

February 19, 2007

Dear Starlighters,

Jan and I enjoy <u>all</u> the Starlighter dances, but it's funny and weird that some dances seem to be just a little more fun than others. We haven't been able to figure out if it's our frame-of-mind, the band, or the influence of the moon and stars, but sometimes the dances just "rock". That is what it was like at the Phoenix Club in January. Everything was just right, the food (the prime rib was delicious), the music (provided by Rainbow Cottage), the company, and the result was we had a superb time. I know we were at the Phoenix Club a lot last year, but despite that, the January dance was special. Those of you who missed the dance missed a great party, and I hope those of you who went felt the same as we did.

I mentioned at the dance that the board was reviewing our past history to try to determine what has worked well in the past and what did not, in order to try and duplicate the good and avoid the bad in the future. The review covered the last 7 years, and a part of it measured member attendance, total attendance and % of membership attending by venue, type of venue, dress, cost and even the month in which the dances were held. The review produced some interesting facts and observations. Here are a few of the most obvious:

- By far the most popular venues were country clubs. The 10 dances with the best overall attendance were all held at country clubs. Out of the 43 dances reviewed, the 24 held at country clubs had the highest total attendance and the second highest membership percentage attending. Therefore, we concluded that country clubs should be our focus in the future.
- In the 7 years, we visited the Phoenix Club most frequently and the Yorba Linda Country club second, and yet those two venues were near the bottom of the popularity and attendance scale. Thus, we concluded that we should try and limit our visits to these venues to one per year in the future.
- Dances costing \$120, \$110, and \$95 were first, second and third respectively in all measures of attendance reviewed. Dances costing \$70 were the least attended dances. From this, the board concluded that <u>cost</u> is less of a concern than <u>value</u>, and that members are willing to pay for good venues with good food and good music. Less expensive dances are viewed as mediocre.

These are just a few of the observations and conclusions that resulted from the review and which will help us in our future dance planning efforts.

However, there was a second facet to the review that dealt with dance costs and the club's financial position. This portion of the review also revealed a few very important observations which the board felt should be shared with all the membership:

- In the last six years, the cost of putting on our dances has risen over **70**%, almost **11.75**% per year, from about \$19K per year in 2000 to over \$33K per year last year.
- In the same period, the club's treasury, that is the balance in our bank account, has decreased by **44**% or almost by half. This has occurred because the board has been reluctant to raise the price of dances to cover the rising costs and has been substantially subsidizing dances out of our treasury.
- With costs continuing to increase and without a corresponding increase in revenue, the club will just plain run out of money in a few years and will be out-of-business...kaput! There is no way to sugar coat it folks...... like Jack Webb said on "Dragnet".....these are "the facts maam, just the facts"

So after prolonged, agonizing, and sometimes intense discussion about the alternatives and the impact of each, the board decided on an increase in dues and a three tiered pricing strategy for the 2007 dances, this in keeping with the value proposition noted above. The strategy is as follows:

- For a venue like the Phoenix Club, perhaps a notch under first-rate, the dance price will continue to be \$85. We expect to attend only one of these this year.
- The two formal dances, which will be held at top-notch venues with first-class food and music, will be priced at \$120 per couple, actually a \$5 decrease from the \$125 charged in the past. There are two of these each year.
- The remaining dances, which we also expect to hold at top-quality venues and with excellent food and music will be priced at \$100 per couple. Having a higher quality venue and food will hopefully encourage higher attendance, as the review of the past revealed.

So while we are forced to raise the price of some dances, our efforts will be focused on getting the best value for that increase. The board also voted to increase the annual dues to \$80 per couple in order to prevent our treasury from being depleted to a point of fiscal irresponsibility, since we will still be forced to subsidize dances from the treasury. Lastly, the price for guests has been increased to \$10/per couple above the member dance price. All of these actions will prevent our financial position from degrading further, while still allowing us to plan, organize and stage six superior dances in 2007 and beyond.

Dues statements are enclosed and reflect the increase noted above. I hope you will consider carefully <u>all</u> that I have said and choose to return as members for 2007.

Let me say just a bit about the upcoming semi-formal dance in March. We are going to be at the Alta Vista Country Club, which has been our most popular venue by far in the last 7 years. We have a new band, Phil Anthony lined up, and I understand it is an excellent ensemble. There is a \$10 corkage fee if you bring your own wine, and togo boxes are not allowed. The invitation is enclosed. Bring a gaggle of guests and I hope to see you there.

We have had two new couples join the club in the last several months. Please join me in welcoming Ron May and Kristen Powell, and George and Kathleen Wyart to the Starlighters. Look them up at the next dance and say hi! Sorry, no room for pictures this time. Maybe we can include them in the next newsletter.

Lastly, I am sad to report that Jon Jumper has resigned from his position on the board as Parliamentarian. He served on the board for a number of years and provided great leadership as president a few years ago. Please join me in thanking him personally for all of his efforts. His duties as Parliamentarian will be assumed by Adrienne Meehan, who is also a past president.

That's all folks! Sorry about the length of this letter and the lack of humor, but the topic needed to be addressed and with seriousness. Your board considers all these matters very earnestly, especially anything related to cost and price, and genuinely wants to do what is best. Our meetings are sometimes long and sometimes intense, but usually result in quality decisions that serve the club well. We are very fortunate to have such a dedicated group of people to plan and organize the Starlighter activities.

I hope to see you all at the March dance.

Best Regards,

Paul A. Morin