



**HERONS GLEN RECREATION DISTRICT BOARD WORKSHOP BUDGET MEETINGS  
June 20-23, 2022, 9:00 A.M. – 3:30 P.M., Card Room C, and Zoom**

Zoom Details: <https://us02web.zoom.us/j/9687107160>

Meeting ID: 968 710 7160 – Passcode: HgrdMeet1

**AGENDA**

<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		Finance Committee	
Secretary Mary Ann Polvinen		Executive Asst Karon Bennett	
Asst Sec/Treas Bill Kulkoski		Residents	

- I. CALL TO ORDER – Chair Howard Young
- II. PRESENTATION OF BUDGETS – GM J.B. Belknap & Controller Lynn Brew

(1) Monday, June 20: Capital  
Deferred Maintenance  
Clubhouse  
Fitness Center  
Break 12:00 p.m. – 1:00 p.m.  
Bond Project Discussion

(2) Tuesday, June 21: Golf Course Maintenance  
Golf Pro Shop  
CLIS  
Break 12:00 p.m. – 1:00 p.m.  
Bond Project Discussion

(3) Wednesday, June 22: Food and Beverage  
Administration  
Break 12:00 p.m. – 1:00 p.m.

(4) Thursday, June 23: Review of Budget  
Break 12:00 p.m. – 1:00 p.m.

- III. QUESTIONS & DISCUSSION
- IV. ANY OTHER BUSINESS TO COME BEFORE THE BOARD
- V. ADJOURNMENT

**Board Meeting to follow on Friday, June 24th at 9:00 A.M.**

# HERONS GLEN RECREATION DISTRICT BUDGET WORKSHOPS

June 20, 2022, Day One-of-Three - 9:00 AM, Card Room C/Zoom

## MINUTES

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	Executive Asst Karon Bennett	X
Secretary Mary Ann Polvinen	X		
Asst Sec/Treas William Kulkoski	X	Residents	5

- I. **CALL TO ORDER** – Chair Young opened the meeting at 9:00 AM.
- II. **PLEDGE OF ALLEGIANCE** - Supervisor Kulkoski led the Pledge of Allegiance.
- III. **ROLL CALL** – Board Secretary Karon Bennett called roll (attendees are listed above).
- IV. **INTRODUCTION** – Supervisor Schwarz gave the attendees an overview of the Recreation District and a few important requirements to consider when going through the budget meetings. Herons Glen Recreation District is a Florida special district, a “local” government. **Key Requirements:**
  - a. Adopt a budget by resolution each year.
  - b. The total amount available from HGRD assessments and other sources (memberships, sales, etc.), including balances brought forward (reserves – capital, deferred, etc.) **MUST** equal the total of appropriations for EXPENDITURES and reserves.
  - c. The Adopted budget regulates expenditures of the District.

### **Next Steps:**

- a. Management will present their preliminary budget report for operation and management of the Recreation Facilities for the FY2022-2023. It will identify departmental expenditures as well as the assessment and other revenue needed to fund those expenditures. The same will happen for the reserve accounts – capital and deferred – along with management’s assumptions.
- b. On Friday, the Board of Supervisors will consider a resolution to approve the preliminary budget report and preliminary assessment roll to fund the expenditures. In the resolution, the debt service assessment (lot owner’s bond payment of \$1,424.58) is identified for each lot within the District.
- c. Management will send the notice of preliminary budget and assessment needed to fund the budget to each lot owner. That report also includes the debt service assessment. Management will mail this package out during July. This action is similar to the TRIM notice owners receive from Lee County on their property taxes. The mailing will include the lot owner’s notice of the September 1, 2022, Public Hearing to adopt the FY2023 budget and the assessments.

- d. After the September 1, 2022 public hearing and adoption of the budget and special assessment roll for FY2023 (October 1, 2022-September 30, 2023) management will mail or electronically transmit the final amount of the assessment for quarterly payments.
- e. The roll for the bond assessment get transmitted to the Lee County tax collector and are included on the lot owner's real estate tax bill.

