

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

The Regular Meeting of the Board of Supervisors of the Reunion East Community Development District was held on Thursday, May 12, 2022 at 1:00 p.m. via Zoom Communication Media Technology and at the Heritage Crossing Community Center, 7715 Heritage Crossing Way, Reunion, Florida.

Present and constituting a quorum:

Mark Greenstein
Steven Goldstein
Trudy Hobbs
John Dryburgh
Dr. Tom McKeon

Chairman
Vice Chairman
Assistant Secretary
Assistant Secretary
Assistant Secretary

Also present were:

Tricia Adams
Kristen Trucco
Jay Lazarovich
Steve Boyd
Alan Scheerer
Victor Vargas
Mike Smith
Garrett Huegel
Residents

District Manager
District Counsel
Latham Luna
District Engineer
Field Manager
Reunion Security
Yellowstone Landscape
Yellowstone Landscape

The following is a summary of the discussions and actions taken at the May 12, 2022 meeting. A copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Roll Call

Ms. Adams called the meeting to order at 1:00 p.m. and called the roll. All Supervisors were present.

SECOND ORDER OF BUSINESS

Public Comment Period

Resident Mr. Bob Kumpa of Whisper Way spoke about HOA issues. Ms. Adams would speak to Mr. Kumpa after the meeting and provide contact information for the HOA.

THIRD ORDER OF BUSINESS

Approval of Minutes of the April 14, 2022 Meeting

On MOTION by Mr. Goldstein seconded by Mr. Dryburgh with all in favor the Minutes of the April 14, 2022 Meeting as presented were approved.

FOURTH ORDER OF BUSINESS

Review and Acceptance of Fiscal Year 2021 Audit Report

Ms. Adams reported that each year, the District was required to complete an annual independent audit and file with the State of Florida. The presented the audit was prepared by Grau & Associates for the Fiscal Year ending September 30, 2021. The management letter asserts it was in compliance with accounting standards. There are some financial conditions that are carried forward from previous years. Mr. Greenstein noted that the Management Letter did a good job of documenting the findings and management's response. Ms. Adams pointed out there were non-substantive changes in the naming of the stakeholders. Due to the complexity of the audit, it was reviewed by District management staff at several levels as well as District Counsel to address the findings. Mr. Dryburgh reviewed the audit and felt that the auditor did an excellent job.

On MOTION by Mr. Dryburgh seconded by Dr. McKeon with all in favor Acceptance of the Fiscal Year 2021 Audit Report was approved.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2022-06 Approving the Proposed Fiscal Year 2023 Budget and Setting a Public Hearing

Ms. Adams stated that each year, Community Development Districts were required by Florida Statutes to approve a Proposed Budget by June 15th and transmit to Osceola County. Resolution 2022-06, which was presented to the Board, approves the Proposed Budget for Fiscal Year 2023 and sets the public hearing to adopt the budget on August 11, 2022 at 1:00 p.m. at this location. It also requires a notice of the Proposed Budget and public hearing on the website and in the newspaper. Attached as an exhibit to the resolution was the Proposed Budget, which was transmitted prior to the meeting for Board review and was subject to change prior to adoption. It was based on the Interlocal Agreement for cost sharing purposes on the number of platted lots. Since the District was still in the development phase with Reunion Village, more platted lots were expected for Fiscal Year 2023 compared to current fiscal year. A revised Proposed Budget will

be provided to the Board at the June meeting with the anticipated percentage-split since the Tax Roll is not available until after June 1. The budget was subject to Board Member input and revisions until it was adopted in August. Revenue would consist of the collection of assessments for the platted lots on the Tax Bill. It was anticipated that some assessments for property not yet platted would be direct billed to EHOF.

Mr. Dryburgh asked if they were looking at a 3% or 5% estimated number of EHOF lots. Ms. Adams would not know until the Tax Roll was received. Mr. Dryburgh questioned if accounting staff took into account that the District was in the 7% or 8% inflation base for the duration of this budget versus 1% or 2% inflation base. Whether they liked it or not, general expenses would be increasing with the cost of inflation and energy management programs in place. Ms. Adams confirmed that there was an inflationary index adjustment typically around 3%. Reunion East budgeted conservatively in the past, allowing for contingency to be built in. All service agreements were taken into consideration for the budget preparation regarding where they expire and go out for bid. Mr. Dryburgh voiced concern about residents seeing huge increases in their CDD fee due to shortfalls. Ms. Adams noted that the District had a favorable cash position and no assessment increase was proposed.

