

## **AGENDA - RECREATION DISTRICT REGULAR BOARD MEETING**

February 19, 2024, at 9:00 a.m. in Card Room C

Zoom Details: <https://us02web.zoom.us/j/9687107160> Meeting ID: 968 710 7160 – Passcode: HgrdMeet1

<b>BOARD MEMBERS</b>	<b>PRESENT</b>	<b>OTHERS</b>	<b>PRESENT</b>
Chair Howard Young		GM J.B. Belknap	
Vice-Chair Peter Overs		Controller Lynn Brew	
Treasurer Jayne Schwarz		District Counsel Tom Hart	
Secretary Bill Kulkoski		Assistant GM Karon Bennett	
Assistant Sec/Treas Karen Mars		Residents	

- I. **CALL TO ORDER** – Chair Young
- II. **PLEDGE OF ALLEGIANCE** – Supervisor Schwarz
- III. **ROLL CALL** – Assistant GM Karon Bennett
- IV. **MINUTES** – 01.29.2024 Joint Meeting with the Board and Finance Committee
- V. **DISTRICT COUNSEL’S REPORT** - Thomas Hart, Esq.
- VI. **GENERAL MANAGER’S REPORT**– GM J.B. Belknap
  - a. Update on Bond Projects
  - B. Outcome of Electrician for the Ballroom
- VII. **FINANCIAL REPORT** – Controller Lynn Brew
- VIII. **COMMITTEE REPORTS & RECOMMENDATIONS**
  - A. Audit Committee – Supervisor Schwarz
  - B. Facilities & Amenities Committee – Elaine Sawyer
  - C. Finance Committee – Dennis Popp
  - D. Golf Committee – Bruce Johnson
  - E. Long-Range Planning Committee - Fred Gignac
  - F. Problem-Solving Taskforce – Supervisor Kulkoski
    - Storage Discussion
    - Additional Committee Member
  - G. Resident Events Committee – Gary Attalla
- II. **OLD BUSINESS**
  - A. Bulkhead on #17 Installation Date – Chair Young
  - B. Volunteer Appreciation Plan – Chair Young
- III. **NEW BUSINESS**
- IV. **RESIDENT COMMENTS**
- V. **UPCOMING MEETINGS**
  - Monday, February 26, 2024 - Long-Range Planning - 9:00 AM - CR-C/Zoom
  - Monday, March 4, 2024 - Board of Supervisors - 9:00 AM—CR-C/Zoom
  - Monday, March 4, 2024 - Resident Events Committee - 1:00 PM - Activities Room A
  - Monday, March 4, 2024 - Golf Committee - 1:00 PM - CR-C/Zoom
  - Thursday, March 7, 2024 - Facilities & Amenities Committee - 1:00 PM - CR-C/Zoom
- VI. **ADJOURNMENT**



**MINUTES - RECREATION DISTRICT REGULAR BOARD MEETING**

February 19, 2024, at 9:00 a.m. in Card Room C

BOARD MEMBERS	PRESENT	OTHERS	PRESENT
Chair Howard Young	x	GM J.B. Belknap	x
Vice-Chair Peter Overs	x	Controller Lynn Brew	x
Treasurer Jayne Schwarz	x	District Counsel Tom Hart	x
Secretary Bill Kulkoski	x	Assistant GM Karon Bennett	x
Assistant Sec/Treas Karen Mars	x	Residents	4

- I. **CALL TO ORDER** – Chair Young opened the meeting at 9:00 AM.
- II. **PLEDGE OF ALLEGIANCE** – Supervisor Schwarz led the Pledge of Allegiance.
- III. **ROLL CALL** – Assistant GM Karon Bennett took roll call; attendees are listed above.
- IV. **MINUTES** – *Chair Young made a motion to approve the minutes from the 01.29.2024 Joint Meeting with the Board and Finance Committee. Supervisor Schwarz seconded the motion. **The motion was approved unanimously.***
- V. **GENERAL MANAGER’S REPORT**– GM J.B. Belknap updated the group on the Bond Projects as follows:

**Fitness Center/Pickleball Parking:** Engineer, John Baker has been analyzing the plans to achieve additional auto parking area utilizing the existing cart spaces on either the north or south side of the building.. The existing parking areas were designed around golf cart spaces, so increasing the lengths of the parking spaces and widening both drive aisles to make them meet Lee County code for automobiles is impossible without crossing the Right Of Way line on the north end and impacting the dry detention area in the south.” Although the plan is to possibly build another pickleball court someday, an option worth considering is to loop the road around the building creating a one-way condition as the County allows narrower drive aisles. We could choose to fully eliminate 48 (all but 9) of the golf cart spaces for a gain of 14 angled vehicle spaces (including behind the building), plus one extra space the engineer thinks we can get. Another option would be to add potentially 10 angled spaces and keep the northern double-bay of golf cart parking. The engineer will investigate the code to make sure we’re allowed to have angled and perpendicular parking on the same property, but if the one-way condition was properly signed (do not enter signs, etc.) then the County might approve since they are distinctly separate parking areas. This idea is just a starting point for discussion. Other factors to consider: a different location for one more pickleball court, ingress/egress into the fitness center, etc.

