



# Herons Glen Recreation District

## Strategic Planning Report

November 19, 2014

**KOPPLIN & KUEBLER**

"The Most Trusted Names in Private Club Executive Placement"

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## The Process

The Herons Glen Recreation District Board of Directors and the club General Manager engaged the services of John R. "Jack" Sullivan, CCM of *Kopplin & Kuebler, LLC*, to assist them with the strategic planning process.

The steps in this process included the following:

- Reviewed and analyzed all pertinent club and community data to obtain a thorough understanding of the operations and governance. Also, toured and assessed all club operations and facilities, offering suggestions for improvements.
- Conducted a Board Workshop reviewing Trends and Model Clubs with the Board of Directors, reviewing other best practices found in model club communities, current trends in the club industry, and an overview of the strategic planning process that would take place at Herons Glen. We also identified the core values, mission and vision statements, and metrics to measure their success. Additionally, a SWOT analysis was conducted which resulted in identifying the key strategic issues facing Herons Glen.
- Conducted a Town Hall meeting to review the strategic planning process, including focus groups and surveys.
- Conducted focus group sessions with members and staff to validate the key issues identified by the Board and to solicit other feedback regarding the operations of the Club, along with the strategies and tactics necessary to accomplish the established goals. The input from these sessions was also used to identify the appropriate questions for a membership satisfaction survey.
- Assisted management in conducting a membership satisfaction survey using Survey Monkey.
- Conducted a final workshop to review all previous sessions with the Board, members/residents, and management, agreeing on the top key strategic issues facing the Club, and developed an Action Plan assigning goals and objectives, strategies, tactics responsibilities, and timelines to all key issues.

## Industry Trends

- Traditions are important, but need to evolve to keep pace with today's families, time demands, lifestyles, and overall demographic shifts -- policies regarding gender-neutral bylaws and access, dress codes, cell phones, etc., should be reviewed and updated if necessary to reflect what is happening in the world today
- Continued casual and informal dining and styles -- clubs making changes to reflect where their members/families are going: Panera Bread, PF Changs, Starbucks, etc. -- upscale/casual.
- Resort style pool complexes, aqua centers,
- Enhanced Marketing programs both internal and external Health and fitness facilities are important -- most on second or more expansions.
- Golf just not as important as it was -- rounds are 'flat' all over the country.
- Strong focus on strategic business planning, most done by the Board.
- Quality of non-golf amenities is clearly important to the buying/joining decision. Bocce and pickle ball are two of the fastest growing activities in the club industry.
- RELEVANCY is critical for all programs and activities -- just because "we've always done it that way" doesn't always work any longer.

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What should Clubs be doing to 'stay ahead' of it all?

- There has to be clear 'value' for the residents; you must seek out ways of providing that value -- institute QAP, PIP or similar programs.
- Stay on top of satisfaction levels in key areas -- golf, dining, family activities, etc., and measure it regularly.
- Keep members well informed -- Town Hall meetings, e-blasts, constant visibility and engagement, empowering of key staff to be 'in the loop,' and make sure you know what they want and are thinking.
- Determine whether all residents are 'engaged' in the Club.
  - Recent NGF study shows that a majority of members citing high likelihood of retaining membership have a spouse very interested in golf.
  - 75% of those 'at-risk' of terminating membership indicate that their spouse is not interested in golf. Other ways of engaging the entire family in club activities must be identified.
- Focus on Organizational Health!! If you aren't healthy there, none of the rest of this works!
- Keep the Club and amenities in great condition! If you are not proud of it, a prospective resident/member probably won't be too excited about it, either!

## **Model Club Practices**

### **The Roles and Responsibilities of Board Members**

1. Review financial status of club and review and approve committee requests.
2. Establish and review club policies and objectives and ensure compliance.
3. Hire the GM/COO - Dismiss the GM/COO.
4. Participate in club activities when possible.
5. Be a 'positive' influence with other members and by setting an example by abiding all club rules and policies.
6. Develop long term goals and a strategic plan for the club; essentially making certain the Club is able to perpetuate and that decisions are made in the greater interest of the membership.

