

MINUTES OF MEETING
VIERA EAST
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Viera East Community Development District was held Wednesday, April 27, 2016 at 2:00 p.m. at the Faith Lutheran Church in the Multi-Purpose Room, 5550 Faith Drive, Viera, Florida.

Present and constituting a quorum were:

Vincent Anella	Chairman
Paul McCarthy	Vice Chairman
Jo Walsh	Secretary
Bob Fritsch	Treasurer
David Bedwell	Assistant Secretary

Also present were:

Jason Showe	District Manager
Tim Melloh	General Manager
Brian White	GMS
Residents	

FIRST ORDER OF BUSINESS

Roll Call

Mr. Anella called the meeting to order at 2:00 p.m.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Oakley: We have had our Master's Club Championship for the past three weeks. We had a playoffs for the Master's and Jack Webb won the playoff and they have ordered his green jacket. We had 45 people for the luncheon and there was a comment made by Terri about some members spilling spaghetti on the carpet. She read the whole group a write out and I am very happy that I didn't have any guests there because it would have been a very negative type of situation set forth for the club. I am just informing you of that and Tim was there and we have talked about it. I did say something to Terri after and she said that they were just a bunch of slob. I told her that she couldn't criticize everybody for the actions of one or two people, and

she said that she was mad and that is why she did that. Maybe we shouldn't have any more luncheons there and we can hold it over the clubhouse and have someone cater it. Several of the members have said that is was very inappropriate that she did that.

Mr. Anella: When was the luncheon?

Mr. Oakley: Last Thursday.

Mr. Melloh: The food was great and everything was top notch. That was the only problem. The tournament was great and it was a good competition.

THIRD ORDER OF BUSINESS

Approval of Minutes of the March 23, 2016 Meeting

Mr. Anella: I need a motion to approve the minutes of the March 23, 2016 meeting.

On MOTION by Ms. Walsh, seconded by Mr. McCarthy, with all in favor, the minutes of the March 23, 2016 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Unfinished Business

A. Ratification of First Amendment to Lease Agreement with Divots Grille

Mr. Showe: I know we have been talking about this for a while and based on consensus of the Board we had the Chairman sign this agreement.

On MOTION by Mr. McCarthy, seconded by Ms. Walsh, with all in favor, the First Amendment to Lease Agreement with Divots Grille was ratified.

B. Review of Proposals and Selection of Vendor to Provide Golf Cart Lease

Mr. Melloh: My recommendation is that we accept bid 2A, which is a two year lease for carts only with E-Z-Go for \$2,275.20 per month for 48 months. There will be no buy-out at the end and we will just turn the carts back over to them. This lease also includes 78 carts because we are adding a beverage cart. That comes with a HydroLink watering systems, USB power receptacle, hubcaps, and premium colors. I think we should go with GPS Technologies for a third party lease of their GPS system. I think I have a solution to delay getting them in. I would still like to have them come in the first of August or end of July only because I would like to be

able to market the new greens, new golf carts, and new GPS system. I was going to see if I could talk to E-Z-Go about taking the first two lease payments and deferring them and dividing the lease over the final 46 months. Brian did some calculations and it would roughly increase the lease payments by about \$99 a month to \$2,374.12.

Mr. Fritsch: Weren't we paying \$4,000?

Mr. Showe: That was with us owning the carts at the end.

Mr. Bedwell: We got a cheaper amount because we are trading them back in. In four years we will go back to \$4,300.

Ms. Walsh: That may be the time that we will be better suited to have a higher rate.

Mr. Melloh: What we are doing is trading in our equity now so that we have lower payments for four years. The payments will always be \$4,300 so we might as well cash it in at what would benefit us the most and then go back to paying the \$4,300.

Mr. Fritsch: Did you ever do the math as what our monthly payment would be if we were to own the carts?

Mr. Melloh: That was on the bid as 3A. That would have been \$4,310 and it would've gone down \$300.

