

**MINUTES OF MEETING
TALIS PARK
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Talis Park Community Development District was held on Tuesday, April 18, 2023, at 10:00 a.m. at 16665 Toscana Circle, Naples, Florida 34110.

Present and constituting a quorum were:

James Proctor
Steven Wishner
Barry Sinoway
Mike Smale
Barbara Simmons

Chairman
Vice Chairman
Assistant Secretary
Assistant Secretary
Assistant Secretary (by phone)

Also present were:

Paul Winkeljohn
Alyssa Willson
Josh Evans
Jim Van Reitman
Loraine Flander
Cindy Gowans
Several Residents

District Manager
District Counsel (by phone)
District Engineer (by phone)
Corsica Association
Corsica Association
Resident

FIRST ORDER OF BUSINESS

Roll Call

Mr. Winkeljohn called the meeting to order and stated we have a quorum.

SECOND ORDER OF BUSINESS

***Audience Comments (Related
to Right to Speak Statute
Changes)***

There not being any, the next item followed.

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THIRD ORDER OF BUSINESS

Approval of the Minutes of the February 21, 2023 Meeting

Mr. Winkeljohn: The minutes from the February 21st meeting are on your tablets, if those minutes are ok, a motion would be welcomed.

On MOTION by Mr. Wishner seconded by Mr. Sinoway with all in favor, the Minutes of the February 21, 2023 Meeting were approved.

FOURTH ORDER OF BUSINESS

Consideration of Resolution #2023-05 Approving the Proposed Fiscal Year 2024 Budget and Setting the Public Hearing

Mr. Winkeljohn: We have a couple of formal activities today, the first one on our agenda is the hearing to adopt the 2024 fiscal year budget, it's a little bit strange that we'd be adopting our budget in April but, Districts have to project way ahead of what their budgets will be so that they can put it on the tax roll, and meet all the requirements. The Board had done this a few times, at least most of them, so they were very familiar with this, and really the decision that brought us to the hearing today was a decision of this Board not to change the assessment level and to adopt the prior year assessment level. So, I'm kind of speaking for everyone but, the Board can adjust the expenses throughout the year so they're not limited by what they adopt today should something arise, should we have a conversation later that, oh we need to spend \$5,000 on this problem, we can do that, we have reserves, we have the capability. So, the function of today's hearing is to finalize the assessment for 2024 and you had some questions I believe.

Mr. Wishner: Yes, I have a few line items on the budget, both the existing budget and the proposed budget that I'd like to ask about to make sure I'm clear in my mind as to what is going on. So, the first question is in regards to the carry forward surplus we have adopted in this year's budget, a surplus of \$143,000 that we expected. We're now expecting \$227,000, and next year's proposed surplus is \$168,000, so I'd like to understand what it is that's been happening this year that is resulting in a surplus larger

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than we anticipated, and what it is we're expecting next year that will result in that surplus being reduced from this year's level?

Mr. Winkeljohn: All excellent observations on your part. One is the simple difference between the projected and what is in the budget is called hyper-conservative budgeting, we expected that number, and it can change, so we use a lower number just because if you put it in there, you'll be wrong. The second thing about the projected budget is that it's not built into any fixed line item, so it's still a reserve, so if the opposite were true, if we were buying a contracted amount or something fixed with that money, we'd be running out of money pretty fast, and so that isn't happening, so those are two good things. The reason it's projected higher than last year was simply that last year we spent a lot of money on some projects with hurricane recovery that hit last fiscal year and not this current fiscal year, so that's the global one. We did spend a pretty significant amount on the aeration system replacement, and most of the solar system, so that check probably hasn't hit yet but, it will, so those are the big pictures. Did I hit every one of your points?

Mr. Wishner: The second part of that is, why are we going back down next year?

Mr. Winkeljohn: So, next year you lost units and so you do have to absorb a little bit of the new unit count. You remember that new community, I can't remember the name where the old cell center used to be, so your divisor for the first time is 560, not 577 units.

Mr. Wishner: Right, and that comes to the question I haven't yet asked but, as long as you're raising that point, I don't understand that.

Mr. Winkeljohn: Ok. So, operations and maintenance is a flat fee across every platted unit in the community, they changed the number of units. The debt portion cannot do that, they have to write a check to balance that but, in operations and maintenance the different set of rules are you can only charge who you have.

Mr. Wishner: Yes, and I don't understand why our count went down by 17.

Mr. Winkeljohn: Because the owner of that land, was paying on the original number of units, and they re-platted it and got it recorded as a smaller parcel.

Mr. Wishner: So, we're saying that originally it was in the budget count at 45 units and now that it's 28 units, it's a reduction?

Mr. Winkeljohn: Absolutely correct, just in operations and maintenance.

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Mr. Wishner: Right, which causes operations and maintenance, that cost, to be spread over fewer units, meaning each unit is paying a little bit more.

Mr. Winkeljohn: Correct.

Mr. Wishner: Ok.

Mr. Winkeljohn: Right, and ultimately at some point in time that will cause a budget adjustment to your assessment. Now, this Board historically kept a buffer in, and we always do that in this business, we keep a pretty good cushion in our known expenses but, our budget expenses are worse case scenario or probably bad scenario is a better way to say it, likely to be bad scenario or unlikely, and because of that those placeholder line items are there but you don't spend them until you build a reserve and then you'd use reserves for capital projects or more importantly, which we've done twice now, hurricane recovery.

Mr. Proctor: Paul, for Steve's benefit, this is not the first time that number has been reduced.

Mr. Winkeljohn: Right, it's happened a few times, yes.

Mr. Proctor: The density has been higher, it gets adjusted when you decide what type of product you're going to build.

Mr. Wishner: Right, I had either not remembered or not known that we had a higher count on that plot.

Mr. Winkeljohn: Right, and in your situation, you did benefit for many years on that higher number without the burden of those units being built, so there's a pretty good argument why that's the way it works and debt, it doesn't matter on the debt portion, they have to pay down the amount of principal to eliminate those units, and that's required, it's called a True-up.

Mr. Wishner: And what is the interplay with that count and the carry forward surplus being reduced from this year's level and next year's level, or are they two separate items?

Mr. Winkeljohn: They are separate, we didn't use reserves to pay the bills, so I believe it's simply a conservative projection.

Mr. Wishner: Ok.

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Mr. Winkeljohn: And when we do budget, it isn't always a cash discussion, it's a projected discussion, so we can go back to the financials, and you'll see every month when we do the financials and what our cash situation is.

Mr. Wishner: Ok, and do we know related to that new count of 560, the one remaining plot near the entrance, right over the bridge by the golf course, do we know what the count is in that plot of land in terms of the number of units?

Mr. Winkeljohn: Unchanged.

Mr. Wishner: No, I know it's unchanged but, do we know what the number is offhand?

Mr. Winkeljohn: I would have to find it for you, I don't know that.

Mr. Wishner: Just for future reference and I don't need to know it right now but, I would like to know it.

Mr. Reitman: You're talking about Toscana Circle here?

Mr. Wishner: Yes.

Mr. Reitman: I think it's 14.

Ms. Gowans: This here is where the parking lot is supposed to be?

Mr. Winkeljohn: Yes, that's on the chart.

Mr. Wishner: Ok.

Mr. Winkeljohn: And we've had this conversation before that we have to retain the original, and I call it nomenclature the definition of these properties, the original because we have always traced back to what they used to be called, what they used to look like because the fee structures are tied to that. So, when the developer markets them under a different name or reshuffles the deck a few times, we still have to use that old language, and we promised you guys that we would try to put the names next to them but, they don't align to our chart so it's really a big headache.

Mr. Wishner: Ok. A couple of other questions if I may.

Ms. Simmons: Paul, I have a question.

Mr. Winkeljohn: Go ahead, please Barbara.

Ms. Simmons: Ok, so I'm just looking under maintenance and I don't remember all the details, our repair work on the berm, I see that we have landscape maintenance, that went up a little bit, the berm is the same and Veterans landscape maintenance went

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up, were we trying to do everything on the berm that we could or are we still waiting for a landscape proposal?

Mr. Winkeljohn: Both are true actually. The cost increase from the original budget is simply cost of living hits, all of our contractors had significant labor cost influxes and so we had to absorb changes to their contracts, so that's why the maintenance costs were going up. Upgrade work or repair work would be separate of that, so that work we did what we had to, and we're waiting for the landscape architect's design before we invest bigger than a few thousand dollars type of work because we wanted to do it once, right?

Mr. Wishner: And when do we anticipate getting the results from the gentleman who was submitting?

Mr. Winkeljohn: They have a report today but, I haven't read the report, I updated your packet with their report today, but I haven't read it personally because it happened while I was driving. Go ahead Barbara, did you have a second question?

Ms. Simmons: Yes, thank you, so will that change this proposed budget because we're trying to get it in for next year?

Mr. Winkeljohn: So, the proposed budget, the line we're drawing today is simply that we're not increasing the assessments, and we anticipated that we still wouldn't have a final plan until this time next year of everything we're considering, and that's been the deliberation of this Board up to this point, so we went ahead and set today's hearing to set that ceiling for the next 12 months but, in this process next year we're going to nail that down and if we need to make an adjustment it will be proposed.

Ms. Simmons: Ok, thank you.

Mr. Winkeljohn: Yes ma'am.

Mr. Wishner: While we're on the maintenance that Barbara raised, I do have a question, I'm curious as to why the Veterans landscaping is one, so expensive, and two, why it's running so much higher than had been budgeted.

Mr. Winkeljohn: So, it's bigger in all scales in terms of actual maintenance, what we have to do there is it's very labor intensive and it's a longer area, it's just a huge area of daily or weekly maintenance. When we first bought that service, it did the same thing to me, and Kevin explained it with the contractor, why it was a different kind of animal compared to the I-75 berm. The I-75 berm is really a monthly and quarterly type of work,

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whereas the requirements of the Veterans berm is weekly, it's almost like your lawn landscaping versus behind-the-scenes type of landscaping, so it has a higher standard of work.

Mr. Wishner: Ok but, the given that is perhaps the largest maintenance line item, and it's running so far ahead higher than what's been budgeted, I would like to question whether there's anything we can do to pair back on the degree of work that's done there to bring those costs to a more reasonable level.

Mr. Winkeljohn: I agree, we should do that. We've scrubbed it every time it's come before us, and I don't think we should ever give up, it's such a big ticket.

Mr. Sinoway: Haven't we bid that out lately?

Mr. Winkeljohn: So, here's a couple of problems, what's happened with your bidding, or with these escalations, is they're crossing the bid thresholds where you can no longer just ask a contractor, send me your proposal. If we do that, I think we're going to be required, and Alyssa will probably agree with me, that we should err on the side of caution and do a formal bid. That's the requirement in the State of Florida when you cross over \$250,000 in that range, and it might have crept up closer to \$300,000 but, you're pretty close to that anyway. A formal bid is a sealed bid, and there's some problems with that if you've ever done formal government bidding, one, you have to have an excellent set of specifications and defined scope of work, two, you send it out. You have to advertise it in the newspaper so it could get a large response or a very small response, and then you have to rank the respondents and if you don't choose the lowest bidder you have to have a very strong justification for that, so you could very well get an unknown, or somebody who may not perform successfully, and you may have to hire them at first, so you can create this cycle of trial and error in that respect.

Mr. Wishner: Can we break that work down into subcontracts?

Mr. Winkeljohn: Yes, and that's not a terrible way to manage it, it's so big that maybe one contractor is too much for us anyway, and maybe bid out just a specific area but, you can't avoid the bidding process by using that. The way you presented it, and I think Alyssa can chime in, are you hearing this Alyssa?

Ms. Willson: Yes, I am.

Mr. Winkeljohn: Ok, am I on track or not?

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Ms. Willson: Yes, you're exactly right, but I think it should be categorized as maintenance, so the maintenance threshold is \$195,000, so anything above that you have to go through the advertised sealed bid process. If it was characterized like a full-on construction installation, if you were putting in a whole bunch of new landscaping, and new irrigation, that could be characterized as a construction contract, and that limit is higher but, yes, you can't break it apart for purposes of circumventing the sealed bid process but, if there is a logical reason for separating the landscaping and irrigation, or separating part of that contract, then maybe you wouldn't have to go through a sealed bid process.

Mr. Winkeljohn: Right, so the Veterans right-of-way is presently looking at about \$184,000 which is why I reacted because it's just below the maintenance threshold which she said is \$195,000. So, you're close enough to it where my advice would be to go ahead and do the sealed bid, you do have other maintenance areas and we can justify separating them logically because there isn't necessarily an economy of scale with them combined, necessarily, other than the management economy where you have to supervisor more than one contractor.

Mr. Wishner: But beyond that, I would like to know if there are things we can do differently in terms of what is being maintained and are being maintained, so that we can drive those costs back down instead of simply allowing them to escalate the way they have been.

Mr. Winkeljohn: Right, and in field management that would be the job of your field manager to bring back a report or a study or an opinion, either of the contractor or from their perspective, we rely on Kevin, historically for that, and I'm guessing he's very busy with the construction and not to speak for him but, I wouldn't be surprised if that were his fulltime attention that he would find those answers strongly because I've always suspected that it was overpriced as well.

Ms. Gowans: Pardon me for interrupting, if I'm to understand you and Alyssa, if we stay, Talis Park, below \$180,000 then we wouldn't have any issues?

Mr. Winkeljohn: Correct.

Ms. Gowans: So, what's the harm in exploring?

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Mr. Winkeljohn: If the bids all come back at \$198,000, then you have to redo it and then you've sort of set the market for yourselves a little bit.

Ms. Gowans: And one of the ways to circumvent is to maybe have a contractor that just does the shrubbery, once a month, and then somebody else that just does the mowing once a week?

Mr. Winkeljohn: Well, you can't do it to avoid the bidding process, you can do it because it's a more efficient or effective service approach, so language is everything in this case.

Ms. Gowans: How difficult would it be to argue that, that it is more efficient?

Mr. Winkeljohn: It's not something you want to chance because, and I'll give you the hypothetical, if you don't bid it, a contractor who wasn't selected will sue you, and then you might be paying them as though they won the contract, as well as whoever you hire, that could happen.

Ms. Gowans: And last question quickly, sorry, this is like having Veterans as public.

Mr. Winkeljohn: It is.

Ms. Gowans: But it falls on Talis which is private.

Mr. Winkeljohn: No, Talis, when it comes to the Community Development District is a public entity, we're a government.

Ms. Gowans: Ok.

Mr. Reitman: Just a point of clarification, so we're kind of the other side of a lot of that I think on Corsica, we just went through a big process of going through the turnover, and one of the things we had to do is switch landscapers because of the expense of the other side of that. So, there's a fence down the middle and it sounds like the CDD has the fence towards the road, and then we have that berm on the other side, and we were able to, I think, get a much better price.

Mr. Winkeljohn: And who is your contractor?

Mr. Reitman: Vision, so he's doing it, and we're pretty happy with them so far, everything from the fence to the lake. Now it's not the whole thing because then it goes down to the tennis courts and it goes to the maintenance facility.

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Mr. Winkeljohn: So, with that information, he knows it's a more competitive price, that somebody that's there is probably an economy because of the proximity into the immediate area, the Board might consider asking Vision to give us a proposal on our current set of specifications, and I don't think there's a risk with that because every indication is it's not going to create that other problem.

Mr. Reitman: And Lorraine happens to be our landscape person.

Ms. Flander: Right, absolutely.

Mr. Reitman: So, she happens to be here, and I wasn't involved with that.

Ms. Flander: I went through 6 or 7 different landscaping companies and Vision even cleaned up the lake because the lake was a mess.

Mr. Wishner: Is Vision the one we use on Carrera II?

Ms. Flander: Yes.

Mr. Winkeljohn: So, those are separate contracts, they don't affect our little process.

Mr. Reitman: We've had some pretty big discrepancies between the companies and the quality of what they were doing.

Mr. Winkeljohn: Right, so one, we're in a budget discussion, and we're sort of drifting out of that, and we can pick this up in a little bit with some direction from the Board.

Mr. Reitman: Ok.

Mr. Winkeljohn: So, if we can move past that and we'll just table that for now.

