

MINUTES OF MEETING  
STONEBROOK SOUTH  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Stoneybrook South Community Development District was held Monday, February 6, 2023 at 10:00 a.m. at Oasis Club at ChampionsGate, 1520 Oasis Club Blvd., ChampionsGate, Florida.

Present and constituting a quorum were:

Bason Nembirkow	Chairman
Robert DiCocco	Vice Chairman
Chris Manjourides	Assistant Secretary
Terry Siron	Assistant Secretary
Ronald Phillips	Assistant Secretary

Also present were:

George Flint	District Manager
Vivek Babbar <i>by phone</i>	District Counsel
Amanda Udstad	District Engineer
Alan Scheerer	Field Manager
Dylan Schwartz <i>by phone</i>	FMSBonds
Steve Sanford <i>by phone</i>	Bond Counsel

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Flint called the meeting to order. We have all five members of the Board here and we have a quorum.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

Mr. Flint: Next is public comment period. We just have the Board members and staff here and some staff on the telephone. Any members of the public? We have Dylan, Steve, and Vivek by phone.

**THIRD ORDER OF BUSINESS                      Financing Matters**

**A. Consideration of Placement Agent Agreement and G-17 Disclosure with FMSBonds, Inc.**

Mr. Flint: This is really a ratification. FMSBonds is your Underwriter and has been the Underwriter for the District’s prior bonds. They are the ones that worked on the refinancing of the Series 2013 bonds. There is an agreement and certain disclosures that are made under the record under the MSRB rules and those are contained in that agreement. Are there any questions on the placement agent agreements? Is there a motion to approve it?

On MOTION by Mr. DiCocco, seconded by Mr. Phillips, with all in favor, the Placement Agent Agreement and G-17 Disclosure with FMSBonds, Inc., was approved.

**B. Consideration of Final Third Supplemental Assessment Methodology Report for Special Assessment Refunding Bonds, Series 2013**

Mr. Flint: This report was prepared and reflects the actual pricing of the bonds if you go to Table 1 you will see that is page 18 of the PDF. You will see that there is 870 units comprised of apartments, condos and single family 50 and 60’ lots that are subject to this debt. Table 2 is the bond sizing. As a result of the financing and you can see that we achieved 4.95% coupon rate and Dylan Schwartz with FMSBonds is on the phone. Dylan, I have handed out the summary page that you provided showing the savings. Do you just want to go over that briefly for the Board?

Mr. Schwartz: Sure. Hey everyone, thanks again for the opportunity to work with you guys on this transaction. As you can see, this is just a general summary of the annual debt service requirement for the new bonds in comparison to the refunded 2013 bonds. The par amount of bonds has gone down. There were you know previously up to approximately \$7.465 million of bonds which a portion of which are going to mature on May 1<sup>st</sup> but the outstanding amount of the new bonds is going to be \$6,394,000. The reason for the decrease is basically there was a significant reserve fund sitting as collateral for the bonds which would have sat there through maturity and we were able to use that to pay for a portion of the cost and then also pay down a portion of the debt on the old bonds and the remainder is what we see today for very new bonds at the new 4.95% interest rate. That led to about \$145,000 to \$146,000 per year of savings which is just over 20% annually in debt service savings for the District. Everybody’s proportion, whatever you are paying now, your debt service payments each year will decrease by that same 20% regardless of what product type of home you live in.

Mr. Flint: If you go to table 4, you will see that on the far-right column the change in the net assessments for example for a 60 ft' lot it would go down by \$313.87 a year, a 50' lot \$292.23, the condos \$205 and the apartments \$31, so there are significant annual savings for the owners of those units. That is reflected on the annual tax bill. That will show up in the November 2023 tax bill. Any questions for Dylan or me on the methodology?

Mr. Flint: Is there a motion to approve the final third supplemental assessment methodology?

On MOTION by Mr. Nembirkow, seconded by Mr. Siron, with all in favor, the Final Third Supplemental Assessment Methodology Report for Special Assessment Refunding Bonds, Series 2023, was approved.

**C. Consideration of Resolution 2023-04 Authorizing the Issuance of Special Assessment Refunding Bonds, Series 2023**

Mr. Flint: We plan on preclosing right after this meeting. Buzz is going to sign the documents and the closing is actually on the 8<sup>th</sup>, the day after tomorrow. Steve or Vivek, who is handling this resolution?

