

MINUTES OF MEETING
POINCIANA WEST
COMMUNITY DEVELOPMENT DISTRICT

The Regular meeting of the Board of Supervisors of the Poinciana West Community Development District was held on Wednesday, July 22, 2020 at 9:50 a.m. via Zoom video conferencing, due to COVID-19.

Present and constituting a quorum were:

Peggy Gregory	Chair
Roy LaRue	Vice Chairman
Charles W. Case	Assistant Secretary
Maneck Master	Assistant Secretary
Joseph Clark	Assistant Secretary

Also present were:

George Flint	District Manager
Scott Clark	District Counsel
Kathy Leo	District Engineer
Clayton Smith	Field Manager
Tricia Adams	GMS
Residents	

The following is a summary of the discussions and actions taken at the July 22, 2020 Poinciana West Community Development District's Board of Supervisors Meeting.

FIRST ORDER OF BUSINESS

Roll Call

Ms. Gregory called the meeting to order and called the roll. A quorum was established.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

The Pledge of Allegiance was not recited due to not having a flag during the Zoom meeting.

THIRD ORDER OF BUSINESS

Public Comment Period on Agenda Items

Ms. Gregory asked for any public comments on the agenda. Mr. Flint noted that there were 13 attendees on the Zoom call and he asked for any comments. Seeing no raised hands on the Zoom call, the next item followed.

FOURTH ORDER OF BUSINESS

Approval of Minutes of the May 20, 2020 Meeting and January 15, 2020 Joint Meeting

Ms. Gregory presented the May 20, 2020 meeting minutes and the January 15, 2020 joint meeting minutes. Mr. LaRue stated that he was unhappy with the minutes. He pointed out the paragraph on page 3 of the May 20, 2020 minutes that begins with, "Mr. LaRue voiced concern about the amount spent on legal expenses last year." Mr. LaRue stated that during that discussion he was less concerned about legal expenses, but that they were never shown on an ongoing basis.

Mr. LaRue stated it was accurate that George talked about the \$10,000 regarding the amenity acquisition issue, but in reality it was not the close out of the sale. Mr. LaRue noted that it was in reference to the lawsuit with Brenda Taylor and others regarding taxation for costs.

Mr. LaRue pointed out the last sentence of the same paragraph that said, "Mr. LaRue requested the accountant inform the Board about future outstanding bills." Mr. LaRue stated that there was no follow up comment where George agreed that they would do it that way.

Mr. LaRue asked that the minutes be re-written and corrected. He continued to page 4 in the first paragraph, "Ms. Leo clarified the assets of the District..." Mr. LaRue asked where that conversation started. He stated that it started with Dr. Master talking about the Poinciana assets. Mr. LaRue stated that there should be a topic sentence that defines how the conversation started, and then an accurate reflection of what was discussed.

On page 4 in the first paragraph, Mr. LaRue pointed out the sentence, "With good continued maintenance, there should not be catastrophic failures." He stated that he listened to the conversation three times the prior day and that was not in the conversations.

Mr. LaRue requested that after the meeting, there is a two week period where the minutes are typed. After the two weeks, there would be a one week period where the Board could comment and correct the meeting minutes and update them appropriately. After that week is up, then the minutes could be reissued. Mr. LaRue felt that then they could have accurate meeting minutes that were ready for the next meeting. Mr. LaRue also asked for a list of tasks that were assigned.

Ms. Gregory concurred that minutes should be circulated earlier for the Board to review, so the content of the meeting is fresh on the Board's mind. Mr. Flint noted that he had spoken with Mr. LaRue the day prior to the meeting about the minutes, and he had no problem sending draft minutes three weeks after the meeting. That would give the Board a week to review and give staff time to make revisions and have them correct well in advance of the meeting.

Mr. LaRue inquired about adding a task list to the end of the summary minutes. Mr. Flint suggested putting a task list together, outside of the officially adopted minutes. He noted the task list could be disseminated after each meeting as well. Mr. LaRue stated that the task list should highlight who is assigned and it is part of the summary, and there was no reason it should be split up. Mr. Flint stated that they would put a task list in.

Board consensus was to correct the May 20, 2020 minutes and bring them back on the next meeting agenda for Board approval.

Ms. Gregory asked for comments, corrections, or changes to the January 15, 2020 joint meeting. Dr. Master requested specific inclusion in the joint meeting minutes that the estimated merger savings would be \$1 per household per month. Ms. Gregory stated that these were not audited or substantiated numbers being discussed, they were preliminary figures and estimates. Dr. Master agreed, but still noted that even at the estimate level they were talking about \$1 in savings per lot. Mr. LaRue stated he thought it was important to get the perspective out so residents can understand what the savings will be, which is estimated to be \$1 per household per month.