Mr. Wishner: So, let me circle back to the budget then.

Mr. Winkeljohn: Yes, sir.

Mr. Wishner: The first quarter operating in the adopted budget is a \$90,000 line item, anticipated to be zero for the year, what is that line item?

Mr. Winkeljohn: So, the first quarter operating, historically is a way to identify the amount of reserves necessary to pay your bills from October, November, and December because the first quarter of our operating year is, our year starts October 1st, and there's no funds, there's no revenue for that fiscal year to match it, so you have to match it with something from the prior year. You do get the revenue, you get it in December and January, so one of the ways you manage the smaller number of units is you stop identifying your first quarter operating paid for in the current fiscal year and you basically

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are just going to use reserves, it takes it off of the line item so your divisor is the amount of money you're dividing against which is lower. You still have the reserves, you still have to watch it, and we monitor it for you but, it's the way to balance the budget.

Mr. Proctor: And that's consistent with prior years.

Mr. Wishner: Ok. I'm concerned that the combination of first quarter operating of \$90,000 and the carry forward surplus of \$143,000 adds up to about \$233,000.

Mr. Winkeljohn: Well, I see \$168,000 for the carry-forward surplus projected.

Mr. Wishner: Right, correct but, what I'm saying is the combination of those two items, the carry forward surplus and the first quarter operating, is \$233,000 which is now dropped to \$168,000, and that's a huge drop, and I just want to get comfortable, and I don't know why it's dropping that much, between the drop in the carry forward surplus and the elimination of the first quarter operating, it's a big difference.

Mr. Winkeljohn: Right, and that reality is simply a way to balance the budget for adoption and assessment setting purposes, cash and reserve cash is a separate schedule, and I don't know if we're pulling that out for you guys yet but, for some Districts, we create a schedule just on reserves so you can see the picture at the same time, so I can do that for you.

Mr. Wishner: I do understand that it's a construct to get to a level assessment but, my question is, are we setting us up for a problem in creating that?

Mr. Winkeljohn: Well, if you had this problem continue to happen, you lost 15 or so units every year, yes, you would be diminishing down, you'd be short and you'd have to raise the assessment rather than keeping the assessment the same. We know we are headed towards that potentially because we know we want to invest more into the community but, those decisions aren't made yet, so we can't quantify something we don't know about. As of April 1st, you're over \$750,000 cash in the bank so we know we're well past \$300,000 in reserves today.

Mr. Wishner: Ok, alright, thank you.

Mr. Smale: I have a question also which is a little bigger picture maybe. If you look here down at the bottom, if you were looking at the column projections for 9/30/23, which would be in this fiscal year, right, we're projecting total expenditures of \$599,000, correct?

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Mr. Winkeljohn: That's what is projected, yes.

Mr. Smale: Exactly, for fiscal year 2023, if you go down to the net assessments a few lines lower, our net assessments are only \$511,000, and if we built into this the fact that we're losing \$80,000 or whatever it is this year, so we're at a deficit with regard to the budget for this year already, right?

Mr. Winkeljohn: The projection shows that but, the projection will always be high.

Mr. Smale: Ok, so what's more realistic then?

Mr. Winkeljohn: You'll probably end the year with about \$80,000 to \$100,000 net positive.

Mr. Smale: Ok, so net positive, not the net negative that's shown on here.

Mr. Winkeljohn: Correct.

Mr. Smale: Ok, so carrying that one step further to next year, when we project in the budget for total expenditures at \$675,000 roughly, and with the reduction of units, net assessments of just under \$500,000, so the budget appears to have built into it a deficit of \$175,000 for next fiscal year 2024, which sounds like a lot of money when our total expenditures are \$675,000, if we have a \$175,000 deficit, I mean we're at like whatever it is like a 20% deficit, that just doesn't sound very good, am I missing something?

Mr. Winkeljohn: This same conversation, it's extremely conservative estimates on expenses, your revenue is fixed, that doesn't change.

Mr. Smale: Our revenue is going down.

Mr. Winkeljohn: Yes, but part of the revenue you're putting in there is a choice, it's the amount of reserves, so you're moving it in and out to level the playing field because you have in the past spent more, you've had big projects because of two hurricanes, and so those years you did overspend, and so you had to meet that with reserves. You've had years where you didn't spend anything of your reserves and so that was a bigger surplus at the end of the year, and all that is added up over the last 15 years to that magic cash balance of over \$700,000 right now. So, you will have this fluctuation no matter what, as long as you always have reserves. Now, what we can do, and I've mentioned this before, is we can draw up some hard lines around the reserves and put a schedule in here just of reserves and not touch that to do this, and at some point that's the way to go when you really are done, and have a feel for, ok we want \$250,000 isolated just for

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storm recovery and you list that, and then you can put right underneath storm recovery, and this is what we usually do, \$150,000 first quarter operating, those two you don't touch. Then, we can consciously look at the remaining money as project money. We don't do that for you all because you're at that stage of evolution if you will, of resident control where you start making these choices, so it's up to you all.

Mr. Smale: I'm confirming the fact that we're only going to collect \$500,000 next year.

Mr. Winkeljohn: \$530,000, yes.

Mr. Smale: Well, after the discounts we'll call it \$500,000 for a round number.

Mr. Winkeljohn: Ok.

Mr. Smale: And we're projected to spend \$675,000 for a round number, is \$675,00 an inflated number?

Mr. Winkeljohn: Very inflated, yes.

Mr. Smale: By how much?

Mr. Winkeljohn: Over \$100,000, about \$180,000 probably.

Mr. Smale: So, we're talking about a \$75,000 net deficit for operating and maintenance expenses.

Mr. Winkeljohn: Yes, and in theory that will keep going down, and next year you're anticipating knowing what you want to buy, so you'll fix all of that.

Mr. Smale: By raising the assessments.

Mr. Winkeljohn: Yes.

Mr. Smale: So, I guess my conversation is coming around to the fact of why don't we raise the assessment now?

Mr. Winkeljohn: Because we don't know the number.

Mr. Smale: But we do know that we're going to have a deficit this year, so why don't we raise the assessment to cover at least the deficit this year in 2024 and then we may or may not have to raise it again depending on the projects.

Mr. Winkeljohn: Right, and it's a question of tastes and the decision of this Board, the recommendation is that you can do either, and you can still choose to do that, that's why we set this meeting as early as April so that you would still have another choice to make.

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Mr. Wishner: So, said another way that you're recommending is, rather than cover the potential deficit with a drawdown of reserves, your suggestion is to raise the assessment to be neutral and just maintain the reserves where they are.

Mr. Smale: That's essentially what I'm driving at, is why don't we do that?

Mr. Winkeljohn: Right, so if you have the ability to keep your assessment level, and you also know you're going to have a project, a thing, to spend money on, and this is what got us to this point, is you also have a refinancing potential next year because of the timing of your debt, so you have all those moving parts. There's a chance you will gain enough revenue off of that refinancing where you don't have to change the assessment again, and you could balance it, so you have those things on your horizon. The negative, and the reason why most Boards, not all, but most Boards do not get into the small incremental increases every year is simply because the process is very provocative. You will be sending a letter to each resident telling them, we're raising your assessments, and they get invited to a public hearing like today, whereas today's meeting, the difference is, I didn't send them a letter telling them we're proposing to raise the taxes, and this is a very sophisticated clientele, different than the average but, in most cases, you just don't antagonize that conflict when you don't need to.

Mr. Sinoway: Didn't we talk about a refinance opportunity the last time we were here, and a guarantee of \$300,000 in excess?

Mr. Winkeljohn: Correct, that's on the horizon.

Mr. Wishner: Part of what I'm uncomfortable with in the conversation we're having at the moment is, we haven't yet reviewed the proposal for the berm, and what the cost of that will be, so I don't yet know how to bake into this conversation whether, and we haven't reviewed the report on the refinancing, so between whether that \$300,000 excess refinancing is truly a possibility, and whether the cost of redoing the berm is where we thought it would be, those are two large variables that will absolutely affect the issue you're raising Mike, and we haven't had that conversation yet.

