



THE TOWN CRIER

Vol. 29, Issue 8, Friday, August 5, 2022-147th Assembly Season

Open Hearts, Open Minds, Open Doors

Dollars and \$en\$e

Submitted by Eric Breisach,
Treasurer



I was recently asked whether Bay View faces an “existential financial crisis.” The answer is no and yes. If we aspire to be a community of wealthy second homeowners, the answer is absolutely not. If we want to remain an inclusive intergenerational summer community, then the answer is unquestionably “yes.”

Facilitating economic diversity of cottage owners is key to the ability to pass cottages from generation to generation. Children or grandchildren of affluent doctors or lawyers might be preachers or teachers of more modest economic means. Even though subsequent generations might inherit a cottage, they still must be able to afford the annual cost of Bay View fees.

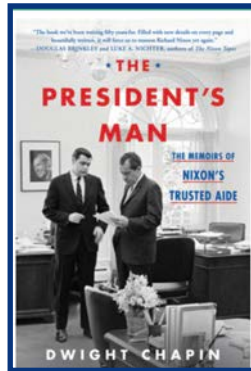
Although the annual member dues and Chautauqua Fees are a bargain compared to those charged by other summer communities in the area, we are facing inflation levels not seen for more than 40 years. About 55% of the fees paid by members fund the cost of compensating our employees.

Bay View is a major employer with more than 150 employees during the

(continued on page 2)



of the United Methodist Church



A Q&A with David Crouse

*The President's Man:
The Memoirs of Nixon's
Trusted Aide*

By Dwight Chapin

August 5 at 7:30 p.m.

Voorhies Hall

**PLEASE NOTE:
change in location**

An enlightening conversation between documentarian David Crouse and author Dwight Chapin, offering a chance to draw back the curtain on the presidency of Richard Nixon.
Free and open to the public

Please Join Us For **The 147th Bay View Association Annual Meeting**, Saturday, August 6 at 9:00 a.m. in the John M. Hall Auditorium. We hope you can attend in person! As per our By-Law 29-a-Annual Meeting: There shall be an annual meeting of this Association on Saturday of the seventh week of the assembly season at 9 a.m., Petoskey local time, in John M. Hall Auditorium (the “Annual Meeting”). Seventy-five (75) Leaseholding Members shall constitute a quorum for conducting business at each such Annual Meeting.



Worship Opportunities

Sunday Worship

Communion

8:45 a.m., Crouse Chapel

Assembly Worship

10:45 a.m., John Hall Auditorium

Sunday School For Children & Youth

Children's Sunday School &

Pre-Teen Sunday School

9:30 a.m., Hitchcock Hall

Teen's Sunday School

9:30 a.m., Evelyn Hall

Sunday School For Adults

Christian Fellowship

9:30 a.m., Voorhies Hall

Windows on the Biblical World

9:30 a.m., Campus Club

Weekly Lectures

Religion & Life Lecture Series

10 a.m., M-TH, Voorhies Hall

Friday Bible Studies

Men's Bible Study

7:30 a.m., Campus Club

Women's Bible Study

9:45 a.m., Campus Club

Friday Psalm

A Psalm Reading

In this Issue

Page 1-Dollars & \$en\$e, Worship
Page 2-Dollars & \$en\$e
Page 3-Executive Director
Page 4-Executive Director
Page 5-Announcements
Page 6-Performing Arts
Page 7-Recreation
Page 8-Worship, American Experience
Page 9-Education
Page 10-Tennis
Page 11-Development
Page 12-Assessor
Page 13-Announcements
Page 14-Woman's Council
Page 15-Historic Awareness
Page 16-Staff Meeting, Lawnbowling
Page 17-Ping Pong Tournament
Page 18-Triathlon
Page 19-Library
Page 20-Russell Hall

Dollars and \$en\$e

continued from page 1

Assembly Season. For some, Bay View is their sole source of year-round employment, for others, it is seasonal, but in virtually all cases, compensation from Bay View is an integral part of household budgets that pay for housing, food, transportation, and the other necessities of life. Inflation is brutal and we need to plan for annual cost of living increases. Because about 83% of the cost of operations (not including program payrolls) is paid for by member dues and the Chautauqua Fee, those fees will increase.

