



Rizzetta & Company

Magnolia West Community Development District

**Board of Supervisors' Meeting
May 10, 2022**

**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 Ferman Lewis Cynthia Riegler Douglas Kuhrt	Board Supervisor, Chairman Board Supervisor, Vice-Chairman Board Supervisor, Asst. Secretary Board Supervisor, Asst. Secretary Board Member, Asst. Secretary
District Manager	Lesley Gallagher	Rizzetta & Company, Inc.
District Counsel	Katie Buchanan	Kutak Rock, LLP
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 · St. Augustine, Florida · (904) 436-6270
Mailing Address – 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614
www.magnoliawestcdd.org

May 3, 2022

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 **May 10, 2022 at 6:00 p.m.** at the Magnolia West Amenity Center located at 3490 Canyon Falls Drive, Green Cove Springs, FL 32043.

1. **CALL TO ORDER/ROLL CALL**
2. **AUDIENCE COMMENTS ON AGENDA ITEMS**
3. **BUSINESS ADMINISTRATION**
 - A. Consideration of the Minutes of the Board of Supervisors' Regular Meeting held on February 8, 2022.....Tab 1
 - B. Ratification of the Operation and Maintenance Expenditures for December 2021 and January 2022 through March, 2022.....Tab 2
4. **STAFF REPORTS**
 - A. District Counsel
 - B. District Engineer
 - C. Amenity Manager Report – First Coast CMS
 - D. Landscape Report
 1. Consideration of Brightview Proposal for Landscape Enhancements.....Tab 3
 - E. District Manager
5. **BUSINESS ITEMS**
 - A. Acceptance of Fiscal Year 2021 Audit.....Tab 4
 - B. Presentation of Registered Voter Count.....Tab 5
 - C. Consideration of Resolution 2022-03; Approving FY 23 Proposed Budget and Setting Public Hearing.....Tab 6
 - D. Discussion Regarding Amenity Center Policies
 - E. Acceptance of the Annual Engineer's Report
Under Separate Cover
 - F. Acceptance of the Stormwater Analysis
Under Separate Cover
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
Lesley Gallagher
Magnolia West Community Development District

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 **regular** meeting of the Board of Supervisors of Magnolia West Community Development District was held on **Tuesday, February 8, 2022 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
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>
Jeremy Urcan	District Engineer, Prosser <i>(via speakerphone)</i>
Tony Shiver	President, First Coast CMS
Rodney Hicks	Representative, BrightView Landscaping
Brian Hicks	Representative, 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

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 Board of Supervisors' Regular Meeting held October 12, 2021

On a motion by Ms. Linde, seconded by Ms. Riegler, with all in favor, the Board approved the Minutes of the Board of Supervisors' Regular Meeting held October 12, 2021 for Magnolia West Community Development District.

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FOURTH ORDER OF BUSINESS

Ratification of the Operation and Maintenance Expenditures for September 2021, October 2021 and November 2021

On a motion by Ms. Riegler, seconded by Ms. Lentz, with all in favor, the Board ratified Operation and Maintenance Expenditures for September in the amount of \$38,780.23, October 2021 in the amount of \$25,832.58 and November 2021 in the amount of \$15,395.66 for Magnolia West Community Development District.

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FIFTH ORDER OF BUSINESS

Consideration of Resolution 2022-01, Conducting the General Election

Ms. Gallagher reviewed Resolution 2022-01, Regarding the General Election and noted the qualifying period is noon June 13, 2022 through noon June 17, 2022 and interested candidates should contact the Clay County Supervisor of Elections for additional information.

On a motion by Ms. Riegler, seconded by Ms. Linde, with all in favor, the Board adopted Resolution 2022-01, Regarding the General Election for Magnolia West Community Development District.

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SIXTH ORDER OF BUSINESS

Staff Reports

- A. District Counsel
 - 1.) Consideration of Kutak Rock, LLC Retention and Fee Agreement
 - 2.) Memorandum Regarding Wastewater and Stormwater Needs Analysis
- Ms. Rigoni reviewed the Kutak Rock, LLC Retention and Fee Agreement.

On a motion by Ms. Linde, seconded by Ms. Lentz, with all in favor, the Board approved Kutak Rock, LLC Retention and Fee Agreement for Magnolia West Community Development District.

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Ms. Rigoni then reviewed the memorandum regarding wastewater and stormwater needs analysis.

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B. District Engineer

- 1.) Consideration of Proposal for Wastewater and Stormwater Needs Analysis
- 2.) Consideration of Update to Prosser Rate Schedule

Ms. Urcan reviewed the proposal for wastewater and stormwater needs analysis.

On a motion by Ms. Riegler, seconded by Ms. Linde, with all in favor, the Board approved proposal for Wastewater and Stormwater Needs Analysis for Magnolia West Community Development District.

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Ms. Urcan then reviewed the rate schedule behind Tab 7 of the agenda.

On a motion by Ms. Lentz, seconded by Ms. Linde, with all in favor, the Board approved Prosser Updated Rate Schedule for Magnolia West Community Development District.

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C. Amenity Manager Report

- 1.) First Coast CMS, Amenity Manager Report, January 28, 2022

Mr. Shiver reviewed his report under Tab 8 of the agenda. He noted that the A/C unit has been having issues recently and he has requested proposals for replacement and anticipates that this will be reviewed at the next meeting.

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D. Landscape Report

Mr. Mercer reviewed the landscape report (Exhibit A). He noted some freeze damage that will continue to be monitored and that he would be providing a proposal to replace shrubs in front of tall hedge with sod as well as an area of St. Augustine turf being damaged by wear and tear noting a path may need to be created to the left of clubhouse. It was noted that the GFI at the Magnolia West planter needed replacement. It was requested to tier annuals and provide proposals to add color to the planters, possibly Day Lilies.

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E. District Manager

Ms. Gallagher reviewed the District Manager report and that the next meeting was a 6:00 p.m. meeting at which the FY 2022/2023 budget would be proposed. The Board members present confirmed they had no scheduling conflicts for the meeting to be held May 10, 2022 at 6:00 p.m.

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On a motion by Ms. Riegler seconded by Ms. Lentz, with all in favor, the Board ratified Chairman's approval of Assignment of Technology Agreement to Rizzetta & Company for Magnolia West Community Development District.

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SEVENTH ORDER OF BUSINESS

Consideration of Proposal for Pressure Washing

On a motion by Ms. Riegler, seconded by Ms. Linde, with all in favor, the Board approved Krystal Klean proposal for pressure washing in the amount of \$4,219.38 to be scheduled for spring, for Magnolia West Community Development District.

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EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2022-02, Updating Prompt Payment Policy

Ms. Rigoni reviewed Resolution 2022-02 and changes required to prompt payment policies due to recent legislature.

On a motion by Ms. Linde, seconded by Ms. Riegler, with all in favor, the Board adopted Resolution 2022-02, Updating Prompt Payment Policies for Magnolia West Community Development District.

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NINTH ORDER OF BUSINESS

Supervisors Request and Audience Comments

Ms. Riegler brought up concerns about food trucks and pricing.

Mr. Kuhrt requested City of Green Cove Police Department be contacted about drivers not observing laws at stop signs.

An audience member asked if there were any plans for a berm or barrier along Bonnie Lakes due to noise from CR315.

