

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 20, 2022 at 9:00 a.m. via Zoom Communication Media Technology and in the Starlite Ballroom, 384 Village Drive, Poinciana, Florida.

Present and constituting a quorum were:

Peggy Gregory  
Roy LaRue  
Dr. Maneck Master  
Mayra Skeete

Chair  
Vice Chairman  
Assistant Secretary  
Assistant Secretary

Also present were:

Tricia Adams  
Scott Clark (*via Zoom*)  
Kathy Leo  
Clayton Smith  
Jarrett Wright  
Residents (*Present & via Zoom*)

District Manager  
District Counsel  
District Engineer  
Field Manager  
GMS Field Services

*The following is a summary of the discussions and actions taken at the July 20, 2022 Poinciana West Community Development District's Board of Supervisors Meeting.*

**FIRST ORDER OF BUSINESS**

**Roll Call**

Ms. Adams called the meeting to order at 9:00 a.m. and called the roll. All Supervisors were present with the exception of Mr. Joseph Clark.

**SECOND ORDER OF BUSINESS**

**Pledge of Allegiance**

The Pledge of Allegiance was recited.

**THIRD ORDER OF BUSINESS**

**Public Comment Period on Agenda Items**

There were no public comments.

**FOURTH ORDER OF BUSINESS**

**Approval of Minutes of the May 18, 2022 Meeting**

Ms. Adams noted that the May 18, 2022 minutes were provided to the Board in June for review. No comments or corrections were received.

On MOTION by Dr. Master seconded by Ms. Skeete with all in favor the Minutes of the May 18, 2022 Meeting as presented were approved.

**FIFTH ORDER OF BUSINESS**

**Review and Acceptance of Fiscal Year 2021 Audit Report**

Ms. Adams presented the Fiscal Year 2021 Audit Report, which was included in the agenda package. The audit was prepared by Berger, Toombs, Elam, Gaines & Frank, who was selected by the Board as recommended by the Audit Committee. The District was required to have an annual independent audit of the District's finances each year and file with the State of Florida by June 30<sup>th</sup>. It was completed on time. It was a clean audit with no exceptions, findings, or recommendations.

Ms. Gregory questioned an audit note under, "*Notes to Financial Statements*," regarding the reclaimed water infrastructure owned by the District, but managed by the Solivita Community Association, which is the Homeowners Association (HOA). Dr. Master questioned why the CDD was a party to agreement if the HOA operated the irrigation system and there was no involvement by the CDD. Ms. Adams stated that the CDD owned the larger reclaimed water pipes. The reclaimed water infrastructure agreement was between the CDD and the HOA for the HOA to manage the irrigation system. Ms. Leo explained that bond funds were used for some of that reclaimed piping, which was why the CDD was a party to the agreement. At Ms. Gregory's request, Ms. Adams would circulate a copy of the agreement to the Board. Mr. LaRue requested it be called "*recycled water*" versus "*reclaimed water*." Dr. Master voiced concern about having an auto-renew agreement. Ms. Adams explained that the agreement automatically renewed unless it was cancelled 180 days prior to the expiration. Mr. Clark would review the agreement and this item would be placed on a future agenda for discussion.

On MOTION by Ms. Gregory seconded by Dr. Master with all in favor Accepting the Fiscal Year 2021 audit was approved.

**SIXTH ORDER OF BUSINESS**

**Consideration of First Amendment to Agreement for Engineering Service**

Mr. Clark presented the First Amendment to Agreement for Engineering Services, which he was directed to prepare at the Chair's request and provide to the District Engineer for consideration. Ms. Leo requested that the agreement be for 12 months instead of 24 months and provided for Zoom attendance when possible.

On MOTION by Mr. LaRue seconded by Ms. Skeete with all in favor the First Amendment to Agreement for Engineering Services with GAI Consultants, Inc. was approved.

Mr. Clark would revise the agreement and provide to Ms. Adams for signature.

**SEVENTH ORDER OF BUSINESS**

**Discussion of Acquisition Agreement with Avatar Properties**

Ms. Adams presented a draft Acquisition Agreement with Avatar Properties, which was prepared by Taylor Morrison's (TM's) counsel, Mr. Jere Earlywine. Mr. Clark recalled that the Board wanted TM to pay the cost of reviewing the parcels, but TM would only pay the cost if the CDD agreed in advance to accept the parcels barring any engineering, title, or legal issues. However, the way the agreement was written, it delegated to the District Engineer and District Counsel to make recommendations within fairly narrow frameworks and accept the parcels, which Mr. Clark did not agree with as it was a Board decision based on staff recommendations. In Ms. Leo's opinion, it was the intent of Avatar not to own anything in perpetuity as far as wetlands and they were intended to be part of the CDD at some point. It would take time to provide a cost estimate due to the disconnect with Taylor Morrison as the data was fragmented.

