



KINGSTON TENNIS CLUB ANNUAL REPORT

2017-2018



2017-2018 Executive Board Members

Chloe Wilson	President
Dave Stocks	Vice President
Viki Andrevska	Secretary
Taco Meuter	Treasurer
Mike Bartlett	Member-at-Large
Doug Bowie	Member-at-Large
Bob Goddard	Member-at-Large
Nerissa Mulligan	Member-at-Large
Bud Nelson	Member-at-Large
Gill Turnbull	Member-at-Large
Paula Loh	Past President

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Agenda for the 2018 Annual General Meeting

Thursday, November 29, 2018 at 6:30pm

Ongwanada Resource Centre

191 Portsmouth Avenue

1. Call the Meeting to Order (5 minutes)
2. Receipt of the Minutes of the 2017 Annual General Meeting (5 minutes)
3. Treasurer's Report (10-15 minutes)
4. Finance Committee Report (10-15 minutes)
5. Appointment of Auditors (5 minutes)
6. Capital Project Committee Report (20 minutes)
7. President's Report (20 minutes)
8. Elections (20 minutes)
9. Other Business
10. Adjournment

Refreshments to follow

2017 Annual General Meeting Minutes

Tuesday, November 14, 2017 at 6:30pm
Ongwanada Resource Centre
191 Portsmouth Avenue

1. **Call the Meeting to Order** at 6:35pm by Allan Manson – Chair

2. **Agenda approval**

Motion: Igor Kozin moved, Claire Tremblay seconded that by-laws be moved after election, defeated.

Motion: Heidi Traulsen moved, David Reid seconded that the election be moved after the president's report, carried.

Motion: Elaine Davies moved, Taco Meuter seconded the agenda be approved with the amendment. Carried.

3. **Receipt of the Minutes of the 2016 Annual General Meeting**

Motion: Jocelyn Purdie moved, Heidi Traulsen seconded to receive the minutes.

Dave Reid stated that the Minutes of the 2016 Annual General Meeting need to be corrected because the motion that he moved and Lars Thompson seconded was not correctly recorded in the minutes.

Motion: David Reid moves and Heidi Traulsen seconds that the minutes should be corrected to say that David Reid moved, and Lars Thompson seconded that there must be a vote of the general membership with a 55% majority of votes cast establishing membership approval before any financial commitment is made on the capital project. Approve 34, opposed 6. Carried

The Chair concluded: Subject to checking the tape and if it shows that the motion to correct was in error, then the correction will not be made. If the correction stands, because this makes a huge difference to how the capital project proceeds, the Chair ruled that the proposal becomes, rather than an adoption, a recommendation. And then the recommendation gets circulated, if the correction stands, to the general membership.

Minutes approved as corrected. Majority approval.

4. **Treasurer's Report - Jim Martin**

Jim Martin reviewed 2017 treasurer's report. Financially speaking, the 2017 season demonstrated the ability of the KTC to generate a \$100k of annual savings from regular recurring operations. The surplus is needed to enable KTC to eventually fund replacement of its aged surface assets.

Prioritization, well implemented capital spending & financing, and a steady hand long term are needed to make this happen.

Turning to the 2017 season, there are two main contributions to KTC - membership and junior camps. Both contributed significantly but more can be done to increase the revenue. Membership Fees collected were lower by 2.8 % reflecting a 7.8 % decline in members from 524 in 2016 to 483 in 2017. A rule-of-thumb suggests a capacity of 75 members per court. This year with 483 members and 92% use of the courts affect the court availability and financial outcome. Costs directly related to Membership Fees -Steward Wages, Hst- declined. Canteen & Merchandise, Socials and Tournaments and Parking Revenue were near break-even in 2017, as planned. The other categories rose: Lessons, Court Rental Fees, Donations and Other Contributions.

Junior Camp fees collected were up 8 % reflecting higher camp utilization later in the season. Supply costs were lowered and camp staff wages were similar year over year, notwithstanding more junior camp attendees to look after. The Junior Camp contribution rose 18 %, possibly the best Junior Camp financial contribution yet.

Shared costs (recurring) – savings of \$11K in 2017 in comparison with 2016. Advertising – up in part due to new KTC logo design but both years well below 5 year average. Bank Charge reduction reflects not using credit cards and continuing with near free e-transfers, cheques, debit and cash for receipt of payments. Insurance costs were reduced slightly in line with declining clubhouse and court value. Interest income was higher as savings increased and higher interest rates requested – at on-line bank Tangerine. Office costs rose due to the inclusion of a much appreciated contract bookkeeper for the first time at KTC. OTA fees were held steady and a fee stabilization plan at a comparable level was worked out for future years by President Paula Loh. Property taxes continue to rise. We asked for reconsideration but it was denied and we decided not to appeal on the advice of a property appraiser. Repairs and maintenance were held to minimum dollar levels.

In summary – A budget was introduced early in 2017, for the first time at KTC, on a line by line basis and with input from Board members. With major capital planning likely to take place in 2018, the goal in 2017 was to generate cash and save it. A target was set to achieve \$ 101.4 k savings in the 2017 season from recurring activities. Comparing actual to goal the result came in near target due to higher contributions from Junior Camps and lower Shared Costs, which offset a steady but lower than budgeted Membership contribution. \$100 k in savings was achieved.

Questions

A question was raised whether the schools - any secondary or post-secondary pay for use of our courts for tournaments or practise. It was confirmed by Jim that the secondary schools paid courts fee of \$1.5K. Queen's University were using the courts in the fall and the revenues that came from them is around \$3k.

A comment was made that our generosity may have a negative consequence in sense of taking pressure off the public tennis courts.

The savings on repairs and maintenance expenses were big; a question was asked to explain this. Rick explained the \$7k dropped in the expenses from 2016. Several trees were removed in 2016 and umbrellas were bought in the year before, hence the bigger costs in the prior years. There is no budget yet for the next year but some things have to be maintained. It was mentioned that it may be a false saving in the moment because we defer maintenance of the courts in anticipation of the capital project.

Another question was asked about the shingles from the roof of the club house. Rick mentioned that during the winter about 90 shingles blew off the roof. The roof was examined by a contractor in the spring; no repairs have been done at this point.

Igor Kozin thanked Jim Martin for the great work.

5. Appointment of Auditors

Wilkinson's opinion: The financial statement present fairly, in all material respects, the financial position of Kington Tennis Club as at September 30, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Motion: Taco Meuter moved, David Reid seconded approval of the 2016-2017 Audited Financial Statements. Carried.

Motion: Jocelyn Purdie moved, David Reid seconded reappointment of Wilkinson & Company as Auditors for 2017-2018 at a fee to be negotiated by the Treasurer, carried.

6. President's Report – Paula Loh

Paula gave an overview of the 2016-2017 season.

A Bookkeeper (Kristine Barker) was hired last year and will be returning to this position for the next 2017-2018 season. A hired person provides continuity, something that is lost when key members leave the Board.

The Club Manager Committee (Chloe Wilson, Chair) was formed to evaluate the hiring of a part-time club manager to provide continuity and expertise. Given that we want to maximize available funds for the Capital Project, the decision to pursue this position was postponed.

Alma Thayer volunteered as the steward supervisor this year. She took on the role in late-April and jumped in to learn the role of the stewards while overseeing their training. Alma's feedback on the position is that the

stewards need daily supervision to do an effective job and sees this ultimately as one of the duties of a club manager.

A Junior Camp Committee (Doug Bowie, Chair) was formed to evaluate the results of the Junior Camp survey conducted during the 2016 season and to make recommendations for the 2017 season. The suggestions made worked very well to increase the revenue and usage of the courts.

Sam Faris took on the staff role as our Camp Director for 2017 season. Sam began the season by offering our complimentary Try/Learn/Play one-hour sessions to many classes from local grade schools, then effectively ran the camp sessions.

Lessons were taught this year by Emile Flavin, Isaac Jones, and Jeff Elwood. We were fortunate to have three enthusiastic coaches sharing their skills with us this season and look forward to their potential return next year.

Our club once again hosted the local and regional high school tennis competitions, KASSAA and EOSSAA, in May. The convenors (KTC members David Stocks, Brian Bontekoe, and Dan Fruhling) thank the KTC for supporting high school tennis in Kingston and Eastern Ontario.

The Queen's Tennis Club approached us with a proposal to rent three courts for a two or three hour period on a weekly basis over the fall months for recreational drop-in play by Queen's students who are not KTC members. The Board supported this utilization of the courts during an otherwise quiet weekend time that also served to introduce the Club to potential new members.

Board member Graham Lord continued with the work that Jocelyn Purdie spearheaded last year to overhaul the Club's by-law. After several iterations, we are presenting the final version to the membership at the 2017 AGM for approval.

We introduced a new club logo this year. To expand our source of revenue, we welcome bequests from members (and non-members) and will establish a fundraising program. Once we have determined the Capital Project cost, we can move forward with fundraising plans for the KTC.

Paula gave background information on our capital project that officially began in 2012. The capital project will be discussed more in details under another agenda item.

Paula mentioned the important role that many members of all ages volunteer in a variety of ways every season to help the club operate efficiently. We are especially happy to see the younger members of our club getting involved.

Paula was a president for four years and is stepping down.

Questions/Comments:

Discussion developed regarding applying again for a grant and fundraising. Paula addressed the questions saying we can still apply for a grant even though it was unsuccessful but she believes it is more realistic to proceed with fundraising from the people that care about KTC (members). Fundraising is difficult to do if we don't have a capital project to attach a campaign to. Viki Andrevska proposed that if each member were to donate only \$200 x 500 members, we could easily raise \$100,000 towards the capital project.

Michael Stych said that while the Queen's Tennis Club is now recognized by Queen's, the university has limited tennis facilities. They depend on and appreciate the assistance that the KTC provides by way of court time for practices and for the rec club. The Queen's Tennis Club could not exist without our collaboration.

Motion: Dave Reid moved, Lars Thompson second to approve the President's Report, Carried (unanimous).

With the KTC annual report 2017 reports on Infrastructure & Maintenance, Tournaments and Socials were also distributed with the 2017 Annual Report.

A suggestion was made to project the KTC annual report on a screen at the AGM in addition to electronic distribution.

7. Elections

Voting Results

A secret ballot was performed. Sunil Chaudhry and David Stocks scrutinized for the four officer positions. All four executive positions were affirmed and acclaimed:

President	Chloe Wilson
Vice-President	David Stocks
Secretary	Viki Andrevska
Treasurer	Taco Meuter

Bud Nelson and Heidi Traulsen nominated Claire Tremblay from the floor for a member-at-large. Claire agreed to stand.

Motion: Lars Thompson moved, Taco Meuter seconded for the members-at-large as a group to be affirmed and acclaimed. Carried.

The following members-at-large were elected:

Mike Bartlett
Doug Bowie
Sam Faris
Bob Goddard
Nerissa Mulligan
Bud Nelson

Claire Tremblay
Gill Turnbull

8. Replacement of KTC By-law

Graham Lord introduced the new by-law and thanked people that spent a lot of energy working on the new by-law. The new by-law was passed by the Board and was distributed by email for members' comments. Discussion developed and here are the final amendments to the by-laws at the AGM meeting:

Amendment to 5.05d: Moved by Lars Thompson and seconded by John Sylvester that All Officer and Director positions shall be opened for further nominations from the floor at the Club's AGM. Carried.

Friendly amendment added to 5.01 "and the past president" after the Officers of the Corporation.

Motion: Graham Lord moved. Jocelyn Purdie seconded the new by-law with the two amendments above added. Carried.

9. Vote on Capital Project budget

AGM recommendation to the members by voting.

Jim Martin spoke about debt capacity for a capital project.

Suggestion: Do not exceed moderate debt threshold of about \$ 700 k new long term debt (25 yr. 3.90 % fixed rate). Short term financing of Hst on the project would be an additional \$ 138 k on a \$ 1,067 million project financed with \$ 700 k new debt, \$ 363 k cash. If grants are received, or there is major fundraising, this can increase the ceiling for project spending.

Keep \$ 100 k in reserve. This is to cover adverse circumstances, e.g. debt servicing for 2 years in event operations falter but will still maintain principal and interest payments. Assumes additional savings of \$ 80 k more in 2018. The annual buffer (revenue not directed to debt servicing) for \$ 700 k of new debt is \$ 31.7 k which is available for maintenance of capital assets not covered by the major project, working capital and any adverse cash flow items. It represents 42 % of EBITDA with 58 % of EBITDA dedicated to servicing debt. Coverage ratio is 1.72x.

Questions:

The clubhouse design has been downsized from the 2015 proposal and there will be no sources of revenue off-season. There is forecast in the above debt proposal of \$31.7k to cover the working capital and other adverse cash items. A suggestion was made to the new Board members to consider potential financing from the membership in addition to fundraising.

Paula explained: Option #1 – Clubhouse & Court Lighting & Build/Rebuild Of 5 Courts Budgeted Cost: \$1,366,593 Demolish Clubhouse; Build New Clubhouse; Build Eighth Court; Rebuild Courts 1, 2, 3, & 7; Install lights on Courts 2 & 3

Questions:

A member pointed out that the recent club house location is not ideal and the stewards are disconnected from the courts. Another member suggested the problem about the stewards can be fixed by remodeling the old club house.

Paula explained Option #2 – Clubhouse & Court Lighting & Rebuild Of 2 Courts Budgeted Cost: \$1,150,142 Demolish Clubhouse; Build New Clubhouse; Rebuild Courts 2 & 3; Install lights on Courts 2 & 3. No construction of the eighth court in this phase.

Paula explained Option #3 – Court Lighting & Build/Rebuild Of 5 Courts Budgeted Cost: \$750,141 Demolish Clubhouse; Build Eighth Court; Rebuild Courts 1, 2, 3, & 7; Install lights on Courts 2 & 3. No Clubhouse, we will need a portable structure in this phase.

Option #4 was not explained because there was a motion from a member. The motion will be considered if neither Option #1, #2 and #3 achieve the 55% approval threshold during voting at this meeting.

Jocelyn Purdie suggested combining Option #1 and Option #2.

Motion: Jocelyn Purdie moved, Sunil Chaudhry seconded that Option #1 and Option #2 be combined and pursued depending on fundraising success and subject to a debt cap of \$800,000.

The Chair clarified that the motion was a procedure to combine two options into one, authorizing a debt load of \$800,000. One option was subject to fundraising, while another was subject to financing in order to fund the budgeted costs. That is, that we approve Option #2, and also in theory approve Option #1 if the fundraising and finance reach the project cost, with a debt load capped at \$800,000. The vote took place by a show of hands by those present. Proxies were not included.

Motion carried.

Voting then took place for the Capital Project on the combined option #1 and #2 from above:

Results from people who cast ballots before the vote began: 9 against option 1 or 2; and 7 for option 1 or 2.

Results from those who voted in person and by proxy: 36 for motion and 23 against.

Total: 43 For, 32 Against

Since 57.3% voted in favour, the AGM recommends to the Membership that Option 1 or 2 be pursued depending on fundraising success and subject to a debt cap of \$800,000.

Other Business - none

Lars Thompson moved, Lorna Sim seconded adjournment. Meeting adjourned at 10:26pm

Refreshments followed the conclusion of the meeting.

Approved by Chair: December 10, 2017

Chair's Note:

1. After the meeting, the audiotape of the 2016 AGM was checked and this confirmed that the Minutes as originally prepared were word-for-word accurate in stating the 2016 Reid/Thompson motion. Therefore, there should have been no correction.
2. If there is any disagreement about the meaning of the 2016 Reid/Thompson motion, the audiotape of the debate [19 minutes] is available. I suggest that the Board consult the transcript of the 2016 audiotape and decide the meaning of the 2016 Reid/Thompson motion.
3. While the interpretation of the 2016 Reid/Thompson motion may affect one's view of the impact of the 57.3% approval by the 2017 AGM, this result cannot be ignored. Either the result stands as having been approved by the membership, or at the very least, it is the 2017 AGM's recommendation to the membership.
4. Note that the 2017 AGM was conducted under the old by-laws which provided that "*Meeting of members*" includes an annual or a general meeting of the Members of KTC".

Allan Manson

Treasurer's Report

Taco Meuter

2018 OVERVIEW

The 2018 season illustrated that the KTC operates in the real world. By holding the line on membership fees in 2018 for the first time in three years, we were able to reverse the steady decline in membership numbers over the previous three years and actually increased membership from 483 in 2017, to 511 in 2018. In addition, we were able to quickly reverse the decline in membership fee revenues that occurred in 2017 and once again achieved membership fee revenues close to \$120K. Despite this achievement, while in 2017 we generated over \$100K in both annual income and savings from regular recurring operations, this declined to \$88K in income in 2018, and just \$74K in savings, as we gave the three back courts an overdue paint job, we expended more funds on capital planning than budgeted, and our net camp income declined from 2017's spike. The drop in camp income reflected a \$13K reduction in the top line, as demand for our camps declined despite KTC holding the line on camp fees, that kept them at 2017 levels. The overall cost inflation resulting from the minimum wage increase affected the purchasing power of our camp families, while the 2015 reduction of the minimum age for campers may have also made the camps seem more of a day care than a tennis camp, making them less attractive to older children wishing to learn the game of tennis.

Our annual net income and savings are important as they determine how much we can borrow to revamp our Napier St. facilities. A decline of close to \$15K in net income from one year to the next gives one pause, as that curtails our potential borrowing capacity by over \$150,000. While we definitely need to replace or improve many of our assets, as a small organization we also need to be careful not to overextend ourselves in doing so.

We will now compare 2018 results to those of 2017 in more detail:

2018 SEASON – Contribution Analysis (based on Audited Statements)

Membership and Junior Camps are still the two biggest contributors to KTC income. Membership contributed \$119K, and Junior Camps \$28K. Shared costs were \$60K and the overall surplus of Revenue less Expenditures was \$88K. Though KTC is a not-for-profit entity with aging, almost fully depreciated assets, we must continue to generate these surpluses in order to replace our aging assets.

MEMBERSHIP	2018 Actual	2017 Actual	2018 Actual vs. 2017 Actual
Members #	511	483	up 5.7%
Membership Fees	\$119,235	\$ 117,841	up 1.2 %
Lessons (net)	\$5,562	\$7,858	
Court Rental Fees	\$2,695	\$3,610	
Canteen & Merchandise (net)	\$(642)	\$(98)	
Donations and Other Contributions	\$3,204	\$2,956	
Socials and Tournaments (net)	\$1,007	\$69	
Parking Revenue (net)	\$39	\$(304)	
Hst Expense	\$(12,049)	\$(11,697)	
Contribution	\$119,051	\$120,234	steady

Membership Fees collected were higher by \$1.4K or 1.2% reflecting an increase in members from 483 in 2017 to 511 in 2018, and fewer students, more adults as well as more, larger families following a soft push to attract new families by reducing their introductory fees to \$595 from \$643. This brings our membership closer to our longer term average, and the tennis rule-of-thumb of 75 members per court. Extending the Membership trend from 2010 to 2018: 2010 468 members, 2011 505, 2012 540, 2013 524, 2014 580, 2015 553, 2016 524, 2017 483, 2018 511. Measuring member levels as % capacity: 2010 89 %, 2011 96 %, 2012 103 %, 2013 100%, 2014 110%, 2015 105 %, 2016 100 %, 2017 92 %, **2018 97%**. Although the graph does show a sharp turnaround, there is not a lot of room to grow, given our location in a densely populated residential neighbourhood with its inevitable parking , noise and light concerns.



Membership Distribution (est)			members (approx. # of people)				memberships		
Year	Adult Fee	Member Total	Total Fees	student	adult	couple	family	family	#/fam
2010	\$270	468	\$83,020	56	148	102	162	27	6.0
2011	\$270	505	\$89,136	80	152	108	165	34	4.9
2012	\$270	540	\$100,470	81	155	136	168	36	4.6
2013	\$270	524	\$101,120	67	173	136	148	34	4.3
2014	\$280	580	\$109,815	62	182	130	206	42	4.9
2015	\$285	553	\$113,555	72	186	132	163	38	4.3
2016	\$314	524	\$121,229	90	177	140	117	36	3.2
2017	\$322	483	\$117,841	77	171	140	95	29	3.3
2018	\$322	511	\$119,235	58	176	136	141	33	4.3

The HST costs directly related to Membership Fees were essentially flat, as expected. Overall, **Canteen & Merchandise (net), Socials and Tournaments (net), Parking Revenue (net)** were also near break-even in 2018, as planned. **Membership Contribution** at \$ 119.0K was comparable to \$120.2K in 2017.

JUNIOR CAMPS	2018 Actual	2017 Actual	2018 Actual vs, 2017 Actual
Junior Camp Fees	\$72,836	\$85,920	down 15.2 %
Junior Camp Supplies	\$(6,129)	\$(4,978)	
Wages – Camp Staff	\$(38,743)	\$(37,030)	
Contribution	\$27,963	\$43,912	down 36 %

Junior Camp fees collected were down 15.2% likely reflecting cost inflation resulting from the minimum wage increase that affected the purchasing power of our camp families. In addition, the 2015 reduction in the campers' age range from 7-17 to 5-14 that resulted in a short term spike in camp income, may now be making the camps less attractive to older children wishing to learn the game of tennis. Supply costs were increased as much camp equipment had to be replaced after several years' use; camp staff wages were increased slightly, also reflecting the increase in minimum wages, a true double whammy. Camp hours were basically flat. The **Junior Camp contribution** declined 36 % to \$28K.

The Junior Camp contribution is now less than a quarter of the Membership contribution, whereas last year this was 38%. While we will likely be able to increase the camp contribution again next year by improving the camp format, making it more tennis-centered, and by prudently assessing camp pricing versus other recreational Camps in Kingston as the effect of the minimum wage increase will have worked its way through the local economy, the experience this year shows the problems with extrapolating from anomalous one-year results, especially in view of significant extraneous events.

SHARED COSTS (Recurring)	2018 Actual	2017 Actual	2018 Actual vs. 2017 Actual
Advertising	860	865	
Amortization	3,058	2,515	
Bank Charges	1,411	1,295	
Insurance	1,870	2,024	
Interest	(6,647)	(3,596)	
Office	5,901	5,769	
OTA Fees	1,545	1,545	
Professional Fees	2,825	3,192	
Property taxes	12,506	11,542	
Repairs and Maintenance	5,125	4,491	
Software Expense	2,410	4,047	
Steward Wages	24,619	23,566	
Transportation	241	188	
Utilities and Communication	3,396	4,214	
Recurring Costs	59,120	61,657	down 4 %

Advertising – steady. **Bank Charges** –steady, reflects not using credit cards and continuing with near free e-transfers, cheques, debit and cash for payments. E-transfers will be strictly curtailed in 2019, as they are extremely time consuming to manage. In addition to cheques and debit, we will re-introduce direct payments online, at a nominal fee. **Insurance costs** were increased slightly in line with sharply lower insurance rates versus insuring the clubhouse at its replacement value. **Interest** income was much higher as savings increased and higher interest rates were obtained by switching to higher-rate, though still CDIC-insured GIC's. **Office costs** steady. **OTA fees** steady. **Property taxes** continue to rise – in line with the phase-in to the assessed value of \$1,080K by year 2020 for our property. **Repairs and maintenance** steady. **Total Wages** increased slightly because of the increase in wage rates. Wages went up less than expected, as we were often without

the full complement of stewards this year for weather, medical and other reasons. Overall, **Shared Costs** were reduced about \$2.4K or 4%, primarily due to the increase in interest revenue and reduction in expenditures on the outdated court booking software, offset by expected cost increases elsewhere.

SUMMARY	2018 Actual	2018 Budget	2017 Actual	2018 Act. vs. 2017 Act.
Contribution: Membership	119,051	120,500	120,234	
Junior Camp	27,963	40,600	43,912	
Less: Shared costs	(59,120)	(67,000)	(61,657)	
Revenue less Expenditure, recurring	87,895	94,100	102,490	down 14.3 %
Add back Amortization	3,058	2,900	2,515	
Equals: EBITDA* - recurring	90,953	97,000	105,005	down 13.4 %
Less: investment in Working Capital	(8,593)	nil	(1,269)	
Fixed Assets	25,657	15,300	6,263	
Equals change in Cash – recur.	73,889	81,700	100,011	down 38%
Cash+ Investments Position	457,386	465,197	383,497	

Cash Investment:

Tangerine – maximize Rates: 90 day @ 1.25 %; RBCDS: \$390,000 invested in seven GIC's at effective rates between 2.3% and 2.6%

RBC - minimal operating amount

Footnotes:

* **EBITDA:** earnings before interest expense, income taxes, depreciation and amortization- a financial analysis metric used for performance analysis and debt capacity analysis.

** In 2017 there was a \$4,455 allocation error by the bookkeeping software, whereby one of the camp staff who briefly worked as a steward in the Fall had all \$4835 in earnings allocated to steward costs. This affected the budget and would have made direct comparisons with last year's treasurer's report confusing, so last year's numbers have been adjusted accordingly.

Last year our then treasurer Jim Martin introduced a budget for the first time, and we again prepared one this year, even though it is not easy for a small entity like the KTC to predict some of the discrete costs and revenues, all of which can vary widely from year to year. As the largest item, membership revenues were perhaps easiest to predict, and came in almost spot-on, at \$119,235K versus a budgeted \$119,500. In any case, a target was set to achieve \$ 81.7K savings in the 2018 season from recurring activities. Comparing actual to goal the result came in at \$73.9K, below target because of the lower contributions from Junior Camps as well as unbudgeted capital spending. Timing of payments, and a reduction in shared costs countered those negatives to some extent.

DEBT CAPACITY for a Major Project

When I began my work as treasurer for the 2017-2018 season, I reviewed the previous analysis of KTC's debt capacity that Jim undertook for the 2017 AGM. I updated some of the numbers to reflect changes in the economic environment, such as the sharp increase in wages that would need to be implemented in January 2018, and likely changes in our operating structure resulting from a big project, that could in turn result in either more steward time or even a club manager. Inputting reasonable estimates into the budget projections for a major project (and updating them as facts such as governments changed), I consistently warned that such a large project would not be feasible in 2018, or even in 2019. In April of this year the Board formed a

Finance Committee (FC) comprised of Chloe Wilson, our President , Mike Bartlett, Board member, David Reid, club member and myself (more on the Finance Committee in a following section). As it happened, each of the FC members at different times during the year independently did their own analysis of the debt capacity in order to take the lead in writing various submissions or presentations. We each used slightly different assumptions, as is to be expected, yet we each came to essentially the same conclusion: that the \$1.4M project proposed at the 2017 AGM was not feasible, and developments since then that further increased its cost have made it even less so. Continuing with that proposal means throwing good money after bad, and it only means continued delays in making sensible improvements at KTC.

A prudent level of debt should leave a cash buffer at the end of each year, that is sufficient to cover both the expected capital costs over time such as court and building maintenance, and leave an additional buffer for those unexpected expenses that always crop up at the worst moments. The FC has determined that this level of debt is ideally in the range of \$400,000 to \$450,000.

But more on that in the Report by the Finance Committee, in the next section.

Audited Financial Statements

**KINGSTON TENNIS CLUB
FINANCIAL STATEMENTS
AS AT SEPTEMBER 30, 2018**



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AS AT SEPTEMBER 30, 2018**

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Draft - for discussion purposes only November 16, 2018 10:17:33 AM

INDEPENDENT AUDITOR'S REPORT

To the Members of
Kingston Tennis Club

Report on the Financial Statements

We have audited the accompanying financial statements of Kingston Tennis Club, which comprise the statement of financial position as at September 30, 2018 and the statements of changes in net assets, revenue and expenditures and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Kingston Tennis Club as at September 30, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations

KINGSTON, Canada
xxx

Chartered Professional Accountants
Licensed Public Accountants

KINGSTON TENNIS CLUB
STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2018

	2018	2017
	\$	\$
ASSETS		
CURRENT		
Cash	64,295	383,497
Investments - Note 3	393,091	
Accounts receivable	508	552
Prepaid expenses	4,343	3,979
Inventory - Note 5	219	1,045
	462,456	389,073
LONG-TERM		
Tangible capital assets - Note 4	379,584	356,985
	842,040	746,058
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	10,818	3,370
Government remittances payable	4,069	2,856
Deferred revenue		574
	14,887	6,800
NET ASSETS		
UNRESTRICTED	827,153	739,258
APPROVED ON BEHALF OF THE BOARD		
_____ Director, President		
_____ Director, Treasurer		
	842,040	746,058
	842,040	746,058

The accompanying notes form an integral part of these financial statements
Draft - for discussion purposes only November 16, 2018 10:17:33 AM

**KINGSTON TENNIS CLUB
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	2018	2017
	\$	\$
NET ASSETS - BEGINNING OF YEAR	739,258	636,768
EXCESS OF REVENUE OVER EXPENDITURES FOR YEAR	87,895	102,490
NET ASSETS - END OF YEAR	827,153	739,258

DRAFT

The accompanying notes form an integral part of these financial statements
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KINGSTON TENNIS CLUB
STATEMENT OF REVENUE AND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	2018	2017
	\$	\$
REVENUE		
Membership fees	119,235	117,841
Lessons	5,562	7,858
Junior camp	72,836	85,920
Court rental fees	2,695	3,610
Canteen and merchandise revenue	3,741	3,113
Donations and other contributions	3,204	2,956
Social and tournaments	4,561	4,478
Interest	6,647	3,596
Parking revenue	2,125	2,325
	220,606	231,697
EXPENDITURES		
Advertising	860	865
Amortization	3,058	2,515
Bank charges	1,411	1,295
Canteen and merchandise expense	4,383	3,211
HST expense	12,049	11,697
Insurance	1,870	2,024
Junior camp supplies	6,129	4,978
Office	5,901	5,769
OTA fees	1,545	1,545
Parking expense	2,086	2,629
Professional fees	2,825	3,192
Property taxes	12,506	11,542
Repairs and maintenance	5,125	4,491
Social and tournaments	3,554	4,409
Software expense	2,410	4,047
Transportation	241	188
Utilities and communication	3,396	4,214
Wages	63,362	60,596
	132,711	129,207
EXCESS OF REVENUE OVER EXPENDITURES FOR YEAR	87,895	102,490

The accompanying notes form an integral part of these financial statements

Draft - for discussion purposes only November 16, 2018 10:17:33 AM

**KINGSTON TENNIS CLUB
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	2018 \$	2017 \$
OPERATING ACTIVITIES		
Excess of revenue over expenditures for year	87,895	102,490
Adjustment for items which do not affect cash		
Amortization of equipment	3,058	2,515
Net change in non-cash working capital balances related to operations - Note 7	8,593	1,269
CASH FLOWS PROVIDED FROM OPERATING ACTIVITIES	99,546	106,274
INVESTING AND FINANCING ACTIVITIES		
Purchase of tangible capital assets	(25,657)	(6,263)
Redemption (purchase) of investments	(393,091)	100,000
CASH FLOWS PROVIDED FROM (USED IN) INVESTING AND FINANCING ACTIVITIES	(418,748)	93,737
INCREASE (DECREASE) IN CASH AND EQUIVALENTS FOR YEAR	(319,202)	200,011
CASH AND EQUIVALENTS - BEGINNING OF YEAR	383,497	183,486
CASH AND EQUIVALENTS - END OF YEAR	64,295	383,497
REPRESENTED BY:		
Cash	64,295	383,497

The accompanying notes form an integral part of these financial statements

Draft - for discussion purposes only November 16, 2018 10:17:33 AM

**KINGSTON TENNIS CLUB
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

1. NATURE OF OPERATION

The Kingston Tennis Club is incorporated without share capital under the *Ontario Business Corporations Act*. Its principal activities are to foster, develop and promote the game of tennis in Kingston, Ontario.

2. ACCOUNTING POLICIES

Outlined below are those accounting policies adopted by the corporation considered to be particularly significant:

(a) Basis of Accounting

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(b) Accounting Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include valuation of accounts receivable. Actual results could differ from those estimates.

(c) Investments

Investments are recorded at fair value.

(d) Tangible Capital Assets

The tangible capital assets are stated at acquisition cost. Gains and losses on the disposal of individual assets are recognized in earnings in the year of disposal. Amortization of tangible capital assets, which is based on estimated useful life, is calculated on the following bases and at the rate set out below:

Asset	Basis	Rate
Buildings	Declining balance	4%
Equipment	Declining balance	20%
Computer Equipment	Declining balance	55%
Fence	Declining balance	10%
Courts	Declining balance	8%

**KINGSTON TENNIS CLUB
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

2. ACCOUNTING POLICIES (Cont'd)

(e) Revenue Recognition

Membership, subsidies, lessons, camp, social and tournament fees and parking revenue are recorded as revenue in the period to which the services relate. Clubhouse sales, guest fees, other contributions, interest and other income are recorded as revenue when earned.

3. INVESTMENTS

Investments held at year-end comprise of the following:

	2018 \$
Home Trust Company GIC, 1.910% maturing January 31, 2019	33,670
Equitable Bank GIC, 2.350%, maturing May 21, 2019	90,000
General Bank of Canada GIC, 2.310%, maturing May 21, 2019	36,330
Home Trust Company GIC, 2.360%, maturing May 21, 2019	50,000
ICICI Bank of Canada GIC, 2.350%, maturing May 21, 2019	90,000
Vancity Credit Union GIC, 2.300%, maturing June 25, 2019	90,000
Accrued interest	3,091
	393,091

4. TANGIBLE CAPITAL ASSETS

	2018		2017	
	Cost \$	Accumulated amortization \$	Cost \$	Accumulated amortization \$
Land	283,910		283,910	
Building	102,570	41,557	94,503	41,284
Equipment	4,575	2,554	4,575	2,049
Computer equipment	1,906	1,819	1,906	1,712
Fence	9,316	4,871	9,316	4,377
Courts	37,328	9,220	19,738	7,541
	439,605	60,021	413,948	56,963
Cost less accumulated amortization	\$ 379,584		\$ 356,985	

**KINGSTON TENNIS CLUB
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

5. INVENTORY

Inventory held at year-end is recorded at cost and consists of tennis balls.

6. FUND ACCUMULATION

The Kingston Tennis Club, at a special general meeting on November 14, 2012, approved the resolution: *"Demolish the existing clubhouse structure in order to construct an additional tennis court between Court 1 and Court 7; the new clubhouse is to be built within the space currently occupied by the front lawn adjacent to Court 3."* To that end the Club has been accumulating funds in excess of normal operating needs to contribute towards the planning and construction phases of the capital project. A detailed plan was presented for a membership vote in November, 2015 but the results were deemed too close to proceed with the scope of the project as defined at that time. The Board subsequently reduced the planned size of the clubhouse and evaluated several options for court improvements and lighting. Some court improvements were completed in the current year. In addition to the option of building a new clubhouse on the lawn, the current board is exploring a variety of options at the clubhouse's current location.

