



District Manager's Report
Presented by
Lawrence Blood
8/14/20

Assessment Revenue
(In Thousands)
(Cash)



	Budget	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec
20 Budget	\$2,169,	\$2,169,	\$2,169,	\$2,169,	\$2,169,	\$2,169,	\$2,169,	\$2,169,	\$2,169,	\$2,169,	\$2,169,	\$2,169,	\$2,169,
18 YTD		\$31,	\$73,	\$390,	\$719,	\$775,	\$849,	\$989,	\$1,068,	\$1,269,	\$1,913,	\$1,930,	\$1,930,
19 YTD		\$41,	\$70,	\$410,	\$714,	\$798,	\$862,	\$997,	\$1,067,	\$1,287,	\$1,938,	\$2,020,	\$2,048,
20 YTD		\$27,	\$53,	\$445,	\$713,	\$820,	\$910,	\$1,064,					

Financial Highlights
Assets, Liabilities and Net Position

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Assets			
Total current assets	\$ 5,182,087	\$ 4,894,835	\$ 4,492,078
Restricted cash and investments	60,654	60,715	60,843
Other noncurrent assets	18,574,789	19,008,215	19,383,463
Total Assets	<u>\$ 23,817,530</u>	<u>\$ 23,763,565</u>	<u>\$ 23,936,384</u>
Deferred Outflows of Resources			
Pension costs	\$ 50,708	\$ 150,362	\$ 70,985
Liabilities			
Total current liabilities	\$ 513,905	\$ 445,805	\$ 420,779
Noncurrent liabilities	3,852,890	4,006,270	4,214,514
Total Liabilities	<u>\$ 4,366,795</u>	<u>\$ 4,452,075</u>	<u>\$ 4,635,293</u>
Deferred Inflows of Resources			
Pension Costs	\$ 51,074	\$ 48,050	\$ 20,492
Net Position			
Contributed capital, net	\$ 1,235,081	\$ 1,259,277	\$ 1,283,493
Reserved for debt service	1,278,638	1,228,073	1,181,580
Designated	1,410,057	1,345,835	1,400,851
Undesignated	15,528,589	15,580,617	15,485,636
Total Net Position	<u>\$ 19,450,340</u>	<u>\$ 19,413,802</u>	<u>\$ 19,351,580</u>
Operating Results and Changes in Net Position			
Operating Revenues	\$ 4,396,595	\$ 4,303,322	\$ 4,282,405
Operating Expenses			
Depreciation	1,220,047	1,164,574	1,123,720
Other operating expenses	3,114,936	3,000,411	2,950,455
Total Operating Expenses	<u>4,334,983</u>	<u>4,164,985</u>	<u>4,074,175</u>
Operating Income	<u>61,609</u>	<u>138,337</u>	<u>208,230</u>
Other Revenues (Expenses)			
Interest, net	(40,049)	(76,095)	(97,174)
Other income	14,976	-	5,904
Total Other Revenues (Expenses)	<u>(25,071)</u>	<u>(76,095)</u>	<u>(91,270)</u>
Change in Net Position	<u>36,538</u>	<u>62,242</u>	<u>116,960</u>
Net Position, Beginning of Year	<u>19,413,802</u>	<u>19,351,580</u>	<u>19,234,600</u>
Net Position, End of Year	<u>\$ 19,450,340</u>	<u>\$ 19,413,802</u>	<u>\$ 19,351,580</u>

FOR PRELIMINARY
DISCUSSION PURPOSES ONLY
ANDMARK PLC ACCOUNTANTS
CERTIFIED PUBLIC ACCOUNTANTS

Water and Wastewater

WATER

Repaired water main leaks: 2 on Danube and Hillcrest

Daily checks on wells and PRVs/maintenance if needed 1x a week.

Water Install 3 Leatherwood Dr.

Total work orders: 34

WASTEWATER

Replaced seals on pump #1, # 2 and repaired check valve on Venus L.S.

Installed sewer taps on 3 Leatherwood Dr. and 3 taps on 93 Woodsdale Dr.

Routine checks/ 3x a week and maintenance if needed on lift stations.

