



# Barefoot Bay Recreation District

## Board of Trustees Meeting

### Budget Development Review/Townhall Meeting

January 25, 2024

6pm –Building D/E

#### Meeting Called to Order

The Barefoot Bay Recreation District Board of Trustees held a Townhall Meeting on January 25, 2024, Building D&E, 1225 Barefoot Boulevard, Barefoot Bay, Florida. Mr. Amoss called the meeting to order at 6pm.

#### Thought of the Day

"Value those people who tell you the truth not just what you want to hear." Patricia Summit

#### Pledge of Allegiance to the Flag

Led by Mr. Klosky.

#### Roll Call

Present: Mr. Amoss, Mr. Klosky, Mr. Grunow, Ms. Hansen, and Ms. Van Berschot. Also, present, Kent Cichon, Community Manager, Cynthia Mihalick, Interim District Clerk, Kathy Mendes, Food and Beverage Manager, Charles Henley, Finance Manager, Matt Goetz, Property Services Manager, and Bill Balash, Interim Golf Manager.

#### FY25 Budget Development Review

Mr. Amoss began the budget discussion by explaining that this year will be challenging, with the cap on the assessments, minimum wage increases, inflation, and the infrastructure of the community is deteriorating and the District needs to have a savings account to cover the cost of major repairs. Property Services and Food and Beverage are both making changes in personnel and procedures. The golf course now has the best possible maintenance company and is gradually bringing the course back. The better it gets, the more revenue it will generate. Finance is also finding ways for cost savings and utilize income generating opportunities. Mr. Cichon is working on a management and departmental reorganization change that is underway.

Mr. Cichon reminded the residents and Trustees that due to feedback last year, the budget kickoff began three months earlier, in October 2023, which allowed input earlier in the process. The proposed budget presentation will take place on March 19<sup>th</sup> with additional workshops scheduled on April 3<sup>rd</sup>, April 18<sup>th</sup> and May 7<sup>th</sup>. It is anticipated that the Board will approve the mailout to homeowners at the regular BOT meeting on May 28<sup>th</sup>, and the budget adoption is expected at the regular BOT meeting on June 25<sup>th</sup>.

The FY25 budget principals put a pause on large new projects and focus on repairs and maintenance of existing facilities and amenities, the implementation of smaller projects and the impact of minimum wage increase to \$13, which will reach \$15 in FY27. The increased cost due to high inflation rates will be



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addressed and fees and charges will be adjusted based on CPI and other cost pressures. The 15% reserves will be maintained for contingency and continue the building up of capital reserves.

Mr. Cichon reviewed the Five-Year Capital Improvement and Project Plan with the Trustees.

## FY25

- Replacement of lounge walk-in cooler \$160,000
- Shopping center parking lot milling & replacement \$110,000
- Replacement damage concrete \$25,000
- Grounds beautification \$25,000
- Shopping center exterior doors \$15,000
- Golf course pond aeration \$9,000
- Accessibility to facilities \$8,000
- Shopping center replacement flooring \$7,000
- Lawn bowling gutter replacement \$6,500
- Veterans Gathering Center exterior doors \$3,120
- Pro shop ceiling repair/painting \$2,500
- Building D/E exterior walls repair/painting \$2,230
- Building A storage room ventilation \$1,000.
- Total \$374,350.

In FY26, the District may apply for FRDAP grants, with the consent of the Board. The grants may be used to fund upgrades to the basketball court, golf course, or potentially add new pickleball courts. A new pickleball court costs \$25,000 - \$50,000.

## FY26

- Property Services replace truck \$27,400
- Replace damaged concrete \$25,000
- 19<sup>th</sup> Hole exterior door \$12,000
- Building C HVAC, Building \$8,690
- Building D/E HVAC \$8,690
- Accessibility to facilities \$8,000
- Property Services interior refurbishment \$7,000
- Building C ceiling tile replacement \$5,000
- Property services exterior walls \$2,500
- Pro Shop exterior doors \$2,000
- Pool #2 exterior doors \$2,000

## FY 27

- Pool #3 resurfacing \$80,000
- Replacement damage concrete \$25,000
- Shopping center exterior doors \$14,500
- Pool #3 tool room electrical panel \$11,200
- Building C HVAC \$9,559



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- Building D/E HVAC \$9,559
- Accessibility \$8,000
- Shopping center condensing unit \$7,350

## FY28

- Food & Beverage van \$47,500
- Replacement concrete \$25,000
- Bldg C HVAC \$10,037
- Accessibility \$10,000
- Administration Building mini split \$6,850
- 19<sup>th</sup> Hole interior doors \$4,500
- Administration Building interior walls and paint \$3,750
- Veterans Gathering Center ceiling tiles \$3,415

## FY29

- Shopping center sprinkler system & standpipe replacement \$59,100
- Replacement concrete \$25,500
- Lounge floor replacement \$18,000
- Lounge update fire alarm panel \$17,900
- Building A interior wall refinishing \$15,550
- Building D/E ceiling tile replacement \$15,510
- Accessibility \$10,000
- Building D/E interior wall refinishing \$5,583
- Building C interior wall refinishing \$3,031
- Pro Shop interior wall refinishing \$2,916
- Veterans Gathering Center interior wall refinishing \$1,900
- Pool #2 interior wall refinishing \$1,200
- Pool #3 interior wall refinishing \$1,200

## Additional significant projects for the Trustees to consider funding:

- Golf course irrigation system TBD  
Mr. Balash advised that the pipes coming from the wells may be original equipment. Brightview has also requested a full replacement of the electrical system outside the pumphouse. Many of the parts are obsolete. Mr. Cichon stated that there is a possibility that a well has collapsed.
- Golf course sod nursery \$191,000
- Building Tech II new position \$56K
- Camera system new and replacement TBD
- Pool #1 dance floor (replace pavers with concrete) TBD
- Pool #1 ambience lighting \$18,500
- Veterans Gathering Center flag display \$5,000
- 19<sup>th</sup> Hole picnic bandshell area outdoor bar \$4,500.



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Ms. Hansen asked about the sod nursery. Mr. Cichon advised the location would be at the end of the parking lot. Brightview would put in the nursery, but the District would be funding it. The \$191,000 is the initial investment. Mr. Grunow visited local golf courses and they all have their own nursery. Mr. Balash explained that the cost-effectiveness of the nursery is that once you deplete the sod, you regrow your grass at a lesser cost instead of continuing to buy pallets of sod.

Mr. Cichon stated the new position of Building Tech II is to be focused on a list of projects and will be dedicated to the projects created by Trustees, residents, and the Community Manager. The individual would only be pulled off projects in the event of a hurricane.

Mr. Cichon has been working with the camera vendor, who is recommending additional work on the existing system. The feedback from the vendor is that the needed work will be in excess of \$25,000.

Mr. Cichon mentioned that he has received feedback from residents about the Pool #1 dance floor that pavers should be replaced with concrete to create a flat surface for safety reasons. Mr. Grunow felt it should be a priority and asked about taking some of the concrete money for the project. Mr. Cichon said the concrete funding is already designated for other projects for this year.

Two strands of LED Edison lights that are programmable have been added to Pool #1. The lights are programmable, and colors can be changed for special holidays such as Valentine's Day and Christmas. The ambience lighting project would also include uplighting palm trees. The result would transpose the Pool #1 area and create an ambience for evening entertainment.

Mr. Grunow explained that the members of the Veterans Gathering Center would like to enhance the flag display. The American Legion is going to purchase a bench by the flagpole. Concrete is needed for the flag semi-circle and families of veterans could add memorial bricks.

An outdoor bar for the 19<sup>th</sup> Hole at the bandshell/picnic area would be a modified shed to take the place of a makeshift bar with a knockdown table. This would provide a more permanent structure for events in that space.

Mr. Cichon presented an inflation rate chart. The rate has been coming down and the Federal Reserve has been raising the rates, with the last increase July 2023. It is expected that they will be meeting again in January, and that they will hold rates steady. The inflation rate continues to run high. Costs that the District is incurring is higher than an individual would see.

FY25 assessment rate & social membership fee

CPI 4.115 percent

Annual assessment \$972.49, equates to a monthly increase \$3.20 per lot

Additional assessment revenue \$186,972

Social membership fee \$50 per year \$495,900

Social membership revenue \$17,100 above FY24 projected revenue for social membership revenue



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Mr. Klosky asked if the shopping center replacement doors would be ADA compliant. Mr. Cichon advised that the doors would be ADA compliant, but there is no plan to make them automated and is focusing on meeting areas and District facilities.

Mr. Amoss asked about the \$17,100 additional social membership. Mr. Cichon stated that this amount is above FY24 projected revenue for social membership revenue. Last year FY24 estimated budget was going to be a decrease from FY23 budget for housing sales or transfer of ownership.

## **Audience Dialogue with Trustees**

Louise Crouse, 808 Sapodilla Drive – asked about starting a savings account and then contingency reserves. Mr. Cichon answered that the savings account is a reference to the capital reserve account brand new in 2024, which was initiated by the Chairman and the Board. The account originally started with \$100,000, but anticipated expenses, including the insurance premium being much higher, dropped the balance to approximately \$14,000. The other account is a contingency account for projects and cost overruns or unanticipated projects. The reserve account will be built up over several years to fund big projects in the future.

Susie Amoss asked approximately how much the sod farm will save in the future and how long it would take before it paid for itself. Mr. Balash responded that he is working with Brightview on a much more scaled down sod farm, possibly in a different location on the golf course. Mr. Cichon stated that we will have to do analysis and it would be difficult for it to be accurate.

