

1 **MINUTES OF 11/7/23 SPECIAL BUDGET MEETING**
2 **CORY LAKES COMMUNITY DEVELOPMENT DISTRICT**
3

4 The Special Budget Meeting of the Board of Supervisors of the Cory Lakes Community Development
5 District was held Tuesday, November 7, 2023 at 6:00 p.m. at Cory Lakes Beach Club, 10441 Cory Lake Drive,
6 Tampa, Florida 33647. The public was able to listen and/or participate in person as well as via ZOOM, at
7 <https://us02web.zoom.us/j/87271417819?pwd=OFVySWMYR1diL0IOWEpWSC82SWhCUT09>,

8 Meeting ID: 872 7141 7819, Passcode: 776805, or telephonically at +1-305-224-1968, Meeting ID: 872 7141
9 7819, Passcode: 776805.

10 **FIRST ORDER OF BUSINESS – Call to Order/Roll Call/Pledge of Allegiance**

11 Chairman Castillo called the meeting to order at 6:12 p.m., conducted roll call, then led everyone in
12 reciting the Pledge of Allegiance.

13 Present and constituting a quorum were:

14 Jorge Castillo	Board Supervisor, Chairman
15 Ann Belyea	Board Supervisor, Vice Chairman
16 Ronald Acoff	Board Supervisor, Assistant Secretary
17 Rene Fontcha	Board Supervisor, Assistant Secretary
18 Cynthia McIntyre	Board Supervisor, Assistant Secretary

19 Also present were:

20 Larry Krause	District Manager, BREEZE
21 Patricia Thibault	District Manager, BREEZE
22 Vivek Babbar	District Counsel, SRV
23 John Hall	Facilities Manager, CLI
24 Dominique Green	Office Administrator, CLI

26 *The following is a summary of the discussions and actions taken at the November 7, 2023 Cory Lakes CDD*
27 *Board of Supervisors Special Budget Meeting.*

28 **SECOND ORDER OF BUSINESS – Exhibit 1 - Discussion on E-Blasts and Social Media Posting**

29 Mr. Babbar referenced an email he sent to the Board two weeks prior relating to topics he planned to
30 discuss at the October meeting, which ran long. He noted that the email covered topics that have come up in the
31 district, and he wanted to make sure that everyone had a chance to see it. He noted that staff felt it important to
32 be transparent and share this information with the community and have it on the agenda so that the community
33 would see the direction given by Counsel on this topic.

34 Mr. Babbar added that staff have received questions, comments, and concerns from residents asking
35 them to mediate issues and about options regarding what the Board can do with other Board members with
36 whom they may have issues. He said that staff has no oversight or supervision of the Board, but are there to make
37 recommendations, give information on best practices, and to use their knowledge for the Board's benefit so that
38 they can make informed decisions.

39 Mr. Babbar reiterated that the information provided is staff's recommendation; it is not binding and
40 cannot be forced upon any Board member. He added that the reason they have these recommendations is that
41 they are tried and tested. He noted that in 2009, the City of Venice spent \$1.4 million in legal fees and \$750,000
42 of that was to reimburse the plaintiff who filed a case against that city regarding Sunshine Law violations – the
43 largest such case in the State. He reminded Supervisors that these matters should be taken seriously.

44 Mr. Babbar added that his law firm works with other firms, the Florida Bar, and the Attorney General's
45 opinions, and asked Ms. Thibault and Mr. Krause to add anything from what they have encountered working in
46 other districts with other firms. Ms. Thibault advised the Board that BREEZE works with several other District

47 Counsel firms representing smaller and larger districts than Cory Lakes, as well as small cities, and everything
48 that Mr. Babbar wrote in his email is agreed upon by them. She said that they also advised, as has Mr. Babbar,
49 that staff cannot prevent Supervisors from advancing social media postings, but there is a liability. She reiterated
50 the \$1.4 million spent by the City of Venice due to some of the members of their Board, and that staff
51 recommends that all social media postings by Supervisors cease, but that staff cannot force any Supervisor not
52 to post. She said that staff is advising that there is a financial risk to the District for posting to social media, from
53 a liability perspective and cost.

54 Ms. Thibault advised the email was not directed toward any individual Supervisor or any specific
55 communication. She noted the item was presented due to the number of inquiries received by district
56 management and counsel.

57 Supervisor Acoff asked, from a D & O standpoint, if someone was putting out false information, would
58 the D & O insurance cover them, or is there personal liability? Ms. Thibault advised that there is personal liability
59 as well. She added that if it could be proven that a Supervisor acted so far out of their responsibilities, then that
60 liability would come against the District as well as the Supervisor.

61 Supervisor Acoff asked about groups interacting in social media and opined that all they can do is ask
62 them to stop and understand that the community and Board can be held liable. He asked what they could do.
63 Mr. Babbar advised that the District can be held liable for its own communications, but not those of third parties.

64 Supervisor Acoff restated his question to ask that, if he was putting out misinformation, as a Supervisor,
65 does the D & O Insurance protect him, or is he placing the entire Board and Community into liability for the
66 incorrect information he is putting out. Mr. Babbar said that it depends – if he is outside the scope of the role of
67 Supervisor, it is about intent, and if a reasonable person should have known that the information is false or
68 incorrect. Mr. Babbar stated that the Board’s lines of communication should be coming from the CDD website,
69 the District Management Office, and at a public meeting. He reminded Supervisors that staff recommends they
70 do not engage in other forms of communication, as they can muddy the waters.

71 Ms. Thibault added that staff are working to protect the District, protect Supervisors, and protect from
72 the risk of any financial impact. She reiterated that every district counsel and almost every law firm and all the
73 major law firms District Management has worked with hold the same position.

74 Ms. Thibault commented on how pleased she is with the resident turnout to the meeting, both by those
75 in person and virtually. She stressed that the objective for all attending should be the same – fiscal sustainability,
76 not looking back and placing blame, but moving forward to fiscal sustainability and transparency. She added
77 that Supervisors are not required to have degrees in accounting when they sign up to run for office, and that they
78 rely on their district management to bring them financial information. She continued to say that just as the
79 President of the United States is not required to have an accounting degree, neither are Supervisors. She
80 concluded by saying that it is her belief that looking backward to point fingers does get us to our objectives of
81 fiscal sustainability and transparency.

82 **THIRD ORDER OF BUSINESS – Chairman’s Opening Comments**

83 The Chairman thanked all for attending the meeting and noted that they are all there to make the
84 community better. He commented on homes as assets and that everyone wants their property values to increase.
85 He noted that the community has been very contentious and said that now is the worst he has seen it since 2005.
86 He said he is begging everyone to come together and noted that they will not agree on everything, but that there
87 is no place for finger pointing. He stated that this is a professional entity that has been audited every year since
88 he has been on the Board and noted that in his near ten years on the Board that no Supervisor has done anything
89 unethical.

90 Chairman Castillo continued to speak about Social Media, citing examples of cyber bullying and asked
91 for it to stop, as it creates division and chaos.

92 A member of the physical audience interrupted the Chairman's comments, and at this point Ms. Thibault
93 addressed the audience and advised that Florida Statute allows District Management to have anyone removed
94 from the meeting who is being extremely disruptive. She said that she will not tolerate disruptive behavior during
95 a meeting going forward and encouraged the attendees to conduct themselves professionally.

96 Chairman Castillo continued his comments, saying that things are escalating to the point of potential
97 legal action, including possible defamation of character as well as cyber bullying, and he asked again for it to
98 stop. He added that he thought 99.9% of the community wanted peace, but that there were a few people
99 preventing that.

