

**MINUTES OF MEETING
HERITAGE HARBOR
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Heritage Harbor Community Development District was held Thursday, July 20, 2017 at approximately 6:30 p.m. at the Heritage Harbor Clubhouse; 19502 Heritage Harbor Parkway, Lutz, Florida.

Present and constituting a quorum were:

Russ Rossi	Vice Chairman
Shelly Grandon	Assistant Secretary
Patrick Giambelluca	Assistant Secretary
Clint Swigart	Assistant Secretary

Also present were:

Andy Mendenhall	District Manager
John Panno	Pro Shop Manager
Jim Poertner	Golf Course Superintendent
Bob Koncar	Severn Trent
Alan Baldwin	Severn Trent
Stephen Bloom (via phone)	Severn Trent
Lynn Jackson	Severn Trent

Residents

The following is a summary of the discussions and actions taken at the July 20, 2017 Heritage Harbor Board of Supervisors meeting

FIRST ORDER OF BUSINESS

Roll Call

Mr. Rossi called the meeting to order and roll was called.

SECOND ORDER OF BUSINESS

Audience Comments

A resident, Mr. Harold Styer, had a question regarding the budget.

Mr. Mendenhall noted the budget and financial issues will be discussed later in the meeting and resident's questions will be addressed.

Resident, Mr. Jeff Witt, addressed the Board regarding District lighting issues for safety purposes.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the June 15, 2017 Meeting

On MOTION by Mr. Giambelluca seconded by Ms. Grandon with all in favor, the minutes of the June 15, 2017 meeting were approved.

FOURTH ORDER OF BUSINESS

Approval of Financial Statements

Mr. Swigart noted unfortunately there was an operating loss for the month, which was expected. The expenditures were greater than the income.

On MOTION by Ms. Grandon seconded by Mr. Rossi with all in favor the financial statements were accepted.

FIFTH ORDER OF BUSINESS

Staff Reports

A. Golf Course

The following was noted by Mr. Panno:

- We are in the middle of the hot summer and this is the worst summer as far as the amount of golfers playing.
- The overall golf economy, golf industry as a whole is declining with no end in sight.
- We tried a golf special to try to drive new business on Mondays and Tuesdays; \$23 for golf and lunch. We sold 12 of them in about three weeks.
- There are some golf courses charging \$8 per round.
- Golf courses in the community and around the country are experiencing the same down-turn as this course.
- He is comfortable with the revenue projection figure included in the proposed fiscal year 2018 budget.

The following was noted by Mr. Poertner:

- We aerified on July 10th.

SIXTH ORDER OF BUSINESS

None.

Attorney's Report

SEVENTH ORDER OF BUSINESS

None.

Engineer's Report

EIGHTH ORDER OF BUSINESS

District Manager's Report

B. Consideration of Resolution 2017-10 Rescheduling the FY 2018 Budget Public Hearing

As some Board members were not available to attend the August 17, 2017 Board meeting and budget public hearing the Board was advised to consider adopting the following resolution, which reschedules and replaces the meeting for Wednesday, August 23, 2017 at 6:30 P.M.

On MOTION by Mr. Rossi seconded by Ms. Grandon with all in favor the resolution 2017-10 rescheduling the public hearing on the proposed budget for fiscal year 2018 to August 23, 2017 at 6:30 P.M. at the Heritage Harbor Clubhouse at 19502 Heritage Harbor Parkway, Lutz, Florida was adopted.

Mr. Mendenhall also noted the Chapter 170 Notice to Owner letters will be sent to residents.

A. Questions and Comments on the Approved Preliminary Fiscal Year 2018 Budgets

Mr. Mendenhall noted as per previous Board discussions, the proposed budget has been modified and there was a reduction of 6.35%.

The following was included in the budget discussion that ensued with Mr. Koncar, Mr. Baldwin, Mr. Mendenhall and Board members participating:

- The document on agenda page 73 of the agenda package represents that golf and restaurant, over all, are able to cover their own expenses, they do not have the ability of covering the principal and interest. The principal and interest would still come from the General Fund.
- Engaging a Financial Advisor was discussed.
- Reserves and a Reserve Study was discussed.
- Currently the only option to cover the Enterprise Fund principal and interest payment for the next year is borrowing money from the General Fund.
- The possibility of cutting General Fund line items was discussed.

C. Proposed Meeting Schedule for Fiscal Year 2018

The proposed meeting schedule mirrors last year's schedule.

On MOTION by Mr. Rossi seconded by Ms. Grandon with all in favor the proposed meeting schedule for fiscal year 2018 was approved as presented.

D. Consideration of Resolution 2017-9 Designating a District Secretary

On MOTION by Mr. Rossi seconded by Ms. Grandon with all in favor Resolution 2017-9 removing Mr. Jim Hayford as Secretary and designating Mr. Andrew P. Mendenhall as Secretary of the District was adopted.

The record will reflect Mr. Poertner and Mr. Panno left the meeting.

Mr. Mendenhall introduced Mr. Daniel Fanger and Mr. Wendell Gaertner of the Public Resources Advisory Group, PRAG, who gave a presentation on their proposal to serve the District as financial advisors.

On MOTION by Mr. Swigart seconded by Ms. Grandon with all in favor moving forward with retaining the financial advisory services of PRAG for a fee of \$2,500 was approved.

NINTH ORDER OF BUSINESS

None.

Operations Report

TENTH ORDER OF BUSINESS

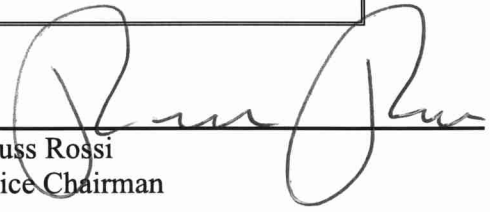
None.

Supervisor Requests

ELEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Ms. Grandon seconded by Mr. Rossi with all in favor the meeting was adjourned.



Russ Rossi
Vice Chairman