

**SUN ‘N LAKE OF SEBRING IMPROVEMENT DISTRICT  
BOARD OF SUPERVISORS BUDGET WORKSHOP  
Friday, August 23, 2013**

**MINUTES**

A budget workshop of the Board of Supervisors of Sun ‘n Lake of Sebring Improvement District was held Friday, August 23, 2013 at the Community Center, 3500 Edgewater Drive, Sebring, Florida.

The meeting was called to order by President Halbig at 9:00 A.M.

**SUPERVISORS PRESENT:**

Mr. Dave Halbig, President  
Mr. Richard Miller, Vice President  
Mr. Richard Hulbert

The District General Manager, Michael Wright; Board Secretary, Julixa Robinson; Community Services Director, Tenille Drury-Smith; Finance Director, Tanya Cannady; Public Works Director, Greg Griffin; and Kitson and Partners, Ron Wonderling were present. There were approximately 5 people in attendance.

**Budget Workshop**

President Halbig: Okay, what are we doing here? Mr. Wright: What I would suggest is we take just a minute to go over the outlines of what Ms. Cannady did and tell us if you have any questions. I believe you had a concern on the assessment revenues, which is the first item.

Supervisor Miller: Do we have to formally open this workshop? Mr. Wright: It’s open. President Halbig: Yes, it’s open.

Mr. Wright: Mr. Halbig, I believe at the last meeting, what we said is we would separate the assessment line item for the golf course lots as a separate item, but in terms of the transfer to the golf fund, it would not increase their funding. It would basically be deducted from the general assessments or essentially that. I believe you had a concern about that. President Halbig: Yes, I would like to have that \$43,700 stay as a separate line item, but I’d like to have that put back in the transfer number as an additional amount; I don’t know exactly where that’s found at. As I read through the narrative that Curt sent, he basically said the same thing. Time and time again we get into these discussions about how come you can’t mow the perimeter portions of the golf course. Well, that’s a manpower problem. Ron assures me that if he gets this money that will happen. As far as I’m concerned, it’ll make my life a lot easier and I don’t have to answer these questions all the time. I don’t know if I can get enough support to do it, but that’s what I’d like to see happen. That’s what we’re talking about right? Supervisor Miller: What exactly are you suggesting? Mr. Wright: He’s saying to increase the assessment contribution to the golf course by \$43,000. President Halbig: \$43,700. Supervisor Miller: We had earmarked that, so shouldn’t that be in the spot that it was earmarked for? Mr. Wright: It doesn’t matter if it’s earmarked. At the last meeting you basically said... I forgot the exact amount, but we were going to donate that \$354,000. Per your direction, we reduced it to \$310,300, but we did a line item for the \$43,700. The actual amount going to the golf course remains the same, but it’s earmarked differently. Supervisor Miller: As long as we have a separate line item. Mr. Wright: What Mr. Halbig is saying is to give them \$354,000, which is

the original amount we discussed plus \$43,700. Supervisor Miller: Why? President Halbig: Well, because when Ron did his budget, he didn't know any... If you look back in the last minutes of last year, that was supposed to happen and it didn't. This year it just got slashed out of that non-operating revenue number that he proposed and that number was reduced and that \$43,700 was put up as a separate line item as with... He assures me that if he gets that \$43,700, he can apply enough manpower to do what we all want to do with that money; that's to mow the perimeter areas more often on the golf courses. I think I've got maybe some support as I read the narrative from Curt on the general fund revenue. He's basically saying the same thing that I... It simply flows into the golf maintenance department. Supervisor Miller: They earmarked them out. President Halbig: Yes, they earmarked them out; whatever it is. In the case of the first draft of this budget, we took that \$43,700 out of the money he asked for as far as his allocation and moved it up under a separate line item. Mr. Wright: The question today is very simple, so Ms. Cannady can prepare it. Do you want us to increase the transfer to golf from \$310,300, which is what's in the draft now back to \$354,000 plus earmark the \$43,700 to go to the golf fund? President Halbig: That's what I'm hoping for. Mr. Wright: Okay, I just need a consensus today because your first public hearing will be at the next meeting. President Halbig: Yes. Mr. Wright: I see one nod. Supervisor Hulbert: Yes. Mr. Wright: Okay, we'll do that. Ms. Cannady: There's \$397,000. President Halbig: That happens back in the golf budget on Page 2, I guess. Mr. Wright: Mr. Wonderling will have to adjust his expense side to accommodate that. President Halbig: Right. I wish he was here. Mr. Wright: He's en route. President Halbig: There he is. Mr. Wright: Ron, what we just did was add the \$43,700 back to your budget, so you have \$43,700 more in revenues. Mr. Wonderling: Oh, okay. Mr. Wright: Be thinking about how you want to expense that \$43,700.

The second item was something Mr. Miller mentioned. This is an additional \$25,000 for an independent real estate study or analysis. I'll let him speak to that more since you're the one that mentioned it at the last meeting. Supervisor Miller: We have a continuing Gordian Knot related to our land ownership in this district and it's seriously impeding our potential for growth and development because we've got some issues that are certainly beyond my comprehensive. We need an independent expert pair of eyes to just look at our situation; the bonds, delinquencies and all the various issues connected with our property here in Sun 'n Lake. I think right now is an excellent time to do that. That's what I'm advocating in effect. A financial real estate analysis of just where we are in the district. Mr. Wright: It's your pleasure. President Halbig: I think it's a good idea. It kind of ties in with what... I'm going back to Supervisor McCullough's narrative on the land sale section down at the bottom of the page where he's asking for a significant amount of money, but it kind of all rolls together. Mr. Wright: Keep in mind, if you go into his memo where he said add \$100,000, we don't get that money. If we were to sell a lot we owned, the majority of the money is going to the bond holders and then we would get the O&M assessments, then you would have to pay taxes and I don't know of a lot in today's market where there would be any money left over. Anticipating \$100,000 in revenue, really, I don't think will happen. Supervisor Miller: I agree. President Halbig: I think his expectation is the same as Dick's as far as trying to generate some interest in land sales. He might have said it a little bit differently. That's my take on it. Mr. Wright: We'll leave the \$25,000 in as said.

The next item is the reduction on first responder; we took that out.

The next item was \$10,000 we added back to recreation for a combination of special events and some equipment in the fitness center.

Supervisor Miller: Can I jump in here before I forget? Mr. Wright: Yes. Supervisor Miller: Where is Greg? The last session we had, we talked about addressing this drainage situation around the complex. We recognize it's going to be a fairly major undertaking with regards with what we have to do to clean this wetland area up. Where is that in the budget? I don't see any response to what I thought the board was in agreement on. Mr. Wright: I think we have sufficient funds in our general engineering category to

do that. Supervisor Miller: I'd feel more comfortable if we had some kind of formal recognition if that's the project that we're going to do. Mr. Wright: Let us get you a specific quote on what it'll take to do it. President Halbig: I think so because that's on my list as well. As a matter of fact, in the capital I think we've got some drainage maintenance money that is probably going to cost a significant amount of money overtime. I'd like to see an in depth study on the district drainage. Mr. Wright: We can do that. We've already got a lot of the information. Supervisor Miller: I would include it all the way down to the tree line where the little drainage creek is, so that we've got a good idea of everything here. Mr. Wright: Absolutely. We can do that.

Are there any comments on the special events? President Halbig: Is that going to include this 40<sup>th</sup> anniversary thing? No? That's something else? Okay. Supervisor Miller: I haven't heard about that. President Halbig: We're going to have our 40<sup>th</sup> anniversary this year; the district. It's a milestone that ought to be celebrated in some manner. Supervisor Miller: What a unique event. Mr. Wright: We have been doing some discussions of what we could do. I know Ms. Smith has been talking to some of her staff and with me about, maybe, a weeklong set of activities that we can be doing. As we develop that a little further, we'll come back to you, but I think we've got some flexibility to do that.

