



HERONS GLEN RECREATION DISTRICT
Joint Meeting with Finance / Board / Audit Committee / Auditors
January 27, 2025, at 9:00 AM, Card Room C
Minutes

FINANCE/AUDIT COMMITTEES	PRESENT	BOARD	PRESENT
Bob Barney, Alt	X	Chair Howard Young	X
David Brendsel, Finance/Audit	X	V. Chair Peter Overs	X
Jeff Buxton, Finance	X	Treasurer Jayne Schwarz	X
Rita Lehman, Finance	X	Secy Bill Kulkoski	X
Larry Pedersen, Vice Chair Fin.	X	Ass't Sec Karen Mars	X
Dennis Popp, Chair Fin/Aud	X	OTHERS-Residents	2
Terry Potts	X	GM J.B. Belknap	X
Carlton Smith	X	Controller Lynn Brew	X
Beth Tyndall, Fin, Alt/ Audit	X	Wendy Shea, Act./Events	X
Don Misener, Audit	X	Chris Kessler, CLA	X
Nicole Wilkin, Audit	-	Rob Willems, CLA	X
		Tom Hart, Dist. Atty.	X

- I. **CALL TO ORDER - FINANCE & AUDIT COMMITTEES** – Chair Dennis Popp
 Chair Dennis Popp called the joint meeting to order at 9:00 a.m. and welcomed all those in attendance. Chair Popp stated that he has been on the Finance Committee for well over 5 years and this is the first time that the Audit meeting has had no delays, and he personally thanked the Staff, Management and the Auditors.

- II. **PRESENTATION OF THE 2024 AUDIT RESULTS** –Chris Kessler and Rob Willems from CliftonLarsonAllen
 Chair Dennis Popp introduced the HGRD Board’s Auditors from CliftonLarsonAllen – Chris Kessler and Rob Willems. Chris provided the participants with an overview of financial statements reported under GASB standards. He noted Herons Glen, a government unit, did not report using fund accounting. Rather the reporting was as an enterprise entity.

Chris Kessler then provided an overview of CLA. (See attached presentation).

The audit services performed for the Herons Glen Recreation District was the financial statement audit for the fiscal year ending September 30, 2024, in accordance with Government Auditing Standards.

Reports that will be delivered to the HGRD are an Independent Auditor’s Report, a report on Internal Controls over Financial Reporting and on compliance and other matters based on an Audit of Financial Statements, a Management Letter, an Independent Accountants’ Report, and a Governance Communication Letter.

Chris Kessler explained the required communications to governance which included the following: the scope and timing of audit proceeded as planned, significant accounting policies-in accordance with generally accepted accounting principles and standards, change in accounting policies – No new accounting policies were adopted and the application of existing policies was not changed during 2024, no difficulties were encountered in performing the audit, there were no significant estimates within the financial statements, there were no audit adjustments, there

were no uncorrected misstatements, there were no disagreements with management. The auditors stated that Management was very helpful in working with them to complete their audit.

Chris Kessler reviewed the Net Position Composition 5-year trend which the change in net position for Herons Glen from 2021 – 2024 has increased every year and is a very positive trend. He stated that it is good practice, or a benchmark, to cover about 3 months of Operating expenses in unrestricted net position.

Highlights of the Financial Position as of September 30, 2024:

Financial Statements – Pages 14 through 16

- Total net position of \$36,191,981
- Operating Loss of \$1,111,922
- Increase of Net Position of \$950,685
- Net Cash Flow Provided by Operating Activities of \$44,408

Make-up of Net Position \$36,191,981 – Page 14

- Net Investment in Capital Assets - \$2,642,459
- Restricted for Debt Service - \$26,548,543
- Restricted for Capital Improvements and Maintenance - \$6,784,552
- Unrestricted – \$216,427

The overall change in Net Position was an increase of \$950,685.

Chris Kessler stated that there are two new GASB requirements that will have to be addressed by the HGRD in the next two years. The first is GASB 102 which will increase the footnote disclosures surrounding risk effective September 30, 2025: limitations on raising revenues, concentrations related to tax revenue or vendors, debt or mandated spending – especially unfunded mandates, impact of major employer leaving the community and collective bargaining agreements. The second is GASB 103 which is Financial Reporting Model Improvements and will impact on the financial statement presentation. The effective date will be September 30, 2026, and there is updated disclosure guidance for: MD&A consistency, clearer definition of unusual or infrequent items, presentation of proprietary fund statements, major component unit information and budgetary comparison information.

Chris Kessler thanked the committees and the HGRD for allowing them to serve the HGRD year-round and for the partnership of CLA and the HGRD.

- III. **ATTENDEES DISCUSSION** – Don Misener had a question on the sweep accounts for Finemark Bank. Auditors stated that it was an issue with 2023 not 2024 and it has been resolved.

Supervisor Young had a question about the unrestricted funds and how the Board of Supervisors can allocate the surplus. Treasurer Schwarz stated that it is important to have the surplus and gave the example that this year Liability Insurance expires in May 2025 and having the surplus helps the HGRD to pay for the insurance premiums if they are higher than expected.

David Brendsel and Supervisor Young again thanked the staff and management for all their hard work in completing the audit on time.

- IV. **NEXT FINANCE MEETING DATE – February 10, 2025 – Card Room C/Zoom – 9:00 a.m.**

- V. **THE JOINT FINANCE/BOARD/AUDIT COMMITTEE MEETING ADJOURNED AT 9:45 A.M.**

Approved:

Approved

Dennis Popp

Chair, Finance Advisory Committee

February 10, 2025

**HERONS GLEN RECREATION DISTRICT
FINANCE ADVISORY COMMITTEE
February 10, 2025
9:00 AM – Card Room C – Finance Advisory Committee**

Minutes

MEMBERS	Present	OTHERS	Present
Bob Barney, Alternate	X	J.B. Belknap, General Manager	X
David Brendsel	X	Lynn Brew, Controller	X
Jeff Buxton	X		
Rita Lehman	X	J. Schwarz, Board Liaison/Treasurer	X
Larry Pedersen, Vice Chair	X		
Dennis Popp, Chair	X	Wendy Shea, Act. & Ev.Coordin.	X
Terry Potts	X	Peter Overs, Supervisor	Zoom
Carlton Smith	X	Howard Young, Supervisor	X
Beth Tyndall, Alternate	X		
		Residents	0

I. CALL TO ORDER – Chair Dennis Popp called the Finance Advisory Committee meeting to order at 9:00 a.m. and thanked everyone in attendance.

