

PALM BAY

COMMUNITY DEVELOPMENT DISTRICT

August 2, 2022

BOARD OF SUPERVISORS

PUBLIC HEARING AND

REGULAR MEETING

AGENDA

Palm Bay Community Development District
OFFICE OF THE DISTRICT MANAGER
2300 Glades Road, Suite 410W•Boca Raton, Florida 33431
Phone (561) 571-0010•Fax (561) 571-0013•Toll-Free (877) 276-0889

July 26, 2022

Board of Supervisors
Palm Bay Community Development District

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

Dear Board Members:

The Board of Supervisors of the Palm Bay Community Development District will hold a Public Hearing and Regular Meeting on August 2, 2022, at 9:00 a.m., at the Courtyard by Marriott Tampa/Oldsmar, 4014 Tampa Road, Oldsmar, Florida 34677. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments: Agenda Items
3. Presentation of Audited Financial Report for Fiscal Year Ended September 30, 2021, Prepared by Grau & Associates
4. Consideration of Resolution 2022-06, Hereby Accepting the Audited Financial Report for Fiscal Year Ended September 30, 2021
5. Consider Appointment of Qualified Elector to Fill Unexpired Term of Seat 4
6. Administration of Oath of Office to Newly Appointed Supervisor (*the following will 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. Chapter 190, Florida Statutes
 - D. 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
 - E. Form 8B – Memorandum of Voting Conflict

7. Consideration of Resolution 2022-01, Designating Certain Officers of the District, and Providing for an Effective Date
8. Public Hearing on Adoption of Fiscal Year 2022/2023 Budget
 - A. Proof/Affidavit of Publication
 - B. Consideration of Resolution 2022-07, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2022, and Ending September 30, 2023; Authorizing Budget Amendments; and Providing an Effective Date
9. Consideration of Resolution 2022-08, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2022/2023; Providing for the Collection and Enforcement of Special Assessments, Including but Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date
10. Acceptance of Unaudited Financial Statements as of June 30, 2022
11. Approval of April 29, 2022 Regular Meeting Minutes
12. Staff Reports
 - A. District Counsel: *Straley Robin Vericker*
 - B. District Engineer: *Landmark Engineering & Surveying Corp.*
 - C. District Manager: *Wrathell, Hunt and Associates, LLC*

- NEXT MEETING DATE: November 10, 2022 at 9:00 a.m. [Landowners' and Regular Meeting]

○ QUORUM CHECK

| | | | |
|-------------------|------------------------------------|--------------------------------|-----------------------------|
| ROB BERGMAN | <input type="checkbox"/> IN PERSON | <input type="checkbox"/> PHONE | <input type="checkbox"/> NO |
| SPIROS MARGETIS | <input type="checkbox"/> IN PERSON | <input type="checkbox"/> PHONE | <input type="checkbox"/> NO |
| JOE ASCHENBRENNER | <input type="checkbox"/> IN PERSON | <input type="checkbox"/> PHONE | <input type="checkbox"/> NO |
| VACANT | <input type="checkbox"/> IN PERSON | <input type="checkbox"/> PHONE | <input type="checkbox"/> NO |
| WIN WILLIAMSON | <input type="checkbox"/> IN PERSON | <input type="checkbox"/> PHONE | <input type="checkbox"/> NO |

13. Public Comments: Non-Agenda Items
14. Supervisors' Requests

15. Adjournment

Should you have any questions, please do not hesitate to contact me directly at 239-464-7114.

Sincerely,



Chesley E. Adams, Jr.
District Manager

FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE

CALL IN NUMBER: 1-888-354-0094

PARTICIPANT PASSCODE: 229 774 8903

PALM BAY
COMMUNITY DEVELOPMENT DISTRICT

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**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2021**

**PALM BAY COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA**

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Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Palm Bay Community Development District
Hillsborough County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of Palm Bay Community Development District, Hillsborough County, Florida (the "District") as of and for the fiscal 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

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the District as of September 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The information for compliance with FL Statute 218.39 (3) (c) is not a required part of the basic financial statements. The information for compliance with FL Statute 218.39 (3) (c) has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

B *Law & Associates*

June 24, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Palm Bay Community Development District, Hillsborough County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2021. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the fiscal year ended September 30, 2021 resulting in a net position balance of \$1,120,929
- The change in the District's total net position in comparison with the prior fiscal year was \$(70,598), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2021, the District's governmental funds reported combined ending fund balances of \$8,268 a decrease of \$(52,467) in comparison with the prior fiscal year. A portion of the fund balance is non-spendable for prepaid items and the remainder is unassigned which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

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

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

Both of the government-wide financial statements distinguish functions of the District that are principally supported by assessments (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include general government and maintenance and operations. The business-type activities of the District include a water and sewer operation.

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. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and 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 District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains one individual governmental fund. 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 which is a major fund.

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.

Proprietary Fund

The District maintains one type of proprietary fund, an enterprise fund. An enterprise fund is used to report the same function presented as business-type activities in the government-wide financial statements. The District uses an enterprise fund to account for the operations of the water and sewer utilities within the District.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

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

| | NET POSITION | | | | | |
|-------------------------------------|-------------------------|--------------|--------------------------|------------|--------------|--------------|
| | SEPTEMBER 30, | | | | | |
| | Governmental Activities | | Business-type Activities | | Total | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Current and other assets | \$ 13,988 | \$ 90,882 | \$ 97,305 | \$ 123,012 | \$ 111,293 | \$ 213,894 |
| Capital assets, net of depreciation | 1,032,838 | 1,028,399 | - | - | 1,032,838 | 1,028,399 |
| Total assets | 1,046,826 | 1,119,281 | 97,305 | 123,012 | 1,144,131 | 1,242,293 |
| Current liabilities | 5,720 | 30,147 | 17,482 | 20,619 | 23,202 | 50,766 |
| Total liabilities | 5,720 | 30,147 | 17,482 | 20,619 | 23,202 | 50,766 |
| Net position | | | | | | |
| Investment in capital assets | 1,032,838 | 1,028,399 | - | - | 1,032,838 | 1,028,399 |
| Unrestricted | 8,268 | 60,735 | 79,823 | 102,393 | 88,091 | 163,128 |
| Total net position | \$ 1,041,106 | \$ 1,089,134 | \$ 79,823 | \$ 102,393 | \$ 1,120,929 | \$ 1,191,527 |

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure); less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending.

The remaining balance of unrestricted net position may be used to meet the District's other obligations.

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

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

| | CHANGES IN NET POSITION | | | | | |
|----------------------------------|---------------------------------------|--------------|--------------------------|------------|--------------|--------------|
| | FOR THE FISCAL YEAR END SEPTEMBER 30, | | | | | |
| | Governmental Activities | | Business-type Activities | | Total | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Revenues: | | | | | | |
| Program revenues | | | | | | |
| Charges for services | \$ 151,852 | \$ 152,995 | \$ 133,894 | \$ 134,998 | \$ 285,746 | \$ 287,993 |
| General revenues | | | | | | |
| Unrestricted investment earnings | 1,360 | 62 | 10 | 44 | 1,370 | 106 |
| Total revenues | 153,212 | 153,057 | 133,904 | 135,042 | 287,116 | 288,099 |
| Expenses: | | | | | | |
| General government | 57,729 | 52,051 | - | - | 57,729 | 52,051 |
| Maintenance and operations | 143,511 | 148,294 | - | - | 143,511 | 148,294 |
| Water and sewer | - | - | 156,474 | 158,625 | 156,474 | 158,625 |
| Total expenses | 201,240 | 200,345 | 156,474 | 158,625 | 357,714 | 358,970 |
| Change in net position | (48,028) | (47,288) | (22,570) | (23,583) | (70,598) | (70,871) |
| Net position - beginning | 1,089,134 | 1,136,422 | 102,393 | 125,976 | 1,191,527 | 1,262,398 |
| Net position - ending | \$ 1,041,106 | \$ 1,089,134 | \$ 79,823 | \$ 102,393 | \$ 1,120,929 | \$ 1,191,527 |

Governmental activities

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2021 was \$201,240. The costs of the District's activities were primarily funded by program revenues. As in the prior fiscal year, program revenues are comprised primarily of assessments.

