

**MINUTES OF MEETING
SARASOTA NATIONAL
COMMUNITY DEVELOPMENT DISTRICT**

A Regular Meeting of the Sarasota National Community Development District's Board of Supervisors was held on **Tuesday, May 13, 2014 at 2:00 p.m.**, at the **offices of Kimley-Horn and Associates, Inc., 2601 Cattlemen Road, Suite 200, Sarasota, Florida 34232.**

Present were:

Dan Callender	Vice Chair
Justin Cook (<i>via telephone</i>)	Assistant Secretary
Barry Ernst	Assistant Secretary
Brian Keller	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Bill Conerly	District Engineer
Jere Earlywine	District Counsel
Steve Akins	Keefe, McCullough & Co., LLP
David Caldwell	WCI Communities, LLC
Richard Barber	WCI Communities, LLC

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 2:21 p.m., and noted, for the record, that Supervisors Ernst, Callender and Keller were present, in person. Supervisor Cook was attending via telephone. Supervisor Leaming was not present.

SECOND ORDER OF BUSINESS

Public Comments

There being no public comments, the next item followed.

- **Acceptance of Resignation of Supervisor Clark Leaming; Seat 3, Term Expires November, 2016**

*****This item was an addition to the agenda.*****

Mr. Adams advised that a letter of resignation was received from Supervisor Clark Leaming, effective immediately.

On MOTION by Mr. Keller and seconded by Mr. Ernst, with all in favor, the resignation of Supervisor Clark Leaming, effective immediately, was accepted.

▪ **Consideration of Appointment to Fill Unexpired Term of Office [Seat 3]**

****This item was an addition to the agenda.****

Mr. Adams explained that the Board is required to consider appointing a replacement for the remainder of Mr. Leaming’s term, which expires November, 2016.

Mr. Richard Barber expressed interest in filling the seat vacated by Mr. Leaming.

Mr. Ernst nominated Mr. Barber. The nomination was seconded by Mr. Callender.

No other nominations were made.

On MOTION by Mr. Ernst and seconded by Mr. Callender, with all in favor, the appointment of Mr. Richard Barber to Seat 3, term expires November, 2016, was approved.

▪ **Administration of Oath of Office to Newly Appointed Supervisor**

****This item was an addition to the agenda.****

Mr. Adams, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Mr. Barber.

Mr. Adams provided and briefly discussed the following items:

- A. **Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- B. **Membership, Obligations and Responsibilities**
- C. **Financial Disclosure Forms**
 - i. **Form 1: Statement of Financial Interests**
 - ii. **Form 1X: Amendment to Form 1, Statement of Financial Interests**
 - iii. **Form 1F: Final Statement of Financial Interest**
- D. **Form 8B: Memorandum of Voting Conflict**

▪ **Consideration of Resolution 2014-5, Electing Officers of the District**

****This item was an addition to the agenda.****

Mr. Adams presented Resolution 2014-5 for the Board’s consideration. He explained that, following an election or appointment, the Board is required to consider its slate of officers.

Mr. Adams indicated that Mr. Leaming served as Chair, Mr. Callender serves as Vice Chair and the remaining Board Members serve as Assistant Secretaries. Mr. Adams explained that the Board may retain the existing slate of officers and appoint Mr. Barber as Chair or nominate officers, individually.

Mr. Adams asked for nominations.

Mr. Ernst nominated the current slate of officers, with Mr. Barber serving as Chair. Mr. Keller seconded the nomination.

No other nominations were made.

On MOTION by Mr. Ernst and seconded by Mr. Keller, with all in favor, Resolution 2014-5, Electing the Officers of the District, as nominated, was adopted.

THIRD ORDER OF BUSINESS

Presentation of Audited Basic Financial Statements for Fiscal Year Ended September 30, 2013, Prepared by Keefe, McCullough & Co., LLP

Mr. Steve Akins, of Keefe, McCullough & Co., LLP, presented the Audited Basic Financial Statements for the fiscal year ended September 30, 2013.

Mr. Akins referred to the “Independent Auditor’s Report”, located on Pages 1 and 2, and advised that the report is a “clean” opinion. It states that the audit was conducted in accordance with governmental accounting standards and that the financial statements are presented in accordance with generally accepted accounting principles.

Mr. Akins advised that the “Statement of Activities”, located on Page 8, was prepared using the accrual basis of accounting. He noted that the District benefitted from the sale of the land, as well as the 2007 bond tender offer that was completed during the fiscal year, resulting in total gains of approximately \$24.5 million. Mr. Akins conveyed that the details of these transactions are contained in Note 7, on Page 22.

On Page 9, Mr. Akins pointed out the “Ending Fund Balance” of approximately \$64,000. He indicated that this was a significant decrease from the prior year, mostly because of the land that was removed from the District’s books. The land was reflected on the “Balance Sheet” with a value of approximately \$23 million. Note 5, on Page 20, provides details regarding the District’s outstanding debt and the overall effect of the decrease.

Mr. Akins referred to the “Independent Auditor’s Report to District Management”, on Pages 25 and 26, and noted that no items were required to be reported to the Auditor General.

Mr. Barber inquired about the transaction that occurred when the bond indebtedness was reduced. It was noted that \$37,415,000 of the bonds were tendered for cancellation. Mr. Akins explained that the bondholder accepted less than face value, in exchange for cancellation; because the carrying value was more than the amount retired, which was the “gain” on the “Statement of Activities”.

Mr. Earlywine noted that the District Manager forwarded several language changes. Mr. Adams confirmed that those changes were incorporated in the final version.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2014-2, Accepting the Audited Basic Financial Statements for the Fiscal Year Ended September 30, 2013

Mr. Adams presented Resolution 2014-2 for the Board’s consideration.

On MOTION by Mr. Keller and seconded by Mr. Callender, with all in favor, Resolution 2014-2, Accepting the Audited Basic Financial Statements for the Fiscal Year Ended September 30, 2013, as amended, was adopted.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2014-3, Approving the District’s Proposed Budgets for Fiscal Year 2015 and Setting a Public Hearing Thereon Pursuant to Florida Law

Mr. Adams presented Resolution 2014-3 for the Board’s consideration. He explained that there are no significant changes to the proposed budget, from the current year, and Staff anticipates keeping the appropriations level. Mr. Adams indicated that, overall, the proposed budget anticipates an assessment reduction of \$0.03.

Mr. Caldwell pointed out that, in Fiscal Year 2013, there were 32 on-roll residents; however, by the time this budget is adopted, that number will increase. Mr. Adams explained that adjustments will be made to the lien roll, accordingly. The property appraiser’s office is required, by statute, to provide the District with an update by June 1. The lien roll will be

updated about 10 days prior to the public hearing. The offsetting expense of placing the assessments on the tax roll will be absorbed by the movement from off-roll to on-roll status.

On MOTION by Mr. Callender and seconded by Mr. Ernst, with all in favor, Resolution 2014-3, Approving the District's Proposed Budgets for Fiscal Year 2015 and Setting a Public Hearing Thereon Pursuant to Florida Law for August 12, 2014 at 2:00 p.m., at this location, was adopted.

SIXTH ORDER OF BUSINESS

Consideration of Request for Partial Vacation of Drainage Easement - Lot 850

Mr. Adams advised that a request for partial vacation of a drainage easement, on Lot 850, was submitted by Mr. Caldwell.

Mr. Adams stated that the original developer gave the District a 25'-wide drainage easement, equating to 12.5' on either side of the property line. He indicated that the easement is excessive for the District's needs and Mr. Caldwell requested to reduce the easement from 12.5' to 7.5', which is a standard width. Mr. Adams stated that he and Mr. Conerly had no concerns with the reduction and, due to a timing issue, he moved forward with the easement retraction and filed the appropriate document. Mr. Adams asked the Board to ratify the partial easement vacation.

On MOTION by Mr. Keller and seconded by Mr. Ernst, with all in favor, the partial vacation of the drainage easement over Lot 850, was ratified.

SEVENTH ORDER OF BUSINESS

Consideration of Drainage Easements - Phase 1A and 1B Plats

Mr. Caldwell indicated that, prior to WCI's ownership in Toscano, the previous developer owned the property and created two plats of Sarasota, Phase 1A and 1B. All of the tracts on the two plats are lake tracts, in the 400 series; however, the plat dedications create a drainage easement, generally to the District but not specifically over the lake tracts. In addition, the plat sheets indicate ownership of the lake tracts and identify who has maintenance obligations. In both cases, the developer, Toscano, is the owner and maintenance entity. Mr.

Caldwell stated that, subsequently, the plats were recorded and, at some point, Tuscano conveyed all of the lake tracts, numbered in the 400s, to the Sarasota National Master Association. The Master Association had not been named as a maintenance entity and there was no clear obligation for the District to have any maintenance involvement with lake tracts.

Mr. Caldwell advised that WCI would like to have the Master Association to file an assignment and grant of easement for the purposes of drainage and lake maintenance of the lake tracts that it owns.

In response to a question, it was noted that the wetlands are owned by the CDD and the lake tracts are owned by the HOA.

Mr. Earlywine requested to a copy of WCI's easement agreement, which will be drafted by WCI's attorney.

On MOTION by Mr. Barber and seconded by Mr. Keller, with all in favor, proceeding with acceptance of the drainage easements for the Phase 1A and 1B plats, as previously outlined, directing District Staff to work with the developer and Master Association staffs to facilitate the acceptance, and authorizing the Chair to execute acceptance or acknowledgment of the easements, were approved.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2014-4, Designating a Date, Time and Location for a Landowners' Meeting; Providing for Publication; Providing for an Effective Date [Seats 1, 2, 5]

Mr. Adams presented Resolution 2014-4 for the Board's consideration. He reminded the Board that this is a landowner election year for the District.

Mr. Adams explained that Resolution 2014-4 sets the date for the landowners' election on Tuesday, November 11, 2014 at 2:00 p.m., at this location. Seats 1, 2 and 5, currently held by Supervisors Keller, Ernst and Callender, respectively, are up for election.

Mr. Caldwell indicated that Chapter 190, of the Florida Statutes, requires that, commencing six years from the inception of the District, the Board must begin to transition to a resident qualified elector Board; however, the statute also requires that, in order to transition, the District have 250 qualified electors residing within the boundaries of the District, who are

registered voters. Mr. Caldwell clarified that there are presently 17 qualified electors residing in the District.

On MOTION by Mr. Ernst and seconded by Mr. Callender, with all in favor, Resolution 2014-4, Designating a Date, Time and Location for a Landowners' meeting; Providing for Publication; and Providing for an Effective Date [Seats 1, 2 and 5], was adopted.

NINTH ODER OF BUSINESS

Approval of January 14, 2014 Regular Meeting Minutes

Mr. Adams presented the January 14, 2014 Regular Meeting Minutes and asked for any additions, deletions or corrections.

On MOTION by Mr. Keller and seconded by Mr. Ernst, with all in favor, the January 14, 2014 Regular Meeting Minutes, as presented, were approved.

TENTH ORDER OF BUSINESS

Other Business

There being no other business, the next item followed.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Earlywine reported that the legislative session is "wrapping up"; an update of the legislative changes should be available for presentation at the August meeting.

B. Engineer

There being no report, the next item followed.

C. Manager

i. Approval of Unaudited Financial Statements as of March 31, 2014

Mr. Adams presented the Unaudited Financial Statements as of March 31, 2014. He indicated that the on-roll assessments were almost fully collected and about 75% of the off-roll assessments were received. Mr. Adams pointed out that off-roll assessments were on schedule,

with the final payment due on April 1; therefore, payment was not received in time to be reflected on these statements.

Mr. Adams stated that expenses were on target. Trustee fees are a combination of the prior and current year trustee fees, which were received after the close of the books for the previous fiscal year.

ii. 17 Registered Voters in District as of April 15, 2014

There were 17 registered voters residing within the boundaries of the District as of April 15, 2014.

iii. NEXT MEETING: July 8, 2014 at 2:00 P.M.

Mr. Adams stated that the next meeting is scheduled for July 8, 2014 at 2:00 p.m. He reiterated that August 12, 2014 is the date of the public hearing to adopt the Fiscal Year 2015 budget.

TWELFTH ORDER OF BUSINESS

**Audience
Requests**

Comments/Supervisors'

There being no audience comments or Supervisors' requests, the next item followed.

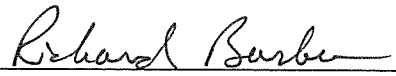
THIRTEENTH ORDER OF BUSINESS

Adjournment

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

**On MOTION by Mr. Keller and seconded by Mr. Callender,
with all in favor, the meeting adjourned at approximately 2:50
p.m.**


Secretary/Assistant Secretary


Chair/Vice Chair