**Pickleball:** The paver foundation and canopy structure are still pending. Stultz still can’t pin down his site and frame companies. GM Belknap will reach back out to Clarke Construction (golf course contractor) to see if they might be able to help with the paver foundation.

**Sports Complex:** We are waiting on Jim Ink regarding the County’s final inspection. Dan Parker met with Gary Morton of MorSports who wants to schedule re-lasering/ leveling of the bocce courts, reset the irrigation boxes, and add 1 ton of clay to each court. This warranty work would more than likely require closing a few days which will require coordination of play schedules.

**Pool Deck:** The ramp railing was installed on Thursday. Dan Parker contacted the Health Department regarding the engineer’s lighting calculations (lumens) which must be submitted before we can change the hours of the pool. All changes including pool pumps, lighting, etc. must be submitted to the Health Dept. for the “health and safety of the patrons as well as employees.”

**Storage:** The Problem-Solving Committee is laying out and determining how many shipping containers are needed for storage with specific requirements, i.e # of roll doors, mini-splits, lighting, etc. so we can reach out and get bids from various companies, including those on Sourcwell or those with government contracts.

**Window Replacement:** The window company, BNT told us Thursday they received the permit to replace the windows and door. Yesterday, Dan Parker called their scheduling department to schedule installation but hasn't received a call back yet.

**Restaurant Divider:** Stultz said the partition company will be on-site on the 23rd to prep for the track to be installed on Monday, the 26th. The prep includes some drywall work, but they are keenly aware the restaurant is open and work must be fast and clean. There will be plastic covering the affected areas and shouldn't interfere with dining.

**Propane Tank for New Generator:** Now that the permit has been secured, Bo's will install the new LP tank early next week at the Golf Maintenance Facility. The insurance company will also be notified.

**Ballroom Project:** Due to the large demand for electricity in the ballroom an electrician is working up a proposal to install a 100 amp panel north of the storage room/stage for future electricity upgrades anticipated in the remodel.

- *Supervisor Kulkoski made a motion to approve up to \$6,500 to add 100 amp electric services in the Ballroom from the Bond Clubhouse improvements. Vice-Chair Overs seconded the motion. **The motion was approved unanimously.***

**Trivia:** Janine Stepanich is doing an outstanding job organizing Trivia. There were 33 teams (260 residents) with another 5 teams on the waiting list for trivia in February. All residents pay a package price for the event which includes dinner.

**January Financials:** As we do each month, GM Belknap and Controller Brew met with the department heads to discuss monthly financial variances. In particular, January's preliminary F&B numbers aren't where we want them to be even though the residents have been extremely happy with the food quality and service. In food & beverage YTD budget KPIs that we look at: **Revenue:** 1% below budget but a 16% increase YoY; **Cost of Sales:** 10% higher than forecasted; **Labor:** 2% above forecast (54% as a % of revenue vs. 52% budget). Food & Beverage Director Stepanich and Chef Mayberry will put together a PandL on the wedding in January for the Board to review.

VI. **DISTRICT COUNSEL'S REPORT** - Thomas Hart, Esq. explained his concerns on arbitrage discussed with Bond Counsel and Tax Consultant. He stated that the tax consultant said we had an overall negative arbitrage amount. The tax code for tax exempt bonds generally enables the District to keep interest income from the Construction and Acquisition account without a yield restriction during the first 3 years after issuance of the bonds. Funds are to be expended within 3 years of bond issuance. We are continuing to address the issue. Counsel Hart advised that the balance in the construction account be should be expended ASAP. Counsel Hart added that we have not done anything wrong in not having spent all the funds in the 3-year period.. The District has issued 2 bonds previously and we never had an issue. We were not warned because it wasn't expected the project to take this length of time At this point, we have contacted an independent Engineer to provide the IRS with an explanation of why it has taken so long to complete the Bond projects. We expect him to explain the timeframe with COVID shutdowns, supply chain issues, and the impact of Hurricane IAN.