WATER MAINTENANCE / REPAIRS - 20%

GENERAL MAINTENANCE - 15%

LIFT STATION MAINTENANCE / REPAIRS - 35 %

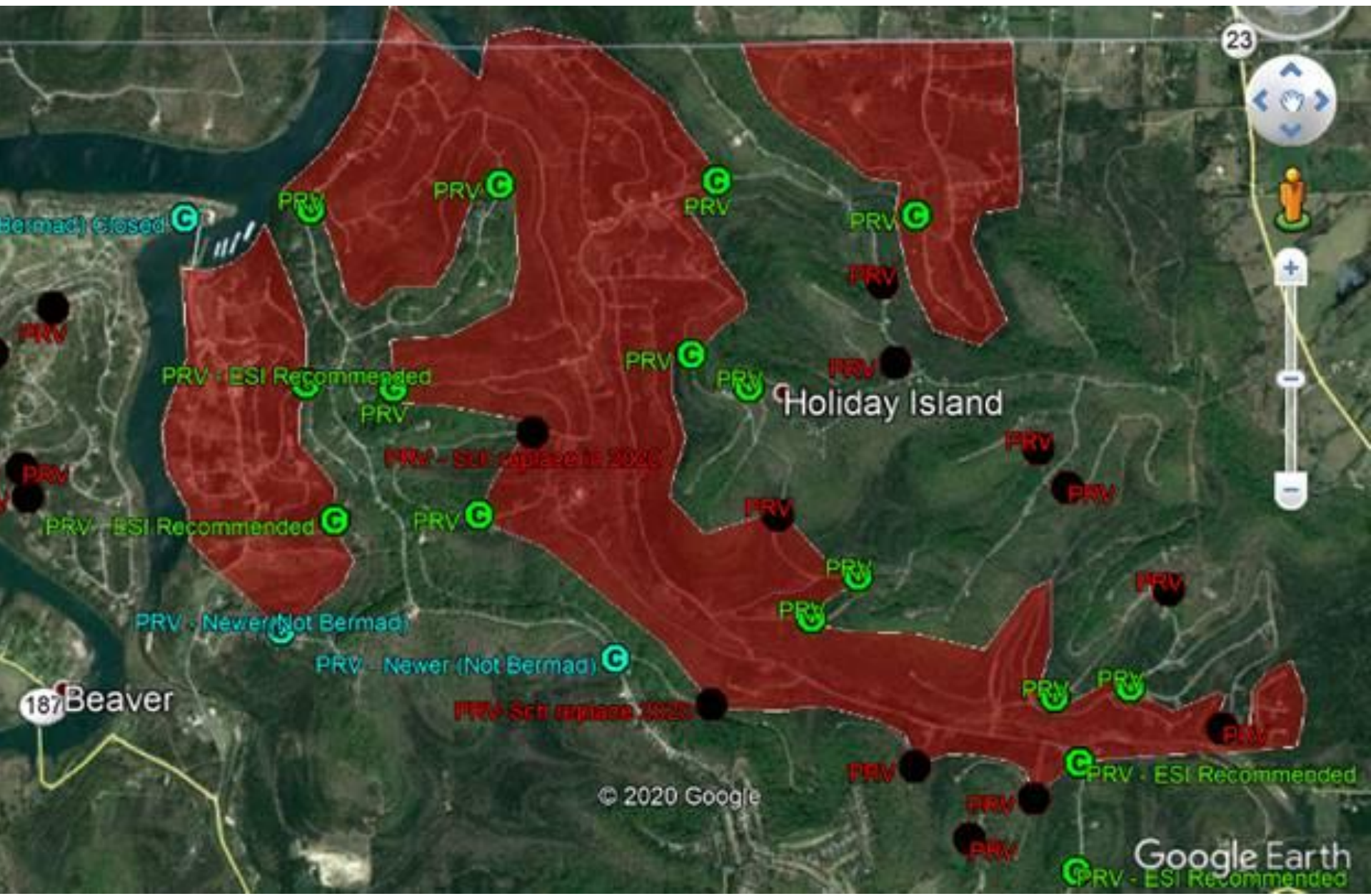
WASTEWATER PLANT - 30%

Water and Wastewater

Month	Well#1	Well#4	Well #5	Island	Mainland	Production	Water Billed	% Loss
January	6.742	7.921	12.520	6.742	20.441	27.183	4.663	83%
February	5.633	7.199	13.001	5.633	20.200	25.833	3.892	85%
March	4.955	8.672	9.421	4.955	18.093	23.048	4.097	83%
April	4.594	7.368	9.910	4.594	17.278	21.872	4.379	80%
May	3.874	8.548	9.302	3.874	17.850	21.724	4.769	78%
June	3.839	8.591	8.969	3.839	17.560	21.399	5.505	74%
July	4.276	7.593	9.366	4.276	16.959	21.235	7.222	66%
August								
September								
October								
November								
December								

Reading in million gallons





Bermad Closed

PRV - ESI Recommended

PRV - Sub...

Holiday Island

187 Beaver

PRV - Newer (Not Bermad)

PRV - Newer (Not Bermad)

PRV - Sch...

