

**HILLS OF MINNEOLA  
COMMUNITY DEVELOPMENT  
DISTRICT**

**January 24, 2022**

**BOARD OF SUPERVISORS  
REGULAR MEETING  
AGENDA**

# Hills of Minneola Community Development District

## OFFICE OF THE DISTRICT MANAGER

2300 Glades Road, Suite 410W • Boca Raton, Florida 33431

Phone: (561) 571-0010 • Toll-free: (877) 276-0889 • Fax: (561) 571-0013

January 14, 2022

Board of Supervisors  
Hills of Minneola Community Development District

Dear Board Members:

The Board of Supervisors of the Hills of Minneola Community Development District will hold a Regular Meeting on January 24, 2022 at 1:00 p.m., at the City of Minneola City Hall, 800 N. U.S. Highway 27, Minneola, Florida 34715. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Update: Bulk and/or Lot Sales by Master Developer
4. Administration of Oath of Office to Newly Elected Supervisors (*the following to be provided in a separate package*)
  - A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees
  - B. Membership, Obligations and Responsibilities
  - C. Financial Disclosure Forms
    - I. Form 1: Statement of Financial Interests
    - II. Form 1X: Amendment to Form 1, Statement of Financial Interests
    - III. Form 1F: Final Statement of Financial Interests
  - D. Form 8B – Memorandum of Voting Conflict
5. Consideration of Resolution 2022-02, Canvassing and Certifying the Results of the Landowners' Election of Supervisors Held Pursuant to Section 190.006(2), Florida Statutes; Providing a Severability Clause; Providing for Conflict and Providing an Effective Date
6. Consideration of Resolution 2022-03, Designating Certain Officers of the District, and Providing for an Effective Date
7. Consideration of Poulos and Bennett, LLC, Stormwater Needs Analysis Proposal
8. Ratification of Notice to Suspend Landscape and Irrigation RFP

### ATTENDEES:

Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.

[TO ATTEND BY TELEPHONE](#)

**CALL-IN NUMBER: 1-888-354-0094**

**PARTICIPANT PASSCODE: 801 901 3513**

- 9. Update: BWG Landscape Plans
- 10. Presentation of Draft Audited Financial Report for Fiscal Year Ended September 30, 2021, Prepared by McDirmit Davis
- 11. Consideration of Resolution 2022-04, Hereby Accepting the Audited Annual Financial Report for the Fiscal Year Ended September 30, 2021
- 12. Acceptance of Unaudited Financial Statements as of December 31, 2021
- 13. Approval of Minutes
  - A. October 25, 2021 Regular Meeting
  - B. November 2, 2021 Landowners' Meeting
- 14. Staff Reports
  - A. District Counsel: *Straley Robin Vericker*
  - B. District Engineer: *Poulos & Bennett, LLC*
  - C. District Manager: *Wrathell, Hunt and Associates, LLC*
    - NEXT MEETING DATE: February 28, 2022 at 1:00 p.m.

○ QUORUM CHECK

Denver Marlow	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Daniel Edwards	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
James Dunn	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Richard Jerman	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Adam Schott	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO

- 15. Board Members' Comments/Requests
- 16. Public Comments
- 17. Adjournment

Should you have any questions or concerns, please do not hesitate to contact me directly at 561-346-5294 or Daniel Rom at 561-909-7930.

Sincerely,



Cindy Cerbone  
District Manager

# **HILLS OF MINNEOLA**

**COMMUNITY DEVELOPMENT DISTRICT**

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**RESOLUTION 2022-02**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HILLS OF MINNEOLA COMMUNITY DEVELOPMENT DISTRICT CANVASSING AND CERTIFYING THE RESULTS OF THE LANDOWNERS' ELECTION OF SUPERVISORS HELD PURSUANT TO SECTION 190.006(2), FLORIDA STATUTES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR CONFLICT AND PROVIDING AN EFFECTIVE DATE**

**WHEREAS**, pursuant to Section 190.006(2), Florida Statutes, a landowners' meeting is required to be held within 90 days of the District's establishment and every two years following the establishment of a Community Development District for the purpose of electing Supervisors to the Board of Supervisors of the District; and

**WHEREAS**, following proper publication of notice thereof, such landowners' meeting was held November 2, 2021 at which the below recited persons were duly elected by virtue of the votes cast in his/her favor; and

**WHEREAS**, this Resolution canvasses the votes, and declares and certifies the results of said election;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HILLS OF MINNEOLA COMMUNITY DEVELOPMENT DISTRICT;**

**SECTION 1: Certification of Election Results.** The following persons are found, certified, and declared to have been duly elected as Supervisors of and for the District, having been elected by the votes cast in his favor as shown, to wit:

<b>Name of Supervisor</b>	<b>Seat Number</b>	<b>Number of Votes</b>
James Dunn	3	36
Richard Jermann	4	37
Adam Schott	5	37

**SECTION 2: Terms of Office.** In accordance with said statute, and by virtue of the number of votes cast for the respective Supervisors, they are declared to have been elected for the following term of office:

<b>Name of Supervisor</b>	<b>Term of Office</b>	<b>Term Expiration Date</b>
James Dunn	2 Years	November 2023
Richard Jermann	4 Years	November 2025
Adam Schott	4 Years	November 2025

**SECTION 3: Severability.** That all Sections or parts of Sections or any Resolutions, Agreements or actions of the Board of Supervisors in conflict are hereby repealed to the extent of such conflict.

**SECTION 4: Conflict.** 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.

**SECTION 5: Effective Date.** This Resolution shall take effect upon the passage and adoption of this Resolution by the Board of Supervisors of the Hills of Minneola Community Development District.

Said terms of office shall commence immediately upon the adoption of this Resolution.

**PASSED AND ADOPTED** this 24<sup>th</sup> day of January, 2022.

**HILLS OF MINNEOLA COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

\_\_\_\_\_  
Secretary/Assistant Secretary

\_\_\_\_\_  
Chair/Vice Chair, Board of Supervisors

# **HILLS OF MINNEOLA**

**COMMUNITY DEVELOPMENT DISTRICT**

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**RESOLUTION 2022-03**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HILLS OF MINNEOLA COMMUNITY DEVELOPMENT DISTRICT DESIGNATING CERTAIN OFFICERS OF THE DISTRICT, AND PROVIDING FOR AN EFFECTIVE DATE**

**WHEREAS**, the Hills of Minneola Community Development District (“District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes; and

**WHEREAS**, the Board of Supervisors of the District desires to designate certain Officers of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HILLS OF MINNEOLA COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1.** \_\_\_\_\_ is appointed Chair.

**SECTION 2.** \_\_\_\_\_ is appointed Vice Chair.

**SECTION 3.** **Craig Wrathell** is appointed Secretary.

\_\_\_\_\_ is appointed Assistant Secretary.

\_\_\_\_\_ is appointed Assistant Secretary.

\_\_\_\_\_ is appointed Assistant Secretary.

**Cindy Cerbone** is appointed Assistant Secretary.

**Daniel Rom** is appointed Assistant Secretary.

**SECTION 4.** This Resolution supersedes any prior appointments made by the Board for Chair, Vice Chair, Secretary and Assistant Secretaries; however, prior appointments by the Board for Treasurer and Assistant Treasurer(s) remain unaffected by this Resolution.

**SECTION 5.** This Resolution shall become effective immediately upon its adoption.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**PASSED AND ADOPTED** this 24<sup>th</sup> day of January, 2022.

