

**MINUTES OF MEETING  
TERN BAY  
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of Tern Bay Community Development District was held on Tuesday, September 11, 2018, at 11:00 a.m. at the Country Inn and Suites, located at 24244 Corporate Court, Port Charlotte, Florida 33954.

**Present and constituting a quorum:**

Russell Smith	Chairman
Chris Hasty	Vice Chairman
Grayson Landers	Assistant Secretary

**Absent:**

Dave Caldwell	Assistant Secretary
Tony Burdett	Assistant Secretary

**Also present were:**

James P. Ward	District Manager
Scott Clark (via phone)	District Counsel
Bill Riley	District Engineer
Matt Morris (via phone)	Morris Engineering
David McGuire (via phone)	Berger, Toombs, Elan, Gaines,& Frank

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Ward called the meeting to order at approximately 11:34 a.m. and all members were present at roll call with the exception of Supervisors Caldwell and Burdett.

Mr. Ward stated for the record, Mr. Landress had been appointed to the Board at the last meeting, but had not been sworn in. Mr. Ward administered the Oath of Office to him just before today's meeting.

**SECOND ORDER OF BUSINESS**

**Consideration of Minutes**

Mr. Ward called for approval of the Minutes of the August 14, 2018 meeting with a change to Page 3 which stated Mr. Landress had been administered the Oath of Office, which he had not.

He called for a motion to approve.

On MOTION made by Mr. Smith, seconded by Mr. Hasty, and with all in favor, the Minutes of the August 14, 2018 meeting were approved.
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**THIRD ORDER OF BUSINESS****Public Hearings****a) Fiscal Year 2019 Budget [Resolution 2018-5]**

Mr. Ward explained the primary purpose of the meeting was two public hearings relative to the adoption of the Fiscal Year 2019 Budget. He asked for a motion to open the Public Hearing.

On MOTION made by Mr. Smith seconded by Mr. Hasty, and with all in favor, the Public Hearing was opened.

Mr. Ward stated there were no members of the public present nor had he received any written comment or testimony with respect to the adoption of the Fiscal Year 2019 Budget. As such, he called for a motion to close the Public Hearing.

On MOTION made by Mr. Smith, seconded by Mr. Landress, and with all in favor, the Public Hearing was closed.

Mr. Ward asked if there was any Board comment or questions. He stated his only comment was that he deleted the entire Operating Budget and reduced the assessments dramatically from previous years. He said the only thing left was electric service relative to some irrigation lines and street lights until such time as he was able to figure out how to get those transferred over into the HOA that the developer may establish at some point. He said the budget had been pared down in the General Fund, and with respect to the Debt Service Fund, obviously with the property being sold and most of the debt being cancelled, there was outstanding par debt in the amount of \$1.17 million. He called for questions, and hearing none, he called for a motion to adopt the budget.

On MOTION made by Mr. Hasty, seconded by Mr. Smith, and with all in favor, Resolution 2018-5 was adopted.

**b) Fiscal Year 2019 Imposing Special Assessments; Adopting an Assessment Roll and Approving the General Fund Special Assessment Methodology [Resolution 2018-6]**

Mr. Ward called for a motion to open the Public Hearing.

On MOTION made by Mr. Smith seconded by Mr. Landress, and with all in favor, the Public Hearing was opened.

Mr. Ward stated there were no members of the public present nor had he received any written comment or testimony with respect to this Public Hearing. As such, he called for a motion to close the Public Hearing.



On MOTION made by Mr. Smith seconded by Mr. Hasty, and with all in favor, the Public Hearing was closed.

Mr. Ward called for Board comment, and hearing none, he called for a motion to approve Resolution 2018-6.

On MOTION made by Mr. Smith seconded by Mr. Landress, and with all in favor Resolution 2018-6 was approved.

#### FOURTH ORDER OF BUSINESS

#### Consideration of Audited Financial Statements for Fiscal Year 2017

Mr. Ward stated David McGuire from the firm of Berger, Toombs, Elan, Gaines and Frank was on the phone, and he asked him to make a short presentation.

Mr. McGuire called the Boards attention to Pages 1-3, which contained the actual audit report. He said there was a qualified opinion. He directed them to Page 10 which was the statement of position, or assets. He said there was \$30,000 in cash, and the total net position was a negative \$24,000. He said Page 11 was the expenses, the majority being debts that had been defaulted on; Page 14 was revenue expenses; Page 16, the Actual was higher than the Budget. He said the Management Letter was on Page 29 with a finding on Page 30 which said the CDD was not in compliance with the bond indenture due to not making payments on the bond and the response was foreclosure proceedings. He said the Management letter was on Page 31.

Mr. Ward called for questions from the Board. Hearing none, he called for a motion to accept the audit for inclusion in the record.

On MOTION made by Mr. Smith seconded by Mr. Landress, and with all in favor, the Audited Financial Statements for Fiscal Year 2017 were accepted.

#### FIFTH ORDER OF BUSINESS

#### Consideration of Landowners' Meeting

Mr. Ward stated this item would set December 11, 2018 at 10:00 a.m. at the Country Inn and Suites as the date, time and location for the Tern Bay CDD Landowners' Meeting. He said there were three seats up for election: Seat 2 - Mr. Smith, Seat 3 - Mr. Burdett, and Seat 4 - Mr. Caldwell. He said he was required by statute to provide copies of the instructions, the ballot and the proxy, which were included in the agenda package. He called for a motion to set this date, time and location.

On MOTION made by Mr. Smith seconded by Mr. Hasty, and with all in favor, the Landowners' Meeting as described above was approved.

**SIXTH ORDER OF BUSINESS****Consideration of Resolution 2018-7**

Mr. Ward said this Resolution set the dates, times, and location for the Fiscal Year 2019 meetings. He said he had scheduled the meetings for 10:00 a.m. on the second Tuesday of every month at the Country Inn and Suites. He said this was for advertising purposes only, and should the Board decide to change or move the meeting to another date, it could be done. He said generally, there would be only two or three meetings a year, which they would receive notice of prior to the meeting date. He called for questions, and hearing none, called for a motion.

On MOTION made by Mr. Hasty seconded by Mr. Landress, and with all in favor, Resolution 2018-7 was adopted.

**SEVENTH ORDER OF BUSINESS****Staff Reports**

- a) District Attorney – No report.
- b) District Engineer – No report.
- c) District Manager – No report.

**FIFTH ORDER OF BUSINESS****Supervisor's Requests and Audience Comments**

Mr. Ward was asked if the bonds were current, and he responded they were. He said they had cancelled \$50 million worth of bonds, had notified EMMA and there was \$1.17 million in outstanding bonds currently.

Mr. Clark added the lawsuit had been dismissed, the judgment and lien satisfied, so the CDD was off and running.

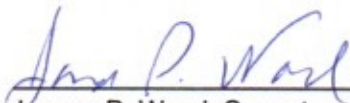
Mr. Ward stated there was no audience present.

**SIXTH ORDER OF BUSINESS****Adjournment**

Mr. Ward called for a motion to adjourn the meeting at approximately 11:46 a.m.

On MOTION made by Mr. Smith, seconded by Mr. Landress, and with all in favor, the meeting was adjourned.

Tern Bay Community Development District



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James P. Ward, Secretary



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Russell Smith, Chairman