

**MINUTES OF WORKSHOP
ARLINGTON RIDGE COMMUNITY DEVELOPMENT DISTRICT**

A workshop of the Board of Supervisors of the Arlington Ridge Community Development District was held Monday, June 12, 2023, at 9:00 a.m. at Fairfax Hall, 4475 Arlington Ridge Boulevard, Leesburg, Florida 34748.

Present were the following:

Robert Hoover	Chairman
Ted Kostich	Vice Chairman
Bill Middlemiss	Assistant Secretary
Claire Murphy	Assistant Secretary

Also present, either in person or via Zoom Video Communications, were the following:

Angel Montagna	Manager: Inframark, Management Services
Jennifer Kilinski	Attorney: KE Law
Brenda Burgess	Inframark, Management Services
Lynn Hayes	Inframark, Management Services
Robert Sardinias	Inframark, Management Services
Donise Streit	Community Association Manager
Dan Zimmer	General Manager: Golf, Food & Beverage
Residents and Members of the Public	

This is not a certified or verbatim transcript but rather represents the context and summary of the workshop. The full workshop is available in audio format upon request. Contact the District Office for any related costs for an audio copy.

FIRST ORDER OF BUSINESS Call to Order and Roll Call

Ms. Montagna called the workshop to order at 9:00 a.m. and called the roll.

SECOND ORDER OF BUSINESS Pledge of Allegiance

Mr. Hoover led the *Pledge of Allegiance*.

THIRD ORDER OF BUSINESS Audience Comments

A Resident commented on District email reminders and notices received for various subject except for today's workshop and Thursday's meeting, and requested better communication.

FOURTH ORDER OF BUSINESS Discussion of Preliminary Budget for Fiscal Year 2024

Discussion ensued regarding the budget process, and capital projects will not be discussed at the workshop. The Board discussed making changes to the following expense line items, as noted:

REVENUES:

Discussion ensued regarding anticipated revenue for Lexington Spa, rental income for Fairfax Hall from non-residents, added line item for RV revenue, projected revenues for the RV

lot, proposed monthly fee of \$25 per lot instead of \$1.50 per linear foot, keeping the current revenue amount for the RV lot until the budget hearing in August, non-resident events at Fairfax Hall, receive monthly statement for rental income, having them broken out on the financial statements, the purpose of settlement item, and room rental activity policy.

ADMINISTRATIVE:

Payroll—Board of Supervisors: based on 15 meetings per year, suggestion the annual meeting schedule also include workshops to be advertised.

FICA Taxes: formula based on the Board's payroll.

Payroll Taxes: employer's portion of payroll taxes.

Worker's Compensation: reduced to \$850.

Professional Services—Arbitrage Rebate: based on contract amount.

Professional Services—Dissemination Agent: contracted service with Inframark.

Professional Services—Trustee Fees: Discussion ensued regarding fee paid per bond issue.

Attorney Fees: Discussion ensued regarding anticipated legal services needed, including violations received.

Engineering Fees: Discussion ensued regarding anticipated engineering services needed, and other governmental approval agencies for stormwater and other improvements.

Management Services: contract amount.

Assessment Roll: contract amount.

Auditing Services: contract amount per the engagement letter. Discussion ensued regarding soliciting proposals for auditing services next year.

Postage: Discussion ensued regarding the need to include sufficient monies for mailed notices if assessments are being increased.

Insurance—General Liability: Discussion ensued regarding increased premium costs, and properties that are covered under the policy.

Insurance—POL: increased premium.

Insurance—Property: increased premium. Discussion ensued regarding assets added during the year plus additional roof leaks included in the policy.

Legal Advertising: reduced to \$5,000. Discussion ensued regarding upcoming bids that will require legal advertising.

Website Administration: based on a contract amount.

Information Technology: the District's internal IT system.

Miscellaneous Expenses: includes a new laptop, and staff has requested a breakdown of what expenses have been coded to this line item.

Dues, Licenses, & Subscriptions: increased to \$3,425, includes all subscriptions for the District.

GATE HOUSE:

Contracts—Security Services: Discussion ensued regarding staff’s negotiation with Allied Services regarding limiting their requested increase to 3% but have not heard back, a hybrid solution, and other options for security.

Utility—Water & Sewer: includes 10% increase.

Utility—Electric: includes 10% increase.

Street Lights: includes 10% increase.

Repairs and Maintenance: no change.

Security Enhancements: reduced to \$1,500. Discussion ensued regarding items included in this line item.

CAPITAL EXPENDITURES AND PROJECTS:

Capital Projects: increased to \$225,000. Discussion ensued regarding projects, priorities, pools, insurance reimbursements, roof repairs not coded to maintenance, and spa roof.

TOWN CENTER ADMINISTRATION:

Pest Control: no change.

Onsite Management: no change.

Janitorial Services & Supplies: increased to \$92,000. Discussion ensued regarding poor service provided by Globisier, recommendation to change vendors, staff will email the current contract to the Board, scope of services for cleaning, and complaints.

The agenda for Thursday’s meeting will have an item to consider janitorial services.

Utility—Water & Sewer: includes 10% increase.

Utility—Electric: includes 10% increase.

Rentals & Leases: no change.

Liability/Property Insurance: zero since it is included in Administrative.

Repairs & Maintenance: no change.