Business-type activities

Business-type activities reflect the operations of the water and sewer facilities within the District. The cost of operations is covered primarily by charges to customers. In addition, program revenues also include an assessment levy on customers for the current fiscal year.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2021 was amended to increase revenues by \$2,743 and \$63,064.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2021, the District had \$1,458,890 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$426,052 has been taken, which resulted in a net book value of \$1,032,838. The District's business-type activities reported no net capital assets. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2021, the District had no outstanding debt for its governmental or business type activities.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Palm Bay Community Development District's Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

**PALM BAY COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

| | Governmental Activities | Business-type Activities | Total |
|------------------------------|----------------------------|-----------------------------|---------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 12,069 | \$ 89,690 | \$ 101,759 |
| Assessments receivable | 1,239 | 182 | 1,421 |
| Accounts receivable | 250 | 7,433 | 7,683 |
| Prepaid and deposit items | 430 | - | 430 |
| Capital assets: | | | |
| Nondepreciable | 761,831 | - | 761,831 |
| Depreciable, net | 271,007 | - | 271,007 |
| Total assets | <u>1,046,826</u> | <u>97,305</u> | <u>1,144,131</u> |
| LIABILITIES | | | |
| Accounts payable | 3,020 | 10,192 | 13,212 |
| Deposits payable | 2,700 | 7,290 | 9,990 |
| Total liabilities | <u>5,720</u> | <u>17,482</u> | <u>23,202</u> |
| NET POSITION | | | |
| Investment in capital assets | 1,032,838 | - | 1,032,838 |
| Unrestricted | 8,268 | 79,823 | 88,091 |
| Total net position | <u>\$ 1,041,106</u> | <u>\$ 79,823</u> | <u>\$ 1,120,929</u> |

See notes to the financial statements

**PALM BAY COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

| Functions/Programs | Expenses | Program Revenues | | Net (Expense) Revenue and Changes in Net Position | | Total |
|-----------------------------------|-----------|-------------------------|----------------------------|--|-----------------------------|----------|
| | | Charges for Services | Governmental Activities | Governmental Activities | Business-type Activities | |
| Primary government: | | | | | | |
| Governmental activities: | | | | | | |
| General government | \$ 57,729 | \$ 57,729 | \$ - | \$ - | \$ - | \$ - |
| Maintenance and operations | 143,511 | 94,123 | (49,388) | - | (49,388) | (49,388) |
| Total governmental activities | 201,240 | 151,852 | (49,388) | - | (49,388) | (49,388) |
| Business-type activities: | | | | | | |
| Water and sewer utilities | 156,474 | 133,894 | - | (22,580) | (22,580) | (22,580) |
| Total business-type activities | 156,474 | 133,894 | - | (22,580) | (22,580) | (22,580) |
| General revenues: | | | | | | |
| Interest and miscellaneous income | | | 1,360 | 10 | 1,370 | |
| Total general revenues | | | 1,360 | 10 | 1,370 | |
| Change in net position | | | (48,028) | (22,570) | (70,598) | |
| Net position - beginning | | | 1,089,134 | 102,393 | 1,191,527 | |
| Net position - ending | | | \$ 1,041,106 | \$ 79,823 | \$ 1,120,929 | |

See notes to the financial statements

PALM BAY COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

| | Major Fund General | Total Governmental Funds |
|-------------------------------------|-----------------------|--------------------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 12,069 | \$ 12,069 |
| Assessments receivable | 1,239 | 1,239 |
| Accounts receivable | 250 | 250 |
| Prepaid and deposit items | 430 | 430 |
| Total assets | \$ 13,988 | \$ 13,988 |
| LIABILITIES | | |
| Accounts payable | \$ 3,020 | \$ 3,020 |
| Deposits | 2,700 | 2,700 |
| Total liabilities | 5,720 | 5,720 |
| FUND BALANCES | | |
| Nonspendable: | | |
| Prepaid items | 430 | 430 |
| Unassigned | 7,838 | 7,838 |
| Total fund balances | 8,268 | 8,268 |
| Total liabilities and fund balances | \$ 13,988 | \$ 13,988 |

See notes to the financial statements

PALM BAY COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET-GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

Total fund balances - governmental funds \$ 8,268

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 as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

| | | |
|---|-----------|--------------|
| Cost of capital assets | 1,458,890 | |
| Accumulated depreciation | (426,052) | 1,032,838 |
| Net position of governmental activities | | \$ 1,041,106 |

See notes to the financial statements

**PALM BAY COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

| | Major Fund General | Total Governmental Funds |
|--|-----------------------|--------------------------------|
| REVENUES | | |
| Assessments | \$ 151,852 | \$ 151,852 |
| Interest and miscellaneous income | 1,360 | 1,360 |
| Total revenues | 153,212 | 153,212 |
| EXPENDITURES | | |
| Current: | | |
| General government | 57,729 | 57,729 |
| Maintenance and operations | 110,909 | 110,909 |
| Capital outlay | 37,041 | 37,041 |
| Total expenditures | 205,679 | 205,679 |
| Excess (deficiency) of revenues over (under) expenditures | (52,467) | (52,467) |
| Fund balances - beginning | 60,735 | 60,735 |
| Fund balances - ending | \$ 8,268 | \$ 8,268 |

See notes to the financial statements

**PALM BAY COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

| | |
|---|---------------------------|
| Net change in fund balances - total governmental funds | \$ (52,467) |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlays as expenditures, however, the cost of capital assets is eliminated in the statement of activities and capitalized in the statement of net position. | 37,041 |
| Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities. | <u>(32,602)</u> |
| Change in net position of governmental activities | <u><u>\$ (48,028)</u></u> |

See notes to the financial statements

**PALM BAY COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF NET POSITION - PROPRIETARY FUND
SEPTEMBER 30, 2021**

| | Water and Sewer Utility |
|---|----------------------------|
| ASSETS | |
| Current assets: | |
| Cash and equivalents | \$ 89,690 |
| Accounts receivable | 7,433 |
| Assessments receivable | 182 |
| Total current assets | 97,305 |
| Noncurrent assets: | |
| Capital assets: | |
| Infrastructure | 171,770 |
| Less accumulated depreciation | (171,770) |
| Total capital assets, net of depreciation | - |
| Total assets | 97,305 |
| LIABILITIES | |
| Current liabilities: | |
| Accounts payable | 10,192 |
| Deposits payable | 7,290 |
| Total current liabilities | 17,482 |
| Total liabilities | 17,482 |
| NET POSITION | |
| Unrestricted | 79,823 |
| Total net position | \$ 79,823 |

See notes to the financial statements

**PALM BAY COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

| | Water and Sewer Utility |
|--|----------------------------|
| Operating revenues: | |
| Charges for services: | |
| Water and sewer services | \$ 111,564 |
| Assessments | 22,330 |
| Total operating revenues | 133,894 |
| | |
| Operating expenses: | |
| Water and sewer | 118,285 |
| Maintenance costs | 35,870 |
| Other current charges | 2,055 |
| Miscellaneous | 264 |
| Total operating expenses | 156,474 |
| | |
| Operating income (loss) | (22,580) |
| | |
| Nonoperating revenues (expenses): | |
| Interest income | 10 |
| Total nonoperating revenues (expenses) | 10 |
| | |
| Change in net position | (22,570) |
| | |
| Total net position - beginning | 102,393 |
| | |
| Total net position - ending | \$ 79,823 |

See notes to the financial statements

**PALM BAY COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

| | <u>Water and Sewer Utility</u> |
|--|------------------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | |
| Receipts from customers and users | \$ 133,441 |
| Payments for goods and services | <u>(156,770)</u> |
| Net cash provided (used) by operating activities | <u>(23,329)</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | |
| Due from other funds | <u>2,542</u> |
| Net cash provided (used) by non-capital financing activities | <u>2,542</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest income | <u>10</u> |
| Net cash provided (used) by investing activities | <u>10</u> |
| Net increase (decrease) in cash and cash equivalents | (20,777) |
| Cash and cash equivalents - October 1 | <u>110,467</u> |
| Cash and cash equivalents - September 30 | <u>\$ 89,690</u> |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | |
| Operating income (loss) | \$ (22,580) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | |
| (Increase)/Decrease in: | |
| Accounts receivable | (448) |
| Assessemnts receivable | (5) |
| Prepaid items and depoits | 2,841 |
| Increase/(Decrease) in: | |
| Accounts payable | (3,317) |
| Deposits payable | 180 |
| Total adjustments | <u>(749)</u> |
| Net cash provided (used) by operating activities | <u>\$ (23,329)</u> |

See notes to the financial statements

**PALM BAY COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Palm Bay Community Development District ("District") was created on November 23, 1993 by Ordinance 93-25 of Hillsborough County, Florida, 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, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes 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 ("Board"), which is composed of five members. The Supervisors are elected by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the responsibility for:

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

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

Assessments

Assessments are non-ad valorem assessments on all platted lots within the District. Assessments are levied each November 1 on property as of the previous January. The fiscal year for which annual assessments are levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. For debt service assessments, amounts collected as advance payments are used to prepay a portion of the Bonds outstanding. Otherwise, assessments are collected annually to provide funds for the debt service on the portion of the Bonds which are not paid with prepaid assessments.

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.

The District reports the following major governmental fund:

General Fund

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

The District reports the following enterprise fund:

Water and Sewer Fund

The water and sewer fund is used to account for operations that are to be financed and operated in a manner similar to private business enterprises. The costs of providing services to customers are to be recorded primarily through user charges.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund are charges to customers for sales and services. Operating expenses of the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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 government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Net Position or Equity

Restricted Assets

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

Deposits and Investments

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

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

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

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

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

Prepaid Items

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

Boat Slip Deposits Refundable

Residents can lease boat slips for 10 years and pay a one-time fee of \$10,000. The deposits are recorded as a liability in both government-wide and fund financial statements when received and the deposits are subject to refund for each lease termination. At September 30, 2021, the District has deposits on boat slip of \$2,700.

