



Rizzetta & Company

The Verandahs Community Development District

**Board of Supervisors Meeting
May 3, 2022**

**District Office:
5844 Old Pasco Road, Suite 100
Wesley Chapel, Florida 33544
813.994.1615**

www.theverandahscdd.org

THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT

The Verandahs Clubhouse, 12375 Chenwood Ave., Hudson, FL 34669

| | | |
|-----------------------------|-----------------|----------------------------|
| Board of Supervisors | Stanley Haupt | Chair |
| | Thomas May | Vice Chair |
| | Tracy Mayle | Asst. Secretary |
| | Allen Adams | Asst. Secretary |
| | Sarah Nesheiwat | Asst. Secretary |
| District Manager | Lynn Hayes | Rizzetta & Company, Inc. |
| District Counsel | Vivek Babbar | Straley Robin & Vericker |
| District Engineer | Giacomo Licari | Dewberry Engineering, Inc. |

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

The Audience Comment portion of the agenda is where individuals may make comments on matters that concern the District. Individuals are limited to a total of three (3) minutes to make comments during this time.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting/hearing/workshop is asked to advise the District Office at least forty-eight (48) hours before the meeting/hearing/workshop by contacting the District Manager at (813) 994-1001. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) or 1-800-955-8770 (Voice), who can aid you in contacting the District Office.

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

THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE • 5844 OLD PASCO ROAD, SUITE 100 • WESLEY CHAPEL, FL 33544
MAILING ADDRESS • 3434 COLWELL AVENUE • SUITE 200 • TAMPA, FLORIDA 33614
www.theverandahscdd.org

April 25, 2022

**Board of Supervisors
The Verandahs Community
Development District**

FINAL AGENDA

Dear Board Members:

The regular meeting of the Board of Supervisors of The Verandahs Community Development District will be held on **Tuesday, May 3, 2022**, at 6:30 p.m. at the Verandahs Amenity Center, 12375 Chenwood Avenue, Hudson, Florida 34669. The following is the agenda for this meeting:

- 1. CALL TO ORDER/ROLL CALL**
- 2. AUDIENCE COMMENTS ON AGENDA ITEMS**
- 3. BUSINESS ITEMS**
 - A.** Consideration of Appointment to Open Seat..... Tab 1
 - B.** Administer Oath of Office to Newly Elected Supervisor Tab 2
 1. Review of Form 1 and Sunshine and Public Records Law
 - C.** Consideration of Resolution 2022-01, Re-Designating Officers of the District..... Tab 3
 - D.** Presentation of Fiscal Year 2022-2023 Proposed Budget..... Tab 4
 - E.** Consideration of Resolution 2022-02, Approving Fiscal Year 2022/2023 Proposed Budget and Setting the Public Hearing on the Final Budget..... Tab 5
 - F.** Presentation of Grau & Associates Fiscal Year 2020-2021 Audit.... Tab 6
 - G.** Consideration of Berger, Toombs Fiscal Year 2022-2026 Audit Engagement Letter..... Tab 7
- 4. STAFF REPORTS**
 - A.** District Counsel
 - B.** District Engineer
 - i. Written Summary Report Tab 8
 - C.** Landscape & Irrigation
 - i. Field Inspection & Observation Reports..... Tab 9
 - ii. Consideration of Landscape Quotes for Community Tree Trimming Tab 10
 - D.** High Trim Report Tab 11
 - E.** Presentation of Aquatics Report Tab 12
 - F.** Clubhouse Manager's Report Tab 13
 1. Consideration of Extended Fitness Equipment Quote..... Tab 14
 2. Consideration of Cleaning Service Quote For the Clubhouse Tab 15
 - G.** District Manager Report..... Tab 16
 - i. Announcement of Registered Voter Count

- 5. **BUSINESS ADMINISTRATION**
 - A. Consideration of Audit Committee Meeting Minutes
held on April 5, 2022..... Tab 17
 - B. Consideration of Minutes of the Board of Supervisors
Meeting held April 5, 2022 Tab 18
 - C. Consideration of Operations & Maintenance
Expenditures for March 2022..... Tab 19
- 6. **AUDIENCE COMMENTS**
- 7. **SUPERVISOR REQUESTS**
- 8. **ADJOURNMENT**

We look forward to seeing you at the meeting. In the meantime, if you have any questions, please do not hesitate to call us at (813) 994-1001.

Sincerely,
Lynn Hayes
Lynn Hayes, District Manager

Tab 1

**The Verandahs Community Development District
Board of Supervisors Nominee Application**

Name: Cheryl Michael

Address: 12006 Greengate Drive, Hudson, Florida 34669

Occupation: Retired

1. Tell us how long have you lived in the community? 6 years as an owner.

Partial resident since 2017. Retired 2020 moving from Maryland into our Florida home permanently.

2. What has your experience with the community been like so far? It has been a pleasure to get to know many of the owners in the townhouses. I also have had the opportunity in my daily walks to speak with numerous home owners in the Verandahs.

3. Do you currently, or have you held other board and/or committee positions in or outside of The Verandahs? Please describe. No

4. Please describe any expertise you possess which you feel would benefit our community. I am an individual that goes out of their way to ensure that in any situation both parties believe they have benefited from the solution achieved. I am an effective communicator and listener.

In your own words, why should you be appointed to the Verandahs Community Development District Board of Supervisors? I would be an asset to the CDD as I believe this community is an extremely desirable community now and will ensure that it continues well into the future.

Cheryl L. Michael
12006 Greengate Drive
Hudson, FL 34669
(727) 495-2756
(410) 493-4696
Cherylamike@verizon.net

Retired, September 1, 2020

Objective

To obtain a challenging position as an executive administrative assistant which will allow me to both further utilize my skills and acquire new abilities.

Skills

- Strong analytical and organizational skills
- Excellent interpersonal skills, phone manner, office etiquette, and customer service
- Software: Microsoft Publisher, Word, Excel, PowerPoint, Access and Outlook
- Typing 70+wpm
- Web and Wiki page design

Employment History

Baltimore County Public Schools, Executive Director's Office, Zone 2 – Cockeysville Middle School Administrative Assistant – July 1, 2016 – September 1, 2020

Support two executive directors (elementary and secondary) and 45 schools. Responsible for the day-to-day running of the office which includes (field trips, staffing, overnight travel, urgent personal business requests, and phone calls for these schools). Our office is the primary first contact for all parent-guardian student inquiries-complaints.

Baltimore County Public Schools, Elementary Assistant Superintendent's Office – Greenwood Executive Administrative Assistant – February 18, 2014 – July 1, 2016

Support two elementary assistant superintendents and 43 elementary schools. Responsible for the day-to-day paperwork (overnight travel, P-card expenditures, field trips, staffing, and phone calls for these schools). Our office is the primary contact for all parent-guardian student complaints representing 103 elementary schools.

Baltimore County Public Schools, Chief Financial Officer, Fiscal Services Division – Timonium-Greenwood C Administrative Assistant – January 14, 2013 – February 18, 2014

Coordinated the daily operation of the Chief Financial Officers office. This included the scheduling of appointments, spearheading the annual advance, overseeing the conference room scheduling, entering information into BoardDocs for Board of Education approval, working collectively with the other administrative and offices within the Fiscal Services organization, (i.e. Accounting, Budget and Reporting, Food and Nutrition, Payroll, and Purchasing)

Baltimore County Public Schools, Office of Personnel Services – Timonium Personnel Services Assistant – July, 2012 – January 14, 2013

Perform a variety of complex technical and administrative duties in support of the office of Personnel Services. Gathers, reviews, and composes investigative report documents. Tracks and maintains OIRM database for completeness of records. Assists the EEO office with related investigation tasks as necessary.

Baltimore County Public Schools, Office of Budget and Reporting - Timonium Administrative Secretary III - October, 2009 – July, 2012

Responsible for providing administrative support to the Office of Budget and Reporting. Duties include the organization, retrieval and archiving of office files. Scheduling meetings and calendar events for the Director and Fiscal staff members. Screening of telephone calls for proper handling within the department. Creation and distribution of school budget materials. Formulation through production of the (3) budget books. Establishing both the Board work session book as well as the Baltimore County Government auditors binder. Administrative backup support to the CFO's office.

Baltimore County Public Schools, Food & Nutrition - Timonium Office - September, 2009 - October, 2009 Student Support Office Clerical/Administrative Assistant, August, 2009 - September, 2009

Provided clerical/administrative support in answering phones, taking applications, file maker pro database entries and filing for the shared domicile program.

NovaTech Process Solutions, LLC, Owings Mills, MD Sr. Contracts Administrator, March, 2007 - June, 2009

Generated purchase order acknowledgements which specifically noted the software, hardware or engineering service deliverables along with any special terms and considerations. Worked with software/hardware engineering, purchasing, legal, manufacturing, and testing and product support to ensure NovaTech exceeded the customer's requirements. Was a member of the quality council with ownership of the customer satisfaction feedback program. Successfully achieved over a 60% return rate on surveys for over 5+ years.

NovaTech Process Solutions, LLC, Owings Mills, MD
Executive Administrator, September, 2003 - March, 2007

Oversaw interactions between the development engineers and the President. Chartered with creating the requirements, design and test templates documents. Tracked all Research and Development project numbers from initial authorization through closure to ensure financial accountability. Participated in and documented project reviews. Supported the accounting department in tracking and securing outstanding accounts receivables. Generated company invoicing.

GSE Systems, Columbia (Sykesville), MD
Executive Administrator, January, 1995 - September, 2003

Provided high level administrative workload support for the CEO. Coordination and preparation for monthly Board of Director meeting and the Annual Shareholders meeting were responsibilities. Managed the internal audit program, employee database, new hire orientation program and customer satisfaction feedback program needed for the ISO9001:2000 quality certification. For the years of 2001 and 2002 directed the annual customer user conference event. This entailed the coordination of off-site meeting space, meal planning, session topics and speakers, evening events and financial accounting and reconciliation to company management.

EMC Systems, Inc. to Texas Instruments acquisition, Hunt Valley, MD
Executive Secretary, Office Manager, Executive Administrator, November, 1984 – January, 1995

Provided high level administrative workload support for the President and seven direct reports. Oversaw the day-to-day operations of the executive office, including supervision of three support personnel. Executive support interface between the Hunt Valley operation of Texas Instruments and Plano, Texas. Instrumental in creating the quality management program, which ultimately led to achieving ISO9001:1987 certification for the site.

Education

University of Baltimore, Baltimore, Maryland - Bachelor of Science degree in Criminal Justice - cum laude

**The Verandahs Community Development District
Board of Supervisors Nominee Application**

Name: Sara m. Henk
Address: 11848 Greengate Drive
Occupation: Realtor with Keller Williams, Certified Notary Signing Agent

1. Tell us how long have you lived in the community?

June 2014

2. What has your experience with the community been like so far?

LCAM for VTH with Vesta in 2014 as newbuild, HOA president and CDD Secretary

3. Do you currently, or have you held other board and/or committee positions in or outside of The Verandahs? Please describe.

HOA Treasurer

4. Please describe any expertise you possess which you feel would benefit our community.

Currently I am a licensed Community Association manager, I have experience with CDD and HOA as active board member.

5. In your own words, why should you be appointed to the Verandahs Community Development District Board of Supervisors?

I am on the HOA board at the VTH Community. I believe it is important to have a VTH resident serve on the CDD board as well. I have currently had a career change that allows for more flexibility in my schedule for more involvement.

SARA M. HENK
REALTOR, LCAM, Certified NSA

11848 Greengate Drive
Hudson, FL 34669
727-326-4745
smg1981@msn.com

OBJECTIVE

I am confident that my qualifications provide me with the required skills and knowledge to contribute significantly to your company. I have excellent communication, organizational and problem-solving skills. I am interested in working for a company that will utilize my skills to the fullest while allowing me to develop new talents with continued education.

EXPERIENCE

Realtor

September 2020-Present

Keller Williams Realty, Palm Harbor, Florida

- Two closed home sales, three under contract
- Familiar with new construction
- Adapt to customer needs

Property Manager

2016-Nov 2021

Harbor Oaks Apartments, Hudson, Florida

- Responsible for all AP, AR, Maintenance and Leasing teams, budgeting decisions, occupancy, and delinquency
- Proficient with Resman, Yardi, Onesite, Appfolio
- Prepare and conduct quarterly file audits
- Maintained 85% renewal retention and closing ratios of 95%
- Increased rents by 5-10% annually

Regional Manager

2014-2016

Impro-Synergies

- Responsible for 8 apartment communities from central to south Florida
- Raised all community occupancy to a standard of 95% or higher
- Ensured all delinquency was less than 1% by the 15th of each month
- Delegated all managerial duties to the appropriate properties
- Prepared all financial portfolios monthly for the Director of Operations review
- Facilitated all inspections and audits from the state

Community Association Manager

2013-2014

Vesta Property Services, New Port Richey, Florida

- Portfolio of 8 communities, 4 directly under the new construction developer
- Scheduled and conducted monthly and quarterly board meetings
- Ensured all business was carried out per the board direction
- Inspected all communities to ensure no violations were found
- Created and maintained all community budgets per the board direction

Assistant Manager/Leasing Agent

2009 to 2013

Park Place Luxury Apartments, Port Richey, Florida

- Assist in repositioning property in 14 months and raising occupancy from 77% to 89%
- Bad Collection average \$4,500.00 per month
- Devising and implanting marketing plans
- Supervise and train leasing personnel
- Promoted from Leasing Consultant to Assistant Manager in 2010
- Leasing Consultant of the year 2009

Courier***2006 to 2009***

- Federal Express, Brandon, Florida
- Team Lead
- Self-Managed daily workload
- Worked was completed in a fast paced, time managed environment, with ease
- Extensive Safe Driving Training
- Excellent Customer Service Skills
- Excellent written and oral communication skills

Aircraft Systems Armament Journeyman***1999 to 2002***

United States Air Force, USA

- Managed armament systems
- Responsible for service and evaluation of weapons systems
- Inspect and maintain aircraft armament systems

EDUCATION***College***

Pasco Hernando State College, GPA: 3.7-Graduation Summer 2022

Phi Theta Kappa Honor Society, Sigma Kappa Delta English Honor Society ***2019-Present******High School******1999***

Armwood High School, Seffner, Florida, GPA: 3.9 - Graduated with High Honors

SKILLS

Administration

Managing Tasks

Office Equipment

Customer & Community Relations

Leading a team with Confidence

Housing Market Trends

PROFESSIONAL LICENSES

Licensed Real Estate Agent (SL3476811), 2020, State of Florida Department of Business and Professional Regulation-Expiration 3-31-2022

Licensed Community Association Manager (CAM41624), 2013, State of Florida Department of Business and Professional Regulation-Expiration 9-30-2022

Certified Notary Signing Agent (HH203415), Notary Public, State of Florida Executive Department-Expiration 11-30-2025

Tab 2

**THE VERANDAHS
COMMUNITY DEVELOPMENT DISTRICT
BOARD OF SUPERVISOR
OATH OF OFFICE**

I, _____, A CITIZEN OF THE STATE OF FLORIDA AND OF THE UNITED STATES OF AMERICA, AND BEING EMPLOYED BY OR AN OFFICER OF THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT AND A RECIPIENT OF PUBLIC FUNDS AS SUCH EMPLOYEE OR OFFICER, DO HEREBY SOLEMNLY SWEAR OR AFFIRM THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES AND THE STATE OF FLORIDA.

Board Supervisor Signature

ACKNOWLEDGMENT OF OATH BEING TAKEN

STATE OF FLORIDA
COUNTY OF PASCO

On this ____ day of _____, 2022, sworn to (or affirmed) and subscribed before me by means of ____ physical presence or ____ online notarization, this ____ day of _____, 2022 by _____, to me well known and known to me to be the person described in and who took the aforementioned oath as a Board Member of the Board of Supervisors of the Verandahs Community Development District and acknowledged to and before me that they took said oath for the purposes therein expressed.

WITNESS my hand and official seal the date aforesaid.

Notary Public
STATE OF FLORIDA

My commission expires on: _____

Tab 3

RESOLUTION 2022-01

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

WHEREAS, The Verandahs Community Development District (hereinafter the "District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes, being situated entirely within Pasco County, Florida; and

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

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

Section 1. _____ is appointed Chairman.

Section 2. _____ is appointed Vice Chairman.

