

MINUTES OF MEETING
FOUNDERS RIDGE
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Founders Ridge Community Development District was held Tuesday, November 10, 2020 at 9:03 a.m. in the Minneola City Hall, 800 N. U.S. Highway 27, Minneola, Florida.

Present and constituting a quorum were:

Aaron Blake	Chairman
Joe Zagame	Vice Chairperson
Darby Shields	Secretary

Also present were:

George Flint	District Manager
Tucker Mackie	District Counsel
Rob Zebro	Founders Ridge Development

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Public Comment Period

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Organizational Matters

A. Administration of Oath of Office of Newly Elected Supervisors

Mr. Flint being a notary public of the State of Florida administered the oath of office to the three newly elected supervisors.

Mr. Flint stated in addition to the oath there is an informational sheet and you can fill it out and scan it and email it to me; we just need to have your contact information. Behind that is the form 1 statement of financial interests and is required by the State of Florida to be filled out and filed with the Supervisor of Elections in the County in which you reside within 30 days of today. I recommend you have some proof of filing whether you mail it certified or hand deliver it in case it gets lost in the mail because the Commission on Ethics does monitor the filing of these

and have the ability to fine Board Members \$25 per day up to \$1,500 if they are not filed. This is labeled 2019 because you are filling it out for last year. Annually you will be mailed a form in the June timeframe to update and it is due by July 1st of each year. Also attached is the form 1f statement of financial interests; when you leave the Board you have to file a 1f form and we will mail it to you to remind you that is required and you have 60 days from leaving the Board to file the form 1f. As a Board Member you are entitled under Chapter 190 to compensation for attendance at Board meetings, \$200 per meeting. That is an entitlement although you can choose to waive compensation. If you chose to accept compensation, we have the I-9 and W-4 forms that need to be filled out and sent to my office because we process the payroll. Right now we don't have any money to pay you if you accept it. We can keep track of it.

Ms. Mackie stated we will follow-up with a packet of information of what I will briefly discuss now. With respect to Florida sunshine law, as a result of the election and your taking the oath of office you are now a public officer of the State of Florida you are subject to Florida sunshine law. Mainly that means you are prohibited from having discussions with your fellow supervisors outside of a publicly noticed meeting. These meetings are publicly noticed for the purpose of inviting public participation in the matters that come before the Board. That covers in-person communication, text, Facebook, etc. This does not prevent you from having conversations with District staff so if you have any questions there is no prohibition for you reaching out to George or myself. In the event the District is the subject of a public records request we usually send the emails to the supervisors asking if they have any responsive records in their control. Keep in mind that GMS serves as the District Manager and is responsible for maintaining all of the public records of the District. If you do choose to keep records we ask that you keep them separate from your personal or other work related documents so in the event we get served with a request we can respond promptly.

You can change the Board composition; you have a vacancy and you can appoint someone to the vacant seat and another person can resign and you can appoint someone to replace them if you end up wanting to change Board Members.

B. Acceptance of Resignations of Deborah Mills, Kimball Woodbury, Jennifer Barbaree and Dan Robison

Mr. Flint stated Ms. Mills, Mr. Woodbury and Ms. Barbaree's terms have expired and there is no reason to have to accept their resignations. We did add Dan Robison to the agenda and I would ask the Board to consider a motion to accept his resignation.

On MOTION by Mr. Blake seconded by Mr. Zagame with all in favor Mr. Robison's Resignation was accepted.

C. Consideration of Resolution 2021-01 Canvassing and Certifying the Results of the Landowners' Election

Mr. Flint stated next is Resolution 2021-01 canvassing and certifying the results of the landowners' election. You have the resolution in your agenda and we will insert Mr. Blake, Mr. Zagame and Ms. Shields names into the resolution reflecting the 175 votes for Mr. Blake, 175 votes for Mr. Zagame and 173 for Ms. Shields.

Ms. Mackie stated let's document the seat numbers for the record. Mr. Blake can be seat 2, Mr. Zagame can be seat 4 and Ms. Shields can be seat 5.

Mr. Flint stated we will add that to the resolution.

On MOTION by Mr. Blake seconded by Mr. Zagame with all in favor Resolution 2021-01 Canvassing and Certifying the Results of the Landowners' Election was approved.

D. Consideration of Resolution 2021-02 Electing Officers

Mr. Flint stated Chapter 190 requires that after each election you elect officers. Resolution 2021-02 elects a chair, vice chair, secretary, assistant secretaries, treasurer and assistant treasurer. The chair and vice chair have to be Board Members, the other officers can be Board Members or not. I have been the secretary up to this point, usually the District Manager is secretary since I'm the custodian of the records. Although if I am not secretary I would ask that I be an assistant secretary. The other three Board Members that are not the chair or vice chair are typically assistant secretaries. That way they can attest the signature of the chair or vice chair. The District accountant historically has been treasurer and there was no assistant treasurer.

