



OLD PALM COMMUNITY DEVELOPMENT DISTRICT

Gary Walker - Chairman

Darlene Impellittiere - Vice Chairman

Lee Bladen - Assistant Secretary

Jim Motta - Assistant Secretary

Sharon Caputo - Assistant Secretary

September 15, 2016



Old Palm

Community Development District

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September 8, 2016

**Board of Supervisors
Old Palm
Community Development District**

Dear Board Members:

The regular meeting of the Board of Supervisors of the **Old Palm Community Development District** will be held on **September 15, 2016 at 11:00 a.m. at the Old Palm Sales/Information Center at 11089 Old Palm Drive, Palm Beach Gardens, Florida.** Following is the advance agenda:

1. Roll Call
2. Approval of the Minutes of the July 21, 2016 Meeting
3. Update on the Reclaimed Water Project
4. Consideration of Engagement Letter with Grau & Associates to perform the Audit for Fiscal Year Ending September 30, 2016
5. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. Manager
6. Financial Reports
 - A. Approval of Check Register
 - B. Balance Sheet and Income Statement
7. Supervisors Requests and Audience Comments
8. Adjournment

Enclosed for your review is a copy of the minutes from the July 21, 2016 meeting.

The fourth order of business is consideration of engagement letter with Grau & Associates to perform the audit for fiscal year ending September 30, 2016. A copy of the engagement letter is enclosed.

The financials are also enclosed for your review and approval. The balance of the agenda is routine in nature and staff will present their reports at the meeting. Any additional documentation we receive will be provided under separate cover as soon as it becomes available or presented at the meeting. If you have any questions, please contact me.

Sincerely,



Luis Hernandez
Manager

cc: William Capko

Richard Creech

Oats Reis

Debbie Stocker

**MINUTES OF MEETING
OLD PALM
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Old Palm Community Development District was held on Thursday, July 21, 2016 at 11:00 a.m. at the Old Palm Sales/Information Center, 11089 Old Palm Drive, Palm Beach Gardens, Florida.

Present and constituting a quorum were:

Gary Walker	Chairperson
Darlene Impellittere	Vice Chairperson
Lee Bladen	Assistant Secretary

Also present were:

Bill Capko	District Counsel
Luis Hernandez	District Manager
Oats Reis	District Engineer
Eric Oto	Old Palm Foundation Representative
Bob Pietrangelo	Resident

FIRST ORDER OF BUSINESS

Roll Call

Mr. Hernandez called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

**Approval of the Minutes of the
April 21, 2016 Meeting**

Mr. Hernandez: Moving on with our agenda, as the second item we have the approval of the minutes of the April 21, 2016 meeting. This would be the time to make any changes, corrections, additions, or deletions. If there are none, a motion to approve would be in order.

On MOTION by Mr. Walker seconded by Ms. Impellittiere with all in favor, the Minutes of the April 21, 2016 Meeting were approved.

THIRD ORDER OF BUSINESS

Public Hearing to Adopt the Budget for Fiscal Year 2017

A. Motion to Open the Public Hearing

Mr. Hernandez: Moving on, the next item for the board's consideration is the public hearing to adopt the budget for fiscal year 2017. The first action that I will need from the board would be a motion to open the public hearing.

On MOTION by Mr. Walker seconded by Mr. Bladen with all in favor, opening the Public Hearing was approved.

B. Public Comment and Discussion

Mr. Hernandez: Then I will be asking, does anyone from the public have any comments in regard to the proposed budget? I just want to indicate that it's the exact same budget as the one that was presented on April 21, 2016 and as you can probably see as you walk through it and read it, that it shows no increases are being estimated to be able to maintain the same level of services as the ones that were provided last year. Not hearing any comments from the audience we can just move forward to the next item, unless the board has any particular questions in regard to the budget.

Mr. Walker: The only question I have is, and this is not on the budget actually, it's on the actuals that show up in the projected column.

Mr. Hernandez: Yes.

Mr. Walker: The deferred expenses of \$24,744, what is that, or what would the nature of something like that be?

Mr. Hernandez: I believe it was to clarify some of the funds that were passed on to the operation and maintenance budget as part of the transaction of the refinancing of the bonds.

Mr. Walker: Ok.

Mr. Hernandez: So by allocating that line item what they're doing is they're just passing it on to the deferred account.

Mr. Walker: Ok.

Mr. Pietrangelo: Am I reading this correctly, it's actually down?

Mr. Walker: You mean from the actuals?

Mr. Pietrangelo: No, the adopted 2016 and the proposed 2017.

Mr. Walker: Yes.

Mr. Pietrangelo: So it's down.

Mr. Walker: He's saying the adopted budget of \$147,000 compared to the proposed \$133,000.

Mr. Hernandez: The expenditures are expected to go down, the answer would be yes.

Mr. Bladen: And why do the revenues, the projected revenues go down, the total revenues?

Mr. Hernandez: Because some funds have been reallocated to other accounts. Like for instance you have a carry forward that has been, the increase goes up every year, so as you can see in the 2015 we're putting zero, but in the other years there have been amounts that have been collected so this is what determines whether it goes up or down.

Mr. Bladen: Got it.

Mr. Walker: So the carried forward net reserves is \$60,000.

Mr. Hernandez: Correct.

Mr. Walker: So in addition to our annual budget that we're proposing \$133,000 in the event that there was some unforeseen issue of \$60,000 you'd be covered.

Mr. Hernandez: Correct.

Mr. Reis: Luis, can I ask a question on the engineering fees, I see that the total projected is close to \$23,000, I assume a chunk of that is engineering of the reclaimed water system.

Mr. Hernandez: That's correct.

Mr. Reis: Is that going to be recovered somehow?

Mr. Hernandez: Yes it will be once that we finish the project there will be some consolidation between what is the construction account and the actual operation and maintenance. Right now, accounting is just perceiving and seeing expenses from the engineer and they're just allocating it for that.

Mr. Walker: Would that be in the deferred expenses, or no?

Mr. Hernandez: No because the deferred expenses is for something that was already incurred.

Mr. Walker: Ok.

Mr. Hernandez: It could be that some of that portion could become part of the deferred account, and that's based on the information that the accountants have received so far, the only thing they know is that it's an engineer expense, they have not identified yet whether it's related to the construction or a special project that was assigned, or a payment to the developer for any other pending items of the original engineers report.

Mr. Reis: Right, so if you'll recall prior to actually getting the bond finalized we initiated the engineer fee to move the project along, and at some point I guess the funds come in from the bond.

Mr. Hernandez: Yes, all that portion of it has already been replenished but based on the information that the accountant has, they're anticipated that they're going to be, from the operation and maintenance is potentially pending some additional amount. Keep in mind, the total projected expense is just based on an estimate of what the expenditures are, it doesn't mean that those are the actual expenditures. The only part that the District knows so far is that as of May 31st, they can quantify and detail what has been received and therefore, based on that amount of expenditures they could anticipate if everything were to continue normal what would be the end result of the fiscal year. Are there any other questions? Yes sir?

Mr. Pietrangelo: This doesn't constitute the entire budget does it?

Mr. Hernandez: For the CDD, yes.

Mr. Walker: This is the portion that's going to be picked up in the real estate tax bill. So remember there's two components, and Luis can probably do a better job explaining, but we have administrative expenses to run the CDD in perpetuity, you know the general costs for management, engineering, which we'll have that forever. That is captured here in this budget and that actually is going to be, it has to be included in someone's real estate tax bill. In addition to this, this is where the CDD has an arrangement with the Foundation whereby they have a separate budget to take care of maintenance and operating costs for CDD property within the community, and that's a separate budget that's done as part of the Foundation budgeting process.

Mr. Pietrangelo: Where do the monies come in to do that?

Mr. Walker: That comes through your Foundation bills.

Mr. Pietrangelo: The quarterly bills.

Mr. Walker: Correct. So this one is going to come through you real estate tax bill, and this budget of \$133,000 or \$429 a unit has been pretty consistent for the last 10 years. I think we had a very slight increase of \$10, or it was a very slight increase 2 years ago but that \$429 has held for a long period of time.

Mr. Hernandez: And at the same time in your tax bill, if you go to page 4 you're going to see the debt component which is the Series 2015 Bonds, and that would be the other part that will be added in your tax bill. So for any individuals who has a property that is within Old Palm CDD, they will see \$429.27 for the administrative costs of the District and depending on the size they will receive an assessment for the debt portion. It will be two separate line items that you will see on your tax bill in the Non Ad Valorem section, and both of them will be identifying that it's an assessment being made by Old Palm CDD. Does anyone have any other questions?

Mr. Walker: Just so I understand, this budget then would have been included, this is included in the real estate billing in what period of time?

Mr. Hernandez: That would be for the tax bill 2016, and it will be sent for homeowners to pay in November.

Mr. Walker: Ok, November because it's prepared.

Mr. Hernandez: Correct, and the assessment from the District is covering the period starting in October 1, 2016 and it goes all the way to September 30, 2017.

Mr. Walker: Right, so this is inclusive, all of your billing for your reclaimed water, debt service, and all the debt service, so that's all prepaid in this year's tax bill.

Mr. Pietrangelo: The timing is what always confuses me, did we pay this tax last year?

Mr. Hernandez: You paid it last year but at the time you paid your tax bill the District assessment is a prepayment. So in tax bill 2015, you paid the CDD for the period that started in October 1, 2015 and it goes all the way to September 30, 2016.

