



STRATEGIC PLAN JANUARY 2012

THE AMELIA ISLAND CLUB STRATEGIC PLAN JANUARY 2012

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Introduction

As members of a new member-owned Club we were very fortunate to have begun our existence with a strong membership base and a sound financial position. The amenities that our Club manages, along with the amenities provided through agreements with Omni, endows us with a very significant array of sports, fitness, dining and social opportunities, all of which we enjoy within the beautiful environment of Amelia Island Plantation. Not only do we have a superb assortment of amenities, our research into peer clubs has shown that the current cost of club membership offers an excellent value based upon the array of amenities and services offered.

Despite the current positive circumstances, it is incumbent upon our club leadership to look towards the future and establish a clear direction to help ensure that our Club remains relevant and successful.

As the first strategic plan for the Amelia Island Equity Club, Inc., this document represents a body of work that is particularly important. For the first time, we, as a member-owned club, undertook the challenge of defining who we are today in order to establish a context for looking towards the future. Our current view is presented in this document in our values as well as our strengths, weaknesses, opportunities and threats. Our purpose as an organization was composed into a “mission statement” and our view of how we see ourselves in the future was composed into a “vision statement”.

Based upon our view of where we are today and our full belief in our mission and vision, the strategic planning team undertook the task of defining a list of key “strategic objectives”. Once the strategic objectives were established, the team began to define strategies, goals, measurements and tactics to achieve our strategic objectives. The detail for all of these forward looking efforts is included in this strategic planning document.

Based upon the strategies and goals outlined in our plan we have created a 5-year financial model. If we reach the “stretch goals” that the plan envisions our financial future is indeed very bright. It is incumbent upon future Boards to monitor the Club’s progression towards reaching our goals and adjust our long-term financial plans as required.

This document is intended to provide guidance for our Board, our Committees and our staff as we review alternatives and make decisions. It also offers our membership an appropriate summary of how Club leadership views our club as well as the challenges and opportunities ahead.

The Board of Directors welcomes member feedback on this plan.

Section I

Why a Strategic Plan?

During the Club's first year of operation, the Amelia Island Club Board recognized the importance of establishing a clear long term direction for our Club. The Board felt that the best way to consider that direction and to communicate the results of that effort was to create a strategic plan. The result of those efforts is this first ever Amelia Island Club Strategic Plan.

The Board of Directors is committed to the strategic planning process which can assist in turning shared vision into action to the benefit of members of the Amelia Island Club.

Over a ten month period beginning in the spring of 2011, the Club Board of Directors in conjunction with the Strategic Planning Committee conducted an intense, searching and sometimes difficult, but forward looking inquiry into itself. It started with volunteers putting together a significant amount of background material on our new club as well as information on national trends that are affecting Clubs throughout the country. Armed with a clearer understanding of our club and external factors, we held discussions and meetings, two of which were professionally facilitated, to define our values, define our current status, and develop our mission, vision, goals and objectives. With the assistance of volunteers and staff we have attempted to align our vision, mission, goals and objectives with strategies and tactics to achieve those objectives. The process has resulted in this strategic planning document.

It is intended that this document will help guide decision-making regarding club initiatives and club activities. It is also intended that this strategic plan will be utilized frequently and updated at least bi-annually so that it will remain a relevant working instrument that can be a valuable resource for the Board of Directors, committees and club management.

Section II

Vision Statement

The Vision Statement describes how our organization pictures itself in the future.

OUR VISION

Our vision is to be the most desirable private resort club in the Southeast by providing facilities, services and financial stability so exceptional and compelling that there will be a waiting list for membership.

Section III

Mission Statement

The Mission Statement is a statement of purpose for our organization.

OUR MISSION

The Amelia Island Club is a premier family oriented private club that enhances the lives of its diverse membership by providing exceptional dining, golf, tennis and other recreational and social experiences for members, their families and guests, in harmony with the natural setting of Amelia Island.

Section IV

Values

Values are important, enduring beliefs that are shared by our members.

