

**MINUTES OF MEETING
STONEGATE
COMMUNITY DEVELOPMENT DISTRICT**

A Regular Meeting of the Stonegate Community Development District's Board of Supervisors was held on Tuesday, May 15, 2018 at 6:15 p.m., at the Malibu Bay Clubhouse, 1020 NE 34th Avenue, Homestead, Florida 33033.

Present at the meeting were:

Erica Avila	Chair
Raider Ferro	Vice Chair
Joe McGuinness	Assistant Secretary
Noelle Franco-McKie (<i>via telephone</i>)	Assistant Secretary

Also present were:

Howard McGaffney	District Manager
Michael Pawelczyk	District Counsel
Juan Galo	Clubhouse Manager
Martha Agudelo	Gapa Property Management Corp.
Tony Fiore	Resident
Arnoldo Sosa	Resident
Brenda Lyons	Resident
Arthur Goessel	Resident
Mike Granobles	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. McGaffney called the meeting to order at 6:25 p.m. Supervisors Ferro, McGuinness and Avila were present, in person. Supervisor Franco-McKie was attending via telephone. Supervisor Daniel was not present.

SECOND ORDER OF BUSINESS

Public Comments: *non-agenda items*

This item was presented following the Fourth Order of Business.

THIRD ORDER OF BUSINESS

Presentation of Audited Financial Report for Fiscal Year Ended September 30, 2017, Prepared by Grau & Associates

Mr. McGaffney presented the Audited Financial Report for Fiscal Year Ended September 30, 2017. The Report showed the findings were mostly caused by unexpected expenses relating to the hurricane, extra meetings, and completing the pavilion which, resulted in expenditures exceeding revenues. Going forward, in October, the financials from the previous year will be reviewed to confirm whether a budget amendment is necessary.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2018-07, Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2017

Mr. McGaffney presented Resolution 2018-07.

On MOTION by Mr. McGuinness and seconded by Mr. Ferro, with all in favor, Resolution 2018-07, Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2017, was adopted.

Discussion ensued regarding budget amendments, why the budget was not amended within the 60 day guideline, the inability to assemble a quorum at that time, what caused the District to go over budget and possible future budget amendments.

▪ **Public Comments: *non-agenda items***

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

Mr. Tony Fiore, a resident, asked if it is the responsibility of the CDD, Master Association or the homeowner to maintain the grass bordering the lakes, up to the property line. He was concerned about erosion reoccurring because there were no plantings in that area; it only has dead grass.

Mr. McGaffney stated that the next phase of work would occur directly behind Mr. Fiore's home, adjacent to Lake 5. Mr. Galo stated that the work would include up to the fence line; plants and pebble rocks would be installed beginning on Monday. If an issue remained after the project was completed, Mr. Fiore should contact Mr. Galo directly.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2018-08, Approving a Proposed Budget for Fiscal Year 2018/2019 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date

Mr. McGaffney presented Resolution 2018-08. He reviewed the proposed Fiscal Year 2019 budget and explained line item increases and decreases. Management received a bill from the County associated with the Clubhouse, which Mr. Pawelczyk is researching to determine whether the charge is proper, prior to making payment; an update will be provided. The following change was made to the proposed Fiscal Year 2019 budget.

Page 14, Line 3: Change “2 of 2” to “3 of 3”

On MOTION by Mr. Ferro and seconded by Ms. Avila, with all in favor, Resolution 2018-08, Approving the Proposed Budget for Fiscal Year 2018/2019, as amended, and Setting a Public Hearing Thereon Pursuant to Florida Law for September 4, 2018 at 6:15 p.m., at this location; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date, was adopted.

SIXTH ORDER OF BUSINESS

Discussion: Modifying Club Dues, Fees and Charges

Ms. Avila asked to defer this item to the next meeting. Mr. McGaffney stated that Ms. Avila wanted additional time to determine how the current dues, fees and charges are working.

Mr. Galo stated that many events were scheduled in May, sometimes upwards of three on the same day and that it was proving more difficult to manage the front, the gate and the event, with just one staff member. Ms. Avila suggested that, before requesting an increase, Mr. Galo review the trends to determine whether additional staff and expenses were warranted, if the standard, annual Consumer Price Index (CPI) increase would not be sufficient to cover it.