II. APPROVAL OF PRIOR MINUTES – September 23, 2024, Finance Meeting & January 27, 2025, Audit Presentation Meeting

Chair Popp asked for approval for the September 23, 2024, Finance Advisory meeting. Larry Pedersen moved to accept the September 23, 2024, minutes as presented, David Brendsel seconded the motion. A vote was taken and the September 23, 2024, minutes were approved unanimously.

Chair Popp asked for approval for the January 27, 2025, Audit Presentation meeting. Larry Pedersen moved to accept the January 27, 2025, minutes as presented, Rita Lehman seconded the motion. A vote was taken and the January 27, 2025, minutes were approved unanimously.

III. DISTRICT UPDATE – PROJECT STATUS – J.B. Belknap

GM Belknap presented a Bond Project update to the Finance Committee. (See attached update)

- **Engineering change** – Hole Montes (now company name is Bowman) was hired to replace Ink Engineering Bond Engineer of record. Hole Montes and management are working on having a meeting with Lee County’s Lead Reviewer for LDO modifications to expediate the process.
- **Storage Containers, Driving Range Restrooms and #17 Bulkhead (Tied to the LDO Modification)** – Three storage containers are now on-site at temporary locations. Fire permitting trumps all others. New configurations are now required due to the fire lane not allowed where the golf carts were planned to be housed. We will be receiving the remainder of the containers soon. The Driving Range Restrooms contractor has been hired, and we are still waiting for the LDO modification. We were able to wrap the project into the original LDO with the engineer of record for the #17 Bulkhead.
- **BNT Impact Windows and Doors** – BNT will begin the second phase of windows and doors beginning on February 24th to the Card Rooms, Pro Shop and other areas. Ballroom doors and restaurant windows will occur later in the spring. There will be an additional 17 doors and 13 windows around the clubhouse that will be replaced. BNT

has been very successful in obtaining permits and completing the work on time and on budget.

- **Ballroom Improvements** – Bar permits are expected sometime in February. Drywall and painting the back wall in the ballroom are ongoing. Added outlets on the wall with a dedicated circuit with heavier gauge wiring and a higher amperage breaker have been added to allow for a larger power draw without tripping the circuit.
- **CLIS** – Mainscape still have issues with the 30-year-old multi-strand wire and decoders. The HGRD is looking for an upgraded 2-wire system and seeking proposals for a Baseline or other system. Management visited Gateway Greens in Ft. Myers to talk with them about their experience with the Baseline system.
- **Electrical Issues in the Kitchen** – We have experienced several electrical issues in the kitchen that need further scrutiny, including blown fuses tripping some of the breakers. Kirkwood Electric has been here this week working with TWC on the hood system and motor. This is the third exhaust fan motor that has failed. To find out the root causes of these issues, Kirkwood has brought in two crews today to trouble-shoot and do load tests for the kitchen and restaurant.

IV. FINANCIAL UPDATES – J.B. Belknap & Lynn Brew

a) **Status – Accounts receivable aging; delinquencies and Liens** – Lynn Brew Controller Brew informed the committee that the 60+ days delinquent assessments total is \$5,975 and the 60+ days delinquent house accounts is \$3,798 so the total 60+ days delinquent is \$9,773. She stated that there presently are 2 liens, 3 pending liens and 7 member accounts that are currently suspended.

b) **Status – Bond Expenditures and balance of Construction and Acquisition Funds**
GM Belknap stated that as of yesterday, there is \$420,000 left of Bond monies to be expended by May 1, 2025. GM Belknap stated that all the bond money will be spent by the May 1st deadline with the following projects: BNT window and door installations, Ballroom and Restaurant improvements to the bar area, the Clis System and the purchase of the Storage Containers to be housed at the Golf Maintenance facility area.

c) **FL Class – Term Products** – David Brendsel
David Brendsel gave a Power Point presentation to the Finance Committee on current HGRD Banking and Investments. (See attached presentation) David Brendsel informed the committee that the District follows Florida Statutes 218: Finemark Bank is a FL Qualified Public Depository and the HGRD investing activity follows 218.415.(17) for investing surplus funds. Current HGRD investments are held in Florida Prime which is a government investment pool managed by Federated Hermes and has over 800 users in Florida and offers no check writing feature and FL Class which is an investment option focused on short-term investments, serviced by Public Trust Advisors and offers Term products and does not offer any check writing services. Florida Prime eligibility extends to governmental investors including State agencies, State Universities and Colleges, Counties, Cities, School Boards and Special Districts. The benefits of Florida Prime are daily liquidity, no minimums, unlimited transactions, and no ACH or wire fees. The holdings for Florida Prime are Fixed Rate Bank and commercial paper. The Florida Class eligibility is the same as Florida Prime and the benefits include daily liquidity, no minimums, unlimited transactions, no ACH or wire fees and interest is applied daily and use of sub-accounts. The holdings for Florida Class are short term products with a 47-day weighted average to reset, 87 to maturity. (Commercial paper; and collateralized bank deposits, etc. David Brendsel explained that the term products this fiscal year were: Finemark CD (covered as QPD) matured November 2024 and FL Class which is fully collateralized and matures in November 2025 with a rate of 4.25% with an investment of \$2.25 million. Other term offers will be available, fully collateralized, as Public Trust becomes available. He has found that members are not frequently subscribed to minimums.

V. POLICY CHANGES – Reserve accounts and plans

Board Treasurer Jayne Schwarz is proposing to consolidate the Capital and Deferred Maintenance reserve bank and investment accounts. She proposes leaving the Golf Course Special Improvements Fund and Losses Reserve Fund as separate bank and investment accounts as they are currently. Our budgeting tool for Capital expenditures and Deferred Maintenance expenses will also be combined into one budget together encompassing a twenty-year future period. This change will make budgeting, planning, billing, and record keeping more efficient and will also save time for staff in the process.

