

MINUTES OF MEETING

BRIGHTON LAKES COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Brighton Lakes Community Development District was held Thursday, March 6, 2014, at 6:00 p.m. at the Brighton Lakes Recreation Center, 4250 Brighton Lakes Boulevard, Kissimmee, Florida.

Present and constituting a quorum were:

Michelle Incandela	Chairman
Jennifer Palmer	Vice Chairperson
John Mastromarino	Assistant Secretary
John McGrath	Assistant Secretary
Dolores Pieters	Assistant Secretary

Also present were:

Gary L. Moyer	District Manager
Tucker Mackie (<i>by phone</i>)	Attorney
Paul McCartan	Keep Safe Security
Brian Smith	Severn Trent Services
Residents and members of the public	

This represents the context and summary of the meeting.

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

Mr. Moyer called the meeting to order at 6:00 p.m.

Mr. Moyer called the roll, indicating a quorum was present for the meeting.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

Mr. McGrath led the *Pledge of Allegiance*.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the January 9, 2014, Workshop and the January 9, 2014, Regular Meeting

Mr. Moyer reviewed the minutes and requested corrections, additions, or deletions.

On MOTION by Mr. McGrath, seconded by Ms. Pieters, with all in favor, unanimous approval was given to the minutes of the January 9, 2014, workshop and the January 9, 2014, regular meeting.

FOURTH ORDER OF BUSINESS

Audience Comments

A Resident stated the other day, I saw we were doing some re-construction at the playgrounds. I would like to see the wood repainted or replaced as it is deteriorating. I am willing to donate \$300 for paint. This is a beautiful community and the parks are kept

in good shape. The teenagers are not interested, but the younger ones would appreciate it. Perhaps at the end of the school year, we could have a rededication of our parks.

Mr. McGrath stated thank you very much for your comments. One of the issues we will be discussing about tonight is new equipment that does not have any wood but needs to be repainted.

Ms. Palmer stated I like the concept of having a rededication once the new equipment is installed, and perhaps we can have the kids come out and do a mural or something like that. Maybe we can train the generation of smaller kids to feel like they have ownership of the park. If they know they have a stake in it, they will take better care of it.

The Resident stated overall, the parks are in good shape, but they could be spruced up. You can use the money to buy pizzas for the kids and the paint. This could be right at the end of the school year.

FIFTH ORDER OF BUSINESS

Vendor/Contractor/Third-Party Items

Mr. McCartan from Keep Safe Security provided an update on security services and responded to questions and comments from the Board.

Mr. McCartan stated I am not aware of any issues. We made a change in staff here because there was some concern about the performance of the previous officer. For the foreseeable future, Frank will be here. He has been with me for many years and is a more mature gentleman. According to Ms. Maria Fuentes, he was well received by the residents. Everywhere Frank worked for me, we have received nothing but positive feedback. Hopefully, he will be a nice fit for Brighton Lakes.

Mr. Mastromarino asked has he been instructed to keep an eye on the school buses when they arrive in the afternoon?

Mr. McCartan responded yes, and I will reiterate this to him as part of his duties when he arrives here at 2:00 p.m. I am aware of the issues at the gatehouse.

Mr. McGrath stated back in February, I came in late one night to see the gate had been broken off.

Mr. McCartan stated it actually fell off and was laying on the ground. A guard saw this and took a photograph. It did not look like it was hit but just fell off. As a result, we swapped and opened the resident's lane until it is repaired.

Ms. Palmer stated it seems like lately, two or three cars are always parked in the vacant lot past the guardhouse area before you get to Volta Circle. If we see this, should we call the non-police line or mention it to security? What is the best way to handle it?

Mr. McCartan asked does the land belong to the CDD or HOA?

Mr. Gerry Frawley responded the CDD owns the land between the two ponds. Beyond there was supposed to be a school, which land was purchased by another company.

A Resident stated they park there overnight, too.