Mr. Flint noted the difference between verbatim and summary minutes. He stated that one Board member might feel something is important to include, and another Board member might not agree. Mr. Flint suggested sending draft joint meeting minutes to Board members prior to the meetings for them to provide feedback.

Mr. Flint noted that he will revise the January 15, 2020 joint meeting minutes to include Dr. Master's comment, and they would bring the minutes back to the next meeting.

Mr. LaRue asked that the meeting recordings be sent along with the meeting minutes. Mr. Flint agreed to send the recordings with the minutes.

On MOTION by Mr. Case seconded by Mr. LaRue with all in favor, Tabling the January 15, 2020 Joint Meeting Minutes and the May 20, 2020 Board of Supervisor Meeting Minutes, was approved.

FIFTH ORDER OF BUSINESS

Public Hearing

A. Consideration of Resolution 2020-05 Adopting the Fiscal Year 2021 Budget and Relating to the Annual Appropriations

Ms. Gregory presented Resolution 2020-05 and asked for any questions from the Board. Mr. Flint noted that the Board previously approved the proposed budget in the spring and set today as the date, place, and time for consideration of the final adoption. Mr. Flint stated that it was a

public hearing, so they would need to open the hearing and take any public comments specific to the budget.

Mr. Flint opened the public hearing and Ms. Gregory asked for any public comments on Resolution 2020-05. No members of the public used the raised hand feature on the Zoom call, and hearing no comments the Board brought the item back for discussion amongst Board members.

Ms. Gregory asked Mr. Flint why there was a \$10,000 capital outlay for aeration systems. Mr. Smith, the field manager, provided an answer and noted that was budgeted in the event the Board decided they would like to go with aerators or fountains, they could. Mr. Smith stated that Poinciana West currently does not have any aeration systems but Poinciana does. Mr. Flint noted it was also a placeholder for any other capital outlay that may come up, it does not specifically need to be used for aerators. Mr. Flint noted if the funds are not used, they carry over into the next year.

Mr. LaRue asked Mr. Smith if there was reason to think that Poinciana West would need aeration in the future and if the systems had been effective in Poinciana CDD. Mr. Smith stated that it had been effective, but he would suggest going with a different style in Poinciana if the Board wanted to go forward with an aeration system. Mr. Smith did not feel that there was any specific reason that Poinciana CDD would need an aeration system at this point in time.

Mr. Flint pointed out a schedule on page 6 that was not in the prior budget. The schedule was an effort to show the Reserves and Fund Balance. He noted that the schedule shows they started the year with \$506,284 in the Beginning Fund Balance, and they will end the year with \$506,115. Mr. Flint noted that they are projecting to use \$169. For Fiscal Year 2021, they will start with \$506,115 and are projected to use \$41,552 to balance the budget leaving \$464,563. Mr. Flint noted that a portion of the \$464,563 is earmarked for an Operating Reserve. He noted that they are projected to use \$41,522 to balance the budget in Fiscal Year 2021 on paper, but in the current year \$39,000 was projected to balance the budget but they didn't actually have to use it because there were line items in the budget that were not used. Mr. LaRue noted that the Projected Fund Balance Analysis was very helpful and he appreciated George presenting the table.

Ms. Gregory stated she would like to discuss the "Other Current Charges" which were bank fees and deposit slips that went up to \$1,600 through June. She noted the proposed budget was \$800 and the actual through June 30th was \$1,629. She asked what caused that number to be higher than projected for the fiscal year. Ms. Gregory pointed out the "Legal Advertising" that went from

\$2,000 to \$3,155 and asked if the \$700 check was advertising for the budget or the election. Mr. Flint stated that he would provide Ms. Gregory an accounting detail for both line items she had questions on.

Mr. Flint noted that they use the *Lakeland Ledger* to advertise, and they do not have many options for newspapers of general circulation. So, they are at the mercy to some of their advertising charges. Mr. Flint stated that they are only advertising what they are legally required to advertise. Mr. LaRue asked if there was a way to shorten the ads, with COVID-19 they were having to explain the Zoom meeting making the ads nearly three times longer. Previously the ad price was \$200 and it is now \$700 because the number of lines is higher. Mr. Flint stated that with the Governor's Executive Order, they had to include both the in person meeting and Zoom information. He noted that in August, if the governor does not extend the order then they will have to have an in person meeting. They've had to advertise both ways in case the orders are not extended.