Our Values

- Regard and highly value our associates (employees) and empower them to deliver excellent experiences to members and guests.
- Show dignity and respect for all constituencies
- Be honest and ethical in all matters
- Be open and transparent in all communications
- Maintain a superior financial position
- Recognize and support the residents and commerce that contribute to the prosperity of our community
- Insure that the natural beauty and environment is sustained and enhanced through all of our actions

Section V

Current Status

Strengths

- Quality of life at Amelia Island
- Overall sound financial condition
- Large variety of Club Amenities including access to 54 holes of golf, 23 tennis courts and two clubhouses
- Only full service private county club on Amelia Island
- Omni partnership with access to Omni amenities grounded by solid contracts
- Professionally managed club with active member participation at all levels
- Geographic location – Ocean front location near Jacksonville, Fernandina Beach, sports, arts, airports, and health facilities
- Economic capacity of members and prospective members in the Club's membership area

Weaknesses

- Membership vacancies
- Lack of a comprehensive marketing plan
- Lack of clarity of roles between the Club and the AIPCA
- Lack of family programs
- Lack of current survey data to understand member desires and satisfaction
- Health and Fitness Center needs to be upgraded

Opportunities

- Proactively market the Amelia Island Club
- Develop a written agreement with AIPCA and Omni to clarify roles
- Provide a modern full-service fitness facility for members
- Design programs to attract young couples with small children
- Enhance facilities and service levels through a strategic facilities plan

Threats

- Economic Turmoil
 - Volatile financial markets
 - High unemployment
 - Depressed real estate market
- The AIPCA developing club-like facilities and engaging in club-like activities.
- Aging membership
- Competition for recreation and entertainment dollars including club membership
- Maintaining adequate water for irrigation due to government constraints
- Membership expectations exceeding our ability to deliver services and amenities at an acceptable cost

Section VI

Strategic Objectives

Objective #1: Increase membership

Objective #2: Maintain a superior financial position

Objective #3: Develop and execute a capital plan to provide and maintain exceptional facilities

Objective #4: Deliver exceptional member experiences

Objective #5: Enhance Community Relationships

Section VII

Strategies, Tactics, Measurements and Goals

Objective #1: Increase Membership

Strategy A: Increase Memberships to Maximum

Goals	Measurement	Tactics
<ul style="list-style-type: none">• Reach the maximum memberships of 1000 Social and Tennis and 550 Golf Memberships for a total of 1550 by 2017.• Develop a comprehensive marketing plan by 4/30/12	<ul style="list-style-type: none">• Number of memberships	<ul style="list-style-type: none">• Develop a comprehensive marketing plan• Make Golf Memberships more desirable for golfers by evaluating and increasing the benefits to golfers• Consider offering non-refundable memberships

Objective #1: Increase Membership

Strategy B: Attract younger members

Goal	Measurement	Tactics
<ul style="list-style-type: none">• By 2017 15% of all new members will be under the age of 50	<ul style="list-style-type: none">• Members under 50 years of age	<ul style="list-style-type: none">• Design and Implement a marketing program to reach working couples outside of the Plantation• Implement programs that appeal to families with children

Objective #1 Increase membership

Strategy C: Insure that members are satisfied with their club experience.

Goals	Measurement	Tactics
<ul style="list-style-type: none">• Increase utilization annually through 2016• Increase satisfaction based upon survey data by 12/31/13	<ul style="list-style-type: none">• Use of facilities by membership segment• Survey results based on September 2012 base line	<ul style="list-style-type: none">• Mine facility use data to determine that all segments of membership are using facilities• Design and implement a survey system to monitor member satisfaction levels

Objective #1 Increase membership

Strategy D: Improve membership penetration among residents of the Plantation and the “eligible community”

Goal	Measurement	Tactic
<ul style="list-style-type: none">• 10 new members through this program by 12/31/12	<ul style="list-style-type: none">• Increased Membership from program	<ul style="list-style-type: none">• Consider a member referral incentive program

Objective #1 Increase membership

Strategy E: Improve Appeal to Families

Goal	Measurement	Tactics
<ul style="list-style-type: none">• Implement and evaluate family oriented programs by 12/31/12	<ul style="list-style-type: none">• Utilization of the program• Survey results	<ul style="list-style-type: none">• Implement a family oriented beach program• Consider additional family oriented programs