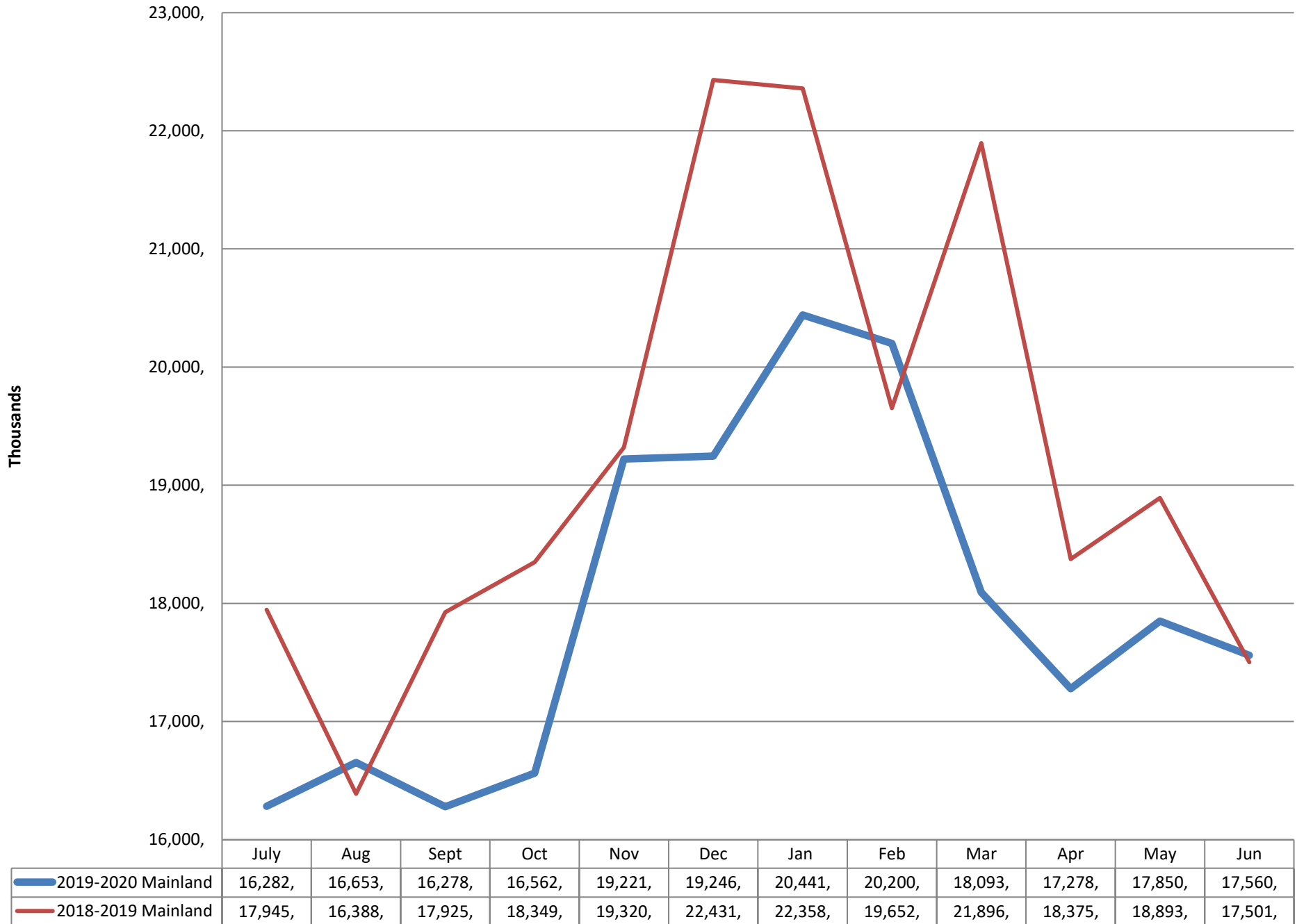
PRV - ESI Recommended

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Google Earth

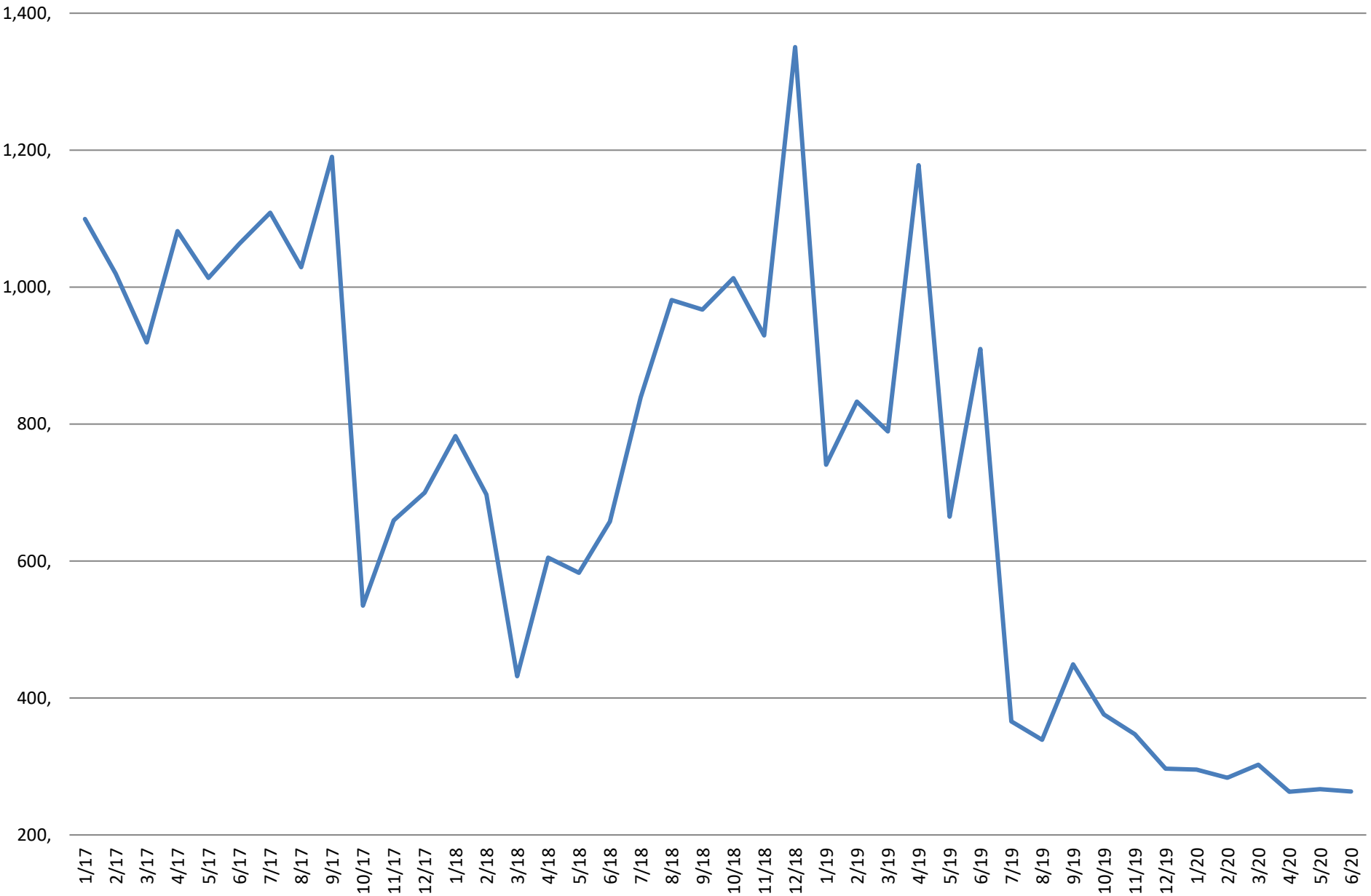
PRV - ESI Recommended

Mainland Water Production by Month



Wastewater Treatment Plant Water Usage by Month

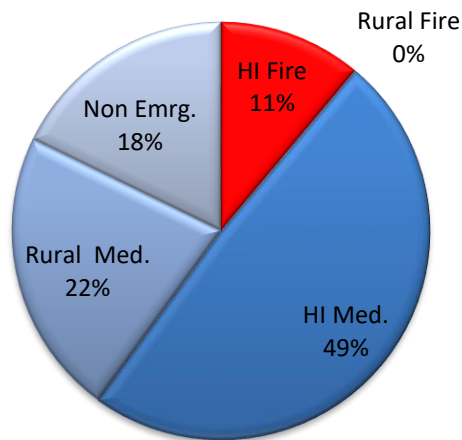
(Thousands)



— Wastewater Plant Usage

Fire Department

- Medical and fire meetings were cancelled in July due to COVID
- Will reevaluate having medical and fire training
- All meetings are voluntary and follow mask and social distancing guidelines.
- Medical and non-emergency call volume continues to be down.
- Fire standby for two nights for fireworks.
- No medical or fire calls related to the fourth of July.
- Addition of paramedic /firefighter. Wayne Cates Fire Department is fully staffed.