Mr. Clark asked for clarification on if the Board was required to advertise in a circulated newspaper. Mr. Flint stated the Board is still required to do that. He noted there has been legislation proposed to allow CDD's to do that electronically, but the paper lobby had been successful in defeating that so far. Mr. Clark stated there is a paper in Kissimmee called the *Osceola News Gazette* and added that they are probably much less expensive than the *Lakeland Ledger* or the *Orlando Sentinel*. Mr. Flint stated that they would look at that, but they have to meet a certain printing requirement. Mr. Scott Clark explained that they used the *Lakeland Ledger* because it does meeting the statutory requirement and they would have to look at other options carefully. Mr. Scott Clark explained that if they meet in a physical location at the same place and same time, they can do one ad for the year. When there are Zoom meetings, there is a meeting code and address that is different for every meeting and they have to be advertised individually. Dr. Master brought up the possibility of having a recurring webinar link for Zoom. Mr. Flint and Mr. Scott Clark came to a consensus to talk after the meeting about the process to see if there was any efficiency they could gain. Ms. Gregory and Mr. Flint would discuss her other questions regarding legal advertising after the meeting.

On MOTION by Mr. LaRue seconded by Mr. Clark with all in favor, Resolution 2020-05 Adopting the Fiscal Year 2021 Budget and Relating to the Annual Appropriations, was approved.
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B. Consideration of Resolution 2020-06 Imposing Special Assessments and Certifying an Assessment Roll

Mr. Flint presented Resolution 2020-06 and noted it was contemplated that the per unit assessment amount would remain the same as it was in the current year. There would be no changes to the assessments. Ms. Gregory asked for any questions from the Board, hearing none she asked for a vote.

On MOTION by Dr. Master seconded by Mr. LaRue with all in favor, Resolution 2020-06 Imposing Special Assessments and Certifying an Assessment Roll, was approved.

SIXTH ORDER OF BUSINESS**Acceptance of Audit Committee Recommendation and Selection of #1 Ranked Firm to Provide Auditing Services**

Ms. Gregory asked for any comments or questions on the ranking from the Audit Committee. Mr. Flint noted the Audit Committee ranked Berger Toombs #1 and Grau & Associates #2. The Board had no questions on the rankings.

On MOTION by Mr. Clark seconded by Dr. Master with all in favor the, the Audit Committee Recommendation and Selection of Berger Toombs as the #1 Ranked Firm to Provide Auditing Services, was accepted.

SEVENTH ORDER OF BUSINESS**Staff Reports****A. Attorney**

Mr. Scott Clark noted that after the previous meeting at the Board's direction, George and himself spoke with Bond Counsel regarding the need for bondholder consent for a merger due to language in the Trust Indenture. Bond Counsel indicated he thought it was okay, but he would need to give a written opinion if the Board wanted one. Counsel quoted a price of \$10,000 to obtain that written opinion. Mr. Scott Clark further discussed the contents of what Counsel's written opinion would include. In Mr. Scott Clark's opinion, it was more of a question for the Poinciana CDD than the Poinciana West CDD because the surviving entity will have the potential problem of whether there has been a violation of the Trust Indenture by not getting bondholder consent. Mr. Scott Clark stated they he did not think the Poinciana West Board should take any action on this topic at the moment. Ms. Gregory agreed with Mr. Scott Clark, and she stated that she was extremely against paying \$10,000 for a legal opinion. Mr. Clark agreed with Ms. Gregory as well, and noted that the topic should be discussed at the next joint meeting.

B. Engineer

Ms. Leo noted she had nothing specific to report to the Board. She noted she had not been on site, but Clayton Smith had been on the property as her eyes and ears.

C. District Manager**i. Approval of Check Register**

Mr. Flint presented the Check Register from May 12, 2020 through July 15, 2020 for the General Fund and Payroll, totaling \$39,711.63. Mr. LaRue requested a copy of the wording in the advertisement in the *Lakeland Ledger*, as the words are too small to read. Mr. Flint stated that he would provide the full size for the Board to review.

Mr. LaRue asked that the agenda package pages be numbered in the upper right corner. Mr. Flint made note of the request.

On MOTION by Mr. Case seconded by Ms. Gregory with all in favor, the Check Register totaling \$39,711.63, was approved.

ii. Fiscal Year 2019 Balance Sheet and Income Statement Through September 30, 2019 Revised Per Fiscal Year 2019 Audit

Mr. Flint noted that at the previous meeting there was a request that Staff provide an end of Fiscal Year 2019 adjusted financials to reflect the end of Fiscal Year 2019 as well as any audit adjustments. Mr. Flint presented the first set of financials going back to September 30, 2019 showing how they ended the prior year. Mr. Flint noted that the only audit adjustment that the auditors made was the \$10,000 in legal fees, which they booked back to the prior fiscal year. Mr. Flint noted the \$38,000 end of year actual reflects the \$10,000 of legal fees.

iii. Fiscal Year 2020 Balance Sheet and Income Statement Through June 30, 2020

Mr. Flint presented the Unaudited Financial Statements through June 30, 2020. He presented the combined balance sheet and the statements of expenditures. Mr. Flint noted that they are 100% collected for the on roll assessments, and their actual expenses are under the prorated expenses at this point in the year.