The next item is something Ms. Cannady has asked to add, which is some temporary help in the amount of \$3,200 to use time to time as needed. Supervisor Miller: I don't have a problem with that. There's another issue on... We've got seasonal stuff in here now and that's a first, isn't it? I don't remember seeing seasonal... Ms. Cannady: (Inaudible) Supervisor Miller: For your department? Ms. Cannady: Yes. Supervisor Miller: Yes, but there are several departments where that's involved. Mr. Wright: For example, a lot of our vacation time is in the summer. We bring in seasonal help to come in and help us with some of the mowing. This year we had an individual who came in and helped us clear a lot of the right of way out on the golf course. What we want is the ability to hire some temporary help during some of the peak times. Supervisor Miller: You've got at least four or five departments that are involved with that. Mr. Wright: We use seasonal help from time to time, yes, sir. Supervisor Miller: Okay, I just don't remember that term before.

Mr. Wright: The next item deals with the loan, which we just followed up with what you directed us to do.

The next item on golf operating we've already handled.

The next item is moving the capital out on Deer Run until next year. Once you did all that, when it's done, and we've got to make a change here, is it's freed up in the current budget \$393,000 less \$43,700. President Halbig: All the bulleted items are wish lists to apply to that \$390,000? Mr. Wright: I want to talk to you about some of those. Some of those have been something we want to talk about and some have been discussed by you all. I thought it'd be an opportunity to look at some of them. Mr. McCullough brought up some ideas and you've got his information.

Before I go to that, there is one other item in the utility fund that we've asked to be added, which is basically a side arm mower attachment. This is a mower that works off the back of a tractor. You've got some examples of one attached here. That's something we would add to an existing tractor. We found during this wetland spell that we really needed it. Supervisor Miller: We are sure loading up in the utility area and we have been. Supervisor Miller: Yes, sir, this is our resource management area and that's where we would use it. Supervisor Miller: I just worry the fact that we have a static situation now, which we're used to adding on. You keep bringing up the \$250,000 every year, but as far as I'm concerned that's a paper thing right now. Mr. Wright: Well, it's a very real thing if we decide to replace meters. We are very aware of multiyear budgeting, so we think we can handle it. Supervisor Miller: I just think we all should recognize that we don't have that revenue generating engine that we've enjoyed for years in

the district. Mr. Wright: We're still generating... It's relatively flat now, but keep in mind we're also setting aside \$300,000 a year into the reserve account and we are building our reserves. Supervisor Miller: As long as we continue to do that I'm happy.

Ms. Cannady: One more thing. President Halbig, you brought up at the last meeting to have the general fund pay for the property taxes of the golf course and for the liability insurance. I talked to our auditors and they have the same conclusion that I did. There's nothing that says you can't, but what we've tried to do... The golf fund, general fund and water fund all pay their portion of those insurances. If golf fund was by itself and ran as a business, they'd have to pay the property taxes and liability insurance. One thing I am considering for the 2014/2015 year is moving the golf fund into what we call a "Special Revenue Fund". That would eliminate the comment that the auditors have had every year about the operating losses and still allow the golf to pick up their portion of the liability insurance. I think it's imperative. It doesn't give a clear picture of a business when you move out your insurances and allow someone else to pay for it. It's to the direction of the board if they want the general fund and the utility fund to pay for the insurance and the property taxes of the golf course. President Halbig: Repeat that one more time. Ms. Cannady: Okay. Your comment at the last meeting was to have general fund pay for the property taxes of the golf course and the insurance portion for the golf course. The auditors are saying, just like I said, there's nothing that says you can't do that. The general fund can pay... We can allocate it to all the general fund, but when you look at a true picture of what the cost is, your moving costs around and you don't get a true picture of what it does cost the golf course and the restaurant to run as a, per se, business. That's an option. If you want to move those costs around, we can do that. What I'm telling you for future is that I'm going to recommend that we move the golf fund from an enterprise fund to a special revenue fund, which is a governmental fund. That will eliminate the comment that the auditors have made each year regarding operating losses. President Halbig: You would reclassify, basically, the golf fund into a... Ms. Cannady: Special Revenue Fund. Supervisor Miller: Any legal implications? Ms. Cannady: No, not at all. Supervisor Miller: Any change in constraints or...? Ms. Cannady: The only thing it does is change the way that the fund is reported. Supervisor Miller: That's the only thing? Ms. Cannady: That's it. President Halbig: Okay. I like that idea, really. Mr. Wright: It's not uncommon at all. Ms. Cannady: My recommendation is to continue to allow the golf fund to pay for their portion of liability insurance and property taxes for this budget year that we're discussing today and then let me make the changes for the next year. President Halbig: Okay, that's good. Ms. Cannady: Okay.

Mr. Wright: Can I go back to some of the items; the unallocated expenses? Supervisor Miller: I definitely want to discuss that. Mr. Wright: I'll tell you what. Let's pull up the aerials and talk about it a little bit. Greg, why don't you help with this? Supervisor Miller: While we're doing that, Mike, I have the same comment on that with regards to... Like I did on the drainage on the recreation complex area; everybody I believe on the board last meeting was enthusiastic about improving our entrances and our landscaping. I included the golf course entrance particularly Turtle Run down at the end of Bonnie and so forth. I'd like that formalized to make sure that we have money allocated for that landscape architect. Mr. Wright: That's part of this discussion. That's what we want to talk about right now. After that meeting... Let me stop and explain something first because you may not be fully aware of this. This right here is at the east end of Tarrega Drive. These are lots that we acquired from NRPI that's going to become a retention pond to try and relieve some of the flooding issues there. We're going to pipe it up here. This is a big retention pond behind Turner's. Supervisor Miller: Is that Unit 21? Mr. Wright: No, this is 4 and 25. Here's Ponce de Leon and here's Frontage Road. This is all habitat right here; scrub habitat. This is one of our retention ponds. You've got a ditch now that comes and flows into here. Do you remember what I'm talking about now? Well, what we're looking at and what Greg has been discussing with DEP, this is a jurisdictional wetland that's immediately south of the Ponce de Leon entrance. President Halbig: It's just on the left side, Dick, as you come in the north entrance. Mr. Wright: What we've been talking to them about and what they're amenable to is giving us this land,

releasing the wetlands, but allowing us to transfer it up here to that attractive land behind the billboard, which is partially wet anyway and its land that we can't use. That will free this us, so that we can go in and basically do a major modification to the way this looks. It's full of Brazilian Peppers and pretty grown up, so we're restricted to what we can do. Our thinking was to dress up the whole northern entrance of the district. We need to raise this road right in here. We have these lots right here that we already own. The sign is right here and this retention pond would be filled in. This would give us an opportunity to come in here and do a major entrance feature along with landscaping and lighting all the way back, at least, to Minorca and possibly down to Tarrega. We really haven't gotten that far into the discussion yet. Supervisor Miller: Do we have any options on...? I know the north side is in private ownership of that entrance, am I correct? Mr. Wright: Yes. Supervisor Miller: Do we have any discussions at all with these people? Mr. Wright: Not yet. We're still at the very conceptual phase. Supervisor Miller: I guess what I'm saying is do we anticipate? I would think we would anticipate using both sides. Mr. Wright: Absolutely. Supervisor Miller: As an entrance. We might have an issue coming up in that regard, right? Mr. Wright: And some other things... Yes, sir. We've even had some preliminary discussions with a landscape architect about what we could do within an existing right of way and what we could do in this area and how we could make it look better. We wanted some outside help. We've had some preliminary discussions there. If we do that, this section of road from here down to here does not have water. Our lines come to here, I believe, don't they? Mr. Griffin: Correct. Mr. Wright: What we would do is we would add this section of waterline using impact fee monies because it's an expansion of the system; that would allow us to irrigate this area as well. We'd be able to do lighting, trees, shrubbery or whatever. We want some direction from you over what we do here. Do we make this an entrance feature? Do we sell the land? Supervisor Miller: Are we connecting to Avon Park in this budget this fiscal year? Mr. Wright: Yes; we're designing it now. Supervisor Miller: So we can do that water project in conjunction with that? Mr. Griffin: It's... Mr. Wright: Separate. Mr. Griffin: Actually, it's right on the bottom side of the pond. Supervisor Miller: Oh, okay. Mr. Wright: We looked at that; connecting this way or connecting this way. This appears to be more viable. Supervisor Miller: That stands on its own then? Mr. Wright: Yes. That's independent of whatever we do. President Halbig: But you irrigated with utility water versus a pump? Mr. Wright: Yes, sir, we think we can do that. There are some new irrigation systems that are lower volumes. What do you call the type of drip irrigation? There's a name for it. We'd want to put in the type of vegetations that we can grow... That's nothing but a sand ridge up there. President Halbig: Is that right of way on the right hand side abnormally big? I know those palm trees are a pretty good way off the road. Is that in the...? Mr. Griffin: It's on the property owner's property. President Halbig: Oh, okay. Mr. Wright: The property line is about the bottom. There's a line right here you can't see, but it's approximately the bottom. President Halbig: My next door neighbor is affiliated with that group that owns that property. I can't remember how you pronounce his last name, but that's his nickname; Cash. It's a group of doctors I think including Sonni that owns that property. Mr. Wright: This would do nothing but enhance their site by having an entrance feature there.