Mr. Fritsch: It would've been less then and now it is going to be much less, which is great.

Mr. Melloh: The four years allows us to afford a GPS and still save about \$1,100 a month. That helps us with the pace of play because we want to push these rounds up to about 50,000 rounds and there isn't a golf course in the world that does that many rounds with pace of play issues and the GPS will help with that.

Mr. McCarthy: I think that is a good idea Tim to delay the first two payments and put it in later on when your revenue starts to come in. What savings did you develop by getting the GPS from an outside agency?

Mr. Showe: It is pretty significant if you look at the difference between 2A and 2B.

Mr. Melloh: It is \$1,300 a month is the savings.

Mr. Fritsch: By using a third part the total savings would be \$62,400. That is a significant amount of money.

Ms. Walsh: Not only that but it gives any players that have carts of their own to get their own cart synced up with our system if they desire.

Mr. Melloh: There wouldn't be any way to do it if they came factory installed.

Mr. Anella: All of the bids are part of public record, correct?

Mr. Showe: Correct.

Mr. Anella: When we approve the bid that is on discussion right now, that will identify in the minutes where you want to indicate the savings.

Mr. Showe: The Board would have to approve a separate agreement with the third party GPS.

Mr. Anella: Do we need two motions?

Mr. Showe: Do we have a formal proposal?

Mr. Melloh: Yes we do.

Mr. Showe: Yes we would need two motions because this is a public bid for just the cart lease and then the GPS separate. If the Board is comfortable going with 2A I would recommend the Board to rank E-Z-Go as the #1 ranked bidder and authorize staff to negotiate a contract with them to the terms of their bid. That will give us the ability to get a lease with those terms.

On MOTION by Mr. Fritsch, seconded by Ms. Walsh, with all in favor, the selection of E-Z-Go as #1 Ranked Bidder and Staff Authorized to Negotiate Golf Cart Lease was approved.

On MOTION by Mr. Fritsch, seconded by Ms. Walsh, with all in favor, the selection of GPS Technologies to provide GPS systems for golf carts was approved.

Mr. Showe: Since it will be a public bid we will have to notify all of the bidders who we selected. There is a period where they can put in a bid protest and I do not expect it in this case because you selected the lowest rank bidder. Once that time period has elapsed for them to put in a protest and that will be the point when we can negotiate the contract. We will bring the contract back for formal approval.

C. Review and Acceptance of the Fiscal Year 2015 Audit Report

On MOTION by Mr. Fritsch, seconded by Mr. McCarthy, with all in favor, the Fiscal Year 2015 audit report was accepted.

Mr. Melloh: We need to vote on the rates for the temporary greens. We talked about it at the workshop and it will be \$15 for the public and \$12.50 for CDD residents. We need to make a motion.

On MOTION by Ms. Walsh, seconded by Mr. McCarthy, with all in favor, the rates for the temporary green renovation were approved.

Mr. Anella: Does that start on May 1st?

Mr. Melloh: May 16th.

Ms. Walsh: How much longer are we going to be on the browns?

Mr. Melloh: The putting browns? Until May 15th. The greens are fast and it is a big novelty, people are coming here specifically to play on them. We tell people if they want to play on what it is like to play on a U.S. Open green because that is the speed they run for them. I have had only one complaint.

Ms. Walsh: You are rolling them aren't you?

Mr. Melloh: We have to roll them because they bring up spike marks. We aren't rolling for speed we are doing it for smoothness.

Mr. McCarthy: We aren't running mowers on the green?

Mr. Melloh: No. It looks like a mower but it is a roller.

FIFTH ORDER OF BUSINESS

New Business

A. Discussion and Approval of Restaurant Closure

Mr. Showe: We went back and looked at the contract for Terri at Divots Grille. We need a formal approval so she can close. As part of the contract if there were any significant closings that the lessee or the property owner could approve any closings.