Discussion ensued regarding whether to pass the additional staff expense directly to the person holding the event or change the “In Season” June 1, 2018 effective date to an earlier date. This item was deferred to the next meeting.

SEVENTH ORDER OF BUSINESS

Discussion: Proposed Fiscal Year 2019 Meeting Schedule

Mr. McGaffney asked if the Board wanted to make any changes to the Meeting Schedule for Fiscal Year 2019. The Board consensus was to continue holding five meetings per year, on Tuesday, at 6:15 p.m.

EIGHTH ORDER OF BUSINESS

Approval of Unaudited Financial Statements as of March 31, 2018

Mr. McGaffney presented the Unaudited Financial Statements as of March 31, 2018. Assessment revenue collections were at 84% and expenditures were at 46%.

On MOTION by Mr. McGuinness and seconded by Mr. Ferro, with all in favor, the Unaudited Financial Statements as of March 31, 2018, were approved.

NINTH ORDER OF BUSINESS

Approval of April 3, 2018 Regular Meeting Minutes

Mr. McGaffney presented the April 3, 2018 Regular Meeting Minutes and asked for any additions, deletions or corrections.

On MOTION by Ms. Franco-McKie and seconded by Mr. McGuinness, with all in favor, the April 3, 2018 Regular Meeting Minutes, as presented, were approved.

TENTH ORDER OF BUSINESS

Open Items

There being no Open Items, the next item followed.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Clubhouse Manager: *GAPA Property Management Corp.*

Mr. Galo stated he was waiting for one more proposal to remove the rocks between the pavers and would present the proposals at the next meeting.

Mr. Galo presented the Clubhouse Report and highlighted the following items:

- Monthly services, repairs and maintenance performed by various vendors
- Pool maintenance: The inspection report from the Health Department was excellent, with recommendations to remove and replace the sun damaged stickers. This item was completed.
- Fitness Source: Gym Tech was acquired by Fitness Source, pricing remained the same.
- Insurance Claim Settlement: The District's insurance company settled with an Estates at Mendocino resident for an incident when high winds caused a palm frond to fall and scratch her.
- All Star Electric: Details were being worked out with the City to install an outlet for irrigation. The contracts were signed and the project is expected to begin in Sonora, on Monday. He and Mr. McGaffney will conduct a final walkthrough to go over what is expected.

In response to Ms. Avila's question about the Master Association's downed sign, Mr. Galo would address this matter with Mr. Sosa.

Regarding which budget line item the \$7,000 in rental revenue was being applied to, Ms. Avila stated that information was noted in a prior email, which contained a breakdown of the revenue.

B. District Counsel: *Billing, Cochran, Lyles, Mauro & Ramsey, P.A.*

Mr. Pawelczyk provided the following updates:

- Tax Charge: Tax bill that Mr. McGaffney previously referred to was from the City of Homestead and was for an Occupational License for the Clubhouse. Management explained to the City that the District is a local government and exempt from being taxed but without success. At Management's request, Mr. Pawelczyk contacted Ms. Kathy Milford but, after further ordinance discussions, it remained under review. He will follow up.
- Form 1: Board Members would receive Form 1, in the mail, and should complete and file it before the July 1, 2018 due date.

C. District Engineer: *Alvarez Engineers, Inc.*

This item should be removed from future agendas.

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

There being no report, the next item followed.

TWELFTH ORDER OF BUSINESS

Supervisors' Requests

There being no Supervisors' Requests, the next item followed.

THIRTEENTH ORDER OF BUSINESS

**NEXT MEETING DATE: July 10, 2018
at 6:15 P.M.**

Mr. McGaffney stated that the next meeting will be held on July 10, 2018 at 6:15 p.m., at this location. He expects to provide an update on the ponds at the next meeting.

In response to the question as to why the "Clubhouse Mgmt: GAPA Property Mgmt Corp" line item, in the proposed Fiscal Year 2019 budget increased, Mr. McGaffney stated that the increase was reflective of the CPI adjustment, as provided for in the Contract.

FOURTEENTH ORDER OF BUSINESS

Adjournment

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

**On MOTION by Mr. Ferro and seconded by Mr. McGuinness,
with all in favor, the meeting adjourned at 7:15 p.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair