



**HUNTERS RIDGE COMMUNITY ASSOCIATION, INC. - ANNUAL MEETING**  
**WEDNESDAY, FEBRUARY 21, 2018 – 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 (101 by proxy and 124 members signed in to attend the meeting which is a total of 225 members).
3. Proof of Notice of Meeting was established by advising that a 60 day and a 30-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. Bill Bell did not run for reelection and Keith Glover submitted his name as a candidate. Keith Glover was elected by default, no election was necessary.
5. Jose Duran, from the City of Bonita Springs, gave an overview of Internet and Related Safety items. See attached.
6. The Under Sheriff, Carmine Mesino, and the Public Services Unit of the Lee County Sheriff's Department, led by South District commander Blake Lee, spoke about their role as a gated community liaison and answered questions about the program.
7. President Forbes also spoke on the following topics:
  - 2017 – Dry Spring
    - Wet Summer 80" rain
    - Repave Parking lots \$222,500
    - Golf Committee Improvements \$87,000
      - pavers on Pro Shop lanai
      - pavers at Cart Barn entry areas
      - pavers to hole #1 red tee
      - pavers to driving range
  - Replaced old wooden light posts and mailboxes
    - FPL installed new street lights – south tract
    - FPL to install new street lights – north tract
  - IRMA
    - Damage to trees, vegetation
    - Maintenance Building Roof, Garage Doors
    - Golf Course
    - Loss Assessment \$1,580, plus \$300
    - Homeowners recovering Loss Assessment
      - State Senator Passidomo

- IRMA
  - Power outage 2 weeks
  - FEMA
  - Fencing
  - Back Gate
  
- Christmas/Holiday Decorations
  
- Water Fountain – damaged Christmas Eve
  
- Projects for 2018
  - Update ARC regulations
  - Update Parking, Vehicle regulations
  - Complete IRMA damage
  - Complete LED street lights thru out community
  - Member Survey for Capital Improvement Plan
  - Activity Center interior remodel
  
- Thanks to Bill Bell serving 5 years

## **8. Treasurer's Report – Dick DeCoste**

**Introduction - Hurricane Recovery** - As you might imagine, Hurricane Irma was a major disruption for all departments last year. Management, employees and members rose to the challenge and aggressively pursued storm recovery efforts and, after a few weeks, the course was opened - first, for 9 hole intervals and finally for all 18 holes. The large quantity and timing of rainfall last year was unprecedented and added to the significant landscaping damage we experienced.

Storm recovery work continues at a pace that takes full advantage of utilizing our own people to accomplish the various tasks, whenever possible. At the end of last year, an assessment of \$1,580 per Social member and \$1,880 for golf and charter members was made to pay for storm recovery repairs and replacements.

Recovery expenses are being tracked monthly under 8 major categories. Many items - like fencing design and replacement, back security gate replacement and landscape repairs and replacements to common areas and preserves are at their early stages. We anticipate that repairs and replacements to landscaping will extend to the end of this year, especially with the number of trees and shrubs that have died after the hurricane hit our area. At this early time, major recovery expenses to date amount to about \$200,000.

**Golf** - Financially speaking, revenues in December, 2017 were \$130,859, closing the year with total income of \$1,554,098, about 1% more than last year's performance due mainly to higher dues and trackage income. Total expenses for the year amounted to \$1,484,691 or about 2% lower than last year due principally to lower employee related costs for the course, cart barn and Pro Shop. The year also experienced fewer cart rentals and higher guest fee income than last year as well as a bigger usage of chemicals and sand & top dressing. Golf operations in 2017 generated a surplus of \$69,407 over forecast.

Reciprocal play for 2017 contributed \$53,497 to reserves while equity membership payments added another \$108,913. Both amounts plus interest payments total \$164,282, which represents this year's contribution to the golf reserve account.

In the new year, 2018 annual golf dues and trackage fees, at \$2,900 and \$1,500 respectively, will remain the same as last year. Both course income (\$1,567,200) and expenses (\$1,160,700) will also remain the same. For safety reasons, we needed to act swiftly to resolve ground settling problems on hole #2. This work has just been completed at a cost of about \$70,000 from golf reserves.

While the courses' greens are being maintained in excellent condition, their replacement is currently being scheduled 3-4 years from now. Due to the large size of the replacement expense from golf reserves, this is an item that is evaluated annually with the help of the USGA. With reciprocal play declining, reserve contributions will need to be tracked over the next few years as golf reserves are currently funded only from a combination of reciprocal play and equity golf membership payments.

