

HUNTER'S RIDGE

COMMUNITY DEVELOPMENT

DISTRICT No. 1

November 6, 2020

BOARD OF SUPERVISORS

REGULAR MEETING

AGENDA

Hunter's Ridge Community Development District No. 1

OFFICE OF THE DISTRICT MANAGER

2300 Glades Road, Suite 410W • Boca Raton, Florida 33431

Phone: (561) 571-0010 • Toll-free: (877) 276-0889 • Fax: (561) 571-0013

October 30, 2020

Board of Supervisors
Hunter's Ridge Community Development District No. 1

<p><u>ATTENDEES:</u> Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.</p>

Dear Board Members:

The Board of Supervisors of the Hunter's Ridge Community Development District No. 1 will hold a Regular Meeting on November 6, 2020, *immediately following the Landowners' Meeting scheduled to commence at 10:00 a.m.*, at the Flagler County Government Services Building, 1769 E. Moody Blvd., Building 2, Bunnell, Florida 32110. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Administration of Oath of Office to Newly Elected Supervisors [SEATS 2, 3 & 4] *(the following to be provided in a separate package)*
 - 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 Interests
 - D. Form 8B: Memorandum of Voting Conflict
4. Consideration of Resolution 2021-01, Canvassing and Certifying the Results of the Landowners' Election of Supervisors Held Pursuant to Section 190.006(2), Florida Statutes, and Providing for an Effective Date
5. Consideration of Resolution 2021-02, Designating a Chair, a Vice Chair, a Secretary, Assistant Secretaries, a Treasurer and an Assistant Treasurer of the Hunters Ridge CDD No. 1, and Providing for an Effective Date

6. Consent Agenda Items

- A. Acceptance of Unaudited Financial Statements as of September 30, 2020
- B. Approval of August 27, 2020 Public Hearing and Meeting Minutes

7. Other Business

8. Staff Reports

- A. District Counsel: *Cobb Cole*
- B. District Engineer: *Zev Cohen and Associates, Inc.*
 - Full Reserve Study of Huntington Village Resident Owners Association, Inc. by Reserve Advisors, LLC
- C. District Manager: *Wrathell, Hunt and Associates, LLC*
 - NEXT MEETING DATE: February 25, 2021 at 3:30 P.M.

○ QUORUM CHECK

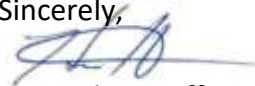
SEAT 1	Howard Lefkowitz	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	No
SEAT 2*		<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	No
SEAT 3*		<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	No
SEAT 4*		<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	No
SEAT 5	Charles Lichtigman	<input type="checkbox"/>	IN PERSON	<input type="checkbox"/>	PHONE	<input type="checkbox"/>	No

**Seats subject to November 6, 2020 Landowners' Election*

9. Board Members' Comments/Requests

10. Adjournment

Should you have any questions, please do not hesitate to contact me directly at (904) 386-0186.

Sincerely,

 Howard McGaffney
 District Manager

FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE
CALL-IN NUMBER: 1-888-354-0094
CONFERENCE ID: 7491428

HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1

4

RESOLUTION 2021-01

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HUNTER’S RIDGE COMMUNITY DEVELOPMENT DISTRICT NO. 1 CANVASSING AND CERTIFYING THE RESULTS OF THE LANDOWNERS’ ELECTION OF SUPERVISORS HELD PURSUANT TO SECTION 190.006(2), FLORIDA STATUTES, AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Hunter’s Ridge Community Development District No. 1 (“District”) is a local unit of special-purpose government created by, and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within Flagler County, Florida; and

WHEREAS, pursuant to Section 190.006(2), Florida Statutes, a landowners’ meeting is required to be held within 90 days of the District’s creation and every two years following the creation of the District for the purpose of electing supervisors of the District; and

WHEREAS, such landowners’ meeting was held on November 6, 2020, and the below recited persons were duly elected by virtue of the votes cast in his/her favor; and

WHEREAS, the Board of Supervisors of the District, by means of this Resolution, desire to canvass the votes and declare and certify the results of said election.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HUNTER’S RIDGE COMMUNITY DEVELOPMENT DISTRICT NO. 1:

Section 1. The following persons are found, certified, and declared to have been duly elected as Supervisor of and for the District, having been elected by the votes cast in their favor as shown:

_____	Seat 2	Votes _____
_____	Seat 3	Votes _____
_____	Seat 4	Votes _____

Section 2. In accordance with Section 190.006(2), Florida Statutes, and by virtue of the number of votes cast for the Supervisor, the above-named persons are declared to have been elected for the following term of office:

_____	4-Year Term
_____	4-Year Term
_____	2-Year Term

Section 3. This resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED THIS 6TH DAY OF NOVEMBER, 2020.

Attest:

**HUNTER'S RIDGE COMMUNITY DEVELOPMENT
DISTRICT NO. 1**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1

5

RESOLUTION 2021-02

A RESOLUTION DESIGNATING A CHAIR, A VICE CHAIR, A SECRETARY, ASSISTANT SECRETARIES, A TREASURER AND AN ASSISTANT TREASURER OF THE HUNTER’S RIDGE COMMUNITY DEVELOPMENT DISTRICT NO. 1, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Hunter’s Ridge Community Development District No. 1 (“District”) is a local unit of special-purpose government created by, and existing pursuant to Chapter 190, *Florida Statutes*, being situated in Flagler County, Florida; and

WHEREAS, the Board of Supervisors of the District desires to appoint the below-recited persons to the offices specified.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HUNTER’S RIDGE COMMUNITY DEVELOPMENT DISTRICT NO. 1:

1. **DISTRICT OFFICERS.** The District officers are as follows:

_____ is appointed Chair

_____ is appointed Vice Chair

Howard McGaffney is appointed Secretary

_____ is appointed Assistant Secretary

_____ is appointed Assistant Secretary

_____ is appointed Assistant Secretary

Craig Wrathell is appointed Assistant Secretary

Craig Wrathell is appointed Treasurer

Jeff Pinder is appointed Assistant Treasurer

2. **EFFECTIVE DATE.** This Resolution shall become effective immediately upon its adoption.

Adopted this 6th day of November, 2020.

ATTEST:

**HUNTER'S RIDGE COMMUNITY DEVELOPMENT
DISTRICT NO. 1**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1

6A

**HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1
FINANCIAL STATEMENTS
UNAUDITED
SEPTEMBER 30, 2020**

**HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020**

	General Fund	Debt Service Series 2019	Debt Service Series 2019A	Debt Service Series 2019B	Capital Projects Series 2019	Capital Projects Fund 2019A	Capital Projects Fund 2019B	Total Governmental Funds
ASSETS								
Cash	\$ 16,297	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,297
Investments								
Revenue	-	97,699	75,249	13,405	-	-	-	186,353
Reserve	-	77,606	277,206	105,902	-	-	-	460,714
Interest	-	1,015	2,001	55,925	-	-	-	58,941
Prepayment	-	63,225	-	-	-	-	-	63,225
Construction 2019	-	-	-	-	3,157	-	-	3,157
Construction 2019A 2-D	-	-	-	-	-	151,644	-	151,644
Construction 2019A 2-E	-	-	-	-	-	368,611	-	368,611
Construction 2019A 2-F	-	-	-	-	-	858	-	858
Due from BADC	-	1,392	89,182	-	-	-	-	90,574
Due from CPF 2019A-2D ¹	-	-	-	-	-	-	376,521	376,521
Due from CPF 2019A-2E ²	-	-	-	-	-	-	967,428	967,428
Prepaid expense	6,098	-	-	-	-	-	-	6,098
Total assets	<u>\$ 22,395</u>	<u>\$ 240,937</u>	<u>\$ 443,638</u>	<u>\$ 175,232</u>	<u>\$ 3,157</u>	<u>\$ 521,113</u>	<u>\$ 1,343,949</u>	<u>\$ 2,750,421</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Due to CPF 2019B-D ¹	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 376,521	\$ -	\$ 376,521
Due to CPF 2019B-E ²	-	-	-	-	-	967,428	-	967,428
Retainage payable	-	-	-	-	-	347,868	-	347,868
Taxes payable	31	-	-	-	-	-	-	31
Developer advance	5,500	-	-	-	-	-	-	5,500
Total liabilities	<u>5,531</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,691,817</u>	<u>-</u>	<u>1,697,348</u>
DEFERRED INFLOWS OF RESOURCES								
Deferred receipts	-	1,392	89,182	-	-	-	-	90,574
Total deferred inflows of resources	<u>-</u>	<u>1,392</u>	<u>89,182</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,574</u>
Fund balances:								
Restricted for:								
Debt service	-	239,545	354,456	175,232	-	-	-	769,233
Capital projects	-	-	-	-	3,157	(1,170,704)	1,343,949	176,402
Unassigned	16,864	-	-	-	-	-	-	16,864
Total fund balances	<u>16,864</u>	<u>239,545</u>	<u>354,456</u>	<u>175,232</u>	<u>3,157</u>	<u>(1,170,704)</u>	<u>1,343,949</u>	<u>962,499</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 22,395</u>	<u>\$ 240,937</u>	<u>\$ 443,638</u>	<u>\$ 175,232</u>	<u>\$ 3,157</u>	<u>\$ 521,113</u>	<u>\$ 1,343,949</u>	<u>\$ 2,750,421</u>

¹Due to a missallocation of construction funds at closing, parcel 2019A-2D owes parcel 2019A-2E, parcel 2019A-2F and parcel 2019B-D \$135,682.90, \$286.71 and \$376,521.25, respectively.

²Due to a missallocation of construction funds at closing, parcel 2019A-2E owes parcel 2019B-E \$967,428.41.

**HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Assessment levy: on-roll - net	\$ -	\$ 34,289	\$ 34,066	101%
Assessment levy: off-roll	-	61,946	61,946	100%
Assessment levy: lot closing	70	771	-	N/A
Developer contribution	-	12,510	-	N/A
Total revenues	<u>70</u>	<u>109,516</u>	<u>96,012</u>	114%
EXPENDITURES				
Professional & administrative				
Supervisors	-	1,077	4,000	27%
Management/accounting/recording	3,500	42,000	42,000	100%
Legal	-	12,996	9,500	137%
Engineering	371	724	1,500	48%
Audit	3,000	3,000	5,000	60%
Arbitrage rebate calculation	-	-	1,250	0%
Dissemination agent	83	1,000	1,000	100%
Trustee	-	9,750	9,950	98%
Telephone	17	200	200	100%
Postage	14	417	500	83%
Printing & binding	42	500	500	100%
Legal advertising	132	1,327	1,500	88%
Annual district filing fee	-	175	175	100%
Insurance	-	5,807	6,232	93%
Contingencies	16	645	500	129%
Website	-	705	705	100%
ADA compliance	-	199	200	100%
Tax collector	-	686	710	97%
Total expenditures	<u>7,175</u>	<u>81,208</u>	<u>85,422</u>	95%
Excess/(deficiency) of revenues over/(under) expenditures	(7,105)	28,308	10,590	
Fund balances - beginning	23,969	(11,444)	-	
Fund balances - ending	<u>\$ 16,864</u>	<u>\$ 16,864</u>	<u>\$ 10,590</u>	

**HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 2019 BONDS
FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Assessment levy: on-roll - net	\$ -	\$ 155,466	\$ 154,454	101%
Assessment levy: off-roll	-	2,584	3,976	65%
Assessment prepayments	21,800	73,185	-	N/A
Interest	1	1,021	-	N/A
Total revenues	<u>21,801</u>	<u>232,256</u>	<u>158,430</u>	147%
EXPENDITURES				
Principal prepayment	-	10,000	-	N/A
Interest	-	114,988	114,988	100%
Total debt service	<u>-</u>	<u>124,988</u>	<u>114,988</u>	109%
Other fees and charges				
Tax collector	-	3,109	3,218	97%
Total other fees and charges	<u>-</u>	<u>3,109</u>	<u>3,218</u>	97%
Total expenditures	<u>-</u>	<u>128,097</u>	<u>118,206</u>	108%
Excess/(deficiency) of revenues over/(under) expenditures	21,801	104,159	40,224	
OTHER FINANCING SOURCES/(USES)				
Transfers out	-	(1,495)	-	N/A
Total other financing sources/(uses)	<u>-</u>	<u>(1,495)</u>	<u>-</u>	N/A
Fund balance - beginning	217,744	136,881	135,099	
Fund balance - ending	<u>\$ 239,545</u>	<u>\$ 239,545</u>	<u>\$ 175,323</u>	

**HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 2019A
FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Assessment levy: off-roll	\$ 7,838	\$ 188,017	\$ 277,200	68%
Assessment levy: lot closing	630	630	\$ -	N/A
Interest	1	2,352	-	N/A
Total revenues	<u>8,469</u>	<u>190,999</u>	<u>277,200</u>	69%
EXPENDITURES				
Interest	-	226,800	226,800	100%
Total expenditures	<u>-</u>	<u>226,800</u>	<u>226,800</u>	100%
Excess/(deficiency) of revenues over/(under) expenditures	8,469	(35,801)	50,400	
OTHER FINANCING SOURCES/(USES)				
Transfers out	-	(5,338)	-	N/A
Total other financing sources/(uses)	<u>-</u>	<u>(5,338)</u>	<u>-</u>	N/A
Net change in fund balances	8,469	(41,139)	50,400	
Fund balance - beginning	345,987	395,595	390,600	
Fund balance - ending	<u>\$ 354,456</u>	<u>\$ 354,456</u>	<u>\$ 441,000</u>	

**HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 2019B
FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

	<u>Current Month</u>	<u>Year to Date</u>	<u>Budget</u>	<u>% of Budget</u>
REVENUES				
Assessment levy: lot closing	\$ 13,405	\$ 13,405	\$ -	N/A
Interest	1	1,700	-	N/A
Total revenues	<u>13,406</u>	<u>15,105</u>	<u>-</u>	N/A
EXPENDITURES				
Interest	-	105,900	105,900	100%
Total expenditures	<u>-</u>	<u>105,900</u>	<u>105,900</u>	100%
Excess/(deficiency) of revenues over/(under) expenditures	13,406	(90,795)	(105,900)	
OTHER FINANCING SOURCES/(USES)				
Transfers out	-	(2,039)	-	N/A
Total other financing sources/(uses)	<u>-</u>	<u>(2,039)</u>	<u>-</u>	N/A
Net change in fund balances	13,406	(92,834)	(105,900)	
Fund balance - beginning	<u>161,826</u>	<u>268,066</u>	<u>264,750</u>	
Fund balance - ending	<u><u>\$ 175,232</u></u>	<u><u>\$ 175,232</u></u>	<u><u>\$ 158,850</u></u>	

**HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND SERIES 2019 BONDS
FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

	Current Month	Year To Date
REVENUES		
Interest	\$ -	\$ 12
Total revenues	-	12
EXPENDITURES	-	-
Total expenditures	-	-
OTHER FINANCING SOURCES/(USES)		
Transfers in	-	1,495
Total other financing sources/(uses)	-	1,495
Net change in fund balances	-	1,507
Fund balances - beginning	3,157	1,650
Fund balances - ending	\$ 3,157	\$ 3,157

**HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND SERIES 2019A
FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

	Current Month	Year to Date
REVENUES		
Interest	\$ 3	\$ 14,577
Total revenues	3	14,577
EXPENDITURES		
Capital outlay	25,778	1,877,011
Total expenditures	25,778	1,877,011
OTHER FINANCING SOURCES/(USES)		
Transfers in	-	7,377
Total other financing sources/(uses)	-	7,377
Net increase/(decrease), fund balance	(25,775)	(1,855,057)
Beginning fund balance	(1,144,929)	684,353
Ending fund balance	\$ (1,170,704)	\$ (1,170,704)

**HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND SERIES 2019B
FOR THE PERIOD ENDED SEPTEMBER 30, 2020**

	Current Month	Year to Date
REVENUES	\$ -	\$ -
Total revenues	-	-
EXPENDITURES	-	-
Total expenditures	-	-
Net increase/(decrease), fund balance	-	-
Beginning fund balance	1,343,949	1,343,949
Ending fund balance	\$ 1,343,949	\$ 1,343,949

HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1

6B

DRAFT

MINUTES OF MEETING
HUNTER’S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1

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The Board of Supervisors of the Hunter’s Ridge Community Development District No. 1 held a Public Hearing and Regular Meeting on August 27, 2020 at 11:30 a.m., at <https://zoom.us/j/92032932472?pwd=SFhHMUNvU1JIWGhmY1RScjdpQ0ZXdz09>, and at 1-929-205-6099, Meeting ID 920 3293 2472, Password 273822, for both.