Roads and Public Facilities

Hogging/Side Cutting: Hogged or side cut on Country Club, parts of Holiday Island Drive, Stateline Drive, Summit Drive, Thomas Circle East and West, North Star Loop, Venus Avenue, lower Table Rock Drive, Skyview Lane, Leatherwood Drive, all over on the island, Depot field, Haddock Lane, all over in Indian Country, Walnut Avenue, Hawk Drive, Valley Drive, Starlite Avenue, Coral lane, Sunrise Avenue, Pearl Drive, Larkspur Lane, Green Meadows Drive, Quail Run Dive and Lane, Dove Lane and Eagle Drive.

Cold Patching: Cold patched on Venus Avenue, Deer Run Drive, Horseshoe Drive, Hawk Lane, Holiday Island Drive, Woodcliff Lane, Parkcliff Drive, Appaloosa Drive and Quail Run Lane.

Weekly Chipping: Chipped on Lakeside Drive, Bel-Aire Drive, Dogwood Lane, Indian Wells Drive, Venus Avenue, Fairway Place and Rocky Top Circle.

Miscellaneous: Hauled diesel fuel to 18 hole Golf Maintenance. 260 gallons on multiple days. (Waiting for new diesel tank). Cleaned up and graded Handi Cap fishing pier parking lot. Moved Marina main walk ramp. Removed dead Deer's from Fairway place and at the front entrance by the well head. Cleared downed tree on Sunrise Avenue.

Vehicle/Equipment Maintenance: Repaired Ground Master Mower and fixed brakes for Golf Maintenance. Fixed head light on Brush #1. Fixed head light on Tanker #3. Fixed pole saw for Fire Department. Fixed zero turn mower for W/WW Department. Installed new tracks on Mini X for W/WW Department. Fixed weed eater for W/WW Department. Checked out air blower for W/WW Department. Rebuilt hydraulic cylinder on M-25 side cutter.

