

**MOODY RIVER ESTATES
COMMUNITY DEVELOPMENT
DISTRICT**

**REGULAR MEETING
AGENDA**

January 21, 2016

Moody River Estates Community Development District

2300 Glades Road, Suite 410W • Boca Raton, Florida 33431

Phone (561) 571-0010 • Fax (561) 571-0013 • Toll-free: (877) 276-0889

January 14, 2016

ATTENDEES:

Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.

Board of Supervisors
Moody River Estates Community Development District

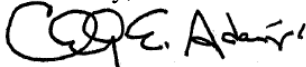
Dear Board Members:

The Board of Supervisors of the Moody River Estates Community Development District will hold a Regular Meeting on **Thursday, January 21, 2016 at 1:00 p.m.**, in the **Clubhouse at Moody River Estates, 3050 Moody River Blvd., North Fort Myers, Florida 33903**. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments (*agenda items*)
3. Continued Discussion: District's Ability to Assume Certain Common Maintenance Responsibilities from the Master Association
4. Approval of **October 15, 2015** Regular Meeting Minutes
5. Other Business
6. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. Manager
 - i. Approval of Unaudited Financial Statements as of November 30, 2015
 - ii. **NEXT MEETING DATE: March 17, 2016 at 1:00 P.M.**
7. Public Comments (*non-agenda items*)
8. Supervisors' Requests
9. Adjournment

Should you have any questions and/or concerns, please contact me directly at 239-464-7114.

Sincerely,



Chesley E. Adams, Jr.
District Manager

FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE:

CALL IN NUMBER: 1-888-354-0094

CONFERENCE ID: 8593810

41 inquired about the District Management, District Counsel and District Engineer evaluation
42 process and whether evaluations were performed.

43 Mr. Adams stated that service provider evaluations were not completed; however, they
44 can be done and may apply to one or all of the services. All three disciplines have continuing
45 service agreements. The District Management and the District Engineer agreements have a 30 or
46 60-day termination provision. District Counsel’s agreement is at will.

47 Mr. Doren asked when District Management was hired.

48 Mr. Adams originally worked with the District under a prior service provider. Wrathell,
49 Hunt and Associates, LLC, was hired as District Manager in mid-2005.

50 Mr. Teckorius asked how the Board could compare service providers.

51 Mr. Adams explained that comparisons are usually made in the form of a request of
52 qualifications (RFQ) or request for proposals (RFP) in order to provide proposals that are not
53 only financial in nature but also provide qualifications and references. If the goal is simply to
54 save money, the current CDD service providers’ fees are outlined within the District’s budget
55 and competitors have access to those figures, which is why the focus should be on the service
56 provided, local presence, history, company size and qualification-based attributes are taken into
57 consideration.

58 Mr. Brian Woods, a resident, asked if the District provided any turf services for weeds
59 within 20’ of the water’s edge.

60 Mr. Adams explained that it is the adjacent property owner’s responsibility to maintain to
61 the water’s edge. A lake tract may include a 15’ to 20’ perimeter above the high water mark.
62 One way to convey the tract is by a tract that includes a setback or, the actual tract is the high
63 water line and the adjacent properties include a 15’ to 20’ easement over them for access around
64 the lake perimeter. In either situation, the responsibility to maintain to the water’s edge falls on
65 the adjacent property.

66 Mr. Woods noted that there are weeds around the lake but it was difficult to reach the
67 water’s edge.

68 Mr. Teckorius stated that the CDD cannot spray for weeds in the lake.

69 Mr. Adams expounded that the adjacent property owner maintained a horticultural based
70 program, from the high-water point, up. Landscape contractors can spray for weeds to the
71 water’s edge. The District maintained the lakes from the high-water mark, down, with an aquatic

72 based program that used a different set of Environmental Protection Agency (EPA) registered
73 chemicals.