100 **FOURTH ORDER OF BUSINESS – Other Supervisors' Opening Comments**

101 Supervisor Acoff welcomed everyone. He noted that it is easy to focus on where something or someone
102 failed, but that the true test of character is to find out where they tripped, and that the real definition of a body is
103 to find the path forward – what steps to take, what communications to make, and can they put back the respect.
104 He stated that BREEZE is there to help, that they have provided the Board with needed information and a
105 comprehensive plan to attain their needs. He said that facts do not lie – people do. He said that now that they
106 have information, they need to go with the plan and leave there as a unified community where everyone
107 understands their path forward and what they will do to protect the integrity and the sustainability of the
108 neighborhood. He encouraged everyone to focus on the plan and not worry about who their constituents are. He
109 said that at some point they need to become a community with one objective in mind – the betterment of Cory
110 Lake Isles.

111 Supervisor McIntyre said she reviewed the budget and documentation and wondered where the District
112 went wrong, but then remembered a comment she heard on the dais that they need to not look through the
113 rearview mirror, but the windshield. She said that they need to look forward, and that she is grateful to Ms.
114 Thibault and her team for all their hard work.

115 Vice Chair Belyea thanked everyone for being there and showing their support for their Board.

116 Supervisor Fontcha welcomed all and thanked them for caring and being there.

117 **FIFTH ORDER OF BUSINESS – Audience Comments**

118 Chairman Castillo opened Audience Comments with speakers physically present, and then those
119 participating virtually; Several members of the audience addressed the Board:

120 Daniel Santana said he wanted to see historical transactional data. He also said that if the District was
121 using the funds from the loan, that he believed that to be wire fraud. He said that no payments should be made
122 to vendors unless the CDD has the money outside of the loan money.

123 Ryan Foster said he hoped that everyone there at the meeting could come to a solution and that if there
124 is money left in the budget, that it can be put into an interest-earning account earning more than 1.8%, and for
125 all to be positive moving forward.

126 Sid Shah asked if holiday lights could be turned on earlier and left on later for six nights for the Diwali
127 Celebration, so that they would be on from dusk until dawn. He stated that the CDD assessments are too low.
128 He asked the Board to not cut back on services, but to raise the CDD assessments.

129 Carlos Guzman said he felt the District was spending too much money on six weeks of holiday lights
130 each year and could have purchased lights and left them permanently installed on the tops of the higher palms.
131 He stated that the palms between the sidewalks and the streets are being over trimmed, which is contributing to
132 their early deaths, and that it costs the CDD \$40,000 a year to have them trimmed two time annually. He said
133 the trimming should be the responsibility of the homeowners. He also stated that during the March 2023 CDD
134 meeting, the former District Manager told them they had \$555,898 left over on September 30th from the FY 2022
135 budget. He asked, given that information, how the District is in the financial situation it is today. He said
136 members of the community are asking for an independent forensic audit.

137 That being all the commenters physically present, Mr. Krause asked if anyone on ZOOM wanted to
138 address the Board. He noted that no one unmuted themselves, and the Board moved on to the next agenda item.

139 **SIXTH ORDER OF BUSINESS – Financial Items**

140 Ms. Thibault began her presentation with Exhibit 3, Presentation of Fund Balance, FY 2023 Budget in
141 Review, FY 2024 Budget Analysis, which is a PowerPoint presentation. The first item discussed was the
142 Analysis of Fund Balance.

143 Ms. Thibault advised that the Fund Balance is not the District's cash. She said to think of the fund
144 balance as stockholders' equity, in that it is inclusive of any liabilities. She said that assets equal liabilities plus
145 stockholders' equity.

146 Ms. Thibault discussed non-spendables and deposits, and advised the Board that, in accordance with
147 their independent audit, their non-spendables for pre-pays and deposits was \$101,092. There was also an
148 assignment for subsequent years' expenditures for \$360,000 – the same amount as the loan. Unassigned was
149 \$458,233 – unassigned meaning that money is available for any purpose. She noted that she was not involved in
150 the previous process, but conjectured that what possibly happened, from what she saw, is that the \$360,000
151 should have been assigned for the loan and that the \$458,000 should have been assigned for subsequent years'
152 expenditures. She said she thought it might have been a misclassification in those dollar amounts.

153 Ms. Thibault stated that they had \$919,325 in Fund Balance. She added that, when including unaudited
154 numbers and keeping in mind that BREEZE did not take over until mid-August, the District currently has a non-
155 spendable balance of \$52,130, and the assigned amount for subsequent years' expenditures is at \$482,069. There
156 is an assignment for the loan of \$295,000 – but that amount should be \$360,000. She said that leaves \$1,890
157 available for any purpose, including any emergency events.

158 Ms. Thibault next covered Subsequent Years' Expenditures. She noted that the Fiscal Year begins
159 October 1, the tax bill does not arrive until November 1, and homeowners' escrow companies submit tax
160 assessments to the county sometime in December, and then the county disperse funds to the special districts,
161 creating a lag from having to pay new fiscal year expenditures and when the new money comes in. She said that
162 GASB recommends setting aside 3 months of operating capital to bridge the gap between when the bills need to
163 be paid and when the assessments arrive.

164 Ms. Thibault said that her goal for the meeting was that everyone would be on the same page, and though
165 they may have different opinions, their objective is fiscal sustainability.

166 A member of the audience asked what the value of the three months was. Ms. Thibault advised that in
167 the audit it was \$482,000, and when she reviewed it, in the FY 2024 budget it should have been \$627,148. She
168 said that the bills are being paid on time, but it will be tight toward the end of the month. She also noted that
169 while GASB recommends 3 months of spending capital, it does not account for technology and the fact that
170 funds now arrive starting at the end of November, rather than having to wait until mid-to-late January.

171 Ms. Thibault emphasized that she still recommends stopping all but emergency spending, except for
172 contractual obligations, to begin as soon as the Special Budget Meeting concludes. She recommended the
173 moratorium on spending until mid-year, with mid-year being March. She said at that time they will see where
174 they are and adjust accordingly. It will be a micro-management process, and she requested to the residents and
175 Supervisors that they advance the moratorium on non-spending.

176 Ms. Thibault next discussed the Fiscal Year (FY) 2023 Budget and reviewed Administrative
177 Expenditures, which include Supervisor fees, arbitrage, auditing, legal advertising, office supplies, dues, and
178 licenses. She said that it does show they were under budget \$44,000, but she noted collection costs from the
179 County that she does not believe were allocated correctly in the prior year, because revenues are showing they
180 are under by over \$100,000, which does not seem plausible in this community. This is something she said the
181 Auditor would need to opine on and to recalculate. She said that this a fee that the Tax Collector charges the
182 District to remit all assessments back to the District. She added that she does not feel they should spend any of

183 that \$44,000, as it was not accounted for correctly in FY 2023, and so until she has the auditor come in and
184 confirm the exact actual amount, she does not want to utilize it.

185 Chairman Castillo asked if the line item that shows an actual \$47,746 should be more. Ms. Thibault
186 stated that it should be less. She reiterated that she does not want to touch that money until it has been vetted.
187 She also has an assessment consultant from the BREEZE team reviewing it. She said that the commission cost
188 from the County is usually about 6% (the 4% discounted rate for paying the assessments in November and then
189 the 2% commission charge), so she is confirming everything with the County to make sure they have a better
190 number, as she does not think things were allocated correctly between the revenue lines and the line she is
191 discussing, because when they do the tax remittance from the county, it comes in as one big dollar amount,
192 broken out as a commission charge, discount charge, and net amount. She thinks there might have been an
193 accounting error in the way that happened that needs to be vetted with the County.