Mr. Pietrangelo: So we paid this once already?

Mr. Hernandez: You have been paying it in your property taxes since the year 2006.

Mr. Walker: After we did the refinancing with the adjustments, that was picked up in the last tax bill.

Mr. Hernandez: That's correct, yes sir.

Mr. Pietrangelo: So everybody has already made the first payment.

Mr. Hernandez: Yes sir, everybody did the first payment, that's correct.

Mr. Walker: And recognize at the same time some individuals had increases because of reclaimed water, there were savings because we did a refinancing of the existing debt, so there were some pretty significant offsets.

Mr. Bladen: So from the assessment, the 69 one acre estates, that's the assessment for the 69 that are getting the reclaimed water.

Mr. Hernandez: Yes.

Mr. Walker: Right.

Mr. Bladen: Ok.

Mr. Hernandez: That's correct.

Mr. Bladen: So that's how you arrive at 386 units.

Mr. Hernandez: That's correct.

Mr. Bladen: Ok.

Mr. Walker: They're in there twice. If you look on page 4, in the summary section where it shows the total number of units of 386, you have one acre estates of 80, and then it shows one acre estates of 69, and 69 is included in the 80, so it's double counted, but the 80 represents their previous Series A debt service that they were paying on the bonds. The 69 represents the new debt service specific to reclaimed water, does that make sense?

Mr. Pietrangelo: No.

Mr. Walker: Alright, so previously the homeowners in the custom estates were paying debt service on District bonds, and that is the 80 at \$3,333 per unit.

Mr. Bladen: Right.

Mr. Walker: Then we decided to do the reclaimed water, so in addition to their \$3,333, they're now paying an additional \$1,192 per annum, specific to reclaimed water.

Mr. Pietrangelo: So they'll see approximately \$4,500.

Mr. Walker: Correct, for 69 of them, the balance that sits within the grand estates and parcel C, obviously they're not in the reclaimed water project, so that's the difference between your 80 and your 69.

Mr. Hernandez: And they pay in addition because of the benefit that they're obtaining.

Mr. Walker: Right.

Mr. Hernandez: If we were to try to present it differently it would be one acre estates, 11 units, that pay \$3,333, and then there would be a second line item showing 69 units that are paying roughly \$4,500.

Mr. Pietrangelo: What are those 11 units?

Mr. Hernandez: Well the part that I'm just trying to state is that within the one acres, you have 69 units that are paying the old debt, and those same 69 units that are paying for the cost of the reclaimed water.

Mr. Pietrangelo: Why the difference?

Mr. Walker: Because right here there is, the reclaimed water project only benefited these units here, on the customs, but these guys here which are number 11, they're excluded.

Mr. Pietrangelo: Ok.

Mr. Walker: And the \$1,192.34 represents total debt service, interest and principal.

Mr. Hernandez: Correct, total gross amount.

Mr. Walker: The carried forward surplus that's indicating the \$233,804, what does that represent?

Mr. Hernandez: The debt service reserve, it's the amount of money that the District needs to have and it needs to be carried every time the District does it, it's like a required amount of funds that needs to be set aside to secure the process.

Mr. Walker: Ok, so that goes into the debt service reserve fund.

Mr. Hernandez: It's being kept there and it keeps being carried forward.

Mr. Walker: Ok. I don't have any other questions.

Mr. Hernandez: Bob, any other questions?

Mr. Pietrangelo: Not right now.

Mr. Hernandez: After the meeting, just for you to know I will be here just to answer any other concerns you may have.

Mr. Pietrangelo: Who prepared the budget, did you?

Mr. Hernandez: My office, yes.

Mr. Pietrangelo: Ok your office.

Mr. Hernandez: I personally don't have the time unfortunately to do it, but I will be able to answer any concerns you may have, and as I indicated last time, any financial document is being made with the purposes of providing information for the end users. So anything that is required to provide to those who are involved to get an understanding of what is being done, we're open to go ahead and do it, unfortunately we are handling and dealing with a governmental entity and typically the way of disclosure of the items is a little bit different than private institutions, but we will do our best to present it in a format that fits you the best.

C. Consideration of Resolution #2016-02 Annual Appropriation Resolution

Mr. Hernandez: With that being said, and not hearing any other questions, I will be asking the board to move to the next section, it will be tab C of section III and it's consideration of the resolution. This is resolution #2016-02 and just trying to simplify what this resolution does, it takes the District's proposed budget and it makes it the District's adopted budget. So by adopting this resolution what the board will be doing is, basically taking this proposed and making it the District's now adopted budget. With that being said, unless there is any further discussion needed, a motion to approve resolution #2016-02 would be in order.

On MOTION by Mr. Walker seconded by Mr. Bladen with all in favor, Resolution #2016-02 the Annual Appropriation Resolution was approved.

D. Consideration of Resolution #2016-03 Levy of Non Ad Valorem Assessments

Mr. Hernandez: The next item for the board to consider which you will find in section D, is resolution #2016-03. What this resolution does it allows the District once again to levy the District assessments on the tax roll. So by approving resolution #2016-03 the board would be giving the powers to the District to once again levy on the Palm Beach County tax roll all the District's assessments.

On MOTION by Mr. Walker seconded by Mr. Bladen with all in favor, Resolution #2016-03 Levy of Non Ad Valorem Assessments was approved.

E. Motion to Close the Public Hearing

Mr. Hernandez: Unless anyone has any questions regarding the now adopted budget, a motion to close the public hearing would be in order.

On MOTION by Mr. Walker seconded by Mr. Bladen with all in favor, closing the Public Hearing was approved.

FOURTH ORDER OF BUSINESS

Ratification of Interlocal Agreement for Assignment of Property Data and Development of Annual Assessments for Palm Beach County Non Ad Valorem Assessment Districts

Mr. Hernandez: The next item for the board's consideration is ratification of the interlocal agreement for assignment with the Property Data and Development of Annual Assessments for Palm Beach County. This often is that counties will come back to the District every so often requiring them to update the agreement, and the agreement is the one that allows the District to levy through the county's tax bill process. The District has already executed it, it's part of the requirements for us to be able include the levy of assessments. At this point the recommendation from staff would be to ratify this interlocal agreement so that the District will be once again able to move forward with the levy of assessment.

Mr. Walker: And the agreement's term is an annual term?

Mr. Hernandez: It's not an annual term, but every two or three years they come back and it's based on, if you go to page 2 of the exhibit, it presents the rates and it's the fee that they will charging the District depending upon the total amount that is being levied.

Mr. Walker: Right.

Mr. Hernandez: All those costs have already been contemplated and included in the already adopted budget.

Mr. Walker: Ok, I'm sorry where is the fee?

Mr. Hernandez: If you keep going to exhibit 1, page 2.

Mr. Walker: Got it, and it's based on the assessment amount.

Mr. Hernandez: In the total amount, yes.

Mr. Walker: So it's \$150 or so is what they charge?

Mr. Hernandez: If it's \$50,000 or less, unless it progresses, there will be an increase in the amount.

Mr. Walker: Well that's based on assessment value?

Mr. Hernandez: The total assessment for the District, like in the District's case, based on the budget, and the resolution that we passed, the District is in the \$1,040,000 bracket, so we need to pay the county roughly \$1,500.

Mr. Walker: Ok, so \$1,500 total?

Mr. Hernandez: Yes.

Mr. Walker: Ok.

On MOTION by Mr. Walker seconded by Mr. Bladen with all in favor, ratifying the Interlocal Agreement for Assignment of Property Data and Development of Annual Assessments for Palm Beach County Non Ad Valorem Assessment Districts was approved.

FIFTH ORDER OF BUSINESS

**Acceptance of Audit for Fiscal Year
Ending September 30, 2015**

Mr. Hernandez: Moving on, we have included a copy of the District's audit for fiscal year ending September 30, 2015. I just want to indicate on the record that the only thing the District board is going to be doing is accepting this report. If anyone happens to have any questions, I will try to address that, but at the same time the part that is important is that this report is coming from the independent auditor that the District has hired, that being in this particular case Grau & Associates. With those statements being made, does anyone have any particular questions in regard to the audit? While people are glancing through the document, it's probably appropriate to indicate that an electronic copy of that has been passed on to the supervisors. I have read it, and what you have is a clean audit report for the District. What it shows is that the District's financials are in good standing condition as per what they have been able to check, and

at the same time, they are confirming that the District has fulfilled all the requirements as per the state, and that's basically the purpose and the reason of this report.

On MOTION by Mr. Walker seconded by Mr. Bladen with all in favor, accepting the audit for Fiscal Year ending September 30, 2015 was approved.

SIXTH ORDER OF BUSINESS Staff Reports

Mr. Hernandez: Moving on, we have Staff Reports, Bill?

A. Attorney

Mr. Capko: I'm very happy to report that we have not gotten you in any trouble in the last couple of months.

Mr. Reis: I do have a question for Bill.

Mr. Hernandez: Certainly.

Mr. Reis: And it may be a simple answer, I'm just not sure, the dedication of the corner clip to Palm Beach County, is that completed and finalized?

Mr. Capko: As far as I know. I've gotten no indication from the county, no follow up information, I have nothing.

Mr. Reis: So did they just record it themselves and it's done?

Mr. Capko: Well that's probably what happened, I'm kind of surprised they didn't provide us some notice that the action was confirmed, but I'll try to track down the individual county staff that sent us the request and see and make sure that's been done, but it wouldn't necessarily come back to our office.