## V. PRESENTATION OF BUDGETS

GM J.B. Belknap and Controller Lynn Brew started by reviewing the capital plan. The capital plan consists of assets costing \$5k or more, with a useful life of at least one year. Assets are maintained on the spreadsheet for a 30-year period and each replacement is recorded based on the item's useful life. This, reviewed over a 30-year period, determines how many times the line items appear on this plan. From the 30-year spreadsheet, this first 20-year window determines the annual working capital assessment. A 3% inflation factor is added each year. The total requirement is then divided by 1,300 homes for the annual assessment per lot.

The Supervisors had previously requested management run two models for the requirements. Since the first tranche of bonds will be paid in approximately 15 years, what would be the impact of removing items requiring replacement which could potentially be paid from a new bond rather than reserving the entire needs requirement. For example, the USGA estimates the need to renovate greens in 15 years and this item could be funded through a future bond. Potential bond items were reviewed with the assumption that the Strategic Plan for HGRD will include a re-bond in 15 years. Funding requirements were reviewed with both issuance of bonds in approximately 15 years and total capital needs. Numbers will be reviewed with those items and without.

Management then moved forward to the deferred maintenance reserve requirements. The Deferred Maintenance reserve is based on the 10-year projected needs of the district and includes an inflationary factor. Management added equipment replacement to the deferred reserve requirements. The group discussed the fact that many items of kitchen and fitness center equipment cost less than \$5,000 and were once considered capital items, are no longer capital items.

### **General Assumptions - 2022-23 Fiscal Budget**

- O&M Divisor will be 1300, as all lots in the district are platted and owned.
- Incorporated FL mandatory increase in the minimum wage to \$11/hr from \$10 for regular wages and \$7.98 from \$6.98 for tipped wages
- 5% salary/wage increase for the staff based on performance
- Salaried employee's annual performance increases effective in September, paid as a lump sum equivalent to 12 months percentage increase. Hourly employees' performance increases are effective on their anniversary date
- Cost of Healthcare premiums are estimated to increase 20% over FY22 projected (ACA requires employers to offer insurance at a cost to the employees of not more than 9.61% of their wages)
- Property & Liability insurance estimate shows an increase of 18% over the FY22 budget
- Electricity increased 10%, considering LCEC's rate increase implemented in May 2022 and additional increased planned by utility.

**MOTION:** *Supervisor Kulkoski made the following motion: The Board, in setting the 2022-2023 budget and assessments, is purposely not including assessments for capital replacements scheduled to occur in 2037 and beyond. The expectation of the Board is that when the first tranche of the 2020 Bond is paid off in 14 years, the Board at that time will determine what capital projects need to be funded going forward and will issue new debt to finish those projects. Supervisor Polvinen seconded the motion. **The motion was approved unanimously.***

### **Clubhouse Maintenance**

- Club House Manager Dan Parker retiring in May 2023 and would serve part-time on the rolls as a consultant. Nathan Baers will take over the manager's position as of May 1, 2023. One other maintenance staff member indicates he will retire during the year.
- Tennis Association Fee remains \$10k, plus \$1,600 planned for non-residents playing for Herons Glen in leagues.
- Storage building expected to be placed into service during FY23
- Budgeting for a \$12,000 contingency for maintenance on possible completion of bond renovations during FY23.
- As effluent water is now mixed with lake water in the pond nearest clubhouse, CLIS will also use this water. CLIS operations allocated to use 10% of effluent water.
- Pool chemicals were increased approximately 20%, due to chlorine and sodium bicarbonate shortages. Other pool and other maintenance repairs increased 10% due to inflation.
- Cleaning supplies increase approximately 40% based on availability and cost increases.

**There was a one-hour break in the proceedings for lunch.**

### **Administration**

- Activities Coordinator Wendy Shea presented the 2023 Concert Series offering. Series tickets increased to \$80 for the 4 shows scheduled. Tickets for individual shows increased to \$25 each. The concert series is considered a zero-based amenity, and performer prices will continue to rise. The Concert Series performances are as follows:
  - Saturday, January 14, 2023
  - Saturday, January 28, 2023 Friday
  - February 10, 2023 Saturday
  - February 25, 2023
- Sub-HOA Association Accounting Fees remain at a 3% increase (contractually fixed at 3%). Management was requested to determine the cost of providing this service to the sub-HOA association residents of the Fairways, Meadows, and Solana. Management subsequently provided information which showed that the cost of this service is more than the amount charged.
- HGRD Social Events/Member Relations increased for the Volunteer Appreciation event co-hosted with the HOA.
- Professional fees increased by approximately 20%. This included estimated additional auditor's work, support for the staff for the 3<sup>rd</sup> party audit review, and service to comply with GASB on leases and software.
- Discussed that the Professional Fees include several items that were required due to the District's bond requirements, for example Trustee bank fees, creating and submitting tax roll data, and compliance reports.

- VI. **QUESTIONS & DISCUSSION** – No questions were asked by the public regarding the budget.
- VII. **ANY OTHER BUSINESS TO COME BEFORE THE BOARD** - Discussion took place concerning the need for the Board to update residents on the Bond Projects, the restaurant renovation, and the creation of a resident survey to determine what should be done with the restaurant. Supervisor Polvinen went on record to state that the bond budget for the restaurant renovation was grossly underfunded from the beginning.
- VIII. **ADJOURNMENT** – At 2:45 PM the meeting was adjourned until the following day, June 21, 2022, at 9:00 AM.

08/15/2022  
Date

SUBMITTED BY:  
  
Karon Bennett, Executive Assistant to the GM & Board

08/15/2022  
Date

APPROVED BY HGRD BOARD:  
  
Peter Overs, HGRD Board Vice Chair

**HERONS GLEN RECREATION DISTRICT BUDGET WORKSHOPS**  
**June 21, 2022, Day Two-of-Three – 9:00 AM, Card Room C/Zoom**

**MINUTES**

<b>BOARD MEMBERS</b>	<b>PRESENT</b>	<b>OTHERS</b>	<b>PRESENT</b>
Chair Howard Young	X	GM J.B. Belknap	X
Vice-Chair Peter Overs	X	Controller Lynn Brew	X
Treasurer Jayne Schwarz	X	Executive Asst Karon Bennett	X
Secretary Mary Ann Polvinen	X		
Asst Sec/Treas William Kulkoski	X	Residents	3

- I. **CALL TO ORDER** – Chair Young opened the meeting at 9:00 AM.
- II. **ROLL CALL** – Board Secretary Karon Bennett called roll (attendees are listed above).
- III. **PRESENTATION OF BUDGETS** – GM J.B. Belknap & Controller Lynn Brew reviewed lines items from the preliminary budget document and the Supervisors discussed the following:

**Golf Course Maintenance**

**Assumptions**

- 35% increase in fertilizer over FY22 budget - 100% cost increase in wall-to-wall fertilizer
- Gasoline prices have doubled over the past year and are still climbing - budget allows for 8% over FY22 projected
- Volume of pine straw increased due to the removal of palmetto bushes during the renovation
- FY23 GCM Equipment Lease budget starting in Jan 2023 will be \$3,864/mo with 4 pieces of equipment
- Golf Cart Path Repair & Maintenance moved to operating from Deferred Maintenance
- Removed fairway top dressing budgeted due to the cost increase in sand

**CLIS Assumptions**

- CLIS Income from HOA for common areas increase 20%
- Director of GCM/Grounds supervision (20%) as well as part-time GCM secretary (40%) allocated to CLIS
- One current CLIS employee allocated to Bond CLIS renovation
- New Carryall cart lease for the CLIS Department.

The overall department expenses increased by 20%. Management and the board discussed the need for an additional position, while using one staff member for labor in the bond project.

