

**MINUTES OF MEETING
STEVENS PLANTATION
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Stevens Plantation Community Development District was held on Thursday, February 3, 2011 at 6:00 P.M. at City Hall, 1300 Ninth Street, St. Cloud, Florida.

Present and constituting a quorum were:

Rebecca Borders	Chair
Russell Holmes	Assistant Secretary
Jarom Fertic	Assistant Secretary
Larry Rupp	Supervisor
Rebecca Fernandez	Supervisor

Also present were:

Gary L. Moyer	Moyer Management Group, Inc.
Daniel Mantzaris	De Beaubien, Knight, Simmons Mantzaris
Tom Hurt	City Manager
Brian Smith	Field Manager
Several Residents	

The following is a summary of the minutes and actions taken at the February 3, 2011 Stevens Plantation Board of Supervisors meeting.

FIRST ORDER OF BUSINESS

Call to Order

Mr. Moyer called the meeting to order at 6:00 P.M.

SECOND ORDER OF BUSINESS

Roll Call

Mr. Moyer called the roll and stated that there was a quorum for this meeting.

Mr. Moyer moved organizational matters to the end of the agenda due to Mr. Holmes seat being filled and his need to remain on the Board until the end of the meeting due to his familiarity with the agenda items.

There was consensus from the Board.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the August 5, 2010 Regular Meeting and November 4, 2010 Landowners Meeting and November 23, 2010 Regular Meeting

Mr. Moyer stated that each Board member received a copy of the minutes of the August 5, 2010 regular meeting, November 4, 2010 landowners meeting and November 23, 2010 regular meeting and requested any additions, corrections or deletions.

There not being any,

On MOTION by Mr. Fertic seconded by Mr. Holmes with all in favor the minutes of the August 5, 2010 regular meeting, November 4, 2010 landowners meeting and November 23, 2010 regular meeting were approved.

FIFTH ORDER OF BUSINESS

Resident Owner Association Report

A representative of the Resident Owners Association reported the following:

- There is an agreement Century Link who controls the internet for the community. For the past few months, there have been outages. They are trying to work with Century Link for reimbursements.
 - Mr. Mantzaris pointed out that this agreement was with the ROA and Century Link and the CDD was not a party. However, the CDD collected fees at the request of the ROA that ultimately get paid to Century Link.
 - The ROA would like to withhold payment to Century Link until this matter was resolved.
 - Mr. Mantzaris recalled that the past ROA President and the Mayor met with Embarq and they were supposed to offer wireless to the community. The same contractual obligations need to be met by Century Link. He believes that the ROA wants the CDD Board to discuss authorizing the District Manager to withhold some payments to Century Link to provide extra negotiation power for the ROA.
 - He recalled there being a credit made to the residents for outages several years ago, before the ROA was turned over to the residents. He offered to work with Mr. Moyer on this matter.
 - Mr. Moyer asked for specific dates of when the outages occurred.

- *Upon consensus of the CDD Board, Mr. Mantzaris will work with representatives of the ROA and Mr. Moyer on resolving this matter.*
- The speed limit signs on New Nolte Road have been reduced. Homeowners questioned whether the speed limit signs within the community could be reduced or post additional signs such as CAUTION-CHILDREN AT PLAY.
 - Mr. Mantzaris directed the ROA representative to contact the City Manager.
- The front entrance signs need to be replaced as they were in bad shape, especially in The Estates and The Grove.
 - Mr. Moyer pointed out if this was a concern of the ROA and the CDD was responsible for the signs, this would be added to the budget for this year. Mr. Smith can do a cost estimate.
 - Mr. Fertic questioned the problem with the signs.
 - The ROA representative noted that the tile on the signs were faded and peeling.
 - Mr. Smith pointed out that some of the smaller community signs were having the same problem and he was trying to repair them. The landscaping also needs to be upgraded. He offered to meet with the ROA representative so he could point out the faded signs and discuss with the CDD Board about using money in his budget for these items.
 - Mr. Moyer pointed out that a line item in the budget for the ROA.
 - Mr. Smith noted that they may have some opportunities to get some plant material from another project.
- There is not much difference between the regular banners and Christmas banners, other than one banner has an acorn. They are in good condition. The decision to be made is whether to spend money on new banners or reuse the old ones.
 - Mr. Smith noted that staff was currently removing the Christmas banners and replacing with the regular banners. He suggested removing some of the banners and leaving a few up.
 - The ROA representative agreed.