On MOTION by Ms. Walsh, seconded by Mr. McCarthy, with all in favor, the closing of Divots Grille from July 17, 2016 to July 23, 2016 was approved.

Mr. Melloh: I included a piece of paper called Scope of Work for Bunker Renovations. This is just to discuss that we have three holes that are too penalizing for most golfers. Scott and I have come up with a good estimate of what it would take to fix them. On hole #1 we would eliminate the bunker in the front middle using a lot of fill dirt and bringing in a shaper and reshaping the front so that we have a nice throat that people can roll the ball up onto the green. On hole #8 there is a very large bunker, which only penalizes higher handicappers. It gives them an extremely difficult shot if you come up short of the bunker you end up with a 30 to 40 yard bunker shot. The proposal would be to shrink the bunker down significantly so that we still maintain the aesthetic part of the hole and we have some pin positions protected for better golfers if we happen to have tournaments. We are hoping to create an area where the ball can be fed on to the right hand portion of the green. For most golfers just filling it in doesn't get it done. The ground has to be reworked and has to be resodded. The most significant one is hole #10. We still want to leave part of the bunker there because we do not want to make it a pigeon-put type golf course and there is still the integrity of it being a difficult hole. By reworking and filling in 75% of that bunker we can come in and make a nice area for people to be able to hit the ball up onto the right hand and center portion of the green. I have played enough golf here with all kinds of people and I can tell you that hole presents problems for everybody. Bob Walker our architect says that it is too penalizing. Fill dirt, sod, hiring a shaper, equipment, redoing an irrigation line or two, and putting a new drain in them will cost about \$26,500 and not exceed \$30,000. We have contingency money and hopefully we don't have to spend it to pay for this. I'm bringing this to the Board because it would have a significant impact on the golf course.

Mr. Fritsch: I know we have talked about this before and Paul McCarthy was the one who really feels strong about this. Paul is this going far enough or do you see those bunkers being completely gone?

Mr. McCarthy: I think it is a step in the right direction and I realize that we are limited by money.

Mr. Fritsch: What I am referring to is in each case we are leaving a small bunker. Do you agree with that?

Mr. McCarthy: Yes. Our bunkers are severely oversized that it is to the point where it is ridiculous. If you have a small bunker there you still can protect some of the integrity of the hole and it gives people with lower handicaps an opportunity to get around it. This is an important project to speed up play and Tim came up with these suggestions. I know that we have monetary problems and that is a consideration. When I first came on the Board I had said that one of the best things they had done was to create that reserve in the Reserve Fund. I am a proponent of putting that money back and I feel strongly about that. I think it is my responsibility to make sure that we continue to grow that reserve. I think that if we were to go and do this the following year, it would probably be more expensive and the loss of revenue would be significant because we would have to close a portion of the course. This is an ideal opportunity to do it and it won't impact us in a negative way in terms of loss of revenue. I think if we did it next year it would hurt us. According to the USGA 45% of golfers cannot break 100 with a mulligan on the first tee, inappropriate drops, and breaking the rules. We have created on hole #1 and #8 where they just can't get out of the bunker. That slows the pace of play.

Mr. Anella: If you look at the report we have taken into consideration every possible thing. We are protecting the loss during the construction, which is \$204,000 and we are projecting a loss in August and September of an additional \$50,000. I think we have got that covered based upon experience but we do not know where we are going to end up this month but it will be in the positive. With projection of those two losses we are still at a remaining balance of \$235,000. I personally think to do it again next year or the year after is a disaster just from a standpoint of you just finished fixing the course, what are you doing now? Secondly, financially it would be much more. I would not object. Another \$30,000 would still keep us above the \$200,000 mark, which has always been our goal to end up at the end of the Fiscal Year with the Reserve at least at \$200,000. I look at #1 and #8 from the yellow tees is a disaster. I would recommend that we go through with this.

Ms. Walsh: If we are going to do it, now is the time.