### **The Roles and Responsibilities of Committees & Chairs**

- Roles and Responsibilities should be clearly defined and memorialized.
- Committees should have specific objectives and tasks, be given clear guidelines and limitations, and held responsible/accountable for these goals.

- Committees are ADVISORY and cannot set policy, make operating decisions or commit club funds, but rather make RECOMMENDATIONS to the Board for action.
- In most clubs, committees have a vital role in communication conduit---from the Board to Members, from Members to the Board

## Herons Glen Core Values, Mission and Vision

### Top Core Values

- Providing the best value for our residents at a reasonable cost
- Honesty and integrity of board and management
- Financial responsibility
- Well maintained facilities for all residents to enjoy and encourages an active adult lifestyle
- Friendly, caring community
- Make decisions that best serve the residents
- Employ the best possible management staff
- Offer continuing education
- Make decisions that enhance property values
- Provide a secure & safe community



### Mission Statement

- ❖ Herons Glen Recreation District is a Florida Special District, a community that provides quality recreation, activities, and programs for all residents. We strive to provide excellent financial value and well-maintained facilities to satisfy residents' varied interests and promote healthy lifestyles.

### Vision Statement

Continue to be one of the premier active adult communities in Southwest Florida, that provides an excellent value for our current and future residents

### Metrics

The measures that will be used to determine the level of accomplishment of the mission and vision are:

- Stability of fees
- Performance vs. budget

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- Staff turnover
- Homes for sale
- Use of facilities and amenities by residents
- Results of annual resident satisfaction survey
- Input from management team
- Cash or financing availability to update on a regular basis
- Ignoring the economy, is HG a sought after community.

## **Strengths, Weaknesses, Opportunities, Threats (SWOT)**

### **Top Strengths**

- Fiscal soundness and responsibility
- Resident owned common facilities
- Active lifestyle with an abundance and variety of amenities
- Strong management team
- Longevity(sustainability) as a viable, well managed community
- Security and safety
- Distance from population centers and retail stores

### **Top Weaknesses**

- Aging Infrastructure
- Limited means for increasing (outside) revenues
- Lack of land for expansion of HGRD activities
- Split management of community
- Lack of consistent enforcement of rules
- Lack of public transportation

### **Top Threats**

- Growth in NFM/South Charlotte county and HG not being able to keep pace, resulting in homes not selling and delinquencies rising
- Increase in costs not within the HGRD control, such as insurance, etc.
- Competition from local restaurants
- Lack of participation of residents
- Reduction in rounds of golf nation wide
- Lack of volunteers for committees/activities

### **Top Opportunities**

- Greater utilization of the restaurant by residents
- Marketing of restaurant and events and facilities to the public

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- Possible co-op opportunities with other clubs for purchasing of major items, goods and services
- We are a more diverse community now and we have the opportunity change with the culture.
- Determining and implementing community-wide wants in a timely fashion
- Improving technology and utilization to assist with membership satisfaction
- Energy conservation, exploring the use of solar
- Getting new owners involved in the community

## Membership Satisfaction Survey

A membership satisfaction survey was conducted sending it to all members and spouses electronically using Survey Monkey. Responses were received by 755 individuals which was a very good response rate of 50%. The survey questions were based on ones commonly found in similar industry surveys, along with ones that were identified as a result of the focus group sessions. The following were the most significant comments which should be taken into consideration as part of the strategic planning process:

- Eighty-three percent of the members responding are between the ages of 60-79.
- Sixty-four percent of the respondents have lived in Herons Glen between 6-15 years
- There is a high overall satisfaction for the amenities and services provided
- The highest overall satisfaction was in the golf course conditions and operations
- While lower than golf, food and beverage satisfaction was similar to what we see in other club operations due to the personal preference with our tastes with food. other club operations
- Herons Glen mirrors the nationwide trend of having greater participation in activities other than golf
- While rating the level of importance of the various amenities and services, the responses varied greatly, reflecting the diversity of the community. We find that in a community the size of Herons Glen, when groups of over twenty per cent of the residents feel that an amenity or service is important to them, it is reasonable to justify expending resources and energy toward those items. Doing so will also likely be a factor that will lead to higher resident satisfaction.
- Please refer to the complete summary for more detailed information.

