

**MINUTES OF MEETING  
PINE RIDGE PLANTATION COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Pine Ridge Plantation Community Development District was held on Tuesday, May 15, 2018 at 6:00 p.m. at Pine Ridge Plantation Amenity Center, 4200 Pine Ridge Parkway, Middleburg, FL 32068.

Present and constituting a quorum were:

Matt Biagetti	Chairperson
Maria Haney	Vice Chairman
Jeff Arp	Supervisor
Jerry Ritchie	Supervisor
Nancy McNulty	Supervisor

Also present were:

Jim Oliver	District Manager
Jason Walters	District Counsel (by phone)
Steve Andersen	Operations Manager
Amanda Ferguson	Riverside Management Services
Ernesto Torres	GMS, LLC
Stephen DuBois	Riverside Management Services

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Oliver called the meeting to order at 6:00 p.m.

**SECOND ORDER OF BUSINESS**

**Audience Comments**

There being no audience comments, the next item followed.

**THIRD ORDER OF BUSINESS**

**Approval of the Minutes of the April 17, 2018 Meeting**

Mr. Oliver stated included in your agenda package is a copy of the minutes of the April 17, 2018 meeting. Are there any additions, corrections or deletions?

On MOTION by Mr. Biagetti seconded by Mr. Ritchie with the Minutes of the April 17, 2018 Meeting were approved.
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**FOURTH ORDER OF BUSINESS****Acceptance of Fiscal Year 2017 Audit**

Mr. Oliver stated each year as a unit of government in Florida, the CDD is required to have an annual audit performed by an independent CPA firm. You have a copy of the Fiscal Year 2017 Audit included in your agenda package. It is a clean audit. On page it states, "In our opinion, the basic financial statements referred to above, present fairly in all material respects, the financial position of the governmental activities in each major fund of the CDD as of September 30, 2017 and those in conformity with the accounting principles generally accepted in the United States of America." Page 16 begins the notes to the financial statements. I did want to point that on page 29 in note H titled "Subsequent to the completion of Fiscal Year 2017", it states the District is working with the bondholders to enforce the collection of delinquent assets for undeveloped land. The current landowner is working with the trustee on behalf of the majority bondholder and the District to reposition the undeveloped land, so it can be sold. These efforts are still in progress. I know we had a setback at our last meeting, but Jason will give us an update today. The next page is the independent auditor's report on internal controls over financial reporting. The last paragraph states, "We did not identify any deficiencies in internal control that we consider to be material weaknesses." The auditor is supposed to report on prior audit findings and what actions were taken regarding those findings. The reports states there were no findings or recommendations made in the preceding audit report. Regarding the financial condition, the audit report finds "In connection with our audit, we have determined that Pine Ridge CDD did not meet any of the conditions described in Section 218,503(1) of Florida Statutes". This indicates the CDD does not meet the conditions considered to be a financial emergency.. This audit report will be filed with the Auditor General in the State of Florida and it will also be available to bond investors. We will also post a copy of this report to the District's website.

On MOTION by Mr. Biagetti seconded by Mr. Ritchie with all in favor the Fiscal Year 2017 Audit was accepted.

**FIFTH ORDER OF BUSINESS****Consideration of Audit Engagement Letter from Berger, Toombs, Elam, Gaines & Frank for Fiscal Year 2018**

Mr. Oliver stated included in your agenda package is an audit engagement letter with Berger, Toombs, Elam, Gaines & Frank for Fiscal Year 2018. You selected this firm at your

last meeting on March 20, 2018. The engagement letter outlines what the scope of the audit is. On page four you will see the cost of the audit is \$3,100.

On MOTION by Mr. Ritchie seconded by Mr. Arp with all in favor the Audit Engagement Letter from Berger, Toombs, Elam, Gaines & Frank for Fiscal Year 2018 was approved.