Mr. Reis: I was just curious because again we haven't heard anything back from the county.

Mr. Hernandez: Just for you to know it's not surprising that the county reaches you only when they need your signature and then they forget about you. So not from the legal side but that's from the practical side of how typical business with the county is.

Are there any other questions for Mr. Capko? Not hearing any we can move to the next item.

B. Engineer

1) Status of Project

2) Engineers Report on Conditions of Lakes

Mr. Hernandez: Moving on, Oats?

Mr. Reis: Yes, as many of you know the construction of the reclaimed water has been going on now for a few months and we're getting at the tail end of it. I have some information here that some items are moving forward and we're getting close to completing the project. So Felix and Associates who is the mainline contractor installing the mainline, they're getting very close to finishing their portion of the job, we expect that in the next couple of weeks. Right now the mainline is 99% installed throughout the subdivision, they're making some final connections to the existing irrigation line today and they're completing a couple more of the welds that they have to do on the mainline but before they can do that they have to completely flush the line and so those several steps are happening in the next couple of weeks. I know there was some concern from homeowners because Felix and Associates had to come back and prune their properties after the original mainline was installed to actually weld the lines together and in order to do that had to dig up some fairly large holes in front of properties and I know that Bob's been fielding a few complaints from the homeowners. They are trying to restore those areas as best as possible if they're mainly sodded areas but they did commit to, after the project is complete to go back between the areas to re-establish itself to the original standards and fix those up. We are holding back 10% of the project which is about \$60,000 for a final walk through for acceptance of project, so we have some funds available if they don't re-establish those areas to our satisfaction. We also of course have a performance bond that we could use if we needed to perform that work ourselves.

Mr. Pietrangelo: Oats what do you mean by, they'll take care of the areas that are not right?

Mr. Reis: Well they dug up some fairly large holes, they of course restored those holes compacting the soil and then they re-laid the sod that they had pulled up, and in some cases those look fairly good, and in some cases they don't. So those areas where maybe they don't meet the homeowner's expectation, we'll have to remove that sod and actually plant new sod on top of that to create a finished look.

Mr. Pietrangelo: So they're prepared to replace the sod that doesn't come back.

Mr. Reis: Correct.

Mr. Pietrangelo: Ok,

Mr. Reis: And we also have a 1 year warranty on all their work.

Mr. Pietrangelo: What is this to be, what's this 1" meter?

Mr. Reis: I'll get to that shortly, so let me just continue with the schedule here. The pump station, the electrical work has been completed to upgrade the service to the pump station now that they've come last week. The pump has I believe has left Texas now and is on its way in a big semi-truck. It's scheduled to arrive Monday morning, if it does arrive Monday morning then the intent of Sullivan Electric is to remove the existing pump and install the new pump on Monday. The portion will be completed by Monday evening but they won't be able to run the irrigation yet because we have to upgrade a small section of the mainline from the pump house to the existing system. They've subcontracted Felix and Associates whose doing the rest of the mainline work to do that section. They're coming in on Tuesday to do that work, and then the intent is on Wednesday to tie everything together and that would be back operational by the end of Wednesday so there would be a 3 day period where we're not going to have any water available for the existing landscaping that is served by the pump station. Lee I believe has some backup watering tanks that are available if we need to use them, but if we get some good rain during those 3 days it may not be a problem. A lot of the landscaping that is served by this is established and can handle 3 or 4 days without rain, but some of the newer landscaping that's gone in recently and I don't know if you know where those areas would be that we may need to do a little bit of watering.

Mr. Bladen: Yes, well we're set up, and they're talking about doing some of the additional Old Palm Drive plantings that we're going to hold off on until after the pump station is set and we're up and running. The same thing out on Central Blvd., Eric had given us the ok to do that, it's all tied in by the same stuff, so we're just going to wait until after. We'll concentrate on the clubhouse and other issues.

Mr. Reis: So we're looking at the physical structure to be in place by the end of July, in the next 10 days. There's a period of pressure testing, and we have to get the as-builts and finalize all the permits so maybe another week to get all that before we're closed out with the Palm Beach Gardens permits and have the water available for the homeowners to contract out and make their connections. Now we've installed meter boxes on 69 properties and some of them have larger meters, 2" meters, some have 1 1/2" meters but the majority of them have 1" meters. Seacoast wanted some kind of mechanism that the homeowners can make the connection to our reclaimed water until they had obtained the permit and passed an inspection for the disconnect that they have to do at their line and prior to making the connection to our line. So in order to do that, the larger meters, the 2" and the 1 1/2" meters they can be locked with a padlock, and we've got them padlocks now to lock those. So we're going to go ahead and install the meters and everything but we're going to lock it shut so that the homeowners can't physically get water from us.

Mr. Walker: They can't steal the water, ok.

Mr. Reis: And the problem is not so much stealing, I don't think they're concerned about that, but it's that unless they make the physical disconnect from the potable water, there's a potential to contaminate the water system ultimately.

Mr. Walker: But that could remain locked, that meter, until someone connects through the association.

Mr. Reis: Right. The 1" meters we don't have the ability to lock those and so what we're going to do is we're going to not install the 1" meter.

Mr. Walker: Do you know approximately how many, or you said most of them are the 1"?

Mr. Reis: There are about 12 bigger meters, and the balance is 1".

Mr. Walker: Ok.

Mr. Reis: So the physical meter will sit in a box and there will be 50 some of those on a pallet, Lee is going to have a little section of his yard where we can store those, and so the box that's in the ground will actually have a gap in there, so the homeowner won't be able to get water from there because there's a 1 foot gap in the pipe.

Mr. Walker: The purpose of not putting in the meter is because Seacoast won't allow it because it doesn't lock or is that our internal decision?

Mr. Reis: That's our internal decision not to put it in because that does not allow the homeowner to get water from us without the meter in place.

Mr. Walker: Ok.

Mr. Reis: Unless we found some other way of blocking it.

Mr. Walker: Right because the only concern there is, if someone waits 5 years to request a hookup to the system these meters are going to be stored and who's going to be responsible for putting them in?

Mr. Reis: Right.

Mr. Walker: Well who's going to be responsible for putting them in now?

Mr. Reis: Well we have a couple of things that we can go to process that. The meter just slips in and ties in manually through like a sub-connection so the homeowner's plumber or irrigation contractor that's doing the connection could install it and then we could just give him the box and say install that. We can have Felix and Associates, but they would charge a fee to come from Stuart to come in and do the connection.

Mr. Walker: Right but currently in their contract the scope of services does include installing those meters today.

Mr. Reis: Yes if they weren't installed originally.

Mr. Pietrangelo: You described the connection process to me earlier, and I thought that was a bit, I'll say convoluted but it's going to require several steps.

Mr. Reis: Correct.

Mr. Pietrangelo: By leaving the meter off, we're making it even more difficult. Someone has to come out, cut off the current service, the second step would be to have somebody come in and say yes, disconnect it and provide some kind of a certification, then call the people back in and again to connect it, so we're adding 3 or 4 steps to this whole process.

Mr. Walker: So if our primary concern with the 1" meter is that someone can cheat the system potentially, is that it?

Mr. Reis: That they will be able to make a connection to our system.

Mr. Walker: And unauthorized connection to the system.

Mr. Reis: Right without a permit and without having proven that they severed the potable water from the system.

Mr. Walker: Right.

Mr. Bladen: Is Palm Beach Gardens looking for an inspection?

Mr. Reis: Yes, both Palm Beach Gardens and Seacoast are looking for inspections.

Mr. Bladen: To make sure that things are disconnected and things are connected properly.

Mr. Reis: Right.

Mr. Walker: And I'm kind of thinking the same way, should we just go ahead and install the meters now, the 1" meters.

Mr. Reis: We can go ahead and install the 1" meters.

Mr. Walker: Well the disadvantage of that is?

Mr. Reis: We'll have to add another valve at the end that we lock to the system so those 55 lots have some kind of locking mechanism.

Mr. Walker: And the purpose of the lock is?

Mr. Reis: So they can't open a valve so no water comes out until we come in there an unlock it.

Mr. Bladen: Until it's inspected and everything is done properly.

Mr. Walker: But is the concern more of going through the city and getting the proper permits and authorizations or is it someone utilizing water that they haven't paid for?

Mr. Reis: Payment is not the issue, it is the possibility that they'll unknowingly contaminate the water line because they don't completely disconnect the existing system.

Mr. Walker: Ok. So your guestimate if we were to go through the process of installing the meters with a lock off valve because they're not built with a lock off valve, the additional cost of that would be?

Mr. Reis: Not a lot of money.

Mr. Walker: Only because I'm concerned, how much, I'm sorry?

Mr. Reis: For 55 valves maybe it's \$150 per valve.

Mr. Walker: Right because the concern is, now we're storing these 50 odd meters, if we thought the project was going to be completed in the next 3 months because all the homeowners are going to sign up, I think it makes it a little bit more manageable, but if it takes 2 years because there are going to be some people that drag their feet, maybe they don't understand the process, or for whatever reason, then it is going to be, you have a process you're storing these meters, now the meter is now missing, and then the CDD would have to financially come up with the money to replace the meters that were stolen or lost, destroyed. I guess that's basically the concern, so if there is a path that makes it easier whereby we don't have to physically store a meter, or we don't have a gatekeeper for these meters, I think we should try to consider that.

