

**MINUTES OF MEETING  
COUNTRY GREENS  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Country Greens Community Development District was held at 5:00 P.M. on Monday, April 23, 2012 at Hampton Inn, 19700 US Highway 441, Mount Dora, Florida.

Present and constituting a quorum were:

Kenneth Bolser	Chairman
David Warden	Vice Chairman
Alma Graham	Assistant Secretary
Catherine Catusus	Assistant Secretary
Barbara Hensinger	Assistant Secretary

Also present were:

Gary L. Moyer	Manager - Moyer Management Group
Roy Van Wyk	Attorney: Hopping Green & Sams ( <i>by phone</i> )
Ray Malavé	Engineer: Bowyer-Singleton
Brian Smith	Severn Trent Services
Kent Taylor	Country Greens HOA

*The following is a summary of the minutes and actions taken at the April 23, 2012 Country Greens Board of Supervisors meeting.*

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Moyer called the meeting to order at 5:00 P.M. and stated that all Supervisors were present.

**SECOND ORDER OF BUSINESS**

**Approval of the Minutes of the February 27, 2012 Meeting**

Mr. Moyer stated that each Board member received a copy of the minutes of the February 27, 2012 meeting and requested any corrections, additions or deletions.

- There not being any,

On MOTION by Ms. Catusus seconded by Mr. Bolser with all in favor, the minutes of the February 27, 2012 meeting were approved.
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**THIRD ORDER OF BUSINESS****Presentation of Fiscal Year 2013  
Proposed Budget****A. Discussion of Fiscal Year 2013 Proposed Budget**

- Mr. Moyer presented the proposed budget for Fiscal Year 2013 and addressed the following.
  - There were two operative words in Chapter 190 related to the budget; ‘*Approve*’ and ‘*Adopt*’. After a brief presentation, the Board will approve the budget for the purpose of setting a public hearing for June 25, 2012. At the public hearing, there will be a review of the budget and then the Board will entertain public comments. Once the Board is satisfied with the budget, they will be asked to adopt it.
  - The adopted budget will serve as the basis for what is certified to the Property Appraiser and Tax Collector for the collection of non ad-valorem assessments as well as the operating plan for fiscal year 2013.
  - This budget has not changed from last year’s budget and the non ad-valorem assessment has not changed.
  - During this process, if there was input from residents or the HOA for staff to do additional work, this may affect the budget and the non ad-valorem assessment amount.
  - This District has a strong balance sheet in terms of *Unassigned Fund Balance*. This fund can be utilized when the Board wants to undertake capital projects, but not increase assessments. To do this, funds would be transferred from the *Assigned Fund Balance* into a *Restricted Fund Balance* called capital projects.
    - Mr. Bolser questioned whether the transfer was required to occur prior to the adoption of the budget or during the course of the year. Mr. Moyer confirmed this could be done by a budget amendment at any time during the year.
    - Mr. Bolser recommended taking funds out of the *Fund Balance* to cover operations.
    - Mr. Moyer suggested the Board come up with a targeted number and plan on lowering the budget on an annual basis, instead of increasing assessments.

- Ms. Hensinger asked Mr. Moyer to come up with an inflation multiplier over five years. Ms. Catusus suggested using a multiplier of two times the average amount.
- Ms. Hensinger questioned whether they have any pending projects. Mr. Bolser acknowledged there were a few projects being discussed by the Board, but nothing over \$50,000.
- Mr. Moyer pointed out the risk they had was to pay for large expenditures like the removal and disposal costs for hurricane damage. However, these types of expenditures could be covered by FEMA. Most CDDs build up their reserves to cover hurricane expenditures. Baldwin Park CDD took out a loan over a period of years to use for landscape replacements.
- Mr. Moyer suggested utilizing \$30,000 increments for each fiscal year instead of \$90,000 worth of revenues.
  - Ms. Catusus expressed concern about the amount of money budgeted for landscaping as they were running \$6,300 per year in landscaping costs. Mr. Moyer pointed out the Board would need to find a way to fund for any overages.
- There is a typo in the budget narrative.

