

**MINUTES OF MEETING
LAKE ASHTON
COMMUNITY DEVELOPMENT DISTRICT**

The budget workshop meeting of the Board of Supervisors of the Lake Ashton Community Development District was held on Monday, **April 17, 2023** at 11:00 a.m. at the Lake Ashton Clubhouse Ballroom, 4141 Ashton Club Drive, Lake Wales, FL.

Present and constituting a quorum were:

Lloyd Howison	Chairman
Brenda VanSickle	Vice Chairman
Steve Realmuto	Assistant Secretary
Mike Costello	Assistant Secretary

Also present were:

Jill Burns	District Manager, GMS
Jan Carpenter	District Counsel, Latham Luna
Christine Wells	Community Director
Alan Rayl	District Engineer, Rayl Engineering
Matt Fisher	Operations Manager

The following is a summary of the discussions and actions taken at the April 17, 2023 Lake Ashton Community Development District budget workshop meeting.

FIRST ORDER OF BUSINESS

Review of Draft Fiscal Year 2024 Budget

A. Fiscal Year 2023 Adopted Budget

Mr. Howison asked the Board if there was a need for them to review the adopted budget. Mr. Howison stated that this information was also laid out in the proposed budget document.

B. District Financials through March 2023

- i. Combined Balance Sheet**
- ii. Capital Projects Reserve Fund**
- iii. Statement of Revenues, Expenditures, and Changes in Fund Balance**

Mr. Howison stated that the above items had already been discussed and they were provided a thorough analysis from Mr. Realmuto regarding the items as well.

C. Review of Draft Fiscal Year 2024 Planning Support Documents

- i. Draft Reserve Funding Plan**
- ii. Draft Reserve Expenditures Listing**
- iii. Draft Fiscal Year 2024 Capital Projects Listing from the Reserve Study**
- iv. Draft Strategic Planning Projects Listing**
- v. Clubhouse Amenity Utilization Report**
- vi. Lake Ashton Clubhouse Rentals Marketing Plan**

Mr. Howison recommended that these items be skipped in discussion.

D. Review of Preliminary Proposed Fiscal Year 2024 Budget

Mr. Howison opened this item up for discussion from the Board.

Mr. Realmuto outlined the 2024 proposed budget that was provided in the agenda packet. He stated that he was going to review the items for the Board and encouraged them to speak up if they had any issues or suggested changes.

Mr. Realmuto suggested they raise the Revenues – Entertainment Fees line, the Board agreed as they heard Ms. Wells give them numbers on the entertainment series costs for 2023 and the predicted 2024 costs.

Mr. Realmuto also suggested increasing the Revenues – Interest Income line, and the Board agreed due to increased interest rates throughout the past year.

Ms. Burns stated for the Board that the carry forward amount would likely change as they got closer to adopting the budget.

Mr. Costello asked to discuss the Revenues – Rental Income line. He asked how much rental income they received outside of Bingo for the previous year. Ms. Wells responded that she did not have the rentals split up, but that the actuals through February were \$25,123, and they were projected to go \$3,000 over the 2023 projection. Mr. Costello suggested they leave the line item amount the way it is.

Mr. Realmuto discussed with the Board the Expenditures – Supervisor Fees line item and it being the largest percent increase on the proposed budget. Ms. VanSickle responded that with the amount of time the Board members put into the community they deserve to be compensated. She urged the other Board members interested to do so

also. Ms. Burns stated that Lake Ashton and Lake Ashton II are the only Boards she manages where the supervisors do not take the \$200. Mr. Howison also stated that he reached out to Ms. Burns about this and that he and the other Board members work many hours each week. Ms. Burns stated that is why the percentage increase is how it is for the 2024 proposed budget. Mr. Realmuto stated that he did not feel comfortable doing that and his will remain the same. Ms. Burns responded that they include higher numbers for this in the budget in case of increases in the future.

Mr. Howison asked the Board to discuss the Expenditures – Engineering line item. He stated that he believed they would need an increase in this due to the Thompson Road Nursery project and shoreline restoration. He suggested they stay at the \$60,000 budget they had in 2023. Mr. Costello and Mr. Realmuto disagreed and suggested keeping the \$45,000. The Board agreed on \$50,000.