Mr. Reis: Ok. That's fine we can add a valve to the end of our system that can be locked.

Mr. Walker: So you'd add a valve at each meter with a lock.

Mr. Reis: Right.

Mr. Walker: Ok.

Mr. Pietrangelo: So then if we do that then, well you mentioned another step that I wasn't aware of. Two entities have to inspect it.

Mr. Reis: That's correct.

Mr. Pietrangelo: So now I'm envisioning this taking a week to get our water system connected.

Mr. Reis: Well the process is, and I've basically delineated it here in item #3, is the homeowner has to first contract either a plumber or an irrigation contractor to make the connection.

Mr. Walker: Can I ask a question, like Felix, would they qualify, would they be interested in doing that work for the homeowners?

Mr. Reis: Sure.

Mr. Walker: Because it seems that the obvious is, and I don't know who orchestrates it but it's, everyone who wants to sign up, here's your sign up today, Felix here is 50 people, and then they all retain the one vendor and he knocks them all out at once.

Mr. Reis: That's fine but you know we don't necessarily need to be involved in that.

Mr. Walker: No.

Mr. Reis: Every homeowner has his own contractor that he's used to install it, to maintain it.

Mr. Bladen: Well the other part is that each house, the cost is going to be different.

Mr. Walker: Right, well he'd have to give a quote in essence to each of the 50 homeowners.

Mr. Bladen: Exactly because the disconnects are different.

Mr. Walker: Yes each one is different, but you're doing it all at once I guess is the big advantage, but you're saying that each of these homeowners already have an irrigation contractor that would be suitable for the most part.

Mr. Reis: Some may, but all of them had a contractor install their system.

Mr. Walker: Right, but then the guy has to go through the process of pulling permits, etc. which complicates it a little bit, I don't know of all irrigation guys are set up for that.

Mr. Reis: Right.

Mr. Pietrangelo: I'm sorry guys, I'm jumping around here, but we want a filter, where are they going to put a filter?

Mr. Reis: The filter will have to be on you property somewhere.

Mr. Pietrangelo: Well there's not much room, you mean a cartridge filter that gets replaced once in a while and you clean it?

Mr. Reis: It's a cartridge, a filter would be a good example and it doesn't get replaced because it's a mesh filter, so it just gets put in, but it needs to be cleaned.

Mr. Pietrangelo: Do we expect sediment through this water because we've been telling everybody they're not going to have this brown stain?

Mr. Reis: Yes, the stain is different.

Mr. Walker: That's more for debris.

Mr. Reis: The stain is normally that iron that you find in the wells, we're not going to have that, but basically you're using lake water to irrigate your irrigation. Now we do have a filter and it's a very good filter and that filter is fine enough to remove most of the sediment and good enough to operate say spray heads and rotors, but if the homeowner has a drip system, or small micro jets, they'll need a filter for that.

Mr. Pietrangelo: Are we saying they must have it, or they should have it?

Mr. Reis: They should have it.

Mr. Pietrangelo: Ok so they should have it, because I can envision it being, these things are not small, the ones I'm familiar with, they're 18" long, where would you put that on somebody's front lawn?

Mr. Walker: Is it something that's significant as that or is it just a mesh system that goes somewhere in the plumbing?

Mr. Reis: It's like Bob was describing, it's about 18" and it's not any smaller than the existing backflow preventer that's at each irrigation spot, so that would be a good place to put it. So every house has a backflow preventer for the irrigation that sits about 18" off the ground.

Mr. Walker: So it would just be adjacent to it.

Mr. Bladen: Exactly.

Mr. Reis: And you could even replace the backflow preventer because you don't need it anymore.

Mr. Walker: Ok.

Mr. Reis: But every irrigation contractor may have a different idea about how he wants to do that, and where he wants to put that.

Mr. Walker: And it's not mandatory from your standpoint as the CDD, it's our recommendation.

Mr. Reis: Right.

Mr. Walker: If someone just has regular sprinkler heads they're going to be ok, it's when you start getting into some of the more defined type of smaller applications.

Mr. Bladen: Right.

Mr. Reis: Right.

Mr. Bladen: Because the pump station comes through the sand filters, the backflush aerates so many hours, and so many gallons, so a lot of the trash is, we do very little cleaning when using these sand filters and this lake water for many years. So I'm just saying, once you get into the emitters and that kind of thing it's probably prudent to do it, but that's up to the homeowner.

Mr. Walker: Right.

Mr. Pietrangelo: I see this as complex, people are going to have to come and go, scheduling people to come in and inspect.

Mr. Reis: So this is the day to day work that every irrigation contractor does but they must pull a permit with the City of Palm Beach Gardens and they'll have to physically disconnect because right now their water main to the house T's off to their irrigation, they have to make physical disconnection, cut that line and cap that where the irrigation is at.

Mr. Walker: Can I ask a question, if we were to approach a Felix or someone else and just say, can you give us a quotation to do this for each of the 69 homes, individually, is that something that they would do that we could then turn over to someone that's going say, ok here's a signup sheet, here's Felix's price, check their response, and if you

don't sign up initially, then you're on your own, but it's the initial phase. The whole pitch is that everyone is going to sign up, and you're thinking that there's maybe 1 or 2, but Felix would have to be very specific to each homeowner. Like lot "X" this is your cost, here is your quotation, yes or no.

Mr. Pietrangelo: You would have to do without irrigation water for a time, it could be a day, but if it turns out to be weeks it could be a problem.

Mr. Reis: Well it's not weeks because again moving through the process here, once they pull the permits they can make the disconnection and call for an inspection. The inspection happens within a day, maybe two at the most and both Seacoast and Palm Beach Gardens would come at the same time to look at that, give the sign off.

Mr. Pietrangelo: You're assuming that, plus there's 69 homes, they don't do them all at once, and these guys are going to get tired of coming back.

Mr. Walker: Well if you did it in bulk.

Mr. Hernandez: It does make sense to try to do it all at once.

Mr. Impellittere: It's got to be better for Palm Beach Gardens to come all at once and do it. I think we need a coordination of both of those.

Mr. Pietrangelo: Absolutely.

Mr. Walker: But there's no guarantee and obviously we're not permitted as a District to do anything on anyone's property line, so we could only make a suggestion which would be, you could just ask Felix to come up with a proposal and present it and then maybe Eric could then disseminate it to the homeowners or something, I don't know.

Mr. Pietrangelo: For me, I would like to see the community people give out instructions on how to do this, we need to finalize these procedures and send them to people.

Mr. Walker: But if you were retaining a Felix, the homeowner is just going to have to sign their proposal and then write a check.

Mr. Hernandez: Correct.

Mr. Walker: They're not going to have to do anything else because they don't need to give access other than through the front.

Mr. Pietrangelo: They can remove the backflow preventer?

Mr. Reis: Yes.

Mr. Pietrangelo: Well we should tell them that, because that's going to eliminate the equipment that's visible, it's a reasonable tradeoff.

Mr. Bladen: So does the homeowner in this scenario have the ability to contract with his own contractor?

Mr. Walker: Sure, we're just trying help the process, we're not going to make it mandatory for anyone to sign up, and we don't have any traction, there's 10 people, there's 10 people, if it's all 69, great, if not, you're basically on your own after that.

Mr. Pietrangelo: They could even do it twice, two rounds of it in case people are out of town.

Mr. Walker: Right.

Mr. Bladen: Does Felix do that kind of small stuff?

Mr. Reis: They partnered up with Horizon Irrigation.

Mr. Walker: Right so if it's not Felix, it's Horizon or it's someone else.

Mr. Pietrangelo: That's a great idea Gary, because I envision all kinds of confusion.

Mr. Walker: Yes I think if we were to give this list to a homeowner that Bob would be getting a lot of calls.

Mr. Reis: We're glad to coordinate as much of that work as required, we just need some direction.

Mr. Walker: Right, so I think we should, I think the first step is to contact one or two of these vendors and ask them to give a proposal, soup to nuts that's going to be paid by the homeowner, they have to understand that. So they need to give a proposal for each homeowner, and we'll in essence just organize it for them.

Mr. Pietrangelo: If they are doing them in bulk, it should save money.

Mr. Walker: Yes it should save the homeowner money and the whole process is that much easier, and they could phase it obviously if everyone was interested, they obviously can't do all 69 at the same time.

Mr. Pietrangelo: Can we get, Eric could you communicate what we want to do to the homeowners in some way?

Mr. Walker: After we leave here I'll get with United and see how they can help us with the process.

Mr. Pietrangelo: Ok.

Mr. Oto: And we can definitely email them, we probably have a list of all the custom homes that you can send to.

Mr. Walker: Right.

Mr. Reis: So does anyone have any idea how many people want to connect right away?

Mr. Walker: You would think it's everybody.

Mr. Pietrangelo: 68 for sure.

Mr. Walker: Bob thinks it's everyone except maybe one person.

Mr. Reis: In the next 3 months.

Mr. Walker: Well there's no reason why they wouldn't do it now, there's no reason to wait. Here's the interesting thing from a homeowner's standpoint, irrespective if they hook up or not, they're pretty much paying, so they'll save, and what did we say, they save maybe \$15 a month if they do not hook up.

Mr. Bladen: Well that's whatever they save on their water bill.

