

Revenue Taskforce

The following is a list of concepts from the Revenue Taskforce, a subcommittee of the Long Range Planning Committee. The concepts contained are for the purpose of revenue generation or cost reduction, with the end goal of increasing profit for the SVCA. The list was compiled in order of votes received from discussion and study of the concepts.

(1). **Combine buildings and functions** to save SVCA money. *It appears that the cost of maintaining all the assets SVCA currently maintains could be reduced by removal of deteriorating structures like the Rotunda, Barn 6, and Barn 7, and the Maintenance structures for Golf and in Area Z. Combining of the functions and removal of the deteriorating redundant structure would save on building maintenance, utilities, and redundant staff. This would also help with future Reserve Study costs as well as improving results, in the way of fewer assets to maintain and more funding to those remaining assets.*

(2). **Golf Course restructure.** *The Golf course has lost money and has not been self-sustaining for years. There are several areas which were revealed at a joint meeting of the Golf Taskforce and the Revenue taskforce, attended by the Director of Golf, Brian Kruhlak. Golf advertising was quoted as being less than a quarter (25%) of what is needed to gain additional market share. Other areas were the lack of adequate banquet facilities and expertise to attract larger tournaments due to dining concerns, the declining exchange rate with the Canadian dollar, area competition, and the declining Golf player population nationwide. The age demographic was noted as the Golfing populations age and less young golfers enter the game. It was stated that switching to electric golf carts in the future and building a pole barn structure in the gravel parking area for golf storage, for cart maintenance would be an improvement which could increase the life of golf equipment. Powering the pole barn with solar roof panels and using the energy to charge the carts was viewed as a good marketing strategy in a "Green" future market.*

Other areas of increasing Golf profits could be restructuring the Golf Director's contract to be based on performance of the course, thereby giving an incentive for bringing in additional golf revenue. Currently the Golf Director is paid a yearly salary, including use of the Pro Shop to sell equipment for personal profit, plus a rental fee for additional golf cart rentals from his side business and allowing the Golf Director to market Golf Boards in direct competition with SVCA owned Golf Carts. Tying course performance to the Director's compensation could be a powerful motivational tool, to increase Golf profits.

Other areas explored to reduce loss would be an evaluation of the employee FTE count, splitting advertising away from the Golf Director to a professional advertising company, and exploring the option of leasing out the golf course to a professional golf company. To get a true look at the overall cost of golf to SVCA, combining the golf services of Turf Care into the Golf the budget, and separating out some functions of Turf Care into Maintenance, which deal with other maintenance, would form a clearer picture of golf losses. Currently Golf and Turf Care are maintained as separate departments, with different costs and budgets.

(3). Marina restructuring. *The Marina produces income for SVCA of over \$100,000 dollars per year. It is in poor condition, with one of the launches currently not operable, deterioration of the marina harbor walls, silting build-up in the launch area and harbor entry, maintenance needed in both the wet and dry slip areas. A short term revenue generation concept would be the evaluation of the marina fee structure, as it is the only marina storage facility on Lake Whatcom, and increased advertising outside SVCA to fill the dry slips, after resident use has been maximized, would be a positive step. A Marina revitalization project divided into several stages, dependent of funds available is necessary to stay within funding dictates.*

Step 1 – Expand the dry slip boat storage area and realign the dry slip boat parking area for maximum boat storage numbers. Re-gravel and grade the dry slip boat storage area to create a more uniform surface for driving. Explore the removal of the court area to expand the dry slip parking surface and maximize rental space. This adding 20 additional dry slip slips. Consider a partnership with Bellingham or Whatcom County for a Marina boat inspection station in SVCA. SVCA could print boat sticker permits and charge a fee, the inspection personal could come from Whatcom County or Bellingham, in an effort to fight Invasive Species introduction into the Lake Whatcom water system. Encourage larger ocean type boats to utilize the storage at Area Z. Maintain only lake watercraft at the Marina to reduce the possibility of introducing invasive species into lake Whatcom.

Step 2 – Dredge the Marina harbor entrance and wet slip moorage areas. Repair or rebuild the boat launches (both) to allow for less congestion in the boat area. Expand the kayak and Canoe rental racks for public use and rental. Consider a mechanical boat launch addition to the non-functional launch, thereby allowing less congestion at the harbor Marina launch.

