

**VERANDAH EAST
COMMUNITY DEVELOPMENT
DISTRICT**

August 11, 2021

**BOARD OF SUPERVISORS
PUBLIC HEARING AND
REGULAR MEETING
AGENDA**

Verandah East 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

August 4, 2021

Board of Supervisors
Verandah East Community Development District

Dear Board Members:

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

NOTE: Meeting Time

The Board of Supervisors of the Verandah East Community Development District will hold a Public Hearing and a Regular Meeting on August 11, 2021 at 1:00 p.m., at the Verandah Sales Office, 11571 Verandah Boulevard, Fort Myers, Florida 33905. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments [3 minutes per person]
3. Consider Appointment of Michael Lapinski to Vacant Seat 2, Term Expires November 2024 *(the following to be provided in a separate package)*
 - A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees
 - B. Membership, Obligations and Responsibilities
 - C. Financial Disclosure Forms
 - I. Form 1: Statement of Financial Interests
 - II. Form 1X: Amendment to Form 1, Statement of Financial Interests
 - III. Form 1F: Final Statement of Financial Interests
 - D. Form 8B – Memorandum of Voting Conflict
4. Consideration of Resolution 2021-07, Designating Certain Officers of the District, and Providing for an Effective Date
5. Presentation of Audited Financial Report for the Fiscal Year Ended September 30, 2020, Prepared by Grau & Associates
6. Consideration of Resolution 2021-08, Hereby Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2020

7. Public Hearing on Adoption of Fiscal Year 2021/2022 Budget
 - A. Proof/Affidavit of Publication
 - B. Consideration of Resolution 2021-09, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2021, and Ending September 30, 2022; Authorizing Budget Amendments; and Providing an Effective Date
8. Consideration of Resolution 2021-10, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2021/2022; 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
9. Discussion: SOLitude Lake Management Annual Fixed Structure Reporting
10. Continued Discussion: CDD Ownership and Maintenance of Perimeter Fencing and Walls
 - A. Consideration of Agreement for Facility Management, Operation and Maintenance Services
 - B. Non-Exclusive Perpetual Access and Maintenance Easement Agreement with KH Verandah LLC and Verandah Development LLC
11. Acceptance of Unaudited Financial Statements as of June 30, 2021
12. Approval of June 11, 2021 Regular Meeting Minutes
13. Staff Reports
 - A. District Counsel: *Hopping Green & Sams, P.A.*
 - B. District Engineer: *Johnson Engineering, Inc.*
 - C. District Manager: *Wrathell, Hunt and Associates, LLC*
 - I. Discussion: Ownership of Walkway Between Pebble Brook Road and Otter Bend
 - II. NEXT MEETING DATE: October 13, 2021 at 1:00 P.M.

○ QUORUM CHECK

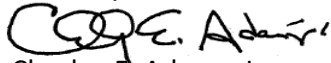
Richard Denis Shields, Jr.	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> No
	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> No
Jacqueline Voiles	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> No
Christine Jaross	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> No
David Moore	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> No

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 CODE: 709 724 7992

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

3

Kimberly McIntosh

From: Chuck Adams
Sent: Tuesday, July 6, 2021 2:57 PM
To: Mike Lapinski; Daphne Gillyard; Debbie Tudor
Cc: Cleo Adams; shane willis
Subject: Re: Statement of Desire to Serve on Verandah East CDD Board

Thankyou Mike

Daphne/Debbie
Please include on next Verandah East agenda

Thx

Best regards,

Chesley 'Chuck' Adams jr.
Director of Operations
Wrathell, Hunt and Associates, LLC
(239) 464-7114 (c)

FRAUD ALERT- DUE TO INCREASED INCIDENTS OF WIRE FRAUD, IF YOU RECIEVE WIRE INSTRUCTIONS FROM OUR OFFICE DO NOT SEND A WIRE

From: Mike Lapinski <MJLCA78@comcast.net>
Sent: Tuesday, July 6, 2021 2:51:55 PM
To: Chuck Adams <adamsc@whhassociates.com>
Subject: Fwd: Statement of Desire to Serve on Verandah East CDD Board

Please see attached.

Thank you,
Mike

Begin forwarded message:

From: Mike Lapinski <MJLCA78@comcast.net>
Date: July 6, 2021 at 2:49:38 PM EDT
To: crismond@whhassociates.com
Cc: MJLCA78@comcast.net
Subject: Statement of Desire to Serve on Verandah East CDD Board

Dear CDD East Leadership Team,

My family moved to Southwest Florida and Verandah in 2018 following retirement from more than 40 years of Federal government and military service. We selected Verandah as the ideal place to relocate after several years of careful consideration.

My U.S. Coast Guard career began in 1978, with assignments throughout the Atlantic and Gulf coasts. I enjoyed increasingly responsible positions in operations and policy making, which included serving as commanding officer of two Coast Guard cutters, and eventually commanding one of the largest bases. I

retired from the Coast Guard in 2007, with my final assignment as Deputy Assistant Commandant for Policy and Planning.

I transitioned to Federal service with FEMA, where I was a Federal Coordinating Officer, serving as the President's representative to a State following a disaster, emergency or National Security declaration. I was responsible for hundreds of millions of dollars of grants and services for response and recovery from hurricanes, floods, tornadoes, and environmental disasters. Following eight years of nationwide deployments, I was appointed as Director of FEMA Response Operations, where I served until retirement in 2018.

While on a shore assignment with the Coast Guard, I was elected to a town council position in our hometown and concurrently served as Chair of the Public Safety Committee, providing oversight and budget authority for the town police force. During this period we created the town's first Public Safety performance plan, linked to budget justification.

Our family enjoys so many of the "Verandah Lifestyle" amenities, and I want to utilize my experience in performance planning to help assure the Verandah environment.

Sent from my iPad

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

4

RESOLUTION 2021-07

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

WHEREAS, the Verandah East 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 VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. _____ is appointed Chair.

SECTION 2. _____ is appointed Vice Chair.

SECTION 3. Chuck E. Adams, Jr. is appointed Secretary.

_____ is appointed Assistant Secretary.

_____ is appointed Assistant Secretary.

_____ is appointed Assistant Secretary.

Craig Wrathell is appointed Assistant Secretary.

SECTION 4. Craig Wrathell is appointed Treasurer.

Jeff Pinder is appointed Assistant Treasurer.

SECTION 5. 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 6. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this 11th day of August, 2021.

ATTEST:

**VERANDAH EAST COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

5

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2020**

**VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA**

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-6
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements:	
Balance Sheet – Governmental Funds	9
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	10
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	12
Notes to the Financial Statements	13-20
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual – General Fund	21
Notes to Required Supplementary Information	22
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	23-24
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	25
MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550 OF THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	26-27



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road ▪ Suite 280
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Verandah East Community Development District
Lee County, Florida

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 19, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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. & Associates

April 19, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

FINANCIAL HIGHLIGHTS

- The assets plus deferred outflows of resources of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$3,525,265.
- The change in the District's total net position in comparison with the prior year was \$510,196 an increase. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2020, the District's governmental funds reported combined ending fund balances of \$936,446, a decrease of (\$1,008,985) in comparison with the prior fiscal year. A portion of fund balance is non-spendable for prepaid expenses, a portion of fund balance is restricted for debt service, capital projects, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis 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.

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

Fund Financial Statements

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

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and 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 three individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund and capital projects fund, all of which are considered major funds.

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

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

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

	NET POSITION	
	SEPTEMBER 30,	
	2020	2019
Current and other assets	\$ 1,064,629	\$ 1,970,068
Capital assets, net of depreciation	20,540,382	19,754,399
Total assets	<u>21,605,011</u>	<u>21,724,467</u>
Deferred amount on refunding	102,509	108,204
Current liabilities	424,222	330,942
Long-term liabilities	17,758,033	18,486,660
Total liabilities	<u>18,182,255</u>	<u>18,817,602</u>
Net position		
Net investment in capital assets	2,884,860	2,437,176
Restricted	603,500	547,968
Unrestricted	36,905	29,925
Total net position	<u>\$ 3,525,265</u>	<u>\$ 3,015,069</u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

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

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

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

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,	
	2020	2019
Revenues:		
Program revenues		
Charges for services	\$ 1,675,730	\$ 1,643,002
Operating grants and contributions	7,229	18,827
Capital grants and contributions	7,673	31,250
General revenues		
Unrestricted investment earnings	66	70
Total revenues	<u>1,690,698</u>	<u>1,693,149</u>
Expenses:		
General government	114,446	106,327
Maintenance and operations	334,123	330,612
Interest	731,933	756,554
Total expenses	<u>1,180,502</u>	<u>1,193,493</u>
Change in net position	<u>510,196</u>	<u>499,656</u>
Net position - beginning	<u>3,015,069</u>	<u>2,515,413</u>
Net position - ending	<u>\$ 3,525,265</u>	<u>\$ 3,015,069</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2020 was \$1,180,502. The majority of the costs of the District's activities were paid by program revenues mostly composed of assessments. In total, expenses decreased this year due to a decrease in interest expenses.

GENERAL BUDGETING HIGHLIGHTS

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

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2020, the District had \$23,982,887 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$3,442,505 has been taken, which resulted in a net book value of \$20,540,382. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2020, the District had \$17,780,000 Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

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 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 Verandah East Community Development District's Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, Florida, 33431.

**VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

	Governmental Activities
ASSETS	
Cash	\$ 42,440
Assessments receivable	42,378
Due from other government	6,682
Prepays	5,740
Restricted assets:	
Investments	967,389
Capital assets:	
Nondepreciable	15,527,847
Depreciable, net	5,012,535
Total net position	21,605,011
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on refunding	102,509
LIABILITIES	
Accounts payable	123,202
Accrued interest payable	296,039
Due to other government	4,981
Non-current liabilities:	
Due within one year	760,000
Due in more than one year	16,998,033
Total liabilities	18,182,255
NET POSITION	
Net investment in capital assets	2,884,860
Restricted for debt service	603,500
Unrestricted	36,905
Total net position	\$ 3,525,265

See notes to the financial statements

**VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

<u>Functions/Programs</u>	Program Revenues			Net (Expense) Revenue and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary government:				
Governmental activities:				
General government	\$ 114,446	\$ 114,446	\$ -	\$ -
Maintenance and operations	334,123	58,116	-	(268,334)
Interest on long-term debt	731,933	1,503,168	7,229	778,464
Total governmental activities	1,180,502	1,675,730	7,229	510,130
General revenues:				
Unrestricted investment earnings				66
Total general revenues				66
Change in net position				510,196
Net position - beginning				3,015,069
Net position - ending				\$ 3,525,265

See notes to the financial statements

**VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
ASSETS				
Cash	\$ 42,440	\$ -	\$ -	\$ 42,440
Investments	-	857,578	109,811	967,389
Assessments receivable	417	41,961	-	42,378
Due from other government	6,682	-	-	6,682
Prepays	5,740	-	-	5,740
Total assets	<u>\$ 55,279</u>	<u>\$ 899,539</u>	<u>\$ 109,811</u>	<u>\$ 1,064,629</u>
LIABILITIES				
Liabilities:				
Accounts payable	\$ 13,393	\$ -	\$ 109,809	\$ 123,202
Due to other governments	4,981	-	-	4,981
Total liabilities	<u>18,374</u>	<u>-</u>	<u>109,809</u>	<u>128,183</u>
FUND BALANCES:				
Nonspendable:				
Prepays	5,740	-	-	5,740
Restricted for:				
Debt service	-	899,539	-	899,539
Capital projects	-	-	2	2
Unassigned	31,165	-	-	31,165
Total fund balances	<u>36,905</u>	<u>899,539</u>	<u>2</u>	<u>936,446</u>
Total liabilities and fund balances	<u>\$ 55,279</u>	<u>\$ 899,539</u>	<u>\$ 109,811</u>	<u>\$ 1,064,629</u>

See notes to the financial statements

**VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

Total fund balances - governmental funds \$ 936,446

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	23,982,887	
Accumulated depreciation	<u>(3,442,505)</u>	20,540,382

Deferred amounts on refunding are not reported as assets in the governmental funds. The statement of net position includes these costs, net of amortization. 102,509

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

Accrued interest payable	(296,039)	
Bonds payable	<u>(17,758,033)</u>	<u>(18,054,072)</u>

Net position of governmental activities		<u><u>\$ 3,525,265</u></u>
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See notes to the financial statements

**VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
REVENUES				
Assessments	\$ 172,562	\$ 1,503,168	\$ -	\$ 1,675,730
Interest Income	66	7,229	7,673	14,968
Total revenues	<u>172,628</u>	<u>1,510,397</u>	<u>7,673</u>	<u>1,690,698</u>
EXPENDITURES				
Current:				
General government	114,446	-	-	114,446
Maintenance and operations	51,202	-	-	51,202
Debt service:				
Principal	-	730,000	-	730,000
Interest	-	735,131	-	735,131
Capital outlay	-	-	1,068,904	1,068,904
Total expenditures	<u>165,648</u>	<u>1,465,131</u>	<u>1,068,904</u>	<u>2,699,683</u>
Excess (deficiency) of revenues over (under) expenditures	6,980	45,266	(1,061,231)	(1,008,985)
Fund balances - beginning	<u>29,925</u>	<u>854,273</u>	<u>1,061,233</u>	<u>1,945,431</u>
Fund balances - ending	<u>\$ 36,905</u>	<u>\$ 899,539</u>	<u>\$ 2</u>	<u>\$ 936,446</u>

See notes to the financial statements

**VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT
LEE 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, 2020**

Net change in fund balances - total governmental funds	\$ (1,008,985)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures, however, in the statement of activities, the cost of those assets is eliminated and capitalized as capital assets.	1,068,904
Depreciation of capital assets is not recognized in the governmental fund statements but is reported as an expense in the statement of activities.	(282,921)
Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statement but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.	730,000
Amortization of the deferred amount on refunding and original issue discount is shown on the statement of activities but not on the fund financial statements.	(7,068)
The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the fund financial statements.	<u>10,266</u>
Change in net position of governmental activities	<u><u>\$ 510,196</u></u>

See notes to the financial statements

**VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Verandah East Community Development District ("District") was created on December 6, 2005 by Ordinance 05-27 of the Lee 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. At September 30, 2020, all of the Board members are affiliated with the Developer, (owned by Kolter Homes), (the "Developer").

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 District is related to Verandah West Community Development District and shares the same Developer.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

Assessments

Assessments 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 1 to pay for the operations and maintenance of the District. 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 funds:

General Fund

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

Debt Service Fund

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

Capital Projects Fund

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

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

When both restricted and unrestricted resources are available for use, it is the 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 and 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.

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 activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

<u>Assets</u>	<u>Years</u>
Infrastructure – water management	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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Refundings of Debt

For current refundings and advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources and recognized ratably as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Long-Term Obligations

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

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

Deferred Outflows/Inflows of Resources

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

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

Fund Equity/Net Position

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

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

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Equity/Net Position (Continued)

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

Other Disclosures

Use of Estimates

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

NOTE 3 – BUDGETARY INFORMATION

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

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

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) 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 AND INVESTMENTS

Deposits

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

Investments

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

	<u>Amortized Cost</u>	<u>Credit Risk</u>	<u>Maturities</u>
Money Market Mutual Funds - First American			Weighted average of the fund
Government Obligations Fund Class Y	\$ 967,389	S&P AAAm	portfolio: 44 days
Total Investments	<u>\$ 967,389</u>		

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

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

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

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

However, the Bond Indenture limits the type of investments held using unspent proceeds.

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

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

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

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

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

NOTE 5 – CAPITAL ASSETS

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

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Land	\$ 12,789,435	\$ -	\$ -	\$ 12,789,435
Infrastructure under construction	1,669,508	1,068,904	-	2,738,412
Total capital assets, not being depreciated	14,458,943	1,068,904	-	15,527,847
Capital assets, being depreciated				
Infrastructure	8,455,040	-	-	8,455,040
Total capital assets, being depreciated	8,455,040	-	-	8,455,040
Less accumulated depreciation for:				
Infrastructure	3,159,584	282,921	-	3,442,505
Total accumulated depreciation	3,159,584	282,921	-	3,442,505
Total capital assets, being depreciated, net	5,295,456	(282,921)	-	5,012,535
Governmental activities capital assets	\$ 19,754,399	\$ 785,983	\$ -	\$ 20,540,382

NOTE 5 – CAPITAL ASSETS (Continued)

The total cost of the project has been estimated at approximately \$2,500,000, any costs in excess of the amount available from the Series 2016 bond proceeds will be paid by the Developer. Certain improvements will be conveyed to other governmental entities upon completion of the project.

All of the current year improvements were acquired from the Developer.

Depreciation expense was charged to the maintenance and operations function.

NOTE 6 – LONG TERM LIABILITIES

Series 2016

On October 1, 2016, the District issued \$20,615,000 of Special Assessment Revenue Refunding and Improvement Bonds Series 2016, due May 1, 2037, with interest rates ranging from 3.375%-4.25%. The Bonds were issued to refund the District's outstanding Capital Improvements Revenue Bonds, Series 2006 (the "Refunded Bonds"), acquire and construct certain assessable improvements (the "Project"), and pay certain costs associated with the issuance of the Bonds. Interest is to be paid semiannually on each May 1 and November 1. Principal on the Bonds is to be paid serially commencing May 1, 2017 through May 1, 2037.

The Series 2016 Bonds are subject to redemption at the option of the District prior to maturity. The Series 2016 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

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

Long-term debt activity

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 2016	\$ 18,510,000	\$ -	\$ 730,000	\$ 17,780,000	\$ 760,000
Less: Original issue discount	23,340	-	1,373	21,967	-
Total	<u>\$ 18,486,660</u>	<u>\$ -</u>	<u>\$ 728,627</u>	<u>\$ 17,758,033</u>	<u>\$ 760,000</u>

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

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2021	\$ 760,000	\$ 710,494	\$ 1,470,494
2022	785,000	684,844	1,469,844
2023	815,000	655,406	1,470,406
2024	845,000	624,844	1,469,844
2025	880,000	593,156	1,473,156
2026-2030	4,935,000	2,430,481	7,365,481
2031-2035	6,015,000	1,354,863	7,369,863
2036-2037	2,745,000	175,738	2,920,738
Total	<u>\$ 17,780,000</u>	<u>\$ 7,229,826</u>	<u>\$ 25,009,826</u>

NOTE 7 – DEVELOPER TRANSACTIONS

For the fiscal year ended September 30, 2020, Developer assessments in the general and debt service funds were \$31,121 and \$238,504, respectively.

NOTE 8 – CONCENTRATION

The District's activity is dependent upon the continued involvement of the Developer, the loss of which could have a material adverse effect on the District's operations.

NOTE 9 – MANAGEMENT COMPANY

The District has contracted with Wrathell, Hunt and Associates to perform management advisory services, which include financial and accounting 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 10 – 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.

**VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT
LEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts Original & Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments			
Assessments	\$ 171,014	\$ 172,562	\$ 1,548
Interest Income	265	66	(199)
Total revenues	171,279	172,628	1,349
EXPENDITURES			
Current:			
General government	111,971	114,446	(2,475)
Maintenance and operations	59,572	51,202	8,370
Total expenditures	171,543	165,648	5,895
Excess (deficiency) of revenues over (under) expenditures	\$ (264)	6,980	\$ 7,244
Fund balance - beginning		29,925	
Fund balance - ending		\$ 36,905	

See notes to required supplementary information

**VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT
LEE 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. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2020.



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

To the Board of Supervisors
Verandah East Community Development District
Lee 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 and each major fund of Verandah East Community Development District, Lee County, Florida ("District") as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated April 19, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

B *Law & Associates*

April 19, 2021



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road ▪ Suite 280
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

**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
Verandah East Community Development District
Lee County, Florida

We have examined Verandah East Community Development District, Lee 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, 2020. 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, 2020.

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

Grau & Associates

April 19, 2021



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road ▪ Suite 280
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

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

To the Board of Supervisors
Verandah East Community Development District
Lee County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Verandah East Community Development District ("District") as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated April 19, 2021.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; *Government Auditing Standards*, issued by the Comptroller General of the United State; and Chapter 10.550, Rules of the Florida Auditor General. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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 April 19, 2021, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General 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 Verandah East Community Development District, Lee County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Verandah East Community Development District, Lee 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

April 19, 2021

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

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

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

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

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

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

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

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

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

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

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

6

RESOLUTION 2021-08

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT HEREBY ACCEPTING THE AUDITED FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

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 2019;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT;

1. The Audited Financial Report for Fiscal Year 2020 heretofore submitted to the Board is hereby accepted for Fiscal Year 2020, for the period ending September 30, 2020; and
2. A verified copy of said Audited Financial Report for Fiscal Year 2020 shall be attached hereto as an exhibit to this Resolution in the District's "Official Record of Proceedings".

PASSED AND ADOPTED this 11th day of August, 2021.

VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

7A

Attn:
VERANDAH EAST CDD
2300 GLADES RD STE 410W
BOCA RATON, FL 33431

STATE OF FLORIDA COUNTY OF LEE:
Before the undersigned authority personally appeared _____, who on oath says that he or she is a Legal Assistant of the News-Press, a daily newspaper published at Fort Myers in Lee County, Florida; that the attached copy of advertisement, being a Legal Ad in the matter of

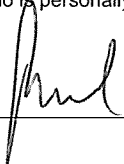
**VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT
NOTICE OF PUBLIC HEARING TO CONSIDER THE ADOPTION
THE FISCAL YEAR 2021/2022 BUDGET; AND NOTICE OF
REGULAR BOARD**

In the Twentieth Judicial Circuit Court was published in said newspaper in the issues of:

07/22/2021, 07/29/2021

Affiant further says that the said News-Press is a paper of general circulation daily in Lee County and published at Fort Myers, in said Lee County, Florida, and that the said newspaper has heretofore been continuously published in said Lee County, Florida each day and has been entered as periodicals matter at the post office in Fort Myers, in said Lee 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 or she has never 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.

Sworn to and Subscribed before me this 29th of July 2021, by legal clerk who is personally known to me.



Affiant



Notary State of Wisconsin, County of Brown

1-7-25

My commission expires

of Affidavits 1

This is not an invoice

VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT

NOTICE OF PUBLIC HEARING TO CONSIDER THE ADOPTION OF THE FISCAL YEAR 2021/2022 BUDGET; AND NOTICE OF REGULAR BOARD OF SUPERVISORS' MEETING.

The Board of Supervisors ("Board") of the Verandah East Community Development District ("District") will hold a public hearing on August 11, 2021 at 1:00 p.m., at the Verandah Sales Office, 11571 Verandah Blvd., Ft. Myers, Florida 33905 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, 2021 and ending September 30, 2022 ("Fiscal Year 2021/2022") 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 District Manager, Wrathell, Hunt and Associates, LLC, by mail at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 or by phone at (561) 571-0010 ("District Manager's office"), during normal business hours, or by visiting the District's website, <https://www.verandahcdds.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 meeting because of a disability or physical impairment should contact the District Manager's Office at least forty-eight (48) hours prior to the 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 Manager's 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
AD # 4819547

July 22, 29, 2021

KATHLEEN ALLEN
Notary Public
State of Wisconsin

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

7B

RESOLUTION 2021-09

THE ANNUAL APPROPRIATION RESOLUTION OF THE VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGETS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021, AND ENDING SEPTEMBER 30, 2022; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has, prior to the fifteenth (15th) day in June, 2021, submitted to the Board of Supervisors (“**Board**”) of the Verandah East Community Development District (“**District**”) proposed budgets (“**Proposed Budget**”) for the fiscal year beginning October 1, 2021 and ending September 30, 2022 (“**Fiscal Year 2021/2022**”) 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 Budget 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 VERANDAH EAST 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 Verandah East Community Development District for the Fiscal Year Ending September 30, 2021."
- 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 2021/2022, the sum of \$1,639,460 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	\$ 169,616
DEBT SERVICE FUND - (SERIES 2016)	<u>\$1,469,844</u>
TOTAL ALL FUNDS	\$1,639,460

SECTION 3. BUDGET AMENDMENTS

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within Fiscal Year 2021/2022 or within 60 days following the end of the Fiscal Year 2021/2022 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 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 11th DAY OF AUGUST, 2021.

ATTEST:

**VERANDAH EAST COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

By: _____

Its: _____

Exhibit A

**VERANDAH EAST & VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICTS
PROPOSED BUDGETS
FISCAL YEAR 2022**

**VERANDAH EAST & VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICTS
TABLE OF CONTENTS**

Description	Page Number(s)
Combined General Fund Budgets	1 - 2
Definitions of General Fund Expenditures	3 - 4
General Fund Budget - Verandah East	5 - 6
General Fund Budget - Verandah West	7 - 8
Debt Service Fund Budget - Verandah East - Series 2016 Bonds	9
Debt Service Fund - Verandah East - Series 2016 Bonds - Debt Service Schedule	10
Debt Service Fund Budget - Verandah West - Series 2013 Bonds	11
Debt Service Fund - Verandah West - Series 2013 A Bonds - Debt Service Schedule	12
Projected Assessments - Verandah East	13
Projected Assessments - Verandah West	14

**VERANDAH EAST & VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICTS
COMBINED GENERAL FUND BUDGETS
FISCAL YEAR 2022**

	Fiscal Year 2021			Total Revenue and Expenditures	Proposed FY 2022 Budget
	Adopted FY 2021 Budget	Actual through 3/31/2021	Projected through 9/30/2021		
REVENUES					
Assessment levy: on-roll - gross	\$ 382,653				\$ 382,644
Allowable discounts (4%)	(15,306)				(15,306)
Assessment levy: on-roll - net	367,347	\$ 355,805	\$ 11,542	\$ 367,347	367,338
Assessment levy: off-roll	19,155	9,577	9,578	19,155	19,154
Interest and miscellaneous	600	34	566	600	600
Total revenues	387,102	365,416	21,686	387,102	387,092
EXPENDITURES					
Professional & admin					
Supervisors	7,000	1,400	5,600	7,000	7,000
Management and accounting	124,960	62,480	62,480	124,960	124,960
Audit	14,900	4,000	10,900	14,900	14,900
Legal	10,000	2,848	7,152	10,000	10,000
Field management	21,163	10,581	10,582	21,163	21,163
Engineering	5,000	17,775	1,000	18,775	5,000
Trustee	10,000	5,375	4,625	10,000	10,000
Dissemination agent	8,280	4,140	4,140	8,280	8,280
Arbitrage rebate calculation	3,000	-	3,000	3,000	3,000
Assessment roll preparation	24,000	24,000	86	24,086	24,000
Telephone	775	388	387	775	775
Postage	500	236	264	500	500
Insurance	13,030	13,006	-	13,006	13,300
Printing & binding	1,614	807	807	1,614	1,614
Legal advertising	1,500	646	854	1,500	1,500
Office expenses & supplies	250	535	-	535	250
Website	1,410	-	1,410	1,410	1,410
ADA website compliance	400	-	400	400	400
Contingencies	1,500	692	808	1,500	1,500
Annual district filing fee	350	350	-	350	350
Total professional & admin	249,632	149,259	114,495	263,754	249,902
Water management					
Contractual services	115,000	42,649	72,351	115,000	115,000
Aquascaping/pipe cleanout	5,000	-	5,000	5,000	5,000
Utilities	3,000	-	3,000	3,000	3,000
Contingencies	6,000	301	1,000	1,301	5,000
Total water management	129,000	42,950	81,351	124,301	128,000

**VERANDAH EAST & VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICTS
COMBINED GENERAL FUND BUDGETS
FISCAL YEAR 2022**

	Fiscal Year 2021			Total Revenue and Expenditures	Proposed FY 2022 Budget
	Adopted FY 2021 Budget	Actual through 3/31/2021	Projected through 9/30/2021		
Other fees and charges					
Property appraiser	1,740	1,631	109	1,740	1,740
Tax collector	5,740	2,365	3,375	5,740	5,740
Total other fees and charges	<u>7,480</u>	<u>3,996</u>	<u>3,484</u>	<u>7,480</u>	<u>7,480</u>
Total expenditures	<u>386,112</u>	<u>196,205</u>	<u>199,330</u>	<u>395,535</u>	<u>385,382</u>
Net increase/(decrease) of fund balance	990	169,211	(177,644)	(8,433)	1,710
Fund balance - beginning (unaudited)	145,818	155,752	324,963	155,752	147,319
Fund balance - ending (projected)	<u>\$ 146,808</u>	<u>\$ 324,963</u>	<u>\$ 147,319</u>	<u>\$ 147,319</u>	<u>\$ 149,029</u>

Combined Assessment Summary				
Description	Units	FY 2021 Assessment	Proposed Assessment	Total Revenue
On-roll	1,642.00	\$ 233.04	\$ 233.04	\$ 382,651.68
Off-roll	87.40	219.16	219.16	19,154.58
Total units:	<u>1,729.40</u>		Total revenue:	<u>401,806.26</u>

**VERANDAH EAST & VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICTS
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES

Supervisors	\$ 7,000
Statutorily set at \$200 for each meeting of the Board of Supervisors not to exceed \$4,800 for each fiscal year. The District anticipates four (4) meetings and all five (5) Board Members receiving fees.	
Management and accounting	124,960
Wrathell, Hunt and Associates, LLC specializes in managing Community Development Districts in the State of Florida by combining the knowledge, skills and experience of a team of professionals to ensure compliance with all governmental requirements of the Districts, develop financing programs, oversee the issuance of tax exempt bonds, and operate and maintain the assets of the community.	
Audit Fees	14,900
The Districts are required to complete annual, independent examinations of their accounting records and procedures. These audits are conducted pursuant to Florida law and the rules of the Florida Auditor General.	
Legal	10,000
The District's attorney provides on-going general counsel and legal representation. He handles issues relating to public finance, public bidding, rulemaking, open meetings, public records, real property dedications, conveyances and contracts.	
Field management	21,163
Wrathell, Hunt & Associates, LLC is responsible for day-to-day field operations. These responsibilities include, but are not limited to, preparing and bidding services, contract administration, hiring and maintaining qualified personnel, preparing operating schedules and policies, ensuring compliance with operating permits, preparing and implementing field operating budgets, providing District-related information to the public and attending board meetings.	
Engineering	5,000
Johnson Engineering provides an array of engineering and consulting services to the Districts, assisting in developing infrastructure and improvement-related solutions for them in addition to advising the Districts on facility maintenance.	
Trustee	10,000
Annual fees paid to U.S. Bank for acting as trustee, paying agent and registrar.	
Dissemination agent	8,280
The Districts must annually disseminate financial information in order to comply with the requirements of Rule 15c2-12 under the Securities & Exchange Act of 1934.	
Arbitrage rebate calculation	3,000
To ensure the Districts' compliance with all tax regulations, annual computations are necessary to calculate arbitrage rebate liability.	
Assessment roll preparation	24,000
The Districts have contracts with AJC Associates, Inc., to prepare the annual assessment rolls.	
Telephone	775
Telephone and fax machine services.	
Postage	500
Mailing of agenda packages, overnight deliveries, correspondence, etc.	
Insurance	13,300
The Districts carry public officials liability and general liability insurance. Each District has a general liability insurance limit of \$1,000,000 (\$2,000,000 general aggregate) and a public officials liability limit of \$1,000,000.	

**VERANDAH EAST & VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICTS
DEFINITIONS OF GENERAL FUND EXPENDITURES**

EXPENDITURES (continued)	
Printing & binding	1,614
Letterhead, envelopes, copies, etc.	
Legal advertising	1,500
Required advertisements for monthly meetings, special meetings, public hearings, bidding, etc.	
Office expenses & supplies	250
Administrative and accounting supplies.	
Website	1,410
ADA website compliance	400
Contingencies	1,500
Bank charges and miscellaneous expenses incurred throughout the year.	
Annual district filing fee	350
Annual fee paid to the Department of Economic Opportunity.	
Contractual services	115,000
Contracts entered into by the Districts for water management related professional services.	
Aquascaping/pipe cleanout	5,000
Expenses incurred relating to supplemental lake littoral plantings and lake interconnect pipe cleanout.	
Utilities	3,000
Covers the costs of Electricity for CDD aerators.	
Contingencies	5,000
Miscellaneous water management expenses incurred throughout the year.	
Property appraiser	1,740
The property appraiser's fee is \$1.00 per parcel.	
Tax collector	5,740
The tax collector's fee is 1.5% of assessments collected.	
Total expenditures	<u><u>385,382</u></u>

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2022**

	Fiscal Year 2021			Total Revenue and Expenditures	Proposed FY 2022 Budget
	Adopted FY 2021 Budget	Actual through 3/31/2021	Projected through 9/30/2021		
REVENUES					
Assessment levy: on-roll - gross	\$ 176,413				\$ 176,409
Allowable discounts (4%)	(7,057)				(7,056)
Assessment levy: on-roll - net	169,356	\$ 167,233	\$ 2,123	\$ 169,356	169,353
Interest and miscellaneous	263	17	246	263	263
Total revenues	169,619	167,250	2,369	169,619	169,616
EXPENDITURES					
Professional & admin					
Supervisors	3,064	618	2,446	3,064	3,064
Management and accounting	54,698	27,534	27,164	54,698	54,698
Audit	6,522	1,765	4,757	6,522	6,522
Legal	4,377	1,258	3,119	4,377	4,377
Field management	9,264	4,663	4,601	9,264	9,264
Engineering	2,189	7,844	500	8,344	2,189
Trustee	4,377	2,372	2,005	4,377	4,377
Dissemination agent	3,624	1,825	1,799	3,624	3,624
Arbitrage rebate calculation	1,313	-	1,313	1,313	1,313
Assessment roll preparation	10,505	10,591	-	10,591	10,505
Telephone	339	171	168	339	339
Postage	219	104	115	219	219
Insurance	5,704	5,740	-	5,740	5,822
Printing & binding	706	355	351	706	706
Legal advertising	657	285	372	657	657
Office expenses & supplies	109	236	-	236	109
Website	617	-	617	617	617
ADA website compliance	175	-	175	175	175
Contingencies	657	359	298	657	657
Annual district filing fee	153	154	-	154	153
Total professional & admin	109,269	65,874	49,800	115,674	109,387
Water management					
Contractual services	50,338	21,187	29,151	50,338	50,338
Aquascaping/Pipe Cleanout	2,189	-	2,189	2,189	2,189
Utilities	1,313	-	1,313	1,313	1,313
Contingencies	2,626	133	500	633	2,189
Total water management	56,466	21,320	33,153	54,473	56,029

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2022**

	Fiscal Year 2021			Total Revenue and Expenditures	Proposed FY 2022 Budget
	Adopted FY 2021 Budget	Actual through 3/31/2021	Projected through 9/30/2021		
Other fees and charges					
Property appraiser	802	720	82	802	802
Tax collector	2,646	1,090	1,556	2,646	2,646
Total other fees and charges	<u>3,448</u>	<u>1,810</u>	<u>1,638</u>	<u>3,448</u>	<u>3,448</u>
Total expenditures	<u>169,183</u>	<u>89,004</u>	<u>84,591</u>	<u>173,595</u>	<u>168,864</u>
 Net increase/(decrease) of fund balance	 436	 78,246	 (82,222)	 (3,976)	 752
 Fund balance - beginning (unaudited)	 33,163	 36,904	 115,150	 36,904	 32,928
Fund balance - ending (projected)	<u>\$ 33,599</u>	<u>\$ 115,150</u>	<u>\$ 32,928</u>	<u>\$ 32,928</u>	<u>\$ 33,680</u>

Assessment Summary

Description	FY 2021		Proposed Assessment	Total Revenue
	Units	Assessment		
On-roll	757.00	\$ 233.05	\$ 233.04	\$ 176,411.28
Off-roll	0.00	219.17	219.16	0.00
Total units:	<u>757.00</u>		Total revenue:	<u>\$ 176,411.28</u>

**VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2022**

	Fiscal Year 2021			Total Revenue and Expenditures	Proposed FY 2022 Budget
	Adopted FY 2021 Budget	Actual through 3/31/2021	Projected through 9/30/2021		
REVENUES					
Assessment levy: on-roll - gross	\$ 206,241				\$ 206,234
Allowable discounts (4%)	(8,250)				(8,249)
Assessment levy: on-roll - net	197,991	\$ 188,572	\$ 9,419	\$ 197,991	197,985
Assessment levy: off-roll	19,155	9,577	9,578	19,155	19,154
Interest and miscellaneous	337	17	320	337	337
Total revenues	<u>217,483</u>	<u>198,166</u>	<u>19,317</u>	<u>217,483</u>	<u>217,476</u>
EXPENDITURES					
Professional & admin					
Supervisors	3,936	782	3,154	3,936	3,936
Management and accounting	70,262	34,946	35,316	70,262	70,262
Audit	8,378	2,235	6,143	8,378	8,378
Legal	5,623	1,590	4,033	5,623	5,623
Field management	11,899	5,918	5,981	11,899	11,899
Engineering	2,811	9,931	500	10,431	2,811
Trustee	5,623	3,003	2,620	5,623	5,623
Dissemination agent	4,656	2,315	2,341	4,656	4,656
Arbitrage rebate calculation	1,687	-	1,687	1,687	1,687
Assessment roll preparation	13,495	13,409	86	13,495	13,495
Telephone	436	217	219	436	436
Postage	281	132	149	281	281
Insurance	7,326	7,266	-	7,266	7,478
Printing & binding	908	452	456	908	908
Legal advertising	843	361	482	843	843
Office expenses & supplies	141	299	-	299	141
Website	793	-	793	793	793
ADA website compliance	225	-	225	225	225
Contingencies	843	333	510	843	843
Annual district filing fee	197	196	-	196	197
Total professional & admin fees	<u>140,363</u>	<u>83,385</u>	<u>64,695</u>	<u>148,080</u>	<u>140,515</u>
Water management					
Contractual services	64,662	21,462	43,200	64,662	64,662
Aquascaping/Pipe Cleanout	2,811	-	2,811	2,811	2,811
Utilities	1,687	-	1,687	1,687	1,687
Contingencies	3,374	168	500	668	2,811
Total water management	<u>72,534</u>	<u>21,630</u>	<u>48,198</u>	<u>69,828</u>	<u>71,971</u>

**VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND BUDGET
FISCAL YEAR 2022**

	Fiscal Year 2021			Total Revenue and Expenditures	Proposed FY 2022 Budget
	Adopted FY 2021 Budget	Actual through 3/31/2021	Projected through 9/30/2021		
Other fees and charges					
Property appraiser	938	911	27	938	938
Tax collector	3,094	1,275	1,819	3,094	3,094
Total other fees and charges	<u>4,032</u>	<u>2,186</u>	<u>1,846</u>	<u>4,032</u>	<u>4,032</u>
Total expenditures	<u>216,929</u>	<u>107,201</u>	<u>114,739</u>	<u>221,940</u>	<u>216,518</u>
 Net Increase/(decrease) of fund balance	 554	 90,965	 (95,422)	 (4,457)	 958
 Fund balance - beginning (unaudited)	 112,655	 118,848	 209,813	 118,848	 114,391
Fund balance - ending (projected)	<u><u>\$ 113,209</u></u>	<u><u>\$ 209,813</u></u>	<u><u>\$ 114,391</u></u>	<u><u>\$ 114,391</u></u>	<u><u>\$ 115,349</u></u>

Assessment Summary

Description	Units	FY 2021 Assessment	Proposed Assessment	Total Revenue
On-roll	885.00	\$ 233.04	\$ 233.04	\$ 206,240.40
Off-roll	87.40	219.16	219.16	19,154.58
Total units:	<u><u>972.40</u></u>		Total revenue:	<u><u>\$ 225,394.98</u></u>

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND - SERIES 2016 BONDS
FISCAL YEAR 2022**

	Fiscal Year 2021				Proposed FY 2022 Budget
	Adopted FY 2021 Budget	Actual through 3/31/2021	Projected through 9/30/2021	Total Revenue and Expenditures	
REVENUES					
Assessment levy: on-roll - gross	\$ 1,507,189				\$ 1,507,189
Allowable discounts (4%)	(60,288)				(60,288)
Assessment levy: on-roll - net	1,446,901	\$ 1,419,185	\$ 27,716	\$ 1,446,901	1,446,901
Interest	-	28	-	28	-
Total revenues	1,446,901	1,419,213	27,716	1,446,929	1,446,901
EXPENDITURES					
Debt service					
Principal	760,000	-	760,000	760,000	785,000
Interest	710,494	355,247	355,247	710,494	684,844
Total debt service	1,470,494	355,247	1,115,247	1,470,494	1,469,844
Excess/(deficiency) of revenues over/(under) expenditures	(23,593)	1,063,966	(1,087,531)	(23,565)	(22,943)
Fund balance:					
Net increase/(decrease) in fund balance	(23,593)	1,063,966	(1,087,531)	(23,565)	(22,943)
Beginning fund balance (unaudited)	840,119	899,540	1,963,506	899,540	875,975
Ending fund balance (projected)	\$ 816,526	\$ 1,963,506	\$ 875,975	\$ 875,975	853,032
Use of fund balance					
Debt service reserve account balance (Required)					(375,000)
Interest expense - November 1, 2022					(327,703)
Projected fund balance surplus/(deficit) as of September 30, 2022					\$ 150,329

Verandah East
Community Development District
Series 2016
\$20,615,000

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2021	-	-	342,421.88	342,421.88
05/01/2022	785,000.00	3.750%	342,421.88	1,127,421.88
11/01/2022	-	-	327,703.13	327,703.13
05/01/2023	815,000.00	3.750%	327,703.13	1,142,703.13
11/01/2023	-	-	312,421.88	312,421.88
05/01/2024	845,000.00	3.750%	312,421.88	1,157,421.88
11/01/2024	-	-	296,578.13	296,578.13
05/01/2025	880,000.00	3.750%	296,578.13	1,176,578.13
11/01/2025	-	-	280,078.13	280,078.13
05/01/2026	910,000.00	3.750%	280,078.13	1,190,078.13
11/01/2026	-	-	263,015.63	263,015.63
05/01/2027	950,000.00	4.000%	263,015.63	1,213,015.63
11/01/2027	-	-	244,015.63	244,015.63
05/01/2028	985,000.00	4.000%	244,015.63	1,229,015.63
11/01/2028	-	-	224,315.63	224,315.63
05/01/2029	1,025,000.00	4.000%	224,315.63	1,249,315.63
11/01/2029	-	-	203,815.63	203,815.63
05/01/2030	1,065,000.00	4.000%	203,815.63	1,268,815.63
11/01/2030	-	-	182,515.63	182,515.63
05/01/2031	1,105,000.00	4.000%	182,515.63	1,287,515.63
11/01/2031	-	-	160,415.63	160,415.63
05/01/2032	1,155,000.00	4.125%	160,415.63	1,315,415.63
11/01/2032	-	-	136,593.75	136,593.75
05/01/2033	1,200,000.00	4.125%	136,593.75	1,336,593.75
11/1/2033	-	-	111,843.75	111,843.75
5/1/2034	1,250,000.00	4.125%	111,843.75	1,361,843.75
11/1/2034	-	-	86,062.50	86,062.50
5/1/2035	1,305,000.00	4.250%	86,062.50	1,391,062.50
11/1/2035	-	-	58,331.25	58,331.25
5/1/2036	1,355,000.00	4.250%	58,331.25	1,413,331.25
11/1/2036	-	-	29,537.50	29,537.50
5/1/2037	1,390,000.00	4.250%	29,537.50	1,419,537.50
Total	\$17,020,000.00	-	\$6,519,331.36	\$23,539,331.36

**VERANDAH WEST
COMMUNITY DEVELOPMENT DISTRICT
DEBT SERVICE FUND - SERIES 2013 BONDS**

	Fiscal Year 2021				Proposed FY 2022 Budget
	Adopted FY 2021 Budget	Actual through 3/31/2021	Projected through 9/30/2021	Total Revenue and Expenditures	
REVENUES					
Assessment levy: on-roll - gross	\$ 950,902				\$ 950,902
Allowable discounts (4%)	(38,036)				(38,036)
Assessment levy: on-roll - net	912,866	\$ 863,756	\$ 49,110	\$ 912,866	912,866
Assessment levy: off-roll	334,856	76,412	258,444	334,856	334,046
Interest	-	22	-	22	-
Total revenues	<u>1,247,722</u>	<u>940,190</u>	<u>307,554</u>	<u>1,247,744</u>	<u>1,246,912</u>
EXPENDITURES					
Debt service					
Principal	675,000	-	675,000	675,000	700,000
Interest	566,700	283,350	283,350	566,700	538,700
Prepayment	-	-	20,000	20,000	-
Total expenditures	<u>1,241,700</u>	<u>283,350</u>	<u>978,350</u>	<u>1,261,700</u>	<u>1,238,700</u>
Excess/(deficiency) of revenues over/(under) expenditures	6,022	656,840	(670,796)	(13,956)	8,212
Fund balance:					
Net increase/(decrease) in fund balance	6,022	656,840	(670,796)	(13,956)	8,212
Beginning fund balance (unaudited)	676,201	680,204	1,337,044	680,204	666,248
Ending fund balance (projected)	<u>\$ 682,223</u>	<u>\$ 1,337,044</u>	<u>\$ 666,248</u>	<u>\$ 666,248</u>	<u>674,460</u>
Use of fund balance					
Debt service reserve account balance (required)					(448,350)
Interest expense - November 1, 2022					(255,350)
Projected fund balance surplus/(deficit) as of September 30, 2022					<u>\$ (29,240)</u>

Verandah West

Community Development District

Series 2013

\$15,920,000

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/01/2021	-	-	269,350.00	269,350.00
05/01/2022	700,000.00	4.000%	269,350.00	969,350.00
11/01/2022	-	-	255,350.00	255,350.00
05/01/2023	730,000.00	4.000%	255,350.00	985,350.00
11/01/2023	-	-	240,750.00	240,750.00
05/01/2024	760,000.00	5.000%	240,750.00	1,000,750.00
11/01/2024	-	-	221,750.00	221,750.00
05/01/2025	800,000.00	5.000%	221,750.00	1,021,750.00
11/01/2025	-	-	201,750.00	201,750.00
05/01/2026	840,000.00	5.000%	201,750.00	1,041,750.00
11/01/2026	-	-	180,750.00	180,750.00
05/01/2027	885,000.00	5.000%	180,750.00	1,065,750.00
11/01/2027	-	-	158,625.00	158,625.00
05/01/2028	930,000.00	5.000%	158,625.00	1,088,625.00
11/01/2028	-	-	135,375.00	135,375.00
05/01/2029	975,000.00	5.000%	135,375.00	1,110,375.00
11/01/2029	-	-	111,000.00	111,000.00
05/01/2030	1,030,000.00	5.000%	111,000.00	1,141,000.00
11/01/2030	-	-	85,250.00	85,250.00
05/01/2031	1,080,000.00	5.000%	85,250.00	1,165,250.00
11/01/2031	-	-	58,250.00	58,250.00
05/01/2032	1,135,000.00	5.000%	58,250.00	1,193,250.00
11/01/2032	-	-	29,875.00	29,875.00
05/01/2033	1,195,000.00	5.000%	29,875.00	1,224,875.00
Total	\$11,060,000.00	-	\$3,896,150.00	\$14,956,150.00

**Verandah East
Community Development District
Projected Assessments
Fiscal Year 2021-2022
2016 Series Bonds**

PRELIMINARY

**Lee County
15 years remaining**

Neighborhoods	Parcel #	# Units	Bond Designation	Debt Service Assessment	O & M Assessment	Total Assessment	Outstanding Principal after 2021-2022 tax payment
Arlington Oaks	119	31	SF 100-1	\$ 3,755.00	\$ 233.04	\$ 3,988.04	\$ 40,453.75
Brantley Oaks	117	23	SF 100-2	3,500.00	233.04	3,733.04	37,701.00
Whispering Oaks	118	31	SF-100-2	3,500.00	233.04	3,733.04	37,701.00
Torey Pines	127S	26	SF-85-1	2,963.00	233.04	3,196.04	31,896.84
Cedar Hammock	124	38	SF 85-2	2,600.00	233.04	2,833.04	28,006.45
Edgewater Trace	127N	23	SF 75	2,662.85	233.04	2,895.89	28,665.69
Palmetto Grove	120	34	SF 70-2	2,000.00	233.04	2,233.04	21,528.01
Sabal Point	121	29	SF 70-3	1,400.00	233.04	1,633.04	15,080.40
Otter Bend	123	45	Villa 60-1	1,600.00	233.04	1,833.04	17,234.74
Citrus Creek	122	30	Villa 60-2	1,300.00	233.04	1,533.04	14,003.13
Woodhaven	126	72	Villa 60-3	2,000.00	233.04	2,233.04	21,528.01
Willow Bend	128	26	SF 50	1,616.00	233.04	1,849.04	17,413.37
Ambleswind Cove	132	54	SF 50	1,616.00	233.04	1,849.04	17,413.37
Heritage Preserve	131	108	SF 50	1,616.00	233.04	1,849.04	17,413.37
Magnolia Pointe	129/130	51	SF 50	1,616.00	233.04	1,849.04	17,413.37
Willow Ridge	132	43	SF 50	1,616.00	233.04	1,849.04	17,413.37
Fairway Cove	125	93	SF 50	1,616.00	233.04	1,849.04	17,413.37

757

Fiscal Year 2020 - 2021 assessments:							
			SF 100-1	\$ 3,755.00	\$ 233.05	\$ 3,988.05	\$ 42,409.78
			SF 100-2	3,500.00	233.05	3,733.05	39,523.93
			SF 85-1	2,963.00	233.05	3,196.05	33,439.13
			SF 85-2	2,600.00	233.05	2,833.05	29,360.62
			SF 75	2,662.85	233.05	2,895.90	30,051.74
			SF 70-2	2,000.00	233.05	2,233.05	22,568.94
			SF 70-3	1,400.00	233.05	1,633.05	15,809.57
			Villa 60-1	1,600.00	233.05	1,833.05	18,068.08
			Villa 60-2	1,300.00	233.05	1,533.05	14,680.21
			Villa 60-3	2,000.00	233.05	2,233.05	22,568.94
			SF 50	1,616.00	233.05	1,849.05	18,255.35

**Verandah West
Community Development District
Projected Assessments
Fiscal Year 2021-2022
2013 Series**

*****PRELIMINARY*****

**Lee County
11 years remaining**

Neighborhoods	Bond Designation	Debt Service Assessment	O & M Assessment	Total Assessment	Outstanding Principal after 2021-2022 tax payment
Hammock Creek	River Village	\$ 2,245.81	\$ 233.04	\$ 2,478.85	\$ 17,865.84
Oak Bend	River Village	2,245.81	233.04	2,478.85	17,865.84
Sanctuary Pointe	Custom SF 100	2,245.81	233.04	2,478.85	17,865.84
Shadetree Pointe	Custom SF 100	2,245.81	233.04	2,478.85	17,865.84
Mossy Oak	Custom SF 100	2,245.81	233.04	2,478.85	17,865.84
Cypress Marsh	Custom SF 85	1,641.22	233.04	1,874.26	13,056.21
River Point	Custom SF 85	1,641.22	233.04	1,874.26	13,056.21
Winding River West	Production 70-1 (NO BUYDOWN)	1,628.14	233.04	1,861.18	13,450.33
Shady Bend	Production 70-2	1,122.91	233.04	1,355.95	8,932.92
Royal Palm (Lots 1-11, 22-25)	Single Family 65	1,042.70	233.04	1,275.74	8,294.85
Royal Palm (Lots 12-21)	Single Family 50	777.43	233.04	1,010.47	6,184.56
Orange Tree Bend	SF 60/Villa 55	950.17	233.04	1,183.21	7,558.74
Bramble Cove	Villa 50	777.43	233.04	1,010.47	6,184.56
Lakeview	Villa 50	777.43	233.04	1,010.47	6,184.56
Preserves Edge	Villa 50	777.43	233.04	1,010.47	6,184.56
Idlewild	Coach Home - L	580.46	233.04	813.50	4,617.63
Pebblebrook	Coach Home - L	580.46	233.04	813.50	4,617.63
Cottonwood Bend	Town Homes	518.32	233.04	751.36	4,123.29

Fiscal year 2020 - 2021 assessments:	River Village	\$ 2,245.81	\$ 233.04	\$ 2,478.85	\$ 19,107.74
	Custom SF 100	2,245.81	233.04	\$ 2,478.85	\$ 19,107.74
	Custom SF 85	1,641.22	233.04	\$ 1,874.26	\$ 13,963.79
	Production 70-1	1,628.14	233.04	\$ 1,861.18	\$ 14,385.30
	Production 70-2	1,122.91	233.04	\$ 1,355.95	\$ 9,553.87
	Single Family 65	1,042.70	233.04	\$ 1,275.74	\$ 8,871.65
	Single Family 50	777.43	233.04	\$ 1,010.47	\$ 6,614.46
	SF 60/Villa 55	950.17	233.04	\$ 1,183.21	\$ 8,084.17
	Villa 50	777.43	233.04	\$ 1,010.47	\$ 6,614.46
	Coach Home - L	580.46	233.04	\$ 813.50	\$ 4,938.62
	Town Homes	518.32	233.04	\$ 751.36	\$ 4,409.91

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

8

RESOLUTION 2021-10

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT MAKING A DETERMINATION OF BENEFIT AND IMPOSING SPECIAL ASSESSMENTS FOR FISCAL YEAR 2021/2022; 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 Verandah East Community Development District ("**District**") is a local unit of special-purpose government established 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 Lee 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 ("**Board**") of the District 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, 2021 and ending September 30, 2022 ("**Fiscal Year 2021/2022**"), 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 2021/2022; 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 VERANDAH EAST 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 is shown in **Exhibits "A" and "B,"** and is hereby found to be fair and reasonable.

SECTION 2. ASSESSMENT IMPOSITION. Pursuant to Chapter 190, *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*, the 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. **Direct Bill Assessments.** The operations and maintenance special assessments and previously levied debt service special assessments imposed on the Direct Collect Property shall be collected directly by the District in accordance with Florida law, as set forth in **Exhibits "A" and "B."**

C. **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 11th day of August, 2021.

ATTEST:

**VERANDAH EAST COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

By: _____

Its: _____

Exhibit A: Budget

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

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

9

VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: K2

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

Treat vegetation around opening.

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form
(to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: G15

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

Treat vegetation around opening.

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form
(to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: G1W

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure

Treat vegetation around opening.

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form
(to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: A3A

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

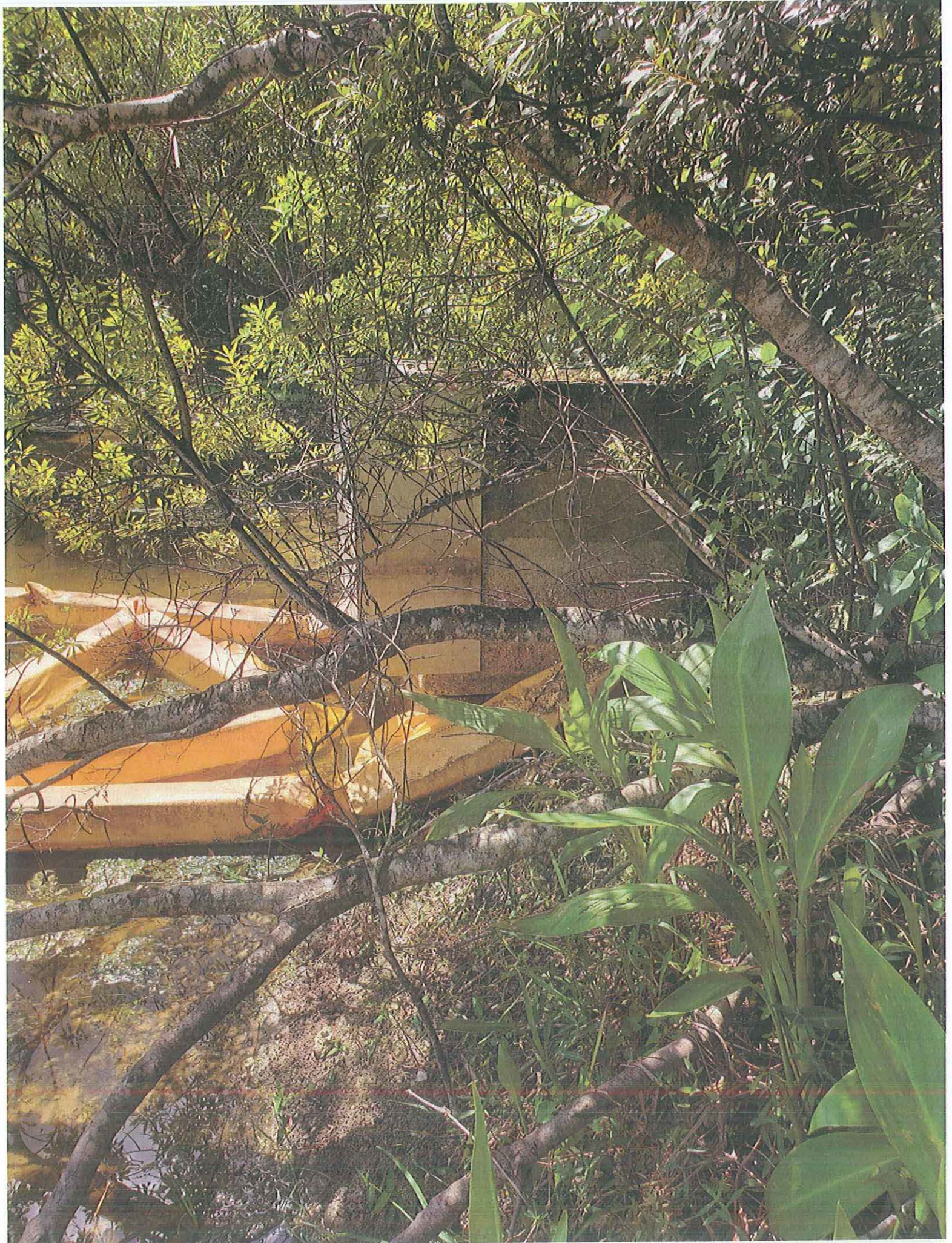
None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

Silt barrier in front of weir. Tree overhanging weir will need trimming

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: A3B

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

Erosion around structure.