## **SIXTH ORDER OF BUSINESS**

### **Consideration of Resolution 2018-02, Approving the Proposed Budget for Fiscal Year 2019 and Setting a Public Hearing Date for Adoption**

Mr. Oliver stated this is the beginning of the process for approving the proposed budget for Fiscal Year 2019. Over the next 60 plus days, we can refine the budget and then you will have a budget hearing. After the budget hearing is held, you adopt a budget and then we send the budget in the form of an assessment roll to the tax collector by September 15<sup>th</sup> and they put the assessments on the tax bills that go out November 1<sup>st</sup>. I think we are in a position to keep assessments stable for this year. We would use carry forward surplus from your unassigned reserves to help balance the budget. You have \$308,000 in capital reserves. There is \$567,000 in the unassigned balance. That is the money that we have collected from assessments this year and past years and we have banked that money. As I look at the remaining expected expenditures for this year that would bring that balance down to \$303,000. We would also want to reserve \$135,000 for first quarter operations of Fiscal Year 2019. If you wanted to keep assessments stable by using \$23,000 from this fund then you are in a good position to do that. Hopefully in the coming months we will have good news from the foreclosure process and perhaps more money coming in from the bondholders.

Mr. Biagetti stated I think that is a very wise approach in our state right now.

Mr. Oliver stated the next section in the budget is the administrative section. The first section is administrative expenditures and that has stayed stable. Last year we budgeted \$117,562 and we are budgeted \$117,552. As a result of the engagement letter you approved tonight, the fourth line item down regarding the audit will reduce it from \$3,750 to \$3,100. The next section is the amenity center operations. This section flows into the top section of the next two pages. The total expenditures go from \$270,000 to \$277,000. Although we budgeted \$270,000 last year for Fiscal Year 2018, we actually expect to execute \$275,000. There is one increase in amenity management with a 3% increase. The grounds maintenance section

increases from \$153,000 to \$169,000 and the biggest increase there is for irrigation. Page nine is the capital reserve budget and that projects us to take in \$35,000 for capital reserves this year. When you put that in with the existing budget, it would bring the balance to \$378,000. According to the capital reserve study it looks like we will have approximately \$45,000 worth of repairs and replacements to do during the next Fiscal Year. I will plug that in under expenditures, so we will be tracking that. The next item is the debt service fund. This is for the Series 2006A bonds. This is to accomplish a payment of two semiannual interest payments made each year, as well as the principal payment made on May 1<sup>st</sup>. The next page is the amortization schedule, which shows the principal payments and the interest payments.

On MOTION by Mr. Biagetti seconded by Mr. Ritchie with all in favor Resolution 2018-02 Approving the Proposed Budget for Fiscal Year 2019 and Setting a Public Hearing for July 17, 2018 at 6:00 p.m. at Pine Ridge Plantation Amenity Center, 4200 Pine Ridge Parkway, Middleburg, FL 32068 was approved.

**SEVENTH ORDER OF BUSINESS****Update Regarding Series 2006 Bond Restructuring/Foreclosure Actions**

Mr. Walters stated we have filed a motion for summary judgment, so the landowner has 30 days to respond. The other thing is I have been fielding a lot of calls and discussions from interested parties, particularly the existing certificate holder and the developer they were working with prior to. I remain hopeful that we will see some sort of proposal that I can bring to the board but in the meantime, we are pressing forward with the foreclosure. The other thing I wanted to clarify was the concept of foreclosure where the debt would be wiped out but since the bondholders are funding the efforts, the agreement was that we would just foreclosure the O&M assessments.

**EIGHTH ORDER OF BUSINESS****Other Business**

There being none, the next item followed.

**NINTH ORDER OF BUSINESS****Staff Reports****A. Attorney**

There being none, the next item followed.

**B. District Manager****1. Report on the Number of Registered Voters (1,042)****2. General Election**

Mr. Oliver stated we are required by Chapter 190 to report on the record each year the number of registered voters residing in the District. As of April 15, 2018, there are 1,042 registered voters living in the District. For the general election, seats 1 and 3 are up for reelection this year. Those are the seats held by Maria Haney and Jerry Ritchie. The qualification period is June 18<sup>th</sup> through the 22<sup>nd</sup> from 12:00 p.m. to 12:00 p.m. If no one qualifies for the seats then it would be up to the board to fill those seats. Please contact the Supervisor of Elections or visit [www.clayelections.com](http://www.clayelections.com) for more information.