Present at the meeting were:

Howard Lefkowitz	Chair
Charles Lichtigman	Vice Chair
Steve Thompson	Assistant Secretary
Patricia Hall	Assistant Secretary

Also present were:

Howard McGaffney	District Manager
Mark Watts	District Counsel
Randy Hudak	District Engineer
Peg and Tom Aldridge	Residents
Jack Dockery	Resident
Susan Greer	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. McGaffney called the meeting to order at 11:34 a.m. Supervisors Lefkowitz, Lichtigman, Thompson and Hall were present. Supervisor Opalewski was not present. In consideration of the COVID-19 pandemic, this meeting was being held virtually, via Zoom, and telephonically, as permitted under the Florida Governor’s Executive Orders, which allow local governmental public meetings to occur by means of communications media technology, including virtually and telephonically. The meeting was advertised to be held virtually and telephonically and the meeting agenda was posted on the District’s website.

- **Acceptance of Resignation of Supervisor Patrick Opalewski**

This item was an addition to the agenda.

Disclaimer: These summary minutes are intended to highlight the topics discussed, items being considered and actions taken.

38 Mr. McGaffney stated that Mr. Opalewski emailed his resignation. Staff was attempting
39 to obtain an official executed letter to transmit to the State.

40

41 **On MOTION by Mr. Lichtigman and seconded by Mr. Thompson, with all in**
42 **favor, the resignation of Mr. Patrick Opalewski, effective immediately, was**
43 **accepted.**

44

45 Consideration of an appointment to fill the vacant Seat would be included on the next
46 agenda.

47

48 **SECOND ORDER OF BUSINESS**

Public Comments

49

50 Resident Peg Aldridge stated the budget amount in the minutes for the 2019 bonds did
51 not match the amount in the budget.

52 Resident Jack Dockery asked why different amounts appeared for the Debt Service
53 Fund, Series 2019 bonds, on Page 3 of the Unaudited Financials. Mr. McGaffney stated that the
54 disparity had to do with the administrative fees for the Tax Collector; more lots are listed for
55 on-roll assessments so the Tax Collector receives a fee for every unit that comes on-roll. No
56 fees are collected for off-roll assessments, which are generated from funding requests through
57 the Landowner for the remaining lots.

58 Discussion ensued regarding off-roll assessments, the July 1, 2020 Truth in Millage
59 (TRIM) Notice deadline and the disparity in the appropriations. Mr. Watts explained that a
60 financial cushion is usually left in the budget to facilitate adjustments. Mr. McGaffney stated
61 setting a maximum debt assessment does not mean that it will be met but it must be done for
62 timing purposes and to provide numbers to the Tax Collector for the TRIM notices.

63 Resident Susan Greer asked if the 2019 bonds would affect the taxes that residents pay
64 to the CDD. Mr. McGaffney stated that the property owners' assessments are affected and
65 explained that, when property owners buy into the community, there is a debt assessment that
66 comes with the individual property and each individual property is assessed a portion of the
67 overall operations and maintenance (O&M) expenses and the debt that comes as a result of
68 putting infrastructure in and issuing bonds to pay for it. Asked if the debt that is being accrued
69 by the builder would increase, Mr. Watts stated the amounts are fixed, aside from minor

70 adjustments based on calculations of interest on a yearly basis, which are minimal. There are
71 no additional assessments for the ongoing construction work, which is being paid for by the
72 prior bond proceeds or by the Landowner.

73

74 **THIRD ORDER OF BUSINESS**

Consent Agenda Items

75

76 Mr. McGaffney presented the Consent Agenda Items.

77 **A. Acceptance of Unaudited Financial Statements as of July 31, 2020**

78 **B. Approval of May 28, 2020 Virtual Public Meeting Minutes**

79

80 **On MOTION by Mr. Lefkowitz and seconded by Mr. Thompson, with all in**
81 **favor, the Consent Agenda Items, as presented, were accepted and approved.**

82

83

84 **FOURTH ORDER OF BUSINESS**

**Ratification of Resolution 2020-04,
Designating a Date, Time and Location for
a Landowners' Meeting; Providing for
Publication; Providing for an Effective Date**

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89 Mr. McGaffney presented Resolution 2020-04.

90

91 **On MOTION by Mr. Lefkowitz and seconded by Ms. Hall, with all in favor,**
92 **Resolution 2020-04, Designating a Date, Time and Location for a Landowners'**
93 **Meeting; Providing for Publication; Providing for an Effective Date, was**
94 **adopted.**

95

96

97 **FIFTH ORDER OF BUSINESS**

**Public Hearing on Adoption of Fiscal Year
2020/2021 Budget**

98

99

100 **A. Proof/Affidavit of Publication**

101 The proof of publication was included for informational purposes.

102 Mr. Watts stated, due to the COVID-19 pandemic, Florida has been operating under
103 Executive Orders, which allow public hearings and governmental meetings to be held virtually,
104 via Zoom. There have been several extensions since March and the current extension runs
105 through October 1, 2020. Once in-person meetings resume, all actions taken in the virtual

106 environment would be ratified but, in the interim, all meetings and public hearings are legally
107 binding and sufficient under the State's regulations.

108 **B. Consideration of Resolution 2020-06, Relating to the Annual Appropriations and**
109 **Adopting the Budget for the Fiscal Year Beginning October 1, 2020 and Ending**
110 **September 30, 2021; Authorizing Budget Amendments; and Providing an Effective**
111 **Date**

112 Mr. McGaffney reviewed the Fiscal Year 2021 budget line item increases, decreases and
113 adjustments over the Fiscal Year 2020 budget and the reasons for any changes.

114

115 **On MOTION by Mr. Lichtigman and seconded by Mr. Thompson, with all in**
116 **favor, the Public Hearing was opened.**

117

118

119 Ms. Aldridge believed that the budget had changed from the previous meeting and
120 asked if it was revised. Mr. McGaffney explained that a maximum debt assessment was
121 previously presented and the budget was balanced. The only thing that changed was the
122 difference between on-roll and off-roll assessment amounts, which was between the
123 Landowner and the builder and paid for by either the builder, because they have yet to sell it to
124 an end-user, or by a resident; otherwise, an off-roll assessment is collected through a request
125 and interaction with the Developer/Landowner and the District.

126

127 **On MOTION by Mr. Thompson and seconded by Mr. Lefkowitz, with all in**
128 **favor, the Public Hearing was closed.**

129

130

131 Mr. McGaffney presented Resolution 2020-06 and read the title.

132

133 **On MOTION by Mr. Lefkowitz and seconded by Mr. Lichtigman, with all in**
134 **favor, Resolution 2020-06, Relating to the Annual Appropriations and Adopting**
135 **the Budget for the Fiscal Year Beginning October 1, 2020 and Ending**
136 **September 30, 2021; Authorizing Budget Amendments; and Providing an**
137 **Effective Date, was adopted.**

138

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141 **SIXTH ORDER OF BUSINESS**

142 **Consideration of Resolution 2020-07,**
143 **Making a Determination of Benefit and**
144 **Imposing Special Assessments for Fiscal**
145 **Year 2020/2021; Providing for the**
146 **Collection and Enforcement of Special**
147 **Assessments; Including But Not Limited to**
148 **Penalties and Interest Thereon; Certifying**
149 **an Assessment Roll; Providing for**
150 **Amendments to the Assessment Roll;**
151 **Providing a Severability Clause; and**
152 **Providing an Effective Date**

153 Mr. McGaffney presented Resolution 2020-07. Mr. Watts stated this Resolution places
154 the assessments on the property tax bill and formally imposes them on the property. The
155 assessments are referred to as “special assessments” because residents benefit from the capital
156 improvements that were implemented with funding from the bonds. Mr. Lefkowitz asked if the
157 assessment amount has the same entitlement to the percentage discount as the regular ad
158 valorem taxes. Mr. Watts replied affirmatively. Discussion ensued regarding off-roll and on-roll
159 discounts, the Master Assessment Methodology, assessment calculations and bond payments.

160
161 **On MOTION by Mr. Thompson and seconded by Mr. Lichtigman, with all in**
162 **favor, Resolution 2020-07, Making a Determination of Benefit and Imposing**
163 **Special Assessments for Fiscal Year 2020/2021; Providing for the Collection and**
164 **Enforcement of Special Assessments; Including But Not Limited to Penalties**
165 **and Interest Thereon; Certifying an Assessment Roll; Providing for**
166 **Amendments to the Assessment Roll; Providing a Severability Clause; and**
167 **Providing an Effective Date, was adopted.**

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170 **SEVENTH ORDER OF BUSINESS**

171 **Consideration of Resolution 2020-08,**
172 **Designating Dates, Times and Locations for**
173 **Regular Meetings of the Board of**
174 **Supervisors of the District for Fiscal Year**
175 **2020/2021 and Providing for an Effective**
176 **Date**

177 Mr. McGaffney presented Resolution 2020-08. Mr. Lefkowitz asked for the November
178 Landowners’ and Regular Meetings to be on the same day. The November 12, 2020 Regular
179 Meeting would be changed to November 6, 2020, to be held immediately following the
180 Landowners’ Meeting at 10:00 a.m.

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On MOTION by Mr. Lefkowitz and seconded by Ms. Hall, with all in favor, Resolution 2020-08, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2020/2021 and Providing for an Effective Date, as amended, was adopted.

EIGHTH ORDER OF BUSINESS

Other Business

Mr. Lefkowitz asked if the Supervisor payments from the previous meeting were disbursed and stated that all physical improvements, as provided by the bond funds, should be completed within the entire community by the end of the year. He voiced his appreciation for the cost-savings from not having to rent venues for meetings. Mr. McGaffney stated the checks were processed but could have been delayed due to the pandemic.

NINTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Cobb Cole*

There being no report, the next item followed.

B. District Engineer: *Zev Cohen and Associates, Inc.*

There being no report, the next item followed.

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

Mr. McGaffney voiced his appreciation for being allowed to provide an in-depth detail of the budget for the benefit of the residents.

TENTH ORDER OF BUSINESS

Board Members’ Comments/Requests

There being no Board Members’ comments or requests, the next item followed.

ELEVENTH ORDER OF BUSINESS

Adjournment

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

On MOTION by Mr. Thompson and seconded by Mr. Lefkowitz, with all in favor, the meeting adjourned at approximately 12:39 p.m.

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Secretary/Assistant Secretary

Chair/Vice Chair

HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1

8B

Revised
FULL RESERVE STUDY
Huntington Village
Resident Owners Association, Inc.



Ormond Beach, Florida
Inspected - August 12, 2020
Revised - October 28, 2020



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Huntington Village Resident Owners Association, Inc.
Ormond Beach, Florida

Dear Board of Directors of Huntington Village Resident Owners Association, Inc.:

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Full Reserve Study* of Huntington Village Resident Owners Association, Inc. in Ormond Beach, Florida and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, August 12, 2020.

This *Full Reserve Study* exceeds the Association of Professional Reserve Analysts (APRA) standards fulfilling the requirements of a "Level I Full Reserve Study."

An ongoing review by the Board and an Update of this Reserve Study are necessary to ensure an equitable funding plan since a Reserve Study is a snapshot in time. We recommend the Board budget for an Update to this Reserve Study in two- to three-years. We look forward to continuing to help Huntington Village Resident Owners Association, Inc. plan for a successful future.

As part of our long-term thinking and everyday commitment to our clients, we are available to answer any questions you may have regarding this study.

Respectfully submitted on October 28, 2020 by

Reserve Advisors, LLC

Visual Inspection and Report by: Jeffrey B. Dow, RS¹

Review by: Alan M. Ebert, RS, PRA², Director of Quality Assurance



¹ RS (Reserve Specialist) is the reserve provider professional designation of the Community Associations Institute (CAI) representing America's more than 300,000 condominium, cooperative and homeowners associations.

² PRA (Professional Reserve Analyst) is the professional designation of the Association of Professional Reserve Analysts. Learn more about APRA at <http://www.apra-usa.com>.



Long-term thinking. Everyday commitment.

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1. RESERVE STUDY EXECUTIVE SUMMARY

Client: Huntington Village Resident Owners Association, Inc. (Huntington Village)

Location: Ormond Beach, Florida

Reference: 151081

Property Basics: Huntington Village Resident Owners Association, Inc. is a homeowners association which is responsible for the common elements shared by a mixture of single family homes and villa units. The community began construction in 2010 and is still under development. Upon complete buildout, the development will comprise 172 single family homes and 151 villa townhome units. At the time of our inspection, there were approximately 50 single family homes either constructed or under construction, and 49 villa townhome units in 17 buildings either constructed or under construction. We assume complete buildout will occur by 2024.

Resident Owners Association Reserve Components Identified: 19 Reserve Components

Community Development District Reserve Components Identified: 13 Reserve Components

Inspection Date: August 12, 2020.

Funding Goal: The Funding Goal of this Reserve Study is to maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures. Our recommended Resident Owners Association Funding Plan recognizes these threshold funding years in 2044 and 2045 due to replacement of the asphalt shingle roofs at the villa units.

Our recommended Community Development District Funding Plan recognizes this threshold funding year in 2044 due to repaving of the asphalt pavement.

Cash Flow Method: We use the Cash Flow Method to compute the Reserve Funding Plan. This method offsets future variable Reserve Expenditures with existing and future stable levels of reserve funding. Our application of this method also considers:

- Current and future local costs of replacement
- 0.9% anticipated annual rate of return on invested reserves
- 2.0% future Inflation Rate for estimating Future Replacement Costs

Sources for Local Costs of Replacement: Our proprietary database, historical costs and published sources, i.e., R.S. Means, Incorporated.