Mr. Walker: Exactly, so we're going to charge the, their charge is \$140 if they hook up a month, or \$115 if you do not hook up, so there's really no incentive for someone not to hook up to the system. They already paid for the infrastructure, and they're going to in essence pay the operating costs irrespective if they're a part of it or not. So I'm not sure why someone would not want to hook up but I would expect that a majority of the homeowners, as long as we contact them, would be interested. It makes it a lot easier for everyone because then it's not this ongoing process.

Mr. Reis: Well once again, with the city it makes it a lot easier if the same company comes in and has all the paper exactly how it's going to be hooked up.

Mr. Walker: Yes and so I think the key is for you to go to one or two vendors and ask them for a very specific proposal for each lot. So they're going to have to go out there and survey it, and they're going to have to look at that very specific lot and determine, this guy is \$1,000, this guy is \$1,500, this guy is \$200, is that fair? Then I'll get with Eric and we'll figure out how we can coordinate it through United.

Mr. Pietrangelo: That sounds great.

Mr. Reis: And these steps still have to be followed.

Mr. Walker: Yes, because I think a homeowner will struggle, even though it's relatively simple, and hopefully they would just turn it over to their irrigation guy, but then I don't know if all irrigation guys are going to be walking permits through Palm Beach Gardens.

Mr. Pietrangelo: Believe me if all 69 people do it independently it's going to be a nightmare, schedule the inspectors to come in.

Mr. Hernandez: There is a larger potential to have issues I would completely agree.

Mr. Walker: Right, and you have 69 potential people asking you questions as opposed to one contractor. Alright.

Mr. Reis: I did add just a couple of things for us to consider. As we become the Old Palm Utility Company, Inc. or whatever we're going to name ourselves, keeping track of who's connected or not, and who gets an extra bill and who doesn't.

Mr. Walker: Right and I think that's going to be a part of United's service because currently in our budget that we presented to homeowners and that were approved, we did indicate this is for the 69 individuals, this is going to be your association bill if you connect and here's your association bill if you do not. So once we say to United, go ahead and send out that first billing, the thing I've got to check with United is, are they permitted to bill for the work, and if Felix says it's \$1,000 for this homeowner, can United

then go ahead and just bill it through the association bill, I don't know if they can. We certainly can do this because this is part of our approved budget.

Mr. Bladen: Rather than 69 checks going in.

Mr. Walker: Right, so that's a piece that we'll have to check out.

Mr. Hernandez: Right.

Mr. Reis: Our irrigation system is shared between the HOA and the 69 homeowners when that pump runs. We have measuring tools there to be able to tell how much water is being used by the homeowners versus the HOA, so I don't know how that's going to work.

Mr. Walker: That's going to be the driver for the electricity bill and maintenance and such on that pump.

Mr. Reis: Right.

Mr. Bladen: So there's two meters, correct me if I'm wrong, one where it ties in by the fountain, and one where it ties in by Charisma, so those will be read and then subtracted from the overall bill when we bill the HOA for water, you'll have a gallonage for the common area and a gallonage for the others.

Mr. Walker: Correct, so we'll know what our reclaimed water gallons are and what are common area water is, and then there's going to be certain expenses that we're going to allocate, for example the electricity for the pump, repairs and maintenance on the pump.

Mr. Reis: Right, the reservation fees.

Mr. Walker: Yes well the reservation fees are specific to that agreement for the 430,000 gallons for 69 homes, so that part itself I think we'll work through that with United.

Mr. Reis: And when Lee says the meters will be read, we need to determine who actually specifically does that.

Mr. Walker: Right so currently someone reads it for the common area today right?

Mr. Bladen: Every day.

Mr. Walker: And that's done by?

Mr. Bladen: My people go in there and it's logged every day, pump motor, hours and gallons.

Mr. Walker: So Lee's department in theory has an agreement with United and he's providing a landscape maintenance service and as part of that service they will read our irrigation meters, and these are all good points because we're going to make sure we include this when we come up with our budgeting methodology.

Mr. Reis: Ok we have slightly more sophisticated meters that we're putting in now that you can download the information and it will actually give you a daily rate.

Mr. Walker: Our meters now?

Mr. Bladen: The ones that are being installed.

Mr. Reis: The ones we're putting in the ground now.

Mr. Walker: And where does that feed back to though?

Mr. Reis: Well it would be to someone's laptop.

Mr. Walker: And it will do that now?

Mr. Bladen: Yes it will do that now once they're hooked up, I'm sure yes.

Mr. Walker: So we get like a reading every day?

Mr. Bladen: So at each one of these caps that they're making right now.

Mr. Walker: But that's for the two main meters?

Mr. Bladen: Yes.

Mr. Reis: Correct.

Mr. Walker: Ok so reading the meter is relatively easy, it could even go directly to our accounting department.

Mr. Bladen: Yes.

Mr. Walker: Ok. Well Lee keeps track of all those logs because recognizing that obviously the reclaimed water is coming out of one lake, or it's coming out of the lake, so it's really something that has to be managed in theory basically jointly managed.

Mr. Hernandez: Exactly.

Mr. Walker: Alright.

Mr. Reis: When it comes to paying their bills and stuff.

Mr. Walker: That would be done by United.

Mr. Reis: Maintaining the funds for maintenance, replacement?

Mr. Walker: Right, so I'll get with United and I would make sure that it's part of their accounting system, they have the mechanism where they're really keeping track of these funds because it really is somewhat of a separate fund within their budgets.

Mr. Reis: And I suppose United could have on call, or have contracts with the pump companies, plumbers or anything like that if something needs to be fixed or maintained, or an emergency.

Mr. Walker: Right, so United will put that as part of the scope of services of Mr. Lee Bladen's department.

Mr. Reis: Then the final thing is something we kind of know when we went through the construction is the utility locates. When a homeowner wants to dig something up in the front of his house he calls A-1-1, or his contractor A-1-1, there's a database at the Sunshine Agency, the state run agency keeps of all the lines that are in that area. They send information to AT&T and FPL saying someone is wanting to dig a hole in front of Bob's house, so they come out and they spray and mark where all the lines are, and we don't really have a system now for our golf course lines that run out there or our reclaimed water line now that runs throughout there. So no one will go out there to actually flag that line, which opens us to the possibility of someone hitting their line.

Mr. Bladen: Well I was under the impression there's a tracer wire on the mainline.

Mr. Reis: Right, but when someone calls A-1-1, you won't know that.

Mr. Bladen: Right.

Mr. Reis: Or we won't get that information, so we can become a member of that database, there's an administrative fee and then we would get charged \$1 for every time.

Mr. Walker: What's the approximate fee? You pay an administrative fee to sign up?

Mr. Reis: Yes.

Mr. Walker: And then you pay every time they come out, it seems like we would have to, unless it's something completely insane, the cost, because who else is going to be able to do that.

Mr. Reis: And so when they call A-1-1 it will show up that Paul has reclaimed water there and they'll direct to wherever we want them to.

Mr. Walker: But currently it must be with our water and sewer pipes, etc.

Mr. Reis: Well if it's Seacoast, they get the notification.

Mr. Walker: Ok.

Mr. Reis: FPL gets a notification.

Mr. Bladen: And AT&T.

Mr. Pietrangelo: They put tracer lines on all the black line, but are we going to do that on the connects to our sprinkler systems?

Mr. Reis: No.

Mr. Walker: It's not typical of having that on your lot, or any irrigation system, tracer lines.

Mr. Pietrangelo: But there will be a pipe from the box to the connection, right?

Mr. Reis: Right and then it's just across streets, all perpendicular.

Mr. Pietrangelo: No I meant on the property.

Mr. Reis: On the property, that's your responsibility.

Mr. Pietrangelo: But what I'm saying is, should they put a tracer on the pipe used to connect to the system?

Mr. Walker: Would it be an additional something that a homeowner as part of our lists of things they should do, does one of them include a tracer wire for a certain portion of their plumbing and then how would that tie in?

Mr. Reis: Well we can but typically that's not done inside the homeowner's property. For example if you dig something by your pool, you may hit a sprinkler there, and no one is coming out there.

Mr. Walker: And on the homeowner's side, that's not within an easement area or anything like that?

Mr. Reis: No.

Mr. Hernandez: It's within private property.

Mr. Walker: Right, it's all private property, so that probably would not be, unfortunately, a part of the scope. It's like any other plumbing, like Oats said, all your pool plumbing and such, none of that is. So how would we go about finding out the cost of that service, is that something that you will organize?

Mr. Reis: Yes I can do that.

Mr. Walker: Ok.

Mr. Reis: And then the question is, now someone gets a notification from A-1-1, who's actually going to go out there and flag it, is it going to be Lee's group through United or there are third parties that do that too?

Mr. Walker: Well we'd have to ask Mr. Bladen if he will accept that scope and if he's qualified. If it's not something we typically do we'd just go to a third party.

Mr. Bladen: We have a tough time locating existing pipe that's in the ground only because there isn't a tracer wire, but I don't think that we want to do that.

Mr. Walker: If you don't typically do it, then we'd use a third party.

Mr. Bladen: Because here's what happens, if it's located wrong, then I have to go find it, and then I have to dig it up.

Mr. Walker: Right, so we'll use a third party, so you can list that out for us, the cost to sign up with A-1-1 service and who we would contact.

Mr. Reis: Right.

Mr. Walker: So that would be all inclusive, someone just dials that one number.

Mr. Bladen: Yes.

Mr. Walker: That makes sense.