Special Events: reduced to \$5,000. Discussion ensued regarding zeroing out and moving elsewhere in the budget, reimbursements, District events, food trucks, and where it shows up under revenues.

Information Technology: zero since it is included in the administrative section.

Office Supplies: no change.

Computer Supplies/Equipment: no change.

Club Activity Supplies: reduced to zero. Discussion ensued regarding providing supplies, treating all groups the same, and letting groups provide for their own needs.

The meeting recessed at 10:54 a.m.

The meeting reconvened at 11:04 p.m.

COMMON AREA AND RECREATION:

Utilities—Water & Sewer: includes 10% increase.

Utility—Electric: includes 10% increase.

Repairs & Maintenance: no change.

Roadway Repair & Maintenance: no change.

Irrigation Repairs & Maintenance: no change.

Landscape—Mulch: no change.

Landscape Maintenance: no change.

Landscape Replacement: no change.

Landscape—Storm Cleanup & Tree Removal: no change. Discussion ensued regarding previous cleanup projects and storms.

Pond/Littoral Shelf & Wetland Management: no change.

Sports Court Maintenance: no change.

Holiday Decoration: no change.

Special Events: zero because it is included under Towncenter.

Operating Supplies: zero because it is included under Towncenter.

FAIRFAX HALL:

Utilities—Water & Sewer: includes 10% increase.

Utility—Electric: increased to \$19,000.

Repairs & Maintenance: no change.

SOCIAL CENTER:

Utilities—Water & Sewer: includes 10% increase.

Utility—Electric: includes 10% increase.

Repairs & Maintenance: no change.

Operating Supplies: zero because included in Towncenter.

Dues, Licenses, Subscriptions: zero because included in Administrative.

LEXINGTON SPA:

Professional Services—Pool Maintenance: no change.

Fitness Instructors: zero due to the District no longer paying instructors.

Utilities—Water and Sewer: reduced to \$25,000.

Utility—Electric: includes 10% increase.

Repairs & Maintenance: no change.

Operating Supplies: zero because included in Towncenter.

Dues, Licenses, Subscriptions: zero because included in Administrative.

BLUE RIDGE ACTIVITY CENTER:

Utilities—Water & Sewer: no change.

Utility—Electric: no change.

Operations & Maintenance: no change. Discussion ensued regarding anticipated maintenance, and recommendation to keep the numbers as presented for a year to see what costs end up being.

RV LOT: *new section added*

Utility—Electric: increased to \$500.

Capital Improvements: no change.

Maintenance: reduced to \$35,500, for total in this category of \$36,000. Discussion ensued regarding additional monies for upgrades.

OTHER FINANCING SOURCES:

Transfer Out—Capital Reserve: no change. Discussion ensued regarding net increase without further changes results in 11% increase in non-ad valorem assessments for only the general fund,

reduction of capital reserve contribution to \$100,000 results in 6.6% increase, and resident feedback.

Transfer Out—Golf Course/Food & Beverage: reduced to \$76,299, resulting in 10.7% increase.

Transfer Out—Sales Center Revenue: no change. This is the final year for this expense.

Discussion ensued regarding version 2 of the budget to simplify the line items, consolidate similar budget items to eliminate redundant line items which will be discussed further at the meeting Thursday, support and continued maintenance of the restaurant and the Blue Ridge Activity Center, the restaurant will be broken out separately in version 2, numerous accounts for electricity that will be provided in a spreadsheet for a single line item, some preference to break out expenses and code invoices by building instead of consolidating line items, suggestion for consolidated line items with building broken out under that line item, and this will be discussed further at the meeting on Thursday.

GOLF & FOOD/BEVERAGE BUDGET:

Discussion ensued regarding transfer out reduced to \$76,299 resulting in a 10.7% increase in assessments.

Mr. Zimmer presented the budget for golf and food/beverage.

Discussion ensued regarding calculation for total revenues, overall increase of 4.8% in total golf revenue, overall increase of 13.5% in total expenses, maintenance activities, schedule for growing own sod, memberships, how budget items are recorded and accounted for, how discounts for golf membership affect restaurant revenues, budgeted loss for the restaurant for fiscal year 2023, staff increases, special events, financial reports for special events will be provided separately to the Board.

FIFTH ORDER OF BUSINESS

Supervisor Comments

Mr. Kostich requested current Inframark financials and golf course financials to be two months behind, and feels a 10.7% increase is too high and would like to get it lower at the meeting on the 15th. Ms. Montagna clarified the lag in financial statements and how Inframark will be providing them, history of previous Board direction to provide both sets of financials two months in arrears. Discussion ensued regarding having golf course financials two months behind but Inframark financials be current, Indigo is supposed to send their financials by the 20th of each month, combined financials can be sent by the 28th of each month, suggestion of having both sets

tied together twice a year, history of previous management company providing financials two months in arrears, staff will check requirements of providing financial statements, and the Board can discuss and decide further at the meeting on the 15th.

SIXTH ORDER OF BUSINESS Audience Comments

A Resident commented on the following items: condition of facilities, adding monies to reserves, golf club discounts, questioned if the restaurant is losing money because of offering discounts, and event tickets.

SEVENTH ORDER OF BUSINESS Adjournment

- *The next meeting is scheduled for Thursday, June 15, 2023, at 2:00 p.m.*

The workshop adjourned at 12:45 p.m.

Angel Montagna, Secretary

Robert Hoover, Chairman