Objective #2: Maintain a superior financial position

Strategy A: Maintain positive cash flow after debt service and contributions to the reserve

Goal	Measurement	Tactic
<ul style="list-style-type: none">Achieve a positive cash flow after debt service and contribution to reserves	<ul style="list-style-type: none">Positive cash flow at the end of each year	<ul style="list-style-type: none">Budget for a positive cash flow after debt service and contributions to the reserve

Objective #2: Maintain a superior financial position

Strategy B: Maintain adequate cash reserves

Goal	Measurement	Tactic
<ul style="list-style-type: none">Achieve \$2,250,000 in reserves by 12/31/13	<ul style="list-style-type: none">Amount of reserve account	<ul style="list-style-type: none">Maintain a target reserve

Objective #2: Maintain a superior financial position

Strategy C: Reduce Debt

Goal	Measurement	Tactic
<ul style="list-style-type: none">• Be in a position to repay the \$1 million loan from Omni by 12/31/15	<ul style="list-style-type: none">• Repayment of debt	<ul style="list-style-type: none">• Develop a financial plan that provides for repayment of debt

Objective #2: Maintain a superior financial position

Strategy D :Maintain membership by maintaining the Club's position as the gateway to sports activities, exceptional food and beverage experiences and the primary social hub for the community.

Goal	Measurement	Tactic
<ul style="list-style-type: none">• Develop a document that defines the roles of each organization that would be signed by all three parties and establish a formal process for communications among the parties by 3/31/12	<ul style="list-style-type: none">• A document agreed to by The Club, AIPCA and OMNI	<ul style="list-style-type: none">• Develop community wide understanding regarding the roles of the Club, AIPCA and Omni for residents of Amelia Island Plantation.

Objective #2 Maintain a superior financial Postion

Strategy E: Improve Margins

Goals	Measurement	Tactic
<ul style="list-style-type: none">• Achieve Food and Beverage Cost of Sales no greater than 43% for year ending 2012.• Achieve Food and Beverage Labor Costs no greater than 57% as a percentage of sales by 2013.	<ul style="list-style-type: none">• Departmental Profit and Loss• Survey results	<ul style="list-style-type: none">• Establish programs to reduce cost of sales and labor costs without harming service levels

Objective #3: Develop and execute a capital plan to provide and maintain exceptional facilities

Strategy A: Develop a long term facilities plan

Goal	Measurement	Tactics
<ul style="list-style-type: none">• Develop a prioritized 5-year Capital plan by 1/31/13	<ul style="list-style-type: none">• Written Plan	<ul style="list-style-type: none">• Survey Membership to determine member wishes• Obtain input from committees• Engage staff to determine needs and desires

Objective #3: Develop and execute a capital plan to provide and maintain exceptional facilities

Strategy B: Plan for future needs for current facilities

Goal	Measurement	Tactics
<ul style="list-style-type: none">• Update Asset Reserve Study by 1/31/15 and every three years thereafter	<ul style="list-style-type: none">• Asset Reserve Study	<ul style="list-style-type: none">• Maintain an up to date Asset Reserve Study• Evaluate new technologies using a cost/benefit approach

Objective #3: Develop and execute a capital plan to provide and maintain exceptional facilities

Strategy C: Enhance the Health and Fitness Facility

Goal	Measurement	Tactic
<ul style="list-style-type: none">• Develop a plan that will provide a modern full service health and fitness facility by 12/31/15	<ul style="list-style-type: none">• Upgaded facilities	<ul style="list-style-type: none">• Engage Omni in a discussion to develop a plan for the enhancement of the Health and Fitness facilities

Objective #3: Develop and execute a capital plan to provide and maintain exceptional facilities

Strategy D: Maintain and refurbish facilities

Goals	Measurement	Tactics
<ul style="list-style-type: none">• Achieve standards set for each facility annually• Maintain industry technology standards beginning 12/31/13	<ul style="list-style-type: none">• Physical assessment based on individual facility standards• Surveys of membership relating to communication technology	<ul style="list-style-type: none">• Develop a list of standards for each facility• Update Asset Reserve Study every 3 years• Evaluate new technologies using cost/benefit approach• Review technology used by peers

Objective #4: Deliver Exceptional Club Experiences

Strategy A: Provide three distinct dining options each with its own distinctive appeal that provide superior value.

