

**HERONS GLEN RECREATION DISTRICT
REGULAR BOARD WORKSHOP
February 22, 2021, 2 P.M., Card Room C/Zoom
AGENDA**

BOARD MEMBERS	PRESENT	OTHERS	PRESENT
Chair Don Misener		GM J.B. Belknap	
Vice Chair Howard Young		Controller Lynn Garcia	
Treasurer Jayne Schwarz		District Counsel Tom Hart	
Secretary Mary Ann Polvinen		Board Sec. Karon Bennett	
Asst Sec/Treas William Kulkoski		Residents	

- I. **CALL TO ORDER** – Chair Don Misener
- II. **ANY PROPOSED CHANGES TO MINUTES** – Special Board Workshop 01/25/21 and Regular Board Meeting 01/28/21.
- III. **GENERAL MANAGER’S REPORT** GM J.B. Belknap
- IV. **FINANCIAL REPORT- January 2021** Controller Lynn Garcia
- V. **DISTRICT COUNSEL’S REPORT** Thomas Hart, Esq.
- VI. **COMMITTEE REPORTS & RECOMMENDATIONS**
 - A. Golf Course Renovation, February 11th Chair John Edinger
 - A. Finance Advisory, February 15th with auditors. Chair Ron Glasgow
 - B. Facilities & Amenities, February 15th Chair Karen Mars
- VII. **OLD BUSINESS**
 - A. Status of Bond Projects
 - B. Realtor Fee/DR Horton
 - C. Delayed until Next Workshop: Board “Top Ten” Objectives
- VIII. **NEW BUSINESS**
 - A. Committee Participation Needs Vice Chair Young
 - B. Adjust Long Range Planning Committee Charter Vice Chair Young
- IX. **RESIDENT COMMENTS**
- X. **NEXT WORKSHOP/MEETINGS**
 - Thursday, February 25 — Golf Renovation Committee @10:30 a.m.— Zoom
 - Thursday, February 25 — Board of Supervisors Meeting @ 2:00 p.m.—Card Room C/Zoom
 - Monday, March 15 — Long Range Planning @ 9:30 a.m.— Zoom
 - Monday, March 15 — Facilities & Amenities Advisory @ 2:30 p.m.—Zoom
 - Thursday, March 18 — Golf Renovation Committee @ 9:00 a.m.—Zoom
 - Monday, March 22 —Board Workshop @ 9:30 a.m.—CR-C/Zoom
 - Thursday, March 25—Regular Board Meeting @ 2:00 p.m.—Card Room C/Zoom
- XI. **ADJOURNMENT**



**HERONS GLEN RECREATION DISTRICT
REGULAR BOARD WORKSHOP
February 22, 2021, 2 PM, Card Room C/Zoom
MINUTES**

BOARD MEMBERS	PRESENT	OTHERS	PRESENT
Chair Don Misener	X	GM J.B. Belknap	Zoom
Vice Chair Howard Young	Zoom	Controller Lynn Garcia	Zoom
Treasurer Jayne Schwarz	X	District Counsel Tom Hart	Zoom
Secretary Mary Ann Polvinen	X	Board Sec. Karon Bennett	Zoom
Asst Sec/Treas William Kulkoski	Zoom	Residents	9

- I. **CALL TO ORDER** – Chair Don Misener
- II. **ANY PROPOSED CHANGES TO MINUTES** – No changes were made to the Special Board Workshop 01/25/21 and Regular Board Meeting 01/28/21.
- III. **GENERAL MANAGER’S REPORT** - GM J.B. Belknap started his report by mentioning a meeting with Ricky Nix and Clarke Construction is tentatively scheduled for March 2nd to discuss and identify the next steps in the Golf Course Renovation project. The golf course surveyor is continuing his work on the course. At least on the 5th hole, the location of the property boundaries for both the preserve area and golf course were somewhat surprising. During the March 2nd meeting, the 5th hole tee plan will be discussed. J.B. is confident that we can increase the size of the 3rd, 4th & 5th tees but may have to move the 6th tees up so they are out of the preserve. If the 5th hole is any indication, determining “out of bounds” markings will be a challenge due to the location of the boundary pins.

For future consideration, J.B. has been working with Jon Edinger and Jack Birecree from the Golf Course Renovation committee on establishing a Charter for a potential Green Committee. This would be an advisory committee made up of a broad cross section of golf members with the responsibility of advising on the golf course maintenance and playing condition standards.

Transtech Energy, the procuring company in charge of the tank removal, will take approximately a week to remove the BalGas tank and restore the area. J.B. is in contact with Joyce regarding any HOA involvement.