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TENTH ORDER OF BUSINESS

Adjournment

On a motion by Mr. Linde, seconded by Ms. Riegler, with all in favor, the Board of Supervisors adjourned the meeting at 4:20 p.m. for the Magnolia West Community Development District.

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Secretary/Assistant Secretary

Chairman/Vice Chairman

Tab 2

Magnolia West Community Development District

Paid Operation & Maintenance Expenditures

December 1, 2021 Through December 31, 2021

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Amerigas Propane LP	002058	3129335743	Propane 11/22/21	564.34
Brightview Landscape Services, Inc.	002054	7646278	Landscape Maintenance 12/21	2,949.00
Clay Electric Cooperative, Inc.	002061	7213663 12/21	3490 Canyon Falls Drive 12/21	1,242.00
Clay Electric Cooperative, Inc.	002061	9075317 12/21	3179 Canyon Falls Dr Entry Sign 12/21	31.00
Clay Electric Cooperative, Inc.	002061	9075319 12/21	3185 Canyon Falls Dr Sign 12/21	32.00
Clay Electric Cooperative, Inc.	002048	Electric Summary 11/21	Electric Summary 11/21	1,243.00
Comcast	2021120721-1	8495 74 150 0248350 12/21	Amenity Cable/Phone/Internet 12/21	276.93
First Coast CMS, LLC	002055	6190	Amenity Staff, Janitorial, Pool & Maintenance Service 12/21	3,817.35
First Coast CMS, LLC	002062	6315	Supplies for Holiday Party 12/21	406.69
Florida Pump Service, Inc	002059	81408	Pump Repair/Motor Replacement 11/21	1,550.70
Hopping Green & Sams	002049	125826	Monthly Legal Services 08/21	1,327.47
Hopping Green & Sams	002056	126136	Monthly Legal Services 11/21	1,129.90
Republic Services #687	2021120721-2	3-0687-0007301	Waste Disposal Services 12/21	276.72

Magnolia West Community Development District

Paid Operation & Maintenance Expenditures

December 1, 2021 Through December 31, 2021

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Rizzetta & Company, Inc.	002050	INV0000063121	District Management Fees 12/21	3,768.17
Rizzetta & Company, Inc.	002063	INV0000064566	District Management Fees 01/22	3,868.17
Rizzetta Technology Services, LLC	002051	INV0000008260	Website Hosting Services 12/21	100.00
The Florida Times Union 1261	002052	103383763-10192021	Newspaper Ad 10/21	580.40
The Lake Doctors, Inc	002057	621437	Lake Maintenance 12/21	597.00
Turner Pest Control, LLC	002053	8013091	Pest Control 11/21	70.00
Turner Pest Control, LLC	002064	8091391	Pest Control 12/21	70.00
US Bank	002065	6340093	Trustee Fees	<u>3,771.25</u>
Report Total				<u>27,672.09</u>

Magnolia West Community Development District

Paid Operation & Maintenance Expenditures

January 1, 2022 Through January 31, 2022

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Brightview Landscape Services, Inc.	002069	7684514	Landscape Maintenance 01/22	\$ 2,949.00
Comcast	2022010722-4	8495 74 150 0248350 01/22	Amenity Cable/Phone/Internet 01/22	\$ 276.93
First Coast CMS, LLC	002067	6247	Amenity Staff, Janitorial, Maintenance & Pool Cleaning 12/21	\$ 3,817.35
First Coast CMS, LLC	002068	6392	Installation of new flooring 01/22	\$ 4,652.00
First Coast CMS, LLC	002070	6373	Reimbursement for Purchases 01/22	\$ 672.94
Fitness Pro	002071	26563	Qrtly Preventative Maintenance 01/22	\$ 150.00
Florida Department of Revenue	002072	65-8017548744-9 4th Quarter	FL Sales And Use Tax 10/21-12/21	\$ 28.12
Innersync Studio, Ltd dba. Campus Suite	002066	20038	Website Service ADA Compliance Q1 FY 22/23	\$ 384.38
Republic Services #687	2022010622-1	0687-001190338	Waste Disposal Services 01/22	\$ 276.57
Rizzetta & Company, Inc.	002074	INV0000064835	Annual Dissemination Agent Fee FY 21/22	\$ 5,000.00
The Lake Doctors, Inc	002075	627462	Lake Maintenance 1/22	\$ 597.00
Report Total				<u>\$ 18,804.29</u>

Magnolia West Community Development District

Paid Operation & Maintenance Expenditures

February 1, 2022 Through February 28, 2022

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Arrington Lentz	2086	AL020822	Board of Supervisors Meeting 02/08/2022	\$ 200.00
Bob's Backflow & Plumbing Services, Inc.	2076	79980	Backflow Testing & Certification 01/21	\$ 90.00
Brightview Landscape Services, Inc.	2087	7724478	Landscape Maintenance 02/22	\$ 2,949.00
Brightview Landscape Services, Inc.	2087	7763049	Playground Mulch 11/21	\$ 1,947.63
Clay Electric Cooperative, Inc.	2077	Electric Summary 12/21	Electric Summary 12/21	\$ 1,063.00
Clay Today	2088	2022-215673	Legal Advertising Acct #502236 01/22	\$ 78.30
Clay Today	2078	333544.0455	Legal Advertising Acct #502236 01/22	\$ 78.30
Comcast	2022020822-1	8495 74 150 0248350 02/22	Amenity Cable/Phone/Internet 02/22	\$ 286.64
Cynthia R Riegler	2083	CR020822	Board of Supervisors Meeting 02/08/2022	\$ 200.00
Douglas Robert Kuhrt	2084	DK020822	Board of Supervisors Meeting 02/08/2022	\$ 200.00
First Coast CMS, LLC	2089	6333	Amenity Staff, Janitorial, Pool & Maintenance Service 02/22	\$ 3,817.35
First Coast CMS, LLC	2079	6404	Installation of new flooring 01/22	\$ 2,590.00
First Coast CMS, LLC	2082	6466	Reimbursement for Purchases 01/22	\$ 528.30
Kutak Rock, LLP	2085	2979421	Legal Services 12/21	\$ 78.00
Republic Services #687	2022020822-2	0687-001198133	Waste Disposal Services 02/22	\$ 275.65

Magnolia West Community Development District

Paid Operation & Maintenance Expenditures

February 1, 2022 Through February 28, 2022

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Rizzetta & Company, Inc.	2080	INV00000665405	District Management Fees 02/22	\$ 3,868.17
Sam Lepley	2090	20622	Rental Deposit Refund - Sam Lepley 02/06/22	\$ 150.00
The Lake Doctors, Inc	2091	633560	Lake Maintenance 02/22	\$ 597.00
Turner Pest Control, LLC	2081	8162311	Pest Control 01/22	<u>\$ 73.50</u>
Report Total				<u>\$ 19,070.84</u>

