

**Rockcliffe Lawn Tennis Club
Capital Expenses Plan
Drafted December 2020**

Capital Plan Background

RLTC has not had a capital plan since 2010. A draft plan was outlined in 2019 but never finalized and adopted due in large part to the uncertain financial consequences of this pandemic season. Now, the Board is ready to implement a new capital plan. The Board issued a club-wide membership survey to help establish spending priorities and better understand the needs of our membership. Using the information from the 2020 survey in conjunction with the original capital plan discussed by this year's Board, a new capital plan is tabled for membership consideration. Table 1 outlines the schedule of capital expenditures over and above normal maintenance until 2024. We include expenses incurred in 2020.

Survey Results and Capital Expense Overview

In the recent survey, the first major priority of spending identified by our members is the repair of the hard courts. The largest capital expenditure planned for 2021 is therefore the repair of cracks in the hard courts, followed by resurfacing and painting. The last work of this nature dates back to the spring of 2015, so it is not surprising that it needs to be redone. This project would be scheduled for spring 2021.

The second major priority indicated by our membership is lighting courts 2 and 3. The Board proposes to renew this project in 2021. However, as this will involve consultations with the neighbours and a permit application to the City of Ottawa, further expenses will not be incurred until at least the fall of 2021, and are likely to be deferred until the spring of 2022. Light fixtures were purchased in January of 2020 on the basis of the 2019 AGM decision to proceed with the lighting project, before COVID-19 forced a pause in the project. If the project is cancelled for whatever reason, we are confident that we can resell the light fixtures and recoup most if not all of their cost.

A third major priority illustrated by the survey is improvement of the clay courts. We have been advised that laser levelling followed by deep scarification can significantly improve the capacity to the courts to recover after rain. This project is also proposed for spring 2021, but only after the hard courts are finished and ready for play. We assume that the underground watering system will remain viable for the next four years, but it is coming to the end of its useful life. Significant reserves must be maintained to prepare for this major expense.

We do not envisage replacing the clubhouse over the next 10 years, but various expenditures will be necessary to prolong its life and improve its functionality and appearance. A new deck may be proposed in 2024 if in fact there is no plan to replace the clubhouse in the foreseeable future. In the meantime, improvements to the deck will be handled by volunteers.

Finally, we believe that other capital expenses can be covered by a small increase in membership fees in 2021, and realistic annual surpluses of \$25,000. This will enable us to maintain a minimum reserve of approximately \$150,000. Like previous Boards, we think it is only prudent to keep at least this amount in reserve in order to be able to respond quickly to any unexpected shocks.

Table 2: Capital Plan 2020-2024

	2020	2021	2022	2023	2024
	Light fixtures \$23K	Clay court laser levelling and deep scarifying \$5-8K	Lighting project \$55-65K	Clubhouse improvements \$10K	New deck \$20-30K
	New computer and printer \$800	Hard court crack filling and resurfacing \$15-25KK	Repave walkways \$8-12K		
		Repair of clubhouse supporting posts \$3-6K			
		New cooktop and oven \$2k			
Total	24K	25-41K	63-77K	10K	20-30K
Surplus & Levy*	25K	25K	50K	25K	25K
Reserves	185K	169-185K	142-172K	157-187	152-192K

*Levy in 2022 only