Ms. Hansen asked if we could sell the sod to someone else if we do not need it. Mr. Balash responded that the sod would not be harvested until it is needed.

Ian Riley, 1453 Barefoot Circle - mentioned that the proposed sod farm location is not agricultural land, and it would be in a residential area, and was concerned about the appearance with soil eroding away. Mr. Balash responded that the nursery would not be depleted all at once. The sod nursery proposed will be used in addition as a short game area, out of site, smaller and scaled down.

Donna Collette 854 Periwinkle Circle – asked about the lawn bowling facility needing gutters. She stated that it is a huge expense for the District and asked how often is it used and noticed that it is only used three months of the year. Mr. Grunow stated that there is something for everyone. The residents using the lawn bowling are only here a few months because they are mainly Canadians. They pay annual assessment fees just like everyone else. Mr. Amoss stated that there are several facilities that are not used throughout the year, but we must maintain the facilities even if they are not used all year. Mr. Grunow said picking and choosing certain clubs would not be fair.

Kathy Parent, 922 Evergreen Street – Suggested that single residents should have an additional badge to use for guests. Mr. Amoss stated that the topic will be discussed in upcoming budget workshops.

Joanne Plasse, 1028 Barefoot Circle - asked what happens to badges when a homeowner sells a home. There are people who sell their houses and still can use them. The badges get updated each April.





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Donna Collette asked about the dance floor at the Lounge. She stated that many events are open to the public. When there's an open event, why can't we charge a minimum of \$2 per person? She suggested the funds raised could be used to fund the dance floor. Ms. Hansen asked if we have events open to the public. Ms. Mendes said that we have a few events such as the Ethnic Festival, St. Patty's Day, and Christmas parade.

Ms. Van Berschot stated that there are many clubs and suggested that they could sponsor some of the projects that need to be done within the community.

Ms. Van Berschot asked about the CPI and if there were any plans to start a communication with Commissioner Tobia. Mr. Amoss stated that Mr. Olsen is going to investigate it. Ms. Van Berschot stated that she would like to participate in the discussions.

Donna Collette stated that at Christmas time she wanted to purchase gift cards for the golf course, but the course is not processing them. Mr. Balash is in discussions with Finance but does not have confidence that the Golf Now software can track gift cards, so the Pro Shop has discontinued the sale of gift cards.

Kathy Parent asked that the District consider purchasing new dart boards at the lounge. Ms. Mendes said they belonged to the dart board company. She is going to contact the company to advise them that they are malfunctioning and request replacement.

Louise Crouse asked why a gift card needs to be tracked. Mr. Henley stated that the auditors want to know how much money is outstanding. Ms. Crouse said she feels Food & Beverage has a very nice gift card and congratulates them on looking very attractive and professional.

Ms. Van Berschot asked what it would take to swap out ambience lighting at Pool #1 and do decking at the 19<sup>th</sup> Hole. Mr. Goetz said he has checked on this previously and it would be costly because it would require moving the sidewalk. Mr. Cichon clarified that the ambience lighting will be included if the Trustees would like to fund it. The entire lighting project would not have to be done all at the same time.

Ms. Hansen asked if there is something we can do to fix the gift card problem at the golf course. Mr. Balash is looking into the problem but has no timeline for the resolution. In comparison to the old Golf Now, the reporting software is subpar. Mr. Grunow asked if the Golf POS could be on Food & Beverage POS Upserve system. Mr. Balash stated that he would need to have tee time reservations as well as POS and is looking at other systems.

## **BOT FY25 Budget Development Direction to Staff**

None

## **Incidental Trustee Remarks**

Mr. Klosky thanked Mr. Cichon for the good presentation. Mr. Klosky also thanked the residents for coming out.



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Ms. Hansen thanked everyone for coming and providing their input in the budget process and advised the residents that the trustees are trying to work in items that they want. Ms. Hansen also reminded the residents that the Quarter Auction will be on February 2<sup>nd</sup>, and the charity for this month is Gold Star families. The Quarter Auction starts at 6:30pm in Building A.

Ms. Van Berschot would love to see more people attend the meetings but is pleased with the input the Trustees have received.

Mr. Grunow thanked the audience for coming. He reminded everyone that the Board would need to be cautious, wages are going up, healthcare, liability, utilities, so the Board will need to work this all in with the CPI lid. Mr. Grunow reminded everyone about the Veterans Golf Tournament on Saturday, February 3<sup>rd</sup>. There will be parachute jumpers with smoke at 12:20pm with the American flag and service flags. The event is open to the public.

Mr. Amoss thanked everyone for attending. If anyone has questions or concerns, email one of the board members. He advised there would be no redos this year.

## **Adjournment**

The next Townhall meeting will be Thursday, April 25, 2024, at 7pm in Building D/E.

Mr. Amoss adjourned.

Meeting adjourned at 7:34pm.

Elaine Van Berschot, Secretary

Cynthia Mihalick, Interim District Clerk