

**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, **July 19, 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
Jon Cameron (<i>via Zoom</i>)	Assistant Secretary

Also present were:

Tricia Adams	District Manager
Jan Carpenter	District Counsel
Kathy Leo	District Engineer
Clayton Smith (<i>via Zoom</i>)	Field Manager
Cherrief Jackson	Clarke Midge Control

The following is a summary of the discussions and actions taken at the July 19, 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 11:15 a.m. Three Supervisors were present in person constituting a quorum.

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 May 17, 2023 Meeting

Ms. Adams presented draft minutes from the May 17, 2023 meeting, which were included in the agenda package. Mr. Reed felt that Mr. Zimbardi did an excellent job of asking questions, but they were attributable to him.

On MOTION by Mr. Reed seconded by Mr. Zimbardi with all in favor the Minutes of the May 17, 2023 Meeting were approved as amended.

FIFTH ORDER OF BUSINESS

Public Hearing

On MOTION by Ms. Epstein seconded by Mr. Zimbardi with all in favor the public hearings for the Fiscal Year 2024 budget adoption were opened.

A. Consideration of Resolution 2023-03 Adopting the Fiscal Year 2024 Budget and Relating to the Annual Appropriations

Ms. Adams presented the Proposed Budget for Fiscal Year 2024, which starts October 1, 2023 and runs through September 30, 2024. The Proposed Budget was provided to Polk County government, published on the District’s website and the public hearing was noticed in accordance with Florida Statutes. Resolution 2023-03 approves the Proposed Budget for the upcoming fiscal year and provides a provision for future budget amendments. There were no changes other than updating the financials. The majority of the revenues come from special assessments, which are placed on the non-ad valorem section of the Polk County Property Tax Bill. The assessment level was proposed to be the same amount as the prior year, with a gross per unit assessment amount of \$184.04. The budget recognized interest income and a money market account that the District has with Bank United. As of the end of June, the interest rate was 5.15%. It also recognized a portion of *Carry Forward Surplus*, in order to balance the budget. In Fiscal Year 2023, the total administrative expenses to operate the District was \$150,431 and

\$148,177 for Fiscal Year 2024. Part of that is being relieved from some of the reporting requirements. As part of the previous Trust Indenture, there was some reporting required with the Securities and Exchange Commission (SEC), but this was no longer required and the fee was eliminated for Fiscal Year 2024. There was a proposed increase in *Management Fees* of \$1,260. *Insurance* was based on an estimate as the actual insurance proposal for Fiscal Year 2024 would be received by September of this year.

Regarding to the expenses related to the maintenance of the stormwater system and tunnels, Ms. Adams noted *Field Expenses* for Fiscal Year 2023 was \$576,830 and \$662,247 was proposed for Fiscal Year 2024. The increases in this area were primarily for the property that was scheduled to be conveyed at a future Board meeting such as the additional stormwater pond parcels. The field expenses account for the aquatic maintenance, mowing and midge management of those ponds. The Board also directed staff to establish a Capital Reserve Fund and were projecting a current transfer out, which was not budgeted as part of the current fiscal year, but it recognized a transfer out of \$100,000 and for Fiscal Year 2024, budgeting an additional \$50,000 transfer out to Capital Reserve. There were assessments for residential, commercial and golf course properties. The gross per unit assessment amount of \$184.04 was placed on the Tax Bill, accounting for 7% in collection cost and early payment discounts. Therefore, the net per unit that was going to the District for the operations and maintenance (O&M) portion was \$173 per unit. Along with the General Fund Budget, there was a Projected Fund Balance Analysis and a budget for the Debt Service Fund, for the bond that was refunded in 2022. There were interest and principal payments in November and May in accordance with the Amortization Schedule. A new feature of the budget was the *Capital Reserve Fund*.

Ms. Adams asked for public comments. There were no public comments.

Mr. Cameron left the meeting.

Mr. Reed noted that the Poinciana West CDD budget did not have any funds budgeted for insurance under O&M and questioned whether the \$13,000 budgeted for this District for insurance was for the tunnels. Ms. Adams confirmed that the only property insurance that they had was for the tunnels, which was an estimated amount based on feedback. Mr. Zimbardi questioned the limits for the insurance and requested additional detail. Ms. Adams would present an insurance binder to the Board for review.

On MOTION by Mr. Reed seconded by Mr. Zimbardi with all in favor Resolution 2023-03 Adopting the Fiscal Year 2024 Budget and Relating to the Annual Appropriations was adopted.

B. Consideration of Resolution 2023-04 Imposing Special Assessments and Certifying an Assessment Roll

Ms. Adams stated Resolution 2023-04, allowed the District to use the uniform tax collection method to impose special assessments on residents’ property Tax Bills. Attached to this resolution was the Adopted Budget for Fiscal Year 2024 and the Fiscal Year 2024 Assessment Roll. Ms. Epstein noted no change in special assessments for this year. No members of the public were present. Mr. Reed questioned how much of the development was included on the Assessment Roll and how many units were in the District. Ms. Adams confirmed that it included all of the property in the District. For platted residential, there were 3,821 units, 72.15 commercial units and 4.54 golf course units, for total platted units of 3,897.69.

On MOTION by Mr. Reed seconded by Mr. Zimbardi with all in favor Resolution 2023-04 Imposing Special Assessments and Certifying an Assessment Roll was adopted.

On MOTION by Ms. Epstein seconded by Mr. Zimbardi with all in favor the public hearing for the Fiscal Year 2024 budget adoption was closed.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2023-05 Appointing an Assistant Treasurer of the District

Ms. Adams presented Resolution 2023-05, designating Mr. Darrin Mossing, Sr. as Assistant Treasurer. Mr. Mossing was the owner of GMS and served as an accountant by trade. Having him appointed as Assistant Treasurer, would allow him to assist Accounting Staff during the busiest times of year to process the District’s financial and banking records. It was being recommended to all Districts as an administrative matter. Mr. Zimbardi asked if this cost the District additional money. Ms. Adams replied no.

On MOTION by Mr. Zimbardi seconded by Mr. Reed with all in favor Resolution 2023-05 Appointing Mr. Darrin Mossing as Assistant Treasurer of the District was adopted.

SEVENTH ORDER OF BUSINESS

Review and Acceptance of Annual Engineer’s Report

Ms. Adams reported as part of the Trust Indenture for the refunded bond, the District was required to provide a report to the Trustee regarding the assets of the District as well as the insurance coverage by July 1st of each year. Ms. Leo stated that the Annual Engineer’s Report was self-explanatory and was completed for the past several years. It was based upon their general knowledge of the system.

On MOTION by Mr. Reed seconded by Mr. Zimbardi with all in favor Accepting the Annual Engineer’s Report was approved.

EIGHTH ORDER OF BUSINESS

Discussion of CDD/HOA Workshop Date and Agenda Items

Ms. Adams stated after the 2022 election, Mr. Reed suggested having a joint meeting between the Poinciana CDD, Poinciana West CDD and the Homeowners Association (HOA). It was premature, but when it was brought up in the Spring, the HOA stated that it was too early for them to consider a joint workshop and it would be brought up when the Board considered the budget. Mr. Reed provided the following agenda:

1. Review of the Memorandum of Understanding for Stormwater System
2. Current Agreement for Reclaimed Water Infrastructure (Irrigation System)
3. Stormwater Permits.

Ms. Adams pointed out at this time; the HOA was not ready to consider a joint meeting. The Poinciana West CDD Chair was monitoring the situation but was not ready to commit to a particular date. Mr. Reed felt that a meeting like this was important for the individuals representing their community and each organization needed to decide if they wanted to participate. The key issue was what they wanted to discuss and why. It was his expectation that any subject discussed would be presented by an expert in the field and they would have a chance to learn from the different organizations that were involved. Ms. Epstein suggested scheduling the workshop on a month that the Poinciana West CDD did not meet and that the other entities

agree to a meeting first. Then they could send out an invitation to either meet in August or October, offer both dates as an alternative. Ms. Adams would take this direction to staff but suggested that the Poinciana West CDD meet the third Wednesday in October at 9:00 a.m. or 10:00 a.m. since their next meeting was in September and inviting the HOA. If neither party chose to attend, Ms. Adams would report back to the Board. Mr. Zimbardi questioned the type of meeting. Mr. Reed explained that it would be a joint workshop meeting between the Solivita HOA and the Poinciana and Poinciana West CDDs for educational purposes. Ms. Adams noted that no Board action would be taken at a workshop and it was for informational purposes. The Board agreed with the agenda items and felt it would be a good start.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

i. Presentation of Memo Regarding Ethics Training for Elected Officials and Other Legislative Updates

Ms. Carpenter reported that there was a new law requiring ethics training for Special District officials. It was a four-hour requirement that could be completed in 50-minute increments beginning on January 1, 2024. There were a number of free online offerings that Board Members could choose to use. There was also a change in the Concealed Carry Law to prohibit concealed weapons and firearms at government meetings.