While not all businesses can make a pledge to keep employees whole from the ravages of inflation, we are not a business, rather, we are a community of second homeowners. As Treasurer, I will not support or recommend any budget that leaves the burdens of inflation on the backs of our employees just so we can keep fees that we charge ourselves lower. We need to continue to pay a fair wage for all who work for us and the fees will be what the fees will be. Any other position is immoral. Period.

As I discussed in my column in the Midwinter Bulletin, we expected this inflation and a potential economic downturn. Despite assurances that inflation would be “transitory,” I feared it may be bad and prolonged and my fears are coming true. So how bad will it get? While we don’t know, history provides some perspective. Our last large surge of inflation that began in 1976 saw the rate of inflation increase for each of four years and then ramp back down over an additional two years – that is a six year period of pain. To model possibilities, consider the following two scenarios of the annual cost of a two-leaseholding member cottage (two membership dues and one Chautauqua Fee which totaled \$3,100 in 2022):

SCENARIO 1 – Six Year Cycle (Four years of higher inflation followed by a two-year taper down to normal). Within three years, the

member dues and the Chautauqua Fee will total \$4,240, in 6 years \$5,500 and in ten years a whopping \$6,710!

SCENARIO 2 – Four Year Cycle (Two years of higher inflation followed by a two-year taper down to normal). Within four years, the member dues and the Chautauqua Fee will total more than \$4,500, in 6 years nearly \$5,000 and ten years nearly \$6,000.

The trajectory on which inflation has set our operating costs, and thus our fees, will be crippling to many cottage owners and will seriously threaten our ability to remain an intergenerational community. While we can hope it will not be as bad as either scenario, hope is not a strategy. However, we have been working for some time on two strategies to address the challenges that we foresaw.

The first strategy is to temporarily soften the fee increases. We literally stashed cash from Covid-relief money to help offset any such financial adversities as we came out of the pandemic. We plan to use that money during the next two or three years to soften the annual increase in the amount of the Chautauqua Fee, but that subsidy will run out and the fees will then increase significantly.

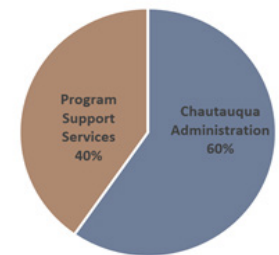
The second strategy is to establish sources other than member fees to fund our non-profit activities. Although we are exploring different ideas, one that has recently received critical attention is to use our campus outside of Assembly Season as a host for retreats, non-profit organization meetings and small business group meetings. While Bay View may be excellently suited for these activities, we have not yet been able to determine whether that would be a viable undertaking and no decision has been made to pursue that avenue. But for those who believe that we should never rent our facilities to outside groups, we already do each year to the handbell ringers, who are not part of the official Bay View program, but we are thrilled to host them.

Many will be concerned after reading this article. I am concerned. I think about these issues every day and, as a son of a Bay View Summer College faculty member who worked in Bay View to feed his family and could never afford to own a Bay

View cottage, I feel a tremendous responsibility to keep fees affordable for as many members as possible. But I am not working on this alone.

Your Board has anticipated this situation several years ago and when Barbara Pfiel was Finance Director, she began developing ideas for alternative sources of revenues to help offset fees. If we have viable proposals for such endeavors, we will run them through the committee structure and seek member input. Until then, please allow us the freedom, without criticism or petitions, to explore different ideas to determine whether they are even viable. And, if you have any ideas on how to address the challenges we are facing, please let Barbara or any Trustee know! We would love your input.

What Your Member Dues and Chautauqua Fee Fund



■ Chautauqua Administration ■ Program Support Services

Chautauqua Administration includes:

- General Association (non-profit) operations
- Operating core facilities (central campus, waterfront, etc.)
- Insurance & Professional Services
- Building & Grounds Maintenance & Repair Operations (including subcontractors)
- Financial operations

Program Support Services include:

- Financial services (payroll, accounting, budget, etc.)
- Human resources support
- Insurance
- Management & Oversight
- IT / Marketing / Communications

Note: Program direct costs are covered by program revenues