We've also talked to the landscape architect about what we could do to Sun 'n Lake Boulevard. It's a little dated. I was looking this morning coming in and you've got palm trees that are starting to approach the electric lines; they're already into the phone lines and the cable lines. I promise you that Duke Power is going to take those out when they start getting near the electric lines. How can we landscape here? What can we do to the Islands because they're a little dated as well? How can we improve it all the way down to the second circle? That was part of our discussion. Supervisor Miller: Apart from the power lines? Mr. Wright: I wrote Duke Power and asked to tell me the process for doing this and what the steps are that we need to do. The only thing I'll ask you to consider is, is that really how you want to spend \$1.5 million? President Halbig: I wish we had deeper pockets. We have pockets, but we don't have that big of pockets. It'd be wonderful to do it. Supervisor Miller: We have to at least explore it. Mr. Wright: I've already written them and they're about... Well, I won't say how responsive they are. Supervisor Miller: Mike, who is this landscape architect? Mr. Wright: It's a local landscape architect that is pretty

widely known. He is someone that's done work all over the southeast. Interestingly enough, one of the things he brought for us to look at... How big was that project for Faith Hill and Tim McGraw? Mr. Griffin: (Inaudible) Mr. Wright: Half a million bucks. Supervisor Miller: Are we compensating him at the present time? Mr. Wright: Not at this point. We're just having friendly discussions with him. Supervisor Miller: Is he anticipating...? Mr. Wright: Oh, he'd like to have the contract, but I explained to him that anything we do will be subject to funding and subject to the competitive process and the whole nine yards. Supervisor Miller: That goes back to my question about sole sourcing. I'm not saying we should, but... Mr. Wright: It may be under \$10,000 to design and do this. It's very preliminary at this point. Supervisor Miller: I would appreciate that before you finalize any kind of assignment... Because I'm concerned that we don't lose sight of the fact that we have a major opportunity at the end of Bonnie Drive for the entrance to Turtle and we have other issues in terms of entrance to Deer and so forth. Mr. Wright: I don't have a problem with that; it's just that you brought that up Tuesday and we haven't had a chance to react to it. Now is the time to talk to the board. It's not a bad idea. Supervisor Miller: Okay. I hate to rub it in, but going back to the letter that I got back from the county, I don't want to go through that again. Mr. Wright: I understand.

I don't have a slide, but the other one was the third entrance, which is the one off Schumacher. We've got a lot more land to work with there and there's probably some more stuff we can do if we had the right design professionals to help us. Supervisor Miller: No question about it. Mr. Wright: We talked upwards of \$200,000. President Halbig: Yes, that north entrance work has got to be pretty... Mr. Wright: Because you're talking \$200,000 or \$250,000. If you want to position the district aesthetically for two years from now when I think the real estate market will come back, this will be a major step. President Halbig: I like it, really. Supervisor Miller: That's where we ought to be putting our shackles on this money that we're saving from the Deer Run situation. I don't think there's any... I know several people here have advocated doing this for several years. You're right about positioning us with that first impression of Sun 'n Lake. I think you have a full board approval on that, don't we?

Supervisor Hulbert: I want to bring up some... I noticed that a couple of those signs we have like on Sun 'n Lake Boulevard have all this stuff on there about the restaurant and so forth. I noticed that they're getting a little shabby. The one up by #9 green on Deer has got some pretty good size cracks in it. I'm just wondering if we might have to be replacing these pretty soon or repairing them major. Mr. Wright: With a redesign of the entrances, you will include landscaping, signage, lighting as well as the type of plants that you would want to up in there. Supervisor Hulbert: Some of those plants on some of those... Like down by Schumacher, they cover up the whole bottom half of the thing and you can't read what's down there anyhow. President Halbig: Are you still on unallocated expenses? Mr. Wright: You're looking at, I would think, somewhere in the neighborhood... We have not done a detailed budget, but I think you're looking somewhere in the neighborhood of a quarter of a million plus the waterline work; that'll come out of impact fees. Supervisor Miller: Long overdue.

President Halbig: I've got a question. Tanya, explain reducing the prior year fund balance from 425 to 35. Mr. Wright: Right here. President Halbig: Is that due to the fact that we're going to use this 390 for this wish list? Mr. Wright: Yes, sir. What that does is right now you're pulling the \$400,000 out of capital because our general fund keeps growing and you're reinvesting that into capital. You do have the option of not spending any capital money and that reduces the budget down to \$35,000 coming out of capital, but you leave all the money in reserves. President Halbig: But all of the things we're doing in these bullet lines above reduce that number? Mr. Wright: No, it doesn't affect the bottom line of your budget. President Halbig: Okay. Mr. Wright: It's still the same.

Supervisor Miller: Two questions. You have a bullet here that talks about removing user fees for all recreation services within the district. That's not a decision that we're in a position to make without pretty careful study. Mr. Wright: That was something I think Mr. McCullough suggested. Supervisor

Miller: Yes, I know and I'm glad he's putting forth these ideas, but that's not something that we can make a decision on without doing a lot of cost benefit, that type of thing, and the income and outgo. Mr. Wright: Part of what we're doing is putting in ideas that we heard from you as well as... Supervisor Miller: Yes, but we want to finalize what we want to do.

The other thing is reducing assessments. Now, I'm sure Curt's not on board with that, but when we're talking about reducing assessments, we're doing the offset to the additional \$25 a year household for the West Sebring situation? Is that right? Mr. Wright: Not for this year; it'll be for next year. Supervisor Miller: Next year? Mr. Wright: Yes, sir. Supervisor Miller: So why is this reducing assessments coming...? Mr. Wright: That's was just something we talked about earlier that you could do if you so chose. Supervisor Miller: Unrelated to what I was talking about? President Halbig: Yes, I think we need this assessment study. I know Curt didn't like the idea in his commentary about doing it, but I think we've got some responsibility to do it for sure and then we know where we're at. Mr. Wright: We've left the assessment study item in the budget. While I appreciate Mr. McCullough's confidence in us that is an area where we don't have the expertise where a lot of other folks do. President Halbig: I was talking about classifications and I was going to ask you about the assessment classifications on Tanglewood. I think we need to take that contract classification out because we don't have anybody under contract. That needs to go away. I know Mr. McClure said you're kicking the anthill with this Tanglewood thing, but we can kick it. What we need to do on that, and I was going to get into as we got into the detail of this, is the first thing we need to do is send them a letter. I think the whole board agrees that they need to be billed what they need to be billed. I think we need to send them a letter to see how hard we're kicking the anthill before we kick the anthill. Mr. Wright: They have a new general manager and I have not met him yet. Supervisor Miller: Just recently? Mr. Wright: The last 30 days. Supervisor Miller: Really? Mr. Wright: Mr. Halbig, I think we need to bring him in, sit him down, and walk him through the whole history. President Halbig: Yes. Mr. Wright: Because there's no way we can spell that out in a letter; it'd be a book. President Halbig: I've got a whole binder full of all the contracts we've ever did with these guys unless there's one stuffed away in one of the file cabinets. Mr. Wright: You're talking about roughly... President Halbig: About \$30,000. Ms. Cannady: \$32,000. President Halbig: Something like that. Ms. Cannady: \$30,517. President Halbig: Okay. Supervisor Miller: When we talk about assessment study, is one of the things that we're going to look at simplification of our assessment categories? Mr. Wright: I hope so. Supervisor Miller: Those are just way out of whack.