The injection system for the pumps to filter lake water will be serviced on a regular basis. This is needed for the filtering discs purchased to improve the performance of CLIS.

The CLIS, our 30-year-old home watering system, in the “Historic District” will require more updating than originally anticipated. Underground wiring needs replacing as well as some control components. Getting the CLIS system functioning properly is not an option. The cost of getting CLIS functioning properly will far exceed the allocation in the Bond Project Plan.

- **MOTION:** *Vice-Chair Overs made a motion to allocate up to \$1m for the CLIS project repairs. This includes: the front and back of the community rewired, a control scheme, 1 person dedicated to maintaining the system for 1 year with wet checks, removing super controllers and installing underground, encased wiring and valves. This will include the entire community except for Mystic which was installed in 2021. Supervisor Polvinen seconded the motion. **The motion was approved unanimously.***

### **Golf Pro Shop Assumptions**

- Golf Membership dues up 13% for resident households of two, 22% for resident singles, 12% for non-resident couples and 42% for nonresident singles
- Golf membership maxes out at 574 members (515 residents and 59 non-residents)
- Hiring a 2nd Assistant Pro to start the new membership year
- Increased hours for outside staff to meet expectations of membership
- Additional outside play revenue increased due to higher operating costs
- Golf Shop Inventory owned by an outside vendor - HGRD collects 10% commission from all sales

Head Golf Professional Chris Ewing shared a presentation on an Overview of Inside Golf Staffing (Attachment B) He discussed responsibilities at the Golf shop counter, merchandising responsibilities, tournament responsibilities, and outside services. Daily operations requirements, in season, are calculated at 196 hours per week. With the labor at Herons Glen, including the Head Professional, Assistant Pro, and part time staff, the total hours available are 155 hours per week, resulting in a shortfall of 41 hours, Chris also showed counter hours and coverage for the period October – April and the balance of the year. Chris shared with attendees the Head Golf Professional’s wheel of responsibilities that must be managed and accounted for throughout the year.

Chris also showed a comparison of clubs and staff hours available for local clubs with annual rounds similar to the 50,000 rounds at Herons Glen. This shows that Herons Glen has the fewest total hours available of those identified, although the annual golf rounds are approximately the same. Herons Glen also has the fewest PGA Members/Associates and had available 2,000 hours fewer than the average.

The Board discussed the need for a second Assistant Golf Professional as described in the presentation. After much discussion, it was agreed that an additional assistant golf professional should be included in the budget.

### **There was a one-hour break in the proceedings for lunch from noon until 1:00 PM.**

GM Belknap and Finance Committee Members Jeff Buxton led a presentation on the Golf Rates. The budget requirements strategy was based on the annual golf membership fees funding golf maintenance expenses, while the non-member and other revenue covers the golf shop staff and all other expenses. The green committee and management recommend that the number of rounds played be maintained in the 50,000 rounds per year range in order to protect the newly renovated course. Some residents also believe that non-resident memberships need to be restricted and those membership fees be increased substantially. The membership total target was approximately 550 members (in 2022 there were 593 members), allowing all current non-resident members to re-join by paying fees by September 30<sup>th</sup> and not limit the number of resident memberships. It was also noted that membership fees have been frozen for 3-years, not increasing for renewing members since the pre-renovation rates.

All increased amount discussions were based on rates charged to 2021-22 new memberships. After multiple scenarios, and much discussion, one proposal was for resident households’ fees to increase to \$5100 (13%) and resident single membership fees to increase to \$3,300 (22%). Non-resident memberships were \$6,700 and \$4,900. All amounts were before sales tax. However not all golf course expenses were covered in this scenario and not all board members **felt** comfortable with these amounts. Management was to return on Friday with what was needed to cover all allocated golf expenses. Membership fees and outside play greens fees were to be re-evaluated.

The results are attached (Attachment C).

