Bayside Swimming Club
Board of Directors Meeting – Wednesday, January 9, 2026, 6:00pm

Call to Order at 6:00pm.

Attendance: In attendance: Ken Ericson, Chris Fairbanks, Dan Stockwell, David Cohn, Debbie Arthur, Stephanie Walters, Jermaine Larson, Rick Rosbah, Paul Troutman. Absent: Sharon Loeppky (out of town)

Treasurer's Report - Debbie Arthur

Debbie reviewed Balance sheet and P&L for Bayside Swimming Club and Bayside Splash. Suggestion to increase revenue for Bayside Splash, as Splash revenue is down overall. Rick commented that money in accounts should be invested and discussion ensued. Ken reported on increased cost of chlorine. Report below (See Debbie's reports for specific details).

Fiscal year 2024–25 was a financially challenging year for the Bayside Swim Club and highlights several structural issues that require attention as we move into FY 2025–26.

Operating Results: Total income for FY 2024–25 was approximately $203,000, essentially flat compared to the prior year. Membership dues and related fees remained stable, and certain categories, such as stock transfer fees and waiting list fees, showed modest growth. However, summer membership declined slightly, and overall revenue growth did not keep pace with rising costs. This indicates that under the current operating and pricing structure, the club has reached a revenue plateau.

Total expenses increased by approximately 10% year over year, driven primarily by higher payroll costs, pool chemicals, maintenance labor, and utilities. Lifeguard wages increased significantly, reflecting market conditions and staffing requirements. Pool operating costs rose sharply, and utility expenses, particularly gas and electricity, also increased materially. While some categories, such as supplies and miscellaneous expenses, declined, these savings were not sufficient to offset the larger inflationary pressures.

As a result, the club recorded a net operating loss of approximately $49,000, compared to a loss of approximately $26,000 in the prior year. This widening loss reflects a structural imbalance between flat revenues and rising fixed and semi-fixed costs rather than a one-time or unusual expense.

Role of Bayside Splash Revenue**:** Bayside Splash, which operates the club's swim lessons and swim team programs, provides an important supplemental revenue stream to the Swim Club. Under the current operating arrangement, up to 30% of Splash revenue is transferred to the Swim Club to help offset shared facility, utility, and operational costs.

For FY 2024–25, this transfer represented approximately $50,000, which was used to support core Swim Club expenses, including pool operations, utilities, and staffing. Without this contribution, the Swim Club's operating deficit and cash position would have been materially worse. The continued financial performance of Splash therefore plays a meaningful role in supporting Swim Club operations under the current structure.

Balance Sheet and Liquidity: At year-end, the club remains asset-rich but cash-constrained. Cash balances declined from approximately $41,000 to $14,000, while accounts payable remained relatively unchanged at about $50,000. Although total assets remain substantial, driven by land, buildings, and equipment, liquidity has tightened significantly. Equity declined during the year as operating losses continued to reduce retained earnings.

The Swim Club's primary financial risk is cash flow, not long-term solvency.

Outlook for FY 2025–26: Looking ahead, the club should anticipate continued cost pressure, particularly in labor, utilities, insurance, and pool operations. Revenue growth should not be assumed without deliberate action. FY 2025–26 should therefore focus on stabilizing cash flow and aligning the club's cost structure with realistic revenue expectations.

Key focus areas include careful review of dues, fees, and summer membership pricing, evaluation of staffing models and operating schedules, increased focus on utility and pool-related cost controls, clear planning around minimum cash reserves and liquidity management. FY 2024–25 provides a clear financial signal. Addressing these issues proactively in FY 2025–26 will be critical to maintaining the Bayside Swim Club's long-term financial health and sustainability.

Bayside Splash**:** Bayside Splash, which operates the club's swim lessons and swim team programs, remained financially profitable during FY 2024–25, though results declined compared to the prior year. Splash continues to play an essential role in supporting the broader Bayside Swim Club through program activity and revenue transfers.

Operating Results**:** Total Splash income for FY 2024–25 was approximately $167,000, representing a decline of about 10% from the prior year. Lesson revenue declined by approximately 8%, while swim team fees decreased by approximately 20%, reflecting lower participation levels compared to FY 2023–24. These declines were partially offset by disciplined cost management.