Cash Status of Resident Owners Association Reserve Fund:

- \$16,737 as of September 1, 2020
- 2020 budgeted Reserve Contributions of \$36,735



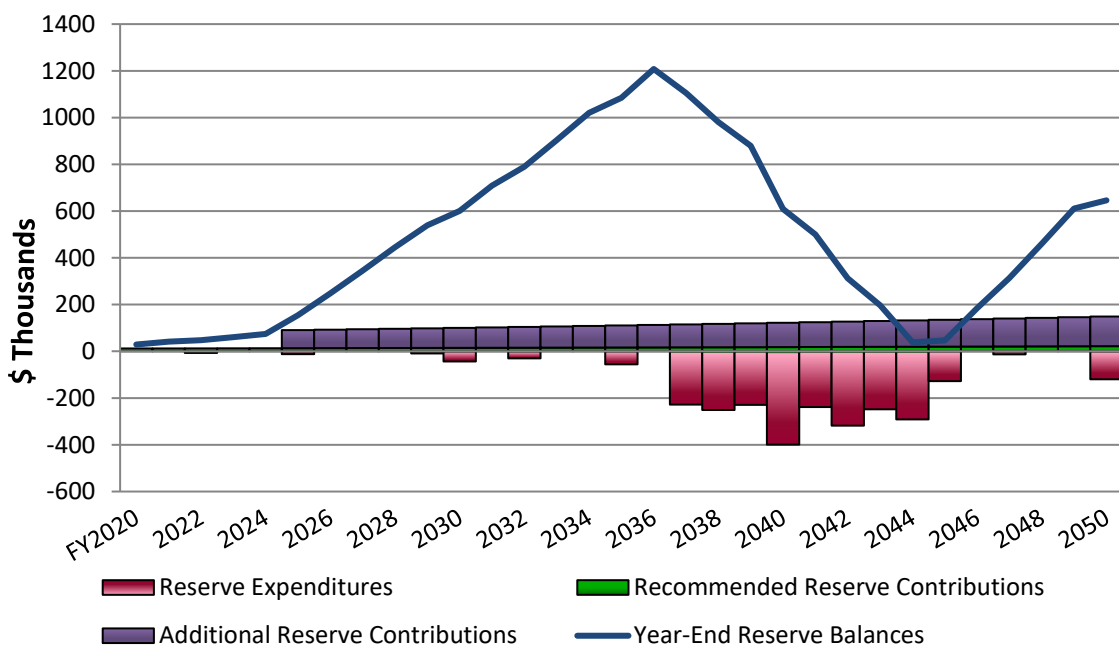
Recommended Resident Owners Association Reserve Funding: We recommend the following in order to achieve a stable and equitable Funding Plan:

- Increase to \$12,300 in 2021
- Inflationary increases from 2022 through 2050, the limit of this study's Cash Flow Analysis
- Pursuant to the Association's Declaration of Conditions, Covenants and Restrictions, the Association will receive a Capital Facilities Contribution/Reserve Fee of one-and-a-half percent (1.5%) of all home sales in perpetuity, which shall be contributed to the reserve fund. The assumed conditions of this fee are stated below:
 - Current average sale price of a Villa unit is \$265,000
 - Current average sale price of a single family home is \$315,000
 - Average inflation rate on home prices of two percent (2%)
 - An average home turnover rate of 20 years (16 sales per year)
 - Contributions from the Capital Facilities Contribution/Reserve Fee beginning in 2025 due to the community not reaching complete buildout until 2024

Huntington Village

Recommended Reserve Resident Owners Association Funding Table and Graph

Year	Reserve Contributions (\$)	Reserve Balances (\$)	Year	Reserve Contributions (\$)	Reserve Balances (\$)	Year	Reserve Contributions (\$)	Reserve Balances (\$)
2021	12,300	41,668	2031	102,200	708,730	2041	124,500	500,081
2022	12,500	47,568	2032	104,300	789,557	2042	127,000	312,676
2023	12,800	60,854	2033	106,300	903,441	2043	129,600	196,471
2024	13,100	74,561	2034	108,500	1,020,560	2044	132,200	38,396
2025	90,700	154,141	2035	110,600	1,084,873	2045	134,800	45,976
2026	92,500	248,445	2036	112,800	1,207,944	2046	137,500	184,509
2027	94,400	345,506	2037	115,000	1,105,313	2047	140,300	313,984
2028	96,300	445,349	2038	117,300	980,779	2048	143,100	460,554
2029	98,200	538,816	2039	119,600	879,520	2049	145,900	611,256
2030	100,200	600,664	2040	122,000	609,064	2050	148,800	646,049





Cash Status of Community Development District Reserve Fund:

- \$30,390 as of September 1, 2020
- 2020 budgeted Reserve Contributions of \$20,000
- A potential deficit in reserves might occur by 2035 based upon continuation of the most recent annual reserve contribution of \$20,000 and the identified Reserve Expenditures.

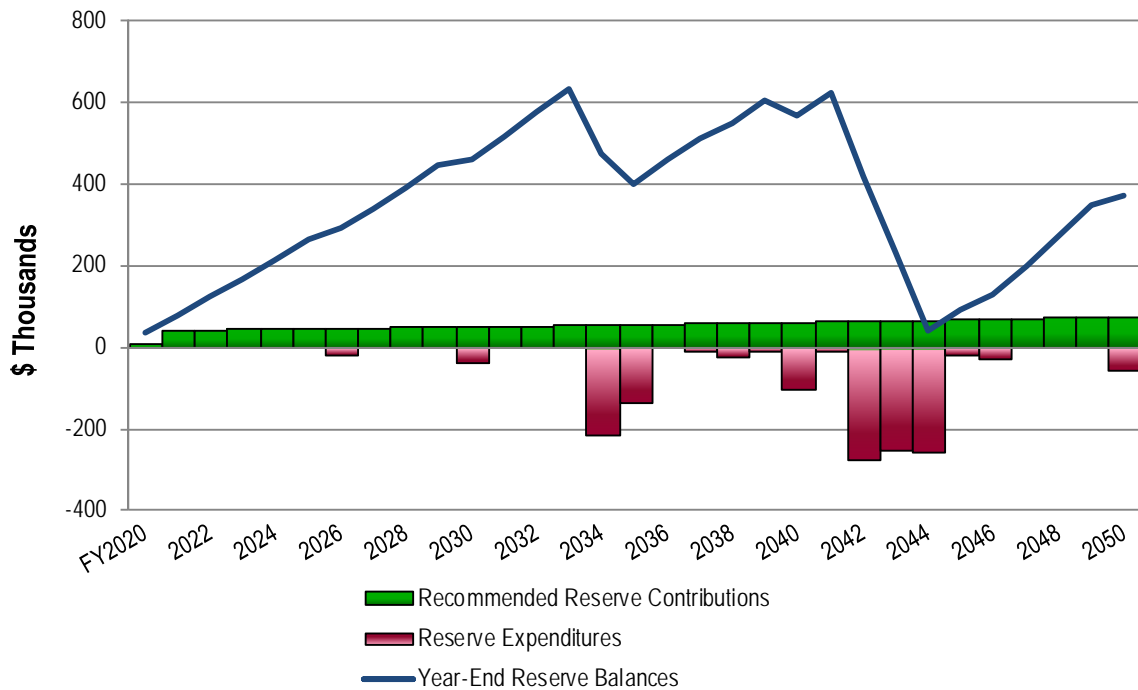
Recommended Community Development District Reserve Funding: We recommend the following in order to achieve a stable and equitable Funding Plan:

- Increase to \$42,000 in 2021
- Inflationary increases from 2022 through 2050, the limit of this study's Cash Flow Analysis
- Initial adjustment in Reserve Contributions of \$22,000 represents an average monthly increase of \$5.68 per homeowner and about a four percent (4.2%) adjustment in the 2020 total Operating Budget of \$525,690.

Huntington Village

Recommended Community Development District Reserve Funding Table and Graph

Year	Reserve Contributions (\$)	Reserve Balances (\$)	Year	Reserve Contributions (\$)	Reserve Balances (\$)	Year	Reserve Contributions (\$)	Reserve Balances (\$)
2021	42,000	79,680	2031	51,200	517,843	2041	62,400	625,798
2022	42,800	123,390	2032	52,200	574,938	2042	63,600	417,452
2023	43,700	168,397	2033	53,200	633,552	2043	64,900	232,240
2024	44,600	214,713	2034	54,300	476,672	2044	66,200	41,583
2025	45,500	262,350	2035	55,400	401,554	2045	67,500	90,191
2026	46,400	290,423	2036	56,500	461,922	2046	68,900	129,162
2027	47,300	340,550	2037	57,600	513,389	2047	70,300	200,941
2028	48,200	392,032	2038	58,800	550,572	2048	71,700	274,772
2029	49,200	444,982	2039	60,000	604,822	2049	73,100	350,674
2030	50,200	462,252	2040	61,200	569,411	2050	74,600	373,548





2. RESERVE STUDY REPORT

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Full Reserve Study* of

Huntington Village Resident Owners Association, Inc.

Ormond Beach, Florida

and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, August 12, 2020.

We present our findings and recommendations in the following report sections and spreadsheets:

- **Identification of Property** - Segregates all property into several areas of responsibility for repair or replacement
- **Reserve Expenditures** - Identifies reserve components and related quantities, useful lives, remaining useful lives and future reserve expenditures during the next 30 years
- **Reserve Funding Plan** - Presents the recommended Reserve Contributions and year-end Reserve Balances for the next 30 years
- **Five-Year Outlook** - Identifies reserve components and anticipated reserve expenditures during the first five years
- **Reserve Component Detail** - Describes the reserve components, includes photographic documentation of the condition of various property elements, describes our recommendations for repairs or replacement, and includes detailed solutions and procedures for replacements for the benefit of current and future board members
- **Methodology** - Lists the national standards, methods and procedures used to develop the Reserve Study
- **Definitions** - Contains definitions of terms used in the Reserve Study, consistent with national standards
- **Professional Service Conditions** - Describes Assumptions and Professional Service Conditions
- **Credentials and Resources**

IDENTIFICATION OF PROPERTY



Our investigation includes Reserve Components or property elements as set forth in your Declaration. The Expenditure tables in Section 3 list the elements contained in this study. Our analysis begins by segregating the property elements into several areas of responsibility for repair and replacement.

Our process of identification helps assure that future boards and the management team understand whether reserves, the operating budget or Homeowners fund certain replacements and assists in preparation of the annual budget. We derive these segregated classes of property from our review of the information provided by the Association and through conversations with Management. These classes of property include:

- Reserve Components
- Long-Lived Property Elements
- Operating Budget Funded Repairs and Replacements
- Property Maintained by Homeowners
- Property Maintained by Others



We advise the Board conduct an annual review of these classes of property to confirm its policy concerning the manner of funding, i.e., from reserves or the operating budget. The Reserve Study identifies Reserve Components as set forth in your Declaration or which were identified as part of your request for proposed services. Reserve Components are defined by CAI as property elements with:

- Huntington Village responsibility
- Limited useful life expectancies
- Predictable remaining useful life expectancies
- Replacement cost above a minimum threshold

Long-Lived Property Elements may not have predictable Remaining Useful Lives or their replacement may occur beyond the 30-year scope of the study. The operating budget should fund infrequent repairs. Funding untimely or unexpected replacements from reserves will necessitate increases to Reserve Contributions. Periodic updates of this Reserve Study will help determine the merits of adjusting the Reserve Funding Plan. We identify the following Long-Lived Property Elements as excluded from the 30-year Reserve Expenditures at this time.

- Electrical Systems, Common
- Foundation, Clubhouse
- Inlet/Outlet Structures, Concrete, Storm Water Management System
- Pipes, Interior Building, Domestic Water, Sanitary Waste and Vent, Clubhouse
- Pipes, Subsurface Utilities, Laterals to Clubhouse
- Pool Structure
- Soffit and Fascia, Vinyl, Clubhouse
- Structural Frames, Clubhouse
- Windows and Doors, Clubhouse

The operating budget provides money for the repair and replacement of certain Reserve Components. The Association may develop independent criteria for use of operating and reserve funds. For purposes of calculating appropriate Reserve Contributions, we identify the following list of Operating Budget Funded Repairs and Replacements:

- General Maintenance to the Common Elements
- Expenditures less than \$4,000 (These relatively minor expenditures have a limited effect on the recommended Reserve Contributions.)
- Asphalt Pavement, Clubhouse Parking Area, Patch and Seal Coat Applications
- Doors, Clubhouse, Interim Repairs and Replacements
- Fences, Chain Link
- Irrigation System, Controllers and General Maintenance (The irrigation system is still under construction as the development of the community progresses. The future scope and size of the system is currently unknown. Future updates to this Reserve Study will consider the need to

reserve for inspections and partial replacements of the system based on the size of the system and the operational practices of the Association.)

- Landscape
- Light Fixtures, Exterior, Clubhouse
- Paint Finishes, Touch Up
- Pool Mechanical Equipment
- Signage, Street and Traffic (The community was still under construction at the time of our inspection. Future updates to this Reserve Study will consider the total amount of signage once construction is completed, and the need to reserve for replacement of the signage.)
- Site Furniture
- Walls, Stone Veneer, Clubhouse
- Walls and Trim, Paint Finishes, Residential Units
- Water Heater, Clubhouse
- Other Repairs normally funded through the Operating Budget

Certain items have been designated as the responsibility of the homeowners at the single-family homes to repair or replace at their cost. Property Maintained by Homeowners at the Single Family Homes, including items billed back to Homeowners, relates to unit:

- Homes (Excluding Paint Finishes to Exteriors)
- Lot Improvements (Excluding Landscaping and Irrigation)

Certain items have been designated as the responsibility of the homeowners at the Villas to repair or replace at their cost. Property Maintained by Homeowners at the Villas, including items billed back to Homeowners, relates to unit:

- Doors, Garage
- Driveways
- Electrical Systems (Including Circuit Protection Panels)
- Heating, Ventilating and Air Conditioning (HVAC) Units
- Interiors
- Light Fixtures, Exterior
- Patios (Including Screens and Frames)
- Pipes (Within Units)
- Railings, Aluminum
- Roofs, Asphalt Shingles
- Sidewalks
- Soffit and Fascia
- Walls, Stone Veneer
- Walls, Stucco, Repairs
- Windows and Doors



Certain items have been designated as the responsibility of others to repair or replace. Property Maintained by Others relates to:

- Asphalt Pavement, Hunters Ridge Boulevard (Hunters Ridge Homeowners Association of East Florida, Inc.)
- Lift Stations (City of Ormond Beach)
- Light Poles and Fixtures, Streets (Florida Power and Light)
- Pavers, Roundabout, Airport Road and Hunters Ridge Boulevard (Hunters Ridge Homeowners Association of East Florida, Inc.)
- Pipes, Subsurface Utilities, Water and Sewer (City of Ormond Beach)
- Ponds, Maintenance (Hunters Ridge Homeowners Association of East Florida, Inc.) (We are informed that all ponds located within the community will revert to maintenance of Hunters Ridge Homeowners Association of East Florida, Inc.)
- Signage, Street and Traffic, Hunters Ridge Boulevard (Hunters Ridge Homeowners Association of East Florida, Inc.)
- Wetlands (Hunters Ridge Homeowners Association of East Florida, Inc.)

3. RESERVE EXPENDITURES and FUNDING PLAN

The tables following this introduction present:

Reserve Expenditures

- Line item numbers
- Total quantities
- Quantities replaced per phase (in a single year)
- Reserve component inventory
- Estimated first year of event (i.e., replacement, application, etc.)
- Life analysis showing
 - useful life
 - remaining useful life
- 2020 local cost of replacement
 - Per unit
 - Per phase
 - Replacement of total quantity
- Percentage of future expenditures anticipated during the next 30 years
- Schedule of estimated future costs for each reserve component including inflation

Reserve Funding Plan

- Reserves at the beginning of each year
- Total recommended reserve contributions
- Estimated interest earned from invested reserves
- Anticipated expenditures by year
- Anticipated reserves at year end
- Predicted reserves based on current funding level

Five-Year Outlook

- Line item numbers
- Reserve component inventory of only the expenditures anticipated to occur within the first five years
- Schedule of estimated future costs for each reserve component anticipated to occur within the first five years

The purpose of a Reserve Study is to provide an opinion of reasonable annual Reserve Contributions. Prediction of exact timing and costs of minor Reserve Expenditures typically will not significantly affect the 30-year cash flow analysis. Adjustments to the times and/or costs of expenditures may not always result in an adjustment in the recommended Reserve Contributions.