A. Approval of Financials

Mr. Moyer reviewed the financials through December 31, 2010, which were included in the agenda package and available for public review.

The following was discussed:

- On the revenue side, the District levied \$459,000 and collected \$399,000 or 87% through the end of December. It was anticipated that the balance will come in between the end of the year and the end of March, when the taxes and assessments become delinquent.
- Under the administrative expenses, they had to pay the Tax Collector more money than budgeted since they collected more non-ad valorem assessments. However, this should not affect the budget variance at the end of the year.
- On the field management side, they are \$5,000 under budget. However, the ROA expenditures were slightly over budget, which was due to the internet charges. Since the internet charges were based on the number of active accounts within the community, when the budget was adopted, they did not anticipate many new additions. However, there were more new additions than anticipated, which affected this line item, but this was not a big concern in the overall budget.
- Overall, the District was in good shape.

B. Check Registers and Invoices

Mr. Moyer reviewed the invoices for the period November 1, 2010 to December 31, 2010, which were included in the agenda package and available for public review. These are routine items.

Mr. Fertic addressed the following:

- He questioned on Page 11 of the financials, whether the outstanding checks were still the same. *Mr. Moyer explained that there were still outstanding checks listed from a refund that the District sent out that were not cashed.*
- He pointed out that the \$12,000 outstanding check for the City of St. Cloud was now \$10,320. *Mr. Moyer will check into this, but believed that it was the correct amount of the rebate.*

On MOTION by Mr. Fertic seconded by Mr. Holmes with all in favor the December 31, 2010 financials and November 1, 2010 through December 31, 2010 invoices in the amount of \$579,770.66 were approved.

C. Acceptance of Fiscal Year 2010 Audit

Mr. Moyer highlighted the following regarding the Audit, which was prepared by Keefe, McCullough & Company:

- On Page 1, under the Independent Auditor's Report, the Auditor stated "*In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and major funds of the Stevens Plantation Community Development District as of September 30, 2010*". This is commonly referred to as a clean audit opinion letter, meaning the financial records that staff turned over to the Auditor as of September 30, 2010, fairly represented the financial position of the District.
- On Page 23 is the *Auditor's Report on Internal Controls Over Financial Reporting and Compliance and Other Matters* where the Auditor stated "*Based on our Audit, the financial statements performed in accordance with government auditing standards and we did not identify any deficiencies in internal control over financial reporting that we consider to be a material weakness*".
- On Compliance with laws, rules, contracts and bond covenants, the Auditors stated, "*The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under government auditing standards.*"
- The final report is the *Management Letter* on Page 25, which deals with certain requirements of the Auditor General. One of them deals with the investment of public funds and they found that the CDD did comply with the requirements of Section 218.415. In this report, the Auditor has the ability to comment and recommend changes to the District's financial reporting that are not material weaknesses, but might make their financial reporting better. On the bottom of Page 25, the Auditor stated "*In connection with our Audit, we did not have any such recommendations.*"

- *On Page 26, the Auditor stated “The Rules of the Auditor General, requires that a statement be included as to whether or not the local government entity has met one or more of the conditions of financial emergency described in Section 218.503(1), Florida Statutes. In connection with our Audit, we determined that the District did not meet any of the conditions described in Section 218.503(1) of the Florida Statutes. This means that the District was not in a State of Financial Emergency.*
- The bottom line is this is a clean Audit with no recommendations or findings of non-compliance of material weaknesses.

Mr. Fertic addressed the following:

- He questioned what bonds were due in the near future.
 - Mr. Moyer confirmed that the A Bonds were amortized annually according to a schedule for the residential units. The City was responsible for the B Bonds, which is to be repaid from the sales of property within the District. Those bonds mature in 2013. The requirement is to pay interest, but the principle is a bullet payment in 2013.
- He questioned whether the bonds matured in the beginning or end of 2013.
 - Mr. Moyer confirmed that the principle payments were due in May.
- He questioned whether they were continuing to pay them.
 - Mr. Moyer confirmed that the City continues to pay the interest and Mr. Hurt and his staff will need to address this as part of their 2012 budget.
- He questioned what the CDD Board needs to do to prepare for this.
 - Mr. Moyer confirmed that a letter will need to be written to the City from the CDD saying “Pursuant to the Trust Indenture, your obligation to pay the B Bonds will be on May 1, 2013.
 - Mr. Fertic directed Mr. Moyer to send the letter to Mr. Hurt as the amount of money was \$8.95 million.
 - Mr. Hurt pointed out that the City Bond Counsel, Mr. Mike Turner and the bond underwriters have been working on this issue for the past year and a half regarding alternatives to refinance the existing bonds.