Section 3. _____ is appointed Assistant Secretary.
_____ is appointed Assistant Secretary.
_____ is appointed Assistant Secretary.
Lynn Hayes is appointed Assistant Secretary.
Matt Huber is appointed Assistant Secretary.

Section 4. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED THIS 3rd DAY OF May 2022.

**THE VERANDAHS COMMUNITY
DEVELOPMENT DISTRICT**

CHAIR/VICE CHAIR

ATTEST:

SECRETARY/ASST. SECRETARY

Tab 4



Rizzetta & Company

The Verandahs Community Development District

verandahscdd.org

**Proposed Budget for Fiscal
Year 2022/2023**

Presented by: Rizzetta & Company, Inc.

**5844 Old Pasco Road, Suite 100
Wesley Chapel, Florida 33544
Phone: 813-994-1001**

rizzetta.com

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Rizzetta & Company

Proposed Budget
The Verandahs Community Development District
General Fund
Fiscal Year 2022/2023

| | Chart of Accounts Classification | Actual YTD through 03/31/22 | Projected Annual Totals 2021/2022 | Annual Budget for 2021/2022 | Projected Budget variance for 2021/2022 | Budget for 2022/2023 | Budget Increase (Decrease) vs 2021/2022 | Comments |
|----|--|--------------------------------------|--|--------------------------------------|---|----------------------------|---|--|
| 1 | | | | | | | | |
| 2 | REVENUES | | | | | | | |
| 3 | | | | | | | | |
| 4 | Interest Earnings | | | | | | | |
| 5 | Interest Earnings | \$ 25 | \$ 25 | \$ - | \$ 25 | \$ - | \$ - | |
| 6 | Special Assessments | | | | | | | |
| 7 | Tax Roll | \$ 443,688 | \$ 443,688 | \$ 442,210 | \$ 1,478 | \$ 511,345 | \$ 69,135 | |
| 8 | Other Miscellaneous Revenues | | | | | | | |
| 9 | Miscellaneous Revenues | \$ 28 | \$ 219 | \$ - | \$ 219 | \$ - | \$ - | |
| 10 | | | | | | | | |
| 11 | TOTAL REVENUES | \$ 443,741 | \$ 443,932 | \$ 442,210 | \$ 1,722 | \$ 511,345 | \$ 69,135 | plus \$25K for reserves - total \$534,345 |
| 12 | | | | | | | | |
| 13 | EXPENDITURES - ADMINISTRATIVE | | | | | | | |
| 14 | | | | | | | | |
| 15 | Legislative | | | | | | | |
| 16 | Supervisor Fees | \$ 5,800 | \$ 11,600 | \$ 12,000 | \$ 400 | \$ 12,000 | \$ - | |
| 17 | Financial & Administrative | | | | | | | |
| 18 | Administrative Services | \$ 1,800 | \$ 3,600 | \$ 3,600 | \$ - | \$ 3,744 | \$ 144 | Cost of living adjustment/No increase FY 19/20 |
| 19 | District Management | \$ 10,000 | \$ 20,000 | \$ 20,000 | \$ - | \$ 20,800 | \$ 800 | Cost of living adjustment/No increase FY 19/20 |
| 20 | District Engineer | \$ 8,977 | \$ 17,954 | \$ 10,000 | \$ (7,954) | \$ 10,000 | \$ - | Confirmed with DE |
| 21 | Trustees Fees | \$ 3,704 | \$ 3,704 | \$ 4,500 | \$ 796 | \$ 4,500 | \$ - | US Bank Series 2016 |
| 22 | Tax Collector /Property Appraiser Fees | \$ - | \$ 150 | \$ 150 | \$ - | \$ 150 | \$ - | |
| 23 | Financial & Revenue Collections | \$ 2,300 | \$ 4,600 | \$ 4,600 | \$ - | \$ 4,784 | \$ 184 | Cost of living adjustment/No increase FY 19/20 |
| 24 | Assessment Roll | \$ 5,000 | \$ 5,000 | \$ 5,000 | \$ - | \$ 5,200 | \$ 200 | Cost of living adjustment/No increase FY 19/20 |
| 25 | Accounting Services | \$ 8,072 | \$ 16,144 | \$ 16,144 | \$ - | \$ 16,790 | \$ 646 | Cost of living adjustment/No increase FY 19/20 |
| 26 | Auditing Services | \$ 2,529 | \$ 3,700 | \$ 3,700 | \$ - | \$ 3,390 | \$ (310) | 25/26 |
| 27 | Arbitrage Rebate Calculation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | Series 2016 N/A arbitrage rebate fee per IRS |
| 28 | Public Officials Liability Insurance | \$ 2,659 | \$ 2,785 | \$ 2,785 | \$ - | \$ 3,191 | \$ 406 | Per Egis Estimate |
| 29 | Legal Advertising | \$ 587 | \$ 1,174 | \$ 750 | \$ (424) | \$ 750 | \$ - | |
| 30 | Dues, Licenses & Fees | \$ 275 | \$ 275 | \$ 175 | \$ (100) | \$ 175 | \$ - | DEO |
| 31 | Miscellaneous Fees | \$ - | \$ - | \$ 500 | \$ 500 | \$ 500 | \$ - | |
| 32 | Website Hosting, Maintenance, Backup | \$ 2,138 | \$ 2,737 | \$ 2,737 | \$ - | \$ 2,737 | \$ - | Per contracts-No Change FY 2022-2023 |
| 33 | Legal Counsel | | | | | | | |
| 34 | District Counsel | \$ 13,210 | \$ 26,420 | \$ 7,000 | \$ (19,420) | \$ 20,000 | \$ 13,000 | Confirmed DC |
| 35 | | | | | | | | |
| 36 | Administrative Subtotal | \$ 67,051 | \$ 119,843 | \$ 93,641 | \$ (26,202) | \$ 108,711 | \$ 15,070 | |
| 37 | | | | | | | | |
| 38 | EXPENDITURES - FIELD OPERATIONS | | | | | | | |
| 39 | | | | | | | | |
| 40 | Electric Utility Services | | | | | | | |
| 41 | Utility Services | \$ 424 | \$ 848 | \$ 1,500 | \$ 652 | \$ 1,500 | \$ - | No Change FY 2022-2023 |
| 42 | Utility - Recreation Facilities | \$ 648 | \$ 1,296 | \$ 6,500 | \$ 5,204 | \$ 2,500 | \$ (4,000) | FY 19-20 & FY 20-21 & FY 21-22 |
| 43 | Street Lights | \$ 20,374 | \$ 40,748 | \$ 45,000 | \$ 4,252 | \$ 49,500 | \$ 4,500 | FY 22/23 With Estimated 10% Increase |
| 44 | Garbage/Solid Waste Control Services | | | | | | | |
| 45 | Garbage - Recreation Facility | \$ 101 | \$ 202 | \$ 700 | \$ 498 | \$ 721 | \$ 21 | Waste Management Contract + Estimated increase |
| 46 | Solid Waste Assessment | \$ 380 | \$ 380 | \$ 349 | \$ (31) | \$ 418 | \$ 69 | FY 22/23 With Estimated 10% Increase |
| 47 | Water-Sewer Combination Services | | | | | | | |
| 48 | Utility Services - Recreation Facilities | \$ 425 | \$ 850 | \$ 5,000 | \$ 4,150 | \$ 2,500 | \$ (2,500) | FY 19-20 & FY 20-21 & FY 21-22 |
| 49 | Stormwater Control | | | | | | | |
| 50 | Aquatic Maintenance | \$ 7,405 | \$ 14,810 | \$ 15,000 | \$ 190 | \$ 15,000 | \$ - | Per Solitude Contract \$15K |
| 51 | Stormwater System Maintenance | \$ - | \$ - | \$ 2,500 | \$ 2,500 | \$ 3,500 | \$ 1,000 | Structure Maintenance Items DE |
| 52 | Stormwater Assessment | \$ 319 | \$ 319 | \$ 100 | \$ (219) | \$ 351 | \$ 251 | FY 22/23 With Estimated Increase |
| 53 | Aquatic Plant Replacement | \$ - | \$ - | \$ - | \$ - | \$ 10,000 | \$ 10,000 | New Budget Item |
| 54 | Other Physical Environment | | | | | | | |
| 55 | General Liability Insurance | \$ 3,840 | \$ 4,023 | \$ 4,023 | \$ - | \$ 4,608 | \$ 585 | Per Egis Estimate |
| 56 | Property Insurance | \$ 3,767 | \$ 3,946 | \$ 3,946 | \$ - | \$ 4,520 | \$ 574 | Per Egis Estimate |
| 57 | Entry & Walls Maintenance | \$ - | \$ - | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ - | Pressure washing/maintenance |
| 58 | Landscape Maintenance | \$ 43,503 | \$ 85,500 | \$ 85,500 | \$ - | \$ 85,500 | \$ - | Per Yellowstone Contract |

Proposed Budget
The Verandahs Community Development District
General Fund
Fiscal Year 2022/2023

| | Chart of Accounts Classification | Actual YTD through 03/31/22 | Projected Annual Totals 2021/2022 | Annual Budget for 2021/2022 | Projected Budget variance for 2021/2022 | Budget for 2022/2023 | Budget Increase (Decrease) vs 2021/2022 | Comments |
|----|--|--------------------------------------|--|--------------------------------------|---|----------------------------|---|--|
| 59 | Irrigation Maintenance & Repairs | \$ 3,522 | \$ 7,044 | \$ 13,300 | \$ 6,256 | \$ 13,300 | \$ - | Per Yellowstone Contract + FY 19 -22 |
| 60 | Rust Prevention | \$ 7,500 | \$ 15,000 | \$ 15,000 | \$ - | \$ 15,000 | \$ - | Per contract Suncoast Rust Control- \$1250 |
| 61 | Landscape - Annuals | \$ 1,025 | \$ 2,050 | \$ 5,000 | \$ 2,950 | \$ 5,000 | \$ - | Per Yellowstone Contract |
| 62 | Holiday Decorations | \$ - | \$ 1,800 | \$ 1,800 | \$ - | \$ 1,000 | \$ (800) | CDD funds for holiday decorations |
| 63 | Tree Trimming Services | \$ 11,175 | \$ 22,350 | \$ 24,000 | \$ 1,650 | \$ 27,400 | \$ 3,400 | Cutback Maint + Tree Removal + Addtl Services |
| 64 | Landscape Replacement Plants, Shrubs, | \$ 6,557 | \$ 13,114 | \$ 6,000 | \$ (7,114) | \$ 16,000 | \$ 10,000 | FY 19-20 & FY 20-21 & FY 21-22 |
| 65 | Landscape - Mulch | \$ - | \$ - | \$ 12,500 | \$ 12,500 | \$ 12,500 | \$ - | Per Yellowstone Contract |
| 66 | Landscape Fertilization & Pest | \$ 3,800 | \$ 7,600 | \$ 15,000 | \$ 7,400 | \$ 15,000 | \$ - | Per Yellowstone Contract |
| 67 | Fire Ant Treatment | \$ - | \$ - | \$ 3,800 | \$ 3,800 | \$ 3,800 | \$ - | Current expense |
| 68 | Field Services | \$ 3,750 | \$ 7,500 | \$ 7,500 | \$ - | \$ 8,700 | \$ 1,200 | No Increase since FY 17/18 \$7500 to \$8700 |
| 69 | Turf / Shrubs / Trees Treatment | \$ - | \$ - | \$ 6,000 | \$ 6,000 | \$ 6,000 | \$ - | Projects FY 22/23 |
| 70 | Parks & Recreation | | | | | | | |
| 71 | Budgeted Personnel | \$ 18,405 | \$ 39,411 | \$ 39,411 | \$ - | \$ 30,965 | \$ (8,446) | Cost of living adjustment Club Staff \$3,618 |
| 72 | General Management & Oversight | \$ - | \$ - | \$ - | \$ - | \$ 9,600 | \$ 9,600 | New breakout for contract |
| 73 | Maintenance & Repair | \$ 1,040 | \$ 2,080 | \$ 2,000 | \$ (80) | \$ 2,000 | \$ - | |
| 74 | Telephone Fax, Internet | \$ 1,852 | \$ 3,704 | \$ 4,641 | \$ 937 | \$ 4,641 | \$ - | No Change FY 2022-2023 |
| 75 | Clubhouse - Facility Janitorial Service | \$ 3,530 | \$ 7,060 | \$ 7,100 | \$ 40 | \$ 7,100 | \$ - | Per Suncoast Sparking Contract \$655 per month peak-season (April-September) and \$525 per month off-season (October-March). |
| 76 | Pest Control | \$ - | \$ - | \$ 1,600 | \$ 1,600 | \$ 1,300 | \$ (300) | Average annual cost Nvirotect/Antipesto |
| 77 | Computer Support, Maintenance & Repair | \$ - | \$ - | \$ 250 | \$ 250 | \$ 250 | \$ - | |
| 78 | Facility A/C & Heating Maintenance & | \$ - | \$ - | \$ 500 | \$ 500 | \$ 500 | \$ - | |
| 79 | Community Special Events | \$ 655 | \$ 1,310 | \$ - | \$ (1,310) | \$ 6,000 | \$ 6,000 | New FY 22/23 Budget Line Item CDD Funds |
| 80 | Security System Monitoring & Maintenance | \$ 300 | \$ 700 | \$ 700 | \$ - | \$ 700 | \$ - | Per SecuriTeam Contract + repairs |
| 81 | Fitness Equipment Lease | \$ 1,943 | \$ 3,886 | \$ 3,960 | \$ 74 | \$ 3,960 | \$ - | Per Crestmark Contract + \$75 equip tax annual |
| 82 | Fitness Equipment Maintenance & Repairs | \$ 72 | \$ 144 | \$ 1,500 | \$ 1,356 | \$ 1,500 | \$ - | Per FitRev PM Quarterly PM Service Contract + Lab |
| 83 | Fitness Equipment Extended Warranty | \$ - | \$ - | \$ - | \$ - | \$ 4,200 | \$ 4,200 | New FitRev 3 Year Fitness Equipment Parts Warrant |
| 84 | Office Supplies | \$ 559 | \$ 1,118 | \$ 300 | \$ (818) | \$ 800 | \$ 500 | FY19-20, FY20-21, FY21-22 + News Letters/Mailers |
| 85 | Facility Supplies | \$ 829 | \$ 1,658 | \$ 2,000 | \$ 342 | \$ 2,000 | \$ - | |
| 86 | Contingency | | | | | | | |
| 87 | Miscellaneous Contingency | \$ - | \$ - | \$ 3,589 | \$ 3,589 | \$ 5,000 | \$ 1,411 | |
| 88 | Capital Outlay | \$ - | \$ - | \$ - | \$ - | \$ 16,800 | \$ 16,800 | Community Wide Tree Trimming - High Trim Divided Over 5 YR Plan = Est \$16,800 per year |
| 89 | Field Operations Subtotal | \$ 147,700 | \$ 290,449 | \$ 348,569 | \$ 58,118 | \$ 402,634 | \$ 54,065 | |
| 90 | | | | | | | | |
| 91 | TOTAL EXPENDITURES | \$ 214,750 | \$ 410,292 | \$ 442,210 | \$ 31,916 | \$ 511,345 | \$ 69,135 | |
| 92 | | | | | | | | |
| 93 | EXCESS OF REVENUES OVER | \$ 228,990 | \$ 33,640 | \$ - | \$ (30,194) | \$ - | \$ - | |
| 94 | | | | | | | | |

Proposed Budget
The Verandahs Community Development District
Reserve Fund
Fiscal Year 2022/2023

| | Chart of Accounts Classification | Budget for 2022/2023 |
|----|---|----------------------|
| 1 | | |
| 2 | REVENUES | |
| 3 | | |
| 4 | Special Assessments | |
| 5 | Tax Roll* | \$ 25,000 |
| 6 | | |
| 7 | TOTAL REVENUES | \$ 25,000 |
| 8 | | |
| 9 | Balance Forward from Prior Year | \$ - |
| 10 | | |
| 11 | TOTAL REVENUES AND BALANCE FORWARD | \$ 25,000 |
| 12 | | |
| 13 | | |
| 14 | EXPENDITURES | |
| 15 | | |
| 16 | Contingency | |
| 17 | Capital Reserves | \$ 25,000 |
| 18 | | |
| 19 | TOTAL EXPENDITURES | \$ 25,000 |
| 20 | | |
| 21 | EXCESS OF REVENUES OVER EXPENDITURES | \$ - |
| 22 | | |

The Verandahs Community Development District
Debt Service
Fiscal Year 2022/2023

| Chart of Accounts Classification | Series 2016 | Budget for 2022/2023 |
|---|---------------------|----------------------|
| | | |
| REVENUES | | |
| Special Assessments | | |
| Net Special Assessments ⁽¹⁾ | \$310,438.86 | \$310,438.86 |
| | | |
| TOTAL REVENUES | \$310,438.86 | \$310,438.86 |
| | | |
| | | |
| EXPENDITURES | | |
| Administrative | | |
| Financial & Administrative | | |
| | | |
| Debt Service Obligation | \$310,438.86 | \$310,438.86 |
| Administrative Subtotal | \$310,438.86 | \$310,438.86 |
| | | |
| TOTAL EXPENDITURES | \$310,438.86 | \$310,438.86 |
| | | |
| EXCESS OF REVENUES OVER EXPENDITURES | \$0.00 | \$0.00 |

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

6.0%

Gross assessments

\$329,973.28

Notes:

Tax Roll Collection Costs (2%) and EPD (4%) for Pasco County together are a total 6.0% of Tax Roll. Budgeted net of tax roll assessments. See Assessment Table.