**Food & Beverage** - Hurricane Irma impacted Food & Beverage activities through all of September and most of October. Partial recovery was seen in November and December's revenues, at \$119,813 were comparable to previous year's results. Total revenue for 2017 was \$844,753 down by more than 5% due to storm-related delays in the months of September and October. Total cost of goods sold, at \$330,843 improved to 39.2% of sales, compared to 2016 year's results of 40.0%. Both beverage and food costs of goods sold as a percentage of their sales improved (to 28.6% and 45.9% respectively) signaling cost efficiencies in buying as well as food preparation.

Total Food & Beverage expenses for the year were \$800,616 bringing net losses to \$286,706 or an improvement over last year's performance by more than \$70,000.

For the new year, our food & beverage minimum remains the same at \$900 per membership. Total sales are expected to be about \$802,000 and lower total expenses at \$777,600 are being forecasted. Most expense items are in line with last year's results with the exception of higher health insurance costs. For the entire 2018 year, a loss of \$295,600 is forecasted . . . about equal to last year's loss.

**G & A** - The year ended with total income of \$1,695,712 and corresponding expenses were \$1,359,842 - both about equal to forecast. Expenses for accounting, pool supplies, health insurance and utilities were the largest line items that exceeded their respective forecasts but overall operations continued to produce a subsidy, ahead of forecast, of \$335,871.

For 2018, Social dues were increased by \$90 per member - from \$3,120 per year to \$3,210. This increase goes directly to the Community Association reserves account in preparation for repaving roadways, improving road drainage and other capital maintenance items.

Annual G & A income (\$1,694,600) and expenses (\$1,430,000) remain, for most line items, about the same as last year with the exception of an expected increase in health insurance. An annual subsidy of \$264,600 is anticipated in the new year.

**Treatment Plant** - For the year, Treatment Plant revenues were \$279,441 including a deduction of \$25,000 for reserves taken earlier in the year. Expenses for the year were \$239,522 exclusive of depreciation or about 5% lower than forecast resulting in a small operating surplus for the year.

Little change in revenue (\$277,000) and expenses are expected in 2018. Also, the plant's operating permit must be renewed every 5 years and 2018 is a renewal year. No major expenses beyond the permitting are anticipated due to the active reserve-maintenance programs in place. The next major asset replacement is scheduled in 2019 when the gray water storage tanks are upgraded.

**Realty** - For the Realty operation, 2017 began reasonably well but sales activity quickly deteriorated as the year progressed and was especially hurt in the last quarter when Hurricane Irma hit in early September. There were 23 closings in Hunters Ridge throughout the year.

Low inventory of 12 to 15 at any given time, the need that most homes sold required long overdue maintenance and upgrades and competition from new construction all combined to result in lower average 2017 sale prices, compared to 2016.

Real estate commissions for December, 2017 were \$14,250 bringing total commissions for the year to \$110,459. With total YTD realty expenses of \$64,558, realty operations produced an income of \$45,901 for 2017.

Since the beginning of 2018, there have been 4 closings and there are currently 4 sales that are pending.

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**A 2017 operating surplus of approximately \$100,000 is being estimated pending final year end audits. This surplus is due principally to lower operating expenses in both Golf and Food and Beverage, compared to last year's performances.**

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**Common Areas** - Common Area revenue for 2017 was \$1,127,606, about equal to forecast. Corresponding expenses of \$1,119,842 produced a small surplus of \$7,764.

**North & South Villas and Single-Family Homes** - Last year's income for the South Villas, net of reserve allocations, was \$365,806, about 5% above forecast due to receipt of miscellaneous income. Corresponding expenses of \$361,124 resulted in a small surplus of \$4,682.

Similarly, last year's income, net of reserve allocations, for the North Villas was \$185,318 which was equal to forecast while expenses of \$178,969 left a small surplus of \$6,349.

With miscellaneous income of \$36,200 for mailbox payments, total revenues from Single family homes were \$37,210. Expenses, principally for the replacement and installation of new mailboxes, amounted to \$36,956 - leaving a small surplus balance at year-end of \$254.

Finally, we ended the year with cash balances\* of approximately \$1.2 million in Reserves and \$1.9 million in operating accounts.

\*All revenues and expenses noted above are unaudited and subject to change pending final audits by Stroemer & Company in March, 2018.

## 2018 Budget and Reserve Account Funding

Motion #1 by Jim Sido: Move that the following reserve accounts annually for 2018 be funded as follows:

- \$100,000 for social non-golf
- \$75,000 for common areas
- \$25,000 for sewer treatment plant

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

Motion #2 by Ron Parmiter: Move that no member funds are contributed to the golf reserve account for 2018 and that this account continue to be funded by a combination of outside (reciprocal) play and equity membership revenues. The motion was seconded by Lorrie Holly 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 2018 be funded as follows:

- \$45.00 per member per month for Exterior Maintenance
- \$35.00 per member per month for Roof Replacements

Seconded by Lorrie Holly and approved by voice vote of north villa owners.

9. The meeting was adjourned.