MINUTES OF MEETING

NORTH SPRINGS IMPROVEMENT DISTRICT

The regular meeting of the Board of Supervisors of the North Springs Improvement District was held Wednesday, June 4, 2025 at 4:00 p.m. in the district office, 9700 N.W. 52nd Street, Coral Springs, Florida.

Present and constituting a quorum were:

Grace Solomon	President
Anthony Avello	Secretary
Vince Moretti	Assistant Secretary

Also present were:

Rod Colon	District Manager
Brian Sherman	District Counsel
Jane Early	District Engineer via Zoom
Brenda Richard	District Clerk
Katherine Castro	Executive Assistant
Nena Offenther	NSID
Maryam Omidi	NSID
Donna Holiday	GMS-South Florida, LLC via Zoom
Marc Grace	Citrin Cooperman
Officer Mears	Coral Springs Police Department

The following is a summary of the discussions and actions taken at the June 4, 2025 meeting. An audio copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS **Roll Call**

Mr. Colon called the meeting to order at 4:00 p.m. and called the roll.

SECOND ORDER OF BUSINESS **Approval of the Minutes of the May 7, 2025 Meeting**

On MOTION by Ms. Solomon seconded by Mr. Avello with all in favor the minutes of the May 7, 2025 meeting was approved as presented.

THIRD ORDER OF BUSINESS **Audience Comments on Non-Agenda Items and Supervisor's Requests**

There being none, the next item followed.

FOURTH ORDER OF BUSINESS **Presentation and Acceptance of the Financial Audit for Fiscal Year 2024**

Mr. Grace stated I am a partner with Citrin Cooperman, we are the independent auditors for North Springs Improvement District for the year ended September 30, 2024. I want to go over some of the highlights of the financial statements, some of the things the board might be most interested in. On the first couple of pages of the audit is the most important, that is what our job is, to provide an opinion on the financial statements. We gave a clean opinion on the financial statements, besides a correction from the prior year, we had a prior year adjustment related to fixed assets. It is a small discrepancy in some of the acres in the prior year that were assumed and then on depreciation that wasn't calculating correctly even though it was input correctly, it was just an IT type fluke that we resolved and corrected. The financial results, the district, Maryam and the rest of the staff provided multiple statements and schedules that demonstrate budgetary compliance. You also have the FRS plan, the retirement plan, all the required annual contributions were made, the district does have a significant amount of debt, all the required annual debt service was made, and all financial compliance requirements and covenants were met. In the back of the financial statement, you will see a few more reports. You have notes related to the governmental auditing standards, it talks about internal control over financial reporting and also compliance in other matters. I just mentioned about the depreciation of the fixed assets. Because there was a prior period adjustment there are some new requirements related to that so there are some findings in the back. We don't think these are anything systemic, I think it is a one-time issue that has been corrected in the system related to depreciation and it has been adjusted. There are some minor reports in there, one that goes to the auditor general. If there were any issues related to the audit, which would be more depreciation in the assets that is noted there. We didn't see anything that we talk about like a financial emergency related to the district, we run it through the system, and we check like an asset/debt ratio type stuff, no issues related to that. There is also a report related to investments, and the district is in compliance with that. A few other points to make as we go through the audit, there were no policies or anything that has really changed from the prior year to this year, there were

no unusual transactions, all significant transactions were in the proper period, there were very minimal journal entries. We came in very early after year end this year. If we came in and had to post a bunch of journal entries that means your books aren't in good shape. We don't come in here and do that, it is not a bookkeeping job, we are able to come in and actually do an audit. Kudos to Maryam and the rest of the team. There are no misstatements, we never have any disagreements with Maryam, Brenda, Rod or anyone else when we are doing the audit. All the records are open and available to us when we come out and do the audit. I appreciate the opportunity to be the independent auditor for the district, and I would be happy to answer any questions now any day in the future.

Mr. Colon stated we also have Maryam Omidi here, our CFO to also answer any questions.