**B. Consideration of Resolution 2012-01 Approving the FY 2013 Proposed Budget and Setting a Public Hearing**

- Mr. Moyer reviewed Resolution 2012-01 approving the budget for the purpose of sending the Budget to Lake County for their review and comment and setting the public hearing for June 25, 2012 at 5:00 P.M.
- If there were items the Board did not wish to approve on June 25, a meeting could be scheduled for July or August. The budget must be certified by the end of August.
- There being no further questions or comments,

On MOTION by Ms. Graham seconded by Mr. Bolser with all in favor, Resolution 2012-01 Approving the Proposed Budget for Fiscal Year 2013 and Setting a Public Hearing for June 25, 2012 at 5:00 p.m. at the Hampton Inn, 19700 US Highway 441, Mount Dora, Florida was adopted.

**FOURTH ORDER OF BUSINESS****Acceptance of the Audit for Fiscal Year Ended September 30, 2011**

- Mr. Moyer presented the Audit for fiscal year ended September 30, 2011 and addressed the following.
  - The Audit was prepared by Grau & Associates who were Certified Public Accountants.
  - In the Independent Auditor's Report, the Auditor states in the third paragraph, *"In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the remaining non-major funds of the District as of September 30, 2011 and the respective changes in financial position thereof for the fiscal year that ended in conformity with accounting principles generally accepted in the United States"*. This was referred to as a clean Audit opinion, meaning the financial statements staff provided to the Auditor, presented the District's financial condition.
  - On Page 22, is the Report on Internal Control over Financial Reporting, which was based on the financial statements, performed in accordance with government auditing standards. The Auditor pointed out *"We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above"*. This refers to the checks and balances within the accounting system.
  - Under Compliance and Other Matters, the Auditor stated *"The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards"*.
  - On Page 23, is the Management Letter where the Auditor did not indicate any findings or recommendations by the Auditor in this fiscal year nor the prior fiscal year.

- On Page 24, under Current Year Findings and Recommendations. The Auditor did not find any in this fiscal year nor in the prior fiscal year.
- On Page 25, the Auditor stated “*The District has not met one or more of the financial emergency conditions described under Section 218.503(1) of the Florida Statutes*”. This means the District was not in a state of financial emergency.

On MOTION by Ms. Hensinger seconded by Mr. Bolser with all in favor, the Audit for Fiscal Year 2011 was accepted and staff was authorized to file the same with the appropriate State agencies.

- Mr. Van Wyk presented corrections on the Audit. Mr. Moyer will provide to the Auditor.
- Ms. Catusus questioned the statement on page four where the total expenses including depreciation increased from the prior fiscal year, however, the majority of the increase was due to uncollectable funds previously due.
  - Mr. Moyer explained this was a deduction previously carried on the balance sheet as a receivable from the boundary expansion. This was written off causing a deduction in assets.

**FIFTH ORDER OF BUSINESS**

**District Managers Report**

**A. Financial Statements**

Mr. Moyer reviewed the financial statements through March 31, 2012, which were included in the agenda package and reported the following:

- The operating reserves would be used from October to December, representing a quarter of the fiscal year budget.
- The administrative expenditures were slightly over budget due to Engineering expenses incurred in order to identify land ownership and mapping.
  - Ms. Catusus questioned whether the HOA paid a portion of the Engineering expenses. Mr. Moyer confirmed the CDD paid the entire amount because in order for the CDD to undertake certain projects, it was necessary for the Engineer to verify they were on CDD property.

- The field expenditures were under budget by \$14,000.
- Overall, the budget was over by \$11,725.
- There are some non-ad valorem assessments remaining to be collected, which was in line with what was expected for this time of year given the history of the District. The deadline to collect the assessments was March 31. If they are not paid, the property would go for tax certificate sale in June.

