

MINUTES OF MEETING
POINCIANA
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Poinciana Community Development District was held on Wednesday, May 17, 2023 at 11:00 a.m. via Zoom Communication Media Technology and in the Starlite Ballroom, 384 Village Drive, Poinciana, Florida.

Present and constituting a quorum were:

Lita Epstein	Chair
Tony Reed	Vice Chair
Robert Zimbardi	Assistant Secretary
Anita Nelson	Assistant Secretary
Jon Cameron	Assistant Secretary

Also present were:

Tricia Adams	District Manager
Jan Carpenter	District Counsel
Kathy Leo	District Engineer
Clayton Smith	Field Manager
Rick McKelvey	Solivita Wildlife Club

The following is a summary of the discussions and actions taken at the May 17, 2023 Poinciana Community Development District's Board of Supervisors Meeting.

FIRST ORDER OF BUSINESS

Roll Call

Ms. Adams called the meeting to order and called the roll at 11:00 a.m. All Supervisors were present.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

The Pledge of Allegiance was recited.

THIRD ORDER OF BUSINESS

Public Comment Period on Agenda Items

Ms. Epstein opened the public comment period. There being none, Ms. Epstein closed the public comment period.

FOURTH ORDER OF BUSINESS

Approval of Minutes of the March 15, 2023 Meeting

Ms. Adams presented the minutes from the March 15, 2023 meeting, which were included in the agenda package. Corrections were received by Ms. Nelson, prior to publication of the agenda package.

On MOTION by Ms. Nelson seconded by Mr. Zimbardi with all in favor the Minutes of the March 15, 2023 Meeting were approved as amended.
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FIFTH ORDER OF BUSINESS

Consideration of Resolution 2023-02 Approving the Proposed Fiscal Year 2024 Budget and Setting a Public Hearing

Ms. Adams presented Resolution 2022-08, which approved the proposed budget for Fiscal Year (FY) 2024 and sets the public hearing for July 19, 2023 at 11:00 a.m. at this location. It also allowed for the statutory compliance of submitting a Proposed Budget to Polk County, posting on the CDD’s website and notice publication in accordance with Florida Statutes. FY2024 starts the next budget cycle on October 1, 2023, and runs through September 30, 2024. The Board had the ability to amend the budget through adoption; however, the amount set today was the high watermark, meaning that the proposed operation and maintenance (O&M) fee could not be increased. Ms. Adams highlighted the following under the Administrative Budget:

- There was no assessment increase as the Proposed Amount for FY 2024.
- For *Administrative Expenditures*, the amount adopted for FY 2023 was \$150,431 and \$148,528 was proposed for FY 2024.
- There was no *Dissemination* fee as the Trust Indenture no longer required dissemination reporting.
- *Annual Audit* increased slightly from \$3,500 to \$3,600, based on the Annual Audit Agreement.
- *Management Fees* increased by 3% from \$42,000 to \$43,260.

- *Insurance* increased from \$7,825 to \$8,062, based on the estimate for the public official's liability insurance for the District.

Ms. Adams reported under Revenues, a *Carry Forward Surplus* of \$57,962 was recognized to balance the budget and there would be a transfer out to the newly established *Capital Reserve Fund*, for future significant repairs or replacement of infrastructure. Ms. Nelson asked if there were any restrictions to using the funds. Ms. Adams noted for funds can be used for Governmental purposes, there were no other restrictions. Ms. Epstein agreed that it was a good idea. Ms. Adams noted substantive increases in the O&M or field expenses, based on property yet to be conveyed to the District by Taylor Morrison (TM). There was an application from January 11, 2022 that was under review. District Counsel was reviewing legal paperwork related to the property conveyance, the District Engineer was working on the field evaluations and field staff was obtaining proposals for servicing the areas. Ms. Adams highlighted the following regarding the O&M Budget:

- *Field Services* increased by 3% from \$10,300 to \$10,609.
- *Property Insurance* increased from \$10,038 to \$13,116, based on insurance estimates.
- *Landscape Maintenance* increased from \$170,352 to \$203,955, due to a 3% proposed increase for existing property and increase in scope to include new areas and *Aquatic Control Maintenance* increased from \$127,403 to \$147,569, based on the same.
- *Aquatic Midge Management* increased from \$176,721 to \$215,454.