**IV. QUESTIONS & DISCUSSION** – There were no questions or further discussion.

**V. ADJOURNMENT** – Chair Young adjourned the meeting until 9:00 AM the following day, June 22, 2022.

08/15/2022  
Date

SUBMITTED BY:

Karon Bennett

Karon Bennett, Executive Assistant to the GM & Board

08/15/2022  
Date

APPROVED BY HGRD BOARD:

Peter Overs

Peter Overs, HGRD Board Vice Chair

**HERONS GLEN RECREATION DISTRICT BUDGET WORKSHOPS**  
**June 22, 2022, Day Three-of-Three – 9:00 AM, Card Room C/Zoom**  
**MINUTES**

<b>BOARD MEMBERS</b>	<b>PRESENT</b>	<b>OTHERS</b>	<b>PRESENT</b>
Chair Howard Young	X	GM J.B. Belknap	X
Vice Chair Peter Overs	X	Controller Lynn Brew	X
Treasurer Jayne Schwarz	X	Executive Asst Karon Bennett	X
Secretary Mary Ann Polvinen	X		
Asst Sec/Treas William Kulkoski	X	Residents	4

- I. **CALL TO ORDER** – Chair Young opened the meeting at 9:00 AM.
- II. **ROLL CALL** – Board Secretary Karon Bennett called roll (attendees are listed above).
- III. **PRESENTATION OF BUDGETS** – GM J.B. Belknap & Controller Lynn Brew reviewed proposed budget line items and the Supervisors discussed the following:

**Restaurant Assumptions**

- Added back Food & Beverage Manager position eliminated in 2019
- 25% increase in revenue over actual revenue from FY2018
- Cut kitchen labor hours by 10% now that the Executive Chef will be strictly in the kitchen
- Food cost 42% based on our new buying rebate opportunity, beverage cost 26%
- Seasonal H-2B Employees: adding 4 additional including a dishwasher position. Total H2B employees:12 compared to 8 in FY22. The financial impact will be similar to FY22 actuals due to an increase in payroll deductions. The 2 additional H-2B servers will replace 4 part-time domestic servers. The 2 H-2B dishwashers will replace domestic and temp agency dishwashers.
- Increased hourly wage rate for H-2Bs to attract staff in this highly competitive market
- Two additional full-time employees budgeted to take company health insurance (F&B Manager & FT Dishwasher)
- Kitchen Equipment <\$5k considered as deferred maintenance/equipment, as many items are no longer capital assets.
- Projected subsidy of \$491,766

The group discussed J.B. and Jeff Buxton’s analysis of the F&B operation’s financial performance. Their analysis showed that, prior to COVID, prime costs of Labor and Food were covered by revenue. Since COVID, the operation has not been able to cover these prime costs. They pointed out that F&B costs are mostly variable as % of sales remains fairly consistent as sales dropped. However, payroll costs were not variable. The conclusion was the path back to a healthy F&B operation was to increase sales back to the 2016-2018 levels and maintain that cost structure.

GM Belknap provided comparisons of area clubs and their F&B losses in 2019 (pre-COVID). Herons Glen and Colonial had similar per lot losses and were the lowest of the group with \$319 (Herons Glen) and \$341-Colonial, while the Legends in Fort Myers, of similar size, reported over \$900/lot loss.



deductibles aren't finalized until September. This reserve may, by existing policy, be used to supplement the annual capital reserve assessment.

The New Owner's Capital Assessment is a non-operating revenue. The amount allocated to long-term reserves may be used (in the year following receipt) for new or improved community-wide amenities and facilities. Management provided comparable new owner assessments obtained from the club manager's group he participates in. Most groups increased their requirements during the COVID housing boom. Herons Glen has the lowest amount. It was recommended that the New Owner's Capital Assessment be increased to \$4,000 effective October 1. This will be finalized at the meeting later this week.