Goal	Measurement	Tactics
<ul style="list-style-type: none">• Rating of 93% good to excellent rating for overall experience at all three restaurants by 12/31/12	<ul style="list-style-type: none">• Surveys• Sales	<ul style="list-style-type: none">• Undertake a review of potential menus for the Long Point Restaurant that will provide an experience that is different from the Ocean Clubhouse restaurants.• Review whether any adjustments are needed at the Ocean Clubhouse restaurants to further differentiate the dining experiences

Objective #4: Deliver Exceptional Club Experiences

Strategy B: Offer additional special dining opportunities for members

Goal	Measurement	Tactic
<ul style="list-style-type: none">• Host at least six additional special dinners per year	<ul style="list-style-type: none">• Sales• Surveys	<ul style="list-style-type: none">• Consider additional special dining opportunities such as wine dinners, and ethnic nights, etc.

Objective #4: Deliver Exceptional Club Experiences

Strategy C: Develop associates that are professional knowledgeable, personable and service oriented

Goal	Measurement	Tactics
<ul style="list-style-type: none">• Maintain a "good" to "excellent" satisfaction level of 95% related to staff issues by 12/31/12	<ul style="list-style-type: none">• Surveys and comment cards for all club operations	<ul style="list-style-type: none">• Schedule training programs for associates designed to increase knowledge in thier area of focus• Provide growth opportunities for associates

Objective #4: Deliver Exceptional Club Experiences

Strategy D: Seek additional membership services that can be provided by the Club

Goal	Measurement	Tactics
<ul style="list-style-type: none">• Add at least two new services annually	<ul style="list-style-type: none">• Member use• New Services identified	<ul style="list-style-type: none">• Provide “beach” oriented services that we can provide to members• Encourage club committees to consider, evaluate and recommend new member services• Identify new service opportunities through surveys

Objective #4: Deliver Exceptional Club Experiences

Strategy E: Establish Long Point as a premier golf course in Northeast Florida

Goals	Measurement	Tactics
<ul style="list-style-type: none">• Meet or exceed all standards annually• Insure that Long Point rates favorably on 90% of all benchmarking standards annually	<ul style="list-style-type: none">• Standards	<ul style="list-style-type: none">• Update a list of standards for the Long Point Golf Course• Benchmark Long Point against competitive club courses

Objective #5: Enhance Community Relationships

Strategy A: Develop a Community Leadership Council for on-going communications with OMNI and the AIPCA

Goal	Measurement	Tactic
<ul style="list-style-type: none">Clarify roles and responsibilities of the three organizations to reduce competition and encourage cooperation. Complete by 3/31/12	<ul style="list-style-type: none">Signed Agreement	<ul style="list-style-type: none">Develop a written agreement to formalize meeting schedule and format

Objective #5: Enhance Community Relationships

Strategy B: Within the context of contractual agreements, engage appropriate representatives of Omni with Club Committees and Board to promote mutual interests

Goals	Measurement	Tactics
<ul style="list-style-type: none">• Have an Omni representative at all Board meetings and at all committee meetings that involve shared facilities• Establish a meeting at least quarterly between the Club President and Vice President and senior level Omni management.	<ul style="list-style-type: none">• Omni participation at Club meetings	<ul style="list-style-type: none">• Invite appropriate Omni representatives to committee meetings• Invite the Managing Director of Omni to all Board of Directors meeting• Monitor compliance with the joint agreements

