



HUNTERS RIDGE COMMUNITY ASSOCIATION, INC. - ANNUAL MEETING
WEDNESDAY, JANUARY 25, 2017 – 3:00 P.M.
12500 HUNTERS RIDGE DRIVE
BONITA SPRINGS, FL 34135

1. Call to Order – Fred Forbes, President
2. Mr. Forbes established a Quorum of members (105 by proxy and 114 members signed in to attend the meeting which is a total of 219 members).
3. Proof of Notice of Meeting was established by advising that a 60 day and a 15-day notice of meeting was mailed to the entire membership, it was also sent by email, it was posted on the Community TV Channel, posted on the website and on all of the various bulletin boards.
4. Election of Directors – No election of Directors due to no one running except for the existing Board members.
5. The Public Services Unit of the Lee County Sheriff's Department spoke for a few minutes about their role as a gated community liaison and answered questions about the program.
6. President's Report – Fred Forbes thanked all committee members who have worked so hard over the last year. 2017 Committees will reconstitute in a few weeks. He also advised the membership of the many improvements and accomplishments made over the past year and said that 2016 was a great year for Hunters Ridge and our residents, but as with all great things or trips we experienced some "bumps in the road" and a few "deep chuckholes".

President Forbes also spoke on the following topics:

- Clubhouse Renovation Project was completed in mid-January.
- Clubhouse Windows - We replaced the last of the old leaking clubhouse windows getting rid of almost all of the arch top windows which dated our clubhouse.
- Clubhouse Cart Path Pavers - We also accelerated installation of decorative pavers along the south clubhouse cart path to enhance the beauty of our Clubhouse and the Lanai experience. We also added additional tall landscaping along the southern edge of our lanai so either looking towards the woods and to the south your view was not obstructed by seeing a row of parked golf carts.
- ADA Clubhouse Walkways - We deferred removal of all trip and fall step up or downs around the front drive through canopy and the golf ProShop porch and walk until this spring in order to let the work on the clubhouse not impact this season. We will move forward on this project and will start demolition about a week or two after Easter.
- Future Projects - the Board and the Finance and Long Range Planning Committee collectively made the decision other than needed, must do projects, we are going to take the next several years to develop logical strategic capital plans like the major face lift of the Activities Center in

five years +/- . We must keep up with maintenance of our amenities otherwise our community will lose in the resale market to the newer more modern communities.

- Cable TV Internet Committee - Last year, two Special Study Groups I created as president preformed exemplary. First, we had the Cable TV and internet Group which worked extremely hard and spent more hours than anyone would ever believe for the benefit of our membership. The membership by a landslide approved saying with Comcast and their price for the same equipment number of TV's was the least expensive.
- Utility Rate Study Group/Utility Plant Operations - Our Irrigation and Utility Rate Study Group developed new system to more than equitably charge for well water and gray water being supplied to existing home sites, common area, the golf course and club facilities, as well as reinstated charged for sewage treatment of our facilities such as the Clubhouse, Cart barn, Maintenance facility, rest rooms at #14 Tee and the front gate house restroom. Likewise, by doing this the Group was able to develop a flat rate, no flow monthly charge that is very fair.
- Food and Beverage Operations - Last year was a great year for Food and Beverage. Our Clubhouse Manager, Bill Berg, concentrated on training servers and recruiting better servers. He concentrated in increasing service and food quality which resulted in a huge increase in total revenue approximately \$900,000 about 23% higher than the year before. He is optimistic that our ending balance for our Club will continue to show a surplus and while customer service across our service centers will improve. No matter what there will always be bumps in the road and change will always be needed to continue our member satisfaction.
- Hunters Ridge Realty
- Golf Course Improvements – Pump Station
- Fund Raisers

He expressed his thanks and all of the Board's thanks to all of our management staff, and our wonderful committee volunteers who again last year have helped us take Hunters Ridge to its next level. Life is good at Hunters Ridge and it will continue to improve do to all of our memberships efforts. Your Board is simply your elected representatives.

Treasurer's Report – Dick DeCoste

2016 was a good year for Hunters Ridge and its members. It was a year of completing certain major projects - like the main dining room, kitchen and lanai . . . and replacement of the clubhouse's 32 windows . . . and the new irrigation pump house . . . and our "soon to be" completed new fiber optic TV and Cable system. While there are a few smaller projects planned in the new year like street lighting, mailbox upgrades in the south tract, improvements to the entrance walks at the Pro Shop and Clubhouse and some road and parking lot resurfacing, it is now time to enjoy the fruits of our recent investments as we replenish our reserve funds and continue to plan for the future. However, re-roofing and re-painting has been scheduled for the Activity Center in the next few years and, with the age of the building approaching 20 years, it might be wise to update its structure and facilities at the same time.