The Kingston Tennis Club presently has no debt and has significant invested savings. As such, the Club has a high degree of financial security. If the Club assumes a mortgage to finance improvements, the Club needs to ensure the mortgage does not endanger the Club's ability to continue as a going concern.

KINGSTON TENNIS CLUB
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

7. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS

Cash provided from (used in) non-cash working capital is compiled as follows:

	2018	2017
	\$	\$
(INCREASE) DECREASE IN CURRENT ASSETS		
Accounts receivable	44	948
Inventory	826	(1,045)
Prepaid expenses	(364)	(337)
	506	(434)
INCREASE (DECREASE) IN CURRENT LIABILITIES		
Accounts payable and accrued liabilities	7,448	(163)
Government remittances payable	1,213	1,292
Deferred revenue	(574)	574
	8,087	1,703
NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS	8,593	1,269

**KINGSTON TENNIS CLUB
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

8. FINANCIAL INSTRUMENTS

The fair value of the corporation's cash, assessments receivable and accounts payable and accrued liabilities approximate their carrying amounts due to the immediate and short term nature of these financial instruments.

The corporation has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. There have been no significant changes from the previous period in the exposure to risk or policies, procedures and methods used to measure the risk. The risks that arise from transacting financial instruments are as follows:

(a) Liquidity Risk:

Liquidity risk is the risk that the corporation will not be able to meet all cash outflow obligations as they come due. The corporation's exposure to liquidity risk is dependent on the receipt of funds from its operations.

(b) Credit Risk:

Credit risk is the risk of financial loss to the corporation if a debtor fails to make payments when due. The corporation is exposed to this risk, however it has practices in place to ensure collectibility of outstanding accounts receivable.

9. CAPITAL DISCLOSURE

The corporation's objectives with respect to capital management are to maintain a minimum capital base that allows the corporation to continue with and execute its overall purpose as outlined in Note 1. The corporation's Board of Directors performs periodic reviews of the corporation's capital needs to ensure they remain consistent with the risk tolerance that is acceptable to the corporation.

Finance Committee Report

FC Formation & Role

In accordance with Club by-laws, the Finance Committee (FC) was formed in April, and the Board approved its Terms of Reference in May.

The FC is comprised of Taco Meuter (Chair & Treasurer of the Club, business owner, McGill MBA, Queen's MA (Econ)), Dave Reid (past Club President, Chartered Accountant), Mike Bartlett (Director, Queen's MBA, 25 years as a management consultant), and Chloe Wilson (Club President, past Engineering Lead in Capital Projects - DuPont). All members have substantial financial experience in their professional lives and by education.

The FC is responsible for providing to the Board information and expertise for the good financial management of the club, and for budgeting and financial planning, reporting, internal controls and accountability, audit, and financial policies.

It monitors adherence to the budget and reviews proposals for non-budgeted spending.

FC Actions in 2018

The FC in June recommended to the Board, as Jim Martin did in his report at the 2017 AGM, that the club establish an operating reserve ("rainy day fund") in the amount of \$100,000 which represents approximately one year's cash flow before capital expenses/repairs and debt servicing.

Further, the FC recommended that a capital reserve be established, so money is set aside each year to cover upkeep of the clubhouse, grounds, and courts. In essence, the purpose is to create a reserve, or fund, so that funds are available to pay for upkeep when needed. This improves financial management, and is analogous to a homeowner who opens a separate bank account for regular deposits to cover the inevitable repairs to their house/car/yard items.

The FC used accepted financial practices in determining that the annual amount to set aside should be \$24,000.

(This is made up of court upkeep - about \$2,000 per court per year historically at the KTC - for seven courts or \$14,000, and \$10,000 for durable assets such as buildings, lights and fences (1% of their replacement value annually).

In another improvement, following Treasurer Taco Meuter's review of the interest rate the KTC was getting on its savings, the FC also recommended that the Treasurer be authorized to invest the funds in either high interest savings or one to five year GICs, balancing the need for liquidity against the opportunity to earn a higher rate of interest. Treasurer Meuter subsequently reinvested some of the Club's savings in fixed term GICs, and the Club's interest income rose from \$3600 in 2017 to \$6600 in 2018.

In June, July and again in August, the FC provided to the Board written analyses of the club's financial strength, e.g. the KTC income and expenses history. The FC recommended to the Board that maximum debt be set at \$400-450,000.

In these calculations the FC built in a margin of safety to ensure that the club could carry its debt even under adverse circumstances. The FC considered that the future is not by its nature predictable, and that the KTC is not necessarily going to be the only tennis option in town, etc.

Discussion of KTC's Financial Capacity and the Capital Project

The capital project (demolish the clubhouse, build a new one story clubhouse on the lawn and an 8th court) is now estimated to cost \$1.6 million as costs have gone up, e.g. infrastructure costs, as the City is requiring the Club to build a costly drainage system as part of the lawn option. (Note that costs have gone up by 17% over the \$1.367 million cost presented at the last AGM.)

In August the FC provided a written analysis to the Board showing that, adding up the club's savings (less a rainy day fund), plus next year's savings, and the recommended maximum debt, and comparing the total to the \$1.6M lawn option estimated cost, leads to a sobering result. The Club falls short by over \$630,000. Clearly, this is a massive shortfall.

In response to that, a couple of Board members requested the FC to review the analysis and try to use more generous assumptions.

Accordingly, and in light of now having the KTC financial statements for 2018, the FC prepared another analysis last week.

The key changed assumptions in this analysis, which is discussed below for illustrative purposes and not to be construed as a realistic scenario, are:

- no upkeep would be needed for 5 years after the new clubhouse and courts were built (a Board member's assertion). To accommodate this assertion, which the FC does not share, it was assumed that there would be zero KTC upkeep costs for the first 5 years after the project.
- it was assumed that the KTC would somehow get the 2017 interest rate of 3.89%, despite the Bank of Canada having raised rates by 0.75% in 2018 - clearly an unrealistic assumption.
- it was assumed that the 2018 minimum wage hike didn't need to be included in the analysis (the steward wage bill fell in 2018, due to fewer hours worked, possibly because of weather and steward turnover).

The FC also noted that the KTC 2018 earnings (technically, EBITDA) of \$90,900 fell 13.4% from last year. As any lender will do, the latest EBITDA has been incorporated into the analysis.

The highlights are:

- The "generous" analysis (using 2017 rates) leads to a possible loan value of \$566,600.

- The last 3 years have been above average for the club financially. Under a scenario using the 9 year average EBITDA 2010-18 and still with a \$566,600 loan, it turns out the club has barely enough income to service the debt (the buffer would be tiny at \$2254.)
- The FC looked at what would happen if the club hit a real downturn, as is likely sometime in the next 25 years. Using as the KTC's earnings the average of the worst 3 years in the last 9 years, again with a loan of \$566,600, the KTC would run a deficit of \$15,146 annually.
- Since a downturn is likely sometime in the next 25 years, and thus a deficit of around \$15,000, the need for a rainy day fund is clear.
- If project costs go up by 3% next year, the project would cost \$1,648,000 (estimated). Using this and the same increase in KTC savings in 2019 as the KTC achieved in 2018, and the generous assumptions and 2018 earnings, the loan of \$566,630 still leaves the club with a capital project funding shortfall of about \$630,000.

Thus, even the use of unrealistically generous assumptions, when combined with the latest earnings, still leaves a massive funding shortfall.

Using today's interest rates which are higher (there's been 3 interest rate hikes by the Bank of Canada in 2018 totaling 0.75%), while keeping the other "generous" assumptions, reduces the loan amount substantially. It reduces the loan by \$42,600 to \$524,000.

Other points for the membership to consider:

- If the club puts off the project for 5 years and saves money during this period at the same rate as in 2018, it still won't be able to afford the project because of inflation in construction costs.
- If the club makes the same average cash flow over the next 9 years as it did in the past 9 years, and has a loan of \$566,630 to pay off, the club would effectively have zero savings until it paid off the loan in 25 years. In other words, the club couldn't start a "second stage" for 25 years.
- KTC Treasurer Jim Martin last fall recommended in the Annual Report "Do not exceed moderate debt threshold of about \$700,000 new long term debt (3.90% fixed rate)." That figure was based on the KTC's 3 year average income and savings up to the fall of 2017. The FC's figures differ because it is using the latest figures for the Club's income and savings (fall of 2018), and today's interest rates which are higher (there have been 3 interest rate hikes by the Bank of Canada in 2018 totaling 0.75%), among other reasons.
- Jim also said "Keep \$100,000 in reserve. This is to cover adverse circumstances, e.g. debt servicing for 2 years in the event operations falter . . .". The FC is saying the same thing.
- Jim also calculated a "buffer" of \$31,700, "which is available for capital assets not covered by the major project, working capital and other adverse cash flow items." Examples of these items include court repainting and clubhouse/deck repairs. Using Jim's definition of buffer, the FC is also estimating about \$31,000 as "buffer".

FC Opinion on Maximum Project Budget For the Fall of 2019

- Given the foregoing, the FC sees \$400-450,000 as the prudent loan maximum for the club, an amount the club can afford even through lean years. It sees a loan of \$560,000, arrived at using aggressive assumptions, as too high. Thus, the FC judges that the club's maximum loan should be \$500,000.
- If the club saves \$64,300 in 2019 (as it did in 2018), it will have \$420,000 as an equity contribution (keeping a \$100,000 rainy day fund) next fall.
- Combining \$500,000 with an equity contribution of \$420,000, the club can afford a maximum project budget of \$920,000 in the fall of 2019. The FC does not support a project budget above that amount.

Conclusion

Clearly, the club needs to bring its capital project cost in line with its financial capability. The FC's various analyses show that a project budget of \$920,000 is the most the club can safely afford.

The good news is, with this budget, the club can invest in very substantial improvements, while being assured that the facilities its members enjoy will be adequately maintained. Most importantly, members can come to the club knowing that the club will be there to enjoy for decades to come.

Capital Project Committee Report

Members: Paula Loh (Chair), Scott McNeely, Mark Nelligan, Dora Nomikos

EXECUTIVE SUMMARY

Work continues on the review of infrastructure and clubhouse design aspects towards the goal of receiving up-to-date project pricing and the presentation of the project to the membership to launch a fundraising campaign. The capital project, most recently approved by the general membership in November 2017 and approved by the Board in March 2018, is on schedule to begin construction in the Fall of 2019.

Designs for the capital project are included at the end of this document and may also be viewed on the KTC website by selecting Our Club/Capital Project Committee.

VISION FOR THE KTC

- Mandate for the Capital Project Committee

EXPLORING ALTERNATIVE PROJECTS

- Indoor Tennis
- Renovating/Rebuilding the Existing Clubhouse
 - Opinion On Renovating the Clubhouse, Scott McNeely, P.Eng

WHAT IS THE CAPITAL PROJECT?

- Rationale for the Capital Project
- When will construction begin and who are the professionals involved?
- What stage are we at?

PROJECT DETAILS

- Clubhouse
 - Features
 - Proposed Use of Club Space
- Infrastructure
 - Features
 - Site Drainage and Hill Street Sewer Connection
 - Court Specifications & Concrete Slabs
 - Site Safety & Maintenance
 - Courts 2 & 3 and LED Lighting
 - Courts 1, 7 & 8 and Court Dividers (Curtains)
 - Current Situation
 - Proposal for the Future
 - Advantages of Building an 8th Court
 - Rubber Cushion Surface for Courts

FINANCIAL ASPECTS

- Amount Spent to Date
- Trillium Grant Application
- Budget for 2019 KTC Capital Project - as of September 30, 2018
- Affordability - One Phase or Multiple Phases
- Costing of Major Project Components

CONCLUSION**APPENDIX**

- INVOICES PAID FOR THE CAPITAL PROJECT
- BUDGET FOR 2019 KTC CAPITAL PROJECT
- CLUBHOUSE DESIGN DRAWINGS

VISION FOR THE KTC

The KTC has a mandate to promote the game of tennis. The club is fortunate to own its own property and that we have the opportunity to make our own decisions for the future.

We need a long-term vision for the club. Are we confident that tennis is here to stay in Kingston? Do we believe there will be future generations of tennis players at the KTC? If so, what do we want to accomplish through the capital project?

Our membership levels and income are stable, providing confidence in the future of the club.

Updating our facilities is an investment in the future. Clean and modern facilities are attractive to new members; they also inspire trust and confidence in camp parents that their children are in safe hands – these are examples of aspects that contribute to the club's future health.

Key points to keep in mind as we review the capital project:

1. Tennis is growing as a sport, per Tennis Canada
2. The club's annual income is stable
3. Previous boards, treasurers, and finance committees have examined and supported the scope of the capital project and the level of financing
4. The 2017-2018 Board re-visited the process of selecting a capital project, received quotes to renovate or rebuild the current clubhouse, and in March, 2018 voted in favour of proceeding with the capital project as presented at the 2017 AGM
5. At the September 10, 2018 meeting, the Board voted to again explore the renovate/rebuild option and to suspend payments on the capital project for two months

Mandate for the Capital Project Committee

Past boards conducted a membership survey and took three votes to the membership on the capital project. They were prepared to follow through on membership results, while recognizing that the board is responsible for seeing the big picture for the club. Over the years, the essence of the project has not changed. Boards and committees have discussed finetuning the project, which is reasonable, but the underlying concept remains the same.

Alternate projects have recently been put forward and there are questions regarding the location of the clubhouse, among other aspects. The capital project committee has operated this past year in an environment lacking clear direction.

We believe that the project should proceed based on the original mandate of the 2012 membership vote. This mandate has been reinforced by subsequent votes and the membership survey, while the specifications of the project have been modified over the years to place a greater emphasis on site improvements.

EXPLORING ALTERNATIVE PROJECTS

Indoor Tennis

During January and February of 2018, the Board examined several alternate options for the capital project. One option was to propose a partnership with the City, sell the club and relocate to Belle Park. This option meets the club's mandate to support tennis in Kingston, especially the indoor component which enables year-round play and junior development.

Tennis Canada was contacted to explore what support might be available from this organization. Tennis Canada has a goal to see 30 new facilities established in Canada in the next 10 years - they can provide people support, but not monetary support.

Representatives at the City were contacted and VP Dave Stocks first met with then Belle Park project lead, and was subsequently in contact with Neal Unsworth, Manager of Parks Development. Neal informed him that Belle Park could be an option for the KTC but that first he would like us to participate in the update of the Parks & Recreation Master Plan with regard to tennis. He described a number of possibilities, one of which was establishing a community club in the west end at the Bayridge or Henderson courts (this was first suggested to board members at a previous meeting with Neal in 2016 – he gave a timeframe of ten years at that meeting). A community club operates on City courts with low fees but limited programs. Neal suggested those courts might then be bubbled for winter play. He felt the City is not ready to finance full indoor courts until the bubble option is tried first.

The Board realized that following through on an indoor tennis complex in partnership with the City (and other stakeholders) would be a lengthy and complex endeavour, beyond the scope of the current board. A new KTC member, Dorette Pollard, provided information about a company she had heard of that runs winter tennis on municipal courts. Tennis Clubs of Canada sets up bubbles over municipal or other courts in the fall, hires staff and runs programming, then takes down the bubble in the spring. They prefer a complex with six courts in order to be economically viable. Tennis Canada has hired Tennis Clubs of Canada as consultants to facilitate indoor tennis projects, especially with municipalities. In late August, Paula met with Terry Redvers and Adam Seigel of Tennis Clubs of Canada and toured their new year-round operation at the Marilyn Redvers Tennis Centre. They were enthusiastic to pursue establishing a bubble here in Kingston and discussed possible locations while viewing Google Maps. They examined the location of the KTC to consider a bubble on our property, but acknowledged that the space is constricted and that a bubble would present issues for neighbours in our residential location.

Terry and Adam followed up on the meeting by contacting the president of Tennis Canada, who arranged a telephone meeting between Tennis Canada's Director of Facilities, Anita Comella, and Paula in early September. Tennis Canada remains interested in facilitating the building of indoor centres. The organization has recognized that in order for its regional training centres to produce elite tennis players, it first needs grassroots tennis players learning and training year-round in communities across the country. Tennis Canada and Tennis Clubs of Canada are keen to talk to municipalities like Kingston to encourage the growth of winter tennis.

The question was asked about the option to sell-and-move the club in order to provide indoor tennis. Anita advised not to do this; that it is not necessary – the municipality should be providing indoor tennis and doing so without our funds – and to proceed on our present course. Even if we were to partner with the City, she

said it would take many years for it to come to fruition and that we don't have that kind of time to wait and do nothing at our current site.

The Board is now focusing its efforts on maintaining a working relationship with the City to encourage the implementation of bubbled municipal courts. In early October, four board members attended the user group workshop hosted by the City of Kingston as part of the process to update its Parks & Recreation Master Plan.

Renovating/Rebuilding the Existing Clubhouse

Another option raised for examination by the Board during January and February of 2018 was to consider renovating or restoring the existing clubhouse. The Board had previously received a ballpark quote from a contractor in 2016 to renovate the clubhouse for \$450,000 plus a generous contingency, and decided at that time that it was not an economical option when compared to constructing a new building along with the option of building an eighth court on our site.

At the February 13 & February 25, 2018 board meetings, written estimates from a contractor to renovate or rebuild the existing clubhouse were presented and discussed. The Board learned that the clubhouse must first be either lifted or demolished to build a foundation prior to carrying out a renovation or rebuild. The estimate to renovate was calculated to be \$675,000 and the cost to tear down and rebuild was \$655,000. This includes an allowance of \$60,000 for an elevator to meet accessibility standards which are anticipated to apply to the two-storey building. The cost to renovate also includes lifting the existing building and constructing a foundation. There is no allowance for a contingency in these costings.

