

February 10, 2021

Dear Rougers,

The Fort Rouge Curling Club (FRCC) Board of Directors has made the difficult decision to cancel the remainder of the 2020-2021 curling season.

As you know, in accordance with Provincial Public Health Orders, our Club closed on October 30, 2020. Since we were hopeful that we could reopen our club this season, the curling ice has been maintained. However, at this point, without assurances that reopening will be possible, the Board of Directors has decided to end the season.

Although our club was not open for the majority of the 2020 curling season, our club has been subject to costs that have significantly affected our financial position. The FRCC Board has undertaken several initiatives to reduce expenses and mitigate the financial impact of the pandemic on our club. These include:

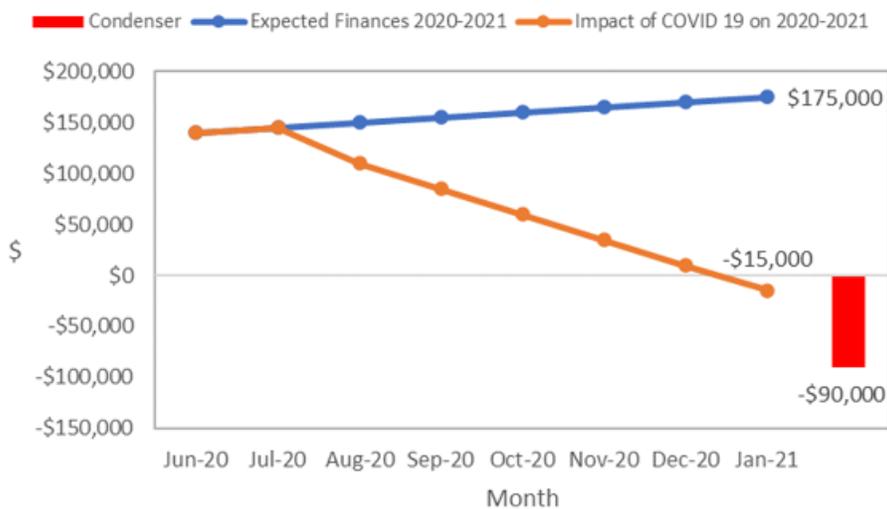
- Applying for every available grant and subsidy from each level of Government (Federal, Provincial, Municipal);
- Kitchen and bar staff were laid off at the end of October;
- Utility cost reductions (TV subscription cancelled, heat in the building reduced, lighting minimized);
- All returnable product (food, liquor) is being returned and credits have and will be received; and
- A salary reduction for the Club Manager and our Head Ice Technician.

Despite these initiatives, operating and maintaining a curling club is costly. Fixed expenses associated with ice installation, insurance, utility costs, property taxes, and salaries are substantial and have had a significant impact on the finances of our curling club. We rely on sales from the lounge and cafe to assist in keeping our financial picture positive. Since the club has been closed on October 30, 2020, there have not been any lounge and café sales.

Over the last several years, the FRCC’s modest annual surpluses have been used towards capital improvements, maintenance, or saved in our capital reserve fund for future projects. There are several imminent capital improvement projects that need to be completed, such as a condenser for our ice plant estimated to cost approximately **\$90,000** and a new brine pump/motor assembly costing approximately **\$12,000**. The Board had established a capital reserve fund to cover the costs associated with this, and other needed projects, however, **the COVID-19 pandemic has changed this. The ongoing expenses and lack of incoming revenue has depleted our entire capital reserve fund. The FRCC may begin fiscal 2021-2022 in a negative cash position.**

The next task for our Board of Directors is to deal with the issue of refunds to our members. At the beginning of the season, we made a commitment that we would provide refunds to our members on a prorated basis based on the number of games played.

We want to take this opportunity to let our members know that should each of our members receive the full reimbursement value they are entitled to, based on the declaration above, the club’s cash position will be close to \$0. Our capital improvement reserve and emergency reserve will be completely erased and we no longer have the capital to fund the needed condenser and brine pump/motor replacement.



You will be receiving an email in the coming days regarding the refund of your membership fees. You will be presented with three options. We kindly ask you to consider all options.

**Option 1:** Full Refund. You will receive a refund, pro-rated, for all games you did not play this season.

**Option 2:** Partial Refund. You will receive a refund, pro-rated, for all games you did not play this season, less the proportion of membership required to cover this season's fixed costs. The partial refund option was calculated to allow the FRCC to start the 2021-2022 curling season in the same financial situation that we were in on June 2020.

**Option 3:** No Refund. The full value your membership fees will remain with the FRCC.

We have applied to the National Sports Trust Fund to determine if fees left with the club will qualify for a charitable tax receipt. We will have more information to share on this in the near future.

The Board would like thank our membership for the overwhelming support we have received during the pandemic. We thank you for your continued support of the FRCC, as we strive to ensure that the Fort Rouge Curling Club continues to survive and thrive in the future. If you have any questions, please contact any FRCC Director.

Sincerely,

The Fort Rouge Curling Club Board of Directors