Mr. Showe: If you look at that sheet there is approximately \$30,000 of contingency built into those estimates. If the numbers are pretty tight and we narrow it down that contingency would cover these improvements.

Ms. Walsh: If you are a good golfer and you make an 8 on the first hole, it doesn't make for a happy beginning of the golf day. Are you talking about bringing #10 out a little further?

Mr. Melloh: We could a little bit but we will more than likely keep it how as it is. We don't want to dig a new bunker.

Ms. Walsh: I was just wondering. There are people that want to come out here and play a hard course and I wouldn't want to take that away.

Mr. Melloh: It might be one of those things where we could but we were just saying if we did that there would be more protection on the left hand side. It is a pretty sharp hill right there and I don't know that we could physically bring it in.

Mr. Bedwell: I think it is a great idea and we need to approve it because we may have a problem finding a crew that can do it.

Mr. Anella: Is it the same people who are doing the irrigation?

Mr. Melloh: Yes the people that are doing our irrigation system have indicated that they can do this type of work. This work will go rapidly. They should be in and out in ten days. There are some areas on the golf course that we may be able to harvest some of our own fill.

Mr. Fritsch: I know the big mound on hole #1 that sits directly to the west of the driving area, there is a lot of fill in there.

Mr. Melloh: Depending on what we need and how the logistics go we could take some of that bunker that is 80 yards short of the green and refill and resod that. We are operating on Scott's best estimate because the contractor is having a hard time getting out here.

Ms. Walsh: I'm good with it unless they get here and say that it will cost \$50,000.

Mr. Melloh: If we did it to not exceed \$30,000 at least we will know where we are.

On MOTION by Mr. Bedwell, seconded by Mr. McCarthy, with all in favor, to renovate the bunkers on Holes 1, 8, and 10 Not To Exceed \$30,000 was approved.

Mr. Anella: How are we going to handle the credit for the next for the pre-pay in the next Fiscal Year. We can talk about this at the budget process though.

Mr. Melloh: We are going to freeze their memberships and we will not take any revenue in October and November because we haven't earned the revenue. That would be my suggestion.

SIXTH ORDER OF BUSINESS

Staff Reports

A. General Manager's Report

CDD Report

Mr. Melloh: We have our normal day-to-day operations proceeding as planned. Ed's crew is doing great. The fire line notifications went out for Templeton and Bennington starting the first part of May.

Mr. Bedwell: Did you get into Grand Isle?

Mr. Melloh: Yes. Ed and I inspected that this morning.

Mr. Anella: Is that supposed to die? It looks bad.

Mr. Melloh: We had a call from Ms. Britton about the other flow way and pond area. We sprayed all of that out but you have to continue to spray it.

Mr. Anella: Did she call before or after you did that?

Mr. Melloh: We had already sprayed it and then she called. I left her a message letting her know that we had been out there to do that. The condition of the golf course is excellent. We had our wall-to-wall fertilizer go down today and tomorrow.

Mr. Bedwell: Did you put it in the rough too?

Mr. Melloh: Yes, which is something that we have not done before and that is why the rough is getting thin and weedy. We did it around the slopes too. The best weed preventer is healthy turf. In the past the decision was made to cut back in those areas so that is why things got weedy but we should see great results from that.

The second application of the round up was applied on Monday. The second application should take care of the odd weeds that are coming in on the greens. There will be a third application in a few weeks and then after that there will be fumigation.

Mr. Fritsch: Does it kill the grubs and insects?

Mr. Melloh: We will still have to treat the insects. The fumigation will take care of that but the fusillade and the round up won't.

Mr. Bedwell: Does it take care of the nematodes?