Magnolia West Community Development District

Paid Operation & Maintenance Expenditures

March 1, 2022 Through March 31, 2022

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
Berger Tooms Elam Gaines & Frank	002097	356698	Audit Services FY 20/21	\$ 3,500.00
Brightview Landscape Services, Inc.	002098	7776143	Landscape Maintenance 03/22	\$ 2,949.00
Brightview Landscape Services, Inc.	002103	7808751	Instal 320 Bales of Pine Straw	\$ 4,584.00
Clay Electric Cooperative, Inc.	002092	Electric Summary 02/22	Electric Summary 02/22	\$ 1,359.00
Comcast	20223104	8495 74 150 0248350 03/22	Amenity Cable/Phone/Internet 03/22	\$ 286.64
First Coast CMS, LLC	002099	6415	Amenity Staff, Janitorial, Pool & Maintenance Service 03/22	\$ 3,817.35
First Coast CMS, LLC	002095	6544	Reimbursement for Purchases 02/22	\$ 1,605.72
Krystal Companies, LLC dba Kristal Klean	002100	7032548	Soft Wash 03/22	\$ 4,219.38
Kutak Rock, LLP	002101	3020377	Legal Services 01/22	\$ 362.00
Maylyne Puerto	002096	031022	Rental Deposit Refund - Maylyne Puerto 03/10/22	\$ 50.00
Republic Services #687	20223103	0687-001205562	Waste Disposal Services 03/22	\$ 281.20
Rizzetta & Company, Inc.	002093	INV0000066321	District Management Fees 03/22	\$ 3,868.17

Magnolia West Community Development District

Paid Operation & Maintenance Expenditures

March 1, 2022 Through March 31, 2022

<u>Vendor Name</u>	<u>Check Number</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Invoice Amount</u>
The Lake Doctors, Inc	002102	639630	Lake Maintenance 03/22	\$ 597.00
Turner Pest Control, LLC	002105	17393392	Pest Control 03/22	\$ 73.50
Turner Pest Control, LLC	002094	8239481	Pest Control 02/22	<u>\$ 73.50</u>
Report Total				<u>\$ 27,626.46</u>

Tab 3

Proposal for Extra Work at Magnolia West CDD

Property Name	Magnolia West CDD	Contact	Lesley Gallagher
Property Address	3438 Canyon Falls Drive Green Cove Springs, FL 32043	To	Magnolia West CDD
		Billing Address	c/o Rizzetta & Company Inc 3434 Colwell Ave Ste 200 Tampa, FL 33614

Project Name Magnolia West: Proposal Throughout Property (Based on meeting Summary 2/8/22)

Project Description Landscape Enhancement

Scope of Work

QTY	UoM/Size	Material/Description	Total
6. Freeze Damaged Plants:			\$2,602.28
1.00	LUMP SUM	Prep Area Removing declining plants. Grade area deep edge any hardscapes or bedlines. Remove Debris from site.	
44.00	EACH	Blue Plumbago 3 gal. - Installed	
24.00	EACH	Flax 3 gal. - Installed	
20.00	BAG	Mulch - Installed (Touch up)	
1.00	LUMP SUM	Inspection and/or adjustments to provide proper coverage to all specific areas	
7. Shrubs and Sod Along Tennis Court:			\$1,567.36
1.00	LUMP SUM	Prep Area Removing declining plants. Grade area deep edge any hardscapes or bedlines. Remove Debris from site.	
18.00	EACH	Liriope 1 gal. - Installed	
5.00	BAG	Pine straw - Installed	
500.00	SQUARE FEET	St Augustine Sod - Installed (Tighten Bed Line)	
1.00	LUMP SUM	Inspection and/or adjustments to provide proper coverage to all specific areas	
8. Path For Ammenty Center:			\$7,060.71
1.00	LUMP SUM	Prep Area Removing declining sod with sod cutter. Grade area deep edge any hardscapes or bedlines. Remove debris from site.	
200.00	BAG	Mulch - Installed (For Path)	
2,000.00	SQUARE FEET	St Augustine Sod - Installed (Where declining sod is)	
20.00	EACH	Black Jack Edging - Installed (Includes spikes to secure strips)	
1.00	LUMP SUM	Inspection and/or adjustments to provide proper coverage to all specific areas	
11. Day Lillies in Planter:			\$1,048.43

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

Proposal for Extra Work at Magnolia West CDD

1.00	LUMP SUM	Prep Area Removing arboricola in planter. Grade area deep edge any hardscapes or bedlines. Remove Debris from site.
20.00	EACH	Day Lilly 1 gal. - Installed
10.00	BAG	Mulch - Installed
1.00	LUMP SUM	Inspection and/or adjustments to provide proper coverage to all specific areas
Clubhouse Front (Decling Turf):		
		\$5,352.69
1.00	LUMP SUM	Prep Area Removing declining sod with sod cutter. Grade area deep edge any hardscapes or bedlines. Remove debris from site.
500.00	EACH	Jasmine 1 gal. - Installed
20.00	BAG	Pine Fines - Installed
1.00	LUMP SUM	Inspection and/or adjustments to provide proper coverage to all specific areas

For internal use only

SO# 7762086
JOB# 346100449
Service Line 130

Total Price \$17,631.47

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

1. 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.
2. **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.
3. **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.
4. **Taxes:** Contractor agrees to pay all applicable taxes, including sales tax where applicable on material supplied.
5. **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.
6. **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.
7. **Subcontractors:** Contractor reserves the right to hire qualified subcontractors to perform specialized functions or work requiring specialized equipment.
8. **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.
9. **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.
10. **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.
11. **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.
12. **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.
13. **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.

14. **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:

15. **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.
16. **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

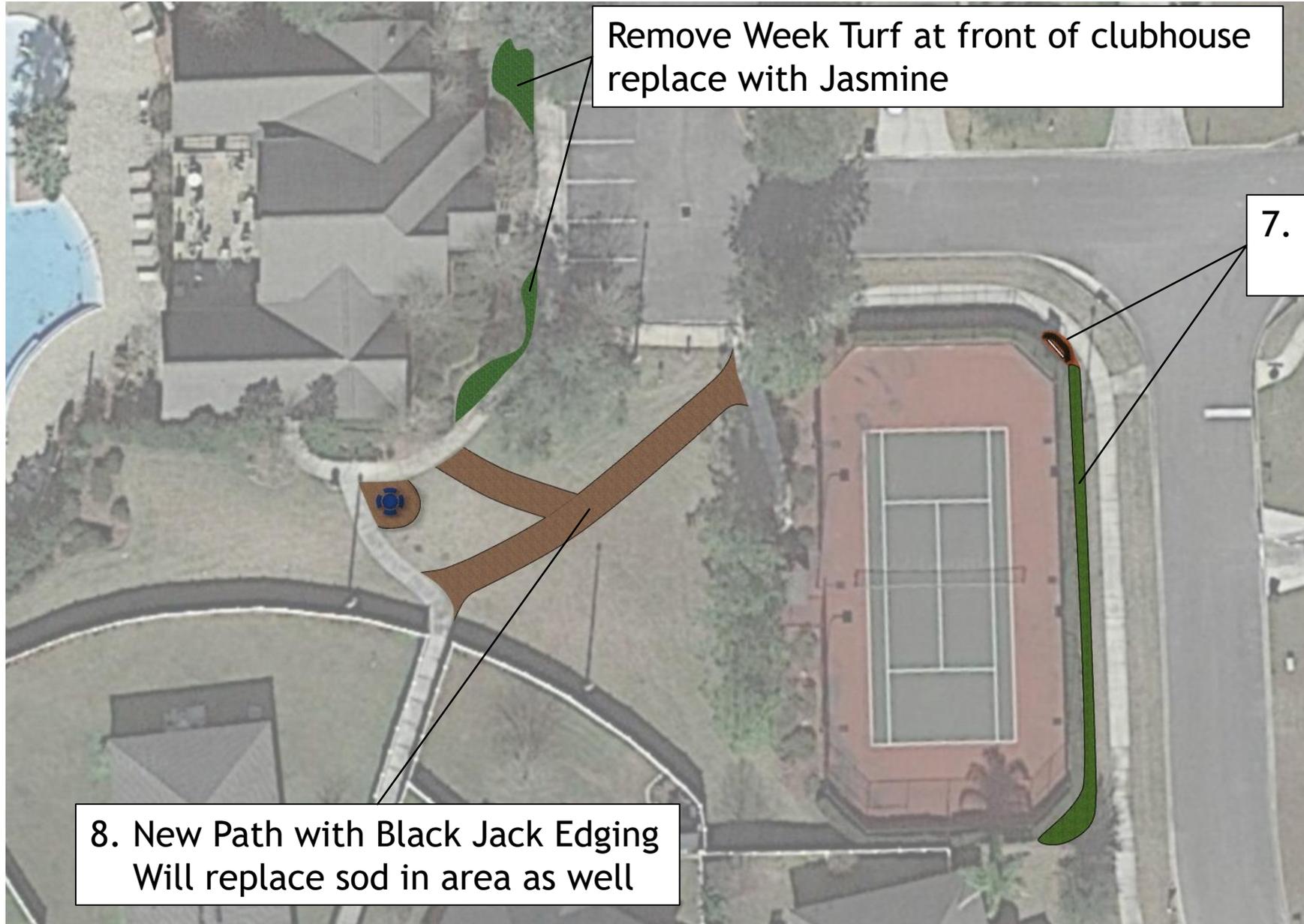
	District Manager
Signature	Title
Lesley Gallagher	March 18, 2022
Printed Name	Date