## Key Strategic Issues

### Initial Key Strategic Issues

The following initial key strategic issues facing Herons Glen Recreation District were identified as a result of the Board workshops and the focus group sessions.

- Getting residents (more) involved
- Matching residents desires with resources
- Increase revenues from resident and outside sources
- Maintain (and expand) quality facilities, amenities, activities and staff within a value based budget
- Funding for improvements & projects

- Continuous review of Policies and Procedures and Rules and Regulations
- Develop an overall master plan for amenities
- Greater efficiencies between HGRD and HOA
- Safety and security
- Completion and implementation of the Strategic Plan





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## Strategic Action Plan

Issues	Goals / Objectives	Strategy / Tactics	Assigned To	Due Date
Facilities and Amenities	<ul style="list-style-type: none"> <li>Maintain and expand quality facilities, amenities, activities &amp; staff within a value-based budget</li> </ul>	<ul style="list-style-type: none"> <li><i>Develop an overall master plan for the amenities</i> <ul style="list-style-type: none"> <li>Develop Long Range Planning committee to review Capital and Deferred Maintenance Long Range Plans annually and review large capital projects</li> </ul> </li> <li><i>Prioritize Capital projects</i> <ul style="list-style-type: none"> <li>Matching residents' desires with resources</li> <li>Create a text plan understandable to residents listing exactly what projects will be concentrated on for funding in the next 5 years</li> </ul> </li> <li><i>Operate within parameters of Board approved annual budget</i> <ul style="list-style-type: none"> <li>Funding improvements and projects</li> </ul> </li> <li><i>Annual review of Long Range Plan &amp; Future Improvements</i> <ul style="list-style-type: none"> <li>Pickle Ball engineering studies (due 3/31)</li> <li>Casual Dining (test to start by 1/31)               <ul style="list-style-type: none"> <li>Repurpose space to provide an area for residents to enjoy outdoor dining and drinks, where currently very little is provided.</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>GM/third party</li> <li>GM/Dept. Heads</li> <li>GM/Dept. Heads/ third party</li> </ul>	<p>1/31-form committee 4/30-review LRP 6/30-overall plan</p> <p>7/31</p> <p>Ongoing</p> <p>6/30</p>



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Issues	Goals / Objectives	Strategy / Tactics	Assigned To	Due Date
Finance	<ul style="list-style-type: none"> <li>• Increased revenues from residents and outside sources</li> <li>○ Funding improvements and projects</li> </ul>	<ul style="list-style-type: none"> <li>• Implement New Owner Capital Fee</li> <li>• Develop 5 Year Budget for O&amp;M and Capital</li> <li>• Continue involvement with NFM Chamber of Commerce</li> <li>• Have an existing staff member spend 4 hours/week cold calling local businesses, groups, etc. for meetings &amp; catered events</li> <li>• Explore other means of advertising               <ul style="list-style-type: none"> <li>○ Facebook advertising</li> </ul> </li> </ul> <p>The Knot/Church Bulletin</p>	<ul style="list-style-type: none"> <li>• GM/Board</li> <li>• GM</li> <li>• F&amp;B Mgr.</li> <li>• Designate staff</li> <li>• GM/F&amp;B Mgr.</li> </ul>	<p>2/15 7/31 Ongoing</p> <p>8/31 Ongoing</p>
Resident Engagement	<ul style="list-style-type: none"> <li>• Getting residents more involved               <ul style="list-style-type: none"> <li>○ Committees</li> <li>○ Activities, events and restaurant sales</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Evaluate current committee needs</li> <li>• Make use of specialized ad hoc committees (LRP Committee)</li> <li>• Education campaign on importance of resident volunteer involvement and giving back 1 term to the Community</li> <li>• Increase theme nights</li> <li>• More frequent/creative menu changes</li> <li>• Increase activities/parties during Summer months (50% still here)</li> </ul>	<ul style="list-style-type: none"> <li>• Board</li> <li>• GM</li> <li>• Board/GM</li> <li>• GM/F&amp;B Mgr.</li> <li>• F&amp;B Mgr. / Exec Chef</li> </ul>	<p>2/28 Ongoing</p> <p>Ongoing</p> <p>Ongoing Quarterly Ongoing</p>