Mr. McGrath stated we do not want that. If the guard sees cars there, make a report noting cars are there and it is a private area.

Mr. McCartan stated it does not really matter who owns it because the access to it is communal, and they are basically trespassing. It is a non-emergency. I will speak to both of the guards to make sure they keep an eye out on the cars. However, I cannot guarantee they will see them because it gets busy at certain times.

Mr. McGrath stated if they cannot see the cars from their location, then do not worry about it.

Mr. McCartan stated anyone is entitled to report it.

Ms. Palmer stated if they patrol up and down and see it, make a report.

Mr. McCartan stated absolutely, that is no problem for us to do.

Mr. McGrath asked are there "No Trespassing" signs up there now?

Mr. McCartan responded yes. There is a sign that says "No Trespassing, Private Property" that is posted.

Mr. Mastromarino stated at the entrance to this property is a white sign with red lettering. We will mention this at the next Crime Watch meeting.

Mr. Frawley stated I spoke to Deputy Beltran several times, and they have been watching anyone walking at night. He also said in each of the turnarounds, one car pulls up and then another vehicle, they exchange stuff and then disappear. That may be what is going on. The vehicle meeting them is from inside of the community. Sometimes they actually travel with them. Other times they are there for seconds, and then they are gone in the other direction. The deputies are aware of it. I believe according to our scope of services, mulch was supposed to be laid down in November. I know the new contractor was not responsible for that work.

Mr. Smith stated that is correct. This is a new scope, which is different from the previous one. I believe the last scope was for mulching one time in the spring. I am still holding the December invoice for the previous contractor because of this issue and other small issues. I want them to do this work before I pay them.

Mr. Mastromarino stated I see your point about the mulching. If we missed November mulch, when are we due for the next mulching?

Mr. Smith responded I will look at the scope. I believe we increased it to two this year.

Mr. Mastromarino asked what are we looking at for spring, April or May?

Mr. Smith responded I am not sure. I do not remember.

Mr. Frawley stated I had another issue, which I sent an email to Mr. Smith and the landscapers have handled to a degree. This pertains to the fire ant mounds. They are much better. A resident questioned this at the last HOA meeting. There are still a bunch of them, which need to be treated or re-treated.

Ms. Palmer stated they came out of nowhere and fairly quickly.

Mr. Frawley stated they are better.

Mr. Smith responded they could not be here today for a landscape update, but I will make sure they are at the next meeting. I keep in close contact with them about any issues.

Ms. Palmer stated things look a lot better, even though we had a great deal of rain.

Mr. Smith stated they have a good reputation and will do a good job for you. I am pleased to be dealing with them.

Mr. Frawley stated they seemed to have changed the mowing pattern, especially around the Community Center. They are mowing in a different direction, versus the other company going in the same direction, which caused ruts. I still see ruts between Brighton Lakes Boulevard and the sidewalks.

Mr. Smith stated this week will be their fifth service. It should improve once they fertilize the first part of April and the turf starts growing. They were very aware of the ruts. They originally mentioned them to me.

Mr. Frawley stated you had said in the past we were going to get the prior landscaper to replace part of the sod.

Mr. Smith stated they replaced the sod we identified to them, by the guardhouse.

Ms. Pieters stated at the last meeting we talked about someone bush hogging the area behind the white fence on Chapala Drive. I did not see this listed on your action item list.

Mr. Smith stated I received a proposal and issued a work authorization for this work to be completed. They also have to complete bush hogging of the wetlands, so they are going to do this work at the same time. It is getting dry enough and will get drier.

During the next couple of months when it gets hotter and with a lack of rain, it will dry this area out. The reason why this area has not been mowed is because it has remained wet. Even now we will not be able to get in there. We will only be able to complete the edges. In order to get the whole area, I will have to get our aquatics company to spray the entire area because there is that much water. It is on the schedule to be mowed.

Ms. Incandela stated I do not think they bush hogged the wetland buffer behind the homes on Chapala.