Receivables

Accounts receivable are shown net of an allowance for uncollectible amounts. These receivables will be recognized as revenue as they are collected. Water and sewer utility accounts receivable in excess of 120 days comprise the allowance.

Capital Assets

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Net Position or Equity (Continued)

Capital Assets (Continued)

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

| <u>Assets</u> | <u>Years</u> |
|------------------------------|--------------|
| Machinery and equipment | 10 |
| Buildings and Infrastructure | 20-30 |

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

Unearned Revenue

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

Deferred Outflows/Inflows of Resources

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

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

Long-Term Obligations

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

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

Fund Equity/Net Position

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Net Position or Equity (Continued)

Fund Equity/Net Position (Continued)

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

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

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

Other Disclosures

Use of Estimates

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

NOTE 3 – BUDGETARY INFORMATION

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

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

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

NOTE 4 – 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.

NOTE 5 – CAPITAL ASSETS

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

| | Beginning Balance | Additions | Reductions | Ending Balance |
|--|----------------------|-----------|------------|----------------|
| <u>Governmental activities</u> | | | | |
| Capital assets, not being depreciated | | | | |
| Land and improvements | \$ 761,831 | \$ - | \$ - | \$ 761,831 |
| Total capital assets, not being depreciated | 761,831 | - | - | 761,831 |
| Capital assets, being depreciated | | | | |
| Improvements other than buildings | 637,561 | 37,041 | - | 674,602 |
| Machinery and equipment | 22,457 | - | - | 22,457 |
| Total capital assets, being depreciated | 660,018 | 37,041 | - | 697,059 |
| Less accumulated depreciation for: | | | | |
| Improvements other than buildings | 382,380 | 29,923 | - | 412,303 |
| Machinery and equipment | 11,070 | 2,679 | - | 13,749 |
| Total accumulated depreciation | 393,450 | 32,602 | - | 426,052 |
| Total capital assets, being depreciated, net | 266,568 | 4,439 | - | 271,007 |
| Governmental activities capital assets, net | \$ 1,028,399 | \$ 4,439 | \$ - | \$ 1,032,838 |
| <u>Business type activities</u> | | | | |
| Capital assets, being depreciated | | | | |
| Infrastructure | \$ 171,770 | \$ - | | \$ 171,770 |
| Total capital assets, being depreciated | 171,770 | - | - | 171,770 |
| Less accumulated depreciation for: | | | | |
| Infrastructure | 171,770 | - | - | 171,770 |
| Total accumulated depreciation | 171,770 | - | - | 171,770 |
| Total capital assets, being depreciated, net | - | - | - | - |
| Business type activities capital assets, net | \$ - | \$ - | \$ - | \$ - |

For governmental activities, depreciation was charged to the maintenance and operations function.

NOTE 6 – MANAGEMENT COMPANY

The District has contracted with Wrathell, Hunt and Associates, LLC to perform management advisory services, which include financial and accounting advisory services. Certain employees of the management company also serve as officers of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, computer and other administrative costs.

NOTE 7 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations.

NOTE 8 – SUBSEQUENT EVENTS

Note Issuance

Subsequent to fiscal year end, the District issued the Series 2022 Capital Improvement Revenue Note. The Series 2022 Capital Improvement Revenue Note was issued for \$200,000 and is due on May 1, 2026 with a fixed interest rate of 3.75%.

**PALM BAY COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|------------------|-------------|-------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Assessments | \$ 151,014 | \$ 152,647 | \$ 151,852 | \$ (795) |
| Interest and miscellaneous income | 250 | 1,360 | 1,360 | - |
| Total revenues | 151,264 | 154,007 | 153,212 | (795) |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 46,627 | 55,930 | 57,729 | (1,799) |
| Maintenance and operations | 103,256 | 157,017 | 110,909 | 46,108 |
| Capital outlay | - | - | 37,041 | (37,041) |
| Total expenditures | 149,883 | 212,947 | 205,679 | 7,268 |
| Excess (deficiency) of revenues over (under) expenditures | 1,381 | (58,940) | (52,467) | 6,473 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Carry forward | (1,381) | (1,381) | - | 1,381 |
| Total other financing sources (uses) | (1,381) | (1,381) | - | 1,381 |
| Net change in fund balance | \$ - | \$ (60,321) | (52,467) | \$ 7,854 |
| Fund balance - beginning | | | 60,735 | |
| Fund balance - ending | | | \$ 8,268 | |

See notes to required supplementary information

**PALM BAY COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2021 was amended to increase revenues by \$2,743 and increase appropriations by \$63,064.

**PALM BAY COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
UNAUDITED**

| <u>Element</u> | <u>Comments</u> |
|---|--|
| Number of district employees compensated at 9/30/2021 | 0 |
| Number of independent contractors compensated in September 2021 | 6 |
| Employee compensation for FYE 9/30/2021 (paid/accrued) | \$0 |
| Independent contractor compensation for FYE 9/30/2021 | \$61,616 |
| Construction projects to begin on or after October 1; (>\$65K) | None |
| Budget variance report | See page 23 of annual financial report |
| Ad Valorem taxes; | Not applicable |
| Millage rate FYE 9/30/2021 | Not applicable |
| Ad valorem taxes collected FYE 9/30/2021 | Not applicable |
| Outstanding Bonds: | Not applicable |
| . | |
| Non ad valorem special assessments; | |
| Special assessment rate FYE 9/30/2021 | Operations and maintenance - \$1,573.06 N/A |
| Special assessments collected FYE 9/30/2021 | \$174,182 |



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**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
Palm Bay Community Development District
Hillsborough County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund of Palm Bay Community Development District, Hillsborough County, Florida ("District") as of and for the fiscal 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 opinion thereon dated June 24, 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 our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

B *Law & Associates*

June 24, 2022



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

To the Board of Supervisors
Palm Bay Community Development District
Hillsborough County, Florida

We have examined Palm Bay Community Development District, Hillsborough County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2021. Management is responsible for 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

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

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

Grau & Associates

June 24, 2022



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

To the Board of Supervisors
Palm Bay Community Development District
Hillsborough County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Palm Bay Community Development District, Hillsborough County, Florida (the "District") as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated June 24, 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 Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 24, 2022 should be considered in conjunction with this management letter.

Purpose of this Letter

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

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

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

We wish to thank Palm Bay Community Development District, Hillsborough County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

Grau & Associates

June 24, 2022

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

2020-01 Budget: recommendation has been implemented.

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

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

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

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2020, except as noted above.

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

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2021, except as noted above.

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

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2021, except as noted above.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2021. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.
7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 24.

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT**

4

RESOLUTION 2022-06

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

WHEREAS, the District's Auditor, Grau & Associates, 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 PALM BAY 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 2nd day of August, 2022.

**PALM BAY COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

PALM BAY
COMMUNITY DEVELOPMENT DISTRICT

7

RESOLUTION 2022-01

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE PALM BAY COMMUNITY DEVELOPMENT DISTRICT DESIGNATING CERTAIN OFFICERS OF THE DISTRICT, AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Palm Bay 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 PALM BAY COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. _____ is appointed Chair.

SECTION 2. _____ is appointed Vice Chair.

SECTION 3. Chuck Adams is appointed Secretary.

_____ is appointed Assistant Secretary.

_____ is appointed Assistant Secretary.

_____ is appointed Assistant Secretary.

Craig Wrathell 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.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

PASSED AND ADOPTED this 2nd day of August, 2022.

ATTEST:

**PALM BAY COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

PALM BAY
COMMUNITY DEVELOPMENT DISTRICT

8A

Tampa Bay Times
Published Daily

STATE OF FLORIDA
COUNTY OF Hillsborough

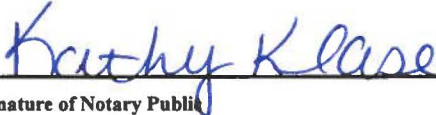
Before the undersigned authority personally appeared **Courtney Freeh** who on oath says that he/she is **Legal Advertising Representative** of the **Tampa Bay Times** a daily newspaper printed in St. Petersburg, in Pinellas County, Florida; that the attached copy of advertisement, being a Legal Notice in the matter **RE: Notice of Public Hearing and Regular Meeting FY 2022/2023 Budget** was published in said newspaper by print in the issues of: **7/13/22, 7/20/22** or by publication on the newspaper's website, if authorized, on

Affiant further says the said **Tampa Bay Times** is a newspaper published in **Hillsborough** County, Florida and that the said newspaper has heretofore been continuously published in said **Hillsborough** County, Florida each day and has been entered as a second class mail matter at the post office in said **Hillsborough** County, Florida for a period of one year next preceding the first publication of the attached copy of advertisement, and affiant further says that he/she neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.



Signature Affiant

Sworn to and subscribed before me this **07/20/2022**



Signature of Notary Public

Personally known X or produced identification

Type of identification produced _____

PALM BAY COMMUNITY DEVELOPMENT DISTRICT

NOTICE OF PUBLIC HEARING TO CONSIDER THE ADOPTION OF THE FISCAL YEAR 2022/2023 BUDGET; AND NOTICE OF REGULAR BOARD OF SUPERVISORS' MEETING.