Golf,
Restaurant, and
Recreation Center

Amenities are Private
Facilities for the
Enjoyment and Benefit
of Property Owners

COVID-19 Policies

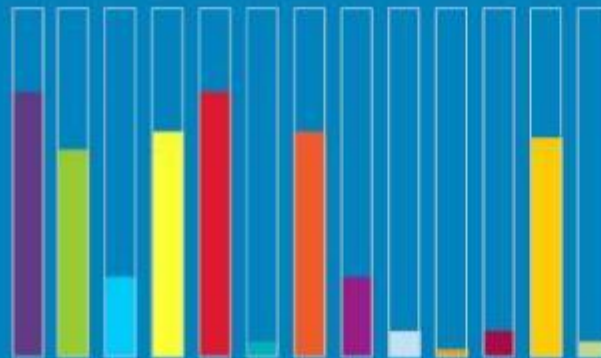
- All HISID Functions are being managed to stay open with restrictions
- Administration, Water, Wastewater, Fire, EMS, Security, and Roads are all operating as normal
- Amenities: Golf, Restaurant, Recreation Center, and Rental Facilities are operating within Governor Directives, Department of Health Guidance, and **COVID-19 Best Practices**
 - Golf – NGF recommendations, “No touch” Course, Masks, Social Distance, indoor facilities closed (except restrooms), Restricted to Property Owners and Accompanied Guests
 - Restaurant - To go orders and Home Delivery
 - Recreation Center - Masks, Social Distance, indoor facilities open, Restricted to Property Owners and Accompanied Guests
 - Rental Facilities – Closed to rentals and unorganized groups, Open for organized groups with partnership agreement

COVID-19 Facts

- HI Golf Courses were open when other area courses were closed
- HI Restaurant was open for “to go” orders and home delivery when most other restaurants were closed
- HI Swimming Pool is open more hours than most other pools
- HI Swimming Pool is open when other area pools were closed and remain closed
- HI outdoor recreational activities were open when other area recreational activities were closed and remain closed
- There have been no known COVID-19 transmissions in any HI Facility – 10 confirmed cases in Holiday Island
- COVID-19 does not travel – People do

Community Associations & COVID-19 IMPACT

What steps has your community taken as a result of COVID-19?



- 79% closed common areas and amenities
- 63% extensive cleaning/disinfecting of frequently touched surfaces
- 27% installed more hand sanitizers and wipes in common areas and amenities
- 68% holding board meetings through video or teleconference
- 79% postponed nonessential meetings and events
- 13% prohibited guests from entering the community
- 68% encouraged social distancing in shared spaces (i.e. elevators, laundry facilities)
- 27% paused residents' nonessential construction/renovation projects
- 18% paused rules enforcement
- 6% waived fines for rules noncompliance
- 18% waived late fees for assessment payments
- 65% informed and educated residents with updates from the community and local/state/federal officials
- 13% other

as of March 28, 2020

To Swim or Not To Swim

If your community association has a pool, what is the status of the pool opening?

OVERALL RESULTS



7% The pool opened as scheduled

30% The pool is open, but the opening was delayed

8% The pool is currently closed, but is scheduled to open soon

40% The pool is closed

7% The pool was open, then closed temporarily, and has now reopened

14% Other

Behind Pool Delays and Closures

If the community board chose to not open the pool as regularly scheduled, which of the following factors led to the decision?

OVERALL RESULTS

- 48% Attorney recommendation
- 39% Lack of insurance coverage
- 58% Fear of exposure to legal liability
- 42% Inability to meet local, state, or federal requirements for pool openings
- 9% Inability to secure lifeguard
- 50% Fear of spreading COVID-19
- 1% Residents requested the pool remain closed
- 25% Other



Pool Procedures

Which of the following new practices were put into place to open the pool?