Mr. Sanford: I will handle it. Good morning everyone, this is Steve Sanford at Greenberg Traurig serving as the District's Bond Counsel. Resolution 2023-04 is what we call an award resolution. We now know the terms of the bonds, the interest rate, and somewhere officially awarding the bonds at SouthState Bank who is your lender in this transaction. We are asking the Board to award those bonds to SouthState and approve certain documents in connection with the sale of the bonds. I will quickly go through what they are. There are three documents, one is the trust indenture and that is between the District and US Bank, the company serving as your bond trustee. That document basically has the redemption provisions, the amortization of the bonds, and the rights and remedies of the bond holder which in this case, there is only one. The next document and I am not sure about the bond placement agreement, I think it was already approved but the bond placement agreement is between a District and the SouthState Bank as the purchaser and that basically spells out their obligation to purchase the bonds in the principal amount of \$6,394,000. Lastly, which is probably the most important document is the escrow deposit agreement. The 2013 bonds are not subject to redemption before May 1 of this year so what we do is we issue the bonds on the 8<sup>th</sup> and we take a portion of those monies from the sale of the bonds together with the reserve that Dylan mentioned and we put that money in escrow and then invest in US obligations. On the

basis of doing that, we can conclude that even though the bonds are technically outstanding, they have really been paid off on the date that we issued the bonds and then come May 1, those 2013 bonds would be redeemed with that pot of money that we put in the escrow. That agreement is between the District and US Bank serving as your escrow agent. Basically, that is it. If you have any questions, I will be glad to answer otherwise I am looking for a motion to adopt 2023-04.

Mr. Flint: Any questions on the resolution? Is there a motion to approve it?

Mr. Phillips: Just a question George, there is nothing printed in the exhibits A, B, or C, was there supposed to be?

Mr. Flint: They are here, I am happy to provide them. They are available and I have got a hard copy here if you would like to review. They are standard documents. We will get some documents signed after the meeting by Buzz and then will be closing again on the 8<sup>th</sup>.

Mr. Schwartz: If there are any questions by anybody signing documents, just give me a buzz back.

Mr. Flint: Sure will, thanks Dylan.

Mr. Schwartz: Thanks George. Thanks everyone.

On MOTION by Mr. DiCocco, seconded by Mr. Siron, with all in favor, Resolution 2023-04 Authorizing the Issuance of Special Assessment Refunding Bonds, Series 2023, was approved.

**FOURTH ORDER OF BUSINESS**

**Business Administration**

**A. Approval of Minutes of the December 5, 2022 Meeting**

Mr. Flint: We have approval of the minutes from December 5, 2022 meeting. Did the Board have any comments or corrections on those minutes?

On MOTION by Mr. Siron, seconded by Mr. Nembirkow, with all in favor, the Minutes of the December 5, 2022 Meeting, were approved as presented.

**B. Consideration of Check Register**

Mr. Flint: We also provided you the check register from November 28, 2022 through January 30, 2023 for the general fund and the Board payroll, those total \$1,666,760.24 and the detailed register is behind the summary. A lot of those checks you will see are to Stoneybrook CDD care of US Bank and that is debt assessment revenue. We receive one check from the county for the assessments which includes O&M and then we have to write a check to the trustee

transferring that money to the trustee. It is not really an expense but it is a check we wrote and moving that money to the trustee is what makes that number so large. Each one of those checks are indicated there in the register if you have any questions. Any questions on the check register? If not, is there a motion to approve it?

Mr. DiCocco: I have a question off subject. To end 2022, were all outstanding contract debt resolved before we ended the year or does it carryover some into 2023 and then gets filled to 2022? Is there a final financial for 2022 squared up?

Mr. Flint: The audit has not been completed yet. We are working on the audit statutorily and it needs to be completed by June 30<sup>th</sup>. We have September 30<sup>th</sup> financial statements that would reflect the end of last year but they are subject to audit adjustments which there should not be significant adjustments. Any funds that are not spent are rolled over into the balance of the next year. I do not know that we had any major capital expenses that we would need to recognize being carried over. The fountains were really the only thing.

Mr. Scheerer: Last year, I think we did the last couple of fountains.

Mr. DiCocco: I was just curious how we ended the year financially balanced.

Mr. Flint: We will have the audit on the agenda for you all to review hopefully by the next meeting. We will see, I am not sure where we are at in completing that. We have a little bit of time to finish that audit. We can have that discussion later.

On MOTION by Mr. Phillips, seconded by Mr. Siron, with all in favor, the Check Register from November 28, 2022 to January 30, 2023, was approved.

**C. Balance Sheet and Income Statement**

Mr. Flint: You have the unaudited financials through October 31, 2022.