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: B

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

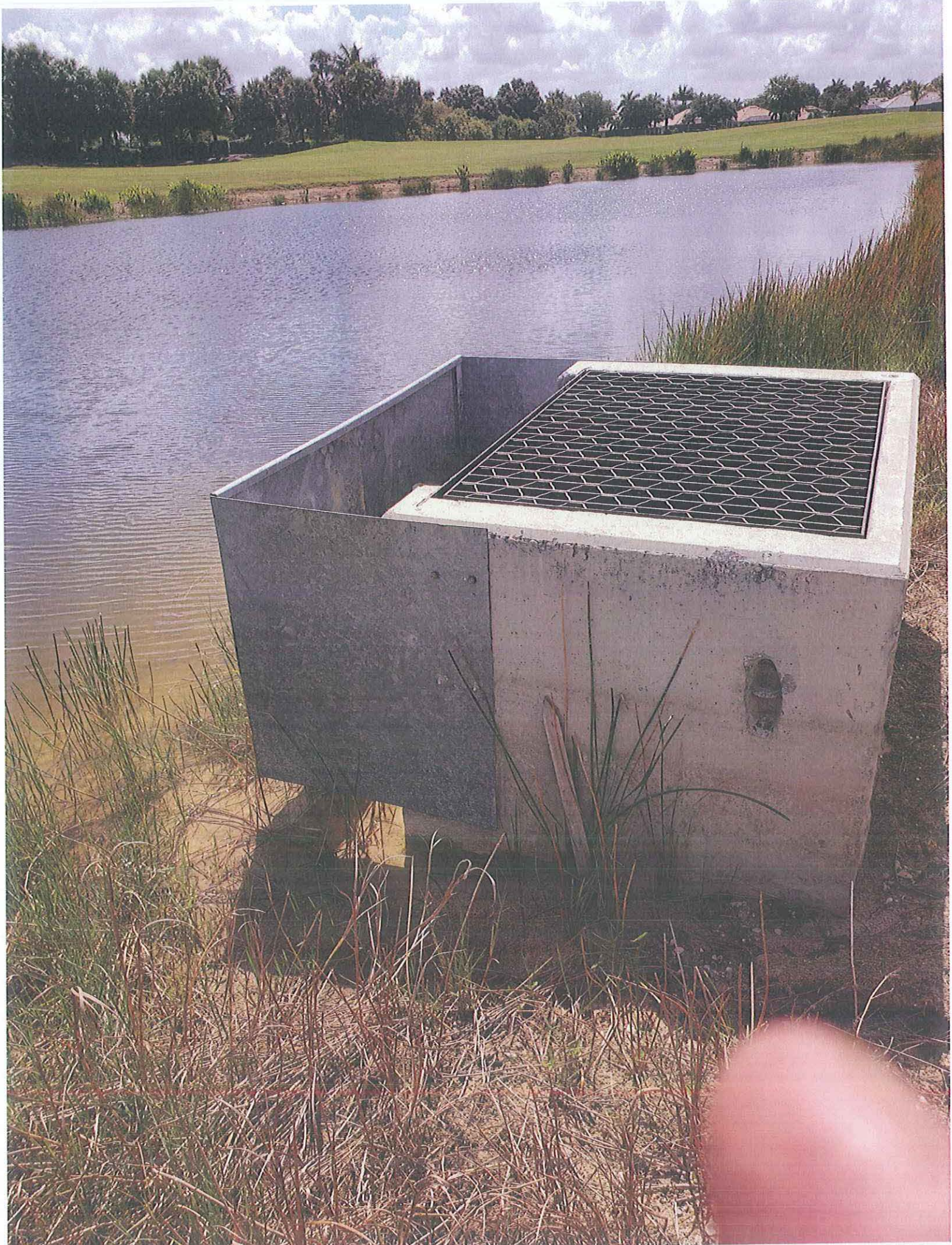
None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

Minor lot line erosion

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: A8

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

Treat vegetation around opening.

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: H1

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

Minor Erosion

Trim Willow growing into weir

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: H8B

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

None

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form
(to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: H14

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

Treat vegetation around opening.

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: E1

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

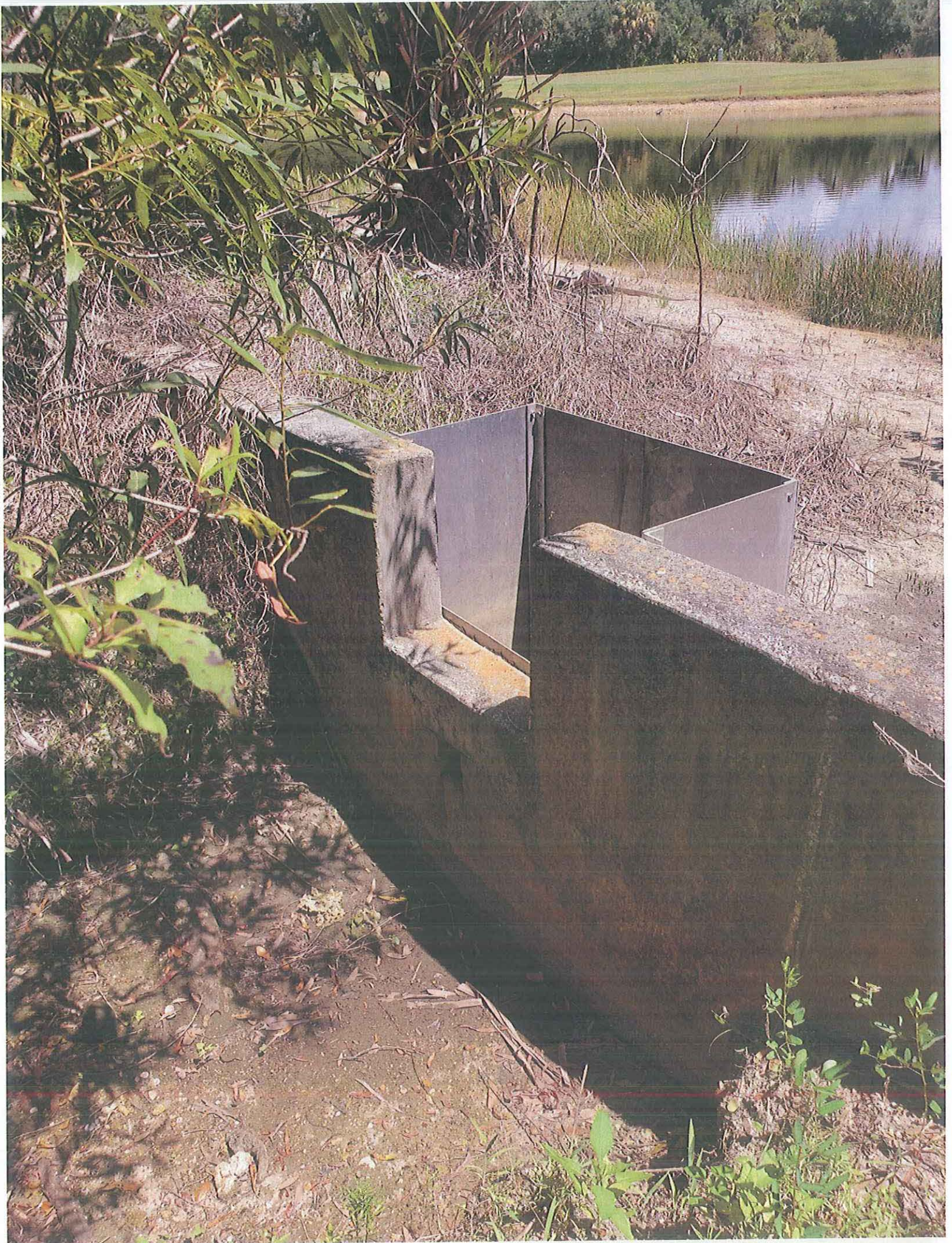
Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

None

Photo Numbers that Correspond with this report: 2





VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form
(to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: E2

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

None

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form
(to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: F

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

Treat vegetation around opening.

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form
(to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: F1A

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

Erosion around structure

Photo Numbers that Correspond with this report: 2





VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: L

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

Treat vegetation around opening.

Photo Numbers that Correspond with this report:

1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: P1

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

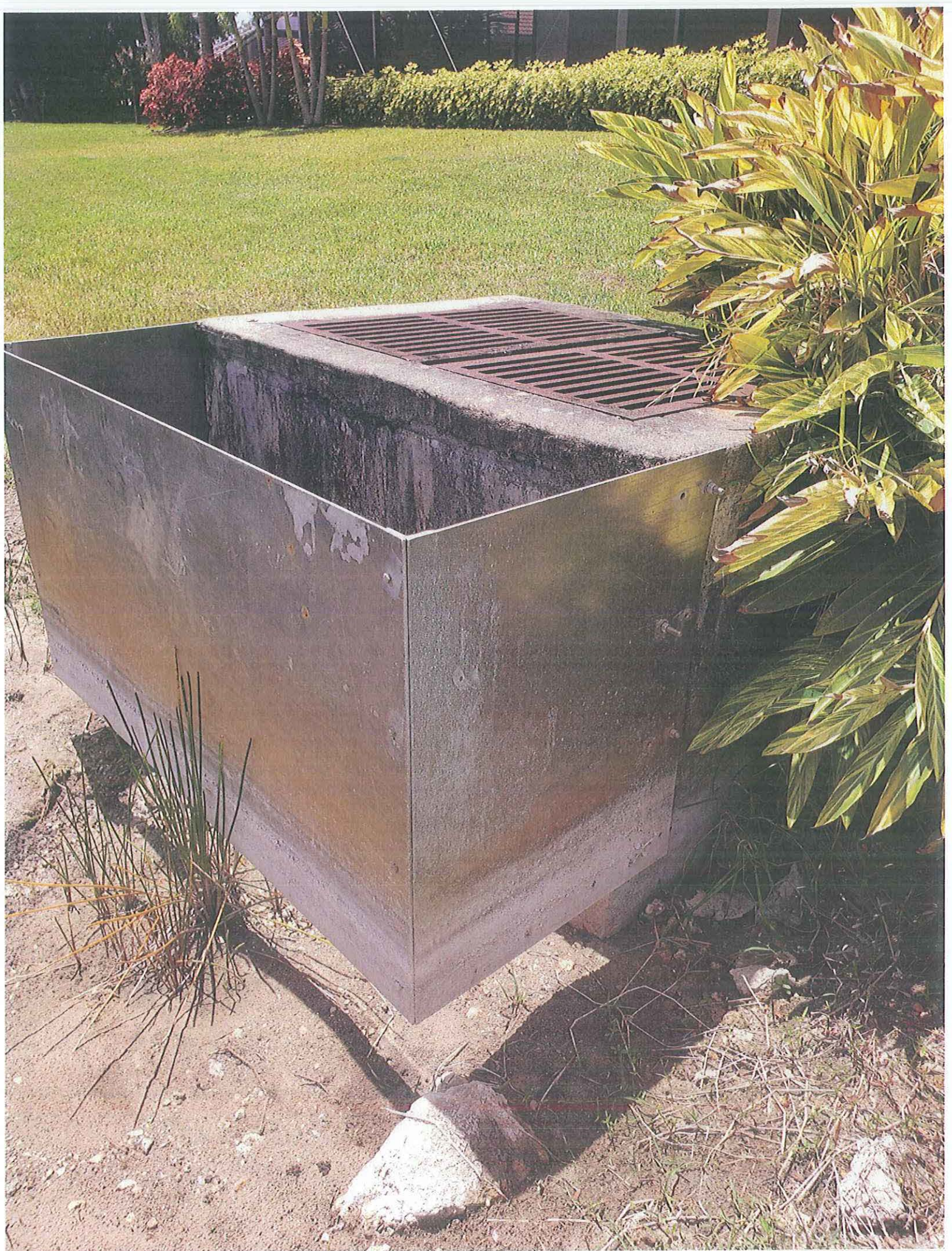
Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

Treat vegetation around opening.

Trim ginger growing from residential property line

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form
(to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: P4

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

Treat vegetation around opening.

