

# THIS FRIDAY AT RIGHT ANGLE

## Fridays at 12:33 in the City of Philadelphia - Throughout the Year

May 21, 2014

Dear fellow Right Angle Club Member:

I am writing to advise you, that after long and careful consideration, your Board of Control has approved a \$35 per quarter dues increase for full members effective July 1. Affiliate dues will also increase to \$290 annually as of January 2015. Club dues have not increased since 2005, and during that time the consumer price index (CPI) has increased by 21.3%.<sup>1</sup> Our expenses for special events such as the President's Dinner, the evening buffet, and the Spring Fling, have significantly exceeded budget due to increases in catering costs. Given these facts, our Club is faced with the alternative of cutting our program or increasing revenue.

Recognizing that our members value the traditions of our historic club and breadth of our programs and wish the Club to continue to thrive, we have elected not to reduce or cut programs. In any event we have already committed to our spring and fall flings—deposits to caterers and venue hosts have already been made—our only potential expense cutting option this year is the elimination of the annual Christmas party but that would not change our ongoing structural financial deficit

Deferring action on revenue enhancement or program cuts is irresponsible, as your Club does not have an accumulated reserve to absorb a deficit. Doing nothing is projected to result in a \$2,500 to \$3,000 cash flow deficit for the current year which would have been greater except for the cancellation of two lunches due to snow. Your Board of Control has also considered the financial implications of the continual rise in the price of food. The meals the Racquet Club provides are consistently good. Moreover they have not increased their price to us since 2005. The Club, which has a new chef, is reevaluating its price structure over the summer. Given the cost pressure, and the reality that catering fees comprise over one-third of the Racquet Club budget, a significant increase in our meal costs is likely and must be planned for.

Please understand that your volunteer Club leadership has worked diligently to contain costs over many years, and will continue to do so in future years, as we strive to maintain programs and work to bring in new members. The club provides for full members extraordinary value providing annually about forty lectures and lunches, three flings and one great President's dinner all covered by your dues. In addition we all have signing privileges at the Racquet Club.

Members of the Board of Control will be at the next meeting on the 30<sup>th</sup> May to answer any questions you may have.

Sincerely,

*David Ribbons*

<sup>1</sup> \$200.1 in 2014 dollars equals \$165 in 2005 dollars

FOUNDED 1922



Facsimile of Rule, made of iron, used by one of Franklin's apprentices, dated 1776, marked from an early English one. Now in the Atwater Kent Museum.