Mr. Melloh: The gassing will but only to a certain depth. That is why we have to keep it opened up but it should do a good job. Since they took a chemical called nemicure off of the market, nematodes are bad. The only green that we have that we suspect them on is hole #2. We have been treating it and I think the fumigation will do a good job especially since we are going to aerify prior to that. We took a big tree down by the restrooms on hole #6 because it was

blocking the sunlight going to the green. They need at least 8 to 10 hours of sunlight a day and when we were assessing that we noticed that the tree was blocking it. It has opened up a light of sunlight there so we should have no issues going forward. We had our ADCD Scramble yesterday and we had 72 players. Everyone had a blast and everyone laughed at the greens. Ed and I met with about four or five residents of Fawn Ridge this morning in reference to their lake bank. They think they have an erosion problem and I wanted to go over that with you. They weren't happy with what I told them and the procedure in how we determine what lake banks get restored and which ones don't. They may show up at a future meeting and we just finished up with our five-year plan that attacked everything that was in red on the map. When you get into the orange that is what Fawn Lake falls into. There is 65,265 linear feet of shore that falls into the orange area. Since last year we have raised the \$60,000 and it was 26,000 feet that we repair a year. For five-years we only do 13,000 linear feet so to get to everything on the orange list right now would take 25 years. Ed does prioritize and comes up with a list and they're not on the list because it is not as eroded as others.

Mr. Anella: Where is Fawn Ridge?

Mr. Melloh: Across from Crane Creek.

Mr. Anella: I think we should go out there and look at it. They are complaining that it is disappearing and we aren't fixing it fast enough?

Mr. Melloh: It is the erosion of the shore and before we can even get to it there is still another 18 feet to go before we get to their property. One gentleman was talking about it being a safety issue because you get to the edge and there is a drop off of about a foot and a half. He said he couldn't even mow his lawn and I was trying to explain to him that there are other issues and it is not in our budget.

Mr. Anella: Was the HOA President there?

Mr. Melloh: Yes. Ms. Berard was there and she is the Secretary, Treasurer, or President of the HOA.

Mr. Anella: If we get a chance we need to go see it because if they show up to a meeting we need to know what they are complaining about.

Mr. Melloh: In this plan these people are telling us to stop spraying these littoral shelves because we should be letting things grow up and it protects the erosion. On the other side of the

point we have to keep a flow of these things free because they are retention ponds and one has to flow in the other so there are things we do have to spray out.

Mr. Anella: The flow aways also have a different requirement.

Mr. Melloh: The flow aways do but these have to be clear and according to Ed. St. John's doesn't care what we do in there.

Ms. Walsh: We have done some planting and sometimes they disappear and sometimes they die. Part of the Lake Bank Restoration Plan had in it some plantings for certain areas to help mitigate some of that erosion. You can ask Ed because he has planted helpful plants back in. That is something that we can look at too if they are that far down on the list, if we can get something established in there. What happens when we do that is a lot of times the residents will say that we are taking away their lake bank property and they can't see the lake.

Mr. Melloh: Then they complain because of the alligators and snakes that get in there.

Mr. Anella: Makes sure that when Chris comes again that he comes to the meeting so we can hear it from the expert.

Mr. Bedwell: The big issue that he brought up is that we are mapping out red and orange, and it takes 25 years to get through the orange. That is not much of a plan; I don't know how that is going to work.

Mr. Anella: You have to look at the way we did it. It was a risk factor.

Mr. Showe: It was based on the proximity of the lake to the homes.

Mr. Bedwell: I understand that but you said the orange would take 25 years. What if it moves to red?

Mr. Anella: We would have to reevaluate it. There is no victory for this because there is so much of it. Baytree right now is running into trouble because they have less of what we have. Make sure we get Chris to come to the next meeting.

Mr. Melloh: I will make sure he comes to the next meeting.

Mr. Fritsch: How many feet do we have in the CDD of lake bank?

Mr. Melloh: 176,900 linear feet and that is 33.6 miles.

Mr. McCarthy: We budget \$60,000 a year and that get us how many feet?

Mr. Melloh: 2,600. It is a 50-year plan.

Mr. Fritsch: Who determines what category it falls into?

Mr. Anella: When we did it originally Chris's boss was involved and Ed. They went out and did an evaluation of it.