Step 3 – Resurface and apply a permeable layer to the grass area to allow for proper drainage, relocate the dog park to another area of SVCA, the Campground area, or the airstrip area. Build a walking trail around the perimeter of the Marina park area, including a Boardwalk area around the current wet slip docks. Make the Marina area into a community park, usage area on par with Zuanich Park in Bellingham. Add BBQ pits to the grass area and tables for community enjoyment, perhaps a small stage area or retractable move screen for movies during warmer months.

(4). Building fee restructure in ACC to increase revenue (ACC and Board evaluation needed).

(5). Area Z storage units and RV storage. *Mitigate ground fuel spill contamination and build storage units for community rental. Increase the current RV storage area for rental storage of RV, larger boats and trailers.*

(6). Campground Area. *There were several concepts explored as to the 32-acre campground. They ranged from a scaled down restoration of a campground, without the utilities, to leasing out the area to a KOA type campground company. Leasing it to Whatcom County or other commercial ventures like solar power or wind generation station was discussed. Leasing the area to a Frisbee golf organization,*

paintball course, or to an equestrian or Mt. Bike club, was discussed. The possible sale of the area was discussed and considered, to fund the revitalization of other SVCA assets.

*(7). **Year around pool** use – explore the possibility of placing a structure over the existing pool to make it usable year-round. An inflatable structure, or plastic covering with ribbing to allow light in, but prevent rain and cold from entering the pool area. The pool is a potential income source if made operable year round.*

*(8). **All-In-One Pass.** The idea of combining several amenities into a single fee type pass, mandatory to all members. Combining the pools, the Gym, Golf into a single cost pass, enacted as a Dues increase to all members.*

*(9). **Tie Dues to a cost of living index.** The idea of tying Dues increases to a standardized cost of living index, for yearly increases, to avoid losing ground to inflation each year a Dues increase isn't requested. Possible tie to the Social Security increases to maintain inflation protections.*

*(10). **Increase non-resident marketing.** The idea was to increase the number of people from outside the community, to come in and share in the cost of supporting the amenities through use. Set up a parking pass system, that must be purchased by non-residents, to park in SVCA areas. This would allow SVCA to gain revenue for non-residents who enter the community to utilize our amenities.*

*(11). **Airstrip use for storage units.** The idea was to build rental storage units for community members at the Airstrip, currently an unused or under-used SVCA asset. It was also mentioned as a possible "off leash" area for dogs. Another option would be to partner with CWU to investigate the possibility of transforming the airstrip area into a solar or wind power generating station. There was some interest in utilizing the airstrip as a water filtration system in partnership with the water district.*

*(12). **Restaurant/19th Hole.** As touched on under Golf, explore the possibility of transforming the Restaurant into a more Golf and community themed business, serving breakfasts and banquets. Splitting off the 19-Hole into an SVCA managed enterprise to support Golf revenues through liquor and Golf course food item sales. The current lease of the restaurant would need to be evaluated and coordinated with the needs and in the best interests of the Golf course partnership.*

*(13). **SVCA woodchip sales.** Utilize the yearly wind falls, clean green limb recovery, and dangerous tree removals, for chip and store wood chips for yearly sale outside the community. Advertise sales or partner with one of the other woodchip sales companies in Bellingham to supply woodchips as received. Firewood is another possible sales option from wind falls and storm damage if the timber isn't of commercial value.*

*(14). **Seek private grants.** Seek out energy efficiency grants to improve the SVCA infrastructure, to clean up and revitalize Area Z, and general community development opportunities. Cross train a staff person to seek and apply for grants, as SVCA is a non-profit entity.*

*(16). **End the library lease** and return the Adult Center to prior usage. Or, renegotiate the Library lease structure to more closely fit the costs of the building by including maintenance costs and yearly*

increases to fight inflation. Tie contracts to lease, to the Reserve Study plan for building maintenance to allow for planned and known maintenance needs.

(17). **Invasive Species inspection station at Marina.** *Print a sticker and sell with inspections to utilize the boat launches in SVCA. People launching at SVCA Marina must have an inspection sticker, and the stickers are sold by SVCA. The inspection is performed by trained personnel from Whatcom County or Bellingham, and supported by a joint venture with Whatcom County to fight the introduction of Invasive Species into the Whatcom County water system. Or simply only allow a certain size watercraft to utilize the Marina and end day use of the launch area to non-residents. Invasive species is a major concern to our drinking water supply and will become a larger focus of Whatcom County in the future. Better to get the issue addressed now, before it becomes mandated by the County in the future.*

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