On MOTION by Mr. Fertic seconded by Ms. Borders with all in favor the Fiscal Year 2010 Audit prepared by Keefe, McCullough & Co., LLP was accepted and staff was authorized to file said Audit with the appropriate State agencies.

D. Engagement Letter from American Municipal Tax-Exempt Compliance Corporation [AMTEC] to Provide Arbitrage Rebate Services for Series 2003 Bonds

- Mr. Moyer presented an Engagement Letter from AMTEC for the Series 2002 Bonds and explained that this was a requirement of the Federal Government when issuing municipal debt.
- When any Government sells bonds after 1986, the issuer signs an Arbitrage Rebate Certificate, where the issuer agrees to determine whether the District made more money on their investment earnings than the bond rate on monies borrowed from the bondholders.
- If this is the case, the money is required to be rebated to the Federal Treasury every five years.
- The law says that a calculation will be made on all the investments to see if the District has any arbitrage rebate liability.
- This engagement letter will authorize AMTEC to update the arbitrage rebate calculation through November 30, 2011 for the CDD paying \$1,800 and the City paying \$300. Mr. Moyer believed that this was a fair price for the number of years they were looking at the bonds.
- Mr. Fertic requested that this item be tabled until the next meeting so he could do additional research.

On MOTION by Mr. Fertic seconded by Mr. Holmes with all in favor the Engagement Letter with American Municipal Tax-Exempt Compliance Corporation to Perform the Arbitrage Rebate Services for Series 2003 Bonds was tabled until the next meeting.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There not being any, the next item followed.

B. Engineer

There not being any, the next item followed.

C. Field Manager – Monthly Highlight Report

Mr. Smith reported the following:

- Their new landscaper started on January 1, 2011. He is doing a good job.
- The ponds look good in terms of the water quality.

The following was addressed by the Board:

- Mr. Holmes pointed out that he received a phone call from a resident regarding the landscaping in one area down west New Nolte Road, which should be cut back.
 - Mr. Smith acknowledged that they have some ongoing turf issues and they were waiting until spring in case there were any additional freezes.
- Mr. Fertic questioned whether it was in their contract to trim the Crown Lilies as there were some burnt ones.
 - Mr. Smith acknowledged that it was in their contract to trim them, but recommended waiting until early March as the dead material would protect the plant from any future freezes.
- He questioned whether they were going to spruce up the landscaping at the front entrance.
 - Mr. Smith explained that they were planning to spruce up the signs as there was some damage to the granite due to spray from the fountains. The plan was to grind the granite down, but to do this; they have to remove the letters. They were looking at painting the granite, which would last over a long period of time, but they are looking at more options. It would be cheaper to do this in-house. They eventually want to replace the plant material in all of the beds. In the beds with the mulch, they plan to remove the mulch and replace with sod so it is easier to maintain.
 - Mr. Fertic commented that the sod looks terrible as there are weed spots.
- Mr. Fertic requested clarification on the green line item under the monthly highlights.

- Mr. Smith explained that they ask all of their contractors to show some green initiative in their monthly highlight reports.

EIGHTH ORDER OF BUSINESS

Other Business

There not being any, the next item followed.

NINTH ORDER OF BUSINESS

Supervisor Requests

Mr. Fertic addressed the following:

- He questioned whether New Nolte Road still falls under the City.
 - Mr. Mantzaris confirmed that the road belonged to the City.
- He pointed out that the pavement was rough by the entrance to the school and he was told that irrigation was causing cracks in the pavement, but did not see any irrigation running.
 - The City will follow up.
 - A resident noted that the cracks in the roads have been a concern to the residents and the matter was brought before the City Council. The fact was that the roads were not built correctly and did not have the correct under drainage, causing the cracks to bubble up after a rain event. Drainage was a problem throughout Stevens Plantation.
- He addressed issues the berms and medians.
 - Mr. Smith pointed out that they were working on these issues
 - Mr. Hurt noted that at the last City Council meeting, the direction from the City Council was to have the City Attorney look into the design standards. When the Attorney provides an opinion, they will increase the visibility of the medians throughout Stevens Plantation.
 - Mr. Fertic questioned whether the cost for repair of the medians would be paid for by the City.
 - Mr. Hurt confirmed that they received an estimate of \$9,000, which they will pay for and do the work in-house.

