

MARKLAND'S CDD and POA

- What are they?
- What is the difference between them?
- Who does what in our community?

A short tutorial

WHAT'S A CDD?

A CDD or COMMUNITY DEVELOPMENT DISTRICT is a local, special purpose governmental unit established pursuant to and regulated by Florida statute.

A CDD GENERALLY FINANCES, OWNS AND MANAGES INFRASTRUCTURE, COMMON AREAS AND AMENITIES WITHIN THE BOUNDARIES OF THE CDD.

In Markland, this includes the Manor House, pool areas, entrance gate, neighborhood parks, roads and sidewalks

WHAT IS A CDD? (CONTINUED)

- CDD's are established pursuant to a 1980 Florida Statute that was enacted as a result of Florida's efforts to effectively and efficiently manage its growth.
- There are some 600 CDD's in Florida, with over 70% established between 2003 and 2008.
- CDD's have issued more than \$6 Billion in municipal bonds to finance the construction of their infrastructure (our common areas and amenities).
- A CDD is a public entity. The Board of Supervisors that govern a CDD are elected officials who are subject to the Sunshine Laws of the State of Florida.

In the interest of openness in government, these Sunshine Laws restrict when Supervisors may discuss public business among themselves. Supervisors may not discuss any business among themselves that may come before the full Board, except in meetings open to the public and for which reasonable notice of the meeting has been given.

HOW DOES THE CDD WORK?

- Briefly stated, the CDD issues bonds and the proceeds from these bonds are used to finance the development of infrastructure for that particular community.
- Examples of infrastructure funded by these bonds are roads, water, storm water and sewer facilities. The funds are also used to develop recreational facilities such as tennis courts, fitness centers, pools, walking paths, parks, etc.
- The residents of that community then pay the debt on those bonds through their taxes. The repayment of the bond debt is part of the CDD annual assessment.

HOW IS ANNUAL CDD ASSESSMENT COMPUTED?

- There are two parts to the annual CDD assessment:
 - **Debt Repayment**. Property owners of the community are obligated to repay the debt on bonds issued to finance the infrastructure of their community. The dollar amount of the debt repayment charge paid by property owners varies based on an assessment (set by lot size in Markland). This assessment, which varies by neighborhood within the community, is established at the time the bonds are issued and does not vary from year to year.
 - **Operation and Maintenance**. This charge pays for the operation and maintenance of such things as the amenity centers and pools, tennis center, the landscaping and maintenance of common grounds, streets and culverts, ponds and lakes, community security, etc. Operation and Maintenance costs will vary from year to year, as will the assessment for them.

The sum of these two assessments is what appears on each property owner's tax bill.

WHAT ABOUT MARKLAND'S CDD?

- Markland's CDD is the SOUTHAVEN CDD
- The SOUTHAVEN CDD has issued two series of long-term Bonds in 2015 and 2016. The money from the bonds was used to finance the infrastructure and amenities at Markland.
- These bonds were issued for 30-year terms.

Information for the Southaven CDD is available at the Southaven website

<https://southavencdd.vglobaltech.com/>

WHO RUNS THE SOUTHAVEN CDD?

- As with other CDD's, the SOUTHAVEN CDD is managed by a Board of Supervisors, comprised of 5 members.

The CDD Board typically contracts with a Third Party management company to handle the accounting for the CDD and also to assure Governmental compliance with all State required filings and all State Government required financial audits.

- These Supervisors must be a member of the community and are elected by the Markland Residents via the Florida state election process.
- The term of service for all elected Supervisors is 4 years. A Supervisor must be 18 years old, a registered voter and a resident of the District.

WHAT IS THE SOUTHAVEN CDD RESPONSIBLE FOR?

- It is the responsibility of the SOUTHAVEN CDD (NOT THE POA) to manage virtually all the ongoing operations at Markland. All things that were financed by the SOUTHAVEN CDD bonds, including streets, parks, Manor House, tennis courts, entrance, pools, etc. are the responsibility of the SOUTHAVEN CDD. The individuals that work at the Manor House and maintenance staff are employees of the SOUTHAVEN CDD and are responsible to maintain and manage the facilities including the supervision of crews that perform landscaping, maintenance and repairs to the common areas.

WHAT IS THE MARKLAND POA?

- The POA is the Markland Property Owners Association and focus on resident's individual homes and property, not the common areas.
- The POA is a private, not for profit corporation, unlike the CDD, which is a public entity.
- The responsibilities of Markland's POA are limited to:
 - Covenant restrictions and enforcement, including levying fines on property owners not maintaining their property in accordance with covenant requirements
 - Architectural control including approval of landscaping, home additions or building and other property changes

The POA has its own Board of Directors, separate from the SOUTHAVEN CDD. The Board members are not subject to the restrictions imposed by the Sunshine Law. The 5 board members are property owners elected by the community.

IS THERE ALSO A POA ASSESSMENT?

- POA expenses are covered by a general assessment to all property owners levied once a year, currently set at \$125. The annual dues are reviewed annually and approved at a year end community POA meeting

WHEN ARE MEETINGS HELD?

- The **SOUTHAVEN CDD** holds public meetings at least quarterly. All residents are welcome to join all meetings. The meetings are currently held in the Markland Manor House. Meeting minutes are posted on the SOUTHAVEN CDD website
- The **Markland POA** also holds public meetings at least quarterly. These meetings are also held in the Manor House.

Information about the dates and times of all meetings, as well as meeting minutes from Markland POA and Southaven CDD meetings, are available at www.Markland.com