On September 10, 2018 the Board approved a motion to suspend payments for two months on the capital project and instead explore an alternate project to renovate/rebuild the clubhouse in place, with a budget of \$5,000. A renovation committee of four board members was formed and then commissioned a local firm to draft a design for a clubhouse in the current location. The one-hour presentation made to the board on October 23, 2018 was of a modern design for a rebuilt clubhouse. When asked to clarify that this was a rebuild and not a renovation that he was proposing, the designer said that a renovation is not worthwhile - that it would be too expensive. He continued to say that unless you absolutely love aspects of the old clubhouse and want to preserve them and are willing to pay the high price, then don't consider a renovation. The firm provided a link to a six-minute video of the presentation for ongoing discussion with the membership.

The concept design requires much work to determine if it can meet the club's needs. The renovation committee reported that there has been no consultation with the City to request feedback on code requirements at this stage.

Opinion On Renovating the Clubhouse, Scott McNeely, P.Eng.

Scott McNeely is a member of the capital project committee and is a structural engineer. The committee asked him to provide his professional opinion on the viability of renovating the old clubhouse. His response is below. He concludes that if the existing clubhouse location is to be utilized, "In my opinion it would be more

economical to demolish the existing structure to provide good access to install new foundations and then build a new clubhouse”.

I have crawled around under the existing clubhouse to review the structure. There is a floor hatch in the utility room in the men’s change room. The existing structure sits on concrete pads on grade. The foundation does not extend down below grade to provide frost protection, so has the potential to move slightly over the seasons. There is a significant sag in the floor in the men’s change room. Additional “props” have been added under the floor over the years.

The storage room at the back of the clubhouse has a severe sag in the roof and floor. There must be considerable decay in the wood. Some rotted wood can be seen from the clubhouse crawlspace. Regardless of any future work, the storage room cannot be saved and needs to be demolished.

If the existing clubhouse were to be “renovated” it will still shift and settle and any work done will crack in the near future. To preserve a renovation the clubhouse would need a proper foundation.

Foundations have been installed below existing buildings in the past. Numerous steel beams are slid under the floor joists to pick up key locations so that the beams can be jacked up. This is done slowly, such as one inch at a time sequentially over the jacking points. The existing space under the clubhouse is very shallow so the access will be difficult. The existing masonry chimney would have to be demolished. The clubhouse would have to be jacked up quite high to be able to install new foundations. The front balcony and part of the deck would have to be jacked as well or temporarily detached from the main structure. The rear storage room would be demolished.

Typically, the building is left higher to have more space below, but could be lowered back down to its original level. Once the new foundation is in place the building should not move anymore over time. The building would be renovated after the lifting operation since there would be movement and new cracks in the existing finishes.

A building would typically be jacked up and a new foundation installed to preserve existing components that have some value. In this case the windows, siding and finishes are all very old. There is nothing to preserve in the existing change rooms.

The jacking operation will be difficult because the building is very close to the ground. Installing new foundations while working under the building will be very costly.

In my opinion it would be more economical to demolish the existing structure to provide good access to install new foundations and then build a new clubhouse.

Scott McNeely, P.Eng.

WHAT IS THE CAPITAL PROJECT?

The current estimate of the entire project, with all options included and an allowance for a 12% contingency, is \$1.6 million. This estimate includes construction of a new one-storey clubhouse fronting on Napier Street, one additional court, lighting on two courts, and substantial site improvements.

Rationale for the Capital Project

Our club was established in 1924 and the existing wooden clubhouse was built in 1927-28. It is time to update the clubhouse – it is uninsulated, does not meet accessibility standards, has ancient wiring and plumbing, is supported by pilings on dirt, some floor joists are rotting, it is difficult to keep clean, and, overall, is unappealing to new members. Due to plans since 2012 to build a new clubhouse, major repairs such as replacing the roof have been postponed in recent years.

The clubhouse was originally the entrance to the club and had an Earl Street address - the club's Earl Street land was sold off in the 1940s. The concept of having the clubhouse in its present landlocked state was not envisioned by the club's founders when it was designed and built in the late 1920s.

We believe that relocating the clubhouse adjacent to Napier Street to again serve as the entrance to the club is both beneficial to the club's operations as well as enabling an additional court to be built to serve members for decades into the future. The scope of this option is flexible – there are many aspects that can/cannot be included over time, funds permitting. While other capital project components are flexible, there is a feeling of urgency within the membership to build the new clubhouse 'now'.

The ideal for the long-term includes removal of the concrete slabs and installing site drainage. Doing this also permits Courts 2 & 3 to be widened and lighting to be installed without concern for accelerating the decomposition of the concrete slabs, while establishing a drainage plan for the entire site. Should we choose to upgrade the courts with a rubber cushion surface, this material works best on a stable base to minimize expensive cracking.

All infrastructure improvements and the timing for implementation are open for assessment, pending financing ability. This is independent of whether a new clubhouse is built on the lawn or elsewhere.

The cost of clubhouse construction will be similar, regardless of the location on site. It is not necessary to install a sub-drainage system or a link to the Hill Street sewer due to constructing the clubhouse on the lawn. For example, the 2015 project included a swale (ditch) parallel to Napier Street. It did not include removing the concrete slabs, installing sub-drainage, or rebuilding Courts 2 & 3. The current project proposal includes a far greater emphasis on site improvements, which we consider to be a wise investment in the future of the club.

When will construction begin and who are the professionals involved?

We have a goal of Fall 2019 to begin construction. Demolition of the old clubhouse, construction of the new clubhouse, court rebuilding and other infrastructure work will be done in the fall and winter, with completion the following spring. The Board agreed in July 2017 to hire Bill Anglin of the Anglin Group as project manager. Other professionals already involved with the project are Doug Prinsen of Forefront Engineering (civil

engineer) and Mike Preston of Michael Preston Design (architectural technologist). Sandy Wilson, architect, to review and stamp the final drawings.

What stage are we at?

There was a 57% support voiced by membership vote in the 2017 AGM for building a new clubhouse adjacent to Napier Street and constructing an eighth court. When the new Board convened after the AGM, there was a motion passed at the first meeting of the 2017-18 Board in November, 2017 as follows:

“That the AGM vote does not show a sufficiently clear approval of the project and therefore the board will work to obtain a clearer level membership support before committing to a final project. Improvement in the club can be carried out while this work is in progress.”

Board efforts were then directed to exploring the following options for a capital project:

- Renovate the existing clubhouse
- Rebuild the existing clubhouse
- Build a new clubhouse adjacent to Napier Street
- Sell the club and relocate to build an indoor/outdoor facility

Following assessment of the above options, the following motion was carried at the March 13, 2018 board meeting:

“That the Board proceed with the Capital Project as voted on at the 2017 AGM.”

The capital project committee was subsequently formed and met over a four-month window from early May to late August. Committee members prepared for and attended a pre-consultation meeting with the City, assessed site drainage and court building methods, decided on the inclusion of a basement, consulted with Trillium staff and finalized the Trillium grant application. Based on progress at that time, a tentative timeline was proposed to present final drawings to the membership in late-September and launch fundraising, aim for site plan approval by the City in December, and send specs to the general contractors by March/April of 2019 for pricing.

On September 10, 2018 the Board approved a motion to suspend payments for two months on the capital project and form a renovation/rebuild committee to explore alternative designs with a budget of \$5,000. A motion was subsequently presented and approved at the September 26, 2018 board meeting that designer Mike Preston be paid a retainer of \$5,000 so that work on the capital project could proceed in a timely manner.

Committee members met with Mike the next day on September 27 to outline initial suggestions for enhancements to the functionality of the one-storey design. Mike met with the full committee on October 23. Further suggestions were made and an updated version of the drawings was issued to the committee on October 26. These drawings were presented to the Board on October 30, 2018.

Depending on the outcome of the AGM and board elections, it is hoped that committee work will resume on the review of infrastructure and clubhouse design aspects towards the goal of receiving up-to-date project pricing and a formal presentation of the project to the membership to launch a fundraising campaign.

PROJECT DETAILS

Clubhouse

The committee reviewed preliminary drawings of the one-storey clubhouse to assess functionality and met with designer Mike Preston to propose several revisions. A presentation of the current iteration was made by Mike Preston and the committee to the board on October 30, 2018.

The current design features a 2,146 sq.ft. clubhouse which includes a patio of 1,300 sq.ft. on the east and south sides of the clubhouse. The open patio area to the east is 734 sq.ft. and the covered patio area to the south is 566 sq.ft. In comparison, the deck of the existing clubhouse is 608 sq.ft. for the open area and 360 sq.ft. for the covered porch, totalling 973 sq.ft. The proposed patio is 34% larger than the existing deck.

Features

- Location on west side of property provides natural windbreak for prevailing westerly winds
- Street presence is welcoming and accessible for people unfamiliar with the club
- Entrance/exit to the club through clubhouse directs traffic flow and maximizes opportunities for interaction with staff and other members on the patio and inside the clubhouse
- Service counter and office beside Napier Street entrance to clubhouse
- Service counter easily secured by metal gate when staff member is elsewhere
- Donor wall and trophy case along interior wall leading from main entrance to east door
- Flatscreen TV mounted high in south-east corner of lounge
- Open patio along east side
- Covered patio at south end extends eastwards to full width of building
- Two 12-seater picnic tables fit on approximately half of covered patio for use by junior camps and social events
- Wall of cubbies for junior campers installed outside Office wall near south exit door
- Multi-purpose room for “Camp Office & Kitchen”
- Storage room for Court Supplies located at north-east corner
- Exterior staircase for basement access at north-east corner
- Utility Room and storage located in basement
- Additional storage in attic
- After-hours access to property via gate at south end of clubhouse
- After-hours access to showers/changerooms and universal washroom
- Bicycle rack installed outside window of service counter
- Oversized water supply line to clubhouse to include two exterior water taps at each of north & south ends of building (for court powerwashing)

Security - a clubhouse at the point of entry to the property provides security. The service counter is visible and lockable, as is the office. Lockers are available in the changerooms for personal effects (we have experienced equipment thefts from the quiet storage area currently located behind the clubhouse).

Spacious Patio – 1/3 larger than the existing deck and covered porch, it provides a large shady area to serve as junior camp ‘headquarters’ in addition to hosting social events and viewing matches. Located between the entrance/exit to the club and the courts, this location provides a natural meeting point for members to socialize informally.

Junior Camps – the summer camps are important to the club for the immediate revenues that they provide and the long-term investment to nurture future members for our club. Campers will have a short walk from the courts to the covered patio of the clubhouse to have snacks, lunch, and bathroom breaks. They no longer have to weave through members sitting on the deck or be confined to a place that is indoors and upstairs.

Viewing Play on Courts – the south end of the covered patio faces Court 6 in which at least two 12-seater picnic benches fit. People will now be able to sit there to watch play on Court 6 in the shade. The east side of the patio faces Courts 2 & 3 and provides comfortable viewing of these courts.

After-Hours Access to Showers/Changerooms - a corridor provides access only to the universal washroom (a lockable door separates it from the showers/changerooms) or access to both areas. A sliding door secures the major areas of the clubhouse (lounge, service counter, office) whenever after-hours access to the showers/changerooms is provided.

Choice of Construction Materials - *Concrete patio*: long life of material minimizes maintenance and replacement costs when compared to wooden decking. *Metal roof*: long life of material minimizes maintenance and replacement costs when compared to shingles

Proposed Use of Club Space

Entry to the club to be through the clubhouse main entrance during hours when a staff member is on duty, with all doors propped open for air circulation. After-hours entry is via the gate to the south of the clubhouse, accessed by members via keypad/keycard. Bicycle racks will be available outside the clubhouse beside the window of the service counter. Clubhouse and courts are fully accessible to wheelchairs and strollers.

The service counter will be secured by a metal gate/curtain that easily and quickly rolls down or across the counter to enable the staff member to work elsewhere on the property as required. Valuable items to be contained within the secure service counter/office area.

Junior tennis camps operate for 8-9 weeks during the summer. Parents drop off children starting at 8:00am, with the majority arriving between 9:00-9:30am. Foot traffic to flow from the main entrance to the south door, with the covered patio area to the south serving as camp headquarters. The covered patio extends eastwards to the full depth of the clubhouse, making it larger than the current lounge area upstairs in the clubhouse.

A wall of cubbies installed outside the Office wall near south exit door area will store backpacks/lunch bags for 40 campers. Versatile seating will accommodate campers for snacks (up to 40), lunch (up to 24), and rainy day activities.

There will be some noise between 9:00-9:30am, which will impact players on Court 3 prior to campers moving onto Courts 2 & 3 at 9:30am. Members are able to gather during camp hours either inside the lounge or on the 12'-wide section of the patio that runs along the full length of the east side of the clubhouse. Generally one camp instructor arrives early for pre-camp supervision, with the majority of staff on duty by 9:00am. At this time, a camp instructor could monitor the controlled gate to the south of the clubhouse and provide a direct access point to the covered patio for campers/camp parents to arrive and check in. This redirects traffic flow away from the service counter and lounge area.

Feedback from the 2018 camp director is that he loves the shaded patio location for the camps. He prefers to keep the kids outside but sheltered from the sun/rain, features that they do not currently have. The kids will no longer have to walk back and forth to the old clubhouse between members sitting on the current deck, as they will always be next to the courts. After a rainfall, they can conveniently play some games on the lawn while waiting for the courts to dry. The camp director is aware that the lawn will be 32' x 47', which is 1/4 of the current lawn, but a size equal to the area currently utilized for camp activities.

Social events occur twice a month during the outdoor tennis season (round robins, tournament BBQs). Dining will occur primarily in the covered patio area, using rectangular/square tables that can be joined together as desired. Attendance ranges from 20 to 60 people. Two BBQs will be set up on the lawn adjacent to this area and returned to the storage area when not in use. BBQs can be set up within the covered patio area on rainy days. Overflow seating is available on the lawn or on the east patio.

Infrastructure

Features

- Construction of an eighth court
- Installation of site sub-drainage
- Known consistency of court foundation that includes sub-drainage
- Improved surface drainage
- Installation of LED lighting on Courts 2 & 3
- Widening of space between/alongside Courts 2 & 3
- Removal of trees growing against & through perimeter fencing and below courts (to be replaced along Napier Street with shrubs that do not encroach upon the courts)
- Replacement of perimeter fences with fences 14' high (east fence is currently 10' high)
- Install court benches that include awnings for shade from the sun
- Electrical outlets at each set of courts

Site Drainage and Hill Street Sewer Connection

The club's property is located on a high water table and water is slow to drain from the club's and neighbouring properties. To our knowledge, no drainage system has been installed on the property. The current plan under consideration is to remove the concrete slabs and install site drainage, both above and below the courts. It is expected that there will be a slight raise in grade of the new courts to provide an improved base. Surface drains (swales) would run along the base of the fences between the courts to minimize drainage across courts (drainage for all courts currently runs to the south-east corner of the property).

It is more economical to remove the concrete slabs and install proper drainage connected to the Hill Street sewer than to keep the slabs that we have and instead install concrete slabs for Courts 7 & 8, which do not have existing slabs. Asphalt courts cannot be successfully constructed or rebuilt without an underground drainage system in place.

Advantages to installing site drainage include court construction with known consistency, a lawn that no longer contains pools of water following heavy rainfall, increased peace of mind to be able to construct a basement, and improved surface drainage for courts.

Court Specifications & Concrete Slabs

Our existing courts do not meet the ITF minimum recommendation for recreational tennis. The only opportunity for widening the spacing is to extend the court areas westwards towards Napier Street.

We would like to expand our inventory of lit courts by installing LED lighting on Courts 2 & 3. This involves running electrical conduit and installing seven poles in this area. It is an investment in the long-term to rebuild the courts prior to installing lighting, rather than waiting a few years to see how quickly the existing concrete base deteriorates.

Courts 1 to 6 were constructed from concrete circa 1930, with each court consisting of four concrete slabs. By the early 1970s, frost heave had lifted one slab more than its neighbour, creating a hazard for players, and all the concrete courts had developed deepening cracks. It is estimated that a quick fix was taken to cover the concrete with asphalt in 1972-73 instead of removing the concrete and rebuilding the courts.

Several court contractors have been consulted on contemporary court building techniques. They all say that they would not plan to build courts from different materials (ie. concrete and asphalt) since they react differently to frost heave. The recommended approach is to ensure you have the right slope, drainage systems, and compaction – install drainage, build a proper base of granular stone for the court to sit on and compact it well, testing each layer as it is laid to ensure that compaction is uniform across all the courts.

Concrete of that era has an estimated life of 100 years. Concrete with rebar (which is what the KTC has) has a shorter lifespan, as water infiltrates multiple fissures in the concrete and rusts the rebar leading to larger cracks in the concrete. If we leave in the concrete slabs, there is always the chance that whatever is applied on top of them (asphalt) will crack. The advice of several professionals – court contractors and engineers - is to remove them since we plan to do major infrastructure work.

Removing the concrete enables us to elevate the courts and improve surface drainage. Removal of concrete is quick and easy at this point in time, whereas it is difficult to quantify the additional cost to remove it in the future – at that point, we would have to work around light poles, electrical conduit, and net posts/anchors.

According to civil engineer, Doug Prinsen, if we keep the concrete slabs and there is no connection to the Hill Street sewer:

- we would have only surface drainage and would be trying to improve a little bit on what is already there. May not be able to capture all the water off the lawn.
- would need to install a pumping system to provide sub-drainage for the courts that do not have concrete slabs (Courts 7 & 8)
- the City will still require stormwater control (ie. a swale)
- we would be unable to raise Courts 2 & 3, which minimizes what can be done for surface drainage
- we could save approximately \$50,000 off the quote, however this figure would be substantially reduced by the increased costs to work around the concrete pads to install lighting. Even the fencing would be slower to do. It would be difficult to get quotes on this cost differential. In the end, there would be small savings.

