

**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, October 24, 2011 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
Tom Fey	Developer
Brian Smith	Severn Trent Services

*The following is a summary of the minutes and actions taken at the October 24, 2011 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 August 22, 2011 Meeting**

Mr. Moyer stated that each Board member received a copy of the minutes of the August 22, 2011 meeting and requested any corrections, additions or deletions.

- Ms. Catusus pointed out the following corrections
  - On Page 1 “David Warden” and “Barbara Hensinger” were not present.
  - On Page 5, under C, the CDD has “bi-monthly”, not “monthly” meetings. Under the third bullet, she expressed concern about the December 19 meeting being so close to Christmas and the motion box omitted the April meeting date.

- On Page 7, she suggested placing a copy of the landscaping map on the website. In the fourth bullet from the bottom, she questioned why the CDD was maintaining the property if it was owned by the golf course.
- Mr. Bolser pointed out the following corrections
  - On Page 4, under the fourth order of business, regarding the insurance obligations for the HOA, they had to verify their insurance met the requirements set forth in the agreement.
  - Under the Eight Order of Business, he did not recall expressing concern about the parcels and other clean up items they needed to do on the dock.
  - Under the last bullet, he suggested the landscape map be displayed at every meeting.
    - Mr. Smith explained some changes needed to be made by the Engineer before they enlarge the landscape map and place it on a board. There were some questions regarding ownership on several parcels.
    - Mr. Van Wyk confirmed he spoke to the Engineer on Friday and he was working on this project.

On MOTION by Ms. Catusus seconded by Ms. Hessinger with all in favor, the minutes of the August 22, 2011 meeting were approved as amended.

**THIRD ORDER OF BUSINESS**

**Action Items**

There were no action items and this item will be removed from future agendas.

**FOURTH ORDER OF BUSINESS**

**District Managers Report**

**A. Financial Statements**

Mr. Moyer reviewed the financial statements through September 30, 2011, which were included in the agenda package and reported the following:

- This is the end of the fiscal year and some minor adjustments will take place as part of the audit process.
- The District was in good shape as all of the non-ad valorem assessments were collected.
- The Administrative Budget was slightly over budget at \$131, but was close enough to the budgeted amount.

- The Field Maintenance Budget was under by \$18,772, resulting in a Fund Balance of \$18,641 at the end of the fiscal year.

#### **D. Implementation of GASB-54**

Mr. Moyer addressed the following:

- On Page 1 of the financials, the Balance Sheet shows the Fund Balance. For a number of years, this was the way the Fund Balance was shown. There was a reserve for debt service, which were funds to be set aside in case of timing issues to support the District for a period of time.
- The previous Board set aside reserves of \$44,984 and unreserved or undersigned reserves of \$91,000.
- GASB stands for Governmental Accounting Standards Board, which promulgates rules on how governments show their financial activity and accounting. They come up with recommendations on how to show the Fund Balance, which was the analysis provided to the Board. It shows going forward, governments need to identify or break down their Fund Balances into more detail, such that there are non-spendable funds.
- The District is going to implement a non-spendable Fund Balance, such as deposits with utility companies. This is an asset the District does not have access to.
- Restricted funds fall under the Debt Service Reserve Fund.
- Committed funds will cover projects the Board wants to undertake.
- The Assigned Fund Balance has the working capital account. Staff usually puts away three months worth of monies necessary to carry the District from the time the fiscal year ends until tax revenues are received from the Tax Collector.
- Unassigned Fund Balance covers everything not otherwise accounted for.
- On Page 2 of the financial statements, the Fund Balance now tracks what was required under GASB-54.
- The only funds the District does not have control over are non-spendable and restricted funds. However, the Board has control of the Committed, Assigned and Unassigned Fund Balances. To the degree, the monies are under the assigned and committed categories, the Board can move monies around by making a motion of the Board.

- Mr. Bolser acknowledged they do not have any committed funds because they did not commit any funds.
  - Mr. Moyer confirmed these were committed funds in the current period, but the District does not have any long term capital projects.
- This was not a major change to the financials and if there were no objections to the Board, this was the way future financials would look.