VI. COMMITTEE CHARTER- Discussion of modifying the Finance Charter- Dennis Popp

Chair Popp asked the committee to review the current Charter for the Finance Advisory Committee to determine if any modifications are needed before next year. He asked if they feel there is a modification needed to send those changes to either himself or Jayne Schwarz and they will discuss the modifications brought up at the April Finance Advisory meeting.

VII ATTENDEES' DISCUSSION – Dennis Popp

There was a discussion on the problem at the restaurant this past weekend with no propane. GM Belknap stated that Amerigas showed up on Saturday to refill the tank. Amerigas driver was sick on Friday and did not show up to refill the tank. The committee discussed looking into a gauge that could notify the kitchen when the propane gets to a low amount.

VIII PROPERTY INSURANCE – Renewal options discussion on February 17th board meeting

The Board has invited the Finance meeting to attend their Board meeting on Monday, February 17th either in person or by Zoom for a presentation from Acrisure to serve as a brief outline of the various insurance property coverages for the HGRD policy which expires on April 30th, 2025. Rates will not be discussed.

IX NEXT FINANCE MEETING DATE – April 14th – Card Room C/Zoom – 9:00 a.m.

VI. **ADJOURNMENT** – Chair Popp adjourned the Finance Advisory Committee meeting at 9:43 a.m.

Approved:

Dennis Popp
Chair, Finance Advisory Committee
April 14, 2025

**HERONS GLEN RECREATION DISTRICT
FINANCE ADVISORY COMMITTEE
April 14, 2025
9:00 AM – Card Room C – Finance Advisory Committee**

Minutes

MEMBERS	Present	OTHERS	Present
Bob Barney, Alternate	-	J.B. Belknap, General Manager	X
David Brendsel	X	Lynn Brew, Controller	X
Jeff Buxton	X		
Rita Lehman	X	J. Schwarz, Board Liaison/Treasurer	X
Larry Pedersen, Vice Chair	X	Ryan Schmidt, Acrisure	Zoom
Dennis Popp, Chair	X	Wendy Shea, Act. & Ev.Coordin.	X
Terry Potts	-	Peter Overs, Supervisor	X
Carlton Smith	X	Howard Young, Supervisor	X
Beth Tyndall, Alternate	-	William Kulkoski, Supervisor	X
		Residents	0

I. CALL TO ORDER – Chair Dennis Popp called the Finance Advisory Committee meeting to order at 9:00 a.m. and thanked everyone in attendance.

II. APPROVAL OF PRIOR MINUTES – February 10, 2025- Finance Advisory Committee

Chair Popp asked for approval for the February 10, 2025, Finance Advisory meeting. Larry Pedersen moved to accept the February 10, 2025, minutes as presented, David Brendsel seconded the motion. A vote was taken and the February 10, 2025, minutes were approved unanimously.

III. OLD BUSINESS-

Presentation by Ryan Schmidt, Acrisure on HGRD Property Liability Insurance renewal rates. (See attached presentation)

Ryan Schmidt, Client Advisor & Manager of Florida for Acrisure started his presentation with an introduction of his service team. He then stated that Acrisure enlisted the help of an independent rating agency, A.M. Best Company, to determine the financial strength ratings of an insurance company to meet its ongoing insurance obligations. All the Insurance Companies offering lines of coverage for the HGRD are rated A- to A++.

• **Premium Summary / Comparison** – The expiring Premium Annualized is \$478,484 and the Proposed Premium is \$450,314.

Notes –

- The associations expiring property and equipment breakdown program is split up into 4 policies. Catalytic is combining everything under one policy.
- Catalytic original quote with a \$25K AOP but Acrisure was able to get them down to \$10K AOP for no additional premium. They would not offer a \$5K AOP or lower wind deductible option.
- Crime option to increase the limit to \$1,000,000 from \$500,000 for an additional \$550.40 in premium.
- Paid in full Discount is applied to the premium of \$12,414.
- Restaurant and liquor revenues increased 12%, Golf revenues increased 5%, and the Pro Shop revenues were relatively flat.
- General Liability carrier advised the club should work with the HOA to ensure that all members who use individually owned golf carts are required to carry golf cart insurance on their homeowners – they should also push to require the club and HOA are added as “Additionally Insured”. After discussion on the issue, GM Belknap will send our Rules and Regulations to Ryan to review. Supervisor Overs and GM Belknap have regular meetings with the HOA and

4/14/2025

will discuss the issue and determine how many residents have registered their carts with the HOA.

- One employee was excluded from the Auto Policy as a driver due to information on Motor Vehicle records.
- Premium must be received on or before 5/15/25 otherwise policy will remain with the current effective date.
- **Property (All Property)** – Issuing Company is Catalytic Risk Managers – Multi Carrier – Policy Term (4/30/25 to 4/30/26)
Business Income insured at \$750,000; Business Personal & Property insured at \$1,330,000 and Property insured at \$14,405,440. Total TIV \$14,485,440.

Notes:

- Deductible last year was 5% named Storm, per building and subject to a minimum of \$100,000 per occurrence. This year the Deductible – AOP \$10,000 per occurrence.
- **Crime** – Carrier changing from Cincinnati to Travelers Casualty and Surety Company. Ryan suggested increasing coverage for Crime from \$500K to \$1M which would be an increase in the premium of \$550.
- **Public Officials & Employment Practices Liability** – Ryan suggested increasing the D&O insurance from either \$1M to \$2M at a cost of \$5,674.20 or from \$1M to \$3M at a cost of \$7,774.20.

Employment Practices Liability – There may be an overlap between the HGRD's Oasis Employers Liability Practices (EPLI) policy and the policy that the HGRD has with the P&C carrier. Both have a \$25K deductible but Ryan Schmidt agreed the Oasis policy would be the primary since we are leased employees. GM Belknap will communicate with Ryan to see what the exact premium savings and liability would be if the HGRD dropped the coverage.