Mr. Winkeljohn: Right, and we don't think, before today's meeting, we didn't think even with the reports that we would still have all of the items combined with the irrigation, which is tied to the golf course repair, so there's so many unknowns that what you've done is, you said ok, I'm going to tackle this in a two-year process. We're going to hold

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the assessment this year and spend from April all the way until February next year getting that definitive assessment level nailed down because you'll have the refinancing which will be known, the berm irrigation will be known, and the landscape architect will be much more known, and I can't speak for them but, that was the strategy, was to get all these moving parts more in focus at the same time, and then you'll be able to make an easier decision, and you have the reserves.

Mr. Wishner: So, if we do decide to increase the assessment to cover our costs and not draw down the reserves to balance our budget, do we know what the increase per unit will be to the community?

Mr. Smale: I just figured it out, I was looking at the same thing. So, if we just said the \$75,000 was the real number, and we divided it by 560 units, so it would be \$135 per unit which is a significant increase with a \$959 base, and it's 15%, and that's only \$75,000.

Mr. Winkeljohn: Right, so this time next year you're going to have some new revenue potentially lowering the potential assessment range, we don't know the amount, and a project pushing it up, so we don't know.

Mr. Smale: I realize we don't know the variables but, I think we do know that we're operating at a deficit.

Mr. Winkeljohn: Correct.

Mr. Smale: Should we, instead of waiting for all these variables to resolve, take the increase in assessment in a couple of different steps rather than a year from now, let's say it's going to be double what it is now. Let's say it's \$135 right now, and we come forward next year and say, well we didn't do it last year but, we're going to do double this year so everybody has an increase by \$250 next year, we'll have a lot more people show up at the meeting.

Mr. Winkeljohn: You'll be explaining yourself twice under that approach versus once.

Mr. Smale: That's ok.

Mr. Winkeljohn: And I'm just being the devil's advocate, you'll be explaining not only what you chose to do but, what you're about to do, and then you have to explain it again, and you've basically opened yourselves way too much doubt and scrutiny, and not that I guarantee that but, it's likely.

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Mr. Smale: I'd like the people to come and see what we're doing, and then if they don't like it, they can get on the Board. I think it's very important to be transparent with what's going on, so I don't want to hijack everybody with a 25% assessment increase two years from now when we could do it in small steps, that's just me.

Mr. Winkeljohn: Right, and it's the Board's decision.

(At this point several people were talking at one time, and no one conversation could be heard)

Ms. Simmons: Paul?

Mr. Winkeljohn: Yes, go ahead Barbara.

Ms. Simmons: Yes, my thinking is that I'd be very uncomfortable raising the assessment because for all the reasons you mentioned there. There are way too many unknowns, you made a comment that if we refinance the bonds, maybe there won't even be an increase, so I think there's too many unknowns for me to feel comfortable voting to raise the assessment, and I understand the reasonings both ways. One thing you had mentioned was if it was our choice to have like a long-term plan for our reserves, I think that's very important because that plays into, can we cover a deficit this year with reserves, and what does that look like for another hurricane for the future where we're putting our reserves. So, I can't see everybody's faces there, if they're doing head nods but, I'm hoping everybody is in agreement that we're probably at that point where we would like to see a long-term plan for our reserves.

Mr. Winkeljohn: Visually they're riveted to every word you're saying.

Mr. Wishner: Barbara, this is Steve, I fully agree with you with respect to the reserves. I just do want to clarify that even if we do have the opportunity to raise an additional \$300,000 in the refinancing of the bond, that would only cover part of the anticipated cost of redoing the berm, not all of it. So, we're still looking at additional project costs that would have to be raised somewhere, somehow, to do that project.

Ms. Simmons: I understand.

Mr. Smale: Back to the beginning of your conversation though, we can vote on this today and approve a budget with no increase, and then change that anytime before the end of August, right?

Mr. Winkeljohn: June 15th, that's your deadline.

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Mr. Smale: Ok, June 15th, so that's only a couple of months.

Mr. Winkeljohn: Right, so today is really the day you ought to if you want to change course, consider in your idea or what you're proposing as a more incremental approach to the assessment, the Board obviously could table this item, or what you would do is you would not pass this resolution but, you would propose a new budget with an assessment number on it, and we would come back and set a new public hearing.

Mr. Smale: Ok.

Mr. Wishner: And I was going to suggest, if we can do this, to table this conversation within this public meeting until after we have the conversation about the term and the refinancing so that we have more of that input data, and then come back to make the decision as to what we want to do with the budget, is that reasonable?

Mr. Winkeljohn: Ok.

Mr. Smale: Yes, I like that idea.

Mr. Winkeljohn: Josh are you on the call?

Mr. Evans: Yes, I am.

Mr. Winkeljohn: Ok, so are you guys prepared to give us an update on the landscape architect project?

Mr. Evans: Yes.

Mr. Winkeljohn: Ok, so if the Board so wishes, we'll table this portion of the public hearing, and hear the landscape architect update, is that the consensus?

Mr. Smale: Could I ask one more thing first?

Mr. Winkeljohn: Yes.

Mr. Smale: By June 15th, if we make a change, if we vote for this today and make a change, it has to be by June 15th, and this is our usual meeting, and so in May or June we would have to have a meeting to do that?

Mr. Winkeljohn: Correct.

Mr. Smale: And we need a 3-person quorum to do that.

Mr. Winkeljohn: Yes sir.

Mr. Smale: And I don't know if we would be able to muster that up at any other meeting.

Mr. Winkeljohn: Right, there's a risk.

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Mr. Wishner: I know now that I am not available in May, I'll be in Europe.

Mr. Sinoway: I am not available either, I'm in Europe.

Mr. Smale: Ok, so realistically, and I'm not sure of my plans yet but, realistically Jim and I would be the only ones who could make any meeting during May or June.

Mr. Winkeljohn: Ok.

Mr. Smale: So, let's consider that as we go through the conversation.

Mr. Winkeljohn: I appreciate your comments. So, I think it's a great idea to go ahead with the landscape architect update, so Josh are you ready?

Mr. Evans: Yes sir.

Mr. Winkeljohn: Ok, you have the floor.

Mr. Evans: Alright, very good, so this is Josh Evans for the record. So, I met OPI twice since our last meeting, they have met with the county themselves twice to make sure what they're planning will meet the code minimum because you're far exceeding the total plant count but, there's things like having a continuous hedge, well, we don't have a continuous hedge but, we have a maximum amount of planting. So, working through their questions, they've already started laying out plant material and plan view in CADD, and in the next two weeks they're going to be starting to create more illustrative types of exhibits for us to present at the next meeting, and I'm meeting with them again I think it's on the 12th to review those documents to get my approval before we present it to you. So, whenever the next Board meeting is, we will have a demonstration of the couple of concepts that they have that will be color, and illustrative, so that you can get a good visual of what they're proposing. What I've been looking at is circles and plan view with labels, so it's kind of hard to really get a good idea, and it wasn't worth presenting because it's hard to get a feeling of what it really looks like in that format. So, when we come back to you next time it will be something that's more presentable and I can give you give a good feel for the color and size of it.

Mr. Winkeljohn: And I think from listening you have a sense that we might be wanting to hear some projected estimates also? I know that's a little premature.

Mr. Evans: Yes, well they have a couple of different concepts because I've told them to do different ranges, minimum to heavy duty so I'll just ask them to give us a

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context of scale as far as cost, I'm sure they can do that, and I'll make sure we add that to the update for next time.

Mr. Winkeljohn: So, I call that order of magnitude type budget.

Mr. Evans: Right, order of magnitude.

Mr. Winkeljohn: So, what I just heard, to put back into the budget discussion, is they don't have numbers today. Alright, well thank you, and I'm sure we have some questions for you, go ahead, please.

Ms. Simmons: Paul, this is for Josh, have we coordinated the colors and plantings of the look with the new HOA landscaping plan? I don't think they have a plan yet but, they're working on one, doing some updates to the community, have we coordinated that with them? Are we talking with them?

Mr. Evans: No, I didn't know they were doing that, so who is the contact that I could get with to make sure that Pat and those guys are looking at what they're doing at least?

Ms. Simmons: So, the new company we're with is KW.

Mr. Evans: Ok, KW I know those guys.