Discussion ensued. Mr. LaRue questioned the number of actual parcels coming to the District. Ms. Adams explained that Taylor Morrison was proposing to convey 50 parcels to the District. The Board had voiced a concern about taking the parcels piecemeal and wanted to know everything that would be conveyed to the District. Mr. LaRue asked if it was normal to own wetlands instead of ponds. Mr. Clark confirmed that it was not unusual for the District to own

wetlands. Ms. Gregory noted no date on the contract and questioned where the 50 wetlands came from as only 29 wetlands were owned by Avatar. Ms. Leo explained that the distinction was in how it was platted and the 50 wetlands were based on the Property Appraiser platted tracts. Ms. Adams stated that the District Engineer would carefully review the parcels for the Board to consider and would identify open space or areas that lie between residential property and conservation tracts or stormwater tracts. She noted if the District accepted the property, the District would be compelled to maintain it. Staff would not make a determination on if the property is acceptable until the Board directed staff to work on it. Ms. Gregory wanted the Board to know exactly what they were getting involved in and asked Mr. Tony Reed to work with the South Florida Water Management District (SFWMD) to walk through the areas and provide permit numbers and report on areas of responsibility.

Ms. Gregory recommended further research because TM did not pay their bills and the District did not have the budget to maintain the property. It would take 12 months or more to receive all of the information and her concern was the agreement not having a specific definition and overall cost of maintenance. Ms. Adams noted that Exhibit B to the Acquisition Agreement would provide the estimated annual maintenance costs. Ms. Leo suggested having work sessions with TM to discuss these issues. Mr. LaRue recalled that the District wanted to collect \$5,000 per pond to cover any District expenses when there were three to five parcels, but now there were 50 parcels and questioned what an appropriate amount would be. Mr. Clark estimated \$10,000 on the legal side based on the types of documents. Ms. Leo estimated between \$2,500 for engineering, if all documentation was submitted and there were no questions and \$10,000 if there were issues. Ms. Gregory did not care about the amount as long as the conveyance was complete and correct and preferred that TM provide the money upfront prior to the process commencing, unless TM agreed to pay a deposit and pay the balance when the documents were ready and reviewed by District Counsel and the District Engineer.

Ms. Adams asked if Mr. Clark had enough information and direction from the Board to take the next step. Mr. Clark did not want the Board to agree in advance to accept anything and requested direction from the Board on how to proceed. Ms. Adams suggested that Mr. Clark revise the agreement and provide it at the next meeting for Board review. Mr. LaRue was in favor of Ms. Leo's idea of having a working meeting and bringing a sample of a complete acquisition package to show to TM. Ms. Leo recommended including the HOA as the long-term

entity. Based on input from Ms. Gregory, Mr. Clark would suggest language that might be acceptable to the Board and bring back to the next meeting. Dr. Master was in favor of Mr. Clark informing Mr. Earlywire that the current agreement did not make sense to the Board. After further discussion, there was Board consensus for Mr. Clark to communicate with Mr. Earlywire on the agreement and bring back a revised agreement at the September meeting for Board discussion and input.

**EIGHTH ORDER OF BUSINESS**

**Public Hearing for Fiscal Year 2023  
Budget Adoption**

Ms. Adams stated that the public hearing was published in accordance with Florida Statutes in the newspaper and on the CDD website.

**A. Open Public Hearings**

On MOTION by Dr. Master seconded by Ms. Skeete with all in favor the public hearing on the Fiscal Year 2023 budget was opened.

**B. Presentation of Fiscal Year 2023 Budget**

Ms. Adams presented the proposed budget for Fiscal Year 2023, which was included in the agenda package, starting on October 1, 2022, and running through September 30, 2023, and highlighted the following:

- Under *Revenues, Property Conveyance Fees* of \$15,000 were added.
- At the Board's request, *Actuals* were through the end of June 30, 2022, September 2021, and September 2020 and *Total Projected* was through the end of this fiscal year. For comparison, the adopted budget for next fiscal year was compared to the current fiscal year.
- At the Board's request, engineering and expenses were documented for the property conveyance in separate line items.
- *Information Technology* and *Website Maintenance* increased by 10%.
- *Telephone* decreased from \$100 to \$50, *Postage* decreased from \$1,250 to \$1,000, *Printing and Binding* decreased from \$1,000 to \$800, *Insurance* decreased from \$6,778 to \$6,025 and *Office Supplies* decreased from \$300 to \$200.

- The total amount for *Administration* was \$131,388.
- The assessment per unit was \$186.57 per unit, similar to last year.