Comments by committee member and structural engineer, Scott McNeely include:

- you can't tell much about the slabs with Ground Penetrating Radar (GPR), but the rebar at 30cm spacing and down 20cm is pretty good (ie. not a poor 10 cm slab with little rebar). You cannot tell how much life is left in the slabs.
- a swale is not a good idea. The best is to drain to a catch basin, even if it is on Hill St.
- the savings of not removing the concrete pads will be offset by the difficulty of working around them with possibly smaller equipment and hand digging.
- getting better drainage on Courts 2 & 3 is always going to be good. It will help the other existing concrete slabs last longer (Courts 1, 4, 5, 6).

Site Safety & Maintenance

Maintaining the courts will be simplified after the courts are rebuilt since the areas where weeds currently grow between and beside the courts will be removed and either paved over or replaced with drains below the fences. It is suggested that we pave beyond the fence line by 6" (our property extends 10-12" beyond the fence) to prevent the weeds from re-establishing. This also provides a straight edge for neighbours to mow their lawn, as applicable.

Over the decades, trees have been allowed to establish and grow adjacent to the courts. This has resulted in roots disrupting the surface of the courts, tree trunks growing through fences, and leaves and nuts falling onto the courts in prolific quantities. Leaf litter contributes to the breakdown of the court surface and makes it dirty and slippery. Slipping on a slimy surface is a recurring safety concern for players. This is an ongoing problem at the south end of Court 4 - all the courts currently drain down to it since it is the lowest point in the club. Additionally, this area is shaded from the sun and slow to dry.

The extreme tree growth surrounding Court 7 can provide relief from the sun for some, but for many it provides dappled light and shadows that make it difficult to clearly see the ball in play. Outdoor court conditions are maximized when free of encroaching tree cover. Shade is appreciated by players when sitting down to rest while changing ends, and shade will be incorporated into the seating areas wherever possible.

Courts 2 & 3 and LED Lighting

Removing concrete slabs and rebuilding Courts 2 & 3 provides the opportunity to widen the space beside and between these courts by nine feet. ie. there is currently 8.5' to the east of Court 2 - would be expanded to 12'. There is currently 11' between Court 2 & 3 - would be expanded to 14'. There is currently 9' to the west of Court 3 - would be expanded to 12'.

We have planned for 12' between the court side lines and the fence/sidestop, and for 14' between the two courts. This meets the ITF 'minimum' standard for tournament play (which is 12' on the sides and 12' between the courts). However, the ITF 'recommended' size is 12' on the sides and 18' between the courts, which we will never be able to meet at our location.

The cost for court lighting has increased substantially in the past year, as seen by comparing identical specs quoted by the same company. In December 12, 2017, the total for 7 light poles with concrete bases and 16 LED 555 watt light heads was \$49,160 plus HST. Their quote dated August 2, 2018 now totals \$58,590 plus HST. This represents an increase of \$9,430 (19.2%), primarily due to increased costs of steel.

Courts 1, 7 & 8 and Court Dividers (Curtains)

Current Situation

Courts 1 & 7 are separated by the existing clubhouse.

Court 7 is the only court that does not have concrete slabs underneath the asphalt surface and currently has dips throughout and cracks and lifting around the perimeter. This court was rebuilt in 2004. Water was pooling in areas around Court 7 by 2011 and it was determined that the water line running underneath the court had broken and was steadily leaking. A new water service line was installed by horizontal drilling underneath Court 7 from the clubhouse to the curb in April 2012 and the leaking water service line capped off. We do not know if any drainage was incorporated as part of this court's construction, although it appears unlikely.

Our court contractor, Canada Court Supply, has speculated that Court 7 may have pockets due to the granular sub-base being washed out by the water leak. This condition could cause the asphalt to fall and create bird baths/dips (bird baths are normally due to settling if compaction of the sub-base is not thoroughly done).

Proposal for the Future

The area at the north end of the property will be widened to 167' to enable construction of an eighth court and provide a comfortable space between each of the three courts.

Court dividers (curtains) are used to separate courts when multiple balls are in use due to lessons or a ball machine. It is proposed that two of the three north courts, Courts 1, 7 & 8, will serve as teaching courts. The courts will be separated by court dividers (curtains) which can be drawn closed during lessons to prevent balls leaving the lesson court.

Members may choose to play with the dividers open or closed when there is no adjacent lesson in progress. The advantage of playing with them closed is that they stop the ball from rolling away and having to go across up to three courts to retrieve it; it also minimizes disruptions by balls from neighbouring courts.

The distance between the side lines of each of the courts will be 17', with 12' between the sides and the fence. When the divider is pulled closed, there will be 8'6" on each side of the curtain to the court side line. For comparison, the three south courts currently have 10'6" between the side lines of each pair of courts. If this area were to be divided in half, each player would have 5'3" as their share of the court space.

Three poles are required for the installation of the dividers. Installation is best done when courts are being rebuilt, since the poles are buried 4' into the ground for each run of dividers (fence poles may also be used).

Advantages of Building an 8th Court

By building the new clubhouse on the lawn, we have the option to build an 8th court at some point. If we build another clubhouse in the existing location, this will never be an option since we would first have to demolish a new clubhouse (not a wise financial option). An 8th court positively impacts our ability to provide expanded facilities to our existing membership (we have a generous advance booking policy), and to also accommodate more members in the future. If we were to expand our membership base at any point, this provides an increased revenue stream with no direct increase in costs. For example, there is a rule-of-thumb that each court can accommodate 75 members. This year, membership revenue was \$120,205 with 511 members, an average of \$235/member. By adding one more court, revenues have the potential to increase by $\$235 \times 75 = \$17,625/\text{year}$, based on the 2017 & 2018 rate structure.

Rubber Cushion Surface for Courts

The option of installing and maintaining clay courts was discussed with Chris Smith of Canada Court Supply. He discourages the installation of clay courts at the KTC, calling them the "Cadillac" of tennis courts as they are expensive to maintain. He recommends a rubber cushion surface as a viable alternative to provide some cushioning underfoot in combination with the easy upkeep and maintenance/utility savings of hard courts. A rubber surface is applied on top of an asphalt base, the same base as that for conventional hard courts, which is then painted. The paint lasts 7-10 years and the cushion lasts 20 years before it needs substantial repair.

There is an additional cost of \$13,400 per court to apply the rubber cushion surface. This surface should be applied to level courts to avoid premature cracking.

FINANCIAL ASPECTS

Former KTC treasurer Tom Thayer (retired Director of Finance, Queen's University) was invited by the Board to meet with the finance committee. He then submitted his thoughts in writing to the Board [document attached to the September 10, 2018 minutes].

According to Tom, "the most important thing in determining how much debt the Club can afford is the size and sustainability of our annual net cash flow. Net cash flow is the money the Club earns which is available to pay principal and interest on debt AND to build up savings to cover future costs and contingencies".

He notes that the 2017 Treasurer's Report by Jim Martin estimated future sustainable cash flow at \$74,100. The July 2018 Finance Committee report (page 4) **reduced that estimate to \$35,000** by deducting additional amounts for property taxes, increased wages (as a result of the Provincial minimum wage increase) and anticipated costs related to court, grounds, and building maintenance. To an outsider, it appears that the Board has accepted these increases without a response. This erodes our cash flow and our ability to undertake a reasonable capital project.

Tom continues that:

"I think we should think twice about the operating reserve. If we need emergency funds, why not a stand-by line of credit?"

Strong annual cash flow would provide \$ to meet future needs. For example, \$90,000 annual cash flow would be enough to cover the annual cost of \$900,000+ debt AND add \$30,000 to our accumulated surplus each year. This could be used to resurface courts, reroof clubhouse, retire debt early, etc"

He concludes that, "Of course, if you have no confidence in the future of the Club, of its ability to attract new members, raise money, control costs, then don't consider a capital project".

Our membership levels and income are stable, providing confidence in the future of the club.

Amount Spent To Date

\$55,644 of club funds has been spent on the capital project from 2012 to August, 2018. An additional \$9,200 was donated for civil engineering fees by Eric Davies and John Armitage. Refer to document in Appendix.

Trillium Grant Application

We have applied for a \$150,000 Trillium Capital Grant to expand the accessibility of our infrastructure by installing lighting on Courts 2 & 3 to increase the number of available court hours. The project includes lighting and rebuilding the two courts at a total cost of \$297,550 plus HST.

The quote includes: purchase of 7 poles & 16 LED light heads (luminaires), contractor work to install poles, light heads, electrical conduit, remove concrete slabs, remove trees and roots, install site drainage with sewer connection, rebuild two courts, replace fences & gates.

The application was submitted on September 19, 2018 and results are expected to be available after three to four months.

Note: The total cost submitted for grant purposes does not include options for court benches and rubber cushion surface, nor does it include an allowance for a 12% contingency (not permitted) or project management fees (September 2018 quote does not include them).

Budget for 2019 KTC Capital Project - as of September 30, 2018

Pre-development studies and soft costs \$	72,815
Clubhouse construction costs	592,600
Infrastructure costs	<u>867,693</u>
TOTAL	\$1,596,780

Costing includes project management and a 12% contingency on costs. Costs for *all* major options have been included: site drainage, removal of concrete pads, installation of rubber cushion surface.

The budget was calculated by combining a budget quote supplied by Bill Anglin in October, 2017 (which was based on four competitive quotes received in October, 2015 and then adjusted for inflation and a margin of error) and the recent September, 2018 budget quote received from a different general contractor for the Trillium grant application for the Courts 2 & 3 project component [Bill Anglin was unavailable to do the quote due to prior commitments].

Bill Anglin, civil engineer Doug Prinsen, and Paula met last year to discuss the specs for Bill's 2017 budget quote. He then contacted contractors in an attempt to update the 2015 figures, but met with some resistance. He wrote that it appears they have been asked to look at this project a few times or have already quoted on different aspects of the project. He then prepared budget pricing based on the club's 2015 project quotes and his own experience. He believes that the numbers supplied were accurate but conservative, following the philosophy that it is easier to decrease a budget once established than to increase it.

It has been a complicated process to obtain the current project costing. The quote that was received for the Trillium grant was done by one of the four general contractors who quoted on the project in 2015. A lot of effort was put in by the general contractors in 2015 and this company would have had information readily on hand to draw upon to give a current quote.

We will not have an accurate project cost until the clubhouse design is finalized, infrastructure specs are finalized, and the project is put out to general contractors for tender.

For the purpose of those who would like to compare the cost of building the clubhouse on the lawn to building one in the old clubhouse location, three line items may be reallocated from Infrastructure costs to Clubhouse construction costs: \$5,000 Sub Drainage for Clubhouse & Lawn area; \$54,000 Concrete (exterior slab for patio and walkways); \$25,000 Thermal (Hardie Panel storage enclosures). Increasing the value of the 12% contingency results in a total of \$750,352 for the clubhouse.

Materials have been selected for ease of maintenance and durability. Initial costs will be higher but represent long-term savings since maintenance and replacement costs will be lower over the years. ex. concrete patio vs wooden deck; metal roof vs asphalt shingles

Affordability - One Phase or Multiple Phases

Economies of scale demonstrate that it is cheaper to complete the entire project at once rather than completing it in phases. However, we may not have the finances required to complete the entire project in one phase – we must raise funds from alternate sources to supplement our savings. We will establish a go/no go date with Bill Anglin as to when he needs a commitment for the scope of work for a Fall 2019 start date. Using current budget estimates, we require financial resources up to \$1.6 million (depending on decisions made on which options to include in the final project).

The club has generated a healthy surplus of \$90,000-100,000 per year for the past four years. We project a capital fund totalling \$550,000 by Fall 2019. Recent club treasurers, Tom Thayer and Jim Martin, have demonstrated that the club is capable of supporting the \$800,000 loan endorsed by the membership at the 2017 AGM.

Combining \$550,000 with \$800,000 totals \$1,350,000. This is the maximum project cost we can currently afford, exclusive of fundraising and grants.

Using the figures, below, Phase One can include the Clubhouse and Courts 2 & 3:
 $\$72,815 + \$750,352 + \$378,976 = \$1,202,143$

This would leave the rebuilding of Courts 1 & 7 and the construction of Court 8 for Phase Two, at a date dependent on future savings and fundraising efforts. In the meantime, land formerly occupied by the old clubhouse would lay fallow.

Costing of Major Project Components

Pre-Development Studies & Soft Costs \$ 72,815
Includes 5% contingency

Clubhouse \$750,352
Includes 12% contingency and project management fees

Courts 2 & 3 \$378,976
Includes 12% contingency and project management fees
Includes all options except rubber cushion surface

Courts 1, 7 & 8 \$270,284
Includes 12% contingency and project management fees
Includes all options except rubber cushion surface

TOTAL = \$1,503,667

Note: In order to break out the major components, figures were calculated using an alternate approach to that used to compile the Project Budget dated September 30, 2018. However, the total obtained through this method (\$1,503,667 + 67,000 rubber cushion surface = \$1,570,667) is similar to the total derived through the first approach (\$1,596,780).

CONCLUSION

Presenting effective ideas requires extensive time and effort. The capital project has been discussed and developed since 2012, with multiple project options considered during this period. The process is challenging, as each iteration requires research, designs, and quotes, while working within a reasonable timeline. Suspending work on an approved option while exploring an alternative is detrimental to this process.

The extended period over the years has been valuable, though, and has resulted in an enhanced emphasis placed on infrastructure upgrades. This process is now six years old and the capital project has passed the test of careful scrutiny - it is time to move forward. There is a general feeling amongst the membership that time is running out and that action is needed 'now' to replace the aging clubhouse. We need to move on to the next stage of the project - launching a fundraising campaign and receiving firm quotes in order to progress. Further delay is likely to increase costs, as interest rates and construction costs rise.

The committee is confident that the proposed capital project is the best option for the club: construction of a new one-storey clubhouse fronting on Napier Street, one additional court, lighting on two courts, and extensive site improvements. While the specifications of each of these aspects are subject to change and can be phased in over time for financial reasons, the essence of the project to serve the future of the club will remain.

APPENDIX

- INVOICES PAID FOR THE CAPITAL PROJECT
- BUDGET FOR 2019 KTC CAPITAL PROJECT
- CLUBHOUSE DESIGN DRAWINGS

**Invoices Paid for the Capital Project (net of HST)
As of August 31, 2018**

Supplier	Description	Date	Net
Sue Bazeley	Stage 1 Archaeological Assessment	Oct 15 2013	\$ 2,857.00
Les Higginson	Property Survey	Apr 23 2014	3,000.00 *
Mike Preston	KTC Design Presentation Retainer	Apr 29 2014	1,250.00
Mike Preston	KTC Design Presentation Final Payment	May 26 2014	1,250.00
Shahriar Izadi	KTC Design Presentation Retainer	Apr 29 2014	1,250.00
Shahriar Izadi	KTC Design Presentation Final Payment	May 26 2014	1,250.00
Mike Preston	Design - Initial Retainer	Oct 21 2014	5,000.00
ASC Environmental	Phase 1 Environmental Site Assessment	Mar 12 2015	1,800.00
Mike Preston	Design - Concept Approval	Jun 26 2015	10,000.00
Mike Preston	Design - Interim Payment	Oct 25 2015	5,000.00
Mike Preston	Design - Fee + disbursements	Oct 25 2015	606.78
Fotenn	Planning Consultant for Minor Variance	Nov 17 2015	2,171.26
City of Kingston	Minor Variance Application	Nov 2015	2,034.90
Ken Dantzer	Architectural Renderings for Presentation	Nov 13 2015	2,000.00
ASC Environmental	Designated Substance Survey Report	Nov 19 2015	3,000.00
Forefront Engineering	Doug Prinsen, Civil Engineer	2013-2015	9,238.39 #
Mike Preston	Design - Final Payment for 2015 Design	Apr 24 2016	3,500.00
Forefront Engineering	Site Plan revision for Ontario150 grant	Aug 27 2016	295.75
Forefront Engineering	Site Plan revision for Ontario150 grant	Sep 30 2016	422.50
Mike Preston	Design - One-Storey Initial Design	Jun 26 2017	2,400.00
Forefront Engineering	Site Plan update, Bill Anglin meetings	Oct 28 2017	1,287.50
Forefront Engineering	Drainage plan; pre-consultation with City	Jul 28 2018	5,268.68
TOTAL, including contra/donation values			\$ 64,882.76
Less: Corporate donation by Eric Davies & John Armitage			<u>9,238.39</u>
TOTAL SPENT BY THE CLUB			<u>\$ 55,644.37</u>

* Les Higginson survey contra payment of 6 years' Couples membership, 2014 to 2019

Forefront Engineering fees donated by Eric Davies' & John Armitage's company, 2013-2015

PENDING EXPENSES

Mike Preston	2018 Contract Retainer	5,000.00
HDR Architects	Preliminary Design for Renovation/Rebuild option	5,000.00