Section VIII

5 Year Financial Plan

	2012	2013	2014	2015	2016
Revenue:					
Member Dues	\$5,612,491	\$5,645,216	\$6,007,363	\$6,398,497	\$6,842,081
Food and Beverage	2,282,408	2,395,954	2,456,942	2,524,525	2,598,446
Golf Related	1,034,112	1,065,543	1,121,942	1,165,668	1,217,848
Other	49,300	49,472	49,647	49,826	50,009
Total Revenue	\$8,978,311	\$9,156,184	\$9,635,894	\$10,138,516	\$10,708,384
Cost of Sales	\$1,057,400	\$1,145,497	\$1,175,384	\$1,208,249	\$1,243,980
Expenses:					
Salaries and Wages	\$2,744,256	\$2,701,027	\$2,782,057	\$2,865,519	\$2,951,485
Golf Expenses	1,201,588	1,109,321	1,143,595	1,177,903	1,183,240
Food and Beverage Expenses	398,371	414,295	430,936	448,329	466,511
Administrative Expenses	1,026,511	1,077,837	1,131,728	1,188,315	1,247,731
Other Expenses	600,826	646,953	685,734	727,099	771,239
Total Operating Expenses	\$5,971,552	\$5,949,432	\$6,174,052	\$6,407,164	\$6,620,205
Fixed Expenses	744,004	765,595	788,394	811,556	837,888
Debt Service / Leases	630,867	630,867	644,475	644,475	558,503
Net Cash Flow After Debt Service	\$574,489	\$664,793	\$853,590	\$1,067,072	\$1,447,807
Asset Reserve Fund	300,000	300,000	300,000	300,000	300,000
Net after Contribution to Reserves	\$274,489	\$364,793	\$553,590	\$767,072	\$1,147,807
RESERVES:					
Reserves at Beginning of Year	\$3,097,427				
Addition to reserves:					
Operations	574,489	664,793	853,590	1,067,072	1,447,807
Membership Sales	266,400	836,000	1,275,000	1,518,400	1,698,000
Total Reserves Available	\$3,938,316	\$2,767,109	\$4,395,699	\$5,481,171	\$7,126,978

	2012	2013	2014	2015	2016
Debt Payment				\$1,000,000	
Capital Expenditures	\$2,672,000	\$500,000	\$1,500,000	\$500,000	\$1,500,000
Net Reserves at Year End	\$1,266,316	\$2,267,109	\$2,895,699	\$3,981,171	\$5,626,978

Major Assumptions:

Golf Members at year-end	479	492	506	519	537
Social/Tennis Members at year-end	889	905	925	949	974
Total Members at year-end	1,368	1,397	1,431	1,468	1,511
% Increase in Golf Members		2.71%	2.85%	2.57%	3.47%
% Increase in Social/ Tennis Members		2.47%	2.87%	3.24%	3.25%
Long Point golf rounds	25,219	26,024	26,903	27,613	28,544

Section IX

Addendum A

Those who participated in preparation of this Strategic Plan

The Board of Directors

Fred Abood
Bill Amos
Steve Ardia
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Tom Donaldson
Jack Johnson
Tom Sutton
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The Strategic Planning Committee

Fred Abood, Chair
Bob Bolan
Sue Braddock
Ron Cheeley
Andy Crosson (EVP, Heritage)
Jake Gosa
John Hungerford (Heritage V.P. Operations)
Mike Ryan (General Manager)
Vince Villani
Bobbie Wages

Best Practices Advisor

John Williams, Director, the Landings Club

Facilitator

Don Hughes

Addendum B

Capital Reserve Study

The 2011 Finance Committee initiated the process of determining the useful life of our assets over the next 20 years to better understand the need for the club's future capital fund requirement during that time frame. The committee enlisted the services of a company that performs this for many types of businesses but specializes in Country Clubs. The company called Capital Planners was hired to study all of the Club's assets and provide the club a study or analysis through the year 2030. This analysis only considered the current assets, the condition and time frame for replacement, and did not consider the need for expansion or new capital projects. Each year there was a capital expense required to maintain or replace equipment through the designated time frame which the Finance committee used to determine the amount of reserve capital fund needed per year to plan for such upkeep. This study or analysis is and will be used as a plan or guide to identify our large capital replacement expenditures over the next 20 years and is an integral part of our strategic planning.

After reviewing the study, the Finance Committee concluded that an Asset Reserve Fund should be established. The Board approved the fund and decided to establish a target of \$300,000 annually from operating cash flow.