ATTEST:

**HILLS OF MINNEOLA COMMUNITY  
DEVELOPMENT DISTRICT**

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Secretary/Assistant Secretary

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Chair/Vice Chair, Board of Supervisors

# **HILLS OF MINNEOLA**

**COMMUNITY DEVELOPMENT DISTRICT**

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Poulos & Bennett, LLC • 2602 E. Livingston Street • Orlando, Florida 32803 • (407) 487-2594 • www.poulosandbennett.com

November 9, 2021  
(Revised November 23, 2021)

*Via Email*

The Minneola Community Development District  
c/o Craig Wrathell  
Wrathell, Hunt and Associates, LLC  
2300 Glades Road, Suite 410 W  
Boca Raton, FL 33431  
[Wrathellc@whhassociates.com](mailto:Wrathellc@whhassociates.com)

Subject: Amendment 1 – 20 Year Needs Analysis  
Hills of Minneola Community Development District  
Parcel ID(s): 29-21-26-0001-000-03100  
29-21-26-0001-000-03000 (portion of);  
32-21-26-0001-000-01800 (portion of)  
Poulos & Bennett Job No. 19-103

Dear Hills of Minneola Community Development District:

Pursuant to the original executed agreement dated January 22, 2020, Poulos & Bennett, LLC provides this amendment to the original agreement for the additional services as outlined below. All services shall be accomplished in accordance with the terms and conditions of the original Agreement.

Poulos & Bennett, LLC ("Poulos & Bennett") and Hills of Minneola Community Development District ("Client") enter into this agreement as follows:

SCOPE OF SERVICES:

**A. Wastewater Services & Stormwater Management Needs Analysis (19-103.03)**

Based on the newly effective Sections 403.9301 and 403.9302, Florida Statutes, and pursuant to the request of the Hills of Minneola (HOM) CDD, Poulos & Bennett will prepare and provide to the CDD the required 20-Year Needs Analysis ("Report"). This Report will be based on the requirements of Sections 403.9301 and 403.9302, including information prepared and provided publicly from the Office of Economic and Demographic Research ("OEDR"). The Report shall address the expected needs of the Wastewater Services & Stormwater Management facilities owned and maintained by the Hills of Minneola CDD, Areas 1 and 2, for the prescribed 20-year period and will be estimated in 5-year increments. The Report shall include, but not be limited to, the following required information:

- i. For wastewater services, since there are no CDD owned and maintained wastewater facilities, nor are there any planned CDD owned and maintained wastewater utility extensions, only those items shown below are required:

- A detailed description of the facilities used to provide wastewater services.
  - The number of current and projected connections and residents served calculated in 5-year increments.
  - The current and projected service area for wastewater services.
- ii. The 20-Year Needs Analysis will encompass Area 1 and Area 2 of the HOM CDD. The stormwater management systems servicing Areas 1 and 2 include nineteen (19) and fourteen (14) stormwater management ponds respectively. For these stormwater management programs and systems, the Report will include:
- A detailed description of the stormwater management program or stormwater management system and its facilities and projects.
  - The number of current and projected residents served calculated in 5-year increments.
  - The current and projected service area for the stormwater management program or stormwater management system.
  - The current and projected cost of providing services calculated in 5-year increments.
  - The estimated remaining useful life of each facility or its major components.
  - The most recent 5-year history of annual contributions to, expenditures from, and balances of any capital account for maintenance or expansion of any facility or its major components.
  - The local government's plan to fund the maintenance or expansion of any facility or its major components. The plan must include historical and estimated future revenues and expenditures with an evaluation of how the local government expects to close any projected funding gap.

The Report will include the methodology and supporting data necessary to confirm the results.

**B. Meetings & Coordination – Needs Analysis  
(19-103.04)**

Poulos & Bennett will coordinate with and prepare for and attend coordination meetings with the Hills of Minneola CDD legal and managerial staff, City of Minneola and Lake County staff and the Hills of Minneola CDD Board throughout the preparation of the Report as needed. These services will only be provided at the request of the Client and will be invoiced on an hourly fee basis in accordance with Poulos & Bennett's Standard Rate Schedule. (Exhibit 'B').

FEE SCHEDULE:

Task Number	Description	Lump Sum Fees	Estimated Fees
.03	Wastewater Services & Stormwater Management Needs Analysis	---	Hourly in accordance with Exhibit 'B' with a Budget Estimate of \$20,000.00
.04	Meetings & Coordination – Needs Analysis	---	Hourly in accordance with Exhibit 'B' with a Budget Estimate of \$5,000.00
.99	Reimbursable Expense	---	Hourly in accordance with Exhibit 'B' with a Budget Estimate of \$1,000.00

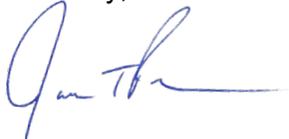
These fees do not include: required application fees made payable to the respective public agencies through which permitting is required; reimbursable expenses as specified in this agreement or illustrative plans that may be required for community/public meetings.

REIMBURSABLE EXPENSE (19-103.99):

Reimbursables will be charged on a direct cost basis times a multiple of 1.20. Reimbursables shall include, but not be limited to, all prints and reproduction costs associated with reports, prints and reproducibles, postage and shipping, expenses to travel outside a thirty (30) mile radius of the office.

Should you have any questions regarding the information included with this amendment, please do not hesitate to contact us. Please sign this amendment and return one copy for our records.

Sincerely,



Jamie T. Poulos, P.E., LEED A.P.  
Partner  
Poulos & Bennett, LLC



EXHIBIT "B"

POULOS & BENNETT, LLC  
2021 HOURLY RATE SCHEDULE

EXPERT WITNESS	\$350
PUBLIC MEETING REPRESENTATION	\$350
PRINCIPAL	\$235
DIRECTOR OF ENGINEERING	\$225
PLANNING GROUP LEADER	\$225
PRACTICE TEAM LEADER	\$210
DEVELOPMENT MANAGER	\$190
SR. PROJECT MANAGER	\$185
SENIOR PROJECT ENGINEER	\$165
PROJECT MANAGER - DEVELOPMENT SERVICES	\$150
PROJECT MANAGER	\$150
SENIOR PLANNER	\$145
ASSISTANT DEVELOPMENT MANAGER	\$140
GIS MANAGER	\$135
CAD MANAGER	\$130
PROJECT ENGINEER	\$130
SENIOR COMMUNITY DESIGNER	\$125
PROJECT PLANNER	\$125
PLAT MANAGER	\$125
SENIOR CAD DESIGNER	\$125
DEVELOPMENT COORDINATOR	\$125
STAFF ENGINEER	\$110
CAD TECHNICIAN	\$100
STAFF PLANNER	\$95
PROJECT COORDINATOR	\$85
ADMINISTRATIVE ASSISTANT	\$75



# **HILLS OF MINNEOLA**

**COMMUNITY DEVELOPMENT DISTRICT**

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## HILLS OF MINNEOLA COMMUNITY DEVELOPMENT DISTRICT

c/o Wrathell, Hunt & Associates, LLC  
2300 Glades Road, Suite 410W  
Boca Raton, Florida 33431

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January 12, 2022

Kyle Nursery, Nicole Ailes  
Yellowstone Landscape  
tnursery@yellowstonelandscape.com  
nailes@yellowstonelandscape.com

RE: Landscape RFP for Hills of Minneola CDD

Dear Sir or Madam,

We are writing in connection with Hills of Minneola CDD's recent request for proposals for landscape and irrigation maintenance services. Based on the scope of work evaluation at the mandatory on-site meeting conducted on January 5, 2022, the District has elected to suspend the request for proposals and re-start the bid process at a later date in order to, among other things, have the scope areas further established and installed appropriately for maintenance services to commence. We appreciate your participation in the process, and would please encourage you to submit as part of the new bid process once it commences again, tentatively, late Spring, early Summer.

Any protest of this decision must be filed in writing within seventy-two (72) hours after issuance of this notice. Such protests must be filed at: Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, Attention: Daphne Gillyard. A formal protest setting forth with particularity the facts and law upon which the protest is based shall be filed within seven (7) calendar days after the initial notice of protest was filed. Additional requirements may apply, and can be found in the Project Manual and the District's Rules of Procedure.

Thank you again for your participation in the District's RFP process.

Sincerely,



Cindy Cerbone  
District Manager

# **HILLS OF MINNEOLA**

**COMMUNITY DEVELOPMENT DISTRICT**

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# Financial Report

Year Ended September 30, 2021

Hills of Minneola  
Community  
Development District

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Hills of Minneola Community Development District  
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors  
*Hills of Minneola Community Development District*

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of *Hills of Minneola Community Development District*, (the "District") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

The District's 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

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

### Other Matters

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis starting on page 3, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated [REDACTED], 2022, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*McDiarmid Davis*

Orlando, Florida  
[REDACTED], 2022

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Hills of Minneola Community Development District  
**Management's Discussion and Analysis**

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Our discussion and analysis of *Hills of Minneola Community Development District*, Lake County, Florida's (the "District") financial accomplishments provide an overview of the District's financial activities for the year ended September 30, 2021. Please read it in conjunction with the District's Independent Auditor's Report, financial statements and accompanying notes.

This information is being presented to provide additional information regarding the activities of the District and to meet the disclosure requirements of Government Accounting Standards Board Statement (GASB) No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* issued June 1999.

**Financial Highlights**

- The liabilities of the District exceeded its assets at September 30, 2021 by \$627,770, an increase in net position of \$231,986 in comparison with the prior year.
- At September 30, 2021, the District's governmental funds reported fund balances of \$12,294,868, an increase of \$1,762,571 in comparison with the prior year.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to *Hills of Minneola Community Development District's* financial statements. The District's financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements.

**Government-Wide Financial Statements**

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

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

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

**Fund Financial Statements**

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

**Governmental Funds**

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

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

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

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

**Notes to Financial Statements**

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

**Government-Wide Financial Analysis**

Statement of Net Position - The District's net position was \$(627,770) at September 30, 2021. The analysis that follows focuses on the net position of the District's governmental activities.

	<u>2021</u>	<u>2020</u>
Assets, excluding capital assets	\$ 13,519,849	\$ 12,740,387
Capital assets, not being depreciated	16,347,983	12,060,114
<b>Total assets</b>	<u>29,867,832</u>	<u>24,800,501</u>
Liabilities, excluding long-term liabilities	1,609,370	2,373,579
Long-term liabilities	28,886,232	23,286,678
<b>Total liabilities</b>	<u>30,495,602</u>	<u>25,660,257</u>
Net Position:		
Net investment in capital assets	(2,409,292)	(2,246,921)
Restricted for debt service	1,777,439	1,385,210
Unrestricted	4,083	1,955
<b>Total net position</b>	<u>\$ (627,770)</u>	<u>\$ (859,756)</u>

Hills of Minneola Community Development District  
**Management's Discussion and Analysis**

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The following is a summary of the District's governmental activities for the fiscal years ended September 30, 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Revenues:		
Program revenues	\$ 1,424,221	\$ 51,393
<b>Total revenues</b>	<u>1,424,221</u>	<u>51,393</u>
Expenses:		
General government	277,569	727,894
Maintenance and operations	10,420	-
Interest on long-term debt	904,246	174,533
<b>Total expenses</b>	<u>1,192,235</u>	<u>902,427</u>
Change in net position	231,986	(851,034)
Net position, beginning	(859,756)	(8,722)
<b>Net position, ending</b>	<u>\$ (627,770)</u>	<u>\$ (859,756)</u>

As noted above and in the statement of activities, the cost of all governmental activities during the year ended September 30, 2021 was \$1,192,235. The majority of these costs are interest on long-term debt.

**Financial Analysis of the Government's Funds**

The District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At September 30, 2021, the District's governmental funds reported combined ending fund balances of \$12,294,868. Of this total, \$5,175 is nonspendable, \$12,292,003 is restricted and the remainder of (\$2,310) is unassigned.

The fund balance of the general fund increased \$4,909 due to an increase in revenues. The debt service fund balance increased by \$608,348 due to bonds issued. The capital projects fund balance increased by \$1,149,314 due to bonds issued.

**General Fund Budgetary Highlights**

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget to actual comparison for the general fund, including the original budget and final adopted budget, is shown on page 12. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control is at the fund level.

**Capital Assets and Debt Administration**

*Capital Assets*

At September 30, 2021, the District had \$16,347,983 invested in construction in process.

*Capital Debt*

At September 30, 2021, the District had \$28,970,000 in bonds outstanding. More detailed information about the District's capital debt is presented in the notes to financial statements.

**Requests for Information**

If you have questions about this report or need additional financial information, contact *Hills of Minneola Community Development Districts* Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

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**FINANCIAL STATEMENTS**

Hills of Minneola Community Development District  
**Statement of Net Position**  
September 30, 2021

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash	\$ 8,451
Prepaid expenses	5,175
Deposits	20
Developer receivable	440,130
Restricted assets:	
Temporarily restricted investments	13,066,073
Capital assets:	
Capital assets not being depreciated	<u>16,347,983</u>
<b>Total assets</b>	<u>29,867,832</u>
<b>Liabilities</b>	
Accounts payable and accrued expenses	1,128,743
Retainage payable	70,873
Due to developers	21,062
Accrued interest payable	388,692
Noncurrent liabilities:	
Due within one year	455,000
Due in more than one year	<u>28,431,232</u>
<b>Total liabilities</b>	<u>30,495,602</u>
<b>Net Position</b>	
Net investment in capital assets	(2,409,292)
Restricted for debt service	1,777,439
Unrestricted	<u>4,083</u>
<b>Total net position</b>	<u>\$ (627,770)</u>

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Hills of Minneola Community Development District  
**Statement of Activities**  
Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
			Governmental Activities		
Governmental activities:					
General government	277,569	\$ -	\$ 85,218	\$ -	\$ (192,351)
Maintenance and operations	10,420	-	-	-	(10,420)
Interest on long-term debt	904,246	1,338,412	84	507	434,757
<b>Total governmental activities</b>	<b>\$ 1,192,235</b>	<b>\$ 1,338,412</b>	<b>\$ 85,302</b>	<b>\$ 507</b>	<b>231,986</b>
			<b>Change in net position</b>		231,986
			Net position, beginning		(859,756)
			<b>Net position, ending</b>		<b>\$ (627,770)</b>

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Hills of Minneola Community Development District  
**Balance Sheet - Governmental Funds**  
September 30, 2021

	General	Debt Service	Capital Projects	Total Governmental Funds
<b>Assets</b>				
Cash	\$ 8,451	\$ -	\$ -	\$ 8,451
Prepaid expenses	5,175	-	-	5,175
Deposits	20	-	-	20
Investments	-	1,766,192	11,299,881	13,066,073
Developer receivable	27,714	412,416	-	440,130
<b>Total assets</b>	<b>\$ 41,360</b>	<b>\$ 2,178,608</b>	<b>\$ 11,299,881</b>	<b>\$ 13,519,849</b>
<b>Liabilities and Fund Balances</b>				
Liabilities:				
Accounts payable and accrued expenses	\$ 28,692	\$ -	\$ 1,100,051	\$ 1,128,743
Retainage payable	-	-	70,873	70,873
Due to developers	5,500	12,478	3,084	21,062
<b>Total liabilities</b>	<b>34,192</b>	<b>12,478</b>	<b>1,174,008</b>	<b>1,220,678</b>
Deferred inflows:				
Unavailable revenue	4,303	-	-	4,303
Fund balances:				
Nonspendable	5,175	-	-	5,175
Restricted for:				
Debt service	-	2,166,130	-	2,166,130
Capital projects	-	-	10,125,873	10,125,873
Unassigned	(2,310)	-	-	(2,310)
<b>Total fund balances</b>	<b>2,865</b>	<b>2,166,130</b>	<b>10,125,873</b>	<b>12,294,868</b>
<b>Total liabilities and fund balances</b>	<b>\$ 41,360</b>	<b>\$ 2,178,608</b>	<b>\$ 11,299,881</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	16,347,983
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds	4,303
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Accrued interest payable	(388,692)
Bonds payable	(28,886,232)
<b>Net position of governmental activities</b>	<b>\$ (627,770)</b>

Hills of Minneola Community Development District  
**Statement of Revenues, Expenditures and Changes in the Fund Balances**  
**Governmental Funds**  
Year Ended September 30, 2021