#### **B. Check Register**

Mr. Moyer reviewed the check register, which was included in the agenda package.

- There being no questions or comments,

On MOTION by Ms. Catusus seconded by Ms. Graham with all in favor the financials for March 31, 2012 and Check Register for the period February 1, 2012 through March 31, 2012 in the amount of \$154,508.75 were approved.

#### **C. Qualifying Information for General Election**

Mr. Moyer addressed the following:

- The Board received information related to the General Election, which will take place in November.
- Three seats will be open for election; Mr. Warden's seat, Ms. Hensinger's seat and Ms. Graham's seat.
- The Management Company is required to advise the public on the qualifying process to run for election. The first way is by obtaining 25 signatures on a petition, a copy of which was provided to the Board. The deadline is May 7. The second way is to pay a qualifying fee of \$25 at the Supervisor of Elections office between June 4 and June 8. By qualifying, the individual's name is placed on the ballot for the November General Election.
- If no one qualifies or one person qualifies for a seat, there will not be an election and the person is automatically placed in the seat.
  - Mr. Bolser questioned whether this would be noticed publically. Mr. Moyer explained an advertisement would be placed in the Orlando Sentinel. Ms. Catusus requested a notice be placed on the website.

- Mr. Bolser requested once the budget was approved by the Board, a notice be placed on the website informing constituents about the 10% reduction and other activities taking place by the CDD.

**D. Consideration of Engagement Letter with Grau & Associates to Perform the Audit for Fiscal Year Ended September 30, 2012**

- Mr. Moyer presented a standard form Engagement Letter from Grau & Associates to undertake the Audit for fiscal year 2012.
- They are proposing the fee for this work not exceed \$5,000, which is consistent with the proposal they submitted. The District paid \$5,250 in the prior year.
- Mr. Moyer recommended that the Board approve this Engagement Letter with Grau & Associates as staff is satisfied with their work product and their fee was reasonable.

On MOTION by Mr. Bolser seconded by Ms. Catusus with all in favor the Engagement Letter with Grau & Associates to perform the Audit for Fiscal Year Ended September 30, 2012 in an amount not to exceed \$5,000 was approved.

**SIXTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

There not being any, the next item followed.

**B. Engineer**

**Overview of District/HOA Ownership and Payment for Future Projects**

- Mr. Malavé reported the Board directed him at the last meeting, to speak to a property owner regarding a strip of land she owned, which was 200x17. The property owner was interested in selling the strip of land to the CDD for \$3,000.
- Mr. Moyer estimated 3,400 square or \$1.00 per square foot or \$43,560 per acre.
- Mr. Bolser questioned why the strip did not revert to the CDD when it was platted. Mr. Malavé explained the plat shows a ROW north of the CDD property, which was purchased by the original owner to ensure the CDD property, was contiguous with the ROW.
- There was an issue due to the CDD maintaining the property for a number of years. As a result, there needs to be a document trail.

- If the District proceeds with this, they will have to obtain a survey showing the remaining strips were ROW or claim it as the CDD.
- Mr. Bolser questioned whether the expense to do this would exceed \$3,000. Mr. Malavé explained they will have to pay \$300 to prepare the legal description and a sketch and the charge for Mr. Van Wyk to prepare a document to close on the transaction, which may exceed \$3,000.
- Ms. Catusus believed it was just a matter of cleaning up the legal description and recommended telling the property owner they were not interested in purchasing the property. Alternatively, they may be able to contact the County ROW Department to ask them to clean up the legal description of the ROW, at no charge to the CDD. The County could also ask the property owner to clean out the ROW and tax her.
- The property owner claims the District knocked down her signs and stakes.
- Ms. Catusus questioned if the CDD does not purchase the strip of land, whether the CDD has any liability. Mr. Moyer indicated the only thing the property owner will do is tell the CDD to stay off of her property and she will maintain it. Ms. Catusus pointed out if she does not maintain it, the County will have a problem with the property owner.
- Mr. Van Wyk pointed out the property owner was angry because the CDD disturbed her staking of the parcels. If the CDD does not do anything and stays off of her property, the HOA can issue a violation for not maintaining her property. He suggested waiting to see what happens with the County. It will cost more than \$3,000 to deal with the property owner.
- Mr. Bolser pointed out the County Code Enforcement can issue fines.
- Mr. Malavé will contact the Public Works Director.
- Mr. Moyer reported additional work items were brought to the Board at the last meeting. Mr. Malavé did not think the CDD owned some of those properties. They tried to come to a consensus before this meeting so the Board knows with certainty what the Board can and cannot do.
- Mr. Taylor presented an ownership map and pointed out gaps in the perimeter fence around the community. He measured those areas and numbered them one through nine. For the areas missing fencing, a fence company who performed fence work