⁽¹⁾ Maximum Annual Debt Service less Prepaid Assessments received.

THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT

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

| | | |
|--------------------------------|----|---------------------|
| 2022/2023 O&M Budget | | \$536,345.00 |
| Pasco County Collection Cost @ | 2% | \$11,411.60 |
| Early Payment Discounts @ | 4% | \$22,823.19 |
| 2022/2023 Total | | <u>\$570,579.79</u> |

| | |
|----------------------|--------------|
| 2021/2022 O&M Budget | \$442,210.00 |
| 2022/2023 O&M Budget | \$536,345.00 |

| | |
|-------------------|---------------------------|
| Total Difference: | <u><u>\$94,135.00</u></u> |
|-------------------|---------------------------|

| | PER UNIT ANNUAL ASSESSMENT | | Proposed Increase / Decrease | |
|--|----------------------------|-------------------|------------------------------|---------------|
| | 2021/2022 | 2022/2023 | \$ | % |
| Series 2016 Debt Service - Single Family | \$593.10 | \$593.10 | \$0.00 | 0.00% |
| Operations/Maintenance - Single Family | \$850.70 | \$1,031.79 | \$181.09 | 21.29% |
| Total | \$1,443.80 | \$1,624.89 | \$181.09 | 21.29% |
| | | | | |
| Series 2016 Debt Service - Single Family (prepaid) | \$48.39 | \$48.39 | \$0.00 | 0.00% |
| Operations/Maintenance - Single Family | \$850.70 | \$1,031.79 | \$181.09 | 21.29% |
| Total | \$899.09 | \$1,080.18 | \$181.09 | 21.29% |
| | | | | |
| Series 2016 Debt Service - Townhome | \$320.74 | \$320.74 | \$0.00 | 0.00% |
| Operations/Maintenance - Townhome | \$425.35 | \$515.89 | \$90.54 | 21.29% |
| Total | \$746.09 | \$836.63 | \$90.54 | 21.29% |
| | | | | |
| Series 2016 Debt Service - Townhome (prepaid) | \$48.39 | \$48.39 | \$0.00 | 0.00% |
| Operations/Maintenance - Townhome | \$425.35 | \$515.89 | \$90.54 | 21.29% |
| Total | \$473.74 | \$564.28 | \$90.54 | 21.29% |

THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT

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

| | | |
|---------------------------|------|---------------------|
| TOTAL O&M BUDGET | | \$536,345.00 |
| COLLECTION COSTS @ | 2.0% | \$11,411.60 |
| EARLY PAYMENT DISCOUNTS @ | 4.0% | \$22,823.19 |
| TOTAL O&M ASSESSMENT | | <u>\$570,579.79</u> |

| LOT SIZE | UNITS ASSESSED | | ALLOCATION OF O&M ASSESSMENT | | | | PER LOT ANNUAL ASSESSMENT | | |
|-------------------------|----------------|--|------------------------------|----------------|------------------|---------------------|---------------------------|--------------------------------|----------------------|
| | O&M | SERIES 2016 DEBT SERVICE ^{(1) (2)} | EAU FACTOR | TOTAL EAU's | % TOTAL EAU's | TOTAL O&M BUDGET | O&M | DEBT SERVICE ⁽³⁾ | TOTAL ⁽⁴⁾ |
| Single Family | 494 | 494 | 1.00 | 494.00 | 89.33% | \$509,704.19 | \$1,031.79 | \$593.10 | \$1,624.89 |
| Single Family (prepaid) | 1 | 1 | 1.00 | 1.00 | 0.18% | \$1,031.79 | \$1,031.79 | \$48.39 | \$1,080.18 |
| Town Home | 115 | 115 | 0.50 | 57.50 | 10.40% | \$59,327.92 | \$515.89 | \$320.74 | \$836.63 |
| Town Home (prepaid) | 1 | 1 | 0.50 | 0.50 | 0.09% | \$515.89 | \$515.89 | \$48.39 | \$564.28 |
| | <u>611</u> | <u>611</u> | | <u>553.00</u> | <u>100.00%</u> | <u>\$570,579.79</u> | | | |

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

(\$34,234.79)

Net Revenue to be Collected:

\$536,345.00

⁽¹⁾ Reflects previous 1 (one) Single Family and 1 (one) Townhome previous Series 2006A Prepayment. However, these lots are subject to the 2016 Project Assessments.

⁽²⁾ Reflects the number of total lots with Series 2016 debt outstanding.

⁽³⁾ Annual debt service assessment per lot adopted in connection with the Series 2016 bond issue. Annual assessment includes principal, interest, Pasco County collection costs and early payment discounts.

⁽⁴⁾ Annual assessment that will appear on November 2022 Pasco County property tax bill. Amount shown includes all applicable county collection costs and early payment discounts (up to 4% if paid early).

GENERAL FUND BUDGET ACCOUNT CATEGORY DESCRIPTION

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

REVENUES:

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

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

Miscellaneous Revenues: The District may receive monies event rentals for such things as weddings, birthday parties, etc. for the sale or provision of electronic access cards, entry decals etc.

EXPENDITURES – ADMINISTRATIVE:

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

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

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

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

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



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Assessment Roll: The District will contract with a firm to prepare, maintain and certify the assessment roll(s) and annually levy a non-ad valorem assessment for operating and debt service expenses.

Financial & Revenue Collections: Services of the Collection Agent include all functions necessary for the timely billing and collection and reporting of District assessments in order to ensure adequate funds to meet the District's debt service and operations and maintenance obligations. The Collection Agent also maintains and updates the District's lien book(s) annually and provides for the release of liens on property after the full collection of bond debt levied on particular properties.

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

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

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

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

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

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

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

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

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

EXPENDITURES - FIELD OPERATIONS:

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



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

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

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

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

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

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

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

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

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

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

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

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

Tree Trimming Services: The District will incur expenditures to maintain trees within the District's boundaries as the District determines necessary.

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

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

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



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

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

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

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

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

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

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

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

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

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



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RESERVE FUND BUDGET ACCOUNT CATEGORY DESCRIPTION

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

REVENUES:

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

EXPENDITURES:

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



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DEBT SERVICE FUND BUDGET ACCOUNT CATEGORY DESCRIPTION

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

REVENUES:

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

EXPENDITURES – ADMINISTRATIVE:

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



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Tab 5

RESOLUTION 2022-02

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED OPERATION AND MAINTENANCE BUDGET FOR FISCAL YEAR 2022/2023; SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; ADDRESSING TRANSMITTAL, POSTING, AND PUBLICATION REQUIREMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager prepared and submitted to the Board of Supervisors (**“Board”**) of The Verandahs Community Development District (**“District”**) prior to June 15, 2022 a proposed operation and maintenance budget for the fiscal year beginning October 1, 2022 and ending September 30, 2023 (**“Proposed Budget”**); and

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

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

1. **PROPOSED BUDGET APPROVED.** The Proposed Budget, including any modifications made by the Board, attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said Proposed Budget.

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

DATE: July 5, 2022

HOOR: 6:30 p.m.

LOCATION: The Verandahs Amenity Center
12375 Chenwood Avenue
Hudson, Florida 34669

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

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

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

6. **EFFECTIVE DATE.** This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED ON MAY 3, 2022.

Attest:

**The Verandahs Community
Development District**

Print Name: _____
Secretary / Assistant Secretary

Print Name: _____
Chair/Vice Chair of the Board of Supervisors

Exhibit A: Proposed Budget for Fiscal Year 2022/2023

Tab 6

**THE VERANDAHS
COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2021**

**THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
The Verandahs Community Development District
Pasco County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of The Verandahs Community Development District, Pasco County, Florida ("District") as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements 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, 2021, and the respective changes in financial position thereof 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 Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

January 11, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

FINANCIAL HIGHLIGHTS

- The assets 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 \$1,651,597.
- The change in the District's total net position in comparison with the prior fiscal year was \$192,719, 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, 2021, the District's governmental funds reported combined ending fund balances of \$663,339, an increase of \$59,038 in comparison with the prior fiscal year. The total fund balance is non-spendable for prepaid items and deposits, restricted for debt service, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

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

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

The government-wide financial statements include all governmental activities that are principally supported by special assessment revenues. The District does not have any business-type activities. The governmental activities of the District include the general government (management), physical environment, and recreation 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: the 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 governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and capital projects fund all of which are considered major funds.

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

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets 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, | | |
| | 2021 | 2020 |
| Current and other assets | \$ 676,509 | \$ 620,452 |
| Capital assets, net of depreciation | 4,636,684 | 4,687,823 |
| Total assets | 5,313,193 | 5,308,275 |
| Deferred outflows of resources | 9,153 | 9,766 |
| Current liabilities | 65,598 | 71,204 |
| Long-term liabilities | 3,605,151 | 3,787,959 |
| Total liabilities | 3,670,749 | 3,859,163 |
| Net position | | |
| Net investment in capital assets | 1,031,533 | 899,864 |
| Restricted for debt service | 139,791 | 115,279 |
| Restricted for capital projects | - | 21,570 |
| Unrestricted | 480,273 | 422,165 |
| Total net position | \$ 1,651,597 | \$ 1,458,878 |

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 ENDED SEPTEMBER 30, | | |
|--|--------------|--------------|
| | 2021 | 2020 |
| Revenues: | | |
| Program revenues | | |
| Charges for services | \$ 757,465 | \$ 733,034 |
| Operating grants and contributions | 2,189 | 1,786 |
| Capital grants and contributions | 1 | 344 |
| General revenues | | |
| Unrestricted investment earnings | 63 | 1,539 |
| Total revenues | 759,718 | 736,703 |
| Expenses: | | |
| General government | 87,455 | 91,305 |
| Physical environment | 271,734 | 267,905 |
| Culture and recreation | 76,620 | 77,161 |
| Interest on long-term debt | 131,190 | 137,635 |
| Total expenses | 566,999 | 574,006 |
| Change in net position | 192,719 | 162,697 |
| Net position - beginning | 1,458,878 | 1,296,181 |
| Net position - ending | \$ 1,651,597 | \$ 1,458,878 |

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2021 was \$566,999. The costs of the District's activities were primarily funded by program revenues. Program revenues, comprised primarily of assessments, increased from the prior fiscal year, mainly a result of an increase in per unit assessment for operation and maintenance. In total, expenses decreased from the prior fiscal year, the majority of the decrease was the result of a decrease in professional services and interest expense.

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, 2021.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2021, the District had \$4,989,457 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$352,773 has been taken, which resulted in a net book value of \$4,636,684. More detailed information about the District's capital assets is presented in the notes to the financial statements.

Capital Debt

At September 30, 2021, the District had \$3,595,000 Bonds outstanding and \$10,151 capital lease payable for its governmental activities. More detailed information about the District's capital debt is presented in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND OTHER EVENTS

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 Verandahs Community Development District's Accounting Department at 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614.

FINANCIAL STATEMENTS

**THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

| | Governmental Activities |
|---------------------------------------|----------------------------|
| ASSETS | |
| Cash | \$ 455,764 |
| Prepaid items and deposits | 28,526 |
| Restricted assets: | |
| Investments | 192,219 |
| Capital assets: | |
| Nondepreciable | 3,576,042 |
| Depreciable, net | 1,060,642 |
| Total assets | <u>5,313,193</u> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred charge on refunding (debit) | <u>9,153</u> |
| Total deferred outflows of resources | <u>9,153</u> |
| LIABILITIES | |
| Accounts payable and accrued expenses | 12,170 |
| Deposits | 1,000 |
| Accrued interest payable | 52,428 |
| Non-current liabilities: | |
| Due within one year | 188,078 |
| Due in more than one year | 3,417,073 |
| Total liabilities | <u>3,670,749</u> |
| NET POSITION | |
| Net investment in capital assets | 1,031,533 |
| Restricted for debt service | 139,791 |
| Unrestricted | 480,273 |
| Total net position | <u>\$ 1,651,597</u> |

See notes to the financial statements

**THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position |
|----------------------------------|-----------|----------------------------|--|--|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Primary government: | | | | | |
| Governmental activities: | | | | | |
| General government | \$ 87,455 | \$ 87,455 | \$ 2,173 | \$ - | \$ 2,173 |
| Physical environment | 271,734 | 280,965 | - | 1 | 9,232 |
| Culture and recreation | 76,620 | 76,620 | - | - | - |
| Interest on long-term debt | 131,190 | 312,425 | 16 | - | 181,251 |
| Total governmental activities | 566,999 | 757,465 | 2,189 | 1 | 192,656 |
| General revenues: | | | | | |
| Unrestricted investment earnings | | | | | 63 |
| Total general revenues | | | | | 63 |
| Change in net position | | | | | 192,719 |
| Net position - beginning | | | | | 1,458,878 |
| Net position - ending | | | | | <u>\$ 1,651,597</u> |

See notes to the financial statements

**THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
BALANCE SHEET -
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

| | Major Funds | | | Total Governmental Funds |
|--|-------------------|-------------------|---------------------|--------------------------------|
| | General | Debt Service | Capital Projects | |
| ASSETS | | | | |
| Cash | \$ 455,764 | \$ - | \$ - | \$ 455,764 |
| Investments | - | 192,219 | - | 192,219 |
| Prepaid items and deposits | 28,526 | - | - | 28,526 |
| Total assets | <u>\$ 484,290</u> | <u>\$ 192,219</u> | <u>\$ -</u> | <u>\$ 676,509</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable and accrued expenses | \$ 12,170 | \$ - | \$ - | \$ 12,170 |
| Deposits | 1,000 | - | - | 1,000 |
| Total liabilities | <u>13,170</u> | <u>-</u> | <u>-</u> | <u>13,170</u> |
| Fund balances: | | | | |
| Nonspendable: | | | | |
| Prepaid items and deposits | 28,526 | - | - | 28,526 |
| Restricted for: | | | | |
| Debt service | - | 192,219 | - | 192,219 |
| Unassigned | 442,594 | - | - | 442,594 |
| Total fund balances | <u>471,120</u> | <u>192,219</u> | <u>-</u> | <u>663,339</u> |
| Total liabilities and fund balances | <u>\$ 484,290</u> | <u>\$ 192,219</u> | <u>\$ -</u> | <u>\$ 676,509</u> |

See notes to the financial statements

**THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

| | | |
|-----------------------------------|----|---------|
| Fund balance - governmental funds | \$ | 663,339 |
|-----------------------------------|----|---------|

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 | 4,989,457 | |
| Accumulated depreciation | <u>(352,773)</u> | 4,636,684 |

| | | |
|--|--|-------|
| Deferred charges on refunding of long-term debt are shown as deferred outflows/inflows of resources in the government-wide financial statements; however, this amount is expensed in the governmental fund financial statements. | | 9,153 |
|--|--|-------|

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 | (52,428) | |
| Capital lease payable | (10,151) | |
| Bonds payable | <u>(3,595,000)</u> | <u>(3,657,579)</u> |

| | | |
|---|----|-------------------------|
| Net position of governmental activities | \$ | <u><u>1,651,597</u></u> |
|---|----|-------------------------|

See notes to the financial statements

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

| | Major Funds | | | Total Governmental Funds |
|--|-------------|-----------------|---------------------|--------------------------------|
| | General | Debt Service | Capital Projects | |
| REVENUES | | | | |
| Assessments | \$ 445,040 | \$ 312,425 | \$ - | \$ 757,465 |
| Interest income | 63 | 16 | 1 | 80 |
| Miscellaneous Revenue | 2,173 | - | - | 2,173 |
| Total revenues | 447,276 | 312,441 | 1 | 759,718 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 87,455 | - | - | 87,455 |
| Physical environment | 246,938 | - | - | 246,938 |
| Culture and recreation | 50,277 | - | - | 50,277 |
| Debt service: | | | | |
| Principal | 2,808 | 180,000 | - | 182,808 |
| Interest | 1,077 | 132,125 | - | 133,202 |
| Total expenditures | 388,555 | 312,125 | - | 700,680 |
| Excess (deficiency) of revenues over (under) expenditures | 58,721 | 316 | 1 | 59,038 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer in (out) | - | 21,571 | (21,571) | - |
| Total other financing sources (uses) | - | 21,571 | (21,571) | - |
| Net change in fund balances | 58,721 | 21,887 | (21,570) | 59,038 |
| Fund balances - beginning | 412,399 | 170,332 | 21,570 | 604,301 |
| Fund balances - ending | \$ 471,120 | \$ 192,219 | \$ - | \$ 663,339 |

See notes to the financial statements

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

| | |
|---|-------------------|
| Net change in fund balances - total governmental funds | \$ 59,038 |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities. | 182,808 |
| Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities. | (51,139) |
| 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. | 2,625 |
| Amortization of the deferred charge on refunding is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities. | (613) |
| Change in net position of governmental activities | <u>\$ 192,719</u> |

See notes to the financial statements

**THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

The Verandahs Community Development District ("District") was established by Ordinance 06-20 of the Board of County Commissioners of Pasco County, Florida effective on July 25, 2006, 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 on an at large basis by the qualified electors within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the responsibility for:

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected 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 imposed on assessable lands located within the District. Assessments may be levied on property to pay for the operations and maintenance of the District. The fiscal year for which annual assessments may be 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 considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental funds:

General Fund

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

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on 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 on hand and demand deposits are considered to be cash and cash equivalents.