**FIFTH ORDER OF BUSINESS**

**Business Items**

**A. Consideration of Data Sharing and Usage Agreement with Osceola County Property Appraiser**

Mr. Flint: In order to use the tax bill as the collection method for our assessments, the statues require us to enter into agreement with the Property Appraiser and Tax Collector. This is one of the agreements the property appraiser requires. It is a standard agreement that you all have approved in the past and really it just has to do with protection of confidential information. So, this agreement says that to the extent any information the Property Appraiser provides us is

confidential and we will continue to keep that confidential. Some individuals under the statutes can request that their information be held confidential, for example law enforcement officers, firefighters. There are certain instances where an individual can make that request so that information ends up being confidential on the tax roll information. It just says that we do not disclose that. As a practical matter, they do not tend to send that to us anyway and those categories tend to be blank. But if they did, we would not disclose it. Any questions on the agreement?

On MOTION by Mr. Nembirkow, seconded by Mr. Siron, with all in favor, the Data Sharing and Usage Agreement with Osceola County Property Appraiser, was approved.

**SIXTH ORDER OF BUSINESS**

**Staff Reports**

**A. District Counsel**

Mr. Flint: Vivek, any updates for the Board?

Mr. Babbar: Not much since the last Board meeting. One thing I will do is work on a lien of record that provides notice of the refunding bonds once they have been closed. I will need Buzz's signature on that and I will get that recorded in the public records because there is already an existing notice in the public records. That way anytime any resident is purchasing property in the District, it will show up on their title work so there are no surprises. Other than that, I have reviewed everything with the prospective bond closings and the bond docs and nothing else to report. I am happy to answer any questions if there are any for me.

Mr. Flint: Any questions for Vivek?

**B. District Engineer**

Mr. Flint: Amanda is here. Any updates for the Board?

Ms. Udstad: No.

**C. District Manager**

Mr. Flint: The master homeowner's association is in the process of transitioning to resident control. There is a transition committee and they are looking at ownership and responsibilities between the CDD and the HOA's. We have received some inquiries about that. We are working on those issues. This project has been developed over a 10-year period. There are two different CDD's that are involved and there is at least three HOA's. It is complex and God knows how many different Lennar project managers there have been. We are looking at consistency of ownership.

At one entrance, the medians are owned and maintained by the CDD, another one it may indicate that its master association. Over time, there has been some of that so we are working through that process to try to come up with what makes the most sense and what is acceptable to the parties but just to let you know we may have some clean up things coming in front of the Board in the future. We will set a meeting with Lennar next week to go over some of those issues. I have been talking with one of the transition members, emailing with them. I do not think it is anything major. It is just questions like Oasis Club Blvd. For example, when Oasis Club Blvd was planted all of the landscape tracts associated with the roadway were set up as separate tracts and conveyed to the CDD. The roadway itself was association because it is a private road and they wanted to keep it gated private. We maintain the landscaping along Oasis Club Blvd but then when you go north of Bella Citta and you look at Whistling Straits and some of the roads over there which some would argue might be comparable to Oasis Club. They are not set up that way. The roadway and all of the landscaped areas are all in one tract which is typically the case. You know, we may have a situation where we are maintaining the landscaping along Oasis Club Blvd but we are not doing it for roads on Whistling Straits or Ocean Courts.

Mr. Manjourides: Who is doing that over North of Bella Citta?

Mr. Flint: Well, I think we had been doing it.

Mr. Scheerer: We are doing it currently.

Mr. Flint: We are under the impression that was our reasonability but when you look at the actual ownership of the road, it is Master Association along with the landscape tracks.

Mr. DiCocco: That could be significant with the dues to the master. If we have been taking the burden then there would be no consequence because the CDD and the assessment on the taxes takes care of it. But if it is HOA, then it is going to come back to the homeowners.

Mr. Flint: I think it is all of the same people paying both. It is just an adjustment of two budgets and hopefully it is a net zero impact. Technically, we should not be maintaining private property and technically those roadway landscape tracks because they are HOA, they are private property and not CDD owned. That is the type of stuff. It does not help when some of the HOA's are going off on their own and bidding out landscaping. We tried to suggest that we do it altogether. They are probably not including Whistling Straits in their bid and we are probably not going to include it because we do not own it and we shouldn't be maintaining it. We are going to get our act together on our side and talk about what makes most sense and then probably there is going to

end up needing to be some meetings to work through it. We will have to deal with the timing issue and adoption of budgets to make sure nothing drops off and that if one budget is increasing and one is decreasing that we are timing it correctly. We do not want one budget to anticipate Whistling Straits and the other one increase to anticipate Whistling Straits. So that is going on behind the scenes.

**D. Field Manager**

Mr. Flint: Field manager, Alan.

