

MINUTES OF MEETING
SOUTH VILLAGE
COMMUNITY DEVELOPMENT DISTRICT

The June 3, 2025 meeting of the Board of Supervisors of the South Village Community Development District was continued to Monday, June 9, 2025 at 6:30 p.m. at the Eagle Landing Club House, 3989 Eagle Landing Parkway, Orange Park, Florida.

Present and constituting a quorum were:

Chris Payton	Chairman
Glenn Warren	Vice Chairman
Allan Brink	Supervisor
Jennifer Osbeck	Supervisor
David Frechette	Supervisor

Also present were:

Marilee Giles	District Manager
Katie Buchanan	District Counsel by telephone
Jon Rowe	Golf Course Superintendent
Maribel Walther	Director of Recreation
Dan Zimmer	Troon
Several Residents	

The following is a summary of the actions taken at the June 9, 2025 meeting.

FIRST ORDER OF BUSINESS

Roll Call

Ms. Giles called the meeting to order at 6:30 p.m. and called the roll.

SECOND ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Discussion Items

A. Donor Green

Mr. Warren stated I have mixed emotions on this. Last year was a major repair at \$10,000 and it is only \$3,000 to \$5,000 a year unless something major happens that we are going to need it. I would rather outsource it to a service that is dedicated to greens repair and replacement. It

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would take seven to ten years to just make our money back and it adds extra duty to our superintendent and extra work. I think we are better off not to have a donor green.

Mr. Zimmer stated it can be helpful when you are starting to see a little intrusion of 419 Bermuda grass. You would have access to that green to get plugs. Sometimes it is not feasible but if you catch it early it is very beneficial.

Mr. Brink stated we can table this for now; we can always bring it back.

Mr. Payton stated it sounds like we can take that off the open items list.

B. Fiscal Year 2026 Budget

Ms. Giles stated as a reminder at the last meeting the board approved the FY26 budget and if the board would like to make any changes we have until June 15th to do that.

Mr. Payton stated I did listen to the recording of that meeting. Without the assessments added in, we are operating at a loss. The board has taken some actions that more or less directed the management company to change some hours, we dictated some menus so we are dipping into directing them what to do. On one hand I have always been for not including that assessment unless they need it because I would like this place to run without the assistance of assessments. If we consider we are directing them to do things and run the place as an amenity we should give them the assessment. I'm fine either way. Let them run it and the direction from the board is it needs to be run at a profit. Some of the feedback from the management team is, operational wise they are doing things because the board wants to do it, not because they necessarily agree. It is hard to hold them completely responsible when they fall back on, we are doing what you told us to do.

Mr. Warren stated if we go back many years the assessments were set up so that part of it funded it. This board over the years has said we want to see if we can be in a position to not have to take that money. The first 15 years in this neighborhood approximately \$300,000 was taken from assessment money and put over here. If you want it open Monday until 8 p.m. and Tuesday until 8 p.m. they need some assessment money so they can fund this place during that time. If you let them totally run it then we cut back hours. I'm not talking about cutting menu, we are trying to get it back to where it was before and maybe we can drive more revenue here maybe then they can extend the hours. Some people want to come up and have a beer at 7 on Monday night and understand you have a limited menu or no menu they want us to try ways to drive revenue more

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compensating this. My feedback from people is they don't want to have us cut but they want to find a way to maximize it.

Mr. Brink stated I would like to work with Troon for the next month and come back in July to come up with a game plan to get closer to not lose money.

Mr. Payton asked what is the board's thoughts on assessments? Do we add it to their budget or hold it? Right now this budget doesn't include those assessments. It shows a \$100,000 loss. In my mind every year I'm going to say if you are not clearing more than \$300,000 you are not making a profit. I still have concerns about golf course side projects and capital reserve projects.

Ms. Osbeck stated instead of all or nothing why not give them \$150,000, their break even goal but your goal is to exceed that.

Mr. Warren stated we give them assessment money to get their budget to zero with the idea of what you are trying to accomplish. The neighborhood would like to see us moving the restaurant in the right direction and be available to them more hours.