for the HOA, provided a quote of \$650 for a two rail tan vinyl fence. The following areas need fencing:

- Tract AA: 990 linear feet owned by the CDD and a 17 foot easement along Cardinal Road.
  - Tract 5: People were driving around the barrier gate to get to the golf course parking lot.
  - Tracts 6 & 7: Open land on Tuscany Avenue.
  - Tract 9: 10 foot easement on the other side of Tuscany between the commercial tract and Tuscany.
- Mr. Taylor calculated 6,000 linear feet of fence in the CDD at a cost of \$45,000. The HOA would need 1,085 feet of fencing at a cost of \$9,600.
  - Ms. Catusus believed Tract AA was HOA property. Mr. Taylor pointed out there was an easement belonging to the CDD.
  - Ms. Hensinger did not believe a fence would keep people out of Tract 5. Mr. Taylor clarified people were driving around the fence.
  - Ms. Catusus believed they would incur an additional cost to add a gate for construction vehicles.
  - Ms. Hensinger recalled the Board discussing at the last meeting that Tract 7 belonged to the CDD, but Tracts 8 and 9 did not belong to the CDD.
  - Mr. Malavé pointed out Tract 9 belonged to the HOA. Tract 8 was a connection between the end of HOA property and the beginning of CDD property.
  - Mr. Taylor pointed out the commercial tract was part of the CDD. The intention was to make it easier for residents to gain access to that tract.
  - Mr. Bowler suggested installing the fence to see what happens.
  - Ms. Catusus pointed out the CCDD was going to install temporary fencing until the commercial plat was developed at a lower cost. Mr. Smith confirmed the cost was \$483 per foot.
  - Mr. Bolser pointed out according to the minutes of the last meeting; a four rail white PVC fence would cost \$2,400, a tan vinyl fence would cost \$2,900, a cattle fence would cost \$7,000 and a chain link fence would cost \$10,000. The Board wanted to have a temporary fence until the property was developed since this was

primarily HOA property and the CDD only owned 300 feet. The Board expressed concern the CDD fence would have to be a continuation of the existing fence and suggested the HOA decide on the type of fence and have the CDD pay for their portion.

- Mr. Smith explained the fence was priced from \$6,000 to \$8,000.
- Ms. Hensinger recalled concern for pedestrian traffic. Mr. Taylor agreed there was a concern to a certain extent, but the homeowners in the townhomes would not want a chain link fence across from them. Ms. Catusus suggested a cattle fence so the wire would not be a visual distraction. Mr. Moyer indicated the CDD was not being asked to install a fence in Tract 9.
- Mr. Smith recalled the Board agreeing to install fencing in Tracts 6, 7 and 8 if the HOA contributed funds.
- Ms. Graham believed if the Board made the property safer for everyone; it would be a benefit as it would increase property values.
- Mr. Taylor pointed out they were shifting the focus from having people roam the neighborhood to having closed gates and a Security Guard. However, this would not make any sense if people could drive into the community.