BUDGET FOR 2019 KTC CAPITAL PROJECT - as of September 30, 2018

Note: All figures exclude HST All Funds in Cdn. \$

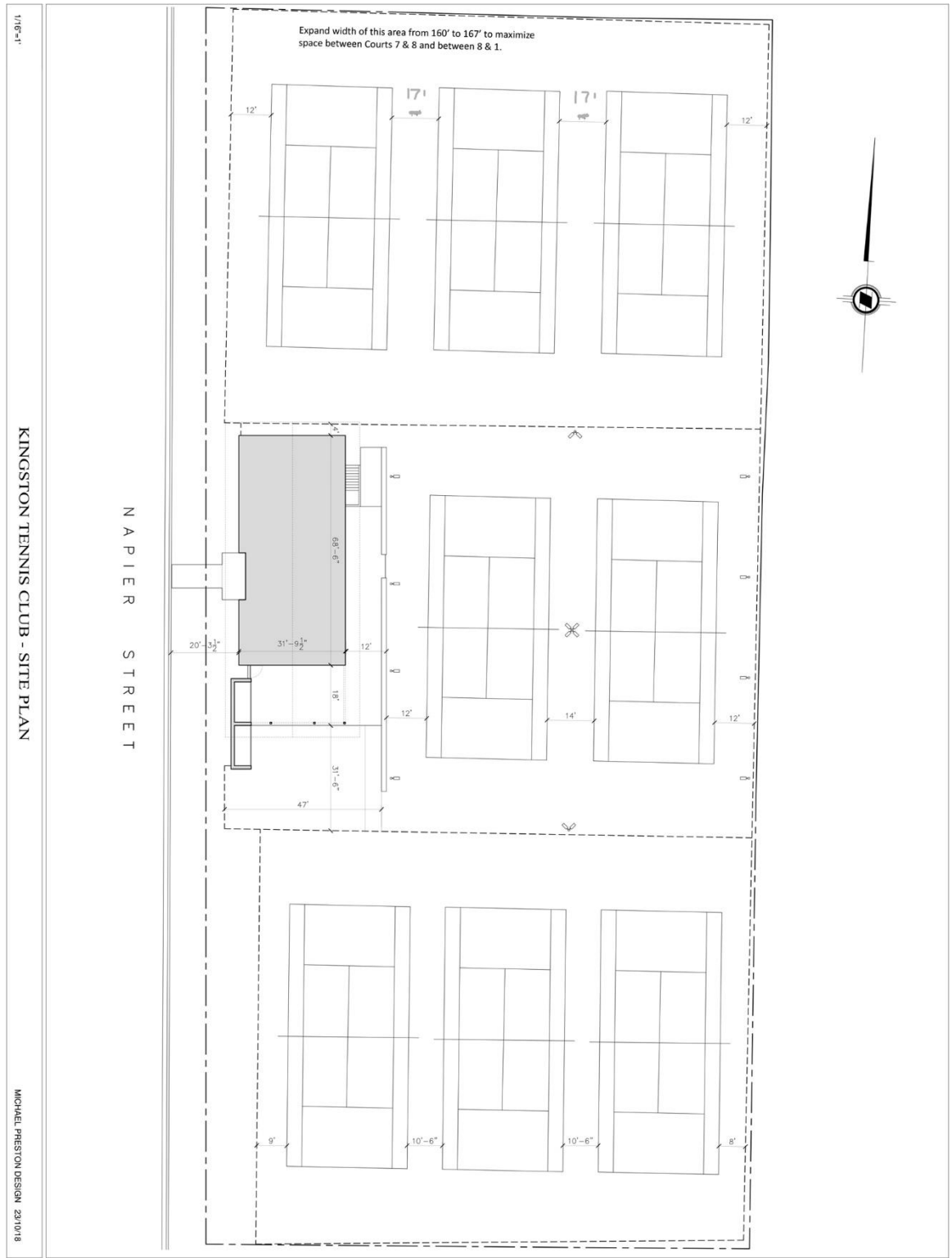
	BUDGETED AMOUNT	ACTUAL COST TO DATE	COST TO COMPLETE
PRE-DEVELOPMENT STUDIES & SOFT COSTS			
Designer & Architect - Preston & Wilson	\$19,000	\$0	\$19,000
Structural/Mechanical/Electrical Drawings	6,000	0	6,000
Civil Engineering - Forefront Engineering	15,000	6,556	8,444
Geo-Technical Study - ASC Environmental (2015 quote)	6,200	0	6,200
City of Kingston - Site Plan Application Fee	4,801	0	4,801
City of Kingston - Development Charges & Impost Fees	4,695	0	4,695
City of Kingston - Building Permit Fees	5,462	0	5,462
City of Kingston - Fees to Relocate/Connect Utility Services (Sewer, Water, Gas, Electrical)	689	0	689
Independent Quantity Surveyor (required by Lender)	5,000	0	5,000
Legal Fees incl. Registration of Mortgage for Loan	1,500	0	1,500
Interior Designer (flooring & colour selections)	1,000	0	1,000
Sub-Total	\$69,347	\$6,556	\$62,791
5% Contingency	\$3,467	\$0	\$3,467
Sub-Total Soft Costs	\$72,815	\$6,556	\$66,259
CLUBHOUSE CONSTRUCTION COSTS			
Project Management Overhead & Fees	\$62,000		
General Costs (Consultants, Inspection, Rentals)	15,400		
Site Work (Site Servicing, Landscaping, Asphalt Reinstatement)	62,000		
Demolition & Disposal of Existing Clubhouse	27,000		
Concrete (footings, frost walls, interior slab)	66,300		
Masonry (stone front elevation)	14,000		
Metals	2,200		
Carpentry	92,500		
Thermal	100,000		
Doors/Windows	33,500		
Finishes	47,400		
Specialties	4,300		
Mechanical (Plumbing & HVAC)	30,000		
Electrical	36,000		
Furniture - Indoor & Outdoor			
Equipment (Food & Beverage, TV, Sound System)			
Sub-Total	\$592,600		
12% Contingency applied to all costs except project management	63,672		
Sub-Total Clubhouse Hard Costs	\$656,272		

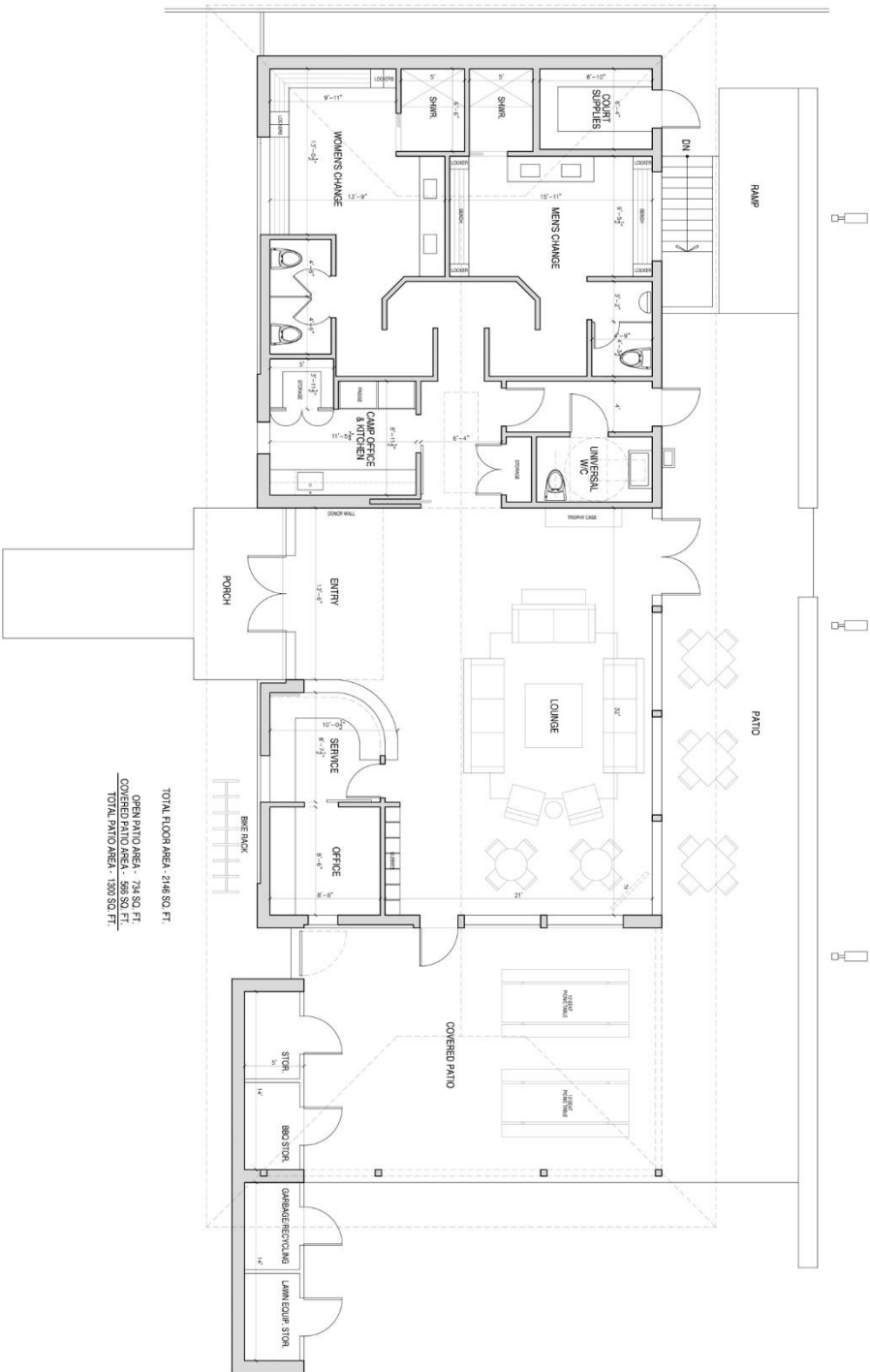
INFRASTRUCTURE COSTS			
Project Management Overhead & Fees	\$71,000		
General Costs (Inspection, Surveying, Rentals)	14,300		
Site Work (Excavation & Landfill, Fencing, Build/Rebuild 5 Courts, Remove Concrete Slabs)	272,540		
Sub & Surface Drainage for Courts 2 & 3 and Hill Street Sewer Connection	95,750		
Sub & Surface Drainage for Courts 1, 7 & 8 - estimate	40,000		
Sub Drainage for Clubhouse & Lawn area - estimate	5,000		
Seal & Paint 5 Courts	45,000		
Additional cost to apply Rubber Cushion Surface to 5 Courts	67,000		
Net Posts & Nets for 5 Courts	6,000		
Back Board on Court 7 - Rally Master 10' x 24'	10,262		
Court Dividers (Netting) for Courts 1, 7 & 8	2,406		
3 Court Benches with Canopy/Shade Cover	3,750		
2 Court Benches without Canopy	1,400		
Portable Bleacher - 3 rows x 15' long	1,625		
Concrete (exterior slab for patio)	54,000		
Thermal (Hardie Panel storage enclosures)	25,000		
Electrical - Lighting for Courts 2 & 3	79,300		
Sub-Total	\$794,333		
12% Contingency applied to all costs except project management & court sealing/surfacing	73,360		
Sub-Total Infrastructure Costs	\$867,693		
TOTAL: Soft Costs / Clubhouse / Infrastructure (A)	\$1,596,780		
FINANCING			
(20% Minimum Contribution to Project Cost Required by Lender)			
20% of Project Cost Cash Contribution Required	\$319,356		
Less: Contribution To Date	6,556		
Balance of 20% Contribution Remaining (B)	\$312,800		
Capital Funds			
Cash Balance as of Sep 30, 2017	\$383,497		
Plus: Projected Surplus from 2018 & 2019 Seasons	170,000		
Projected Cash Balance as of Sep 30, 2019 (C)	\$553,497		
Projected Cash Surplus in excess of lender's required 20% Contribution (C) - (B)	\$240,697		
Balance Required through Loan + Fundraising (A) - (C)	\$1,043,283		

NOTES

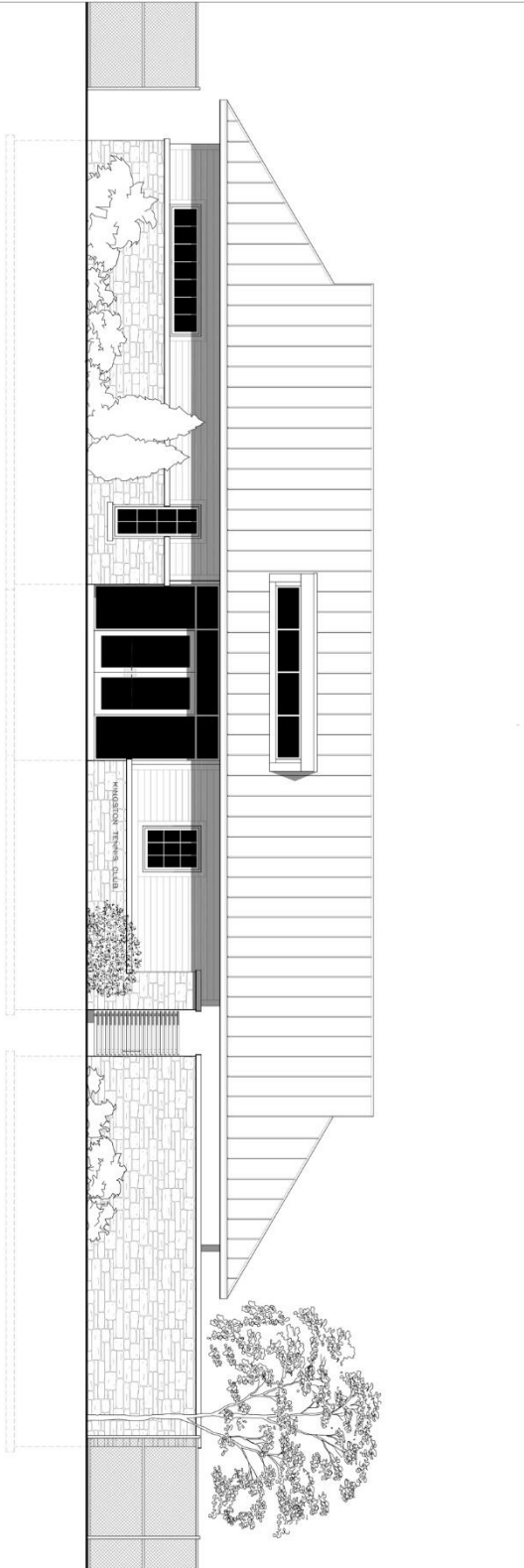
1. Refundable Security Deposit to City to be posted prior to starting construction - amount TBC (previous estimate was \$30,000)
2. Budget is based on 2017 preliminary design for 2,175 square foot one-storey clubhouse
3. Major features include: site drainage, removal of concrete slabs, construction of eighth court, installation of lights on Courts 2 & 3, application of rubber cushion surface
4. Costs are estimates for budget purposes and not firm quotes
5. Referencing the 2017 AGM, a budget total of \$1,366,593 was presented at that time and a maximum loan of \$800,000 was approved by the membership. After combining the loan with projected savings, a balance of \$183,099 remained to be funded and was dependent upon the success of a fundraising campaign.
6. If all current work proposed is incorporated into the final project, based on projections of capital funds to September 30, 2019 and a loan of \$800,000, a balance of \$243,283 remains to be funded and is dependent upon the success of a fundraising campaign.

CLUBHOUSE DESIGN DRAWINGS





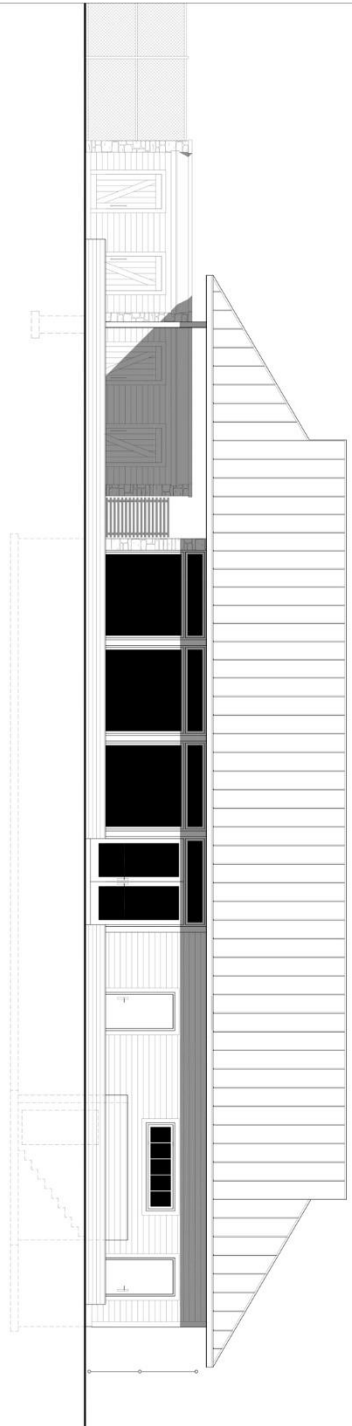
TOTAL FLOOR AREA - 2148 SQ. FT.
 OPEN PATIO AREA - 724 SQ. FT.
 COVERED PATIO AREA - 588 SQ. FT.
 TOTAL PATIO AREA - 1302 SQ. FT.