Total expenses increased only marginally (approximately 1% year over year), reflecting effective control over payroll and operating costs despite inflationary pressures. Payroll expenses declined slightly, as reductions in instructor and swim team wages offset modest increases in coordinator pay and payroll-related costs. Increases in supplies and equipment repairs reflected regular program and equipment needs rather than structural inefficiencies. As a result, Splash generated a net operating surplus of approximately $46,900, compared to approximately $67,500 in the prior year. While profitability declined year after year, Splash continued to operate with a healthy margin.

Relationship to Bayside Swim Club: Under the current operating arrangement, up to 30% of Splash revenue is transferred to the Bayside Swim Club to help support shared facilities, utilities, and overall club operations.
For FY 2024–25, this represents an estimated transfer of approximately $50,000 (30% of~$167,000 in Splash revenue).

This transfer remains a critical source of financial support for the Swim Club, particularly given rising operating costs and tightening liquidity at the club level. Splash's ability to generate operating surpluses and maintain strong cash balances directly supports the broader organization.

Balance Sheet and Liquidity: As of October 31, 2025, Splash maintained a very strong liquidity position, with cash balances of approximately $243,000, an increase of approximately 24% from the prior year. Splash carries no meaningful liabilities and continues to build retained earnings despite the year-over-year decline in net income. This

Outlook for FY 2025–26: Looking ahead, Splash's financial performance will depend primarily on participation levels in swim lessons and the swim team. While expenses appear well controlled, revenue growth will require renewed focus on enrollment, retention, and program mix. Maintaining Splash's profitability is important for both its long-term sustainability and its ongoing financial contribution to the Bayside Swim Club.

FY 2025–26 priorities for Splash should include: *Stabilizing and growing the lesson and swim team participation. *Continuing disciplined payroll and program cost management *Evaluating the long-term sustainability and structure of the revenue transfer to the Swim Club

Overall, Splash remains financially strong and well-positioned, but declining revenue trends warrant attention to ensure continued success and ongoing support of the Bayside Swim Club.

Pool Manager's Report - Ken Ericson

Bayside had a successful swimming season in 2025. All our Bayside programs experienced tremendous use and were very well attended. Pool usage was at an all-time high from members and their guests. Many members stated how much their families enjoyed our facilities and that we were the highlight of their summer.

The End of School Year Party, run by our board members, had a tremendous turnout with over 160 kids in attendance. The annual Summer Family Party, also run by the board, was again popular and highly attended. All swim lesson staff for 2025 were hired and run under the direction of Aquatics

Director Amy Venter. All lifeguards were supervised and trained by Lifeguard Director Randy Elsner, who also serves as Swim Team Head Coach. All three programs were very professional, popular, and successful in 2025.

Prior to our 2025 season opening, the following upgrades were completed: Fence was repaired to replace rotting boards, new countertop was installed in the outdoor kitchen, handrails were installed in showers, all heaters were giving a total cleaning, all 4 starting blocks were rebuilt to new condition, new toilet was installed in the women's restroom, swimsuit spinner was replaced. Repairs and upgrades for the coming 2026 season will include: Grab bars in all toilet areas, grounds cleaned up from winter weather, possible new BBQ, re-stripping of parking lots, work party to clean Bayside for the coming season, replace worn sunshades.

Swim Lesson Report and Swim Team Report - David Cohn

The swim lesson/swim team program was a huge success with more than 90% of available swim lesson slots filled. We purposely reduced the number of spaces in lessons and swim team in 2025 to prevent overcrowding.

Gross Profit $167,285 ($186,637 in 2024)
Total Expenses $121,261 ($134,891 in 2024)
Net Income $46,204 ($51,746 in 2024)
Number of Lessons Registered: 1,028 (1,108 in 2024) Note: Does not include drop-ins
Swim Lesson Income $146,315 ($158,540 in 2024)
Swim Team Registered 130 (165 in 2024)
Elementary School Age 60 (69 in 2024)
High School Age 70 (96 in 2024)
Swim Team Income $21,250 ($26,725 in 2024)

The 2025 registration fees for swim lessons remained at $130 for members and $150 for non-members, after increasing these fees by $30 from their 2023 level. The registration fees for swim team were 150 for members and $175 for non-members, again after a $50 increase in 2024.