194 A resident noted that on the income statement there is no line item for a discount on the revenue, and
195 Ms. Thibault confirmed that as correct, but also noted that that is not her statement. Ms. Thibault recommended
196 that in the next budget they present the budget net for everything, to eliminate confusion. She said that this year
197 they had isolated the amount at the top, in the revenue section, a negative amount of \$103,275, but that moving
198 forward the budget will be presented based on the actual cash that the District will be receiving.

199 Chairman Castillo asked Ms. Thibault if they will not account for those dollars until she has further
200 information. Ms. Thibault confirmed that that was correct for the \$44,000, and that they would work to true that
201 number up.

202 Ms. Thibault next covered the Utility expenditures. She noted the budgeted amount for utilities was
203 \$266,815, but the actual came in at \$403,114, putting the District over budget by \$136,299 on utilities. She spoke
204 of the average monthly bill for streetlights being \$21,963, putting them over budget on that line by \$86,863. The
205 average monthly electricity bill is \$7,428, annualized to \$89,136. She noted that TECO has increased its rates,
206 and that the approved budget did not take those rate increases into account.

207 Supervisor McIntyre noted that she has heard it said repeatedly that they pay a standard amount for
208 streetlights, and asked if that was the case. Ms. Thibault said that the District had entered into a lease years ago,
209 and that staff would need to do a public records request to get the leases. Ms. Thibault said they are billed a
210 standard amount for the equipment that is in the contract, and then they get billed an amount for electric usage,
211 so that there are two parts to their bill, and that it is likely the overage is due to the electric use, but that she could
212 not opine on it as she has not been able to review an original contract. Supervisor McIntyre asked if they would
213 save money if they turned off the lights at the sports activities at 10 p.m. instead of 10:30 p.m.; Ms. Thibault
214 advised that the financial impact would be minimal.

215 Supervisor Acoff opined that getting the lease contracts would be beneficial, as he had also understood
216 that the District paid a fixed rate for the streetlights. Ms. Thibault said that she needs to find out, if it is a TECO
217 contract, what the term of the contract is and if it already expired (she said they normally last 10-15 years), or
218 did that term expire already and they rolled them over into a higher amount, and she said that they would have
219 to give TECO a year out for terminating service, based on other contracts she has read. She explained that in
220 another district she had told TECO to come and remove their lights as she was going to install solar streetlights,
221 and they lowered their rates, as they did not want to remove their equipment. She advised that Mr. Krause would
222 request the streetlight contracts from TECO and that, if the Board approved, she would be more aggressive with
223 TECO.

224 Mr. Hall advised that he has some of the contracts and that the District entered into a new contract with
225 TECO at the end of 2016/beginning of 2017 for 10 years. Supervisor Fontcha said that they were all surprised
226 by the expense of the streetlights and that he had brought up in the past that the streetlights were on during the
227 day. Mr. Hall said that they paid a tariff, but that they cannot control the additional fees on top of that, or
228 surcharges. Ms. Thibault said she needs to check on what the original deposits were, as the district may be able
229 to get those back from the utility company as well. She also asked Mr. Hall to send the contracts he has to Mr.

230 Krause. Ms. Thibault advised that she will be looking at other details that could benefit the District, including
231 reviewing contracts and seeking the return of deposits.

232 Vice Chair Belyea noted TECO may have changed the policy on the streetlights and possibly modified
233 the contract and asked if that provided the District with an out. Ms. Thibault said that she did not have the old
234 contracts to see what increase there might have been. She did say that every streetlight bill has two portions –
235 the lease of the equipment and electric usage, and that she needs to review the contracts and work with District
236 Counsel and staff to see if there is money for the District there.

237 Ms. Thibault noted that utilities are \$136,300 over budget, but reminded everyone that the Board of
238 Supervisors has no jurisdiction over what TECO charges, and that the bills need to be paid. Mr. Hall noted that
239 the biggest increase from TECO, on top of the electric usage and surcharges, is the fuel surcharge, which adds
240 another \$3000 or more a month.

241 Supervisor McIntyre stated that she reviewed actuals from previous years, and the actual for 2022 for
242 streetlights was \$213,000, and the adopted budget for 2023 was \$155,000; she added that she felt it was clear
243 they were not given good direction, as there was no reason to expect electric and streetlights would reduce.

244 A resident asked if the three-month set aside amount would have covered the utility overage. Ms.
245 Thibault advised that the three-month set aside is an Operating Reserve to bring the District through the fiscal
246 year for October, November, and December. The resident asked if the District had a larger reserve account, if
247 that could have helped for the current situation. Ms. Thibault stated there was a TECO rate increase that no one
248 could have anticipated.

249 Supervisor Acoff responded to the resident who had asked if they had \$500,000 or a \$1 million in a
250 reserve account, could they have used some of that money. Supervisor Acoff said that they [Supervisors] thought
251 they had \$500,000 based on the information they were provided at the time. Another resident recapped the
252 financial situation and confirmed that the District should have three months of operating capital at a minimum
253 and may want to have more moving forward.

254 Supervisor Acoff reminded everyone that even with technology, there is still a gap at the end of the year
255 that needs to be covered with the three months of capital reserves. A resident opined that the District had an
256 operating gap plus an operating reserve gap plus an emergency reserve gap and said that he agreed with another
257 resident that the district needs to raise its assessments.

258 Chairman Castillo spoke of a Kolter agreement the District had with the developer for about seven years,
259 wherein Kolter installed a pool and provided funds so that the District would not raise its assessments for the
260 seven years. He said the District is now in catch-up mode. A resident said the District was in catch-up mode
261 because of spending; Chairman Castillo agreed that yes, there was spending, but also that the assessments have
262 not increased in many years. The resident talked about cost saving measures and how they should be considered,
263 no matter how insignificant, as they add up, in order to get the District on track. He also noted his appreciation
264 to the Supervisors for calling the meeting and addressing the issue.

265 Ms. Thibault advised that the FY 2024 Summary addresses some of the other items the resident brought
266 up, such as suspending holiday lights or other non-emergency spending temporarily. She then discussed Security
267 Operations, where the District was under budget by \$22,087. She added that in October of FY 2023, they only
268 included half a month rather than the full month; she said that if they included the full month instead, the budget
269 would have been closer to the annual amount of \$450,213, and the District would have been over budget.

270 Ms. Thibault next addressed Field Operations for FY 2023, which includes amenity staff/personnel,
271 seasonal decorations, and other smaller items. She said that the District was under budget in this line item by
272 \$15,947.

273 Landscape Maintenance was the next line item addressed by Ms. Thibault. She said this was the second
274 biggest category and that the District was over budget in FY 2023 by \$78,885. She said that all of that is being
275 driven primarily by the landscaping contract, at \$483,172. She said they are \$76,172 over budget, and that they

276 were \$12,543 over in tree removal, and so combined with some other smaller expenses, the District is over
277 budget in landscaping by \$78,885 [net]. She added that this is an expenditure that can be controlled. She said
278 there was a contract dated 2/1/2023 that was executed by the prior District Manager – she added that neither Mr.
279 Krause nor herself will ever execute a continuing contract for the Board. Supervisor McIntyre asked if the
280 contract was executed without the permission of the Board. Ms. Thibault advised that Mr. Krause searched the
281 minutes received from the previous District Management firm and asked what he found. Mr. Krause advised
282 that he did not find where the Board provided direction, and that he would have to go back and review again, as
283 his initial review was for words like “contract” and “landscaping” and he did not find anything. Supervisor
284 McIntyre asked about February 2023 in particular, and Mr. Krause advised that he would look again. Ms.
285 Thibault reiterated that no member of the BREEZE team would ever execute a contract – that would be up to
286 the seated Board Chairman – and that every contract will be brought to the Board for its approval.

287 Supervisor McIntyre asked if they were paying a higher contracted amount. Ms. Thibault advised that
288 the contracted amounts were part of her presentation and added that the Landscape General Maintenance was
289 broken out into two categories in the contract, “core maintenance” and “other.” She said that the “other” was
290 basically what the Board could make a decision on. Ms. Thibault discussed the core maintenance items, and then
291 discussed the non-core maintenance items, such as the seasonal color annuals and mulch, which the Board can
292 elect not to do. She said the total landscape contract was \$426,445, and that the budget was established to be
293 \$407,000.

294 Ms. Thibault addressed some of the items that the Board had previously determined to advance, such as
295 mulch at \$72,000. She said the budget was under budget in comparison to what the maintenance items were.
296 She discussed OLM charging them \$12,000 annually as well. She said that if they only addressed the core items,
297 they would be at \$355,000, and if the District did not have flowers and mulch, they would have been fine. An
298 audience member asked about the terms of the contract, and Ms. Thibault advised she thought it was for three
299 years. She added that staff needed to research, and that District Counsel would need to opine on whether the
300 current contract could be invalidated; she said that it appears that the former District Manager did sign on behalf
301 of the District. She said the problem is not the contract itself, but the budget. Ms. Thibault explained to an
302 audience member that there are items in the landscaping contract that the Board can cut, like the mulch and the
303 annuals, and there are core maintenance items, such as mowing and cleanup, perennial maintenance, and the
304 OLM inspections. She reiterated that if they stuck only to core maintenance, they would be at \$355,000 in the
305 budget.

306 Chairman Castillo asked about meeting process and whether it was preferred to take audience questions
307 as they came up or hold them until the audience comments portion of the agenda. Ms. Thibault advised that she
308 usually finds it better to address questions as they come up. She then addressed the audience and advised that
309 she will take any questions on the budget at any time from any resident.

310 A resident asked if a District Manager has the authority to arbitrarily renew a contract without Board
311 approval. Mr. Babbar addressed the question and explained that, removing the word “arbitrarily” from the
312 question, it depends on what the Board direction was. Mr. Babbar added that a signature from a District Manager
313 is a valid, binding signature for the District. He added that he does not recommend the District Manager sign
314 contracts for a few reasons: 1) it places more liability on the District Management firm, and 2) we want to make
315 sure the item does come before the Board.

316 Supervisor McIntyre asked if the core [landscaping] maintenance items are negotiable, such as the OLM
317 inspections. Ms. Thibault advised that the OLM contract is a stand-alone agreement and that it is not related to
318 the contract with the landscaping vendor. She added that they do have a clause in their contract that if their
319 inspection is above a certain percentage, then the District must pay out. She said that the District does not need
320 to maintain the contract with OLM in order to maintain the landscape contract.

321 Supervisor Acoff stated that the information being presented by Ms. Thibault currently is more FYI, and
322 that she has a plan for FY 2024 that discusses potential cuts, such as OLM and mulch, so there is more to come,
323 and encouraged the meeting to continue progressing.

324 Ms. Thibault next addressed Facilities Maintenance, which was budgeted at \$483,236. She said that the
325 District came in \$38,295 under budget for this category. She noted there is an Outside Facilities Maintenance
326 amount of \$117,489, which is about 25% of that overall budget. She said that two well pump repairs were put
327 in this line item in FY 2023, so they will not be utilizing the well pump repairs in 2024, which she said she
328 thought were close to \$70,000.

329 Ms. Thibault discussed Facilities Maintenance – Pool next. The District was \$344,504 under budget
330 here because the District did not spend the loan money on the weir projects. She said that as soon as the District
331 realized it was not going to spend that money, it should have isolated those funds. She added that at her first
332 meeting, when they presented the audit, she heard Supervisor Acoff say, “Where is my \$360?” She said it was
333 there, it just was not in the right bucket. She said they had assigned in the audit the \$360,000 to “subsequent
334 year expenditures,” and not the loan. She said that the Board did present those questions and did notice that, but
335 that the auditor told them it was in their assigned, it just was not in the right place in “assigned.”

336 Chairman Castillo asked if the \$360,000 was comingled with the unassigned. Ms. Thibault said that it
337 was. He asked why they are seeing it separately then. She said that it was a separate line item in the FY 2023
338 budget. She added that when the District realized it was not going to spend the money for the intended purpose,
339 which was restricted, she believed, by the loan document, and should have been established as such – restricted
340 for a different purpose – that they could have pulled those funds out and at that point, and the District would
341 have had to go through this process several months earlier.

342 Chairman Castillo asked about the \$25,000 end-of-year contingency for FY 2023. Ms. Thibault stated
343 that she impacted the budget there to cover the District for the multitude of smaller expenses she is still working
344 to account for and wanted to cover in order to protect the District. She said if it is not used, it will just come back
345 to the Fund Balance, but that it is not there to be spent on anything else.

346 Chairman Castillo noted there was a surplus of \$9,504 from what was budgeted for the Facilities
347 Maintenance – Pool category. He then asked for clarification between the \$360,000 and the \$295,000. Ms.
348 Thibault advised that the budget is adopted at the aggregate, with different line items broken out for fiscal
349 responsibility. She said that as such, if you go over budget in one line item, then somewhere else you need to
350 compensate for that, which she does through a budget amendment, to make everyone aware that they are tracking
351 high and figure out a way to pay for those over-budget items.

352 Supervisor Acoff said that there were some disparities that will be addressed later in the presentation,
353 and Ms. Thibault confirmed that it was the Fund Balance. An audience member asked about the \$25,000 and the
354 \$360,000; Ms. Thibault advised that the District does not have the \$360,000. The audience member asked if the
355 \$360,000 was being used as Operating Reserves and if that was legal, and Ms. Thibault advised that the District
356 did utilize a portion of that. She added that part of the decision process for the night is for the Board to direct
357 her to take the money out of the Operating Reserves and move it back.

358 Ms. Thibault next began her presentation of the Fiscal Year 2024 budget, and reminded everyone that
359 she first walked them through Fiscal Year 2023 to provide some background on how they got there. She said the
360 biggest drivers of the current situation were overspending in Landscape Maintenance and overspending in
361 electricity.

362 For the Administrative category under FY 2024, Ms. Thibault advised there is an extra \$49,000 that she
363 needs more information on and that needs to be trued-up with the county, so that money should be left alone.
364 She did recommend increasing legal fees and district engineering fees by \$5000 each, as she notes they are
365 trending higher. She added that as things in the District settle, District Counsel may not need to be utilized as
366 much or attend as many meetings, and so there may be some future cost savings there. She added that in other
367 districts, she has District Counsel and District Engineer present their reports early in the meeting and then sends
368 them home so as not to accrue the hourly rate. She added that District Counsel may also be able to attend future
369 meetings via ZOOM. Ms. Thibault advised that she would speak with the Supervisors to make a determination
370 as to whether they would like to have Counsel attend meetings as a way to save money.

371 Ms. Thibault next addressed Utilities, where she addressed the variance they had from FY 2023 and
372 trueed it up to the actuals. She recommends they increase Utilities by that \$71,299, which would true it up to
373 where it was in FY 2023. An audience member asked if TECO has committed to a rate reduction, and Ms.
374 Thibault advised that staff needs to pull the contracts, as she has not been advised of any rate reductions. Another
375 audience member asked if there were other options to TECO. Ms. Thibault advised that depending on the
376 contracts, she may be able to negotiate a lower rate due to an option to go to solar streetlights. She said that due
377 to the number of streetlights in a community and the amount of conduit underground, Utilities usually provide
378 a better rate rather than remove their equipment.

379 Supervisor McIntyre asked Ms. Thibault why the actuals were \$241 [thousand] for 2023 and she is
380 proposing \$208 [thousand] for FY 2024, and electricity was \$82 [thousand], and she is proposing \$75 [thousand].
381 Ms. Thibault advised she is basing that on what the actual dollar amounts are of the monthly bills. She added
382 that while streetlights were at \$241,000, there were additional things in there that should not have been in that
383 line item, so she set it based on the bill itself. Ms. Thibault reiterated that the budget presented is not her budget,
384 but rather their prior budget. Supervisor Acoff pointed out that Ms. Thibault is giving the Board
385 recommendations, and she added she is advising the Board of where they are now and what they need to do.

386 Ms. Thibault next addressed Security Operations, where the variance over actual was \$43,178, with the
387 recommendation there from the contract provided by the vendor – Ms. Thibault advised that staff was having a
388 hard time finding contracts in the electronic files sent to them and was hoping they are in the 34 boxes of hard-
389 copy files that were sent over – Supervisor McIntyre said that she thought there was a new contract in effect
390 beginning January 1; Supervisor Acoff asked if there was a new contract or a new proposal. Mr. Hall advised
391 that the Board never voted on that proposal, though they may have added money to the budget in anticipation of
392 it. Mr. Krause added that Supervisor Acoff had asked for information from the vendor on what they were getting
393 for the proposed rate increase.

394 Ms. Thibault said that she recommends decreasing the Security Operations Category by \$5,000,
395 primarily because it had been impacted for overtime, maybe by Chuck, and that the District appears to not be
396 utilizing that overtime as much, so they can take \$5,000 from there, and possibly take another \$5000 from off-
397 duty policing, as the actual did not approach what was budgeted.

398 Ms. Thibault proceeded to breakdown the services provided by Allied for the \$438,000 in their budget
399 category, based on the information she received from Allied. She said that at the Cross Creek gate, Allied was
400 24/7, so with no overtime for the Cross Creek gate only, the District is at \$181,708.80. She said that for the
401 Morris Bridge gate for the Site Supervisor, with no overtime, the District is at \$53,726.40, and for the Morris
402 Bridge gate guard, the District has 104 hours per week, annualized at \$112,486.40. She added that the Rover is
403 at 84 hours per week, at \$90,854.40. In response to an audience member question about the number of shifts per
404 week, staff noted that the Rover works 12 hours per day, seven days a week. Ms. Thibault said the total annual
405 cost for Allied currently is \$438,776. The audience member continued to ask about the amount of security
406 coverage provided to the community by Allied, and staff responded. Chairman Castillo summarized the service
407 at Morris Bridge gate, then asked if they could move on.

408 Ms. Thibault moved on to discuss the Field Office Administrative category, where they are over actual
409 by \$40,192, so she asked Mr. Hall and Ms. Green to find her \$5,000 out of that category to cut, and suggested
410 maybe office supplies, gym supplies, equipment, or pool/Beach Club miscellaneous. Ms. Thibault noted that in
411 FY 2023 they had \$9,400 for a Reserve Study – that was actually for the boat but was not classified correctly in
412 the General Ledger. She said the Reserve Study is in there for \$7,300.

413 Supervisor McIntyre mentioned she thought Mr. Hall had an assistant. Ms. Thibault noted there is not
414 an Assistant Manager line item in the FY 2023 or the FY 2024 Budgets. Supervisor McIntyre asked Mr. Hall if
415 he had an assistant, and he responded affirmatively. She asked what line item the money to pay for him was
416 coming from. Mr. Hall said there was supposed to be a line item for that position, but Ms. Thibault advised there
417 is not. Someone mentioned payroll taxes. Supervisor McIntyre asked if payroll taxes include insurance. Ms.
418 Thibault said they were discussing that earlier, as she was working with the payroll company to determine how

419 Ms. Green is receiving her \$500 health insurance stipend; Ms. Thibault advised it is not coming through there.
420 She said it is a direct expense that Mr. Hall puts on his credit card, which is why it is not to be found in ADP.
421 Ms. Thibault said she will tighten that up and add a separate category called stipends, so it will be broken out
422 moving forward.

423 Supervisor McIntyre asked if the pool and Beach Club attendants are the assistants that work there in
424 the Beach Club Office plus the pool attendants. Ms. Thibault confirmed they are.

425 Ms. Thibault next addressed Landscape Maintenance and noted that they were over budget in FY 2023
426 by \$71,385. She reviewed the core maintenance items and advised that the Landscape Maintenance budget is
427 set at \$419,000; the core maintenance items in the three categories are set at \$355, but the \$70,000 difference
428 does not cover the mulch or the seasonal annuals or the other line items utilized in the general ledger for
429 landscaping.

430 Supervisor McIntyre asked about the fuel surcharge. Ms. Thibault advised that she has seen that in other
431 districts, landscapers have added a fuel charge to cover the costs of rising fuel costs. She said she did not see
432 where that fuel surcharge was delineated in the contract, and she does not know if it was ever brought before the
433 Board for its approval. Ms. Thibault asked Mr. Krause and Mr. Hall to work with the landscaper to ascertain
434 who approved them to bring the fuel surcharge. She added that the staff is reviewing the contracts and
435 understands the fiscal position the Board is in right now.

436 Ms. Thibault then presented her recommendations regarding landscape maintenance. She said that the
437 District is at \$362,604 for the core maintenance. She said they do not need to utilize OLM at \$12,000. Supervisor
438 Acoff said they need to remove OLM, as there is no value-added proposition there, and Supervisor McIntyre
439 agreed.

440 Ms. Thibault advised there was a summary slide to review, which included a recommendation to cut
441 mulch in half, but that at the last meeting the landscaper advised they could spot mulch for \$50,000, so she made
442 that adjustment on the last page. Supervisor McIntyre said they were going to save \$50,000, and Mr. Hall advised
443 that the spot mulching would cost closer to \$20,000. Ms. Thibault advised, based on a comment made, that the
444 District could go with another mulching company, as LMP does not produce mulch – they utilize a subcontractor.
445 She added that staff would need to guide any other company on where to spot mulch. She added that the
446 University of Florida recommends not having more than three inches of mulch, as any deeper would kill plants.

447 An Audience member asked about some other landscaping services that he felt were not necessary; Ms.
448 Thibault advised the District to stick to the core maintenance items only and save \$12,000. She suggested cutting
449 the plant replacement budget from \$25,000 to \$10,000. She added that the direction to LMP will be that the
450 District only has \$15,000, and that if plant material is dead, pull it out and bring the Board a proposal – do not
451 leave a dead plant out there, as it is unsightly and it is better to have no plant than a dead plant.

452 Supervisor Acoff opined that with the well pumps fixed, better irrigation should help the District
453 maintain the life of its plants longer. He asked about the savings in the landscaping category. Ms. Thibault said
454 the adopted budget for landscaping was \$419,000, and the biggest reduction came from reducing the mulch from
455 \$76,560 to \$35,000, which would cover the limited mulch throughout the District. She said that they need to
456 stick to only the core services and tell the landscaper that they are fiscally limited on what they can spend and
457 that the answer will be “no” to other proposals. She said that she looks at high-visibility areas for landscaping
458 and would consider replacing plants in areas like the Morris Bridge entrance if needed.

459 Supervisor Acoff asked Mr. Hall if he had a choice between \$12,000 for plant replacement or keeping
460 OLM, which would he choose. Mr. Hall advised that he is already inspecting the community, so he would not
461 keep OLM. Supervisor Fontcha said he thought that there was a performance clause in the contract; Ms. Thibault
462 confirmed there is one, and that District Counsel would need to write OLM a termination letter based on the
463 termination clause in their contract, and then redo the contract for LMP, because the contract with LMP currently
464 references performance. Supervisor Acoff noted that this would also present a good opportunity to renegotiate
465 with LMP.

