

**MINUTES OF MEETING
PALERMO
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Palermo Community Development District was held on Thursday, February 16, 2023, at 9:00 a.m., at the offices of Lennar Homes, LLC, 10481 Six Mile Cypress Parkway, Ft. Myers, Florida 33966.

Present:

Scott Edwards	Chairperson
Dalton Drake	Vice Chairperson
Barry Ernst	Assistant Secretary
Zane Zeidan	Assistant Secretary
Ashley Kingston	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Attorney

Audience:

All resident's names were not included with the minutes. If a resident did not identify themselves or the audio file did not pick up the name, the name was not recorded in these minutes.

**PORTIONS OF THIS MEETING WERE TRANSCRIBED VERBATIM. ALL VERBATIM PORTIONS
WERE TRANSCRIBED IN *ITALICS*.**

FIRST ORDER OF BUSINESS

Call to Order

Mr. James Ward called the meeting to order at approximately 9:00 a.m. He conducted roll call; all Members of the Board were present constituting a quorum. He indicated Zane Zeidan was present and was sworn in to serve.

SECOND ORDER OF BUSINESS

Consideration of Resignation

Consideration of acceptance of the letter of resignation from Mr. Austin Borsos, from Seat 2 whose term is set to expire November 2024, effective February 8, 2023, of the Board of Supervisors of the Palermo Community Development District

- I. Appointment of an individual to fill Seat 1 whose term will expire November 2024**
- II. Oath of Office**
- III. Guide to the Sunshine Law and Code of Ethics for Public Employees**
- IV. Form 1 – Statement of Financial Interests**

Mr. Ward called for a motion to accept the Letter of Resignation from Austin Borsos.

On MOTION made by Scott Edwards, seconded by Dalton Drake, and with all in favor, the Letter of Resignation from Austin Borsos was accepted for purposes of inclusion in the record.

Mr. Ward: The way this statute works is the balance of the remaining members of the Board can appoint someone to fill the unexpired term of Austin whose term was set to expire November 2024. All you have to do is discuss it and then appoint someone by motion and second.

On MOTION made by Scott Edwards, seconded by Dalton Drake, and with all in favor, Ashley Kingston was appointed to fill the unexpired term of Seat 2 set to expire November 2024.

Mr. Ward, as a notary public, administered the Oath of Office to Ms. Ashley Kingston. Ms. Kingston signed and returned the Oath to Mr. Ward for purposes of inclusion in the record. Mr. Ward indicated Ms. Kingston was required to fill out and submit a Form 1 within 30 days to the County in which Ms. Kingston resided. He noted Ms. Kingston sat on other CDD Boards and was familiar with the Sunshine Law and Code of Ethics.

THIRD ORDER OF BUSINESS

Consideration of Minutes

December 15, 2022 – Regular Meeting

Mr. Ward asked if there were any additions, corrections, or deletions for the Minutes; hearing none, he called for a motion.

On MOTION made by Barry Ernst, seconded by Dalton Drake, and with all in favor, the December 15, 2022 Regular Meeting Minutes were approved.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2023-4

Consideration of Resolution 2023-4, a resolution of the Board of Supervisors of Palermo Community Development District supplementing Resolution No. 2021-16 which Resolution previously Equalized, Approved, Confirmed, Imposed And Levied Special Assessments on and peculiar to property specially benefited (apportioned fairly and reasonably) by the District's projects; Approving and Adopting the Palermo Community Development District Final Supplemental Special Assessment Methodology–Series 2023 Bonds prepared by JPWard & Associates, LLC Dated February 8, 2023, which applies the Methodology previously adopted to Special Assessments reflecting the specific terms of the Palermo Community Development District Special Assessment Bonds, Series 2023 (2023 Project); providing for the update of the District's Assessment Records; and providing for severability, conflicts, and an effective date

Mr. Ward: The District has recently been successful in selling the Series 2023 bonds. They are in the par amount of \$11,540,000 dollars. They have interest rates between 4.125 and 5.25 percent in three

sections depending upon the maturity date of the bond. The arbitrated yield on the bonds is 5.196 percent. It's probably the lowest rate I've seen on a bond issue in the last six months, so your underwriter did a great job in marketing these bonds, and it's also a testament to Lennar's strength in this marketplace. But this Resolution is part of the final piece of the puzzle that we need to get adopted with respect to your bond issue. Resolution 2023-4 essentially approves, equalizes, confirms and imposes the special assessments which were previously levied by the Board, but are now conforming with the par amount of debt that has been issued by these bonds. It adopts the special assessment methodology and the assessment roll I had prepared as a result of the issuance of the bonds for you. Greg?