Financial statements prepared by your association, by you or others might rely in part on information contained in this section. For your convenience, we have provided an electronic data file containing the tables of ***Reserve Expenditures*** and ***Reserve Funding Plan***.

**RESIDENT OWNERS ASSOCIATION
RESERVE EXPENDITURES**

Huntington Village
Resident Owners Association, Inc.
Ormond Beach, Florida

Explanatory Notes:

- 1) **2.0%** is the estimated Inflation Rate for estimating Future Replacement Costs.
- 2) FY2020 is Fiscal Year beginning January 1, 2020 and ending December 31, 2020.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis		Unit Cost, \$	Percentage Ownership	Costs, \$		Percentage of Future Expenditures	RUL = 0 FY2020	1 2021	2 2022	3 2023	4 2024	5 2025	6 2026	7 2027	8 2028	9 2029	10 2030	11 2031	12 2032	13 2033	14 2034	15 2035
						Useful Years	Remaining			Per Phase (2020)	Total (2020)																	
Exterior Building Elements																												
1.280	4,060	508 Squares		Roofs, Asphalt Shingles, Villa Units, Phased	2037	15 to 20	17 to 24	310.00	100%	157,325	1,258,600	72.1%																
Property Site Elements																												
4.040	2,425	2,425 Square Yards		Asphalt Pavement, Parking Area, Mill and Overlay (Includes Curbs, Gutters and Catch Basins)	2040	20 to 25	20	17.00	100%	41,225	41,225	2.3%																
4.600	22	22 Each		Mailbox Stations	2042	to 25	22	2,200.00	100%	48,400	48,400	2.9%																
4.700	1	1 Each		Ponds, Aerator	2035	10 to 15	15	4,500.00	100%	4,500	4,500	0.5%																6,056
Clubhouse Elements																												
5.071	1	1 Each		Air Handling and Condensing Units, Split System, 3-ton	2037	12 to 18	17	5,500.00	100%	5,500	5,500	0.3%																
5.091	1	1 Allowance		Audio System	2035	to 15	15	4,000.00	100%	4,000	4,000	0.5%																5,383
5.155	2	1 Allowance		Exercise Equipment, Cardiovascular, Phased	2025	to 10	5 to 10	11,000.00	100%	11,000	22,000	3.6%						12,145						13,409				14,805
5.165	1	1 Allowance		Exercise Equipment, Strength Training	2035	to 15	15	9,000.00	100%	9,000	9,000	1.1%																12,113
5.181	1	1 Allowance		Exercise Room, Renovation	2035	to 15	15	12,900.00	100%	12,900	12,900	1.6%																17,362
5.501	2	2 Each		Rest Rooms, Renovation	2040	to 20	20	14,500.00	100%	29,000	29,000	1.6%																
5.600	33	33 Squares		Roof Assembly, Asphalt Shingles (Includes Gutters and Downspouts)	2038	15 to 20	18	330.00	100%	10,890	10,890	0.6%																
5.721	1	1 Allowance		Security System	2032	10 to 15	12	4,800.00	100%	4,800	4,800	0.5%																6,088
5.881	3,400	3,400 Square Feet		Walls, Stucco, Paint Finishes and Capital Repairs (Includes Concrete Coatings)	2029	8 to 10	9	2.25	100%	7,650	7,650	1.3%																9,142
Pool Elements																												
6.200	3,525	3,525 Square Feet		Deck, Pavers	2045	to 25	25	11.00	100%	38,775	38,775	2.4%																
6.400	535	535 Linear Feet		Fence, Aluminum	2045	to 25	25	40.00	100%	21,400	21,400	1.3%																
6.500	1	1 Allowance		Furniture	2032	to 12	12	19,000.00	100%	19,000	19,000	2.1%																24,097
6.561	6	6 Each		Light Poles and Fixtures	2045	to 25	25	1,100.00	100%	6,600	6,600	0.4%																
6.800	1,700	1,700 Square Feet		Pool Finish, Plaster	2030	8 to 12	10	14.50	100%	24,650	24,650	4.2%																30,048
6.801	180	180 Linear Feet		Pool Finish, Tile	2040	15 to 25	20	30.00	100%	5,400	5,400	0.3%																
		1 Allowance		Reserve Study Update with Site Visit	2022	2	2	7,000.00	50%	3,500	3,500	0.3%																7,000
Anticipated Expenditures, By Year (\$2,621,346 over 30 years)													0	0	7,000	0	0	12,145	0	0	0	9,142	43,457	0	30,185	0	0	55,719

**RESIDENT OWNERS ASSOCIATION
RESERVE EXPENDITURES**

Huntington Village
Resident Owners Association, Inc.
Ormond Beach, Florida

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis		Unit Cost, \$	Percentage Ownership	Costs, \$		Percentage of Future Expenditures	16 2036	17 2037	18 2038	19 2039	20 2040	21 2041	22 2042	23 2043	24 2044	25 2045	26 2046	27 2047	28 2048	29 2049	30 2050	
						Useful Years	Remaining Years			Per Phase (2020)	Total (2020)																	
Exterior Building Elements																												
1.280	4,060	508 Squares		Roofs, Asphalt Shingles, Villa Units, Phased	2037	15 to 20	17 to 24	310.00	100%	157,325	1,258,600	72.1%		220,293	224,699	229,193	233,777	238,452	243,221	248,086	253,047							
Property Site Elements																												
4.040	2,425	2,425 Square Yards		Asphalt Pavement, Parking Area, Mill and Overlay (Includes Curbs, Gutters and Catch Basins)	2040	20 to 25	20	17.00	100%	41,225	41,225	2.3%					61,258											
4.600	22	22 Each		Mailbox Stations	2042	to 25	22	2,200.00	100%	48,400	48,400	2.9%							74,825									
4.700	1	1 Each		Ponds, Aerator	2035	10 to 15	15	4,500.00	100%	4,500	4,500	0.5%															8,151	
Clubhouse Elements																												
5.071	1	1 Each		Air Handling and Condensing Units, Split System, 3-ton	2037	12 to 18	17	5,500.00	100%	5,500	5,500	0.3%		7,701														
5.091	1	1 Allowance		Audio System	2035	to 15	15	4,000.00	100%	4,000	4,000	0.5%															7,245	
5.155	2	1 Allowance		Exercise Equipment, Cardiovascular, Phased	2025	to 10	5 to 10	11,000.00	100%	11,000	22,000	3.6%					16,345						18,047				19,925	
5.165	1	1 Allowance		Exercise Equipment, Strength Training	2035	to 15	15	9,000.00	100%	9,000	9,000	1.1%															16,302	
5.181	1	1 Allowance		Exercise Room, Renovation	2035	to 15	15	12,900.00	100%	12,900	12,900	1.6%															23,367	
5.501	2	2 Each		Rest Rooms, Renovation	2040	to 20	20	14,500.00	100%	29,000	29,000	1.6%					43,092											
5.600	33	33 Squares		Roof Assembly, Asphalt Shingles (Includes Gutters and Downspouts)	2038	15 to 20	18	330.00	100%	10,890	10,890	0.6%			15,554													
5.721	1	1 Allowance		Security System	2032	10 to 15	12	4,800.00	100%	4,800	4,800	0.5%									7,720							
5.881	3,400	3,400 Square Feet		Walls, Stucco, Paint Finishes and Capital Repairs (Includes Concrete Coatings)	2029	8 to 10	9	2.25	100%	7,650	7,650	1.3%			10,926									13,058				
Pool Elements																												
6.200	3,525	3,525 Square Feet		Deck, Pavers	2045	to 25	25	11.00	100%	38,775	38,775	2.4%															63,614	
6.400	535	535 Linear Feet		Fence, Aluminum	2045	to 25	25	40.00	100%	21,400	21,400	1.3%															35,109	
6.500	1	1 Allowance		Furniture	2032	to 12	12	19,000.00	100%	19,000	19,000	2.1%									30,560							
6.561	6	6 Each		Light Poles and Fixtures	2045	to 25	25	1,100.00	100%	6,600	6,600	0.4%														10,828		
6.800	1,700	1,700 Square Feet		Pool Finish, Plaster	2030	8 to 12	10	14.50	100%	24,650	24,650	4.2%					36,629										44,650	
6.801	180	180 Linear Feet		Pool Finish, Tile	2040	15 to 25	20	30.00	100%	5,400	5,400	0.3%					8,024											
		1 Allowance		Reserve Study Update with Site Visit	2022	2	2	7,000.00	50%	3,500	3,500	0.3%																
Anticipated Expenditures, By Year (\$2,621,346 over 30 years)													0	227,994	251,179	229,193	399,125	238,452	318,046	248,086	291,327	127,598	0	13,058	0	0	119,640	

RESERVE FUNDING PLAN

RESIDENT OWNERS ASSOCIATION

CASH FLOW ANALYSIS

Huntington Village

Resident Owners Association, Inc.

Ormond Beach, Florida

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Reserves at Beginning of Year	<i>(Note 1)</i>	16,737	29,051	41,668	47,568	60,854	74,561	154,141	248,445	345,506	445,349	538,816	600,664	708,730	789,557	903,441	1,020,560
Recommended Reserve Contributions		12,245	12,300	12,500	12,800	13,100	13,400	13,700	14,000	14,300	14,600	14,900	15,200	15,500	15,800	16,100	16,400
Additional Reserve Contributions							77,300	78,800	80,400	82,000	83,600	85,300	87,000	88,800	90,500	92,400	94,200
Total Recommended Reserve Contributions	<i>(Note 2)</i>	12,245	12,300	12,500	12,800	13,100	90,700	92,500	94,400	96,300	98,200	100,200	102,200	104,300	106,300	108,500	110,600
Estimated Interest Earned, During Year	<i>(Note 3)</i>	69	317	400	486	607	1,025	1,804	2,661	3,543	4,409	5,105	5,866	6,712	7,584	8,619	9,432
Anticipated Expenditures, By Year		0	0	(7,000)	0	0	(12,145)	0	0	0	(9,142)	(43,457)	0	(30,185)	0	0	(55,719)
Anticipated Reserves at Year End		<u>\$29,051</u>	<u>\$41,668</u>	<u>\$47,568</u>	<u>\$60,854</u>	<u>\$74,561</u>	<u>\$154,141</u>	<u>\$248,445</u>	<u>\$345,506</u>	<u>\$445,349</u>	<u>\$538,816</u>	<u>\$600,664</u>	<u>\$708,730</u>	<u>\$789,557</u>	<u>\$903,441</u>	<u>\$1,020,560</u>	<u>\$1,084,873</u>

(continued)

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

		2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
Reserves at Beginning of Year		1,084,873	1,207,944	1,105,313	980,779	879,520	609,064	500,081	312,676	196,471	38,396	45,976	184,509	313,984	460,554	611,256
Recommended Reserve Contributions		16,700	17,000	17,300	17,600	18,000	18,400	18,800	19,200	19,600	20,000	20,400	20,800	21,200	21,600	22,000
Additional Reserve Contributions		96,100	98,000	100,000	102,000	104,000	106,100	108,200	110,400	112,600	114,800	117,100	119,500	121,900	124,300	126,800
Total Recommended Reserve Contributions		112,800	115,000	117,300	119,600	122,000	124,500	127,000	129,600	132,200	134,800	137,500	140,300	143,100	145,900	148,800
Estimated Interest Earned, During Year		10,271	10,363	9,345	8,334	6,669	4,969	3,641	2,281	1,052	378	1,033	2,233	3,470	4,802	5,633
Anticipated Expenditures, By Year		0	(227,994)	(251,179)	(229,193)	(399,125)	(238,452)	(318,046)	(248,086)	(291,327)	(127,598)	0	(13,058)	0	0	(119,640)
Anticipated Reserves at Year End		<u>\$1,207,944</u>	<u>\$1,105,313</u>	<u>\$980,779</u>	<u>\$879,520</u>	<u>\$609,064</u>	<u>\$500,081</u>	<u>\$312,676</u>	<u>\$196,471</u>	<u>\$38,396</u>	<u>\$45,976</u>	<u>\$184,509</u>	<u>\$313,984</u>	<u>\$460,554</u>	<u>\$611,256</u>	<u>\$646,049</u>

(NOTE 5) *(NOTE 5)*

(NOTE 4)

Explanatory Notes:

- 1) Year 2020 starting reserves are as of September 1, 2020; FY2020 starts January 1, 2020 and ends December 31, 2020.
- 2) Reserve Contributions for 2020 are the remaining budgeted 4 months; 2021 is the first year of recommended contributions.
- 3) 0.9% is the estimated annual rate of return on invested reserves; 2020 is a partial year of interest earned.
- 4) Accumulated year 2050 ending reserves consider the age, size, overall condition and complexity of the property.
- 5) Threshold Funding Years (reserve balance at critical point).

RESIDENT OWNERS ASSOCIATION
FIVE-YEAR OUTLOOK

Huntington Village
Resident Owners Association, Inc.
 Ormond Beach, Florida

Line Item	Reserve Component Inventory	RUL = 0 FY2020	1 2021	2 2022	3 2023	4 2024	5 2025
<u>Clubhouse Elements</u>							
5.155	Exercise Equipment, Cardiovascular, Phased						12,145
	Reserve Study Update with Site Visit			7,000			
	Anticipated Expenditures, By Year (\$2,621,346 over 30 years)	0	0	7,000	0	0	12,145

**COMMUNITY DEVELOPMENT DISTRICT
RESERVE EXPENDITURES**

Huntington Village
Resident Owners Association, Inc.
Ormond Beach, Florida

Explanatory Notes:

- 1) **2.0%** is the estimated Inflation Rate for estimating Future Replacement Costs.
- 2) FY2020 is Fiscal Year beginning January 1, 2020 and ending December 31, 2020.