3/16/21

KINGSTON TENNIS CLUB - WEST ELEVATION

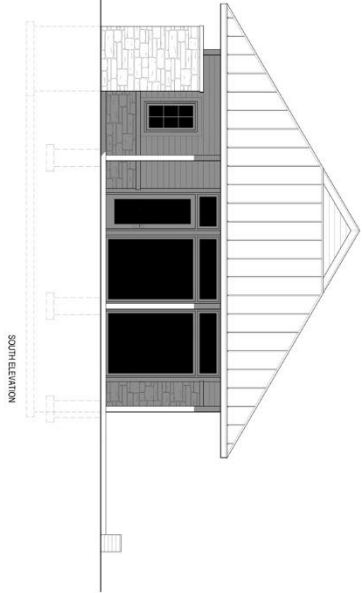
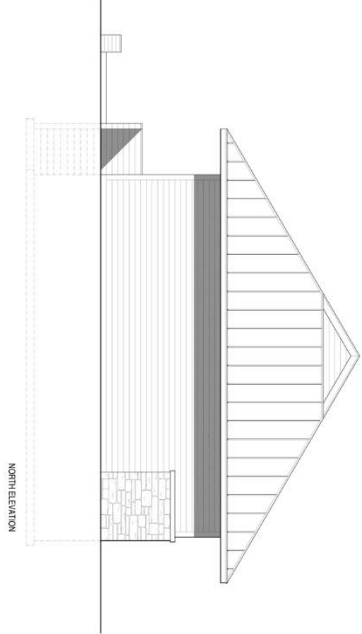
MICHAEL PRESTON DESIGN 2/21/18



3/16-17

KINGSTON TENNIS CLUB - EAST ELEVATION

MICHAEL PRESTON DESIGN 2/10/18



3/16-17

KINGSTON TENNIS CLUB - NORTH AND SOUTH ELEVATIONS

MICHAEL PRESTON DESIGN 23/10/18

President's Report

Chloe Wilson

I'd like to begin by thanking Board members for their efforts this year. Along with much discussion about the capital project, we managed a successful year of operations. Board members act in both traditional governance roles as well as carrying out many of the operational tasks which make the KTC the great place that it is. Balancing this workload (while still playing some tennis!) is no easy feat.

I'd also like to thank the many volunteers who helped out in a non-board capacity, from maintaining our property to helping with socials and serving on committees. We are fortunate to have so many members who freely donate their time, skills and energy to keep the Club running well. (See the Club Activities section of the 2018 Annual Report for highlights).

This year, the Board was consumed by one major issue: what to do about our nearly 100-year old clubhouse. While we achieved some good things for the club and had an overall successful year of operations, it was a challenging year for all of us.

In this letter, I will outline my views on the capital project as it is a very important issue for the club and dominated my time and energy as President.

Capital Project (called 'the project' herein)

The Board is still in the process of investigating the proposal that we build a clubhouse on the lawn, add lights to courts 2 and 3, and build an 8th court. Contrary to what some people believe, this project has in no sense been abandoned. However, subsequent to the go-ahead vote at the 2017 AGM, there have been and continue to be many details to be sorted out as well as critical changes in scope and cost that were not considered a year ago.

I want members to understand that I haven't been advocating that we explore alternatives simply because I do not "like" the idea of the clubhouse on the lawn. Rather, I share the opinion of many members and other Board members that the current project may be beyond our financial means as a small club, is not well understood, and has potential long-term ramifications for the club that have not been fully discussed – or even anticipated.

I'm concerned that our club will be burdened with a level of debt and debt carrying charges that may prevent us from properly maintaining our facilities and supporting services and amenities that our members enjoy and that differentiate our club from Kingston's public courts.

Yes, we've spent six years and a lot of money on this. Our lovely old clubhouse is deteriorating, looks a bit rundown and is uncomfortable. We need to build better facilities – and we need to do this soon. But carrying out a major capital project that is potentially unaffordable simply because we are impatient and frustrated is irresponsible on the part of the Board that you have elected. Our role as Board members is to make responsible decisions based on solid factual evidence, and which support the interests of our members and the long-term viability of KTC. Given the present climate of the Board when discussing the project, we have failed to do this – indeed, we have failed to make headway on even the smallest matters.

I am hopeful that in the coming year we can rectify this. Next year provides an opportunity for us (both Board and KTC members) to come to agreement on a building solution that is widely supported and that we can celebrate together as a community as we approach KTC's 100th anniversary. It is my strongest hope that it will serve generations of future tennis players and be our enduring legacy for the next 100 years!

In Appendix I, I have highlighted two areas of the Project that need to be explored more fully: 1) Changing and Uncertain Project Details, and 2) Project Details that require discussion and consensus. I hope you will read these, and the remainder of this letter, carefully and decide that we need to take a different path forward.

Membership Engagement and Approval

Over the past six years, the decision-making process that we have used at KTC is endorsement by members at AGMs and Special Meetings of a general project concept. Votes cast by the majority are considered ‘standing approval’ by members, regardless of project changes that might arise later in terms of overall feasibility, scope or cost. For the capital project before us now, this has led to unintended consequences: we nominally approved a large project before we had an opportunity to have all the facts before us, have an open discussion with members, a needs assessment and a more careful consideration of affordability.

In my view, it doesn’t make sense to call a project “approved” by the members until they are fully aware of what the project will entail and how it might impact not just the overall club, but them personally (e.g., in terms of higher fees, donations to club, lack of court availability while construction is undertaken, etc.).

Let me illustrate this with decisions taken at the 2017 AGM:

- The Board (I was a Member-at-Large) was presented with the budget for the project in October 2017, approximately one month before the AGM. We hastily came up with four options to present to members. There was virtually no discussion and no Board vote to determine if the Board was satisfied that we were presenting to members carefully considered options that could be implemented.
- The treasurer Jim Martin (Chartered Financial Analyst and Professional Engineer) made the well-documented recommendation that the club take on a maximum debt of \$700,000. At the AGM, a member moved that we increase this to \$800,000, and this was approved. This decision was taken without an understanding of the implications of this on our operating budget or on the healthy annual buffer (\$31,700) that Jim had strongly recommended (as he said for “capital assets not covered by the major project [e.g., courts 4, 5, 6 and their lights], working capital [e.g., court painting, crack repair and rebuilds] and adverse cash flow items.”)
- Before this decision was taken at the AGM, there was no analysis of phasing of the project. And there was no mention of the possible need to raise membership and camp fees, find ways to decrease our expenses (such as by cutting steward hours and increasing volunteer workload) in order to pay for the rising cost of the project, or the extensive fundraising program that might be required to support the project.

I believe these examples illustrate that we are not really arriving at thoughtful decisions when we support an atmosphere that is argumentative, not conducive to open discussion and reflection, and where motions are made and approved in lightning fashion without the factual analysis that might be necessary. I believe that members should be presented with the full story – including the pros and cons of any project we are considering – then, after discussion and input, they can make informed decisions.

Board Atmosphere

At the beginning of 2018, I was hopeful that the Board would use this year to refine details of the lawn clubhouse project and would also develop at least one more affordable project option that would similarly meet our needs (see Appendix II for another project option that we have very recently begun to explore).

My priorities were these:

- conduct a needs assessment to determine what we require in our clubhouse and tennis facilities, how we see the club operating in the future, how we want to allocate our resources, then determine which option would best fit our needs.
- increase member engagement to determine if support for the existing project remained once the major issues were fully fleshed out and communicated.

Unfortunately, the Board this year has been so weighed down by divisiveness and negativity that virtually every decision around the project, no matter how minor, took endless hours of debate to come to an agreement. We frequently spent a good portion of Board meetings just getting the minutes from the previous meeting approved.

Even drafting written communications to the members was difficult and would involve hour-long debates and lengthy email chain discussions. A major example of our divisiveness was the months-long argument (that never really finished) about whether the Board had the go-ahead to consider any option other than the lawn clubhouse project, which had been “approved” by previous Board and member votes. The Board spent the majority of the year arguing over items like our debt capacity (how much debt we could take on), whether or not the project had been approved, and what that would mean in terms of Board decisions and actions.

Given this level of disagreement, we didn’t spend nearly enough time on the following critical questions:

- What infrastructure work needs to be done? Well over half of the project cost is now going towards infrastructure, and the Board learned in the past month that the infrastructure costs have climbed another \$300,000 since the 2017 AGM, bringing the total project cost to \$1.6 million.
- How do we plan on making up the difference between the debt financing and the project cost?
- How will the project be phased? (time frames and potential operational disruptions).
- Should we remove our existing concrete pads at this point in time? What are possible impacts from doing so?

In my opinion, the atmosphere on the Board prevented these important issues from being discussed in a way that would lead to constructive decisions and progress.

August 29 President’s Report on the Capital Project

I presented the Board with a President’s Report on the capital project late this summer. The full report can be read in the [minutes of the August 29th board meeting](#). The report was welcomed by many because it generated discussion both at the Board and among members.

The Report outlines my concerns with respect to the project. It is my view that an objective needs analysis ought to be done (or re-done) to determine whether the project as currently conceived, having grown in scope and cost, meets the needs of our members and is financially possible.

Here are some key points:

- Many of the improvements we seek do not require moving the clubhouse (such as improved oversight of the club by stewards, updated amenities and storage space).

- Potential drawbacks of the new property layout have not been communicated and discussed among members. For example: crowding of our property, elimination of open lawn space, elimination of the existing separation between courts 1 and 7, introduction of curtains to separate courts, and blocking of the open view “curb appeal” of the club from the street side.
- Six years and well over \$50,000 have been spent on the project and we are not much closer to having a new clubhouse. With a project of this magnitude and cost, I believe hiring a professional to lead each phase would better prepare us for the operational and financial risks that come with planning and construction.
- A more affordable solution would be the renovation or reconstruction of the existing historic clubhouse which over our long history has significantly added to our appeal as a charming and welcoming community club which complements the surrounding family neighbourhood.
- The 8th court is an advantage in some ways, but probably not essential. Courts 1 and 7 have great appeal to our members because of their privacy and separateness from the other courts and their suitability for lessons. Squeezing in another a court with curtains on both sides will diminish this appeal.
- With a more affordable rebuild of the existing clubhouse, we will gain the financial freedom to consider other amenities and long-term projects, such as:
 - providing improved member service by increasing staff and/or hiring a club manager
 - assessing the feasibility of clay courts
 - exploring partnerships with the City or other parties in establishing indoor tennis

Club Management and Staffing

I believe we need to decide sooner rather than later what our staffing plan will be for the foreseeable future. The current plan of taking on \$700,000+ in debt would leave limited resources for additional staffing. This would potentially lock us into a long-term model of having much of the operational work of the club run by volunteers.

Even under the current volunteer model, there have been some gaps and lack of proper oversight in these areas this year:

- scheduling of group lessons with pros
- getting the season up and running with effective steward scheduling and training
- overloading volunteers at times, and without written procedures in place, relying on Board members to advise on responsibilities and explain how tasks should be carried out.
- high turnover in both stewards and pros, requiring volunteers to provide training to and closer supervision of new hires.

Our operational model needs to be decided before we commit to a project, as it will affect our earnings and debt capacity. (I submitted a report to the board on this issue at the May 22 Board Meeting. [Here is the link](#) if you'd like to read the full report. Unfortunately, progress has not yet been made on these recommendations).

Hope for the Future

If I am re-elected for the 2019 season, I propose that we take the time to come up with the right solution for the club.

I would envision the following process:

- Put together one or two additional options for our clubhouse and infrastructure that the Board has considered and supports.
- Outline the advantages and disadvantages of each option (cost/benefit analysis of each).
- Carefully assess our finances and what we can afford. Set a maximum project cost that we will not exceed.
- Communicate fully and openly with members, gauge their opinions and incorporate feedback.
- Continue to refine the project until we find the right solution.

Many members and Board members are open to such an approach. This will not take us another six years to complete. I think that if we work together, take on a project that is smaller in scope and lower in cost, we can achieve this in no more than two years, particularly if we use professional project management.

I did not join the KTC Board to argue with my tennis friends. I don't know anyone on the Board who enjoyed the experience this year. I am running again because I believe that the experience can and should be different. There is no reason that we cannot have a Board working together as a team to support the best interests of the club and committed to open discussion, respect for other members' views and concerns, and to making well-informed, thoughtful decisions on behalf of the club.

KTC is a great place in that it brings together a community of people who love tennis. We need to get back to focusing on what's important about our club. To me, this is providing great courts for members to play on, a natural, casual and welcoming property, and opportunities to learn, compete and socialize. I like our volunteer-led model of club operations yet recognize that we need to make this less onerous for volunteers or start spending more money on professional management. All of this requires that the Board and members work together to find and implement creative solutions and make decisions that sustain the financial health of the club to ensure tennis continues to prosper in Kingston.

Appendix I

Capital Project – Building a New Clubhouse on the Lawn, Adding Lights to Courts 2 and 3, and Building an Eighth Court

Changing and uncertain project details:

- Overall cost: The price of the project which began at \$500,000 - \$750,000 when first voted on in 2012 has increased from \$1.3 million to \$1.6 million over the past fiscal year, according to the latest budget presented to the Board by the Capital Project Committee.

- Increased expenses have been identified beyond what Jim Martin listed at the 2017 AGM, such as increased minimum wage as well as a reduction in the 3-year recurring net earnings (including 2018). These reduce our capacity for debt payments.
- Sub-drainage system, at an estimated cost of \$150,000, has been added to plan. There is limited understanding of the impact of removing concrete pads and installing sub-drainage.
- With the overall cost now close to \$1.6 million, there is a gap in project financing that may require increases in membership and camp fees with no certainty that such increases will increase revenues (i.e. membership levels may decline).

Other project details that require discussion and consensus:

- **Phasing of the project:** 1) how much time between phases, 2) how phases might affect operations (e.g. availability of courts 1, 7 and 3). There has been no significant discussion of this at the Board level.
- **Funding for ongoing maintenance:** Over the past three years, limited spending has taken place for club maintenance and facilities improvement (recognizing that funds needed to be saved for the capital project and shouldn't be allocated to facilities that were being replaced). Thus, overall earnings have been artificially high and will decline when we return to normal spending levels on maintenance. The healthy annual buffer recommended by Jim Martin to cover working capital and capital items not related to the project is at risk of shrinking significantly.
- **Sustainable operating model for the club:** Volunteers currently have a heavy workload, yet the hiring of a club manager is unaffordable under the current project plan. With a new building and more building activity and potentially higher membership levels, what is a sustainable operating model: more volunteers, more stewards or other paid staff?
- **Membership and camp fees:** Will it be necessary to increase these fees to pay for the capital project? Again, there is no consensus about this or how the project may impact overall membership levels.
- **Fundraising capacity:** At this point, with the Fundraising Committee waiting until we've committed to a final project, we have no idea how much we can reasonably expect to raise in fundraising dollars.
- **Level of Debt:** \$700,000 debt was the maximum recommended by Treasurer Jim Martin based on expected earnings. This was raised to \$800,000 debt by a member's motion at the 2017 AGM. The current Finance Committee has carefully assessed the debt capacity and has recommended a debt ceiling which is lower than either of these numbers. Again, no consensus has been reached by the Board.

Appendix II

Alternative to Existing Capital Project – “Renovation Committee”

At the September 10th meeting, the board approved the formation of a new committee – called the Renovation Committee – authorized to spend up to \$5K to work with an architect to investigate renovating the clubhouse. I chaired the committee, and board members Mike Bartlett, Doug Bowie and Taco Meuter also served on it.

Progress made to date:

- The Renovation Committee met with Jason-Emery Groen, Design Director at HDR, and discussed our property, how we use it, and what we’re looking for in a clubhouse. We discussed the historic aspect of the club and the welcoming, casual atmosphere we believe we should be trying to keep.
- Restoring the existing structure in an elaborate way will be costly (likely no less expensive than the lawn clubhouse) and may result in a building that does not really make use of up to date technologies that can improve the user experience.
- Jason-Emery’s preferred renovation option is keeping the “bones” of the structure but greatly simplifying the interior in order to keep costs down. He suggested that, because we are a seasonal club, we could forego modifications like HVAC, increased square footage, and kitchen appliances which are expensive and complicate our operations. Figure 1, below, gives an idea of the style of the renovated building he is envisioning. We do not yet have an actual concept for what our building would look like.
- A new building in the existing location could improve the functionality of the clubhouse and could be done more affordably if we simplify the structure (for example, by not insulating and instead remaining a seasonal club). Jason-Emery submitted a concept for a more modern looking seasonal building that creates an attractive, accessible and functional gathering spot for members and campers with lots of natural light and views of the property. Figures 2-5, below, show the general concept of what this building could look like on our property.