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Issues	Goals / Objectives	Strategy / Tactics	Assigned To	Due Date
		<ul style="list-style-type: none"> <li>• Increase visibility of Executive Chef</li> <li>• Use web-based surveys that allow for suggestions and top concerns</li> </ul>	<ul style="list-style-type: none"> <li>• GM/F&amp;B Manager</li> </ul>	Ongoing 4/30
Governance	<ul style="list-style-type: none"> <li>• Greater efficiencies between HGRD and HOA</li> <li>• Annual review of Policies &amp; Procedures and Rules &amp; Regulations</li> <li>• Completion &amp; implementation of the Strategic Plan</li> </ul>	<ul style="list-style-type: none"> <li>• More frequent meeting between Boards</li> <li>• Work at common office space</li> <li>• Work towards common representation on both Boards</li> <li>• Annual review/reading of all rules/policies to determine relevance</li> </ul>	<ul style="list-style-type: none"> <li>• GM/HOA Manager</li> <li>• Board</li> <li>• Ad hoc committee</li> <li>• Board &amp; GM</li> </ul>	MCC quarterly  8/31

## Future Issues

## Summary and Observations

Hérons Glen Recreation District is a well-run and very active adult community located in North Fort Myers, Florida. Its organizational structure as a recreation district is unique in the club community industry and provides challenges and opportunities with its governance. The most valued assets are the members and residents and its very diverse amenities and activities. The Club is also fortunate to have a strong professional staff led by a capable and talented General Manager/COO and an enlightened Board of Directors with a common goal of strategically planning for the future. The Membership, Board and Management were actively engaged in the strategic planning process, and the ultimate goal of improving Herons Glen in order to achieve its Mission. The most critical metric used to measure the success of accomplishing the mission is high membership satisfaction. We believe that the suggested strategies and tactics contained in the Herons Glen Action Plan will assist in maintaining a high level of membership satisfaction.

Hérons Glen's location in a rural area of North Fort Myers may be considered both a strength and a weakness. It can be a weakness due to its distance to shopping and other services, but it is also a strength to many who enjoy the relaxing and quiet atmosphere, away from the hectic pace of city life. This provides an opportunity to offer as many services as possible to meet the desires and requests of the residents and members within the gates of the community. It is important to continue to conduct surveys, monitor usage and better define the community demographics, to ensure that you are truly providing the programs and services that your members desire and will use. The growth of bocce and now pickle ball experienced at many other club communities is a prime example of this trend at Herons Glen. These new programs will be important as golf continues to lose its immense popularity that it once enjoyed. The current level of programs and activities at Herons Glen is impressive and we believe is a factor in your high level of member satisfaction. The current trend for more casual and informal dining is another area that the Club should continue to respond to, particularly due to the survey responses. While the survey also supported expanding the use of the ballroom by outside groups for meetings, weddings and other social functions, your remote location may make this a difficult goal to accomplish. Here again, we encourage you to continue to focus your efforts on continual improvement of your facilities, programs and services that will lead to an engaged membership and closely monitoring the top metric of high overall membership satisfaction.

Finally, improving your governance by reviewing your by-laws and defining the roles and responsibilities of the Board, Committee and Staff will clearly define who is responsible for implementation of each aspect of your strategic plan. We also recommend that you continue to work closely with the Herons Glen Home Owners Association for the purpose of defining common goals and eliminating the duplication of services.

Current and future Directors, Members and Staff will benefit from the groundwork that has been laid by this Board, and the continuity in policy and procedures evolving from this strategic process will insure that Herons Glen will continue to enjoy its positive reputation and success among private club

communities in Southwest Florida. However, it is critical in our opinion that this action plan becomes a “Living Document”, one that the Board, Membership and Staff agree to implement and monitor, while modifying it if necessary. Following this process will ensure that Herons Glen will achieve its Mission.

Remember – *“The purpose of a plan is not to produce a plan, but to produce results”.*

It has been our pleasure to work with everyone at Herons Glen Recreation District, and we look forward to being of service in the future.

Respectfully,

*Jack Sullivan*

John R. “Jack” Sullivan, CCM