466 Chairman Castillo asked about pruning the street trees, noting that the District is spending \$40,000 a
467 year, and that there is a safety issue as the trees overhang the sidewalks and force people into the streets. He said
468 homeowners should prune their own trees, but many do not. the Board needs to make a decision. He said they
469 could consider other vendors and maybe prune once a year instead of two times, but he is not convinced they
470 need to do away with it completely. Supervisor McIntyre said that some palm trees are a safety issue, but that
471 trimming some of the palm trees does not remove all of the safety issues.

472 Ms. Thibault noted that the landscapers usually have a height requirement in their contract for trimming
473 trees on CDD property, and that it is usually 10-12 feet in most cases to allow for safe passage underneath them,
474 and it is usually in the contract as an annual lift. Mr. Hall said it is 15 feet due to City of Tampa ordinance.
475 Supervisor McIntyre advised the trees in question are not on CDD property, but rather on private property. Ms.
476 Thibault recommended that the District forgo lifting trees not on CDD property. She then asked District Counsel
477 about trees on private property that overhang CDD property and whether the District is responsible if someone
478 hits their head on a branch because the tree on private property was not trimmed to the 15-foot height required
479 by city ordinance.

480 Mr. Babbar said it depends on the facts; Supervisor Acoff said that branches were so low that they forced
481 people off the sidewalk and into the road. He said that the CDD decided to prune the branches because the CDD
482 had liability there. Both he and Ms. Thibault stated that it is a POA issue as well, and that the POA needs to be
483 involved. Supervisor McIntyre asked if the CDD was assuming some responsibility because it trimmed the trees.
484 Mr. Babbar said that the District is not assuming responsibility, as it is pruning up to its property line, but not
485 encroaching on private property. Mr. Babbar said that the POA has certain covenants that may give the residents
486 responsibility from a contractual standpoint; from a property ownership standpoint, the District does have some
487 liability.

488 Mr. Hall noted that the palm trees are part of the purchase price of the property. Supervisor Fontcha said
489 to address it like they do mulch, in that they should cut out the middleman and maybe trim once a year. Ms.
490 Thibault advised that currently, the District does not have the money to trim them, as they were not budgeted
491 and have not been budgeted. Ms. Thibault advised reviewing this again at mid-year to see if there was enough
492 money saved to address some of these items.

493 Ms. Thibault noted the adopted FY 2024 Budget amount for landscape maintenance was \$419,000; the
494 core maintenance, which does not include palm tree trimming, is as at \$407,000, and that's with her reducing
495 the mulch, so there will be no palm tree trimming in FY 2024. Ms. Thibault reiterated her call for a fiscal
496 moratorium on outside expenditures and then they will repeat the review process in March. Supervisor Acoff
497 stated that this may be one of many cuts to come later if the process is not adhered to by the entire community,
498 which includes reducing requests from residents for things the District cannot do.

499 Chairman Castillo said he wanted to address the safety issue of some of the palm trees in the corners
500 that Supervisor McIntyre discussed earlier in the meeting. He said the reason the District does not prune those
501 is because most of them are in homeowners' properties. Supervisor McIntyre said she was not suggesting the
502 District prune those and that she was using them as an example. Ms. Thibault suggested reaching out to the POA
503 to ask them to assist the District in their efforts relating to fines and community reviews.

504 An audience member asked about case law and cutting limbs overhanging on your property from a tree
505 on a neighbor's property. Mr. Babbar advised that case law gives the property owner the right to cut limbs
506 overhanging their property. The audience member asked who is liable. Mr. Babbar noted that depends on a judge
507 and jury, but that typically it is the property owner over whose property the limbs hang. The audience member
508 said that would be the CDD. Ms. Thibault said that is why a conversation should take place with the POA on
509 how to start fining people.

510 Supervisor Acoff asked Mr. Hall how much the District was paying, unit price, to prune the trees. Mr.
511 Hall said about \$20-25 per tree. Supervisor Acoff suggested a pruning day or pruning week, as that might assist
512 the District in progressing on the issue. He added they could publicize when the company was in the community
513 to have more residents participate. Ms. Thibault said it might be a good first joint CDD/POA project.

514 An audience member asked about the rover and if it was necessary and who was liable for the vehicle.
515 Ms. Thibault noted the District would be liable for the vehicles if it owned it; the District is leasing the vehicle.
516 Supervisor Acoff said he sees a lot of people running at night and that apparently everyone feels secure, and that
517 he feels secure. Supervisor Fontcha added that the rover is part of the contract and that the contract would need
518 to be modified if they wanted to change service. Supervisor Acoff asked if they needed the rover for 12 hours
519 or if they could consider 8 or 10 hours, but that people see the rover out there and they have a presence. An
520 audience member said he preferred more security, not less, though in an emergency financial situation, he would
521 understand a cut.

522 Ms. Thibault reiterated her recommendation to decrease plant replacement from \$25,000 to \$15,000,
523 with initial direction to the landscapers to pull the dead plants and advise as to cost to replace and await Board
524 approval to replace. For tree removal, she recommends reducing the budget from \$35,000 to \$20,000, and noted
525 that last year the District had to remove several Washingtonian palms due to disease. She said that based on her
526 suggestions, she sees a savings of over \$37,000, and said that it was the Board's choice whether to put the
527 \$12,000 toward OLM or plant replacement. She restated that her focus is on resident impact and that the Board
528 should have some plant replacement money in the budget.

529 Supervisor Fontcha asked Ms. Thibault what they can do about landscaping items they are invoiced for,
530 such as repairs and controller replacements. Ms. Thibault said that the irrigation maintenance actual was at about
531 \$22,000, and they have \$7,500 budgeted for irrigation maintenance in FY 2024, but they expended \$20,311 on
532 irrigation maintenance. Mr. Hall said that they had several items last year that won't be repeated this year, such
533 as controller issues on some corner properties that had to be turned over to the District and replaced.

534 Ms. Thibault said the \$7,500 budget for irrigation was tight for a District this size but added that she
535 helps control costs in her other districts by using Hunter Controllers, which come with a 3–5-year warranty and
536 a tag identifying each controller and the date of the controller. With them, the District can have the landscapers
537 bring any broken controllers to the clubhouse to be verified by date to ensure they are not still under warranty.
538 She said she has also seen Districts, through their contract, stipulate that the District will only pay to replace
539 broken irrigation heads that are 2 inches tall or higher if run over by landscapers. She noted that in some of her
540 other districts, she also makes sure the landscapers do not replace anything without first going through a field
541 manager or onsite authority, like Mr. Hall. Ms. Thibault said she also wanted a contract update to have the
542 landscaper isolate out what the labor cost is per hour for the irrigation specialist, because she sees fluctuations
543 in rates in other districts. She said you cannot control items unless they are listed in the contract to control.

544 Supervisor McIntyre asked about the final savings for mulch. Ms. Thibault advised that the saving
545 would be around \$50,000. Supervisor Acoff advised that there were some additional costs with relocating some
546 of the mulch, which may be why the number went up. Chairman Castillo advised they had requested the number
547 but had not received it yet.

548 Chairman Castillo asked about Outside Facilities Maintenance and noted that last year's budget was
549 adopted at about \$100,000 and they spent \$117,000, but some of the well repairs were included therein. He said
550 that this year they are budget at \$65,000, and asked Mr. Hall what he anticipated expenditures for that line item
551 to be this year. Ms. Thibault said she had previous discussions about this with Mr. Hall and they suggested
552 cutting the budget to \$50,000 to save \$15,000.