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form
(to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: T1

Type of Structure: Weir
(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

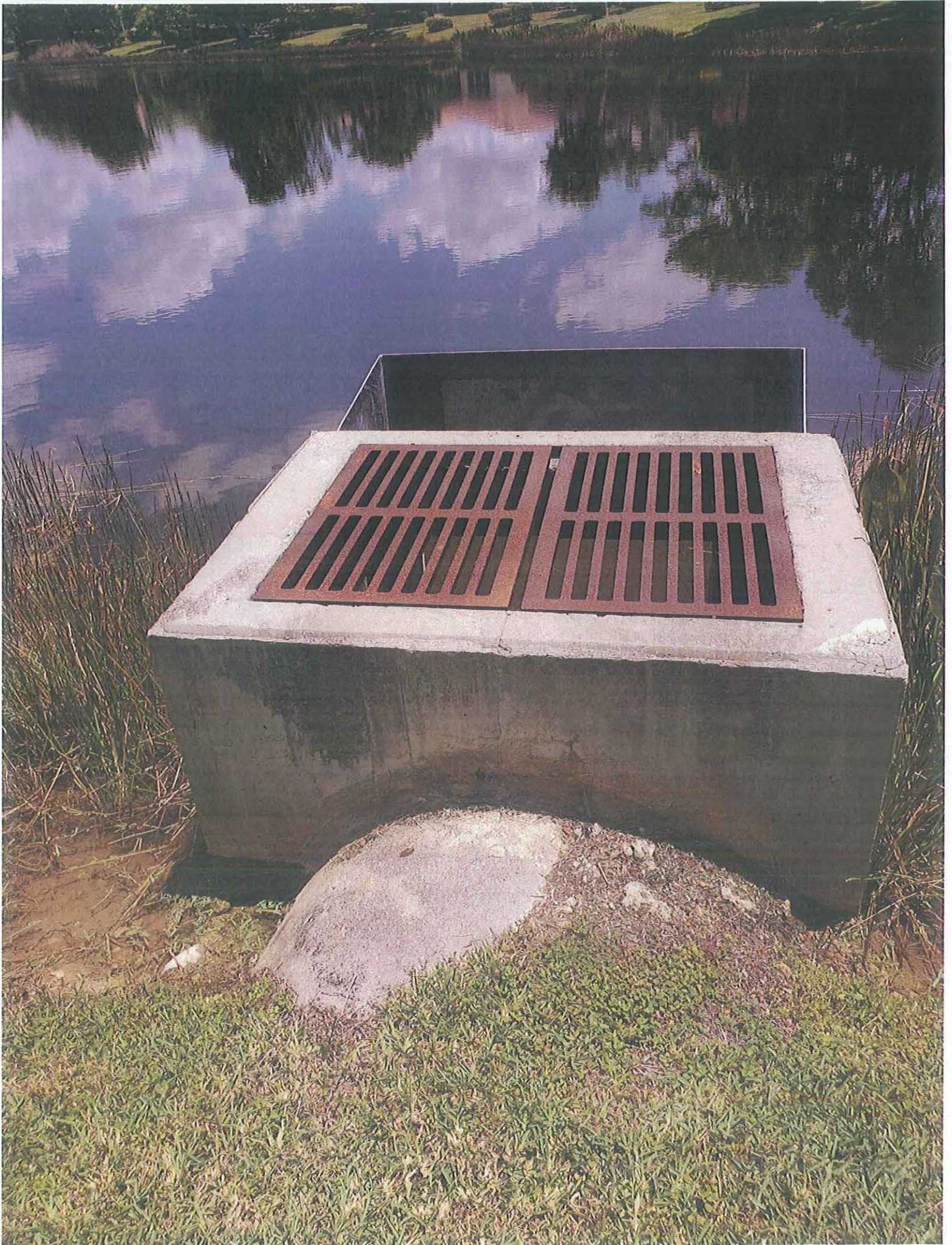
None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

None

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: X

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

None

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: W4

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

Treat vegetation around opening

Leather Fern in weir

Photo Numbers that Correspond with this report: 2





VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form
(to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: S2

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

None

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: S3

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

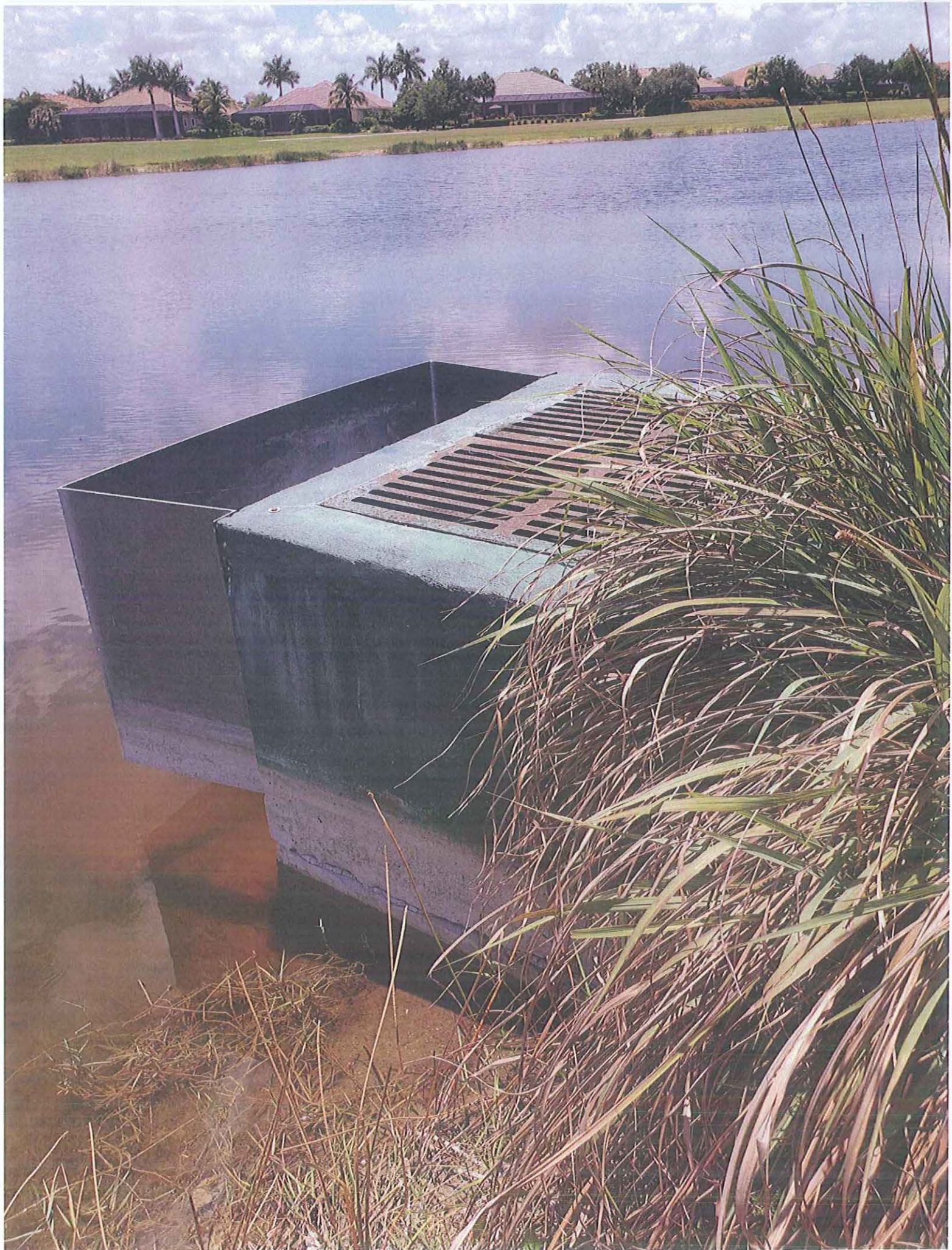
None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

None

Photo Numbers that Correspond with this report: 2



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form
(to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: R1B

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

None

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form
(to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: R1A

Type of Structure: Weir

(I.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (I.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure

Treat vegetation around opening.

Photo Numbers that Correspond with this report: 1



Conservation Area:
No Mowing
or
Vegetation
Removal

VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: BB3

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

None

Photo Numbers that Correspond with this report: 1



VERANDAII EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: U5

Type of Structure: Weir

(I.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (I.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

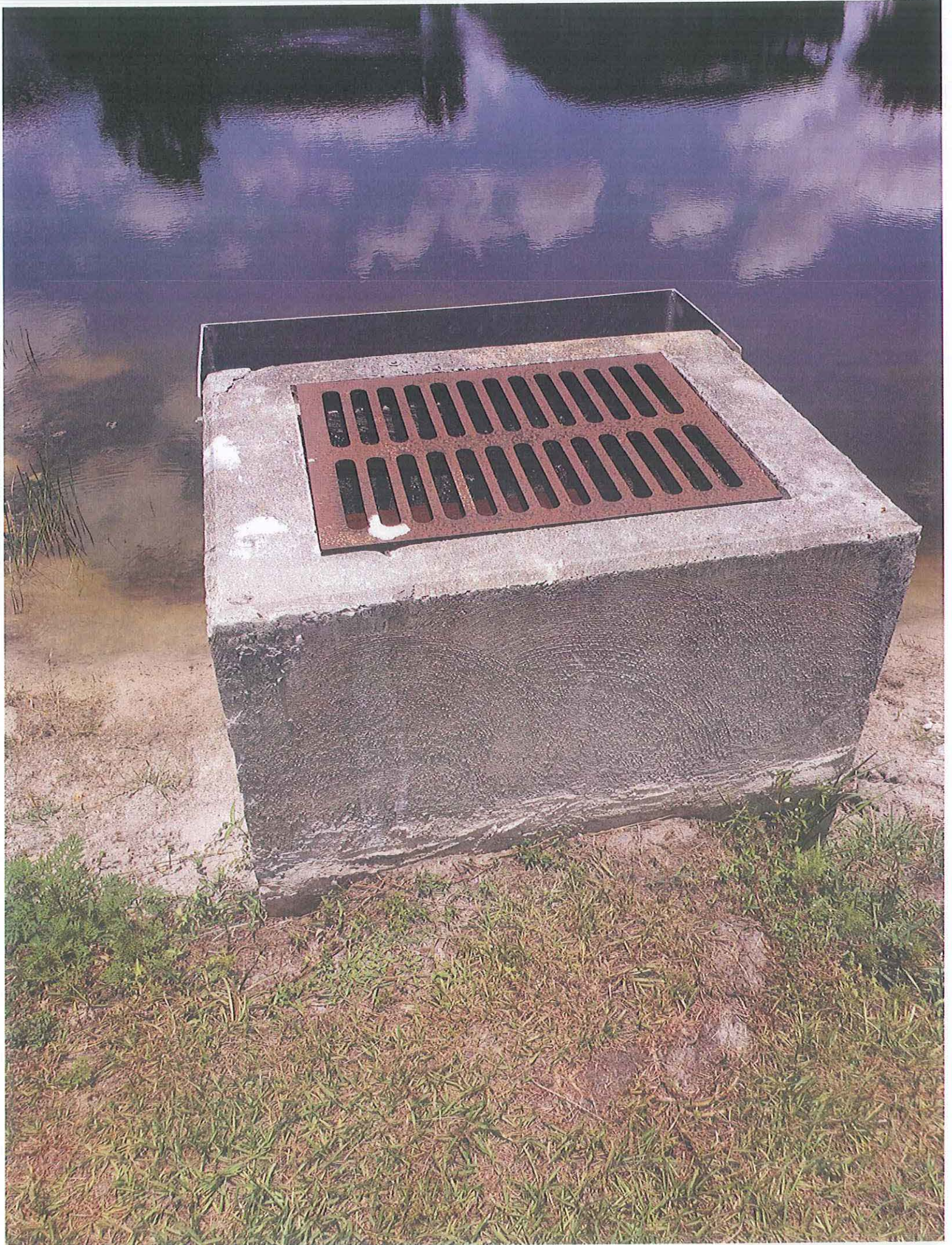
None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

None

Photo Numbers that Correspond with this report: 1



VERANDAH EAST & WEST COMMUNITY DEVELOPMENT DISTRICT'S

Fixed Structure Inspection Form (to be filled out for each structure regardless of findings)

Date: 6/10/2021

Structure I.D.: Z2A

Type of Structure: Weir

(i.e. control structure, headwall etc.)

Structural Inspection:

To include digital photo with brief narrative identifying any observed damage or deterioration that is considered to be above and beyond normal wear and tear.

Good

Functional Inspection:

To include digital photo with brief narrative identifying any conditions that may be having a negative impact on the functionality of the structure. (i.e. sediment in the bottom of a culvert and the estimated percentage of pipe plugged)

None

Additional Conditions Observed:

To include photos, as appropriate, with brief narrative identifying any additional conditions that may have an impact on the structure.

None

Photo Numbers that Correspond with this report: 1



**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

10A

**AGREEMENT BETWEEN THE
VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT
AND VERANDAH COMMUNITY ASSOCIATION, INC.,
FOR FACILITY MANAGEMENT, OPERATION, AND MAINTENANCE SERVICES**

THIS AGREEMENT (the “Agreement”) is made and entered into this 11th day of August, 2021, by and between:

Verandah East Community Development District, a local unit of special purpose government established pursuant to Chapter 190, *Florida Statutes*, whose address is, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 (the “District”); and

Verandah Community Association, Inc., a Florida not-for-profit corporation, whose address is 2100 S. Hiawasse Road, Orlando, Florida (the “Association”).

RECITALS

WHEREAS, the District is a local unit of special-purpose government established, pursuant to the Uniform Community Development District Act of 1980, as codified in Chapter 190, *Florida Statutes* (“Act”), by ordinance of the Board of County Commissioners in and for Lee County, Florida; and

WHEREAS, pursuant to the Act, the District is authorized to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge and extend, equip, operate, and maintain systems, facilities and infrastructure in conjunction with the development of lands within the District; and

WHEREAS, the District presently owns and is continuing to construct and/or acquire various systems, facilities and infrastructure including those facilities identified in the attached **Exhibit A** (the “Improvements” or the “District Property”) requiring inspection, operation and/or maintenance services for which the District desires to retain an independent contractor; and

WHEREAS, the Association is a Florida not-for-profit corporation owning, operating and maintaining various improvements and facilities for the community that the District serves; and

WHEREAS, for ease of administration, potential cost savings to property owners and residents, and the benefits of on-site inspection, operation and maintenance personnel, the District desires to contract with the Association to manage and maintain the District Property.

NOW, THEREFORE, in consideration of the recitals, agreements, and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

SECTION 1. RECITALS. The recitals so stated are true and correct and by this reference are incorporated into and form a material part of this Agreement.

SECTION 2. ASSOCIATION’S OBLIGATION.

- A. *General duties.*** The Association shall be responsible for providing, or causing to be provided, the management, operation, and maintenance of the District Property in a lawful manner. All work shall be in a neat and professional manner and in accordance with industry standards.
- B. *Inspection.*** The Association shall conduct regular inspections of all District Property. In the event the Association discovers any irregularities of, or needs of repair to, the District Property, the Association shall report same to the District Manager or its designated representative and shall promptly correct, or cause to be corrected, any such irregularities or repairs.
- C. *Repair and Maintenance.*** The Association shall make, or cause to be made, such routine repair work or normal maintenance to the District Property as may be required for the operation of the District Property, or as required under applicable government permits. The Association, in consultation with the District Engineer, shall promptly cause emergency repairs to be made when such repairs are necessary for the preservation and safety of persons and/or property, or when the repairs are required to be made to avoid the suspension of any service of the District. The Association shall immediately notify the District Engineer and District Manager, or a designated representative, concerning the need for emergency repairs.
- D. *Investigation and Report of Accidents/Claims.*** The Association shall promptly investigate and provide a written report to the District Manager as to all accidents or claims for damage relating to the management, operation, and maintenance of the District Property. Such report shall include a description of any damage or destruction of property and the estimated cost of repair. The Association shall cooperate and make any and all reports required by any insurance company in connection with any accident or claim. The Association shall not file any claims with the District's insurance company without the prior consent of the District's Board of Supervisors, which shall not be unreasonably withheld, conditioned or delayed.
- E. *Compliance with Government Permits, Rules, Regulations, Requirements, and Orders.*** The Association shall comply with any and all permits, rules, regulations, requirements, and orders affecting the District Property placed thereon by any governmental authority having jurisdiction. At the request of the District, and with at least thirty (30) days' prior written notice to the Association unless an earlier time for response by the District is required by any such governmental authority having jurisdiction over the District and in any such event the Association shall respond within a timeframe such as to allow the District to timely respond to the governmental authority, the Association shall prepare for execution and filing by the District any forms, reports or returns which may be required by law in connection with the Association's maintenance and operation of the District Property. The Association shall notify the District Manager and District Counsel in writing of any contact made with the Association relative to the District Property

by any such governmental authority having jurisdiction. The Association shall specifically indemnify the District for any penalties, judgments, or orders levied or imposed against the District for failure to comply with any governmental permits, rules, regulations, requirements, and orders during the term of this Agreement that are due to Association's failure to respond to the District.

