



Rizzetta & Company

Magnolia West Community Development District

May 11, 2021

**District Office:
2806 N. Fifth Street
Unit 403
St. Augustine, FL 32084**

www.magnoliawestcdd.org

**MAGNOLIA WEST
COMMUNITY DEVELOPMENT DISTRICT**

Rizzetta & Company, Inc., 2806 North Fifth Street, Unit 403, St Augustine, FL 32084

Board of Supervisors	Judith Linde Arrington Lentz Fermin Lewis Douglas Kurht Cynthia Riegler	Board Supervisor, Chairman Board Supervisor Vice Chairman Board Supervisor, Asst. Secretary Board Member Board Member
District Manager	Lesley Gallagher	Rizzetta & Company, Inc.
District Counsel	Katie Buchanan	Hopping Green & Sams, P.A.
District Engineer	Ryan Stilwell	Prosser

All cellular phones must be placed on mute while in the meeting room.

The first section of the meeting is called Audience Comments, which is the portion of the agenda where individuals may make comments on Agenda Items. The final section of the meeting will provide an additional opportunity for Audience Comments on other matters of concern that were not addressed during the meeting. Individuals are limited to a total of three (3) minutes to make comments during these times.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting/hearing/workshop is asked to advise the District Office at least forty-eight (48) hours before the meeting/hearing/workshop by contacting the District Manager at (904) 436-6270. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) 1-800-955-8770 (Voice), who can aid you in contacting the District Office.

A person who decides to appeal any decision made at the meeting/hearing/workshop with respect to any matter considered at the meeting/hearing/workshop is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made including the testimony and evidence upon which the appeal is to be based.

MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT

District Office · 2806 N. Fifth Avenue, Unit 403 · St. Augustine, Florida 32084 · (904) 436-6270
www.magnoliawestcdd.org

May 4, 2021

Board of Supervisors
Magnolia West Community
Development District

AGENDA

Dear Board Members:

The regular meeting of the Board of Supervisors of the Magnolia West Community Development District will be held on **Tuesday, May 11, 2021 at 6:00 p.m.** at the Magnolia West Amenity Center located at 3490 Canyon Falls Drive, Green Cove Springs, FL 32043. The following is the agenda for the meeting.

1. **CALL TO ORDER/ROLL CALL**
2. **AUDIENCE COMMENTS ON AGENDA ITEMS**
3. **BUSINESS ADMINISTRATION**
 - A. Consideration of the Minutes of the Audit Committee Meeting held on February 9, 2021.....Tab 1
 - B. Consideration of the Minutes of the Board of Supervisors' Regular Meeting held on February 9, 2021.....Tab 2
 - C. Ratification of the Operation and Maintenance Expenditures for January 2021, February 2021 and March 2021.....Tab 3
 - D. Acceptance of Financial Report for Period Ending September 30, 2020.....Tab 4
4. **STAFF REPORTS**
 - A. District Counsel
 - 1.) Update on E-Verify.....Tab 5
 - 2.) Memorandum Regarding Sunshine Law and Public Records.....Tab 6
 - B. District Engineer
 - 1.) *Acceptance of Annual Engineer's Report (Under Separate Cover)*
 - C. Amenity Manager Report
 - 1.) First Coast CMS, Amenity Manager Report, April 22, 2021.....Tab 7
 - 2.) Discussion Regarding COVID-19 Restrictions
 - D. Landscape Report
 - 1.) BrightView Landscape Report, April 20, 2021.....Tab 8
 - E. District Manager
5. **BUSINESS ITEMS**
 - A. Consideration of Proposals for Landscape Lighting.....Tab 9
 - B. Consideration of Proposal for Tree Cut Back at Amenity Center.....Tab 10
 - C. Consideration of Proposal for Stone Installation at Pool Pump.....Tab 11
 - D. Consideration of Resolution 2021-03, Approving FY 2021-2022 Proposed Budget and Setting Public Hearing.....Tab 12
6. **AUDIENCE COMMENTS AND SUPERVISOR REQUESTS**
7. **ADJOURNMENT**

I look forward to seeing you at the meeting. In the meantime, if you have any questions, please do not hesitate to contact me at (904) 436-6270.

Very truly yours,
Lesley Gallagher

CALL TO ORDER / ROLL CALL

**AUDIENCE COMMENTS
ON AGENDA ITEMS**

BUSINESS ADMINISTRATION

Tab 1

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

MAGNOLIA WEST
COMMUNITY DEVELOPMENT DISTRICT

The **Audit Committee Meeting** of Magnolia West Community Development District was held on **Tuesday, February 9, 2021 at 3:30 p.m.** at the Magnolia West Amenity Center located at 3490 Canyon Falls Drive, Green Cove Springs, Florida 32043. Following is the agenda for the meeting.

Present and constituting a quorum:

Judith Linde	Board Supervisor, Chairman
Arrington Lentz	Board Supervisor, Vice Chairman
Ferman Lewis	Board Supervisor, Assistant Secretary
Douglas Kuhrt	Board Supervisor, Assistant Secretary
Cynthia Riegler	Board Supervisor, Assistant Secretary

Also present were:

Lesley Gallagher	District Manager, Rizzetta & Company, Inc.
Michelle Rigoni	District Counsel, Hopping Green & Sams <i>(Via Speakerphone)</i>
Ryan Stilwell	District Engineer, First Coast CMS <i>(Via Speakerphone)</i>
Tony Shiver	President, First Coast CMS
Brian Mercer	Associate Branch Manager, BrightView Landscaping

Audience present.

FIRST ORDER OF BUSINESS

Call to Order

Ms. Gallagher opened the Board of Supervisors Meeting at 3:31 p.m. and read the roll call.

SECOND ORDER OF BUSINESS

**Review, Discuss and Evaluate the Proposals
in Response to the Requests for District
Auditing Services**

The Board reviewed proposals from Grau & Associates and Berger, Toombs, Elam, Gaines & Frank and ranked them based on the criteria previously established (Exhibit A).

On a motion by Ms. Linde, seconded by Mr. Lewis, with all in favor, the Audit Committee recommended Berger, Toombs, Elam, Gaines & Frank for District Auditing Services for the Magnolia West Community Development District.

Ms. Gallagher closed the audit committee meeting and moved into the regular CDD meeting at 3:45 p.m.

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Secretary/Assistant Secretary

Chairman/Vice Chairman

DRAFT

Tab 2

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

**MAGNOLIA WEST
COMMUNITY DEVELOPMENT DISTRICT**

The **regular** meeting of the Board of Supervisors of Magnolia West Community Development District was held on **Tuesday, February 9, 2021 at 3:30 p.m.** at the Magnolia West Amenity Center located at 3490 Canyon Falls Drive, Green Cove Springs, Florida 32043. Following is the agenda for the meeting.

Present and constituting a quorum:

Judith Linde	Board Supervisor, Chairman
Arrington Lentz	Board Supervisor, Vice Chairman
Ferman Lewis	Board Supervisor, Assistant Secretary
Douglas Kuhrt	Board Supervisor, Assistant Secretary
Cynthia Riegler	Board Supervisor, Assistant Secretary

Also present were:

Lesley Gallagher	District Manager, Rizzetta & Company, Inc.
Michelle Rigoni	District Counsel, Hopping Green & Sams <i>(Via Speakerphone)</i>
Ryan Stilwell	District Engineer, First Coast CMS <i>(Via Speakerphone)</i>
Tony Shiver	President, First Coast CMS
Brian Mercer	Associate Branch Manager, BrightView Landscaping

Audience present.

FIRST ORDER OF BUSINESS

Call to Order

Ms. Gallagher opened the Board of Supervisors Meeting at 3:45 p.m. and read the roll call.

SECOND ORDER OF BUSINESS

Audience Comments on Agenda Items

There were no audience comments on agenda items.

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THIRD ORDER OF BUSINESS

Consideration of the Minutes of the Audit Meeting held October 13, 2020

On a motion by Ms. Linde, seconded by Ms. Lentz, with all in favor, the Board approved the Minutes of the Audit Meeting held October 13, 2020 for Magnolia West Community Development District.

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FOURTH ORDER OF BUSINESS

Consideration of the Minutes of the Board of Supervisors' Regular Meeting held October 13, 2020

On a motion by Mr. Kuhrt, seconded by Ms. Linde, with all in favor, the Board approved the Minutes of the Board of Supervisors' Regular Meeting held October 13, 2020 for Magnolia West Community Development District.

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FIFTH ORDER OF BUSINESS

Ratification of the Operation and Maintenance Expenditures for September 2020, October 2020, November 2020 and December 2020

On a motion by Ms. Linde, seconded by Ms. Lentz, with all in favor, the Board ratified Operation and Maintenance Expenditures for September 2020 in the amount of \$34,688.21, October 2020 in the amount of \$35,900.67, November 2020 in the amount of \$18,775.03 and December 2020 in the amount of \$19,066.17 for Magnolia West Community Development District.

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SIXTH ORDER OF BUSINESS

Administration of Oath of Office

Mr. Kuhrt and Ms. Riegler both took their Oaths prior to the onset of the meeting.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2021-02, ReDesignating Officers

On a motion by Ms. Linde, seconded by Ms. Riegler, with all in favor, the Board adopted Resolution 2021-02, designating the following, Judith Linde as Chairman, Arrington Lentz as Vice Chairman, Ferman Lewis, Douglas Kuhrt, Cynthia Riegler, Melissa Dobbins and Lesley Gallagher all as Assistant Secretaries for Magnolia West Community Development District.

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EIGHTH ORDER OF BUSINESS

Staff Reports

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- 77 A. District Counsel
- 78 No report.
- 79
- 80 B. District Engineer
- 81 1.) Consideration of Proposal for Annual Engineer's Report
- 82

On a motion by Ms. Linde, seconded by Ms. Riegler, with all in favor, the Board approved the proposal for the Annual Engineer's Report for Magnolia West Community Development District.

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- 84 C. Amenity Manager Report
- 85 1.) First Coast CMS, Amenity Manager Report, February 1, 2021
- 86 2.) Discussion Regarding COVID-19 Restrictions
- 87 Mr. Shiver reviewed his report found under Tab 7 of the agenda.
- 88

On a motion by Ms. Linde, seconded by Ms. Letnz, with all in favor, the Board authorized the expansion of amenity rental hours from 9:00 a.m. to 10:00 p.m. for the CDD to coordinate food trucks at the amenity facility for Magnolia West Community Development District.

- 89
- 90 D. Landscape Report
- 91 1.) BrightView Landscape Report, January 18, 2021
- 92 Mr. Mercer reviewed the report found under Tab 8 of the agenda. He noted there
- 93 had been some significant freeze damage to landscaping and they will continue to
- 94 monitor the conditions of the plant material and bring any replacement proposals to
- 95 the next meeting. He also noted that the next turf treatment would be at the end of
- 96 February.
- 97
- 98 Mr. Kuhrt noted that he did not find the current annuals attractive.
- 99
- 100 E. District Manager
- 101 Ms. Gallagher noted that the next regular meeting is scheduled for May 11, 2021 at
- 102 6:00 p.m. and the proposed budget would be presented at this time.
- 103

NINTH ORDER OF BUSINESS

Consideration of Landscape Proposal for Fountain Areas

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107 The Board reviewed the BrightView proposal to convert the fountains at the two entry signs to

108 planters and enhance the landscaped areas at these entrances. It was noted that the additional

109 ongoing expense for the rotation of annuals here would be approximately \$804.00 per year based

110 on the pricing in the existing agreement for annuals and adding 300 additional plants per rotation.

111 It was also noted that the fountains would need to be configured to allow for drainage.

112

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On a motion by Ms. Riegler, seconded by Mr. Kuhrt, with all in favor, the Board approved the BrightView proposal for the fountain conversion and enhancements with a target installation for the end of March to potentially avoid any additional freezing temperatures this year for Magnolia West Community Development District.

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TENTH ORDER OF BUSINESS

Consideration of Proposal for Pool Furniture

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The Board reviewed a proposal from Horizon Casual for 30 chaise lounges.

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On a motion by Ms. Linde, seconded by Ms. Riegler, with all in favor, the Board approved a cost not to exceed amount of \$8,000.00 and directed staff to negotiate the purchase of 40 lounge chairs at this amount for Magnolia West Community Development District.

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ELEVENTH ORDER OF BUSINESS

Consideration of Audit Committee Recommendation

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On a motion by Ms. Linde, seconded by Ms. Lentz, with all in favor, the Board accepted the Audit Committee recommendation of Berger, Toombs, Elan, Gaines & Frank for District Auditing Services for Magnolia West Community Development District.

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TWELFTH ORDER OF BUSINESS

Audience Comments and Supervisors Request

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An audience member had a question about who pays operation and maintenances fees.

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THIRTEENTH ORDER OF BUSINESS

Adjournment

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On a motion by Ms. Riegler, seconded by Mr. Kuhrt, with all in favor, the Board of Supervisors adjourned the meeting at 4:46 p.m. for the Magnolia West Community Development District.

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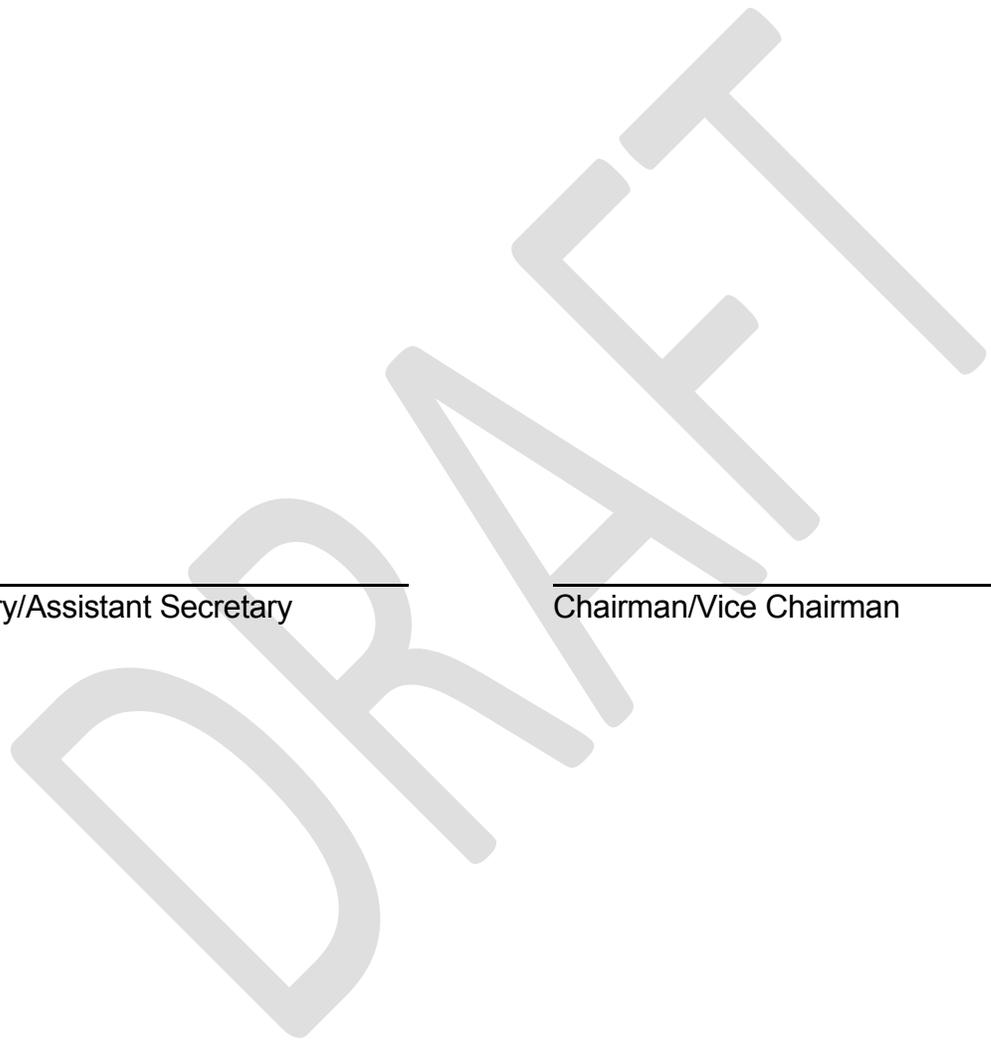
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Secretary/Assistant Secretary

Chairman/Vice Chairman



Tab 3

MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · 2806 N. FIFTH STREET · UNIT 403 · ST. AUGUSTINE, FLORIDA 32084

Operation and Maintenance Expenditures January 2021 Presented For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from January 1, 2021 through January 31, 2021. This does not include expenditures previously approved by the Board.