BrightView Landscape Services, Inc. "BrightView"

	Enhancement Manager
Signature	Title
James Chadwick Knight	March 18, 2022
Printed Name	Date

Job #:	346100449	Proposed Price: \$17,631.47
SO #	7762086	

Magnolia West: Throughout Property (Based on meeting Summary 2/8/22)



Remove Week Turf at front of clubhouse
replace with Jasmine

7. Replace week Plants with Sod
Install Liriope in front of sign

8. New Path with Black Jack Edging
Will replace sod in area as well

Tab 4

Magnolia West Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2021

**Magnolia West Community Development District
ANNUAL FINANCIAL REPORT**

September 30, 2021

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Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

REPORT OF INDEPENDENT AUDITORS

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 Magnolia West Community Development District as of and for the year ended September 30, 2021, and the related notes to 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 an opinion 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. 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 opinion.

Fort Pierce / Stuart

To the Board of Supervisors
Magnolia West Community Development District

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, and each major fund of Magnolia West Community Development District as of September 30, 2021, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Governmental Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis 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 principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. 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 a report dated February 7, 2022, 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 and contracts.

The purpose of that report is 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 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 Magnolia West Community Development District's internal control over financial reporting and compliance.



Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

February 7, 2022

**Magnolia West Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

Management's discussion and analysis of Magnolia West Community Development District (the "District") financial performance provides an objective and easily readable analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements comprise three components; 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to financial statements*. The *Government-wide financial statements* present an overall picture of the District's financial position and results of operations. The *Fund financial statements* present financial information for the District's major funds. The *Notes to financial statements* provide additional information concerning the District's finances.

The *Government-wide financial statements* are the **statement of net position** and the **statement of activities**. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and the change in net position. Governmental activities are primarily supported by special assessments.

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Net position is reported in three categories; 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental activities.

The **statement of activities** presents information on all revenues and expenses of the District and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the District. To assist in understanding the District's operations, expenses have been reported as governmental activities. Governmental activities financed by the District include general government, public safety, physical environment, culture/recreation and debt service.

Fund financial statements present financial information for governmental funds. These statements provide financial information for the major funds of the District. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

**Magnolia West Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund financial statements include a **balance sheet** and a **statement of revenues, expenditures and changes in fund balances** for all governmental funds. A **statement of revenues, expenditures and changes in fund balances – budget and actual** is provided for the District's General Fund. *Fund financial statements* provide more detailed information about the District's activities. Individual funds are established by the District to track revenues that are restricted to certain uses or to comply with legal requirements.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District, including capital assets are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds are included. The **statement of activities** includes depreciation on all long-lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District. In the case of governmental activities, outlays for long lived assets are reported as expenditures and long-term liabilities, such as general obligation bonds, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, reconciliations are provided from the *fund financial statements* to the *government-wide financial statements*.

Notes to financial statements provide additional detail concerning the financial activities and financial balances of the District. Additional information about the accounting practices of the District, investments of the District, capital assets and long-term debt are some of the items included in the *notes to financial statements*.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2021.

- ◆ The District's total assets exceeded total liabilities by \$4,192,529 (net position). Net investment in capital assets for the District was \$3,567,242. Restricted net position was \$18,953. Unrestricted net position was \$606,334.
- ◆ Governmental activities revenues totaled \$462,394 while governmental activities expenses totaled \$499,258.

**Magnolia West Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

The following schedule provides a summary of the assets, liabilities and net position of the District and is presented by category for comparison purposes.

Net Position

	Governmental Activities	
	2021	2020
Current assets	\$ 616,501	\$ 479,555
Restricted assets	63,244	61,034
Capital assets	4,028,985	4,235,228
Total Assets	4,708,730	4,775,817
Current liabilities	41,201	51,324
Non-current liabilities	475,000	495,000
Total Liabilities	516,201	546,324
Net Position		
Net investment in capital assets	3,567,242	3,721,843
Restricted for debt service	17,338	47,939
Restricted for capital projects	1,615	-
Unrestricted	606,334	459,611
Total Net Position	\$ 4,192,529	\$ 4,229,393

The decrease in capital assets and net investment in capital assets is related to depreciation in the current year.

The increase in current assets is related to revenues exceeding expenditures at the fund level in the current year.

The decrease in current liabilities is related to the decrease in accounts payable and accrued expenses in the current year.

The decrease in non-current liabilities is related to the principal payments made in the current year.

**Magnolia West Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

The following schedule provides a summary of the changes in net position of the District and is presented by category for comparison purposes.

Change In Net Position

	Governmental Activities	
	2021	2020
Program Revenues		
Charges for services	\$ 460,739	\$ 484,297
Capital contributions	-	49,148
General Revenues		
Miscellaneous revenues	1,575	834
Investment earnings	80	2,721
Total Revenues	<u>462,394</u>	<u>537,000</u>
Expenses		
General government	83,135	87,438
Physical environment	232,340	257,015
Culture/recreation	156,676	276,413
Interest and other charges	27,107	28,332
Total Expenses	<u>499,258</u>	<u>649,198</u>
Change in Net Position	(36,864)	(112,198)
Net Position - Beginning of Year	<u>4,229,393</u>	<u>4,341,591</u>
Net Position - End of Year	<u>\$ 4,192,529</u>	<u>\$ 4,229,393</u>

The decrease in physical environment is related to a decrease in depreciation and water/sewer charges in the current year.

The decrease in culture/recreation is related to the decrease in amenity maintenance and miscellaneous expenses in the current year.

The decrease in interest and other charges is related to the reduction in outstanding debt.

**Magnolia West Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets as of September 30, 2021 and 2020:

	Governmental Activities	
	2021	2020
Land and improvements	\$ 348,416	\$ 348,416
Buildings and improvements	915,905	915,905
Infrastructure	4,642,149	4,642,149
Improvements other than buildings	41,764	41,764
Equipment	75,897	75,897
Accumulated depreciation	<u>(1,995,146)</u>	<u>(1,788,903)</u>
Total Capital Assets, net	<u><u>\$ 4,028,985</u></u>	<u><u>\$ 4,235,228</u></u>

The capital asset activity in the current year was depreciation of \$206,243.

General Fund Budgetary Highlights

The final budget exceeded actual expenditures in the current year because capital reserves, capital outlay and seasonal security services costs were less than anticipated.

The September 30, 2021 budget was not amended.

Debt Management

Governmental Activities debt includes the following:

- ◆ In October 2006, the District issued \$8,440,000 Series 2006 Special Assessment Bonds. These bonds were issued to finance the acquisition and construction of the Series 2006 Project. The balance outstanding at September 30, 2021 was \$495,000.

**Magnolia West Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budget

Magnolia West Community Development District does not expect any economic factors to have any significant effect on the financial position or results of operations of the District in fiscal year 2022.

Request for Information

The financial report is designed to provide a general overview of Magnolia West Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Magnolia West Community Development District, Rizzetta & Company, Inc., 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614.

Magnolia West Community Development District
STATEMENT OF NET POSITION
September 30, 2021

	Governmental Activities
ASSETS	
Current Assets	
Cash	\$ 599,110
Accounts receivable	836
Prepaid expenses	13,550
Deposits	3,005
Total Current Assets	616,501
Non-current Assets	
Restricted assets	
Investments	63,244
Capital assets, not being depreciated	
Land and improvements	348,416
Capital assets being depreciated	
Buildings and improvements	915,905
Infrastructure	4,642,149
Improvements other than buildings	41,764
Equipment	75,897
Less: accumulated depreciation	(1,995,146)
Total Non-current Assets	4,092,229
Total Assets	4,708,730
LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	10,017
Deposits payable	150
Accrued interest	11,034
Bonds payable	20,000
Total Current Liabilities	41,201
Non-current liabilities	
Bonds payable	475,000
Total Liabilities	516,201
NET POSITION	
Net investment in capital assets	3,567,242
Restricted for debt service	17,338
Restricted for capital projects	1,615
Unrestricted	606,334
Total Net Position	\$ 4,192,529

See accompanying notes to financial statements.

Magnolia West Community Development District
STATEMENT OF ACTIVITIES
For The Year Ended September 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u> <u>Charges for Services</u>	<u>Net (Expense) Revenues and Changes in Net Position</u> <u>Governmental Activities</u>
Governmental Activities			
General government	\$ (83,135)	\$ 128,491	\$ 45,356
Physical environment	(232,340)	147,392	(84,948)
Culture/recreation	(156,676)	135,097	(21,579)
Interest and other charges	(27,107)	49,759	22,652
Total Governmental Activities	<u>\$ (499,258)</u>	<u>\$ 460,739</u>	<u>(38,519)</u>

General revenues:

Investment earnings	80
Miscellaneous revenues	1,575
Total General Revenues	<u>1,655</u>

Change in Net Position (36,864)

Net Position - Beginning of Year	4,229,393
Net Position - End of Year	<u>\$ 4,192,529</u>

See accompanying notes to financial statements.

Magnolia West Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2021

ASSETS	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Cash	\$ 599,110	\$ -	\$ -	\$ 599,110
Accounts receivable	836	-	-	836
Prepaid expenses	13,550	-	-	13,550
Deposits	3,005	-	-	3,005
Restricted assets:				
Investments, at fair value	-	61,629	1,615	63,244
Total Assets	<u>\$ 616,501</u>	<u>\$ 61,629</u>	<u>\$ 1,615</u>	<u>\$ 679,745</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued expenses	\$ 10,017	\$ -	\$ -	\$ 10,017
Deposits payable	150	-	-	150
Total Liabilities	<u>10,167</u>	<u>-</u>	<u>-</u>	<u>10,167</u>
FUND BALANCES				
Nonspendable:				
Prepaid expenses and deposits	16,555	-	-	16,555
Restricted:				
Debt service	-	61,629	-	61,629
Capital projects	-	-	1,615	1,615
Assigned:				
Capital reserves	138,796	-	-	138,796
Unassigned:	450,983	-	-	450,983
Total Fund Balances	<u>606,334</u>	<u>61,629</u>	<u>1,615</u>	<u>669,578</u>
Total Liabilities and Fund Balances	<u>\$ 616,501</u>	<u>\$ 61,629</u>	<u>\$ 1,615</u>	<u>\$ 679,745</u>

See accompanying notes to financial statements.

Magnolia West Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2021

Total Governmental Fund Balances	\$	669,578
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets, land and improvements, \$348,416, buildings and improvements, \$915,905, infrastructure, \$4,642,149, improvements other than buildings, \$41,764, and equipment, \$75,897, net of accumulated depreciation, \$(1,995,146), used in governmental activities are not current financial resources and therefore, are not reported at the fund level.		4,028,985
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported at the fund level.		(495,000)
Accrued interest expense for long-term debt is not a current financial use and therefore, is not reported at the fund level.		<u>(11,034)</u>
Net Position of Governmental Activities	\$	<u><u>4,192,529</u></u>

See accompanying notes to financial statements.

Magnolia West Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
For The Year Ended September 30, 2021

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Special assessments	\$ 410,980	\$ 49,759	\$ -	\$ 460,739
Investment earnings	76	4	-	80
Miscellaneous revenues	1,575	-	-	1,575
Total Revenues	<u>412,631</u>	<u>49,763</u>	<u>-</u>	<u>462,394</u>
Expenditures				
Current				
General government	83,135	-	-	83,135
Physical environment	95,364	-	-	95,364
Culture/recreation	87,409	-	-	87,409
Debt service				
Principal	-	20,000	-	20,000
Interest	-	27,553	-	27,553
Total Expenditures	<u>265,908</u>	<u>47,553</u>	<u>-</u>	<u>313,461</u>
Net change in fund balances	146,723	2,210	-	148,933
Fund Balances - Beginning of Year	<u>459,611</u>	<u>59,419</u>	<u>1,615</u>	<u>520,645</u>
Fund Balances - End of Year	<u>\$ 606,334</u>	<u>\$ 61,629</u>	<u>\$ 1,615</u>	<u>\$ 669,578</u>

See accompanying notes to financial statements.

Magnolia West Community Development District
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For The Year Ended September 30, 2021

Net Change in Fund Balances - Total Governmental Funds	\$ 148,933
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays. However, in the Statement of Activities the costs of those assets is allocated over their estimated useful lives as depreciation. This is the amount of depreciation in the current period.	(206,243)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	20,000
In the Statement of Activities, interest is accrued on outstanding bonds; whereas in governmental funds, interest expenditures are reported when due. This is the net amount between the prior year and the current year accruals.	<u>446</u>
Change in Net Position of Governmental Activities	<u><u>\$ (36,864)</u></u>

See accompanying notes to financial statements.