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis		Unit Cost, \$	Percentage Ownership	Costs, \$		Percentage of Future Expenditures	RUL = 0 FY2020	1 2021	2 2022	3 2023	4 2024	5 2025	6 2026	7 2027	8 2028	9 2029	10 2030	11 2031	12 2032	13 2033	14 2034	15 2035		
						Useful Years	Remaining			Per Phase (2020)	Total (2020)																			
4.021	36,945	36,945	Square Yards	Asphalt Pavement, Patch	2026	3 to 5	6	0.50	100%	18,473	18,473	12.8%							20,803				22,518				24,374			
4.041	8,070	8,070	Square Yards	Asphalt Pavement, Huntington Place and Shear Water Trail, Mill and Overlay, 2010	2034	20 to 25	14	15.00	100%	121,050	121,050	10.9%															159,723			
4.042	3,075	3,075	Square Yards	Asphalt Pavement, Heron Wing Drive, Mill and Overlay, 2016 (Includes Catch Basins)	2040	20 to 25	20	15.75	100%	48,431	48,431	4.9%																		
4.043	25,800	8,600	Square Yards	Asphalt Pavement, Mill and Overlay, 2018-2020, Phased	2042	20 to 25	22 to 24	15.25	100%	131,150	393,450	42.4%																		
4.100	12	12	Each	Catch Basins, Inspections and Capital Repairs, 2010	2034	20 to 25	14	285.00	100%	3,420	3,420	0.3%															4,513			
4.101	44	15	Each	Catch Basins, Inspections and Capital Repairs, 2018-2020, Phased	2042	20 to 25	22 to 24	285.00	100%	4,181	12,540	1.4%																		
4.110	5,550	835	Linear Feet	Concrete Gutters, 2010, Partial	2034	to 65	14 to 30+	25.00	100%	20,875	138,750	1.9%															27,544			
4.111	2,200	330	Linear Feet	Concrete Gutters, 2016, Partial	2040	to 65	20 to 30+	25.00	100%	8,250	55,000	0.8%																		
4.112	20,050	1,005	Linear Feet	Concrete Gutters, 2018-2020, Partial	2042	to 65	22 to 30+	25.00	100%	25,125	501,250	8.1%																		
4.140	25,000	1,250	Square Feet	Concrete Sidewalks, Partial	2030	to 65	10 to 30+	9.50	100%	11,875	237,500	6.1%											14,476					15,982		
4.200	345	345	Linear Feet	Fences, Aluminum, Hunters Ridge Boulevard and Huntington Place	2035	to 25	15	45.00	100%	15,525	15,525	1.4%																20,895		
4.410	4	1	Each	Irrigation System, Pumps, Phased	2035	to 15	15 to 21	7,500.00	100%	7,500	30,000	2.9%																10,094		
4.800	1	1	Allowance	Signage, Monuments, Renovation	2035	20 to 25	15	65,000.00	100%	65,000	65,000	6.0%																87,481		
Anticipated Expenditures, By Year (\$1,462,543 over 30 years)													0	0	0	0	0	0	0	20,803	0	0	0	0	36,994	0	0	0	216,154	134,452

**COMMUNITY DEVELOPMENT DISTRICT
RESERVE EXPENDITURES**

**Huntington Village
Resident Owners Association, Inc.**
Ormond Beach, Florida

Line Item	Total Quantity	Per Phase Quantity	Units	Reserve Component Inventory	Estimated 1st Year of Event	Life Analysis		Unit Cost, \$	Percentage Ownership	Costs, \$		Percentage of Future Expenditures	16 2036	17 2037	18 2038	19 2039	20 2040	21 2041	22 2042	23 2043	24 2044	25 2045	26 2046	27 2047	28 2048	29 2049	30 2050
						Useful Years	Remaining Years			Per Phase (2020)	Total (2020)																
4.021	36,945	36,945	Square Yards	Asphalt Pavement, Patch	2026	3 to 5	6	0.50	100%	18,473	18,473	12.8%			26,383				28,558				30,912				33,460
4.041	8,070	8,070	Square Yards	Asphalt Pavement, Huntington Place and Shear Water Trail, Mill and Overlay, 2010	2034	20 to 25	14	15.00	100%	121,050	121,050	10.9%															
4.042	3,075	3,075	Square Yards	Asphalt Pavement, Heron Wing Drive, Mill and Overlay, 2016 (Includes Catch Basins)	2040	20 to 25	20	15.75	100%	48,431	48,431	4.9%					71,966										
4.043	25,800	8,600	Square Yards	Asphalt Pavement, Mill and Overlay, 2018-2020, Phased	2042	20 to 25	22 to 24	15.25	100%	131,150	393,450	42.4%							202,755	206,810	210,947						
4.100	12	12	Each	Catch Basins, Inspections and Capital Repairs, 2010	2034	20 to 25	14	285.00	100%	3,420	3,420	0.3%															
4.101	44	15	Each	Catch Basins, Inspections and Capital Repairs, 2018-2020, Phased	2042	20 to 25	22 to 24	285.00	100%	4,181	12,540	1.4%							6,464	6,593	6,725						
4.110	5,550	835	Linear Feet	Concrete Gutters, 2010, Partial	2034	to 65	14 to 30+	25.00	100%	20,875	138,750	1.9%															
4.111	2,200	330	Linear Feet	Concrete Gutters, 2016, Partial	2040	to 65	20 to 30+	25.00	100%	8,250	55,000	0.8%					12,259										
4.112	20,050	1,005	Linear Feet	Concrete Gutters, 2018-2020, Partial	2042	to 65	22 to 30+	25.00	100%	25,125	501,250	8.1%							38,843	39,620	40,412						
4.140	25,000	1,250	Square Feet	Concrete Sidewalks, Partial	2030	to 65	10 to 30+	9.50	100%	11,875	237,500	6.1%					17,646					19,482					21,510
4.200	345	345	Linear Feet	Fences, Aluminum, Hunters Ridge Boulevard and Huntington Place	2035	to 25	15	45.00	100%	15,525	15,525	1.4%															
4.410	4	1	Each	Irrigation System, Pumps, Phased	2035	to 15	15 to 21	7,500.00	100%	7,500	30,000	2.9%		10,502		10,926		11,367									
4.800	1	1	Allowance	Signage, Monuments, Renovation	2035	20 to 25	15	65,000.00	100%	65,000	65,000	6.0%															
Anticipated Expenditures, By Year (\$1,462,543 over 30 years)													0	10,502	26,383	10,926	101,871	11,367	276,620	253,023	258,084	19,482	30,912	0	0	0	54,970

RESERVE FUNDING PLAN

COMMUNITY DEVELOPMENT DISTRICT

CASH FLOW ANALYSIS

Huntington Village

Resident Owners Association, Inc.

Ormond Beach, Florida

Individual Reserve Budgets & Cash Flows for the Next 30 Years

		FY2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Reserves at Beginning of Year	(Note 1)	30,390	37,157	79,680	123,390	168,397	214,713	262,350	290,423	340,550	392,032	444,982	462,252	517,843	574,938	633,552	476,672
Total Recommended Reserve Contributions	(Note 2)	6,667	42,000	42,800	43,700	44,600	45,500	46,400	47,300	48,200	49,200	50,200	51,200	52,200	53,200	54,300	55,400
Estimated Interest Earned, During Year	(Note 3)	101	523	910	1,307	1,716	2,137	2,476	2,827	3,282	3,750	4,064	4,391	4,895	5,414	4,974	3,934
Anticipated Expenditures, By Year		0	0	0	0	0	0	(20,803)	0	0	0	(36,994)	0	0	0	(216,154)	(134,452)
Anticipated Reserves at Year End		<u>\$37,157</u>	<u>\$79,680</u>	<u>\$123,390</u>	<u>\$168,397</u>	<u>\$214,713</u>	<u>\$262,350</u>	<u>\$290,423</u>	<u>\$340,550</u>	<u>\$392,032</u>	<u>\$444,982</u>	<u>\$462,252</u>	<u>\$517,843</u>	<u>\$574,938</u>	<u>\$633,552</u>	<u>\$476,672</u>	<u>\$401,554</u>
Predicted Reserves based on 2020 funding level of:	\$20,000	37,157	57,581	78,189	98,983	119,964	141,134	141,598	162,962	184,519	206,270	191,056	212,866	234,872	257,076	62,353	(52,053)

(continued)

Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued

		2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
Reserves at Beginning of Year		401,554	461,922	513,389	550,572	604,822	569,411	625,798	417,452	232,240	41,583	90,191	129,162	200,941	274,772	350,674
Total Recommended Reserve Contributions		56,500	57,600	58,800	60,000	61,200	62,400	63,600	64,900	66,200	67,500	68,900	70,300	71,700	73,100	74,600
Estimated Interest Earned, During Year		3,868	4,369	4,766	5,176	5,260	5,354	4,674	2,911	1,227	590	983	1,479	2,131	2,802	3,244
Anticipated Expenditures, By Year		0	(10,502)	(26,383)	(10,926)	(101,871)	(11,367)	(276,620)	(253,023)	(258,084)	(19,482)	(30,912)	0	0	0	(54,970)
Anticipated Reserves at Year End		<u>\$461,922</u>	<u>\$513,389</u>	<u>\$550,572</u>	<u>\$604,822</u>	<u>\$569,411</u>	<u>\$625,798</u>	<u>\$417,452</u>	<u>\$232,240</u>	<u>\$41,583</u>	<u>\$90,191</u>	<u>\$129,162</u>	<u>\$200,941</u>	<u>\$274,772</u>	<u>\$350,674</u>	<u>\$373,548</u>
Predicted Reserves based on 2020 funding level of:	\$20,000		(32,431)							(NOTE 5)						(NOTE 4)

Explanatory Notes:

- 1) Year 2020 starting reserves are as of September 1, 2020; FY2020 starts January 1, 2020 and ends December 31, 2020.
- 2) Reserve Contributions for 2020 are the remaining budgeted 4 months; 2021 is the first year of recommended contributions.
- 3) 0.9% is the estimated annual rate of return on invested reserves; 2020 is a partial year of interest earned.
- 4) Accumulated year 2050 ending reserves consider the age, size, overall condition and complexity of the property.
- 5) Threshold Funding Year (reserve balance at critical point).

4. RESERVE COMPONENT DETAIL

The Reserve Component Detail of this *Full Reserve Study* includes enhanced solutions and procedures for select significant components. This section describes the Reserve Components, documents specific problems and condition assessments, and may include detailed solutions and procedures for necessary capital repairs and replacements for the benefit of current and future board members. We advise the Board use this information to help define the scope and procedures for repair or replacement when soliciting bids or proposals from contractors. *However, the Report in whole or part is not and should not be used as a design specification or design engineering service.*

RESIDENT OWNERS ASSOCIATION

Exterior Building Elements

Roofs, Asphalt Shingles

Line Item: 1.280

Quantity: The asphalt shingle roofs at the villa units will comprise approximately 4,060 squares¹ at complete build-out.

History: Original

Condition: The existing roofs are in good visual condition.



Asphalt shingle roof at villa unit



Asphalt shingle roof at villa unit

¹ We quantify the roof area in squares where one square is equal to 100 square feet of surface area.



Asphalt shingle roof at villa unit

Useful Life: 15- to 20-years

Component Detail Notes: The existing roof assembly comprises the following:

- Laminate shingles
- Boston style ridge caps
- Rubber seal with plastic base boot flashing at waste pipes
- Soffit and square hood box vents
- Enclosed full weaved valleys

Insulation and ventilation are two major components of a sloped roof system. Together, proper insulation and ventilation help to control attic moisture and maintain an energy efficient building. Both insulation and ventilation prevent moisture buildup which can cause wood rot, mold and mildew growth, warp sheathing, deteriorate shingles, and eventually damage building interiors. Sufficient insulation helps to minimize the quantity of moisture that enters the attic spaces and adequate ventilation helps to remove any moisture that enters the attic spaces. These two roof system components also help to reduce the amount of energy that is required to heat and cool a building. Proper attic insulation minimizes heat gain and heat loss between the residential living spaces and attic spaces. This reduces energy consumption year-round. Proper attic ventilation removes excessive heat from attic spaces that can radiate into residential living spaces and cause air conditioners to work harder. Properly installed attic insulation and ventilation work together to maximize the useful life of sloped roof systems.

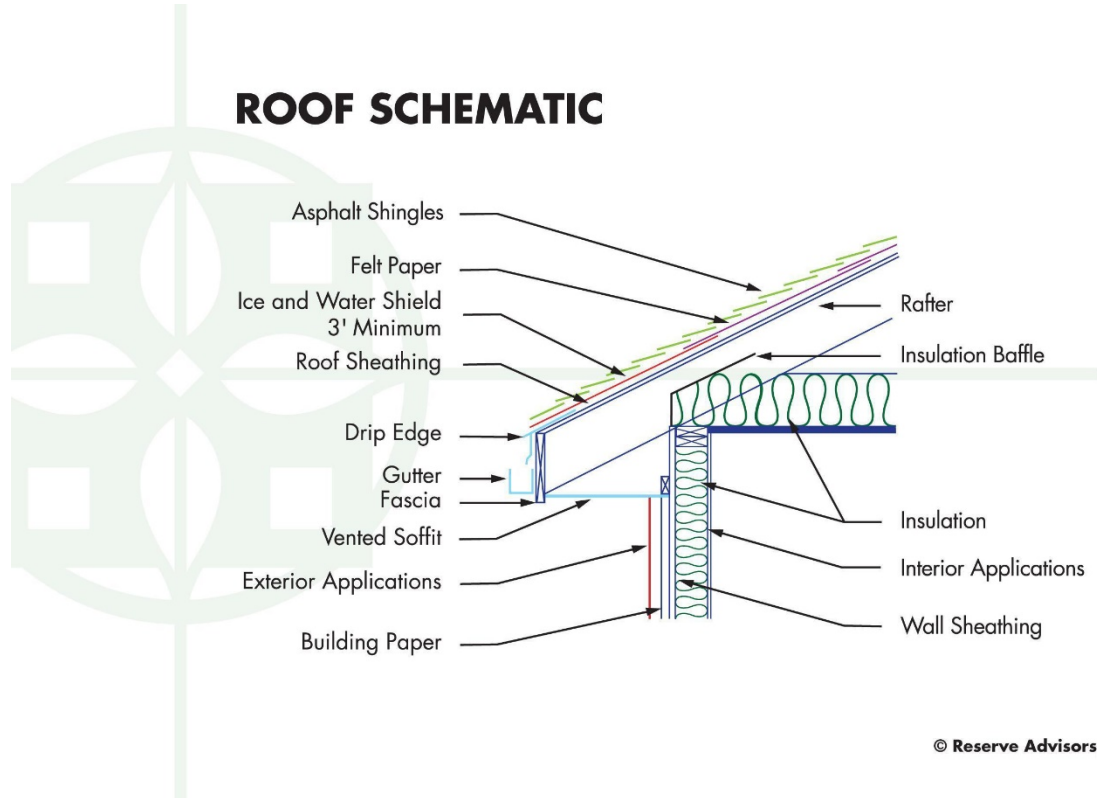
The vents should be clear of debris and not blocked from above by attic insulation. If the soffit vents are blocked from above, installation of polystyrene vent spaces or baffles between the roof joists at these locations can ensure proper ventilation.

Certain characteristics of condition govern the times of replacement. Replacement of an asphalt shingle roof becomes necessary when there are multiple or recurring leaks and when the shingles begin to cup, curl and lift. These conditions are indications that the asphalt shingle roof is near the end of its useful life. Even if the shingles are largely watertight, the infiltration of water in one area can lead to permanent damage to the underlying roof sheathing. This type of deterioration requires replacement of saturated

sections of sheathing and greatly increases the cost of roof replacement. Roof leaks may occur from interrelated roof system components, i.e., flashings. Therefore, the warranty period, if any, on the asphalt shingles, may exceed the useful life of the roof system.

Warranties are an indication of product quality and are not a product guarantee. Asphalt shingle product warranties vary from 20- to 50-years and beyond. However, the scope is usually limited to only the material cost of the shingles as caused by manufacturing defects. Warranties may cover defects such as thermal splitting, granule loss, cupping, and curling. Labor cost is rarely included in the remedy so if roof materials fail, the labor to tear off and install new shingles is extra. Other limitations of warranties are exclusions for "incidental and consequential" damages resulting from age, hurricanes, hail storms, ice dams, severe winds, tornadoes, earthquakes, etc. There are some warranties which offer no dollar limit for replacement at an additional cost (effectively an insurance policy) but again these warranties also have limits and may not cover all damages other than a product defect. We recommend a review of the manufacturers' warranties as part of the evaluation of competing proposals to replace a roof system. This evaluation should identify the current costs of remedy if the roof were to fail in the near future. A comparison of the costs of remedy to the total replacement cost will assist in judging the merits of the warranties.