The Board of Supervisors of the Palm Bay Community Development District will hold a Public Hearing on August 2, 2022 at 9:00 a.m., at the Courtyard by Marriott Tampa/Oldsmar, 4014 Tampa Road, Oldsmar, Florida 34677 for the purpose of hearing comments and objections on the adoption of the proposed budget ("**Proposed Budget**") of the District for the fiscal year beginning October 1, 2022 and ending September 30, 2023 ("**Fiscal Year 2022/2023**"). A regular board meeting of the District will also be held at that time where the Board may consider any other business that may properly come before it. A copy of the agenda and Proposed Budget may be obtained by contacting the offices of the offices of the District Manager, c/o Wrathell, Hunt & Associates, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, at (877) 276-0889 ("**District Manager's Office**"), during normal business hours, or by visiting the District's website at www.palmbaycdd.net.

The public hearing and meeting are open to the public and will be conducted in accordance with the provisions of Florida law. The public hearing and meeting may be continued to a date, time, and place to be specified on the record at the meeting. There may be occasions when Board Supervisors or District Staff may participate by speaker telephone.

Any person requiring special accommodations at this hearing and meeting because of a disability or physical impairment should contact the District Office at (877) 276-0889 at least forty-eight (48) hours prior to the hearing and meeting. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Office.

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

District Manager
Palm Bay Community Development District
(235627) 7/13, 7/20/2022

} ss



PALM BAY
COMMUNITY DEVELOPMENT DISTRICT

8B

RESOLUTION 2022-07

THE ANNUAL APPROPRIATION RESOLUTION OF THE PALM BAY COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGETS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2022, AND ENDING SEPTEMBER 30, 2023; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has, prior to the fifteenth (15th) day in June, 2022, submitted to the Board of Supervisors (“**Board**”) of the Palm Bay Community Development District (“**District**”) a proposed budget (“**Proposed Budget**”) for the fiscal year beginning October 1, 2022 and ending September 30, 2023 (“**Fiscal Year 2022/2023**”) along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, at least sixty (60) days prior to the adoption of the Proposed Budget, the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), *Florida Statutes*; and

WHEREAS, the Board set a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, the District Manager posted the Proposed Budgets on the District’s website at least two days before the public hearing; and

WHEREAS, Section 190.008(2)(a), *Florida Statutes*, requires that, prior to October 1st of each year, the Board, by passage of the Annual Appropriation Resolution, shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

WHEREAS, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE PALM BAY COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. BUDGET

- a. The Board has reviewed the Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s Local Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.

- b. The Proposed Budget, attached hereto as **Exhibit A**, as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), *Florida Statutes* ("**Adopted Budget**"), and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.
- c. The Adopted Budget, as amended, shall be maintained in the office of the District Manager and at the District's Local Records Office and identified as "The Budget for the Palm Bay Community Development District for the Fiscal Year Ending September 30, 2023".
- d. The Adopted Budget shall be posted by the District Manager on the District's official website within thirty (30) days after adoption, and shall remain on the website for at least 2 years.

SECTION 2. APPROPRIATIONS

There is hereby appropriated out of the revenues of the District, for Fiscal Year 2022/2023, the sum of \$318,240 to be raised by the levy of assessments and/or otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

| | |
|------------------------|-------------------|
| TOTAL GENERAL FUND | \$ 186,030 |
| ENTERPRISE FUND | \$ <u>132,210</u> |
| TOTAL ALL FUNDS | \$ 318,240 |

SECTION 3. BUDGET AMENDMENTS

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within Fiscal Year 2022/2023 or within sixty (60) days following the end of Fiscal Year 2022/2023 may amend its Adopted Budget for that fiscal year as follows:

- a. The Board may authorize an increase or decrease in line item appropriations within a fund by motion recorded in the minutes if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may authorize an increase or decrease in line item appropriations within a fund if the total appropriations of the fund do not increase and if the aggregate change in the original appropriation item does not exceed \$10,000 or 10% of the original appropriation.

- c. By resolution, the Board may increase any appropriation item and/or fund to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.
- d. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must establish administrative procedures to ensure that any budget amendments are in compliance with this Section 3 and Section 189.016, *Florida Statutes*, among other applicable laws. Among other procedures, the District Manager or Treasurer must ensure that any amendments to budget under subparagraphs c. and d. above are posted on the District’s website within five (5) days after adoption and remain on the website for at least 2 years.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 2ND DAY OF AUGUST, 2022

ATTEST:

**PALM BAY COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Borad of Supervisors

Exhibit A

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
PROPOSED BUDGET
FISCAL YEAR 2023**

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
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| Enterprise fund budget | 6 |
| Projected assessments per unit | 7 |

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2023**

| | Fiscal Year 2022 | | | | Proposed Budget FY 2023 |
|---|------------------------------|--------------------------------|-----------------------------------|--------------------------------|-------------------------------|
| | Adopted Budget FY 2022 | Actual Through 3/31/2022 | Projected Through 9/30/2022 | Total Actual & Projected | |
| REVENUES | | | | | |
| Assessment levy - gross | \$ 193,521 | | | | \$ 193,521 |
| Allowable discounts (4%) | (7,741) | | | | (7,741) |
| Assessment levy - net | 185,780 | \$ 173,770 | \$ 12,010 | \$ 185,780 | 185,780 |
| Interest & miscellaneous | 250 | 2,830 | - | 2,830 | 250 |
| Total revenues | 186,030 | 176,600 | 12,010 | 188,610 | 186,030 |
| EXPENDITURES | | | | | |
| Professional & administrative fees | | | | | |
| Supervisors | 5,383 | 1,722 | 3,661 | 5,383 | 5,383 |
| Management | 18,536 | 9,268 | 9,268 | 18,536 | 18,536 |
| Audit | 7,200 | - | 7,200 | 7,200 | 7,200 |
| Legal | 2,000 | 3,098 | - | 3,098 | 2,000 |
| Engineering | - | 1,325 | - | 1,325 | - |
| Postage | 425 | 169 | 256 | 425 | 425 |
| Meeting room | 1,000 | 355 | 645 | 1,000 | 1,000 |
| Insurance | 7,584 | 7,135 | - | 7,135 | 7,584 |
| Printing and binding | 548 | 274 | 274 | 548 | 548 |
| Legal advertising | 2,000 | 791 | 1,209 | 2,000 | 2,000 |
| Other current charges | 800 | 422 | 378 | 800 | 800 |
| Annual district filing fee | 175 | 175 | - | 175 | 175 |
| Website | 705 | - | 705 | 705 | 705 |
| ADA website compliance | 205 | - | 205 | 205 | 205 |
| Tax bills | 675 | - | 675 | 675 | 675 |
| Total professional & administrative fees | 47,236 | 24,734 | 24,476 | 49,210 | 47,236 |
| Debt service | | | | | |
| Cost of issuance | - | 3,500 | - | 3,500 | - |
| Total parks and recreation | - | 3,500 | - | 3,500 | - |
| Parks and recreation services | | | | | |
| Boat lift repair and maintenance | 6,000 | 1,764 | 2,000 | 3,764 | 6,000 |
| Lake maintenance | 2,500 | 1,025 | 1,475 | 2,500 | 2,500 |
| Capital outlay: funded by 2022 Note | - | - | 160,000 | 160,000 | - |
| 2022 Note repayment | 53,500 | 21,425 | 41,521 | 62,946 | 46,083 |
| Total parks and recreation | 62,000 | 24,214 | 204,996 | 229,210 | 54,583 |
| Access Control/Entry | | | | | |
| Telephone - gate | 3,000 | 1,595 | 1,405 | 3,000 | 3,000 |
| Insurance - property and casualty | 2,976 | 2,801 | - | 2,801 | 2,976 |
| Repair and maintenance - gate | 28,000 | 15,328 | 12,672 | 28,000 | 28,000 |
| Landscape maintenance | 14,000 | 7,349 | 6,651 | 14,000 | 16,000 |
| Capital outlay | 5,000 | - | 5,000 | 5,000 | 5,000 |
| Contingency | 750 | - | 750 | 750 | 750 |
| Total access control | 53,726 | 27,073 | 26,478 | 53,551 | 55,726 |

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2023**

| | Fiscal Year 2022 | | | Total Actual & Projected | Proposed Budget FY 2023 |
|--|------------------------------|--------------------------------|-----------------------------------|--------------------------------|-------------------------------|
| | Adopted Budget FY 2022 | Actual Through 3/31/2022 | Projected Through 9/30/2022 | | |
| Roadway/signage/street lighting | | | | | |
| Electric utility service | 13,000 | 7,763 | 5,237 | 13,000 | 13,000 |
| Repairs and maintenance | 3,000 | 2,692 | 500 | 3,192 | 3,000 |
| Total roadway/signage/street lighting | <u>16,000</u> | <u>10,455</u> | <u>5,737</u> | <u>16,192</u> | <u>16,000</u> |
| Other fees & charges | | | | | |
| Property appraiser | 2,903 | - | 2,903 | 2,903 | 2,903 |
| Tax collector | 3,870 | 4,102 | - | 4,102 | 3,870 |
| Total other fees & charges | <u>6,773</u> | <u>4,102</u> | <u>2,903</u> | <u>7,005</u> | <u>6,773</u> |
| | | | | | |
| Total expenditures and other charges | <u>185,735</u> | <u>94,078</u> | <u>264,590</u> | <u>355,168</u> | <u>180,318</u> |
| | | | | | |
| Excess/(deficiency) of revenues over/(under) expenditures | 295 | 82,522 | (252,580) | (166,558) | 5,712 |
| | | | | | |
| OTHER FINANCING SOURCES/(USES) | | | | | |
| 2022 Note proceeds | - | 200,000 | - | 200,000 | - |
| Total other financing sources | <u>-</u> | <u>200,000</u> | <u>-</u> | <u>200,000</u> | <u>-</u> |
| Net change in fund balances | 295 | 282,522 | (252,580) | 33,442 | 5,712 |
| | | | | | |
| Fund balance - beginning (unaudited) | 62,720 | 8,269 | 290,791 | 8,269 | 41,711 |
| Fund balance - ending (projected) | <u>\$ 63,015</u> | <u>\$ 290,791</u> | <u>\$ 38,211</u> | <u>\$ 41,711</u> | <u>\$ 47,423</u> |

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES

| | |
|--|----------|
| Supervisors | \$ 5,383 |
| <p>Statutory set at \$200 (plus applicable taxes) for each meeting of the Board of Supervisors not to exceed \$4,800 for each fiscal year. The District anticipates meeting five times.</p> | |
| Management | 18,536 |
| <p>Wrathell, Hunt and Associates, LLC specializes in managing community development districts in the State of Florida by combining the knowledge, skills and experiences of a team of professionals to ensure compliance with all governmental requirements of the District, develop financing programs, administer the issuance of tax exempt bond financing's and finally operate and maintain the assets of the community.</p> | |
| Audit | 7,200 |
| <p>The District is required to annually undertake an independent examination of its books, records and accounting procedures. This audit is conducted pursuant to Florida State Law and the Rules of the Florida Auditor General.</p> | |
| Legal | 2,000 |
| <p>Straley, Robin, Vericker provides on-going general counsel and legal representation. These lawyers are confronted with issues relating to public finance, public bidding, rulemaking, open meetings, public records, real property dedications, conveyances and contracts. In this capacity, they provide services as "local government lawyers," realizing that this type of local government is very limited in its scope - providing infrastructure and services to development.</p> | |
| Postage | 425 |
| <p>Mailing of agenda packages, overnight deliveries, correspondence, etc.</p> | |
| Meeting room | 1,000 |
| <p>The use of the room for board meetings.</p> | |
| Insurance | 7,584 |
| <p>The District carries public officials liability and general liability insurance. The limit of liability for this coverage is set at \$1,000,000 for general liability (\$2,000,000 general aggregate) and \$1,000,000 for public officials liability.</p> | |
| Printing and binding | 548 |
| <p>Letterhead, envelopes, copies, etc.</p> | |
| Legal advertising | 2,000 |
| <p>The District advertises in the Tampa Tribune for monthly meetings, special meetings, public hearings, bidding, etc. Based on prior year's experience.</p> | |
| Other current charges | 800 |
| <p>Bank charges and other miscellaneous expenses incurred during the year.</p> | |
| Annual district filing fee | 175 |
| <p>Annual fee paid to the Department of Economic Opportunity.</p> | |
| Website | 705 |
| ADA website compliance | 205 |
| Tax bills | 675 |

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES (Continued)

Parks and recreation services

| | |
|---|--------|
| The following categories are considered to be incidental to the daily operations. | |
| Boat lift repair and maintenance | 6,000 |
| The District is responsible for the repair and maintenance of the boat lift. | |
| Lake maintenance | 2,500 |
| The District is responsible for the repair and maintenance of its water management facilities. | |
| 2022 Note repayment | 46,083 |
| The District anticipates miscellaneous capital repairs and annual repayment of 2021 note beginning in fiscal year 2022. | |

Access Control/Entry

| | |
|---|--------|
| Telephone - gate | 3,000 |
| For communication purposes at the gate, which includes monthly services with Spectrum and Frontier. | |
| Insurance - property and casualty | 2,976 |
| This item covers the property and casualty of the District's facilities, which is the catwalk at the marina (\$25,000), lift station (\$50,000), security gate (\$50,000), fountain (\$5,000), boat lift (\$125,000), entrance sign (\$4,000) for a total of \$259,000. | |
| Repair and maintenance - gate | 28,000 |
| The District is responsible for the repair and maintenance of the facilities. For fiscal year 2021 this also includes recurring monthly costs for Envera gate monitoring. | |
| Landscape maintenance | 16,000 |
| This District contracts with an outside company to maintain the landscaping of District land. The contract provides for equipment, labor and materials. Costs also include mulching, tree trimming, on-call services and blowing off streets (twice monthly). | |
| Capital outlay | 5,000 |
| For fiscal year 2021, this includes one time capital costs for updating the main entry landscaping etc. | |
| Contingency | 750 |
| The purpose of this account is to provide for unexpected expenditures that may be incurred during the upcoming fiscal year. | |

Roadway/signage/street lighting

| | |
|---|-------------------------|
| The following categories are considered to be incidental to the daily operations. | |
| Electric utility service | 13,000 |
| Repairs and maintenance | 3,000 |
| Other Fees & Charges | |
| Property appraiser | 2,903 |
| The property appraiser's fee is 1.5% of the assessments. | |
| Tax collector | 3,870 |
| The tax collector's fee is 2% of the assessments. | |
| Total expenditures | <u><u>\$180,318</u></u> |

Palm Bay

Community Development District

2022 Note

\$200,000

Amortization Schedule

| Payment Date | Payment Amount | Interest Paid | Principal Paid | Remaining Balance |
|---------------------|-----------------------|----------------------|-----------------------|--------------------------|
| 05/01/2022 | 41,520.83 | 1,520.83 | 40,000.00 | 160,000.00 |
| 11/01/2022 | 3,066.67 | 3,066.67 | - | 160,000.00 |
| 05/01/2023 | 43,016.67 | 3,016.67 | 40,000.00 | 120,000.00 |
| 11/01/2023 | 2,300.00 | 2,300.00 | - | 120,000.00 |
| 05/01/2024 | 42,275.00 | 2,275.00 | 40,000.00 | 80,000.00 |
| 11/01/2024 | 1,533.33 | 1,533.33 | - | 80,000.00 |
| 05/01/2025 | 41,508.33 | 1,508.33 | 40,000.00 | 40,000.00 |
| 11/01/2025 | 766.67 | 766.67 | - | 40,000.00 |
| 05/01/2026 | 40,754.17 | 754.17 | 40,000.00 | - |
| Total | <u>\$216,741.67</u> | <u>-</u> | <u>\$200,000.00</u> | |

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
ENTERPRISE FUND
FISCAL YEAR 2023**

| | Fiscal Year 2022 | | | | Proposed Budget FY 2023 |
|--|------------------------------|--------------------------------|-----------------------------------|--------------------------------|-------------------------------|
| | Adopted Budget FY 2022 | Actual Through 3/31/2022 | Projected Through 9/30/2022 | Total Actual & Projected | |
| OPERATING REVENUES | | | | | |
| Assessment levy - gross | \$ 23,125 | | | | \$ 23,125 |
| Allowable discounts (4%) | (925) | | | | (925) |
| Assessment levy - net* | 22,200 | \$ 20,756 | \$ 1,444 | \$ 22,200 | 22,200 |
| Charges for sales and services: | | | | | |
| Water and sewer | 110,000 | 56,368 | 53,632 | 110,000 | 110,000 |
| Interest | 10 | 4 | - | 4 | 10 |
| Total revenues | <u>132,210</u> | <u>77,128</u> | <u>55,076</u> | <u>132,204</u> | <u>132,210</u> |
| OPERATING EXPENDITURES | | | | | |
| Water and sewer - county | 95,767 | 54,039 | 41,728 | 95,767 | 95,767 |
| Maintenance costs* | 20,000 | 15,576 | 4,424 | 20,000 | 20,000 |
| Other current charges* | 2,200 | 1,033 | 1,167 | 2,200 | 2,200 |
| Total operating expenditures | <u>117,967</u> | <u>70,648</u> | <u>47,319</u> | <u>117,967</u> | <u>117,967</u> |
| Operating income | <u>14,243</u> | <u>6,480</u> | <u>7,757</u> | <u>14,237</u> | <u>14,243</u> |
| NONOPERATING REVENUES/(EXPENSES) | | | | | |
| Property appraiser | (333) | - | (333) | (333) | (333) |
| Tax collector | (444) | (415) | (29) | (444) | (444) |
| Total nonoperating revenues/(expenses) | <u>(777)</u> | <u>(415)</u> | <u>(362)</u> | <u>(777)</u> | <u>(777)</u> |
| Change in net assets | 13,466 | 6,065 | 7,395 | 13,460 | 13,466 |
| Total net assets - beginning (unaudited) | 77,410 | 86,904 | 92,969 | 86,904 | 100,364 |
| Total net assets - ending (projected) | <u>\$ 90,876</u> | <u>\$ 92,969</u> | <u>\$ 100,364</u> | <u>\$ 100,364</u> | <u>\$ 113,830</u> |