The total items being presented: **\$20,598.62**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

Magnolia West Community Development District

Paid Operation & Maintenance Expenditures

January 1, 2021 Through January 31, 2021

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Brightview Landscape Services, Inc.	001880	7150579	Removal Nine Crape Myrtles 12/20	\$ 1,917.00
Brightview Landscape Services, Inc.	001887	7159010	Monthly Landscape Service 01/21	\$ 2,847.95
Clay Electric Cooperative, Inc.	001875	09075319 12/20	3185 Canyon Falls Dr Sign 12/20	\$ 31.00
Clay Electric Cooperative, Inc.	001875	7213663 12/20	3490 Canyon Falls Drive 12/20	\$ 774.14
Clay Electric Cooperative, Inc.	001875	9075317 12/20	3179 Canyon Falls Dr Entry Sign 12/20	\$ 30.00
Clay Today	001882	319655 12/31/20	Legal Advertising Acct #502236 12/30/20	\$ 98.55
Comcast	001876	8495 74 150 0248350 12/20	Amenity Cable/Phone/Internet 12/20	\$ 282.87
Emily Hunt	001890	EH011021	Rental Deposit Refund - E Hunt	\$ 150.00
First Coast CMS, LLC	001883	5420	Amenity Staff, Janitorial, Pool & Maintenance Service 01/21	\$ 3,706.16
First Coast CMS, LLC	001888	5520	Reimbursement for Purchases 12/20	\$ 197.02
First Coast CMS, LLC	001888	5521	Reimbursement for Purchases 12/20	\$ 150.77
Fitness Pro	001884	24049	Qrtly Preventative Maintenance 01/21	\$ 150.00

Magnolia West Community Development District

Paid Operation & Maintenance Expenditures

January 1, 2021 Through January 31, 2021

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Fitness Pro	001889	24121	Service Request 29247 Seat Adjust Piston On Bike 01/21	\$ 184.50
Innersync Studio, Ltd dba. Campus Suite	001881	19103	Website Service ADA Compliance 01/21	\$ 384.38
Republic Services #687	001891	0687-001114488	Amenity Trash Removal 02/21	\$ 227.44
Rizzetta & Company, Inc.	001878	INV0000055477	District Management Fees 01/21	\$ 3,769.84
Rizzetta & Company, Inc.	001885	INV0000055604	Annual Dissemination Agent Fee FY 20/21	\$ 5,000.00
Rizzetta Technology Services, LLC	001879	INV0000006712	Website Hosting Services 01/21	\$ 100.00
The Lake Doctors, Inc	001886	551097	Lake Maintenance w/Addt'l Lake 01/21	<u>\$ 597.00</u>
Report Total				<u>\$ 20,598.62</u>

MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · 2806 N. FIFTH STREET · UNIT 403 · ST. AUGUSTINE, FLORIDA 32084

Operation and Maintenance Expenditures February 2021 Presented For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from February 1, 2021 through February 28, 2021. This does not include expenditures previously approved by the Board.

The total items being presented: **\$22,982.16**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

Magnolia West Community Development District

Paid Operation & Maintenance Expenditures

February 1, 2021 Through February 28, 2021

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Arrington Lentz	001905	AL020921	Board of Supervisors Meeting 02/09/21	\$ 200.00
Bob's Backflow & Plumbing Services, Inc.	001910	72036	Backflow Testing & Certification 01/21	\$ 80.00
Brightview Landscape Services, Inc.	001911	7117601	Monthly Landscape Service 12/20	\$ 2,847.95
Brightview Landscape Services, Inc.	001892	7185322	Bulk Annual Soil 1/21	\$ 381.41
Brightview Landscape Services, Inc.	001900	7193766	Monthly Landscape Service 02/21	\$ 2,847.95
Brightview Landscape Services, Inc.	001900	7211513	Irrigation Reparis 01/21	\$ 553.50
Brightview Landscape Services, Inc.	001900	7224279	Playground Mulch 02/21	\$ 788.10
Clay County Utility Authority	001908	Clay Summary 01/21	Clay Summary 01/21	\$ 418.05
Clay County Utility Authority	001909	Clay Summary 02/21	Clay Summary 02/21	\$ 412.43
Clay Electric Cooperative, Inc.	001893	7213663 01/21	3490 Canyon Falls Drive 01/21	\$ 1,306.00
Clay Electric Cooperative, Inc.	001893	9075317 01/21	3179 Canyon Falls Dr Entry Sign 01/21	\$ 32.00
Clay Electric Cooperative, Inc.	001893	9075319 01/21	3185 Canyon Falls Dr Sign 01/21	\$ 32.00
Comcast	001894	8495 74 150 0248350 01/21	Amenity Cable/Phone/Internet 01/21	\$ 295.68
Cynthia R Riegler	001901	CR020921	Board of Supervisors Meeting 02/09/21	\$ 200.00

Magnolia West Community Development District

Paid Operation & Maintenance Expenditures

February 1, 2021 Through February 28, 2021

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Douglas Robert Kuhrt	001904	DK020921	Board of Supervisors Meeting 02/09/21	\$ 200.00
Ferman Clifford Lewis II	001906	FI020921	Board of Supervisors Meeting 02/09/21	\$ 200.00
First Coast CMS, LLC	001902	5479	Amenity Staff, Janitorial, Pool & Maintenance Service 02/21	\$ 3,706.16
First Coast CMS, LLC	001898	5574	Reimbursement for Purchases 02/21	\$ 735.30
Grau & Associates	001899	20472	Audit Services FY 09/30/20	\$ 2,000.00
Hopping Green & Sams	001903	120102	Monthly Legal Services 12/20	\$ 798.50
Republic Services #687	001912	0687-001121033	Amenity Trash Removal 03/21	\$ 230.29
Rizzetta & Company, Inc.	001895	INV0000056014	District Management Fees 02/21	\$ 3,769.84
Rizzetta Technology Services, LLC	001896	INV0000006811	Website Hosting Services 02/21	\$ 100.00
The Lake Doctors, Inc	001907	556907	Lake Maintenance w/Addt'l Lake 02/21	\$ 597.00
Web Watchdogs	001897	6657	Extended Warrenty 01/21	\$ 250.00
Report Total				<u>\$ 22,982.16</u>

MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · 2806 N. FIFTH STREET · UNIT 403 · ST. AUGUSTINE, FLORIDA 32084

Operation and Maintenance Expenditures March 2021 Presented For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from March 1, 2021 through March 31, 2021. This does not include expenditures previously approved by the Board.

The total items being presented: **\$23,884.15**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

Magnolia West Community Development District

Paid Operation & Maintenance Expenditures

March 1, 2021 Through March 31, 2021

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Brightview Landscape Services, Inc.	001922	7247832	Monthly Landscape Service 03/21	\$ 2,847.95
Clay Electric Cooperative, Inc.	001913	7213663 02/21	3490 Canyon Falls Drive 02/21	\$ 985.00
Clay Electric Cooperative, Inc.	001926	7213663 03/21	3490 Canyon Falls Drive 03/21	\$ 882.00
Clay Electric Cooperative, Inc.	001913	9075317 02/21	3179 Canyon Falls Dr Entry Sign 02/21	\$ 31.00
Clay Electric Cooperative, Inc.	001926	9075317 03/21	3179 Canyon Falls Dr Entry Sign 03/21	\$ 30.00
Clay Electric Cooperative, Inc.	001913	9075319 02/21	3185 Canyon Falls Dr Sign 02/21	\$ 31.00
Clay Electric Cooperative, Inc.	001926	9075319 03/21	3185 Canyon Falls Dr Sign 03/21	\$ 30.00
First Coast CMS, LLC	001923	5540	Amenity Staff, Janitorial, Pool & Maintenance Service 03/21	\$ 3,706.16
First Coast CMS, LLC	001917	5633	Reimbursement for Purchases 02/21	\$ 302.60
Grau & Associates	001918	20613	Audit Services FY 09/30/20	\$ 2,000.00
Hopping Green & Sams	001919	120624	Monthly Legal Services 01/21	\$ 141.50
Horizon Casual, Inc.	001920	2777	Pool Furniture 02/21	\$ 7,996.60
Joyce Waigura	001916	JW022021	Rental Deposit Refund - J Waiguru	\$ 150.00

Magnolia West Community Development District

Paid Operation & Maintenance Expenditures

March 1, 2021 Through March 31, 2021

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Prosser Inc.	001924	45521	Engineering Services For 03/21	\$ 210.00
Rizzetta & Company, Inc.	001914	INV0000056981	District Management Fees 3/21	\$ 3,769.84
Rizzetta Technology Services, LLC	001915	INV0000006910	Website Hosting Services 03/21	\$ 100.00
The Lake Doctors, Inc	001925	562853	Lake Maintenance w/Addt'l Lake 03/21	\$ 597.00
Turner Pest Control, LLC	001921	7204998	Pest Control 01/21	<u>\$ 73.50</u>
Report Total				<u>\$ 23,884.15</u>

Tab 4

**MAGNOLIA WEST
COMMUNITY DEVELOPMENT DISTRICT
CITY OF GREEN COVE SPRINGS, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2020**

**MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT
CITY OF GREEN COVE SPRINGS, FLORIDA**

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Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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www.graucpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Magnolia West Community Development District
City of Green Cove Springs, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Magnolia West Community Development District, City of Green Cove Springs, Florida ("District") as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2020, and the respective changes in financial position, thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

March 12, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Magnolia West Community Development District, City of Green Cove Springs, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2020. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$4,229,393.
- The change in the District's total net position in comparison with the prior fiscal year was (\$112,198), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2020, the District's governmental funds reported combined ending fund balance of \$520,645, an increase of \$22,552 in comparison with the prior fiscal year. A portion of the fund balance is non-spendable for prepaid items and deposits, restricted for debt service and capital projects, assigned to capital reserves, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by special assessment revenue. The District does not have any business-type activities. The governmental activities of the District include the general government (management), maintenance, and recreational functions.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflow of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains three individual governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and capital projects fund, all of which are considered major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year.

A portion of the District's net position reflects its investment in capital assets (e.g., land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's other obligations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Key components of the District's net position are reflected in the following table:

	NET POSITION	
	SEPTEMBER 30,	
	2020	2019
Current and other assets	\$ 540,489	\$ 513,559
Capital assets, net	4,235,228	4,395,536
Total assets	<u>4,775,717</u>	<u>4,909,095</u>
Current liabilities	31,324	27,504
Long-term liabilities	515,000	540,000
Total liabilities	<u>546,324</u>	<u>567,504</u>
Net position		
Net investment in capital assets	3,721,843	4,123,253
Restricted for debt service	47,939	14,236
Unrestricted	459,611	204,102
Total net position	<u>\$ 4,229,393</u>	<u>\$ 4,341,591</u>

The District's net position decreased during the most recent fiscal year. The majority of the decrease represents the extent to which the cost of operations and depreciation expense exceeded ongoing program revenues.

Key elements of the change in net position are reflected in the following table:

	CHANGES IN NET POSITION	
	FOR THE FISCAL YEAR ENDED SEPTEMBER 30,	
	2020	2019
Revenues:		
Program revenues		
Charges for services	\$ 484,297	\$ 360,712
Operating grants and contributions	541	1,472
Capital grants and contributions	49,160	1,484,100
General revenues		
Miscellaneous	834	2,790
Unrestricted investment earnings	2,168	2,068
Total revenues	<u>537,000</u>	<u>1,851,142</u>
Expenses:		
General government	87,438	84,602
Maintenance and operations	257,015	215,260
Culture and recreation	276,413	149,414
Interest	28,332	29,671
Total expenses	<u>649,198</u>	<u>478,947</u>
Change in net position	(112,198)	1,372,195
Net position - beginning	4,341,591	2,969,396
Net position - ending	<u>\$ 4,229,393</u>	<u>\$ 4,341,591</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2020 was \$649,198. The costs of the District's activities were primarily funded by program revenues. Program revenues, comprised primarily of assessments, decreased from the prior fiscal year. Decrease is the result of one-time gain on cancellation of debt and conveyed assets accepted by the District being recognized as revenues. In total, expenses increased from the prior fiscal year, the majority of the increase was due to the pool refurbishment project.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2020.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2020, the District had \$6,024,131 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$1,788,903 has been taken, which resulted in a net book value of \$4,235,228. More detailed information about the District's capital assets is presented in the notes to the financial statements.

Capital Debt

At September 30, 2020, the District had \$515,000 in Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District does not anticipate any major projects or significant changes in its infrastructure maintenance program for the subsequent fiscal year. In addition, it is anticipated that the general operations of the District will decrease.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide homeowners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Magnolia West Community Development District's Finance Department at 12750 Citrus Park Lane, Suite 115, Tampa, Florida 33625.