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Developer contributions	\$ 87,998	\$ 1,338,412	\$ -	\$ 1,426,410
Investment and miscellaneous income	-	84	507	591
<b>Total revenues</b>	<u>87,998</u>	<u>1,338,496</u>	<u>507</u>	<u>1,427,001</u>
<b>Expenditures</b>				
Current				
General government	72,669	204,900	-	277,569
Field Operations	10,420	-	-	10,420
Debt Service:				
Interest	-	680,283	-	680,283
Principal	-	440,000	-	440,000
Capital outlay	-	-	4,287,869	4,287,869
<b>Total expenditures</b>	<u>83,089</u>	<u>1,325,183</u>	<u>4,287,869</u>	<u>5,696,141</u>
<b>Excess (Deficit) of Revenues Over Expenditures</b>	<u>4,909</u>	<u>13,313</u>	<u>(4,287,362)</u>	<u>(4,269,140)</u>
<b>Other Financing Sources</b>				
Bonds issued	-	455,156	5,434,844	5,890,000
Premium on bonds issued	-	141,711	-	141,711
Transfers in	-	-	1,832	1,832
Transfers out	-	(1,832)	-	(1,832)
<b>Total other financing sources</b>	<u>-</u>	<u>595,035</u>	<u>5,436,676</u>	<u>6,031,711</u>
<b>Net change in fund balances</b>	<u>4,909</u>	<u>608,348</u>	<u>1,149,314</u>	<u>1,762,571</u>
Fund balances, beginning of year	<u>(2,044)</u>	<u>1,557,782</u>	<u>8,976,559</u>	<u>10,532,297</u>
<b>Fund balances, end of year</b>	<u>\$ 2,865</u>	<u>\$ 2,166,130</u>	<u>\$ 10,125,873</u>	<u>\$ 12,294,868</u>

Hills of Minneola Community Development District  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of  
 Governmental Funds to the Statement of Activities**  
 Year Ended September 30, 2021

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Net Change in Fund Balances - total governmental funds	\$ 1,762,571
<p>Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources; however, in the statement of net position the cost of those assets is recorded as capital assets. Depreciation of capital assets is not recognized in the governmental fund statements but is reported as an expense in the statement of activities.</p>	
Capital outlay	4,287,869
<p>Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treat such issuance of debt as a liability.</p>	
	(6,031,711)
<p>Repayments of long-term liabilities are reported as expenditures in governmental funds, while repayments reduce long-term liabilities in the statement of net position.</p>	
Repayment of bonds payable	440,000
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
	4,303
<p>Revenues reported in the funds in the current year must be eliminated from the statement of activities since revenue was recognized in the prior year.</p>	
	(7,083)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Change in accrued interest	(216,120)
Amortization of bond discount	(7,843)
	(223,963)
<b>Change in net position of governmental activities</b>	<b>\$ 231,986</b>

Hills of Minneola Community Development District  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual - General Fund**  
Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Developer contributions	\$ 166,590	\$ 166,590	\$ 87,998	\$ (78,592)
<b>Total revenues</b>	<b>166,590</b>	<b>166,590</b>	<b>87,998</b>	<b>(78,592)</b>
<b>Expenditures</b>				
Current				
General government	91,590	91,590	72,669	18,921
Field Operations	75,000	75,000	10,420	64,580
<b>Total expenditures</b>	<b>166,590</b>	<b>166,590</b>	<b>83,089</b>	<b>83,501</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>4,909</b>	<b>4,909</b>
Fund balance, beginning	(2,044)	(2,044)	(2,044)	-
<b>Fund balance, ending</b>	<b>\$ (2,044)</b>	<b>\$ (2,044)</b>	<b>\$ 2,865</b>	<b>\$ 4,909</b>

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**NOTES TO FINANCIAL STATEMENTS**

## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Reporting Entity

Hills of Minneola Community Development District, (the "District") was established on July 2, 2019 by the City of Minneola, Florida, Ordinance 2019-05 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides, among other things, the power to manage basic services for community development, the power to borrow money and issue bonds, and the power to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure. The District was established for the purpose of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors (the "Board"), which is composed of five members. Ownership of land within the District entitles the owner to one vote per acre. The Board of Supervisors of the District exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes. All of the Board of Supervisors are affiliated with the Developer.

The Board has final responsibility for:

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

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements 14, 39, and 61. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District Board of Supervisors is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

### Government-Wide and Fund Financial Statements

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

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) grants, contributions and investment earnings that are restricted to meeting the operational or capital requirements of a particular function or segment and 3) operating-type special assessments that are treated as charges for services (including assessments for maintenance and debt service). Other items not included among program revenues are reported instead as *general revenues*.

### Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

Assessments, including debt service assessments and operation and maintenance assessments, are non-ad valorem assessments imposed on all lands located within the District and benefited by the District's activities. Operation and maintenance special assessments are levied by the District prior to the start of the fiscal year which begins October 1<sup>st</sup> and ends on September 30<sup>th</sup>. These assessments are imposed upon all benefited lands located in the District. Debt service special assessments are imposed upon certain lots and lands as described in each resolution imposing the special assessment for each series of bonds issued by the District. Certain debt service assessments are collected upon the closing of those lots subject to short term debt and are used to prepay a portion of the bonds outstanding.

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 District.

The District reports the following major governmental funds:

*General Fund*

Is the District's primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

*Debt Service Fund*

Accounts for the accumulation of resources for the annual payment of principal and interest on long-term debt.

*Capital Project Fund*

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**Assets, Liabilities Deferred Outflows/Inflows of Resources and Net Position/Fund Balance**

*Restricted Assets*

These assets represent cash and investments set aside pursuant to bond covenants.

*Investments*

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

Investments of the District are reported at fair value and are categorized within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The District's investments consist of investments authorized in accordance with Section 218.415, Florida Statutes.

*Prepaid Costs*

Prepaid costs are recorded as expenditures when consumed rather than when purchased in both government-wide and fund financial statements.

**NOTE 1            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, sidewalks and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

**Long Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are reported as expenses. Bonds payable are reported net of premiums or discounts.

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

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any item that qualifies for reporting in this category for the year ended September 30, 2021.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental fund balance sheet, these amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Net Position Flow Assumption**

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted-net position is applied.

**Fund Balance Flow Assumptions**

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**NOTE 1            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes fund balance amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Supervisors is the highest level of decision-making authority for the government that can, by adoption of an ordinance or resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance or resolution remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board of Supervisors has authorized the District Manager to assign amounts for specific purposes. The Board of Supervisors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above an additional action is essential to either remove or revise a commitment.

**Other Disclosures**

*Use of Estimates*

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

*New Accounting Standards*

In fiscal year 2020, the District has not implemented any new accounting standards with a material effect on the District's financial statements.

**NOTE 2            STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

The District is required to establish a budgetary system and an approved annual budget for the General Fund. Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. All annual appropriations lapse at the fiscal year end. The legal level of budgetary control is at the fund level. Any budget amendments that increase the aggregate budgeted appropriations, at the fund level, must be approved by the Board of Supervisors. There were no budget amendments for the fiscal year ended September 30, 2021.

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

1. Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
2. A public hearing is conducted to obtain comments.
3. Prior to October 1, the budget is legally adopted by the District Board.
4. All budget changes must be approved by the District Board.
5. The budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

**NOTE 3 DEPOSITS AND INVESTMENTS**

**Deposits**

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

**Investments**

The District categorizes its fair value measurements within the fair value hierarchy 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.

Under GASB 72, assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price 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 uses the best information available under the circumstances, which includes the District's own data in measuring unobservable inputs.

The District has the following recurring fair value measurements as of September 30, 2021:

- Money market mutual funds of \$13,066,073 are valued using Level 2 inputs.

Instead of establishing a written investment policy, the District elected to limit investments to those approved by Florida Statutes and the District Trust Indenture. Authorized District investments include, but are not limited to:

1. The Local Government Surplus Funds Trust Fund (SBA);
2. Securities and Exchange Commission Registered Money Market Funds with the highest credit quality rating from a nationally recognized rating agency;
3. Interest-bearing time deposits or savings accounts in qualified public depositories;
4. Direct obligations of the U.S. Treasury.