Ms. Gregory previously expressed concern about banking fees, which increased from \$1,000 to \$2,500 and noted that Truist was currently charging the District \$133.25 for the checking account and fees being charged by US Bank were over \$7,000. She was waiting to hear from a Trust Manager at Truist about the service charges. US Bank agreed that the District was not being charged correctly and decreased the amount of charges from \$7,000 to \$4,256.13. Ms. Adams pointed out that in the Proposed Budget, \$4,256 was budgeted for *Trustee Fees*, due to the efforts of the Chairman and the remaining bank fees were related to the General Fund and budgeted under *Other Current Charges*. The amount proposed for next year was \$2,400. The District was not compelled to spend that amount and any further reduction in fees, would be to the advantage of the District. Ms. Gregory was trying to negotiate the insurance cost with EGIS, which increased from \$6,000 to \$6,778. According to EGIS, costs were increasing, but they would not know the proposed premium amount until they spoke with the insurance carrier on September 1<sup>st</sup>. Ms. Skeete thanked Ms. Gregory for her hard work.

**C. Public Comments Regarding Budget and Special Assessments**

There were no public comments.

**D. Consideration of Resolution 2022-02 Adopting the Fiscal Year 2023 Budget and Relating to the Annual Appropriations**

Ms. Adams presented Resolution 2022-02, adopting the Fiscal Year 2021 Budget, which was included in the agenda package. Mr. Clark reviewed the resolution and had no changes.

On MOTION by Dr. Master seconded by Mr. LaRue with all in favor Resolution 2022-02 Adopting the Fiscal Year 2023 Budget and Relating to the Annual Appropriations was approved.

**E. Consideration of Resolution 2022-03 Imposing Special Assessments and Certifying an Assessment Roll**

Ms. Adams presented Resolution 2022-03, which was included in the agenda package along with a copy of the Fiscal Year 2023 Adopted Budget and Tax Roll, which were exhibits. Mr. Clark reviewed the resolution and had no changes. Ms. Gregory questioned the percentage

of the assessment amount that paid the expenses of the District. Ms. Adams noted the total amount on the tax bill was \$873.15, the operations and maintenance (O&M) fee was approximately \$187 and the debt service was approximately \$687. About a third of the Tax Bill went toward the expense of maintaining the District and the property that the District owned.

On MOTION by Mr. LaRue seconded by Ms. Skeete with all in favor Resolution 2022-03 Imposing Special Assessments and Certifying an Assessment Roll was approved.

**F. Close Public Hearing**

On MOTION by Dr. Master seconded by Mr. LaRue with all in favor the public hearing on the Fiscal Year 2023 budget was closed.

**NINTH ORDER OF BUSINESS**

**Consideration of Resolution 2022-04  
Authorizing the Use of Electronic  
Documents and Signatures**

Ms. Adams presented Resolution 2020-04, which was included in the agenda package, allowing for the Chair’s signature to be facilitated electronically. Some District records would require an original signature, but for routine District records, an electronic signature was permitted. Mr. Clark had no issues with the resolution.

On MOTION by Dr. Master seconded by Ms. Skeete with all in favor Resolution 2022-03 Imposing Special Assessments and Certifying an Assessment Roll was approved.

**TENTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

There being none, the next item followed.

**B. Engineer**

There being none, the next item followed.

**C. District Manager**

Ms. Adams contacted four different organizations specializing in government insurance, that were familiar with public officials and liability insurance, the only type of insurance that the District utilizes. Two of the organizations were non-responsive and she hoped to provide multiple proposals for the Board to consider at the next meeting, including one from the current provider. Dr. Master asked if there were national organizations that offered this type of insurance other than the State insurance agencies. Ms. Adams did not know of anyone outside of the State of Florida. She noted Florida had a litigious environment.

**i. Approval of Check Register**

Ms. Adams presented the Check Register for May 11, 2022 through July 12, 2022 totaling \$30,722.03. It included the General Fund, payroll, detailed invoices, and Check Run summary.

Ms. Gregory asked if the \$160 the charge for moving the alligator signs was returned as discussed at the last meeting. Mr. Smith provided approval to the accountant to return the \$160. Ms. Adams would check with the accountant and report back to the Board. Ms. Gregory requested that the accountant not pay the \$125 charge for use of the ballroom because both Poinciana and Poinciana West CDDs were being charged, but not the HOA, which was not right. Ms. Adams would hold the invoice. In response to Dr. Master's question, Ms. Gregory stated that the ballroom was owned by TM.

On MOTION by Dr. Master seconded by Ms. Gregory with all in favor the Check Register as stated above was approved.