Mr. Reed asked if Clarke performed the aquatic midge management. Ms. Adams confirmed that Floralawn performed the landscape maintenance, Solitude performed the aquatic maintenance and Clarke performed midge management services. Mr. Zimbardi did not feel that the increase was justified as the new areas had half or less landscaping as the old areas. Ms. Epstein understood that it was just for pond mowing. Mr. Zimbardi requested an explanation of how much area was being mowed and suggested holding off until after October in the hopes that TM continued to maintain these areas. Mr. Smith explained that the District currently maintained 64 ponds and were adding 21 ponds and a canal. The amount was based on the current rate charged by Floralawn and included some common areas that the District was not going to take ownership of. TM only provided estimates for aquatic and landscape maintenance, but not midge

maintenance; however, the formula was similar in determining all three services. The vendor charged per square foot based on their mapping system. Mr. Zimbardi felt that the level of support by TM was not what the District needed and did not meet the general requirements or expectations of the Board. Mr. Reed felt that the Board did not have any options and the District would have to absorb it. Mr. Smith pointed out if the Board did not feel that the vendor's pricing was fair, they should consider another landscaper, which he did not recommend in this situation, as their price for 21 ponds was accurate.

Mr. Zimbardi asked if the contingency assumed every pond would need midge control. Mr. Smith explained that there were ponds that received midge complaints in the new area and the contingency took into account that some ponds would need to be added for larvicide, but all ponds would receive fogging and spot treatments. If they were to add every pond for larvicide, the contingency would probably be higher, but if none were receiving larvicide, the amount would be lower. Mr. Cameron noted there was total *O&M* of \$662,247 and a *Transfer Out – Capital Reserve* of \$50,000 and questioned where the *Total Other Expenditures* amount of \$860,775 came from. Ms. Adams explained that the \$860,775 included *Administrative, O&M* and *Transfer Out - Capital Reserve*. Mr. Cameron questioned why actuals were through March versus April. Ms. Adams noted that they received the bank statements the first week of the month for the prior month and not all expenses hit for April at the time the proposed budget was prepared.

- *Transfer Out - Capital Reserve* for the next six months was projected at \$100,000 for the current fiscal year from the General Fund and \$50,000 for FY 2024. The total Capital Reserve at the end of FY 2024 would be \$150,000.
- *Total Gross Assessment* was \$717,525, which would be included on the Tax Bills. The per unit gross assessment in the non-ad valorem section of the Tax Bill was \$184.04 for the O&M portion, which was the same as the prior year.

Ms. Adams noted that a Projected Fund Balance Analysis was provided as requested by the Board. The *Projected Beginning Fund Balance* for FY2024 was \$605,761, recognizing cash to balance the budget and a *Projected Ending Fund Balance* of \$412,784. Out of that, they were recognizing an *Operating Reserve* for three months of \$202,694, from the start of the fiscal year, to when tax revenues were transmitted to the District and an *Unreserved Fund Balance* of \$210,091. Ms. Nelson pointed out after this year they were going to be in the negative. Ms.

Adams recalled that staff questioned whether this was the right year to not recognize any *Carry Forward Surplus* to balance the budget, but because there were excess Surplus Funds and not firm numbers on the additional maintenance, the District would be in a better position next year to balance the budget without recognizing *Carry Forward Surplus*. Next year, staff would provide a build-out budget for all property that the District would eventually maintain. If an O&M assessment increase was recommended, staff would predict it for at least three to five years to avoid assessments going up and down each year and suggested that the Board consider a Reserve Study. Mr. Reed questioned the cost. Ms. Adams advised proposals would be presented to the Board to consider in fiscal year 2024.

- On Page 9 was the *Debt Service Fund* for the Series 2022 refunded bond, which retired in 2031.

Mr. Zimbardi questioned the purpose of a *Special Call*. Ms. Adams explained that a *Special Call* was when homeowners made a lump sum payment to their assessment, which was not budgeted.

On MOTION by Mr. Zimbardi seconded by Ms. Nelson with all in favor Resolution 2023-02 Approving the Proposed Fiscal Year 2023 Budget and Setting the Public Hearing for July 19, 2023 at 11:00 a.m., at this location was approved.

Ms. Epstein questioned whether there was quorum for the July 19, 2023 meeting. Mr. Cameron and Mr. Zimbardi confirmed that they would be attending via Zoom. Ms. Epstein, Ms. Nelson and Mr. Reed confirmed that they would be present in person.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Carpenter reported that the conveyances were ready, but they needed to get through the inspections and an updated title.