Investments made by the District at September 30, 2021 are summarized below. In accordance with GASB 31, investments are reported at fair value.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity</u>
First American Government Obligation Fund Y	\$ 13,066,073	AAAm	14 Days

*Credit Risk:*

For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Investments in U.S. Government securities and agencies must be backed by the full faith and credit of the United States Government. Short term bond funds shall be rated by a nationally recognized ratings agency and shall maintain the highest credit quality rating. Investment ratings by investment type are included in the preceding summary of investments.

**NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)**

*Custodial Credit Risk:*

In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires that bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2021, all of the District's bank deposits were in qualified public depositories.

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2021, none of the investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

*Concentration of Credit Risk:*

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

*Interest Rate Risk:*

The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The District manages its exposure to declines in fair values by investing primarily in pooled investments that have a weighted average maturity of less than three months.

**NOTE 4 CAPITAL ASSETS**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Improvements under construction	\$12,060,114	\$ 4,287,869	\$ -	\$16,347,983
<b>Total capital assets not being depreciated</b>	<u>12,060,114</u>	<u>4,287,869</u>	<u>-</u>	<u>16,347,983</u>
<b>Governmental activities capital assets, net</b>	<u>\$12,060,114</u>	<u>\$ 4,287,869</u>	<u>\$ -</u>	<u>\$16,347,983</u>

**NOTE 5            LONG-TERM LIABILITIES**

**Series 2020 Special Assessment Bonds**

In July 2020, the District issued \$23,520,000 of Special Assessment Revenue Bonds, Series 2020. The Bonds consist of \$2,350,000 Term Bonds due on May 1, 2025 with a fixed interest rate of 3.0%; \$3,385,000 Term Bonds due on May 1, 2031 with a fixed interest rate of 3.5%; \$6,775,000 Term Bonds due on May 1, 2040 with a fixed interest rate of 4.0%; and \$11,010,000 Term Bonds due on May 1, 2050 with a fixed interest rate of 4.0%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property within the District. Interest is paid semiannually on each May 1 and November 1. Principal on the Bonds is to be paid serially commencing May 1, 2021 through May 1, 2050.

The Series 2020 Bonds are subject to redemption at the option of the District prior to maturity at a redemption price as set forth in the Bond Indenture. The Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Indenture. In the event of default, all principal and interest of the Bonds will become immediately due and payable.

The Bond Indenture requires that the District maintain adequate funds in a reserve account to meet the debt service reserve requirements as defined in the Indenture. The requirement has been met at September 30, 2021.

The Bond 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 agreed to levy special assessments in annual amounts adequate to provide payment of debt service. Payment of principal and interest on the 2020 Bonds is secured by a pledge of and a first lien upon the pledged special assessment revenue. The District is in compliance with the requirements of the Bond Indenture.

As of September 30, 2021, total principal and interest remaining on the Series 2020 Special Assessment Revenue Bonds was \$39,199,032. Principal and interest paid was \$1,120,283 during the current year. Special assessment revenue of \$1,338,412 was pledged for the current year.

**Series 2021 Special Assessment Bonds**

In August 2021, the District issued \$5,890,000 of Special Assessment Revenue Bonds, Series 2021. The Bonds consist of \$505,000 Term Bonds due on May 1, 2026 with a fixed interest rate of 2.375%; \$710,000 Term Bonds due on May 1, 2031 with a fixed interest rate of 2.8%; \$1,790,000 Term Bonds due on May 1, 2041 with a fixed interest rate of 3.2%; and \$2,885,000 Term Bonds due on May 1, 2052 with a fixed interest rate of 4.0%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the property within the District. Interest is paid semiannually on each May 1 and November 1. Principal on the Bonds is to be paid serially commencing May 1, 2023 through May 1, 2052.

The Series 2021 Bonds are subject to redemption at the option of the District prior to maturity at a redemption price as set forth in the Bond Indenture. The Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Indenture. In the event of default, all principal and interest of the Bonds will become immediately due and payable.

The Bond Indenture requires that the District maintain adequate funds in a reserve account to meet the debt service reserve requirements as defined in the Indenture. The requirement has been met at September 30, 2021.

The Bond 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 agreed to levy special assessments in annual amounts adequate to provide payment of debt service. Payment of principal and interest on the 2021 Bonds is secured by a pledge of and a first lien upon the pledged special assessment revenue. The District is in compliance with the requirements of the Bond Indenture.

As of September 30, 2021, total principal and interest remaining on the Series 2021 Special Assessment Revenue Bonds was \$9,977,728. No principal or interest was due in the current year. No special assessment revenue was pledged for the current year.

**NOTE 5 LONG-TERM LIABILITIES (CONTINUED)**

Long-term liability activity for the year ended September 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities</b>					
Bonds Payable					
Series 2020	\$23,520,000	\$ -	\$ (440,000)	\$23,080,000	\$ 455,000
Less: Discount	(233,322)	-	7,843	(225,479)	-
Series 2021	-	5,890,000	-	5,890,000	-
Plus: Premium	-	141,711	-	141,711	-
<b>Governmental activity long-term liabilities</b>	<u>\$23,286,678</u>	<u>\$ 6,031,711</u>	<u>\$ (432,157)</u>	<u>\$28,886,232</u>	<u>\$ 455,000</u>

At September 30, 2021, the scheduled debt service requirements on the bonds payable were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 455,000	\$ 1,027,523
2023	590,000	1,078,080
2024	610,000	1,061,130
2025	630,000	1,043,611
2026	645,000	1,025,524
2027 - 2031	2,965,000	4,422,909
2032 - 2036	4,150,000	4,168,763
2037 - 2041	5,030,000	3,293,220
2042 - 2046	6,110,000	2,210,300
2047 - 2051	7,465,000	862,900
2052	320,000	12,800
	<u>\$ 28,970,000</u>	<u>\$ 20,206,760</u>

**NOTE 6 RELATED PARTY TRANSACTIONS**

**Developer Transaction:**

The Developer owns the land within the District; therefore revenue in the general and debt service funds include amounts levied on those lots owned by the Developer. The Developer contributed \$1,383,531 or 97% of the revenue for the year ended September 30, 2021. The District's activity is dependent upon the continued involvement of the Developer, the loss of which could have a material adverse effect on the District's operations.

**NOTE 7 MANAGEMENT COMPANY**

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

**NOTE 8            RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance from independent third parties. The District has not filed any claims under this commercial coverage during the last two years.

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COMPLIANCE SECTION



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

To the Board of Supervisors  
*Hills of Minneola Community Development District*

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of *Hills of Minneola Community Development District* (the "District") as of and for the year ended September 30, 2021 and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated [REDACTED], 2022.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*McDermitt Davis*

Orlando, Florida  
[REDACTED], 2022

## MANAGEMENT LETTER

Board of Supervisors  
*Hills of Minneola Community Development District*

### Report on the Financial Statements

We have audited the financial statements of *Hills of Minneola Community Development District*, (the "District") as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated [REDACTED], 2022.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated [REDACTED], 2022, should be considered in conjunction with this management letter.

### Prior Audit Findings

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

### Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information has been disclosed in the notes to the financial statements.

### Financial Condition and Management

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 the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

### Specific Information

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

- a. The total number of district employees compensated in the last pay period of the district's fiscal year as zero.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as zero.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as zero, no employees.

- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as zero.
- e. 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 of the fiscal year being reported, together with the total expenditures for such project as: two projects.
- f. 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 budget under Section 189.016(6), Florida Statutes, this information is included in the general fund budget statement.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the district reported:

- a. The rate or rates of non-ad valorem special assessments imposed by the district as none.
- b. The total amount of special assessments collected by or on behalf of the district as zero.
- c. The total amount of outstanding bonds issued by the district and the terms of such bonds is disclosed in the notes.

**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.

*McDiarmid Davis*

Orlando, Florida  
2022

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Orlando, Florida 32803  
407-843-5406  
www.mcdermittdavis.com

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH  
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors  
*Hills of Minneola Community Development District*

We have examined *Hills of Minneola Community Development District's* (the "District") compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2021. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on 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 the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the *Comptroller General of the United States*, and, accordingly, included examining, on a test basis, evidence about the 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 the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

*McDermitt Davis*

Orlando, Florida  
\_\_\_\_\_, 2022

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# **HILLS OF MINNEOLA**

**COMMUNITY DEVELOPMENT DISTRICT**

**11**

**RESOLUTION 2022-04**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HILLS OF  
MINNEOLA COMMUNITY DEVELOPMENT DISTRICT HEREBY  
ACCEPTING THE AUDITED FINANCIAL REPORT FOR THE FISCAL YEAR  
ENDED SEPTEMBER 30, 2021**

**WHEREAS**, the District’s Auditor, McDirmit Davis, has heretofore prepared and submitted to the Board, for accepting, the District’s Audited Financial Report for Fiscal Year 2021;

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS  
OF THE HILLS OF MINNEOLA COMMUNITY DEVELOPMENT DISTRICT;**

1. The Audited Financial Report for Fiscal Year 2021, heretofore submitted to the Board, is hereby accepted for Fiscal Year 2021, for the period ending September 30, 2021; and
2. A verified copy of said Audited Financial Report for Fiscal Year 2021 shall be attached hereto as an exhibit to this Resolution, in the District’s “Official Record of Proceedings”.

**PASSED AND ADOPTED** this 24th day of January, 2022.

**HILLS OF MINNEOLA COMMUNITY  
DEVELOPMENT DISTRICT**

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Secretary/Assistant Secretary

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Chair/Vice Chair, Board of Supervisors

# **HILLS OF MINNEOLA**

**COMMUNITY DEVELOPMENT DISTRICT**

**12**

**HILLS OF MINNEOLA  
COMMUNITY DEVELOPMENT DISTRICT  
FINANCIAL STATEMENTS  
UNAUDITED  
DECEMBER 31, 2021**

**HILLS OF MINNEOLA  
COMMUNITY DEVELOPMENT DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	General Fund	Debt Service Fund 2020	Debt Service Fund 2021	Capital Projects Fund 2020	Capital Projects Fund 2021	Total Governmental Funds
<b>ASSETS</b>						
Cash	\$ 6,720	\$ -	\$ -	\$ -	\$ -	\$ 6,720
Investments						
Revenue	-	10,884	3	-	-	10,887
Reserve	-	1,338,412	163,596	-	-	1,502,008
Capitalized interest	-	4	102,279	-	-	102,283
Construction	-	-	-	2,836,890	5,475,003	8,311,893
Undeposited funds	5,030	-	-	-	-	5,030
Due from Landowner	3,512	-	-	-	-	3,512
Due from Meritage Homes	1,046	-	-	-	-	1,046
Due from Starlight	2,701	-	-	-	-	2,701
Due from Ashton Woods	369	-	-	-	-	369
Due from LB Minneola	3,831	-	-	-	-	3,831
Due from Plute Group	1,682	-	-	-	-	1,682
Utility deposit	20	-	-	-	-	20
Total assets	<u>\$ 24,911</u>	<u>\$1,349,300</u>	<u>\$265,878</u>	<u>\$2,836,890</u>	<u>\$5,475,003</u>	<u>\$ 9,951,982</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable off-site	\$ 15,423	\$ -	\$ -	\$ -	\$ -	\$ 15,423
Accounts payable on-site	35	-	-	-	-	35
Contracts payable	-	-	-	29,514	-	29,514
Retainage payable	-	-	-	133,638	-	133,638
Due to Landowner	-	12,478	-	3,084	-	15,562
Due to Meritage Homes	2,311	-	-	-	-	2,311
Landowner advance	5,500	-	-	-	-	5,500
Total liabilities	<u>23,269</u>	<u>12,478</u>	<u>-</u>	<u>166,236</u>	<u>-</u>	<u>201,983</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred receipts	13,141	-	-	-	-	13,141
Total deferred inflows of resources	<u>13,141</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,141</u>
Fund balances:						
Restricted for:						
Debt service	-	1,336,822	265,878	-	-	1,602,700
Capital projects	-	-	-	2,670,654	5,475,003	8,145,657
Unassigned	(11,499)	-	-	-	-	(11,499)
Total fund balances	<u>(11,499)</u>	<u>1,336,822</u>	<u>265,878</u>	<u>2,670,654</u>	<u>5,475,003</u>	<u>9,736,858</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 24,911</u>	<u>\$1,349,300</u>	<u>\$265,878</u>	<u>\$2,836,890</u>	<u>\$5,475,003</u>	<u>\$ 9,951,982</u>

**HILLS OF MINNEOLA  
COMMUNITY DEVELOPMENT DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE PERIOD ENDED DECEMBER 31, 2021**

	Current Month	Year to Date	Budget	% of Budget
<b>REVENUES</b>				
Landowner contribution	\$ 4,228	\$ 8,623	\$ 456,790	2%
Total revenues	<u>4,228</u>	<u>8,623</u>	<u>456,790</u>	2%
<b>EXPENDITURES</b>				
<b>Professional &amp; administrative</b>				
Management/recording	4,000	12,000	48,000	25%
Legal - general counsel	492	772	15,000	5%
Engineering	-	-	7,500	0%
Audit	-	-	4,900	0%
Arbitrage rebate calculation	-	-	750	0%
Dissemination agent	83	250	1,000	25%
Trustee	-	-	5,500	0%
Telephone	17	50	200	25%
Postage	-	9	50	18%
Printing & binding	4	13	50	26%
Legal advertising	242	242	1,500	16%
Annual district filing fee	-	175	175	100%
Insurance: GL & POL	-	5,175	5,500	94%
Contingencies	84	187	750	25%
Website				
Hosting & maintenance	-	-	705	0%
ADA compliance	-	-	210	0%
Total professional & administrative	<u>4,922</u>	<u>18,873</u>	<u>91,790</u>	21%
<b>Field operations and maintenance</b>				
Field operations manager	-	-	6,000	0%
Landscaping labor	-	-	208,800	0%
Insurance: property	-	-	3,000	0%
Backflow test	-	-	400	0%
Irrigation repair	-	-	5,000	0%
Plants, shrubs & annuals	-	-	15,000	0%
Tree trimming	-	-	10,000	0%
Signage	-	-	1,000	0%
General maintenance	-	-	4,000	0%
Fence wall repairs	-	-	1,000	0%
Aquatic controls - ponds	-	-	8,000	0%
Electric:				
Irrigation	-	-	2,500	0%
Street lights	2,135	4,115	52,800	8%
Entrance signs	-	-	2,500	0%
Water irrigation	-	-	36,000	0%
Playground ADA mulch	-	-	4,000	0%
Dog porter service	-	-	5,000	0%
Total field operations & maintenance	<u>2,135</u>	<u>4,115</u>	<u>365,000</u>	1%
Excess/(deficiency) of revenues over/(under) expenditures	(2,829)	(14,365)	-	
Fund balances - beginning	(8,670)	2,866	-	
Fund balances - ending	<u>\$ (11,499)</u>	<u>\$ (11,499)</u>	<u>\$ -</u>	

**HILLS OF MINNEOLA  
COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE FUND SERIES 2020  
FOR THE PERIOD ENDED DECEMBER 31, 2021**

	Current Month	Year To Date	Budget	% of Budget
<b>REVENUES</b>				
Assessment levy: off-roll	\$ -	\$ -	\$ 1,338,413	0%
Lot closing	-	6,245	-	N/A
Interest	11	26	-	N/A
Total revenues	<u>11</u>	<u>6,271</u>	<u>1,338,413</u>	0%
<b>EXPENDITURES</b>				
<b>Debt service</b>				
Principal	-	-	455,000	0%
Interest	-	443,588	887,175	50%
Total debt service	<u>-</u>	<u>443,588</u>	<u>1,342,175</u>	33%
Excess/(deficiency) of revenues over/(under) expenditures	11	(437,317)	(3,762)	11625%
<b>OTHER FINANCING SOURCES/(USES)</b>				
Transfer out	<u>(11)</u>	<u>(25)</u>	-	N/A
Total other financing sources	<u>(11)</u>	<u>(25)</u>	<u>-</u>	N/A
Net change in fund balances	-	(437,342)	(3,762)	
Fund balances - beginning	1,336,822	1,774,164	1,786,644	
Fund balances - ending	<u>\$ 1,336,822</u>	<u>\$ 1,336,822</u>	<u>\$ 1,782,882</u>	