Chair Popp thanked Ryan Schmidt for his presentation to the Finance Committee and stated that the committee would make a recommendation to the Board of Supervisors today and the Board would make the final decision at their next meeting on April 28th. Ryan Schmidt left the meeting via Zoom.

IV. DISCUSSION ATTENDEES & RECOMMENDATIONS

Larry Pedersen thanked Ryan Schmidt for an excellent and thorough report that ultimately will save the District money, and he felt that the Board of Supervisors should determine if the Crime Insurance and the D&O Insurance should increase.

Jeff Buxton inquired as to whether the new propane tank is scheduled with either the Inland Marine policy or the equipment floater. Controller Brew will get with Ryan and determine where the propane tank is scheduled. Carlton Smith felt that the Board should determine what to do about the perceived overlap between the Oasis policy and the Employment Practices Liability under Indian Harbor Insurance Company.

After discussion, Jeff Buxton moved to recommend that the Board of Supervisors that they move forward with the Acrisure Insurance proposal with consideration of reviewing whether the new propane tank is scheduled in the new policy, reviewing the overlap between the Oasis Employers Liability Practices Insurance (EPLI) policy and the policy the HGRD with the P&C carrier, and the suggested increase coverage for 1) Crime; and 2) Public Officials (D&O). Carlton Smith seconded the motion. A vote was taken, and the motion was approved unanimously.

V. DISTRICT UPDATE – PROJECT STATUS – J.B. Belknap

GM Belknap stated that there are currently 8 Bond Project in progress:

- **LDO** – (Driving Range Restrooms, the #17 Bulkhead, and Storage Containers) Hole Montes (now company name is Bowman) was hired to replace Ink Engineering Bond Engineer of record. Hole Montes and management met with Lee County's Lead

Reviewer for LDO modifications to expediate the process. Innovar are currently working on the engineering plans and once finalized they will be forwarded Denmark to begin developing the scope, specifications, and cost estimates for the foundation and electrical work.

- **Asphalt Resurfacing** – The asphalt plans were submitted to the County permit coordinator this past Monday. The phasing plan will be developed in collaboration with Collier Paving and the engineer over the next few weeks. Pending review timelines, Collier still anticipates starting the project in May. Curb repairs will begin first, as LDO approval is not required for maintenance work.
- **BNT Impact Windows and Doors** – (Ballroom and Restaurant) BNT is set to begin replacing the ballroom doors on May 1. Due to a faulty locking mechanism in the PGT main entry door to the restaurant that cannot be repaired, BNT will be preplacing it on Monday, May 5th while the restaurant is closed. Ballroom doors are set to be replaced beginning April 30th. The ballroom will be closed until Friday May 9th so that the ballroom doors can be replaced. Restaurant windows will be replaced starting on July 7th when the restaurant will be closed for cleaning for a week.
- **Ballroom Improvements** – New beer lines have been installed at the new ballroom bar. We are still waiting on the county to approve permits for framing, plumbing, mechanical, and fire.
- **CLIS** – Mainscape is still having issues with the 30-year-old multi-strand wire and decoders. The HGRD is looking for an upgraded 2-wire system and seeking proposals for a Baseline or other system. The HGRD hired Russ Geiger, a Hydraulic Engineer, to provide a report to the Board on the CLIS system. He is on track to finish the first phase of his analysis by the end of the month.
- **Other Discussion:** Treasurer Schwarz reported that as of today, there is \$59,500 of bond construction and acquisition monies that must be expended by the end of April. BNT Window bill for the start of replacement of doors and windows for the ballroom and the restaurant is \$54,000. management has invoices to pay this month for over \$3,600 so all bond monies will be depleted by April 30th.

VI. FINANCIAL UPDATES – J.B. Belknap & Lynn Brew

a) **Status – Accounts receivable aging; delinquencies and Liens** – Lynn Brew
 Controller Brew informed the committee of the following:

As of 04.13.2025 Assessments 60+	9,256	
House Accounts 60+	1,057	
All Accts 60+	10,312	(\$9,773 as of 01/31/2025 ↑ \$572)

3 liens in place

2 liens released since 01/31/2025 report

4 pending liens

VII. NEXT FINANCE MEETING DATE – Monday, April 28th – Joint Board of Supervisors & Finance Committee Mid-year Review – Card Room C/Zoom – 9:00 a.m.

VIII. ADJOURNMENT – Chair Popp adjourned the Finance Advisory Committee meeting at 10:20 a.m.

Approved:

Dennis Popp
 Chair, Finance Advisory Committee
 4/28/2025

4/14/2025

**HERONS GLEN RECREATION DISTRICT
FINANCE ADVISORY COMMITTEE
9:00 AM (Card Room C/Zoom Meeting)
Monday, May 12, 2025 - Minutes**

	Present		Present
David Brendsel	X	Jayne Schwarz, Board Liaison & Treasurer	X
Jeffrey Buxton, Alt	-		
Steve Christiansen	X	Lynn Brew, Controller	-
Rita Lehman	X	J.B. Belknap, General Manager	-
Larry Pedersen, Vice Chair	Zoom		
Dennis Popp, Chair	X	Wendy Shea, Act. & Ev.Coordin.	X
Terry Potts, Alt.	X	Supervisor Peter Overs	X
Carlton Smith	-	Residents:	0
Beth Tyndall	-		

Call to Order:

I CALL TO ORDER

Supervisor Schwarz called the meeting to order at 9:00 a.m.

II WELCOME & INTRODUCTION OF 2025-2026 COMMITTEE MEMBERS

Supervisor Schwarz welcomed all in attendance and on Zoom to the Organization meeting of the 2025-2026 Finance Advisory Committee. She welcomed the new Finance committee member Steve Christiansen and then asked the entire Finance Committee to do self-introductions.

III REFERENCES

Supervisor Schwarz listed the links for the Charter with sub-committee, the District Transparency & Policies, Financials & Budgets, the FL Special District Handbook, and the Audit reports submitted to the FL Auditor for committee members to review.

Supervisor Schwarz pointed out that the Finance Subcommittee on Bid Oversight responsibilities include reviewing proposed purchases for expenditures for Category 2 or higher as outlined in Section 287 of FL statues. This means that, generally, purchases under \$35,000 or obtained through intergovernmental purchasing agreements do not need to be reviewed by the sub-committee. She stated that the Bid Oversight Committee would be very busy this summer with multiple RFP's.