Supervisor Polvinen opened a discussion by asking the Board to consider adding the restaurant renovation to this Summer’s Bond project schedule in conjunction with the pool deck renovation. Following a consultation with Stultz Construction, Supervisor Polvinen stated that combining the projects could save the District up to \$50K. Facilities & Amenities Chair, Karen Mars agreed, stating that the Facilities and Amenities Committee is prepared to propose the same to the Board. She asked that the Board consider the impact that several years of construction could have on the staff at the District. Mrs. Mars also addressed the question of resident input and reminded the Board that Focus Groups were assembled within the community during the Summer and Fall of 2019 to provide feedback and input. Progression was not made at that time due to differences in opinion and COVID. J.B. will provide the Board with the conceptual drawings from Sheeley Architects as well as the Champion’s report on the subject. J.B. will also seek a timeline on the additional projects from Stultz Construction. Supervisor Kulkoski added that the storage building portion of the Bond project could be delayed,

allowing more time to accomplish the pool deck and restaurant renovations. J.B. has been in contact with Stultz who indicated that the 100% Completion Drawings for the five (5) Bond Projects will be completed by either Tuesday, February 23rd or they will they will have the completed construction and permitting documents by Wednesday, February 24th, and should be able to answer questions of the Problem-Solving Task Force Committee and then the Board. The Board agreed to hold a Special Board Meeting on March 5, 2021 at 9 AM. The PSTF will schedule a meeting prior to the March 5th. J.B. will contact Stultz to attend both meetings.

IV. FINANCIAL REPORT- January 2021 - Controller Lynn Garcia reviewed the Financial Operating Results for the First Quarter as follows:

Administration - \$ 30,336 favorable to budget. YTD \$69,998 favorable to budget.
Restaurant - \$15,786 unfavorable to budget. YTD \$12,995 unfavorable to budget.
Clubhouse - \$5,948 favorable to budget. YTD \$26,323 favorable to budget.
CLIS - \$2,097 favorable to budget. YTD \$21,760 favorable to budget.
Fitness Center - \$525 favorable to budget. YTD \$4,303 favorable to budget.
Golf Maintenance - \$2,297 favorable to budget. YTD \$14,588 favorable to budget.
Pro Shop - \$22,475 unfavorable to budget. YTD \$50,572 unfavorable to budget.
All Departments - \$2,941 favorable to budget. YTD \$73,404 favorable to budget.
Golf Operations - \$20,177 unfavorable to budget. YTD \$35,984 unfavorable to budget.
From Other than Golf Operations - \$23,119 favorable to budget. YTD \$109,389 favorable to budget

V. DISTRICT COUNSEL'S REPORT - Counsel Hart received qualifying papers from two people seeking election/re-election to the Board's two available seats. Therefore, the election and Meet the Candidates will be canceled and the two qualifying candidates will fill the open Board seats. Mr. Hart will present the Board with Resolution 2021-04 regarding the Board election for the upcoming term of three years commencing April 1, 2021 at the next Board Meeting.

VI. COMMITTEE REPORTS & RECOMMENDATIONS

Golf Course Renovation, February 11 - Chair John Edinger followed up on J.B.'s comments concerning the boundary surveying. Directional boring is scheduled to start on March 1st.

Chair Edinger intends to request an additional \$190K for much needed cart path work, additional curbing and Driving Range mat expansion. Chair Edinger will work with Controller Lynn Garcia to determine what Bond proceeds are included in his committee's cart path proposal before presenting it to the Board on Thursday, February 25th. The approval of the proposal needs to take place before springing on the golf course begins.

Finance Advisory with Auditors, February 15th - Chair Glasgow will present the following recommendations to the Board at the next Board Meeting:

- 1. Emergency Fund. Change to "Uninsured Losses Reserve Fund"**
 - A. Change name on Fund Balance Sheet**
 - B. Change HGRD Policy VI. Financial Policies C.4, Delete phrase emergency reserves and name "Uninsured Losses Reserve".**
- 2. Intermediate Capital Fund. Change to Long Term Capital Reserve Fund.**
- 3. Investment Policy. Delete detailed written investment policy. Change title to Investments.**
 - 1. Investments - The District elects not to adopt a detailed written investment policy and follows Florida Statue 415.218(17) for investing surplus funds.**

4. Capitalization Policy. Add the following to D. Capital Projects/Asset Policy.

D. Capital Projects/Asset Policy

All tangible personal property with a value of \$5,000 or more and having a projected useful life of greater than one year shall be recorded as property for inventory purposes. "Cost" is used if the property is purchased and represents the purchase price of the property item; "value" is used if the property is donated and represents the worth or acquisition value of the property item at the date of the donation. Items with a value or cost of less than \$5,000 may be recorded as property for inventory purposes, at the discretion of the General Manager.

5. V. Financial Policies. Section C should be rewritten as follows:

1. Monies received as "New Owner Capital Fees" are non-operating income to the District. These fees may be used to SUPPLEMENT the annual capital replacement reserve assessment required for the improvement and replacement of District capital assets.

