HVLA Golf Ops. "Subsidy" - Illusions

FACT: Most Members want to keep the Golf Course (GC).

"Subsidy" PROS --

NONE, for the General Membership. Benefits to keeping the GC:

- Keeps a substantial portion of "Common Areas" looking nice.
- May enhance property values (properties on-the-course; controversial beyond that).
- Provides existing and new golfers a local place to play.
- Can draw-in more customers for the Restaurant/Bar.

"Subsidy" CONS ---

- Consumes large amounts of Assn. budget yearly (\$545,000 LOSSES per year since 2001).
- Has cost members \$9.3 Million in **LOSSES** since 2001.
- Significantly thwarts development of other member amenities/services: Low Reserves!
- Provides a Select-Member-Group a hugely disproportionate benefit.
- Absolves Board/Mgmt. of responsibility for GC cost-effectiveness; NO BUSINESS PLAN!
- Ongoing losses make absolutely NO BUSINESS SENSE.
- 10% of every member's dues go to cover its LOSSES.
- GC is a FOR-PROFIT, Open-to-the-Public BUSINESS; should break-even.
- Subsidies also benefit the <u>non-member</u>, <u>Public</u>.
- Most other HOA GC's are self-supporting and/or NOT-Open-to-the-Public.
- Creates the illusion the GC is a "going concern"; when it's not.
- Most studies say GC's <u>may</u> enhance property value depending on HOA stability.
- Perpetuates an exaggerated image of golf's importance; only 5% of members play.
- Encourages devaluation of other amenities.
- Has helped establish an elitist group among golfers/members.
- Some golfers feel tacit "permission" to act irresponsibly without consequences –
 Reckless driving, public-urination, no clean-up after dogs, loud-foul-language.
- "Subsidies" are a "Bail-Out" and are a form of de facto <u>Discrimination</u>.
- GC, Rest./Bar, Campgrounds & Equest. Ctr.: NOT ACTUALLY "AMENITIES."
 They are PUBLIC, FOR-PROFIT, BUSINESSES.
- True "Amenities": Lake, Beaches, Pool, Dog Run, Conestoga Trail, Parks, Marina and Tennis Courts (Community Ctr., Youth Ctr. GONE, due to Neglect).

HVL Owner Advocate