The following cross-sectional schematic illustrates a typical asphalt shingle roof system although it may not reflect the actual configuration at Huntington Village:



Contractors use one of two methods for replacement of sloped roofs, either an overlayment or a tear-off. Overlayment is the application of new shingles over an

existing roof. However, there are many disadvantages to overlayment including hidden defects of the underlying roof system, absorption of more heat resulting in accelerated deterioration of the new and old shingles, and an uneven visual appearance. Therefore, we recommend only the tear-off method of replacement. The tear-off method of replacement includes removal of the existing shingles, flashings if required and underlayments.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3.

Property Site Elements

Asphalt Pavement, Parking Area, Repaving

Line Item: 4.040

Quantity: Approximately 2,425 square yards at the clubhouse parking area. The parking area also includes approximately 845 linear feet of concrete curbs and gutters, and two catch basins.

History: The pavement was constructed in 2016.

Condition: Good overall. We note an area of ponded water with inadequate drainage to the adjacent catch basin.



Asphalt pavement at clubhouse parking area



Asphalt pavement at clubhouse parking area



Asphalt pavement at clubhouse parking area



Inadequate drainage to catch basin at clubhouse parking area



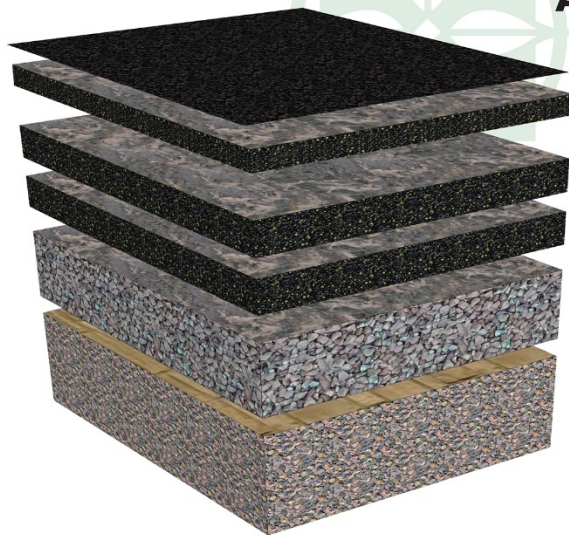
Concrete curb and gutter at clubhouse parking area



Concrete curb at clubhouse parking area

Useful Life: 20- to 25-years with the benefit of timely crack repairs and patching

Component Detail Notes: The initial installation of asphalt uses at least two lifts, or two separate applications of asphalt, over the base course. The first lift is the binder course. The second lift is the wearing course. The wearing course comprises a finer aggregate for a smoother more watertight finish. The following diagram depicts the typical components although it may not reflect the actual configuration at Huntington Village:



ASPHALT DIAGRAM

Sealcoat or Wearing Surface

Asphalt Overlay Not to Exceed 1.5 inch Thickness per Lift or Layer

Original Pavement Inspected and milled until sound pavement is found, usually comprised of two layers

Compacted Crushed Stone or Aggregate Base

Subbase of Undisturbed Native Soils Compacted to 95% dry density

© Reserve Advisors

The manner of repaving is either a mill and overlay or total replacement. A mill and overlay is a method of repaving where cracked, worn and failed pavement is mechanically removed or milled until sound pavement is found. A new layer of asphalt is overlaid atop the remaining base course of pavement. Total replacement includes the removal of all existing asphalt down to the base course of aggregate and native soil followed by the application of two or more new lifts of asphalt. We recommend mill and overlay on asphalt pavement that exhibits normal deterioration and wear. We recommend total replacement of asphalt pavement that exhibits severe deterioration, inadequate drainage, pavement that has been overlaid multiple times in the past or where the configuration makes overlayment not possible. Based on the apparent visual condition and configuration of the asphalt pavement, we recommend the mill and overlay method of repaving at Huntington Village.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our cost for milling and overlayment includes area patching of up to ten percent (10%), partial replacements of the curbs and gutters and capital repairs to the catch basins as needed.

Mailbox Stations

Line Item: 4.600

Quantity: 22 mailbox stations

History: Original. Installed from 2017 to the present.

Condition: Good overall



Typical mailbox stations



Typical mailbox stations

Useful Life: Up to 25 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3.

Ponds, Aerator

Line Item: 4.700

Quantity: One aerator at the pond located at the southwest corner of the intersection of Huntington Place and Hunters Ridge Boulevard.

History: Installed in 2020

Condition: Reported in good condition



Aerator at pond

Useful Life: 10- to 15-years

Component Detail Notes: The use of small pumps, motors and aerators circulates pond water and increases the amount of entrained oxygen in the water, increasing water quality and reducing algae growths.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3.

Clubhouse Elements



Exterior view of clubhouse



Exterior view of clubhouse



Exterior view of clubhouse

Air Handling and Condensing Units, Split System

Line Item: 5.071

Quantity: One three-ton split system that serves the clubhouse interior

History: Original to construction of the clubhouse in 2020.

Condition: Reported good without operational deficiencies



Split system condensing unit at clubhouse

Useful Life: 12- to 18-years

Component Detail Notes: A split system air conditioner consists of an outside condensing unit, an interior evaporator coil, refrigerant lines and an interior electric air handling unit. The condensing unit has a cooling capacity of three-tons. The split system uses R-410A refrigerant.

Preventative Maintenance Notes: We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. We also recommend the

Association maintain a maintenance contract with a qualified professional. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Semi-annually:
 - Lubricate motors and bearings
 - Change or clean air filters as needed
 - Inspect condenser base and piping insulation
 - Inspect base pan, coil, cabinet and clear obstructions as necessary
- Annually:
 - Clean coils and drain pans, clean fan assembly, check refrigerant charge, inspect fan drive system and controls
 - Inspect and clean accessible ductwork as needed
 - Clean debris from inside cabinet, inspect condenser compressor and associated tubing for damage

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. The condensing unit may require replacement prior to replacement of the related interior forced air unit. For purposes of this Reserve Study, we assume coordination of replacement of the interior forced air unit, evaporator coil, refrigerant lines and exterior condensing unit.

Audio System

Line Item: 5.091

Quantity: An audio system at the clubhouse that includes three speakers and audio control components.

History: Original to construction of the clubhouse in 2020.

Condition: Good overall

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3.

Exercise Equipment

Line Items: 5.155 and 5.165

Quantity: The exercise room contains the following types of cardiovascular aerobic training equipment:

- Elliptical (1)
- Stationary cycles (2)
- Televisions (2)
- Treadmills (2)

The exercise room contains the following types of strength training equipment:

- Bench (1)
- Dumbbells (1 set)
- Strength training machines (2)

History: Original to construction of the clubhouse in 2020.

Conditions: Good overall



Cardiovascular exercise equipment



Strength training equipment



Strength training equipment

Useful Life: The useful life of cardiovascular equipment is up to 10 years. The useful life of strength training equipment is up to 15 years.

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We recommend Huntington Village anticipate replacement of up to fifty percent (50%) of the cardiovascular equipment and up to one-hundred percent (100%) of the strength training equipment per event.

Exercise Room

Line Item: 5.181

History: Original to construction of the clubhouse in 2020.

Condition: Good overall



Overview of exercise room



Overview of exercise room



Athletic mat floor coverings at exercise room



Finishes and ceiling fan at exercise room



Cabinets and countertop at exercise room

Useful Life: Renovations every 15 years

Component Detail Notes: The exercise room components include:

- Athletic mat floor coverings
- Paint finishes
- Light fixtures
- Ceiling fans
- Cabinets and countertop
- Drinking fountains

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3.

Rest Rooms

Line Item: 5.501

Quantity: Two common area rest rooms located at the clubhouse

History: Original to construction of the clubhouse in 2020.

Condition: Good overall



Finishes and fixtures at rest room



Finishes and fixtures at rest room



Finishes and fixtures at rest room



Tile wall coverings and coated floor at rest room

Useful Life: Renovations every 20 years

Component Detail Notes: Components include:

- Coated floor coverings
- Tile wall coverings
- Paint finishes
- Light fixtures
- Plumbing fixtures
- Rest room partitions
- Countertops
- Fans
- Drinking fountains

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3.

Roof Assembly, Asphalt Shingles

Line Item: 5.600

Quantity: 33 squares² of asphalt shingle roofing at the clubhouse. The roof utilizes approximately 180 linear feet of gutters and downspouts.

History: Original to construction of the clubhouse in 2020.

Condition: Good condition



Asphalt shingle roof at clubhouse



Asphalt shingle roof at clubhouse

Useful Life: 15- to 20-years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3.

Security System

Line Item: 5.721

Quantity: Huntington Village utilizes the following security system components at the clubhouse:

- Cameras (2)
- Recorder (1)

History: Original to construction of the clubhouse in 2020.

Condition: Assumed in good operational condition based on age

² We quantify the roof area in squares where one square is equal to 100 square feet of surface area.



Security camera at clubhouse

Useful Life: 10- to 15-years

Preventative Maintenance Notes: We recommend the Association obtain and adhere to the manufacturer's recommended maintenance plan. The required preventative maintenance may vary in frequency and scope based on the unit's age, operational condition, or changes in technology. We note the following select recommended preventative maintenance activities to maximize the remaining useful life:

- Monthly:
 - Check cameras for proper focus, fields of view are unobstructed and camera and lenses are clean and dust-free
 - Check recording equipment for proper operation
 - Verify monitors are free from distortion with correct brightness and contrast
- Annually:
 - Check exposed wiring and cables for wear, proper connections and signal transmission
 - Check power connections, and if applicable, functionality of battery power supply systems

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. The Association should anticipate replacement of all of the security system components per event.

Walls, Stucco

Line Item: 5.881

Quantity: Approximately 3,400 square feet of the clubhouse exterior. This quantity includes the coatings at the concrete flatwork.

History: Original to construction of the clubhouse in 2020.

Condition: Good overall



Finishes at clubhouse exterior

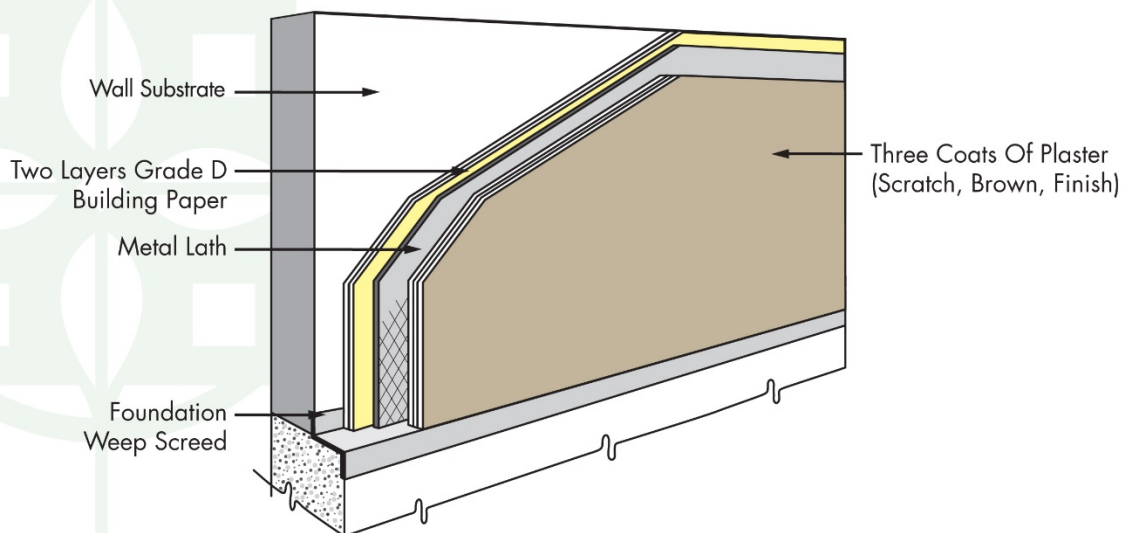


Finishes at clubhouse exterior

Useful Life: We include finish applications and repairs every five years.

Component Detail Notes: The following graphic details the typical components of a stucco wall system on frame construction although it may not reflect the actual configuration at Huntington Village:

STUCCO DETAIL



© Reserve Advisors

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our estimate of cost anticipates the following in coordination with each paint finish application:

- Complete inspection of the stucco
- Crack repairs as needed (Each paint product has the limited ability to cover and seal cracks but we recommend repair of all cracks which exceed the ability of the paint product to bridge.)
- Replacement of up to one percent (1%), of the stucco walls (The exact amount of area in need of replacement will be discretionary based on the actual future conditions and the desired appearance.)
- Replacement of up to thirty-three percent (33%) of the sealants in coordination with each paint finish application.

Pool Elements



Overview of pool area



Overview of pool area

Deck, Pavers

Line Item: 6.200

Quantity: Approximately 3,525 square feet at the pool deck

History: Original to construction of the pool in 2020.

Condition: Good condition with no significant deterioration evident



Pavers at pool deck



Pavers at pool deck



Pavers at pool deck

Useful Life: Up to 25 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We recommend the Association fund interim inspections, partial replacements and repairs through the operating budget.

Fence, Aluminum

Line Item: 6.400

Quantity: Approximately 535 linear feet

History: Original to construction of the pool in 2020.

Condition: Good overall condition with no significant deterioration evident



Aluminum fence at pool area



Aluminum fence at pool area

Useful Life: Up to 25 years

Priority/Criticality: Not recommended to defer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3.

Furniture

Line Item: 6.500

Quantity: The pool furniture includes the following:

- Chairs (22)
- Lounges (22)
- Tables (20)
- Umbrellas (4)
- Ottomans (4)
- Trash receptacles (3)
- Life safety equipment

History: Original to construction of the pool in 2020.

Condition: Good overall



Pool furniture



Pool furniture

Useful Life: Up to 12 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We recommend interim refinishing, reupholstering and other repairs to the furniture as normal maintenance to maximize its useful life.

Light Poles and Fixtures

Line Item: 6.561

Quantity: Six decorative metal poles with light fixtures at the pool area

History: Original to construction of the pool in 2020.

Condition: Good overall



Light pole and fixture at pool area



Light poles and fixtures at pool area

Useful Life: Up to 25 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3.

Pool Finishes, Plaster and Tile

Line Items: 6.800 and 6.801

Quantity: 1,700 square feet of plaster based on the horizontal surface area and approximately 180 linear feet of tile

History: Original to construction of the pool in 2020.

Condition: Good overall



Pool plaster finish



Pool plaster finish, waterline tile and accent tile



Pool plaster finish, waterline tile and accent tile



Pool plaster finish, waterline tile and accent tile



Useful Life: 8- to 12-years for the plaster and 15- to 25-years for the tile

Component Detail Notes: Removal and replacement provides the opportunity to inspect the pool structure and to allow for partial repairs of the underlying concrete surfaces as needed. To maintain the integrity of the pool structure, we recommend the Association budget for the following:

- Removal and replacement of the plaster finish
- Partial replacements of the scuppers and coping as needed
- Replacement of tiles as needed
- Replacement of joint sealants as needed
- Concrete structure repairs as needed

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We recommend the Association budget for full tile replacement every other plaster replacement event.

COMMUNITY DEVELOPMENT DISTRICT

Asphalt Pavement, Patch

Line Item: 4.021

Quantity: Approximately 36,945 square yards. This quantity includes the areas of asphalt pavement still under construction.