FINANCIAL STATEMENTS

**MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT
CITY OF GREEN COVE SPRINGS, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 463,531
Prepaid items	12,919
Deposits	3,005
Restricted assets:	
Investments	61,034
Capital assets:	
Nondepreciable	348,416
Depreciable, net	3,886,812
Total assets	4,775,717
 LIABILITIES	
Accounts payable and accrued expenses	19,844
Accrued interest payable	11,480
Non-current liabilities:	
Due within one year	20,000
Due in more than one year	495,000
Total liabilities	546,324
 NET POSITION	
Net investment in capital assets	3,721,843
Restricted for debt service	47,939
Unrestricted	459,611
Total net position	\$ 4,229,393

See notes to the financial statements

**MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT
CITY OF GREEN COVE SPRINGS, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

<u>Functions/Programs</u>	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 87,438	\$ 87,438	\$ -	\$ -	\$ -
Maintenance and operations	257,015	257,015	-	12	12
Culture and recreation	276,413	90,072	-	49,148	(137,193)
Interest on long-term debt	28,332	49,772	541	-	21,981
Total governmental activities	649,198	484,297	541	49,160	(115,200)
General revenues:					
Miscellaneous					834
Unrestricted investment earnings					2,168
Total general revenues					3,002
Change in net position					(112,198)
Net position - beginning					4,341,591
Net position - ending					\$ 4,229,393

See notes to the financial statements

**MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT
CITY OF GREEN COVE SPRINGS, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
ASSETS				
Cash and equivalents	\$ 463,531	\$ -	\$ -	\$ 463,531
Investments	-	59,419	1,615	61,034
Prepaid items	12,919	-	-	12,919
Deposits	3,005	-	-	3,005
Total assets	<u>\$ 479,455</u>	<u>\$ 59,419</u>	<u>\$ 1,615</u>	<u>\$ 540,489</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued expenses	\$ 19,844	\$ -	\$ -	\$ 19,844
Total liabilities	<u>19,844</u>	<u>-</u>	<u>-</u>	<u>19,844</u>
Fund balances:				
Nonspendable:				
Prepaid items and deposits	15,924	-	-	15,924
Restricted for:				
Debt service	-	59,419	-	59,419
Capital projects	-	-	1,615	1,615
Assigned to:				
Capital reserves	95,215	-	-	95,215
Unassigned	348,472	-	-	348,472
Total fund balances	<u>459,611</u>	<u>59,419</u>	<u>1,615</u>	<u>520,645</u>
Total liabilities and fund balances	<u>\$ 479,455</u>	<u>\$ 59,419</u>	<u>\$ 1,615</u>	<u>\$ 540,489</u>

See notes to the financial statements

**MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT
CITY OF GREEN COVE SPRINGS, FLORIDA
RECONCILIATION OF THE BALANCE SHEET –
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

Total fund balances - governmental funds \$ 520,645

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources; therefore, they are not reported as assets in the governmental funds. The statement of net position includes those capital assets in the assets of the government as a whole.

Cost of capital assets	6,024,131	
Accumulated depreciation	<u>(1,788,903)</u>	4,235,228

Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Accrued interest payable	(11,480)	
Bonds payable	<u>(515,000)</u>	<u>(526,480)</u>

Net position of governmental activities	<u>\$ 4,229,393</u>
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See notes to the financial statements

**MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT
CITY OF GREEN COVE SPRINGS, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Major Funds			Total Government al Funds
	General	Debt Service	Capital Projects	
REVENUES				
Assessments	\$ 434,525	\$ 49,772	\$ -	\$ 484,297
Miscellaneous income	834	-	-	834
Interest	2,168	541	12	2,721
Total revenues	437,527	50,313	12	487,852
EXPENDITURES				
Current:				
General government	87,438	-	-	87,438
Maintenance and operations	106,997	-	-	106,997
Culture and recreation	216,975	-	-	216,975
Debt service:				
Principal	-	25,000	-	25,000
Interest	-	28,890	-	28,890
Total expenditures	411,410	53,890	-	465,300
Excess (deficiency) of revenues over (under) expenditures	26,117	(3,577)	12	22,552
OTHER FINANCING SOURCES (USES)				
Interfund transfers in / (out)	-	12	(12)	-
Total other financing sources (uses)	-	12	(12)	-
Net change in fund balances	26,117	(3,565)	-	22,552
Fund balances - beginning	433,494	62,984	1,615	498,093
Fund balances - ending	\$ 459,611	\$ 59,419	\$ 1,615	\$ 520,645

See notes to the financial statements

**MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT
CITY OF GREEN COVE SPRINGS, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Net change in fund balances - total governmental funds	\$	22,552
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Amounts reported for governmental activities in the statement of activities are different because:

The statement of activities reports noncash contributions as revenues, but these revenues are not reported in the governmental fund financial statements.		49,148
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Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.		(209,456)
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Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.		25,000
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Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the funds. The details of the differences are as follows:

Change in accrued interest		<u>558</u>
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Change in net position of governmental activities	\$	<u><u>(112,198)</u></u>
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See notes to the financial statements

**MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT
CITY OF GREEN COVE SPRINGS, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Magnolia West Community Development District ("District") was created on April 12, 2005, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes, by City of Green Cove Springs Ordinance O-05-2005. The Act provides, among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. August 13, 2020 was the last date that the majority of Board members were affiliated with DR Horton (Major Landowner).

The Board has the final responsibility for, among other things:

1. Allocating and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment. Operating-type special assessments for maintenance and debt service are treated as charges for services; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

Assessments, including debt service assessments and operations and maintenance assessments, are non-ad valorem assessments imposed on all lands located within the District and benefited by the District's activities. Operations and maintenance assessments are levied by the District prior to the start of the fiscal year which begins on October 1 and ends on September 30. Operations and maintenance special assessments are imposed upon all benefited lands in the District. Debt service special assessments are imposed upon certain lots and lands as described in each resolution imposing the special assessment for each series of Bonds issued by the District.

Assessments and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on the Bonds.

Capital Projects Fund

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Deposits and Investments

The District's cash on hand and demand deposits are considered to be cash and cash equivalents.

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, surplus funds may be deposited into certificates of deposit which are insured. Any unspent proceeds are required to be held in investments allowed in as specified in the Bond Indenture.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Stormwater facilities	30
Recreational facilities	20
Entrance features	30
Infrastructure - other	15
Buildings	50
Furniture and equipment	5
Playground	5

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Capital Assets (Continued)

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized ratably over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Equity/Net Position (Continued)

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

Other Disclosures

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 – BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved annual budget. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) A public hearing is conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) Subject to the terms of the District's annual appropriations resolutions, all budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriations for annually budgeted funds lapse at the end of the year.

NOTE 4 – DEPOSITS AND INVESTMENTS

Deposits

The District's cash balances as shown below were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

Investments

The District's investments were held as follows at September 30, 2020:

	<u>Amortized Cost</u>	<u>Credit Risk</u>	<u>Maturities</u>
First American Government			Weighted average
Obligation Fund - Class Y	\$ 61,034	S&P AAAm	maturity: 44 days
Total Investments	<u>\$ 61,034</u>		

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Credit risk – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

Concentration risk – The District places no limit on the amount the District may invest in any one issuer.

Interest rate risk – The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

The Bond indenture limits the type of investments held using unspent Bond proceeds.

Fair Value Measurement – When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1*: Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2*: Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3*: Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Accordingly, some of the District's investments have been reported at amortized cost above.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2020 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Land	\$ 348,416	\$ -	\$ -	\$ 348,416
Total capital assets, not being depreciated	348,416	-	-	348,416
Capital assets, being depreciated:				
Stormwater facilities	3,600,141	-	-	3,600,141
Recreational facilities	822,409	-	-	822,409
Entrance features	41,764	-	-	41,764
Infrastructure - other	219,599	-	-	219,599
Buildings	915,905	-	-	915,905
Furniture and equipment	26,749	-	-	26,749
Playground	-	49,148	-	49,148
Total capital assets, being depreciated	5,626,567	49,148	-	5,675,715
Less accumulated depreciation for:				
Stormwater facilities	(645,859)	(120,005)	-	(765,864)
Recreational facilities	(496,867)	(41,120)	-	(537,987)
Entrance features	(16,820)	(1,392)	-	(18,212)
Infrastructure - other	(176,900)	(14,640)	-	(191,540)
Buildings	(221,343)	(18,318)	-	(239,661)
Furniture and equipment	(21,658)	(4,151)	-	(25,809)
Playground	-	(9,830)	-	(9,830)
Total accumulated depreciation	(1,579,447)	(209,456)	-	(1,788,903)
Total capital assets, being depreciated, net	4,047,120	(160,308)	-	3,886,812
Governmental activities capital assets, net	\$ 4,395,536	\$ (160,308)	\$ -	\$ 4,235,228

During the current fiscal year the Developer contributed a playground structure and fence to the District for \$49,148.

Depreciation expense was charged to function/programs as follows:

Maintenance and operations	\$ 140,188
Culture and recreation	69,268
	<u>\$ 209,456</u>

NOTE 6 – LONG-TERM LIABILITIES

On October 13, 2006, the District issued \$8,440,000 of Special Assessment Bonds, Series 2006 due May 1, 2037 with a fixed interest rate of 5.35%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is paid semiannually on each May 1 and November 1. Principal on the Bonds is paid serially commencing May 1, 2008 through May 1, 2037.

The Series 2006 Bonds are subject to redemption at the option of the District prior to maturity. The Series 2006 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service. The District is in compliance with the requirements of the Bond Indenture at September 30, 2020.

NOTE 6 – LONG-TERM LIABILITIES (Continued)

Changes in long-term liability activity for the fiscal year ended September 30, 2020 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 2006	\$ 540,000	\$ -	\$ 25,000	\$ 515,000	\$ 20,000
Total	\$ 540,000	\$ -	\$ 25,000	\$ 515,000	\$ 20,000

At September 30, 2020, the scheduled debt service requirements on the long - term debt were as follows:

Year ending, September 30:	Governmental Activities		
	Principal	Interest	Total
2021	\$ 20,000	\$ 27,553	\$ 47,553
2022	20,000	26,483	46,483
2023	20,000	25,413	45,413
2024	20,000	24,343	44,343
2025	25,000	23,273	48,273
2026-2030	140,000	95,498	235,498
2031-2035	185,000	53,233	238,233
2036-2037	85,000	6,955	91,955
Total	\$ 515,000	\$ 282,751	\$ 797,751

NOTE 7 – MANAGEMENT COMPANY

The District has contracted with a management company to perform management services, which include financial and accounting services. Certain employees of the management company also serve as officers (Board appointed non-voting positions) of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

NOTE 8 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There was one settled claim during the past three years totaling approximately \$6,500.

**MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT
CITY OF GREEN COVE SPRINGS, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments	\$ 433,752	\$ 434,525	\$ 773
Miscellaneous	-	834	834
Interest	-	2,168	2,168
Total revenues	433,752	437,527	3,775
EXPENDITURES			
Current:			
General government	94,208	87,438	6,770
Maintenance and operations	138,016	106,997	31,019
Culture and recreation	201,528	216,975	(15,447)
Total expenditures	433,752	411,410	22,342
Excess (deficiency) of revenues over (under) expenditures	\$ -	26,117	\$ 26,117
Fund balance - beginning		433,494	
Fund balance - ending		\$ 459,611	

See notes to required supplementary information

**MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT
CITY OF GREEN COVE SPRINGS, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the General Fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2020.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Supervisors
Magnolia West Community Development District
City of Green Cove Springs, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Magnolia West Community Development District, City of Green Cove Springs, Florida ("District") as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated March 12, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

March 12, 2021



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
Magnolia West Community Development District
City of Green Cove Springs, Florida

We have examined Magnolia West Community Development District, City of Green Cove Springs, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2020. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2020.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Supervisors of Magnolia West Community Development District, City of Green Cove Springs, Florida and is not intended to be and should not be used by anyone other than these specified parties.

March 12, 2021



**MANAGEMENT LETTER PURSUANT TO THE RULES OF
THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
Magnolia West Community Development District
City of Green Cove Springs, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Magnolia West Community Development District ("District") as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 12, 2021.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 12, 2021, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General of the state of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. Current year findings and recommendations.**
- II. Status of prior year findings and recommendations.**
- III. Compliance with the Provisions of the Auditor General of the State of Florida.**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, as applicable, management, and the Board of Supervisors of Magnolia West Community Development District, City of Green Cove Springs, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Magnolia West Community Development District, City of Green Cove Springs, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

March 12, 2021

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2019.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2020.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2020.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2020. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

STAFF REPORTS

District Counsel

Tab 5



Company ID Number: _____

THE E-VERIFY MEMORANDUM OF UNDERSTANDING FOR EMPLOYERS

ARTICLE I PURPOSE AND AUTHORITY

The parties to this agreement are the Department of Homeland Security (DHS) and the _____ (Employer). The purpose of this agreement is to set forth terms and conditions which the Employer will follow while participating in E-Verify.

E-Verify is a program that electronically confirms an employee's eligibility to work in the United States after completion of Form I-9, Employment Eligibility Verification (Form I-9). This Memorandum of Understanding (MOU) explains certain features of the E-Verify program and describes specific responsibilities of the Employer, the Social Security Administration (SSA), and DHS.

Authority for the E-Verify program is found in Title IV, Subtitle A, of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA), Pub. L. 104-208, 110 Stat. 3009, as amended (8 U.S.C. § 1324a note). The Federal Acquisition Regulation (FAR) Subpart 22.18, "Employment Eligibility Verification" and Executive Order 12989, as amended, provide authority for Federal contractors and subcontractors (Federal contractor) to use E-Verify to verify the employment eligibility of certain employees working on Federal contracts.

ARTICLE II RESPONSIBILITIES

A. RESPONSIBILITIES OF THE EMPLOYER

1. The Employer agrees to display the following notices supplied by DHS in a prominent place that is clearly visible to prospective employees and all employees who are to be verified through the system:
 - a. Notice of E-Verify Participation
 - b. Notice of Right to Work
2. The Employer agrees to provide to the SSA and DHS the names, titles, addresses, and telephone numbers of the Employer representatives to be contacted about E-Verify. The Employer also agrees to keep such information current by providing updated information to SSA and DHS whenever the representatives' contact information changes.
3. The Employer agrees to grant E-Verify access only to current employees who need E-Verify access. Employers must promptly terminate an employee's E-Verify access if the

employee is separated from the company or no longer needs access to E-Verify.

4. The Employer agrees to become familiar with and comply with the most recent version of the E-Verify User Manual.

5. The Employer agrees that any Employer Representative who will create E-Verify cases will complete the E-Verify Tutorial before that individual creates any cases.

a. The Employer agrees that all Employer representatives will take the refresher tutorials when prompted by E-Verify in order to continue using E-Verify. Failure to complete a refresher tutorial will prevent the Employer Representative from continued use of E-Verify.

6. The Employer agrees to comply with current Form I-9 procedures, with two exceptions:

a. If an employee presents a "List B" identity document, the Employer agrees to only accept "List B" documents that contain a photo. (List B documents identified in 8 C.F.R. § 274a.2(b)(1)(B)) can be presented during the Form I-9 process to establish identity.) If an employee objects to the photo requirement for religious reasons, the Employer should contact E-Verify at 888-464-4218.

b. If an employee presents a DHS Form I-551 (Permanent Resident Card), Form I-766 (Employment Authorization Document), or U.S. Passport or Passport Card to complete Form I-9, the Employer agrees to make a photocopy of the document and to retain the photocopy with the employee's Form I-9. The Employer will use the photocopy to verify the photo and to assist DHS with its review of photo mismatches that employees contest. DHS may in the future designate other documents that activate the photo screening tool.

Note: Subject only to the exceptions noted previously in this paragraph, employees still retain the right to present any List A, or List B and List C, document(s) to complete the Form I-9.

7. The Employer agrees to record the case verification number on the employee's Form I-9 or to print the screen containing the case verification number and attach it to the employee's Form I-9.