Mr. Scheerer: Thank you. In your agenda packet is a copy of the field manager report. You will see a lot of it is pretty redundant. The architectural fountain is in good shape. We are watching irrigation inspections. The big month to month problem seems to be one or two of the entry monuments that have lighting issues. Bella Citta we repaired two months ago. Came out and now the letter Champ as far as ChampionsGate out on one side and then over here, I did not include a picture, I apologize but on the Oasis Club West Side Blvd, there is power to every letter but some of the LED strips are out so you may have part of an A or part of a C. Terry's Electric is who we are working with. They have ordered all of the new LED strips and we will get those resolved as quickly as possible. All of your fountains are working and they look good. Dry ponds have been disked. As you leave the community onto Bella Citta there is a dead Canary palm. We are getting ready to remove that. We will get some numbers to see if anybody is interested in replacing them but those Canary's are typically a \$10,000 tree.

Mr. DiCocco: Why don't we just put a Washingtonia or whatever in there?

Mr. Scheerer: We will have to do something different just because of the fusarium mold which is what has affected a lot of the palm trees. There are ribbon palms and sabals that are pretty good. I think we did the sabal palms on Double Eagle heading out towards 27 or Palmetto Dunes whatever they refer to it. We will get some numbers on that. We will see if it fits within the budget.

Mr. Phillips: Check out a mule palm. They are not susceptible to that disease.

Mr. Scheerer: We will definitely take a look at it sir. We will bring back some examples for you all and see what you want to do with that. A couple of things that didn't make the list. I know somebody told me about the grate that was off the drain box. That has been put back on.

Mr. Phillips: No.

Mr. Scheerer: Yeah.

Mr. Phillips: Unless they did it yesterday.



Mr. Scheerer: It was on this morning; I was just there. I have got some ideas but I am going to leave those off. I think I know what is going on there but anyway, the grate is on. I double checked it again this morning because I knew I was going to see you, so it is on. We got it on. It only took three of us to pull that thing on.

Mr. Phillips: I was going to say I tried to put it up and I couldn't budge it.

Mr. Scheerer: No. Anyway, I did notice over by the plaza entrance there is what looks like queen palm that is starting to fade. We are going to take a look at that one. I noticed that this morning. We did get mulch installed here. They are here working on palm tree trimming this week. I think they are starting over in the condo area but they will be doing all of the community here throughout the course of probably the next month or so. I saw the trucks here again this morning. New annuals were installed. I am looking at some long-term things here. We have this ugly juniper plant that it is a lot of our ground cover at all of the entrances. It is time for it to go so I am working with the landscaper right now to come up with a nice change. They are going to put some numbers together for me on that. We are also going to look at the viburnum that goes around the palm trees coming in off Palmetto Dunes from 27. Those are starting to get pretty ripe as well. They are old. They have been in there a while. It is time to start looking at that. Whatever we don't do this year, obviously we can use that and add that to the budget for 2024 as George alluded to in a few months will be doing some budget work. We will keep plugging away at all of the entry monuments and make sure it is good. We did come through last week and had my contractor come through. We had some hit and miss lumens in there like a 40-watt to 60-watt bulb so he came through. I asked him to change them out and make sure they are all the same wattage and use LED bulbs where we could.

Mr. Phillips: Did you look at the monument on Mickelson?

Mr. Scheerer: I should have done them all. I have been here, he just did them.

Mr. Phillips: I did not look in the last week or so but the one on Mickelson was out.

Mr. Scheerer: He was to do Mickelson, and all of them. All of the ones inside along Oasis Club and everything back on your all's neck of the woods.

Mr. Siron: What is that palm called that is dead?

Mr. Scheerer: Canary?

Mr. Siron: Is that a Canary? They are far and few between.

Mr. Scheerer: They are beautiful palms.

Mr. Flint: Canaries and Medjools are very expensive.

Mr. Scheerer: That is all I have.

Mr. Phillips: What about the wall on 13<sup>th</sup>?

Mr. Scheerer: We haven't forgot about you. My pressure washer guy is wrapping up some things next door and as soon as he is done, we will have him come and do what we do once or possibly twice a year on 13. We will get you squared away.

Mr. Flint: Any other questions for Alan?

**SEVENTH ORDER OF BUSINESS**

**Supervisor's Requests**

Mr. Flint: Anything else that was not on the agenda that the Board wants to discuss?

Mr. Phillips: I have a question. Why are there no 80 ft lots on this?

Mr. Flint: There is a 2014 bond series.


Mr. Phillips: Oh, there is?

Mr. Flint: There is a 2013 and 2014. There is a 10 year no call provision on those so we are able to refinance the 13's and next year we will look at the 14's. This does not cover everything, just 800 or so units. There is another bond issue that based on the market we will be talking about next year.

**EIGHTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Nembirkow, seconded by Mr. Siron, with all in favor, the meeting was adjourned at 10:29 a.m.

  
Secretary/Assistant Secretary

  
Chairman/Vice Chairman