President Halbig: Let me ask you a question about the classification. Can we classify...? You've got improved lots and unimproved. Can you have improved lots with houses as a classification that they can do the numbers on? Because there's a difference. Mr. Wright: Well, yes, sir. We can clarify the language. President Halbig: I'm talking about for the assessment study. Mr. Wright: Yes, sir, I agree. I think we really need to clarify some of the categories, I think we need to look at simplifying them, I think we need to look at some of the rationale behind some of it. To answer your question, yes. President Halbig: Because it's more valuable for the amenities we got to provide for people that are living in a house rather than somebody that owns a lot that lives in Timbuktu. Mr. Wright: That's paying half the rate of a resident. President Halbig: Right. Mr. Wright: We agree. I'm glad I don't have to defend it. Ms. Cannady: Keep in mind the commercial properties and the residential properties, the type of property is established by the county, so what the district has done is based on the county code, the district is billing their assessment based on these categories; I have all that detailed information in the office and I can tell you how many per category. Supervisor Miller: Are those DOR codes? Ms. Cannady: Yes. Supervisor Miller: Department of Revenue? Ms. Cannady: Yes. Mr. Wright: But we may be able to simplify that even more and lump things together because we're talking about the beneficial value. That's why we want somebody to come in here that's done it and been through all of that. Supervisor Miller: Anybody but you know who. Mr. Wright: Interestingly enough, I had a conversation with the gentleman you and I talked about and they do that kind of work out of Orlando; a real estate research corp. I think we can get two or three proposals in here. We're also talking with Pete Pimentel because

his company does that type of work. Supervisor Miller: I'm a little down on Pete Pimentel. Mr. Wright: I understand, but he's probably one of the more experienced people in the business. I also reached out to Jim Angle, who is the President of Special Districts Association statewide and him for some recommendations as well. Supervisor Miller: Pete got a little shop worn over this stuff. Mr. Wright: I understand. I'm just mentioning it.

That's all we have, Mr. President. President Halbig: Okay. Are we ready for golf? Supervisor Miller: I just wanted to get clarification on one thing. Tanya? Ms. Cannady: Yes, sir. Supervisor Miller: On the revenues in general fund, all the way at the bottom you've got prior year's fund balance, roads \$300,000, cart paths \$125,000 and then you have \$425,000. This is in the revenue, so I'm a little... Can you clarify that for me? Ms. Cannady: Yes. The reason it's in revenues is we're pulling monies out of prior year's fund balance to do these two project, which will be roads and cart paths. Mr. Wright: But you have changed by eliminating cart paths and you've rolled that into the following fiscal year. We've got to make some changes based on the discussions today. Supervisor Miller: Okay, that shows my lack of understanding of accounting. Mr. Wright: You've got to show revenues and an expense. If we didn't show the revenue here, you would not have a balanced budget. Supervisor Miller: Okay. President Halbig: You're talking about the roads and cart paths; this is in your general fund. I was going to bring it up when we talked about capital and I still didn't bring it up then. You've got \$300,000 of roads; I thought we were almost done with our road work. Mr. Wright: No, sir. You're going to be annually doing resurfacing. President Halbig: You've got 4 or 5 years of \$300,000 a year for road work. Mr. Wright: It's just an estimate. We may reduce it. Next year we've got some fairly large roads we need to do. We need to do the remainder of Cortez, we need to do Columbus and possibly the north Frontage Road. Supervisor Miller: The culverts on Cortez this year, right; this coming fiscal year? Mr. Wright: Actually, what we're going to do on Cortez is those are concrete culverts that are settled, we're going to rip the pavement out, put in flowable fill and then one of the things that county is going to do is come back and resurface. Supervisor Miller: Who is going to clean up the intersection of Sun 'n Lake Boulevard and Cortez? Mr. Wright: That'll all be done at the same time. We're going to pave north and south. Supervisor Miller: That's good. That intersection is really tacky. Mr. Wright: Yes, it is. President Halbig: I need to dust that off. I thought I read not too long ago, maybe it was in the commentary on last year's budget, that we got one more year of \$300,000 worth of road repaving and then we're pretty much done for a while. That's what I thought I read. Mr. Wright: You would still continue to resurface roads, but you won't have the major projects. We may be able, two years from now, to reduce that back. President Halbig: Okay.

Ms. Cannady: Quick question. Of the \$346,200 of unallocated funds, we're going to allocate \$250,000 to landscape architect. Is that correct? President Halbig: Yes. Mr. Wright: We'll word it, but it's golf course, entrance ways; it's a multiphase project. The project amount may go up because we're going to estimate the waterline, but that'll come from a different funding source. Supervisor Miller: That'll be for services and... Mr. Wright: Yes. President Halbig: I wouldn't call it golf course entrance ways necessarily because you've got entrance ways you're talking about and golf course entrances. You know what I'm saying. Use the politically correct terminology. Mr. Wright: We'll word it accordingly. Ms. Cannady: That leaves us \$96,300 left. Supervisor Miller: We don't have to spend it. Ms. Cannady: No, we don't; absolutely not. Mr. Wright: What we'll do is reduce the fund balance. Supervisor Miller: Yay! President Halbig: Okay.

## **Overview of Golf Operations**

Mr. Wonderling: Following our budget workshop in July, after taking all the comments from that day, going back to the budget and reworking some things to try and include those requested items and through the process some other items that got brought up during some talks with board members.



The first one I would like to discuss in no particular order was at the budget meeting it was discussed to raise the membership rates by \$10. By doing so, we create a little more revenue to give the associations. What I did in this revised budget is I raised the membership rates by \$10, which will give the Men's Association and the WGA, which is the 18 hole association, \$3,500 to use this next fiscal year. How they use that money... It has to be spent at the club, so it stays with the club; either on merchandise, food sales and anything they want to do with their special events like entertainment. It's at their discretion. The nine hole association we've allocated \$750 to give them. It's a smaller group of ladies, but still valuable for the club.

One other comment that was made during the meeting was rangers on the course; additional staff. We didn't have enough of them last year. What I was able to do was I allocated two rangers for the month of November into early April; not the whole month of April, but usually our play level starts to decline right about the 15<sup>th</sup> of the month. We'll have dedicated rangers in addition to our staffing that we had last year. Supervisor Miller: Wait, wait, wait. What does that translate to? How many guys are going to be out there? Mr. Wonderling: Two additional. Always one course is a shotgun, so that would be three rangers out on the course. In addition to that, we always use staff from the golf shop to assist with that as well. At a minimum, you're going to see three based on the property, possibly four people. Supervisor Miller: And we're going to have a new attitude regarding enforcement of violations on the golf course, right? Mr. Wonderling: We have a "Training the Ranger" Program that I've acquired and all the rangers will have to go through this. I'll get you that criterion once the material arrives. Supervisor Miller: One of the key questions that arose from the previous discussion was, of course, having our golf shop people backing up the rangers; assuming the ranger made a proper call. That we way don't hang them out to dry. Mr. Wonderling: Through the training, we're going to mock scenarios of what we all see out on the golf course and how we're going to address it. It's all going to be written out, everybody is going to sign it, not only the rangers, but also the golf shop staff. It's a clear and defined understanding of how we're going to handle certain situations. Supervisor Miller: Mike, can we discontinue the security guys that go out on the golf carts? I remember Tim Ross, I saw him out there several times. Mr. Wright: No, we haven't discontinued it. I'll have to check with Mike and see how often we're doing it. I still see them out there. Mr. Wonderling: I see the cart parked when I leave about 6:00. Supervisor Miller: I just haven't seen them in a long time. Mr. Wonderling: We are addressing that.

