

**MINUTES OF MEETING  
STONEBROOK  
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Stoneybrook Community Development District held multiple Public Hearings and Regular Meeting on August 27, 2019 at 6:00 p.m., at the Stoneybrook Community Center, 11800 Stoneybrook Golf Drive, Estero, Florida 33928.

**Present and constituting a quorum were:**

Eileen Huff	Chair
Chris Brady	Vice Chair
Ed Harland	Assistant Secretary
John Blakeley	Assistant Secretary
Mike DeBrino	Assistant Secretary

**Also present were:**

Chuck Adams	District Manager
Dan Cox	District Counsel
Tony Grau (via telephone)	Grau & Associates
John Vuknic	Golf Superintendent
Jeff Nixon	Golf Pro
Andy Whirl	Resident
Santo Listro	Resident
Paul McFarland	Resident
Terry Merrifield	Resident
Bob Jensen	Resident
Scott Sutton	Resident

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Adams called the meeting to order at 6:00 p.m. All Supervisors were present, in person.

**SECOND ORDER OF BUSINESS**

**Public Comments: (5 Minutes)**

Mr. Andy Whirl, a resident, asked when the public hearing related to the budget would occur. Mr. Adams stated during the Fifth Order of Business.

**THIRD ORDER OF BUSINESS**

**Presentation of Audited Financial Report for Fiscal Ended September 30, 2018, Prepared by Grau and Associates**

Mr. Grau presented the Audited Financial Report for Fiscal Year Ended September 30, 2018 and described the information that could be found on each page. The Report showed a finding in the General Fund budget in which expenditures exceeded budget for the "Maintenance and operations" line item. Mr. Grau responded to questions as follows:

- The District's decrease in net position was due to unexpected expenses relating to the hurricane, which resulted in the General Fund exceeding budget.
- To prevent similar findings in the future, the deadline to submit a budget amendment was no later than November 30<sup>th</sup> of each year.

Mr. Adams stated that hurricane-related expenses spanned two fiscal years and there was not sufficient time to amend the Fiscal Year 2017 budget and amending the Fiscal Year 2018 budget was inadvertently overlooked.

**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2019-04, Hereby Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2018**

Ms. Huff presented Resolution 2019-04.

**On MOTION by Mr. Blakeley and seconded by Mr. DeBrino, with all in favor, Resolution 2019-04, Hereby Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2018, was adopted.**

**FIFTH ORDER OF BUSINESS**

**Public Hearing on Adoption of Fiscal Year 2019/2020 Budget**

**A. Proof/Affidavit of Publication**

The proof of publication was included for informational purposes.

**B. Consideration of Resolution 2019-07, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2019, and Ending September 30, 2020; Authorizing Budget Amendments; and Providing an Effective Date**

**Mr. Adams opened the Public Hearing.**

Mr. Santo Listro, a resident, questioned why an additional \$95,000 was being budgeted for hurricane reserves for Fiscal Year 2020 when the same amount was collected in Fiscal Year 2019. Ms. Huff explained that the District's reserve funds were depleted due to hurricane-related expenses and budgeting for this again would help to replenish what was depleted. Mr. Adams stated he emailed Mr. Listro an explanation of how various items were applied to the Fiscal Year 2019 budget and stated that hurricane costs spanned two fiscal years. The budget reflects "assigned and unassigned" Surplus Fund Balances line items; there is no line item titled "reserve funds".

Mr. Adams stated it was common for residents to misinterpret certain verbiage in the Mailed Notices as there being a new assessment; however, this was an incremental increase being applied to the existing assessment. The District was working over the next three years to build the fund balance to account for gap funding, unforeseen events and to fund a portion of a wall along Stoneybrook, with the remainder being financed.

Mr. Paul McFarland, a resident, asked why there was not a "Hurricane reserves-assigned" budget line item, rather than lumping funds under "Unassigned". Mr. Adams stated this system makes it easier to access funds in an emergency than it would be if the funds are designated to a specific line item.

Discussion ensued regarding whether there would ever come a time when the golf course profits were sufficient enough to help offset and lower the District's assessments and other golf course-related topics.

Mr. Andy Whirl, a resident, asked how much was spent to repair damages to the golf course caused by Hurricane Irma. Mr. Adams provided the amount and stated four contractors were engaged to clean up, as golf course personnel was tending to the course. The infrastructure bond was paid in full and, rather than decreasing assessments, a portion would be used to offset the operations and maintenance (O&M) assessment increase needed to build reserve funds.

Mr. Whirl asked why the Village of Estero was not funding the wall since the State funded a wall during the I-75 expansion project. Mr. Brady stated, in a meeting, the HOA agreed we should contact the County to request should help in funding it. Although the District had not decided entirely whether to build the wall, the reserves could be used for a number of projects but, as the HOA Board Members and the District are concerned about the community, as a whole, the HOA advised the District to begin building up reserves to help with funding.