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

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

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, surplus funds may be deposited into certificates of deposit which are insured 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 governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

| <u>Assets</u> | <u>Years</u> |
|---------------------|--------------|
| Infrastructure | 25 – 40 |
| Fitness equipment | 5 |
| Recreation facility | 20 |

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)

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.

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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Disclosures

Use of Estimates

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

NOTE 3 – BUDGETARY INFORMATION

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

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

- a) Each year, the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) A public hearing is conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) 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, 2021:

| | Amortized Cost | Credit Risk | Maturities |
|--|-------------------|-------------|--|
| First American Government Obligation Fund Class Y | \$ 192,219 | S&P AAAM | Weighted average of the fund portfolio: 14 days |
| Total Investments | <u>\$ 192,219</u> | | |

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.

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

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 ended September 30, 2021 was as follows:

| | Beginning Balance | Additions | Disposals | Ending Balance |
|--|----------------------|-------------|-----------|-------------------|
| <u>Governmental activities</u> | | | | |
| Capital assets, not being depreciated | | | | |
| Land and land improvements | \$ 3,576,042 | \$ - | \$ - | \$ 3,576,042 |
| Total capital assets, not being depreciated | 3,576,042 | - | - | 3,576,042 |
| Capital assets, being depreciated | | | | |
| Infrastructure | 982,564 | - | - | 982,564 |
| Fitness equipment | 32,000 | - | - | 32,000 |
| Recreation facility | 398,851 | - | - | 398,851 |
| Total capital assets, being depreciated | 1,413,415 | - | - | 1,413,415 |
| Less accumulated depreciation for: | | | | |
| Infrastructure | (279,744) | (24,796) | - | (304,540) |
| Fitness equipment | (6,933) | (6,400) | - | (13,333) |
| Recreation facility | (14,957) | (19,943) | - | (34,900) |
| Total accumulated depreciation | (301,634) | (51,139) | - | (352,773) |
| Total capital assets, being depreciated, net | 1,111,781 | (51,139) | - | 1,060,642 |
| Governmental activities capital assets, net | \$ 4,687,823 | \$ (51,139) | \$ - | \$ 4,636,684 |

Depreciation expense was charged to function/programs as follows:

| | |
|----------------------------|------------------|
| Governmental activities: | |
| Physical environment | \$ 24,796 |
| Culture and recreation | 26,343 |
| Total depreciation expense | <u>\$ 51,139</u> |

NOTE 6 – LONG-TERM LIABILITIES

On August 31, 2016, the District issued \$4,430,000 of Capital Improvement Revenue Refunding Bonds Series 2016 due May 1, 2036, with a fixed interest rate of 3.5%. The Bonds were issued to refund the District's outstanding Capital Improvements Revenue Bonds, Series 2006A (the "Refunded Bonds"), construct certain assessable improvements, 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.

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, 2021.

Long-term Debt Activity

Changes in long-term liability activity for the fiscal year ended September 30, 2021 were as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|--------------------------------|----------------------|-------------|-------------------|---------------------|------------------------|
| <u>Governmental activities</u> | | | | | |
| Bonds payable: | | | | | |
| Series 2016 | \$ 3,775,000 | \$ - | \$ 180,000 | \$ 3,595,000 | \$ 185,000 |
| Capital lease | 12,959 | - | 2,808 | 10,151 | 3,078 |
| Total | <u>\$ 3,787,959</u> | <u>\$ -</u> | <u>\$ 182,808</u> | <u>\$ 3,605,151</u> | <u>\$ 188,078</u> |

At September 30, 2021, the scheduled debt service requirements on the long-term debt were as follows:

| Year ending September 30: | Governmental Activities | | |
|------------------------------|-------------------------|---------------------|---------------------|
| | Principal | Interest | Total |
| 2022 | \$ 185,000 | \$ 125,825 | \$ 310,825 |
| 2023 | 190,000 | 119,350 | 309,350 |
| 2024 | 200,000 | 112,700 | 312,700 |
| 2025 | 205,000 | 105,700 | 310,700 |
| 2026 | 215,000 | 98,525 | 313,525 |
| 2027-2031 | 1,185,000 | 375,025 | 1,560,025 |
| 2032-2036 | 1,415,000 | 151,900 | 1,566,900 |
| Total | <u>\$ 3,595,000</u> | <u>\$ 1,089,025</u> | <u>\$ 4,684,025</u> |

NOTE 7 – INTERFUND TRANSFERS

Interfund transfers for the fiscal year ended September 30, 2021 were as follows:

| Fund | Transfer in | Transfer out |
|------------------|------------------|------------------|
| Debt service | \$ 21,571 | \$ - |
| Capital projects | - | 21,571 |
| Total | <u>\$ 21,571</u> | <u>\$ 21,571</u> |

Transfers from the capital projects fund to the debt service fund were to move the remaining amounts on hand in the construction account to the prepayment account once the project was certified complete. The transfer was made in accordance with the Bond Indenture.

NOTE 8 – CAPITAL LEASE

In July 2019, the District entered into a capital lease agreement for the acquisition of fitness equipment. The total acquisition cost of the equipment was \$32,000. The District paid \$16,000 initially and recognized the remaining \$15,725 as a capital lease obligation. The lease matures on September 19, 2024 and is payable in monthly installments of \$324.

The future minimum lease payments and net present value of minimum capital lease payments as of September 30, 2021 are:

| Year ending September 30: | Activities |
|---|------------------|
| 2022 | \$ 3,885 |
| 2023 | 3,885 |
| 2024 | <u>3,885</u> |
| Total minimum lease payments | 11,655 |
| Less: amount representing interest | <u>(1,504)</u> |
| Present value of minimum lease payments | <u>\$ 10,151</u> |
| | |
| Current portion | \$ 3,078 |
| Long-term portion | <u>7,073</u> |
| Total | <u>\$ 10,151</u> |

Assets acquired under capital lease as of September 30, 2021 are as follows:

| | |
|---|------------------|
| Fitness Equipment under capital lease | \$ 32,000 |
| Accumulated Depreciation - equipment | <u>(13,333)</u> |
| Net book value of equipment under capital lease | <u>\$ 18,667</u> |

NOTE 9 – MANAGEMENT COMPANY

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

NOTE 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. There were no claims during the past three years.

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

| | Budgeted Amounts Original & Final | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|---|-------------------|---|
| REVENUES | | | |
| Assessments | \$ 442,210 | \$ 445,040 | \$ 2,830 |
| Interest Income | - | 63 | 63 |
| Miscellaneous Income | - | 2,173 | 2,173 |
| Total revenues | <u>442,210</u> | <u>447,276</u> | <u>5,066</u> |
| EXPENDITURES | | | |
| Current: | | | |
| General government | 94,008 | 87,455 | 6,553 |
| Physical environment | 283,432 | 246,938 | 36,494 |
| Culture and recreation | 60,885 | 50,277 | 10,608 |
| Debt Service: | | | |
| Principal | 2,808 | 2,808 | - |
| Interest | 1,077 | 1,077 | - |
| Total expenditures | <u>442,210</u> | <u>388,555</u> | <u>53,655</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ -</u> | 58,721 | <u>\$ 58,721</u> |
| Fund balance - beginning | | <u>412,399</u> | |
| Fund balance - ending | | <u>\$ 471,120</u> | |

See notes to required supplementary information

**THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT
PASCO 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, 2021.

**THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT
PASCO COUNTY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
UNAUDITED**

| <u>Element</u> | <u>Comments</u> |
|---|--|
| Number of district employees compensated at 9/30/2021 | 0 |
| Number of independent contractors compensated in September 2021 | 0 |
| Employee compensation for FYE 9/30/2021 (paid/accrued) | Not applicable |
| Independent contractor compensation for FYE 9/30/2021 | Not applicable |
| Construction projects to begin on or after October 1; (>\$65K) | Not applicable |
| Budget variance report | See page 21 |
| Ad Valorem taxes; | Not applicable |
| Millage rate FYE 9/30/2021 | Not applicable |
| Ad valorem taxes collected FYE 9/30/2021 | Not applicable |
| Outstanding Bonds: | Not applicable |
| | |
| Non ad valorem special assessments; | |
| Special assessment rate FYE 9/30/2021 | Operations and maintenance; Single family - \$850.70 Townhomes - \$425.35 Debt service; Single family - \$593.10 Townhomes - \$320.74 |
| Special assessments collected FYE 9/30/2021 | \$757,465 |
| Outstanding Bonds: | |
| Series 2016, due May 1, 2036 | see Note 6 page 19 for details |



Grau & Associates

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

To the Board of Supervisors
The Verandahs Community Development District
Pasco 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 The Verandahs Community Development District, Pasco County, Florida ("District") as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 11, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

January 11, 2022



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

To the Board of Supervisors
The Verandahs Community Development District
Pasco County, Florida

We have examined The Verandahs Community Development District, Pasco County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2021. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

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

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

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

January 11, 2022



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

To the Board of Supervisors
The Verandahs Community Development District
Pasco County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of The Verandahs Community Development District, Pasco County, Florida ("District") as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated January 11, 2022.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and 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 January 11, 2022, should be considered in conjunction with this management letter.

Purpose of this Letter

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

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

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

We wish to thank The Verandahs Community Development District, Pasco 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.

January 11, 2022

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, 2020.

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

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

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

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

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2021. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.
7. Management has provided the specific information required by Section 218.39 (3) (c) in the Other Information section of the financial statements on page 23.

Tab 7



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
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772/461-6120 // 461-1155
FAX: 772/468-9278

April 4, 2022

The Verandahs Community Development District
Rizzetta & Company, Inc.
3434 Colwell Ave, Suite 200
Tampa, FL 33614

The Objective and Scope of the Audit of the Financial Statements

You have requested that we audit the financial statements of The Verandahs Community Development District, (the "District"), which comprise governmental activities and each major fund as of and for the years ended September 30, 2022, 2023, 2024, 2025, and 2026 which collectively comprise the basic financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter for the year ending September 30, 2022, with optional renewals for the years ending September 30, 2023, 2024, 2025, and 2026.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

The Responsibilities of the Auditor

We will conduct our audit in accordance with (GAAS). Those standards require that we comply with applicable ethical requirements. As part of an audit in accordance with GAAS, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

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The Verandahs Community Development District
April 4, 2022
Page 2

- Obtain an understanding of internal control relevant to the audit 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 District's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for the reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

We will maintain our independence in accordance with the standards of the American Institute of Certified public Accountants.



The Verandahs Community Development District
April 4, 2022
Page 3

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Management is responsible for:

1. Identifying and ensuring that the District complies with the laws and regulations applicable to its activities, and for informing us about all known violations of such laws or regulations, other than those that are clearly inconsequential;
2. The design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements; and
3. Informing us of its knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, analysts, regulators, short sellers, vendors, customers or others.

The Board is responsible for informing us of its views about the risks of fraud within the entity, and its knowledge of any fraud or suspected fraud affecting the entity.

Our audit will be conducted on the basis that management acknowledges and understands that it has responsibility:

1. To evaluate subsequent events through the date the financial statements are issued or available to be issued, and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that it will not conclude on subsequent events earlier than the date of the management representation letter referred to below;
2. For the design, implementation and maintenance of internal control relevant to the preparations of fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; and
3. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including information relevant to disclosures;
 - b. Draft financial statements, including information relevant to their preparation and fair presentation, when needed to allowed for the completion of the audit in accordance with the proposed timeline;



The Verandahs Community Development District
April 4, 2022
Page 4

- c. Additional information that we may request from management for the purpose of the audit; and
- d. Unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management written confirmation concerning representations made to us in connection with the audit, including among other items:

- 1. That management has fulfilled its responsibilities as set out in the terms of this arrangement letter; and
- 2. That it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Reporting

We will issue a written report upon completion of our audit of The Verandahs Community Development District's financial statements. Our report will be addressed to the Board of The Verandahs Community Development District. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

Records and Assistance

During the course of our engagement, we may accumulate records containing data that should be reflected in the of The Verandahs Community Development District books and records. The District will determine that all such data, if necessary, will be so reflected. Accordingly, the District will not expect us to maintain copies of such records in our possession.

The assistance to be supplied, including the preparation of schedules and analyses of accounts, has been discussed and coordinated with Lynn Hayes. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Other Relevant Information

In accordance with Government Auditing Standards, a copy of our most recent peer review report has been provided to you, for your information.

Either party may unilaterally terminate this agreement, with or without cause, upon sixty (60) days written notice subject to the condition that the District will pay all invoices for services rendered prior to the date of termination.



The Verandahs Community Development District
April 4, 2022
Page 5

Fees, Costs and Access to Workpapers

Our fees for the services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement, plus direct expenses. Invoices for fees will be submitted in sufficient detail to demonstrate compliance with the terms of this engagement. Billings are due upon submission. Our fee for the services described in this letter for the year ending September 30, 2022 will not exceed \$3,390, unless the scope of the engagement is changed, the assistance which of The Verandahs Community Development District has agreed to furnish is not provided, or unexpected conditions are encountered, in which case we will discuss the situation with you before proceeding. All other provisions of this letter will survive any fee adjustment. The fee for the years ending September 30, 2023 and 2024 will not exceed \$3,390, and the fee for the years ended September 30, 2025 and 2026 will not exceed \$3,605.

In the event we are requested or authorized by of The Verandahs Community Development District or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for of The Verandahs Community Development District, of The Verandahs Community Development District will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

The audit documentation for this engagement is the property of Berger, Toombs, Elam, Gaines, & Frank and constitutes confidential information. However, you acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. Government Accountability Office shall have access to the audit documentation upon their request and that we shall maintain the audit documentation for a period of at least three years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency.

Access to requested documentation will be provided under the supervision of Berger, Toombs, Elam, Gaines, & Frank audit personnel and at a location designated by our Firm.



The Verandahs Community Development District
April 4, 2022
Page 6

Information Security – Miscellaneous Terms

Berger, Toombs, Elam, Gaines & Frank is committed to the safe and confidential treatment of The Verandahs Community Development District's proprietary information. Berger, Toombs, Elam, Gaines & Frank is required to maintain the confidential treatment of client information in accordance with relevant industry professional standards which govern the provision of services described herein. of The Verandahs Community Development District agrees that it will not provide Berger, Toombs, Elam, Gaines & Frank with any unencrypted electronic confidential or proprietary information, and the parties agree to utilize commercially reasonable measures to maintain the confidentiality of The Verandahs Community Development District's information, including the use of collaborate sites to ensure the safe transfer of data between the parties.