Ms. Adams presented the following changes to the budget from Fiscal Year 2022 to Fiscal Year 2023:

- Under “*Revenues*”, “*Rental Income*” was added, due the Board approving special event fees. The actual amount was currently \$8,000.
- Current “*Administration Expenses*” were \$168,288 and for Fiscal Year 2023, \$172,052 was proposed.
- There were increases in “*District Management Fees*” and “*General Liability Insurance*”.

Mr. Dryburgh questioned the 15% to 20% increase for “*General Liability Insurance.*” Ms. Adams confirmed that it increased by 15%. Mr. Greenstein suggested reaching out to FIA to see what they were proposing.

- There were increases in the field costs, due to additional property anticipated to be maintained at Reunion East with Reunion Village under development.
- “*Pool Maintenance*” increased from \$118,688 to \$139,788, due to increased pool chemical costs.

- Seven Eagles expenses were integrated into the Maintenance Budget, increasing it from \$1.3 million to \$1.6 million.
- “*Landscape Maintenance*” increased from \$503,702 to \$706,547.
- “*Irrigation System Operations*” was added.
- There was a “*Transfer to R&M Fund*” of \$151,484.

Ms. Adams noted assessments were level since 2020. \$423 was proposed for commercial units, \$423 for hotel units, \$635 for multi-family, \$846 for single family and \$423 for golf. The budget would be posted on the website with the detailed narrative and utility accounts. The Replacement and Maintenance (R&M) Fund will be discussed in further detail at the next meeting along with a status update of all R&M projects for this year, including what was based on the Reserve Study.

On MOTION by Ms. Hobbs seconded by Dr. McKeon with all in favor Resolution 2022-06 Approving the Proposed Fiscal Year 2023 Budget and Setting the Public Hearing for August 11, 2022 at 1:00 p.m. at this location was adopted.

SIXTH ORDER OF BUSINESS

**Consideration of Resolution 2022-07
Authorizing Electronic Documents and
Signatures**

Ms. Trucco reported that several CDDs entered into a policy of allowing electronic signatures on resolutions and agreements, based on an act that the Florida Legislature passed allowing for electronic signatures to be deemed sufficient if a contract provision or provision of law required a signature. It did not include bond documents or documents conveying real property or improvements.

On MOTION by Mr. Greenstein seconded by Mr. Goldstein with all in favor Resolution 2022-07 Authorizing Electronic Documents and Signatures was adopted.

SEVENTH ORDER OF BUSINESS

**Notice of General Election Qualifying
Period**

Ms. Adams announced that the qualifying period to register for three General Election seats at the Osceola County Supervisor of Elections office was Noon on June 13, 2022 through Noon on June 17, 2022. The Reunion West CDD Board requested that the qualifying period document, which was included in the agenda package, and a cover statement on the seats to be

qualified for, be forwarded to the Master Association and HOA management companies that were stakeholders at Reunion East or Reunion West CDDs. She asked whether this CDD Board wanted to do the same. Mr. Goldstein did not wish to do so, since the CDD had not done so in the past. *There was Board consensus.*

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Trucco recalled that the Board approved the secession of landscape maintenance on the south side of C.R. 532, which required approval from the Board of County Commissioners before it was officially finalized, as well as a proposal for Yellowstone to restore that area in accordance with the county's direction and requirements for restoration. According to the Field Manager, this was completed and she would notify the county that it was ready for inspection, before going to the Board of County Commissioners for final approval. Mr. Dryburgh questioned how this affected the landscaping line item in the budget. Ms. Adams explained that the relief that the District was receiving for no longer maintaining the south side of C.R. 532 was about \$2,300 per month. This was taken into account in the Proposed Budget.

B. Engineer

Mr. Boyd completed all of the field work for the Stormwater Needs Analysis Report and was compiling the actual report, which needed to be submitted in June. They have been working on the construction plans for the Reunion Village gates, but there was an issue with trying to work out the best solution on the southern gate. He was hoping to have a plan for the Board today, but the plan had to be reworked. The original plan was to widen the road on both sides, but the pond construction and installation of the new gas line made it offset completely to the east and the location of the lift station and curb inlet was tight. They were trying to avoid the need to pull the top off of the curb inlet and put a drain on it.

Mr. Greenstein stated that it has always been a challenge because it was a tight area with the existing facilities. Mr. Boyd recommended shifting it south of the curb inlet to have the ability to turn left and not have a u-turn. Mr. Greenstein pointed out if Mr. Boyd provided the options, the Board would make the most sensible solution. Mr. Goldstein requested that it work smoothly so they did not have a backup. Mr. Greenstein reported that the guard at the Reunion Village gatehouse was handling traffic from outside of the gate, which was fine, as people should know that unless they were residents, they could not go over the bridge.