8. The Employer agrees that, although it participates in E-Verify, the Employer has a responsibility to complete, retain, and make available for inspection Forms I-9 that relate to its employees, or from other requirements of applicable regulations or laws, including the obligation to comply with the antidiscrimination requirements of section 274B of the INA with respect to Form I-9 procedures.

a. The following modified requirements are the only exceptions to an Employer's obligation to not employ unauthorized workers and comply with the anti-discrimination provision of the INA: (1) List B identity documents must have photos, as described in paragraph 6 above; (2) When an Employer confirms the identity and employment eligibility of newly hired employee using E-Verify procedures, the Employer establishes a rebuttable presumption that it has not violated section 274A(a)(1)(A) of the Immigration and Nationality Act (INA) with respect to the hiring of that employee; (3) If the Employer receives a final nonconfirmation for an employee, but continues to employ that person, the Employer must notify DHS and the Employer is subject to a civil money penalty between \$550 and \$1,100 for each failure to notify DHS of continued employment

following a final nonconfirmation; (4) If the Employer continues to employ an employee after receiving a final nonconfirmation, then the Employer is subject to a rebuttable presumption that it has knowingly employed an unauthorized alien in violation of section 274A(a)(1)(A); and (5) no E-Verify participant is civilly or criminally liable under any law for any action taken in good faith based on information provided through the E-Verify.

b. DHS reserves the right to conduct Form I-9 compliance inspections, as well as any other enforcement or compliance activity authorized by law, including site visits, to ensure proper use of E-Verify.

9. The Employer is strictly prohibited from creating an E-Verify case before the employee has been hired, meaning that a firm offer of employment was extended and accepted and Form I-9 was completed. The Employer agrees to create an E-Verify case for new employees within three Employer business days after each employee has been hired (after both Sections 1 and 2 of Form I-9 have been completed), and to complete as many steps of the E-Verify process as are necessary according to the E-Verify User Manual. If E-Verify is temporarily unavailable, the three-day time period will be extended until it is again operational in order to accommodate the Employer's attempting, in good faith, to make inquiries during the period of unavailability.

10. The Employer agrees not to use E-Verify for pre-employment screening of job applicants, in support of any unlawful employment practice, or for any other use that this MOU or the E-Verify User Manual does not authorize.

11. The Employer must use E-Verify for all new employees. The Employer will not verify selectively and will not verify employees hired before the effective date of this MOU. Employers who are Federal contractors may qualify for exceptions to this requirement as described in Article II.B of this MOU.

12. The Employer agrees to follow appropriate procedures (see Article III below) regarding tentative nonconfirmations. The Employer must promptly notify employees in private of the finding and provide them with the notice and letter containing information specific to the employee's E-Verify case. The Employer agrees to provide both the English and the translated notice and letter for employees with limited English proficiency to employees. The Employer agrees to provide written referral instructions to employees and instruct affected employees to bring the English copy of the letter to the SSA. The Employer must allow employees to contest the finding, and not take adverse action against employees if they choose to contest the finding, while their case is still pending. Further, when employees contest a tentative nonconfirmation based upon a photo mismatch, the Employer must take additional steps (see Article III.B. below) to contact DHS with information necessary to resolve the challenge.

13. The Employer agrees not to take any adverse action against an employee based upon the employee's perceived employment eligibility status while SSA or DHS is processing the verification request unless the Employer obtains knowledge (as defined in 8 C.F.R. § 274a.1(l)) that the employee is not work authorized. The Employer understands that an initial inability of the SSA or DHS automated verification system to verify work authorization, a tentative nonconfirmation, a case in continuance (indicating the need for additional time for the government to resolve a case), or the finding of a photo mismatch, does not establish, and should not be interpreted as, evidence that the employee is not work authorized. In any of such cases, the employee must be provided a full and fair opportunity to contest the finding, and if he or she does so, the employee

may not be terminated or suffer any adverse employment consequences based upon the employee's perceived employment eligibility status (including denying, reducing, or extending work hours, delaying or preventing training, requiring an employee to work in poorer conditions, withholding pay, refusing to assign the employee to a Federal contract or other assignment, or otherwise assuming that he or she is unauthorized to work) until and unless secondary verification by SSA or DHS has been completed and a final nonconfirmation has been issued. If the employee does not choose to contest a tentative nonconfirmation or a photo mismatch or if a secondary verification is completed and a final nonconfirmation is issued, then the Employer can find the employee is not work authorized and terminate the employee's employment. Employers or employees with questions about a final nonconfirmation may call E-Verify at 1-888-464-4218 (customer service) or 1-888-897-7781 (worker hotline).

14. The Employer agrees to comply with Title VII of the Civil Rights Act of 1964 and section 274B of the INA as applicable by not discriminating unlawfully against any individual in hiring, firing, employment eligibility verification, or recruitment or referral practices because of his or her national origin or citizenship status, or by committing discriminatory documentary practices. The Employer understands that such illegal practices can include selective verification or use of E-Verify except as provided in part D below, or discharging or refusing to hire employees because they appear or sound "foreign" or have received tentative nonconfirmations. The Employer further understands that any violation of the immigration-related unfair employment practices provisions in section 274B of the INA could subject the Employer to civil penalties, back pay awards, and other sanctions, and violations of Title VII could subject the Employer to back pay awards, compensatory and punitive damages. Violations of either section 274B of the INA or Title VII may also lead to the termination of its participation in E-Verify. If the Employer has any questions relating to the anti-discrimination provision, it should contact the Immigrant and Employee Rights Section, Civil Rights Division, U.S. Department of Justice at 1-800-255-8155 or 1-800-237-2515 (TTY) or go to <https://www.justice.gov/ier>.

15. The Employer agrees that it will use the information it receives from E-Verify only to confirm the employment eligibility of employees as authorized by this MOU. The Employer agrees that it will safeguard this information, and means of access to it (such as PINS and passwords), to ensure that it is not used for any other purpose and as necessary to protect its confidentiality, including ensuring that it is not disseminated to any person other than employees of the Employer who are authorized to perform the Employer's responsibilities under this MOU, except for such dissemination as may be authorized in advance by SSA or DHS for legitimate purposes.

16. The Employer agrees to notify DHS immediately in the event of a breach of personal information. Breaches are defined as loss of control or unauthorized access to E-Verify personal data. All suspected or confirmed breaches should be reported by calling 1-888-464-4218 or via email at E-Verify@dhs.gov. Please use "Privacy Incident – Password" in the subject line of your email when sending a breach report to E-Verify.

17. The Employer acknowledges that the information it receives from SSA is governed by the Privacy Act (5 U.S.C. § 552a(i)(1) and (3)) and the Social Security Act (42 U.S.C. 1306(a)). Any person who obtains this information under false pretenses or uses it for any purpose other than as provided for in this MOU may be subject to criminal penalties.

18. The Employer agrees to cooperate with DHS and SSA in their compliance monitoring and evaluation of E-Verify, which includes permitting DHS, SSA, their contractors and

other agents, upon reasonable notice, to review Forms I-9 and other employment records and to interview it and its employees regarding the Employer's use of E-Verify, and to respond in a prompt and accurate manner to DHS requests for information relating to their participation in E-Verify.

19. The Employer shall not make any false or unauthorized claims or references about its participation in E-Verify on its website, in advertising materials, or other media. The Employer shall not describe its services as federally-approved, federally-certified, or federally-recognized, or use language with a similar intent on its website or other materials provided to the public. Entering into this MOU does not mean that E-Verify endorses or authorizes your E-Verify services and any claim to that effect is false.

20. The Employer shall not state in its website or other public documents that any language used therein has been provided or approved by DHS, USCIS or the Verification Division, without first obtaining the prior written consent of DHS.

21. The Employer agrees that E-Verify trademarks and logos may be used only under license by DHS/USCIS (see [M-795 \(Web\)](#)) and, other than pursuant to the specific terms of such license, may not be used in any manner that might imply that the Employer's services, products, websites, or publications are sponsored by, endorsed by, licensed by, or affiliated with DHS, USCIS, or E-Verify.

22. The Employer understands that if it uses E-Verify procedures for any purpose other than as authorized by this MOU, the Employer may be subject to appropriate legal action and termination of its participation in E-Verify according to this MOU.

B. RESPONSIBILITIES OF FEDERAL CONTRACTORS

1. If the Employer is a Federal contractor with the FAR E-Verify clause subject to the employment verification terms in Subpart 22.18 of the FAR, it will become familiar with and comply with the most current version of the E-Verify User Manual for Federal Contractors as well as the E-Verify Supplemental Guide for Federal Contractors.

2. In addition to the responsibilities of every employer outlined in this MOU, the Employer understands that if it is a Federal contractor subject to the employment verification terms in Subpart 22.18 of the FAR it must verify the employment eligibility of any "employee assigned to the contract" (as defined in FAR 22.1801). Once an employee has been verified through E-Verify by the Employer, the Employer may not create a second case for the employee through E-Verify.

a. An Employer that is not enrolled in E-Verify as a Federal contractor at the time of a contract award must enroll as a Federal contractor in the E-Verify program within 30 calendar days of contract award and, within 90 days of enrollment, begin to verify employment eligibility of new hires using E-Verify. The Employer must verify those employees who are working in the United States, whether or not they are assigned to the contract. Once the Employer begins verifying new hires, such verification of new hires must be initiated within three business days after the hire date. Once enrolled in E-Verify as a Federal contractor, the Employer must begin verification of employees assigned to the contract within 90 calendar days after the date of enrollment or within 30 days of an employee's assignment to the contract, whichever date is later.

b. Employers enrolled in E-Verify as a Federal contractor for 90 days or more at the time of a contract award must use E-Verify to begin verification of employment

eligibility for new hires of the Employer who are working in the United States, whether or not assigned to the contract, within three business days after the date of hire. If the Employer is enrolled in E-Verify as a Federal contractor for 90 calendar days or less at the time of contract award, the Employer must, within 90 days of enrollment, begin to use E-Verify to initiate verification of new hires of the contractor who are working in the United States, whether or not assigned to the contract. Such verification of new hires must be initiated within three business days after the date of hire. An Employer enrolled as a Federal contractor in E-Verify must begin verification of each employee assigned to the contract within 90 calendar days after date of contract award or within 30 days after assignment to the contract, whichever is later.

c. Federal contractors that are institutions of higher education (as defined at 20 U.S.C. 1001(a)), state or local governments, governments of Federally recognized Indian tribes, or sureties performing under a takeover agreement entered into with a Federal agency under a performance bond may choose to only verify new and existing employees assigned to the Federal contract. Such Federal contractors may, however, elect to verify all new hires, and/or all existing employees hired after November 6, 1986. Employers in this category must begin verification of employees assigned to the contract within 90 calendar days after the date of enrollment or within 30 days of an employee's assignment to the contract, whichever date is later.

d. Upon enrollment, Employers who are Federal contractors may elect to verify employment eligibility of all existing employees working in the United States who were hired after November 6, 1986, instead of verifying only those employees assigned to a covered Federal contract. After enrollment, Employers must elect to verify existing staff following DHS procedures and begin E-Verify verification of all existing employees within 180 days after the election.

e. The Employer may use a previously completed Form I-9 as the basis for creating an E-Verify case for an employee assigned to a contract as long as:

- i. That Form I-9 is complete (including the SSN) and complies with Article II.A.6,
- ii. The employee's work authorization has not expired, and
- iii. The Employer has reviewed the Form I-9 information either in person or in communications with the employee to ensure that the employee's Section 1, Form I-9 attestation has not changed (including, but not limited to, a lawful permanent resident alien having become a naturalized U.S. citizen).

f. The Employer shall complete a new Form I-9 consistent with Article II.A.6 or update the previous Form I-9 to provide the necessary information if:

- i. The Employer cannot determine that Form I-9 complies with Article II.A.6,
- ii. The employee's basis for work authorization as attested in Section 1 has expired or changed, or
- iii. The Form I-9 contains no SSN or is otherwise incomplete.

Note: If Section 1 of Form I-9 is otherwise valid and up-to-date and the form otherwise complies with Article II.C.5, but reflects documentation (such as a U.S. passport or Form I-551) that expired after completing Form I-9, the Employer shall

not require the production of additional documentation, or use the photo screening tool described in Article II.A.5, subject to any additional or superseding instructions that may be provided on this subject in the E-Verify User Manual.

g. The Employer agrees not to require a second verification using E-Verify of any assigned employee who has previously been verified as a newly hired employee under this MOU or to authorize verification of any existing employee by any Employer that is not a Federal contractor based on this Article.

3. The Employer understands that if it is a Federal contractor, its compliance with this MOU is a performance requirement under the terms of the Federal contract or subcontract, and the Employer consents to the release of information relating to compliance with its verification responsibilities under this MOU to contracting officers or other officials authorized to review the Employer's compliance with Federal contracting requirements.

C. RESPONSIBILITIES OF SSA

1. SSA agrees to allow DHS to compare data provided by the Employer against SSA's database. SSA sends DHS confirmation that the data sent either matches or does not match the information in SSA's database.

2. SSA agrees to safeguard the information the Employer provides through E-Verify procedures. SSA also agrees to limit access to such information, as is appropriate by law, to individuals responsible for the verification of Social Security numbers or responsible for evaluation of E-Verify or such other persons or entities who may be authorized by SSA as governed by the Privacy Act (5 U.S.C. § 552a), the Social Security Act (42 U.S.C. 1306(a)), and SSA regulations (20 CFR Part 401).

3. SSA agrees to provide case results from its database within three Federal Government work days of the initial inquiry. E-Verify provides the information to the Employer.

4. SSA agrees to update SSA records as necessary if the employee who contests the SSA tentative nonconfirmation visits an SSA field office and provides the required evidence. If the employee visits an SSA field office within the eight Federal Government work days from the date of referral to SSA, SSA agrees to update SSA records, if appropriate, within the eight-day period unless SSA determines that more than eight days may be necessary. In such cases, SSA will provide additional instructions to the employee. If the employee does not visit SSA in the time allowed, E-Verify may provide a final nonconfirmation to the employer.

Note: If an Employer experiences technical problems, or has a policy question, the employer should contact E-Verify at 1-888-464-4218.

D. RESPONSIBILITIES OF DHS

1. DHS agrees to provide the Employer with selected data from DHS databases to enable the Employer to conduct, to the extent authorized by this MOU:

- a. Automated verification checks on alien employees by electronic means, and
- b. Photo verification checks (when available) on employees.

2. DHS agrees to assist the Employer with operational problems associated with the Employer's participation in E-Verify. DHS agrees to provide the Employer names, titles, addresses, and telephone numbers of DHS representatives to be contacted during the E-Verify process.
3. DHS agrees to provide to the Employer with access to E-Verify training materials as well as an E-Verify User Manual that contain instructions on E-Verify policies, procedures, and requirements for both SSA and DHS, including restrictions on the use of E-Verify.
4. DHS agrees to train Employers on all important changes made to E-Verify through the use of mandatory refresher tutorials and updates to the E-Verify User Manual. Even without changes to E-Verify, DHS reserves the right to require employers to take mandatory refresher tutorials.
5. DHS agrees to provide to the Employer a notice, which indicates the Employer's participation in E-Verify. DHS also agrees to provide to the Employer anti-discrimination notices issued by the Immigrant and Employee Rights Section, Civil Rights Division, U.S. Department of Justice.
6. DHS agrees to issue each of the Employer's E-Verify users a unique user identification number and password that permits them to log in to E-Verify.
7. DHS agrees to safeguard the information the Employer provides, and to limit access to such information to individuals responsible for the verification process, for evaluation of E-Verify, or to such other persons or entities as may be authorized by applicable law. Information will be used only to verify the accuracy of Social Security numbers and employment eligibility, to enforce the INA and Federal criminal laws, and to administer Federal contracting requirements.
8. DHS agrees to provide a means of automated verification that provides (in conjunction with SSA verification procedures) confirmation or tentative nonconfirmation of employees' employment eligibility within three Federal Government work days of the initial inquiry.
9. DHS agrees to provide a means of secondary verification (including updating DHS records) for employees who contest DHS tentative nonconfirmations and photo mismatch tentative nonconfirmations. This provides final confirmation or nonconfirmation of the employees' employment eligibility within 10 Federal Government work days of the date of referral to DHS, unless DHS determines that more than 10 days may be necessary. In such cases, DHS will provide additional verification instructions.