Ms. Hensinger MOVED to install two rail fences in Tracts 1 through 5 and the Board will work with the HOA for fences in Tracts 6 and 9 and Mr. Bolser seconded the motion.

- Ms. Catusus questioned whether they needed to include Tract 4. Ms. Hensinger has seen people drive through this areas. Ms. Catusus believed it would make the community look complete and aesthetically pleasing.
- Mr. Moyer pointed out the second part of the motion was to authorize staff to make the necessary budget amendments to take this money from the Unassigned Fund balance.

On VOICE VOTE with all in favor, two rail fencing will be installed in Tracts 1 through 5 and the Board will work with the HOA for fencing in Tracts 6 and 9. Furthermore, staff was authorized to make the necessary budget amendments to take this money from the Unassigned Fund balance.

- Ms. Hensinger questioned when the Marbella gate would be completed. Mr. Taylor confirmed the money was budgeted and they would do this gate once the fencing was completed.
- Mr. Moyer suggested having the contract for the fencing in the CDD's name so the CDD could save money on the sales tax.
- Mr. Taylor pointed out there were two other parcels on the ownership map where the HOA landscaper provided additional maintenance. Item A was behind the homes on Venice Lane where there was a drainage area owned and maintained the CDD. The cost to provide continual maintenance such as manual bush-hogging was \$450 per month. Item B was a verified CDD tract to be maintained monthly. Mr. Smith clarified this tract was not being maintained.
- Ms. Catusus questioned whether the maintenance needed to be done on a monthly basis or from March through October. Mr. Taylor confirmed all of the bush-hogging was done more than once a month in the summer and six to nine weeks in the winter.
- Mr. Smith suggested utilizing the monies available in the budget to get these areas on a maintenance program.
- Ms. Catusus questioned whether any of these areas were classified as conservation areas. Mr. Smith confirmed there were some conservation areas, which could be maintained, but not yard mowing.
- Mr. Moyer pointed out according to the proposed budget, there was a landscaping contract for \$111,000 and \$5,000 was added in the budget for other maintenance. They could use the \$5,000 for this purpose, but there would not be any funds for other maintenance. However, they could use surplus funds for the reconstruction of the landscaping, which would fall under capital projects.
- Ms. Catusus suggested billing the landscape contract on an as completed basis. Mr. Bolser suggested providing the landscape contractor with an estimated maintenance schedule of every six weeks during the summer.
- Mr. Warden believes many owners backing up to this area have been doing their own mowing because it was not bush-hogged on a regular basis.
- Mr. Moyer pointed out there were different levels of maintenance.

On MOTION by Ms. Catusus seconded by Ms. Hensinger with all in favor, the drainage area behind the homes on Venice Lane will be bush-hogged every six weeks from April until September at a cost of \$450 per month.

- Mr. Taylor suggested having Item B maintained as it was visible. The cost for maintaining on a regular mowing schedule was \$75 per month.

On MOTION by Mr. Bolser seconded by Ms. Graham with all in favor, Item B as identified on the ownership map, will be maintained at a cost of \$75 per month.

**C. Field Operations**

**i. Field Maintenance Report**

**ii. Landscaping Report**

Mr. Smith reviewed the Field Maintenance and Landscaping Reports, which were included in the agenda package and available in the District Office for public review during normal business hours.

- All the drainage structures were being maintained to type A landscape specifications.
  - Mr. Bolser agreed with cleaning out the noxious species from the drainage structures so the drainage was flowing properly.
- Several outfalls had missing grates. They will install galvanized pipe to the ones closer to homes.

**SEVENTH ORDER OF BUSINESS**

There not being any, the next item followed.

**Other Business**

**EIGHTH ORDER OF BUSINESS**

There not being any, the next item followed.

**Supervisor Requests and Audience Comments**

**NINTH ORDER OF BUSINESS**

There being no further business,

**Adjournment**

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

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Gary L. Moyer  
Secretary

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Kenneth Bolser  
Chairman