74

75 **THIRD ORDER OF BUSINESS**

Discussion: CDD Review

76

77 • **Additional Services: CDD vs. Master Association**

78 Mr. Adams delivered an overview regarding the purpose of CDDs and a brief history of
79 the District. A CDD can provide a menu of services to a community under Chapter 190, Florida
80 Statutes. The services can include common area, right-of-way (ROW), park and landscape
81 maintenance and community center amenity operations. Some districts own well fields, which
82 supply irrigation water within the community and have monthly billing services. Additional
83 powers can be granted, allowing a district to provide security services, park services, mosquito
84 control, etc. The additional powers can be granted through a follow-up petition to Lee County.
85 As it pertains to Moody River CDD, landscaping and streetlighting, within the common areas
86 and ROWs and operation and maintenance (O&M) of the community’s well field were
87 previously discussed. The District can provide services that all unit owners benefit from, with
88 the exception of the East Parcel, which, by settlement agreement, is not assessed for O&M.

89 Mr. Adams indicated that a primary benefit of the District handling maintenance is its
90 ability to collect revenue. Through an agreement with the tax collector and property appraiser,
91 the CDD utilizes the property appraiser’s records, which are annually updated, to create the
92 District’s lien roll, which is transmitted to the tax collector and the assessments are placed on the
93 property tax bills. Delinquencies are remedied via tax certificate sales. This collection method
94 is beneficial to programs that are dependent on the ability to collect revenue. In contrast,
95 associations use mailed billing programs; if there are collection issues, delinquent accounts are
96 pursued, individually.

97 Mr. Adams stated that a CDD is a public entity and business is conducted in the public
98 forum; meetings are advertised and the public is allowed to participate. There is a high level of
99 transparency. An association’s meetings can be tighter, more closed door and less participatory.

100 Mr. Adams advised that, even if additional powers are granted, it was not recommended
101 that the District assume security services. As a government entity, the CDD’s ability to manage
102 access control, as tightly as the association, would be impeded.

103 Mr. Pye requested that a letter listing the services offered by the CDD be provided to the
104 master association board. Mr. Adams suggested hold a joint town hall meeting of the association
105 and the District, after the new master association board settles in. Both entities are capable of
106 providing services to the community and it must be determined which services are to be provided
107 by each entity.

108 Mr. Eckert explained that, because the community has “hard” gates and access is
109 restricted, the services that the CDD can provide are limited, under Florida law.

110 Mr. Teckorius asked what the District could offer with regard to streetlighting and the
111 irrigation system and if the CDD could manage the lake irrigation pump stations, along with the
112 street grates leading to the ponds.

113 Mr. Adams reported that the CDD could assume the association’s streetlighting
114 agreement and expense it through the District’s budget. The District cannot maintain irrigation
115 on private property but it can manage and operate the community’s well system and the
116 transmission line, up to the point of contact with private property. The CDD could manage the
117 lake irrigation pump stations and drainage conveyance system from the road to the ponds.

118 Mr. Teckorius asked if the CDD could manage the landscaping in each of the
119 neighborhood associations’ common areas. Mr. Adams replied that CDDs do not typically
120 manage neighborhood association landscaping, as not all property owners receive the benefit.

121 Mr. Eckert advised that further discussion would be required for the CDD to maintain
122 common area landscaping, it would require “soft” gates, rather than “hard” gates. The site plan
123 must be reviewed regarding the specific areas. From a Florida law perspective, if the District
124 owned and operated the recreation facilities, the facilities must be accessible by the public but
125 the public could be required to pay a facility usage fee.

126 Mr. Adams advised against taking on any recreation responsibilities, as associations do a
127 better job managing those types of operations. There must be further discussion after District
128 Counsel’s review of the law. The District can service the community’s perimeter and the
129 landscaping outside the gates. The new master association board will be allowed time to
130 acclimate and discuss amongst themselves what services they would like the District to
131 potentially consider.

132 Mr. Adams presented the Ownership Map provided by the District Engineer.

133 Questions arose regarding the accuracy and conveyance of the map.

134 Mr. Kayne reported that it was difficult to include that amount of information and have it
135 be understandable.

136 Discussions ensued regarding the map.

137 It was determined that the vast amount of information conveyed on the map was causing
138 confusion. The current maintenance responsibly map will remain the same and an ownership
139 map will be created, as a separate exhibit.