OVERALL RESULTS

- 11% Bathrooms remained closed
- 6% Lap swimming only
- 60% No guests are allowed
- 37% Residents are required to bring their own chairs
- 40% Residents are required to sign a liability waiver
- 27% Residents are required to reserve swim time in advance
- 17% None
- 33% Other



GUIDELINES FOR POOLS AND HOT TUBS

SUGGESTIONS	RISK LEVEL			
	HIGH	MODERATE	LOW	NORMAL
Status	Closed	May open	May open	Open
Post signs	Yes	Yes	Yes	Yes
Capacity	NA	50% capacity of posted bather load (maximum of 20 people)	50% capacity of posted bather load (maximum of 50 people)	Normal
Liability release form*	NA	Required	Required	If required under normal circumstances
Personal responsibility	NA	Do not use if symptomatic or if exposed to COVID-19 within past 14 days	Do not use if symptomatic or if exposed to COVID-19 within past 14 days	Do not use if symptomatic or if exposed to COVID-19 within past 14 days
Congregating on pool decks	NA	Prohibited	Prohibited	Normal operations
Residents/Guests	NA	Residents only, no guests	Residents only, no guests	Restore previous guest policy

Pool deck chairs, loungers, tables	NA	None	None	Return to normal
Pool monitor	NA	Hire to notify patrons of capacity and disinfect all rails, door knobs, gate handles and bathroom surfaces regularly	Hire to notify patrons of capacity and disinfect all rails, door knobs, gate handles and bathroom surfaces regularly	Hire if budgeted
Security	NA	Hire if strict compliance is desired; pool monitor not expected to require compliance with rules	Hire if strict compliance is desired; pool monitor not expected to require compliance with rules	NA
Facility cleaning	NA	Attendees responsible to completely disinfect facility BEFORE and AFTER use	Attendees responsible to completely disinfect facility BEFORE and AFTER use	Attendees responsible to completely disinfect facility BEFORE and AFTER use
Use	None	At your own risk	At your own risk	At your own risk
Distancing	NA	6 feet	6 feet	None

Cost Controls

How did COVID impact expenses related to your community pool?

OVERALL RESULTS



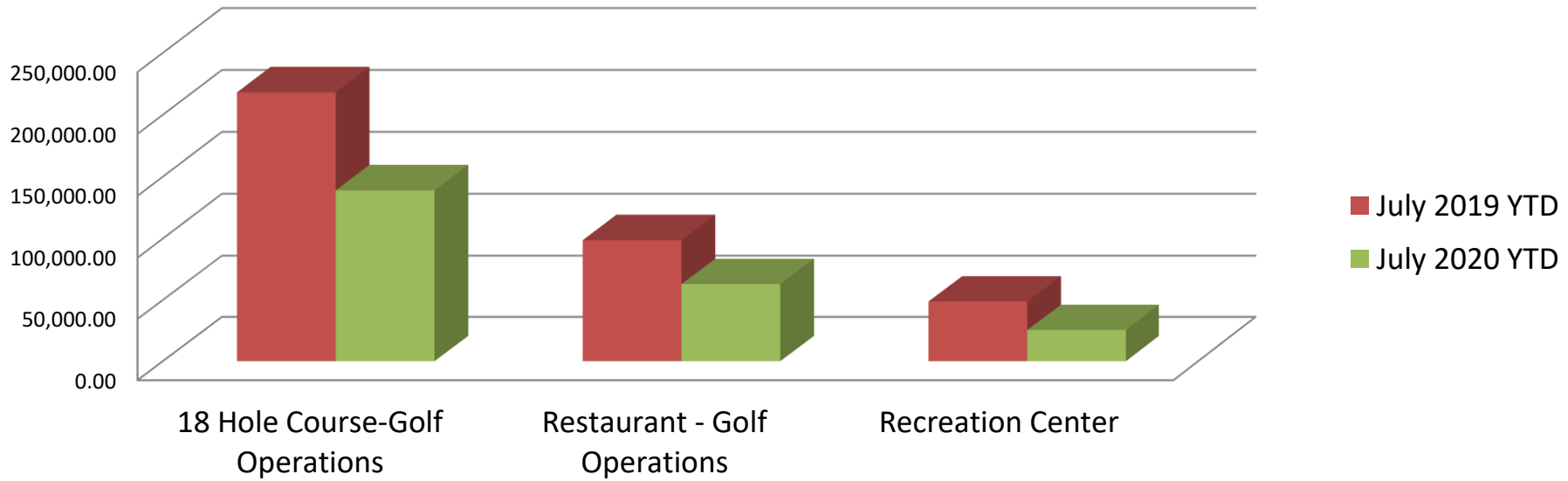
■ 35%
Expenses are higher than budgeted

■ 15%
Expenses are lower than budgeted

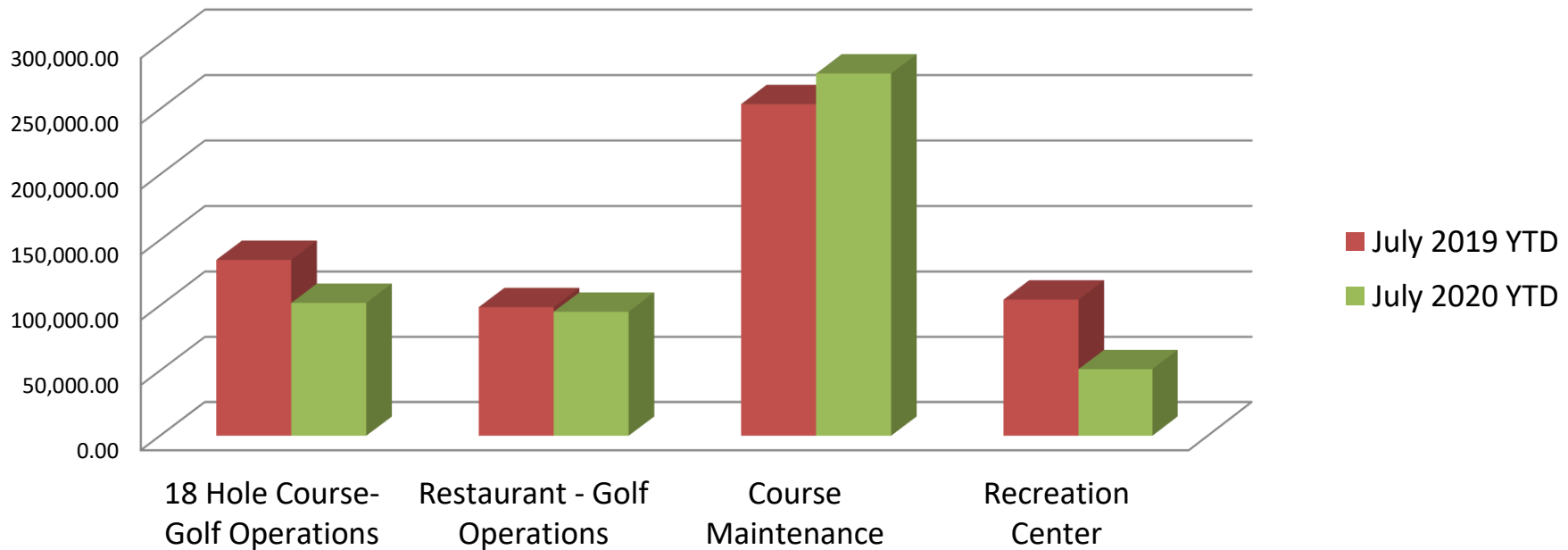
■ 39%
Expenses are consistent with budget

■ 11%
Other

Revenue



Expenses



Financial Vs. Safety Options

- **Continue cost controls:** **Pro** – Financially Reasonable, **Con** – Actual cost controls are limited without affecting service and health of golf courses
- **Resume semi-private status for all golf courses:** **Pro** – Financially beneficial and can be safely done, **Con** - COVID-19 does not travel, people do
- **“COVID Cup” Golf Tournament:** **Pro** – Financially beneficial to golf course, **Con** – COVID-19 concerns and logistics such as group activity, social distance, and golf cart availability
- **Increase NPO/guest fees:** **Pro** – Financially beneficial to golf course, **Con** – limited to market acceptability
- **Close Driving Range:** **Pro** – High effort - low reward facility, reduce work load, **Con** – unpopular with current users
- **Multipurpose golf, golf maintenance, and recreation center employees:** **Pro** – Employees can be used where needed most (as restrictions are removed, work loads increases), **Con:**