B. Engineer

Ms. Leo reported that they were continuing with the conveyances of the ponds over to the District and everything was ready. The repairs that were requested were completed, with the exception of Pond C8, which was along Cypress Parkway. Ms. Leo received an email from Taylor Morrison (TM) yesterday stating that this pond would be ready next week and the rest of the ponds were ready to be conveyed. Mr. Smith participated in several walk throughs and they received as much material as they were going to get as far as as-builts through online permit research. The ponds were in good working order, but they could get better with Mr. Smith's oversight. Mr. Reed noted that the ponds were in the 2024 budget and TM understood that they were still responsible for the maintenance until the end of the year. Ms. Epstein pointed out that the District would take the ponds over on September 1st. Mr. Reed clarified that the District would be taking them over on October 1st and questioned whether there was a walk-through next

week. Ms. Epstein confirmed that no walk through was scheduled at this time. Ms. Leo planned to perform another walk through of Pond P-8. Mr. Reed wanted to participate in any and all walk throughs of the property. Ms. Leo did not want to have a large group participate but offered to walk the ponds with Mr. Reed independently.

Mr. Reed preferred to have Ms. Leo and TM talk about the retaining walls around the new ponds in public. Ms. Leo reported that they were not accepting the retaining walls as part of this conveyance. Mr. Reed requested in writing that the CDD was not taking ownership of the retaining walls. Ms. Carpenter confirmed that the Bill of Sale specifically excluded the retaining walls. Mr. Zimbardi questioned who was responsible. Ms. Carpenter believed that the HOA maintained the retaining walls, because it was a private improvement, but was researching it. Mr. Reed questioned whether a canal was included in the conveyance. Ms. Carpenter felt that this was a misstatement in the minutes but would verify.

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:

4. Parcel Conveyance from Taylor Morrison to CDD: Discussed.
5. Monitor Central Florida Expressway – Poinciana Parkway Projects: Parkway Connector: In process. The Chairman was appointed by the CDD Board to gather information and report back to the Board.

Ms. Epstein met with Metroplan, the organization of all of the area counties working on transportation and alternatives were presented to them. They were impressed. At this point, everything was on hold until the Federal Highway Authority rules on Title 6. Ms. Adams stated that staff would continue monitoring this project since it was of importance to the community.

6. Erosion Repairs: In process. The Field Manager obtained proposals; however, the amount was high and the scope was being modified.
7. Shoreline/Littoral Plantings: The work was completed.

ii. Approval of Check Register

Ms. Adams presented the Check Register from April 1 2023 to July 7, 2023 in the amount of \$208,149.53, which was included in the agenda package.

On MOTION by Mr. Reed seconded by Mr. Zimbardi with all in favor the April 1 2023 to July 7, 2023 Check Register in the amount of \$208,149.53 was approved.

iii. Balance Sheet and Income Statement

Ms. Adams presented the Unaudited Financial Statements through May 31, 2023, which were included in the agenda package. There was currently \$53,000 in a money market account and interest earnings were 5.1%. Going into the final stretch of the fiscal year, surplus funds could be moved into this account to earn interest. The District was fully collected on tax revenues as well as direct bill assessments for the fiscal year. The Board did an excellent job controlling expenses. The principal and interest payments for the Series 2022 Debt Service Fund scheduled in May occurred. There was also a special call from property owners that prepaid their debt.

On MOTION by Mr. Zimbardi seconded by Mr. Reed with all in favor the May 31, 2023 financial statements were approved.

iv. Approval of Fiscal Year 2024 Meeting Dates

Ms. Adams presented the Fiscal Year 2024 meeting schedule, which was consistent with the prior year's meeting schedule. Meetings would be held on the third Wednesday of each month at 11:00 a.m. in the Starlight Ballroom starting on October 18th and ending in September of 2024. Mr. Reed asked if these dates were acceptable to the Club. Ms. Adams believed that meetings were scheduled for this timeframe, but staff would confirm. Ms. Epstein pointed out there was a change of management with the Club as of August 1st. Ms. Adams appreciated the information.

On MOTION by Mr. Reed seconded by Mr. Zimbardi with all in favor the Fiscal Year 2024 meeting schedule as presented was approved.