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
PROJECTED ASSESSMENTS PER UNIT**

| Assessment Summary | | | | | |
|--------------------|--------------|-------------------|-----------------|------------------|--------------------------------|
| Description | General Fund | Debt Service Fund | Enterprise Fund | Total assessment | Percent change over prior year |
| Fiscal year 2023 | \$ 1,935.21 | \$ - | \$ 231.25 | \$ 2,166.46 | 0.00% |
| Fiscal year 2022 | \$ 1,935.21 | \$ - | \$ 231.25 | \$ 2,166.46 | |

PALM BAY
COMMUNITY DEVELOPMENT DISTRICT

9

RESOLUTION 2022-08

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE PALM BAY COMMUNITY DEVELOPMENT DISTRICT MAKING A DETERMINATION OF BENEFIT AND IMPOSING SPECIAL ASSESSMENTS FOR FISCAL YEAR 2022/2023; PROVIDING FOR THE COLLECTION AND ENFORCEMENT OF SPECIAL ASSESSMENTS, INCLUDING BUT NOT LIMITED TO PENALTIES AND INTEREST THEREON; CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENTS TO THE ASSESSMENT ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Palm Bay Community Development District ("**District**") is a local unit of special-purpose government established by, and pursuant to Chapter 190, *Florida Statutes*, for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District; and

WHEREAS, the District is located in Hillsborough County, Florida ("**County**"); and

WHEREAS, the District has constructed or acquired various infrastructure improvements and provides certain services in accordance with the District's adopted capital improvement plan and Chapter 190, *Florida Statutes*; and

WHEREAS, the Board of Supervisors of the District ("**Board**") hereby determines to undertake various operations and maintenance and other activities described in the District's budget ("**Adopted Budget**") for the fiscal year beginning October 1, 2022 and ending September 30, 2023 ("**Fiscal Year 2022/2023**"), attached hereto as **Exhibit A**; and

WHEREAS, the District must obtain sufficient funds to provide for the operation and maintenance of the services and facilities provided by the District as described in the Adopted Budget; and

WHEREAS, the provision of such services, facilities, and operations is a benefit to lands within the District; and

WHEREAS, Chapter 190, *Florida Statutes*, provides that the District may impose special assessments on benefitted lands within the District; and

WHEREAS, it is in the best interests of the District to proceed with the imposition of the special assessments for operations and maintenance in the amount set forth in the Adopted Budget; and

WHEREAS, the District has previously levied an assessment for debt service, which the District desires to collect for Fiscal Year 2022/2023; and

WHEREAS, Chapter 197, *Florida Statutes*, provides a mechanism pursuant to which such special assessments may be placed on the tax roll and collected by the local tax collector ("**Uniform Method**"), and the District has previously authorized the use of the Uniform Method

by, among other things, entering into agreements with the Property Appraiser and Tax Collector of the County for that purpose; and

WHEREAS, it is in the best interests of the District to adopt the assessment roll (“**Assessment Roll**”) attached to this Resolution as **Exhibit “B”**, and to certify the portion of the Assessment Roll related to certain developed property (“**Tax Roll Property**”) to the County Tax Collector pursuant to the Uniform Method and to directly collect the portion of the Assessment Roll relating to the remaining property (“**Direct Collect Property**”), all as set forth in **Exhibit B**; and

WHEREAS, it is in the best interests of the District to permit the District Manager to amend the Assessment Roll adopted herein, including that portion certified to the County Tax Collector by this Resolution, as the Property Appraiser updates the property roll for the County, for such time as authorized by Florida law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE PALM BAY COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. BENEFIT & ALLOCATION FINDINGS. The provision of the services, facilities, and operations as described in **Exhibit A** confers a special and peculiar benefit to the lands within the District, which benefit exceeds or equals the cost of the assessments. The allocation of the assessments to the specially benefitted lands, as shown in **Exhibits A and B**, and is hereby found to be fair and reasonable.

SECTION 2. ASSESSMENT IMPOSITION. Pursuant to Chapters 170, 190 and 197, *Florida Statutes*, and using the procedures authorized by Florida law for the levy and collection of special assessments, a special assessment for operation and maintenance is hereby imposed and levied on benefitted lands within the District and in accordance with **Exhibits A and B**. The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution. Moreover, pursuant to Section 197.3632(4), *Florida Statutes*, a lien amount shall serve as the “maximum rate” authorized by law for operation and maintenance assessments.

SECTION 3. COLLECTION AND ENFORCEMENT; PENALTIES; INTEREST.

- A. **Tax Roll Assessments.** The operations and maintenance special assessments and previously levied debt service special assessments imposed on the Tax Roll Property shall be collected at the same time and in the same manner as County taxes in accordance with the Uniform Method, as set forth in **Exhibits A and B**.
- B. **Future Collection Methods.** The decision to collect special assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District

reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

SECTION 4. ASSESSMENT ROLL. The Assessment Roll, attached to this Resolution as **Exhibit “B,”** is hereby certified for collection. That portion of the Assessment Roll which includes the Tax Roll Property is hereby certified to the County Tax Collector and shall be collected by the County Tax Collector in the same manner and time as County taxes. The proceeds therefrom shall be paid to the District.

SECTION 5. ASSESSMENT ROLL AMENDMENT. The District Manager shall keep apprised of all updates made to the County property roll by the Property Appraiser after the date of this Resolution, and shall amend the Assessment Roll in accordance with any such updates, for such time as authorized by Florida law, to the County property roll. After any amendment of the Assessment Roll, the District Manager shall file the updates in the District records.

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

SECTION 7. EFFECTIVE DATE. This Resolution shall take effect upon the passage and adoption of this Resolution by the Board.

PASSED AND ADOPTED this 2nd day of August, 2022.

ATTEST:

**PALM BAY COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A: Budget
Exhibit B: Assessment Roll (Uniform Method)
Assessment Roll (Direct Collect)

Exhibit A
Budget

Exhibit B

Assessment Roll (Uniform Method)

Assessment Roll (Direct Collect)

PALM BAY
COMMUNITY DEVELOPMENT DISTRICT

10

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
JUNE 30, 2022**

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022**

| | <u>Major Funds</u> | Total Governmental |
|--|--------------------|-----------------------|
| ASSETS | General | Funds |
| Cash | \$ 204,589 | \$ 204,589 |
| Investments | 497 | 497 |
| Accounts receivable | 250 | 250 |
| Teco deposit | 430 | 430 |
| Total assets | <u>\$ 205,766</u> | <u>\$ 205,766</u> |
| LIABILITIES AND FUND BALANCES | | |
| Liabilities: | | |
| Lease deposit refundable | 2,700 | 2,700 |
| Due to other funds | | |
| Enterprise | 4,800 | 4,800 |
| Total liabilities | <u>7,500</u> | <u>7,500</u> |
| Fund Balances: | | |
| Unassigned | 198,266 | 198,266 |
| Total fund balances | <u>198,266</u> | <u>198,266</u> |
| Total liabilities and fund balance | <u>\$ 205,766</u> | <u>\$ 205,766</u> |

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED JUNE 30, 2022**

| | Current Month | Year to Date | Budget | % of Budget |
|--|------------------|-----------------|----------------|----------------|
| REVENUES | | | | |
| Assessments | \$ 1,993 | \$ 186,534 | \$ 185,780 | 100% |
| Interest & miscellaneous | 2 | 30,197 | 250 | 12079% |
| Total revenues | <u>1,995</u> | <u>216,731</u> | <u>186,030</u> | 117% |
| EXPENDITURES | | | | |
| Professional | | | | |
| Supervisors | - | 1,722 | 5,383 | 32% |
| Management | 1,545 | 13,902 | 18,536 | 75% |
| Audit | 3,000 | 6,000 | 7,200 | 83% |
| Legal | 321 | 4,779 | 2,000 | 239% |
| Engineering fees | - | 1,325 | - | N/A |
| Postage | 8 | 284 | 425 | 67% |
| Meeting room | - | 545 | 1,000 | 55% |
| Insurance | - | 7,135 | 7,584 | 94% |
| Printing and binding | 46 | 411 | 548 | 75% |
| Legal advertising | - | 1,211 | 2,000 | 61% |
| Other current charges | 48 | 566 | 800 | 71% |
| Annual district filing fee | - | 175 | 175 | 100% |
| Website | - | - | 705 | 0% |
| ADA website compliance | - | - | 205 | 0% |
| Tax bills | - | - | 675 | 0% |
| Total professional | <u>4,968</u> | <u>38,055</u> | <u>47,236</u> | 81% |
| Debt service | | | | |
| Cost of issuance | - | 3,500 | - | N/A |
| Principal | - | 40,000 | - | N/A |
| Interest | - | 1,521 | - | N/A |
| Total debt service | <u>-</u> | <u>45,021</u> | <u>-</u> | N/A |
| Parks & recreation | | | | |
| Boat lift repair and maintenance | 282 | 2,610 | 6,000 | 44% |
| Lake maintenance | 219 | 1,818 | 2,500 | 73% |
| Capital outlay | 50,000 | 78,449 | 53,500 | 147% |
| Total parks & recreation | <u>50,501</u> | <u>82,877</u> | <u>62,000</u> | 134% |
| Access control | | | | |
| Telephone - gate | 284 | 2,448 | 3,000 | 82% |
| Insurance - property & causality | - | 2,801 | 2,976 | 94% |
| Repairs & maintenance - gate | 2,466 | 23,025 | 28,000 | 82% |
| Landscape maintenance | 1,091 | 11,984 | 14,000 | 86% |
| Contingency | - | - | 750 | 0% |
| Capital outlay | - | - | 5,000 | 0% |
| Total access control | <u>3,841</u> | <u>40,258</u> | <u>53,726</u> | 75% |
| Roadway/signage/street lighting | | | | |
| Electric utility service | 1,733 | 12,930 | 13,000 | 99% |
| Repairs and maintenance | 184 | 3,235 | 3,000 | 108% |
| Total roadway/signage/street lighting | <u>1,917</u> | <u>16,165</u> | <u>16,000</u> | 101% |