Mr. Reis: That's my report. I see that I have something about the lake report, I didn't really have that.

Mr. Hernandez: I included the copy of the latest one that you provided just for the board to have a copy. Part of what needs to be said is that at the last meeting you were asked to provide that information to the homeowners, and as you provided the District

with that I just included it so that it would be part of today's meeting records. Does anyone have any questions for Oats?

Mr. Walker: No, thanks very much.

Mr. Hernandez: Not hearing anything we can move to the next item.

C. Manager

1) Consideration of Proposed Fiscal Year 2017 Meeting Schedule

2) Discussion of Financial Disclosure Report from the Commission on Ethics

3) Ratification of Change Order Request

Mr. Hernandez: As for the manager's report, the first item that I need to ask the board for consideration would be the proposed fiscal year for the 2017 meeting schedule. What we have presented is the same schedule as we have this year, those being the meetings on the third Thursday of each month at 11:00 a.m. at the Sales Center office, and based on that we have indicated all the dates where the third Thursday of each month falls, and this would be the time to make any changes if that's what the board wants to do. If not, a motion to approve the proposed fiscal year 2017 meeting schedule would be in order, and by approving that you will be authorizing the District to advertise it.

On MOTION by Mr. Walker seconded by Mr. Bladen with all in favor, accepting the proposed Fiscal Year 2017 Meeting Schedule and authorizing staff to advertise was approved.

Mr. Hernandez: Moving on the next item would be discussion of the financial disclosure. The part that I need to report is that currently everybody has filed, there was one person who was missing in the report of the copy that was included in your agenda, but at this point we confirmed and doubled check this morning and everybody has filed. The last item that I have, and I included a copy of an email, and it's just for keeping the board posted, there was a change order as part of the processing of the project that we currently have and in that change order the total amount was \$43,600 and that amount has been authorized to move forward and since the beginning of the project it has already been said and discussed that this unforeseen additional expenditure is basically

the normal thing. At this point this amount has been presented by the District engineer and has been discussed with the District's chairman, and once all that has been explained and accepted as needed, I'm just keeping the board posted that it's taking place. All this amount is being covered within the same cost as originally being anticipated, it's just additional work that was needed for the project. With that being said, unless anyone has any questions for me, we can move to the next item.

Mr. Bladen: There was another change order also, correct?

Mr. Hernandez: This is the second one, yes.

Mr. Bladen: Ok.

SEVENTH ORDER OF BUSINESS Financial Reports

A. Approval of Check Register

B. Balance Sheet and Income Statement

Mr. Hernandez: Moving on, the next item that we have is Financial Reports that you will find in section 7. Tab A contains the check register and tab B has the balance sheet and income statement. Unless anyone has any questions in regard to the financials, a motion to approve would be in order.

Mr. Walker: So just so I understand, as it relates to the reclaimed water project, the general fund has paid out \$91,921?

Mr. Hernandez: Yes.

Mr. Walker: So we haven't processed any payments yet?

Mr. Hernandez: They had 3 requisitions being process recently.

Mr. Walker: Ok, so we really haven't made any significant payments.

Mr. Hernandez: No.

Mr. Walker: Ok.

Mr. Reis: I'm sorry, excuse me, what's the question again?

Mr. Hernandez: If there have been any requisitions being process, and I said that yes there have been, but it was after May 31st, which is the time of these financials.

Mr. Reis: Ok, so in June there were several large invoices that were paid, but they're not reflected on this.

Mr. Walker: Ok.

On MOTION by Mr. Walker seconded by Mr. Bladen with all in favor, the Check Register, Balance Sheet and Income Statement were approved.

**EIGHTH ORDER OF BUSINESS Supervisors Request and
Audience Comments**

Mr. Hernandez: Moving on, are there any supervisors requests? Not hearing any, are there any audience comments?

Mr. Pietrangelo: Yes, what's happening with the composition of the board?

Mr. Hernandez: Nothing will change until November. In November there is going to be a landowners election and at that point property owners will have the ability to vote for the one seat that they can elect who they want to appoint. Out of the two seats that are general elections, it is my understanding and we have not received from the county the final results, but it is my understanding that only one individual from the community went and ran for seat #4, who is Mr. Daniel Roberts.

Mr. Walker: So only one of the two seats?

Mr. Hernandez: Yes.

Mr. Walker: So is it too late for someone else to run?

Mr. Hernandez: As far as when I checked it, and don't quote me, but now what the District is doing is waiting, the Supervisor of Elections will be sending a letter to the District identifying who has run, if anyone, and indicating what the end result was of that process. So far when I looked at it, we see only one individual has run for one seat, and that would mean that the other seat would be, no one qualified for that seat, and it will be vacant after the November election and District counsel will be guiding the board as to what process needs to be taken to appoint someone to that vacant seat.

Mr. Pietrangelo: Ok so at that point they can just appoint somebody.

Mr. Hernandez: The Board of Supervisors will be appointing someone.

Mr. Walker: The Board of Supervisors they have to appoint someone though that is a citizen of the District?

Mr. Hernandez: Yes, and since it's the general election seat, you need to appoint someone.

Mr. Walker: Ok so that could be a homeowner, someone who lives here?

Mr. Hernandez: Yes. If no one qualifies, they could have a holdover by an individual that understands that they are going to hold the position until someone qualifies.

Mr. Walker: So the holdover will be someone that potentially is not a homeowner.

Mr. Hernandez: That's exactly right.

Mr. Walker: The preference is a homeowner but if no one steps up.

Mr. Hernandez: That's exactly right sir.

Mr. Pietrangelo: The registration window though was only 3 days back in June?

Mr. Hernandez: It was 5 days starting June 20th to the 24th, it started at 12:00 noon, and ended at 12:00 noon. So whoever wanted to go from Monday to Friday, they had it opened for that period for them to go and register, and as I said, based on my research, I only found one individual who has qualified.

Mr. Walker: So the risk there is for someone that wanted to participate in the process and missed it is that multiple individuals are interested and it would then be a board decision.

Mr. Hernandez: Correct.

Mr. Walker: Ok.

Mr. Hernandez: Are there any other questions?

Mr. Walker: One other thing though, it's two general election seats, but then one is a landowner seat as well.

Mr. Hernandez: Yes. Property owners will come, they will have one vote per unit.

Mr. Walker: Right so technically if the homeowners were interested in gaining three seats they could because obviously the developer only controls a handful of lots now.

Mr. Hernandez: Yes.

Mr. Walker: So they would obviously have a majority vote.

Mr. Hernandez: That's correct, that's the condition that the District is facing at this point.

Mr. Walker: And the cut off as far as ownership is when? It goes through what date? As far as how many lots the developer controls?

Mr. Capko: It would be as of the date of the landowners meeting.

Mr. Walker: Ok. So naturally we would have expected three seats to go to homeowners.

Mr. Hernandez: That was my expectation.

Mr. Walker: Ok.

NINTH ORDER OF BUSINESS Adjournment

Mr. Hernandez: Unless there are any other questions, or unless you have any other District items to discuss, a motion to adjourn would be in order.

On MOTION by Mr. Walker seconded by Mr. Bladen with all in favor, the Meeting was adjourned.

Secretary / Assistant Secretary

Chairman / Vice Chairman



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August 1, 2016

Board of Supervisors
Attn: Patti Powers
Old Palm Community Development District
5385 N. Nob Hill Road
Sunrise, FL 33351

We are pleased to confirm our understanding of the services we are to provide Old Palm Community Development District, Palm Beach County, Florida ("the District") for the fiscal year ended September 30, 2016. We will audit the financial statements of the governmental activities, including the related notes to the financial statements, which collectively comprise the basic financial statements of Old Palm Community Development District as of and for the fiscal year ended September 30, 2016. In addition, we will examine the District's compliance with the requirements of Section 218.415 Florida Statutes. This letter serves to renew our agreement and establish the terms and fee for the 2016 audit.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary comparison schedule

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the financial statements is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Examination Objective

The objective of our examination is the expression of an opinion as to whether the District is in compliance with Florida Statute 218.415 in accordance with Rule 10.556(10) of the Auditor General of the State of Florida. Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and will include tests of your records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon completion of our examination of the District's compliance. The report will include a statement that the report is intended solely for the information and use of management, those charged with governance, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the District's compliance is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the examination or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

Management Responsibilities

Management is responsible for the financial statements and all accompanying information as well as all representations contained therein. Further, management is responsible for compliance with Florida Statute 218.415 and will provide us with the information required for the examination. The accuracy and completeness of such information is also management's responsibility. As part of the audit, we will assist with preparation of your financial statements and related notes in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. In addition, you will be required to make certain representations regarding compliance with Florida Statute 218.415 in the management representation letter. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. As part of our engagement, we may propose standard adjusting, or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of the proposed entries and the impact they have on the financial statements.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to using the audit's report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Grau & Associates and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant or oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Grau & Associates personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. Notwithstanding the foregoing, the parties acknowledge that various documents reviewed or produced during the conduct of the audit may be public records under Florida law. The District agrees to notify Grau & Associates of any public record request it receives that involves audit documentation.

Our fee for these services will not exceed \$4,000 for the September 30, 2016 audit, unless there is a change in activity by the District which results in additional audit work or if additional Bonds are issued.

We will complete the audit within prescribed statutory deadlines, with the understanding that your employees will provide information needed to perform the audit on a timely basis.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Invoices will be submitted in sufficient detail to demonstrate compliance with the terms of this agreement. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate.

