RESOLUTION NO. 2024-14

A RESOLUTION OF THE HERONS GLEN RECREATION DISTRICT AMENDING AND ADOPTING THE DISTRICT'S CAPITAL AND DEFERRED MAINTENANCE FINANCIAL MODEL; PROVIDING FOR GENERAL AUTHORITY; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HERONS GLEN RECREATION DISTRICT:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. The Board of Supervisors (the "Board") of the Herons Glen Recreation District (the "District") is authorized to adopt this Resolution under the authority granted by the provisions of Chapter 418, Part II, Florida Statutes, as amended, Ordinance No. 98-08 adopted by Lee County, Florida on April 28, 1998, as amended, and other applicable provisions of law (collectively, the "Act").

SECTION 2. FINDINGS.

- A. Pursuant to the Act, the District shall set its operating policies.
- B. The District adopted its Capital and Deferred Maintenance Financial Model in its July 15, 2024 meeting.
- C. This Resolution ratifies the Board's prior action taken at its July 15, 2024 meeting.

SECTION 3. ADOPTED POLICIES. The District hereby adopts its Capital and Deferred Maintenance Financial Model, as more particularly described in the attached **Exhibit "A.**"

SECTION 4. SEVERABILITY. Should any sentence, section, clause, part or provision of this resolution or the attachments hereto be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this resolution as a whole or any part thereof other than the part declared invalid.

SECTION 5. EFFECTIVE DATE. This resolution shall be effective immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Board of Supervisors of the Herons Glen Recreation District this 5th day of August 2024.

HERONS GLEY RECREATION DISTRICT

Peter Overs, Chair

ATTEST:

District Secretary

EXHIBIT A

CAPITAL AND DEFERRED MAINTENANCE FINANCIAL MODEL

Herons Glen Recreational District Long Term Capital Model (August 2024)

HGRD CAPITAL MODEL FY24-25 THROUGH FY33-34											
Inflation	3%										
Earned Interest	3%										
		FY24-25	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	FY31-32	FY32-33	FY33-34
Assessment	YoY inflationary increase	\$111	\$114	\$118	\$121	\$125	\$129	\$133	\$137	\$141	\$145
Assessment Income	Assessment X 1300	\$144,300	\$148,629	\$153,088	\$157,681	\$162,411	\$167,283	\$172,302	\$177,471	\$182,795	\$188,279
New Home Income	Estimate	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Total Income		\$344,300	\$348,629	\$353,088	\$357,681	\$362,411	\$367,283	\$372,302	\$377,471	\$382,795	\$388,279
Repair/Replace CapEx (CB)	Club Benchmarking	\$353,000	\$435,000	\$295,000	\$254,000	\$218,000	\$688,000	\$464,000	\$244,000	\$179,000	\$498,000
Contingency		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Net Repair/Replace CapEx		\$353,000	\$435,000	\$295,000	\$254,000	\$218,000	\$688,000	\$464,000	\$244,000	\$179,000	\$498,000
Optional CapEx (Board)	Board Input	\$100,000	\$103,000	\$106,090	\$109,273	\$112,551	\$115,927	\$119,405	\$122,987	\$126,677	\$130,477
CarryOver CapEx (prior years)	PC Estimate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Spending		\$453,000	\$538,000	\$401,090	\$363,273	\$330,551	\$803,927	\$583,405	\$366,987	\$305,677	\$628,477
Net Income-Spending		(\$108,700)	(\$189,371)	(\$48,002)	(\$5,592)	\$31,860	(\$436,644)	(\$211,103)	\$10,483	\$77,118	(\$240,199)
Starting Reserve	\$4,900,000										
Reserve Balance (Y/E)		\$4,791,300	\$4,601,929	\$4,553,927	\$4,548,335	\$4,580,195	\$4,143,551	\$3,932,447	\$3,942,930	\$4,020,048	\$3,779,850
Interest Income		\$143,739	\$138,058	\$136,618	\$136,450	\$137,406	\$124,307	\$117,973	\$118,288	\$120,601	\$113,395
Final Reserve Balance		\$4,935,039	\$4,739,987	\$4,690,545	\$4,684,785	\$4,717,601	\$4,267,857	\$4,050,420	\$4,061,218	\$4,140,650	\$3,893,245
Target CapEx Reserve	YoY inflationary increase	\$2,500,000	\$2,575,000	\$2,652,250	\$2,731,818	\$2,813,772	\$2,898,185	\$2,985,131	\$3,074,685	\$3,166,925	\$3,261,933
Delta to Target		\$2,435,039	\$2,164,987	\$2,038,295	\$1,952,967	\$1,903,829	\$1,369,672	\$1,065,290	\$986,534	\$973,725	\$631,312

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Herons Glen Recreational District Long Term Deferred Maintenance Model (August 2024)

		Н	GRD DEFERRED	MAINTENANO	E FY24-25 THRO	DUGH FY33-34					
Inflation	3%										
Earned Interest	3%										
		FY24-25	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	FY31-32	FY32-33	FY33-34
Assessment	YoY inflationary increase	\$302	\$311	\$320	\$330	\$340	\$350	\$361	\$371	\$383	\$394
Assessment Income	Assessment X 1300	\$392,600	\$404,378	\$416,509	\$429,005	\$441,875	\$455,131	\$468,785	\$482,848	\$497,334	\$512,254
New Home Income	Estimate	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total Income		\$392,600	\$404,378	\$416,509	\$429,005	\$441,875	\$455,131	\$468,785	\$482,848	\$497,334	\$512,254
Deferred Maint Spending	Club Benchmarking	\$399,000	\$442,000	\$451,000	\$467,000	\$524,000	\$566,000	\$426,000	\$594,000	\$534,000	\$653,000
Contingency		75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Net Deferred Maint Spending		\$299,250	\$331,500	\$338,250	\$350,250	\$393,000	\$424,500	\$319,500	\$445,500	\$400,500	\$489,750
Small Equipment	Club Benchmarking	\$41,000	\$73,000	\$107,000	\$123,000	\$110,000	\$51,000	\$125,000	\$73,000	\$77,000	\$121,000
CarryOver Def Maint	PC Estimate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Spending		\$340,250	\$404,500	\$445,250	\$473,250	\$503,000	\$475,500	\$444,500	\$518,500	\$477,500	\$610,750
Net Income-Spending		\$52,350	(\$122)	(\$28,741)	(\$44,245)	(\$61,125)	(\$20,369)	\$24,285	(\$35,652)	\$19,834	(\$98,496)
Starting Reserve	\$750,000										
Reserve Balance (Y/E)		\$802,350	\$802,228	\$773,487	\$729,242	\$668,117	\$647,748	\$672,033	\$636,381	\$656,215	\$557,719
Interest Income		\$24,071	\$24,067	\$23,205	\$21,877	\$20,044	\$19,432	\$20,161	\$19,091	\$19,686	\$16,732
Final Reserve Balance		\$826,421	\$826,295	\$796,692	\$751,119	\$688,160	\$667,180	\$692,194	\$655,473	\$675,902	\$574,451
Target Def Maint Reserve		\$500,000	\$515,000	\$530,450	\$546,364	\$562,754	\$579,637	\$597,026	\$614,937	\$633,385	\$652,387
Delta to Target		\$326,421	\$311,295	\$266,242	\$204,756	\$125,406	\$87,543	\$95,167	\$40,536	\$42,516	(\$77,936)

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