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED JUNE 30, 2022**

| | <u>Current Month</u> | <u>Year to Date</u> | <u>Budget</u> | <u>% of Budget</u> |
|--|--------------------------|-------------------------|------------------|------------------------|
| Other fees & charges | | | | |
| Property appraiser | - | - | 2,903 | 0% |
| Tax collector | 40 | 4,358 | 3,870 | 113% |
| Total other fees & charges | 40 | 4,358 | 6,773 | 64% |
| Total expenditures | 61,267 | 226,734 | 185,735 | 122% |
| Excess/(deficiency) of revenues over/(under) expenditures | (59,272) | (10,003) | 295 | |
| OTHER FINANCING SOURCES/(USES) | | | | |
| Misc capital improvements loan proceeds | - | 200,000 | - | N/A |
| Total other financing sources | - | 200,000 | - | N/A |
| Net change in fund balances | (59,272) | 189,997 | 295 | |
| Fund balances - beginning | 257,538 | 8,269 | 62,720 | |
| Fund balances - ending | <u>\$ 198,266</u> | <u>\$ 198,266</u> | <u>\$ 63,015</u> | |

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
PROPRIETARY FUND
STATEMENT OF NET POSITION
JUNE 30, 2022**

| ASSETS | <u>Balance</u> |
|---|------------------|
| Current assets: | |
| Cash - SunTrust | \$ 70,802 |
| Accounts receivable - (net of allowances for uncollectible) | 16,758 |
| Assessments receivable | <u>4,800</u> |
| Total current assets | <u>92,360</u> |
| Noncurrent assets: | |
| Utility plant and improvements | 171,770 |
| Less accumulated depreciation | <u>(171,770)</u> |
| Total capital assets, net of accumulated depreciation | <u>-</u> |
| Total noncurrent assets | <u>-</u> |
| Total assets | <u>92,360</u> |
| LIABILITIES | |
| Current liabilities: | |
| Customer deposits payable | <u>7,200</u> |
| Total liabilities | <u>7,200</u> |
| NET POSITION | |
| Unrestricted | <u>85,160</u> |
| Total net position | <u>\$ 85,160</u> |

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE PERIOD ENDED JUNE 30, 2022**

| | Current Month | Year to Date | Budget | % of Budget |
|---|------------------|------------------|------------------|----------------|
| OPERATING REVENUES | | | | |
| Assessment levy | \$ 238 | \$ 22,280 | \$ 22,200 | 100% |
| Charges for sales and services: | | | | |
| Water & sewer | 8,995 | 91,152 | 110,000 | 83% |
| Interest | - | 6 | 10 | 60% |
| Total operating revenues | <u>9,233</u> | <u>113,438</u> | <u>132,210</u> | 86% |
| OPERATING EXPENSES | | | | |
| Water & sewer - county | 10,750 | 84,426 | 95,767 | 88% |
| Maintenance costs | - | 21,707 | 20,000 | 109% |
| Other current charges | 163 | 1,523 | 2,200 | 69% |
| Total operating expenses | <u>10,913</u> | <u>107,656</u> | <u>117,967</u> | 91% |
| Operating income | <u>(1,680)</u> | <u>5,782</u> | <u>14,243</u> | 41% |
| NONOPERATING REVENUES/(EXPENSES) | | | | |
| Property appraiser | - | - | (333) | 0% |
| Tax collector | (5) | (446) | (444) | 100% |
| Total nonoperating revenues/(expenses) | <u>(5)</u> | <u>(446)</u> | <u>(777)</u> | 57% |
| Change in net position | (1,685) | 5,336 | 13,466 | |
| Total net position - beginning | 86,845 | 79,824 | 77,410 | |
| Total net position - ending | <u>\$ 85,160</u> | <u>\$ 85,160</u> | <u>\$ 90,876</u> | |

PALM BAY
COMMUNITY DEVELOPMENT DISTRICT

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DRAFT
MINUTES OF MEETING
PALM BAY
COMMUNITY DEVELOPMENT DISTRICT

The Board of Supervisors of the Palm Bay Community Development District held a Regular Meeting on April 29, 2022, at 9:00 a.m., at the Courtyard by Marriott Tampa/Oldsmar, 4014 Tampa Road, Oldsmar, Florida 34677.

Present were:

| | |
|-------------------|---------------------|
| Rob Bergman | Chair |
| Joe Aschenbrenner | Vice Chair |
| Win Williamson | Assistant Secretary |
| Speros Margetis | Assistant Secretary |

Also present, were:

| | |
|------------------|-------------------------------|
| Chuck Adams | District Manager |
| Anthony Dewanni | HOA Board Member and Resident |
| Michael Dietrich | Resident |

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 9:04 a.m. Supervisors Bergman, Aschenbrenner, Margetis and Williamson were present in person. One seat is vacant.

SECOND ORDER OF BUSINESS

Public Comments: Agenda Items

There were no public comments.

THIRD ORDER OF BUSINESS

Consider Appointment of Qualified Elector to Fill Unexpired Term of Seat 4

This item was deferred.

FOURTH ORDER OF BUSINESS

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

A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees

42 **B. Membership, Obligations and Responsibilities**

43 **C. Financial Disclosure Forms**

44 **I. Form 1: Statement of Financial Interests**

45 **II. Form 1X: Amendment to Form 1, Statement of Financial Interests**

46 **III. Form 1F: Final Statement of Financial Interests**

47 **D. Form 8B – Memorandum of Voting Conflict**

48 This item was deferred.

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50 **FIFTH ORDER OF BUSINESS**

Consideration of Resolution 2022-01, Designating Certain Officers of the District, and Providing for an Effective Date

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54 This item was deferred.

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56 **SIXTH ORDER OF BUSINESS**

Ratification of Resolution 2022-02, Authorizing the Execution and Issuance of its Palm Bay Community Development District Capital Improvement Revenue Note Series 2022 with FineMark National Bank & Trust to Evidence a Loan in the Principal Amount of \$200,000 to Finance Capital Improvements for the District; Authorizing and Approving Certain Covenants and Agreements with the FineMark National Bank & Trust in Connection Herewith; and Providing for an Effective Date

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70 Mr. Adams discussed the following significant dates pertaining to Resolution 2022-02
71 and the Bank Note:

72 ➤ January 13, 2022: Staff was authorized to complete all documents necessary to finalize
73 the closing on the note; this included the Chair executing a Resolution, which was not available
74 at the time of the meeting.

75 ➤ February 14, 2022: The Chair officially executed Resolution 2022-02.

76 In response to a question, Mr. Adams stated that the Fiscal Year 2022 and 2023 budgets
77 included revenues to cover the repayment of the Fiscal Year 2022 Note.

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On MOTION by Mr. Aschenbrenner and seconded by Mr. Williamson, with all in favor, Resolution 2022-02, Authorizing the Execution and Issuance of its Palm Bay Community Development District Capital Improvement Revenue Note Series 2022 with FineMark National Bank & Trust to Evidence a Loan in the Principal Amount of \$200,000 to Finance Capital Improvements for the District; Authorizing and Approving Certain Covenants and Agreements with the FineMark National Bank & Trust in Connection Herewith; and Providing for an Effective Date, was ratified.

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SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2022-03, Approving a Proposed Budget for Fiscal Year 2022/2023 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date

89 Mr. Adams presented Resolution 2022-03. Mr. Adams discussed the following:

- 90 ➤ Project expenditures, funding and payments associated with the 2022 Note were
- 91 reflected in the Fiscal Year 2022 budget and the proposed Fiscal Year 2023 budget.
- 92 ➤ Making a slight reduction to the surplus “Fund Balance” in the General Fund to ensure
- 93 assessment levels remain unchanged.

