1. Call to Order – Fred Forbes, President

2. Mr. Forbes established a Quorum of members (187 by proxy and 146 members signed in to attend the meeting which is a total of 333 members).

3. Proof of Notice of Meeting was established by advising that a 60 day and a 30-day notice of meeting was mailed to the entire membership, it was also sent by email, it was posted on the Community TV Channel, posted on the website and on all of the various bulletin boards.

4. Election of Directors – David Malenfant, Chairperson of Election Committee introduced those candidates running for the Board. He asked that all ballots be cast and counted.

5. Mr. Forbes introduced the Lee County Sheriff, Carmine Mesino, who then spoke about the Lee County Sheriff’s Office and their role in making gated communities as safe as possible.

6. President Forbes also spoke on the following topics: HRCA went from a Developer owned and controlled community to turn over to our membership on January 1, 2007, Happy 12th Birthday - We have come a long way in 12 years. The great progress we have made in 12 years is due to our General Manager's leadership and outstanding leadership and work ethic of our second level department directors, but you the "stakeholders or shareholders" in HRCA have made possible our progress over the last 12 years. HRCA is blessed to have a number of long-term career employees and Department Directors making our community a stable place to live and participate in our almost resort style lifestyle. Over the past 12 years we have repeatedly taken HRCA to the next level which is necessary to keep our Community Marketable in the resale market. Like it or not this is a major function of the Board working cooperatively with our General Manager.

Examples of major next levels: In 2008 the General Manager and then Board president Tom Padgett asked me to head up and create an External Affairs Committee. In addition, shortly after establishing the committee, asked we pursue getting a sound barrier for which HRCA had been turned down previously. It took letter writing, trips to FDOT District Headquarters and discussions with State representatives, State Senators and a very detailed formal appeal, but FDOT agreed to re-evaluate Hunters Ridge. After nearly six months of field tests and re-evaluation Hunters Ridge approved for a longer and taller wall than we had previously been turned down for. The wall has helped measurably in the property values in Hunters Ridge because prospective buyers see the wall and visually accept it will be a quieter community.

2010 HRCA Board and its General Manager worked a deal to purchase Hunters Ridge Utility.

2013 we developed plans for our current "snack bar'. At that time our snack bar was over at the cart barn where the large ice machine is located. Tiny and no bar or tables. The "snack bar" took about seven months to get built and Department of Health requirements extended the period of not being open several months more. However, our snack bar “The Ridge" is successful far beyond expectations. It generates about 15% of the total revenue that we take in for F&B services. Now we are in the very preliminary stages of developing plans to install a roof over the screen enclosure and expand its table seating by double or...
more. In addition, very preliminary planning is underway to significant increase the lounge chair seating area.

In late 2013 the Board started the planning process for a major renovation of the Grill Room and installation of new kitchen equipment. We established a budget and we came in without exceeding the budget. We did retain an upcoming interior designer Denise Ward. No funds or assessments for either the Snack Bar or the Grill Room.

While construction was underway on the Grill Room Renovation the Board with very significant inputs on a daily basis from our Treasurer, Dick DeCoste, working with the General Manager, Board President, the HRCA Comptroller and in collaboration with the Board, developed a financing plan where the shortfall between available funds and an estimated total cost was filled by the unique concept of borrowing funds from the membership.

The Board and General Manager have continued to raise the bar to take the community to the next level while bringing in projects far below what the other clubs spend to do the same type of project.

We can also expect to spend significant funds repaving the roads in the north section of Hunters Ridge which is basically all roads north of HR Drive.

Two big events impacted our community, the Bonita Springs High School being planned to be built in front of Hunters Ridge from I-75 to the Publix's Shopping Center in 2015 and IRMA early September of 2017. Anyone looking at the size of the school and the parking and vehicle plus bus traffic at the completed high school can see had it been built, our community would have been ruined and your property value would have dropped. In other words, it would have hurt us far more and permanently than IRMA. Our General Manager and its Board worked overtime and due to political skill and ingenuity got the Board of Education to change its mind on building in front of Hunters Ridge. IRMA was bad, but the performance of our General Manager, Staff and employees was incredible. Yes, we had a loss assessment, but far less than most of the HOA's and some are imposing a second assessment. HRCA has done as much of the repairs as possible using our own forces. We are still having trees and bushes die well after IRMA from the stress on the trees and bushes.

The Board working collaboratively with the Tennis and Pickleball Committee have approved converting a tennis court to four professional size and type lighted pickleball courts for approximately $70,000. These 4 pickle ball courts and 3 lighted tennis courts again make our amenities very competitive with other communities we compete with for home sales.

The decision made early last summer to make our Country Club Golf Course a private no outside play and was done with the encouragement of our golf and charter golf members. The results have been our golf membership now sells for $35,000 and we only have 18 left to sale. This means homes sites with a golf membership sell for a much higher price and quicker. Our golf course thanks to Scott Davis, Dir. Golf Course Maintenance, working with our great staff and employees has gone at least two levels in playing better and looking better.

Can HRCA do better and communicate better and increase member services? Absolutely Yes and it will continue to improve. Can some of our committees improve? Yes. However, HRCA has consistently moved to the next level every year. Our committees function better now than ever before. I am confident our Community will continue to enhance its facilities and amenities to keep us very competitive.

Thank you for continuing to support the direction the Board and our General Manager have been moving on, as well as occasionally telling us we are off track and helping us maintain a positive direction. Hunters
Ridge is one of the “biggest bang for the buck” communities in SW Florida with the best residents in SW Florida. We have the best General Manager and Board and they, along with our Committee members and resident members will all help move the community forward while handling whatever adversity comes our way. The State of HRCA is Great.

7. **Treasurer’s Report – Dick DeCoste**

Golf - Revenues for the year were $1,619,885 or 3% ahead of forecast with increases seen principally in member dues and guest fees. Course expenses exceeded forecast by about 10% with chemical usage, course repairs and health insurance leading the way. Golf shop expenses were 4% lower than forecast. Overall, golf operations ended the year with an estimated loss of $49,358.

Contributions to reserves from reciprocal play was $21,452 for this year while increased equity membership payments added $211,913 to golf reserves. Both amounts plus interest payments totaled $240,586 for this year which is deposited directly to reserves.

For 2019, revenues are expected to grow by about 4% from golf dues while lower expenses are expected.

Food & Beverage - Annual revenues were $852,795, a 6% improvement over budget which included Ridge sales of $152,804. Total cost of goods sold for the Food & Beverage operations at $297,909 improved to 34.9% of sales compared to a budgeted target of 37.7%. Annual expenses for the restaurant and Ridge were $804,531 resulting in a total F & B loss for the year of $249,645. This loss represented an improvement of $45,955 or 15% over forecast and last year’s performance. In 2019, 3% lower revenues are forecasted while expenses will remain about the same as 2018.

G & A - Revenues for the year were $1,738,049, about 3% ahead of forecast. Corresponding expenses were 6% higher at $1,511,340 due to expenses for Activities and Pool Equipment, among other line items. However, overall operations produced an excess of revenues over expenses of $226,709. Social revenue for 2019 is estimated at about equal to 2018 at $1,742,350. Corresponding expenses are expected to drop by 6% generating an estimated surplus of $233,800 in the new year.

Treatment Plant - Treatment Plant revenues were $292,952 about equal to forecast. Expenses for the same period were $299,054 resulting in a small loss of about $6,100.

Realty - Real estate revenue for the year amounted to $288,889 with corresponding expenses of $163,745 that resulted in a net surplus of $125,144.

In summary for the 2018 year, excess revenues over expenses amounted to $46,748 due mainly to higher revenues from real estate commissions and improved efficiencies in the Food & Beverage operations.

Common Areas - Common Area revenue for the year was $1,114,059 about equal to forecast. Corresponding expenses, excluding road paving and road improvement work, were $1,131,489 or 2% higher than forecast.

North & South Villas and Single Family Homes - Income for the South Villas, net of reserve allocations, was $348,389, equal to forecast while corresponding expenses of $329,280 resulted in a surplus balance of $19,110.

Income, net of reserve allocations, for the North Villas was $186,399, again equal to forecast, while corresponding expenses of $172,593 left a surplus balance of $13,806.
Revenues from Single family homes were $1,016 and corresponding expenses were $838 creating a surplus of $178.