Ms. Simmons: And the new director for us is Chris Shelton, and does anybody there have it in their phones, the name of the new HOA person, oh I have it, I was correct, it's Chris Shelton, and do you need his email or phone number?

Mr. Evans: Email would be great.

Ms. Simmons: Do you want me to just email it to you?

Mr. Evans: That would be great, and I'll reach out to him right away.

Ms. Simmons: Ok.

Mr. Evans: Thank you.

Mr. Winkeljohn: Good catch, are there any further questions for Josh? Not hearing any, and did that satisfy your request?

Mr. Wishner: As best as we can, yes.

Mr. Winkeljohn: Right, it gave us what we were looking for.

Mr. Proctor: Paul, I think the Board should consider approving this budget subject to further review when we get more information because we have everyone here.

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Mr. Winkeljohn: Yes, I agree with you, that would be the approach if we're able to, if there were an emergency or something like that and you needed to change your budget you could call a special meeting between now and that June 15th deadline, granted there's 2 or 3 people that aren't here but, I don't know, Barbara do you come back into town or do you stay out of town for the next two months?

Ms. Simmons: I will be out of town. What are the next two meetings scheduled?

Mr. Winkeljohn: The ones on the schedule are May 16th and June 20th which would be too late, so it would be a special meeting, so I think it's pretty obvious that we probably wouldn't have quorum with 3 out of 5 people out.

Ms. Simmons: Ok.

Mr. Smale: That's what it sounds like, so if we sat here and said ok, we want to raise everybody's assessment by \$100, we couldn't do that today without public input, is that correct, you'd have to advertise it?

Mr. Winkeljohn: Correct, you'd have to re-set today's public hearing with a proposed budget with an increase, you'd need 21 days for the mail notice and 3 weeks of advertisement to do that as well, 3 weeks in the newspaper, so the timing to do that for that hearing would be very tight, but you could set that hearing later in the summer.

Mr. Smale: Ok.

Mr. Winkeljohn: And the deadline for that hearing would be early August or mid-August, that's the drop-dead time period.

Mr. Smale: So, we'd be doing it but we all couldn't come anyway.

Mr. Winkeljohn: Right, so for next year's purposes you're going to want to do this.

Mr. Smale: So, it's impractical to think we could even do that this year.

Mr. Winkeljohn: It sounds like it, yes.

Mr. Smale: Ok, so let's file that for next year, and we're going to end up with the same process if we start doing this in April when everybody is leaving.

Mr. Winkeljohn: Right.

Mr. Smale: So, based on all of what we've discussed, I'll make a motion that we adopt this.

Mr. Winkeljohn: Ok, so if you don't mind, we have to do some housekeeping, we're going to reconvene the public hearing now, so that we can have a consensus to table

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while we discussed the landscape architect update, so at this time we are back in our public hearing.

Mr. Wishner: Well, wait a second, we've heard about the landscaping but, we haven't had any further information on the refinancing.

Mr. Winkeljohn: Right and that's on hold because the refinancing wouldn't be until November, they have a projected estimate, and it's improving by the way, like the interest rate that they were using to give us that estimate a couple of months ago, is improving but, I don't have any more update, and they're not with us today on the phone.

Mr. Wishner: Ok, alright.

Ms. Simmons: When is the refinancing?

Mr. Winkeljohn: The first time you can refinance is November 1st, and that's why it didn't fit doing it in advance.

Ms. Simmons: Alright.

Mr. Winkeljohn: But we'll have it done and in the can for next year's budget.

Mr. Wishner: I thought we were refinancing in August.

Mr. Winkeljohn: You can usually do it a month or so early.

Mr. Wishner: I thought it was 90 days.

Mr. Winkeljohn: Ok, 90 days is what he said but, the payment is November 1st.

Mr. Wishner: Right, which gets us to August.

Mr. Winkeljohn: Right, that sounds about right but, the known revenue would still put us into what we're looking at is next fiscal year, and I like the way you said it, it's a much tighter schedule than we might have even thought of if we look at it as having the adoption hearing probably no later than April next year.

Mr. Smale: Sooner if we can.

Mr. Winkeljohn: Right, and I probably would put the proposed in February as well, which would fit, so we have to have the known numbers before February, so that's tight.

Mr. Proctor: Paul, I'd like to make a motion to approve the proposed fiscal year 2024 budget as presented.

Mr. Winkeljohn: And adopting resolution #2023-05 would do that, so that was from James, is there a second?

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On MOTION by Mr. Proctor seconded by Mr. Smale with all in favor, Resolution #2023-05 approving the proposed Fiscal Year Budget as presented was approved.

Mr. Winkeljohn: Ok, so we can close that public hearing and move to the next item.

FIFTH ORDER OF BUSINESS

Appointment of Audit Selection Committee

Audit Selection Committee Meeting

- A. Opening Audit Selection Committee Meeting**
- B. Roll Call**
- C. Ranking of Respondents to RFP**
- D. Adjournment**

Mr. Winkeljohn: The next item we have is the audit selection committee, and Alyssa this is our first audit meeting right, we haven't done both, this is the beginning of the audit selection committee.

Mr. Wishner: Well, we discussed this at the last meeting.

Mr. Winkeljohn: I think I told you about it, correct? I just totally forgot whether we did it or not, how far we got.

Ms. Willson: They did select the criteria at the last meeting.

Mr. Winkeljohn: Ok, so we're in the second meeting of that now but, there's no audits in here, so this is the first part. I've told you about it, but basically, and I think I also mentioned that we're forming the committee, so the first thing to do is, and you've already selected yourselves as the audit committee, so we're opening the audit selection committee meeting, and the attendees are the same. Why don't I see respondents at the beginning, it's starting to look like we only got one respondent.

Ms. Willson: Well, no you have Grau & Berger.

Mr. Winkeljohn: Right, I'm sorry, this is the electronic version, they used to have a nice fancy book with everything laid out, and now I have to make the book work in front of me, so that's my fault. Yes, so you did get two respondents, Berger, Toombs, as well as Grau & Associates, the Statutes allow and through our selection criteria to give you 5 years of pricing and collectively there's a very small difference in their pricing to you all. So, at this time the committee would be ranking the two respondents. You were emailed

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a copy of their proposals which includes their personnel, their experience, their ability to furnish and understand the scope of the work, and what I've just laid out for you is their pricing which ranges from \$3,600 a year, to \$3,890 a year, and Grau & Associates their total of all those fees would be \$18,000, and Berger, Toombs would be \$18,920, so it's a very narrow span between them, so pricing would score accordingly Does anybody have any questions?

Mr. Smale: Are we making a 5-year commitment on this?

Mr. Winkeljohn: No, you make 1-year commitments but, you don't have to re-solicit if you don't change up to 5 years.

Mr. Smale: Ok, and I'm sorry, give me again the names of the two firms.

Mr. Winkeljohn: Berger, Toombs, and Grau & Associates.

Ms. Willson: And your ranking sheet, or what I have is on page 63, so what we'll need you to do at this point is to rank both of those and then come up with one that is the price range.

Mr. Winkeljohn: Right, and I do have a paper copy, in the room that I will hand you.

Mr. Wishner: And which is our incumbent, is it Berger, Toombs?

Mr. Winkeljohn: I believe it's Grau & Associates, and I have hard copies if somebody wanted to look at them, and this will be the score sheet. Both of them are highly specialized in Community Development District auditing, Grau & Associates is typically more specialized, they typically have, that's about all they do, and Berger, Toombs is a little bit broader, they do more municipal work if I were to summarize their proposals for you. Both of them have, from time to time, had trouble keeping up with that workload because all of them are doing exactly the same thing, just like a tax cycle, theirs are even earlier in March, so they're both equally qualified.

Mr. Wishner: And are they committing to this pricing?

Mr. Winkeljohn: Yes, that's the magic of this whole process, is you do get them to firm up a price for 5 years.

Mr. Wishner: And Grau is the incumbent and has there been any reason to seek change based on their ability and/or performance or any change in personnel going on there?

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Mr. Winkeljohn: I've heard none, not to my knowledge.

Mr. Wishner: Ok. I'm not sure why we would seek to change if we're happy with them, they know who we are, and their proposal is competitive and the lower of the two so I don't really see any reason to change.