IV. **ANY OTHER BUSINESS TO COME BEFORE THE BOARD**

V. **REVIEW OF THE BUDGET** - The Board reviewed all the corrections or changes that were decided during the three days of reviewing the budget. Chair Young confirmed that all Supervisor goals for the Budget Workshops had been completed. Day four of the Budget Meetings was canceled and the Regular Board Meeting on July 24<sup>th</sup> remained as scheduled.

**ATTACHMENT C - Capital List Master Changes**  
**ATTACHMENT D - Deferred Master List Changes**

VI. **QUESTIONS & DISCUSSION** – There were no questions or further discussion.

VII. **ADJOURNMENT** took place at 2:15 PM.

08/15/2022  
Date

SUBMITTED BY:  
Karon Bennett  
Karon Bennett, Executive Assistant to the GM & Board

08/15/2022  
Date

APPROVED BY HGRD BOARD:  
Peter Overs  
Peter Overs, HGRD Board Vice Chair



HGRD BOARD OF  
SUPERVISORS:

Howard Young  
Chair

Peter Overs  
Vice Chair

Jayne Schwarz  
Treasurer

Mary Ann Polvinen  
Secretary

William Kulkoski  
Assistant  
Treasurer/Secretary

J.B. Belknap  
General Manager

July 11, 2022

Dear Herons Glen Recreation District Property Owner:

As you can imagine, it was with great difficulty that we crafted next year's budget. Rising inflation, labor shortages, and supply chain issues have all contributed to challenges not only in our personal lives but to the District as well. In creating this budget, we were faced with providing sufficient funding to not only maintain services but improve areas of concern expressed by our residents, while trying to keep the assessment as low as possible. Times are tough for all of us and the last thing the Board wanted to do is add to your burden.

With that said, we were initially presented with a budget that proposed a 15% increase in assessments. We were shocked, to say the least, and knew we had our work cut out for us. After an initial review, it became apparent that most of the line items in operations and maintenance left little room to be reduced without a reduction in services and maintenance.

We then focused on the capital and deferred maintenance reserves component of the budget. After much discussion, it was determined that we would no longer reserve for those major items in the capital plan which could be financed through the issuance of bonds in 14 years when the initial tranche of our present bonds is paid off. The fiscal impact of this decision was a reduction of \$262 in your yearly assessment per lot.

While this helped reduce the assessments, it was not our sole reason for making the decision. As a matter of philosophy, the Board felt it unfair to have our present residents pay for improvements to be made some 15 years in the future to be enjoyed by a whole new group of residents. Additionally, one of the main benefits of being a Recreation District is our ability to raise money by issuing long-term bonds thus allowing us to maintain lower reserve funds as compared to private clubs.

After 3 full days of study, questions and debate we have produced a proposed 2022-2023 budget that establishes a yearly assessment of \$2,535 which is a 10% increase over the present year, which equates to an increased payment of \$19 per month.

Some of the contributing factors to this increase, in addition to the challenges outlined above, are a 20% increase in employee health insurance, an 18% increase in property & liability insurance, and a mandatory increase in the minimum wage.

While every member of the Board wishes we could have reduced the percentage of the increase in the assessment, given our fiduciary responsibilities, we feel we have done the best we could for our residents and the community.

Attached to this letter is the “Official Notice” of the planned assessment for next year beginning October 1, 2022. This assessment provides the cash flow to run District operations successfully. Assuming the budget is adopted without change, each lot owner will be assessed \$2,535 per year in quarterly installments of \$634.

**GOLF MEMBERSHIPS:** Here again we were faced with some challenges. In addition to inflation (i.e., the cost of fertilizer went from \$50,000 in 2021 to \$160,000 this year), we had the recommendation from the Green Committee that in order to prolong the life and overall playability of the golf course, we reduce the number of yearly rounds played. In order to accomplish this and still satisfy the needs of the membership, a reduction in overall membership was necessary resulting in higher fees. It should also be noted that for those members who maintained their membership during the golf course renovation their fees were frozen for the past three years, and now must catch up to the new rates.