Mr. Showe: It was based on the proximity of the lake bank to the adjacent property owner's property.

Mr. Fritsch: Is that updated on a regular basis?

Mr. Showe: I think they updated it in 2011 and we have been working with that plan. It may be time for us to do another evaluation.

Ms. Walsh: Before 2011 they may didn't pay any attention to it at all. When we started with \$2 in the General Fund then we started working on it. It is one of those deals where you could only allot so much money and still do whatever. I understand the frustration of wanting it done now.

Mr. Fritsch: I didn't have any understanding of it all.

Mr. Melloh: Talking to a lot of these residents, they think that they own the property up to the waters edge and they don't. We have gotten a metal detector and measured it out and found a little pin in the ground and show them what is their property and what is ours. As an example, Mrs. Berard this morning told me that they used to have beachfront property here. That was in her mind and she thought she was going to have to get flood insurance because the water was rising. We had to explain to her how the pipes work to stabilize the water. There is a lot of misinformation out there about a lot of this. I just wanted to let you know about the conversations I had with them.

Mr. Bedwell: If you are going to have Chris go out and look at it, get him to give us some options on plantings along that bank and even up onto our bank that would help us. From what I remember, the only place Ed has ever placed stuff in there is at Grand Isle. We have not done that and I can talk for my daughters place at Stratford. When they first went in there, there was water-type plants growing all along the bank and it was great. In our spring process that is all gone now and there is a little erosion. Let's find out if there is something that we can put in there so we slow this process down.

Mr. Melloh: I don't know where we have been in the past with this. Ed just told me they started doing lake banks in 2011. I thought that is was something that has been done for years. Mr. Anella would you want to talk about the cart wash proposal that we have?

B. License Agreement

Mr. Anella: We received a formal request to the Board and we owe them an answer as to what we think we should do. From my perspective I would not approve their request. I just think that we should not get into that type of business and I think we have enough on our hands. I also think that hanging something else on Tim, you do not know what is in the future. That is my position.

Mr. Bedwell: I agree with you and I am sympathetic with the girls. We in our discussions said that if Terri wants to sponsor something that is fine. We have previous people come in here and want to run cart repair and things like that and we have said no. It is impossible not to allow one to do it and then look at the other people that want to come in and do a carwash on our property and let them. I would vote no.

Ms. Walsh: I don't feel like we should either. I would be more than happy to bring my cart over if Terri is going to allow them to use her property or if they would like to solicit some other place to do it that's fine. As far as us being liable for any of those situations that could arise I would not approve it.

Mr. McCarthy: Did you talk to them about going to people's homes and doing it?

Mr. Melloh: After our last discussion with this at the workshop I went to them and encouraged them to think of a plan B. Which would either be going to see John Gates and see if he would allow them to do it there or if they would consider doing it by appointment and come to the resident's home and wash the cart and would even show them how to add water to the battery so they can do a little service as well. I spoke to Mary this morning and she has been out of town so she hasn't had an opportunity to speak with them or John Gates.

Mr. Fritsch: I agree to what my fellow Board members said. To add to what Jason said at a workshop that if we were to accept this proposal and the boy scouts or girl scouts came in we would have to say yes to them and so forth.

Mr. Showe: We will make a blank statement that the Board will not allow any special events or these type of activities and that way Tim has that authority when they come and we won't have to discuss it.

Mr. Melloh: I passed this out last year and the first picture is an area as you are going down Morel Boulevard. I think it is Six Mile Creek and that is something that is not part of the CDD. That is what a lake of untreated spatterdock looks like. In the proceeding pictures is the

spatterdock issue in Herons Landing. You can tell that it is being treated and the way we are treating it is when it gets down to a half dollar size. Some of it you can't reach gets bigger but it is better for it to get bigger so that it will take up more of the chemical. The problem with the boat is as you spray the leaf of the spatterdock and then the wake of the boat comes by no matter how slow you go, sometimes it will wash it off. There is always chatter over there in Herons' Landing as to whether they get calls and Jim will pass those along to me and I assure him that we are doing everything that we can. You go from one extreme to other when it comes to the lakes out there.