IV ELECTION OF CHAIR AND VICE-CHAIR

Supervisor Schwarz opened nominations for the position of Chair of the Finance Advisory Committee. Larry Pedersen nominated Dennis Popp and Rita Lehman seconded the nomination. The committee voted unanimously to elect Dennis Popp as chair of Finance Advisory for 2025-2026.

Chair Popp opened nominations for Vice-Chair of the Finance Advisory Committee. Chair Popp nominated Larry Pedersen and David Brendsel seconded the nomination. The committee voted unanimously to elect Larry Pedersen as vice-chair of the Finance Advisory for 2025-2026. Vice Chair Larry Pedersen will chair the Bid Oversight Committee.

V MANAGEMENT REPORT UPDATES – Treasurer Jayne Schwarz presented the Bond Projects updates for GM Belknap who was unable to make the meeting.

A. Bond Projects Update:

- **Asphalt Resurfacing:** John Baker, our engineer, stated that the civil drawings are still under County review. Management is targeting a work schedule from late May to early June.
- **Facilities Maintenance Area:** The only remaining approval pending is for electrical work. By the end of the month, drywall installation, painting, and baseboard work should be completed. The Certificate of Occupancy is projected to be issued by June 13th.
- **Storage Containers Maintenance Area:** We are still waiting on the LDO from the county.
- **Window & Door Replacement:** BNT completed the ballroom and restaurant door installation last week. Restaurant windows will be done during the summer.
- **Driving Room Restrooms:** We are still waiting on the LDO from the county.
- **Ballroom Bar:** The Project General Contractor received the stamped engineer's report from Cintas for the back liquor room and resubmitted the plan to the county. He anticipates the county will take three to four weeks to complete the review, with an expected review date around May 29th. Once the review is complete, the permit should be issued within approximately one week.
- **RFP for CLIS 2-Wire Project Engineer:** District Attorney Tom Hart has submitted the request for proposal (RFP) for the CLIS 2-wire project design, consulting and engineering to the Cape Coral Breeze. The notice will be published on Wednesday, May 14th, 21 days before the bid submission deadline, in compliance with the competitive bid requirements.
- **Kitchen Electric:** Kirkwood Electric has informed us of the sequencing of the kitchen electrical work. The kitchen transformer is to be installed first, followed by the addition of new circuits, and finally the installation of the breaker panels. The kitchen transformer is scheduled to be installed on Monday and Tuesday, June 2nd and 3rd.
- **#17 Bulkhead:** Still waiting on the Limited Development order from the County.

B. Aging Receivables Report – (See Attached Report)

Treasurer Schwarz stated that there were three (3) Liens in place as of the end of April. Assessments that are 60+ days in arrears total \$6,322 and the House Accounts that are 60+ days in arrears total \$1,190. The total assessments over 60+ days have decreased by \$2,800 since the end of March.

VI. REQUESTS

Treasurer Schwarz reviewed the Herons Glen 2025-2026 Insurance Deductible Breakdown (See attached report). A discussion was held on the need to add \$26,000 to the loss reserve fund due to the changing property liability as of the renewal date May 1. In FY 2024, Herons Glen collected \$318,000 in new owner capital assessments for the Reserve Fund. By policy this money may be used for the loss reserve fund.

Rita Lehman suggested that she felt that the Finance Committee should recommend to the Board that there should be two insurance brokers that present their bids for property insurance instead of just the one we have used in the past couple of years. Chair Popp will make a recommendation to the Board on behalf of the Finance Advisory Committee.

Supervisor Schwarz reviewed the arbitrage rebate and yield reduction report the Bonds for the fifth year ending May 1, 2025. The District will need to pay the IRS for interest received over the amount permitted. Per the IRS Regulation, ninety percent of the \$76,350.93 yield Reduction Payment Amount, \$68,715.84, must be remitted to the Internal Revenue Service by June 30, 2025.

Treasurer Schwarz had a few requests for help from the committee members during the summer and the upcoming year.

- 1) Supervisor Overs needs assistance before the July Board Budget meetings to determine the reserves that are needed. Supervisor Overs would need help from the committee members that are here during the summer. David Brendsel, Steve Christiansen, Rita Lehman and Terry Potts have volunteered to help.
- 2) Bid Oversight will be busy this summer and will need to be available to have multiple Bid Oversight meetings. Some of the oversight meetings will be for Golf Carts lease, general contractor for Storage Container maintenance area, and engineering and work on CLIS, etc. Larry Pedersen chairs the sub- committee and will call meetings when needed.
- 3) Management will continue working on the Club Benchmarking listings this coming year.
- 4) Suggested changes are requested regarding the format of the monthly Financial reports and at the mid-year review. Steve Christiansen has volunteered to help Chair Popp with this task.

VII SCHEDULE OF THE BUDGET MEETINGS – (Finance Committee attendance invited)

Monday, July 14th –	9:30 AM - 3:30 PM – CR-C
Tuesday, July 15th –	9:30 AM - 3:30 PM – CR-C
Wednesday, July 16th–	9:30 AM - 3:30 PM – CR-C
Thursday, July 17th –	9:30 AM - 3:30 PM – CR-C (Only if Needed)
Friday, July 18th -	9:30 AM - 12:00 PM – CR-C (Board Meeting)

VIII SCHEDULE OF FINANCE ADVISORY MEETINGS – Available on Zoom

Monday, August 18, 2025 – 9:30 AM – CR-C

- Joint Board/Finance to discuss employee health benefit offerings with Insurance Broker

Monday November 10, 2025 – 9:00 AM – CR-C

Monday, January 26, 2026 – 9:00 AM – CR-C

- Joint Meeting w/Board on Audit

Monday, February 23, 2026 – 9:00 AM – CR-C

Monday, April 27, 2026 – 9:00 AM – CR-C

- Joint Meeting w/Board on Mid-Year Review

PROPERTY INSURANCE MEETING WITH BROKER

- April 2026 – to be determined

IX NEXT MEETING – Monday, August 18, 2025 - 9:00 AM – CR-C/Zoom

X ADJOURNMENT- The meeting adjourned at 9:48 a.m.

Approved:

Dennis Popp
 Chair, Finance Advisory Committee
 Date: November 10, 2025

HERONS GLEN RECREATION DISTRICT
FINANCE Bid Oversight Sub-committee and Finance Meeting
June 16, 2025
Minutes

MEMBERS	Present	MEMBERS	Present
Larry Pedersen, Chair - Bid	x	Dennis Popp, Chair - Finance	x
Steve Christiansen	x		
David Brendsal	x	OTHERS	
Rita Lehman	x	J.B. Belknap, Gen Mgr	x
Carl Smith	x	Jayne Schwarz, Liaison & notes	x

CALL TO ORDER – Larry Pedersen called the Bid Oversight sub-committee meeting to order at 9:30 AM. The purpose was to discuss the bids for the leasing of golf carts.

BIDS:

JB advised that the current lease for the 50 golf carts used for golf play for non-residents (public plan and non-resident memberships) expires in the fall. It was a 4-year lease. He and golf pro Bruce Harris obtained bids from the 3 major companies offering commercial lease.

2025 Golf Cart Proposal Comparison-Fleet of 50 Golf Cars

		Monthly per Cart	Total Monthly	Total Yearly
Yamaha	<i>Quiet Tec</i>			
Term (48)		\$92.50	\$4,625.00	\$55,500.00
Term (60)		\$84.50	\$4,225.00	\$50,700.00
<i>*Proposal includes giving HGRD 2 of the current 2021 Emerald Green QuietTech trades <u>at no cost.</u></i>				
EZ GO	<i>RXV</i>			
Term (48)		NA	NA	NA
Term (60)		\$85.90	\$4,295.00	\$51,540.00
ClubCar	<i>Tempo 2 Pass Gas</i>			
Term (48)		\$95.83	\$4,792.00	\$57,504.00
Term (60)		\$82.15	\$4,107.50	\$49,290.00

Due to the lack of warranties beyond year 4 and the potential out-of-pocket expenses, management recommended using a 48-month lease only. Additionally, according to the Yamaha rep, potential tariffs may impact pricing this fall. *If Yamaha is selected, their new lease would need to begin in September. That means instead of paying the current lease amount of \$3,800 in Sept & Oct, the District would pay the new lease rate of \$4,625 in those 2 months. In exchange, management requested 2 of the existing 2021 carts at no cost.* These would be used as starter and ranger carts and have an estimated residual value of approx. \$2,995 each. Yamaha has agreed to this proposal. Color would be bluestone.

The committee discussed the need for and utilization of 50 carts, service being provided by Yamaha, the difference in current pricing and the proposed pricing, out-of-pocket expenses. Also discussed was availability of tools which show vehicle run time, as well as the decibel ranges of the gas carts. This is important, as the golf course is surrounded by homes. Yamaha gas carts are the quietest of the vehicles quoted.

Management recommends contracting with Yamaha as identified.

David recommended and Rita seconded the motion to support the recommendation to contract with Yamaha for 50 carts, plus 2 carts for use by the staff, at no cost as proposed. This would be a 4-year lease. The sub-committee unanimously agreed.

This portion of meeting was completed at 9:55 AM.

Dennis then convened the committee to receive the sub-committee recommendation and provide the Finance committee recommendation to the board.

RECOMMENDATION - Larry recommended and Steve seconded the motion to recommend the 4-year lease with Yamaha under the terms previously identified.

The committee unanimously agreed and this recommendation will be provided to the Board of Supervisors at its next meeting

ADJOURNMENT – Dennis adjourned the meeting at 10:00.

APPROVED:

Larry Pederson
June 16, 2025

Dennis Popp, Finance Committee Chair
June 16, 2025

**HERONS GLEN RECREATION DISTRICT
FINANCE ADVISORY COMMITTEE
8:30 AM (Card Room C/Zoom Meeting)
Monday, August 18, 2025 - Minutes**

	Present		Present
David Brendsel	X	Jayne Schwarz, Board Liaison & Treasurer	X
Jeffrey Buxton, Alt	-		
Steve Christiansen	X	Lynn Brew, Controller	-
Rita Lehman	X	J.B. Belknap, General Manager	X
Larry Pedersen, Vice Chair	Zoom	Tim Kortanek, Golf Course Grounds Russ Geiger, Hydrologic Irrigation	X X
Dennis Popp, Chair	Zoom	Wendy Shea, Act. & Ev.Coordin.	X
Terry Potts, Alt.	X	Supervisor Peter Overs Supervisor Howard Young Supervisor Bill Kulkoski Supervisor Karen Mars	X X X X
Carlton Smith	-	Residents:	4
Beth Tyndall	-		

Call to Order:

I CALL TO ORDER

Supervisor Schwarz called the meeting to order at 8:30 a.m. for Chair Popp who will be joining the meeting momentarily. Supervisor Schwarz stated that the Board of Supervisors are in attendance in person and by Zoom but will not be asking any questions until their Board meeting starts at 9:30 a.m.

II INTRODUCTION OF 2-WIRE CLIS PROJET

GM Belknap introduced Russ Geiger from Hydrologic Irrigation Design, Consulting & Engineering who will be the engineer representing Herons Glen for the 2-wire CLIS Project. Russ Geiger has over 25 years of experience with Irrigation design and engineering and helped with the Request for Proposal (RFP) for the Installation of the Herons Glen Community Irrigation Control System. GM Belknap stated that the RFP was issued on July 2, 2025, and the due date was July 24, 2025. The RFP included a project overview, scope of services, proposal requirements, and a mandatory Pre-Bid meeting. Four bids were submitted on July 24, 2025, and the companies were Stahlman-England Irrigation, Inc.; Duval Landscape Maintenance, LLC,; Mainscape, Inc.; and Irrigation Concepts, LLC. After consideration, Duval Landscape Maintenance was removed from consideration because they did not have a solid reputation and have been dismissed from several jobs in the Naples area. They also submitted the most expensive proposal.