Mr. Winkeljohn: So, if that's the consensus of the committee, a motion would be to rank Grau & Associates, and Berger, Toombs accordingly in your motion, and if it's approved by the committee then we finish the committee work and we reconvene ourselves as the District Board, and we authorize an engagement letter for the # 1 ranked firm.

Mr. Wishner: Are there any further conversations on that? If not, I would so move.

Mr. Winkeljohn: And you would have to name the ranking.

Mr. Wishner: Grau & Associates and the preferred and Berger, Toombs as second.

Mr. Winkeljohn: So, Grau as #1 and Berger, Toombs as #2.

Mr. Wishner: Yes.

On MOTION by Mr. Wishner seconded by Mr. Sinoway with all in favor, ranking the respondents to the RFP, ranking Grau & Associates as #1, and Berger, Toombs, Elam, Gaines, and Frank as #2 was approved.

Mr. Winkeljohn: Alright, so that concludes the audit selection committee meeting.

SIXTH ORDER OF BUSINESS

Selection of Audit Firm

Mr. Winkeljohn: That moves you back to your role as a CDD Supervisor solely, where you would select the audit firm for the District to engage with. The committee's recommendation is Grau & Associates, is there a motion?

On MOTION by Mr. Wishner seconded by Mr. Sinoway with all in favor, selecting Grau & Associates to serve as the District auditor and authorizing staff to enter into an agreement was approved.

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SEVENTH ORDER OF BUSINESS

Staff Reports

Mr. Winkeljohn: Moving us to staff reports, Alyssa?

A. Attorney

Ms. Willson: Hi everyone, nothing specific to report today but, I'd be happy to answer any questions you might have.

Mr. Winkeljohn: Thank you.

B. Engineer – Update on Landscape Architect

Mr. Winkeljohn: Josh, we bumped up your landscape architect report, anything else for our friends today?

Mr. Evans: Just a quick update on Corsica, and their community, we went after them to get the silk fence up and some soil pulled back, they did do, after a lot of pressure, they did put the silk fence back up, they did pull some of the dirt back up, and they replanted the area. They took a lot of trash in and around the area so I'll continue to stay on them, the project manager called in yesterday asking if we are turning them into the state, and I'm going to call them today and let them know I don't know where that came from. I talked to a couple of residents just to ask if they knew anything about it, and they didn't know anything about turning them into the state but, the only thing I think we need to make sure that we do is, the outfall pipe, once we get that requested to turn over from Kitson, we'll just want to do a video inspection of that pipe and make sure that the silt and things that occurred didn't cause damage, in fact we can do that ourselves if we wanted to, or we can ask them to do it in advance. So, I don't know if the Board would like me to proceed with that, but I think it's something we should do.

Mr. Sinoway: Josh, I'd like to see another follow-up on that, I went there yesterday and there's still a lot of stuff in the pond, and the silk fence that they attempted to put up, now these guys are construction guys, half of it is down already. I don't know if that's a comment, about their construction ability or what.

Mr. Evans: Ok, and when I was there 2 weeks ago it was up but, I'll swing by there this week and then call them.

Mr. Sinoway: Thank you.

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Mr. Winkeljohn: Thank you.

Mr. Wishner: Is this the right time to discuss with him the things we were discussing offline?

Mr. Winkeljohn: Yes, we can talk about it to the engineer.

Mr. Wishner: Ok, so this is Steve, I wanted to discuss with you potential concerns at this juncture relative to, as you know, a tremendous amount of construction is going on the golf course, I've noticed excavation, vehicles working at the edge of the walls, the water retention walls along the golf course, and at some point reasonably soon, I would imagine, we should ask you, or an engineer to go out and do an additional inspection of the integrity of those walls to make sure that the construction that has gone on the golf course has not impaired the integrity of those walls in any way.

Mr. Evans: Ok. For the walls, we would want to hire more of a structural engineer, I have a structural engineer in my West Palm Beach office, and I could probably have him come over, but it's cheaper to use the local office to evaluate the wall, either way.

Mr. Wishner: Do we need to make a motion to enable that?

Mr. Winkeljohn: The engineering work is already authorized through his fee schedule, and he just said he would find somebody that wouldn't be that high of an amount, he can do that. If it's bigger than a breadbox type of thing, what the engineers will do is give us a cost proposal for that work, and this sounds more like a new thing, and you'd be ok just saying, Josh, get it done.

Mr. Wishner: Ok, Josh, get it done.

Mr. Evans: Very good.

Mr. Winkeljohn: And he works better that way I think too. Go ahead, Barbara.

Ms. Simmons: Yes, I just want to make sure that we're doing it at the right time and that we don't have to come back like in 3 months, so I think we just need to double-check as to what is the best time that we know that they're going to be completely done or getting close to that point.

Mr. Wishner: I think the engineer should coordinate with Kevin on that, and Kevin can give us the right timing for that.

Mr. Sinoway: It would seem that the areas where they've sodded which is all of the front 9, and certainly 18, as it goes down to the lake are probably pretty much done.

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Mr. Wishner: Yes, the whole 12, 13 complex is still heavily under construction.

Mr. Sinoway: Ok, right, the rest of it isn't, correct.

Mr. Winkeljohn: So, we'll work with Kevin, and Josh to pick the optimal time to economize your structural inspection.

Mr. Evans: Ok, will do.

Mr. Winkeljohn: Thank you.

Mr. Wishner: Thank you very much.

Mr. Winkeljohn: And we usually do a storm drain inspection, usually between now and June, we'll coordinate that a little bit late is my recommendation.

Mr. Smale: Right.

Mr. Winkeljohn: Josh, I had a question about rainfall, did the West coast get anything like we did with our clients on the east coast, over 20" in 24 hours?

Mr. Evans: No.

Mr. Winkeljohn: Ok, I just want to state then that all of my clients had no flooding which is a miracle, the airport is not one of them.

Mr. Wishner: But to your point, the inspections of the lakes and the silt levels in the lakes, given how much dust has been kicked up, and how much construction there's been, I think it more important than ever right now to make sure that those lakes are operating properly.

Mr. Winkeljohn: Right, agreed.

Mr. Evans: Yes, this summer, as soon as they're done, also with the golf course improvements we want to go back to the last 2 years we haven't done the pipe inspections because we knew this process was about to occur. So, I would suggest, and you would normally do like 10% of the lakes every year, perhaps we should, I'll get a proposal from the people who do the underwater camera inspections, we should be maybe 20% or 25%, they usually give you range to price that.

Mr. Wishner: I actually would have suggested maybe a third of them.

Mr. Winkeljohn: Right, I like about a third too.

Mr. Evans: Ok, that sounds great, so I'll have that for you in the next 2 months when I think they're going to be done.

Mr. Winkeljohn: Sound good.

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Mr. Wishner: Thank you so much.

Mr. Evans: But that can be done at any time.

Mr. Winkeljohn: Yes, the documentation is the key.

Mr. Evans: Right, it won't matter.

Mr. Winkeljohn: Right, when you do the work is secondary.

Mr. Reitman: Well, we have, Josh, and this is Jim Reitman at Corsica, we have an aeration system that is in our lake which has been inoperable as long as we've been there, and we don't know if it's related to the builder or what, but it's solar operated.

Mr. Winkeljohn: That's ours.

Mr. Reitman: Ok, and we were curious as to the plan for that.

Mr. Winkeljohn: We've contracted for the repair, I don't have an update of when, how, and where it is but, it's been approved to be updated. Every few years we refurbish the whole system, and it's pricey, but I'm sure you like the aeration.

Mr. Reitman: Yes.

Mr. Wishner: Well, you need the aeration to prevent algae from building up, etc.

Mr. Winkeljohn: There's a pretty strong theory that it helps, yes, and Kevin, who wasn't able to join us today, takes care of that. Josh, anything else for our friends?

Mr. Evans: No sir.

Mr. Winkeljohn: Alright, thank you.

C. Manager

1) Discussion of:

a. State Board of Administration Account

b. Pipes at Pistora

Mr. Winkeljohn: And Josh covered one of the items under manager, the pipes.

Mr. Wishner: Yes, I see on the agenda that we have the pipes at Pistora.