140 District Management will reach out to the new master association, after the first of the
141 year, to schedule a joint spring meeting.

142 Mr. Pye asked the present members of the association committee what percentage of
143 HOA fees was collected. Mr. Wood stated that HOA assessment collections were between 95%
144 and 97%. During the economic downturn, collections were approximately 85%. Ms. Keeler
145 asked how the shortage was compensated. Mr. Wood replied that, currently, the shortage was
146 reimbursed by the developer and is referenced as a liability on the HOA’s balance sheet.

147
148 **FOURTH ORDER OF BUSINESS**

**Approval of August 20, 2015 Public
Hearings and Regular Meeting Minutes**

149
150 Mr. Adams presented the August 20, 2015 Public Hearings and Regular Meeting Minutes
151 and asked for any additions, deletions or corrections.

152 The following changes were made:

153 Line 83: Change “2012015-9” to “2015-9”

154 Line 311: Change “Ms. Mayer” to “Ms. Keeler”

155
156
157 **On MOTION by Ms. Mayer and seconded by Ms. Keeler, with**
158 **all in favor, the August 20, 2015 Public Hearings and Regular**
159 **Meeting Minutes, as amended, were approved.**

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162 **FIFTH ORDER OF BUSINESS**

Other Business

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164 There being no other business, the next item followed

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166 **SIXTH ORDER OF BUSINESS**

Staff Reports

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168 **A. Attorney**

169 Mr. Eckert clarified that there are no public access questions with regard to conservation
170 lands, reuse and irrigation. The Florida Legislative Session will begin in January, 2016, instead
171 of March, 2016. District Counsel will monitor the session and advise of anything that could
172 impact the District.

173 **B. Engineer**

174 There being no report, the next item followed

175 **C. Manager**

176 **i. Approval of Unaudited Financial Statements as of August 31, 2015**

177 Mr. Adams presented the Unaudited Financial Statements as of August 31, 2015. Total
178 revenue collections were at 110% and expenses were at 84%, with one month left in Fiscal Year
179 2015. Additional revenues become surplus fund balance and are available to be allocated to any
180 programs that the Board sees fit. Page 3 reflected that all principal and interest payments were
181 made; the principal prepayment was made by the developer when he took 24 lots down to 12 lots
182 and made the true-up payment.

183 **ii. NEXT MEETING DATE: January 21, 2016 at 1:00 P.M.**

184 Mr. Adams suggested holding a joint meeting of the CDD and the association in March,
185 2016.

187 **SEVENTH ORDER OF BUSINESS**

Public Comments (non-agenda items)

188
189 Mr. Malcolm Haase, a resident, asked when work on Lake 6 will be finished.

190 Mr. Adams reported that work on Lake 6 was in abeyance because of high water. Now
191 that the rainy season is over, in the upcoming weeks, geotubes will be cut open, the soil will be
192 raked off to the original 4:1 slope and sod will be installed to the water’s edge. While the lake
193 was an eyesore when work was halted, once completed it will look like new.

194 Mr. Haase asked if there were plans to complete any more lakes this year. Mr. Adams
195 replied affirmatively. The CDD is working off of a list created a few years ago, during the
196 engineering certification, of lakes that were noted to be out of compliance with the water’s edge.
197 At the time, Southwest Florida Water Management District (SWFWMD) agreed to the District’s
198 plan to restore the slopes over a number of years.

199 In response to a question from Ms. Nancy Leek, a resident, Mr. Adams stated that the
200 District has nothing to do with the boat ramp.

201 Ms. Tamara Greider, a resident, asked if the cypress trees, on Lake #9, were being
202 replaced.

203 Ms. Crismond indicated that the trees will be planted this week; the contractor delayed
204 installation due to high water.