**HILLS OF MINNEOLA  
COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE FUND SERIES 2021  
FOR THE PERIOD ENDED DECEMBER 31, 2021**

	<u>Current Month</u>	<u>Year To Date</u>
<b>REVENUES</b>		
Interest	\$ 2	\$ 6
Total revenues	<u>2</u>	<u>6</u>
<b>EXPENDITURES</b>		
<b>Debt service</b>		
Cost of issuance	-	47,975
Interest	-	38,070
Total debt service	<u>-</u>	<u>86,045</u>
Excess/(deficiency) of revenues over/(under) expenditures	2	(86,039)
<b>OTHER FINANCING SOURCES/(USES)</b>		
Transfer out	<u>(40,051)</u>	<u>(40,051)</u>
Total other financing sources	<u>(40,051)</u>	<u>(40,051)</u>
Net change in fund balances	(40,049)	(126,090)
Fund balances - beginning	305,927	391,968
Fund balances - ending	<u>\$ 265,878</u>	<u>\$ 265,878</u>

**HILLS OF MINNEOLA  
COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
CAPITAL PROJECTS FUND SERIES 2020  
FOR THE PERIOD ENDED DECEMBER 31, 2021**

	Current Month	Year To Date
<b>REVENUES</b>		
Interest	\$ 35	\$ 93
Total revenues	35	93
<b>EXPENDITURES</b>		
Capital outlay	1,949,520	2,020,486
Total expenditures	1,949,520	2,020,486
Excess/(deficiency) of revenues over/(under) expenditures	(1,949,485)	(2,020,393)
<b>OTHER FINANCING SOURCES/(USES)</b>		
Transfer in	11	25
Total other financing sources/(uses)	11	25
Net change in fund balances	(1,949,474)	(2,020,368)
Fund balances - beginning	4,620,128	4,691,022
Fund balances - ending	\$ 2,670,654	\$ 2,670,654

**HILLS OF MINNEOLA  
COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
CAPITAL PROJECTS FUND SERIES 2021  
FOR THE PERIOD ENDED DECEMBER 31, 2021**

	Current Month	Year To Date
	<u>          </u>	<u>          </u>
<b>REVENUES</b>		
Interest	\$ 46	\$ 100
Total revenues	<u>46</u>	<u>100</u>
<b>EXPENDITURES</b>		
Total expenditures	<u>-</u>	<u>-</u>
Excess/(deficiency) of revenues over/(under) expenditures	46	100
<b>OTHER FINANCING SOURCES/(USES)</b>		
Transfer in	40,051	40,051
Total other financing sources/(uses)	<u>40,051</u>	<u>40,051</u>
Net change in fund balances	40,097	40,151
Fund balances - beginning	5,434,906	5,434,852
Fund balances - ending	<u>\$ 5,475,003</u>	<u>\$ 5,475,003</u>

# **HILLS OF MINNEOLA**

**COMMUNITY DEVELOPMENT DISTRICT**

**13A**

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**MINUTES OF MEETING  
HILLS OF MINNEOLA  
COMMUNITY DEVELOPMENT DISTRICT**

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The Board of Supervisors of the Hills of Minneola Community Development District held a Regular Meeting on October 25, 2021 at 1:00 p.m., at the City of Minneola City Hall, 800 N. U.S. Highway 27, Minneola, Florida 34715.

**Present were:**

Richard Jerman	Chair
James Dunn	Assistant Secretary
Adam Schott	Assistant Secretary

**Also present were:**

Cindy Cerbone	District Manager
Daniel Rom	Wrathell, Hunt and Associates, LLC
Vanessa Steinerts (via telephone)	District Counsel
Trina Dziewior	Sun Terra
Dan Edwards	Supervisor-Appointee

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Ms. Cerbone called the meeting to order at 1:12 p.m. Supervisors Jerman, Dunn and Schott were present. Supervisors Marlow and Gardner were not present.

**SECOND ORDER OF BUSINESS**

**Public Comments**

There were no public comments.

**THIRD ORDER OF BUSINESS**

**Update: Bulk and/or Lot Sales by Master Developer**

Ms. Cerbone stated, when the budget was completed, a few land transactions occurred between the time the proposed budget was presented to when it was adopted and it is necessary to maintain a current list of land transactions and the Professional and Administrative

39 and Field Operation expenses, from a funding agreement standpoint. Typically, Management’s  
 40 office would be asked to provide an Estoppel if there are going to be any lot sales. It is  
 41 important to keep the lines of communication open between sellers and purchasers of  
 42 properties; thus, Staff must update the percentage cost coverage on funding. Currently, Staff  
 43 has incorporated all lot sales and bulk sales, with LB Mineola and Dream Finders, and updated  
 44 the funding spread for percentages for Professional and Administrative and Field Operations.

45 Ms. Cerbone distributed and reviewed a detailed list of the percentages. The partial  
 46 funding agreement for Fiscal Year 2021/2022 needs to be executed.

47

48 **FOURTH ORDER OF BUSINESS**

**Accept Resignation of Chris Gardner, Seat  
2, Term Expires November, 2023**

49

50

51 Ms. Cerbone presented the Mr. Christopher Gardner’s resignation letter.

52

<p>53 <b>On MOTION by Mr. Dunn and seconded by Mr. Jerman, with all in favor, the</b>          54 <b>resignation of Mr. Chris Gardner, dated October 4, 2021, was accepted.</b></p>
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55

56

57 **FIFTH ORDER OF BUSINESS**

**Consider Appointment to Fill Unexpired  
Term of Seat 2**

58

59

60 Mr. Dunn nominated Mr. Dan Edwards to fill Seat 2. No other nominations were made.

61

<p>62 <b>On MOTION by Mr. Schott and seconded by Mr. Dunn, with all in favor, the</b>          63 <b>appointment of Mr. Dan Edwards to Seat 2, term expires November 2023, was</b>          64 <b>approved.</b></p>
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65

66

67 **A. Administration of Oath of Office to Newly Appointed Supervisor (*the following will be*  
68 *provided in a separate package*)**

69 Ms. Cerbone, a Notary of the State of Florida and duly authorized, administered the  
70 Oath of Office to Mr. Edwards. She provided and briefly explained the following items:

- 71 **I. Guide to Sunshine Amendment and Code of Ethics for Public Officers and**
- 72 **Employees**

73 **II. Membership, Obligations and Responsibilities**

74 **III. Financial Disclosure Forms**

75 a. **Form 1: Statement of Financial Interests**

76 b. **Form 1X: Amendment to Form 1, Statement of Financial Interests**

77 c. **Form 1F: Final Statement of Financial Interests**

78 **IV. Form 8B – Memorandum of Voting Conflict**

79 Ms. Cerbone would email an electronic version of Form 1 to Mr. Edwards.

80 Ms. Steinerts stated that her office would forward a packet to Mr. Edwards and urged  
81 him to contact her with any questions or concerns.

82 **B. Consideration of Resolution 2022-01, Designating Certain Officers of the District, and**  
83 **Providing for an Effective Date**

84 Ms. Cerbone presented Resolution 2021-04 and read the title. Mr. Jerman nominated  
85 the following slate of officers:

86	Richard Jerman	Chair
87	Denver Marlow	Vice Chair
88	Cindy Cerbone	Secretary
89	James Dunn	Assistant Secretary
90	Adam Schott	Assistant Secretary
91	Dan Edwards	Assistant Secretary
92	Craig Wrathell	Assistant Secretary
93	Craig Wrathell	Treasurer
94	Jeff Pinder	Assistant Treasurer

95 No other nominations were made.

96

97 **On MOTION by Mr. Schott and seconded by Mr. Dunn, with all in favor,**  
98 **Resolution 2022-01, Designating Certain Officers of the District, and Providing**  
99 **for an Effective Date, as nominated, was adopted.**

100

101

102

103 **SIXTH ORDER OF BUSINESS**

**Status of RFP for Landscaping  
Maintenance/Irrigation Services**

104  
105

106 Mr. Rom recalled the decision at the previous meeting to go out to bid for landscaping  
107 services, as the expense would be above the maximum threshold allowed by Florida Statutes to  
108 avoid the bid process. There was a slight delay in identifying the scope of service areas and  
109 creating a map to go along with the Request for Proposals (RFP) that must be published in the  
110 local newspaper. Staff is communicating with the landscaper and Field Operations Manager and  
111 hopes to have all the required information compiled by the end of November. Staff is targeting  
112 the end of January to report to the Board so the Board can evaluate the respondents.