**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. Graham seconded by Ms. Hensinger with all in favor the financials and Check Registers for September 30, 2011 were approved.
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**C. Consideration of Engagement Letter with Grau & Associates to Perform the Audit for Fiscal Year Ended September 20, 2011**

- Mr. Moyer presented a standard form Engagement Letter from Grau & Associates to undertake the Audit for fiscal year 2011 to review the financial records at the close of the fiscal year on September 30, 2011.
- The fee they are proposing for this work would not exceed \$5,250. This was a reasonable fee for auditing work of a governmental entity, considering the District has an outstanding bond issue.
- Because the State moved up the schedule for when Audits need to be completed by three months from September 30, staff will request the Auditor provide a draft of the Audit within six months so it can be presented to the Board before June. This language will be added to the Engagement Letter.
- Mr. Warden questioned whether this Audit would be for the fiscal year that just ended. Mr. Moyer confirmed this was the case.
- Ms. Catasus questioned whether the District went through a bidding process to determine whether or not this was a competitive price. Mr. Moyer confirmed this process was completed several years ago as these contracts were only for three years. It was confirmed that this was the third year of the contract.

- Ms. Catusus questioned whether the Audit amount would be less next year. Mr. Moyer confirmed the amount may be less, but even when there were no bond issues, the lowest amount he has seen for an Audit was \$4,000. It was usually higher than \$5,000 if there was a bond issue.
- Mr. Van Wyk confirmed this amount was consistent with other firms. He agreed it was a good idea to go out for bid every so often through the statutory RFP process. There were two options for the RFP process; one was to include prices and the other was to receive proposals without prices. These were all qualified firms. This process will commence in the springtime. An Audit Committee will be formed to make recommendations to the Board.
- Mr. Moyer pointed out usually the Audit Committee was comprised of the Board. However, the Board can choose to have an independent Audit Committee.
- Ms. Catusus did not support having an independent Audit Committee, since there was a statutory RFP in the marketplace as it was a matter of the Board comparing the proposals and prices and these were all qualified firms.
- Mr. Van Wyk pointed out the RFP Committee would meet prior to the Board meeting or during the Board meeting to select the Auditor.
- Ms. Graham questioned whether the proposals would be provided to the Board in advance. Mr. Moyer confirmed this was the case.

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, 2011 in an amount not to exceed \$5,250 was approved as amended.

## **FIFTH ORDER OF BUSINESS**

## **Staff Reports**

### **A. Attorney**

- Mr. Van Wyk requested feedback from the Board on whether or not he could attend these meetings by phone to save the District money, with the exception of the two public hearings. If a Board member requests he attend a meeting, he will attend.
- Ms. Catusus questioned whether the hotel would charge to have a speakerphone in the room. Mr. Moyer confirmed they have not charged the District in the past.
- Mr. Van Wyk pointed out they can use call in numbers.

- *There was consensus from the Board for Mr. Van Wyk to attend further meetings by phone.*

#### **B. Engineer**

- Mr. Bolser pointed out he requested the landscape map to be displayed at every meeting, but there was a question as to ownership of the property.
- Mr. Fey indicated this would be a color map showing areas of responsibility.
- Mr. Bolser questioned whether the current one was posted on the website. Mr. Moyer will verify.

#### **C. Field Operations – Aquatic Weed Control Report**

Mr. Smith reviewed the Aquatic Weed Control Report, which was included in the agenda package and available in the District Office for public review during normal business hours. The following items were addressed:

- The transition with Pinnacle went smoothly. Everything seems to be working fairly well.
- They had a problem with a pump in the lower pond, which was an original pump. It may need to be replaced as it affected one of the breakers.
- Another light review was coming up next week.
- They are getting ready to change out the annuals, which should brighten up the front entrance.
- Everything else seems to be proceeding well.
- He questioned whether the Board wanted a report in their agenda packages from Pinnacle.
  - Mr. Bolser pointed out he would like to receive one pertaining to the CDD areas.
  - Mr. Smith offered to give a report from the period of time that elapsed between meetings.
  - Mr. Bolser commented he just wanted a report on the major issues on what has been completed, how the money was being spent and if anything unusual was taking place.
  - Ms. Hensinger questioned the irrigation times for the front and side entrances as to whether they were regulated to certain times. Mr. Smith confirmed the

timers were on from 4:00 P.M. until 10:00 A.M. two days a week. Ms. Hensinger noticed the sprinklers on at 2:00 P.M. today.

- Mr. Smith confirmed the water was on so the landscaper could do additional maintenance as they were permitted to water during a maintenance period. Mr. Fey pointed out residents were permitted to manually run their pumps at certain times to cover dry areas.

#### **SIXTH ORDER OF BUSINESS**

#### **Other Business**

There not being any, the next item followed.