Mr. Brink stated I have heard the same thing.

Mr. Payton stated it sounds like we are in favor of moving \$105,000 from the golf assessments into the golf operating fund to bring them to zero in this budget. That will have some impact on the numbers on the summary page. We are fine with Supervisor Brink coming back next month with some ideas.

The rec side of the neighborhood is designed to lose money. Those amenities are there for the residents to use. Then landscaping is last. All that is included in assessments your O&M and they run at a loss except for the cabana bar and the pool café. We make some revenue throughout the rec side of the district but none of that makes enough money to cover staffing to run the facilities and that is by design.

Whatever surplus we have goes into the capital reserve. This year we are looking at depositing more money into the capital reserve than our capital reserve study suggests that we do. This year we should be depositing \$440,000 into the capital reserve fund and we are slated to deposit \$515,000. This is assuming we spend the projected amount of money we are going to spend between now and the end of the fiscal year. If we spend less than that there will be money to deposit. My question to the board is, do we think the \$48 assessment increase on the rec side is appropriate, is it not enough, is it too much? When we get to the capital reserve discussion we are

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slated to do a \$60 increase there as well. That is our standard annual increase we have been doing for years. That is a total of \$108 increase per house. I think it is okay, I'm fine with the numbers. We didn't do anything last year except for the standard \$60, this year another \$48 per house. I think \$48 is low considering the number of employees we have that the minimum wage affects and costs going up.

Ms. Osbeck stated given the age of things on the rec side as well.

Mr. Warren stated we are only going up less than \$10 per household, we planned ahead enough that we are keeping it from being a higher increase.

Mr. Frechette stated that is reasonable.

Mr. Brink stated I'm for the \$108. There are unknowns.

Mr. Payton stated I'm looking at the capital list for next year, parking lots, additional fitness equipment and repairs, general painting. My concern with the list is I think there are a lot of repairs that have not yet been identified. I'm thinking \$120 increase in assessments and dedicate some money to the maintenance side to cover some things everybody can walk around and see. We can increase it and make it a \$120 increase, \$60 for the one and raise the \$40 to \$60.

On MOTION by Mr. Payton seconded by Mr. Brink with all in favor the proposed budget will have an increase in assessments of \$120, \$60 for capital reserves and \$60 for rec.

Mr. Payton stated we can still review the budget between now and August and move line items around. We can't lose money on the café and cabana bar, we have to find a way to at least break even. We had directed the cabana bar to be open year round and this is the first year we are seeing a loss so I would like to understand if those operating hours are contributing to us losing money and if so we should address that. The cabana bar is not an amenity we should be supporting with assessments.

Mr. Brink stated I will follow-up with Troon on that.

C. Top Tracer

Mr. Payton stated on our website is a section with all the top tracer documents. There was an idea that we could add an enhancement to our range, that is a little big and we use about half of it unless there is a major event. The board had a presentation two months ago and that is on the

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website that tells you what enhancements are available, the reasons we would pursue it, increasing revenues that could be used to replace the greens. If we don't have the money to replace the greens it is going to be an assessment to the neighborhood.

So far the board has approved us to look into it and the \$900,000 is a not to exceed number that came from another golf course that has all the bells and whistles. We have spent zero on this project so far. Nothing will be decided tonight, it is still in the discussion stage.

The project is being renamed golf course range improvements. Top Tracer is an umbrella term and the technology used on the range, the leading technology company offering this, there are other companies we are looking at.

I met with Top Tracer folks a number of times and they would lease us the equipment on a 60-month lease, we would be responsible for setting up a facility appropriate to handle their equipment and they would install the equipment and we would lease it. They are owned by Calloway and Troon has a global deal with Calloway and we were looking at putting in 10 bays that would take up about half our range, 10 to 19 bays is \$230 per month per bay or \$2,300 per month in lease payments. I'm waiting on another company called Trackman and I will bring back that pricing option.

