



**HILLCREST
COMMUNITY DEVELOPMENT
DISTRICT**

**BROWARD COUNTY
REGULAR BOARD MEETING
APRIL 18, 2019
2:00 P.M.**

Special District Services, Inc.
The Oaks Center
2501A Burns Road
Palm Beach Gardens, FL 33410

www.hillcrestcdd.org
561.630.4922 Telephone
877.SDS.4922 Toll Free
561.630.4923 Facsimile

AGENDA
HILLCREST
COMMUNITY DEVELOPMENT DISTRICT
Parkview at Hillcrest Clubhouse
4600 Hillcrest Drive
Hollywood, Florida 33021
REGULAR BOARD MEETING
April 18, 2019
2:00 P.M.

- A. Call to Order
- B. Proof of Publication.....Page 1
- C. Establish a Quorum
- D. Consider Resignation of Matt Nelson – Effective December 31, 2018.....Page 2
- E. Additions or Deletions to Agenda
- F. Comments from the Public for Items Not on the Agenda
- G. Approval of Minutes
 - 1. October 18, 2018 Regular Board Meeting Minutes.....Page 3
- H. Old Business
- I. New Business
 - 1. Consider Resolution No. 2019-01 – Adopting a Fiscal Year 2019/2020 Proposed Budget...Page 6
- J. Administrative Matters
 - 1. Audit Committee Meeting
 - a. Waiver of Three (3) Audit Proposer Rule
 - b. Ranking of Auditor Proposal and Selection of Audit Firm.....Page 15
 - 2. Discussion Regarding Board Vacancy
- K. Board Members Comments
- L. Adjourn

BROWARD DAILY BUSINESS REVIEW

Published Daily except Saturday, Sunday and
Legal Holidays
Ft. Lauderdale, Broward County, Florida

**STATE OF FLORIDA COUNTY
OF BROWARD:**

Before the undersigned authority personally appeared BARBARA JEAN COOPER, who on oath says that he or she is the LEGAL CLERK, of the Broward Daily Business Review f/k/a Broward Review, a daily (except Saturday, Sunday and Legal Holidays) newspaper, published at Fort Lauderdale, in Broward County, Florida; that the attached copy of advertisement, being a Legal Advertisement of Notice in the matter of

**HILLCREST COMMUNITY DEVELOPMENT DISTRICT - REVISED
FISCAL YEAR 2018/2019 REGULAR MEETING SCHEDULE**

in the XXXX Court,
was published in said newspaper in the issues of

01/07/2019

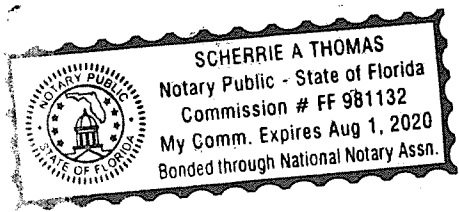
Affiant further says that the said Broward Daily Business Review is a newspaper published at Fort Lauderdale, in said Broward County, Florida and that the said newspaper has heretofore been continuously published in said Broward County, Florida each day (except Saturday, Sunday and Legal Holidays) and has been entered as second class mail matter at the post office in Fort Lauderdale in said Broward County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Barbara Jean Cooper

Sworn to and subscribed before me this
7 day of JANUARY, A.D. 2019

Scherrie A Thomas

(SEAL)
BARBARA JEAN COOPER personally known to me



**HILLCREST COMMUNITY DEVELOPMENT DISTRICT
REVISED FISCAL YEAR 2018/
2019 REGULAR MEETING
SCHEDULE**

NOTICE IS HEREBY GIVEN that the Board of Supervisors of the Hillcrest Community Development District will hold Regular Meetings at 2:00 p.m. at the Parkview at Hillcrest Clubhouse - Community Room located at 4800 Hillcrest Drive, Hollywood, Florida 33021 on the following dates:

- January 17, 2019
- February 21, 2019
- March 21, 2019
- April 18, 2019
- May 16, 2019
- June 20, 2019
- July 18, 2019
- August 15, 2019
- September 19, 2019

The purpose of the meetings is to conduct any business coming before the Board. Meetings are open to the public and will be conducted in accordance with the provisions of Florida law. Copies of the Agendas for any of the meetings may be obtained from the District's website or by contacting the District Manager at 786-347-2711 Ext. 2011 and/or toll free at 1-877-737-4922.

There may be occasions when one or two Supervisors will participate by telephone; therefore, a speaker telephone will be present at the meeting location so that Supervisors may be fully informed of the discussions taking place. Meetings may be continued as found necessary to a time and place specified on the record.

If any person decides to appeal any decision made with respect to any matter considered at these meetings, such person will need a record of the proceedings and such person may need to insure that a verbatim record of the proceedings is made at his or her own expense and which record includes the testimony and evidence on which the appeal is based.

In accordance with the provisions of the Americans with Disabilities Act, any person requiring special accommodations or an interpreter to participate at any of these meetings should contact the District Manager at 786-347-2711 Ext. 2011 and/or toll free at 1-877-737-4922, at least seven (7) days prior to the date of the particular meeting.

Meetings may be cancelled from time to time without advertised notice.

HILLCREST COMMUNITY DEVELOPMENT DISTRICT
www.hillcrestcdd.org
1/7 19-03/0000370232B

December 31, 2018

Jason Pierman
Special District Services, Inc.
The Oaks Center
2501A Burns Road
Palm Beach Gardens, Florida 33410

SUBJECT: Resignation from CDD Boards

Dear Jason,

As discussed previously, I am resigning from the following Community Development District Boards effective Monday, December 31, 2018:

- Veranda Community Development District
- Hillcrest Community Development District
- Gulfstream Polo Community Development District

Please contact me if you need any additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Matt Nelson", with a stylized flourish at the end.

Matt Nelson
561-602-3253

**HILLCREST COMMUNITY DEVELOPMENT DISTRICT
REGULAR BOARD MEETING
OCTOBER 18, 2018**

A. CALL TO ORDER

District Manager Armando Silva called the October 18, 2018, Regular Board Meeting of the Hillcrest Community Development District (the “District”) to order at 2:01 p.m. in the Pulte Group Sales Center located at 4000 Large Leaf Lane, Hollywood, Florida 33021.

B. PROOF OF PUBLICATION

Proof of publication was presented which showed that notice of the Regular Board Meeting had been published in the *Broward Daily Business Review* on October 5, 2018, as legally required.

C. ESTABLISH A QUORUM

Mr. Silva determined that the attendance of Chairman Andrew Maxey, Vice Chairman David Kanarek and Supervisors Matthew Nelson and Brad Hartman constituted a quorum and it was in order to proceed with the meeting.

Also in attendance were: District Manager Armando Silva of Special District Services, Inc.; and General Counsel Jonathan Johnson (via telephone) of Hopping, Green & Sams, P.A.

Also present was: Millie Whitehead of Castle Group, Plantation, Florida.

D. ADDITIONS OR DELETIONS TO THE AGENDA

There were no additions or deletions to the agenda.

E. COMMENTS FROM THE PUBLIC FOR ITEMS NOT ON THE AGENDA

There were no comments from the public for items not on the agenda.

F. APPROVAL OF MINUTES

1. July 19, 2018, Regular Board Meeting & Public Hearing Minutes

Mr. Silva presented the minutes of the July 19, 2018, Regular Board Meeting & Public Hearing and asked if there were any corrections and/or revisions. There being none, a **MOTION** was made by Mr. Hartman, seconded by Mr. Kanarek and passed unanimously approving the minutes of the July 19, 2018, Regular Board Meeting & Public Hearing, as presented.

G. OLD BUSINESS

There were no Old Business items to come before the Board.

H. NEW BUSINESS

1. Consider Resolution No. 2018-07 – Adopting a Fiscal Year 2017/2018 Amended Budget

Mr. Silva presented Resolution No. 2018-07, entitled:

RESOLUTION NO. 2018-07

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HILLCREST COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING AND ADOPTING AN AMENDED FINAL FISCAL YEAR 2017/2018 BUDGET (“AMENDED BUDGET”), PURSUANT TO CHAPTER 189, FLORIDA STATUTES; AND PROVIDING AN EFFECTIVE DATE.

Mr. Silva read the title of the resolution into the record and provided an explanation for the document. He indicated that there was a fund balance of approximately \$3,640 at the end of the fiscal year and reminded the Board that the District was currently developer funded. A discussion ensued after which:

A **MOTION** was made by Mr. Kanarek, seconded by Mr. Maxey and unanimously passed to adopt Resolution No. 2018-07, as presented, thereby setting the amended/revised budget for the 2017/2018 fiscal year.

2. Consider Real Property Contribution Agreement

Mr. Johnson provided an explanation for the document, highlighting that Pulte Homes Company (the “Developer”) would be contributing approximately 1.138 +/- acres of real property to the District in order to provide a reduction or corresponding credit to special assessments to be levied upon certain commercial uses as set forth in the Master Special Assessment Methodology Report Special Assessment Bonds, dated September 14, 2017. A discussion ensued after which;

A **MOTION** was made by Mr. Nelson, seconded by Mr. Hartman and unanimously passed authorizing the execution of the Real Property Contribution Agreement between Pulte Homes Company, LLC and the Hillcrest Community Development District; and further authorizing District Staff to execute any documents relating to the Real Property Contribution Agreement on behalf of the District.

I. ADMINISTRATIVE MATTERS

1. Consider Appointment of Audit Committee/Audit Committee Meeting

a. Selection of Criteria to Evaluate Audit Services

b. Announcement of Request for Proposals to Perform Annual Audits

Mr. Silva stated that an audit was required for the year ending September 30, 2018, and it would be in order for the Board to appoint an Audit Committee to commence the auditor selection process, pursuant to Chapter 218.391, Florida Statutes.

A **MOTION** was made by Mr. Kanarek, seconded by Mr. Hartman and unanimously passed appointing the entire Board of Supervisors and the District Manager as the District’s Audit Committee.

At approximately 2:07 p.m., Mr. Silva recessed the Regular Board Meeting and simultaneously called to order a meeting of the Audit Committee.

Mr. Silva presented the evaluation criteria information and an outline of material for the Request for Proposals. A discussion ensued after which:

A **MOTION** was made by Mr. Kanarek, seconded by Mr. Hartman and unanimously passed approving the evaluation criteria for audit services, as presented, instructing the District Manager to proceed, as required, to advertise for requests for proposals for the fiscal years September 30, 2018, 2019, and 2020; and to include in the proposal package a 2-year renewal option (FY 2021 & 2022).

At approximately 2:08 p.m., with there being no further business to conduct at this time, the Audit Committee meeting was adjourned the Regular Board Meeting was reconvened.

Mr. Silva stated that it would now be appropriate for the Board to accept the actions of the Audit Committee, as outlined hereinabove. A discussion ensued after which;

A **MOTION** was made by Mr. Hartman, seconded by Mr. Kanarek and unanimously passed to accept the recommendations of the Audit Committee, as outlined above.

J. BOARD MEMBER COMMENTS

There were no comments from the Members of the Board.

K. ADJOURNMENT

There being no further business to come before the Board, a **MOTION** was made by Mr. Maxey, seconded by Mr. Kanarek and unanimously passed to adjourn the Regular Board Meeting at 2:13 p.m.

Secretary/Assistant Secretary

Chairperson/Vice-Chairperson

RESOLUTION 2019-01

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HILLCREST COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2019/2020 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; ADDRESSING TRANSMITTAL, POSTING AND PUBLICATION REQUIREMENTS; ADDRESSING SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors (“**Board**”) of the Hillcrest Community Development District (“**District**”) prior to June 15, 2019, a proposed budget (“**Proposed Budget**”) for the fiscal year beginning October 1, 2019 and ending September 30, 2020 (“**Fiscal Year 2019/2020**”); and

WHEREAS, the Board has considered the Proposed Budget and desires to set the required public hearing thereon.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HILLCREST COMMUNITY DEVELOPMENT DISTRICT:

1. **PROPOSED BUDGET APPROVED.** The Proposed Budget prepared by the District Manager for Fiscal Year 2019/2020 attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said Proposed Budget.

2. **SETTING A PUBLIC HEARING.** A public hearing on said approved Proposed Budget is hereby declared and set for the following date, hour and location:

DATE: _____, 2019

HOUR: _____ 2:00 p.m. _____

LOCATION: Hillcrest Clubhouse
4600 Hillcrest Drive
Hollywood, Florida 33021

3. **TRANSMITTAL OF PROPOSED BUDGET TO LOCAL GENERAL PURPOSE GOVERNMENT.** The District Manager is hereby directed to submit a copy of the Proposed Budget to Broward County and the City of Hollywood, Florida at least 60 days prior to the hearing set above.

4. **POSTING OF PROPOSED BUDGET.** In accordance with Section 189.016, *Florida Statutes*, the District’s Secretary is further directed to post the approved Proposed Budget on the District’s website at least two days before the budget hearing date as set forth in Section 2, and shall remain on the website for at least 45 days.

5. **PUBLICATION OF NOTICE.** Notice of this public hearing shall be published in the manner prescribed in Florida law.

6. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

7. **EFFECTIVE DATE.** This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 18th DAY OF April, 2019.