On MOTION by Mr. Blake seconded by Mr. Zagame with all in favor Resolution 2021-02 was approved reflecting the following officers: Mr. Blake Chairman, Mr. Zagame Vice Chairman, Ms. Shields Secretary, George Flint Assistant Secretary and Ariel Lovera Treasurer.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the July 29, 2019 Meeting

On MOTION by Mr. Zagame seconded by Mr. Blake with all in favor the minutes of the July 29, 2019 meeting were approved as presented.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2021-03 Approving the Proposed Fiscal Year 2021 Budget and Setting a Public Hearing

Mr. Flint stated each year the Board is required to approve a budget. Typically in the April/May timeframe the Board is required to approve a proposed budget and set the date, place and time of the public hearing for its final consideration. The public hearing is normally in the August/September timeframe. Because the Board did not meet we are asking the Board to go back and cure the fact that no budget had been adopted for the current fiscal year. This resolution approves a proposed budget, which is non-binding on the Board, it can be changed between now and the public hearing and we are asking you to set the public hearing for its final adoption and that needs to be at least 60 days from today. We have to provide it to the City of Minneola; they don't have any approval authority, but they have the ability to provide comments. I have never received comments from a city or county on a CDD budget, but the process requires us to send that to the local governing authority at least 60 days before the public hearing. This would need to be mid – late January. This would be adopting the budget for the fiscal year we are in right now, which would normally have been done by September 30th. Exhibit A is the proposed budget, it is a very bare bones budget and contemplates that a developer funding agreement would be entered into as the funding source in lieu of the District imposing assessments. It does contemplate some Board Members may accept compensation. Under a developer funding agreement, the developer will only be responsible for the actual costs of the District, not the budgeted costs. Although we have supervisor fees in here, if the Board didn't accept compensation there would be no obligation on the developer. Information technology did go up

and the reason for that is that there are ADA requirements for websites and there was a series of lawsuits filed against government entities dealing with their websites and ADA compliance. As a result not only CDDs, but cities, counties and private entities have had to be very cognizant of their websites and compliance. We don't have insurance right now and that is another issue, but Florida Insurance Alliance, which is a governmental insurance pool that insures probably 400 CDDs had to negotiate a global settlement on 18 of these lawsuits and as a result of that they are very focused on making sure the CDDs have compliant websites in the event we get sued they will defend us.

Mr. Blake asked do we have to have a website at all? Mr. Flint responded yes, there is a statutory requirement that we have a website and there is also a requirement of the minimum content that has to be on that website; certain documents such as the budget and financials, Board Member lists and those things have to be on there. Part of the IT budget is to develop the ADA compliant website.

Mr. Blake asked do you host the website? Mr. Flint stated we host it. The current website we created at no cost to the District, is a barebones website for new Districts that has the minimum compliance information on it. Unfortunately, that website is not ADA compliant. This budget includes about \$1,900 for a company that specializes in that to actually recreate the website.

The other thing you have is insurance, the \$5,625 is general liability and public officials liability insurance; it doesn't include any property insurance. In the event the District is sued the insurance company would defend the District, it would also defend the Board Members individually if you are sued as a Board Member in your position as a Board Member to the extent you didn't do anything illegal or improper. Right now there is no policy in place and that is something I have listed as a discussion item later in the agenda. You may want that public officials liability protection. This is not binding, this is a proposed budget, the public hearing will be set by this resolution and we suggest it be mid-January at the earliest.

Mr. Blake stated I haven't seen a financial statement. Before I can even talk about a budget we need to know the financial condition of the CDD. Have you been paid?

Mr. Flint responded no, no one has been paid.

Mr. Blake asked have you filed a lien against the CDD to ensure payment?

Mr. Flint responded no.

Mr. Blake asked what is the status of all that? I hesitate to propose a budget. It is mid-November to have a public hearing on a budget like this in January it doesn't make sense. We need time to get our arms around all this and understand what is going on.

**The Board took a short recess at this time then reconvened the meeting.*

Mr. Flint stated we are on item five, the resolution approving a proposed budget and setting a public hearing. We were about to talk about potential dates in January and availability of the Board.

Mr. Blake asked could you give us a little more time in January? Can we do it in February or March?

Mr. Flint stated I don't know that you want to go much further than February because legally you are obligated to have an adopted budget by September 30th and we don't have that. What we are doing is curing this and I wouldn't suggest you push it out too far.