The golf membership rates for 2022-2023 are as follows:

Resident Single \$3,300, with sales tax amount due = **\$3,514.50**

Resident Household \$5,280, with sales tax amount due = **\$5,621.80**

Non-Resident Single \$4,900, with sales tax amount due = **\$5,218.50**

Non-Resident Couple \$6,700, with sales tax amount due = **\$7,127.00**

New Non-Resident memberships will be assessed a one-time Capital Contribution fee of \$1,000

**TENNIS FEE:** The annual assessment for the Tennis Association is \$10,000. This assessment is due in the Administrative Office no later 5:00 PM on Friday, September 30, 2022.

**NEW RESIDENT CAPITAL ASSESSMENT:** The assessment for new property owners closing on property on October 1, 2022, or later will be \$4,000.

The Public Hearing for adopting the Fiscal Year 2022-2023 Annual Budget and Assessment will be on Thursday, September 1, 2022, at 5:00 PM if you have any questions or comments. We welcome you to attend our Board meetings.

Thank you for your support.

Herons Glen Board of Supervisors:

<i>Howard Young</i>	HGRD Board Chair
<i>Peter Owers</i>	HGRD Board Vice-Chair
<i>Jayne Schwarz</i>	HGRD Board Treasurer
<i>Mary Ann Polvinen</i>	HGRD Board Secretary
<i>William Kulkoski</i>	HGRD Board Assistant Treasurer/Secretary

Attachments:

- Notice of Public Hearing
- Proposed Operating Budget

**NOTICE OF PUBLIC HEARING  
TO ADOPT NON-AD VALOREM ASSESSMENT ROLL**

**NOTICE IS HEREBY GIVEN** that the Herons Glen Recreation District (the “District”) has called for a public hearing to be held on **Thursday, September 1, 2022 at 5:00 p.m.** in the Clubhouse of the Herons Glen Golf & Country Club, 2250 Herons Glen Boulevard, North Fort Myers, Lee County, Florida, for the purpose of adopting its Annual Budget and non-ad valorem assessment roll in the form of special assessments to defray the cost of bond debt service and operating and maintaining the District’s Recreational Facilities and to fund capital replacement and deferred maintenance reserve accounts during its upcoming fiscal year, 2022/2023. (These annual assessments are here referred to as the “Special Assessments” and the September 1, 2022, public hearing is here referred to as the “Public Hearing”).

The total amount of the proposed Operation and Maintenance (“O&M”) Special Assessment per lot is **\$2,535.00** for developed lots (lots with homes on them) and **\$2,312.75** for undeveloped (vacant) lots. The debt service (“Bond”) assessment is \$1,424.58 per lot.

For developed lots, the Operation and Maintenance assessments are proposed to be billed directly by the District in quarterly installments of **\$634.00**. For undeveloped lots and lots owned by owners who are two or more quarters delinquent, the O&M amounts stated above are proposed to be collected either directly by the District or by the County Tax Collector, as determined from time to time. The actual final assessment amount for each lot will be determined by the Board of Supervisors at the Public Hearing.

The District proposes to levy these non-ad valorem Special Assessments against the specially benefitted property within the boundaries of the District and within the Herons Glen, Del Vera and Mystic subdivisions, North Fort Myers, Lee County, Florida, for the purposes of acquisition, operation, maintenance, replacement, and management of the District’s Recreation Facilities, all as more fully described in Resolution No. 2022-13.

Pursuant to Resolution No. 2022-13, the District has stated its intent to use methods of collecting the Special Assessments authorized by Chapters 170 and/or 197, Florida Statutes. Failure of a property owner in the District to pay the Special Assessments levied on such owner’s property when due will cause a tax certificate to be issued if the assessment is placed on the tax roll, or a lien to be filed upon such property if the assessment is not placed on the tax roll, either of which may result in loss of title to the property. The total amount of all proposed assessments is \$3,294,719.00.