205 Mr. Chuck Walter, a resident, asked about the electrical box and fountain in Lake 11.

206 Ms. Crismond stated that there are work orders for both the fountain and the electrical
207 box.

208 Mr. Woods asked if, because of the association turnover, a survey of the trees would be
209 taken.

210 Mr. Adams believed that the HOA would perform a full canopy tree survey; the District
211 will not.

212 Ms. Joan Dalson, a resident, asked how fluid it would be for the District to assume
213 additional responsibilities and if it could be done at any point during the year.

214 Mr. Adams indicated that the assumption of a large program, requiring a large amount of
215 revenue, would ideally match up with the District’s budget year. The District’s fiscal year
216 begins on October 1; the HOA’s fiscal year begins January 1. Timing works well for a transfer
217 of services; the District can budget for a full year and will have received the first round of
218 property tax collections by the time the HOA begins their new fiscal year.

220 **EIGHTH ORDER OF BUSINESS**

Supervisors’ Requests

221
222 Ms. Keeler asked for an update on the wetland clean up requested by Mr. Gene Mitchell,
223 at the last meeting.

224 Ms. Crismond reported that the wetland contractor will be tending to the area this month,
225 while performing maintenance.

226 Mr. Teckorius informed the District Engineer that Mr. Heuther’s permit for the outflow
227 pipe extension was approved and he hired contractors. A permit requirement called for
228 chaperones at that interception point with the inverts to be reviewed by contractors. Mr. Heuther
229 owns 12 or 14 single-family home parcels and there is a new owner for the 55 multiple-family
230 unit parcel. Mr. Heuther paid off the bond for his parcel, which is why he receives the reduced
231 assessment rate; the owner of the 55-unit parcel did not pay off the bond debt and should be
232 paying the full assessment.

233 Mr. Teckorius asked who now owns the 55-unit parcel, if the bond was paid off and if the
234 owner was being charged the full assessment, regardless of whether they are using the District’s
235 amenities or not.

236 Mr. Adams was unaware that parcel ownership had changed and will research the
237 settlement agreement. Previously, a group purchased the parcel’s tax certificates.

238 Mr. Eckert believed that the new owner would have the same agreement provisions as
239 Mr. Heuther. There are two parcels of land within the District that are treated differently from
240 each other. District Counsel will review the agreement and provide copies.

241 Mr. Adams clarified that the East Parcels are within the District’s boundaries but the
242 CDD has no maintenance obligations.

243 If the owners did not pay off their bond, Mr. Teckorius asked why they are allowed to
244 pay the minimum amount. Mr. Adams did not know if that statement was accurate.

245 Mr. Eckert advised that approximately \$200,000 of bond debt was levied against the East
246 Parcels. District Counsel will review the assessment records to verify whether the bond debt on
247 one of the parcels was paid off.

248 Mr. Teckorius believed that Mr. Heuther paid \$95,000 towards the bond on the 14-unit
249 parcel.

250 Mr. Adams indicated that Mr. Heuther had no obligation to pay off the bond; he believed
251 that Mr. Heuther chose to do so because the parcel was going to a not-for-profit and it was in his
252 best interest to remove that debt from the parcel.

253 Mr. Teckorius stated that, due to lake erosion, there were questions regarding the
254 property lines of the Blue Jasmine homes, on Lake #9, and asked who monitored the 4:1 slope
255 and made sure that the developer corrected the issue.

256 Mr. Adams advised that the county monitors the slope, as part of the building permit
257 process, and asked Mr. Kayne to bring the issue to their attention.

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259 **NINTH ORDER OF BUSINESS**

Adjournment

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261 There being nothing further to discuss, the meeting adjourned.

