

**MINUTES OF MEETING
VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Verandah East Community Development District held a Public Hearing and Regular Meeting on August 9, 2023 at 1:00 p.m., at 11390 Palm Beach Blvd., First Floor, Fort Myers, Florida 33905.

Present were:

David Moore	Chair
Richard (Denny) Shields, Jr.	Vice Chair
Christine Jaross	Assistant Secretary
John Sample (via telephone)	Assistant Secretary
Jacqueline Voiles (via telephone)	Assistant Secretary

Also present were:

Chuck Adams (via telephone)	District Manager
Cleo Adams	District Manager
Shane Willis	Operations Manager
Alyssa Willson (via telephone)	District Counsel
Brent Burford	District Engineer
Raquel McIntosh	Grau & Associates
Susan Shields	Resident/VCA Board Member

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mrs. Adams called the meeting to order at 1:00 p.m.

Supervisors Moore, Shields and Jaross were present. Supervisors Voiles and Sample attended via telephone.

SECOND ORDER OF BUSINESS

Public Comments (3 minutes per person)

Resident and VCA Board Member asked if any progress was made regarding a piece of conservation land. Ms. Willson stated the property in question will be included on the Verandah West CDD agenda.

Mr. Adams joined the meeting via telephone at 1:03 p.m.

THIRD ORDER OF BUSINESS

Presentation of Audited Financial Report for the Fiscal Year Ended September 30, 2022, Prepared by Grau & Associates

Ms. McIntosh presented the Audited Financial Report for the Fiscal Year Ended September 30, 2022, reviewed the information therein and responded to questions. The CDD received an unmodified opinion, which is the best type of opinion that the CDD can receive.

Ms. Voiles referred to the third paragraph, on Page 5, which reads, “The District’s net position increased during the most recent fiscal year. The majority of the decrease...” Ms. McIntosh stated that the word “decrease” is a typo; the Report will be revised and re-sent.

The following correction will be made:

Paragraph 3: Change “The majority of the decrease” to “The majority of the increase”

Ms. McIntosh stated there were no findings, current year comments or instances of noncompliance.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2023-07, Hereby Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2022

Mr. Moore presented Resolution 2023-07.

On MOTION by Mr. Moore and seconded by Mr. Sample, with all in favor, Resolution 2023-07, Hereby Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2022, was adopted.

FIFTH ORDER OF BUSINESS

Public Hearing on Adoption of Fiscal Year 2023/2024 Budget

A. Proof/Affidavit of Publication

The affidavit of publication was included for informational purposes.

B. Consideration of Resolution 2023-08, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date

Mrs. Adams presented Resolution 2023-08. She reviewed the proposed Fiscal Year 2024 budget, highlighting any line item increases, decreases and adjustments, compared to the Fiscal Year 2023 budget, and explained the reasons for any changes. She presented the Unaudited Financials and discussed the effects on projected fund balance with three months remaining in Fiscal Year 2023, and discussed a reimbursement of approximately \$4,500 due from the Verandah West CDD (VWCDD) for fees that were split in conjunction with lake bank restoration capital improvement projects. She recalled the Board’s desire to keep assessments flat, year-over-year, with the expectation that assessments will increase in Fiscal Year 2025 to pay for interconnecting pipe inspections and cleanings and to build fund balance.

Mrs. Adams noted that the CDD pipes were inspected, as approved two meetings ago, in conjunction with the Golf Course Easement Agreement.

The Public Hearing was opened.

No members of the public spoke.

The Public Hearing was closed.

On MOTION by Mr. Moore and seconded by Mr. Shields, with all in favor, Resolution 2023-08, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2023-09, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2023/2024; Providing for the Collection and Enforcement of Special Assessments, Including but Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for

Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date

Mrs. Adams presented Resolution 2023-09. This is the Assessment Levying Resolution that takes into consideration the budget that was just adopted and the assessment levels contained therein which outlines the amount of benefit that each product type will receive, directs Staff to prepare a lien roll and transmit the on-roll lien roll to the Tax Collector for placement of the assessments on the property tax bill and sets forth a direct bill schedule for off-roll assessments.

Asked why the Operation & Maintenance (O&M) assessments for the Verandah East CDD (VECDD) are higher than for the VWCDD, Mr. Adams noted that the VECDD budgeted an increase to fund balance, while the VWCDD is utilizing unassigned fund balance.

Asked what would happen in an emergency for which the CDD has no funds available, Mrs. Adams stated the CDD would need to take a loan.

On MOTION by Mr. Moore and seconded by Ms. Jaross, with all in favor, Resolution 2023-09, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2023/2024; Providing for the Collection and Enforcement of Special Assessments, Including but Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.