The driving range was brought up. After reviewing everything, what we feel best going forward is we're going to replace the tokens, new dispensing computer, not the whole system, but just the computer. We'll do a sign where all your tokens have to be used by "x" time. With the new tokens, we'll have a very good inventory, which will inventory every day. Hypothetically, if someone did have a key to that or we'll just say a staff member that somehow picked 10 out and gave 5 to the golf shop, we're going to have a record to keep track of that. We can share that with the board just so you know it's being handled. In addition to that, we talked about the turf. In the capital budget, we have that synthetic turf we want to put in October in the back of the range, so that when we have peak times, we can put play on there. Our intentions are to put the high school play on it for next year because high school golf will be over by that time. We have talked to the coaches, which there are two this year; that means more supervision. We went over the program and they're allowed to use our facility as it stands when we have the coaches present for supervision on the driving range and use of practice on the golf course. I'm going to get you a schedule of what days they're practicing and setting up their matches. I'll have that to you soon. President Halbig: They only use the driving range when the coaches are there. Mr. Wonderling: Correct. Some of the individuals, some of the ones that want to do good on their game, would have to purchase balls from the golf shop. No keys will be issued; they'll have balls when they're out there. I feel we're going to have a lot more control on it. When we did sit down with them, we booked the Crutchfield/Hawkins Tournament for not only this year but next year; that's staying here. Also, the big fund raising tournament that the high school has, has been booked for this June. From a financial standpoint, even though we give the high school use during normal regular scheduled rounds, their big tournaments, like

the Crutchfield when all the kids come in, we do get paid for those rounds. Supervisor Miller: Does that take up both golf courses? Mr. Wonderling: It does; both of those events do. One is in late September and the other one is in June; in our non peak times. The one tournament is on a Monday and then the big June tournament would be on a Saturday. We'll get some revenue from that. In addition to that, they have agreed to help us out on some volunteer projects. Meaning, we're going to have a dibbit filling day, the team is going to go out, we'll designate holes to fill dibbits, repair ball marks, etc. It's a little giveback for the thank you for us allowing them to use the facility to have their matches. President Halbig: Last year they were going to be issued little bottles of sand and have several sand stations around the golf course to fill when they play and walk. Mr. Wonderling: Because of the ages of the groups, there are enough drivers' licenses, 16 year olds, to use the carts to do the dibbits. President Halbig: Oh, that'd be great. They can use a cart as long as they fill dibbits. Mr. Wonderling: That's being addressed. I want to let you know that we listened and reacted to it. I'll follow up with it so that we're doing it. It'll be following through with.

Additional sod was talked about at the last meeting. We gave you that spreadsheet for Turtle Run to complete all the perimeters of the rough areas that we just cannot grow grass at because of water, nematodes and everything associated with it. We were able to carve out another \$8,702 from the budget and move it up to additional sod. With that in there, we're going to be able to cut the three year project in half. What would happen is after season, we get into April and May, we'll have a dedicated rough little force to knockout; that's for material. We're going to use the labor from the budget. That will purely be bought on material to outline those areas. Supervisor Miller: One of the things, Ron, that we seem to go year after year is we put sod in and it doesn't get water, so it dies. We do that time and time again. Are we going to have this sod productive from a standpoint of watering and thriving? Mr. Wonderling: Absolutely. This sod is the Bahia grass. For example, on Turtle #1 by the bunker to the left that we completed, it's the longer rough. It's more drought tolerant, shade tolerant and it's done very well for the areas that we have put it in. Supervisor Miller: We get a pilot project on Hole #15 on Deer, my home, with the matting. I haven't heard a peep. It has mixed results obviously. Are we going to try again? Mr. Wonderling: Yes. In a perfect world, which Deer Run cart path work will be pushed back, it's done better than just sod there and worn out dirt. You can see the grass growing up, but because everything funnels to that six foot cart path... Supervisor Miller: I think with a little better supervision that would have been an outstanding project because you can see parts of it that were successful. One other thing I'm surprised at, Ron, is we didn't do that off the end of the cart path, which, to me, would be the premier place for that. President Halbig: We did some. Supervisor Miller: Well, sort of. We haven't abandoned that, is that correct? Mr. Wonderling: We did those test areas on #14 and #15 with 2 different products because there were mixed results from both. We did one product on one hole and one on the other. One did a little bit better. I'll circle back with Dave. I know we'll be going into season this November to improve, especially those two areas, prior to going in. President Halbig: Some of the drop-offs where the new cart paths are on Turtle are pretty severe. We hit a couple of them the other day. We talked about tapering that concrete down, so as it eats away, you don't get that slam. There are already some problems surfacing on some of the ends of those. I know you're going to do a scatter deal. Mr. Wonderling: We'll go back out there and I'll review it. If you're playing Turtle Run, let's say within the next week, if there are specific holes that... Another set of eyes would be great. I'll circle back with each of you and we'll make sure we correct it to prevent any future problems.

Supervisor Miller: What's the status of the proposed pond project on #14? Are we doing anything...? That was a cave in. I looked at it and it looks fine to me. You know the sidewalk that we talked about? Mr. Wonderling: On Deer? Supervisor Miller: Yes, on Deer. I'm sorry. Mr. Wright: That's where they went in and repaired some of the wall. Supervisor Miller: They did do that? Mr. Wright: Yes, they did repair that. Mr. Wonderling: As it stand, it'll be through season and we'll address it. Supervisor Miller: So we're okay there? Mr. Wonderling: Yes, we're okay there. Supervisor Hulbert: When did they do that? Mr. Wright: I saw it a few days ago. It's not much; they just added a little material on the side.

Was it a couple of weeks ago? Supervisor Hulbert: What? A bunch of broken concrete on the side there? Mr. Wonderling: A piece of packed shell. Supervisor Hulbert: I don't know, but it didn't look very sturdy to me the last time I went back there and that was only a couple of days ago.

Mr. Wonderling: The next item that was discussed was the handicap flags and our procedures for issuing these handicap flags. This year with the membership as everyone renews we'll have a separate form and a list of all our handicap flag holders that have been issued a flag. They're going to have to bring proper paperwork stating they still need that flag. For example, if you have a handicap flag and a handicap thing in your car, I just need you to bring the one out the car, so that we can make a photocopy and put it in your record. If it's a doctor's note that says you need a flag, and this does happen, we'll issue a flag and make sure we get it back. We're addressing that.

With the restaurant, the one thing that was talked about to make sure we're accounted for was blinds and additional tinting in those windows. Supervisor Hulbert: Which blinds are we talking about? Mr. Wonderling: The south of the building and then also the west door. Supervisor Hulbert: There aren't any blinds on those? Mr. Wonderling: Not the doors; just the windows. Supervisor Hulbert: The windows all have blinds on them. Mr. Wonderling: Correct, but the doors do not something on them. What happening is when the sun is in the optimal location, you have people sitting in the restaurant and they get nailed. Supervisor Hulbert: I thought we were just going to put tinting on those doors. I thought we had already tinted the doors. Mr. Wonderling: The doors are tinted, but it's still not enough. When you pull down the shades on the windows to block it, unfortunately, on some of those tables, you can have four or five seats and that one person is getting... President Halbig: It plugs in pretty bad during certain times of the year. Also, weren't we going to try and do something with the skylight? Mr. Wonderling: That's going to be more tinting. When I talked to the guy, he said because of the angle you would be talking major funding. I just think adding tint there would take care of it.

Equipment Replacement Plan. I know it was asked where the schedule is at. We included an outlook in the board packet. Supervisor Miller: You did a nice job on that. I haven't looked at it in great detail, but that's exactly what we were talking about. Dave did that? Mr. Wonderling: Yes, Dave and myself worked on that. Supervisor Miller: Give him a heads up from us on that. Mr. Wonderling: Yes, and then each year going forward, and I made a note for next year's budget, we'll always update that if equipment gets pushed back a year because we're able to get more life out of it.