History: Original. The pavement was constructed from 2010 to 2020. A portion of the pavement is still under construction.

Condition: Good overall

Useful Life: 3- to 5-years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our cost includes an allowance for patching of up to two percent (2%) of the pavement.

Asphalt Pavement, Repaving

Line Item: 4.041, 4.042 and 4.043

Quantity: Approximately 36,945 square yards. The following table depicts the locations, quantities and years of construction, and includes the areas of asphalt pavement still under construction.

Location	Quantity (Square Yards)	Year(s) of Construction
Huntington Place and Shear Water Trail	8,070	2010
Heron Wing Drive	3,075	2016
Streets Constructed from 2018-2020	25,800	2018-2020
TOTAL	36,945	

History: Original. The pavement was constructed from 2010 to 2020. A portion of the pavement is still under construction.

Condition: Good overall with no significant deterioration evident



Typical good condition of asphalt pavement



Typical good condition of asphalt pavement



Typical good condition of asphalt pavement



Typical good condition of asphalt pavement



Typical good condition of asphalt pavement



Typical good condition of asphalt pavement



Typical good condition of asphalt pavement



Typical good condition of asphalt pavement



Typical good condition of asphalt pavement



Typical good condition of asphalt pavement



Typical good condition of asphalt pavement



Typical good condition of asphalt pavement



Typical good condition of asphalt pavement



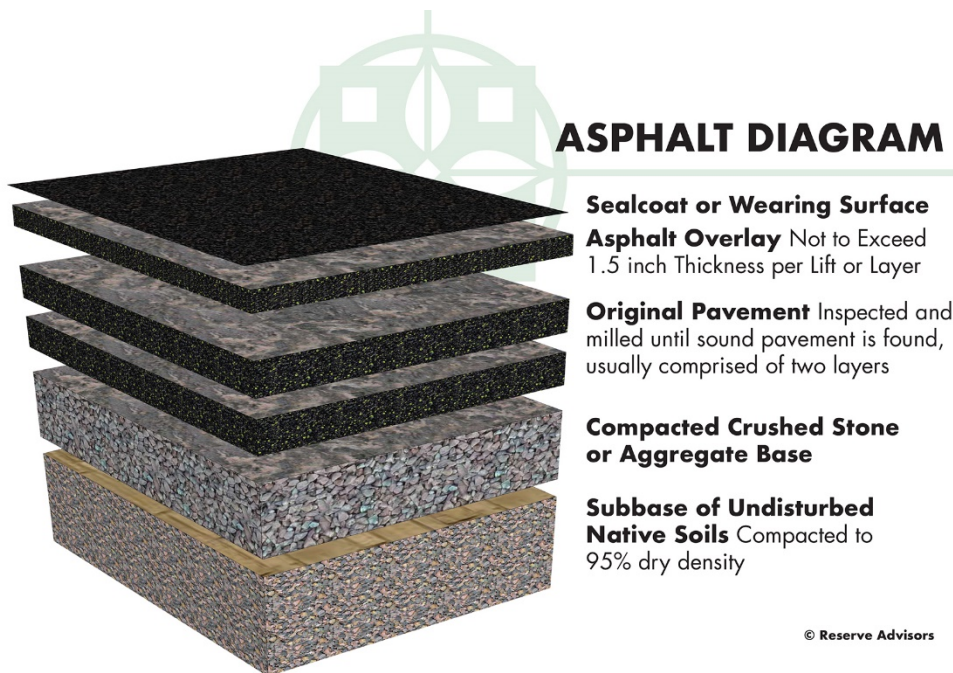
Typical good condition of asphalt pavement



Asphalt pavement street under construction

Useful Life: 20- to 25-years with the benefit of timely crack repairs and patching

Component Detail Notes: The initial installation of asphalt uses at least two lifts, or two separate applications of asphalt, over the base course. The first lift is the binder course. The second lift is the wearing course. The wearing course comprises a finer aggregate for a smoother more watertight finish. The following diagram depicts the typical components although it may not reflect the actual configuration at Huntington Village:



The manner of repaving is either a mill and overlay or total replacement. A mill and overlay is a method of repaving where cracked, worn and failed pavement is mechanically removed or milled until sound pavement is found. A new layer of asphalt is overlaid atop the remaining base course of pavement. Total replacement includes the removal of all existing asphalt down to the base course of aggregate and native soil followed by the application of two or more new lifts of asphalt. We recommend mill and overlayment on asphalt pavement that exhibits normal deterioration and wear. We recommend total replacement of asphalt pavement that exhibits severe deterioration, inadequate drainage, pavement that has been overlaid multiple times in the past or where the configuration makes overlayment not possible. We recommend the mill and overlay method of repaving at Huntington Village.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our cost for milling and overlayment includes area patching of up to ten percent (10%). Our cost for milling and overlayment at Heron Wing Drive includes an allowance for capital repairs to the four catch basins.

Catch Basins

Line Items: 4.100 and 4.101

Quantity: 12 catch basins³ at the pavement constructed in 2010 and 44 catch basins at the pavement constructed from 2018 to 2020.

History: Original

Condition: Good overall without settlement visually apparent



Catch basin and concrete collar



Catch basin and concrete collar

Life: The useful life of catch basins is up to 65 years. However, achieving this useful life usually requires interim capital repairs or partial replacements every 20- to 25-years.

Component Detail Notes: Erosion causes settlement around the collar of catch basins. Left unrepaired, the entire catch basin will shift and need replacement.

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We recommend the Association plan for inspections and capital repairs to the catch basins in conjunction with repaving.

Concrete Gutters

Line Items: 4.110, 4.111 and 4.112

Quantity: Approximately 5,550 linear feet at the asphalt pavement constructed in 2010; 2,200 linear feet at the asphalt pavement constructed in 2016; and 20,050 linear feet at

³ We utilize the terminology catch basin to refer to all stormwater collection structures including curb inlets.

the asphalt pavement constructed from 2018 to 2020. This includes the areas of asphalt pavement still under construction.

Condition: Good overall



Typical condition of concrete gutters



Typical condition of concrete gutters



Typical condition of concrete gutters



Typical condition of concrete gutters

Useful Life: Up to 65 years although interim deterioration of areas is common

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We estimate that up to fifteen percent (15%) of the total of each section will require replacement during the next 30 years.

Concrete Sidewalks

Line Item: 4.140

Quantity: The Association currently maintains approximately 25,000 square feet of concrete sidewalks throughout the community. The community is still under development and this quantity will increase as the community approaches complete buildout. Future updates to this Reserve Study will include additional concrete sidewalks as they are constructed.

Condition: Good overall



Typical condition of concrete sidewalks



Typical condition of concrete sidewalks



Typical condition of concrete sidewalks

Useful Life: Up to 65 years although interim deterioration of areas is common

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. We estimate that up to twenty-five percent (25%) of the total amount of currently constructed sidewalks will require replacement during the next 30 years. Future updates to this Reserve Study will include additional concrete sidewalks as they are constructed.

Fences, Aluminum, Hunters Ridge Boulevard and Huntington Place

Line Item: 4.200

Quantity: Approximately 345 linear feet at Hunters Ridge Boulevard and Huntington Place

History: Original

Condition: Good overall with no significant deterioration evident



Aluminum fence



Aluminum fence

Useful Life: Up to 25 years

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3.

Irrigation System, Pumps

Line Item: 4.410

Quantity: Based on conversation with the irrigation contractor, the Association currently maintains one 7.5-HP pump for the irrigation system. The system is still under construction, and it is expected that two- to three-more pumps will be installed to serve the system. For the purposes of this study, we assume that there will be four total pumps.

History: The current pump is original.

Condition: Reported in good operational condition

Useful Life: Up to 15 years

Priority/Criticality: Defer only upon opinion of independent professional or engineer

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3.

Signage, Monuments, Renovation

Line Item: 4.800

Quantity: Six property identification monuments and nine decorative structures with wood fences throughout the community. The Association also maintains the stone veneer columns throughout the community.

History: Original

Condition: Good overall



Property identification monument



Property identification monument



Property identification monument



Property identification monument



Stone veneer columns and wood fence



Stone veneer columns and wood fence

Useful Life: 20- to 25-years

Component Detail Notes: Community signage contributes to the overall aesthetic appearance of the property to owners and potential buyers. Renovation or replacement of community signs is often predicated upon the desire to "update" the perceived identity of the community rather than for utilitarian concerns. Therefore, the specific times for replacement or renovation are discretionary. The signage includes the following elements:

- Light fixtures
- Fences, Wood
- Lettering
- Tile
- Masonry, Stone Veneer
- EIFS copings
- Landscaping

Priority/Criticality: Per Board discretion

Expenditure Detail Notes: Expenditure timing and costs are depicted in the **Reserve Expenditures** table in Section 3. Our cost for renovation includes repointing and repairs to the masonry and replacement of the remaining components listed above. The Association should fund interim repairs and finish replacements to the signage through the operating budget.

Reserve Study Update

An ongoing review by the Board and an Update of this Reserve Study are necessary to ensure an equitable funding plan since a Reserve Study is a snapshot in time. Many variables change after the study is conducted that may result in significant overfunding or underfunding the reserve account. Variables that may affect the Reserve Funding Plan include, but are not limited to:

- Deferred or accelerated capital projects based on Board discretion



- Changes in the interest rates on reserve investments
- Changes in the *local* construction inflation rate
- Additions and deletions to the Reserve Component Inventory
- The presence or absence of maintenance programs
- Unusually mild or extreme weather conditions
- Technological advancements

Periodic updates incorporate these variable changes since the last Reserve Study or Update. The Association can expense the fee for an Update with site visit from the reserve account. This fee is included in the Reserve Funding Plan. We base this budgetary amount on updating the same property components and quantities of this Reserve Study report. We recommend the Board budget for an Update to this Reserve Study in two- to three-years. Budgeting for an Update demonstrates the Board's objective to continue fulfilling its fiduciary responsibility to maintain the commonly owned property and to fund reserves appropriately.

5.METHODOLOGY

Reserves for replacement are the amounts of money required for future expenditures to repair or replace Reserve Components that wear out before the entire facility or project wears out. Reserving funds for future repair or replacement of the Reserve Components is also one of the most reliable ways of protecting the value of the property's infrastructure and marketability.

Huntington Village can fund capital repairs and replacements in any combination of the following:

1. Increases in the operating budget during years when the shortages occur
2. Loans using borrowed capital for major replacement projects
3. Level monthly reserve assessments annually adjusted upward for inflation to increase reserves to fund the expected major future expenditures
4. Special assessments

We do not advocate special assessments or loans unless near term circumstances dictate otherwise. Although loans provide a gradual method of funding a replacement, the costs are higher than if the Association were to accumulate reserves ahead of the actual replacement. Interest earnings on reserves also accumulate in this process of saving or reserving for future replacements, thereby defraying the amount of gradual reserve collections. We advocate the third method of *Level Monthly Reserve Assessments* with relatively minor annual adjustments. The method ensures that Homeowners pay their "fair share" of the weathering and aging of the commonly owned property each year. Level reserve assessments preserve the property and enhance the resale value of the homes.

This Reserve Study is in compliance with and exceeds the National standards¹ set forth by the Association of Professional Reserve Analysts (APRA) fulfilling the requirements of a "Level I Full Reserve Study." These standards require a Reserve Component to have a "predictable remaining Useful Life." Estimating Remaining Useful Lives and Reserve Expenditures beyond 30 years is often indeterminate. Long-Lived Property Elements are necessarily excluded from this analysis. We considered the following factors in our analysis:

- The Cash Flow Method to compute, project and illustrate the 30-year Reserve Funding Plan
- Local² costs of material, equipment and labor
- Current and future costs of replacement for the Reserve Components
- Costs of demolition as part of the cost of replacement
- Local economic conditions and a historical perspective to arrive at our estimate of long-term future inflation for construction costs in Ormond

¹ Identified in the APRA "Standards - Terms and Definitions" and the CAI "Terms and Definitions".

² See Credentials for additional information on our use of published sources of cost data.

Beach, Florida at an annual inflation rate³. Isolated or regional markets of greater construction (development) activity may experience slightly greater rates of inflation for both construction materials and labor.

- The past and current maintenance practices of Huntington Village and their effects on remaining useful lives
- Financial information provided by the Association pertaining to the cash status of the reserve fund and budgeted reserve contribution
- The anticipated effects of appreciation of the reserves over time in accord with a return or yield on investment of your cash equivalent assets. (We did not consider the costs, if any, of Federal and State Taxes on income derived from interest and/or dividend income).
- The Funding Plan excludes necessary operating budget expenditures. It is our understanding that future operating budgets will provide for the ongoing normal maintenance of Reserve Components.

Updates to this Reserve Study will continue to monitor historical facts and trends concerning the external market conditions.

³ Derived from Marshall & Swift, historical costs and the Bureau of Labor Statistics.



6. CREDENTIALS

HISTORY AND DEPTH OF SERVICE

Founded in 1991, Reserve Advisors is the leading provider of reserve studies, insurance appraisals, developer turnover transition studies, expert witness services, and other engineering consulting services. Clients include community associations, resort properties, hotels, clubs, non-profit organizations, apartment building owners, religious and educational institutions, and office/commercial building owners in 48 states, Canada and throughout the world.

The **architectural engineering consulting firm** was formed to take a leadership role in helping fiduciaries, boards, and property managers manage their property like a business with a long-range master plan known as a Reserve Study.

Reserve Advisors employs the **largest staff of Reserve Specialists** with bachelor's degrees in engineering dedicated to Reserve Study services. Our founders are also founders of Community Associations Institute's (CAI) Reserve Committee that developed national standards for reserve study providers. One of our founders is a Past President of the Association of Professional Reserve Analysts (APRA). Our vast experience with a variety of building types and ages, on-site examination and historical analyses are keys to determining accurate remaining useful life estimates of building components.

No Conflict of Interest - As consulting specialists, our **independent opinion** eliminates any real or perceived conflict of interest because we do not conduct or manage capital projects.

TOTAL STAFF INVOLVEMENT

Several staff members participate in each assignment. The responsible advisor involves the staff through a Team Review, exclusive to Reserve Advisors, and by utilizing the experience of other staff members, each of whom has served hundreds of clients. We conduct Team Reviews, an internal quality assurance review of each assignment, including: the inspection; building component costing; lifing; and technical report phases of the assignment. Due to our extensive experience with building components, we do not have a need to utilize subcontractors.

OUR GOAL

To help our clients fulfill their fiduciary responsibilities to maintain property in good condition.

VAST EXPERIENCE WITH A VARIETY OF BUILDINGS

Reserve Advisors has conducted reserve studies for a multitude of different communities and building types. We've analyzed thousands of buildings, from as small as a 3,500-square foot day care center to the 2,600,000-square foot 98-story Trump International Hotel and Tower in Chicago. We also routinely inspect buildings with various types of mechanical systems such as simple electric heat, to complex systems with air handlers, chillers, boilers, elevators, and life safety and security systems.

We're familiar with all types of building exteriors as well. Our well-versed staff regularly identifies optimal repair and replacement solutions for such building exterior surfaces such as adobe, brick, stone, concrete, stucco, EIFS, wood products, stained glass and aluminum siding, and window wall systems.

OLD TO NEW

Reserve Advisors' experience includes ornate and vintage buildings as well as modern structures. Our specialists are no strangers to older buildings. We're accustomed to addressing the unique challenges posed by buildings that date to the 1800's. We recognize and consider the methods of construction employed into our analysis. We recommend appropriate replacement programs that apply cost effective technologies while maintaining a building's character and appeal.