- *Vice-Chair Overs made a motion that we authorize our treasurer Jayne Schwarz to take action on the arbitrage subject and make adjustments where necessary. Chair Young seconded the motion. **The motion was approved unanimously.***

VII. **FINANCIAL REPORT** – Controller Lynn Brew reported on the month’s financial variances as follows:

- Admin \$ 18,314 favorable, YTD \$ 45,620 favorable
- Rest \$ (52,585) unfavorable YTD \$ (52,956) unfavorable
- Clubhouse \$ 10,795 favorable, YTD \$ (12,103) unfavorable
- CLIS \$ (204) unfavorable, YTD \$ 1,160 favorable
- Fitness \$ 278 favorable, YTD \$ 2,641 favorable
- Golf Maintenance \$ (6,544) unfavorable, YTD \$ 54,004 favorable
- Pro Shop \$ 6,573 favorable, YTD \$ 27,544 favorable
- All Departments \$ (23,373) unfavorable, YTD \$ 65,910 favorable

**Auto Debit Draft** – There was concern with making payments on the mobile app with the same functionality as members could make online. The mobile app was fixed, however, in that process, there was an error in our software system regarding the auto-debit process. On February 15th, instead of the scheduled date of the 29th, some residents’ bank accounts were drafted for their monthly payments. This took top priority to reverse the bank drafts and ensure that the funds were returned to bank accounts. Open Edge took 3-5 business days to return the funds to HGRD, this affected 348 accounts and has since been resolved after the controller contacted account holders.

VIII. **COMMITTEE REPORTS & RECOMMENDATIONS**

**Audit Committee and Finance Committees** – Supervisor Schwarz reported that the Finance and Audit Committees met jointly with the auditors to discuss the 20024 audit report, and management items relating to an accounts payable issue and timeliness of bank reconciliations. They recommended that the Board accept the report provided by the auditors. The Board requested that going forward, the bank reconciliation proposal be completed by the end of the month. Controller Brew stated that to get them done it would be necessary to hire a part-time accountant or transaction processor so that she can focus on analytic work. She noted that management does have the comment from CLA for this part-time person, it is also in the budget. The Board will be provided with formal bound reports from the auditors.

**Facilities & Amenities Committee** – Nothing to bring to the Board.

**Golf Committee** – Nothing to bring to the Board.

IX. **Long-Range Planning Committee** – The committee and the Board reviewed the preliminary results from the 2024 annual survey and a discussion on the subject took place.

X. **Problem-Solving Committee** – Beth Brucker reported that the committee is diving into the survey and master plan. **Storage Discussion** - Beth Brucker summarized the last meeting storage in the Golf Maintenance areas within the current facility. The committee will meet again when better cost estimates are in.

**Additional Committee Member:**

- *Vice Chair Overs made a motion to add Bob Herbstritt to the Problem-Solving Committee. Supervisor Kulkoski seconded the motion. **The motion was approved unanimously.***

XI. **Resident Events Committee** –Martie Shea gave the Resident Events report. The committee currently has 20 members which is a mix of older and newer members. Since the last report, the Resident Events Committee has sponsored a New Year’s Eve party, a Country Night, a Food Truck Festival, and several Ice Cream Trucks on Sunday afternoons. Although the Food Truck Festival was mostly rained out the other events were well attended. Country night sold out in a few hours, and the committee added 3 extra tables to allow more residents to attend. Most residents stayed until the end and requested we bring back the Ben Allen Band next year. The Farmers' Market continues to attract residents, although business was slow in December & January and continues to be slow in February. The Assistant General Manager is working with our committee to try and remind the residents of the days the Market is open.

Planned upcoming events will be an oldies night in March and Ice Cream Trucks in March & May. A second Food Truck Festival is being considered before the end of the season. As an added event the committee is planning a summer dance on July 6<sup>th</sup>.

Although we had a loss for the Halloween party both the Country Night and New Year's Eve events were well attended and the budget is favorable.

**XII. OLD BUSINESS**

**Volunteer Appreciation Plan** – Discussion took place on whether or not to host the volunteer event or provide gift cards to all HGRD Board-appointed committee volunteers. Assistant GM Bennett or the Board liaison will poll all appointed committee members for their preference. HOA President Rick Romine added that the HOA Board members were strongly in favor of having an event in the ballroom if the HGRD planned on holding a ballroom event.

**NEW BUSINESS** – The March 27th meeting was canceled due to the cancelation of the 2024 HGRD Election. The next Board meeting will take place on March 4, 2024, at 9:00 a.m. in Card Room C.

**XIII. RESIDENT COMMENTS**

Kathleen Petrillo thought the food provided during the Concert Series should have been pub fare with 6-10 item choices rather than the full dinner. Gary Attila agreed adding that he noticed following the matinee 200 cars going out to go to eat.

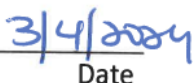
**XIV. UPCOMING MEETINGS**

- Monday, February 26, 2024 - Long-Range Planning - 9:00 AM - CR-C/Zoom
- Monday, March 4, 2024 - Board of Supervisors - 9:00 AM—CR-C/Zoom
- Monday, March 4, 2024 - Resident Events Committee - 1:00 PM - Activities Room A
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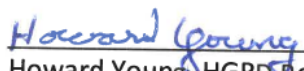
**XV. ADJOURNMENT** took place at 11:28 p.m.

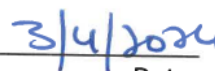
**Submitted By:**

  
Karon Bennett, Assistant GM

  
Date

**Approved By HGRD Board:**

  
Howard Young, HGRD Board Chair

  
Date