

**MINUTES OF MEETING
SILVERADO COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Silverado Community Development District held a Workshop on March 23, 2023 at 5:00 p.m., at the Zephyrhills Train Depot Museum, 39110 South Avenue, Zephyrhills, Florida 33542.

Present were:

Michael Ozorowsky	Chair
Thaddaeus Money	Vice Chair
Francisco Alexander	Assistant Secretary
Martha O’Neal	Assistant Secretary
Lee Chamoff	Assistant Secretary

Also present were:

Cindy Cerbone	District Manager
Jamie Sanchez	Wrathell, Hunt and Associates LLC (WHA)
Andrew Kantarzhi	Wrathell, Hunt and Associates LLC (WHA)
Jennifer Kilinski (via telephone)	District Counsel
Grace Kobitter	Kilinski Van Wyk
Alex Gormley	Access Management
Mariano Orozco	Resident
Erik Beese	Resident
Lauren Hogard	Resident
Matthew Rush	Resident
Thomas Smith	Resident
Jim Rice	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Sanchez called the workshop to order at 6:00 p.m. All Supervisors were present.

Ms. Cerbone discussed actions taken to notice the delay to the workshop start time, due to turnpike lane closings. She discussed the protocols for conducting workshops, which are held for informational purposes, and stated that no action can be taken at a workshop. Action can only be taken at a regular CDD public meeting. Management will provide updates at the next meeting, if they are unable to respond to a comment during the meeting.

SECOND ORDER OF BUSINESS

Chairman’s Opening Remarks

There were no Chairman’s opening remarks.

THIRD ORDER OF BUSINESS**Discussion: CDD Background**

- **About the District: Silverado CDD (*created via City of Zephyrhills Ordinance No. 1241-14*)**

Ms. Cerbone discussed Ordinance No. 1241-14 establishing the Silverado Community Development District (CDD), the criteria to establish a CDD, functions of the CDD and Board seats. This information is posted on the CDD website.

- **Board Member Comments**

A Board Member asked when each Board seat expires. Ms. Cerbone recapped the terms and term lengths of the individual Board Member seats. She discussed the criteria and process of transitioning from Landowner Elections to General Election. Residents interested in Seats expiring in 2024 and 2026 must qualify with the County's Supervisor of Elections office during the one-week candidate qualifying period. An e-blast seeking candidates will be sent prior to each candidate qualifying period.

Mr. Ozorowsky asked about the purpose of the Board Member titles/positions. Ms. Cerbone reviewed the responsibilities of the slate of officers and stated that the Chair and Vice Chair must be available to attend CDD meetings and execute documents.

- **Public Comments**

A resident voiced her belief that the candidates' names on the ballots were different. She was directed to discuss this with the Supervisor of Elections office.

A resident asked about the public communicating with Board Members. Ms. Cerbone explained that the Sunshine Law applies only to the Board Members.

A resident asked how Board Members are elected to the Chair and Vice Chair positions. Ms. Cerbone stated that whenever there is a change in the Board, the slate of officers is reconsidered; nominations for the positions are made and then a vote is taken.

Ms. Sanchez clarified that Board Members can speak to each other between meetings but they are not allowed to discuss any matters that might come before the Board for discussion or a vote.

A resident referred to the recent landscape bid and asked how Board Members make decisions without speaking to each other. Ms. Cerbone reviewed the Request for Proposals

(RFP) process and noted that Management emails the responses to each Supervisor for their individual review prior to the meeting.

- **Board Member Comments**

There were no Board Member comments.

FOURTH ORDER OF BUSINESS

Discussion: CDD Bonds

Ms. Cerbone reviewed the terms of the municipal bonds the CDD issued, which helped pay for the public infrastructure, as follows:

- **Municipal Securities Rulemaking Board: EMMA (msrb.org)**
 - I. **Series 2016A-1 \$785,000 – final payment 11/2047**
 - II. **Series 2017A-1 \$735,000 – final payment 11/2047**
 - III. **Series 2018A-1 \$2,105,000 – final payment 11/2048**
 - IV. **Series 2018A-2 \$3,675,000 – final payment 5/2049**

Ms. Cerbone discussed the bond terms, call dates and researching to determine potential savings if the bonds are refinanced.