LET'S TAKE A LOOK AT LAST YEAR'S RESULTS - Our operating departments of Golf, Food & Beverage, Social, Utility Plant and Common Area Accounts collectively contributed \$6.2 million in revenues. After including all expenses, we generated an operating surplus of more than \$115,000 for the year. All departments except

Food & Beverage contributed to this surplus. This was the first year that Hunters Ridge Realty has been incorporated into the Association and the Realty, during a less than favorable market year, has accounted for almost \$50,000 of this operating surplus!

FOOD & BEVERAGE operations reopened earlier this year in January following a 6-month period where both kitchen and dining room had been closed for expansion and major renovations. Much of this year has been focused on improving service levels and the quality of food and events. Personnel training has been a priority with Bill Berg and his team. Both holiday events, entertainment and special events have added to our regular offerings of weekday dining nights.

The response from the membership to these improvements has been very positive as witnessed by the significant increases in attendees throughout the year. Restaurant revenues jumped by more than 23% over 2015 to \$901,000 this year and costs for both food and beverages combined improved to 41% of sales from the level of 43% last year.

With this increasing demand, the F & B team and House Committee have been very pleased with this response from the membership but know that more timely planning in 2017 will be required in order to maintain quality service levels and to lower its operating loss. Against a forecasted loss of \$292,000, Food & Beverage's actual loss amounted to \$348,000 which included certain one-time purchases of china and glassware needed as we reopened for dining in January as well as rental items used for certain special events like the wine dinners. A more formal reservation system was also introduced late last year to help both the membership and the F & B team to improve planning. Knowing the approximate number of attendees in advance of an event will improve service levels for all members as well as help to lower costs. In the new year, Food and Beverage will also be looking for ways to spread member participation more evenly among all weekly events. For example, in-season attendance on Tuesdays is now in the 130 to 140 range while Thursday evenings can experience almost twice that number. Our 2016 salaries and related labor expenses like health insurance premium increases from the Affordable Care Act are on the rise which is an important reason to focus on ways to lower costs while making further improvements to our overall dining experiences.

SOCIAL revenue for the year was \$1.6 million. This included a surplus of about \$290,000 which was used to help offset and subsidize most of the losses from restaurant operations.

GOLF revenues were \$1.54 million for the year, equal to last year and, although expenses were higher by about 3.0%, an operating surplus of about \$11,000 resulted. Additions to 2016 golf reserves amounted to \$42,000 for reciprocal/outside play plus \$114,000 for new equity memberships for a total of \$156,000. Major repairs and equipment replacements were made on the course's irrigation pump house accounting for a \$348,000 expenditure from reserves. Other notable improvements included a major upgrade to the men's and women's locker room restrooms, a new facelift to the ProShop and a new practice putting green.

UTILITY PLANT revenue of about \$356,000 again exceeded expenses by \$109,000. During the year, a new Hunters Ridge utility rate system for sewage and irrigation water usage was established. The new rate system is based more closely on where sewage and irrigation is used and therefore more fairly allocates the utility costs among the membership. The changes are now reflected in the new year.

REVENUE FOR THE MAINTENANCE of Common Areas, Villas and Single Family homes amounted to more than \$1.5 million and about equaled their expenses for the year.

HR REALTY had 22 Closings in 2016 and ended the year with 3 sales pending and 23 homes on the market. While we anticipate 2017 to be comparable to last year's results, there is a considerable amount of both resale and new construction inventory available on the market.

Finally, although we do not fully fund our Reserve Accounts, RESERVE CONTRIBUTIONS for the year from all entities amounted to \$492,900 or 8.0% of the total budget. (Reference only: Golf-156, Social Non-Golf-50, Common Area-75, Utility-25, Villas-167.4 and Realty Closings-19.5).

The annual audit of 2016 operations will be conducted by Stroemer & Company and completed and presented to the community by the end of March.

In balance, a successful year financially with both the surplus of \$115,000 mentioned earlier plus the exceptional list of accomplishments. Key challenges going forward include replenishing reserves, developing future plans for major assets like the Activity Center and improving the cost of restaurant operations.

2016 Budget and Reserve Account Funding

Motion #1 by Jim Zimmer: Move that the following reserve accounts for 2016 be funded as:

- \$7.51 per member per month for social non-golf
- \$11.26 per member per month for common areas
- \$3.75 per member per month for treatment plant

Seconded by Mr. Malenfant and approved by voice vote of members.

Motion #2 by Gary Tinkel: Move that no member funds are contributed to the golf reserve account for 2016 and that this account continue to be funded by a combination of outside (reciprocal) play and equity membership revenues. The motion was seconded by Joanne Schoen and approved by voice vote of golf members.

No motion needed for South Villa members as they have previously voted and approved funding of:

- \$35 per member per month - Exterior Account
- \$10 per member per month - Roof Replacement Account

Motion #3 by Dave Malenfant: Move that the following north villa reserve accounts for 2016 be funded in the same amounts as 2015:

- \$45.00 per member per month for Exterior Maintenance
- \$65.00 per member per month for Roof Replacements

Seconded by Steve Curtis and approved by voice vote of north villa owners.

7. The meeting was adjourned.