Figure 1: Simplified Renovation Concept



Figure 2: New Building Concept – West aerial view

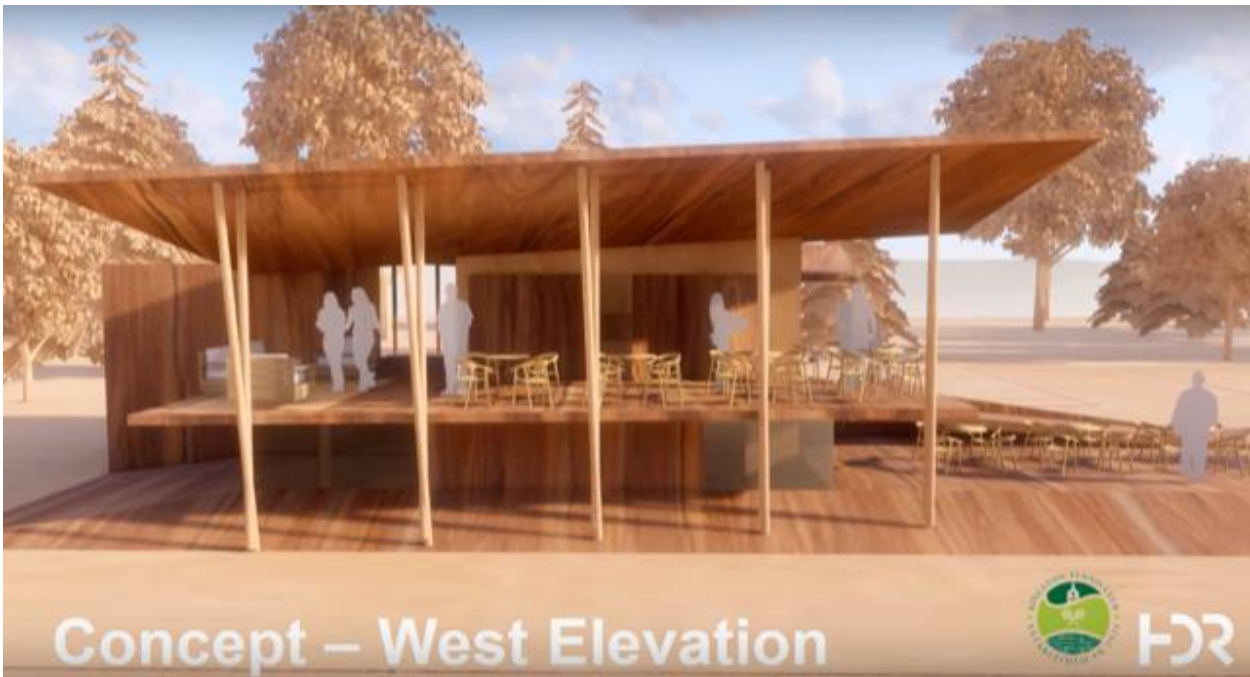


Figure 3: New Building Concept - View from Court 7



Figure 4: New Building Concept - Upper floor layout



Figure 5: New Building Concept - Lower floor layout

In two months, the Renovation Committee identified two new concepts that could potentially lead to simpler and more affordable options for the club. They are at present preliminary concepts and work needs to be done to develop the designs further, determine if they will adequately address our needs, and how much they will cost.

The Renovation Committee also believes that a more elaborate renovation could still be an option. This avenue hasn't been explored beyond the preliminary estimate we received from Bill Anglin in February, 2018. This estimate, which was \$675,000, was based on some additional floor space, changes in layout and the addition of an elevator.

Next Steps:

- The 2018 board approved the next step of hiring Bill Anglin to work with Jason-Emery to estimate the costs of his 2 concepts. This work is underway.

2018 Club Activities

Social Report November 2018 (Gill Turnbull and Viki Andrevska)

April

The year started off well with the clean up in mid April followed by the official opening day of the club on Saturday April 28th.

May

The first social of the year was held on the Friday of the Victoria Day w/e and attended by many members who enjoyed a great meal from Greek Town after the tennis. We had an interesting quiz also that evening on the eve of the Royal Wedding in England of Prince Harry and Megan Markle.

The Junior Open House was held on May 26. The Club's coach, Jack Lott, participated at the event which helped him become acquainted with members and build their clientele for lessons. Our new Camp Director, Geoff Hodges also helped organize activities. 32 children and 24 parents attended the event. Club brochures were handed out and volunteers and coaches answered questions that parents had about programming. A good time was had by all. Viki Andrevska co-ordinated the event.

June

The Adult Open House, postponed from May, was held in mid June in conjunction with Tennis Day in Ontario. The KTC hosted a special event, organized by Claire Tremblay, to celebrate the OTA's 100th Anniversary, and 100 years of tennis in Ontario. We invited members from the Quinte Tennis Club in Belleville to participate as well, and enjoyed a Davis Cup style afternoon of tennis. Activities included singles and doubles round-robin play, a skills competition where players tested their consistency and accuracy, and tennis trivia on the deck. Teams earned points through competition and team spirit.

Players also guessed how many balls were in our used tennis ball bucket for a chance to win one of two special edition "Shapovalov" t-shirts. Fresh fruit and other snacks were served during the tennis trivia brain teaser along with a gorgeous celebration cake. We are grateful to the volunteers who organized this fun tennis event, allowing us to celebrate the OTA and 100 years of tennis in Ontario!

July

Peta and Gauvin Bailey ran a very successful social with a Middle Eastern theme. They also updated the organization of the tennis games which helped greatly and will be used in the future.

August

Once again we rented a box at the Rogers Cup in Toronto. About 22 members and guests enjoyed viewing some excellent men's matches from the covered box.

Another successful social was run on the last weekend in August by Tracey and John Corrigan with an Italian theme.

September

The last social of the year was held mid month and consisted of a Pot Luck after an afternoon's tennis. This has proved to be quite a popular event.

The tournaments in June, July and August also had a BBQ component again on the Saturday evening which were very well attended with up to 60 participants. The evenings even saw some line dancing on Court 7 after the meal.

Thank you to all the volunteers who helped with the socials and BBQ's:

Lorna Sim, Joan Crawford, Julia Hoffarth, Pam Psutka, Peta and Gauvin Bailey , Tracey and John Corrigan, Mariana Silva, Hugh Geiger, Flame Eadie, Paula Loh, Chloe Wilson, Claire Tremblay

Special thanks to Alma Thayer for organizing the flowers and making the club premises so inviting.

Submitted by

Gill Turnbull, Social Chair.

Fundraising Committee (Viki Andrevska)

Committee Members:

Viki Andrevska (Chair, Secretary, Kingston Tennis Club, Alumni Relations and Development Coordinator, Faculty of Law, Queen's University)

Nancy Druick (Chief Development Officer, Belleville General Hospital Foundation) (resigned)

Bryan Saraka (National Sales Trainer, Bayer Canada, Mississauga, ON) (resigned)

Deborah Melman-Clement (Senior Development Writer, Marketing and Communications Department, Office of Advancement, Queen's University)

Paula Loh (Past President and Capital Project Chair, Kingston Tennis Club)

Chloe Wilson (President, Kingston Tennis Club)

First meeting was held on April 21, 2018. On May 27th, 41 thank you emails were sent to the people who made donations up-to-date in the current calendar year. Deborah is working on draft case study - members' vision of KTC in the next 10 years. To help draft the case study, Deborah interviewed Paula Loh, Chloe Wilson, Taco Meuter and Doug Bowie. Further fundraising committee's activities were deferred until final decision is made on the Capital Project directions.

Stewards (Mike Bartlett)

The stewards this year kept the club running smoothly and looking great.

Dave and Bob took care of staffing, and Mike took on day to day supervision for the summer. Mike found the stewards to be a pleasure to work with. Mike asked members for feedback and suggestions in the newsletter during the summer, and received zero complaints from members. He also got compliments from a number of members on the stewards' dedication and friendliness.

Mike learned that the stewards have a lot of tasks, both inside & outside the clubhouse. We are asking them to be landscapers/office workers/bathroom cleaners/garbage persons/customer service persons. All this for minimum wage and, most of the time, unsupervised.

As well, because the weeds and vines coming in through the fences never stop growing, it can be a thankless job. However, the stewards managed to generally keep the hordes at bay. (Even Amelia was often seen sitting on the ground by the fences, weeding. While pregnant!) Member Tom Thayer kindly volunteered several hours to help attack the non-stop growth.

The Club thanks full time staff Jack and Allie for their work this year. Max, Amelia and Owen were great back up through the summer. In the fall we also brought on Tristan and Geoffrey from the summer camp staff and Dana to get us through the season.

Let's hope for similarly dedicated staff next year!

Infrastructure and maintenance (Doug Bowie)

Many thanks to the dozens of members who helped with the spring and fall clean-ups. We had good turn-outs for both, the work went quickly and efficiently, and a number of people stayed for some pick-up doubles afterwards.

Thanks to Bud Nelson for helping with various random tasks and to John Corrigan for working on deck repair. Particular thanks, as always, to Rick Donaldson for regularly taking care of countless jobs – various repairs, dealing with tradesmen, brush and junk removal, weekly garbage disposal – and many other thankless little tasks which he does on an almost daily basis without complaint – (well maybe just an occasional tiny complaint.) Thanks Rick!

Parks and Recreation Master Plan (David Stocks)

The City of Kingston is currently undertaking an update to the Parks and Recreation Master Plan to guide municipal investment in parks and recreation over the next 15 years. The KTC has been involved in this process over the past six months providing information with respect to tennis in the City.

Chloe and David had a phone interview with Jon Hack from Sierra Planning who are putting together the master plan. That meeting went through the tennis assets that are in place in Kingston and background information on the KTC.

Paula and David completed a survey that had questions on membership numbers for the past 5 years and a breakdown of member ages. They were also looking for volunteer numbers and our strategy for recruiting of volunteers. They wanted to know the regions members traveled from, our membership activities and trends in member involvement and engagement. The survey also looked at community resources and needs in the future. We promoted the idea of more and better courts throughout the city and especially winter tennis. The end of the survey asked for ideas and other suggestions and we said we would like to be involved and support tennis in Kingston and looked forward to being involved in the process going forward.

Members of the board also attended focus group sessions held with City representatives and Sierra staff. These sessions brought together different sports and recreation groups to hear where the Master Plan is in terms of timing and next steps as well as providing an opportunity to have small group discussions on needs

and wants from the different groups. The Master Plan should be completed in the near future and we continue to work with the City to promote tennis in Kingston.

Elementary, Secondary and Post-Secondary (David Stocks)

The KTC continues to support tennis with youth the City in a number of ways.

Elementary classes come to the club for Try, Learn, Play. This free one hour program gives students an introduction to tennis in a fun way and also promotes our summer camps. The program is run by our summer camp staff and uses our nets and equipment. Classes sign up with the camp director and come to the club in May and June.

The club supports Secondary schools by opening up courts for two days in May to hold the Kingston Area Secondary School tournament and Eastern Ontario SS tournament. These two tournaments draw over 300 students to the KTC on the only courts in eastern Ontario able to host these tournaments in one location. The KTC does charge for these days.

Queen's students also use the KTC courts. The Queen's tennis team practises and hold tournaments at the KTC in September through November. Members of the Queen's tennis team join the KTC as fall student members. Queen's also has a recreation club that books courts, for a fee, to provide an opportunity for non-competitive students to play.

Camps (David Stocks)

Geoffrey Hodges, as the new camp director, along with his nine staff ran another successful summer camp for junior players. The board would like to thank the commitment of Geoffrey and the summer camp staff for their dedication to youth tennis and the KTC. A drop in full day campers reduced the overall profitability of the camps this year. The board and Geoffrey will be doing a full review of the summer programs over the winter to look into this situation. The board would welcome participation of the members, with an interest in this area, to review a very important part of the KTC.

Club Pro and Lessons (David Stocks)

This year the club welcomed Jack Lott as Club Pro along with Isaac Jones from previous years. Jack had experience working in our summer camp program for a number of years before becoming a Club Pro. Jack worked in May and June while Isaac was finishing his degree in Ottawa. Both pros worked in July and Isaac finished off the season in August and September. We thank both of them for their professional attitude and dedication to the KTC and its members. Please see their report below.

2018 Coach's Report (Isaac Jones and Jack Lott)

The following report outlines this past season's strengths and weaknesses, as well as opportunities in the upcoming season. Private and semi-private lessons continue to be reliable revenue stream for coaches – especially for a single coach. The booking process for lessons this summer was more seamless and cost-effective (in terms of labor) as compared to previous years. The group lessons were a success with those who participated. Beginner tennis players, both juniors and adults, registered in much greater numbers than intermediates. The shot of the week has historically been able to attract more advanced tennis players, although interest was weak this year. I think that there are opportunities to grab a larger market of tennis

players, particularly in the intermediate category. Creativity will be essential in the design of attractive and relevant programs for the 2019 season.

Strengths:

The greatest success of this summer was the implementation of Acuity Scheduling – a brilliant software designed to connect service providers and clients. Here’s how it worked:

When contacted by a potential tennis client, Isaac emailed them a link to the booking page. From there, clients booked lessons themselves, choosing from the available time slots. Isaac then reserved the court through the KTC website.

This system helped eliminate needless back-and-forth with clients and streamlined the booking process so that all lessons were booked by the coach; thus, eliminating the risk of stewards booking lessons without knowing the availability of the coach. This software also significantly reduced the amount of “no-shows”, because at the end of the booking process, clients would receive an email confirmation and could add the lesson to their calendar with a single click – on the booking page or in the confirmation email. Additionally, lessons could be cancelled or rescheduled with a single click. This feature was highly appreciated by clients. In fact, feedback from clients was unanimously in favor of using Acuity Scheduling.

It is important to note that for this system to be successfully implemented in future seasons, two precautions must be taken. Firstly, lessons can only be booked 8 or more days in advance. This is to ensure that the court is available, as members can begin booking 7 days in advance. Secondly, the coach must check his/her email daily and reserve the courts on the KTC website before members can access them.

Weaknesses:

Demand for the intermediate-level group lessons is low. The shot of the week has sometimes been able to reach this group, but interest in this program fell in the 2018 season. My sense was that shot of the week had exhausted its appeal after many summers of “rinse and repeat”.

Another weakness this season was collecting payments for tennis coaching services. In the past, we have not mandated that students pay prior to their lesson. Unfortunately, however, students occasionally forgot to head upstairs after the lesson to pay or forgot to pay via e-transfer at home. This problem was exacerbated by the decreased presence of a steward towards the end of the season. The question following question arises: who’s responsibility it is to collect payment? Is the onus on the club or coach?

Opportunities:

To help mitigate the problem of unpaid lessons and the hassle of getting in touch with these people after the fact to collect payment, it might be worth considering using the payment option with the Acuity Scheduling software. That way, payment is processed before the lesson is even booked. I’m not sure if this is the best solution to that problem, but it certainly is a consideration.

I believe there is a demographic of young tennis players in the intermediate category that could benefit from a more intensive camp-like program than the conventional junior intermediate clinics – which have failed to serve this group effectively. We could explore the opportunities in running a junior high performance camp. I envision this camp as a two-week intensive training experience for a select group of

students (approximately 10-12 campers), focusing on physical fitness as it relates to tennis as well as the technical and tactical aspects of the game. Let me (Isaac) know if there is interest in a program such as this. I would love to set up a meeting to brainstorm around this idea and explore its feasibility.

To attract the adult intermediates to tennis instruction, we must get creative with the programming. It might be worth running pilot programs for tennis fitness (cardio tennis) or a competitive coaching league – including everything from instruction, training and competitive play with supervision/analysis of a coach.

Conclusion:

Overall, the 2018 coaching season at the KTC was a success. We managed to serve the tennis community well, even with a single coach working at one time. Both coaches are thankful for the opportunity to have worked with the club and its members.

Tournaments

Our club tournaments continue to have a high participation rate, with players young & old and of all skill levels participating. The Saturday evening BBQ on tournament weekends is a popular social event. Thanks go to tournament director, Sam Faris, for overseeing these competitive opportunities and the many volunteers who help make them run smoothly.

Tournament Results for 2018

Mixed Doubles - June 15 - 17, 2018

This weekend we had a record-breaking 29 teams playing in our Mixed Doubles Tournament. Thanks to Sam Faris for organizing the event and to Julie Hoffarth, Peta Bailey and Lorna Sim for serving a great meal on the deck. In a hard-fought final, Paula Loh and Michael Stych defeated Paige Ready and Sam Faris, 6-4, 7-5. Congratulations to all participants and thanks for making the tournament a fun weekend of tennis!

Men's & Women's Doubles - July 20 - 22, 2018

The club held a successful Doubles Tournament with 18 teams on the men's side and 17 teams on the women's. The BBQ on Saturday night was attended by almost 60 people!

Thank you to all the helpers and volunteers: Lorna Sim, Julie Hoffarth, Brenda Duffy, Maria Boston, Joan Carstairs, Hugh Geiger, Maria Boston, John Corrigan and Tracey Corrigan for their help in setting out food, clearing up, BBQ'ing, bringing dessert, and helping with the music!

Women's Winners: Paige Ready & Lesley Furter

Finalists: Renee Austin & Maria Constandinou

Men's Winners: Michael Stych & John Berkok

Finalists: Len Guttenberger & Jason Taylor

Men's & Women's Singles – August 17-19, 2018

The singles Club Championship saw 27 men and 18 women participate this year. Renee Austin won against Maria Constandinou in the women's final, while Michael Stych took the title against Jeff Neasmith in the

men's final. Congratulations to the winners and thank you to tournament director, Sam Faris, for another successful tournament.

Junior Singles – September 1, 2018

Our Junior Tournament was held on Saturday, September 1st of the Labour Day weekend. It consisted of a competitive division for children aged 11-17 and fun court games for the younger children aged 6-10. Congratulations to our 2018 Junior champion, Roger Ambrose, who triumphed over Rajan Laird in a closely contested pro set, 6-4. Ashwin Laird won the B draw, playing against opponent Alastair Graham.

Thank you to our volunteers and camp staff for contributing to the successful event: tournament director Sam Faris, assistant Hugh Geiger, Gill Turnbull, Viki Andrevska, Bob Goddard, Nerissa Mulligan, Paula Loh, Katie Drover and Tristan O'Brien.

Winners of the A and B draw received a Head tennis bag courtesy of Sport Chek. All participants received a Sport Chek \$10 gift coupon and swag from ParticipACTION, the OTA, and the Indian Wells Tennis Tournament.

List of Nominees for Election

2018-19

Nominations for the Executive Committee

President	Paula Loh, Chloe Wilson
Vice President	Dave Stocks
Treasurer	Mike Halinski, Taco Meuter
Secretary	Gill Turnbull

Nominations for Members-at-Large (7 or 8 positions available, depending on outcome of election for President)

Viki Andrevska
Mike Bartlett
Doug Bowie
Julius Breza-Boski (nominated by Haley Woodford and Len Guttenberger)
Jean-Francois ("JF") Duplessis
Hugh Geiger
Bob Goddard
Nerissa Mulligan
Bud Nelson
Heidi Traulsen (nominated by Donna Lounsbury and Elena Personova)