If any term or provision of this arrangement letter is determined to be invalid or unenforceable, such term or provision will be deemed stricken and all other terms and provisions will remain in full force and effect.

Because Berger, Toombs, Elam, Gaines & Frank will rely on of The Verandahs Community Development District and its management and Board of Supervisors to discharge the foregoing responsibilities, of The Verandahs Community Development District holds harmless and releases Berger, Toombs, Elam, Gaines & Frank, its partners, and employees from all claims, liabilities, losses and costs arising in circumstances where there has been a known misrepresentation by a member of The Verandahs Community Development District's management, which has caused, in any respect, Berger, Toombs, Elam, Gaines & Frank's breach of contract or negligence. This provision shall survive the termination of this arrangement for services.

This letter constitutes the complete and exclusive statement of agreement between Berger, Toombs, Elam, Gaines, & Frank and of The Verandahs Community Development District, superseding all proposals, oral or written, and all other communications, with respect to the terms of the engagement between the parties.



Berger, Toombs, Elam,
Gaines & Frank
Certified Public Accountants PL

The Verandahs Community Development District
April 4, 2022
Page 7

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.

Sincerely,

*Berger Toombs Elam
Gaines & Frank*

BERGER, TOOMBS, ELAM, GAINES & FRANK
J. W. Gaines, CPA

Confirmed on behalf of the addressee:

_____, _____



Judson B. Baggett
MBA, CPA, CVA, Partner
Marci Reutimann
CPA, Partner

6815 Dairy Road
Zephyrhills, FL 33542
(813) 788-2155
(813) 782-8606

Report on the Firm's System of Quality Control

To the Partners

October 30, 2019

Berger, Toombs, Elam, Gaines & Frank, CPAs, PL

and the Peer Review Committee of the Florida Institute of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Berger, Toombs, Elam, Gaines & Frank, CPAs, PL, (the firm), in effect for the year ended May 31, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control, and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Berger, Toombs, Elam, Gaines & Frank, CPAs, PL, in effect for the year ended May 31, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Berger, Toombs, Elam, Gaines & Frank, CPAs, PL has received a peer review rating of *pass*.

Baggett, Reutimann & Associates, CPAs, PA
BAGGETT, REUTIMANN & ASSOCIATES, CPAs, PA
Signed Electronically by Baggett, Reutimann & Associates, CPAs, PA. U.S. 18161 email jdb@baggettand.com

**ADDENDUM TO ENGAGEMENT LETTER
THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT
DATED APRIL 4, 2022**

Public Records. Auditor shall, pursuant to and in accordance with Section 119.0701, Florida Statutes, comply with the public records laws of the State of Florida, and specifically shall:

- a. Keep and maintain public records required by the District to perform the services or work set forth in this Agreement; and
- b. Upon the request of 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; and
- c. 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 Auditor does not transfer the records to the District; and
- d. Upon completion of the Agreement, transfer, at no cost to the District, all public records in possession of the Auditor or keep and maintain public records required by the District to perform the service or work provided for in this Agreement. If the Auditor transfers all public records to the District upon completion of the Agreement, the Auditor shall destroy any duplicate public records that are exempt or confidential and exempt from public disclosure requirements. If the Auditor keeps and maintains public records upon completion of the Agreement, the Auditor 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.

Auditor acknowledges that any requests to inspect or copy public records relating to this Agreement must be made directly to the District pursuant to Section 119.0701(3), Florida Statutes. If notified by the District of a public records request for records not in the possession of the District but in possession of the Auditor, the Auditor shall provide such records to the District or allow the records to be inspected or copied within a reasonable time. Auditor acknowledges that should Auditor fail to provide the public records to the District within a reasonable time, Auditor may be subject to penalties pursuant to Section 119.10, Florida Statutes.

IF THE AUDITOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE AUDITOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT/CONTRACT, THE AUDITOR MAY CONTACT THE CUSTODIAN OF PUBLIC RECORDS FOR THE DISTRICT AT:

**RIZZETTA & COMPANY
3434 COLWELL AVENUE, SUITE 200
TAMPA, FL 33614
PHONE: 813-995-2437**

Auditor:  _____

Title: Director

Date: April 4, 2022

**District: The Verandahs Community
Development District**

By: _____

Title: _____

Date: _____

Tab 8

MEMORANDUM

Date: April 25, 2022
To: Verandahs District Manager, CDD Boards
From: Giacomo Licari, PE, District Engineer
Subject: Verandahs CDD – Engineers Report – May 2022 Board

Report:

- 1. Operations:**
 - a. None currently.
- 2. Construction Issue:**
 - a. None currently.
- 3. Overall Permit Issues:**
 - a. Draft Stormwater Needs Analysis to be finalized for the June meeting.
- 4. Ongoing Issue:**
 - a. None currently.

Distribution List:
CDD Boards

Tab 9

THE VERANDAHS

FIELD INSPECTION REPORT



April 13, 2022
Rizzetta & Company
Jason Liggett – Field Services Manager



Rizzetta & Company
Professionals in Community Management

SUMMARY & CHENWOOD AVENUE

General Updates, Recent & Upcoming Maintenance Events

- ❖ Monitor hot spotting throughout the turf grass in the community. Make sure we have property coverage in areas that are looking very dry.
- ❖ We are currently restricted to water once a week in Pasco county. .

The following are action items for Yellowstone to complete. Please refer to the item # in your response listing action already taken or anticipated time of completion. **Red text** indicates deficient from previous report. **Bold Red text** indicates deficient for more than a month. **Green text** indicates a proposal has been requested. **Blue** indicates irrigation. I have added **Orange** for continuing services.

1. Cap off the bubbler that is in the thumbnail island between the pool area and the amenity center.(Pic 1)



5. Treat the turf weeds in the saint Augustine on the outbound side of chenwood avenue as you make the left to coming out of the clubhouse.
6. Treat the turf weeds in the row on the inbound side of chenwood avenue just pass southbridge terrace.
7. Check the irrigation at the corner of Royston bend and chenwood field area. This area had noticeable hot spotting.
8. Remove the magnolia leaf debris in the center island of chenwood avenue going out the entrance.

2. Remove the build up of magnolia leaf drop against the viburnum suspensum hedge in the front of the pool area.
3. Make sure that we are getting irrigation cover on the southside of the pool area there was a noticeable hotspot in this area during my inspection.(Pic 3)
4. Lift the drake elm trees in the clubhouse parking lot.



CHENWOOD AVENUE

10. On the inbound side of chenwood after rosette we have a turf area that is browned out could this be from herbicide damage? Maybe round up accident?



11. Check the brown patch in the saint Augustine on the inbound side of chenwood after the entrance gate for any disease and treat as needed.(Pic 11)



12. Is the luftburrow lane common area irrigated?

13. Make sure the irrigation is working at the southbridge terrace common area tract.

14. Remove the tree branch covering the sign as you are leaving Luftburrow lane to enter chenwood avenue.(Pic 14>)



Tab 10



The New Standard in Landscape Maintenance

1.888.RED.TREE

www.redtreelandscapesystems.com

5532 Auld Lane, Holiday FL 34690

HARDWOOD TREE STRUCTURAL CROWN THINNING & ELEVATION PROPOSAL

FOR

VERANDAHS CDD

Attention: Mr. Jason Liggett – Field Services Manager

April 25, 2022

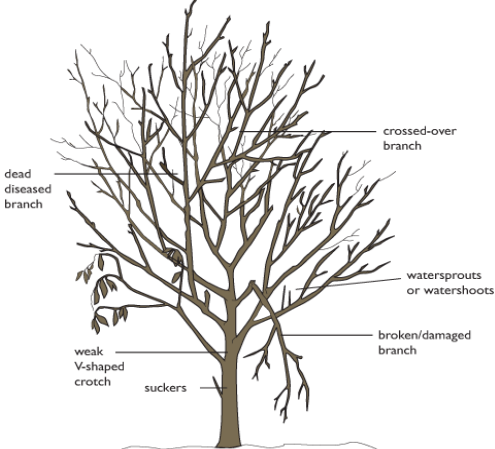
Summary

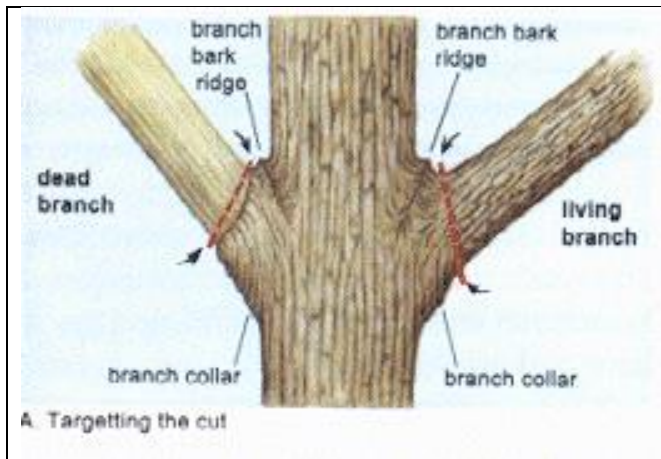
Proper structural hardwood tree crown thinning and crown cleaning is a process that is necessary to be performed every 3 to 5 years for your oak trees. The general purposes of performing this crown thinning and cleaning process are:

- **Promote air flow through the canopy to drastically reduce the chances of the tree breaking apart or being ripped out of the ground during high-wind storms.**
- **Promote proper sunlight flow through the canopy to enhance and improve the health of the turfgrass and plant material under the tree canopy.**
- **Reduce the risk of injury or property damage by eliminating hazard broken or dead limbs.**
- **Provide proper clearance for service trucks or emergency vehicles.**

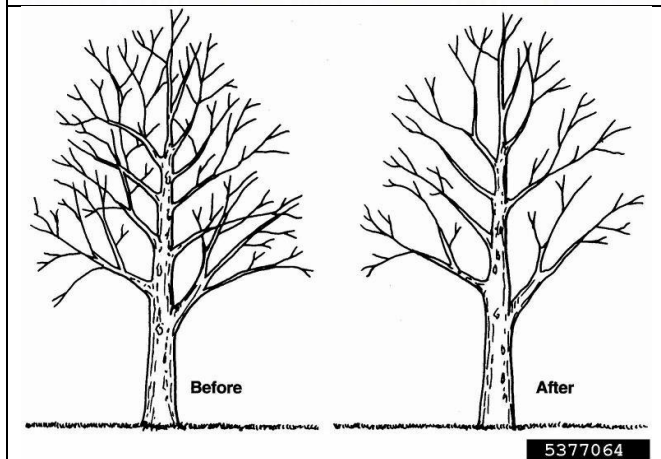
Scope of Work

This proposal includes the following functions performed under the watch and instruction of an ISA Certified Arborist:

| | |
|---|---|
|  A diagram of a tree with various structural issues labeled. The labels include: "dead diseased branch" (pointing to a branch on the left), "crossed-over branch" (pointing to a branch crossing another), "watersprouts or watershoots" (pointing to small branches at the top), "broken/damaged branch" (pointing to a branch on the right), "weak V-shaped crotch" (pointing to a branch joint on the left), and "suckers" (pointing to small branches at the base of the trunk). | <ul style="list-style-type: none">• Removal of all damaged limbs.• Removal of all diseased limbs.• Removal of all dead limbs.• Removal of all mistletoe.• Removal of all sucker growth.• Removal of watersprout growth.• Removal of cross-over branches. |
|---|---|



- Proper limb removal at the branch bark ridge and collar.
- Proper drop-crotch pruning to ensure the health of the tree.



- Structural elevation to provide proper clearance for pedestrians on landscape areas.
- Structural elevation to provide proper clearance for trucks and emergency vehicles on roadways.
- Includes debris removal, hauling fees and dumping fees for all debris.

| ENTRANCE BOULEVARD | | | |
|---------------------------|----------|------------|--------------------|
| Tree Type | Quantity | Unit Price | Total Price |
| Oaks / Hardwood Varieties | 43 | \$250.00 | \$10,750.00 |
| Magnolias | 19 | \$100.00 | \$1,900.00 |
| Crape Myrtles | 32 | \$85.00 | \$2,720.00 |
| TOTAL ENTRANCE BOULEVARD: | | | \$15,370.00 |

Authorized Signature to Proceed

_____/_____/_____
Date of Authorization

| CLUBHOUSE BOULEVARD | | | |
|----------------------------|----------|------------|-------------------|
| Tree Type | Quantity | Unit Price | Total Price |
| Oaks / Hardwood Varieties | 23 | \$250.00 | \$5,750.00 |
| Magnolias | 2 | \$100.00 | \$200.00 |
| Crape Myrtles | 19 | \$85.00 | \$1,615.00 |
| TOTAL CLUBHOUSE BOULEVARD: | | | \$7,565.00 |

Authorized Signature to Proceed

_____/_____/_____
Date of Authorization

Proposal submitted by Peter Lucadano – CEO / Owner & ISA Certified Arborist
peteluke@redtreelandscape.systems / Cell phone: (727) 919-3915



Proposal #206496

Date: 04/25/2022

From: Brian Mahar

Proposal For

The Verandahs CDD
c/o The Verandahs CDD
5844 Old Pasco Rd
Suite 100
Wesley Chapel, FL 33544

main:
mobile:

Location

13729 Royston Bend
Hudson, FL 34669

Property Name: The Verandahs CDD

Clubhouse Blvd

Terms: Net 30

| DESCRIPTION | QUANTITY | UNIT PRICE | AMOUNT |
|-------------------|----------|------------|------------|
| Crown Clean/Raise | 24.00 | \$165.00 | \$3,960.00 |

Client Notes

Crown Clean/Raise of 24 Various Oak trees located in the clubhouse zone map.

- **Crown elevation of 16'**
- **Center cleaning of water sprout branches and subordinate branches.**
- **Removal of deadwood over 2" in diameter.**
- **All debris will be removed off site.**

All cuts will be made to ANSI A300 specifications and in compliance to industry standards. All staff has been trained to ANSI standards and an Arborist will be on site to ensure all proper branch collar cuts are made.

Signature

x

| | |
|--------------|-------------------|
| SUBTOTAL | \$3,960.00 |
| SALES TAX | \$0.00 |
| TOTAL | \$3,960.00 |

Signature above authorizes Yellowstone Landscape to perform work as described above and verifies that the prices and specifications are hereby accepted. All overdue balances will be charge a 1.5% a month, 18% annual percentage rate.

Limited Warranty: All plant material is under a limited warranty for one year. Transplanted plant material and/or plant material that dies due to conditions out of Yellowstone Landscape's control (i.e. Acts of God, vandalism, inadequate irrigation due to water restrictions, etc.) shall not be included in the warranty.



Proposal #206482

Date: 04/25/2022

From: Brian Mahar

Proposal For

The Verandahs CDD
c/o The Verandahs CDD
5844 Old Pasco Rd
Suite 100
Wesley Chapel, FL 33544

main:
mobile:

Location

13729 Royston Bend
Hudson, FL 34669

Property Name: The Verandahs CDD

Entrance Blvd

Terms: Net 30

| DESCRIPTION | QUANTITY | UNIT PRICE | AMOUNT |
|-------------------|----------|------------|------------|
| Crown Clean/Raise | 26.00 | \$165.00 | \$4,290.00 |

Client Notes

Crown Clean/Raise of 26 Various Oak trees located in the entrance zone map.

- Crown elevation of 16'
- Center cleaning of water sprout branches and subordinate branches.
- Removal of deadwood over 2" in diameter.
- All debris will be removed off site.

All cuts will be made to ANSI A300 specifications and in compliance to industry standards. All staff has been trained to ANSI standards and an Arborist will be on site to ensure all proper branch collar cuts are made.

