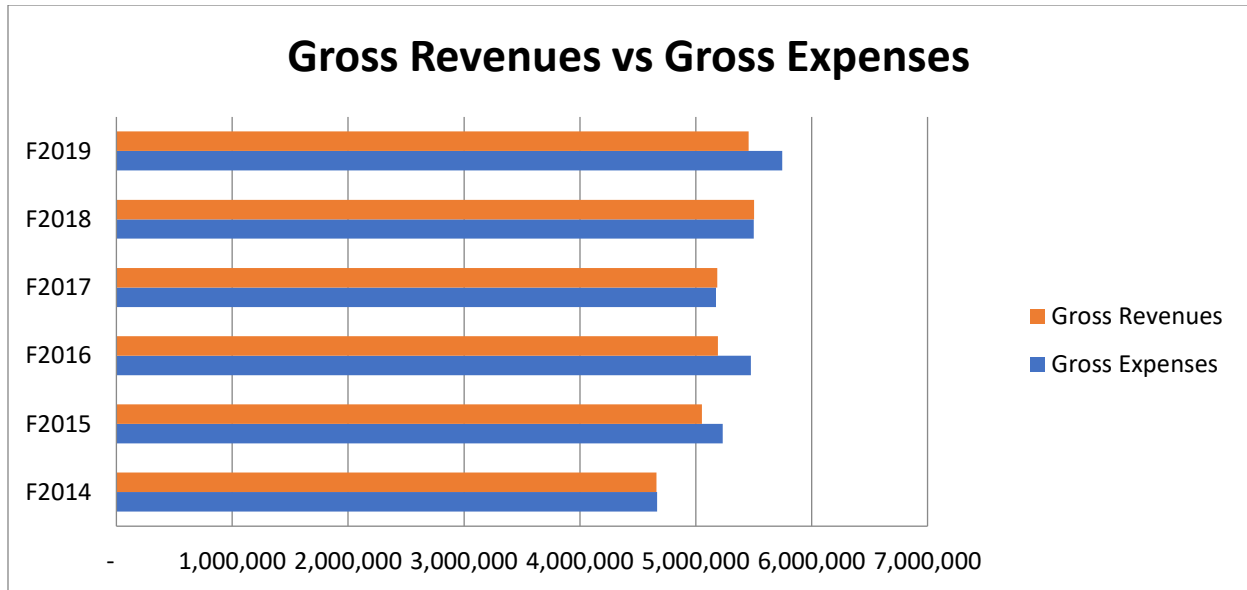
As you can see, minor hockey numbers are declining across Canada; hockey is losing popularity among Canada’s youth while soccer, baseball and basketball are on the increase.

Yikes. Maybe good for soccer academies but not good for hockey-specific clubs.

But even with that decline, and the onslaught of hockey Academies selling the dream, here is a comparison of our hockey registrations.

	Initiation H1 & H2	Novice H3 & H4	Atom	Peewee	Bantam	Midget	Juvenile	Total Hockey Players	Total Players without Juvenile
2010	14	79	95	78	87	79	15	447	432
2011	22	70	87	92	78	91	15	455	440
2012	24	59	99	84	68	87	16	437	421
2013	20	66	88	84	75	68	0	401	401
2014	26	61	83	102	70	63	14	419	405
2015	39	55	93	88	78	68	18	439	421
2016	38	71	93	86	83	55	16	442	426
2017	45	74	112	83	53	66	0	433	433
2018	50	78	108	94	46	53	0	429	429
2019	52	71	91	103	36	54	0	407	407

Expenses unfortunately continue to increase. Details are always shared at the AGM each fall, but if you weren't there last year, here are some key numbers that impact our ability to do things like 'fixing the hot tub';



We continue to face some significant and unique challenges as a business. Some of these include: the continual rise of non-controllable costs such as property taxes, insurance, minimum wage, the new Employer Health tax, repairs and maintenance and safety requirements. In addition, as many small businesses on the North Shore are well aware, it's a challenge to find quality staff that can afford to live on the North Shore.

As an example of our rising costs, this is our projection for fixed (uncontrolled) expenses;

	F2017 Actual	F2018 Actual	F2019 Actual	F2020 Forecast
Insurance	105,000	104,000	130,000	143,000
Legal & Audit	24,000	34,000	32,000	25,000
Utilities	328,000	331,000	342,000	348,000
Property Tax	61,000	123,000	125,000	144,000
Employer Health Tax	-	-	-	24,000
Total	518,000	592,000	629,000	684,000

As you can see, it's a \$166,000 increase in 3 years.

For 2019, unbudgeted but required 'non-controllable' expenditures for the year included: pool tile and coping fixes, air quality sensors (CO2/NO), sewage backup flooding expenditures, boilers, fire door failures, Zamboni bay roof, compressor relocation, TSBC requirements, and legal/consulting costs. These unbudgeted costs amounted to almost \$170,000.

All challenges aside, this hasn't stopped us from investing in the Club. Staff continue to work hard to improve the facilities and many, many upgrades have been completed over the past year. Shane Hayes has been a fantastic addition to our team and he and Joanna and the Facilities Committee have done wonderful work. With the support and efforts of various committees, we have invested over 1.3 million dollars into improving the Club.