Mr. LaRue asked that the running Fund Balance be shown on page 4, because as is it looks like the Board is broke in October and November. Mr. Flint stated that they would add that.

On MOTION by Mr. LaRue seconded by Ms. Gregory with all in favor, the Fiscal Year 2020 Balance Sheet and Income Statement through June 30, 2020, was approved.

iv. Approval of Fiscal Year 2021 Meeting Schedule

Mr. Flint noted that each year the Board is required to adopt an annual meeting notice. The proposed notice in the agenda packet has the Poinciana West Board meeting on the third Wednesday of November, January, March, May, July, and September at 9:30 a.m. in the Starlite Ballroom.

Ms. Gregory inquired about how many meetings the law requires the Board to have per year. Mr. Flint noted there is no law that specifies the number, but to meet the statutory requirements at least two meetings should be held.

On MOTION by Dr. Master seconded by Mr. Clark with all in favor, the Fiscal Year 2021 Meeting Schedule, was approved.

D. Field Manager

i. Field Manager's Report

Mr. Smith presented the Field Manager's Report. He noted there had been an algae bloom from the decaying Hydrilla. He stated the Hydrilla management was much more successful this year than last year. Mr. Smith met with Clark and they came up with plans going into next year on how to manage the hydrilla in additional ways. Mr. Smith noted that they would present that plan at the next meeting since those treatments would not start until 2021.

Mr. Smith noted that all the action items from the Engineer's list were completed.

Mr. LaRue asked how often the grates get checked. Mr. Smith stated he checks them regularly about once every two months, but the grate on Pond 21 tends to build up more quickly than others. Mr. LaRue suggested checking them at least once a month. Mr. Smith would ask Clark to add a column in the pond reports regarding checking the drainage structures monthly.

Dr. Master asked if Mr. Smith received the complaint he sent from a neighbor regarding the mowing around the ponds. Dr. Master noted he also had an issue with the mowing around the reservation he lives on. Dr. Master and Mr. Smith would discuss the complaint after the meeting on the phone.

Mr. Smith presented the Clark treatment reports for May and June, which were itemized to have them numbered by pond.

ii. Customer Complaint Log

Mr. Smith presented the Customer Complaint Log. Mr. LaRue asked for clarification on Pond 16 ownership, if it was the CDD or Avatar.

Mr. LaRue requested that contact information be removed again, specifically the phone numbers. Mr. Smith stated that he would tell admin to take that information out.

EIGHTH ORDER OF BUSINESS

Supervisor's Requests

There being none, the next item followed.

NINTH ORDER OF BUSINESS

General Audience Comments

Ms. Susan Godlewski (658 Irvine Ranch Rd) noted that in the past the Board agreed to look into the benefits and cost of adding vegetation to the edge of the ponds to reduce midges, improve fish health, and possibly reduce algae. She asked what the status was of considering vegetation. Mr. LaRue asked when that was considered, as he did not remember that. The resident noted that Mr. Case was the one who said the Board would look into it, and Mr. Case noted that Clark did bring that up at one point. Mr. Flint noted that might have been an effort discussed prior to GMS being hired as District Management. He stated that information had been brought to the Board by the Engineer but due to cost and everything involved, the Board made a decision not to proceed.

Mr. Norm Gundel (419 Fountain Valley Ln) noted at the May meeting they discussed shortcutting the question of whether they needed bondholder approval by looking into if they could get the bondholder approval. He asked Mr. Flint if he found out how many bondholders there were. Mr. Flint stated that is not achievable, there are many bondholders it is not one or two institutional bondholders. Mr. Flint noted that they reached out to the Underwriter to confirm that there are many bondholders and that it would not be realistic to be able to get consent.

TENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

Next Meeting Date – September 16, 2020

Mr. Flint announced that the next meeting was on September 16, 2020 at 9:30 a.m. Mr. LaRue asked if the September meeting was needed. Mr. Flint noted that as the date got closer, he would get with Ms. Gregory to see if a meeting was necessary.

TWELTH ORDER OF BUSINESS

Adjournment

On MOTION by Ms. Gregory seconded by Mr. LaRue with all in favor the meeting was adjourned.


Secretary/Assistant Secretary


Chairman/Vice Chairman