#### **SEVENTH ORDER OF BUSINESS**

#### **Supervisor Requests and Audience Comments**

- Mr. Fey pointed out they were working with different vendors to provide bids for replacement plants for the CDD area, in addition to what Valley Crest provided. Valley Crest basically took the old plants and looked at the plant counts to provide the bid for what was damaged.
- The best way to approach this was to have landscape staff move some plants around so they could purchase less plants.
- He suggested coming up with an arrangement where Pinnacle would provide a price per plant with a cap on what they can spend.
- He wanted to make sure there was consensus from the Board before they asked Pinnacle to provide a bid.
- Mr. Bolser questioned whether they would lose the frequency of changes they have had in the past. Whenever the plants were changed out, they moved things around.
- Mr. Fey pointed out these were not the annuals. They asked Valley Crest to provide a bid for plantings along the fencing area to replace what was damaged. He believes they can do a better job if they make replacements over a period of time versus one large replacement.
- Mr. Smith explained Mr. Fey would provide a price list to the Board.
- Mr. Fey pointed out they would set a price to spend and work up to that amount. If they want to do more plantings, they can purchase more plants.
- Mr. Smith indicated there was \$29,000 budgeted for plant replacements in the common areas. If they go over the budgeted amount, the Board would have to

approve additional funds, which could be paid out of the landscape budget. They can take the dollar amount of the contract and extract the monies from what was budgeted.

- Mr. Fey pointed out it would be helpful for the HOA to provide some detail on what was in the budget and what was remaining.
- Mr. Bolser indicated they provided them some direction.
- Mr. Smith questioned whether they had a dollar amount in mind of what it would take to complete the first phase.
- Mr. Fey pointed out it could be tailored to just about anything. The Valley Crest bid was \$10,000 and they anticipate spending \$7,000.
- Mr. Smith admitted what Valley Crest was proposing was fairly expensive. He suggested doing a portion at a time or using on-site staff.
- Mr. Fey confirmed their proposal was for 400 plants, which was a fifth of the overall plantings.
- Mr. Bolser questioned whether they could do this job for 30% less if they did it in pieces. Mr. Fey confirmed this was his plan for as utilizing on-site staff would save on labor costs.
- Mr. Moyer offered to review the Valley Crest contract to see if they can break out the annuals. Mr. Smith offered to provide a summary to the Board on the budget regarding what monies were available.
- *There was consensus from the Board.*
- Mr. Bolser questioned whether there was any update on the solar company.
- Mr. Fey confirmed the agreement was signed and several angry homeowners called. Their issues were resolved. At this time, the agreement was in place and anyone could take advantage of it.
- Mr. Bolser questioned whether there was any update on the solar for the common area. Mr. Fey pointed out they have six months under the agreement to start construction. He believed they were going to push that out as far as they could to coincide with the date they break ground on the solar facility.

- Ms. Catusus questioned when they were supposed to break ground. Mr. Fey pointed out they were not sticking to their deadline. He was told all they had to do was purchase enough solar panels to get to the dollar amount that was quoted.
- Since they manufacture their own panels, this was more of an accounting adjustment to qualify for the credit. He heard they do not have the proper funding to do the entire facility. At this time, he did not know where this stands. They put out a press release a month ago stating they teamed up with a solar producer in China to invest in the facility and provide solar panels.
- Ms. Catusus pointed out another blue chip company was interested, but they were not affiliated with this one as they were in financial trouble. Mr. Fey pointed out most solar companies were in financial trouble at this point in time.
- Mr. Fey pointed out they promised things before, which have not come to fruition. Their agreement with them was not contingent on them constructing the solar facility.
- Ms. Catusus pointed out there was a letter from the HOA regarding the stop signs, speeding and the off-duty officers issuing tickets. She was told they could not issue tickets because their roads were private. However, if the HOA invited them in, they can issue tickets.
- Mr. Fey indicated the HOA Board signed an agreement with the City of Eustis a year and a half ago to have them provide traffic enforcement at certain times within the community.
- Ms. Catusus pointed out they were not in the City limits and she has not seen anyone.
- Ms. Hensinger commented she has seen a sheriff.
- Ms. Catusus questioned whether this was enforceable since these are county roads.
- Mr. Fey confirmed they were enforceable due to the agreement.
- Mr. Bolser pointed out this was not a CDD issue, but an HOA matter.
- Ms. Catusus indicated she realized this was an HOA issue, but wanted to ask the question since Mr. Fey was present.
- She questioned whether the HOA has to pay them to provide enforcement. Mr. Fey confirmed they did not have to pay them.

**EIGHTH ORDER OF BUSINESS**

**Adjournment**

There being no further business,

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

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Gary L. Moyer  
Secretary

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Kenneth Bolser  
Chairman