Mr. Zebro asked if they were to amend the budget wouldn't you need 60 days from whenever they amend that budget?

Mr. Flint responded no, they can amend the budget at any time. This is not binding so if you meet at the public hearing you can amend the budget at the public hearing. We have to put a location in the resolution and we can use this location and if for some reason we can't, we will change that and have the Board ratify that action.

On MOTION by Mr. Blake seconded by Ms. Shields with all in favor Resolution 2021-03 Approving the Proposed Budget and Setting the Public Hearing for January 12, 2021 at 9:00 a.m. was approved.

SIXTH ORDER OF BUSINESS

Consideration of Fiscal Year 2021 Budget Funding Agreement

This item was deferred.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2021-04 Ratifying Actions of the District Manager

Mr. Flint stated next is Resolution 2021-04 ratifying the actions of the District Manager. This is basically ratifying my actions in advertising and setting the landowner election for today. Normally, the Board would set the landowner election, but because the Board hadn't met since 2019 and we needed to have the landowner election, I scheduled that and this resolution ratifies those actions.

On MOTION by Mr. Blake seconded by Mr. Zagame with all in favor Resolution 2021-04 Ratifying Actions of the District Manager was approved.

EIGHTH ORDER OF BUSINESS

Consideration of Website ADA Compliance Proposal with ReAlign Web Design

Mr. Flint stated we talked about the website ADA compliance and we may end up deferring this, but we have the proposal to basically recreate the website to make it ADA compliant.

Mr. Zagame asked is this the company you use for your other CDDs? Mr. Flint stated we use two companies primarily, the other company has started to get more expensive. This is probably \$1,000 less than the other company, it is \$1,750 to recreate the website.

Mr. Blake stated we don't have any way to pay for it. Mr. Flint stated we can defer this to January when you get the funding agreement approved.

On MOTION by Mr. Blake seconded by Mr. Zagame with all in favor this item was deferred to the January meeting.

NINTH ORDER OF BUSINESS

Discussion of General Liability and Public Officials Liability Insurance Policy

Mr. Flint stated the District currently does not have general liability or public officials liability insurance. The cost of that is approximately \$5,600 and with no funding source you have to understand at this point you have no protection.

On MOTION by Mr. Blake seconded by Mr. Zagame with all in favor this item was deferred to the January meeting.

TENTH ORDER OF BUSINESS

Discussion of Accounts Payable

Mr. Flint stated this was an item I was asked to provide some back-up. Obviously, there has been a lack of funding for some time. Our invoices go back to October 2012 so the first sheet in here is a summary by vendor and then summaries by year so Fiscal Year 2013, 2014, 2015, etc. We funded a lot of these expenses like the legal advertising and the audit at one point so those are included and some of our monthly invoices. All the invoices are available and we just didn't put them in here. If you want to review specific invoices we will be happy to provide those.

Mr. Blake stated you mentioned there is a lien. Does that include these supervisors' fees or are those people separate?

Mr. Flint stated the lien included everything up to a certain point and I will get the date and the lien was for about \$130,000. It included our fees, District Counsel and outstanding Board pay, but at some point we didn't have a funding agreement executed.

Ms. Mackie stated I just pulled up the notice of lien to confirm what you said in terms of the dates, it dates back to 2013 through 2019 and my recollection is at the time there was discussion regarding transfer of ownership of the property that was being disclosed to us, which is the reason the lien was recorded at that time. That would be the amounts due through Fiscal Year 2019 and probably only a portion of 2019.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

There being none, the next item followed.

C. Manager

i. Balance Sheet and Income Statement

A copy of the unaudited financial statements was included in the agenda package.

ii. Presentation of Number of Registered Voters – 0

A copy of the letter from the supervisor of elections indicating there are zero registered voters residing in the District was included in the agenda package.

iii. Approval of Fiscal Year 2021 Meeting Schedule

Mr. Flint stated you are required to adopt an annual meeting schedule and it could be that you meet on an as needed basis and when you do meet you will meet the legal obligations. We prepared a notice indicating the Board will meet on an as needed basis. You can always change that if you decide you want to pick a day and time each month and have a meeting schedule.

On MOTION by Mr. Blake seconded by Mr. Zagame with all in favor the Fiscal Year 2021 meeting schedule indicating that the Board will meet on an as needed basis was approved.

TWELFTH ORDER OF BUSINESS

Supervisors' Requests

There not being any, the next item followed.

THIRTEENTH ORDER OF BUSINESS

Audience Comments

There being none,

On MOTION by Mr. Blake seconded by Mr. Zagame with all in favor the meeting adjourned.

Secretary/Assistant Secretary

Chairman/Vice Chairman