113 Ms. Cerbone stated the reason that an update would be provided at the January  
114 meeting is because Staff would like to review the Audited Financial Report in that meeting and  
115 thought it would be good timing.

116

117 **SEVENTH ORDER OF BUSINESS**

**Ratification of Assignment and Assumption  
(Contract with JR. Davis Construction  
Company, Inc. for Mass Grading)**

118  
119  
120

121 Ms. Cerbone presented the Assignment and Assumption of the Contract with Jr. Davis  
122 Construction Company, Inc., for Mass Grading. The Assignment is by and between JEN Florida  
123 30, LLC and the CDD.

124

**On MOTION by Mr. Dunn and seconded by Mr. Edwards, with all in favor, the  
Assignment and Assumption of the Contract with JR. Davis Construction  
Company, Inc., for Mass Grading, was ratified.**

125  
126  
127

128  
129

130 **EIGHTH ORDER OF BUSINESS**

**Discussion/Consideration: BWG Landscape  
Maintenance Agreement**

131  
132

133 Mr. Rom reported the following:

- 134 ➤ While awaiting the RFP, Staff will enter into a month-to-month contract with the  
135 landscaper.

136 ➤ The landscaper contacted Management and the Field Operations Manager, Mr. Mark  
137 Hills, to arrange an on-site meeting with Mr. Hills to identify the scope of areas.

138 ➤ Some landscaping was previously installed, including sod and other types, and certain  
139 areas that have washout have been identified.

140 ➤ The landscaper wants to fine-tune and ensure that everything is in order with the scope  
141 of services in the areas and is hesitant to install landscaping that would later prove problematic.

142

143

144 **NINTH ORDER OF BUSINESS**

**Acceptance of Unaudited Financial  
145 Statements as of September 30, 2021**

146

147

Ms. Cerbone presented the Unaudited Financial Statements as of September 30, 2021.

148 Asked if the landscape payments were made directly to the landscaper, Ms. Cerbone replied  
149 affirmatively. Mr. Jerman advised that it was not necessary to reflect that as a Developer

150 contribution and show it on the statements.

151

**On MOTION by Mr. Schott and seconded by Mr. Dunn, with all in favor, the  
152 Unaudited Financial Statements as of September 30, 2021, were accepted.**

153

154

155

156 **TENTH ORDER OF BUSINESS**

**Approval of August 23, 2021 Public Hearing  
157 and Regular Meeting Minutes**

158

159

Ms. Cerbone presented the August 23, 2021 Public Hearing and Regular Meeting  
160 Minutes.

161

**On MOTION by Mr. Jerman and seconded by Mr. Dunn, with all in favor, the  
162 August 23, 2021 Public Hearing and Regular Meeting Minutes, as presented,  
163 were approved.**

164

165

166

167

168 **ELEVENTH ORDER OF BUSINESS**

**Staff Reports**

169

**A. District Counsel: *Straley Robin Vericker***

170 There was no report.

171 **B. District Engineer: *Poulos & Bennett, LLC***

172 There was no report.

173 **C. District Manager: *Wrathell, Hunt and Associates, LLC***

174 Ms. Cerbone stated the required 20-year Stormwater Needs Analysis that must be  
175 submitted by June 30, 2022 and every five years thereafter, would be discussed at the next  
176 meeting.

177 • **UPCOMING MEETINGS**

- 178 ▪ **November 2, 2021 at 1:00 PM: Landowners Meeting (*Board Members***
- 179 ***are not required to attend*) [Hampton Inn & Suites by Hilton, 2200 E**
- 180 **Hwy 50, Clermont, Florida 34711]**

181 Ms. Cerbone provided the voting units for each property owner to the Board Chair for  
182 dissemination, in advance of the Landowners meeting.

- 183 ▪ **November 22, 2021 at 1:00 PM: Regular Board Meeting**

- 184 ○ **QUORUM CHECK**

185 The November 22, 2021 would be cancelled, unless needed.

186

187 **TWELFTH ORDER OF BUSINESS**

**Board Members' Comments/Requests**

188

189 There were no Board Members' comments or requests.

190

191 **THIRTEENTH ORDER OF BUSINESS**

**Public Comments**

192

193 There were no public comments.

194

195 **FOURTEENTH ORDER OF BUSINESS**

**Adjournment**

196

197 There being nothing further to discuss, the meeting adjourned.

198

<p>199 <b>On MOTION by Mr. Schott and seconded by Mr. Dunn, with all in favor, the</b></p> <p>200 <b>meeting adjourned at 1:36 p.m.</b></p>
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Secretary/Assistant Secretary

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Chair/Vice Chair

# **HILLS OF MINNEOLA**

**COMMUNITY DEVELOPMENT DISTRICT**

# **13B**



36            Seat 4            Richard Jerman

37            Seat 5            Adam Schott

38            No other nominations were made.

39    **B.        Casting of Ballots**

40            **I.        Determine Number of Voting Units Represented**

41            A total of 37 voting units were represented.

42            **II.       Determine Number of Voting Units Assigned by Proxy**

43            Mr. Rom stated reiterated that he was the Proxy Holder for JEN Florida 30, LLC, and  
44 authorized to cast 37 votes.

45            Mr. Rom cast the following votes:

46            Seat 3            James Dunn            36 Votes

47            Seat 4            Richard Jerman        37 Votes

48            Seat 5            Adam Schott            37 Votes

49    **C.        Ballot Tabulation and Results**

50            Mr. Rom reported the following ballot tabulation, results and term lengths:

51            Seat 3            James Dunn            36 Votes            2-year Term

52            Seat 4            Richard Jerman        37 Votes            4-year Term

53            Seat 5            Adam Schott            37 Votes            4-year Term

54

55    **FIFTH ORDER OF BUSINESS**

**Landowners' Questions/Comments**

56

57            There being no Landowners' questions or comments, the next item followed.

58

59    **SIXTH ORDER OF BUSINESS**

**Adjournment**

60

61            There being nothing further to discuss, the meeting adjourned at 1:03 p.m.

62

63

64

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

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70

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Secretary/Assistant Secretary

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Chair/Vice Chair

# **HILLS OF MINNEOLA**

**COMMUNITY DEVELOPMENT DISTRICT**

# **14C**

## HILLS OF MINNEOLA COMMUNITY DEVELOPMENT DISTRICT

### BOARD OF SUPERVISORS FISCAL YEAR 2021/2022 MEETING SCHEDULE

#### LOCATION

*City of Minneola City Hall, 800 N US Hwy 27, Minneola, FL 34715*

DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 25, 2021	Regular Meeting	1:00 PM
November 2, 2021	Landowners' Meeting	1:00 PM
<i>Hampton Inn &amp; Suites by Hilton, 2200 E Hwy 50, Clermont, Florida 34711</i>		
November 22, 2021 <b>CANCELED</b>	Regular Meeting	1:00 PM
January 24, 2022	Regular Meeting	1:00 PM
February 28, 2022	Regular Meeting	1:00 PM
March 28, 2022	Regular Meeting	1:00 PM
April 25, 2022	Regular Meeting	1:00 PM
May 23, 2022	Regular Meeting	1:00 PM
June 27, 2022	Regular Meeting	1:00 PM
July 25, 2022	Regular Meeting	1:00 PM
August 22, 2022	Public Hearing & Regular Meeting	1:00 PM
September 26, 2022	Regular Meeting	1:00 PM