553 Chairman Castillo mentioned previous discussions about painting the monuments and said they may be
554 able to get those done, or at least partially, for \$50,000. Ms. Thibault suggested reducing pavers, streets, and
555 sidewalk repairs by \$25,000 to \$85,000. She also suggested that the District have an analysis done by the District
556 Engineer or by an independent entity of the pavers, and for them to establish a priority as to life expectancy of
557 the pavers and what needs to be addressed and when, which would allow the District to fiscally plan to address
558 the pavers in a more proactive and long-term way.

559 Ms. Thibault advised the Board that there was \$7,900 budgeted for a Reserve Study, but that they want
560 to have the paver analysis done by an engineer, as engineers approach the issue differently and provide a more
561 fiscally prudent impact to the residents, as there is a planned approach.

562 Chairman Castillo said he agreed with Ms. Thibault and does not like the current approach of patchwork,
563 where they are spending \$75,000 - \$100,000 every year. Chairman Castillo added that they have had paver repair
564 estimates previously near \$25-\$30 million to replace the entire community for pavers, and around \$18-\$22
565 million for asphalt. He noted this was about 4-5 years ago.

566 Ms. Thibault noted that by doing an analysis through an engineer, the District sets the budget and has
567 the engineer set priorities based on that, versus having the reserve study set the budget and make everyone pay
568 now. Supervisor Acoff suggested some alternative ways to repair the pavers, including a 1" asphalt overlay for
569 \$75,000-\$100,000, but he said the more pressing issue is that the District cannot get a definitive repair method,
570 because the repairs they are making are not effective. He said they need the right repair method, stabilize what
571 they have, and then build the additional plan.

572 Ms. Thibault agreed they need a repair plan. Supervisor McIntyre stated that repairs will be made and a
573 year and half later they look terrible again. Supervisor Acoff reiterated that they need a good repair method in
574 place and then move to long-term repair.

575 Ms. Thibault mentioned that for the large ticket items, they can look at county contracts and piggyback
576 off the rates the county has already negotiated, so once a plan is in place, staff can start to research for projects
577 with those piggyback clauses in place. Ms. Thibault mentioned there is a website that Mr. Hall can visit to
578 research relevant projects.

579 Ms. Thibault recapped and said to decrease Pavers, Streets, and Sidewalk repairs to \$85,000 to save
580 \$25,000, and decrease Outside Facilities Maintenance by \$15,000 and to establish a methodology for pavers
581 before having an engineer perform a street analysis.

582 Supervisor McIntyre mentioned potential cuts in pressure washing of the sidewalks and having residents
583 clean some, but the Board determined the District owns the sidewalks. Multiple conversations took place,
584 including pressure washing of the buildings. An audience member mentioned that she could not remember the
585 last time she noticed the cleanliness of the sidewalks and noted she felt money could be better spent on more
586 vital items.

587 Supervisor McIntyre asked Mr. Hall how much it cost to pressure wash the sidewalks. Mr. Hall noted
588 that the \$7,500 pressure washing line item was for cleaning the buildings. Supervisors and staff noted that the
589 money for pressure washing the sidewalks comes from the pavers, streets and sidewalk repairs line.

590 Ms. Thibault next discussed Facilities Maintenance, noting that they should leave it as is, as the FY 2023
591 actuals were very close to budgeted when you remove the added \$25,000 contingency that she had added.

592 Ms. Thibault next moved to the last slide of her presentation, where she noted she would be seeking
593 Board direction on several items, including increasing District Counsel and District Engineer by \$5,000 each
594 based on past spending. She suggested increasing the Fund Balance for the Weir Project by \$15,701 so that they
595 would be at \$321,917; increase Utilities by \$71,299 for a total increase of \$97,000.

596 Ms. Thibault then discussed the areas where they can decrease, including Security Operations by \$5,000
597 for overtime with Allied and \$5,000 for off-duty policing; decrease Field Office Administrative by \$10,000;
598 decrease Landscape Maintenance by \$37,000, which includes no palm tree pruning; decrease Outside Facilities
599 Maintenance by \$15,000; and decrease Paver and Street Maintenance by \$25,000, so that the total decrease
600 equals the total increase. She said that they were still not at the \$360,000 for the Weir project, so they still need
601 to increase by \$38,083, and that they do not need to do the mulch, so they need an additional \$38,000 to isolate,
602 which she said could possibly come from the Operating Reserve if they reduced it from three to two months,
603 which would make the last few months very tight. Or they could take the \$12,000 from OLM and forgo plant
604 replacement. She advised the Board they need \$38,000 and asked where they thought it should come from.

605 Supervisor Acoff noted that using the OLM money brings the total needed down to \$26,000. Supervisor
606 McIntyre advised that Mr. Hall had previously purchased a number of pavers, which could save the District
607 more money. Supervisors Fontcha and Castillo suggested possibly cutting the pavers line item further, as last

608 year they spent less money there. Ms. Thibault advised that in FY 2023 they were at \$42,000. Chairman Castillo
609 asked Mr. Hall if he would be ok if they reduced the pavers, streets, and sidewalk repairs line item to \$55,000,
610 keeping in mind it also includes pressure washing. Supervisor McIntyre asked Mr. Hall how much he spent on
611 pavers inventory last year. Mr. Hall said he spent just under \$15,000.

612 Ms. Thibault summarized that the Board wants to reduce the paver budget to \$55,000 from \$85,000,
613 bringing an additional savings of \$30,000, so they are there. She said that in March they would go through this
614 process again. Supervisor McIntyre asked if they are removing OLM; Ms. Thibault confirmed that they are.

615 An audience member asked if they decreased the Rover from 12 hours to 8 hours. Supervisors said that
616 wanted to see how much savings that would yield before making that decision. Chairman Castillo said that most
617 people want to add security rather than reduce it. Supervisor Acoff added that any changes there should not be
618 considered until after Christmas. Mr. Krause suggested if they do consider changing security hours, that they do
619 so in a closed session.

620 Ms. Thibault said that in addition to her recommendations, they will remove OLM and add that \$12,000
621 to the Weir project, and decrease pavers further to a total of \$55,000, which impacted the budget by an additional
622 \$30,000.

623 Ms. Thibault said she had one other item to address. An Audience member asked how the paver repairs
624 get approved. He asked if they go to the Board or if Mr. Hall makes the decision. Chairman Castillo said Mr.
625 Hall typically approves the repairs. The audience member suggested reviewing the management of the expenses
626 to bring them to the decision makers. Chairman Castillo agreed that they need to get to a point where they follow
627 a method that is sustainable for the long term. Supervisor McIntyre said they had previously discussed one of
628 the biggest issues being at the Cross Creek entrance at Cory Lake Drive. Ms. Thibault advised staff will do some
629 research as to best methodologies and bring something back to the Board by January.

630 Supervisor Acoff said that they need to get ahead of the rainy season, so they need a plan by
631 February/March, or they will have a swamp. Ms. Thibault advised they cannot spend any money this year, so
632 the goal this year for the paver street repair is to come up with a plan. Supervisor Acoff asked if the Reserve
633 Study could be moved to the fourth quarter of FY 2024; Ms. Thibault advised they could push it back to after
634 mid-year. She also recommended stopping all spending unless absolutely necessary.

635 An audience member asked about a revenue stream from the community; Ms. Thibault advised that was
636 from assessments. Ms. Thibault also advised there are additional minimal amounts of revenue, and that she is
637 putting the District's money into higher interest earning accounts, where they will earn up to 5% from the current
638 1%. Supervisor Acoff asked whether the \$28,000 was factored into the budget discussion. Ms. Thibault said it
639 had not, and with that and other deposits, she is hoping by mid-year that they can put back some of what they
640 removed. She said that her focus is on the residents' experiences and on what they see.