**C. Engineer**

There being none, the next item followed.

**D. Operations Manager – Report**

Mr. Andersen stated the landscaping that you all approved at the last meeting has started to be installed. In regards to the Richmond American signs, we took what we thought were prudent and reasonable steps to make sure they had time to take care of the signs. They are still sitting out here, so we will take care of that for them. The pool is up and running. I got some dates from RMS. April 9<sup>th</sup> the pool went down and it was reported to them. The problem was the impellor inside the pump. The parts were ordered on April 18<sup>th</sup>. There were three companies that looked at it. It took three weeks for the part to come in and was installed on May 9<sup>th</sup>. Unfortunately, this is not a part you can find on the shelf anywhere. It had to be manufactured. Since we have a singular pool out here, there are some recommendations to hire a company to come in and look at all of the mechanical portions of this pool to see if it makes sense to have some parts on the shelf. Certain things do not have very good shelf life though. This will be my last meeting at Pine Ridge. I am leaving RMS and I'll be the District Manager at the Crossings. Thank you for the opportunity. The flooring has been ordered and we just waiting on it arrive.

**E. Amenity Manager**

Ms. Ferguson stated the access card system is back up and running again. Convergint was hard to get in touch with. The rep said his cell phone went out and he didn't have a phone for a week to almost a week and a half. He just had to allow the system to let us put more cards in the system. . AT&T repaired the phone lines. It is a constant battle with the phone lines going down here. The air conditioning unit was fixed in here last Friday. We had rentals, so I made sure the company came out that day to get it back up and running. I had the community yard sales scheduled for this weekend but with the rain I decided to reschedule them to June 2<sup>nd</sup> and 3<sup>rd</sup>. When the pool was down I ordered a 21 foot water slide and we had pizza and drinks.

#### **TENTH ORDER OF BUSINESS**

#### **Audience    Comments    /    Supervisor's Requests**

A resident asked are there any CDDs that are in financial trouble and why?

Mr. Oliver responded yes and largely it has to do when Developers have large areas of undeveloped land and they can't make the bond payments or the O&M payments.

A resident asked how many residents are in arrears or in default in their payments to the CDD?

Mr. Oliver responded right now, the on roll assessment collection is 98.72% and those that haven't paid their property tax bill will have a tax certificate sale, so we would be made whole from that.

A resident asked is anyone here planning to leave at election time?

Mr. Ritchie responded I will reapply.

Ms. Haney stated I haven't made my decision on whether or not I am going to run yet.

Mr. Ritchie asked how did the numbers come out on the flooring and installation?

Mr. Andersen responded it was \$1,799.40 for the flooring and \$2,985 installed for a total of \$4,784.40, which is \$1,215.60 below budget.

#### **ELEVENTH ORDER OF BUSINESS**

#### **Financial Statements**

##### **A.    Balance Sheet and Statement of Revenues & Expenditures for the Period Ending April 30, 2018**

Mr. Oliver stated included in your agenda package is a copy of the balance sheet and income statement.

**B. Assessment Receipts Schedule**

Mr. Oliver stated included in your agenda package is a copy of the assessment receipts schedule.

**C. Approval of Check Register**

Mr. Oliver stated included in your agenda package is a copy of the check register.

On MOTION by Mr. Biagetti seconded by Ms. Haney with all in favor the Check Register was approved.

**TWELFTH ORDER OF BUSINESS**

**Next Scheduled Meeting – July 17, 2018 at  
6:00 p.m. at the Pine Ridge Plantation  
Amenity Center**

Mr. Oliver stated there will be a special meeting held on July 17, 2018 at 6:00 p.m. at this location.

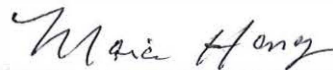
**THIRTEENTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Biagetti seconded by Mr. Ritchie with all in favor the Meeting was adjourned.



Secretary / Assistant Secretary



Chairman / Vice Chairman