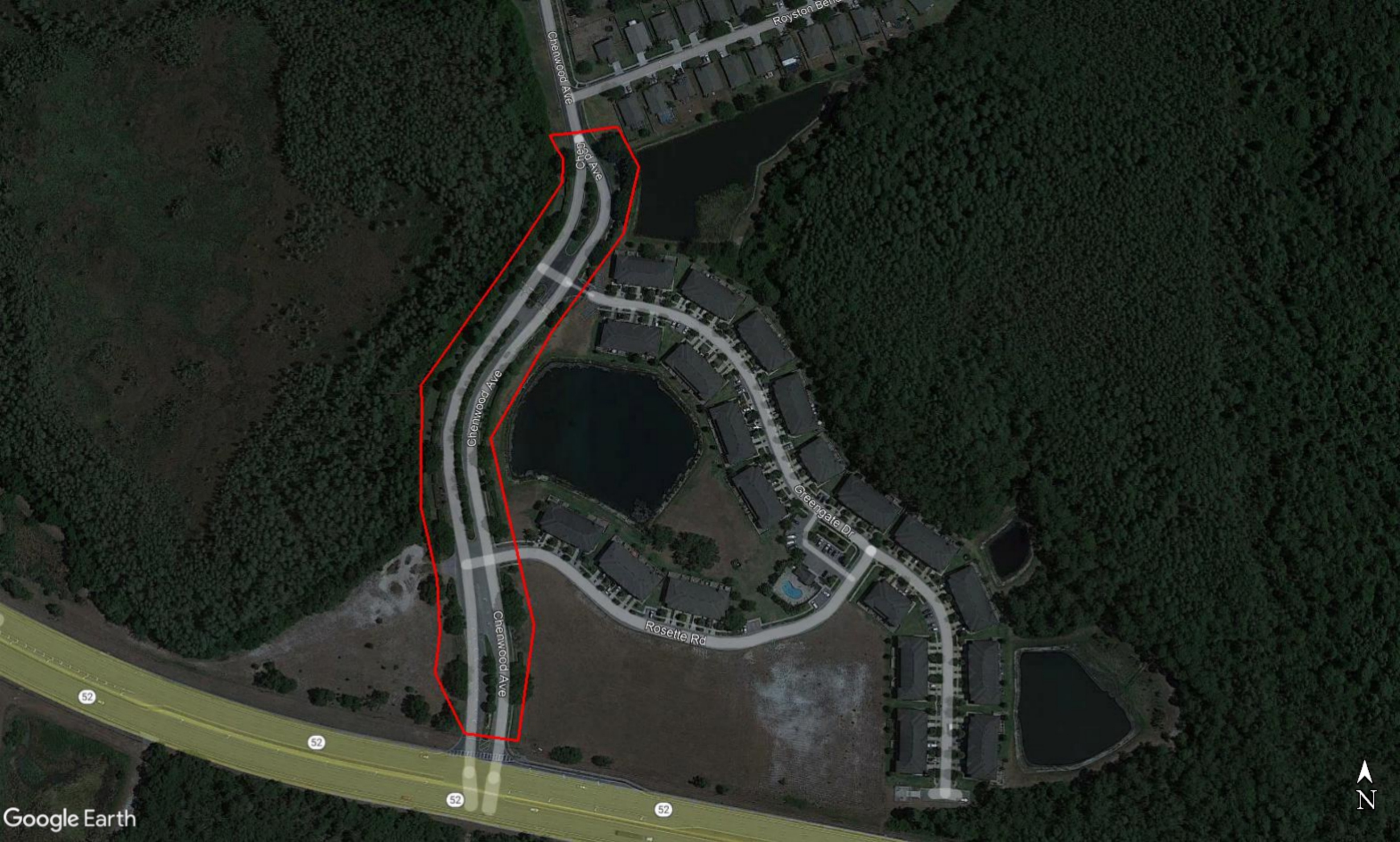
Signature

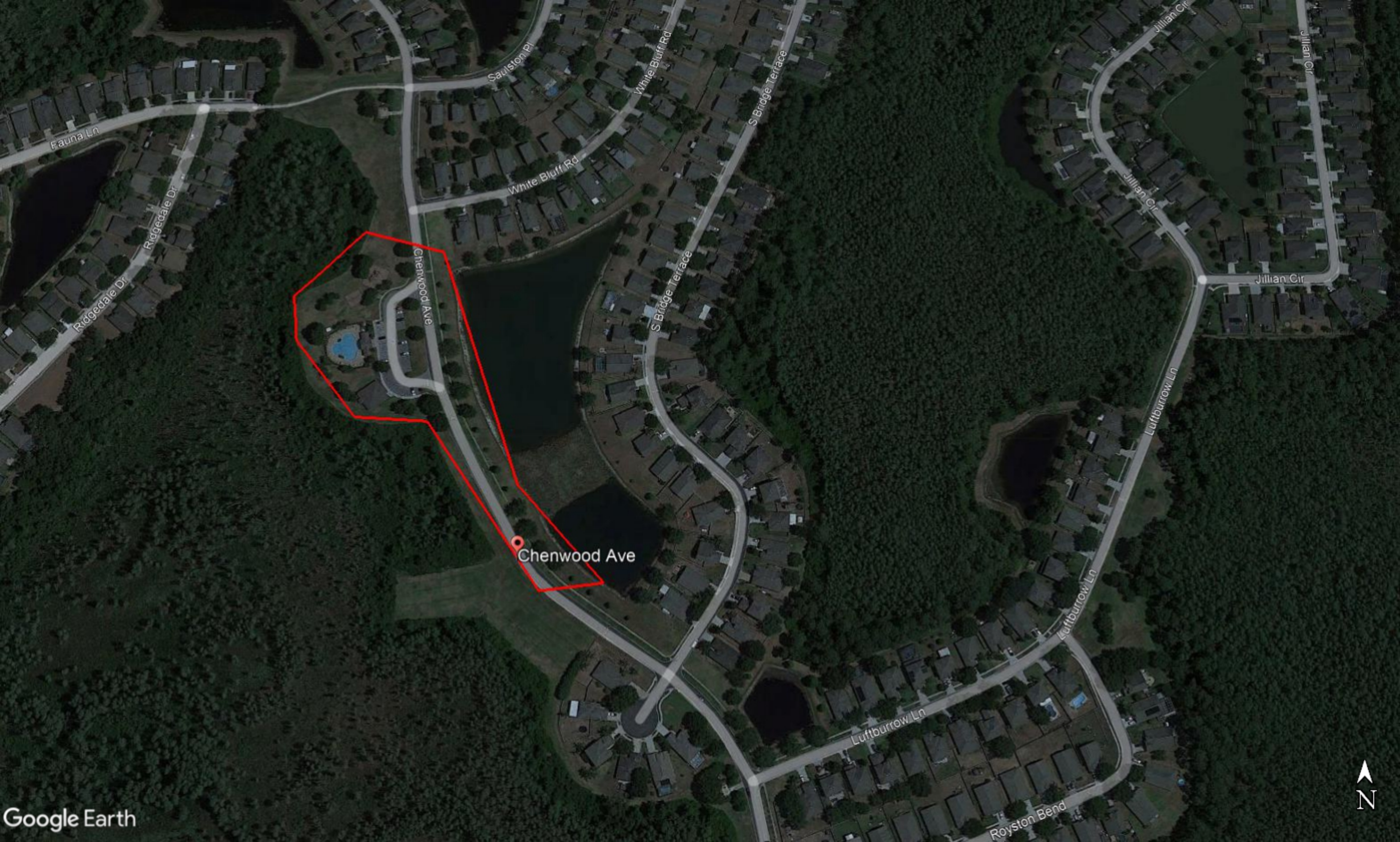
x

| | |
|--------------|-------------------|
| SUBTOTAL | \$4,290.00 |
| SALES TAX | \$0.00 |
| TOTAL | \$4,290.00 |

Signature above authorizes Yellowstone Landscape to perform work as described above and verifies that the prices and specifications are hereby accepted. All overdue balances will be charge a 1.5% a month, 18% annual percentage rate.

Limited Warranty: All plant material is under a limited warranty for one year. Transplanted plant material and/or plant material that dies due to conditions out of Yellowstone Landscape's control (i.e. Acts of God, vandalism, inadequate irrigation due to water restrictions, etc.) shall not be included in the warranty.





Fauna Ln

Ridgedale Dr

Saulston Pl

White Bluff Rd

White Bluff Rd

S Bridge Terrace

Chenwood Ave

S Bridge Terrace

Jillian Cir

Jillian Cir

Jillian Cir

Lutburrow Ln

Lutburrow Ln

Lutburrow Ln

Royston Bend

Chenwood Ave

Tab 11

HIGH TRIM

9425 Osceola Dr.
New Port Richey, FL 34654
727-514-3889

To Whom it May Concern:

High Trim performed the monthly trimming of the conservation in the following areas on April 12, 2022. The area has been highlighted in Red along with some photos that were taken.



Thank you,
Kristina Nordman
Office Assistant

Tab 12

SOLITUDE

LAKE MANAGEMENT



The Verandahs Waterway Inspection Report

Reason for Inspection: Scheduled-recurring

Inspection Date: 2022-04-13

Prepared for:

District Manager
Rizzetta & Company

Prepared by:

Jason Diogo, Aquatic Biologist

Wesley Chapel Field Office
SOLITUDELAKEMANAGEMENT.COM
888.480.LAKE (5253)

TABLE OF CONTENTS

| | Pg |
|------------------------------------|------|
| SITE ASSESSMENTS | |
| PONDS80, 90, 100 | 3 |
| PONDS130, F160a/b | 4 |
| PONDSF120, 150, F1 | 5 |
| PONDS 140 | 6 |
| MANAGEMENT/COMMENTS SUMMARY | 6, 7 |
| SITE MAP | 8 |

80

Comments:

Normal growth observed

Site contains minor algae developing along the perimeter. Next treatment scheduled 4/19. Expect 7-10 days for results.

Action Required:

Routine maintenance next visit

Target:

Surface algae



April, 2022



April, 2022

90

Comments:

Treatment in progress

Recent treatment for floating and submersed weeds was successful. Submersed weeds are gone and the floating Lillies are still falling out. Expect 4 weeks for complete results

Action Required:

Routine maintenance next visit

Target:

Floating Weeds



April, 2022



April, 2022

100

Comments:

Fence recently built along the only easement on site 100. Passage is too narrow to get through without driving over residents landscaping.

Action Required:**Target:**

April, 2022

130

Comments:

Treatment in progress

Site has responded well to recent treatments for algae. Coverage has been reduced by 75%. The next treatment on 4/19 should continue to reduce the algae further.

Action Required:

Routine maintenance next visit

Target:

Surface algae



April, 2022



April, 2022

F160a

Comments:

Normal growth observed

Minor shoreline weed present.
Open water looks good.

Action Required:

Routine maintenance next visit

Target:

Shoreline weeds



April, 2022



April, 2022

F160b

Comments:

Normal growth observed

Minor regrowth of Carolina
Willows along the perimeter will
be targeted during next
maintenance.

Action Required:

Routine maintenance next visit

Target:

Shoreline weeds



April, 2022



April, 2022

Site: F120

Comments:

Site looks good
Minor Pennywort noted along the perimeter. Excellent water clarity.

Action Required:

Routine maintenance next visit

Target:

Pennywort



April, 2022



April, 2022

Site: 150

Comments:

Requires attention
Site continues to have extreme algae blooms. Next treatment scheduled for 4/19. Expect results in 7-10 days.

Action Required:

Routine maintenance next visit

Target:

Surface algae



April, 2022



April, 2022

Site: F100

Comments:

Normal growth observed
Minor weed growth along the perimeter. Traces of Planktonic algae in windswept cove. Both will be treated 4/19.

Action Required:

Routine maintenance next visit

Target:

Shoreline weeds



April, 2022



April, 2022

Site: 140**Comments:**

Site looks good

Recent treatments for submersed Slender Spikerush were successful. Southeast, windswept cove contains remnants of the decomposing weed(left).

Action Required:

Routine maintenance next visit

Target:

Submersed vegetation



April, 2022



April, 2022

Management Summary

Overall, the sites in this months inspection look pretty good. We did see an uptick in algae growth thanks to the arrival of spring temps.

Site 80 had a bit of algae developing along the perimeter. This is most likely caused by the recent treatment for submersed Hydrilla. The treatment was successful and the Hydrilla was reduced by 95%. However, as the Hydrilla dies off it releases an abundance of nutrients, which in turn feeds the algae. This site will be treated for algae on 4/19.

Site 100 has a slight access issue. There is only one access point to the pond and the homeowner that lives on the easement recently put up a fence. The entrance is a bit too narrow for our UTV to pass through easily and we will have to drive over a small portion of the residents brick pavers to access the pond in the future.

Site 130 has responded well to recent treatments for algae. The species of algae present on this pond is one of the toughest around and usually requires multiple treatments before it's well under control. Our next scheduled treatment is 4/19 and this should continue to reduce the population further.

Site 150 continues to have pretty serious algae issues. It's not difficult to get rid of, but it bounces back extremely quick. As of now, we only seem to be getting about 2 weeks of control following each treatment. Our next treatment is scheduled for 4/19 and we should see it clear up in about 7-10 days. We'll continue our treatment plan and see if there's any improvement over the course of the summer. If no improvement is noticed, it may be a good idea to perform a full lake assessment to determine the cause of the excess growth. From there, we can come up with a new treatment strategy to combat the exact issue.

Feel free to reach out with any questions or concerns. jason.diogo@solitudelake.com

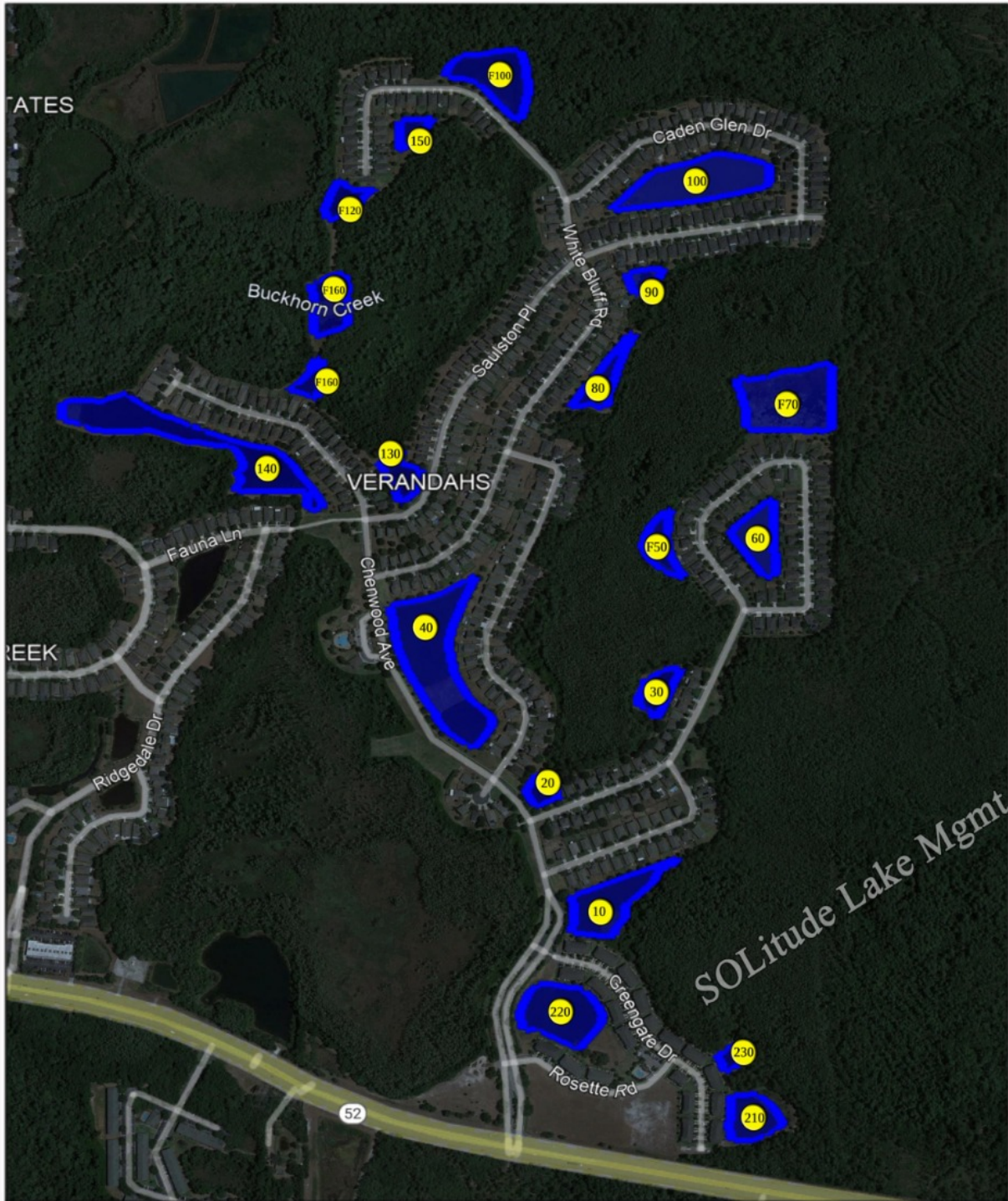
Thanks for choosing Solitude Lake Management!

| Site | Comments | Target | Action Required |
|-------|------------------------|----------------------|--------------------------------|
| 80 | Normal growth observed | Surface algae | Routine maintenance next visit |
| 90 | Treatment in progress | Floating Weeds | Routine maintenance next visit |
| 100 | | | |
| 130 | Treatment in progress | Surface algae | Routine maintenance next visit |
| F160a | Normal growth observed | Shoreline weeds | Routine maintenance next visit |
| F160b | Normal growth observed | Shoreline weeds | Routine maintenance next visit |
| F120 | Site looks good | Pennywort | Routine maintenance next visit |
| 150 | Requires attention | Surface algae | Routine maintenance next visit |
| F100 | Normal growth observed | Shoreline weeds | Routine maintenance next visit |
| 140 | Site looks good | Submersed vegetation | Routine maintenance next visit |



The Verandahs CDD
Hudson, FL

1-888-480-5253



NPM 04/2022

SOLITUDE

LAKE MANAGEMENT



The Verandahs Waterway Inspection Report

Reason for Inspection:

Inspection Date: 2022-04-13

Prepared for:

District Manager
Rizzetta & Company

Prepared by:

Jason Diogo, Aquatic Biologist

Wesley Chapel Field Office
SOLITUDELAKEMANAGEMENT.COM
888.480.LAKE (5253)

TABLE OF CONTENTS

| | Pg |
|------------------------------------|------|
| SITE ASSESSMENTS | |
| PONDS 20, 30, 40 | 3 |
| PONDS 80, 90, 100 | 4 |
| PONDS 130,140,150 | 5 |
| MANAGEMENT/COMMENTS SUMMARY | 5, 6 |
| SITE MAP | 7 |

Site: 20**Comments:**

Limbs were cleared and the entire area was sprayed.