THIRD ORDER OF BUSINESS

Organizational Matters

A. Appointment of Supervisors for Seats 2 and 3

Mr. Moyer pointed out that information was placed on the website to get interest from the residents for these open seats currently occupied by Mr. Holmes and Ms. Hopper. The ROA did a good job of informing the residents. The following individuals expressed interest in serving on the Board:

- Rebecca Fernandez from Veranda Lakes, works for the school system and has been on the Architectural Review Committee for the past two years. She has a construction background.
- Larry Rupp from Magnolia Green, has lived in Stevens Plantation for two years. Has 25 years experience in international affairs and received his degree from Loyola University. He also has a law degree. He serves as a Comptroller/CEO for a Petroleum Company.
- Shane Waters from Cedar Hammock Trail, has 23 years of experience in roofing and sales. He has been with the same company for nine years dealing with architectural plans and drawings.
- Daryl Greenwood from The Grove, has been active in Stevens Plantation since inception, working on the changeover between two HOA's. Her husband serves on the HOA. She served on the first Architectural Review Committee and later on the Planning Committee. She has a degree in education and administration from Loyola University and currently works for Disney in community relations.
- Mr. Moyer pointed out that there were only two seats open, but the other two candidates will have the chance to fill two seats opening in 2012.
- Mr. Fertic noted that there were four good candidates and they all bring something unique to the Board.
- Ms. Borders commented that this was a tough decision.
- After further discussion, Larry Rupp was appointed to Seat 2 and Rebecca Fernandez to Seat 3.

Ms. Borders nominated Larry Rupp to fill the vacancy in Seat 2 and Mr. Fertic seconded the nomination. With no further
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nominations, with all in favor, Larry Rupp was appointed to Seat 2.

Mr. Holmes nominated Rebecca Fernandez to fill the vacancy in Seat 3 and Ms. Borders seconded the nomination. With no further nominations, with all in favor, Rebecca Fernandez was appointed to Seat 3.

B. Oath of Office for Newly Elected Supervisors

Mr. Moyer being a Notary Public of the State of Florida, administered the oath of office to Mr. Rupp and Ms. Fernandez and copies of the signed oaths will be made a part of the public record.

- Mr. Moyer congratulated Mr. Rupp and Ms. Fernandez and welcomed them to the Board. He explained that the District was governed under the Florida Sunshine Law and the Florida Commission on Ethics and provided the following documents:
 - *Form 1 – Statement of Financial Interests*, which is the financial disclosure form asking for a source of income. The form needs to be sent to the Supervisor of Elections within 30 days.
 - *Guide to the Sunshine Amendment and Code of Ethics for Public Officers and Employees*. According Chapter 286 of the Florida Statutes, no two elected officials serving on the same Board can meet outside of a publicly noticed meeting. There is also Chapter 119, which is the Public Records Law where any member of the public can view documentation in the form of agenda materials and documents from the Attorney. He recommended that the supervisors keep these materials separate from their other files. However, there is no law that any materials need to be retained.

C. Election of Officers – Resolution 2011-2

This item was tabled until the next meeting.

TENTH ORDER OF BUSINESS

Audience Comments

A resident from The Grove addressed the following

- Thanked the Board for handling her request regarding landscaping concerns *as* Servello & Son were doing a much better job. The first time they cleaned up, they carried 10 bags out of the community.
- She was grateful for the reducing of the speed limit on New Nolte and the installation of the traffic light on the corner.
- Litter was still an issue and a bigger issue throughout the City of St. Cloud.
- Suggested that the City mandate that fast food restaurants place trash receptacles like McDonalds at their drive throughs.
 - Mr. Fertic suggested that the resident discuss this matter at the next City Council meeting, which will be held on February 10, 2011 at 6:30 P.M. at this location.
- She attended the last ROA meeting and heard from the residents that there was excessive speeding within the subdivisions. She requested that the City look into placing speed limit signs within the subdivisions as there were no such signs.
 - Mr. Fertic pointed out that this was addressed earlier in the meeting and the City Manager will be handling this.
- Congratulated the new members of the Board.

ELEVENTH ORDER OF BUSINESS

Adjournment

There being no further business,

On MOTION by Mr. Fertic seconded by Ms. Borders with all in favor, the meeting was adjourned.

Gary L. Moyer
Secretary

Rebecca Borders
Chair