Mr. Realmuto asked Ms. Burns why the Expenditures - Postage amount had such a large percentage increase. Ms. Burns replied that it was due to the projected mailed notices for the assessment increases. She stated that if assessments are raised, they have to send mailed notices to every home.

Mr. Howison asked Ms. Wells about the Expenditures - Newsletter Printing line item. He stated that he thought they were looking at alternate sources for this. Ms. Wells replied that they were looking at alternatives, but the cost savings would have been very minimal.

Ms. VanSickle asked the Board to discuss the Expenditures – Repairs and Maintenance on the Restaurant line item. She asked what they would do if something major happened and they needed to fix it, as their projected costs are listed as \$0. Mr. Howison replied that the business leasing it handles basic repairs and the Board would cover a major repair with the capital reserve fund.

Mr. Realmuto had questions regarding the Expenditures – Repairs and Maintenance on Golf Cart. The Board discussed with Ms. Wells the warranty on the new security cart and decided not to update the budget amount.

Ms. VanSickle asked if the Landscape Maintenance – Contract was the new amount, and asked if they were worth that price. Ms. Burns recommended that if they were going to bid out that contract that they should increase that line item. Ms. Burns

noted that the bid threshold for a public RFP process is \$195,000 and their current amount in the budget was \$194,700. Ms. Burns noted that they have seen increases in those contracts in other communities.

Mr. Howison asked what Landscape Maintenance – Other included, and Mr. Realmuto stated that it would be anything other than the contract. Ms. Wells noted that the \$8,135 actual was for removal of palm trees from Hurricane Ian damage. Ms. Burns suggested combining Landscape Maintenance – Other and Plant Replacement into one line item, and perhaps changing the line-item name to Landscape Improvements. Board discussion ensued on if they should raise the amount for that line item as well. Mr. Realmuto noted that there were a few one-time things in the \$8,000 actual. Mr. Realmuto stated that if the two items were combined into one Landscape Improvements item, the total would become \$15,000.

Mr. Realmuto pointed out the increases in the contracts for Lake Maintenance and for Wetland/Mitigation Maintenance. He noted that both of those were for Applied Aquatic. Mr. Howison questioned why there had been no charges to Wetland/Mitigation Maintenance. Mr. Fisher noted that he reached out to Archie and their subcontractor and they said the invoice is on its way. Mr. Realmuto inquired how the Wetland/Mitigation Maintenance and Lake Maintenance differed. Mr. Fisher noted that Lake Maintenance was monthly and the quarterly and semiannual work was the Wetland/Mitigation Maintenance.

Mr. Realmuto noted while comparing the total projected versus the budgeted amount was the Operating Supplies. He asked if that could be reduced to match what they are projected for 2023, and what all was included in that item. Ms. Wells stated that Operating Supplies would be anything other than what is used to maintain the Clubhouse, cleaning supplies go under Clubhouse Maintenance. Ms. Wells said for example it could be paint, screws, mops, stainless kickplates, etc. Mr. Realmuto asked Mr. Fisher if he believed they would spend more next year on this line item than they are projected to in 2023. Mr. Fisher suggested keeping the amount as it is proposed.

Mr. Realmuto noted that for Special Events, they need to update the number to match what they put in revenue, and the \$207,854 was an error because things were included that shouldn't have been.

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Lake Ashton CDD

Mr. Costello questioned the Traffic Accident Repairs line item. Ms. Wells stated that was after Hurricane Ian someone ran into the fence and it was reimbursed through insurance.

Mr. Realmuto pointed out the \$441,976 for Capital Reserve – Transfer Out under Other Sources and Uses. Mr. Howison noted that number was going to come down.

The Board decided to shift the discussion to Strategic Planning Projects. Ms. Burns suggested the Board could pick a target amount that they would like to spend out of the total fund and figure out what projects they could fit into that amount. The Board consensus was for each Board member to rank the projects individually and give their individual rankings to Ms. Burns and she will compile the rankings and bring them back to a future meeting. Ms. Wells will work on getting pricing for the most urgent projects. The Board decided to change the \$250,000 amount for FY24 Capital Projects to \$318,000.

On MOTION by Ms. Landgrebe, seconded by Ms. VanSickle, with all in favor, the meeting was adjourned.


Secretary / Assistant Secretary


Chairman / Vice Chairman