- **Board Member Comments**

A Board Member asked for the credit rating on these bonds. Ms. Cerbone stated that most were “dirt” bonds. She directed him to the Electronic Municipal Market Access (Emma) website and provided highlights from the Trust Indenture and closing documents.

- **Public Comments**

A resident noted that construction is still underway and asked about financing. Ms. Cerbone stated there is no development occurring; only construction of homes. If there is a need for financing to upgrade items, such as the Amenity Center, she would suggest obtaining a loan.

A resident asked for the name of the Underwriter and if the bonds can be refinanced if the rating changes. Ms. Cerbone stated FMSbonds, Inc. is the Underwriter; she directed him to FMS’s website. She stated, when determining if it is beneficial to refinance the bonds, it is not about the rating; rather, it is about the interest rate.

A resident asked if the interest rates are increasing at a fixed rate. Ms. Cerbone stated that the debt assessment portion of the total assessment amount is a fixed amount but the operations & maintenance (O&M) portion of the total assessment amount fluctuates.

Ms. Cerbone distributed and reviewed the bond debt assessment comparison sheet and noted property owners can pay off the debt portion in May and November by contacting the District Management firm's Finance Department in advance of those months.

- **Board Member Comments**

There were no Board Member comments.

FIFTH ORDER OF BUSINESS**Discussion: CDD Budget**

Ms. Cerbone gave an overview of the CDD budget process, timeline for adopting the proposed budget and review each line item.

- **Silverado CDD Budget (*Fiscal Year 2022/2023*)**

- **Board Member Comments**

Mr. Ozorowsky asked if the property owners pay Wrathell Hunt directly. Ms. Cerbone stated property owners pay assessments to the County's Tax Collector who wire funds directly into the CDD's bank account.

Mr. Ozorowsky asked about paying the vendor for mulch they never received. Ms. Cerbone discussed Management processing recurring expenses and individual proposals are presented to the Board to approve, defer or reject. Vendors should be working with the Operations Manager and present exception items to the Board for consideration.

:53 Discussion ensued regarding the "Fertilizer & Mulch" budget line item, surplus fund balance will fluctuate each year and propose designating and building up reserves for items such as the road and pool resurfacing, the Amenity Center and lake bank restoration.

1:04 Ms. Cerbone was asked to research the outcome of the General Fund balance over the last few years and report her findings at the next meeting.

Mr. Alexander asked if the recent "tree pruning" cost would have been less if they adhered to the criteria in the contract. Ms. Cerbone stated yes and that is when the Field Operations Manager will manage the vendors and make sure the scope of work complies with the contract.

1:08 A Board Member asked about using construction funds. Ms. Cerbone stated the Trustee holds these funds, which can be used for items listed in the 2018 District Engineer's Report and is subject to the Trustee's approval, such as for the CDD bridges. She discussed depositing the recent refund on a performance bond to the construction account.

○ **Public Comments**

A resident asked if the CDD has any legal remedy from the Builder to cover the cost to repair the pool, if the CDD is unable to allocate unused funds, or will the CDD need to assess the property owners to pay the expense. Ms. Cerbone discussed the process to determine what will be presented for consideration. Ms. Kilinski recalled a scenario where, due to time constraints, a CDD acquired a private bank loan to pay for repairs, which only happened once in 15 years.

A resident asked if Ms. Cerbone would advise the Board to increase the amount of unassigned funds. Ms. Cerbone replied affirmatively; she would also recommend reallocating a portion of debt savings to the reserved funds to ensure the CDD’s assets are adequately protected.

A resident asked if the Operations Manager has leeway to spend inside/outside their spending limit on a budget line item. Ms. Cerbone stated that invoices for recurring services are not presented to the Board; the Operations Manager signs off on invoices before payment is made.

As a governmental entity, CDD documents are available as public record.

○ **Board Member Comments**

There were no Board Member comments.

SIXTH ORDER OF BUSINESS

Public Comments: *non-agenda items*

There were no public comments.

SEVENTH ORDER OF BUSINESS

Supervisors’ Requests

There were no Supervisors’ requests.

EIGHTH ORDER OF BUSINESS

Adjournment

There being nothing further to discuss, the workshop adjourned at 7:26 p.m.


Secretary/Assistant Secretary


Chair/Vice Chair