Mr. Winkeljohn: Right, he already covered that.

Mr. Wishner: Ok.

Mr. Winkeljohn: My staff missed it, it was supposed to go under engineer, but sometimes they slip up and just give it to me. Under manager's report, I just want to give everybody an update, we do have two types of accounts in this business, we have State Board Account, which is our interest, in theory, interest-earning account, and also a

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checking account. Both of them, in the banking world, if you will, we made sure that we had equal amounts in both because they had equal protections, rather than 90% in one, and then you had some risks. The state's account has some history, and it's really well run, it's the only account we're allowed to use for interest, so we don't have anywhere else to go, other than back into our checking account but, we keep an eye on it, and historically they've managed it. It had, in the housing default they did get stung with some of that but, they've managed people's guarantee quite well, and created a solution to it and worked it out, so no Districts were damaged in that scenario, and this one is nowhere near that, so we're good. I just wanted to let you know what our approach was, and if we had a problem, we would bring it to you. So, do you want to go back to the landscaping for a moment, would the Board like us to ask this, since they've done all the hard work to get Vision on board, we could ask them for a price.

Mr. Reitman: What percentage less were they than who was doing it before?

Ms. Flander: Well, it was done through the builder, and our cost was maybe 25% lower, but the quality of the work is 100% better.

Mr. Wishner: I will say that we've been more satisfied with them than we were with Blue, on Carrera they've been doing the irrigation.

Mr. Reitman: Blue is a lot more expensive.

Ms. Flander: I couldn't even get a quote out of Blue.

Mr. Winkeljohn: So, is that direction from the Board to seek a price from Vision to see how it compares?

Mr. Wishner: Yes, I would say so.

Mr. Smale: Yes, I would make a motion.

Mr. Winkeljohn: I don't need a motion but, we'll bring it back to you for your eyes and then direction, so I'll get that.

Ms. Flander: I have his information.

Mr. Winkeljohn: Ok.

Mr. Wishner: Is it possible, before you move on to something else, is it possible to also, and I don't know if we can legally do this but, is it possible to ask if there are recommendations that can be made as to what can be done to reduce the amount of work/cost associated with that work for that whole project area?

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Mr. Winkeljohn: Right, I'm going to jump to the bottom line on that, it sounds like this landscaper does that, that's my instinct from what I'm hearing. Other landscapers, not to say that Blue does this but, others expand their work to generate more business.

Mr. Wishner: Right, I think it needs to be clear the specific goals and areas to get these costs down.

Mr. Winkeljohn: Yes, agreed.

Mr. Reitman: And he's been very good in that respect with working with us to try to economize on our budget.

Mr. Winkeljohn: Right.

Ms. Flander: We give them criteria to work within and they've done an amazing job, and if you give me your information, I'll just go ahead and copy you, I have his information for you.

Mr. Winkeljohn: Alright, as soon as we're done.

EIGHTH ORDER OF BUSINESS

Financial Reports

A. Approval of Check Register

B. Balance Sheet and Income Statement

Mr. Winkeljohn: Moving on to your financial reports which are in your packets, I've already mentioned the good news is you still have a healthy reserve, so we get the right lead on that but, there is nothing remarkable or unusual in your finances since our last meeting. If there are any questions I can take them, or a motion to accept the financials into the record would be welcomed.

Mr. Smale: I have one question Paul.

Mr. Winkeljohn: Yes sir.

Mr. Smale: Scrolling down to the last page or maybe it's not the last page of what you have printed out there but, there's a schedule of the past collections.

Mr. Winkeljohn: Yes, last page.

Mr. Smale: And through whatever month it is, through March 2023 our tax collections are almost 94% leaving about \$90,000 outstanding, I've looked at this before, it seems to me that always gets to 100%, and so is it unusual, but I don't know the timing, where it gets to 100%? Is it unusual to have this amount of uncollected tax at this time of year considering taxes were due in November?

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Mr. Winkeljohn: Right, no it's not unusual.

Mr. Smale: I don't know where the history is that's what I'm really asking.

Mr. Winkeljohn: No, it's not unusual, we're right on key, you usually get about 90% to 95% by the April 1st deadline which is when there's no discount and it starts to become a penalty for the taxpayers, so we don't have that report in front of you, that will be in the next month's one, and you'll get it all then, and anyone that hasn't paid, you actually get a premium from them in the following months, if there's a tax certificate or something along those lines. You get those in June, and often those settle, and you get all of it plus the benefits by August.

Mr. Smale: Ok, so this is not unusual.

Mr. Winkeljohn: No.

Mr. Smale: Ok, thank you.

Mr. Winkeljohn: Is there a motion to accept the financials?

On MOTION by Mr. Wishner seconded by Mr. Smale with all in favor, the Check Register and the Balance Sheet and Income Statement were approved.

NINTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Winkeljohn: Are there any Supervisor's requests?

Mr. Reitman: So, Paul are you moving back to Pistora?

Mr. Winkeljohn: I didn't have anything on Pistora, I thought it was an engineering topic, what was it?

Mr. Reitman: You were going to have a presentation on what we could do there, and Ms. Flander is here to get any information, so you were going to put together a proposal on what could be done to fix Pistora.

Mr. Winkeljohn: Oh, now I know what you're talking about, the exposed pipe, yes. So, there's a few things, yes, it's a drain pipe that can be lowered. The other idea, and I don't have anything for you more specifically but, the other option is to landscape around it, and make it invisible, so both is probably the answer. Josh, do you remember that pipe picture we circulated?

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Mr. Evans: I'm drawing the same blank that you were on that.

Ms. Flander: Well, I can send them to him right now.

Mr. Winkeljohn: No, I know what it looks like, it's about three-quarters of the way exposed, and it's a drain pipe, it's a collection pipe, not a distribution pipe, and they left it out of the ground.

Mr. Evans: And it's exposed to the ground surface?

Mr. Winkeljohn: Yes.

Mr. Evans: Well, it probably should be deeper for structural reasons by having soil on top of it.

Mr. Winkeljohn: Right, and it's exposed as it leaves the bank, and the upland part is totally fine, it's just the way it was brought into the bank makes no sense, I definitely know how to fix it though.

Ms. Flander: I mean could it be just buried that would be the best, or lowered?

Mr. Winkeljohn: Yes, and because it's a fixed thing if you just put soil over it, the lake change will just suck it right away, so what we usually do is like a small boulder, like a rock about the size of a softball, and we cover it 80% with that, we can even put some cloth over it, and then some sand, that's the answer typically, and Josh can verify that.

Ms. Flander: So, it can't just be lowered?

Mr. Winkeljohn: It could be but, it's still going to be there, the soil will just disappear, and we can make it look like the other one, the one that's still partially buried but, at low water level you're going to still rip off whatever you put over it.

Ms. Flander: Right, and see how close it is to the water feature, it's on #10, it's an eyesore, and the tough part about it is that during drought season is when you see it the most, and that's when everybody is playing golf, and during the rainy season it never goes away.

Mr. Winkeljohn: Right, and I would take a bigger hit at it than just burying it because I want it to last for you, I don't want it to just be an ongoing maintenance. So, apologies aside, I didn't know that was what this was about, but we definitely will get to that and get a plan. Josh, if we go back to these pictures, you'll remember that this needed a more created and aggressive adjustment, buried and protected with some cloth and maybe some boulders.

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Mr. Evans: Ok.

Mr. Winkeljohn: Ok, so I have that now. I agree, that's really what this looks like.

Ms. Flander: Now, do we have to wait until June at your next meeting for that?

Mr. Winkeljohn: No, I can take care of it.

Ms. Flander: Alright, great.

Ms. Simmons: Paul, I have a question for you.

Mr. Winkeljohn: Yes.

Ms. Simmons: There's been several comments, I think Mike made a comment about the residents looking at our website and maybe not paying attention to what we're doing and part of that is about communications and I don't what's required by law, and obviously we probably could do more than that, I don't know but do we every put out like an annual report to the community, I've not seen it.

Mr. Winkeljohn: So, what Districts typically do in these situations is lean on the homeowners association as its communication arm but, we can provide the details and the information in any format but, we don't typically send out emails or do newsletters, we usually take the one that's already in people's familiar path and put in a CDD section of that, that's the most effective.