94 Asked if the Boat Club (BC) transactions were included in the proposed Fiscal Year 2023
95 budget, Mr. Adams replied affirmatively; revenues and expenses were listed as separate line
96 items. Discussion ensued regarding the BC project overall cost of about \$27,360 and obtaining
97 new proposals to install a new electrical panel, which the CDD can piggy pack off of, if
98 interested in adding lighting to the dock.

- 99 ➤ A healthy surplus fund balance at the end of Fiscal Year 2023 is projected, which is
- 100 important due to the age of the community and potential necessary repairs.

101 A question was raised regarding how long stormwater sewer systems in other CDDs
102 lasted before problems arose. Mr. Adams discussed the materials used to construct the CDD’s
103 system and identified the mechanical fittings as the system’s overall weakness. The life
104 expectancy of the CDD’s stormwater system is 75 to 100 years. Weaknesses in the sewer
105 system and lift station were discussed. Mr. Adams responded to questions about the marina
106 project and assessment levels. He projected about \$30,000 of the 2022 Note will remain once
107 the projects are completed.

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On MOTION by Mr. Bergman and seconded by Mr. Margetis, with all in favor, Resolution 2022-03, Approving a Proposed Budget for Fiscal Year 2022/2023, as amended, and Setting a Public Hearing Thereon Pursuant to Florida Law for July 14, 2022, at 9:00 a.m., at the Courtyard by Marriott Tampa/Oldsmar, 4014 Tampa Road, Oldsmar, Florida 34677; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date, was adopted.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2022-04, Designating a Date, Time and Location for a Landowners’ Meeting; Providing for Publication; Providing for an Effective Date

Mr. Adams presented Resolution 2022-04. Seats 2 and 3, currently held by Supervisors Margetis and Aschenbrenner, respectively, and Seat 5, currently vacant, will be up for election at the Landowners’ Meeting. The Board decided to change the October 13, 2022 Regular Meeting date to coincide with November 10, 2022 Landowners’ meeting

On MOTION by Mr. Margetis and seconded by Mr. Aschenbrenner, with all in favor, Resolution 2022-04, Designating a Date, Time and Location of November 10, 2022, at 9:00 a.m., at the Courtyard by Marriott Tampa/Oldsmar, 4014 Tampa Road, Oldsmar, Florida 34677 for a Landowners’ Meeting; Providing for Publication; Providing for an Effective Date, was adopted.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2022-05, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2022/2023 and Providing for an Effective Date

Mr. Adams presented Resolution 2022-05. The following change was made to the Fiscal Year 2023 Meeting Schedule:

DATE: Change “October 13” to “November 10” and insert “Landowner’s Meeting and” before “Regular Meeting”

On MOTION by Mr. Margetis and seconded by Mr. Aschenbrenner with all in favor, Resolution 2022-05, Designating Dates, Times and Locations for Regular

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Meetings of the Board of Supervisors of the District for Fiscal Year 2022/2023, as amended, and Providing for an Effective Date, was adopted.

TENTH ORDER OF BUSINESS

Discussion/Consideration: Stormwater Management Needs Analysis Report

Mr. Adams presented the completed 20-Year Stormwater Management Needs Analysis Report. He prepared the Report, instead of the District Engineer, due to the system’s small size.

On MOTION by Mr. Williamson and seconded by Mr. Bergman, with all in favor, the 20-Year Stormwater Management Needs Analysis Report and authorizing Staff to submit the Report, was approved.

ELEVENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of March 31, 2022

Mr. Adams presented the Unaudited Financial Statements as of March 31, 2022
The financials were accepted.

TWELFTH ORDER OF BUSINESS

Approval of January 13, 2022 Regular Meeting Minutes

Mr. Adams presented the January 13, 2022 Regular Meeting Minutes.

On MOTION by Mr. Aschenbrenner and seconded by Mr. Williamson, with all in favor, the January 13, 2022 Regular Meeting Minutes, as presented, were approved.

THIRTEENTH ORDER OF BUSINESS

Staff Reports

- A. District Counsel: *Straley Robin Vericker*
- B. District Engineer: *Landmark Engineering & Surveying Corp.*
There were no District Counsel or District Engineer reports.
- C. District Manager: *Wrathell, Hunt and Associates, LLC*
 - 187 Registered Voters in District as of April 15, 2022

195 Mr. Adams stated that, since the CDD is comprised of only 100 units, it will always have
196 a Landowner-elected Board, as it will likely never reach the 250 qualified electors required to
197 transition to the general election process.

- 198 • **NEXT MEETING DATE: July 14, 2022 at 9:00 a.m.**

- 199 ○ **QUORUM CHECK**

200 Supervisors Bergman, Aschenbrenner and Williamson confirmed their attendance at the
201 July 14, 2022 meeting. Supervisor Margetis would not be present.

202 Discussion ensued regarding filling the vacant seat to establish a quorum for future
203 meetings. When asked, Mr. Adams expounded on the conflict of interest of the HOA President
204 holding a seat on the CDD Board.

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206 **FOURTEENTH ORDER OF BUSINESS**

Public Comments: Non-Agenda Items

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208 Resident Michael Dietrich voiced his opinion that there should have been better
209 planning for collecting O&M assessments to keep up with dock repairs. He stated that he owns
210 two boat slips and now needs to come up with \$7,000 to repair the deteriorating dock.

211 The Board provided the following information in response to Mr. Dietrich’s comment:

212 ➤ A slip owner became a CDD Board Member due to the Boat Club Association’s (BCA)
213 inactivity addressing concerns about the deteriorated condition and to get the marina assessed.

214 ➤ The BCA collected nominal assessments and stopped over a 10-year period.

215 ➤ The BCA bylaws called for the CDD to take over management of the BCA but opposition
216 from the BC slip owners delayed consideration until they conducted a survey of Tract B and
217 obtained District Counsel’s opinions due to liability concerns.

218 ➤ The Developer conveyed the whole marina and basin “underlying tract of land” to the
219 CDD and built the 16 finger docks.

220 ➤ Individual homeowners built the dock behind their residences, over CDD property and
221 only a few of the homeowners obtained the required easement from the CDD and some others
222 refused the concept of the CDD deeding the property to them.

223 ➤ The CDD and BCA partnered in repairing the main gangway and extending it 6’, which is
224 public property, and the finger piers, respectively.

225 ➤ The CAP rights were conveyed to the HOA, such that the HOA has overriding authority
226 over the entire community to address anything that is in disarray, including on CDD property.

227 ▪ **Proposals for Consideration**

228 **These items were an addition to the agenda.**

229 Mr. Aschenbrenner presented Suncoast Painting C.O. Estimate 0233. The Board decided
230 to add the main wall to the project and advise the HOA that it can decide whether to keep or
231 change the color.

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On MOTION by Mr. Margetis and seconded by Mr. Williamson, with all in favor, Suncoast Painting C.O. Estimate 0233, with the inclusion of the main wall to the scope of work, in a not-to-exceed amount of \$7,000, was approved.

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238 Mr. Aschenbrenner presented Baycut, Inc., Estimate No. 204327.

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On MOTION by Mr. Williamson and seconded by Mr. Aschenbrenner, with all in favor, Baycut, Inc., Estimate No. 204327 for installation of plant materials, pots and pressure wash boarder block at the front entry, with the inclusion of a new pump at the fountain, in the not-to-exceed amount of \$1,600, was approved.

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247 **FIFTEENTH ORDER OF BUSINESS**

Supervisors' Requests

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249 Mr. Aschenbrenner asked if the HOA would consider registering and collecting nominal
250 fees from kayak users. Mr. Dewanni stated the HOA's decision is pending. Mr. Adams was asked
251 to purchase another kayak rack.

252 **Mr. Margetis left the meeting at 10:09 a.m.**

253 Mr. Aschenbrenner asked if the HOA would consider facilitating the marina remotes, as
254 the vendor will not sell them to individual homeowners.

255 Discussion ensued regarding homeowners around the marina refusing to execute the
256 grant of easement, which will be discussed further once the docks are repaired.

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258 **SIXTEENTH ORDER OF BUSINESS**

Adjournment

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On MOTION by Mr. Williamson and seconded by Mr. Aschenbrenner, with all in favor, the meeting adjourned at 10:14 a.m.

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Secretary/Assistant Secretary

Chair/Vice Chair

**PALM BAY
COMMUNITY DEVELOPMENT DISTRICT**

12C

PALM BAY COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS FISCAL YEAR 2022/2023 MEETING SCHEDULE

LOCATION

Courtyard by Marriott Tampa/Oldsmar, 4014 Tampa Road, Oldsmar, Florida 34677

| DATE | POTENTIAL DISCUSSION/FOCUS | TIME |
|--------------------------|--|----------------|
| November 10, 2022 | Landowner's Meeting and Regular Meeting | 9:00 AM |
| January 12, 2023 | Regular Meeting | 9:00 AM |
| April 13, 2023 | Regular Meeting | 9:00 AM |
| July 13, 2023 | Public Hearing & Regular Meeting | 9:00 AM |