D. Field Manager's Report

Mr. Smith presented the Field Manager Report, which was included in the agenda package. New pond plantings were installed, which established well. The fireflies were trimmed and cleaned up along the pond edge as a trial, which was starting to flush out. They could reassess it next year. Overall, the landscaping was looking good. They were in the wet season and occasionally the edges of the ponds could not be accessed due to erosion issues and mowers running over the wet pond banks. This was an ongoing practice that they have been doing for years. Overall, the maintenance was satisfactory. As far as the aquatic maintenance, there were warmer temperatures and ponds had a few algae blooms that they were coordinating with the vendor on, but overall, things looked well. The ponds were clear, due to reduction of the nutrient load in the ponds, which reduced the number of algae blooms. The rainy season came late this year, but they were now getting some rain, which the vendors are going to have to work with. They have been reviewing the ponds to be conveyed with Ms. Leo a few times over the last couple of years. The ponds look great and were ready for takeover. Some of them had littoral plantings, which TM were asked to leave. In some cases, more were requested. Overall, Mr. Smith did not have any major issues and once everything was sorted out, they could proceed with the conveyance. The midge report was provided showing treatments during the month of June.

i. Customer Complaint Log

Mr. Smith presented the complaint log for Poinciana CDD. There were two complaints. One was from July 14th, regarding some algae in Pond C10, which was treated on July 18th. The other complaint was regarding algae in Pond E2, which was treated on July 20th. Mr. Zimbardi asked if any ponds had a severe hydrilla issue. Mr. Smith pointed out that the vendor was always working on hydrilla issues, but for some reason the largest hydrilla issue was on the west side. Pond C10 was the only pond on the Poinciana side that had an extensive hydrilla problem and it had to be treated every year. Mr. Reed questioned the type of plantings on Pond B5. Mr. Smith stated there was pickerelweed and spikerush. Mr. Reed sent a picture to Ms. Adams showing the unsightly appearance of Pond B5. They did not expect Mr. Smith to clean it up since they were paying the Club to hire a vendor to maintain the pond. Mr. Reed was not in favor of the shoreline plants and would like the vendor to clean it up before turnover. Since the cost to install planting could result in maintenance, Mr. Reed did not see a return on their investment; however, several

ponds that had no plants, have done well over the past 11 years. Mr. Reed wanted to have good looking ponds and felt that it was up to the Board to take action and be responsible.

Ms. Leo pointed out that the biggest long-term benefit of plantings along the shoreline was the disruption of wind action so that the shoreline could remain stable over time. For the ponds that they were turning over, there were crews out every week and Mr. Smith's management of these contractors was far above what TM was doing. Those issues would be dealt with over time, but to try to find a time where everything was mowed and perfect, was not practical. Structurally, the ponds were in good condition. Mr. Zimbardi questioned whether there was a list of plants that they approved of and ones that should be removed. Ms. Adams indicated in the past, recommended plants were based on the experience of field staff and the aquatic services provider such as pickerelweed, duck potato and spikerush. Mr. Zimbardi questioned the process for aquatic plants that were not planted by the Board. Mr. Smith confirmed that pickerelweed, duck potato and spikerush were allowed and everything else would be managed as much as possible. Fireflies, canna and other beneficial plants would remain, but cattails would not be permitted to grow. Ms. Epstein recalled when the Board approved the plants, it was only in ponds that received complaints. Ms. Adams noted initially, a couple of locations were selected as a test to see the reaction was from residents and impact on water quality and erosion. Field staff did not recommend installing Gambusia and Grass Shrimp in ponds that did not have littoral plantings because they provided a habitat for the smaller fish.

TENTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Reed reiterated his request to observe the ponds with Mr. Smith that had significant erosion concerns and would be costly to remediate. Mr. Zimbardi recalled that the Board instituted a requirement that any resident that wanted to drain water into a pond had to provide the necessary documentation and questioned how many residents took part in it. Ms. Adams was only aware of one resident.

ELEVENTH ORDER OF BUSINESS

Other Business

There being no comments, the next item followed.

TWELFTH ORDER OF BUSINESS

General Audience Comments

There being no comments, the next item followed.

THIRTEENTH ORDER OF BUSINESS

Next Meeting Date – August 16th, 2023

Ms. Epstein stated that the next meeting was scheduled for August 16, 2023 at 11:00 a.m.

FOURTEENTH ORDER OF BUSINESS

Adjournment

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


Secretary / Assistant Secretary


Chair/Vice Chairman