

**MINUTES OF MEETING
HUNTER’S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1**

The Board of Supervisors of the Hunter’s Ridge Community Development District No. 1 held a Regular Meeting on November 6, 2020, *immediately following the Landowners’ Meeting scheduled to commence at 10:00 a.m.*, at the Flagler County Government Services Building, 1769 E. Moody Blvd., Building 2, Bunnell, Florida 32110.

Present at the meeting were:

Howard Lefkowitz	Chair
Charles Lichtigman	Vice Chair
Steve Thompson	Assistant Secretary
Patricia Hall	Assistant Secretary

Also present were:

Howard McGaffney	District Manager
Mark Watts (via telephone)	District Counsel
Luke Kilic	District Engineer

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. McGaffney called the meeting to order at 10:14 a.m. Supervisors Lefkowitz, Hall, Lichtigman and Thompson were present, in person. One seat was vacant.

SECOND ORDER OF BUSINESS

Public Comments

There being no public comments, the next item followed.

THIRD ORDER OF BUSINESS

Administration of Oath of Office to Newly Elected Supervisors [SEATS 2, 3 & 4] (*the following to be provided in a separate package*)

***Disclaimer:** These summary minutes are intended to highlight the topics discussed, items being considered and actions taken.*

Mr. McGaffney, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Ms. Hall and Mr. Thompson. He provided and briefly explained the following items:

- A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- B. Membership, Obligations and Responsibilities**
- C. Financial Disclosure Forms**
 - I. Form 1: Statement of Financial Interests**
 - II. Form 1X: Amendment to Form 1, Statement of Financial Interests**
 - III. Form 1F: Final Statement of Financial Interests**
- D. Form 8B: Memorandum of Voting Conflict**

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2021-01, Canvassing and Certifying the Results of the Landowners' Election of Supervisors Held Pursuant to Section 190.006(2), Florida Statutes, and Providing for an Effective Date

Mr. McGaffney presented Resolution 2021-01. The following results of the Landowners' Election would be inserted into Resolution 2021-01:

Seat 2	Patricia Hall	240 Votes	4-year Term
Seat 3	Steve Thompson	240 Votes	4-year Term
Seat 4	Vacant		

On MOTION by Mr. Thompson and seconded by Mr. Lefkowitz, with all in favor, Resolution 2021-01, Canvassing and Certifying the Results of the Landowners' Election of Supervisors Held Pursuant to Section 190.006(2), Florida Statutes, and Providing for an Effective Date, was adopted.

Mr. McGaffney reiterated that Supervisors Lefkowitz, Hall, Lichtigman and Thompson were present, in person.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2021-02, Designating a Chair, a Vice Chair, a Secretary, Assistant Secretaries, a Treasurer and an Assistant Treasurer of the Hunters Ridge CDD No. 1, and Providing for an Effective Date

Mr. McGaffney presented Resolution 2021-02. The Resolution would be corrected to designate Mr. Wrathell as Secretary and Mr. McGaffney as Assistant Secretary. Mr. Lefkowitz nominated the following slate of officers:

Chair	Howard Lefkowitz
Vice Chair	Charles Lichtigman
Secretary	Craig Wrathell
Assistant Secretary	Patricia Hall
Assistant Secretary	Steve Thompson
Assistant Secretary	Vacant
Assistant Secretary	Howard McGaffney
Treasurer	Craig Wrathell
Assistant Treasurer	Jeff Pinder

No other nominations were made.

On MOTION by Mr. Lichtigman and seconded by Ms. Hall, with all in favor, Resolution 2021-02, as amended, Designating a Chair, a Vice Chair, a Secretary, Assistant Secretaries, a Treasurer and an Assistant Treasurer of the Hunters Ridge CDD No. 1, as nominated, and Providing for an Effective Date, was adopted.

SIXTH ORDER OF BUSINESS

Consent Agenda Items

Mr. McGaffney presented the Consent Agenda Items.

A. Acceptance of Unaudited Financial Statements as of September 30, 2020

Mr. McGaffney and Mr. Watts responded to the following questions or requests:

- Balance Sheet-Footer: Regarding references related to misallocation of construction funds, clarification that the consolidation of funding between the bonds was done in order to balance out the actual construction requirement was requested. Mr. Watts replied affirmatively and noted that these entries were made in coordination with Bond Counsel and the Trustee to correct where some funds from the original bond issue were allocated.
- Regarding whether the "Supervisors" line item expenditure matched the number of meetings held, Mr. McGaffney would have Accounting review it to make sure each Supervisor's compensation was correct, with the exception of Mr. Lefkowitz, who declined compensation.
- Regarding what discretion, if any, the District has in where cash reserve funds are placed or if the revenue from investments is dictated by the loan documents, Mr. McGaffney explained the differences between the General Fund reserves being held in a low interest bearing operating account. The reserves are minimal now but, over the life of the District, it would accumulate or the District may begin budgeting for it, once the community is built out, in order to build up reserve funds.

Mr. McGaffney stated, in the Debt Service Fund, the Trustee dictates where reserve funds are kept, under the constraints of the Trust Indenture, to ensure liquidity of funds is available to pay principal and interest payments timely. Supervisors are responsible for the general operating of the District, not for monitoring the Trustee or investments. He would provide the Board with the Trustee's name, a summary of the bank accounts and amounts, an explanation of the fund balances and the process for evaluating the banks used and why.

- Balance Sheet-Liabilities-Retainage Payable: A request was made for Accounting to provide the balance left in the construction account after they process the requisition recently submitted and prior to the distribution of the retention fund.
- Definition of "Deferred receipts": Deferred receipts are receipts that were received but not yet posted to the appropriate budget line item.

B. Approval of August 27, 2020 Public Hearing and Meeting Minutes

<p>On MOTION by Mr. Thompson and seconded by Mr. Lichtigman, with all in favor, the Consent Agenda Items, as presented, were accepted and approved.</p>
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SEVENTH ORDER OF BUSINESS**Other Business**

Mr. McGaffney presented the Huntington Village Residents Association (HVRA) letter asking the District to pay 50% of the cost of the Reserve Study, which the Board agreed to at a prior meeting.

On MOTION by Ms. Hall and seconded by Mr. Lichtigman, with all in favor, authorizing the District Manager to pay the Huntington Village Residents Association for the District's portion of the cost of the Reserve Study, in a not-to-exceed amount of \$4,950, was approved.

EIGHTH ORDER OF BUSINESS**Staff Reports****A. District Counsel: *Cobb Cole***

Mr. Lefkowitz explained that, at a prior meeting, the CDD agreed to split the cost of the Reserve Study and enter into an Agreement with the HVRA to maintain CDD assets. The purpose of the Reserve Study was to have a formal mechanism for budgeting in the reserves for the HVRA and the CDD, under the HVRA budgeting process, to allow the HVRA to acquire reserves to maintain certain CDD infrastructure.

Mr. Lefkowitz stated that the Reserve Study was reviewed by him and the District Engineer for adequacy and competency; it was recently sent to the CDD Board for review. He discussed the process of collecting the Capital Facilities Fee, which the HVRA changed to collect it to contribute to the community during the resale of the house instead of during the new homeowner process. These funds would be segregated and go directly into reserve accounts, past the life of the bonds. This formula would result in the CDD not having to increase its Operations and Maintenance (O&M) or reserve amounts.

Mr. Lefkowitz asked the Supervisors to review the Reserve Study and report whether they agree with these findings at the next meeting. Mr. Watts stated that, for the next meeting, he would review the Reserve Study and modify the Maintenance Agreement with the HVRA to include a mechanism for the annual collection of the maintenance for the CDD reserves. Mr. McGaffney stated he would speak with Mr. Wrathell and District Counsel about setting up

reserve funding accounts, specifically regarding co-mingling public and private reserve accounts, and report his findings at the next meeting. As CDD Chair and HOA President, Mr. Lefkowitz stated that, as the HVRA budget was about to be adopted, he would set up the bank accounts within the HVRA, segregating these funds until both parties agree to the process. A Board Member asked about Mr. Thompson's lots. Mr. Lefkowitz stated that those lots must be excluded from the Agreement.

▪ **Board Members' Comments/Requests**

This item, previously the Ninth Order of Business, was presented out of order.

Mr. Lefkowitz read an email sent to residents, through the HVRA, looking to fill the vacant seat with a resident, since the CDD would begin transitioning to the General Election process in two to three years. Each Board Member voiced their opinions. Mr. McGaffney and Mr. Watt provided input. Mr. Lefkowitz withdrew consideration of this direction from the Board, and stated he would look to appoint another professional rather than a resident.

B. District Engineer: *Zev Cohen and Associates, Inc.*

There being no report, the next item followed.

C. District Manager: *Wrathell, Hunt and Associates, LLC*

- **NEXT MEETING DATE: February 25, 2021 at 3:30 P.M.**

- **QUORUM CHECK**

The next meeting will be held on February 25, 2021 at 3:30 p.m.

NINTH ORDER OF BUSINESS

Board Members' Comments/Requests

This item was presented following Item 8A.

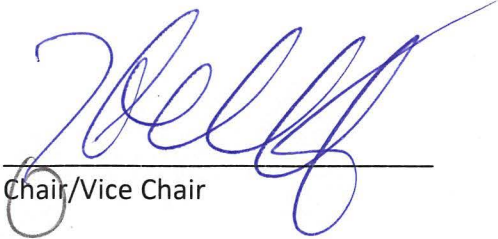
TENTH ORDER OF BUSINESS

Adjournment

There being no further business to discuss, the meeting adjourned.

On MOTION by Mr. Lefkowitz and seconded by Ms. Hall, with all in favor, the meeting adjourned at 11:23 a.m.


Secretary/Assistant Secretary


Chair/Vice Chair