2. All monies received during a fiscal year shall be maintained in a separate account identified as the NEW OWNER CAPITAL FEES. At the end of each quarter, new owner capital funds received shall be moved to the Long-Range Capital Reserve Account. These monies may be for investment purposes per the HGRD investment policy. All funds must be retained in state approved depositories.

3. Monies received in a fiscal year shall not be spent during that fiscal year.

4. Annually, at fiscal year end, the Board of Supervisors and management shall allocate the NEW OWNER CAPITAL FEES between one of two accounts. The Uninsured Losses Reserve Fund and The Long-Term Capital Reserve

The Board of Supervisors shall decide the percentage allocation of the NEW OWNER CAPITAL FEES between the two accounts based on the goals set for each fund. Until the Uninsured Losses Reserve reaches its goal, the allocation shall be 50%/50%.

The Uninsured Losses Reserve Fund shall be \$350,000 or the total insurance deductible, whichever is greater.

The Uninsured Losses Reserve Fund is intended to fund expenditures caused by natural disasters/events that are not covered by insurance or to meet insurance deductibles on insured losses.

5. At the end of each fiscal year:

a. Management shall determine the amount needed in the Uninsured Losses Reserve Fund. Based on expenditures made during the fiscal year, interest earned in the account during the fiscal year and the amount of insurance deductible required for the policy beginning with the new fiscal year. The amount required must always be at least \$350,000.

b. If the amount of additional funds requires less than 50% of the NEW OWNER CAPITAL FEES received during the fiscal year, management shall adjust the account and advise the Board of Supervisors of the adjustment.

c. If the amount of additional funds required is more than 50% of the NEW OWNER CAPITAL FEES received during the fiscal year, The Board shall determine the allocation.

d. If the amount of funds needed in the Uninsured Losses Reserve Fund is less than the fiscal year-end balance in the Uninsured Losses Reserve account, management shall move excess monies into the Long-Term Capital Reserve Fund.

6. The Long-Term Capital Reserve Fund is intended to fund capital items for:

a. New or Improved Community wide amenities that have been on the Long-Range Plan for at least a year or,

b. Capital assets that need to be replaced before their useful life has been completed.

7. The monies in the Long-Range Capital Reserve Fund shall continue to grow without limit. When an item on the Master Capital List comes into the 10-year averaging window in the reserve, the Board will decide how much of the unreserved balance, if any, should be considered in the annual assessment calculations and how much should be relied on from the Long-Term Capital Reserve Fund.

Facilities & Amenities, February 15 - Chair Mars went over a few ideas for the Weyer Memorial. Ultimately the committee proposes a memorial garden which sits aside hole # 13. The location allows for scenic views, multiple planting spaces and it stays in line with the District's policy regarding memorials.

Long Range Planning, February 22 – Fred Gignac/ Vice Chair Young will request that the Board modify the Policies and Procedures, Long Range Planning Committee Charter to include up to seven (7) members on the committee. The current Charter only allows for five up to (5) members.

VII. OLD BUSINESS

Realtor Fee/DR Horton - Counsel Hart advised the Board to postpone any decisions regarding Real Estate Agent Steve Weissberg's \$10K payment for facilitating the DR Horton deal until the finalization of the sale deadline of March 31, 2021.

Board "Top Ten" Objectives – Vice Chair Young shared the eight Board Objectives within the District's Strategic Plan. He stressed the importance of having a Strategic Plan in place that the Board updates each year. Vice Chair Young asked the Board to review the Strategic Plan draft and provide him with feedback. A discussion on the steps to be taken to update and implement the Strategic Plan was delayed until next Board Workshop.

Butterfly Garden – JB Belknap shared a GoogleEarth photo of the Butterfly Garden location, the Society's original schematic of the planned garden and the original Butterfly Garden agreement, which Supervisor Kulkoski helped craft. Counsel Hart will review the agreement for approval at the Thursday, February 25th meeting.

VIII. NEW BUSINESS

COVID Restrictions in the Restaurant – J.B. Belknap advised the Board that restaurant participation has been increasing over the past several weeks as many residents received COVID vaccinations. In light of this recent uptick, the Board agreed to increase the restaurant capacity in the dining room to 75%. The Lounge and Bar service will remain at 50% until further notice. Residents are still required to:

- Wear masks in the restaurant unless eating or drinking;
- Maintain safe social distancing;
- Make dinner reservations based on the limited capacity, particularly in the Lounge and for outside dining.

IX. RESIDENT COMMENTS – None were presented.

X. NEXT WORKSHOP/MEETINGS

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XI. ADJOURNMENT – Chair Misener adjourned the meeting at 4:53 PM.

3/25/2021

Date

SUBMITTED BY:

Karon Bennett

Karon Bennett, Board Secretary

3/25/2021

Date

APPROVED BY HGRD BOARD:

Don Misener

Don Misener, HGRD Board