

MINUTES OF MEETING  
CANDLER HILLS EAST  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Candler Hills East Community Development District was held on Tuesday, May 18, 2021 at 9:00 a.m. at the Circle Square Commons, 8395 SW 80<sup>th</sup> Street, Ocala, Florida.

Present and constituting a quorum were:

Philip J. Moherek	Chairman
Elmer Greene	Vice Chairman
Robert Scherff	Assistant Secretary
John Bain	Assistant Secretary
Larry Garvin	Assistant Secretary

Also present were:

George Flint	District Manager
Gerald Colen	District Counsel
Philip Hisey	On Top Of The World Communities
Robert Stepp	On Top Of The World Communities
Lynette Vermillion	On Top Of The World Communities

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Flint called the meeting to order and called the roll. Five Board members were present at the meeting and a quorum was present.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

Mr. Flint: I don't see any members of the public here. We will move on. It appears we have no public comment.

**THIRD ORDER OF BUSINESS**

**Notice for Meeting**

Mr. Flint: The notice of the meeting was included in your agenda package and it was advertised in the Ocala Star Banner on September 23 and 30 of 2020 in accordance with the statutory noticing requirements.

**FOURTH ORDER OF BUSINESS**

**Approval of Minutes of the February 16, 2021 Meeting**

Mr. Flint: Did the Board have any comments or corrections to the minutes? Hearing no changes to the minutes I would ask for a motion to approve them.

On MOTION by Mr. Moherrek, seconded by Mr. Garvin, with all in favor, the Minutes of the February 16, 2021 Board of Supervisors Meeting, were approved.

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2021-04 Approving the Proposed Budget for Fiscal Year 2022 and Setting a Public Hearing**

Mr. Flint: This is something you have to do annually per statutes. Included in your agenda is the resolution suggesting your August meeting for the Public Hearing. The suggestion is August 17<sup>th</sup> at 9:00 a.m. in this location. Attached to the resolution as exhibit 'A' is the proposed budget. This is not binding on the Board, so it is just the start of the process. It is preliminary. The Board can make changes to this up until the Public Hearing in August if you need to. It contemplates the per unit assessment amounts remain the same at \$93 per home per year. The annual assessments are \$55,051. The expenses overall are about \$500 more on the administrative. We have broken out the mulch on a separate line item. As you can see, that is about \$6,000 a year. We have been paying it out of contingency. There were some additional expenses in the current year associated with the repairs or work we did in the DRAs. If you remember, you approved an agreement for a contractor to dig out and level the areas on the outfalls and then resod. That is what is showing up there in your contingency line for the current year. This is a pretty straightforward budget. As you know, the HOA, through an agreement with the CDD, maintains the landscaping. The only obligation the CDD has is for the mulch. Any questions or comments on the resolution or the exhibit?

Mr. Scherff: I would like to ask Mr. Hisey a question.

Mr. Hisey: Yes sir.

Mr. Scherff: Phil do you know of anything that we would have to pay for extra within the gated retention areas? Is there anything coming up that we might have a problem with?

Mr. Hisey: I can't think of anything off the top of my head. I know the work that has been done to repair the structures has been completed and is being monitored closely now to make sure we do not have that issue again. Over time that sediment build up is just a natural thing we have to deal with. As of right now no I don't believe so.

Mr. Scherff: When that main broke, it drained into one of the retention areas didn't it?

Mr. Hisey: It drained into the drainage retention area right by the Candler Hills neighborhood. That is not one of the CDDs. Any other questions?

Mr. Flint: On your balance sheet we have currently \$170,000 in the investment account. You do have some funds available if some repairs are needed, they are not appropriated in this budget. Mr. Bain did you have a question?

Mr. Bain: Just a clarification, I see this on the budget every year. In November, the first figure, is that money in the bank? What is that?

Mr. Flint: On page 6?

Mr. Bain: Yes, down there before you get to the totals. At the bottom you've got November the 1<sup>st</sup> 2022. What is that number?

Mr. Flint: Because there are debt service payments on November 1 and May 1 this is demonstrating that we have enough money to pay the November 1 payment. You need to carry forward funds from the prior fiscal year to make the November 1 payment.

Mr. Bain: Thank you, I just needed clarification.

Mr. Flint: Yes, that is why that is there. It is showing that we have the funds available to make that first payment on November 1.

Mr. Bain: Also on that page, the number of units involved stayed the same as previously. Does that mean that we didn't have any payoffs until this year?

Mr. Flint: Yes, at the time this is put together we don't have all of the information. On June 1 we get an assessment roll from the county, and then we adjust this number for your public hearing. There may have been some prepayments but for purposes of this preliminary budget we are just showing the same amount. That number will likely change for the August meeting.

Mr. Bain: I have another question on the budget. Not a lot of money, but the percentage went up. Information technology went up 30%, and the website maintenance went up 50%, from \$400 to \$600.

Mr. Flint: Yes, and that is related to there now being ADA requirements on websites. As a result of those additional requirements, our efforts have gone up. We are trying to play catch up on a couple of these line items where we were underfunded. Those line items have pretty much been level for 10 years plus. We are recommending an adjustment on those as a result of the new requirements. Any other questions? If not, is there a motion to approve Resolution 2021-04?

Mr. Bain: I will make a motion.

Mr. Flint: Will the maker of the motion please read the short title I would appreciate it.

Mr. Bain: Okay, where am I reading from?

Mr. Flint: The top of the resolution, the short title.

Mr. Bain: I move that we approve Resolution 2021-04, a resolution of the Board of Supervisors of the Candler Hills community development district, approving the proposed budget for the fiscal year 2021-2022 and setting a public hearing thereon, presuming to the Florida law, addressing transmittal posting and publication requirement and providing an effective date.

On MOTION by Mr. Bain, seconded by Mr. Scherff, with all in favor, the Resolution 2021-04 Approving the Proposed Budget for Fiscal Year 2022 and setting a Public Hearing for August 17, 2022 at 9:00 a.m., was approved.
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**SIXTH ORDER OF BUSINESS**

**Consideration of Proposal with AMTEC to Provide Arbitrage Rebate Calculation Services**

Mr. Flint: We included a proposal from AMTEC to provide arbitrage calculation services. This is a minor expense but we do have a small budget and AMTEC can perform those services for about \$150 a year less than your previous provider who I believe was Grau and Associates. We have included a proposal from AMTEC. It is a 5-year agreement at \$450 a year. This is an IRS requirement that we demonstrate we are not earning more interest than we are paying on the bond issue. Any questions on the AMTEC proposal or agreement? If not, is there a motion to approve it?

On MOTION by Mr. Garvin, seconded by Mr. Scherff, with all in favor, the Proposal with AMTEC to Provide Arbitrage Rebate Calculation Services, was approved.

**SEVENTH ORDER OF BUSINESS**

**Review and Acceptance of Fiscal Year 2020 Audit Report**

Mr. Flint: You went through a RFQ process prescribed by the statutes and you selected Burger Tombs as your independent auditor. They have prepared the report, which has been provided to you. It is a clean audit. There are no current or prior year findings or recommendations. They have found we have met the prevision of the auditor general that they are required to review. Were there any questions or comments about the audit?

Mr. Scherff: On page 26 at the very bottom, it says the District considers any decline in share value for certain investments to be temporary. What does that mean?

Mr. Flint: It means that from a credit perspective our investments are very conservative. To the extent, if there is any decline in value, we wouldn't believe it would be a long-term reduction. Your primary investment is the State Board of Administration, which is an investment pool that is operated by the Governor and Cabinet and it is in accordance to the investment policy, which basically limits the types of investments that you can utilize. There is a lot of auditor language in this document. Any other questions or comments on the audit? If not, is there a motion to accept it and authorize it to be transmitted to the state?

On MOTION by Mr. Scherff, seconded by Mr. Moherek, with all in favor, the Review and Acceptance of Fiscal Year 2020 Audit Report, was approved.

**EIGHTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Mr. Flint: Attorney's report, anything for the Board?

Mr. Colen: I don't have anything to report at this time.

**B. District Manager's Report**

**1. Approval of Check Register**

Mr. Flint: You have the Check Register in your agenda from February 10<sup>th</sup> through May 11<sup>th</sup>. It totals \$231,398.28 and the detailed register is behind the summary. Are there any questions?

Most of this Check Register is just moving debt service assessment revenue to the trustee. Any questions on the Check Register? If not, is there a motion to approve it?

On MOTION by Mr. Moherek, seconded by Mr. Scherff, with all in favor, the Check Register totaling \$231,398.28, was approved.

**2. Balance Sheet and Income Statement**

Mr. Flint: You also have the unaudited financial statements through March 31<sup>st</sup>. There is no action required. If the Board has any questions or comments we can discuss those. Hearing none,

**3. Presentation of Number of Registered Voters - 944**

Mr. Flint: Each year we are required to announce the number of registered voters as of April 15<sup>th</sup>. You can see the letter from the letter from the Supervisor of Elections indicating there are 944 registered voters. That is all we had on the agenda. Yes, Mr. Scherff?

Mr. Scherff: I think it is interesting to note that comes to 1.5 persons per household for registered voters.

Mr. Flint: Right, and this is not population but it is people who are registered to vote. If you have anybody that this is a second home for them, they would not be reflected here. 1.5 is about the right number for that community. It is probably lower than occupied housing just because you are not capturing any people that may live up north more than 6 months.

**NINTH ORDER OF BUSINESS**

**Other Business**

Mr. Flint: Is there any other business or Supervisor’s request? Hearing none,

**TENTH ORDER OF BUSINESS**

**Supervisor’s Requests**

There being none, the next item followed.

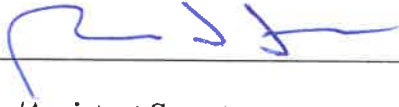
**ELEVENTH ORDER OF BUSINESS**

**Adjournment**

Mr. Flint: If there is nothing else is there a motion to adjourn?

The meeting was adjourned.

On MOTION by Mr. Bain, seconded by Mr. Scherff, with all in favor, the meeting adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman