



Capital Strategies Modeling

A Complete Capital Planning Solution for Your Club

What is Capital Strategies Modeling?

Many clubs struggle to develop a viable funding strategy that will cover both asset replacements over time and future improvement projects. The Capital Strategies Modeling Solution is a natural complement to the Club Benchmarking [Capital Reserve Studies Solution](#) and a logical next step in any club's long-term planning.

Our proprietary process and platform are designed to help club leaders proactively plan for ongoing capital requirements and identify a strategy for achieving aspirational goals that ensure the club's robust financial health and vitality well into the future. The Capital Strategies Modeling (CSM) Report provides powerful visualization of gaps between capital needs and resources and allows club leaders to analyze and select from various scenarios to close the gaps.

1) The Capital Reserve Study

The Capital Reserve Study is a critical first step in determining the capital revenues required to replace your current assets. A typical club can expect between 400-600 capital items which will require replacement, and the reserve study will identify and prioritize those items and associated costs to adequately plan funding needs. If your club currently has a Reserve Study, we will incorporate it into your model. If your club needs a study or if one needs to be updated or revised, our Capital Reserve Studies team will build one for you.

2) Determining Future Capital Needs

Club Benchmarking will work with your club to identify, prioritize and allocate funds for capital improvement projects to complete over the next 10 years. If no specific projects are identified, a mutually agreeable capital improvement fund will be established to minimize the need for future assessments and debt.

3) Project Capital Revenues Over the Next 10 Years

Using our powerful modeling platform, Club Benchmarking will determine your current 10-year capital revenue trajectory by identifying capital revenues from (1) Operations surplus, (2) Net Initiation Fees, (3) Capital Dues, and (4) Membership Growth. We will factor in any other items which affect capital cash such as beginning balances, debt service and assessments receivable to determine your 10-year trajectory.

4) Identify and Address the Gap Between Capital Requirements & Available Funds

With the knowledge of 10 years' worth of capital asset replacements and improvement projects, we will identify the club's capital needs over the next decade, and the gap between requirements and available capital cash. We will work with the club to develop strategies in the areas of Operations surplus, Net Initiation Fees, Capital Dues and Membership Growth to adequately fund capital requirements. We will do a "Market Analysis" of your club's capital funding methods to determine your biggest opportunities for additional capital funds and will make recommendations based on these findings. Strategies for Membership Assessments and Debt may be used cautiously if needed.

Your Club Benchmarking Capital Strategies Report

The first step in the process, the Capital Reserve Study, answers the question **“WHAT will we need, and when?”** Capital Strategies Modeling moves the planning process forward by addressing the obvious next question... **“HOW are we going to meet that need?”** Club Benchmarking partners with your club to develop a clearly articulated plan with strategies appropriate for your club’s culture, member expectations and local market.

The CSM report delivered at the completion of your project will provide a clear game-plan for funding asset replacement identified through the Capital Reserve Study, as well as funding aspirational capital for future projects and the club’s capital reserve account.

Your CSM Report Includes:

- Net Worth Benchmark Report
- Sensitivity Analysis of Capital Inputs and Outputs
- Three to Four Funding Strategies Presented in Graphic Format
- Dynamic 10-year Capital Forecasting Tool

Benefits to Your Club:

- Identify capital funding requirements to replace current assets and fund future improvement projects
- Calculate capital revenues based on current dues & fees structure and membership growth trendline
- Identify gaps between required capital funds and projected revenues
- Develop strategies to ensure alignment of capital expenses and revenues over time.
- Arm club leaders with dynamic capital forecasting to guide long-range financial strategy

To Discuss Capital Strategies Modeling for Your Club, Contact Us:

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