Employee Health Benefits, the affordable healthcare act that we talked about. We had a line item in that budget that we took out. We weren't sure what the rates were going to be, so we took that extra out. We did leave the same percentages even after talking to Billy Casper, my days up in Virginia, and our corporate office for HR, the rates, they feel, the renewals they had this year all went up because these health companies are preparing for this affordable healthcare act. Instead of having a large 25% or 30% bump for everybody, it's affecting the entire country, what we're seeing is they're kind of cutting it in half. We're going to raise it 15% this year and we're going to raise it 15% next year. We're working out some things. I left the same dollar amount in that budget; I didn't reduce it. If the percentages don't come in as high, it's going to be a savings on that line item. We'll know in October when all the renewals go through. I left that number alone for the time being. President Halbig: I have a question. In your narrative on the first cut of the budget, you said you had minimal wage increases, what percentage of increases is it across...? It's hard to pick out that's why I focused on that marketing and I still think that's a little... You might want to take another look at... That's still 12.5% no matter how you look at it, which is pretty extreme. It's hard to dissect the other ones because of the... Mr. Wonderling: The only increase percentage wise that our company allows is 3%. If we have an individual that exceeded and is doing a great job, 3% is the max. It's not like they're getting thousands of dollars. The key people in the restaurant that have done a great job making sure the members are happy and the guests are happy and they're \$6 an hour employees, we like to give them a little bit of an increase; it goes a long way. We have

not had, knock on wood, a ton of turnover with the restaurant staff. A lot of the real good servers, we treat them well and we make sure we give them the right shifts so they don't have the... Like Mondays when we don't have a lot of business, we take care of them.

One other comment that was made was with Food and Beverage Financials. Supervisor Miller: Yes, Tanya, jump in on this. We talked about presenting our financial data separate from the golf or the restaurant. With Billy Casper coming in, do you have any idea what their accounting situation is? Mr. Wonderling: It's very similar to ours. I have told them that they want a clear wall in, between the two and they said that we're the client and however we want it setup... As we get closer, and I actually got an email today about their financials and stuff, which I'll share with you next week, but we'll make sure that it meets the boards' needs. Supervisor Miller: Tanya is the boss on this. I think she knows exactly what we want on that. Mr. Wonderling: We sat down and talked to each other after the meeting, so we feel confident that we're going to meet that need.

The next item, and if you don't mind, I might wait a second until Mr. Hulbert gets back. This is the seasonal membership talk and I know he'll definitely want to hear about it because he had some input on this as well. President Halbig: Alright. Did somebody order pizza? Supervisor Miller: What? Order pizza? President Halbig: Yes. Did they take care of that? Did Mike...? Never mind. Mr. Wonderling: I can order pizza if you'd like. I'll have the restaurant pick it up and bring it over. (Laughter) Supervisor Miller: Who came up with this idea? We discussed it and dismissed it several years ago. Mr. Wonderling: What transpired was during some of the meetings with some of the board members that came to talk to me with ideas and thoughts... Supervisor Miller: Mr. McCullough? Mr. Wonderling: Mr. McCullough had a lot of input and ideas. He's done a good job at, I think, reaching out to some of the golfers that are in our community that aren't members of the club. He asked people why they weren't members of the club. Supervisor Miller: What I appreciate is the fact that we're getting these kinds of ideas. You guys have done some good work in that area. We're still struggling with our membership, but my inclination, and I'll just put it on record, is I wouldn't mind trying that, but I would sure want it to be on a trial basis. We can do it and see what happens for this year, but we reserve the right to scrap it if it's hurting us. What do you guys think? President Halbig: Oh, I agree 100%. I think it's going to be a loser. I hope Curt took names when he was asking these people that said they were going to join on this five month program because I don't think it's going to work. I'm with Dick that we do it on a one year trial basis. That's the only way I would consider it because I just absolutely don't think... I think we're going to lose more than we're going to gain. Supervisor Hulbert: Let me say something. I think that just giving it a one year trial may be too short. You might want to try it for at least a couple of years to see what happens. Supervisor Miller: Let's not advertise that. Supervisor Hulbert: Wait a minute, Dick. Supervisor Miller: Let's not advertise it for two years. We may try it for two years, but I think what we're saying is we want to give ourselves some legal room to get out of it if we have to. Supervisor Hulbert: Okay, I agree. I know from people that I've talked to in my neighborhood and some of the guys that I golf with on Tuesdays and Wednesdays that go in the pro shop and pay, they would be willing to buy a six month or a five month membership, but what they're doing is going out and getting coupon books and going down to Hammock and other places because they can go there and it's not as expensive and they're playing different courses. What we want to do is trap those people so that they're paying that five or six month fee here, so that they play here and use the restaurant and buy in the prop shop. Supervisor Miller: What I'm saying is one year... You're right that it may not be definitive in terms of what the results are, but we certainly, as Dave reiterated, we want to make sure that we have that right to... Supervisor Hulbert: That it's not a total loss. Supervisor Miller: That we cut it off if we have to. President Halbig: The only way I would have ever agreed to a trial thing is for a single membership because the family membership... You're really sticking your neck out a heck of a long way. Supervisor Hulbert: Husband and wife... Mostly these are retirees that are coming down here. You're talking husband and wife. President Halbig: We're only talking about a single membership; not a husband and wife membership on this trial basis. That's what we're talking about. Mr. Wonderling: If a husband and

wife wants to purchase it, it's still \$1,900 and \$1,900; that's how it's setup in this proposal. I'll walk you through... Supervisor Hulbert: If that's the case, they might as well spend the \$4,200 or \$4,300 and have the whole year. Mr. Wonderling: That's where Mr. McCullough kind of came up with... Let's talk risk. Here's the big thing. We identified 100 memberships that live north currently that come down for, for the sake of argument... Supervisor Miller: 40% of our whole membership, isn't it? Mr. Wonderling: Correct. We've identified of the 100, there are 23 that are under the single membership category. What we said is if we launch this \$1,900, 5 month membership, and there's a reason for the 5 month membership that we'll talk about in 2 seconds, all of them will take it. They're going to drop the full, take the five month because they're going to save \$1,000, so that's \$23,000 that comes right off the kitty day one; that's what we're assuming. I do not know if the other 77 members that are in the family category are going to look at that and say it's really a few hundred dollars more to get the Full Monty. If they're there for six months, they're going to pay the full amount, but if they're coming down in December, they might jump or if the wife only plays once a week... Let's say he plays five days a week and she only plays on Wednesdays with the ladies, and this is the part I do not know, he might say that instead of paying \$4,000 he can pay \$1,900. Do you really like playing with the ladies or would you rather play with the 9 holers because you don't have to be a member to play in the 9 hole association compared to the 18. If we had a tone of people do that, our membership number will go down. Supervisor Miller: What are the mechanics? Are we anticipating putting this into effect this year? Mr. Wonderling: Correct. According to this plan, we are. Supervisor Miller: Well, you've got a few kinks to iron out before we... Mr. Wonderling: Here's the thing. The reason we did five months, and Curt's thought process is the month of October is when you have to renew your full membership, so this is not until December when it starts. People are going to have to make a decision... We're going to know exactly where we're at on October 31<sup>st</sup> in terms of how much membership revenue we collect. Supervisor Miller: What are you going to do; email them or newsletter them? Mr. Wonderling: What we're going to do is include... To let the members know, we'll do all the above plus the mail that goes out with all your membership documents; we'll have it all listed in that. We're going to know exactly what happens. If we go into the month of November and we're down, I put we need 15, my goal is to get 15 seasonal members. Curt talked about five and I think there are some others that are viable. I think Mr. Teller's group... He's got a bunch of residents that play the Country Club because it's a little bit cheaper. If he plays, and I don't know how often he plays, but if they play more than three times a week, the \$1,900 makes a lot of sense. If you're only a once a week golfer, it doesn't make sense to get the five month membership. There is a risk. If we don't get any new golfers and we just reduce the rate, our revenues will come down. If that occurred, I'd come back to the board and let everyone know what the risk is and what happened, so that maybe next year we don't do the program or tweak it then that revenue shortfall, we'll know what it is, so that when we get through season, hopefully our revenue is more in other areas to make up for that shortfall. There is a risk. From Mr. McCullough's comments that I've talked to him, he said, "What have we got to lose?" Supervisor Miller: Money. Mr. Wonderling: He said it might be the other side; we might get 100 seasonals that we never knew about that would not have come in. I don't know. I've always been hesitant to six month members. Supervisor Miller: You've got to realize that Curt is a marketing man. You do realize that? Mr. Wonderling: I understand. With that, we'll hit it hard marketing. We'll have it in the newspaper, we'll direct mailers to homes in other golf communities, which we've done before, and really get it out. President Halbig: You're going to have to have two colored sticker, too, because whoever has an individual cart... Mr. Wonderling: They'll have a different sticker on their golf cart. President Halbig: They'll have to have a different sticker for that period. Mr. Wonderling: For the membership as well that the guys that decide to drop the full to a single, they won't be able to use their cart for the month of November. President Halbig: Because they're going to be coming in... Mr. Wonderling: Membership goes into effect. President Halbig: Right, because they're going to be coming in after that or before that wanting to use their cart and only paying a reduced green fee. Mr. Wonderling: Right. Supervisor Miller: They'll be able to join the MGA and the WGA? Mr. Wonderling: I did put that in my letter. Since the club does not control those associations... We work very well with them. If the board decides to move forward with the seasonal membership, we