Action Required:**Target:**

March, 2022



April, 2022

Site: 30**Comments:**

Limbs were cleared and the brush was sprayed.

Action Required:**Target:**

March, 2022



April, 2022

Site: 40**Comments:**

Grasses and brush were all sprayed back.

Action Required:**Target:**

March, 2022



April, 2022

Site: 80**Comments:**

Grasses and brush were all sprayed back.

Action Required:**Target:**

March, 2022



April, 2022

Site: 90**Comments:**

Overhanging limbs and vines cleared and grasses sprayed.

Action Required:**Target:**

March, 2022



April, 2022

Site: 100**Comments:**

Grasses and brush cleared out and sprayed.

Action Required:**Target:**

March, 2022



April, 2022

Site: 130**Comments:**

Limbs and vines cleared and grasses sprayed.

Action Required:**Target:**

March, 2022



April, 2022

Site: 140**Comments:**

Miter was completely repaired.

Action Required:**Target:**

March, 2022



April, 2022

Site: 150**Comments:**

Grasses and brush were sprayed out.

Action Required:**Target:**

March, 2022



April, 2022

Management Summary

All the areas mentioned in the engineers report were addressed and cleared.

Water now flows freely through all the structures.

The before and after photos are roughly 4 weeks apart. We can expect to see all the brown vegetation completely fall out in the next couple of months.

Thanks for choosing Solitude Lake Management!

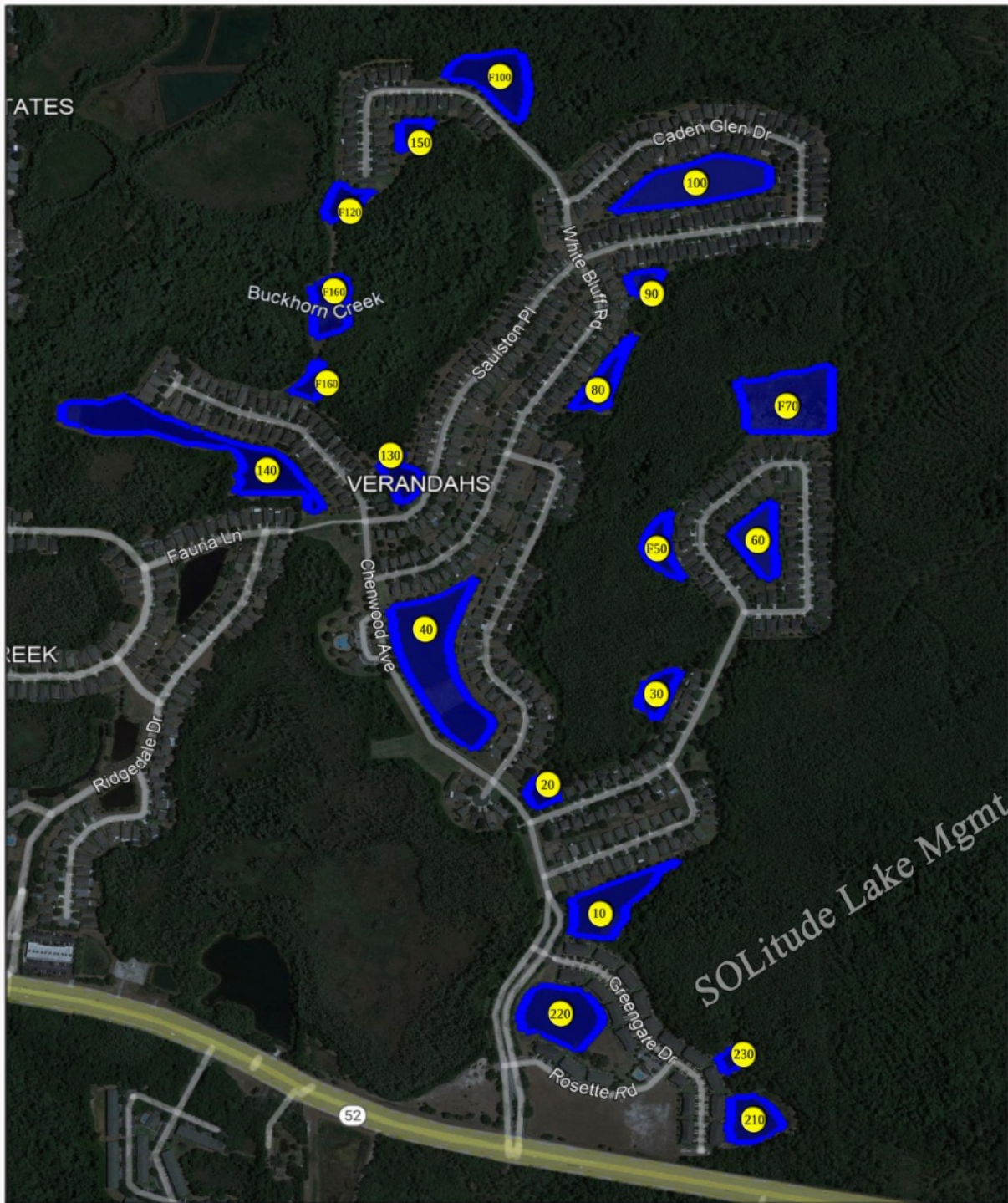
| Site | Comments | Target | Action Required |
|------|----------|--------|-----------------|
| | | | |
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| | | | |
| | | | |



The Verandahs CDD

Hudson, FL

1-888-480-5253



NPM 04/2022

Tab 13

Operations Report – April 2022



12375 Chenwood Avenue Hudson, Florida 34669
(727) 933-5050 ~ verandahsclubhouse@outlook.com

Clubhouse Operations/Maintenance Updates

- Ongoing Covid Disinfectant cleaning of Gym

Vendor Services Performed and/or Site Visits

- Cleaning Service every Monday, Wednesday, and Friday

Facility Usage

- 4/2/2022: Lynde Baby Shower
- 4/3/2022: Rodriguez Birthday Party
- 4/5/2022: CDD Meeting
- 4/6/2022: Townhouse HOA Meeting
- 4/9/2022: Easter Egg Fair
- 4/16/2022: Beavers Birthday Party
- 4/19/2022: ACC Meeting
- 4/28/2022: Community Arts and Crafts

Resident Payment Log

- 4/19/2022: Clubhouse rental Deposit (8/27/22 VALK baby shower)
- 4/19/2022: Clubhouse rental Deposit (6/4/2022 Emerito graduation party)
- 4/21/2022: Clubhouse rental deposit(5/21/22 Martinez dinner party)
- 4/22/2022: Clubhouse rental deposit (5/1/22 Guida Baby Shower)



Rizzetta & Company

Debit Card Reimbursement log

- Publix (Easter Candy) \$ 36.01
- Publix(Easter Gift Bags) \$ 68.97
- Lowes (garbage bags,bath tissue,caution tape) \$ 107.88

Suggestions/Concerns

- Non at this time



Rizzetta & Company

Tab 14



FitRev Inc.
4424 N. Lois Ave - Tampa, Florida 33614 -
Phone: 8138702966 - Fax: 8138702896 - Email: sales@fitrev.com

Q U O T E

| Quote | Date | Sales Rep: |
|-----------|----------|---------------|
| AAAQ30785 | 04/12/22 | Tyler Johnson |

Sold To:

**The Verandahs at Pasco Community
Development Distr**
Wesley Elias
12375 Chenwood Ave
Hudson, FL 34669

Phone: 7279335050

Fax:

Ship To:

The Verandahs at Pasco Community Develo

Wesley Elias
12375 Chenwood Ave
Hudson, FL 34669

Phone: 7279335050

Fax:

| Qty | Manuf. | Manuf # | Description | Unit Price | Ext. Price |
|-----|----------|--------------------|---|--------------|-------------------|
| 2 | Safeware | SWSTFECD36O9KPLD | Full Commercial Term: 36 Range - \$8,000-\$8,999.99 (TREADMILLS) | \$804.00 | \$1,608.00 |
| 1 | Safeware | SWSTFECD36O8KPLD | Full Commercial Term: 36 Range - \$7,000-\$7,999.99 (ELLIPTICAL) | \$690.00 | \$690.00 |
| 2 | Safeware | SWSTFECD36O5KPLD | Full Commercial Term: 36 Range - \$4000-\$4999.99 (RECUMBENT AND FUCTIONAL TRAINER) | \$520.00 | \$1,040.00 |
| 1 | Safeware | SWSTFECD36O4KPLD | Full Commercial Term: 36 Range - \$3000-\$3999.99 (LEG EXTENSION/CURL) | \$346.00 | \$346.00 |
| 1 | Safeware | SWSTFECD36O1500PLD | Full Commercial Term: 36 Range - \$1000-\$1999.99 (BENCH) | \$224.00 | \$224.00 |
| | | | | SubTotal | \$3,908.00 |
| | | | | Sales Tax | \$273.56 |
| | | | | Total | \$4,181.56 |

Please contact me if I can be of further assistance.

This quote becomes an order with signature. (see below for terms).

Signed: _____

Name: _____

Requested date of Installation? _____

Terms:

Orders \$5000 or less must be PREPAID. Orders more than \$5000 require a 50% deposit to order and remaining balance is due AT installation or 30 days after equipment arrives, whichever comes first.

Purchase orders in lieu of payment MUST be provided before order will be processed.

Flooring orders require a 50% deposit and remaining balance due BEFORE flooring ships

Equipment that is stored by FitRev or affiliate off location more than 30 days after installation date is subject to separate storage charges.

Restocking Fee:

25% charge on all cancelled Cardio equipment plus shipping cost

50% charge on all cancelled Strength equipment plus shipping cost

Extractions are an additional cost. Cost is based on the list of equipment to be extracted.

Custom and logo items are not returnable and payment in full will be required.

All orders remain 100% property of FITREV until paid in full

Quote is valid for 90 days unless otherwise stated

Tab 15

Suncoast Sparkling Cleaning Service

10631 Pearl Berry Loop, Land O Lakes, FL 34638
(727)-967-7992
suncoastsparklingcleaning@gmail.com

4/18/2022

Verandah's Community Development District,

Per your request, please see the attached cleaning service quote. Please accept this cleaning service proposal for the Verandah's community clubhouse. The total of the proposal for the clubhouse facility is \$375 per month for one-day-a-week service. A detailed scope of work is provided on page 2.

| Clubhouse | |
|-----------|---------------------------|
| \$ 375.00 | One day a week (Monday's) |

We are a small, family-owned business and are located less than 10 minutes from your location, allowing us to respond promptly to any special requests that may arise. As you know from the service we currently provide, we take our work very seriously and will do what it takes to keep our customers satisfied. We go above and beyond, paying special attention to all details, including the small ones. I am very thankful for the opportunity and I look forward to answering all your questions. Let Suncoast Sparkling Cleaning Service help keep the Verandahs looking beautiful!

Thank you very much,

Gretchen Denninger

President

Suncoast Sparkling Cleaning Service

Continued on page 2...





| AREA REQUIREMENTS | WKLY | MTHLY | QRTL | COMMENTS SPECIAL |
|--|------|-------|------|-------------------------------|
| ALL BUILDING FACILITY EXTERIORS, ENTRANCES AND WALKWAYS | | | | |
| Sweep/Blow-Off Front Entrance Sidewalk | 1x | | | |
| Sweep/Blow-Off Front Entrance Covered Patio | 1x | | | |
| Sweep Down Front Entrance Walls | | 2x | | |
| Clean Front Entrance Exterior Windows | | 2x | | |
| Clean Front Entrance Doors | 1x | | | |
| Sweep/Blow-Off Front Entrance Ceilings | 1x | | | |
| Clean All Exterior Doors | 1x | | | |
| Clean Front/Back Windows | | 1x | | |
| Sweep Back Covered Patio | 1x | | | |
| Sweep/Blow-Off Patio Ceiling | 1x | | | |
| Sweep Down Back Exterior Walls | | 1x | | |
| | | | | |
| CLUBHOUSE FACILITY | | | | |
| Clubhouse Floor Sweeping | 1x | | | |
| Clubhouse Floor Mopping | 1x | | | |
| Clubhouse Walls/Corners | | 1x | | Sweeping down any webs/debris |
| Kitchen Floor Sweeping | 1x | | | |
| Kitchen Floor Mopping | 1x | | | |
| Wipe and Disinfect Kitchen Counters | 1x | | | |
| Replace Paper Towels | 1x | | | As needed |
| Empty All Trash Containers | 1x | | | |
| Fully Clean Hallway Walls | | 1x | | More as needed |
| Sweep/Mop Women's Bathroom Floors | 1x | | | |
| Sweep/Mop Men's Bathroom Floors | 1x | | | |
| Clean/Disinfect Women's Bathroom toilets and fixtures | 1x | | | |
| Clean/Disinfect Men's Bathroom toilets and fixtures | 1x | | | |
| Replace Paper Towels & Toilet Paper | 1x | | | As needed |
| Spot Clean Walls and Doors | 1x | | | |
| Clean Baseboards | | 1x | | |
| Organize Chairs & Tables in Board Room | 1x | | | |
| Sweep/Organize/Pick-Up Trash in Exercise Room | 1x | | | As needed |
| | | | | |
| MISC | | | | |
| Lockup/Secure Building | 1x | | | Each visit |
| Replace Clock batteries | | | | As needed |
| Replace A/C Air Filter | | | 1x | As needed |
| Replace Air Fresheners | | | 1x | |
| | | | | |

Tab 16



Rizzetta & Company

UPCOMING DATES TO REMEMBER

- **Next Meeting:** June 7, 2022 @ 8:30 AM
- **FY 2020-2021 Audit Completion Deadline:** June 30, 2022
- **Next Election (Seat 1 Tracy M, Seat 4 Stanley H):** November 8, 2022
- **General Election Qualifying Period:** Noon, June 13, 2022 – Noon, June 17, 2022 to submit your paperwork to the Pasco County Supervisors Elections Office

District Manager's Report

May 3

2022

FINANCIAL SUMMARY

3/31/2022

General Fund Cash & Investment Balance: \$465,434

Reserve Fund Cash & Investment Balance: \$200,004

Debt Service Fund Investment Balance: \$413,744

Total Cash and Investment Balances: \$1,079,182

General Fund Expense Variance: \$15,742 Under Budget

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Tab 17

MINUTES OF MEETING

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

**THE VERANDAHS
COMMUNITY DEVELOPMENT DISTRICT**

The audit committee meeting of the Board of Supervisors of the K-Bar Ranch Community Development District was held on **Tuesday, April 5, 2022, at 6:30 p.m.**, at the Verandahs Amenity Center, 12375 Chenwood Avenue, Hudson, Florida 34669.