**ii. Balance Sheet and Income Statement**

Ms. Adams presented the Unaudited Financial Statement through June 30, 2022. No Board action was required. The District was in a good cash position as the Unassigned Balance under the General Fund was \$719,566. The Board did a good job controlling expenses as expenses were \$203,349. Mr. LaRue questioned the amount in reserves. Ms. Adams explained that no specific reserve account was set aside as a Capital Reserve Fund but anticipated using unassigned funds through the end of the fiscal year and the first couple of months of the fiscal year before tax revenue started to arrive as income. According to the Projected Fund Balance Analysis that was included in the Proposed Budget, the projected ending fund balance this fiscal



year was \$642,160, recognizing \$36,738 to balance the budget for next year. Ms. Gregory questioned what was needed to lower some of the tax bills. Ms. Adams recommended getting an understanding of the expense to maintain the property that the Board will consider accepting versus lowering the Tax Bill.

Ms. Gregory questioned the interest received on the \$600,000 to \$700,000. Ms. Adams explained that the District was restricted due to a public depository requirement and only had three options. There was not a significant amount of interest. Dr. Master recommended United States Treasury bonds, which were allowable, getting over 2% currently and felt that the District needed to manage their cash better. Ms. Adams noted in the Truist account that Ms. Gregory was referring to earlier, the District had \$243,000 and \$493,000 in the higher interest-bearing market account. Ms. Gregory asked if the money market was with Truist. Ms. Adams would find out but stated that the audit specified the public depository requirements and the types of accounts that Districts could consider. Ms. Gregory asked Dr. Master to provide all of the options that the District had on what to do with their cash to Ms. Adams to update the Board at the next meeting.

**iii. Approval of Fiscal Year 2023 Meeting Schedule**

Ms. Adams was informed by Ms. Gregory that the meeting schedule in the agenda package had dates on Mondays and Tuesdays versus the third Wednesday and provided a corrected meeting schedule for Fiscal Year 2023 at 9:00 a.m. on the third Wednesday of November, January, March, May, July, and September in the Starlight Ballroom.

On MOTION by Ms. Skeete seconded by Dr. Master with all in favor the Fiscal Year 2023 meeting schedule as amended was approved.
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**D. Field Manager**

**i. Field Manager's Report**

Mr. Smith presented the Field Manager's Report, which was included in the agenda package. The fish stocking was completed. Twenty-six total acres was approved by the Board to be stocked and they would continue to monitor the status and the effects to see if the Board would like to stock any additional ponds. Overall, the ponds were in good condition with only a few complaints, but suggested pond plantings along the edge of Ponds 21 and 22, which had

some natural littorals, but was sparse. There was Board consensus for Ms. Adams to schedule a presentation by Clarke for the September meeting.

Mr. Smith was coordinating with Rudy to remove trash on Pond #17, due to construction in the area. Ms. Gregory felt that it would be ongoing issue as construction was ongoing. Mr. Smith recommended contacting the builder to remind them about the trash. Dr. Master suggested making it clear to the residents that this was a TM issue and they should be contacting the builder. Mr. Smith presented treatment reports from Clarke, which were included in the agenda package.

**ii. Customer Complaint Log**

Mr. Smith presented the Customer Complaint Log, which was included in the agenda package. There were complaints about algae in Pond 17, which was treated. There was a complaint about overgrown grass in Pond 3. The resident wanted the District to mow more than usual, which Mr. Smith did not recommend because it was wet. In his opinion, the grass should be a foot or lower and was mowed every four to five weeks.

Dr. Master asked if mowing around the conservation easement was included in the contract. Mr. Smith explained that the CDD contract was for conservation areas. Floralawn mowed around the property and billed that portion to the HOA. Dr. Master recalled that they used to mow twice to clear out the conservation area and now only mowed once and was told that it was the CDD’s responsibility. Mr. Smith believed that one crew was a backup crew or was the crew for the HOA ponds and would clarify this with Floralawn.

**ELEVENTH ORDER OF BUSINESS**

**Supervisor’s Requests**

There being none, the next item followed.

**TWELFTH ORDER OF BUSINESS**

**General Audience Comments**

There being none, the next item followed.

**THIRTEENTH ORDER OF BUSINESS**

**Other Business**

There being none, the next item followed.

**FOURTEENTH ORDER OF BUSINESS**

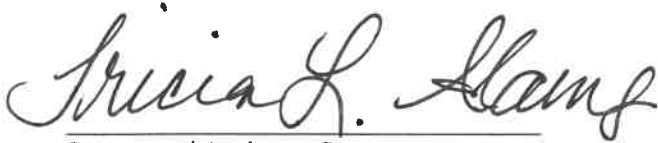
**Next Meeting Date – September 21, 2022**

The next meeting was scheduled for September 21, 2022 at 9:00 a.m.

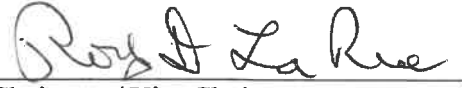
**FIFTEENTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Dr. Master seconded by Ms. Gregory with all in favor the meeting was adjourned.



Secretary / Assistant Secretary



Chairman / Vice Chairman