All affected property owners have the right to appear at the Public Hearing and the right to file written objections with the District within twenty (20) days from the date of this notice. If a person decides to appeal any decisions made by the Board of the District with respect to any matters considered at the Public Hearing, that person will need a record of the proceedings and for such purpose may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is based.

Any person requiring special accommodations at any of the meetings because of a disability or physical impairment should contact Herons Glen at 239-731-4501 at least five (5) calendar days prior to the meeting.

HERONS GLEN RECREATION DISTRICT  
Dated: July 11, 2022

**HERONS GLEN RECREATION DISTRICT 2022-2023 PROPOSED OPERATING BUDGET**

<b>DEPARTMENTS</b>	<b>2021-22 BUDGET</b>	<b>2021-22 Y/E PROJ</b>	<b>2022-23 BUDGET</b>	<b>\$ Δ</b>	<b>% Δ</b>
Administration	\$ 802,357	\$ 775,102	\$ 879,312	\$ 76,955	9.6%
Restaurant/Lounge	410,176	499,294	491,766	81,590	19.9%
Clubhouse	790,812	793,474	888,694	97,882	12.4%
Irrigation (CLIS)	229,164	233,929	288,922	59,758	26.1%
Fitness Center	68,526	72,984	70,205	1,679	2.4%
<b>TOTAL:</b>	<b>\$2,301,034</b>	<b>\$2,374,784</b>	<b>\$2,618,899</b>	<b>\$ 317,865</b>	<b>13.8%</b>

**CAPITAL AND DEFERRED MAINTENANCE**

Capital	\$ 364,000		\$ 293,893	\$ (70,107)	-19.3%
Deferred Maintenance	\$ 332,800		\$ 381,928	\$ 49,128	14.8%

<b>TOTAL ANNUAL ASSESSMENT</b>	<b><u>\$2,997,834</u></b>		<b><u>\$3,294,719</u></b>	<b><u>\$ 296,886</u></b>	<b><u>9.9%</u></b>
--------------------------------	---------------------------	--	---------------------------	--------------------------	--------------------

**GOLF OPERATIONS**

Pro Shop	\$1,405,913	\$1,111,366	\$1,662,774	\$ 256,861	18.3%
Golf Course Maint	(1,405,914)	(1,408,738)	(1,662,774)	256,859	18.3%

<b>NET GOLF OPERATIONS:</b>	<b>\$ (1)</b>	<b>\$ (297,372)</b>	<b>\$ 0</b>	<b>\$ 2</b>	
-----------------------------	---------------	---------------------	-------------	-------------	--

**Golf Membership**

	<b>2021-22</b>		<b>2022-23</b>		
Resident Household	\$ 4,505		\$ 5,280		17.2%
Resident Single	2,703		3,300		22.1%

<b>Tennis Association Fee</b>	<b>\$ 10,000</b>		<b>\$ 10,000</b>		<b>0.0%</b>
-------------------------------	------------------	--	------------------	--	-------------

	<b>2021-22 Annual</b>	<b>2022-23 Annual</b>	<b>2022-23 Quarterly</b>	<b>\$ Δ Annual</b>	
<b>O&amp;M Assessment per lot: (rounded)</b>					
O&M	\$ 1,768	\$ 2,015	\$ 504	\$ 247	13.9%
Capital Replacement Reserve*	280	226	\$ 57	\$ (54)	-19.3%
Deferred Maint Reserve**	256	294	\$ 73	\$ 38	14.8%
<b>Total O&amp;M Assessment per lot:</b>	<b>\$ 2,304</b>	<b>\$ 2,535</b>	<b>\$ 634</b>	<b>\$ 230</b>	<b>10.0%</b>

\* Capital Reserve calculated based on a 20-yr average of annual needs according to the Long Range Plan

\*\* Deferred Maintenance Reserve calculated on a 10-yr average of annual needs according to the Long Range Plan

*Debt service (bond payments) are an amount of \$1,424.58 per year, which will appear on your Lee County Property Tax bill.*