Mr. Smith stated yes, they did it this week.

Mr. Mastromarino stated I noticed quite a bit was completed around Brighton Lakes Boulevard from Chapala down to Stargrass. I do not know if they went behind the homes on Chapala.

Mr. Smith stated where Ms. Incandela is referring to is between the park on Chapala and the pond off of Brighton Lakes Boulevard behind those homes.

Mr. Mastromarino stated I asked about that a couple of months ago, and you mentioned you were going to have the new landscapers look at it to see what they could do. To Ms. Incandela's point, we are looking at the area she referenced.

Mr. Smith stated it was mowed. It was listed as wetland buffer maintenance, but they went ahead and mowed it. The area Mr. Mastromarino is referring to will be bush hogged.

Ms. Incandela asked is the wetland buffer maintained once a year?

Mr. Smith responded yes. The area between the park and the pond will be continually mowed, which makes sense.

Mr. Frawley stated in the area behind the fence, there is more than just growth there. There are trees growing. I did not know if this was the area Mr. Smith mentioned would be addressed chemically.

Mr. Smith stated I will have the aquatics company address it.

SIXTH ORDER OF BUSINESS

District Manager's Report

A. Financial Statements

Mr. Moyer reviewed the financial statements as contained in the agenda package, which are available for public review at the District office during normal business hours.

Mr. Moyer stated we are 87% collected on our non-ad valorem assessments.

Mr. McGrath stated congratulations!

Mr. Moyer stated this is what we expect to be collected in Brighton Lakes this time of year, and the community should be commended for this because it is nice to get those revenues collected early in the fiscal year. The only reason we are slightly over budget on administrative expenses is due to the assessment collection costs, which are based on a percent of what we collected. Since we have collected more than our monthly proration, we are paying more in collection costs. Overall, this is to be expected, so we are actually right on budget. There is not much to highlight for you other than to say we are under budget on expenditures, and we collected what we expected in revenues.

Mr. Frawley stated when you say we are 87% collected, this comes on our County tax bill. We do not have any choice to pay these assessments. Why would someone not pay their tax bill?

Mr. Moyer responded it is actually a timing issue. You are permitted to pay from November through the end of March. If you pay early, you can take a 4% discount, and it backs down to zero at the end of March. Sometimes we earn more revenue than we have budgeted because we assume everyone will pay as early as they possibly can pay. This is a good thing. The only reason why I report this to the Board is to let you know the pace people are paying their assessments.

Ms. Palmer stated this is good because it means most people are paying early. They are paying their property taxes through their mortgage company.

Mr. Moyer stated that is correct. We have done well in this community in collecting 100% of what we levied.

Mr. Frawley stated my next question was if we collect 100%.

Mr. Moyer stated yes. We have only collected through January, so we still have February and March.

Mr. Mastromarino stated if you are holding a mortgage and your taxes are in escrow, the mortgage company usually pays that at the last minute.

Mr. Moyer stated no, they pay right away to get the 4% discount.

Mr. Mastromarino stated page 1 of the financials shows an unassigned balance of \$581,241. What does this represent?

Mr. Moyer responded I am glad you asked this because you need to be careful with this number. Unassigned means the money is not allocated to any reserve fund that is identified above that. What we need to be careful about is, this number includes what we collected this year as part of our operating budget for this year. The actual amount of

surplus this Board has, if you deduct the monies we need to allocate for this fiscal year, is \$100,000. Everything else is allocated. You have \$274,000 in the roadway reserve, \$68,000 for recreation facilities, \$68,000 for landscaping, and then there is an operating reserve. This is all positive, but it is not all monies that can be used for any purpose you want to use it for. The best way to figure this out is to look at page 29 where it shows Fund Balance Beginning, October 1 of \$680,000. If you turn back to page 32, it shows the Fund Balance of \$581,000 and the way it has been allocated. If you subtract those two numbers, that tells you how much unallocated monies or discretionary monies you have to do things that are not in this fiscal year budget.