SEVENTH ORDER OF BUSINESS

Presentation of Fixed Structure Inspection Report (for informational purposes)

Mrs. Adams presented the Fixed Structure Inspection Report. Mr. Willis stated the Report, prepared by SOLitude, was reviewed and, while some erosion was noted, Mr. Burford confirmed that no remediation is needed at this time.

EIGHTH ORDER OF BUSINESS

Discussion: MRI ROV Inspection Report and Proposal

Mrs. Adams presented the MRI ROV Inspection Report and Proposal. At a previous meeting, Staff was asked to have all the lines reviewed to ensure that there are no defects, due to the Agreement with the golf course. All the lines are fine, with the exception of Line A-2, which is a 24" pipe that is 75% blocked with debris and sand. A proposal for cleanout was requested.

Mr. Moore stated he viewed the video and voiced his opinion that, if the cost is low enough, the Board might want to recommend cleaning as soon as possible. Mrs. Adams stated the cost was not budgeted; depending on the cost, Board approval might be required.

Asked when the pipes were last cleaned, Mrs. Adams stated the pipes have never been cleaned; they were certified by the District Engineer in the course of construction and, at the time of certification, cleanout is done, if necessary. The only item the CDD had to address was a slight modification to an outfall structure that backed up in one of the wetlands, years ago.

Mrs. Adams recalled that it will be necessary to include inspections and cleaning in the Fiscal Year 2025 budget. She stated several of her CDDs utilize a three-year rotation to budget for the expense and perform preventive maintenance on an ongoing basis and build a line item to help plan for emergencies. The ROV is very expensive and not generally necessary; in this case, it was needed specifically due to the Agreement with the Golf Course. In the event that their equipment breaks a pipe, they need to be held accountable for repairing it, not the CDD.

Mr. Moore noted that nothing was broken and only one pipe needs cleaning. Mrs. Adams stated she is recommending similar maintenance to the VWCDD Board as the system is shared by the two CDDs.

NINTH ORDER OF BUSINESS

Consideration of Amendment No. 01 to the District Management Services Agreement for Lien Roll Services

Mrs. Adams stated Ms. Alice Carlson, of AJC Associates, who currently prepares the lien roll, is retiring. District Management does the same type of work. Asked what qualifications District Management has and who would perform the work, Mr. Adams stated that Management's Treasury Services Department has a staff of about 12 who prepare Assessment

Methodologies and Lien Roll and perform related services. Management proposes to seamlessly assume performing the same services at the same fee.

Mr. Moore asked the Board Members if they have concerns about District Management performing those services. Mr. Sample voiced his opinion that the only issue might be one of independence but that does not concern him as long as the fee charged is commensurate to the current fee level. Ms. Voiles concurred.

On MOTION by Mr. Moore and seconded by Ms. Jaross, with all in favor, the First Amendment to the District Management Services Agreement for Lien Roll Services, was approved.

TENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of March 31, 2023

This item was discussed in conjunction with the Fifth Order of Business.

The financials were accepted.

ELEVENTH ORDER OF BUSINESS

Approval of May 10, 2023 Regular Meeting Minutes

Mrs. Adams presented the May 10, 2023 Regular Meeting Minutes. As discussed at the last meeting, Mr. Sample’s Form 8B is attached to the Minutes.

On MOTION by Mr. Shields and seconded by Ms. Voiles, with all in favor, the May 10, 2023 Regular Meeting Minutes, as presented, were approved.

TWELFTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: Kutak Rock LLP

Ms. Willson stated a memo will be provided explaining the new requirement for Supervisors to complete a four-hour ethics continuing education course every year; links will be provided pertaining to free training options, including courses offered by the Florida Commission on Ethics. The information will be provided well in advance of January 1, 2024;

Supervisors will have one year to fulfill the requirements. Next year, Form 1 will include a box to check to indicate the annual requirement has been met.

B. District Engineer: Johnson Engineering, Inc.

There was no report.

C. District Manager: Wrathell, Hunt & Associates, LLC

- **NEXT MEETING DATE: October 11, 2023 at 1:00 PM**
 - **QUORUM CHECK**

Supervisors Shields, Voiles, Jaross and Moore confirmed their in-person attendance at the October 11, 2023 meeting.

THIRTEENTH ORDER OF BUSINESS

Supervisors' Requests

There were no Supervisors requests.

FOURTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Moore and seconded by Ms. Jaross, with all in favor, the meeting adjourned at 1:41 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/Assistant Secretary


Chair/Vice Chair