ATTEST:

**HILLCREST COMMUNITY
DEVELOPMENT DISTRICT**

Secretary

By: _____
Its: _____

**EXHIBIT A
PROPOSED BUDGET**

Hillcrest
Community Development District

**Proposed Budget For
Fiscal Year 2019/2020
October 1, 2019 - September 30, 2020**

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- IV ASSESSMENT COMPARISON

PROPOSED BUDGET
HILLCREST COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2019/2020
OCTOBER 1, 2019 - SEPTEMBER 30, 2020

	FISCAL YEAR 2019/2020 BUDGET
REVENUES	
O&M Assessments	87,521
Developer Contribution	0
Debt Assessments	662,543
Interest Income	0
TOTAL REVENUES	\$ 750,064
EXPENDITURES	
Supervisor Fees	0
Engineering/Inspections	2,500
Management	34,320
Legal	20,000
Assessment Roll	5,000
Audit Fees	3,500
Arbitrage Rebate Fee	650
Insurance	7,250
Legal Advertisements	1,750
Miscellaneous	1,300
Postage	300
Office Supplies	725
Dues & Subscriptions	175
Trustee Fees	3,800
Continuing Disclosure Fee	1,000
TOTAL EXPENDITURES	\$ 82,270
REVENUES LESS EXPENDITURES	\$ 667,794
Bond Payments	(622,790)
BALANCE	\$ 45,004
County Appraiser & Tax Collector Fee	(15,001)
Discounts For Early Payments	(30,003)
EXCESS/ (SHORTFALL)	\$ -

DETAILED PROPOSED BUDGET
HILLCREST COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2019/2020
OCTOBER 1, 2019 - SEPTEMBER 30, 2020

	FISCAL YEAR 2017/2018 ACTUAL	FISCAL YEAR 2018/2019 BUDGET	FISCAL YEAR 2019/2020 BUDGET	COMMENTS
REVENUES				
O&M Assessments	0	87,615	87,521	Expenditures/.94
Developer Contribution	83,991	0	0	
Debt Assessments	0	662,543	662,543	Bond Payments/.94
Interest Income	5	0	0	
TOTAL REVENUES	\$ 83,996	\$ 750,158	\$ 750,064	
EXPENDITURES				
Supervisor Fees	0	0	0	
Engineering/Inspections	12,681	2,500	2,500	No Change From 2018/2019 Budget
Management	33,000	33,684	34,320	CPI Adjustment
Legal	7,933	20,000	20,000	Fiscal Year 2018/2019 Expenditure Thorough January 2019 Was \$7,082
Assessment Roll	5,000	5,000	5,000	As Per Contract
Audit Fees	0	4,000	3,500	\$500 Decrease From 2018/2019 Budget
Arbitrage Rebate Fee	0	650	650	No Change From 2018/2019 Budget
Insurance	6,719	7,500	7,250	Fiscal Year 2018/2019 Expenditure Was \$6,655
Legal Advertisements	3,346	2,000	1,750	Costs Were Higher In 2017/2018 Due To Bond Issue
Miscellaneous	1,666	1,000	1,300	\$300 Increase From 2018/2019 Budget
Postage	375	300	300	No Change From 2018/2019 Budget
Office Supplies	1,729	750	725	Costs Were Higher In 2017/2018 Due To Bond Issue
Dues & Subscriptions	175	175	175	No Change From 2018/2019 Budget
Trustee Fees	0	3,800	3,800	No Change From 2018/2019 Budget
Continuing Disclosure Fee	1,000	1,000	1,000	No Change From 2018/2019 Budget
TOTAL EXPENDITURES	\$ 73,624	\$ 82,359	\$ 82,270	
REVENUES LESS EXPENDITURES	\$ 10,372	\$ 667,799	\$ 667,794	
Bond Payments	0	(622,790)	(622,790)	2020 P & I Payments Less Earned Interest
BALANCE	\$ 10,372	\$ 45,009	\$ 45,004	
County Appraiser & Tax Collector Fee	0	(15,003)	(15,001)	Two Percent Of Total Assessment Roll
Discounts For Early Payments	0	(30,006)	(30,003)	Four Percent Of Total Assessment Roll
EXCESS/ (SHORTFALL)	\$ 10,372	\$ -	\$ -	

DETAILED PROPOSED DEBT SERVICE FUND BUDGET
HILLCREST COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2019/2020
OCTOBER 1, 2019 - SEPTEMBER 30, 2020