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263 **On MOTION by Ms. Keller and seconded by Ms. Mayer, with**
264 **all in favor, the meeting adjourned at 2:03 p.m.**

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Secretary/Assistant Secretary

Chair/Vice Chair

DRAFT

**MOODY RIVER ESTATES
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
NOVEMBER 30, 2015**

**MOODY RIVER ESTATES
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
NOVEMBER 30, 2015**

	Major Funds		Total Governmental Funds
	General	Debt Service	
ASSETS			
Cash - SunTrust	\$ 185,919	\$ -	\$ 185,919
Investments			
Revenue	-	351,770	351,770
Reserve	-	597,126	597,126
Deferred cost	-	118,295	118,295
Due from other funds			
General	-	102,579	102,579
Total assets	<u>\$ 185,919</u>	<u>\$ 1,169,770</u>	<u>\$ 1,355,689</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 3,005	\$ -	\$ 3,005
Due to other funds			
Debt service	102,579	-	102,579
Total liabilities	<u>105,584</u>	<u>-</u>	<u>105,584</u>
Fund Balances:			
Restricted for:			
Debt service	-	1,169,770	1,169,770
Unassigned	80,335	-	80,335
Total fund balances	<u>80,335</u>	<u>1,169,770</u>	<u>1,250,105</u>
Total liabilities and fund balances	<u>\$ 185,919</u>	<u>\$ 1,169,770</u>	<u>\$ 1,355,689</u>

**MOODY RIVER ESTATES
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE PERIOD ENDED NOVEMBER 30, 2015**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Assessment levy	\$ 34,812	\$ 34,812	\$ 238,178	15%
Interest and miscellaneous	3	6	-	N/A
Total revenues	<u>34,815</u>	<u>34,818</u>	<u>238,178</u>	15%
EXPENDITURES				
Professional & admin				
Supervisor	-	646	6,459	10%
Management	3,733	7,467	44,802	17%
Accounting services	728	1,457	8,742	17%
Audit	-	-	4,300	0%
Assessment roll services	1,073	2,146	12,875	17%
Arbitrage rebate calculations	-	-	1,200	0%
Dissemination agent	-	-	1,000	0%
Trustee	-	-	3,150	0%
Legal - general counsel	-	-	12,000	0%
Engineering	209	209	5,000	4%
Computer services	-	-	500	0%
Postage	298	298	1,250	24%
Telephone	43	84	500	17%
Insurance	-	5,923	6,515	91%
Printing & binding	92	183	1,100	17%
Legal advertising	228	228	1,500	15%
Other current charges	49	108	2,000	5%
Annual district filing fee	175	175	175	100%
Total professional & admin	<u>6,628</u>	<u>18,924</u>	<u>113,068</u>	17%
Water management				
Other contractual	15,365	25,865	72,500	36%
Utilities	3,894	3,894	43,000	9%
Aquascaping	-	-	7,500	0%
Total water management	<u>19,259</u>	<u>29,759</u>	<u>123,000</u>	24%
Other fees and charges				
Property appraiser	777	777	844	92%
Tax collector	544	544	1,266	43%
Total other fees and charges	<u>1,321</u>	<u>1,321</u>	<u>2,110</u>	63%
Total expenditures	<u>27,208</u>	<u>50,004</u>	<u>238,178</u>	21%
Excess/(deficiency) of revenues over/(under) expenditures	7,607	(15,186)	-	
Fund balance - beginning	72,728	95,521	97,244	
Fund balance - ending	<u>\$ 80,335</u>	<u>\$ 80,335</u>	<u>\$ 97,244</u>	

**MOODY RIVER ESTATES
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 2005
FOR THE PERIOD ENDED NOVEMBER 30, 2015**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Assessment levy	\$ 102,366	\$ 102,366	\$ 712,265	14%
Interest	6	13	-	N/A
Total revenues	<u>102,372</u>	<u>102,379</u>	<u>712,265</u>	14%
EXPENDITURES				
Principal	-	-	240,000	0%
Principal prepayment	10,000	10,000	-	N/A
Interest	<u>237,941</u>	<u>237,941</u>	<u>475,883</u>	50%
Total expenditures	<u>247,941</u>	<u>247,941</u>	<u>715,883</u>	35%
Excess/(deficiency) of revenues over/(under) expenditures	(145,569)	(145,562)	(3,618)	
Fund balance - beginning	<u>1,315,339</u>	<u>1,315,332</u>	<u>1,249,692</u>	
Fund balance - ending	<u><u>\$ 1,169,770</u></u>	<u><u>\$ 1,169,770</u></u>	<u><u>\$ 1,246,074</u></u>	