Mr. Bedwell: Is this a plant that St. John's had already growing in the lakes?

Mr. Fritsch: We went through this with them over there because it is just retention pockets not areas that are protected and we can do anything that we want with it. We have directed our people to go ahead and treat it where its possible but we aren't going to spend extra money to go in there constantly to get rid of it as long as we are controlling it.

Mr. Anella: Control also means as long as the water is flowing.

Mr. Bedwell: You have them in Grand Isle and nobody is complaining. You walk right by and you can see it.

Mr. Melloh: My only purpose for putting that in there again was because there has been quite a bit of chatter and I know you guys are out and about and see a lot of people. I just wanted to refresh your memory of what we are doing over there. Ed, myself, and Graust went to the HOA meeting and told everyone what we are doing and there is another solution there called Sonar. That is where you can dose the lake for \$3,000 and you would have to do that at least once a year.

Mr. Bedwell: Can we allow the HOA to do it if they decide to with our approval?

Mr. Showe: You get into a dangerous situation when you let other people come in and treat your lake.

Mr. Bedwell: I was just going off of Mr. Anella. Our man thing is to make sure the flow always flow.

Mr. Showe: Correct.

Mr. Anella: There used to be times when after the hurricanes people were checking the flow aways. I think that has stopped now because we are comfortable with hurricanes. When the hurricane season does come Ed is aware and checks all of the flow aways to make sure the

water is flowing. When Fay was here in 2011 we did have a back up and the guys went and cleared it. I think it is just normal and we are doing okay.

Mr. Melloh: Ed is on top of that and that is part of the hurricane checklist.

Ms. Walsh: Thinking of the flow aways and such how are our fish grates holding up? I know we had to fix some with PVC.

Mr. Melloh: They seem to be holding up good. Ed told me how he developed the PVC and they seem to be doing well.

SEVENTH ORDER OF BUSINESS

Consideration of Financial Statements

Treasure's Report

1. Approval of Check Register

On MOTION by Mr. Fritsch, seconded by Ms. Walsh, with all in favor, the General Fund in the amount of \$79,687.02 was approved.

On MOTION by Mr. Fritsch, seconded by Ms. Walsh, with all in favor, the Capital Reserve Fund in the amount of \$733.28 was approved.

On MOTION by Mr. Fritsch, seconded by Ms. Walsh, with all in favor, the Golf Course Fund in the amount of \$101,525.60 was approved.

2. Balance Sheet and Income Statement

Mr. Anella: We had an excellent month and we are finally in the black for the year. It looks good other than fertilizer but we will work on that for next years budget.

Mr. Melloh: When the budget comes most places with combine fertilizer and chemicals all into one budget. The problem with it is you get the fertilizer that has it's chemical attached to it and as an example the pre-merge that we put down is a chemical but it got tagged as a fertilizer because it came attached.

Mr. Anella: You are saying we should combine those two accounts?

Mr. Melloh: Yes.

Mr. Anella: We only show a loss of \$4,000. That is a good point.

Mr. McCarthy: I have a question on the rounds of revenue in April totaling \$88,804. That seems good to me, are we above budget?

Mr. Melloh: No we are behind budget. We are suffering a little from the greens but we are holding in there. My estimation is we will probably finish up at about \$100,000 cart and green fee revenue and our budget was \$110,000. The good news is we are ahead on range balls and merchandise sales.

Ms. Walsh: I think we are going to see our players coming out and playing for the \$15 or \$12.50 because we are suspending the memberships.