III PRESENTATION OF PROJECT PROPOSALS

Stahlman-England:

- Fully certified with Rain Bird related to control systems, two-wire, program grounding, etc.
- Russ Geiger has worked with them on multiple projects and has a good relationship.
- Estimated not to exceed (NTE) amount of \$500,000 in ancillary repairs included with the proposal. Allowance is based on a repair being made every 15 feet during excavation at a cost of \$70 per repair.

- Each week, Stahlman would paint a white line indicating the location of the wire path they will be trenching. They then would contact No Cuts (811) and Blue Stream for utility and fiber locates.
- During interview, Stahlman offered to reduce the bid to reflect direct purchase tax savings of \$47,000. They can begin the project 2-4 weeks after the contract is signed.
- Very positive references. In further discussion, the company offered an additional \$23,000 reduction.

Irrigation Concepts:

- Russ Geiger knows the owner, Chad Legion by reputation, although they haven't worked together. Industry feedback is positive.
- Chad Legion stated he would have to hire personnel if awarded the contract. He stated he preferred candidates not to have experience.
- Irrigation Concepts did not include a damage allowance in their bid proposal. Both Russ Geiger and Tim Kortanek reiterated this was an important topic discussed at length during the pre-bid meeting. Russ felt that omitting it from the bid was somewhat misleading, as no damage allowance was included. In the interview, Chad Legion said he wanted to discuss the allowance and would like to add approximately \$300,000 for damage contingency. In further discussion, this amount was reduced to \$250,000 as they didn't normally have damages.
- The references submitted were all golf courses, and they were later requested to provide installations at communities. All the references were much smaller than Herons Glen and had good "as-built" drawings.

Mainscape:

- Russ Geiger has no prior experience with them, but their valve replacement work was labor-intensive and done well.
- Howard Young, Tim Kortanek and J.B. Belknap visited Gateway Greens and met with the irrigation supervisor to obtain feedback related to a Baseline system that Mainscape installed at that property.
- Included only a \$65,000 damage allowance in the bid.
- In the interview, Mainscape indicated they were willing to reduce the bid to reflect the direct purchase tax savings, but J.B. Belknap has not received a response since.

IV FINANCE COMMITTEE DISCUSSION AND RECOMMENDATIONS

The committee members asked various questions of Tim Kortanek, Russ Geiger and GM Belknap concerning: the scope of the work; labor resources; issues with cut lines for Bluestream and who would be responsible for repair; "as builds"; utilizing the HOA blue stream 'as builds'; directional boring; who would be the main contact from Herons Glen; communication to the residents; training of the Herons Glen staff; and who Tim Kortanek, Russ Geiger and J.B. Belknap recommends for this project.

After discussion by the Finance Advisory Committee, it was decided that the Committee would not make a recommendation to the Board of Supervisors until they heard the questions from the Board at the meeting that will follow the Finance meeting beginning at 9:30 a.m.

V ADJOURNMENT- The meeting adjourned at 9:25 a.m.

Approved:

Dennis Popp
 Chair, Finance Advisory Committee
 Date: November 10, 2025

**HERONS GLEN RECREATION DISTRICT
FINANCE Bid Oversight & Finance Committee
October 29, 2025
Minutes**

MEMBERS	Present	MEMBERS	Present
Larry Pedersen, Chair - Bid	x	OTHERS	
David Brendsal	x	J.B. Belknap, Gen Mgr	x
Rita Lehman	x	Jayne Schwarz, Liaison	x
Dennis Popp, Chair - Finance	x		
Carl Smith	x		

CALL TO ORDER – Larry Pedersen called the Bid Oversight sub-committee meeting to order at 8:30 AM. This is a follow-up to the September 17th meeting to provide additional information. The purpose was to discuss the revised bids and other information related to the general contractor for the earthwork, concrete, and pavement portion of the container storage area component of the overall storage project.

BIDS:

JB presented the revised pricing from Denmark Construction and Ernest, noting the biggest difference related to the pavement of gravel and lime rock. Based on a suggestion by Dennis, JB obtained a quote from National Site Materials for the gravel and lime rock base. Based on this quote, management does not believe that Ernest has a viable quote. Ernest pricing understated the cost of gravel and lime rock

It was noted that Ernest is a Miami – Houston firm, did not make a site visit, missed response, and their reference did not respond. Denmark is a local construction firm and has successfully completed other projects for the District.

Other discussions related to

- the electrical component, which was removed from the original proposals and will be a separate contract directly with an electrical company
- the concrete apron included in the LDO, which the engineer does not believe may be needed
- ensuring that the welding plate to attach the containers was included in the bids

The group discussed the various components of the overall project, such as required landscaping, lighting, fencing, crane and other equipment rental to move the containers onto the pad. The length of time to complete the project is dependent upon county permits for the electrical and concrete work. Also discussed was the electrical and the use of a pole vs a pad for the transformer.

Carl Smith moved and Dennis Popp seconded the motion to support management’s recommendation and recommend to the Finance Committee the contract proposal from Denmark Construction. This was unanimously approved.

Larry adjourned this sub-committee meeting and the Finance Committee met at 9:00 AM.

FINANCE COMMITTEE RECOMMENDATION:

Larry Pedersen moved and Carl Smith seconded recommending to the Board of Supervisors accepting the bid of Denmark Construction for the proposed work and include the alternative for concrete apron work. The proposed contract is \$100,931 plus the concrete base.

The committee unanimously approved the recommendation.

The meeting adjourned at 9:10 AM

APPROVED:

Dennis Popp
November 10, 2025

**HERONS GLEN RECREATION DISTRICT
FINANCE ADVISORY COMMITTEE
9:00 AM (Card Room C/Zoom Meeting)
Monday, November 10, 2025 - Minutes**

	Present		Present
David Brendsel	X	Jayne Schwarz, Board Liaison & Treasurer	X
Jeffrey Buxton, Alt	X		
Steve Christiansen	-	Lynn Brew, Controller	X
Rita Lehman	X	J.B. Belknap, General Manager	X
Larry Pedersen, Vice Chair	X		
Dennis Popp, Chair	X	Wendy Shea, Act. & Ev.Coordin.	X
Terry Potts, Alt.	X	Supervisor Peter Overs	X
Carlton Smith	X	Residents:	0
Beth Tyndall	X		

Call to Order:

I CALL TO ORDER

Chair Popp called the meeting to order at 9:00 a.m. and welcomed all those present to the Finance Advisory Committee meeting for November 10, 2025.