	FISCAL YEAR 2017/2018	FISCAL YEAR 2018/2019	FISCAL YEAR 2019/2020	
REVENUES	ACTUAL	BUDGET	BUDGET	COMMENTS
Interest Income	937	0	50	Projected Interest For 2019/2020
Capitalized Interest	139,293	0	0	Capitalized Interest Set-Up Through Nov 2018
NAV Tax Collection	0	622,790	622,790	Maximum Debt Service Collection
Total Revenues	\$ 140,230	\$ 622,790	\$ 622,840	
EXPENDITURES				
Principal Payments	0	170,000	175,000	Principal Payment Due In 2020
Interest Payments	139,293	451,763	445,600	Interest Payments Due In 2020
Bond Redemption	0	1,027	2,240	Estimated Excess Debt Collections
Total Expenditures	\$ 139,293	\$ 622,790	\$ 622,840	
Excess/ (Shortfall)	\$ 937	\$ -	\$ -	

Series 2018 Bond Information

Original Par Amount =	\$9,805,000	Annual Principal Payments Due =	November 1st
Interest Rate =	3.625% - 5.000%	Annual Interest Payments Due =	May 1st & November 1st
Issue Date =	January 2018		
Maturity Date =	November 2048		
Par Amount As Of 1/1/19 =	\$9,805,000		

HILLCREST COMMUNITY DEVELOPMENT DISTRICT ASSESSMENT COMPARISON

	Original Projected Assessment*	Fiscal Year 2016/2017 Assessment*	Fiscal Year 2017/2018 Assessment*	Fiscal Year 2018/2019 Assessment*	Fiscal Year 2019/2020 Projected Assessment*
O & M For Single Familys	\$ -	\$ -	\$ -	\$ 135.85	\$ 135.70
<u>Debt For Single Familys</u>	<u>\$ 1,146.80</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,146.80</u>	<u>\$ 1,146.80</u>
Total For Single Family	\$ 1,146.80	\$ -	\$ -	\$ 1,282.65	\$ 1,282.50
O & M For Townhomes	\$ -	\$ -	\$ -	\$ 135.85	\$ 135.70
<u>Debt For Townhomes</u>	<u>\$ 938.29</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 938.29</u>	<u>\$ 938.29</u>
Total For Townhomes	\$ 938.29	\$ -	\$ -	\$ 1,074.14	\$ 1,073.99

* Assessments Include the Following:

- 4% Discount for Early Payments
- 1% County Tax Collector Fee
- 1% County Property Appraiser Fee

Community Information:

Single Families: 275 Units
Townhomes: 370 Units
 Total: 645 Units

**HILLCREST COMMUNITY DEVELOPMENT DISTRICT
RANKING OF AUDITOR PROPOSALS
FOR FISCAL YEAR ENDING 9/30/18**

		Audit Firms	
Criteria	Point Range	Carr Riggs & Ingram	Grau & Associates
Ability of Personnel: (E.g., geographic locations of the firms headquarters of permanent office in relation to the project; capabilities and experience of key personnel; present ability to manage this project; evaluation of existing work load).	1-10	9	9
Proposer's Experience: (E.g. past record and experience of the Proposer in similar projects; volume of work previously performed by the firm; past performance for other Community Development Districts in other contracts; character, integrity, reputation).	1-10	8	9
Understanding of Scope of Work: Extent to which the proposal demonstrates an understanding of the District's needs for the services requested.	1-10	9	9
Ability to Furnish the Required Services: Extent to which the proposal demonstrates the adequacy of Proposer's financial resources and stability as a business entity necessary to complete the services required.	1-10	8	9
Price: Points will be awarded based upon the price bid for the rendering of the services and reasonableness of the price to the services.	1-10	7	9
TOTAL POINTS	50	41	45
BID PRICE - 2017/2018 AUDIT		\$4,000.00	\$3,400.00
BID PRICE - 2018/2019 AUDIT		\$4,250.00	\$3,500.00
BID PRICE - 2019/2020 AUDIT		\$4,500.00	\$3,600.00
BID PRICE - 2020/2021 AUDIT		\$4,750.00	\$3,700.00
BID PRICE - 2021/2022 AUDIT		\$5,000.00	\$3,800.00
COMMENTS:		Currently the auditing firm for more than 60 CDD's.	Currently the auditing firm for more than 200 CDD's.
RECOMMENDATION:	Both firms have the capacity to perform the audit. Management recommends that Grau & Associates, the low bidder and the firm with the most experience, be selected to perform the September 30, 2018, 2019 and 2020 annual audits, with an option subject to fee adjustments for inflation, to perform the fiscal year end audits for the two following years (FYE 9/30/21, FYE 9/30/22).		

Note: 2018/2019 Budget For Audit Services is \$4,000.00