

MINUTES OF MEETING
WINDWARD
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Windward Community Development District was held Wednesday, August 15, 2018 at 2:05 p.m. in the Roseada Room, 2nd Floor, Hart Memorial Central Library, 211 East Dakin Avenue, Kissimmee, Florida.

Present and constituting a quorum were:

John Kassik	Chairman
Thomas Franklin	Assistant Secretary
Ellis Roe	Assistant Secretary

Also Present were:

Jason Showe	District Manager
Andrew d'Adesky	District Counsel
William Viasalyers	Field Manager
David Kelly	Poulos & Bennett

FIRST ORDER OF BUSINESS

Roll Call

Mr. Showe called the meeting to order.

SECOND ORDER OF BUSINESS

Public Comment

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the July 18, 2018 Meeting

On MOTION by Mr. Franklin seconded by Mr. Kassik with all in favor the minutes of the July 18, 2018 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Public Hearing

- A. Consideration of Resolution 2018-05 Adopting the Fiscal Year 2019 Budget and Relating to the Annual Appropriations**

On MOTION by Mr. Franklin seconded by Mr. Roe with all in favor the public hearing was opened.

Mr. Showe stated the first item under the public hearing is consideration of Resolution 2018-05 adopting the Fiscal year 2019 budget and relating to the annual appropriations. The budget that is in the agenda package is similar to what you saw for the proposed budget. In talking with Counsel this morning because of where we are with the bond structure at this point we will likely not be assessing the debt service on the tax bills until we get more of a comfort level so if there is a debt service payment that needs to be made this year the District will have to direct collect that from homeowners and the developer.

Mr. d'Adesky stated that may not even be necessary. A lot of times there is capitalized interest that will put it off for a year and it will go on the roll in the future.

Mr. Showe stated we will be putting the operation and maintenance on the tax bill, which is reflected on the general fund page. We are targeting an assessment of \$627.91 per home and pursuant to Florida statutes we did send mailed notices to all property owners within the District. We have built the budget in anticipation of more services coming online next year. We have added one service that was not previously budgeted. In the current Fiscal Year we had GMS perform some field services as needed in terms of working with the vendor and we propose two site visits per month from our field services department. William Viasalyers is going to be your primary servicer for the District and we have included that cost in the Fiscal Year 2019 budget. That will keep the landscaping on track and all the onsite facilities looking in good shape. We do try to put as much detail as possible in the budget in terms of contracts and how we get to those amounts so there is a lot of transparency in the amounts you see in the budget.

We will open it up for public comments.

Ms. Amador asked the \$6,000 for lake maintenance for 2019 what do we have, a lake or pond?

Mr. Showe stated it is essentially a drainage mechanism so we want to put funding in the budget in case there is an issue with drainage or we need to do minor maintenance on the lake. With most of the infrastructure being new there is not a whole lot but if something happens we want money in order to accomplish necessary repairs.

Ms. Amador stated this has nothing to do with cleaning because that is part of our HOA fees.

Mr. Showe stated correct. These would typically be repairs outside of that.

There being no other public comments we will bring it back to the Board for discussion and consideration.

Mr. Showe stated we are not locked into these account lines, this is the best estimate for 2019 and should something happen we are able to make changes within the budget. Later in the agenda we do have another deficit funding agreement in the event that something was to come online that wasn't anticipated in the budget we would look to the developer to fund that similar to what we have done this year.

Mr. Franklin stated your 2020 budget will be a lot more accurate.

Mr. Showe stated absolutely.

Mr. Franklin stated as you will see on some of the budget line items there are a lot of zeros and those items were not ready to be run through any budget cycle. Some of these numbers are based on history and next year if everything works the way it should work you may have a little decrease in some line items or a very slight increase.

Mr. Showe stated we use our experience in other Districts.

Mr. Morris asked as you go through the year do you publish actual expenses that have occurred and send those to the homeowners?

Mr. Showe stated we don't send them out to homeowners, but this package is available on the website and included in that is the financials and we do financial statements every month that has a full accounting. As long as there is an agenda there will be a financial and that will be on the website. If there is something specific that you don't find on there give me a call, everything is a public record and we will get it right to you.

Mr. Franklin stated we will have monthly meetings if necessary but most of the time they will be every two or three months rather than every month.

Mr. Briggs stated I notice the per unit projected O&M is over the entire number of units in the community. We haven't had that many residents move in so how does that impact as we grow residents over the life of this community?

Mr. Showe stated we are going to assess whether it is owned by K. Hovnanian or owned by a resident. Each lot or planned lot is going to be assessed the same amount.

On MOTION by Mr. Franklin seconded by Mr. Kassik with all in favor Resolution 2018-05 was approved.

B. Consideration of Resolution 2018-06 Imposing Special Assessments, and Certifying an Assessment Roll

Mr. Showe stated next is Resolution 2018-06 and this is the method by which we levy the assessments. The first resolution adopted the budget and attached to this resolution will be that adopted budget as well as the assessment roll. The debt will be taken off and we will attach the final assessment roll to the resolution and that will get transmitted to the tax collector and those assessments will be placed on the tax bill.