II APPROVAL OF PRIOR MINUTES

David Brendsel moved to accept the May 12, 2025, Finance Advisory Committee meeting, June 16, 2025, Bid Oversight Committee meeting on the Golf Cart Lease, the August 18, 2025, Finance Advisory Committee meeting on the 2-Wire Clis Project and October 29, 2025 Bid Oversight meeting on the Storage Containers as presented. Larry Pedersen seconded the motion. A vote was taken, and the motion was passed unanimously.

III DISTRICT UPDATE – J.B. Belknap

CLIS 2-Wire Project: Stahlman England are ramping up the 2-wire project. The homes on Calle Cristal and Rue Alec are now connected to the new controller. Currently, a total of 92 stations is online. Tim, Mainscape, and Oscar (SE) will coordinate the appropriate time to transition this area to Mainscape so that a new watering schedule can be established. SE will need input from Mainscape to determine how many zones can operate simultaneously. Once fully operational, this area will be an excellent litmus test for the new system.

The subcontractor for Blue Stream has been on-site locating the fiber optic lines. Stahlman England has received “All Clear” approval from the Blue Stream locators. Oscar and Erika are in daily communication regarding Blue Stream’s progress and their ability to fully mark the planned wire paths. According to Oscar, the directional boring is continuing uninterrupted.

Mainscape: GM Belknap sent out an email to the residents, outlining the actions we’re taking to temporarily suspend CSR’s and direct Mainscape’s focus on supplying water to weak turf areas that may be experiencing electrical issues or inadequate irrigation during the transition to the new 2-wire system.

Storage Containers: The Board of Supervisors has approved a contract between the District and Denmark Construction that includes two components:

1. Performing construction services, covering earthwork, concrete, and pavement construction for the District's Storage Container Project for the sum of \$107,000.00.
2. The construction management contract proposal, outlining Denmark's role in overseeing several components of the storage container project, as well as other necessary or desired features such as, but not limited to, gutter or rainwater diversion systems for the bocce courts.

Larry Denmark is also expected to receive a proposal from an electrical contractor early next week to provide a comparison to Kirkwood Electric's submission for the electrical portion of the project. We will meet with Larry Denmark next week to review all the aspects of the project under his supervision.

Driving Range Restrooms: Larry Denmark reported that the engineer now has the UL drawings. Once the engineer stamps the drawings, Larry will submit them to the county. Once submitted, he stated it will take 2 weeks for the county to review.

Bocce North Shade Structures: The existing canopies were reinstalled on Wednesday by Accent Awnings. Nate observed the reinstallation process and is confident his team could handle reattaching them following a hurricane. Larry (Denmark) is still in discussions with Suncoast Steel about a potential metal gutter system, though he's uncertain whether they'll be able to develop a viable solution.

#17 Bulkhead: GM Belknap has been in contact with John Baker of Bowman Engineering each week for updates and he still has not heard anything back from Lee County zoning. John called and left a message with the reviewer and will follow up on Monday. He's unsure why the response is taking so long but suspects there may be internal discussions taking place. The holdup concerns the lake perimeter in that the county currently allows only 20% of the lake perimeter to be "hardened" or stone and 80% to be natural like plants, etc. John Baker is currently looking for a deviation of 20% to 50% from the county.

Golf Course: Tim Kortanek is still in the process of searching for Matthew Bourne's replacement. Matthew received a great job offer in North Carolina. The USGA will be on-site on November 13th to include our golf course in an upcoming USGA Green Section feature article.

IV FINANCIAL UPDATES –

- A) Highlights of the Draft FY2025 preliminary results- GM Belknap presented a report for end of year 2025. (See attached). The District presently shows a preliminary \$232,000 positive variance to budget for the end of the year 2025. Non-Golf (Admin, F&B, Facilities Maintenance, CLIS and Fitness Center) had a positive variance to budget of \$135,000 and Golf (Pro Shop and Golf Course Maintenance) had a positive variance to budget of \$97,000.
Discussion was held on attracting and retaining good employees. It was also noted that food & beverage revenue was at an all-time high and gross margin and cost of sales were improved.
- B) Status of FY2025 Audit - Lynn Brew reported that the fiscal year-end audit work commenced earlier than usual this year due to the auditors' increased availability. The audit process is progressing smoothly, and the team anticipates being on schedule for the joint Finance Committee and Board meeting with the auditors in January.

Additionally, Lynn noted the implementation of GASB Statement No. 101, *Compensated Absences*, which requires the recognition of a liability on the balance sheet for unused paid time off (PTO) as of the fiscal year-end. This change will initially have a negative impact on the year-end surplus. However, in subsequent years, the adjustment will reflect only the current liability amount, thereby minimizing future fluctuations.

C) Status – Accounts Receivable Aging: Delinquencies and Liens - Lynn also presented the Accounts Receivable Aging Report for the month ended October 31, 2025. The total amount delinquent for 60+ days was reported at \$7,075, which is \$1,194 lower than the amount reported at the last Finance Committee meeting for the period ended March 31, 2025. There are currently two liens in place, one of which pertains to a property where both owners are deceased; however, a sale of the property is pending. Since the March 31st report, two liens have been released, and two additional liens are pending. Furthermore, two house accounts were written off to the allowance for Bad Debt and Bad Debt Expense in FY25, totaling \$1,154. These write-offs were due to prior owners having sold their properties without settling their final house account balances.

V ATTENDEES' DISCUSSION – No discussion was held.

VI NEXT FINANCE MEETING DATE – January 26, 2026 @ 9:00 a.m. (No Zoom) with Board of Supervisors and Board's Auditors.

VII ADJOURNMENT- The meeting adjourned at 9:43 a.m.

Approved:

Dennis Popp
Chair, Finance Advisory Committee
Date: January 26, 2026