Ms. Palmer stated or has not already been put into a reserve account.

Mr. Moyer stated that is correct.

Mr. Mastromarino stated in the financials, CDs are listed. We had a CD mature on March 1. What happened to this CD? Did it get rolled over?

Mr. Moyer responded yes, the accountant will reinvest the money.

Mr. Mastromarino stated General Electric Credit Union, which is FDIC insured, is offering 1.05% interest for a 13-month CD with a \$2,000 minimum.

Mr. Moyer stated I will have our accountants check that out. It is not a problem, but we have to invest in a pretty narrow range in the State of Florida. In 2007, the State Board of Administration, which invests State monies, university monies, and surplus local government monies, got caught in the subprime mortgage debacle and lost a fair amount of money. Since then, they have issued a policy whereby public agencies need to get over trying to get the highest yields and protect the principal of monies that the public has given to the public agency. We have an Investment Policy, showing what we can invest in, such as CDs and a couple other limited things. I will provide that policy to you.

Mr. McGrath stated one of the comments the auditor made was that our Board does not have a restriction on the types of investments we can make, and I think we do not need to.

Mr. Moyer stated the reason why we do not have a specific Investment Policy is because if you do, you need to hire someone to manage those investments. According to the Statute, if you opt out of having an Investment Policy, it says what you need to do with this money. I will provide this information to you.

A Resident asked why would you not have an Investment Policy that reiterates exactly that?

Mr. Moyer responded that is exactly what we do. We have a Resolution indicating our Investment Policy, but it is the State of Florida Statutory Investment Policy.

Ms. Incandela stated so we do not have to hire anyone.

Mr. Moyer stated no, we do not. The Trustee for the bond funds, which is part of this report, because of problems they have had during the recession, you can see their investment yields are 0.15%. This is because they are not taking any risk at all. This is an improvement because we complained about it. At one time, they did not invest any money.

Mr. McGrath stated it would be smart a few months from now to have our money managed by someone and to take a look because things seem to be changing and we should take advantage of that when we can.

Mr. Moyer stated yes, the reason why you are seeing higher yields on the monies we have is because of our staff.

Mr. Gilbert Ehmke stated I am an Institutional Investment Advisor, and I would be happy to look at this to make sure there are no issues or anything to be concerned about. I have been in this business my entire life.

Mr. Moyer stated I will forward the policy to Mr. McGrath, and you can meet with Mr. Ehmke to discuss it. If the Board had the more sophisticated Investment Policy, Mr. Ehmke is the type of person we would hire to manage it.

B. Check Register

Mr. Moyer reviewed the check register as contained in the agenda package, which is available for public review at the District office during normal business hours.

Mr. Mastromarino stated last month, we spent about \$1,000 at Home Depot, and this month, we spent closer to \$2,000. Lowe's offers a 5% discount on purchases. Is it worth us considering using Lowe's as opposed to Home Depot? Or is there an advantage to Home Depot?

Mr. Smith responded Home Depot is much more convenient for us since we are coming from Celebration and drive right by it. Most of what we got at Home Depot was paint for the bridge.

Mr. Mastromarino stated I am making the assumption that we spend about \$1,000 every month. Lowe's is only three or four miles down the street this way.

Ms. Incandela asked do we get contractor or credit card discounts?

Mr. Smith responded I am not sure. I will ask Ms. Fuentes. We are considered not-for-profit.

Mr. Moyer stated as a government agency, we do not pay sales tax.

Mr. McGrath stated it may be worth making a call to Home Depot to see if there are any discounts available to us.

Mr. Smith stated for all the other Districts I manage, we have cards for both, so when we go in for one item, we can get a comparison of prices between Lowe's and Home Depot. It is limited to certain employees, but I can compare prices between the two.

Mr. Mastromarino stated they will match prices, but it is crazy to do that for every item you buy.