We will open it up for public comment on this resolution.

Mr. Morris stated right now you are operating under the 2018 budget that was approved in 2017.

Mr. Showe stated correct. Our fiscal year will go through September 30th.

On MOTION by Mr. Franklin seconded by Mr. Roe with all in favor Resolution 2018-06 was approved.

On MOTION by Mr. Franklin seconded by Mr. Kassik with all in favor the public hearing was closed.

FIFTH ORDER OF BUSINESS

Consideration of Fiscal Year 2019 Deficit Funding Agreement

Mr. Showe stated next is the Deficit Funding Agreement with the developer. We only anticipate this will trigger if there is some area that comes online that we haven't anticipated or some expense that is greatly over the budget.

Mr. Kassik stated just as a note our address has changed.

Mr. d'Adesky stated we will update the agreement.

On MOTION by Mr. Franklin seconded by Mr. Roe with all in favor the Fiscal year 2019 Deficit Funding Agreement with K. Hovnanian at Mystic Dunes, LLC was approved.

SIXTH ORDER OF BUSINESS

Consideration of Proposal with Gunit Pool Contractors to Perform Fountain Cleaning Services

Mr. Showe stated next is a proposal from Gunit Pool Contractors for fountain cleaning services. We previously had an agreement with Resort Pools and they contacted us several months ago and said it wasn't in their scope to perform that service any longer. They were subcontracting to Gunit to do the work and we were paying Resort until we could get a contract with Gunit. I know William has met with them already.

Mr. Viasalyers stated they have been pretty responsive.

Mr. Franklin asked is there a difference in fees?

Mr. Showe responded it is actually a little higher, it was \$300 and went to \$350 but they have only been billing \$300 a month so far. We have it programmed to go into the next budget but it will start almost immediately, the previous company has stopped performing services.

On MOTION by Mr. Kassik seconded by Mr. Roe with all in favor the proposal from Gunit Pool Contractors to perform fountain cleaning for two fountains in the amount of \$350 per month was approved.

SEVENTH ORDER OF BUSINESS

Acceptance of Audit Committee Recommendation and Selection of No. 1 Ranked Firm to Provide Auditing Services for Fiscal Year 2018

Mr. Showe stated the next item is acceptance of the Audit Committee recommendation and selection of the no. 1 ranked firm. Prior to this Board meeting the Audit Committee met, they selected Grau as no. 1, Berger Toombs no. 2 and Carr Riggs no. 3. We would entertain a motion to select Grau no. 1 and authorize the District Manager to enter into a contract in line with their proposal.

On MOTION by Mr. Franklin seconded by Mr. Roe with all in favor the recommendation of the Audit Committee of Grau & Associates being ranked no. 1, Berger Toombs no. 2 and Carr Riggs no. 3 was accepted and the District Manager was authorized to enter into an agreement with the number one ranked firm for services in line with their proposal.

EIGHTH ORDER OF BUSINESS

Discussion of Bond Financing

Mr. Morris asked if you decide to get bonds, what dollar amount of bonds generally would you sell?

Mr. d'Adesky stated in terms of the total value it depends on what the project is. These are sold by the underwriter so we have a bond underwriter taking these to market and selling those bonds, we don't actually control that process. It is sold on the open market usually in denominations of \$5,000 and \$10,000 but there are large institutional purchasers that buy up to 70% of the bonds.

Mr. Morris asked are these generally sold to institutions?

Mr. d'Adesky responded generally I would say yes but once again they don't have to disclose who buys them to us.

Mr. Morris asked how do they get a Moody's or S&P rating?

Mr. d'Adesky stated they present an offering document which allows for the bonds to be rated.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

Mr. Kelly stated the Phase 2 clearing has been completed and we will update some construction plans and get going on the infrastructure. Phase 3 Spine Road extension, all the infrastructure improvements are complete and the amenity center is now underway.

D. Manager

i. Balance Sheet and Income Statement

A copy of the financials was included in the agenda package.

ii. Consideration of Funding Requests 13 & 14

On MOTION by Mr. Franklin seconded by Mr. Kassik with all in favor funding requests 13 & 14 were approved.

iii. Approval of Fiscal Year 2019 Meeting Schedule

Mr. Showe stated in case we didn't have a meeting in September, I wanted to get the meeting schedule approved. We will continue with the monthly meeting schedule and we will cancel as needed. November 21st is the Wednesday before Thanksgiving and you might want to move that a week in advance, the 14th might be a little easier in case we have to meet.

On MOTION by Mr. Franklin seconded by Mr. Kassik with all in favor the Fiscal year 2019 meeting schedule reflecting meetings on the third Wednesday of the month was approved with the exception of November being on the 14th.

NINTH ORDER OF BUSINESS

Other Business


There being none, the next item followed.

TENTH ORDER OF BUSINESS

Supervisor's Requests

There being none,

On MOTION by Mr. Franklin seconded by Mr. Kassik with all in favor the meeting adjourned at 2:23 p.m.


Secretary/Assistant Secretary


Chairman/Vice Chairman