
MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

**MAGNOLIA CREEK
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Magnolia Creek Community Development District was held on **Thursday, August 11, 2016 at 2:35 pm. (CDT)** at the Walton County Coastal Branch Library, located at 437 Greenway Trail, Santa Rosa Beach, FL 32459.

Present and constituting a quorum:

Tom Hidell	Board Supervisor, Chair
Dale "Chip" Jones	Board Supervisor, Vice Chair
David Jae	Board Supervisor, Assistant Secretary
Adam Lerner	Board Supervisor, Assistant Secretary

Also present were:

Chris Cleveland	District Manager, Rizzetta & Company, Inc.
Pete Williams	Vice President, Rizzetta & Company, Inc. <i>(via speaker phone)</i>
Carl Eldred	District Counsel, Hopping Green & Sams, P.A.
Rick Moore	District Engineer, Moore Bass Consulting <i>(via speaker phone)</i>

FIRST ORDER OF BUSINESS

Call to Order

Mr. Cleveland called the meeting to order at 2:35 p.m. and read roll call confirming a quorum for the meeting.

SECOND ORDER OF BUSINESS

Audience Comments

There were no audience members present.

THIRD ORDER OF BUSINESS

**Consideration of Minutes of the Board
of Supervisors' Special Meeting Held
on May 12, 2016**

<p>On a Motion by Mr. Hidell, seconded by Mr. Lerner, with all in favor, the Board approved the Minutes of the Board of Supervisors' Special Meeting held on May 12, 2016, for the Magnolia Creek Community Development District.</p>

FOURTH ORDER OF BUSINESS

**Ratification of Operation and
Maintenance Expenditures for April,
May and June 2016**

Mr. Jae stated that Lerner Real Estate Advisors are now the Dissemination Agent for the District and asked about the expenditure to Digital Assurance Certification in June. Mr. Cleveland will have accounting look into this expenditure and report back to the Board.

On a Motion by Mr. Hidell, seconded by Mr. Jae, with all in favor, the Board ratified the Operation and Maintenance Expenditures for April 2016 (\$7,908.34), May 2016 (\$9,193.55) and June 2016 (\$7,537.59), for the Magnolia Creek Community Development District.

FIFTH ORDER OF BUSINESS

**Appointment of an Audit Committee and
Scheduling of the First Meeting of the
Audit Committee**

Mr. Williams noted that it is time for the audit committee process and to obtain audit approvals for services in the future. Discussion ensued and the Board appointed itself as the Audit Committee and set the first meeting date for the Audit Committee prior to the next Board meeting.

On a Motion by Mr. Hidell, seconded by Mr. Jae, with all in favor, the Board appointed the Board as the Audit Committee for the District and set November 10, 2016 at 2:00 p.m. as the first meeting of the Audit Committee, for the Magnolia Creek Community Development District.

SIXTH ORDER OF BUSINESS

**Consideration of Resolution 2016-04,
Designating Dates, Time and Location for
Regular Meetings of the Board of
Supervisors of the District for Fiscal Year
2016/2017**

Mr. Cleveland stated that historically Board meetings have been scheduled monthly on the second Thursday of each month at 2:00 p.m. and discussion ensued.

On a Motion by Mr. Hidell, seconded by Mr. Lerner, with all in favor, the Board of Supervisors adopted Resolution 2016-04, Designating Dates, Time and Location for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2016/2017 as the second Thursday of each month, at 2:00 p.m., to be held at the Walton County Coastal Branch Library, located at 437 Greenway Trail, Santa Rosa Beach, Florida 32459 for the Magnolia Creek Community Development District.

SEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2016-05,
Designating a Date, Time and Location for
a Landowners' Meeting**

Mr. Eldred noted that three seats are up for re-election, Seats 1, 2 and 3, currently held by Mr. Hidell, Mr. Lerner and Mr. McConnell. Mr. Eldred provided an overview of the Landowner Election documents and advised the Landowner Election will be scheduled to coincide with the District's regularly scheduled meeting in November. He stated that these documents are in the same form as in previous years.

On a Motion by Mr. Jae, seconded by Mr. Hidell, with all in favor, the Board of Supervisors adopted Resolution 2016-05, Designating a Date, Time and Location for a Landowners' Meetings as November 10, 2016 at 2:00 .pm., to be held at the Walton County Coastal Branch Library, located at 437 Greenway Trail, Santa Rosa Beach, FL 32459 for the Magnolia Creek Community Development District.

EIGHTH ORDER OF BUSINESS

**Consideration of Resolution 2016-06,
Redesignating the Secretary of the District**

Mr. Cleveland advised the resolution designates Mr. Eric Dailey as Secretary of the District to replace the current Secretary, Mr. Pete Williams, who is retiring at the end of this month.

On a Motion by Mr. Hidell, seconded by Mr. Lerner, with all in favor, the Board adopted Resolution 2016-06, Redesignating Mr. Eric Dailey as Secretary of the District, for the Magnolia Creek Community Development District.

NINTH ORDER OF BUSINESS

**Consideration of Resolution 2016-07,
Redesignating the Assistant Treasurer of
the District**

Mr. Cleveland advised the resolution designates Mr. Shawn Wildermuth, CFO of Rizzetta & Co, as Assistant Treasurer of the District. Mr. Williams stated that this is being done in order to better distribute and facilitate task requirements for the District.

On a Motion by Mr. Hidell, seconded by Mr. Lerner, with all in favor, the Board adopted Resolution 2016-07, Redesignating Mr. Shawn Wildermuth as Assistant Treasurer of the District, for the Magnolia Creek Community Development District.

TENTH ORDER OF BUSINESS

**Consideration of Resolution 2016-08,
Redesignating the Treasurer of the District**

Mr. Williams advised the resolution designates Mr. Joe Kennedy, Manager of the Community Development District Accounting Department for Rizzetta & Co, as Treasurer of the District. He stated that this is being done in order to better distribute and facilitate task requirements for the District.

On a Motion by Mr. Jae, seconded by Mr. Hidell, with all in favor, the Board adopted Resolution 2016-08, Redesignating Mr. Joe Kennedy as Treasurer of the District, for the Magnolia Creek Community Development District.

ELEVENTH ORDER OF BUSINESS

**Public Hearing on Fiscal Year 2016/2017
Final Budget**

On a Motion by Mr. Lerner, seconded by Mr. Hidell, with all in favor, the Board opened the Public Hearing on Fiscal Year 2016/2017 Final Budget, for the Magnolia Creek Community Development District.

Mr. Williams stated that the projections for the current fiscal year had been updated through the month of June 2016 and that no changes were being recommended to the proposed fiscal year budget 2016/2017 presented in May 2016. He stated that the Operation and Maintenance Budget of \$126,475, was unchanged with the tax roll anticipated to be \$31,760 and direct bill \$94,715. The assessments to support this budget would show no increase from Fiscal Year 2015/2016 on either Debt Services or Operations and Maintenance. A brief discussion ensued. There were no public comments.

On a Motion by Mr. Hidell, seconded by Mr. Jae, with all in favor, the Board closed the Public Hearing on Fiscal Year 2016/2017 Final Budget, for the Magnolia Creek Community Development District.

TWELFTH ORDER OF BUSINESS

**Consideration of Resolution 2016-09,
Annual Appropriations and Adopting a
Final Budget for Fiscal Year 2016/2017**

Mr. Eldred stated that this resolution formally adopts the District's budget as presented for Fiscal Year 2016/2017, establishes that the budget was approved by the Board and filed with the County as required, and that the public hearing was properly noticed. He stated this resolution also appropriates the funds set forth in the budget to defray the District's expenditures. Mr. Eldred stated that this resolution is in the same form as in previous years.

On a Motion by Mr. Jae, seconded by Mr. Lerner, with all in favor, the Board adopted Resolution 2016-09, approving Annual Appropriations and Adopting a Final Budget, for Fiscal Year 2016/2017, for the Magnolia Creek Community Development District.

THIRTEENTH ORDER OF BUSINESS

**Consideration of Resolution 2016-10,
Making a Determination of Benefit and
Imposing Special Assessments for Fiscal
Year 2016/2017**

Mr. Eldred stated that this resolution imposes the assessments to support the budget that was just adopted. He stated that this resolution is in the same form as in previous years.

On a Motion by Mr. Hidell, seconded by Mr. Jae, with all in favor, the Board adopted Resolution 2016-10, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2016/2017, for the Magnolia Creek Community Development District.

FOURTEENTH ORDER OF BUSINESS

**Consideration of Arbitrage Rebate
Calculations, Series 2007A&B, as
Prepared by LLS Tax Solutions**

Mr. Williams stated that this is a standard item required by the Internal Revenue Service and the terms of the Master Trust Indenture and that it is typical for a governmental entity that issues bonds of a tax-free nature. A brief discussion ensued.

On a Motion by Mr. Hidell, seconded by Mr. Lerner, with all in favor, the Board accepted the Arbitrage Rebate Calculations, Series 2007A&B, as prepared by LLS Tax Solutions and directed Staff to transmit the Arbitrage Rebate Calculations to the Trustee in keeping with the Master Trust Indenture, for the Magnolia Creek Community Development District.

FIFTEENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Mr. Eldred had no report for the Board at this time.

Mr. Jae asked if it had been confirmed that the other majority landowner was current on payment of his assessments and Mr. Williams confirmed this to be the case.

Mr. Hidell asked about the status of deeding the lake to the District. Mr. Eldred stated that this is on hold due to the significant cost involved.

B. District Engineer

Mr. Moore had no report for the Board at this time. Mr. Hidell inquired how often onsite visits to the property are made and Mr. Moore stated they are onsite at least every six months to maintain an overview of the property.

C. District Manager

Mr. Cleveland stated that the next Board of Supervisors' regular meeting is scheduled for Thursday, October 13, 2016 at 2:00 p.m. (CDT) at the Walton County Coastal Branch Library, located at 437 Greenway Trail, Santa Rosa Beach, Florida 32459.

SIXTEENTH ORDER OF BUSINESS

Supervisor Requests

Mr. Hidell discussed providing a status update to the 64 property owners, as a courtesy. Mr. Eldred will prepare a status update for the Board to review at a future meeting.

A brief discussion ensued regarding the tax deed purchases and two entities are asserting their right to title; however this purchase occurred after the District foreclosed on the property and took proper title of the lots. Mr. Eldred will keep the Board apprised regarding this.

SEVENTEENTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Hidell, seconded by Mr. Jae, with all in favor, the Board of Supervisors adjourned the meeting at 3:05 p.m. for the Magnolia Creek Community Development District.



~~Secretary~~/Assistant Secretary



Chairman/ ~~Vice Chairman~~