Mr. Melloh: We have had a lot of good chatter about that because we have gone the extra mile to make sure the temporary greens are playable and the rest of the course is going to be looking good. We are going to adjust the 100 and 150 pole back so that they reflect a 100 yards to the temporary green and encourage people to play back a little bit or we may move the tees back a little. Lane and I are talking about how we may have a little event where we go out and play the temporary greens and see what we can do and have fun with it. We are trying to encourage all of the children and families to come out and learn to play golf.

Mr. Anella: I think a positive attitude amongst everybody really encourages things and it is contagious.

Mr. Bedwell: This is in relation to getting Reserves down to \$200-235. How do we build the Reserves if the golf course is successful with 50,000 rounds and hold the rate up and all of a sudden we are getting a lot of cash in the Golf Course Operating account? Can we transfer that to Reserves?

Mr. Showe: Sure. It is part of your budget process. We do recognize a transfer from the Golf Course and the General Fund into that Capital Reserve.

Mr. Bedwell: I want something besides the General Fund plus that little bit that we transfer each month.

Mr. Anella: It's in the General Fund.

Mr. Showe: Theoretically if the revenues increase and your expenses stay the same or more then that additional revenue gets transferred into the Capital Reserve.

Mr. Bedwell: We need advice from you when we get a lot of money.

Mr. McCarthy: On the green card usage on the report there is nothing for the month of March. Have we exhausted the green card?

Mr. Melloh: No they are not exhausted there just wasn't any used that month. I have to update the balances for everybody but it is down a significant number. Brian and I have talked about it and we feel that there will be some usage as we go through this stuff. I wouldn't expect anybody to use those while we are on temporary greens.

Mr. Anella: I think the worse part is over.

Mr. McCarthy: I was surprised when I saw it would zero then.

Mr. Melloh: We did have the giftcard line items of giftcard sales and usage, only because in the past the giftcard was being deducted from the cart and green fee revenue. That wasn't going to line up with my report that I have given you, so I asked Brian if he could come up with something so that the cart and green fee number lines up to what it is we earn then we can track the giftcards. It lines up with my report now and we can see how much are coming through giftcards and how much we are selling.

Ms. Walsh: We are still having to reimburse the restaurant for Mulligan's cards.

Mr. Melloh: They can use their giftcards over there. We apply some of that money towards that. If they have a giftcard they should be able to use it everywhere. I asked if they could use it for range balls, cart and green fees, and things like that. When they buy range balls we do not have any cost associated with that. When they buy a shirt we have 65% of an expense associated with that shirt.

EIGHTH ORDER OF BUSINESS

Supervisor's Request

Mr. Fritsch: Talking about the fertilizer that is going down now and all of the chatter about the river here; it is my understanding that anything that is produced in this area within the CDD flows west. Can you get a flow plan if someone challenges us, that we can actually show them anything that is coming out of the CDD is flowing and being filtered out by the grass to the west of us and is good water? Also let them know we are not going into the lagoon.

Mr. Bedwell: Brevard County passed a law and you cannot fertilize between June and August. We had to change our fertilizing schedule in Grand Isle.

Mr. Showe: I think that is for residential properties.

Mr. Melloh: Next month Scott is going to be attending a full day seminar at the extension office on Lake Drive. They are talking about fertilizing in this area. I am going to try

to attend a half-day with him so that I am fully aware on this information. They need to know too that our water doesn't go the opposite way.

Ms. Walsh: We have to make a payment for our water to go west.

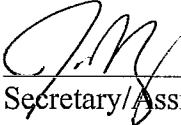
Mr. Melloh: We want to be environmentally conscious on the golf course. It is our goal to eventually get Audubon certified. There is a special golf course certification that you can get through the Audubon Society. We check most of the boxes there already.

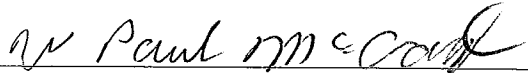
Mr. Anella: Be very careful of the extension office.

NINTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Fritsch, seconded by Mr. McCarthy, with all in favor, the meeting was adjourned at 3:10 p.m.


Secretary/Assistant Secretary


Chairman/Vice Chairman