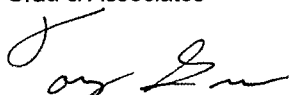
This agreement may be renewed each year thereafter subject to the mutual agreement by both parties to all terms and fees. The fee for each annual renewal will be agreed upon separately.

We will provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2013 peer review report accompanies this letter.

We appreciate the opportunity to be of service to Old Palm Community Development District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Grau & Associates



Antonio J. Grau

RESPONSE:

This letter correctly sets forth the understanding of Old Palm Community Development District.

By: _____

Title: _____

Date: _____



PEER REVIEW PROGRAM

is proud to present this

Certificate of Recognition

to

GRAU & ASSOCIATES

For having a system of quality control for its accounting and auditing practice in effect for the year ended June 30, 2013 which has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA, and which was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.

A handwritten signature in cursive script, reading "Rick Reeder", written over a horizontal line.

**Rick Reeder, Chair
AICPA Peer Review Board
2013**

**Old Palm
Community Development District**

Summary of Invoices

September 15, 2016

Fund	Date	Check No.s	Amount
<i>General</i>	08/05/16	764-769	\$ 7,915.33
	09/07/16	770-775	\$ 72,340.77
Total Invoices for Approval			\$ 80,256.10

CHECK DATE	VEND#	INVOICE DATE	INVOICE	EXPENSED TO YRMO	DPT ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
8/05/16	00006	6/30/16	216411	201606	310-51300	31101			*	2,525.00		
			JUN 2016 - IRR.DESIGN									
		6/30/16	216411	201606	310-51300	31100			*	413.14		
			JUN 2016 - EXPENSES									
BOWMAN CONSULTING GROUP LTD											2,938.14	000764
8/05/16	00007	7/12/16	5-477-83	201607	310-51300	42000			*	14.66		
			DELIVERIES THRU 07/12/16									
FEDEX											14.66	000765
8/05/16	00009	8/01/16	142	201608	310-51300	34000			*	2,994.83		
			AUG 16-MGMT FEES									
		8/01/16	142	201608	310-51300	35100			*	83.33		
			AUG 16-COMPUTER TIME									
		8/01/16	142	201608	310-51300	49500			*	41.67		
			AUG 16-WEBBSITE ADMIN									
		8/01/16	142	201608	310-51300	51000			*	20.00		
			AUG 16-OFFICE SUPPLIES									
		8/01/16	142	201608	310-51300	42000			*	14.20		
			AUG 16-POSTAGE									
		8/01/16	142	201608	310-51300	42500			*	188.80		
			AUG 16-COPIES									
GOVERNMENTAL MANAGEMENT SERVICES -											3,342.83	000766
8/05/16	00002	7/11/16	WGC-1136	201606	310-51300	31500			*	914.50		
			JUN 16 - GENERAL COUNSEL									
LEWIS, LONGMAN & WALKER, P.A											914.50	000767
8/05/16	00003	7/05/16	597856	201606	310-51300	48000			*	488.48		
			NOTICE OF PUBLIC HEARING									
		9/06/16	1227183	201609	310-51300	48000			*	216.72		
			NOTICE OF MTG 09/06/16									
PALM BEACH NEWSPAPERS, INC											705.20	000768
8/05/16	00028	6/06/16	1068	201606	320-53800	46000			*	750.00		
			REPAIR DAMAGED 6"ADS									
PJ NICHOLS BACKHOE SERVICES, INC.											750.00	000769
9/07/16	00006	7/31/16	218361	201607	310-51300	31100			*	825.00		
			JUL 16 - ENGINEERING SVCS									
		7/31/16	218361	201607	310-51300	31101			*	3,820.57		
			JUL 16 - IRRIGATOIN DESGN									
BOWMAN CONSULTING GROUP LTD											4,645.57	000770
9/07/16	00021	8/26/16	4847	201608	300-15500	10000			*	32,013.00		
			INSURANCE FY2017									
EGIS INSURANCE & RISK ADVISORS											32,013.00	000771

OLDP --OLD PALM-- PPOWERS												

*** CHECK DATES 07/08/2016 - 09/08/2016 ***

OLD PALM CDD - GENERAL FUND
BANK A OPERATING ACCOUNT

CHECK DATE	VEND#	INVOICE DATE	INVOICE	EXPENSED TO YRMO	DPT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
9/07/16	00009	9/01/16	143	201609	310	51300	34000			*	2,994.83		
			SEP 16	-	MGMT FEES								
9/01/16		9/01/16	143	201609	310	51300	35100			*	83.33		
			SEP 16	-	COMPUTER TIME								
9/01/16		9/01/16	143	201609	310	51300	49500			*	41.67		
			SEP 16	-	WEBSITE ADMIN								
9/01/16		9/01/16	143	201609	310	51300	42000			*	4.95		
			SEP 16	-	POSTAGE								
9/01/16		9/01/16	143	201609	310	51300	42500			*	26.10		
			SEP 16	-	COPIES								
9/01/16		9/01/16	143	201609	310	51300	41000			*	2.69		
			SEP 16	-	TELEPHONE								
GOVERNMENTAL MANAGEMENT SERVICES -											3,153.57	000772	
9/07/16	00002	8/05/16	114156	201607	310	51300	31500			*	1,829.00		
			JUL 16	-	GENERAL COUNSEL								
LEWIS, LONGMAN & WALKER, P.A											1,829.00	000773	
9/07/16	00012	9/07/16	TAX REC	201609	300	20700	10100			*	7,767.76		
			TRANSFER OF TAX RECEIPTS										
OLD PALM CDD C/O US BANK											7,767.76	000774	
9/07/16	00012	9/07/16	TAX REC	201609	300	20700	10100			*	22,181.87		
			TRANSFER OF TAX RECEIPTS										
OLD PALM CDD C/O US BANK											22,181.87	000775	
TOTAL FOR BANK A											80,256.10		
TOTAL FOR REGISTER											80,256.10		

OLD PALM
COMMUNITY DEVELOPMENT DISTRICT
COMBINED BALANCE SHEET

July 31, 2016

	<u>Governmental Fund Types</u>			Totals
	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>(Memorandum Only) 2016</u>
<u>ASSETS:</u>				
Cash	\$73,442	---	---	\$73,442
Investments:				
State Board	\$120,332	---	---	\$120,332
<u>Series 2015</u>				
Reserve	---	\$100,101	---	\$100,101
Interest	---	\$0	---	\$0
Revenue	---	\$225,194	---	\$225,194
Construction	---	---	\$560,210	\$560,210
Cost of Issuance	---	---	\$1	\$1
Due from General Fund	---	\$29,950	---	\$29,950
Due from Capital	\$84,767	---	---	\$84,767
TOTAL ASSETS	<u>\$278,540</u>	<u>\$355,244</u>	<u>\$560,211</u>	<u>\$1,193,996</u>
<u>LIABILITIES:</u>				
Accounts Payable	\$11,580	---	\$20,000	\$31,580
Due to General	---	---	\$84,767	\$84,767
Due to Debt Service	\$29,950	---	---	\$29,950
<u>FUND BALANCES:</u>				
Reserved for Debt Service	---	\$355,244	---	\$355,244
Reserved for Capital Projects	\$120,332	---	\$455,445	\$575,776
Unreserved	\$116,678	---	---	\$116,678
TOTAL LIABILITIES & FUND EQUITY & OTHER CREDITS	<u>\$278,540</u>	<u>\$355,244</u>	<u>\$560,211</u>	<u>\$1,193,996</u>

OLD PALM
COMMUNITY DEVELOPMENT DISTRICT

GENERAL FUND

Statement of Revenues & Expenditures

For The Period Ending July 31, 2016

	ADOPTED BUDGET	PRORATED BUDGET THRU 7/31/16	ACTUAL THRU 7/31/16	VARIANCE
REVENUES:				
Maintenance Assessments	\$132,756	\$132,756	\$135,206	\$2,450
Transfer from Reserves	\$0	\$0	\$0	\$0
Interest Income	\$0	\$0	\$500	\$500
TOTAL REVENUES	\$132,756	\$132,756	\$135,707	\$2,951
EXPENDITURES:				
ADMINISTRATIVE:				
Engineering	\$15,000	\$12,500	\$10,011	\$2,489
Arbitrage	\$1,250	\$1,250	\$1,200	\$50
Dissemination	\$5,000	\$4,167	\$0	\$4,167
Assessment Roll	\$2,150	\$2,150	\$2,300	(\$150)
Attorney	\$15,000	\$12,500	\$1,826	\$10,674
Annual Audit	\$3,800	\$3,800	\$3,800	\$0
Trustee Fees	\$9,000	\$0	\$0	\$0
Management Fees	\$35,938	\$29,949	\$29,948	\$0
Computer Time	\$1,000	\$833	\$833	\$0
Telephone	\$100	\$83	\$20	\$63
Postage	\$500	\$417	\$224	\$193
Printing & Binding	\$750	\$625	\$768	(\$143)
Insurance	\$10,429	\$10,429	\$10,197	\$232
Legal Advertising	\$4,000	\$3,333	\$1,004	\$2,329
Other Current Charges	\$500	\$417	\$238	\$179
Website Administration	\$500	\$417	\$417	(\$0)
Office Supplies	\$100	\$83	\$113	(\$30)
Dues, Licenses, Subscriptions	\$175	\$175	\$175	\$0
Contingency	\$1,000	\$833	\$0	\$833
FIELD:				
Property Insurance	\$25,743	\$25,743	\$21,627	\$4,116
Repairs & Maintenance	\$5,343	\$4,453	\$4,585	(\$133)
Contingency	\$10,000	\$8,333	\$0	\$8,333
Deferred Expenses	\$0	\$0	\$46,186	(\$46,186)
TOTAL EXPENDITURES	\$147,278	\$122,490	\$135,473	(\$12,983)
EXCESS REVENUES (EXPENDITURES)	(\$14,522)		\$234	
FUND BALANCE - Beginning	\$33,051		\$236,776	
FUND BALANCE - Ending	\$18,529		\$237,010	