recommend, the board members along with us, reach out to the key members of the association. For example, I'll use Mr. Umphress, the Men's Association President, I would call him and tell him... He already knows about this because Curt McCullough already told them. They have their bylaws of who can be a member and who can't. I think in their bylaws it says full member. My thought is to change their bylaws however they can do it to allow these five months to participate because the goal is if they do participate, hopefully, of the 15 that we get, maybe next year 1 of them decides they're done with their second home and they're going to be down here for a full year and then they upgrade. That would be the ultimate goal. Supervisor Miller: One of the benefits, of course, are couples playing in these tournaments throughout the year. I would hate to see that... My summer place up there, if I don't pay all sorts of extra money, Kay and I don't get to play in any of the couple's things. I'd hate to have that restriction put on here. Mr. Wonderling: I think before this does get approved, if we walk away today, we like the plan, I think myself and maybe with the help of the board members, we can reach out to key individuals from both the men's and ladies. We can tell them we're launching this program and we really want your support on it to allow these five month members to participate with the same privileges. President Halbig: I'll tell you one way you can give them the incentive to do that. I'm only for this on a pilot program. I don't want this thing to go on in case we get blasted and then we have to change the following year. Just tell them they'd lose their subsidy. Mr. Wonderling: That's up to your discretion. That can be for this year. I don't want a good cop, bad cop thing. They want that money because it helps their tournaments out. I think if the five month member, and I said it to Supervisor McCullough... Let's say these 15 people join and let's hypothetically say they're all male golfers, well, that's 15 dues that come into the Men's Association because that's an extra charge. Supervisor Miller: It's worth a try, right? Mr. Wonderling: It's worth a try. Supervisor Miller: Okay. Can we move on? Mr. Wonderling: Yes.

Those are all the changes that I've made in the first draft.

Supervisor Miller: I have one question. In the non-operating expenses, you've got \$6,500 for outside furniture. Is that the thing that Curt was saying in his memo about closing in the porch and having a TV? Mr. Wonderling: No. Supervisor Miller: This is something else? Mr. Wonderling: In the first board packet, it had the soft seeding, they call it, the couches. Supervisor Miller: Outside? Mr. Wonderling: Outside in the screened in porch area. That's what that is. Supervisor Miller: Okay. It's got nothing to do with the smoker's area outside? Mr. Wonderling: Nothing at all. Supervisor Miller: Didn't we discuss about maybe putting a couple of umbrellas out there, so people can enjoy that? Supervisor Hulbert: They don't get taken care of, Dick; they get blown over and nobody watches it. Supervisor Miller: Okay; fair enough. I asked. Supervisor Hulbert: If you're going to put something out there... If you do that then you're blocking the view of the 18<sup>th</sup> hole. Supervisor Miller: That's true, too; fair enough.

Mr. Wright: Ron, before you got in here, they gave you an extra \$43,700. Supervisor Hulbert: You're not supposed to tell him that. (Laughter) Mr. Wright: You need to expense it. Mr. Wonderling: What'll happen in the next draft is we'll add it into a top revenue line item. Then, in golf course maintenance, and I talked with Dave about this because the rough has been an ongoing concern, what we're going to do is we're going to have two people on those rough mowers we have in the afternoons as well. It's not just going to be a morning shift. We mow as much as we can and then the next day we start it back up. We're going to have continued mowing, so whatever height, and I'll have Dave come back and speak to it, it'll be along everywhere. Now we have the resources to allocate someone to be on that rough mower to keep it at whatever height is decided. If the rough wants to get expanded so we have more fairway, if we want the rough that... Whatever height, no problem at all now. If we get a lot of rain like we did and we can't get to it because of the rain, that's different, but that will go a long way. I truly, truly... You'll see a difference in the rough out on that golf course. President Halbig: Let me ask you a question about how they approach the maintenance on the golf course. I wish David was here. Has he ever thought about shutting down nine holes at a time for a half a day and concentrate those guys, so they're working

rather than waiting on...? Mr. Wonderling: You make a good point. Dean's last visit, he came right before Turtle Run opened; about 10 days. He took the list and restructured Dave's crew. Meaning, instead of letting one guy do this duty and one guy do that duty, get three or four of them together, work them as a unit with one supervisor and knock stuff out. With saying that, we had the course closed so it was easy to get around. Maybe in the summer, I like the idea where maybe we go to 27 holes throughout the summer at times where we close 9, perform some duties with the exception of the aerifications and the big stuff that you contract out and you have to bring stuff in. Play levels are low, so we can definitely maybe go from 36 holes to 27 and really focus in on some special projects and it would help especially on Turtle with that sod work; it'll allow us to get it down a lot quicker. President Halbig: The productivity has to be improved 100%. In normal private clubs, they shut down Monday. Well, Monday they work. Then they do a little greens stuff and you don't have all this waste of time waiting for one group after the other after the other after the other. Mr. Wonderling: And I'll review some options with Dave and then we'll look at a calendar and come back at the next meeting with our plan for this next year. President Halbig: I don't think you have to work a plan together that quick. It needs to be considered and some thought given to it at some point. Mr. Wonderling: Definitely. President Halbig: I didn't mean to interrupt you. Supervisor Hulbert: That's alright.

Carts! I had a little conversation with one of your maintenance people. I happened to be at the cart barn and he was towing back one of the club carts. I said, "Uh-oh, somebody ran out of juice out there." He said that no, there were problems with the batteries. Thirty-two out of one hundred carts out there have problems with their batteries? Mr. Wonderling: It's not all battery related; it's the solenoid in the charger that's not letting it fully charge. We've already contacted Club Car and we're out of warranty, but because of our national agreement and because Billy Casper does a lot with Club Car as well, we're going to be okay. I feel very confident we'll have the right carts for this next season. Come this time next year, we will need to replace those carts, but at least we went one year... Supervisor Hulbert: I would make a suggestion that maybe from now on we don't replace the whole fleet every time it comes up in four years. Maybe we should start replacing a third of the fleet every year, so that over a period of time you're only replacing a third at a time. Mr. Wonderling: Some clubs do that and it's definitely a viable option, but the reason our company... I'll definitely be talking to Billy Casper through the this transition. Their vision on certain items is we've always... When you're dealing with customers and their experience, they always come to the club and it's the same feature, same model... Supervisor Hulbert: They don't change the body that often on a golf cart. Mr. Wonderling: I understand. Supervisor Hulbert: I'm looking at a \$71,000 lease fee in the 2012/2013 budget and now we're going to drop down to \$17,000. Supervisor Miller: (Inaudible) Supervisor Hulbert: I understand that, Dick. I'm just saying that there's a possibility that maybe we would be spending \$25,000 to get our extra third of the fleet replaced especially the ones that we've been having trouble with. Mr. Wonderling: Sure. Supervisor Hulbert: Just a thought. Mr. Wonderling: Definitely.