ARTICLE III REFERRAL OF INDIVIDUALS TO SSA AND DHS

A. REFERRAL TO SSA

1. If the Employer receives a tentative nonconfirmation issued by SSA, the Employer must print the notice as directed by E-Verify. The Employer must promptly notify employees in private of the finding and provide them with the notice and letter containing information specific to the employee's E-Verify case. The Employer also agrees to provide both the English and the translated notice and letter for employees with limited English proficiency to employees. The Employer agrees to provide written referral instructions to employees and instruct affected employees to bring the English copy of

the letter to the SSA. The Employer must allow employees to contest the finding, and not take adverse action against employees if they choose to contest the finding, while their case is still pending.

2. The Employer agrees to obtain the employee's response about whether he or she will contest the tentative nonconfirmation as soon as possible after the Employer receives the tentative nonconfirmation. Only the employee may determine whether he or she will contest the tentative nonconfirmation.

3. After a tentative nonconfirmation, the Employer will refer employees to SSA field offices only as directed by E-Verify. The Employer must record the case verification number, review the employee information submitted to E-Verify to identify any errors, and find out whether the employee contests the tentative nonconfirmation. The Employer will transmit the Social Security number, or any other corrected employee information that SSA requests, to SSA for verification again if this review indicates a need to do so.

4. The Employer will instruct the employee to visit an SSA office within eight Federal Government work days. SSA will electronically transmit the result of the referral to the Employer within 10 Federal Government work days of the referral unless it determines that more than 10 days is necessary.

5. While waiting for case results, the Employer agrees to check the E-Verify system regularly for case updates.

6. The Employer agrees not to ask the employee to obtain a printout from the Social Security Administration number database (the Numident) or other written verification of the SSN from the SSA.

B. REFERRAL TO DHS

1. If the Employer receives a tentative nonconfirmation issued by DHS, the Employer must promptly notify employees in private of the finding and provide them with the notice and letter containing information specific to the employee's E-Verify case. The Employer also agrees to provide both the English and the translated notice and letter for employees with limited English proficiency to employees. The Employer must allow employees to contest the finding, and not take adverse action against employees if they choose to contest the finding, while their case is still pending.

2. The Employer agrees to obtain the employee's response about whether he or she will contest the tentative nonconfirmation as soon as possible after the Employer receives the tentative nonconfirmation. Only the employee may determine whether he or she will contest the tentative nonconfirmation.

3. The Employer agrees to refer individuals to DHS only when the employee chooses to contest a tentative nonconfirmation.

4. If the employee contests a tentative nonconfirmation issued by DHS, the Employer will instruct the employee to contact DHS through its toll-free hotline (as found on the referral letter) within eight Federal Government work days.

5. If the Employer finds a photo mismatch, the Employer must provide the photo mismatch tentative nonconfirmation notice and follow the instructions outlined in paragraph 1 of this section for tentative nonconfirmations, generally.

6. The Employer agrees that if an employee contests a tentative nonconfirmation based upon a photo mismatch, the Employer will send a copy of the employee's Form I-551, Form I-766, U.S. Passport, or passport card to DHS for review by:

- a. Scanning and uploading the document, or
- b. Sending a photocopy of the document by express mail (furnished and paid for by the employer).

7. The Employer understands that if it cannot determine whether there is a photo match/mismatch, the Employer must forward the employee's documentation to DHS as described in the preceding paragraph. The Employer agrees to resolve the case as specified by the DHS representative who will determine the photo match or mismatch.

8. DHS will electronically transmit the result of the referral to the Employer within 10 Federal Government work days of the referral unless it determines that more than 10 days is necessary.

9. While waiting for case results, the Employer agrees to check the E-Verify system regularly for case updates.

ARTICLE IV SERVICE PROVISIONS

A. NO SERVICE FEES

1. SSA and DHS will not charge the Employer for verification services performed under this MOU. The Employer is responsible for providing equipment needed to make inquiries. To access E-Verify, an Employer will need a personal computer with Internet access.

ARTICLE V MODIFICATION AND TERMINATION

A. MODIFICATION

1. This MOU is effective upon the signature of all parties and shall continue in effect for as long as the SSA and DHS operates the E-Verify program unless modified in writing by the mutual consent of all parties.

2. Any and all E-Verify system enhancements by DHS or SSA, including but not limited to E-Verify checking against additional data sources and instituting new verification policies or procedures, will be covered under this MOU and will not cause the need for a supplemental MOU that outlines these changes.

B. TERMINATION

1. The Employer may terminate this MOU and its participation in E-Verify at any time upon 30 days prior written notice to the other parties.

2. Notwithstanding Article V, part A of this MOU, DHS may terminate this MOU, and thereby the Employer's participation in E-Verify, with or without notice at any time if deemed necessary because of the requirements of law or policy, or upon a determination by SSA or DHS that there has been a breach of system integrity or security by the Employer, or a failure on the part of the Employer to comply with established E-Verify procedures and/or legal requirements. The Employer understands that if it is a Federal contractor, termination of this MOU by any party for any reason may negatively affect the

performance of its contractual responsibilities. Similarly, the Employer understands that if it is in a state where E-Verify is mandatory, termination of this by any party MOU may negatively affect the Employer's business.

3. An Employer that is a Federal contractor may terminate this MOU when the Federal contract that requires its participation in E-Verify is terminated or completed. In such cases, the Federal contractor must provide written notice to DHS. If an Employer that is a Federal contractor fails to provide such notice, then that Employer will remain an E-Verify participant, will remain bound by the terms of this MOU that apply to non-Federal contractor participants, and will be required to use the E-Verify procedures to verify the employment eligibility of all newly hired employees.

4. The Employer agrees that E-Verify is not liable for any losses, financial or otherwise, if the Employer is terminated from E-Verify.

ARTICLE VI PARTIES

A. Some or all SSA and DHS responsibilities under this MOU may be performed by contractor(s), and SSA and DHS may adjust verification responsibilities between each other as necessary. By separate agreement with DHS, SSA has agreed to perform its responsibilities as described in this MOU.

B. Nothing in this MOU is intended, or should be construed, to create any right or benefit, substantive or procedural, enforceable at law by any third party against the United States, its agencies, officers, or employees, or against the Employer, its agents, officers, or employees.

C. The Employer may not assign, directly or indirectly, whether by operation of law, change of control or merger, all or any part of its rights or obligations under this MOU without the prior written consent of DHS, which consent shall not be unreasonably withheld or delayed. Any attempt to sublicense, assign, or transfer any of the rights, duties, or obligations herein is void.

D. Each party shall be solely responsible for defending any claim or action against it arising out of or related to E-Verify or this MOU, whether civil or criminal, and for any liability wherefrom, including (but not limited to) any dispute between the Employer and any other person or entity regarding the applicability of Section 403(d) of IIRIRA to any action taken or allegedly taken by the Employer.

E. The Employer understands that its participation in E-Verify is not confidential information and may be disclosed as authorized or required by law and DHS or SSA policy, including but not limited to, Congressional oversight, E-Verify publicity and media inquiries, determinations of compliance with Federal contractual requirements, and responses to inquiries under the Freedom of Information Act (FOIA).

F. The individuals whose signatures appear below represent that they are authorized to enter into this MOU on behalf of the Employer and DHS respectively. The Employer understands that any inaccurate statement, representation, data or other information provided to DHS may subject the Employer, its subcontractors, its employees, or its representatives to: (1) prosecution for false statements pursuant to 18 U.S.C. 1001 and/or; (2) immediate termination of its MOU and/or; (3) possible debarment or suspension.

G. The foregoing constitutes the full agreement on this subject between DHS and the

Employer.

To be accepted as an E-Verify participant, you should only sign the Employer's Section of the signature page. If you have any questions, contact E-Verify at 1-888-464-4218.

Approved by:

E-Verify Employer	
Name (Please Type or Print)	Title
Signature	Date
Department of Homeland Security – Verification Division	
Name (Please Type or Print)	Title
Signature	Date

Information Required for E-Verify	
Information relating to your Company:	
Company Name:	
Company Facility Address:	
Company Alternate Address:	
County or Parish:	

Employer Identification Number:							
North American Industry Classification Systems Code:							
Parent Company:							
Number of Employees:							
Number of Sites Verified for:							
<p>Are you verifying for more than one site? If yes, please provide the number of sites verified for in each State:</p> <table border="1"> <thead> <tr> <th>State</th> <th>Number of sites</th> <th>Site(s)</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>		State	Number of sites	Site(s)			
State	Number of sites	Site(s)					

Information relating to the Program Administrator(s) for your Company on policy questions or operational problems:	
Name:	
Telephone Number:	
Fax Number:	
E-mail Address:	

Name:	
Telephone Number:	
Fax Number:	
E-mail Address:	

Tab 6

Hopping Green & Sams

Attorneys and Counselors

April 6, 2021

VIA ELECTRONIC MAIL

Board of Supervisors
Magnolia West Community Development District

Re: *Refresher on Sunshine Law and Public Records Law*

Dear Supervisors:

I would like to provide a short reminder on Florida's public meeting and record requirements. While many of you are familiar with these requirements, this letter provides a refresher to help keep them on your mind. Please take a few minutes to read this letter and contact me at your convenience with any questions.

Florida's Government in the Sunshine Law

Generally speaking, Florida's Sunshine Law applies to all formal or informal gatherings of two or more Board Supervisors to discuss matters that **may foreseeably come before the Board for official action**. Section 286.011, Florida Statutes, contains three requirements for such meetings: (1) the meetings must be open to the public; (2) the meetings must be noticed; and (3) minutes of the meetings must be taken. The Sunshine Law is intended to protect the public from "closed door" politics, and Courts broadly construe the law to ensure it meets this remedial and protective purpose.¹ As examples of the broad interpretation of the Sunshine Law, courts and Florida's Attorney General have opined that it extends to:

- Discussions or exchanges between two or more Board Supervisors regarding Board business via email, telephones, Facebook, blogs, and third-party intermediaries.²
- Discussions between two or more board members at a noticed public meeting, but conducted in a manner not generally audible to the public in attendance.³
- Meetings of advisory groups that have been delegated some decision-making authority (e.g., tasked with responsibility to make recommendations on some Board-related business), whether delegation is by the board or by a single board member.⁴

¹ See, e.g., *Wood v. Marston*, 442 So.2d 934, 938 (Fla. 1983).

² See, e.g., Att'y General Opinion 08-07 (blogs); Att'y General Opinion 09-19 (Facebook); *State v. Childers* No. 02-219390-MMC; 02-21940-MMB (Escambia Co. Ct., June 5, 2013) (telephones); Att'y General Opinion 74-47 (intermediaries).

³ *Rackleff v. Bishop*, No. 89-235 (Fla. 2d Cir. Ct., March 5, 1990). See also Att'y General Opinion 71-159.

⁴ *Wood v. Marston*, 442 So.2d 934 (Fla. 1983). See also Att'y General Opinion 75-41.

Knowing violations of the Sunshine Law are a second degree misdemeanor punishable by up to sixty (60) days imprisonment and/or a fine of up to \$500.⁵ Noncriminal infractions are punishable by a fine not exceeding \$500.⁶ Significantly, attorneys' fees may be awarded to parties that bring successful suits for Sunshine Law violations, and those fees may be assessed against the individual members of the Board, except in those cases where the Board sought, and took, the advice of its attorney.⁷ The availability of attorneys' fees has created a cottage industry among lawyers that specialize in bringing suits for Sunshine Law violations and also supports law suits by newspapers and other "watch-dog" organizations.

Florida's Public Records Law

Board Supervisors are also subject to the duties contained in Chapter 119, Florida Statutes, which creates certain retention and inspection requirements for public records. The term "public record" is broadly defined in Section 119.011(11), Florida Statutes, to include "all documents, papers, letters... or other material, regardless of the physical form, characteristics, or means of transmission, made or received... in connection with the transaction of official business by any agency." The nature of the record, rather than the form of the record, determines whether it is a public record subject to Chapter 119, Florida Statutes. Thus, the public records law may reach texts, emails, instant messages, and draft and non-final documents. For example, opinions or comments posted on social media websites or blogs by Board Supervisors regarding District matters or matters that may come before the Board are considered to be made "in connection with the transaction of office business" and are, therefore, "public records."⁸ This may be true regardless of whether the posts are made on a private social media account, a public social media page, or on a public website.⁹ In sum, the courts construe the public records law liberally in favor of openness.¹⁰

The District has addressed retention of records on its own website. However, posts on third party sites are not under the direct control of the District, but may still be subject to public records requirements. As a result, if you do post on a third-party social media page, we advise that you create a copy of that page, and submit it promptly to the District Manager's office, who will maintain the record as the District's records custodian.

⁵ 286.011(3)(b), Fla. Stat.

⁶ 286.011(3)(a), Fla. Stat.

⁷ 286.011(4); (5), Fla. Stat.

⁸ Att'y General Opinion 09-19.

⁹ Att'y General Opinion 08-07.

¹⁰ *Dade Aviation Consultants v. Knight Ridder, Inc.*, 800 So.2d 302, 304 (Fla. 3rd Dist. Ct. App. 2001).

Knowing violations of the public records law is a misdemeanor of the first degree punishable by up to one year in prison and/or a fine of \$1,000 in addition to possible impeachment and removal from office.¹¹ Noncriminal violations are punishable by a fine not exceeding \$500.¹² As in the Sunshine Law context, attorneys' fees may be awarded to parties that bring successful suits for public record law violations and the availability of attorneys' fees has created a cottage industry of lawyers and watch-dog organizations that specialize in bringing suits for public record law violations.¹³

Best Practices for Social Media

While social media is a powerful tool for Board communication with constituents, use of social media by Board Supervisors presents the risk of violation of both the Sunshine Law and the Public Records Law. Here are some suggestions to minimize these risks:

1. Do NOT post on a social media page in response to another Supervisor's post. Also, do NOT direct others to make such a post on your behalf.
2. If you do post on a social media page, create a copy of that page, and submit it promptly to the District Manager's office, who will maintain the record as the District's records custodian.
3. Maintain District-related email separate and apart from any personal e-mail.
4. If in doubt about the accuracy of any planned posts, please consult with staff first, or feel free to direct a constituent with a particular question to staff for follow-up.
5. If you want to set up your own Facebook or other account where District business will be discussed, please consult further with District staff first.

I hope this information is helpful to you. If you ever have questions about how to handle a Sunshine Law or public records issue, please do not hesitate to contact me or another member of the District's staff.

Sincerely,

/s/ Katie S. Buchanan

Katie S. Buchanan, District Counsel

cc: District Manager

¹¹ 119.10, Fla. Stat.

¹² 119.10, Fla. Stat.

¹³ See, e.g., Taitt, Sarah, *Florida Public Records Law: The Battle Over Attorneys' Fees*, The Florida Bar Journal, vol. 9, no. 3 (March 2017).

District Engineer

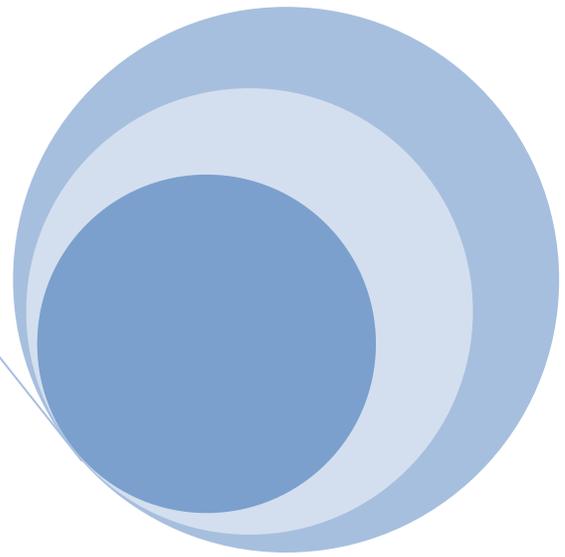
*Acceptance of Annual Engineer's
Report
(Under Separate Cover)*

Amenity Manager Report

Tab 7



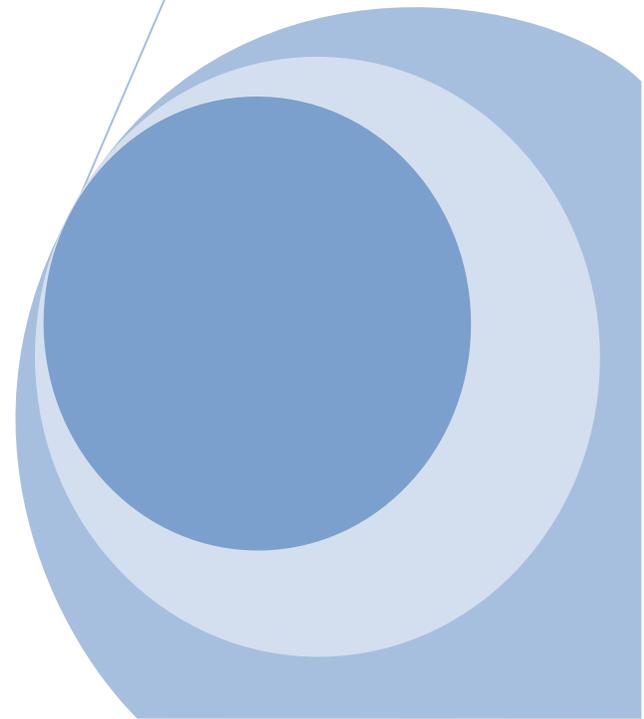
First Coast
CMS



Magnolia West Community Development District

Field Report April 2021

First Coast CMS LLC
04/22/2021



Swimming Pool

There are no maintenance issues with the pool or equipment at this time. We did have two fecal accidents in back to back weeks. The pools were closed and treated.

Common Area and Events

We continue to work with Brightview and bring up areas of concerns. We have requested that they remove several wax myrtle trees that are growing wild around the pool areas. We have also requested a proposal to install 57 stone around the pool filter area.

We have roped off a portion of the playground structure due to a hole in landing. We have reached out to Bliss Products for a proposal to repair.

We repair the elliptical handle (loose)

The gutter downspout behind the grill came loose and needed to be reattached (in house)

The women's bathroom door lock became none functioning and needed to be replaced (in house)

We can purchase chairs for the tables on the back deck for about \$22 each from Home depot. We would need 24. (\$528)



Discussion Regarding COVID-19 Restrictions

Landscape Report

Tab 8

Quality Site Assessment

General Information

Property Name: Magnolia West CDD

Date: Tuesday, April 20, 2021

Next Inspection Date:

Client Attendees:

Brightview Attendees: Brian Mercer

CUSTOMER FOCUS AREA:

Amenities, lakes and focal entrances.

MAINTENANCE ITEMS:

- 1) Seasonal flowers installed and getting good irrigation coverage.
- 2) Turf is starting to green up. Turf weeds are present in some areas. Work order has been submitted for treatment.
- 3) Playground is lacking color on Derby Forest but has good depth.
- 4) Large area inside playground on Derby Forest getting worn down from use.
- 5) Large lake recently serviced. Trash around bottom was removed.
- 6) Flax lilies at two areas in entrance are slow to come back from the freezes. Need to be replaced.
- 7) Push back mulch over side walk at clubhouse front and in front of playground.
- 8) Turf areas to the right of the clubhouse are starting to be shaded out. Additional plants should be installed to fill in these areas.
- 9) Remove leaves from playground plant beds.
- 10) Washout discovered behind pool area. Work order has been submitted.
- 11) Treat all pine straw areas for bed weeds before new pine straw put down.
- 12) Clean up sago palms at pool area to improve air flow.

RECOMMENDATIONS FOR PROPERTY ENHANCEMENTS:

- 1) Provide a proposal to replace flax lilies that were damaged by the freeze.
- 2) Change out plants under both signs to something more colorful and appealing.
- 3) Proposal submitted to trim back trees around the clubhouse.
- 4) Proposal approved to install fresh mulch at the clubhouse, pine straw around berm and tennis court and mini pine bark at entrances.
- 5) Proposal submitted to remove two wax myrtle trees from magnolia trees.
- 6) Proposal submitted to install rock in the pool pump area.

NOTES TO OWNER/CLIENT:

Quality Site Assessment

Maintenance Items

Seasonal flowers installed and getting good irrigation coverage.



[1 / 12]

Maintenance Items

Turf is starting to green up. Turf weeds are present in some areas. Work order has been submitted for treatment.



[2 / 12]

Maintenance Items

Playground is lacking color on Derby Forest but has good depth.



[3 / 12]

Maintenance Items

Large area inside playground on Derby Forest getting worn down from use.



[4 / 12]

Quality Site Assessment

Maintenance Items

Large lake recently serviced. Trash around bottom was removed.



[5 / 12]

Maintenance Items

Flax lilies at two areas in entrance are slow to come back from the freezes. Need to be replaced.



[6 / 12]

Maintenance Items

Push back mulch over side walk at clubhouse front and in front of playground.



[7 / 12]

Maintenance Items

Turf areas to the right of the clubhouse are starting to be shaded out. Additional plants should be installed to fill in these areas.



[8 / 12]

Quality Site Assessment

Maintenance Items

Remove leaves from playground plant beds.



[9 / 12]

Maintenance Items

Washout discovered behind pool area. Work order has been submitted.



[10 / 12]

Maintenance Items

Treat all pine straw areas for bed weeds before new pine straw put down.



[11 / 12]

Maintenance Items

Clean up sago palms at pool area to improve air flow.



[12 / 12]

Quality Site Assessment

Recommendations for Property Enhancements

Provide a proposal to replace flax lilies that were damaged by the freeze.



[1 / 6]

Recommendations for Property Enhancements

Change out plants under both signs to something more colorful and appealing.



[2 / 6]

Recommendations for Property Enhancements

Proposal submitted to trim back trees around the clubhouse.



[3 / 6]

Recommendations for Property Enhancements

Proposal approved to install fresh mulch at the clubhouse, pine straw around berm and tennis court and mini pine bark at entrances.



[4 / 6]

Quality Site Assessment

Recommendations for Property Enhancements

Proposal submitted to remove two wax myrtle trees from magnolia trees.



[5 / 6]

Recommendations for Property Enhancements

Proposal submitted to install rock in the pool pump area.



[6 / 6]

District Manager

BUSINESS ITEMS

Tab 9



Quote

Pro Lighting Outdoors, LLC.

766 Opossum Lane
Jacksonville, FL 32259
(904) 924 4496

04/1/2021
Quote # 210400

TO **Magnolia West**
3490 Canyon Falls Dr.
Green Cove Springs, FL
32043

Qty	Item	Description
1	Wire	12 AWG, 300 ft.
1	Transformer	300W Stainless Steel, lifetime warranty
13	Spot Fixture	Brass spot fixture with lifetime warranty
38+	Connectors	Outdoor-rated, silicone-filled wire connectors
19	LED Lamps	LED Diode Lamps, various angle and wattage specs, 1 yr warranty
6	XL Spot Fixture	Brass, lifetime warranty
1	Sensor	Solar Sensor, 1 year warranty
	Labor	Install all wiring, fixtures, transformer, adjust all fixtures, balance circuit loads
		Total \$3,995.00

Quotation prepared by: S. Shaw

This is a quotation on the goods named, subject to the conditions noted below:

To accept this quotation, sign here and return: _____

Thank you for your business!



Quote

Pro Lighting Outdoors, LLC.

766 Opossum Lane
Jacksonville, FL 32259
(904) 924 4496

04/1/2021
Quote # 210401

TO **Magnolia West**
3490 Canyon Falls Dr.
Green Cove Springs, FL
32043

Qty	Item	Description
1	Wire	12 AWG, 150 ft.
1	Transformer	150W Stainless Steel, lifetime warranty
7	Spot Fixture	Brass spot fixture with lifetime warranty
14+	Connectors	Outdoor-rated, silicone-filled wire connectors
7	LED Lamps	LED Diode Lamps, various angle and wattage specs, 1 yr warranty
1	Sensor	Solar Sensor, 1 year warranty
	Labor	Install all wiring, fixtures, transformer, adjust all fixtures, balance circuit loads
		Total \$1,495.00

Quotation prepared by: S. Shaw

This is a quotation on the goods named, subject to the conditions noted below:

To accept this quotation, sign here and return: _____

Thank you for your business!

Tab 10

Proposal for Extra Work at Magnolia West CDD

Property Name	Magnolia West CDD	Contact	Tony Shiver
Property Address	3438 Canyon Falls Drive Green Cove Springs, FL 32043	To	Magnolia West CDD
		Billing Address	c/o Rizzetta & Company Inc 8529 S Park Cir Ste 330 Orlando, FL 32819

Project Name Magnolia West tree work for building clearance around clubhouse 4.19.21

Project Description Trim trees off of the clubhouse 2-3' where applicable and haul away all debris.

Scope of Work

QTY	UoM/Size	Material/Description
1.00	LUMP SUM	Trim trees away from the clubhouse 2'-3' where applicable. Haul away all debris.

For internal use only

SO# 7495619
JOB# 346100449
Service Line 300

Total Price \$652.50

THIS IS NOT AN INVOICE

This proposal is valid for 60 days unless otherwise approved by BrightView Landscape Services, Inc.
11530 Davis Creek Court, Jacksonville, FL 32256 ph. (904) 292-0716 fax (904) 292-1014

TERMS & CONDITIONS

- The Contractor shall recognize and perform in accordance with written terms, written specifications and drawings only, contained or referred to herein. All materials shall conform to bid specifications.
- Work Force:** Contractor shall designate a qualified representative with experience in landscape maintenance/construction upgrades or when applicable in tree management. The workforce shall be competent and qualified, and shall be legally authorized to work in the U.S.
- License and Permits:** Contractor shall maintain a Landscape Contractor's license, if required by State or local law, and will comply with all other license and permit requirements of the City, State and Federal Governments, as well as all other requirements of law.
- Taxes:** Contractor agrees to pay all applicable taxes, including sales tax where applicable on material supplied.
- Insurance:** Contractor agrees to provide General Liability Insurance, Automotive Liability Insurance, Worker's Compensation Insurance, and any other insurance required by law or Client/Owner, as specified in writing prior to commencement of work. If not specified, Contractor will furnish insurance with \$1,000,000 limit of liability.
- Liability:** Contractor shall indemnify the Client/Owner and its agents and employees from and against any third party liabilities that arise out of Contractor's work to the extent such liabilities are adjudicated to have been caused by Contractor's negligence or willful misconduct. Contractor shall not be liable for any damage that occurs from Acts of God are defined as those caused by windstorm, hail, fire, flood, earthquake, hurricane and freezing, etc. Under these circumstances, Contractor shall have the right to renegotiate the terms and prices of this agreement within sixty (60) days. Any illegal trespass, claims and/or damages resulting from work requested that is not on property owned by Client/Owner or not under Client/Owner management and control shall be the sole responsibility of the Client/Owner.
- Subcontractors:** Contractor reserves the right to hire qualified subcontractors to perform specialized functions or work requiring specialized equipment.
- Additional Services:** Any additional work not shown in the above specifications involving extra costs will be executed only upon signed written orders, and will become an extra charge over and above the estimate.
- Access to Jobsite:** Client/Owner shall provide all utilities to perform the work. Client/Owner shall furnish access to all parts of jobsite where Contractor is to perform work as required by the Contract or other functions related thereto, during normal business hours and other reasonable periods of time. Contractor will perform the work as reasonably practical after the owner makes the site available for performance of the work.
- Invoicing:** Client/Owner shall make payment to Contractor within fifteen (15) days upon receipt of invoice. In the event the schedule for the completion of the work shall require more than thirty (30) days, a progress bill will be presented by month end and shall be paid within fifteen (15) days upon receipt of invoice.
- Termination:** This Work Order may be terminated by the either party with or without cause, upon seven (7) work days advance written notice. Client/Owner will be required to pay for all materials purchased and work completed to the date of termination and reasonable charges incurred in demobilizing.
- Assignment:** The Owner/Client and the Contractor respectively, bind themselves, their partners, successors, assignees and legal representative to the other party with respect to all covenants of this Agreement. Neither the Owner/Client nor the Contractor shall assign or transfer any interest in this Agreement without the written consent of the other provided, however, that consent shall not be required to assign this Agreement to any company which controls, is controlled by, or is under common control with Contractor or in connection with assignment to an affiliate or pursuant to a merger, sale of all or substantially all of its assets or equity securities, consolidation, change of control or corporate reorganization.
- Disclaimer:** This proposal was estimated and priced based upon a site visit and visual inspection from ground level using ordinary means, at or about the time this proposal was prepared. The price quoted in this proposal for the work described, is the result of that ground level visual inspection and therefore our company will not be liable for any additional costs or damages for additional work not described herein, or liable for any incidents/accidents resulting from conditions, that were not ascertainable by said ground level visual inspection by ordinary means at the time said inspection was performed. Contractor cannot be held responsible for unknown or otherwise hidden defects. Any corrective work proposed herein cannot guarantee exact results. Professional engineering, architectural, and/or landscape design services ("Design Services") are not included in this Agreement and shall not be provided by the Contractor. Any design defects in the Contract Documents are the sole responsibility of the Owner. If the Client/Owner must engage a licensed engineer, architect and/or landscape design professional, any costs concerning these Design Services are to be paid by the Client/Owner directly to the designer involved.

- Cancellation:** Notice of Cancellation of work must be received in writing before the crew is dispatched to their location or Client/Owner will be liable for a minimum travel charge of \$150.00 and billed to Client/Owner.

The following sections shall apply where Contractor provides Customer with tree care services:

- Tree & Stump Removal:** Trees removed will be cut as close to the ground as possible based on conditions to or next to the bottom of the tree trunk. Additional charges will be levied for unseen hazards such as, but not limited to concrete brick filled trunks, metal rods, etc. If requested mechanical grinding of visible tree stump will be done to a defined width and depth below ground level at an additional charge to the Client/Owner. Defined backfill and landscape material may be specified. Client/Owner shall be responsible for contacting Underground Service Alert to locate underground utility lines prior to start of work. Contractor is not responsible damage done to underground utilities such as but not limited to, cables, wires, pipes, and irrigation parts. Contractor will repair damaged irrigation lines at the Client/Owner's expense.
- Waiver of Liability:** Requests for crown thinning in excess of twenty-five percent (25%) or work not in accordance with ISA (international Society of Arboricultural) standards will require a signed waiver of liability.

Acceptance of this Contract

Contractor is authorized to perform the work stated on the face of this Contract. Payment will be 100% due at time of billing. If payment has not been received by BrightView within fifteen (15) days after billing, BrightView shall be entitled to all costs of collection, including reasonable attorneys' fees and it shall be relieved of any obligation to continue performance under this or any other Contract with Client/Owner. Interest at a per annum rate of 1.5% per month (18% per year), or the highest rate permitted by law, may be charged on unpaid balance 30 days after billing.

NOTICE: FAILURE TO MAKE PAYMENT WHEN DUE FOR COMPLETED WORK ON CONSTRUCTION JOBS, MAY RESULT IN A MECHANIC'S LIEN ON THE TITLE TO YOUR PROPERTY

Customer

Manager

Signature _____ Title _____

Tony Shiver

April 19, 2021

Printed Name _____ Date _____

BrightView Landscape Services, Inc. "BrightView"

Account Manager Exterior

Signature _____ Title _____

Brian Mercer

April 19, 2021

Printed Name _____ Date _____

Job #: 346100449

Proposed Price: \$652.50

SO # 7495619

Tab 11

Proposal for Extra Work at Magnolia West CDD

Property Name	Magnolia West CDD	Contact	Tony Shiver
Property Address	3438 Canyon Falls Drive Green Cove Springs, FL 32043	To	Magnolia West CDD
		Billing Address	c/o Rizzetta & Company Inc 8529 S Park Cir Ste 330 Orlando, FL 32819

Project Name Magnolia West rock installation at pool pump 4.16.21

Project Description Install 6 yards of 57 stone at pool pump area.

Scope of Work

QTY	UoM/Size	Material/Description
8.00	HOUR	Mobilization and labor to bring rock around clubhouse to pool pump.
6.00	YARD	57 stone installed

Images

Magnolia West 57 stone installation



Install 57 stone around pool pump area.

Magnolia West 57 stone installation



Install 57 stone around pool pump area

For internal use only

SO# 7494389
JOB# 346100449
Service Line 130

Total Price \$1,884.50

THIS IS NOT AN INVOICE

This proposal is valid for 60 days unless otherwise approved by BrightView Landscape Services, Inc.
11530 Davis Creek Court, Jacksonville, FL 32256 ph. (904) 292-0716 fax (904) 292-1014

TERMS & CONDITIONS

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- Work Force:** Contractor shall designate a qualified representative with experience in landscape maintenance/construction upgrades or when applicable in tree management. The workforce shall be competent and qualified, and shall be legally authorized to work in the U.S.
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- Insurance:** Contractor agrees to provide General Liability Insurance, Automotive Liability Insurance, Worker's Compensation Insurance, and any other insurance required by law or Client/Owner, as specified in writing prior to commencement of work. If not specified, Contractor will furnish insurance with \$1,000,000 limit of liability.
- Liability:** Contractor shall indemnify the Client/Owner and its agents and employees from and against any third party liabilities that arise out of Contractor's work to the extent such liabilities are adjudicated to have been caused by Contractor's negligence or willful misconduct. Contractor shall not be liable for any damage that occurs from Acts of God are defined as those caused by windstorm, hail, fire, flood, earthquake, hurricane and freezing, etc. Under these circumstances, Contractor shall have the right to renegotiate the terms and prices of this agreement within sixty (60) days. Any illegal trespass, claims and/or damages resulting from work requested that is not on property owned by Client/Owner or not under Client/Owner management and control shall be the sole responsibility of the Client/Owner.
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NOTICE: FAILURE TO MAKE PAYMENT WHEN DUE FOR COMPLETED WORK ON CONSTRUCTION JOBS, MAY RESULT IN A MECHANIC'S LIEN ON THE TITLE TO YOUR PROPERTY

Customer

Manager

Signature _____ Title _____

Tony Shiver **April 16, 2021**

Printed Name _____ Date _____

BrightView Landscape Services, Inc. "BrightView"

Account Manager Exterior

Signature _____ Title _____

Brian Mercer **April 16, 2021**

Printed Name _____ Date _____

Job #: 346100449 **Proposed Price:** \$1,884.50
SO # 7494389

Tab 12

RESOLUTION 2021-03

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2021/2022 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; ADDRESSING TRANSMITTAL, POSTING AND PUBLICATION REQUIREMENTS; ADDRESSING SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors (“**Board**”) of the Magnolia West Community Development District (“**District**”) prior to June 15, 2021, a proposed budget (“**Proposed Budget**”) for the fiscal year beginning October 1, 2021 and ending September 30, 2022 (“**Fiscal Year 2021/2022**”); and

WHEREAS, the Board has considered the Proposed Budget and desires to set the required public hearing thereon.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT:

1. PROPOSED BUDGET APPROVED. The Proposed Budget prepared by the District Manager for Fiscal Year 2021/2022 attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said Proposed Budget.

2. SETTING A PUBLIC HEARING. A public hearing on said approved Proposed Budget is hereby declared and set for the following date, hour and location:

DATE: _____, 2021

HOUR: _____

LOCATION: _____

3. TRANSMITTAL OF PROPOSED BUDGET TO LOCAL GENERAL PURPOSE GOVERNMENT. The District Manager is hereby directed to submit a copy of the Proposed Budget to Clay County at least 60 days prior to the hearing set above.

4. POSTING OF PROPOSED BUDGET. In accordance with Section 189.016, *Florida Statutes*, the District’s Secretary is further directed to post the approved Proposed Budget on the District’s website at least two days before the budget hearing date as set forth in Section 2, and shall remain on the website for at least 45 days.

5. PUBLICATION OF NOTICE. Notice of this public hearing shall be published in the manner prescribed in Florida law.

6. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

7. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this ___ day of _____, 2021.

ATTEST:

**MAGNOLIA WEST COMMUNITY
DEVELOPMENT DISTRICT**

Secretary / Assistant Secretary

Chairperson, Board of Supervisors

Exhibit A



Rizzetta & Company

Magnolia West Community Development District

magnoliawestcdd.org

Proposed Budget for Fiscal Year 2021-2022

Presented by: Rizzetta & Company, Inc.

2806 N. Fifth Street
Suite 403
St. Augustine, Florida 32084
Phone: 904-436-6270

rizzetta.com

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Rizzetta & Company

Proposed Budget
Magnolia West Community Development District
General Fund
Fiscal Year 2021/2022

	Chart of Accounts Classification	Actual YTD through 03/31/21	Projected Annual Totals 2020/2021	Annual Budget for 2020/2021	Projected Budget variance for 2020/2021	Budget for 2021/2022	Budget Increase (Decrease) vs 2020/2021	Comments
1								
2	REVENUES							
3								
4	Special Assessments							
5	Tax Roll*	\$ 363,537	\$ 366,798	\$ 366,798	\$ -	\$ 365,491	\$ (1,307)	
6	TOTAL REVENUES	\$ 363,537	\$ 366,798	\$ 366,798	\$ -	\$ 365,491	\$ (1,307)	
8								
9	Balance Forward from Prior	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
10								
11	TOTAL REVENUES AND	\$ 363,537	\$ 366,798	\$ 366,798	\$ -	\$ 365,491	\$ (1,307)	
12								
13								
14	ADMINISTRATIVE							
15								
16	Legislative							
17	Supervisor Fees	\$ 1,200	\$ 3,200	\$ 4,000	\$ 800	\$ 4,000	\$ -	Based on Quarterly Meetings
18	Financial & Administrative							
19	Administrative Services	\$ 2,122	\$ 4,244	\$ 4,244	\$ (0)	\$ 4,244	\$ 0	
20	District Management	\$ 8,652	\$ 17,304	\$ 17,304	\$ -	\$ 17,304	\$ -	
21	District Engineer	\$ 420	\$ 3,420	\$ 5,000	\$ 1,580	\$ 5,000	\$ -	
22	Disclosure Report	\$ 5,100	\$ 5,100	\$ 5,000	\$ (100)	\$ 5,000	\$ -	
23	Trustees Fees	\$ 3,771	\$ 3,771	\$ 3,800	\$ 29	\$ 3,800	\$ -	
24	Assessment Roll	\$ 5,408	\$ 5,408	\$ 5,408	\$ -	\$ 5,408	\$ -	
25	Financial & Revenue Collections	\$ 2,575	\$ 5,150	\$ 5,150	\$ -	\$ 5,150	\$ -	
26	Accounting Services	\$ 9,270	\$ 18,540	\$ 18,540	\$ -	\$ 18,540	\$ -	
27	Auditing Services	\$ 4,026	\$ 4,026	\$ 4,000	\$ (26)	\$ 3,500	\$ (500)	Based on Current Engagement
28	Arbitrage Rebate		\$ 600	\$ 600	\$ -	\$ 600	\$ -	
29	Public Officials Liability Insurance	\$ 2,421	\$ 2,421	\$ 2,536	\$ 115	\$ 2,663	\$ 127	Based on Estimate Provided
30	Legal Advertising	\$ 339	\$ 1,250	\$ 1,250	\$ -	\$ 1,250	\$ -	
31	Dues, Licenses & Fees	\$ 175	\$ 175	\$ 175	\$ -	\$ 175	\$ -	
32	Miscellaneous Fees		\$ -	\$ 250	\$ 250	\$ 250	\$ -	
33	Website Hosting, Maintenance, Backup	\$ 1,369	\$ 3,500	\$ 3,500	\$ -	\$ 3,500	\$ -	Based on Current Agreements
34	Legal Counsel							
35	District Counsel	\$ 5,047	\$ 10,094	\$ 15,000	\$ 4,906	\$ 15,000	\$ -	
36								
37	Administrative Subtotal	\$ 51,895	\$ 88,203	\$ 95,757	\$ 7,554	\$ 95,384	\$ (373)	
38								
39	OPERATIONS							
40	Security Operations							
41	Seasonal Security Services		\$ 7,500	\$ 15,000	\$ 7,500		\$ (15,000)	Could Possibly Include Additional Facility Monitor Hours FY 20/21. Removed Line for FY 21/22 and Added to Line 75
42	Electrical Utility Services							
43	Utility Services	\$ 6,646	\$ 18,000	\$ 22,000	\$ 4,000	\$ 18,000	\$ (4,000)	FY20/21
44	Garbage/Solid Waste							
45	Garbage - Recreation	\$ 1,356	\$ 2,712	\$ 3,000	\$ 288	\$ 3,000	\$ -	
46	Water-Sewer Combination							

Proposed Budget
Magnolia West Community Development District
General Fund
Fiscal Year 2021/2022

	Chart of Accounts Classification	Actual YTD through 03/31/21	Projected Annual Totals 2020/2021	Annual Budget for 2020/2021	Projected Budget variance for 2020/2021	Budget for 2021/2022	Budget Increase (Decrease) vs 2020/2021	Comments
47	Utility Services	\$ 7,284	\$ 7,284	\$ 8,500	\$ 1,216	\$ 8,500	\$ -	CCUA issued \$10,775.42 Adjustment in March 2021
48	Stormwater Control							
49	Lake/Pond Bank	\$ 3,582	\$ 7,164	\$ 7,164	\$ -	\$ 7,164	\$ -	
50	Other Physical Environment							
51	General Liability/ Property Insurance	\$ 10,206	\$ 10,206	\$ 10,348	\$ 142	\$ 11,227	\$ 879	Based on Estimate Provided
52	Entry Monument & Fence Maintenance	\$ 465	\$ 4,930	\$ 7,500	\$ 2,570	\$ 7,500	\$ -	Fountains Removed in 2021. To Also Include Pressure Washing.
53	Landscape & Irrigation Maintenance Contract	\$ 17,784	\$ 45,714	\$ 47,446	\$ 1,732	\$ 48,500	\$ 1,054	Proposed 3% Increase and Additional Annuals With Fountain Conversion
54	Irrigation Repairs	\$ 634	\$ 2,800	\$ 3,000	\$ 200	\$ 3,000	\$ -	
55	Landscape Replacement Plants, Shrubs, Trees	\$ 7,725	\$ 10,000	\$ 10,000	\$ -	\$ 10,000	\$ -	Included Fountain Area Enhancements FY 20/21 and. Proposed to Include Possible Pool Area And Amenity Center Enhancements FY 21/22
56	Miscellaneous Expense	\$ 1,917	\$ 4,745	\$ 2,000	\$ (2,745)	\$ 2,000	\$ -	FY 2020/21 Included Removal of Crepe Myrtles and Possibly Trimming of Tree Canopies at Facility and Rock Installation at Pumps.
57	Road & Street Facilities							
58	Amenity Sidewalk Repair & Maintenance		\$ 650	\$ 1,000	\$ 350	\$ 1,000	\$ -	
59	Amenity Parking Lot Repair & Maintenance		\$ 1,000	\$ 1,000	\$ -	\$ 1,000	\$ -	Re-Striping ?
60	Miscellaneous Expense		\$ 750	\$ 1,000	\$ 250	\$ 1,000	\$ -	
61	Parks & Recreation							
62	Amenity Management Staffing Contract	\$ 14,691	\$ 29,383	\$ 29,383	\$ -	\$ 30,264	\$ 881	Based on Current Agreement
63	Cable Phone and Internet	\$ 1,430	\$ 2,860	\$ 3,200	\$ 340	\$ 3,200	\$ -	
64	Amenity Janitorial Service Contract & Supplies	\$ 1,981	\$ 6,066	\$ 6,500	\$ 434	\$ 6,500	\$ -	FY 21/22 Based on Current Agreement & Includes Approximately \$2500 in Janitorial Supplies
65	Pool Service Contract - Maintenance & Chemicals	\$ 5,266	\$ 15,532	\$ 18,500	\$ 2,968	\$ 18,500	\$ -	FY 21/22 Based on Current agreement and Includes Approximately \$9500 in Pool Chemicals

Budget Template
Magnolia West Community Development District
Debt Service
Fiscal Year 2021/2022

Chart of Accounts Classification	Series 2006	Budget for 2021/2022
REVENUES		
Special Assessments		
Net Special Assessments ⁽¹⁾	\$49,683.62	\$49,683.62
TOTAL REVENUES	\$49,683.62	\$49,683.62
EXPENDITURES		
Administrative		
Financial & Administrative		
Debt Service Obligation	\$49,683.62	\$49,683.62
Administrative Subtotal	\$49,683.62	\$49,683.62
TOTAL EXPENDITURES	\$49,683.62	\$49,683.62
EXCESS OF REVENUES OVER EXPENDITURES	\$0.00	\$0.00

Clay County Collection Costs (2%) and Early Payment Discounts (4%): 6.00%

Gross assessments \$52,854.92

⁽¹⁾ Maximum Annual Debt Service less Prepaid Assessments received

Notes:

Tax Roll Collection Costs and Early Payment Discounts are 6.0% of Tax Roll. Budgeted net of tax roll assessments.
See Assessment Table.

MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2021/2022 O&M AND DEBT SERVICE ASSESSMENT SCHEDULE

2021/2022 O&M Budget		\$410,362.00
Clay County 2% Collection Cost:	2%	\$8,731.11
4% Early Payment Discounts:	4%	\$17,462.21
2021/2022 Total:		<u>\$436,555.32</u>

2020/2021 O&M Budget	\$410,362.00
2021/2022 O&M Budget	<u>\$410,362.00</u>
Total Difference:	<u><u>\$0.00</u></u>

	<u>PER UNIT ANNUAL ASSESSMENT</u>		<u>Proposed Increase / Decrease</u>	
	<u>2020/2021</u>	<u>2021/2022</u>	<u>\$</u>	<u>%</u>
Debt Service - Single Family (Platted)	\$1,149.02	\$1,149.02	\$0.00	0.00%
Operations/Maintenance - Single Family (Platted)	\$831.53	\$831.53	\$0.00	0.00%
Total	<u>\$1,980.55</u>	<u>\$1,980.55</u>	<u>\$0.00</u>	<u>0.00%</u>

MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2021/2022 O&M and DEBT SERVICE ASSESSMENT SCHEDULE

TOTAL O&M BUDGET		\$410,362.00
COLLECTION COSTS	2.0%	\$8,731.11
EARLY PAYMENT DISCOUNT	4.0%	\$17,462.21
TOTAL O&M ASSESSMENT		<u>\$436,555.32</u>

<u>LOT SIZE</u>	<u>UNITS ASSESSED</u>		<u>EAU FACTOR</u>
	<u>O&M</u>	<u>SERIES 2006 DEBT SERVICE ⁽¹⁾</u>	
<u>Platted Parcels</u>			
SINGLE FAMILY	525	46	1.00
Total Platted	<u>525</u>	<u>46</u>	
Total Community	<u>525</u>	<u>46</u>	

<u>ALLOCATION OF O&M ASSESSMENT</u>				<u>PER LOT ANNUAL ASSESSMENT</u>		
<u>TOTAL EAU's</u>	<u>% TOTAL EAU's</u>	<u>TOTAL O&M BUDGET</u>	<u>TOTAL PER LOT</u>	<u>O&M</u>	<u>SERIES 2006 DEBT SERVICE ⁽²⁾</u>	<u>TOTAL ⁽³⁾</u>
525.00	100.00%	\$436,555.32	\$831.53	\$831.53	\$1,149.02	\$1,980.55
525.00	100.00%	\$436,555.32				

LESS: Clay County Collection Costs (2%) and Early Payment Discounts (4%):

(\$26,193.32)

Net Revenue to be Collected

\$410,362.00

⁽¹⁾ Reflects the number of total lots with Series 2006 debt outstanding.

⁽²⁾ Annual debt service assessment per lot adopted in connection with the Series 2006 bond issue. Annual assessment includes principal, interest, Clay County Collection Costs and Early Payment Discounts.

⁽³⁾ Annual assessment that will appear on November 2021 Clay County property tax bill. Amount shown includes all applicable collection costs and early payment discounts (up to 4% if paid early).

GENERAL FUND BUDGET ACCOUNT CATEGORY DESCRIPTION

The General Fund Budget Account Category Descriptions are subject to change at any time depending on its application to the District. Please note, not all General Fund Budget Account Category Descriptions are applicable to the District indicated above. Uses of the descriptions contained herein are intended for general reference.

REVENUES:

Interest Earnings: The District may earn interest on its monies in the various operating accounts.

Tax Roll: The District levies Non-Ad Valorem Special Assessments on all of the assessable property within the District to pay for operating expenditures incurred during the Fiscal Year. The assessments may be collected in two ways. The first is by placing them on the County's Tax Roll, to be collected with the County's Annual Property Tax Billing. This method is only available to land properly platted within the time limits prescribed by the County.

Off Roll: For lands not on the tax roll and that is by way of a direct bill from the District to the appropriate property owner.

Developer Contributions: The District may enter into a funding agreement and receive certain prescribed dollars from the Developer to off-set expenditures of the District.

Event Rental: The District may receive monies for event rentals for such things as weddings, birthday parties, etc.

Miscellaneous Revenues: The District may receive monies for the sale or provision of electronic access cards, entry decals etc.

Facilities Rentals: The District may receive monies for the rental of certain facilities by outside sources, for such items as office space, snack bar/restaurants etc.

EXPENDITURES – ADMINISTRATIVE:

Supervisor Fees: The District may compensate its supervisors within the appropriate statutory limits of \$200.00 maximum per meeting within an annual cap of \$4,800.00 per supervisor.



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Administrative Services: The District will incur expenditures for the day to today operation of District matters. These services include support for the District Management function, recording and preparation of meeting minutes, records retention and maintenance in accordance with Chapter 119, Florida Statutes, and the District's adopted Rules of Procedure, preparation and delivery of agenda, overnight deliveries, facsimiles and phone calls.

District Management: The District as required by statute, will contract with a firm to provide for management and administration of the District's day to day needs. These services include the conducting of board meetings, workshops, overall administration of District functions, all required state and local filings, preparation of annual budget, purchasing, risk management, preparing various resolutions and all other secretarial duties requested by the District throughout the year is also reflected in this amount.

District Engineer: The District's engineer provides general engineering services to the District. Among these services are attendance at and preparation for monthly board meetings, review of construction invoices and all other engineering services requested by the district throughout the year.

Disclosure Report: The District is required to file quarterly and annual disclosure reports, as required in the District's Trust Indenture, with the specified repositories. This is contracted out to a third party in compliance with the Trust Indenture.

Trustee's Fees: The District will incur annual trustee's fees upon the issuance of bonds for the oversight of the various accounts relating to the bond issues.

Assessment Roll: The District will contract with a firm to maintain the assessment roll and annually levy a Non-Ad Valorem assessment for operating and debt service expenses.

Financial & Revenue Collections: Services include all functions necessary for the timely billing and collection and reporting of District assessments in order to ensure adequate funds to meet the District's debt service and operations and maintenance obligations. These services include, but are not limited to, assessment roll preparation and certification, direct billings and funding request processing as well as responding to property owner questions regarding District assessments. This line item also includes the fees incurred for a Collection Agent to collect the funds for the principal and interest payment for its short-term bond issues and any other bond related collection needs. These funds are collected as prescribed in the Trust Indenture. The Collection Agent also provides for the release of liens on property after the full collection of bond debt levied on particular properties.

Accounting Services: Services include the preparation and delivery of the District's financial statements in accordance with Governmental Accounting Standards, accounts payable and accounts receivable functions, asset tracking, investment tracking, capital program administration and requisition processing, filing of annual reports required by the State of Florida and monitoring of trust account activity.



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Auditing Services: The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting firm, once it reaches certain revenue and expenditure levels, or has issued bonds and incurred debt.

Arbitrage Rebate Calculation: The District is required to calculate the interest earned from bond proceeds each year pursuant to the Internal Revenue Code of 1986. The Rebate Analyst is required to verify that the District has not received earnings higher than the yield of the bonds.

Travel: Each Board Supervisor and the District Staff are entitled to reimbursement for travel expenses per Florida Statutes 190.006(8).

Public Officials Liability Insurance: The District will incur expenditures for public officials' liability insurance for the Board and Staff.

Legal Advertising: The District will incur expenditures related to legal advertising. The items for which the District will advertise include, but are not limited to meeting schedules, special meeting notices, and public hearings, bidding etc. for the District based on statutory guidelines

Bank Fees: The District will incur bank service charges during the year.

Dues, Licenses & Fees: The District is required to pay an annual fee to the Department of Economic Opportunity, along with other items which may require licenses or permits, etc.

Miscellaneous Fees: The District could incur miscellaneous throughout the year, which may not fit into any standard categories.

Website Hosting, Maintenance and Email: The District may incur fees as they relate to the development and ongoing maintenance of its own website along with possible email services if requested.

District Counsel: The District's legal counsel provides general legal services to the District. Among these services are attendance at and preparation for monthly board meetings, review of operating and maintenance contracts and all other legal services requested by the district throughout the year.

EXPENDITURES - FIELD OPERATIONS:

Deputy Services: The District may wish to contract with the local police agency to provide security for the District.



Security Services and Patrols: The District may wish to contract with a private company to provide security for the District.

Electric Utility Services: The District will incur electric utility expenditures for general purposes such as irrigation timers, lift station pumps, fountains, etc.

Streetlights: The District may have expenditures relating to streetlights throughout the community. These may be restricted to main arterial roads or in some cases to all streetlights within the District's boundaries.

Utility - Recreation Facility: The District may budget separately for its recreation and or amenity electric separately.

Gas Utility Services: The District may incur gas utility expenditures related to district operations at its facilities such as pool heat etc.

Garbage - Recreation Facility: The District will incur expenditures related to the removal of garbage and solid waste.

Solid Waste Assessment Fee: The District may have an assessment levied by another local government for solid waste, etc.

Water-Sewer Utility Services: The District will incur water/sewer utility expenditures related to district operations.

Utility - Reclaimed: The District may incur expenses related to the use of reclaimed water for irrigation.

Aquatic Maintenance: Expenses related to the care and maintenance of the lakes and ponds for the control of nuisance plant and algae species.

Fountain Service Repairs & Maintenance: The District may incur expenses related to maintaining the fountains within throughout the Parks & Recreational areas

Lake/Pond Bank Maintenance: The District may incur expenditures to maintain lake banks, etc. for the ponds and lakes within the District's boundaries, along with planting of beneficial aquatic plants, stocking of fish, mowing and landscaping of the banks as the District determines necessary.

Wetland Monitoring & Maintenance: The District may be required to provide for certain types of monitoring and maintenance activities for various wetlands and waterways by other governmental entities.

Mitigation Area Monitoring & Maintenance: The District may be required to provide for certain types of monitoring and maintenance activities for various mitigation areas by other governmental entities.



Aquatic Plant Replacement: The expenses related to replacing beneficial aquatic plants, which may or may not have been required by other governmental entities.

General Liability Insurance: The District will incur fees to insure items owned by the District for its general liability needs

Property Insurance: The District will incur fees to insure items owned by the District for its property needs

Entry and Walls Maintenance: The District will incur expenditures to maintain the entry monuments and the fencing.

Landscape Maintenance: The District will incur expenditures to maintain the rights-of-way, median strips, recreational facilities including pond banks, entryways, and similar planting areas within the District. These services include but are not limited to monthly landscape maintenance, fertilizer, pesticides, annuals, mulch, and irrigation repairs.

Irrigation Maintenance: The District will incur expenditures related to the maintenance of the irrigation systems.

Irrigation Repairs: The District will incur expenditures related to repairs of the irrigation systems.

Landscape Replacement: Expenditures related to replacement of turf, trees, shrubs etc.

Field Services: The District may contract for field management services to provide landscape maintenance oversight.

Miscellaneous Fees: The District may incur miscellaneous expenses that do not readily fit into defined categories in field operations.

Gate Phone: The District will incur telephone expenses if the District has gates that are to be opened and closed.

Street/Parking Lot Sweeping: The District may incur expenses related to street sweeping for roadways it owns or are owned by another governmental entity, for which it elects to maintain.

Gate Facility Maintenance: Expenses related to the ongoing repairs and maintenance of gates owned by the District if any.

Sidewalk Repair & Maintenance: Expenses related to sidewalks located in the right of way of streets the District may own if any.

Roadway Repair & Maintenance: Expenses related to the repair and maintenance of roadways owned by the District if any.



Employees - Salaries: The District may incur expenses for employees/staff members needed for the recreational facilities such as Clubhouse Staff.

Employees - P/R Taxes: This is the employer's portion of employment taxes such as FICA etc.

Employee - Workers' Comp: Fees related to obtaining workers compensation insurance.

Management Contract: The District may contract with a firm to provide for the oversight of its recreation facilities.

Maintenance & Repair: The District may incur expenses to maintain its recreation facilities.

Facility Supplies: The District may have facilities that required various supplies to operate.

Gate Maintenance & Repairs: Any ongoing gate repairs and maintenance would be included in this line item.

Telephone, Fax, Internet: The District may incur telephone, fax and internet expenses related to the recreational facilities.

Office Supplies: The District may have an office in its facilities which require various office related supplies.

Clubhouse - Facility Janitorial Service: Expenses related to the cleaning of the facility and related supplies.

Pool Service Contract: Expenses related to the maintenance of swimming pools and other water features.

Pool Repairs: Expenses related to the repair of swimming pools and other water features.

Security System Monitoring & Maintenance: The District may wish to install a security system for the clubhouse

Clubhouse Miscellaneous Expense: Expenses which may not fit into a defined category in this section of the budget

Athletic/Park Court/Field Repairs: Expense related to any facilities such as tennis, basketball etc.

Trail/Bike Path Maintenance: Expenses related to various types of trail or pathway systems the District may own, from hard surface to natural surfaces.



Special Events: Expenses related to functions such as holiday events for the public enjoyment

Miscellaneous Fees: Monies collected and allocated for fees that the District could incur throughout the year, which may not fit into any standard categories.

Miscellaneous Contingency: Monies collected and allocated for expenses that the District could incur throughout the year, which may not fit into any standard categories.

Capital Outlay: Monies collected and allocated for various projects as they relate to public improvements.



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RESERVE FUND BUDGET ACCOUNT CATEGORY DESCRIPTION

The Reserve Fund Budget Account Category Descriptions are subject to change at any time depending on its application to the District. Please note, not all Reserve Fund Budget Account Category Descriptions are applicable to the District indicated above. Uses of the descriptions contained herein are intended for general reference.

REVENUES:

Tax Roll: The District levies Non-Ad Valorem Special Assessments on all of the assessable property within the District to pay for operating expenditures incurred during the Fiscal Year. The assessments may be collected in two ways. The first is by placing them on the County's Tax Roll, to be collected with the County's Annual Property Tax Billing. This method is only available to land properly platted within the time limits prescribed by the County.

Off Roll: For lands not on the tax roll and that is by way of a direct bill from the District to the appropriate property owner.

Developer Contributions: The District may enter into a funding agreement and receive certain prescribed dollars from the Developer to off-set expenditures of the District.

Miscellaneous Revenues: The District may receive monies for the sale or provision of electronic access cards, entry decals etc.

EXPENDITURES:

Capital Reserve: Monies collected and allocated for the future repair and replacement of various capital improvements such as club facilities, swimming pools, athletic courts, roads, etc.

Capital Outlay: Monies collected and allocated for various projects as they relate to public improvements.

DEBT SERVICE FUND BUDGET ACCOUNT CATEGORY DESCRIPTION

The Debt Service Fund Budget Account Category Descriptions are subject to change at any time depending on its application to the District. Please note, not all Debt Service Fund Budget Account Category Descriptions are applicable to the District indicated above. Uses of the descriptions contained herein are intended for general reference.

REVENUES:

Special Assessments: The District may levy special assessments to repay the debt incurred by the sale of bonds to raise working capital for certain public improvements. The assessments may be collected in the same fashion as described in the Operations and Maintenance Assessments.

EXPENDITURES – ADMINISTRATIVE:

Bank Fees: The District may incur bank service charges during the year.

Debt Service Obligation: This would a combination of the principal and interest payment to satisfy the annual repayment of the bond issue debt.

**AUDIENCE COMMENTS
AND SUPERVISOR
REQUESTS**

ADJOURNMENT