Mr. Greenstein asked if they heard anything from Encore concerning the site work for Spectrum Phase 2. Ms. Adams reported that they were waiting for the construction documents before providing a proposal.

C. District Manager's Report

i. Action Items List

Ms. Adams presented the Action Items List, which was included in the agenda package and reported on the following:

1. Functional Fitness Center @ Seven Eagles: All of the equipment was installed. There was an HVAC issue, but it should be fully resolved in the next 10 days. She will notify the Board and property owners through the HOAs and Master Associations when the FFC was opened, which was a couple of weeks out. Mr. Vargas confirmed that the CCTV and card reader were functional.
2. Irrigation Turnover: There was ongoing communication between District Counsel and Kingwood counsel.

Mr. Greenstein was optimistic that there would be agreement on that soon.

3. Secure Pool Access Gates: Mr. Scheerer was waiting for more accurate costs for five gates and would provide proposals at the next meeting.

Mr. Dryburgh thanked Mr. Scheerer for working on a gate that worked.

4. Security Improvements @ Carriage Pointe: Ongoing. Ms. Adams wanted coordination between parties.
5. Security Cameras at Reunion Village Gate: Installed. This item will be removed from the next Action Items List.
6. Pool Resurfacing @ Heritage Crossings A & B Pools: Approved at last month's meeting. Tentatively scheduled for June 13. A notice would be sent to all property owners closer to the June 13 date.
7. Golf Ball Screen @ Heritage & Seven Eagles Pool: Requested at the last meeting. Mr. Scheerer received feedback from the District's insurance provider. They recommended signage and not a screen, due to wildlife concerns. A proposal for signage at three locations as discussed at the last meeting, was being obtained.

Discussion ensued regarding the golf ball screen. *There was Board consensus to remove this item from the Action Items List.*

ii. Approval of Check Register

Ms. Adams presented the Check Register from April 1, 2022 through April 30, 2022 in the amount of \$550,542.90.

On MOTION by Mr. Goldstein seconded by Mr. Greenstein with all in favor the April Check Register was approved.

iii. Balance Sheet and Income Statement

Ms. Adams presented the Unaudited Financial Statements through March 31, 2022, which were included in the agenda package and provided for informational purposes. The cash position for the District was good.

Mr. Dryburgh noted a variance for irrigation systems operations. Ms. Adams stated that until there was full resolution with the Management Agreement and fees, there would be a variance. It was in the budget to be conservative in case the expense was realized during the fiscal year. Mr. Dryburgh questioned a \$12,000 increase in the landscape contract. Mr. Scheerer noted there were timing issues. Mr. Goldstein asked when the Palm tree trimming would commence. Mr. Scheerer stated it should start any day. Ms. Adams reported that overall, the District did a good job controlling expenses and was under budget with their actuals compared to pro-rated expenses.

iv. Status of Direct Bill Assessments

Ms. Adams presented the Direct Bill Assessments, which were included in the agenda package. Staff was monitoring this closely. District Counsel sent demand letters, which Ms. Adams would follow up if there are any outstanding accounts. The District received payments as recently as May 2nd from Orlando Health. Once properties were platted, they were on the Tax Roll and there would be a more streamlined process for collecting CDD fees.

v. Replacement and Maintenance Plan

Ms. Adams presented a summary to the R&M Plan. Staff suggested discussing the status of these items at the June meeting.

vi. Presentation of Number of Registered Voters: 716

Ms. Adams reported 716 registered voters according to the Osceola County Supervisor of Elections as of April 15, 2022. All seats previously transitioned to General Election.

D. Security Report

i. 313 Parking Violations

Ms. Adams reported 313 vehicle incidents.

ii. Review Parking Enforcement Procedures

Ms. Adams presented the draft Parking Enforcement Guidelines for Reunion East and Reunion West CDDs, which were included in the agenda package. It included guidelines for property management companies, color coded warnings for parking violations and the timing between the warnings. She noted that after the second warning, towing was imminent, the time between the first and second warnings was no more than three hours and the length in time between the first warning being issued to contacting the towing company was four hours or less.

On MOTION by Mr. Greenstein seconded by Dr. McKeon with all in favor the Parking Enforcement Guidelines for the Reunion East and Reunion West CDDs were accepted.

NINTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

TENTH ORDER OF BUSINESS

Supervisor's Requests

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

Next Meeting Date – June 9th, 2022

Ms. Adams announced that the next meeting was on June 9, 2022 at 1:00 p.m.

TWELFTH ORDER OF BUSINESS

Adjournment

On MOTION by Dr. McKeon seconded by Mr. Dryburgh with all in favor the meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman