

**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 13, 2025 at 1:00 p.m., at 11390 Palm Beach Blvd., First Floor, Fort Myers, Florida 33905.

Present:

Richard (Denny) Shields, Jr.	Vice Chair
John Sample	Assistant Secretary
Jacqueline Voiles (via telephone)	Assistant Secretary
Stu Axelrod	Assistant Secretary

Also present:

Cleo Adams	District Manager
Chuck Adams (via telephone)	District Manager
Shane Willis	Operations Manager
Alyssa Willson (via telephone)	District Counsel
Mark Zordan	District Engineer

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

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

Supervisors Shields, Sample, and Axelrod were present. Supervisor Voiles attended via telephone. Supervisor Moore was absent.

SECOND ORDER OF BUSINESS

Public Comments (3 minutes per person)

No members of the public spoke.

THIRD ORDER OF BUSINESS

**Public Hearing on Adoption of Fiscal Year
2025/2026 Budget**

A. Affidavit of Publication

B. Consideration of Resolution 2025-08, Relating to the Annual Appropriations and Adopting the Budget(s) for the Fiscal Year Beginning October 1, 2025, and Ending September 30, 2026; Authorizing Budget Amendments; and Providing an Effective Date

Mrs. Adams reviewed the proposed Fiscal Year 2026 budget, noting increases, decreases, adjustments, and shared and unshared costs with the Veranda West CDD, compared to the Fiscal Year 2025 budget, and explained the reasons for any changes. As presented, assessments are anticipated to remain flat, year-over-year.

Mr. Axelrod asked how the cost share split percentages were derived. Mrs. Adams stated they are based on the Methodology Report from years ago.

The Public Hearing was opened.

No affected property owners or members of the public spoke.

The Public Hearing was closed.

Mrs. Adams presented Resolution 2025-08 and read the title.

On MOTION by Mr. Sample and seconded by Mr. Shields, with all in favor, Resolution 2025-08, Relating to the Annual Appropriations and Adopting the Budget(s) for the Fiscal Year Beginning October 1, 2025, and Ending September 30, 2026; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2025-09, Providing for Funding for the FY 2026 Adopted Budget(s); 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 2025-09. Mr. Shields asked if this is the same assessment amount as last year. Mrs. Adams replied affirmatively. This Resolution enables the CDD to finalize the assessment roll and have the assessments placed on the tax bills.

On MOTION by Mr. Sample and seconded by Mr. Axelrod, with all in favor, Resolution 2025-09, Providing for Funding for the FY 2026 Adopted Budget(s); 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.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2025-10, Relating to the Amendment of the Annual Budget for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; and Providing for an Effective Date

Mrs. Adams presented Resolution 2025-10. This is necessary because the Fiscal Year 2024 total expenses exceeded budget. This will help avoid a finding in the audit.

Mr. Axelrod voiced his opinion that this amounts to “back dating” the budget and he is not comfortable with that. Mr. Adams stated that the Board Members can vote against amending the budget but it will create a finding in the Fiscal Year 2024 Audit. Two Board Members voiced their opinions that there should be a finding in the audit then. Mr. Adams explained that, if a finding can be avoided by amending the budget, which is essentially a roll up of surplus fund balance to offset the appropriations that exceeded budget, Management strongly recommends amending the budget to avoid a finding in the audit. This is a simple, administrative procedure to avoid the finding.

Ms. Willson stated that this is a fairly common practice. She noted that audit findings are reported to the State. The CDD’s budget adoption resolutions have all provided for the ability to amend the budget, when necessary. Ms. Willson noted that the Fiscal Year 2024 audit was presented and asked if this is just a final wrap up.

Discussion ensued regarding the figures in the Fiscal Year 2024 audit, what is reflected in the amended budget, and if this is to address a finding in the audit, whether to adopt this Resolution since the audit was already completed and submitted, whether to defer it.

Ms. Willson stated this process is fairly standard; many districts do it almost every year.

On MOTION by Mr. Sample and seconded by Mr. Shields, with Mr. Sample, Mr. Shields and Ms. Voiles in favor and Mr. Axelrod dissenting, Resolution 2025-10, Relating to the Amendment of the Annual Budget for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; and Providing for an Effective Date, was adopted. [Motion passed 3-1]

SIXTH ORDER OF BUSINESS**Consideration of Goals and Objectives Reporting FY2026 [HB7013 - Special Districts Performance Measures and Standards Reporting]**

Ms. Willson presented the Goals and Objectives Reporting Fiscal Year 2026 Performance Measures and Standards. She recalled the requirement for special districts to develop goals and objectives annually and develop performance measures and standards to assess the achievement of the goals and objectives. These are the same as for Fiscal Year 2025.

It is also necessary to authorize the Chair to approve the findings related to the 2025 Goals and Objectives.

- **Authorization of Chair to Approve Findings Related to 2025 Goals and Objectives Reporting**

On MOTION by Mr. Shields and seconded by Mr. Sample, with all in favor, the Goals and Objectives Reporting Fiscal Year 2026 Performance Measures and Standards and authorizing the Chair to approve the findings related to the 2025 Goals and Objectives Reporting, were approved.

SEVENTH ORDER OF BUSINESS**Acceptance of Unaudited Financial Statements as of June 30, 2025**

Mrs. Adams presented the Unaudited Financial Statements as of June 30, 2025. The financials were accepted.

- **Discussion/Update: Trustee/Bank Mutual Fund Alternative Sources**

Mr. Adams stated he is still working with the Controller on this. Options will be presented at the October meeting.

- **Financial Highlights Report**

This item was included for informational purposes.

EIGHTH ORDER OF BUSINESS**Approval of Minutes****A. January 8, 2025 Regular Meeting**

On MOTION by Mr. Shields and seconded by Mr. Sample, with all in favor, the January 8, 2025 Regular Meeting Minutes, as presented, were approved.

B. May 14, 2025 Regular Meeting

On MOTION by Mr. Sample and seconded by Mr. Axelrod, with all in favor, the May 14, 2025 Regular Meeting Minutes, as presented, were approved.

NINTH ORDER OF BUSINESS**Staff Reports****A. District Counsel: Kutak Rock LLP**

Ms. Willson stated that work with Mrs. Adams and others on various items is underway.

B. District Engineer: Johnson Engineering, Inc.

There was no report.

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

- **District Manager's Report**

The District Manager's Report was included for informational purposes.

- **Operations Report**

- **1,032 Registered Voters as of April 15, 2025**

- **NEXT MEETING DATE: October 8, 2025 at 1:00 PM**

- **QUORUM CHECK**

- **Crosscreek Environmental, Inc.**

This item was an addition to the agenda.

Mr. Willis stated that a Notice of Non-Compliance was received from the South Florida Water Management District (SFWMD) related to the Verandah West CDD. While inspecting the area, he also inspected the Verandah East CCD conservation areas and lakes and discovered several that are out of compliance. He sent a Defective Work Notice to Crosscreek Environmental, Inc. (Crosscreek) notifying them of the areas and lakes that were out of

compliance and gave them seven days to provide a plan to address the deficiencies and bring the lakes back into compliance. Crosscreek treated and there is improvement; however, he recently discovered more lakes that are out of compliance. In his opinion, Crosscreek is not meeting the standards of the Agreement. He and Mrs. Adams conferred and asked another vendor to provide month-to-month services. With Board approval, Mrs. Adams stated she would like to terminate Crosscreek, with cause, as soon as the proposal from the new vendor is received. Mr. Willis believes the non-compliance items were things that Crosscreek should have noted and addressed during their routine maintenance procedures and they should have notified Staff. He and Mrs. Adams noted personnel issues with Crosscreek.

Discussion ensued regarding ensuring that the new vendor complies with the standards of the contract, termination provisions of the current contract with Crosscreek, funding the work if it is more expensive than Crosscreek's contract, etc.

Mrs. Adams stated that, with Board approval, Staff will seek a new vendor and enter into a contract and Ms. Willson will research terminating the Crosscreek contract. The Board agreed to Staff proceeding as specified.

This will be an item on the next agenda.

On MOTION by Mr. Shields and seconded by Mr. Sample, with all in favor, authorizing Staff to review and terminate the existing contract with Crosscreek in accordance with the contract requirements and authorizing Staff to select and engage a vendor for month-to-month services until proposals are presented at the October meeting, was approved.

TENTH ORDER OF BUSINESS

Supervisors' Requests

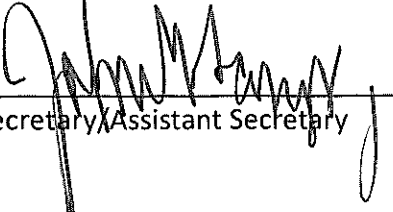
Mr. Shields asked for Staff to follow-up with Bob Interest.

ELEVENTH ORDER OF BUSINESS

Adjournment

The meeting adjourned at 1:38 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair