

**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, November 15, 2022** 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, Sr.	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
Rachel Wagoner	Colen Wagoner

**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: Are there any members of the public who would like to provide comments to the Board? Hearing none,

**THIRD ORDER OF BUSINESS**

**Notice for Meeting**

Mr. Flint: The notice of the meeting is in your agenda. It was published in the Ocala Star Banner back on September 15<sup>th</sup>.

**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2023-01  
Declaring a Vacancy in Seat #4**

Mr. Flint: You have Resolution 2023-01 which declares a vacancy in seat #4. The Board had three seats up, you had seats #1, #4, and #5 up for election. Seat #1 and #5, Mr. Scherff and Mr. Bain qualified for those seats unopposed. Seat #4, which is occupied by Mr. Garvin and he is no longer qualified for that seat. The legal process is that you are required to declare it vacant as of the second Tuesday after the election, which is November 22<sup>nd</sup>. So, this resolution declares this seat vacant, and then the incumbent can remain in this seat as a carryover. And then at some point, you can fill that seat with a qualified elector. You can't take any action on that until after November 22<sup>nd</sup>, so it would have to be at your February meeting where you would take that action. Any questions on the resolution?

Mr. Moherek: Yeah, at this point I have asked George Hill to come to this meeting today. He is a qualified elector, and I brought him today because I know that Mr. Garvin is going to be leaving us, so he will not be up for reelection. At this point, I asked Mr. Hill to come and to bring his resume, which I have furnished to all the other Board members as a consideration so that when we go into February, we will have Mr. Hill come. And if anyone else wants to come and come before the Board, that is fine. But, at this point, I just wanted to introduce George Hill.

On MOTION by Mr. Scherff, seconded by Mr. Bain, with all in favor, Resolution 2023-01 Declaring a Vacancy in Seat #4, was approved.

**FIFTH ORDER OF BUSINESS**

**Approval of Minutes of the August 16,  
2022 Meeting**

Mr. Flint: Next is approval of the minutes from the August 16, 2022 meeting. Did the Board have any comments or corrections to the minutes?

On MOTION by Mr. Bain, seconded by Mr. Greene, with all in favor, the Minutes of the August 16, 2022 Meeting, were approved.

**SIXTH ORDER OF BUSINESS**

**Consideration of Fiscal Year 2022 Audit  
Engagement Letter**

Mr. Flint: Next is the Fiscal Year 2022 Audit Engagement Letter. This is with Berger, Toombs, Elam, Gaines, & Frank. The CDD as a government entity is required to perform an annual

audit performed. The amount is not to exceed \$3,415. You'll enter into an annual engagement for these services. This is for Fiscal Year 2022 which just ended on September 30<sup>th</sup>. Any questions on the engagement letter?

Mr. Scherff: These auditors are here for how many years?

Mr. Flint: I believe it's time to bid again, believe it or not. Time flies, because I remember the last time we bid and Indigo picked Grau and this Board picked Berger, Toombs. It doesn't seem like it was that long ago but it's time to bid it again. We would bring back in the spring, when you consider your proposed budget, we will start the Audit Committee selection process, so we will have an auditor picked for FY 2023.

Mr. Greene: So, has the cost gone up?

Mr. Flint: It's the same as the prior year, \$3,415. They have held their price. If there are no other questions, is there a motion to approve the engagement letter.

Mr. Moherek: Are these two firms the only ones that do this?

Mr. Flint: Grau and Berger Toombs are the only ones that we are getting proposals from on a consistent basis. There used to be 5 or 6 firms, and whenever we would bid, we would usually get 4. Now when we bid, we usually get 2, sometimes 1. Is there a motion to approve the engagement letter?

On MOTION by Mr. Moherek, seconded by Mr. Scherff, with all in favor, the Fiscal Year 2022 Audit Engagement Letter, were approved.