**Reserve & Operating Cash Balances as of December 31, 2018***

<table>
<thead>
<tr>
<th>Account</th>
<th>Estimated 12/31/18 Balance</th>
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</thead>
<tbody>
<tr>
<td>South Villas Roof Replacement</td>
<td>240,029</td>
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<tr>
<td>South Villas Exterior</td>
<td>286,268</td>
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<tr>
<td>North Villas Roof Replacement</td>
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<td>36,037</td>
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<tr>
<td>Common Area</td>
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<td>Golf</td>
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<td>Treatment Plant</td>
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<td>Villa Deductible</td>
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<tr>
<td>Clubhouse Loan (Bank United Acct)</td>
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<tr>
<td>Social Non-Golf</td>
<td>124,772</td>
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<tr>
<td>Reserve Cash Balance @ 12/31/18</td>
<td>$1,551,159</td>
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<tr>
<td>Hunters Ridge Country Club</td>
<td>$ 841,216</td>
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<tr>
<td>Hunters Ridge Community Association</td>
<td>74,526</td>
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<tr>
<td>Operating Cash Balance @ 12/31/18</td>
<td>$ 915,742</td>
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</table>

*All revenues and expenses unaudited

Each year at the annual meeting, we have the task of approving funds for our reserve accounts. These annual approvals are required by Florida law whenever reserves are not fully funded. Instead, as a community, we’ve opted for a policy of partial funding supplemented by special assessments, when needed. Today, all members will vote for funding their respective reserve accounts.

Recent examples of the use of reserve funds included the addition of the ridge snack bar at the swimming pool, upgrading our grill room in 2014 and, in a second and third phase, upgrading and expanding the entire clubhouse including restaurant, kitchen, storage areas, lanai, pro shop, access areas and parking lots. Monies for the grill room renovation, about $850,000, came mostly from internal reserves while the major clubhouse renovation and expansion was funded by member assessments and internal funds. All in all, changes that were needed for the membership and required to maintain the attractiveness of the community and to protect and enhance the value of our properties.

Reserve funding schedules can be found on our website for all departments and areas at Hunters Ridge. Major assets and their replacements are listed together with their current costs, estimated useful lives and estimated replacement costs.
A funding example, which has been very cost effective and has required no member fees up to now, has been the golf reserve account - although this will change in 2019. Currently, the golf reserve account has about $560,000 which, through 2018 has been funded by a combination of reciprocal play and equity membership payments. In the new year, golf and charter members will contribute $60 per year to golf reserves. We made a major investment of about $400,000 in the course’s irrigation pump station two years ago. We will also need to replace the course’s greens and fairways 4-6 years from now and will need to continue monitoring reserves requirements and their funding sources.

Now what reserve accounts do we have and what is included in them?

- **Social non-golf ($100k)** activity center, clubhouse, pool, restaurant tables, chairs & equipment
- **Community association ($75k + property closing fees)** road paving, road drainage, lake fountains, fencing
- **Waste treatment plant (25k)** lift stations, storage tanks, permitting
- **Golf** greens & fairways ($21k + equity payments), cart barn, bridge & retaining walls
- **North villas**
- **South villas** roof replacements, exterior painting & maintenance

In 2018, our total reserve contributions amounted to $624,000 or 10% of our operating budgets.

“actual” funding vs. Amount to fully fund all accounts amounts to about 30%.

Proceeding to voting for reserve contributions in 2019

For social, community association and waste treatment plant reserves - Motion by Jim Sido for reserve contributions to remain the same as 2018, seconded by Joanne Schoen, passed by all members:

<table>
<thead>
<tr>
<th>Amount</th>
<th>$100,000</th>
<th>$75,000</th>
<th>$25,000</th>
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</thead>
<tbody>
<tr>
<td>$/mo</td>
<td>$15</td>
<td>$11.26</td>
<td>$3.75</td>
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For Golf members, to continue to fund the golf course reserves with the funds from outside/reciprocal play eliminated, Norm Petelik made a motion for a $5 per month contribution by all golf and all charter members ($60 for 2019). The motion was seconded by Jim Zimmer and approved by all golf and charter members present.

$21,000 total
5/mo golf

For North Villa reserves, a motion was made by Steve Curtis for the reserve schedule to remain the same for 2019. The motion was seconded by Jim Sido and approved by the north villa owners:

$64,800 total
$45/mo exterior account
$30/mo roofing account
The south villa area held their own meeting for reserve amounts. There was no quorum for the meeting, thus the reserve schedule will remain the same as in 2018:

$72,360 total
$35/mo exterior account ($56,280)
$10/mo roofing account ($16,080)

8. Announce Results of Election of Directors. The four candidates with the most votes have won election to the Board of Directors. Those elected to serve, in alphabetical order, were Dick DeCoste, Fred Forbes, Jerry Hoover and Joanne Schoen. Directors with unexpired terms remaining on the Board are Keith Glover, Lorrie Holly and Don Wirsbinski.

9. The meeting was adjourned.