Mr. Avello stated I have a couple questions. Regarding the letter that you sent the board I had spoken to you previously about it. On page 3 there were three bolded items, if you could briefly go over them and just explain because it says, during the audit we determined that the following are to be identified as significant risks, that is in the record and if you could just explain those risks.

Mr. Grace stated I was talking about required communications that we have. It kind of goes into several different things, it was noted that when we did the final communication that in our preliminary engagement letter that we didn't identify certain risks. That doesn't mean that, when we do audits like NSID for example, if you were to look at our audit software there is probably 30 identified risks, there are things that are related to cash, fixed assets so auditors have to identify risks. Some are significant some are not so significant but there is always a chance for anything. When I look at the one that we listed that wasn't identified previously in the engagement letter, that was just talking about revenue, revenue recognition kind of like a hot topic when it comes to auditing, it is very important. You will also see when it comes to the actuary that is related to pension these are just identified risks it is normally an auditor's responsibility to identify risks, and we also let management know what risks are identified. It is not specific. It is specific in the sense that you have a utility department, there is risk associated with utilities but maybe you don't have a swimming pool, there is no risk to a swimming pool or something like that. You don't have a lot of investments outside of regular governmental securities but if you were dealing in derivatives, derivatives would be a risk that we would

identify. These are just standard operating risks when we conduct an audit, we look at these things and we have to pay a little more attention because they have this.

Mr. Avello stated so there is nothing to correct here as to those bolded items.

Mr. Grace stated there are no issues, it is just the process.

Mr. Avello stated as it relates to the error on the land sale, I assume you have identified the problem and going forward make every effort to not make those errors again.

Mr. Colon stated yes.

Mr. Avello stated I appreciate the good work of you and Maryam on the audit.

> On MOTION by Mr. Avello seconded by Ms. Solomon with all in favor the fiscal year 2024 audit report was accepted.

FIFTH ORDER OF BUSINESS Staff Reports

A. Manager

I. Authorization to Expend an Amount Not to Exceed $200,000 for Security Features to Remote Stations

> On MOTION by Mr. Avello seconded by Ms. Solomon with all in favor staff was authorized to expend an amount not to exceed $200,000 for security features to remote stations.

II. Ratify Sole Source Purchase of Lift Station Replacement Parts

> On MOTION by Mr. Avello seconded by Ms. Solomon with all in favor the purchase of lift station replacement parts from a sole source in the amount of $71,335.30 was ratified.

B. Attorney

Mr. Sherman stated House Bill 4023, which is the local bill for the district is still pending as enrolled and is yet to be sent to the governor, but it will be sent shortly. Senate Bill 700 recently passed and included in that are many of the provisions and includes a definition of water quality additives that prohibits the use of any additive that doesn't meet certain criteria. That becomes effective July 1, 2025. That includes fluoride as well as any other items that are not meeting that particular definition.

C. Engineer

I. Approval to Piggyback on Cooperative Purchase Contracts for Bulk Delivery of Carbon Dioxide

On MOTION by Ms. Solomon seconded by Mr. Avello with all in favor staff was authorized to piggyback on cooperative purchase contracts for bulk delivery of carbon dioxide with New Smyrna Beach Utilities and Matheson Tri-Gas, Inc. as the primary and Pompano Beach and Airgas USA, LLC as a contingency

II. Ratify Emergency Repair to Containment Area

On MOTION by Ms. Solomon seconded by Mr. Avello with all in favor the emergency repair to the containment area by East Coast Builders in the amount of $125,000 was ratified.

III. Ratify Quote from Indusco for Degasifier Repair

On MOTION by Mr. Avello seconded by Ms. Solomon with all in favor the quote from Indusco for degasifier repair in the amount of $112,875 was ratified.

SIXTH ORDER OF BUSINESS **Approval of Financials and Check Register**

On MOTION by Ms. Solomon seconded by Mr. Avello with all in favor the check register was approved.

On MOTION by Ms. Solomon seconded by Mr. Avello with all in favor the meeting adjourned at 4:22 p.m.

Anthony Avello
Secretary

Grace Solomon
President