**SEVENTH ORDER OF BUSINESS**

**Consideration of Resolution 2023-02  
Amending Fiscal Year 2022 Budget**

Mr. Flint: The Board is required, if your total expenses exceed your total budget, to amend the budget within 60 days of the end of the fiscal year. This amendment recognizes \$8,308 and carry forward surplus on the revenue side, and then on the expense side, there were some additional engineering expenses, and that was related to the stormwater report that came into effect after the budget was adopted. There were some additional attorney's fees that are estimated, it's about \$113 over budget, but we are increasing that line item by \$1,000 just in case something else comes in. Other current charges, which are primarily bank fees, and then the mulch expense is higher than what we had budgeted to mulch the dry retention areas.

Mr. Greene: So the increase to the mulch fee is just materials and labor, and no increase in the coverage?

Mr. Flint: Right, the cost has gone up, I think the cost per bale went up by at least \$1. I'm not sure, we may have underestimated the cost in the budget as well as the cost increase. But the combination of those two is requiring us to increase that line item. Although we are increasing the revenue by \$8,300, if you see our projected ending fund balances is about \$6,600. So, it's less than \$2,000, assuming these projections are correct. We are giving ourselves a little extra room.

Mr. Greene: Again, these are just costs for this year that we have reflected in the budget for next year?

Mr. Flint: These are the costs for the last fiscal year, which ended on September 30<sup>th</sup>.

Mr. Greene: So, we will reflect that on the budget if we need to for next year?

Mr. Flint: Well, the budget for the current year, which started on October 1<sup>st</sup>, has already been adopted. We may have an issue again with mulch being under budgeted. We may have to do this again next November. Any other questions on the resolution or the amendment?

On MOTION by Mr. Scherff, seconded by Mr. Moherek, with all in favor, Resolution 2023-02 Amending Fiscal Year 2022 Budget, were approved.

**EIGHTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Mr. Flint: Any Attorney's reports?

Mr. Colen: None.

Mr. Flint: Thank you.

**B. District Manager**

**1. Approval of Check Register**

Mr. Flint: You have the approval of the check register August 10<sup>th</sup> through November 6<sup>th</sup> for \$17,857.01. The detailed register is behind the summary. It includes the insurance for FY 23, which is paid one-time up front. Although it was paid during the last fiscal year, it's booked as an expense to this fiscal year. That's a big piece of it is the insurance. If there are any questions, we can discuss those.

Mr. Greene: What exactly do they insure us for?

Mr. Flint: It's general liability and public officials' liability, those are the two main things. To the extent that we would get sued if someone was in one of our dry retention areas and twisted their ankle or something like that, trips and falls are always a big thing with liability insurance. The other thing is public officials' liability. If someone sues the District and they also sue the Board members individually, the public official's liability policy will protect you. Any other questions? Hearing none,

On **MOTION** by Mr. Bain, seconded by Mr. Scherff, with all in favor, the Check Register for \$17,857.01 was approved.

**2. Balance Sheet and Income Statement**

Mr. Flint: We have also provided you with the unaudited financial statements through September 30, 2022. There is no action required by the Board. If you have any questions, we can discuss those. You do have a Capital Reserve fund of \$159,444. In prior years when there was excess revenue beyond your operation reserve, we had transferred funds into that reserve fund. You've since decreased your assessments, and so the opportunity to move more money into that reserve fund is not really there, but then again, your obligations are limited because you only own the dry retention areas. It's not a lot to reserve for. Any questions on the financial statements? Hearing none,

**NINTH ORDER OF BUSINESS**

**Other Business**

Mr. Flint: Those were all the business items we had, was there anything else the Board wanted to discuss that is not on the agenda? Mr. Garvin?

Mr. Garvin: I just wanted to say that I have enjoyed my time serving on this Board, and it's been quite impressive. You all make a terrific Board of Supervisors.

Mr. Flint: Thank you, Mr. Garvin.

**TENTH ORDER OF BUSINESS**

**Supervisors Requests**

There being none, the next item followed.

November 15, 2022

Candler Hills East CDD

**ELEVENTH ORDER OF BUSINESS**

**Adjournment**

The meeting was adjourned.

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



Secretary/Assistant Secretary



Chairman/Vice Chairman