

BBVCC Budget Plan for 2024

What are the main drivers of the 2024 Increase? And why?

For some people, the budgeting process can be frustrating and confusing. Even with several public meetings and workshops, not everyone was able to participate as much as they may have liked or may not have learned as much as they would like to know. This is concerning because the budget is the Board's most essential tool for protecting and maintaining our assets and we would like every member to understand the rationale the Board used to develop it.

#1 Deferred Maintenance of BBVCC General Assets

Why is maintenance an essential outcome of a board's mission? If our community assets are not maintained, they will quickly fall into disrepair and begin a downward spiral that is hard and expensive to reverse. The usual outcomes, besides old worn-out facilities, unsafe conditions, and generally poor appearance are special assessments, board recalls, bank borrowing, and political upheaval leading to more chaos. Look no further than news reports on significant special assessments community associations are imposing for deferred maintenance and the struggles the owners are having to pay increased assessments. Sound familiar?

#2 Improved Level of Service

The office, General Manager, and Board members are hearing from members about the grounds, restrooms, parks, and other amenities that are in disrepair. The same can be said for our administrative infrastructure. When a staff member is out for any reason, we must shuffle other staff members to try to fill in. With too many single points of failure and no cross training the organization lacks resiliency and sustainability.



#3 Invest in the BBVCC Team

Birch Bay Village Community Club is multimillion dollar operation with a small, underpaid staff operating with outdated equipment, non-integrated computer system, failing internet capability, outdated surveillance cameras, and maintenance equipment past its usable life. Losing staff members leads to higher costs, loss of productivity, and a long training investment.

#4 Last Year's Budget and Special Assessment

The Board recognizes that major Special Assessments like last year's should be avoided in the future (see #1 Deferred Maintenance). In reviewing all the reserve studies, it is apparent a deeper dive is needed to better understand the assets of the BBVCC: condition, projected life expectancy before replacement is needed, and the cost of replacement when the work needs to be done. This is an ongoing process that needs to start in early 2024 for preparation for the 2025 budgets and beyond.

The Village owns millions of dollars in assets that include many buildings, grounds, landscaping, golf course, marina, play structures, swimming pool, 13 miles of roads, drainage systems and ponds, wetlands and natural areas, equipment, vehicles, and parking areas. Each property owner acknowledged their 1/1129th share of ownership and responsibility to these assets when they purchased their property and must pay their share of the cost to operate the village in the annual dues which becomes the basis of the budget.

#5 How do we use the Budget?

The budget is a spending plan combined with the reserve studies; it provides a picture of the financial needs of the Village. A five-year rolling budget should provide a long-term view of the funds needed to maintain these assets to support property values. This process is anticipated to provide more details, but it does not promise to be less expensive. In fact, based on simple observation, we are not doing enough now.



#6 BBVCC does not have a 5-Year plan (Yet!)

Another common theme that recurred during this budget process is the need for long-term planning for the annual budget. The Village does not have a forward-looking five-year plan. The Board is going to work with the General Manager to develop a rolling five-year budget to help members understand and communicate the projected costs to maintain and operate the Village property in the long term.

#7 Lead by Example

As we've driven around the Village this summer, it is apparent that most Villagers are taking great care of their properties. Homes are being painted, landscaping updated, roofs repaired or replaced, driveways repaired, decks repaired and replaced. With a few exceptions, property owners are taking really good care of their properties.

The biggest property owner in the Village is the BBVCC. When compared to most properties in the Village, we are falling short. Our buildings need to be painted, landscaping updated and improved, equipment replaced, roofs cleaned and or replaced, our 13 miles of roads repaired, seal coated and stripped on an ongoing basis. A five-year rolling budget will help clarify levels of service and prioritize this work. Other areas that need to be addressed in the Village include security and drainage.

#8 A Community Plan

Many Villagers have approached the Board asking for improvements to facilities such as a new community center. It's one thing to replace an existing infrastructure, like floats in the existing marina, and it is another to build a new, bigger community center. It will take a lot of community input, analysis, and discussion on this and other improvements before a comprehensive community plan would be ready for a community vote.

To address these questions and others, we will be drafting a community plan in 2024 that will provide a road map and cohesive answers to these types of questions. Why is this important to undertake? It all goes back to the type of community we want to live in now and in the future while maintaining the value of our homes.



To deliver a safe and well-maintained community is not an easy or inexpensive proposition. It requires well-trained and experienced employees, forethought and planning to achieve goals and expend funds in the most efficient and effective manner. The current board is stepping up to the plate to do this now and in the foreseeable future.

The Board is asking for your **positive vote** on November 3rd to send a clear message to all community members that the direction the board is taking is the one you support and are willing to fund. We encourage you to return your ballot to the main office in a timely manner or attend the meeting and submit your ballot at that time.

If you have any questions, please contact David Franklin or any one of your board members.

David Franklin, General Manager David@bbvcc.com

Board Members: bbvboard@bbvcc.com

Ernie Hutchins, President

David Wilbrecht, Vice President

Harry Shearer, Treasurer

Bev Franklin, Secretary

Randy Ambuehl, Member

Terry Sullivan, Member

Dave Owen, Member