B. Engineer

Ms. Leo reported that she was out in the field this month inspecting the conveyances; however, some of the ponds needed more work and Ms. Leo recommended taking ownership in pieces versus at one time. Ms. Epstein questioned how many ponds were ready. Ms. Leo

confirmed that half of the ponds were ready. Ms. Carpenter pointed out that there was not a great deal of legal work to do if it was conveyed in pieces. Mr. Reed asked if TM planned to participate in the walk-throughs for the ponds. Ms. Leo confirmed that TM participated in every walk-through that she attended. Mr. Reed would like to attend the walk-throughs. Ms. Leo preferred that Mr. Reed attend the final walk-through as prior ones were four hours long and would recommend that the Board approve 15 ponds at the July meeting. Ms. Epstein had no problem taking ownership in pieces as long as there was no additional cost. Ms. Carpenter pointed out that the Board would not have to pay any additional costs as there was an agreement for TM to pay their costs. They paid an initial \$2,500 and to place it on the agenda, they must pay additional expenses, which were currently over \$2,500. Mr. Zimbardi preferred to split the conveyances up. Mr. Reed felt that a phased approach was good. Mr. Cameron requested a list of the locations of the 15 ponds. Ms. Leo would provide a spreadsheet that they were working on. Mr. Reed asked if there were any wetlands. Ms. Leo confirmed that all of them were ponds. Mr. Zimbardi questioned when they could expect the first series of conveyances. Ms. Leo planned to request that the Board approve the first 15 ponds in substantial form at the June meeting with final approval at the July meeting.

C. District Manager

i. Action Items List

Ms. Adams presented the Action Items List, which was included in the agenda package and reported on the following:

1. Parcel Conveyance from Taylor Morrison to CDD: Discussed.
2. Monitor Central Florida Expressway – Poinciana Parkway Projects: Parkway Connector: In process. The Chairman was appointed by the CDD Board to monitor it.

Ms. Epstein was expecting the next report to be provided in the Fall and heard that there would be major changes to the design. Polk County was on the District's side for the alternatives being proposed by Southport Connector Alternative Routes (SCAR) of Poinciana, especially the alternative to use Poinciana Boulevard.

3. Erosion Repairs: In process. Staff to identify needed repairs, develop the scope and gather proposals to present to the CDD Board. Proposals was received by staff and under review.

4. Shoreline/Littoral Plantings: In process. A proposal was approved by the Board on March 15, 2023 and the installation was pending.

Mr. Zimbardi questioned the order of the ponds and the type of plantings on a specific pond. Mr. Smith would ask the vendor.

ii. Approval of Check Register

Ms. Adams presented the Check Register from March 1, 2023 to March 31, 2023 in the amount of \$54,973.63, which was included in the agenda package.

On MOTION by Mr. Cameron seconded by Ms. Nelson with all in favor the March 1, 2023 to March 31, 2023 in the amount of \$54,973.63 was approved.

iii. Balance Sheet and Income Statement

Ms. Adams presented the Unaudited Financial Statements through March 31, 2023, which were included in the agenda package. The Board did a great job controlling expenses as the prorated budget at the end of March was \$371,944 and actual expenditures were \$292,678. No action was required.

iv. Presentation of Number of Registered Voters: 5,137

Ms. Adams presented a letter from Polk County Supervisor of Elections reporting that there were 5,137 registered voters in the Poinciana CDD boundaries as of April 15, 2023. This information was the most significant during the early days of the District when there was a transition from Landowner Election to General Election. However, this District was 100% in the General Election cycle and this information was no longer germane, but there is no provision in Florida Statutes to stop reporting this annually.

D. Field Manager's Report

i. Action Item Report

Mr. Smith presented the Field Manager Report, which was included in the agenda package. The action items that were approved at the last meeting were now complete as of this week; however, a few items were pending as they needed to order additional materials to repair skimmers. Both the Venezia and Bella Vianna tunnels were pressure washed, cleaned and

painted inside and out with a brighter white color. Gravel was added to the entrance of the Venezia tunnel for stability and staff ensured that all lights were working. In his opinion, the tunnels looked much brighter with the brighter white color versus off green. Staff would continue to assess them. They may need to change out fixtures in the future as they were getting old, but at this time, lighter bulbs were added to the current fixtures inside of the tunnels for better visibility. Ms. Epstein received complaints from residents that the Venezia tunnel was still dark at night. Mr. Smith explained that some residents wanted exterior lighting in the tunnels, but in his opinion, the bollard lights along the trail approaching the tunnel in both directions, could be made brighter, but this was the HOA's responsibility. Mr. Reed asked if Mr. Smith informed the HOA. Mr. Smith informed the HOA that everything outside of the tunnel was not the CDD's responsibility. Mr. Cameron would follow up with the HOA.

Mr. Smith reported that the pond plantings would be installed tomorrow. It was not ideal to plant them during the dry period. It should not take more than a couple of days as the vendor was installing plantings on several ponds each day. A new report from SOLitude was provided to the Board. Mr. Smith trimmed it down to show the ponds that were inspected and treated with their number system. In the future, Mr. Smith would request a clearer report. Several ponds had algae, but nothing excessive. A Midge Report was provided to the Board, showing the amount of larvicide used and the distance traveled.

ii. Customer Complaint Log

Mr. Smith presented the complaint log, which was included in the agenda package. The moss on trees was handled by the landscaper. At first it looked like the trees were dead, but they were just dormant Cypress trees. Clearing lily pads was the HOA's responsibility. Trash around a pond and weeds were dealt with and tree roots coming close to a pool were the homeowner's responsibility. Mr. Reed questioned the type of trash around the pond. Mr. Smith pointed out there was a large plastic bag, but this community, unlike other communities, was conscientious about trash. Some communities collected a full garbage bag of trash every couple of months in a corner of a pond.

SEVENTH ORDER OF BUSINESS**Presentation from Solivita HOA Wildlife Committee**

Mr. Rick McKelvey of the Solivita Wildlife Club presented the Wildlife Camera Project. It was shown to Ms. Nelson who recommended it to the Board. Over a year ago, Ms. Meredith Budd of the Florida Wildlife Federation made this presentation on behalf of the fSTOP Foundation, which helped people connect with wildlife through the use of cameras. Five residents volunteered to have cameras installed in their backyards, which took pictures and videos. More information could be obtained from www.fstopfoundation.org. Mr. Zimbardi asked if they intended to have additional cameras. Mr. McKelvey indicated that if the Board was interested, they would work with the Solivita Wildlife Club to provide a proposal to the fSTOP Foundation. Mr. Cameron asked if there was a way to view the cameras online. Mr. McKelvey stated not at this time but was expecting to receive additional footage. Wildlife advocates were trying to set up a YouTube channel. Mr. Zimbardi asked if the cameras required maintenance or were battery operated. Mr. McKelvey confirmed that they were battery operated and he would be trained on how to use them. Every three to four weeks, the fSTOP Foundation would replace the cards and batteries at no cost to the District. The Board thanked Mr. McKelvey for this presentation.

EIGHTH ORDER OF BUSINESS**Supervisor's Requests**

Mr. Reed questioned the ownership of culverts under the roads. Ms. Leo asked if Mr. Reed was referring to the area between two wetland systems under the roads. Mr. Reed replied affirmatively. Ms. Leo understood that they were not owned by the CDD. Mr. Reed wanted there to be an understanding of the ownership because no one was claiming ownership. Ms. Adams believed that the word, "*Culvert*" was confusing the District Engineer and Mr. Reed was questioning a block retaining wall in need of repair. The Field Services Manager would be further investigating the ownership and any recommended maintenance. The picture that Mr. Reed emailed to staff was from a block retaining wall in Poinciana West, but there may be similar structures in Poinciana. Mr. Reed pointed out that Solivita residents wanted Solivita to remain as beautiful as it did when they first purchased their homes. Whether it was a culvert connecting two wetlands in Poinciana West or in Poinciana, was irrelevant because it was still in Solivita and they needed to know who owned it. In addition, yesterday at the HOA meeting, landscape maintenance around a pond was requested and it was Mr. Reed's understanding that

the CDD only owned 10 feet from the edge of the pond. However, there was additional land including sidewalks that were owned by the CDD, which was verified through county records.

As a result, Mr. Reed requested confirmation of everything that the CDD was responsible for, so that action could be taken to ensure proper maintenance. Ms. Leo suggested reviewing each of these on a case-by-case basis. Ms. Adams indicated that Mr. Smith would look into this matter. Ms. Carpenter requested that these types of requests be sent to Ms. Adams to forward to either her or Ms. Leo. Mr. Zimbardi agreed that there needed to be an understanding of who owned what. Mr. Reed appreciated a letter that Ms. Adams wrote to the HOA requesting street sweeping. Ms. Adams received a preliminary response from the HOA Manager, indicating that further information was forthcoming, which she forwarded to District Counsel and the District Engineer to evaluate. In the HOA’s opinion, although they were not performing street sweeping as required in the Memorandum of Understanding (MOU), they were doing what they described as equivalent maintenance activities. However, with this preliminary information, the District Engineer evaluated it and determined that it was not equivalent to street sweeping because it did not remove contaminants from the roadway that street sweeping would remove. Ms. Adams was waiting for further information from the HOA and would send a reminder that it was pending and respectfully request that they budget for street sweeping in accordance with the MOU. Mr. Cameron requested a copy of their response and asked about the direct deposits that Ms. Nelson requested at the last meeting. Ms. Adams believed that a direct deposit was made to Ms. Nelson as a test and that the test was successful.

NINTH ORDER OF BUSINESS

Other Business

There being no comments, the next item followed.

TENTH ORDER OF BUSINESS

General Audience Comments

There being no comments, the next item followed.

ELEVENTH ORDER OF BUSINESS

Next Meeting Date – June 21st, 2023

Ms. Epstein stated that the next meeting was scheduled for June 21, 2023 at 11:00 a.m.

TWELFTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Reed seconded by Ms. Nelson with all in favor the meeting was adjourned.



Secretary / Assistant Secretary



Chair/Vice Chairman