Here is a brief list of some of these enhancements (both for visual impact, repairs or safety related);

- Addition of heat to tennis courts
- Upgraded arena heating

- Ice Chiller Replacement
- Renovation to Cafe
- Upgrade and expansion of Kitchen & its equipment
- Replacement of Club furniture
- Upgraded tiles, carpet and flooring
- Upgraded dressing rooms (flooring, benches, re-painted)
- Additional Air quality sensors
- Roofing upgrades/replacements
- Repainting of Lower Tennis centre & replaced curtains
- Retiled pool & coping; addition of new starting blocks
- Tiki Deck & Lawn revitalization; new outdoor furniture
- Additional fitness equipment: treadmills, spin bikes, cross-trainers, rowers, training equipment
- Expansion of fitness team training room
- Painting: most club rooms, stairwells, bathrooms etc

In addition to that, over the next few months we are determining a) how much money we can spend and b) what will have the greatest impact on increasing member satisfaction, attraction and retention.

Okay, so that's it from me. Here is a brief update from our some of our committees.

RELOCATION COMMITTEE UPDATE from Chair Jay Fregell

Given the position of the current District of North Vancouver Council (no additional rezoning or development at this time) there isn't too much to report today. As a reminder for all our Members we still have a land exchange agreement in place with Darwin Properties and Tsleil-Waututh Nation, but without the rezoning from the district this remains at a standstill.

Recently the Tsleil-Waututh Nation applied to the Federal Government expand the land reserve in Maplewood area to include the proposed Innovation District, that we were hopefully to be part of. This is a year-long application process and we are staying in contact to see how this will impact our agreement.

In the coming weeks we will be reforming the Relocation Committee to help explore other possible options for the club lands, so please stay tuned for a call out for volunteers.

MINOR HOCKEY COMMITTEE UPDATE from Chair David Beaupre

We are now in the sprint to the finish of the 2019/20 hockey season. League play for A Hockey will wrap up this month and playoffs for both A and C hockey will kick off in February.

It has been a great year so far both on and off the ice. NSWC Teams have had an impact in our community through several fundraising and outreach efforts. The Club has successfully hosted The Martin Jones Invitational, TNT, and this February will be home to the Cami Granato Female Tournament. Atom A1s, A2s, A3s have all won tournaments this season and PWA2 has twice made it to the finals, most recently at the New York Islanders Charles B Wang Hope Cup on Long Island. And we are very proud that the NSWC Peewee A1s will be returning to the world stage once again this season at the Tournoi International de Quebec in mid-February.

Your new minor hockey committee has had a strong focus on policy and governance, working to always enhance the member experience for our players, and develop a stronger and sustainable elite hockey pathway which will benefit our entire hockey program.

SENIOR MEN'S COMMITTEE UPDATE from Chair Grant Stewart

Senior Men's is approaching the stretch run before the playoffs. All the teams have enjoyed some good battles on the ice and some have continued upstairs with a post-game beverage. The annual All-star game, played on

January 31st, included top players from all divisions. Senior Men's playoffs are just around the corner and once again it will come down to an endurance test to see who comes out on top.

MARLINS COMMITTEE UPDATE from Chair Deb Gill

The Marlins swim team is in full-swing planning for our upcoming 2020 season! Our swimmers will be in the pool starting May 1 and we can't wait for the season (and the sunshine!) to arrive. For those that aren't familiar with our program, we welcome anyone from beginner to competitive swimmers for a summer outside at our fantastic pool. Whether your swimmer is looking for overall fitness, cross-training, or to work towards becoming the next Penny Oleksiak we have a range of training groups and opportunities to compete for all.

The Marlins are hosting an info night on Tuesday March 4 from 5:30 - 7:30pm in the Seniors Lounge. Drop by and chat with some of our Marlins parents and coaches and learn more about our program (we promise you'll get hooked too!).

For those who have been waiting, registration has launched and you can sign up your swimmers here: <http://www.active.com/water-sports/swimming-registrations/north-shore-winter-club-marlins-summer-2020> Our early bird pricing is in effect until February 15! For those wanting more information, you can reach out to anyone on our Marlins Committee or contact Deb Gill @ marlins.president@nswc.ca

TENNIS UPDATE from Chair Paul Fenney

It has been a very successful year for tennis at NSWC. An unprecedented 14 Lower Mainland League teams represented the Club in 2019, with three division banners and two second place finishers.

With thanks to the many volunteers, our two major tournaments (Summer Smash and Fall Classic) were very successful, attracting non-members and members in recreational competitive tennis. Both events were also financial successes which will help improve the tennis experience of members.

The four Grand Slam events for members were 100% full and provided enjoyable friendly competition amongst participants. November's Triple Threat team tennis tournament is an annual 'can't miss' event for Club members.

Fabio and Joe, along with our dedicated pros, have fully booked programs, drills and lessons for newcomers to the game all the way up to our top tier players. Junior tennis continues to grow and thrive at NSWC with several players competing at the Provincial and National Championships. Seven NSWC juniors represented the Club at the world renowned Little Mo tournament in Florida.

As we kick off 2020, we are in the midst of our Club Championships in Singles, Mixed Doubles, and Women's and Men's doubles. In March, NSWC will co-host the Senior Western Canadian Championships and expect a strong contingent of Club players participating in this high-level event.

Without question, the biggest struggle of the Tennis Committee is the strain on our limited court space and insuring equitable court access to all facets of the tennis community. With our profits from our tournaments, we will continue to invest in capital improvements to enhance the tennis experience at NSWC.

Thank you for taking the time to learn about what's happening at YOUR Club! Feel free to send me an email at any time at james@cronkgroup.com.

See you on the court (or rink, or in the lounge, or the gym?)

James

Ps... THAT STRANGE PUMP... it's really complicated, and more details to come in upcoming Connected Member Communications, but we're addressing it