Top Tracer works with Cover the Tees, they put the facility in and specialize in installation of an aluminum roof and some pillars and everything is under the top roof. Pricing depends on what you want to put in. Many places don't have food and beverage they just offer range services. I would like an enclosure we can lock. Basic pricing roof open air for 100 X 25 facility, 10 bays, \$90,000 for the structure. One with all the bells and whistles, with a back and roof, garage doors \$189,000 for the facility cost from this vendor. Other options would be to hire a custom contractor to build whatever you want.

The requirement for the camera system to work is only 50-feet and there is no need to light the entire range if you want to have night operations. We could do uplighting on the range. Other cost considerations for seating, furniture for the 10 bays. If you want a food and beverage operation we need an understanding of the size and kitchen or no kitchen. Over the next few months, I will research different sizes, options for food & beverage. Other considerations, we may have to remove oak tree or incorporate tree,

Funding options: We talked about bonds which didn't seem feasible for a small project and bond issuance costs. Wells Fargo is not interested in funding a loan. The Cover the Tee folks

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were more than happy to enter into a cost sharing agreement with us, but they have to do a 15-bay minimum and I said we aren't doing 15-bays. Top Tracer also has a revenue share agreement that I haven't yet seen. Other funding options are one-time special assessment or private funding.

Mr. Warren stated if we are going down this path, we need to do the higher end product.

Audience comments:

It's not all about golfers, upkeep of equipment, rather have someone else spend their money and do a cost share, are existing operations profitable, cost of staffing, amount of use, extra parking needs, when pool is open kids should go there for beverages, patrons should be 18 or older to use the restaurant/café, email top tracer survey/information to residents, who is the board talking to about top tracer, do not want to pay for top tracer, cannot approve top tracer until we know who is going to run it, do not make money on food & beverage now, can't make it on top tracer facility, is there a plan to get to zero rather than losing money, are there daily inventories of the beverage cart, how often is the bar inventoried, until this restaurant breaks even you should not invest in top tracer facilities, estimated monthly cost of mid-range facility, additional charge for using top tracer compared to using range balls, develop plan before continuing conversation so that more specific information can be shared, do business plan to determine feasibility, will top tracer take the entire range, projected cost to rebuild greens \$1.3 million among other scenarios, need more communication with the community, no place for families to enjoy a quiet meal, enforce no smoking areas, timing of and lack of information, want commitment from the board that more communication will take place prior to making decision, should not take money out of capital reserve to make up shortfall in budget, hire professional contractor to develop business plan to finance, build and operate top tracer, information on Facebook taken from the CDD website, prices seem to range from \$100,000 to \$900,000 without food and beverage facilities, aluminum structure may take away from the existing structures, greens listed in the capital reserve, encouraged the board to listen to the many concerns of the neighborhood, if interested in what's going on then attend the regular board meetings, there is risk to build the facility and then it doesn't work because the restaurant is losing money rather than making money, a resident offered his skills as a CPA to help the staff with their analysis of project, nothing is being done to improve the restaurant, invest money in drawing people to the restaurant, you are proposing something without enough information, handle current financial problems before taking on more, are you looking at Top Tracer to try to make up for losses on golf course and in restaurant, is this an effort to stay

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competitive, against investing in top tracer when money is not being made on current facilities, Troon needs to do a better job of managing current facilities, should the investment be larger than proposed, agendas available on CDD website seven days before the meetings.

FOURTH ORDER OF BUSINESS

Supervisor's Requests

There being none, the next item followed.

FIFTH ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

SIXTH ORDER OF BUSINESS

Next Meeting Scheduled for Tuesday, July 16, 2025 at 6:30 p.m. at Eagle Landing Residents Club

Ms. Giles stated the next meeting will be held Wednesday, July 16, 2025 at 6:30 p.m. at the Eagle Landing Residents Club.

On MOTION by Mr. Payton seconded by Ms. Osbeck with all in favor the meeting adjourned at 8:32 p.m.

Signed by:

Marilee Giles

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Secretary/Assistant Secretary

Signed by:

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Chairman/Vice Chairman