Ms. Simmons: So, what we need to find out is often the HOA give reports, and when you do this, do you do like a quarterly report to the community, every 6 months, what do you normally do?

Mr. Winkeljohn: In your situation, I would say an annual one should be sufficient but, we could do more frequently but, it would be repetitive pretty quickly.

Ms. Simmons: Ok, so annual would be the minimum.

Mr. Winkeljohn: Yes, I think it's a good idea, and usually the HOA manager has somebody that puts that together, they often reach out directly to me and then I work with them and edit or give them some text and summaries.

Mr. Wishner: If we wanted to have a meeting with the community, next fall, in October or November, let's say November or December when virtually everyone who is coming back is back, and we wanted to update them on what's going on with the berm and everything else.

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Mr. Winkeljohn: So, what we usually do is town hall meeting at night or in the early evening for this type of community.

Mr. Wishner: Do we need to provide certain legal notices for that?

Mr. Winkeljohn: Once we know when we're going to do it, I can take care of all that, yes, and what we usually do in the budget cycle, having learned the balance between business and residential communication is you hold that preliminary budget meeting in the late afternoon, and then you extend that into a town hall meeting and you sort of outline what you're going to do financially for the next year at that point, and it does make it, and I don't think you have a problem here, but it makes it a lot easier to digest when you do get the very formal meeting, saying here's the public hearing notice your taxes are going up. If you sort of prep them with that, it goes much smoother, so I agree totally.

Mr. Wishner: And what is your best guess as to when we would have sufficient information about the berm, and the refinancing, to have this meeting and just offer to the community an update on what's going on so they know?

Mr. Winkeljohn: I would think definitely in like the September range, and then you would also announce that hearing, something like that.

Mr. Wishner: So, if we plan on something, let's call it roughly mid-November, that should be well workable, and how does the Board feel about that?

Mr. Proctor: I think if we're going to potentially increase the budget, we can do it all with the notification process.

Mr. Winkeljohn: In the spring.

Mr. Wishner: So, you would not be in favor of having some sort of a town hall meeting to update people, not just on the budget but on the projects we're working on?

Mr. Proctor: I don't think it's really necessary, I'd rather do it in the meeting notification process.

Mr. Wishner: Ok. Barry, what is your say?

Mr. Sinoway: I'm not sure, and it's been my experience over the years though, that homeowners like some communication with their Boards, and to that extent they also like to say, well let us vote on this particular issue. So, I'm inclined to believe that more communication is better but, we have to be prepared, we have to have the numbers, we can't have soft numbers, and we can't have areas that are solidified in terms of, ok we're

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going to increase your dues, you better have some solid answers as to why you're doing that.

Mr. Wishner: Yes, I agree, and that's why I preference this by saying, when will we have sufficient information on the berm, the refinancing, to know how that all fits together?

Mr. Winkeljohn: I think the berm and the financing are going to come together about the same time in late summer.

Mr. Sinoway: So, to your point though Steve, once we get all that information, we need to make some very solid decisions about the direction we're going before we put out a notice to a group of people who are going to ask very specific and detailed questions addressing those decisions.

Mr. Wishner: Yes, and in the transition committee meetings where there were several hundred people there, the conversation turned to what's going on with the berm, what's going on with this and that, and the sense of that meeting which was not formal and not official in any way was, just charge "X" whatever it is and get it done but, get it done quicker rather than drawing it out.

Mr. Sinoway: I see your point, I just believe very firmly that people don't like to pay any more money than they have to, particularly in this environment where the developer keeps charging.

Mr. Wishner: I totally agree but, I think if you come back and say, we're going to increase assessments by "X" amount to get this project done, and here's how it fits together, I don't think you're going to have an uproar.

Mr. Sinoway: I agree, that's why we need to be absolutely prepared.

Mr. Wishner: Right.

Mr. Winkeljohn: So, I could see that being functional as an intro, the November timeframe, like an intro to these projects are coming together, and we'll know in the spring what it will be, kind of like what you said.

Mr. Wishner: And I think people in the community are hungry for information as to what we're doing about it.

Mr. Winkeljohn: Right.

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Ms. Willson: And just to let you know, if multiple Supervisors are speaking at that meeting we do have to run the ad, so I know you want to communicate with your constituents but, if there's more than one Supervisors attending we need to run the ad for the townhall workshop.

Mr. Winkeljohn: Agreed.

Mr. Proctor: I have a follow-up regarding Veterans and Vision, which I think is probably a really positive thing to pursue, what's our contract expiration in terms of Blue?

Mr. Winkeljohn: Everything is 30 days' notice.

Mr. Proctor: But to add to that, I mean they do the berm as well.

Mr. Winkeljohn: Right, there's no economy between the two, they're separate contracts, so I would tackle both of them, and I wouldn't tackle the berm until we're done messing with it.

Ms. Gowans: I'm surprised to hear that anybody does the berm, that's the news for me. I must admit for the first time in like 3 years I drove passed the berm, and I was horrified, I thought that was an embarrassment and I was shocked to be honest with you.

Mr. Sinoway: You're talking about the I-75 berm?

Ms. Gowans: Yes, the I-75 one but, I think if I may, and hope I'm not speaking out of turn, but I think if, and I don't want to pick on Blue but it is Blue, if somebody is creeping us up to that legal number of \$185,000 or \$190,000 where then we're stuck having to legally put out a proposal, we have to cut that off because why get there, let's not go there if we don't have to, and if we have somebody like Vision, or anybody that can get us there, then that's smart, that would be smarter than letting Blue push us to that point.

Mr. Wishner: You're absolutely right, part of what I wrestle with personally is, we are required to maintain that area, I don't know what level we're required to maintain it to before the state or someone else steps in and says, not good enough but, I don't know that we need to maintain it to where it currently is. It could potentially look different, and it is our southern entrance, not the main entrance to this property, so it doesn't have to necessarily look like the Taj Mahal.

Mr. Winkeljohn: Right, one of the tasks assigned to the landscape architect is to do everything he just said but, what you want also, is what material we have to have in there, what level do we have to maintain, check one. Two, can we do it smarter, and

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better material that's less expensive to maintain, and easier to maintain because of the tier system, it's been told to us, and we never tried to do it ourselves but, we're told by the contractor that it's very time consuming to do it, and that's the excuse for the pricing. So, we get a fresh look at it now, we're going to restructure it in these ways where we will have 100% control over a lot of that, and maybe close to 100%.

Ms. Gowans: So, two questions. Is it my understanding that Strand doesn't provide any, or does not take anything?

Mr. Wishner: It is not their responsibility, it's ours.

Ms. Gowans: It's 100% Talis Park?

Mr. Wishner: Yes, from our entrance to the maintenance facility, right?

Mr. Winkeljohn: Yes, there is a line.

Mr. Wishner: So, if you notice on the Strand side, after the initial hedges, there's a dip, that's all part of our stormwater maintenance structure.

Ms. Gowans: Ok, alright but, if we can work smarter and not harder like, let's remove some of those bushes we don't need those.

Mr. Winkeljohn: Right, and what order to put things in, the irrigation was driving it, and we don't think we need to have an all-in expensive irrigation capability either, if you put the right material in, you can shrink that, because that an enormous expense if we were to try to maintain it as it was originally put in, \$200,000 easy. So, we've got the scale of what we're biting into and now we're trying to do it smartly.

Ms. Gowans: Right.

Mr. Wishner: Are there any other questions or comments from you guys?

Ms. Flander: All I can tell you is that we had Vision come in on the inside of our berm, and the cleanup that he did, was amazing and for a fraction of the cost, so just give them a shot.

Mr. Winkeljohn: That's wonderful news. Are there any other comments? Alyssa or Barbara, or anybody on the phone?

TENTH ORDER OF BUSINESS

Adjournment

Mr. Winkeljohn: Hearing none, is there a motion to adjourn?

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On MOTION by Mr. Wishner seconded by Mr. Sinoway with all in favor, the meeting was adjourned.

DocuSigned by:

Paul Winkelman

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Secretary / Assistant Secretary

DocuSigned by:

James Proctor

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Chairman / Vice Chairman