641 An audience member asked if the District has any legal recourse with the prior management firm. Mr.
642 Babbar advised it depends on if there were any damages to the District. He said that the District could spend
643 more money trying to get reimbursement for something that they may not be able to collect on. The audience
644 member asked if they pursued recourse, and Mr. Babbar advised that they were waiting for this presentation and
645 Board direction. He added that the District had been audited every year, and the District has not received any
646 default notices from the bank that provided the loan. Ms. Thibault advised that they are moving the money to
647 where it should be.

648 Supervisor McIntyre suggested another opportunity for potential savings is insurance, given that the
649 District replaced the roofs of the Guard Houses and the Amenity Center, and that that should be explored. Ms.
650 Thibault asked Mr. Krause to look into that. Supervisor McIntyre added that Ms. Green can procure sponsorships
651 for community events as another way to save money.

652 An audience member mentioned District credit cards and looking into rebate options. Ms. Thibault
653 advised that currently the District uses debit cards, but could look into rebate cards.

654 **C. Additional Information**

655 Ms. Thibault next discussed committees. Supervisor McIntyre asked if this could be discussed at the
656 next meeting given the current time. Ms. Thibault said that she is bringing it up for discussion now because a
657 decision by the Board has a financial impact. She said the financial impact is that the “District’s Public Officials
658 Liability Policy does provide coverage for those individuals officially appointed by the Board, including
659 members of commissions and committees that fall under the CDD’s government. However, it is critical to note
660 that committee members may face personal liability should their actions stray beyond the confines of their
661 designated role or of the committee’s defined purposes.”

662 She said “they have had several claims in the last few years of residents filing claims and criminal
663 charges in some cases against committee members. She added that in almost all of those cases, the District found
664 that the committee member had deviated from the course and scope of their duties as a member of the committee,
665 and the resident had to pay to retain their own legal counsel. As he had mentioned, the use of resident committees
666 would increase the CDD’s overall risk profile which would lead to higher premiums and potentially higher
667 liability deductibles.”

668 She said that right now the deductible zero and that the insurance agent is putting the district on notice
669 that “it could increase your liability, thus it is crucial to weigh the benefits of committee formation against the
670 potential financial implications.”

671 Ms. Thibault said that as this is a budget meeting, she needed to put this information on the record as
672 far as committees, noting this is the opinion of the District’s insurance agent. She added that at the last meeting,
673 District Counsel advised the Board on the record two times that he did not advance committees for the District.
674 She said that neither the District’s Insurance Agent nor District Counsel recommend committees. She advised
675 the Board that if they are forming committees, then the need to physically appoint those people and monitor
676 them. She said that even taking these steps does not reduce their risk.

677 Supervisor McIntyre asked for facts on what the cost to the district could be. Ms. Thibault advised she
678 was not provided them. Ms. Thibault added that they cannot increase their budget at this point, and that
679 proceeding with committees would be going against the advice of District Counsel. Ms. Thibault asked the Board
680 if they wanted to go against the advice of their District Counsel and did they want to face any financial
681 implications as have been mentioned. She added that the decision could be pushed to the next meeting.

682 Chairman Castillo made a motion to dissolve all committees if they are going to have a financial impact
683 on the District; Supervisor Acoff added, “until further notice.”

684 On a MOTION by Mr. Castillo, SECONDED by Mr. Fontcha, WITH ALL IN FAVOR, the Board approved
685 **Dissolving all Committees Until Further Notice**, for the Cory Lakes Community Development District.

686 Chairman Castillo noted that there have been many committees in the community that have done an
687 amazing job, including the LAF committee. He asked Ms. Thibault for her recommendations moving forward
688 for interested residents who want to stay involved and provide feedback to the Board. She said they can be an
689 interested group to the Board and can provide comments and updates to the Board during audience comments.
690 That way they do not become an extended arm of the District. She said when the Board adds their minutes and
691 motions to its agenda, that makes them an extended arm of the Board. She addressed the audience and stated
692 that we value all that they have done and hope they continue to stay involved, but just form themselves
693 differently, as an interested group, and that they still present at the meetings, only during audience comments
694 versus a formal presentation.

695 Mr. Krause noted that they do not need to have a quorum or take minutes. Mr. Babbar added that they
696 can still pass out documents, notes, recommendations to the Board; they just will no longer have an agenda item.
697 Supervisor Fontcha added that the Board will have no authority over them as well. Ms. Thibault advised they
698 are residents getting together as a group to make an audience comment for Board consideration.

699 Ms. Thibault noted there would be a Budget Amendment on the November Agenda. Ms. Thibault then
700 asked for Board action on several items:

701 On a MOTION by Mr. Fontcha, SECONDED by Mr. Acoff, WITH ALL IN FAVOR, the Board approved
702 **Terminating the Contract with OLM**, for the Cory Lakes Community Development District.

703
704 On a MOTION by Ms. McIntyre, SECONDED by Ms. Belyea, WITH ALL IN FAVOR, the Board approved
705 **Renegotiating the Current Contract with LMP to Address the Performance Pay by OLM**, for the Cory
706 Lakes Community Development District.

707 Supervisor Acoff asked about TECO and noted that was a recommendation. Supervisor McIntyre asked
708 Ms. Thibault when they would receive the updated FY 2024 Budget. Ms. Thibault advised it would be presented
709 at the November meeting.

710 **SEVENTH ORDER OF BUSINESS – Audience Comments - New Business**

711 Ms. Thibault said that concluded her business and asked if there were any comments from the audience.
712 An audience member asked about negotiating District Management fees in favor of increasing them due to Ms.
713 Thibault’s great work. Ms. Thibault reiterated that we would go through this process again in March to make
714 sure the District is on the road to fiscal sustainability.

715 Supervisor McIntyre said she thought there was a lot of misunderstanding of what is going on with the
716 budget in the community and suggested the Board put together an email to be sent to residents explaining the
717 budget situation. Ms. Thibault said she wanted to have the budget presentation that was presented tonight posted
718 to the CDD website, and that if people had questions, they can reach out to her directly.

719 An audience member said he thought a single message from the Board as suggested by Supervisor
720 McIntyre was a good idea. Ms. Thibault said they could put together a short message. She also noted that she
721 was moved emotionally by the residents as they focused on the objective and thanked them for pushing the
722 District forward.

723 Chairman Castillo asked Ms. Thibault when she would like the individual statements from the
724 Supervisors; she advised if they could each send a short paragraph by the end of week, and then she could review
725 and work it into something to be sent out.

726 Mr. Hall asked the Board when they want to turn the holiday lighting on. Chairman Castillo said
727 November 10th through the 15th. Several conversations ensued, but consensus was to leave the lights on starting
728 November 10th.

729 **EIGHTH ORDER OF BUSINESS – Supervisors Requests**

730 Supervisor McIntyre noted that the Board worked together, and that the community comes together
731 when others are in need. She added that social bullying needs to stop, and everyone agreed.

732 **NINTH ORDER OF BUSINESS – Adjournment**

733 Mr. Krause asked for final questions, comments, or corrections before requesting a motion to adjourn
734 the meeting. There being none, Mr. Acoff made a motion to adjourn the meeting.

735 On a MOTION by Mr. Acoff, SECONDED by Mr. Fontcha, WITH ALL IN FAVOR, the Board adjourned **the**
736 **Special Budget Meeting at 8:57 p.m.** for the Cory Lakes Community Development District.

737 **Each person who decides to appeal any decision made by the Board with respect to any matter considered at*
738 *the meeting is advised that person may need to ensure that a verbatim record of the proceedings is made,*
739 *including the testimony and evidence upon which such appeal is to be based.*