JEFFREY B. DOW, P.E., RS
Responsible Advisor

CURRENT CLIENT SERVICES

Jeffrey B. Dow, a Civil engineer, is the Regional Engineering Manager for the Southeast Region of Reserve Advisors. Mr. Dow is responsible for the inspection and analysis of the condition of clients' properties, and recommending engineering solutions to prolong the lives of the components. He also forecasts capital expenditures for the repair and/or replacement of the property components and prepares technical reports on assignments. He is responsible for conducting Life Cycle Cost Analyses and Capital Replacement Forecast services and the preparation of Reserve Study Reports for condominiums, townhomes and homeowner associations. Mr. Dow frequently serves as the Quality Assurance Review Coordinator for all types of communities.



The following is a partial list of clients served by Jeffrey Dow demonstrating his breadth of experiential knowledge of community associations in construction and related buildings systems.

Alson Court Condominium Owners Association, Inc. - This historic Charlotte, NC building was constructed in 1939 and comprises all-brick construction and a clay tile roof. The unique layout of the building, which includes a number of entrances and lobbies, allows for two picturesque courtyards. The property includes two detached garages.

Charleston Oceanfront Villas Homeowners Association - This oceanfront condominium offers spectacular views of Folly Beach, SC and the Atlantic Ocean. The four-story stucco building contains 96 luxury residential units. Amenities include private balconies, a large garage on the first floor and two pools.

Le Club at Old Cutler Condominium Association, Inc. - This condominium community in Miami, FL comprises 334 units in 14 buildings. Amenities of this property include a large pond with a lighted lake walk, a large clubhouse with fitness room, a pool, a sauna, a playground and tennis courts.

Marco Towers Club, Inc. - Located on exclusive Marco Island just south of Naples, FL, this eight-story mid-rise features solid concrete construction and was the designated hurricane shelter for its community for many years. It houses 57 condominiums with balconies offering views of the adjacent intercoastal waterway. The property also includes a party room, office and detached garages.

Mountaintop Community Association - This mountain golf community is located in Highlands, NC and includes high-end single family homes. The community includes a wastewater treatment plant, lift stations, two domestic water wells, three bridges and asphalt pavement roadways.

The Academy at Ocean Reef - Located in Key Largo, FL, this private institution serves kindergarten through the eighth grade and includes offices, a science lab, a music room, a television production room, six classrooms, an atrium and other learning facilities.

PRIOR RELEVANT EXPERIENCE

Before joining Reserve Advisors, Mr. Dow successfully completed the bachelors program in Civil Engineering from Florida State University. He also has four years of experience as a land development engineer in the Washington, D.C. area and Tampa, FL, where he gained knowledge in the design of residential and commercial property, utility layout and stormwater detention.

EDUCATION

Florida State University - B.S. Civil Engineering, Cum Laude

PROFESSIONAL AFFILIATIONS

Professional Engineer (P.E.) - State of Florida, 2008

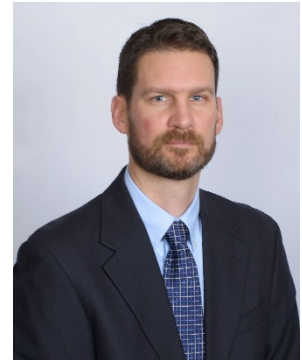
Reserve Specialist (RS) - Community Associations Institute

ALAN M. EBERT, P.E., PRA, RS
Director of Quality Assurance

CURRENT CLIENT SERVICES

Alan M. Ebert, a Professional Engineer, is the Director of Quality Assurance for Reserve Advisors. Mr. Ebert is responsible for the management, review and quality assurance of reserve studies. In this role, he assumes the responsibility of stringent report review analysis to assure report accuracy and the best solution for Reserve Advisors' clients.

Mr. Ebert has been involved with thousands of Reserve Study assignments. The following is a partial list of clients served by Alan Ebert demonstrating his breadth of experiential knowledge of community associations in construction and related buildings systems.



Brownsville Winter Haven Located in Brownsville, Texas, this unique homeowners association contains 525 units. The Association maintains three pools and pool houses, a community and management office, landscape and maintenance equipment, and nine irrigation canals with associated infrastructure.

Rosemont Condominiums This unique condominium is located in Alexandria, Virginia and dates to the 1940's. The two mid-rise buildings utilize decorative stone and brick masonry. The development features common interior spaces, multi-level wood balconies and common asphalt parking areas.

Stillwater Homeowners Association Located in Naperville, Illinois, Stillwater Homeowners Association maintains four tennis courts, an Olympic sized pool and an upscale ballroom with commercial-grade kitchen. The community also maintains three storm water retention ponds and a detention basin.

Birchfield Community Services Association This extensive Association comprises seven separate parcels which include 505 townhome and single family homes. This Community Services Association is located in Mt. Laurel, New Jersey. Three lakes, a pool, a clubhouse and management office, wood carports, aluminum siding, and asphalt shingle roofs are a few of the elements maintained by the Association.

Oakridge Manor Condominium Association Located in Londonderry, New Hampshire, this Association includes 104 units at 13 buildings. In addition to extensive roads and parking areas, the Association maintains a large septic system and significant concrete retaining walls.

Memorial Lofts Homeowners Association This upscale high rise is located in Houston, Texas. The 20 luxury units include large balconies and decorative interior hallways. The 10-story building utilizes a painted stucco facade and TPO roof, while an on-grade garage serves residents and guests.

PRIOR RELEVANT EXPERIENCE

Mr. Ebert earned his Bachelor of Science degree in Geological Engineering from the University of Wisconsin-Madison. His relevant course work includes foundations, retaining walls, and slope stability. Before joining Reserve Advisors, Mr. Ebert was an oilfield engineer and tested and evaluated hundreds of oil and gas wells throughout North America.

EDUCATION

University of Wisconsin-Madison - B.S. Geological Engineering

PROFESSIONAL AFFILIATIONS/DESIGNATIONS

Professional Engineering License – Wisconsin, North Carolina, Illinois, Colorado

Reserve Specialist (RS) - Community Associations Institute

Professional Reserve Analyst (PRA) - Association of Professional Reserve Analysts



RESOURCES

Reserve Advisors utilizes numerous resources of national and local data to conduct its Professional Services. A concise list of several of these resources follows:

Association of Construction Inspectors, (ACI) the largest professional organization for those involved in construction inspection and construction project management. ACI is also the leading association providing standards, guidelines, regulations, education, training, and professional recognition in a field that has quickly become important procedure for both residential and commercial construction, found on the web at www.iami.org.

American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc., (ASHRAE) the American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc., devoted to the arts and sciences of heating, ventilation, air conditioning and refrigeration; recognized as the foremost, authoritative, timely and responsive source of technical and educational information, standards and guidelines, found on the web at www.ashrae.org. Reserve Advisors actively participates in its local chapter and holds individual memberships.

Community Associations Institute, (CAI) America's leading advocate for responsible communities noted as the only national organization dedicated to fostering vibrant, responsive, competent community associations. Their mission is to assist community associations in promoting harmony, community, and responsible leadership.

Marshall & Swift / Boeckh, (MS/B) the worldwide provider of building cost data, co-sourcing solutions, and estimating technology for the property and casualty insurance industry found on the web at www.marshallswift.com.

R.S. Means CostWorks, North America's leading supplier of construction cost information. As a member of the Construction Market Data Group, Means provides accurate and up-to-date cost information that helps owners, developers, architects, engineers, contractors and others to carefully and precisely project and control the cost of both new building construction and renovation projects found on the web at www.rsmeans.com.

Reserve Advisors' library of numerous periodicals relating to reserve studies, condition analyses, chapter community associations, and historical costs from thousands of capital repair and replacement projects, and product literature from manufacturers of building products and building systems.

7. DEFINITIONS

Definitions are derived from the standards set forth by the Community Associations Institute (CAI) representing America's 305,000 condominium and homeowners associations and cooperatives, and the Association of Professional Reserve Analysts, setting the standards of care for reserve study practitioners.

Cash Flow Method - A method of calculating Reserve Contributions where contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund. Different Reserve Funding Plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

Component Method - A method of developing a Reserve Funding Plan with the total contribution is based on the sum of the contributions for individual components.

Current Cost of Replacement - That amount required today derived from the quantity of a *Reserve Component* and its unit cost to replace or repair a Reserve Component using the most current technology and construction materials, duplicating the productive utility of the existing property at current *local* market prices for *materials, labor* and manufactured equipment, contractors' overhead, profit and fees, but without provisions for building permits, overtime, bonuses for labor or premiums for material and equipment. We include removal and disposal costs where applicable.

Fully Funded Balance - The Reserve balance that is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost similar to Total Accrued Depreciation.

Funding Goal (Threshold) - The stated purpose of this Reserve Study is to determine the adequate, not excessive, minimal threshold reserve balances.

Future Cost of Replacement - *Reserve Expenditure* derived from the inflated current cost of replacement or current cost of replacement as defined above, with consideration given to the effects of inflation on local market rates for materials, labor and equipment.

Long-Lived Property Component - Property component of Huntington Village responsibility not likely to require capital repair or replacement during the next 30 years with an unpredictable remaining Useful Life beyond the next 30 years.

Percent Funded - The ratio, at a particular point of time (typically the beginning of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.

Remaining Useful Life - The estimated remaining functional or useful time in years of a *Reserve Component* based on its age, condition and maintenance.

Reserve Component - Property elements with: 1) Huntington Village responsibility; 2) limited Useful Life expectancies; 3) predictable Remaining Useful Life expectancies; and 4) a replacement cost above a minimum threshold.

Reserve Component Inventory - Line Items in *Reserve Expenditures* that identify a *Reserve Component*.

Reserve Contribution - An amount of money set aside or *Reserve Assessment* contributed to a *Reserve Fund* for future *Reserve Expenditures* to repair or replace *Reserve Components*.

Reserve Expenditure - Future Cost of Replacement of a Reserve Component.

Reserve Fund Status - The accumulated amount of reserves in dollars at a given point in time, i.e., at year end.

Reserve Funding Plan - The portion of the Reserve Study identifying the *Cash Flow Analysis* and containing the recommended Reserve Contributions and projected annual expenditures, interest earned and reserve balances.

Reserve Study - A budget planning tool that identifies the current status of the reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area expenditures.

Useful Life - The anticipated total time in years that a *Reserve Component* is expected to serve its intended function in its present application or installation.



8. PROFESSIONAL SERVICE CONDITIONS

Our Services - Reserve Advisors, LLC (RA) performs its services as an independent contractor in accordance with our professional practice standards and its compensation is not contingent upon our conclusions. The purpose of our reserve study is to provide a budget planning tool that identifies the current status of the reserve fund, and an opinion recommending an annual funding plan to create reserves for anticipated future replacement expenditures of the property.

Our inspection and analysis of the subject property is limited to visual observations, is noninvasive and is not meant to nor does it include investigation into statutory, regulatory or code compliance. RA inspects sloped roofs from the ground and inspects flat roofs where safe access (stairs or ladder permanently attached to the structure) is available. The report is based upon a "snapshot in time" at the moment of inspection. RA may note visible physical defects in our report. The inspection is made by employees generally familiar with real estate and building construction but in the absence of invasive testing RA cannot opine on, nor is RA responsible for, the structural integrity of the property including its conformity to specific governmental code requirements for fire, building, earthquake, and occupancy, or any physical defects that were not readily apparent during the inspection.

RA is not responsible for conditions that have changed between the time of inspection and the issuance of the report. RA does not investigate, nor assume any responsibility for any existence or impact of any hazardous materials, such as asbestos, urea-formaldehyde foam insulation, other chemicals, toxic wastes, environmental mold or other potentially hazardous materials or structural defects that are latent or hidden defects which may or may not be present on or within the property. RA does not make any soil analysis or geological study as part of its services; nor does RA investigate water, oil, gas, coal, or other subsurface mineral and use rights or such hidden conditions. RA assumes no responsibility for any such conditions. The Report contains opinions of estimated costs and remaining useful lives which are neither a guarantee of the actual costs of replacement nor a guarantee of remaining useful lives of any property element.

RA assumes, without independent verification, the accuracy of all data provided to it. You agree to indemnify and hold RA harmless against and from any and all losses, claims, actions, damages, expenses or liabilities, including reasonable attorneys' fees, to which we may become subject in connection with this engagement, because of any false, misleading or incomplete information which we have relied upon supplied by you or others under your direction, or which may result from any improper use or reliance on the Report by you or third parties under your control or direction. Your obligation for indemnification and reimbursement shall extend to any director, officer, employee, affiliate, or agent of RA. Liability of RA and its employees, affiliates, and agents for errors and omissions, if any, in this work is limited to the amount of its compensation for the work performed in this engagement.

Report - RA completes the services in accordance with the Proposal. The Report represents a valid opinion of RA's findings and recommendations and is deemed complete. RA, however, considers any additional information made available to us within 6 months of issuing the Report if a timely request for a revised Report is made. RA retains the right to withhold a revised Report if payment for services was not tendered in a timely manner. All information received by RA and all files, work papers or documents developed by RA during the course of the engagement shall remain the property of RA and may be used for whatever purpose it sees fit.

Your Obligations - You agree to provide us access to the subject property for an on-site visual inspection. You agree to provide RA all available, historical and budgetary information, the governing documents, and other information that we request and deem necessary to complete the Report. You agree to pay actual attorneys' fees and any other costs incurred to collect on any unpaid balance for RA's services.

Use of Our Report and Your Name - Use of this Report is limited to only the purpose stated herein. You hereby acknowledge that any use or reliance by you on the Report for any unauthorized purpose is at your own risk and you shall hold RA harmless from any consequences of such use. Use by any unauthorized third party is unlawful. The Report in whole or in part **is not and cannot be used as a design specification for design engineering purposes or as an appraisal**. You may show our Report in its entirety to the following third parties: members of your organization, your accountant, attorney, financial institution and property manager who need to review the information contained herein. Without the written consent of RA, you shall not disclose the Report to any other third party. The Report contains intellectual property developed by RA and **shall not be reproduced or distributed to any party that conducts reserve studies without the written consent of RA**.

RA will include your name in our client lists. RA reserves the right to use property information to obtain estimates of replacement costs, useful life of property elements or otherwise as RA, in its sole discretion, deems appropriate.

Payment Terms, Due Dates and Interest Charges - Retainer payment is due upon authorization and prior to inspection. The balance is due net 30 days from the report shipment date. Any balance remaining 30 days after delivery of the Report shall accrue an interest charge of 1.5% per month. Any litigation necessary to collect an unpaid balance shall be venued in Milwaukee County Circuit Court for the State of Wisconsin.

HUNTER'S RIDGE
COMMUNITY DEVELOPMENT DISTRICT NO. 1

8C

HUNTER'S RIDGE COMMUNITY DEVELOPMENT DISTRICT No. 1

BOARD OF SUPERVISORS FISCAL YEAR 2020/2021 MEETING SCHEDULE

LOCATION

Flagler County Government Services Bldg., 1769 E. Moody Blvd., Bldg. 2, Bunnell, Florida 32110

DATE	POTENTIAL DISCUSSION/FOCUS	TIME
November 6, 2020	Landowners' Meeting & Regular Meeting	10:00 AM
February 25, 2021	Regular Meeting	3:30 PM
May 27, 2021	Regular Meeting	3:30 PM
August 26, 2021	Public Hearing & Regular Meeting	3:30 PM