- F. *Care of the Property.*** The Association shall use commercially reasonable efforts to protect the District Property from damage by the Association, its employees or contractors. The Association agrees to promptly repair any damage to the District Property resulting from the Association's activities and work and to notify the District of the occurrence of such damage caused by the Association's activities within forty-eight (48) hours.
- G. *Staffing and Billing.*** The Association shall be solely responsible for the staffing, budgeting, financing, billing and collection of fees, assessments, service charges, etc., necessary to perform the management, operation, and maintenance responsibilities set forth in this Agreement.
- H. *Liens and Claims.*** The Association shall promptly and properly pay for all contractors retained, labor employed, materials purchased, and equipment hired by it to perform under this Agreement. The Association shall promptly discharge or cause to be discharged any materialmen's or mechanic's liens and claims or notices in respect to such liens and claims, which arise by reason of the Association's performance under this Agreement.

SECTION 3. COMPENSATION. The District shall pay the Association the sum of Ten Dollars (\$10.00) per year for the provision of management, operation, and maintenance services pursuant to the terms of this Agreement. The Association shall not be entitled, for any reason, to reimbursement or refund of any funds expended in the performance of its obligations under this Agreement.

SECTION 4. TERM.

- A.** The term of this Agreement shall commence as of the effective date of this Agreement and shall continue for a period of five (5) years unless otherwise terminated in accordance with this Agreement. Thereafter, this Agreement shall be automatically renewed for additional one (1) year periods unless either party provides at least sixty (60) days' written notice of its intent to not renew the Agreement.
- B.** Notwithstanding the foregoing, the District shall have the right to terminate this Agreement at any time due to Association's failure to perform in accordance with the terms of this Agreement upon thirty (30) days' written notice detailing such alleged failure of the Association; provided, however, the Association shall have the right to cure any such alleged default or failure to perform on or before the expiration of such 30-day period and in the event the Association cures such alleged

default or failure to perform during the 30-day cure period, this Agreement shall not be deemed terminated and shall continue in full force and effect. The Association and the District shall both have the right to terminate this Agreement upon (45) forty-five days' written notice without cause. In the event of any termination, the Association and the District shall use commercially reasonable efforts to cooperate with one another to provide a smooth and orderly transition of responsibilities between the parties.

SECTION 5. INSURANCE. The Association shall maintain, at its own expense throughout the term of this Agreement, insurance coverage from a reputable insurance carrier, licensed to conduct business in the State of Florida. The Association shall provide the District a copy of the insurance policy, and any endorsements, prior to the commencement of the services contemplated under this Agreement. District shall also receive thirty (30) days' notice of cancellation of any such insurance policy. Policies shall have the following minimum levels of insurance:

- A.** Worker's Compensation Insurance in accordance with the laws of the State of Florida to include Employer's Liability Coverage with limits of at least \$1,000,000 (one million dollars) per accident or disease.
- B.** Commercial General Liability Insurance covering the Association's legal liability for bodily injuries, with limits of not less than \$1,000,000 (one million dollars) combined single limit bodily injury and property damage liability.
- C.** Automobile Liability Insurance for bodily injuries in limits of not less than \$1,000,000 (one million dollars) combined single limit bodily injury and for property damage, providing coverage for any accident arising out of or resulting from the operation, maintenance, or use by the Association of any owned, non-owned, or hired automobiles, trailers, or other equipment required to be licensed.
- D.** As may be available, all policies shall name the District, and its staff and supervisors, as additional insureds. This shall be required for the Commercial General Liability Policy without exception, and based on market availability for the other policies referenced above.

SECTION 6.

- A.** The Association agrees to indemnify, defend and hold harmless the District and its officers, agents and employees from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries, death, property damage or harm of any nature, arising out of, or in connection with, the acts or omissions of the Association, or its officers, employees, representatives, or subcontractors, including litigation or any appellate proceedings with respect thereto, resulting from the Association's maintenance or operation activities, or lack thereof, relative to the Improvements as contemplated in this Agreement.

- B.** The District agrees to indemnify, defend and hold harmless the Association and its officers, agents and employees from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries, death, property damage or harm of any nature, arising out of, or in connection with, the acts or omissions of the District, or its officers, employees, representatives, or subcontractors, including litigation or any appellate proceedings with respect thereto, relative to the District's obligations as contemplated in this Agreement.
- C.** Obligations under this section shall include the payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, arbitration and/or mediation costs, litigation expenses, attorney fees, paralegal fees, and expert witness fees and costs (incurred in court, out of court, on appeal, or in bankruptcy proceedings) as ordered.
- D.** The Association agrees to require that, by written contract, any contractor and subcontractors hired in connection with this Agreement indemnify, defend and hold harmless the District and its officers, agents and employees from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries, death, property damage or harm of any nature, arising out of, or in connection with, the acts or omissions of such contractors and subcontractors, including litigation or any appellate proceedings with respect thereto, resulting from the contractor's maintenance or operation activities, or lack thereof, relative to the Improvements.

SECTION 7. RECOVERY OF COSTS AND FEES. In the event either the District or the Association are required to enforce this Agreement or any provision hereof by court proceedings or otherwise then, if prevailing, the District or the Association, as applicable, shall be entitled to recover from the other all fees and costs incurred, including but not limited to reasonable attorneys' fees, paralegal fees and expert witness fees and costs incurred prior to or during any litigation or other dispute resolution and including fees incurred in appellate proceedings.

SECTION 8. LIMITATIONS ON GOVERNMENTAL LIABILITY. Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in Section 768.28, *Florida Statutes*, or other statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

SECTION 9. ASSIGNMENT. Neither party may assign this Agreement without the prior written approval of the other.

SECTION 10. INDEPENDENT CONTRACTOR STATUS. In all matters relating to this Agreement, the Association shall be acting as an independent contractor. Neither the Association nor employees of the Association, if there are any, are employees of the District under the meaning or application of any Federal or State Unemployment or Insurance Laws or Old Age Laws or otherwise. The Association agrees to assume all liabilities or obligations imposed by any one or

more of such laws with respect to employees of the Association, if there are any, in the performance of this Agreement. The Association shall not have any authority to assume or create any obligation, express or implied, on behalf of the District and the Association shall have no authority to represent the District as an agent, employee, or in any other capacity, unless otherwise set forth in this Agreement.

SECTION 11. HEADINGS FOR CONVENIENCE ONLY. The descriptive headings in this Agreement are for convenience only and shall neither control nor affect the meaning or construction of any of the provisions of this Agreement.

SECTION 12. AGREEMENT. This instrument shall constitute the final and complete expression of this Agreement between the District and the Association relating to the subject matter of this Agreement.

SECTION 13. AMENDMENTS. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both the District and the Association.

SECTION 14. AUTHORIZATION. The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Association, both the District and the Association have complied with all the requirements of law in order to effectuate the terms of this Agreement, and both the District and the Association have full power and authority to comply with the terms and provisions of this instrument.

SECTION 15. NOTICES. All notices, requests, consents and other communications under this Agreement (“Notices”) shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, as follows:

A. If to the District: Verandah East
Community Development District
2300 Glades Road, Suite 410W
Boca Raton, Florida 33431
Attn: District Manager

With a copy to: Hopping Green & Sams, P.A.
119 South Monroe, Suite 300
Tallahassee, Florida 32301
Attn: District Counsel

B. If to the Association: _____

Attn: _____

Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place

of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Association may deliver Notice on behalf of the District and the Association. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein.

SECTION 16. THIRD PARTY BENEFICIARIES. This Agreement is solely for the benefit of the District and the Association and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the District and the Association any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Association and their respective representatives, successors, and assigns.

SECTION 17. CONTROLLING LAW; VENUE. This Agreement and the provisions contained in this Agreement shall be construed, interpreted, and controlled according to the laws of the State of Florida. Venue shall be in Lee County, Florida.

SECTION 18. PUBLIC RECORDS.

- A. The Association understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and shall be treated as such in accordance with Florida law.
- B. As such, the parties shall comply with any applicable laws regarding public records, including but not limited to the provisions of Section 119.0701, *Florida Statutes*, the terms of which are incorporated herein. Among other requirements, the Association must:
 - i. Keep and maintain public records required by the District to perform the services;
 - ii. Upon request from the District's custodian of public records, provide the District with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, *Florida Statutes*, or as otherwise provided by law;
 - iii. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as

authorized by law for the duration of the contract term and following completion of the Agreement if the Association does not transfer the records to the District; and

- iv. Upon completion of this Agreement, transfer, at no cost to the District all public records in possession of the Association or keep and maintain public records required by the District to perform the service. If the Association transfers all public records to the District upon completion of this Agreement, the Association shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Association keeps and maintains public records upon completion of the Agreement, the Association shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the District, upon request from the District's custodian of public records, in a format that is compatible with the information technology systems of the District.

IF THE ASSOCIATION HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE ASSOCIATION'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS, CHUCK ADAMS, C/O WRATHELL, HUNT AND ASSOCIATES, LLC, 2300 GLADES ROAD, SUITE 410W, BOCA RATON, FLORIDA 33431, (561) 571-0010, OR ADAMSC@WHHASSOCIATES.COM.

SECTION 19. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

SECTION 20. ARM'S LENGTH TRANSACTION. This Agreement has been negotiated fully between the District and the Association as an arm's length transaction. The District and the Association participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the parties are each deemed to have drafted, chosen, and selected the language, and any doubtful language will not be interpreted or construed against any party.

IN WITNESS WHEREOF, the parties execute this Agreement the day and year first written above.

Attest:

**VERANDAH EAST COMMUNITY
DEVELOPMENT DISTRICT**

Name: Chesley E. Adams, Jr.
Title: Secretary

Name: David Moore
Title: Chairman, Board of Supervisors

**VERANDAH COMMUNITY ASSOCIATION,
INC.**

(Signature of Witness)

By: _____
Title: _____

(Print Name of Witness)

Exhibit A: Description of the Improvements

EXHIBIT A

DESCRIPTION OF THE DISTRICT PROPERTY

- Stormwater Management Systems [except for routine lake and conservation area maintenance provided pursuant to District contract]
- Landscaping and Hardscaping
- Roadway drainage and base
- Roadway lighting

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

11

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
JUNE 30, 2021**

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	Major Funds			Total Governmental Funds
	General	Debt Service Series 2016	Capital Projects Series 2016	
ASSETS				
Cash (SunTrust)	\$ 80,495	\$ -	\$ -	\$ 80,495
Investments				
Revenue account	-	495,011	-	495,011
Reserve account	-	375,000	-	375,000
Prepayment	-	4	-	4
Construction account	-	-	3	3
Due from other governments	6,298	-	-	6,298
Due from general fund	-	2,134	-	2,134
Total assets	<u>\$ 86,793</u>	<u>\$ 872,149</u>	<u>\$ 3</u>	<u>\$ 958,945</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,000	\$ -	\$ -	\$ 1,000
Due to debt service fund	2,134	-	-	2,134
Due to other governments	4,778	-	-	4,778
Total liabilities	<u>7,912</u>	<u>-</u>	<u>-</u>	<u>7,912</u>
Fund balances:				
Restricted for:				
Debt service	-	872,149	-	872,149
Capital projects	-	-	3	3
Unassigned	78,881	-	-	78,881
Total fund balances	<u>78,881</u>	<u>872,149</u>	<u>3</u>	<u>951,033</u>
Total liabilities and fund balances	<u>\$ 86,793</u>	<u>\$ 872,149</u>	<u>\$ 3</u>	<u>\$ 958,945</u>

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND 001
FOR THE PERIOD ENDED JUNE 30, 2021**

	Current Month	Year to Date	Budget	% of Budget
REVENUE				
Special assessment: on-roll	\$ 250	\$ 170,027	\$ 169,356	100%
Interest & miscellaneous	1	20	263	8%
Total revenue	<u>251</u>	<u>170,047</u>	<u>169,619</u>	100%
EXPENDITURE				
Professional and administrative				
Supervisors	353	1,412	3,064	46%
Management and accounting	4,595	41,320	54,698	76%
Audit	-	6,575	6,522	101%
Legal	-	1,477	4,377	34%
Field management	778	6,998	9,264	76%
Engineering	180	8,024	2,189	367%
Trustee	2,175	4,547	4,377	104%
Dissemination agent	305	2,738	3,624	76%
Arbitrage	221	221	1,313	17%
Assessment roll preparation	-	10,591	10,505	101%
Telephone	29	256	339	76%
Postage	48	197	219	90%
Insurance	-	5,740	5,704	101%
Printing & binding	59	533	706	75%
Legal advertising	-	285	657	43%
Office expenses and supplies	-	236	109	217%
Website	-	-	617	0%
Contingencies	58	336	657	51%
ADA website compliance	-	-	175	0%
Annual district filing fee	-	154	153	101%
Total professional & admin expenses	<u>8,801</u>	<u>91,640</u>	<u>109,269</u>	84%
Water management				
Contractual services	4,235	34,192	50,338	68%
Aquascaping	-	-	2,189	0%
Utilities	33	231	1,313	18%
Contingencies	-	197	2,626	8%
Total water management	<u>4,268</u>	<u>34,620</u>	<u>56,466</u>	61%

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND 001
FOR THE PERIOD ENDED JUNE 30, 2021**

	Current Month	Year to Date	Budget	% of Budget
Other fees and charges				
Property appraiser	-	720	802	90%
Tax collector	-	1,090	2,646	41%
Total other fees & charges	-	1,810	3,448	52%
Total expenditures	13,069	128,070	169,183	76%
Excess/(deficiency) of revenues over/(under) expenditures	(12,818)	41,977	436	
Fund balances - beginning	91,699	36,904	33,163	
Fund balances - ending	<u>\$ 78,881</u>	<u>\$ 78,881</u>	<u>\$ 33,599</u>	

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND 201 - SERIES 2016
FOR THE PERIOD ENDED JUNE 30, 2021**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Special assessment: on-roll	\$ 2,133	\$ 1,443,055	\$ 1,446,901	100%
Interest	-	48	-	N/A
Total revenues	<u>2,133</u>	<u>1,443,103</u>	<u>1,446,901</u>	100%
EXPENDITURES				
Debt service				
Principal	-	760,000	760,000	100%
Interest	-	710,494	710,494	100%
Total expenditures	<u>-</u>	<u>1,470,494</u>	<u>1,470,494</u>	100%
Excess/(deficiency) of revenues over/(under) expenditures	2,133	(27,391)	(23,593)	
Net change in fund balances	2,133	(27,391)	(23,593)	
Fund balances - beginning	870,016	899,540	840,119	
Fund balances - ending	<u>\$ 872,149</u>	<u>\$ 872,149</u>	<u>\$ 816,526</u>	

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND 302 - SERIES 2016
FOR THE PERIOD ENDED JUNE 30, 2021**

	Current Month	Year to Date
REVENUES		
Interest	\$ 1	\$ 1
Total revenues	1	1
EXPENDITURES		
Total expenditures	-	-
Excess/(deficiency) of revenues over/(under) expenditures	1	1
Fund balances - beginning	2	2
Fund balances - ending	\$ 3	\$ 3

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

12

DRAFT

**MINUTES OF MEETING
VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

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The Board of Supervisors of the Verandah East Community Development District held a Regular Meeting on June 11, 2021 at 2:00 p.m., at the Verandah Sales Office, 11571 Verandah Boulevard, Fort Myers, Florida 33905.