We need to determine whether we need to raise fees for the 2026 season.

A full breakdown of expenses, year-to-year comparisons, and additional details are available in the full 2025 report, which will be presented at the Annual Meeting.

Membership Report - Dan Stockwell

2025 20* stock sales down to waitlist 54 to get 20
2024 10 stock sales down to waitlist 24 to get 10
2023 19 stock sales down to wait list 35 to get 19
2021 16 stock sales down to wait list 33 to get 16
597 people on waitlist-starting with added 2017-03-05
Pool participants: 11625 total 1009 early bird lap
1088 noon lap swimmers 6789 family swimmers
588 6pm lap swimmers* estimate only 2151 after 7pm swimmers
Specific days of high numbers: May 24:192, June 8: 246, June 13:195, July 6: 187, Jul 12:188, July 13: 165, July 27: 176, Aug 10:144, Aug 11- 160

Renewal of board positions

Expiring in 2026: Chris Fairbanks, Dan Stockwell, Sharon Loeppky, All renewed (pending waiting to hear from Sharon, who was out of town)

Expiring in 2027: David Cohn (president), Stephanie Walters (vice president), Richard Rosbach, Debbie Arthur (treasurer)

Expiring in 2028: Ken Ericson (pool manager), Jermain Larson (sec), Paul Troutman (treasurer)

Determine whether to issue additional new stock shares in 2026

Discussion around this. Decision to add 10 members to active members and 10 summer members. Ken made a motion to accept, Rick seconded, all approved. This will bring total stock membership to 220 families

Membership, dues, and other fee amounts for 2026
2026 Proposed Rates:
Lessons: Members $140 (was $130); Non-members $175 (was $150)
(BCC: Members $140, Non-members $190)
Swim Team: Members $200 (was $150), Non-members $250 (was $180)
(BCC: Members $325, Non-members $380)
Motioned, seconded and approved unanimously.

We will increase membership fees for 2026 as follows:

Member Dues: $675 (was $625)
Inactive Dues: $300 (was $225)
Summer Member: $1,000 (was $900)
Motioned, seconded and approved unanimously.

Dates for Annual Meeting, Statement Emails, Dues Payment Deadline

Here is the revised list:

- Membership Renewal Emails: Monday, January 22, 2026
- Annual Meeting: Wednesday, February 11, 2026 at 7pm via Zoom
- Next board meeting: Wednesday, February 11, 2026, immediately following the Annual Meeting
- Membership Status Deadline: Monday, March 16, 2026 ($50 late fee after that date)
- Dues Payment Deadline: Thursday, April 30, 2026 ($50 late fee after that date)
- Swim Lesson Registration Opens: Monday, April 13, 2026
- Pool Work Party: Saturday, May 2, 2026
- Pool Opening Date: Saturday, May 9, 2026 / Pool Closing Date: Sunday, September 13, 2026
- Pool Rental Reservation opens: Friday, May 15, 2026 (cost to be determined at our February meeting)
- Pool reservation availability dates: June 1 thru September 4, 2026 (only one date per family until after August 1)
- Adult Noon Swim starts: June 1, 2026 / Last Weekday Adult Noon Lap Swim: Monday, August 31. (No noon weekday lap swim in September)
- “School’s Out” Party: Friday, June 12, 2026
- Bayside Family Party Hosted by the Board of Directors: Saturday, July 11, 2026 from 5 to 8pm
- Swim Lessons begin Monday, June 22 and end Friday, August 14, 2026.
- Swim Team begins on Wednesday, June 24 (party the previous evening) and ends on Thursday, August 6 (followed by party on August 7)
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New Business

Debbie Arthur not able to keep her new position as Treasurer, due to the demands of her job. Discussion around options to replace her position. Discussion to send email to inquire about new board members, also to add in some younger board members, so that as some step off there is a transition of learning the varied roles.

Adjourned at 8:00pm

Respectfully Submitted,

Jermaine Larson, Secretary