Ms. Incandela stated we probably do get the contractor's discount.

Mr. Mastromarino stated I noticed we are paying a handyman for 40 hours. The first four hours were for power washing, but there was no indication on the other 32 hours as to the work performed.

Mr. Smith stated I sent a Severn Trent employee out here, and he takes a temp with him. They spent a week out here pressure washing and painting the bridge.

The record will reflect there was a technical issue with the recording, and the remaining portion of the meeting is a summary.

On MOTION by Ms. Palmer, seconded by Mr. McGrath, with all in favor, unanimous approval was given to the check register and invoices, as presented.

C. Consideration of Increase in Hourly Rates for the District's Attorney

Mr. Moyer reviewed a letter from the District's attorney requesting an increase in hourly rates, which is available for public review at the District office during normal business hours.

On MOTION by Mr. McGrath, seconded by Ms. Pieters, with all in favor, unanimous approval was given to the request from the District's attorney in their hourly rates, as presented.

D. Discussion of General Election

Mr. Moyer discussed the General Election process.

E. Consideration of Resolution 2014-02 Confirming the District's Use of the Osceola County Supervisor of Elections to Conduct the District's Election of Supervisors in Conjunction with the General Election

Mr. Moyer reviewed Resolution 2014-02, as contained in the agenda package, which is available for public review at the District office during normal business hours.

On MOTION by Ms. Palmer, seconded by Ms. Incandela, with all in favor, unanimous approval was given to Resolution 2014-02, as presented.

F. Acceptance of the Fiscal Year 2013 Audited Financial Statements

Mr. Moyer reviewed the fiscal year 2013 audited financial statements and entered the auditor's findings into the record. The audited financial statements are contained in the agenda package, which are available for public review at the District office during normal business hours.

On MOTION by Ms. Palmer, seconded by Ms. Pieters, with all in favor, unanimous approval was given to the fiscal year 2013 audited financial statements, as presented.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being nothing to report, the next item followed.

B. Engineer

There being nothing to report, the next item followed.

C. Field Operations

i. Field Management Report

ii. ACT Service Calls

iii. Action Items List

iv. Resident Call Log

v. Girard Environmental Report

vi. American Ecosystems Report

Mr. Smith reviewed the field management report as contained in the agenda package, which is available for public review at the District office during normal business hours.

vii. Discussion on Playground Equipment Proposals

Mr. Smith provided playground equipment proposals to the Board and discussion ensued by the Board.

On MOTION by Ms. Palmer, seconded by Ms. Pieters, with all in favor, unanimous approval was given to the proposal from GameTime for playground equipment, as presented.

viii. Discussion on Pool Resurfacing Proposals

Mr. Smith provided pool resurfacing proposals to the Board and discussion ensued by the Board.

On MOTION by Ms. Palmer, seconded by Ms. Incandela, with all in favor, unanimous approval was given to the proposal from Ibiza Pool, LLC, for pool resurfacing, as presented.

ix. Discussion on Striping Proposals

Mr. Smith provided striping proposals to the Board and discussion ensued by the Board.

On MOTION by Ms. Palmer, seconded by Ms. Incandela, with all in favor, unanimous approval was given to the proposal from Fausnight Stripe & Line, Inc., for striping, as presented.

EIGHTH ORDER OF BUSINESS

Submitted Resident Questions and Audience Comments

There being none, the next order of business followed.

NINTH ORDER OF BUSINESS

Supervisor Requests and Comments

Discussion ensued by the Board regarding a towing policy.

TENTH ORDER OF BUSINESS

Other Business

There being none, the next order of business followed.

ELEVENTH ORDER OF BUSINESS

Adjournment

The next meeting is scheduled for Thursday, May 1, 2014 at 6:00 P.M.

On MOTION by Ms. Pieters, seconded by Mr. McGrath, with all in favor, the meeting adjourned.

Gary L. Moyer, Secretary

Michelle Incandela, Chairman