



## RGYC Junior Club Boats Policy

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<b>Drafted by</b>	RGYC OTB Working Group	<b>Approved by Board on</b>	31/07/2017
<b>Responsible person</b>	RGYC OTB Working Group	<b>Scheduled review date</b>	

## Junior Club Boats Policy

This policy is designed to provide guidance to the acquisition and sale of club boats by the “Off The Beach Working Group” with funds primarily raised by or donated to the RGYC OTB.

### Purpose:

The purpose of the club acquiring junior boats is to allow:

- Newcomers and those moving from crewing to skippering the opportunity to try one of the clubs junior class boats (currently International Cadets & Optimists) before committing to a boat purchase.
- The RGYC Junior fleets to grow by feeding reasonable to good quality, competitive boats into the fleet to bolster numbers and make purchasing a boat easy for new parents to the sport.

### Process:

Juniors will be offered the opportunity to hire a club boat for <1 season with the hire period ending at the end of the RGYC Club Summer Series.

- Prior to taking possession of a “Club Boat” the Junior will enter into a “Hire Contract” prepared by the RGYC which sets out the terms & obligations of the sailor.
- At any time during the Hire Period the Junior can elect to purchase the boat at a determined amount.
- If the Junior does not elect to purchase the boat during the hire period that boat will be offered for hire to another junior.
- Should the boat be sold, the funds from the sale are to be put toward the purchase of the next club boat.
- At the discretion of the OTB working group a club boat may be offered to the next junior for hire or sale while the boat is currently being hired out.

# It is not the aim to hold club boats for the long term as it becomes a greater issue with maintaining the condition of the boats, de-valuing and theft

# The Hire is not to be offered to the same junior for consecutive seasons.

# The club boats are not a means of subsidising a Juniors sailing costs

### Purchase / Hire Fee / Sale Price:

#### Purchase:

The OTB working group will nominate a minimum of 2 people to assess suitability of boats considered for purchase. Those nominated should have a good understanding of the classes, boat construction and competitiveness of the boats.

The Working Group will set aside funds for the purchase of Club Boats so that boats can be inspected and purchased quickly to avoid other clubs buying the boats before the OTB.

RGYC club members should be given priority to purchase the boats privately as this ultimately feeds the bots into our fleet without the need for club funds to be used and satisfies the aim of growing the fleet.

#### Hire Fee:

The Hire fee should be determined to reflect:

- The Storage fee during the hire period

- Insurance cover during the season / hire period
- A percentage of the boat acquisition cost for depreciation during the hire period (more on newer gear than older) allow +/- 10%

The following calculation should be used with all figures updated in time to reflect current costs & charges; **Storage Fee + Insurance + Usage Fee + Club Race Entry Fee = Hire Fee**

*Example based on 2017 costs:*

<b>Boat – Name / Identification (example)</b>	<b>Cadet A</b>	<b>Cadet B</b>	<b>Optimist C</b>
<b>Boat Nominal Value</b> - determined by OTB Working Group. This value should be generally used for the sale & hire fee calculation	\$2,000	\$4,000	\$2,500
<b>Boat Storage Fee</b> – Based on std member rate	\$80	\$80	\$50
<b>Boat Insurance</b> – Cost of cover under the RGYC club insurance policy inclusive of adequate race cover	\$150	\$150	\$150
<b>Boat Usage Fee</b> – Calculated at 10% of the boats nominal value to reflect general wear & tear and depreciation of equipment.	\$200	\$400	\$250
<b>Yearly Club Race Entry Fee</b> – This fee is not negotiable as it is the intention for the Junior to participate in club events	\$108	\$108	\$108
<b>Total Hire Fee for Season</b>	<b>\$538</b>	<b>\$738</b>	<b>\$558</b>

# The Hire Fee is to offset the clubs holding costs and is not to be deducted off the sale price of the boat

# The Junior is responsible for returning the boat and all equipment at the end of the Hire period in the original condition, fair wear & tear accepted.

# The Junior is encouraged to use the boat to compete in class events outside std club racing ie. Class training events, state & national titles

#### Sale Price:

As a general guide a club boat if offered for sale during the first year will be offered at the acquisition price but may be varied by the OTB Working Group if.

- The boat was purchased significantly under market value
- The boat has lost significant value for some reason and at the acquisition price it is not saleable in the current market

# A boat held for subsequent years may be reduced if deemed necessary by the OTB by the depreciation amount / Boat Usage Fee.