Magnolia West Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Special assessments	\$ 410,362	\$ 410,362	\$ 410,980	\$ 618
Investment earnings	-	-	76	76
Miscellaneous revenues	-	-	1,575	1,575
Total Revenues	<u>410,362</u>	<u>410,362</u>	<u>412,631</u>	<u>2,269</u>
Expenditures				
Current				
General government	95,757	95,757	83,135	12,622
Physical environment	182,522	182,522	95,364	87,158
Culture/recreation	132,083	132,083	87,409	44,674
Total Expenditures	<u>410,362</u>	<u>410,362</u>	<u>265,908</u>	<u>144,454</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>146,723</u>	<u>146,723</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>459,611</u>	<u>459,611</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 606,334</u>	<u>\$ 606,334</u>

See accompanying notes to financial statements.

Magnolia West Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's more significant accounting policies are described below.

1. Reporting Entity

The District was established on April 12, 2005, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), by the City of Green Cove Springs Ordinance O-05-2005 as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing district roads, landscaping, and other basic infrastructure projects within or outside the boundaries of the Magnolia West Community Development District. The District is governed by a five-member Board of Supervisors who are elected on an at large basis by qualified electors that reside within the District. The District operates within the criteria established by Chapter 190, Florida Statutes.

As required by GAAP, these financial statements present the Magnolia West Community Development District (the primary government) as a stand-alone government. The reporting entity for the District includes all functions of government in which the District's Board exercises oversight responsibility including, but not limited to, financial interdependency, selection of governing authority, designation of management, significant ability to influence operations and accountability for fiscal matters.

Based upon the application of the above-mentioned criteria as set forth by the Governmental Accounting Standards Board, the District has identified no component units.

2. Measurement Focus and Basis of Accounting

The basic financial statements of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

Magnolia West Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include all the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments and interest. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source.

Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

b. Fund Financial Statements

The underlying accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually.

Magnolia West Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

The District classifies fund balance according to Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions. The Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The District has various policies governing the fund balance classifications.

Nonspendable Fund Balance – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance – This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Assigned Fund Balance – This classification consists of the Board of Supervisors' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the District's management company.

Unassigned Fund Balance – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Unassigned fund balance is considered to be utilized first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Fund Balance Spending Hierarchy – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

Magnolia West Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Interest associated with the current fiscal period is considered to be an accrual item and so has been recognized as revenue of the current fiscal period.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”.

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability.

Debt service expenditures are recorded only when payment is due.

3. Basis of Presentation

a. Governmental Major Funds

General Fund – The General Fund is the District’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Magnolia West Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

a. Governmental Major Funds (Continued)

Debt Service Fund – Accounts for debt service requirements to retire certain special assessment revenue bonds which were used to finance the construction of District infrastructure improvements. The bonds are secured by a first lien on and pledge of the special assessment revenues and pledged funds.

Capital Projects Fund – The Capital Projects Fund accounts for the construction of infrastructure improvements within the District.

b. Non-current Governmental Assets/Liabilities

GASB Statement 34 requires that non-current governmental assets, such as land and improvements, and non-current governmental liabilities, such as general obligation bonds and due to developer be reported in the governmental activities column in the government-wide Statement of Net Position.

4. Assets, Deferred Outflows of Resources, Liabilities, and Net Position or Equity

a. Cash and Investments

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits.

The District is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury;
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969;
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories;
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

Magnolia West Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Deferred Outflows of Resources, Liabilities, and Net Position or Equity (Continued)

b. Restricted Net Position

Certain net position of the District is classified as restricted on the Statement of Net Position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors. In a fund with both restricted and unrestricted net position, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

c. Capital Assets

Capital assets, which include land and improvements, infrastructure, buildings and improvements, and equipment, are reported in the governmental activities column.

The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. The valuation basis for all assets is historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation is computed utilizing the straight-line method over the estimated useful lives of the assets. The estimated useful lives of the various classes of depreciable capital assets are as follows;

Buildings and improvements	50 years
Infrastructure	15-30 years
Improvements other than buildings	30 years
Equipment	5 years

**Magnolia West Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Deferred Outflows of Resources, Liabilities, and Net Position or Equity (Continued)

d. Budgets

Budgets are prepared and adopted after a public hearing for the governmental funds, pursuant to Chapter 190, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. The legal level of budgetary control is at the fund level. All budgeted appropriations lapse at year end. Formal budgets are adopted for the general and debt service funds. As a result, deficits in the budget columns of the accompanying financial statements may occur.

NOTE B – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk; however, they adopted a policy to follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2021, the District's bank balance was \$602,008 and the carrying value was \$599,110. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

As of September 30, 2021, the District had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
First American Government Obligation Fund	14 days*	<u>\$ 63,244</u>

*Weighted Average Maturity

The District categorizes its fair value measurements within the fair value hierarchy recently established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The District uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Magnolia West Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE B – CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits (Continued)

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted prices for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that use the best information available under the circumstances, which includes the District's own data in measuring unobservable inputs.

Based on the criteria in the preceding paragraph, the investment listed above is a Level 1 asset.

Interest Rate Risk

The District does not have nor is required to have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The District's investments are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2021, the District's investment in First American Government Obligation Fund was rated AAAM by Standard and Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one investment. The investments in First American Government Obligation Fund represent 100% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2021 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

Magnolia West Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE C – CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2021 was as follows:

	Balance October 1, 2020	Additions	Disposals	Balance September 30, 2021
<u>Governmental Activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 348,416	\$ -	\$ -	\$ 348,416
Capital assets, being depreciated:				
Building and improvements	915,905	-	-	915,905
Infrastructure	4,642,149	-	-	4,642,149
Improvements other than buildings	41,764	-	-	41,764
Equipment	75,897	-	-	75,897
Less: accumulated depreciation	(1,788,903)	(206,243)	-	(1,995,146)
Total Capital Assets, Being Depreciated, Net	<u>3,886,812</u>	<u>(206,243)</u>	<u>-</u>	<u>3,680,569</u>
Governmental Activities Capital Assets	<u>\$ 4,235,228</u>	<u>\$ (206,243)</u>	<u>\$ -</u>	<u>\$ 4,028,985</u>

Depreciation was charged to physical environment, \$136,976, and culture/recreation, \$69,267.

NOTE D – LONG-TERM DEBT

The following is a summary of activity for long-term debt of the Governmental Activities for the year ended September 30, 2021:

Long-term debt at October 1, 2020	\$ 515,000
Principal payments	<u>(20,000)</u>
Long-term debt at September 30, 2021	<u>\$ 495,000</u>

Long-term debt for Governmental Activities is comprised of the following:

Special Assessment Bonds

\$8,440,000 Series 2006 Special Assessment Bonds are due in annual principal installments beginning May 2008 maturing May 2037. Interest of 5.35% is due May and November beginning May 2007. Current portion is \$20,000.

\$ 495,000

Magnolia West Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE D – LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2021 are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	25,000	21,935	46,935
2027-2031	150,000	88,008	238,008
2032-2036	190,000	43,337	233,337
2037	45,000	2,408	47,408
Totals	<u>\$ 495,000</u>	<u>\$ 255,200</u>	<u>\$ 750,200</u>

Summary of Significant Bond Resolution Terms and Covenants

Special Assessment Bonds

Significant Bond Provisions

The Series 2006 Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after May 1, 2016 at a redemption price set forth in the Trust Indenture. The Series 2006 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 Trust Indenture.

The Trust Indenture established certain amounts be maintained in a reserve account. In addition, the Trust Indenture has certain 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 and to meet the reserve requirements.

Magnolia West Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE D – LONG-TERM DEBT (CONTINUED)

Summary of Significant Bond Resolution Terms and Covenants (Continued)

Depository Funds

The bond resolution establishes certain funds and determines the order in which revenues are to be deposited into these funds. A description of the significant funds, including their purposes, is as follows:

Reserve Fund – The Series 2006 Reserve Accounts were funded from the proceeds of the Series 2006 Bonds an amount equal to the deemed outstanding principal of the Series 2006 bonds, times the Reserve Account Percentage. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

The following is a schedule of required reserve deposits as of September 30, 2021:

	Reserve Balance	Reserve Requirement
Special Assessment Bonds, Series 2006	\$ 34,505	\$ 33,257

NOTE E – SPECIAL ASSESSMENT REVENUES

Assessments are non-ad valorem assessments on benefitted property within the District. Operation and Maintenance Assessments are based upon adopted budget and levied annually. Debt Service Assessments are levied when bonds are issued and collected annually. The District may collect assessments directly or utilize the uniform method of collections (Chapter 197.3632, Florida Statutes). Direct collected assessments are due as determined by an annual assessment resolution adopted by the Board of Supervisors. Per Section 197.162, Florida Statutes for assessments collected via the State Uniform Method, discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount.

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

NOTE F – 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 for which the government carries commercial insurance. There were no claims or settled claims from these risks that exceeded commercial insurance coverage in the past three years.



Berger, Toombs, Elam, Gaines & Frank

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INDEPENDENT AUDITORS' 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 Magnolia West Community Development District, as of and for the year ended September 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated February 7, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Magnolia West Community Development District's internal control over financial reporting (internal control) as a basis for designing 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 Magnolia West Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of Magnolia West Community Development 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 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.

Board of Supervisors
Magnolia West Community Development District

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Magnolia West Community Development District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant 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.



Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

February 7, 2022



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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MANAGEMENT LETTER

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 financial statements of the Magnolia West Community Development District as of and for the year ended September 30, 2021, and have issued our report thereon dated February 7, 2022.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; 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 Florida 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 Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated February 7, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been made to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations made in the preceding financial audit report.

Financial Condition

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not Magnolia West Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the Magnolia West Community Development District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

To the Board of Supervisors
Magnolia West Community Development District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2021 for the Magnolia West Community Development District. It is management's responsibility to monitor the Magnolia West Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Specific Information

The information provided below was provided by management and has not been audited; therefore, we do not express an opinion or provide any assurance on the information.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Magnolia West Community Development District reported:

- 1) The total number of district employees compensated in the last pay period of the District's fiscal year: The District did not have any employees other than the 5 Board Members.
- 2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year: None
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$2,600
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: None
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2020, together with the total expenditures for such project: The District had no construction projects during the year.
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: There were no amendments to the FY 2021 budget; therefore, the budget versus actual on page 15 of the audit report is appropriate.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the Magnolia West Community Development District reported:

- 7) The rate or rates of non-ad valorem special assessments imposed by the District: General Fund \$831.53 per lot and the Debt Service Fund \$1,149.02 per lot.
- 8) The amount of special assessments collected by or on behalf of the District: Total Special Assessments collected was \$460,739.
- 9) The total amount of outstanding bonds issued by the District and the terms of such bonds: \$495,000 outstanding, originally issued in October 2006, 30 year term at 5.35%, matures 2037.

To the Board of Supervisors
Magnolia West Community Development District

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate 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. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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, the Board of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Berger Toombs Elam
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

February 7, 2022



**Berger, Toombs, Elam,
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**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH
SECTION 218.415, FLORIDA STATUTES**

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

We have examined Magnolia West Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2021. Management is responsible for Magnolia West Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Magnolia West Community Development 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 and, accordingly, included examining, on a test basis, evidence about Magnolia West Community Development District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Magnolia West Community Development District's compliance with the specified requirements.

In our opinion, Magnolia West Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2021.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

February 7, 2022

Tab 5



Chris H. Chambliss

Supervisor of Elections
Clay County, Florida

April 15, 2022

Magnolia West Community Development District
Attn: William Rizzetta
3434 Colwell Avenue, Suite 200
Tampa, FL 33614

Dear Mr. Rizzetta:

I have queried the number of eligible voters residing within the Magnolia West Community Development District as of April 15, 2022. At this time, there are 971 registered voters residing within the district.

Please provide the contact information and term expiration dates for the current CDD Board Members. I can be reached via the contact information at the bottom of this page or via email at Lynn.Gaver@ClayElections.gov.

In an effort to keep our records updated please notify us of any changes to the Board due to resignations or appointments.

Thank you,

Lynn Gaver, MFCEP

Clay County Supervisor of Elections Office
P.O. Box 337 | 500 North Orange Ave.
Green Cove Springs, FL 32043
(904) 269-6350 Fax (904) 284-0935

Tab 6

RESOLUTION 2022-03

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT APPROVING PROPOSED BUDGETS FOR FISCAL YEAR 2022/2023 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, 2022, proposed budgets (“**Proposed Budget**”) for the fiscal year beginning October 1, 2022 and ending September 30, 2023 (“**Fiscal Year 2022/2023**”); 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 2022/2023 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: _____, 2022

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 10th DAY OF MAY 2022.

ATTEST:

**MAGNOLIA WEST COMMUNITY
DEVELOPMENT DISTRICT**

Secretary / Assistant Secretary

Chairperson/Vice Chairperson, Board of
Supervisors

Exhibit A: Proposed Budget



Rizzetta & Company

Magnolia West Community Development District

www.magnoliawestcdd.org

Proposed Budget for Fiscal Year 2022/2023

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Rizzetta & Company

Proposed Budget
Magnolia West Community Development District
General Fund
Fiscal Year 2022/2023

	Chart of Accounts Classification	Actual YTD through 03/31/22	Projected Annual Totals 2021/2022	Annual Budget for 2021/2022	Projected Budget variance for 2021/2022	Budget for 2022/2023	Budget Increase (Decrease) vs 2021/2022	Comments
1								
2	REVENUES							
3								
4	Special Assessments							
5	Tax Roll*	\$ 364,724	\$ 365,491	\$ 365,491	\$ -	\$ 364,145	\$ (1,346)	
6	TOTAL REVENUES	\$ 364,724	\$ 365,491	\$ 365,491	\$ -	\$ 364,145	\$ (1,346)	
8								
9								
10	TOTAL REVENUES AND BALANCE FORWARD	\$ 364,724	\$ 365,491	\$ 365,491	\$ -	\$ 364,145	\$ (1,346)	
11								
12								
13	ADMINISTRATIVE							
14								
15	Legislative							
16	Supervisor Fees	\$ 1,400	\$ 3,400	\$ 4,000	\$ 600	\$ 4,000	\$ -	Based on Quarterly Meetings
17	Financial & Administrative							
18	Administrative Services	\$ 2,122	\$ 4,244	\$ 4,244	\$ (0)	\$ 4,393	\$ 149	
19	District Management	\$ 8,652	\$ 17,304	\$ 17,304	\$ -	\$ 17,996	\$ 692	
20	District Engineer	\$ 503	\$ 8,850	\$ 5,000	\$ (3,850)	\$ 5,000	\$ -	FY 21/22 To Include Stormwater Analysis
21	Disclosure Report	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	\$ 5,000	\$ -	
22	Trustees Fees	\$ 3,771	\$ 3,771	\$ 3,800	\$ 29	\$ 3,800	\$ -	
23	Assessment Roll	\$ 5,408	\$ 5,408	\$ 5,408	\$ -	\$ 5,624	\$ 216	
24	Financial & Revenue Collections	\$ 2,575	\$ 5,150	\$ 5,150	\$ -	\$ 5,356	\$ 206	
25	Accounting Services	\$ 9,270	\$ 18,540	\$ 18,540	\$ -	\$ 19,282	\$ 742	
26	Auditing Services	\$ 3,500	\$ 3,500	\$ 3,750	\$ 250	\$ 3,750	\$ -	Based on Current Engagement
27	Arbitrage Rebate Calculation	\$ -	\$ 600	\$ 600	\$ -	\$ 600	\$ -	
28	Public Officials Liability Insurance	\$ 2,542	\$ 2,542	\$ 2,663	\$ 121	\$ 3,050	\$ 387	Based on Estimate Provided
29	Legal Advertising	\$ 737	\$ 1,250	\$ 1,250	\$ -	\$ 1,250	\$ -	
30	Dues, Licenses & Fees	\$ 175	\$ 175	\$ 175	\$ -	\$ 175	\$ -	
31	Miscellaneous Fees	\$ -	\$ -	\$ 250	\$ 250	\$ 250	\$ -	
32	Website Hosting, Maintenance, Backup	\$ 1,369	\$ 3,500	\$ 3,500	\$ -	\$ 3,500	\$ -	Based on Current Agreements
33	Legal Counsel							
34	District Counsel	\$ 356	\$ 7,500	\$ 15,000	\$ 7,500	\$ 15,000	\$ -	
35								
36	Administrative Subtotal	\$ 47,380	\$ 90,734	\$ 95,634	\$ 4,900	\$ 98,026	\$ 2,392	
37								
38	OPERATIONS							
39	Electrical Utility Services							
40	Utility Services	\$ 7,397	\$ 16,308	\$ 18,000	\$ 1,692	\$ 18,000	\$ -	
41	Garbage/Solid Waste Control							
42	Garbage - Recreation Facility	\$ 1,685	\$ 3,370	\$ 3,000	\$ (370)	\$ 3,500	\$ 500	
43	Water-Sewer Combination							
44	Utility Services	\$ -	\$ 2,000	\$ 8,500	\$ 6,500	\$ 8,500	\$ -	CCUA issued \$10,775.42 Adjustment in March 2021. As of March 2022 \$3,288 Remained.
45	Stormwater Control							

Proposed Budget
Magnolia West Community Development District
General Fund
Fiscal Year 2022/2023

	Chart of Accounts Classification	Actual YTD through 03/31/22	Projected Annual Totals 2021/2022	Annual Budget for 2021/2022	Projected Budget variance for 2021/2022	Budget for 2022/2023	Budget Increase (Decrease) vs 2021/2022	Comments
46	Lake/Pond Bank Maintenance	\$ 3,582	\$ 7,164	\$ 7,164	\$ -	\$ 7,379	\$ 215	Proposed to Include 3% Increase
47	Other Physical Environment							
48	General Liability/ Property Insurance	\$ 10,716	\$ 10,716	\$ 11,227	\$ 511	\$ 12,860	\$ 1,633	Based on Estimate Provided
49	Entry Monument & Fence Maintenance	\$ 4,219	\$ 6,000	\$ 7,250	\$ 1,250	\$ 7,250	\$ -	To Include Pressure Washing 2X.
50	Landscape & Irrigation Maintenance Contract	\$ 23,098	\$ 48,456	\$ 48,500	\$ 44	\$ 50,925	\$ 2,425	Proposed 5% Increase
51	Irrigation Repairs	\$ 422	\$ 1,200	\$ 3,000	\$ 1,800	\$ 3,000	\$ -	
52	Landscape Replacement Plants, Shrubs, Trees	\$ -	\$ 10,569	\$ 10,000	\$ (569)	\$ 10,000	\$ -	Projected to Include Replacement of Freeze Damaged Plants, Shrubs and Sod Along Tennis Court, Day Lillies in Planters, and Declining Turf at Amenity Front. Proposed to Include Path for Amenity Center
53	Miscellaneous Expense	\$ -	\$ 2,000	\$ 2,000	\$ -	\$ 2,000	\$ -	Tree Trimming Outside of Contract
54	Road & Street Facilities							
55	Amenity Sidewalk Repair & Maintenance	\$ -	\$ 650	\$ 1,000	\$ 350	\$ 1,000	\$ -	
56	Amenity Parking Lot Repair & Maintenance	\$ -	\$ 1,000	\$ 1,000	\$ -	\$ 1,000	\$ -	Repairs to Include Restriping Possibly
57	Miscellaneous Expense	\$ -	\$ 750	\$ 1,000	\$ 250	\$ 1,000	\$ -	
58	Parks & Recreation							
59	Amenity Management Staffing Contract	\$ 15,132	\$ 30,264	\$ 30,264	\$ -	\$ 31,475	\$ 1,211	Based on Current Agreement. Proposed to Include 4% Increase
60	Cable Phone and Internet	\$ 1,404	\$ 3,564	\$ 3,500	\$ (64)	\$ 3,742	\$ 242	
61	Amenity Janitorial Service Contract & Supplies	\$ 3,719	\$ 6,066	\$ 6,500	\$ 434	\$ 6,500	\$ -	Proposed to Include 4% Increase & Approximately \$2500 in Janitorial Supplies
62	Pool Service Contract - Maintenance & Chemicals	\$ 7,611	\$ 18,890	\$ 18,500	\$ (390)	\$ 21,819	\$ 3,319	Proposed to Include 4% Increase and Includes Approximately \$12,500 in Pool Chemicals

**Magnolia West Community Development District
Debt Service
Fiscal Year 2022/2023**

Chart of Accounts Classification	Series 2006	Budget for 2022/2023
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
See Assessment Table.

MAGNOLIA WEST COMMUNITY DEVELOPMENT DISTRICT

FISCAL YEAR 2022/2023 O&M and DEBT SERVICE ASSESSMENT SCHEDULE

2022/2023 O&M Budget		\$410,362.00
Clay County Collection Cost @	2%	\$8,731.11
Early Payment Discounts @	4%	\$17,462.21
2022/2023 Total:		\$436,555.32

2021/2022 O&M Budget	\$410,362.00
2022/2023 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 2022/2023 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>

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

ALLOCATION OF O&M ASSESSMENT			
TOTAL EAU's	% TOTAL EAU's	TOTAL O&M BUDGET	TOTAL PER LOT
525.00	100.00%	\$436,555.32	\$831.53
<u>525.00</u>	<u>100.00%</u>	<u>\$436,555.32</u>	

PER LOT ANNUAL ASSESSMENT		
O&M	SERIES 2006 DEBT SERVICE ⁽²⁾	TOTAL ⁽³⁾
\$831.53	\$1,149.02	\$1,980.55

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 Discount

⁽³⁾ Annual assessment that will appear on November 2022 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.

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 service 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 prepare, maintain and certify the assessment roll(s) and annually levy a non-ad valorem assessment for operating and debt service expenses.

Financial & Revenue Collections: Services of the Collection Agent 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. The Collection Agent also maintains and updates the District's lien book(s) annually and 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.

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.

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



Rizzetta & Company

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.



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.