Present and constituting a quorum:

| | |
|-----------------|--|
| Stanley Haupt | Board Supervisor, Chair |
| Thomas May | Board Supervisor, Vice Chair |
| Tracy Mayle | Board Supervisor, Asst. Secretary |
| Sarah Nesheiwat | Board Supervisor, Asst. Secretary |

Also present were:

| | |
|-------------------|--|
| Lynn Hayes | District Manager, Rizzetta & Co. Inc. |
| Jason Liggett | Field Services, Rizzetta & Company, Inc. |
| Vanessa Steinerts | District Counsel, Straley Robin Vericker <i>(via conf. call)</i> |
| Giacomo Licari | District Engineer, Dewberry Engineering |
| John Wegner | Representative, Yellowstone Landscape |
| Brian Mahar | Representative, Yellowstone Landscape |
| Wesley Elias | Clubhouse Manager, RASI |
| Kevin Wilt | Aquatics Vendor, Solitude |
| Brooks McNichols | Representative, High Trim |
| Gregg Gruhl | Amenity Services Manager, Rizzetta & Co. <i>(via conf. call)</i> |

Audience

Present

FIRST ORDER OF BUSINESS

Call to Order

Mr. Hayes called the meeting to order and conducted roll call.

SECOND ORDER OF BUSINESS

Audience Comments

No audience comments were put forth at this time.

THIRD ORDER OF BUSINESS

**Review of Proposals for Auditing
Services**

A discussion ensued regarding the audit proposals. Each committee member turned in a ranking sheet for the proposals that were received. The audit committee ranked the proposals as follows:

#1 Berger, Toombs, Elam, Gaines & Frank – 395 points

#2 Grau & Associates – 344 points

On a Motion by Mr. May, seconded by Ms. Mayle, with all in favor, the Audit committee approved ranking of proposals received and recommended that Berger Toombs, Elam, Gaines & Frank be awarded the contract for auditing services for Fiscal Years September 30, 2022, to September 30, 2026, for The Verandahs Community Development District.

FOURTH ORDER OF BUSINESS

Adjournment

Mr. Hayes stated that if there was no further business to come before the Board then a motion to adjourn would be in order.

On a Motion by Mr. Haupt, seconded by Mr. May, with all in favor, the Audit Committee adjourned the meeting at 6:34 p.m. for The Verandahs Community Development District.

Secretary / Assistant Secretary

Chair / Vice Chair

Tab 18

MINUTES OF MEETING

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

THE VERANDAHS COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of The Verandahs Community Development District was held on Tuesday, April 5, 2022, at 6:34 p.m. at the Verandahs Amenity Center, 12375 Chenwood Avenue, Hudson, Florida 34669.

Present and constituting a quorum:

| | |
|-----------------|--|
| Stanley Haupt | Board Supervisor, Chair |
| Thomas May | Board Supervisor, Vice Chair |
| Tracy Mayle | Board Supervisor, Asst. Secretary |
| Sarah Nesheiwat | Board Supervisor, Asst. Secretary |

Also present were:

| | |
|-------------------|--|
| Lynn Hayes | District Manager, Rizzetta & Company, Inc. |
| Jason Liggett | Field Services, Rizzetta & Company, Inc. |
| Vanessa Steinerts | District Counsel, Straley Robin Vericker <i>(via conf. call)</i> |
| Giacomo Licari | District Engineer, Dewberry Engineering |
| John Wegner | Representative, Yellowstone Landscape |
| Brian Mahar | Representative, Yellowstone Landscape |
| Wesley Elias | Clubhouse Manager, RASI |
| Kevin Wilt | Aquatics Vendor, Solitude |
| Brooks McNichols | Representative, High Trim |
| Gregg Gruhl | Amenity Services Manager <i>(via conf. call)</i> |

| | |
|----------|----------------|
| Audience | Present |
|----------|----------------|

FIRST ORDER OF BUSINESS

Call to Order

Mr. Hayes called the meeting to order and conducted roll call, confirming a quorum for the meeting.

SECOND ORDER OF BUSINESS

Audience Comments

None.

THIRD ORDER OF BUSINESS

Consideration of Audit Committee Recommendation

Mr. Lynn Hayes stated that the Audit Committee recommended Berger, Toombs, Elam, Gaines & Frank to complete the financial audits for Fiscal Years 2022-2026.

On a Motion by Mr. May, seconded by Ms. Nesheiwat, with all in favor, the Board awarded Berger, Toombs, Elam, Gaines & Frank the contract to complete the district's financial audits for Fiscal Years 2022-2026, for the Verandahs Community Development District.

FOURTH ORDER OF BUSINESS

Consideration of Board Member Resignation

Mr. Hayes presented the resignation letter from Allen Adams and asked the Board for a motion to accept Mr. Adams resignation letter.

On a Motion by Mr. May, seconded by Ms. Nesheiwat, with all in favor, the Board of Supervisors accepted Mr. Allen's letter of resignation, for the Verandahs Community Development District.

FIFTH ORDER OF BUSINESS

Discussion of Cleaning and Restocking Services Agreement

The Board discussed the Cleaning and Restocking Agreement and would like to revise the contract to once a week. The Board requested Mr. Hayes obtain a quote from the cleaning company vendor for revised services.

SIXTH ORDER OF BUSINESS

Discussion of Contract for Professional Amenity Services Agreement

The Board reviewed the Contract for Professional Amenity Services Agreement and did not wish to make any contract revisions.

SEVENTH ORDER OF BUSINESS

Consideration of Yellowstone Landscape Quotes

On a Motion by Mr. May, seconded by Ms. Mayle, with all in favor, the Board of Supervisors approved the Yellowstone quote # 187795 at a cost of \$231 to install sod at the entrance

by the light pole center island, for the Verandahs Community Development District.

On a Motion by Mr. May, seconded by Mr. Haupt, with all in favor, the Board of Supervisors approved the Yellowstone quote #196702 at a cost of \$2,600 to cut back the wax myrtles by 30% around pump stations and haul off debris, for the Verandahs Community Development District.

On a Motion by Mr. May, seconded by Mr. Haupt, with all in favor, the Board of Supervisors approved the Yellowstone quote #189328 at a cost of \$514.28 to install blue daze in the front island before the main gate, for the Verandahs Community Development District.

The Board tabled the Yellowstone Quote #19767 for sod work to replace the bed size on the right and left side of the pool area until July. The Board also tabled/declined the Yellowstone Quote #197163 to replenish the playground mulch at the two playgrounds. Yellowstone Landscape will complete the clean up at the metered ends at the Playground Area and remove debris from the inlets located adjacent to the playground. They will also remove debris from the inlet adjacent to the pool without removing the rocks at the Playground inlet one.

EIGHTH ORDER OF BUSINESS

Consideration of High Trim Quote

Mr. McNichols spoke with the Board about this quote and had discussion with an arborist and tree vendor about the quote. The Board tabled the High Trim quote 2852 for community interior tree trimming and asked the Field Services Manager to obtain two more quotes to be presented at the May 2, 2022, meeting. The Board requested that the District Manager add \$16,800 to the Fiscal Year 2022/2023 Budget for the community tree trimming.

NINTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

No report.

B. District Engineer

No report.

C. Landscape & Irrigation

i. Field Inspection

Mr. Liggett presented the Field Inspection Report dated March 18, 2022.

ii. Yellowstone Report

Mr. Wegner provided responses to the Field Service Report.

iii. **High Trim Monthly Report**

Mr. McNichols presented his report.

D. Aquatics Report

Mr. Wilt presented the aquatics report.

E. Clubhouse Manager's Report

Mr. Elias presented the Clubhouse Manager's Report. The Board requested Mr. Elias obtain an extended fitness equipment warranty quote from Fit-Rev and provide it to the District Manager so he can include it in the Fiscal Year 2022/2023 Budget.

F. District Manager

Mr. Hayes presented his report to the Board and announced that the next regularly scheduled meeting would be held on May 3, 2022, at 6:30 p.m. at the Verandahs Amenity Center located at 12375 Chenwood Avenue, Hudson, Florida 34669. He informed the Board the general election qualifying period is at noon 6/13-6/17 to submit their paperwork to the Pasco County Supervisor of Elections Office. The next election (Seat 1-Tracy Mayle, Seat 4, and Stanley Haupt), These Board members terms expire November 8, 2022. He also reviewed the results of the 1st quarter ADA website compliance audit report and informed the Board that the website passed in all areas of the audit. Mr. Hayes will send the Board members a draft of the Fiscal Year 2022/2023 budget to review and asked for their feedback prior to the May 3, 2022 meeting. He will send the Townhomes HOA, Single Family Homes HOA, and Clubhouse Manager an email about the vacant seat on the Board after the resignation of Allen Adams to share with the community via an email blast and to see if anyone is interested in being considered for the vacant seat by the CDD Board to serve the remaining term for this vacant seat.

TENTH ORDER OF BUSINESS

Consideration of the Board of Supervisors Meeting Minutes held on March 1, 2022

Mr. Hayes presented the March 1, 2022, meeting minutes and asked if there were any amendments necessary. There were none.

On a Motion by Mr. May, seconded by Mr. Haupt, with all in favor, the Board of Supervisors approved the Minutes of the Board of Supervisors meeting held on March 1, 2022, as presented, for the Verandahs Community Development District.

ELEVENTH ORDER OF BUSINESS

**Consideration of Operations &
Maintenance Expenditures for
February 2022**

Mr. Hayes presented the February 2022 Operations & Maintenance Expenditures to the Board.

On a Motion by Mr. May, seconded by Mr. Haupt, with all in favor, the Board of Supervisors ratified the Operation & Maintenance Expenditures for February 2022 (\$39,223.86), for The Verandahs Community Development District.

TWELFTH ORDER OF BUSINESS

Audience Comments

None.

THIRTEENTH ORDER OF BUSINESS

Adjournment

Mr. Hayes stated that if there was no further business to come before the Board then a motion to adjourn would be in order.

On a Motion by Mr. Haupt, seconded by Ms. Mayle, with all in favor, the Board of Supervisors adjourned the meeting at 8:21 p.m., for The Verandahs Community Development District.

Secretary/Assistant Secretary

Chair / Vice Chair

Tab 19

The Verandahs Community Development District

District Office · Wesley Chapel, Florida · (813) 993-5571
Mailing Address – 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614
www.verandahscdd.org

Operations and Maintenance Expenditures March 2022 For Board Approval

Attached please find the check register listing the Operation and Maintenance expenditures paid from March 1, 2022 through March 31, 2022. This does not include expenditures previously approved by the Board.

The total items being presented: **\$51,119.32**

Approval of Expenditures:

_____ Chairperson

_____ Vice Chairperson

_____ Assistant Secretary

The Verandahs Community Development District

Paid Operation & Maintenance Expenditures

March 1, 2022 Through March 31, 2022

| <u>Vendor Name</u> | <u>Check Number</u> | <u>Invoice Number</u> | <u>Invoice Description</u> | <u>Invoice Amount</u> |
|--|---------------------|-----------------------------|---|-----------------------|
| Crestmark Vendor Finance | 20220330-1 | 98320 | Lease 193024-VF000 03/22 | \$ 323.75 |
| Danielle & Dylan Buono | 002650 | 021922-Buono | Refund Of Deposit Of Clubhouse Rental 02/22 | \$ 250.00 |
| Dewberry Engineers Inc. | 002651 | 2078366 | Engineering Services 01/22 | \$ 680.00 |
| Dewberry Engineers Inc. | 002651 | 2078367 | Engineering Services 01/22 | \$ 5,380.00 |
| Dewberry Engineers Inc. | 002671 | 2091645 | Engineering Services 02/22 | \$ 680.00 |
| Dewberry Engineers Inc. | 002671 | 2091646 | Engineering Services Public Facility Report 02/22 | \$ 557.20 |
| Digital South Communications, Inc. | 002656 | 593514530 | Monthly Phone Service 03/22 | \$ 42.27 |
| Disclosure Services, LLC | 002666 | 1 | Amortization Schedule Series 2016 11-1-21 Prepay \$20,000 | \$ 100.00 |
| Frontier Communications of Florida | 002662 | 727-856-7773-073119-5 03/22 | Clubhouse Internet & TV 03/22 | \$ 319.20 |
| High Trim, LLC | 002673 | 3941 | Tree Maintenance 02/22 | \$ 2,200.00 |
| High Trim, LLC | 002673 | 3945 | Tree Removal in Front of Clubhouse 03/22 | \$ 850.00 |
| High Trim, LLC | 002673 | 3977 | Balance on Conservation Cut Back 03/22 | \$ 6,900.00 |
| Pasco County Utilities Services Branch | 002663 | 16287888 | 12375 Chenwood Avenue 02/22 | \$ 75.34 |

The Verandahs Community Development District

Paid Operation & Maintenance Expenditures

March 1, 2022 Through March 31, 2022

| <u>Vendor Name</u> | <u>Check Number</u> | <u>Invoice Number</u> | <u>Invoice Description</u> | <u>Invoice Amount</u> |
|------------------------------|---------------------|-----------------------|--|-----------------------|
| Rizzetta & Company, Inc. | 002652 | INV0000066110 | Personnel Reimbursement 02/18/22 | \$ 661.85 |
| Rizzetta & Company, Inc. | 002652 | INV0000066298 | District Management Fees 03/22 | \$ 4,420.33 |
| Rizzetta & Company, Inc. | 002664 | INV0000066424 | General Management & Oversight Personnel 03/04/22 | \$ 1,674.97 |
| Rizzetta & Company, Inc. | 002667 | INV0000066478 | Out of Pocket Expenses 02/22 | \$ 117.85 |
| Rizzetta & Company, Inc. | 002674 | INV0000066748 | Personnel Reimbursement 03/18/22 | \$ 2,174.47 |
| Sarah Nesheiwat | 002660 | SN030122 | Board of Supervisors Meeting 03/01/22 | \$ 200.00 |
| Solitude Lake Management LLC | 002668 | PI-A00770373 | Pond Maintenance 03/22 | \$ 1,250.00 |
| Stanley Haupt | 002657 | SH030122 | Board of Supervisors Meeting 03/01/22 | \$ 200.00 |
| Staples | 002653 | 3490649732 | Office Supplies 10/21 | \$ 50.40 |
| Staples | 002653 | 3497078798 | Office Supplies 01/22 | \$ 77.98 |
| Staples | 002653 | 3497078799 | Office Supplies 01/22 | \$ 38.49 |
| Straley Robin Vericker | 002665 | 21153 | Legal Services 02/22 | \$ 2,793.00 |
| Straley Robin Vericker | 002675 | 21290 | Legal Services 03/22 | \$ 1,074.00 |

The Verandahs Community Development District

Paid Operation & Maintenance Expenditures

March 1, 2022 Through March 31, 2022

| <u>Vendor Name</u> | <u>Check Number</u> | <u>Invoice Number</u> | <u>Invoice Description</u> | <u>Invoice Amount</u> |
|--|---------------------|-----------------------|---------------------------------------|----------------------------|
| Suncoast Sparkling Cleaning Service Inc | 002661 | 299 | Clubhouse Cleaning 02/22 | \$ 575.00 |
| Thomas M May | 002658 | TM-030122 | Board of Supervisors Meeting 03/01/22 | \$ 200.00 |
| Times Publishing Company | 002654 | 0000210459 02/16/22 | Acct# 45385 Legal Advertising 02/22 | \$ 138.40 |
| Tracy E. Mayle | 002659 | TM030122 | Board of Supervisors Meeting 03/01/22 | \$ 200.00 |
| Verandahs CDD | CD031 | CD031 | Debit Card Replenishment | \$ 197.19 |
| Verandahs CDD | CD032 | CD032 | Debit Card Replenishment | \$ 287.90 |
| Withlacoochee River Electric Cooperative, Inc. | 002655 | 10365384 02/22 | Summary Billing 02/22 | \$ 3,785.70 |
| Withlacoochee River Electric Cooperative, Inc. | 002676 | 10365384 03/22 | Summary Billing 03/22 | \$ 3,836.45 |
| Yellowstone Landscape | 002669 | TM 332639 | Monthly Landscape Maintenance 03/22 | <u>\$ 8,807.58</u> |
| Report Total | | | | <u>\$ 51,119.32</u> |