Present were:

David Moore	Chair
Richard Shields, Jr.	Vice Chair
Christina Jaross	Assistant Secretary
Jacqueline Voiles	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Adams	Assistant District Manager
Shane Willis	Operations Manager
Alyssa Willson (via telephone)	District Counsel
Brent Burford (via telephone)	District Engineer
Wendy Drake	General Manager VCA
Gary Dittwan	VCA Board Member
Mike Lapinski	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mrs. Adams called the meeting to order at 2:00 p.m. Supervisors Moore, Shields, Voiles and Ms. Christina Jaross, who was being appointed to Seat 4, were present, in person. One seat was vacant.

SECOND ORDER OF BUSINESS

Public Comments [3 minutes per person]

There being no public comments, the next item followed.

39 **THIRD ORDER OF BUSINESS**

Consider Appointment of Christine Jaross to Vacant Seat 4, Term Expires November 2024 (the following to be provided in a separate package)

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43
44 Mr. Adams stated it was necessary to appoint Ms. Jaross to the Board prior to
45 administering the Oath of Office. Ms. Jaross was nominated to fill Seat 4. No other
46 nominations were made.

47

48 **On MOTION by Mr. Moore and seconded by Mr. Shields, with all in favor,**
49 **appointing Ms. Christine Jaross to Seat 4, Term Expires November 2024, was**
50 **approved.**

51

52

53 Mrs. Adams, a Notary of the State of Florida and duly authorized, administered the Oath
54 of Office to Ms. Jaross. She provided and briefly explained the following items:

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

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

57 **C. Financial Disclosure Forms**

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

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

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

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

62

63 **FOURTH ORDER OF BUSINESS**

Acceptance of Resignation of Supervisor Mark Santasiero [Seat 2]; term expires November 2024

64

65

66

67 Mrs. Adams presented Mr. Mark Santasiero’s resignation letter.

68

69 **On MOTION by Mr. Shields and seconded by Ms. Voiles, with all in favor, the**
70 **resignation letter from Mr. Mark Santasiero from Seat 2, dated March 1, 2021,**
71 **was accepted.**

72

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74 **FIFTH ORDER OF BUSINESS**

Consideration of Resolution 2021-03, Declaring a Vacancy in Seat 2 of the Board of Supervisors Pursuant to Section 190.006(3)(b), Florida Statutes; and Providing an Effective Date

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Mrs. Adams presented Resolution 2021-03.

81

On MOTION by Mr. Moore and seconded by Mr. Shields, with all in favor, Resolution 2021-03, Declaring a Vacancy in Seat 2 of the Board of Supervisors Pursuant to Section 190.006(3)(b), Florida Statutes; and Providing an Effective Date, was adopted.

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88 Mr. Moore stated he would like to fill vacant Seat 2 by October and urged the other
89 Board Members to refer potential candidates. Candidates must be residents of the CDD who
90 are registered to vote in Florida.

91

92 **SIXTH ORDER OF BUSINESS**

Consider Appointment to Fill Unexpired Term of Seat 2

93
94
95

- **Administration of Oath of Office to Newly Appointed Supervisor**

96 This item was deferred to the next meeting.

97

98 **SEVENTH ORDER OF BUSINESS**

Consideration of Resolution 2021-04, Designating a Chair, a Vice Chair, a Secretary, Assistant Secretaries, a Treasurer and an Assistant Treasurer of the Verandah East Community Development District, and Providing for an Effective Date

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105 Mrs. Adams presented Resolution 2021-04. The following slate of officers was
106 nominated:

- | | | |
|-----|------------|-------------------------------|
| 107 | Chair | David Moore |
| 108 | Vice Chair | Richard Denis Shields, Jr. |
| 109 | Secretary | Chesley (Chuck) E. Adams, Jr. |

110	Assistant Secretary	Jacqueline Voiles
111	Assistant Secretary	Christina Jaross
112	Assistant Secretary	Vacant
113	Assistant Secretary	Craig Wrathell
114	Treasurer	Craig Wrathell
115	Assistant Treasurer	Jeff Pinder

116 No other nominations were made.

117

<p>118 On MOTION by Mr. Moore and seconded by Ms. Voiles, with all in favor,</p> <p>119 Resolution 2021-04, Designating a Chair, a Vice Chair, a Secretary, Assistant</p> <p>120 Secretaries, a Treasurer and an Assistant Treasurer of the Verandah East</p> <p>121 Community Development District, as nominated, and Providing for an Effective</p> <p>122 Date, was adopted.</p>
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123

124

125 **EIGHTH ORDER OF BUSINESS**

126 **Consideration of Resolution 2021-05,**

127 **Approving Proposed Budgets for Fiscal**

128 **Year 2021/2022 and Setting a Public**

129 **Hearing Thereon Pursuant to Florida Law;**

130 **Addressing Transmittal, Posting and**

131 **Publication Requirements; Addressing**

132 **Severability; and Providing an Effective**

133 **Date**

134 Mrs. Adams presented Resolution 2021-05 and read the title. Mr. Adams responded to

135 questions regarding overspending in the Fiscal Year 2021 budget, GIS mapping program,

136 increase in insurance and surplus fund balance.

137

<p>138 On MOTION by Mr. Moore and seconded by Mr. Shields, with all in favor,</p> <p>139 Resolution 2021-05, Approving Proposed Budgets for Fiscal Year 2021/2022</p> <p>140 and Setting a Public Hearing Thereon Pursuant to Florida Law for August 11,</p> <p>141 2021 at 1:00 p.m., at the Verandah Sales Office, 11571 Verandah Boulevard,</p> <p>142 Fort Myers, Florida 33905; Addressing Transmittal, Posting and Publication</p> <p>143 Requirements; Addressing Severability; and Providing an Effective Date, was</p> <p>144 adopted.</p>
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145

146

147 **NINTH ORDER OF BUSINESS**

Consideration of Resolution 2021-06, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2021/2022 and Providing for an Effective Date

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154 Mrs. Adams presented Resolution 2021-06 and read the title. Mr. Moore announced he
155 would not be present for the May 11, 2022 meeting. Asked why the August 11, 2021 meeting is
156 not included in the schedule, Mrs. Adams stated the August 11, 2021 meeting falls in Fiscal Year
157 2021; the attached Meeting Schedule is for Fiscal Year 2022.

158
159 **On MOTION by Mr. Moore and seconded by Ms. Voiles, with all in favor, Resolution 2021-06, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2021/2022 and Providing for an Effective Date, was adopted.**
160
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165 **TENTH ORDER OF BUSINESS**

Consideration of SOLitude Lake Management Second Year Option - Agreement for Lake & Wetland Maintenance

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167
168
169
170 Mrs. Adams presented the SOLitude Lake Management Second Year Option -
171 Agreement for Lake & Wetland Maintenance.

172
173 **On MOTION by Mr. Moore and seconded by Mr. Shields, with all in favor, the SOLitude Lake Management Second Year Option - Agreement for Lake & Wetland Maintenance, was approved.**
174
175

176
177
178 **ELEVENTH ORDER OF BUSINESS**

Discussion: Lake A-1 Transfer to O&M

179
180 Mr. Burford stated Staff was working with Mr. Paul Martin to clear up outstanding
181 applications for the ERP permit, related to required certifications and transfers. Once the
182 certifications are completed, Staff would assist with the transfer to O&M. Mr. Moore asked if

183 that would complete all the lakes. Mr. Burford stated Lake A-1 was the only outstanding lake
184 not certified and transferred to the District.

185 Discussion ensued regarding two lakes that are deeded to the west, the need for a
186 corrected deed and the exact location of the deeded lakes. Ms. Willson would correct the
187 deeds for Lakes L-T2 and L-LW4. Mr. Willis would review all the lakes in the District to
188 determine if any other deeds need to be corrected.

189

190 **TWELFTH ORDER OF BUSINESS**

**Discussion: CDD Ownership and
Maintenance of Perimeter Fencing and
Walls**

191

192

193

194

A. Facilities Maintenance Assignment Agreement with Master HOA

195

**B. Non-Exclusive Perpetual Access and Maintenance Easement Agreement with KH
Verandah LLC and Verandah Development LLC**

196

197 Mr. Adams stated the Facilities Maintenance Assignment Agreement between the CDD
198 and the Master HOA is typically put in place early in the development of a community. The
199 Agreement enables the HOA to manage certain facilities for the CDD, such as perimeter
200 landscaping, to prevent duplication of services.

201 Mr. Adams stated he reviewed the files but did not locate the Agreement that
202 formalizes the HOA's management of certain CDD facilities for either the Verandah East CDD
203 (VECDD) or Verandah West CDD (VWCDD). He asked the Board to authorize Staff to prepare a
204 Facilities Maintenance Assignment Agreement with the Master HOA and present the Non-
205 Exclusive Perpetual Access and Maintenance Easement Agreement.

206 Referencing an area map, Mr. Moore asked if a specific property that is currently in the
207 Verandah Developer's name was going to be turned over to the HOA. He pointed out that
208 document 12B states that the Developer turned over the wall to the CDD. Mr. Adams stated
209 the CDD acquired it and likely has an easement in place. Asked if it is common practice for
210 facilities that do not sit on CDD property to be maintained by the CDD, Ms. Willson stated it
211 depends on what the overall planning of the property is. Discussion ensued regarding assigning
212 maintenance of CDD assets to the HOA, importance of continuity of maintenance in
213 landscaping, the perimeter wall, Capital Improvement Plan (CIP), infrastructure identified in the

214 Engineer's Report for both VWCDD and VECDD, the easement, Construction Completion
215 Agreement, the Board's fiduciary responsibilities to CDD residents and adherence to the
216 Sunshine Laws.

217 Mr. Moore asked if the CDD could give the wall structure to the HOA. Ms. Willson
218 replied no, because it was purchased with public bond funds so the CDD must own it or give it
219 to another governmental entity. Mr. Moore stated the Engineer's Report document stated that
220 the CDD did not pay for the structure; it was given to the CDD gratis. Ms. Willson stated she
221 would review the documents to determine if that changes the legal answer.

222 Mrs. Adams stated this item would be carried over to the next agenda and, for
223 presentation at the next meeting, Staff would prepare a formal maintenance agreement
224 whereby the HOA would be charged with the maintenance of the wall.

225

226 **THIRTEENTH ORDER OF BUSINESS**

**Acceptance of Unaudited Financial
Statements as of April 30, 2021**

227

228

229 Mrs. Adams presented the Unaudited Financial Statements as of April 30, 2021. The
230 financials were accepted.

231

232 **FOURTEENTH ORDER OF BUSINESS**

**Approval of January 13, 2021 Regular
Meeting Minutes**

233

234

235 Mrs. Adams presented the January 13, 2021 Regular Meeting Minutes.

236

237

**On MOTION by Mr. Shields and seconded by Ms. Voiles, with all in favor, the
January 13, 2021 Regular Meeting Minutes, as presented, were approved.**

238

239

240

241 **FIFTEENTH ORDER OF BUSINESS**

Staff Reports

242

243 **A. District Counsel: *Hopping Green & Sams, P.A.***

244 There being no report, the next item followed.

245 **B. District Engineer: *Johnson Engineering, Inc.***

246 Mr. Burford would follow up on the discussion regarding the perimeter wall and lake
247 ownership and report his findings at the next meeting.

248 ▪ **Supervisors’ Requests**

249 **This item, previously the Sixteenth Order of Business, was addressed out of order.**

250 Mr. Moore asked Staff to investigate ownership of a walkway between Pebble Brook
251 Road and Otter Bend and report the findings.

252 **C. District Manager: *Wrathell, Hunt & Associates, LLC***

253 **I. 779 Registered Voters in District as of April 15, 2021**

254 There were 779 registered voters residing within the District as of April 15, 2021.

255 **II. NEXT MEETING DATE: August 11, 2021 at 1:00 P.M.**

256 ○ **QUORUM CHECK**

257 All Supervisors confirmed their attendance at the August 11, 2021 meeting.

258 Mrs. Adams reported the following:

- 259 ➤ She emailed Mr. Paul Martin earlier today and has yet to receive a response surrounding
- 260 the sales center being listed for sale through a realtor.
- 261 ➤ The SOLitude Annual Fixed Structure Report was completed yesterday and would be
- 262 included on the August agenda for informational purposes.

263

264 **SIXTEENTH ORDER OF BUSINESS** **Supervisors’ Requests**

265

266 This item was addressed following Item 15B.

267

268 **SEVENTEENTH ORDER OF BUSINESS** **Adjournment**

269

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

271

272 **On MOTION by Ms. Voiles and seconded by Mr. Shields, with all in favor, the**
273 **meeting adjourned at 3:13 p.m.**

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277

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

278
279
280
281
282
283

Secretary/Assistant Secretary

Chair/Vice Chair

**VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

13CII

VERANDAH EAST COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS FISCAL YEAR 2021/2022 MEETING SCHEDULE

LOCATION

Verandah Sales Office, 11571 Verandah Blvd., Fort Myers, Florida 33905

DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 13, 2021	Regular Meeting	1:00 P.M.
January 12, 2022	Regular Meeting	1:00 P.M.
May 11, 2022	Regular Meeting	1:00 P.M.
August 10, 2022	Public Hearing & Regular Meeting	1:00 P.M.