Mr. Greg Urbancic: This is our bring down resolution which fixes the assessments on these specific properties based upon the actual terms of the bonds. As Jim said, the foundation is his final supplemental special assessment methodology, which is attached as an exhibit, which takes the par amount of the bonds and finalizes those assessments. This is all with respect to the Series 2023 project. This is a supplemental resolution to the final assessments that were previously fixed. This is the final resolution contemplated. We would come back for each bond issuance and do a supplement just so we can bring down the actual terms of the bond.

Mr. Ward asked if there were any questions; hearing none, he called for a motion.

On MOTION made by Dalton Drake, seconded by Barry Ernst, and with all in favor, Resolution 2023-4 was adopted, and the Chair was authorized to sign.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2023-5

Consideration of Resolution 2023-5, a resolution of the Board of Supervisors of Palermo Community Development District authorizing the execution and delivery of (1) a Second Amended and Restated Acquisition Agreement, (2) Collateral Assignment, (3) a Completion Agreement, (4) a True-Up Agreement, (5) Lien of Record, (6) Notice of Series 2023 Special Assessments and other ancillary documents in connection with the Issuance and Delivery of the Series 2023 Bonds; Authorizing the proper officials to do all things deemed necessary in connection with the Execution of such documents; providing for miscellaneous matters and authority; and providing for severability, conflicts, and an effective date

Mr. Urbancic: With any financing, part of the underwriting requirements and part of the District requirements are that we have certain ancillary documents. I know some of you have been on these Boards and have seen these before, but there are six that apply for purposes of what we will be executing in connection with the closing. He reviewed the six ancillary documents: Second Amended and Restated Acquisition Agreement, Collateral Assignment, Completion Agreement, True-Up Agreement, Lien of Record, and Notice of Series 2023 Special Assessments.

Mr. Ward asked if there were any questions; hearing none, he called for a motion.

On MOTION made by Scott Edwards, seconded by Dalton Drake, and with all in favor, Resolution 2023-5 was adopted, and the Chair was authorized to sign.

SIXTH ORDER OF BUSINESS**Consideration of Resolution 2023-6**

Consideration of Resolution 2023-6, a resolution of the Board of Supervisors (the “Board”) of the Palermo Community Development District re-designating the officers of the Palermo Community Development District

Mr. Ward indicated Scott Edwards served as Chairman, Dalton Drake served as Vice Chairman; with the remaining Board Members serving as Assistant Secretaries and himself, James Ward, as Secretary and Treasurer. He stated the Board could reassign the positions or simply add Ms. Kingston to serve as an Assistant Secretary.

The Board chose to add Ashley Kingston as an Assistant Secretary.

On MOTION made by Scott Edwards, seconded by Dalton Drake, and with all in favor, Resolution 2023-6 was adopted, and the Chair was authorized to sign.

SEVENTH ORDER OF BUSINESS**Staff Reports****I. District Attorney**

Mr. Urbancic: We are working on collecting documents for the bond closing, and that will close next week.

II. District Engineer

No report.

III. District Manager**a) Important Board Meeting Dates for Balance of Fiscal Year 2023:**

- 1. Proposed Fiscal Year 2024 Budget - April 20, 2023, at 9:00 A.M.**
- 2. Public Hearings: Fiscal Year 2024 Budget Adoption – July 21, 2023, at 9:00 A.M.**

b) Financial Statement for period ending December 31, 2022 (unaudited)**c) Financial Statement for period ending January 31, 2023 (unaudited)**

Mr. Ward: I anticipate starting your budget for FY 2024 in April of this year which will now include the debt service related to the Series 2023 bonds.

EIGHTH ORDER OF BUSINESS**Supervisor’s Requests and Audience Comments**

Mr. Ward asked if there were any Supervisor’s requests; there were none. He asked if there were any audience comments from audience members present in person, or via audio/video; there were none.

NINTH ORDER OF BUSINESS

Adjournment

Mr. Ward adjourned the meeting at approximately 9:10 a.m.

On MOTION made by Dalton Drake, seconded by Barry Ernst, and with all in favor, the Meeting was adjourned.

Palermo Community Development District



James P. Ward, Secretary



Scott Edwards, Chairperson