OLD PALM
COMMUNITY DEVELOPMENT DISTRICT

DEBT SERVICE FUND - SERIES 2015

Statement of Revenues & Expenditures

For The Period Ending July 31, 2016

	<u>ADOPTED BUDGET</u>	<u>PRORATED THRU 7/31/16</u>	<u>ACTUAL THRU 7/31/16</u>	<u>VARIANCE</u>
REVENUES:				
Special Assessments	\$904,251	\$904,251	\$920,756	\$16,505
Interest Income	\$0	\$0	\$595	\$595
TOTAL REVENUES	<u>\$904,251</u>	<u>\$904,251</u>	<u>\$921,351</u>	<u>\$17,100</u>
EXPENDITURES:				
Series 2015				
Interest - 11/1	\$81,584	\$81,584	\$81,584	\$0
Interest - 5/1	\$225,925	\$225,925	\$225,925	\$0
Principal - 5/1	\$454,000	\$454,000	\$454,000	\$0
TOTAL EXPENDITURES	<u>\$761,509</u>	<u>\$761,509</u>	<u>\$761,509</u>	<u>\$0</u>
OTHER SOURCES/(USES):				
Interfund Transfer In	\$0	\$0	\$0	\$0
TOTAL OTHER	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
EXCESS REVENUES (EXPENDITURES)	<u>\$142,742</u>		<u>\$159,842</u>	
FUND BALANCE - Beginning	\$90,645		\$195,402	
FUND BALANCE - Ending	<u>\$233,387</u>		<u>\$355,244</u>	

OLD PALM
COMMUNITY DEVELOPMENT DISTRICT

CAPITAL PROJECTS FUND - SERIES 2015

Statement of Revenues & Expenditures

For The Period Ending July 31, 2016

	<u>ADOPTED BUDGET</u>	<u>PRORATED THRU 7/31/16</u>	<u>ACTUAL THRU 7/31/16</u>	<u>VARIANCE</u>
REVENUES:				
Interest Income	\$0	\$0	\$1,011	\$1,011
TOTAL REVENUES	<u>\$0</u>	<u>\$0</u>	<u>\$1,011</u>	<u>\$1,011</u>
EXPENDITURES:				
Improvements	\$0	\$0	\$495,078	(\$495,078)
Cost of Issuance	\$0	\$0	\$9,852	(\$9,852)
TOTAL EXPENDITURES	<u>\$0</u>	<u>\$0</u>	<u>\$504,930</u>	<u>(\$504,930)</u>
OTHER SOURCES/(USES):				
Interfund Transfer Out	\$0	\$0	(\$4,389)	\$4,389
TOTAL OTHER	<u>\$0</u>	<u>\$0</u>	<u>(\$4,389)</u>	<u>\$4,389</u>
EXCESS REVENUES (EXPENDITURES)	<u>\$0</u>		<u>(\$508,307)</u>	
FUND BALANCE - Beginning	\$0		\$963,752	
FUND BALANCE - Ending	<u>\$0</u>		<u>\$455,445</u>	

OLD PALM
COMMUNITY DEVELOPMENT DISTRICT

Bond Issue:	<u>Series 2004A Special Assessment Bonds</u>
Original Issue Amount:	\$14,815,000
Interest Rate:	5.90%
Maturity Date:	May 1, 2035
Reserve Fund Requirement:	7.12% of Bonds Outstanding

Bonds outstanding - 9/30/13	\$12,980,000
Less: 5/1/2014	(\$295,000)
5/1/2015	(\$315,000)
8/26/2015	(\$12,370,000)
Current Bonds Outstanding:	<u><u>\$0</u></u>

Bond Issue:	<u>Series 2015 Special Assessment Refunding Bonds</u>
	\$12,910,000
Interest Rate:	3.500%
Maturity Date:	November 1, 2015
Reserve Fund Requirement:	

Bonds outstanding - 9/30/15	\$12,910,000
Less: 5/1/2016	(\$454,000)
Current Bonds Outstanding:	<u><u>\$12,456,000</u></u>

Old Palm

Community Development District Tax Collections

Fiscal Year Ending September 30, 2016

						Net			
						\$ 904,251.07	\$ 132,740.57	\$ 1,036,991.64	
Date Received	Gross Tax Received	Discounts/ Penalties	Commissions	Interest	Net Amount Received	Debt Service Fund 87.20%	General Fund 12.80%	Total 100.00%	
11/6/2015	\$ 10,217.53	\$ 536.38	\$ 96.81		\$ 9,584.34	\$ 8,391.61	\$ 1,192.73	\$ 9,584.34	
11/23/2015	\$ 249,378.59	\$ 10,054.61	\$ 2,413.24		\$ 236,910.74	\$ 205,460.12	\$ 33,450.62	\$ 238,910.74	
11/2/2015	\$ 72,830.12	\$ 2,913.07	\$ 689.17		\$ 69,227.88	\$ 61,059.13	\$ 8,158.75	\$ 69,217.88	
12/8/2015	\$ 226,869.14	\$ 9,053.51	\$ 2,178.16		\$ 215,637.47	\$ 194,012.74	\$ 21,624.73	\$ 215,637.47	
12/23/2015	\$ 281,447.21	\$ 11,248.46	\$ 2,701.94		\$ 267,496.81	\$ 232,308.45	\$ 35,188.31	\$ 267,496.76	
1/13/2016	\$ 81,788.75	\$ 2,761.25	\$ 790.27		\$ 78,237.23	\$ 67,042.82	\$ 11,194.41	\$ 78,237.23	
2/10/2016	\$ 25,179.91	\$ 621.94	\$ 245.58		\$ 24,312.39	\$ 20,169.35	\$ 4,143.04	\$ 24,312.39	
3/9/2016	\$ 33,972.91	\$ 604.92	\$ 333.68		\$ 33,034.31	\$ 28,440.89	\$ 4,593.42	\$ 33,034.31	
4/11/2016	\$ 64,803.57	\$ 41.94	\$ 647.62		\$ 64,114.01	\$ 55,939.03	\$ 8,174.98	\$ 64,114.01	
4/17/2016	\$ -	\$ -	\$ -	\$ 33.57	\$ 33.57	\$ 29.28	\$ 4.29	\$ 33.57	
5/10/2016	\$ 21,772.94		\$ 217.73		\$ 21,555.21	\$ 18,045.17	\$ 3,510.04	\$ 21,555.21	
6/8/2016	\$ 8,385.75		\$ 86.37	\$ 251.58	\$ 8,550.96	\$ 7,675.60	\$ 875.36	\$ 8,550.96	
7/6/2016	\$ 24,536.17		\$ -	\$ 736.10	\$ 25,272.27	\$ 22,177.58	\$ 3,094.69	\$ 25,272.27	
7/13/2016				\$ 4.92	\$ 4.92	\$ 4.29	\$ 0.63	\$ 4.92	
					\$ -				
					\$ -				
TOTALS	\$ 1,101,182.59	\$ 37,836.08	\$ 10,400.57	\$ 1,026.17	\$ 1,053,972.11	\$ 920,756.06	\$ 135,206.00	\$ 1,055,962.06	

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12/16/2015	\$ 412,799.31	728
2/10/2016	\$ 67,042.82	733
2/10/2016	\$ 293,367.58	735
3/9/2016	\$ 20,169.35	740
4/13/2016	\$ 84,379.92	748
5/10/2016	\$ 18,074.45	755
FY15 Accrual	\$ (5,027.00)	

\$ 890,806.43
Balance to Transfer \$ 29,949.63

Old Palm
Community Development District
Series 2015 Special Assessment Refunding Bonds

1. Recap of Capital Project Fund Activity Through July 31, 2016

Opening Balance in Construction Account - Series 2015	\$1,282,112.01
Source of Funds: Interest Earned on Series 2015	\$1,012.19
Use of Funds:	
Disbursements: Cost of Issuance	(\$275,727.00)
Reclaimed Water Improvements	(\$442,796.81)
Transfers Out	(\$4,389.12)
Adjusted Balance in Construction Account at July 31, 2016	<u><u>\$560,211.27</u></u>

2. Funds Available For Construction at July 31, 2016

Book Balance of Construction Fund at July 31, 2016	\$560,211.27
Contracts in place at July 31, 2016	

3. Investments - Wells Fargo

	<u>Type</u>	<u>Yield</u>	<u>Due</u>	<u>Maturity</u>	<u>Principal</u>
July 31, 2016					
Construction Fund:	Overnight	0.1%			\$560,211.27
				ADJ: Outstanding Requisitions	\$0.00
				Balance at 7/31/16	<u><u>\$560,211.27</u></u>