That concludes my golf fund items. I'll circle back with everyone in the next week or so on some of the little things we talked about today and keep you posted. Supervisor Miller: Are we agreeing to try this? President Halbig: I don't even like the idea of doing it, but I think maybe we ought to try it on a one year basis. Mr. Wright: You need to direct us because we have to advertise it 10 days in advance of the public hearing, which means I have to get it out next week. Supervisor Miller: A public hearing? Mr. Wright: It's part of your budget adoption. Anytime you change fees, you do it that way. Yes, sir. Mr. Wonderling: I will say that because... We're just doing a single category. I guarantee those 73 family seasonal, people up north, will come see that on a sheet and then the phone calls will start coming in. My response is that this is a trial for single and we're not expanding it to family. You might get some phone calls. President Halbig: You're going to get a lot of pushback on this; I guarantee it. It's a can of worms that you probably didn't want to open. Mr. Wonderling: Right, and I'm not trying to discourage this at all because I want to see the membership revenue increase like everyone else, but if there's a year round member that looks at it, they might say they go away for three months, it's hot, they don't play as

frequent, money is tight, would they jump? That's the "glass is half empty" talking opposed to we might be surprised. President Halbig: I think you're going to get some of that, though. Mr. Wright: It's all part of your rates and assessments. This is part of the budget. This is one of your revenue items.

That's all we have, Mr. President.

President Halbig: (Inaudible) Mr. Griffin: The change in salaries and wages on the environmental side, initially, we were looking at the possibility of placing a person who has since had a 180 degree attitude change. He's getting along just fine now. We will use some additional help during the summer hours, so if we can keep that in there, it would be idea because during the summer we spend a ton of time in doing mosquito control; in the wee morning hours and also late at night.

Supervisor Miller: (Inaudible) Mr. Griffin: The status of what? Mr. Wright: Tennis. Mr. Griffin: Both contractors were in on Monday. They set the first panel. We pulled all the trees out that needed to come out and the fence should be coming down. Starting the first part of next week they should be inputting the sub base and the paving. They'll be resurfacing here probably in... Supervisor Miller: (Inaudible) Mr. Griffin: October 19<sup>th</sup>. It is underway. President Halbig: Palmer Electric was over there yesterday working on the panel. Mr. Griffin: They hung the panel and they'll be setting all the poles here. There's quite a bit of work to take place. President Halbig: Thank you.

Supervisor Miller: Do we have a provision for...? When we close the budget workshop, are we done? I have one thing I want to raise. How do I do that? President Halbig: Do you have any more questions on the general fund? Supervisor Miller: No, it's not related to budget. President Halbig: Oh, okay. I have a question, too. Just a couple I have flags on. On the community services departmental expenditures, \$4,500 for street pole banners. I thought we did all those pole banners. I thought we just replaced them all or do we have more? Hopefully not because I'm not a banner fan necessarily. Ms. Smith: The idea for the project was to have two sets for seasonal because the ones we have up now are more for spring, summer and then there'll be an additional set for the fall and winter seasons. President Halbig: Oh, change them out. Ms. Smith: Yes, they'll be changed out. President Halbig: Okay. Ms. Smith: The longevity will be longer, so they're not the same ones all year round. President Halbig: That takes some time to change those out, doesn't it? That's pretty labor... That takes a while to change them, doesn't it? Ms. Smith: I think it took them a couple of days when they really started doing it. President Halbig: Okay. Supervisor Hulbert: They had to replace a lot of those bars and everything.

President Halbig: I've got another question. Is Greg still here? Your drainage maintenance number is, and I don't know why I didn't pick it up the first cut of this thing, but that's significantly lower than the current budget or what we actually spent in 10 months this year and we only have \$10,000 in it and this year we've already spent almost \$61,000. Mr. Griffin: A large portion of that for this current budget year was in the golf course; a lot of the ponds that we did were under the golf course. President Halbig: Okay, but it still seems like a low number for drainage. I don't know if you've got yourself covered there or not. Mr. Wright: Hang on just a second. President Halbig: It's on Page 10. Mr. Wright: Yes, we dropped that because of some projects that we have. Supervisor Miller: By the way, Greg, \$20,000 is a big pop for seasonal work. That's all without benefits, right? Mr. Griffin: Correct. Supervisor Miller: What is it; college kids or high school kids or what? What are they going to be doing? Mr. Griffin: We have a pool of college kids doing very similar work to what they did this year; filling in where necessary. You saw the young man that was up on the lift. I don't know if you saw him on Turtle, but he was pulling grapevines out of trees. Anything I ask them to do, they do. Supervisor Miller: Where are we on that; cleaning out that stuff? Mr. Griffin: Which part? The trees? Supervisor Miller: They couldn't have finished all of that. Mr. Griffin: Oh, no. That's two years worth of work. Supervisor Miller: It's been a while since I've been out there. Mr. Griffin: As we have men available we're doing it. For the last five weeks or probably four weeks, we stepped away from it because we put all the trees in; we've been



installing trees. We put in nearly 400 trees. Supervisor Miller: How much more do we have to do on the trees? Quite a bit, right? Mr. Griffin: We've done what we've mulched. We actually finished that yesterday. I'm looking to go in... We still have several trees available to us at a very, very good price. I'm looking to mulch the area behind the left side of #5 fairway, behind the green of #7 and the tee box of #8; that's an area that's really bad. I'm looking to mulch that on Monday and then immediately, because of the proximity of houses, immediately put trees in so we don't get a lot of negative feedback from those folks. I hope to do that next week. Once we finish with that portion, we'll probably step away from that area for a while because we have some other stuff that we've let sit for a while that we need to get back to. Mr. Wright: It's a two year project. President Halbig: Oh, yes; at least. It's really an ongoing project I would think. Mr. Griffin: Absolutely. What we're doing is we're planting and setting everything so that it's easy to maintain. The density in which the palmettos were allowed to grow and the vines were allowed to grow made it possible for a man to walk through and easily spray. Now we've got it set up so... And you'll see him out on the course; he's got a backpack and he's walking through the area spraying individual pines that are popping up. We're doing more spot spraying, which makes it much easier to manage.

President Halbig: On a different subject, I'm glad David came. Those greens... I wish we'd have put that grass on the other greens. They're the best putting greens I think I've ever putted on; honest to God. And they're only 16 weeks old. Those greens putt really well. If you can read a putt, you can make a lot of putts. Supervisor Hulbert: With all the rain we've had, Dave and I talked about it yesterday, really helped, which we didn't have when Deer was being done. President Halbig: Those are far better than the Deer Run greens right now.

Are we done? I thought you wanted me to adjourn. Supervisor Miller: Not yet. I want to raise that with Billy Casper coming in, and there's going to be a change, I would like to reintroduce the idea of a modified golf committee. I think it'd be very appropriate... We're going to have the same personnel, but it's a new regime. Supervisor Hulbert: A what? Supervisor Miller: Golf committee. That was before your time, but I proposed... Don't start. President Halbig: I agree with you. It's not anything that pertains to this budget, but as far as just a discussion about... Supervisor Miller: That slipped right by me when we went from... President Halbig: I think it's probably something that's not as elaborate as... Supervisor Miller: That's what I said; modified is the key word. I think we ought to do it and I think it'd be a good way to get acquainted with the Billy Casper business and so forth. We could have maybe three or five members that could meet maybe a little bit more than quarterly but certainly no more than once every couple of months. We could just discuss golf, which would make David's life much less... I think it's appropriate we do that and see how it goes. What do you think? President Halbig: I'm for it. Mr. Wright: We need to bring it back to you and you need to outline the whole issue; the whole nine yards. Supervisor Miller: I'll take a crack at modifying it. President Halbig: Yes. Mr. Wright: That's fine. President Halbig: At some point in time, too, and the Casper guys asked me, I explained to them that we have to go out for re-pricing on this thing. I told them they have a good opportunity in the next 15 months to prove themselves. It has to be re-priced; we don't have any choice. He asked me what the process was going to be and I said I didn't know. I said last time we had a committee that did it and came back to the board with a recommendation; it depends on what we decide to do. At some point in time we need to start thinking about how we're going to do that. Mr. Wright: I thought after we got through the budget process and the dust kind of settled we'd bring it up for discussion later this fall.

Thank you very much.

With no further business, the workshop was adjourned.

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David Halbig, President  
Board of Supervisors

Transcribed by: 

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Julixa Robinson, Administrative Assistant/Board Secretary