Mr. Whirl asked why the District's insurance did not cover damages. Mr. Adams explained that landscaping is an uninsurable asset and, due to the high deductible, it was cost prohibitive; however, the golf course revised its policy to include business loss coverage.

A resident asked if the reserve funds were being assigned in the General Fund under "assigned fund balance" and could be used for items other than a wall. Mr. Adams stated the funds could be used for any future capital need; how the funds would be used was not yet determined. A resident asked if the Board has authority to use unassigned funds to build a wall, without any interaction with the residents. Mr. Adams replied affirmatively; there had been several discussions on this matter at the District's regular meetings and more would occur before any decision is made. It was better for assessments to remain unchanged than to fluctuate year after year.

Ms. Huff stated the project and discussions are in the preliminary stage. A sound study must be conducted and several other factors must be considered before making a decision. She would provide updates in the newsletters as discussions progress.

Mr. Listro stated this was not a CDD budget comment; however, the HOA's intent over the last two years was to use the debt service fund issue to bring up the subject of the community center. Since the HOA plans to increase assessments in March, it is asking residents to decide if the wall or community center would provide the most benefit to residents and the community. He suggested transferring the entire debt service fund assessment over to the General Fund rather than only a portion of the assessment.

**Mr. Adams closed the Public Hearing.**

Mr. McFarland was concerned about the budget process for the golf course, as the golf course consistently budgets more rounds than what are actually played. Ms. Huff stated Mr. Nixon would address this in his report.

Mr. Whirl asked whether further discussions about the budget would occur before the budget is adopted. Mr. Nixon stated, historically, the number of golf rounds is budgeted higher, as in best-case scenario; however, this year more realistic expectations were budgeted since weather was an issue and cuts were made to various operating budgets.

**On MOTION by Mr. DeBrino and seconded by Mr. Blakeley, with all in favor, Resolution 2019-07, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2019, and Ending September 30, 2020; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.**

**SIXTH ORDER OF BUSINESS**

**Public Hearing to Hear Comments and Objections on the Imposition of Maintenance and Operation Assessments to Fund the Budget for Fiscal Year 2019/2020, Pursuant to Florida Law**

**A. Proof/Affidavit of Publication**

The proof of publication was included for informational purposes.

**B. Mailed Notice to Property Owners**

A copy of the Mailed Notice was included for informational purposes.

**C. Consideration of Resolution 2019-08, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2019/2020; Providing for the Collection and Enforcement of Special Assessments; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date**

Mr. Adams presented Resolution 2019-08. This is the assessment levying Resolution, which takes into consideration the newly adopted Fiscal Year 2020 budget and the assessment levels therein and directs Staff to prepare and transmit the lien roll to the Tax Collector for placement of the assessments on the November property tax.

**Mr. Adams opened the Public Hearing.**

Mr. McFarland asked if the Resolution had verbiage indicating the purpose of the assessments and time involved. Mr. Adams stated this Resolution was tied specifically to the

budget adopted a few moments ago and the term of the Resolution was one year; the budget deliberations process would occur each year, beginning in May.

Mr. Bob Jensen, a resident, asked if the original \$328 assessment goes away. Mr. Adams explained that the Debt Service Assessment would no longer be imposed; however, it was being replaced by an incremental increase to the General Fund Assessment. This was not a new assessment; it was just an incremental increase.

Ms. Huff further explained that the Property Tax bill would no longer list a Debt Service Assessment since the infrastructure bonds were paid in full but that amount would offset the incremental assessment increase in the O&M portion of the bill.

**Mr. Adams closed the Public Hearing.**

**On MOTION by Mr. Harland and seconded by Mr. Brady, with all in favor, 2019-08, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2019/2020; Providing for the Collection and Enforcement of Special Assessments; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.**

**SEVENTH ORDER OF BUSINESS**

**Golf Course Staff Reports**

**A. Golf Superintendent**

Mr. Vuknic reported the following:

- The bunker renovation project commenced and was expected to be completed mid-October, weather permitting.
- The pine trees identified around Hole #9 would be removed on September 14<sup>th</sup>.
- The recent aerification project went smoothly.
- Tomorrow would be the last day of closure.

**B. Golf Pro**

Mr. Nixon distributed the monthly play totals and reported the following:

- August was a fairly decent month, in terms of rounds and revenue, despite weather; revenues were approximately \$3,000 ahead of budget.
- Two annual passes were sold. A person who was there for a lesson was so impressed with the course that he purchased an annual pass.

Mr. Vuknic provided information on several programs that are run throughout the year and responded to Board Members' questions involving Junior Golf, as follows:

➤ Assistant salaries are based on the programs offered, along with the PGA's Annual Compensation Survey. A breakdown of how the Club and programs fund Assistant salaries was provided.

Mr. Brady commended the Junior Golf Program and the Assistants and highly recommended enrolling children or grandchildren in the program. Ms. Huff agreed noting that five participants qualified for Regional's.

- Stoneybrook Golf carries its own insurance.
- The fountain on the lake would be painted now that the repairs were completed.
- Signs acknowledging the new Club Champion were ordered; the plan was to replace them each year.

Ms. Huff noted the Pro Shop was repainted and the concession stand cleaned; she asked Mr. Vuknic to thank everyone involved. A Board Member congratulated Mr. Vuknic on getting payables to the lowest in his 10 years serving on the Board.

Mr. Jensen asked if the Board would consider installing fountains in every lake, which he felt would benefit the community more than the wall. Ms. Huff stated that the Board considered it but the decision has more to do with the financial side. The District is working with the HOA to do it later. Mr. Vuknic stated the lakes without fountains have no electricity so it would be cost prohibited; the power that feeds the aerator is not sufficient to support a fountain.

Mr. Vuknic stated he received several requests for water stations at Holes #5 and #14. Discussion ensued regarding the cost to supply power, supplies and probability of incidents.

**EIGHTH ORDER OF BUSINESS**

**Discussion: Knighton Run Villas High Water Levels**

Mr. Brady stated he received a complaint about the marsh area levels being too high between the two lakes on the east side of Knighton Run. He presented photographs and recalled prior concerns and requests to have a dam built; however, Johnson Engineering inspected the area and reported that the marsh reflects the water's natural flow and the townhomes are not compromised.

Ms. Huff stated she received a resident request for something to be done about the marsh's unsightly appearance. She would speak to the President of Knighton on another issue, where a resident entered and began trimming trees in the preserve. The consensus was for each Board Member to reply to the emails with the Board's decision to do nothing, since the water always remained on District property and homes were never compromised.

**NINTH ORDER OF BUSINESS**

**Acceptance of Unaudited Financial Statements as of July 31, 2019**

Ms. Huff presented the Unaudited Financial Statements as of July 31, 2019 and noted that several golf-related items were omitted. Mr. Vuknic would contact Mr. Pinder to determine if the issue was resolved; he could email a completed financial statement to the Board.

Mr. Vuknic asked Mr. Adams what to do about an invoice for range balls from the Pro Shop that was dated incorrectly. Mr. Adams stated, since the invoice was not paid yet, he could wait until the June 2020 date to submit payment.

**On MOTION by Mr. Harland and seconded by Mr. Brady, with all in favor, the Unaudited Financial Statements as of July 31, 2019, were approved.**

**TENTH ORDER OF BUSINESS**

**Approval of July 23, 2019 Regular Meeting Minutes**

Ms. Huff presented the July 23, 2019 Regular Meeting Minutes. The following changes were made:

Line 85: Change "SunTrust" to "Synovus Bank"

Line 139: Change "light" to "off value" and delete "in one of the fountains"

Ms. Huff referred to Line 139 and asked about the MRI Underwater Specialists (MRI) charges. Mr. Vuknic stated the sentence was related to MRI repairing the air relief valve and the blow off, which MRI believed was damaged by someone else so the District did not receive a discount. Mr. Adams stated the sentence mixed two topics. Due to MRI's unfavorable performance, Mr. Vuknic would research other service providers that inspect wet wells.

On MOTION by Mr. Harland and seconded by Mr. Blakeley, with all in favor, the July 23, 2019 Regular Meeting Minutes, as amended, were approved.

**ELEVENTH ORDER OF BUSINESS**

**Staff Reports**

**A. District Counsel: *Dan Cox, Esquire***

There being no report, the next item followed.

**B. District Engineer: *Johnson Engineering, Inc.***

There being no report, the next item followed.

**C. District Manager: *Wrathell, Hunt and Associates, LLC***

**i. High Irrigation User’s Report**

**ii. Irrigation Disconnect List**

These reports were provided for informational purposes.

- **NEXT MEETING DATE: September 24, 2019 at 9:00 A.M.**

**TWELFTH ORDER OF BUSINESS**

**Supervisors’ Requests**

Mr. Brady stated that a resident unable to participate in public comments asked that the District address line of sight issues by trimming bushes at the four-way stop on Pembroke Run.

Mr. Scott Sutton, a resident, stated while on the bike path he witnessed several instances where drivers were not aware of the stop sign until in the intersection. He was concerned for children riding bikes and suggested replacing the vegetation with low ground cover. Mr. Vuknic would resolve the issue after touring location with Mr. Sutton.

**THIRTEENTH ORDER OF BUSINESS**

**Adjournment**

There being nothing further to discuss, the meeting adjourned.

On MOTION by Mr. Blakeley and seconded by Mr. Brady, with all in favor, the meeting adjourned at 7:37 p.m.

  
Secretary/~~Assistant Secretary~~

  
Chair/~~Vice Chair~~